

# **MINUTES**

## **EMARCD**

**Thursday, October 8, 2015 4:00 PM**

Truax Building

41923 Second Street, Ste. 401

Temecula, Ca 92590

Call to Order-4:00 pm, meeting recorded by Rose Corona

Flag Salute

Roll Call:

Directors: Rose Corona, Danny Martin, Dave Kuhlman, Carol Lee Brady, Vicki Long

Associate Directors: Rick Neugebauer, Dave McEroy, Randy Feeney-All present

Counsel: Melissa Cushman-Riverside County Counsel-Present; County Counsel-Greg Priamos-Absent

Bob Hewitt-Absent

Public: Eric Anderson from Valley Soil

Introduction of Guests: Hugh Wood -SAWA

**MOTION TO APPROVE AGENDA-** Motion made by President Martin to approve agenda.  
Director Corona seconds the motion. Motion passed – 5-0

### **GUEST SPEAKER-MR HUGH WOOD OF THE SANTA ANA WATERSHED ASSOCIATION**

Mr. Wood thanked the group for the opportunity to present information on SAWA and their relationships with the area and the RCD's. There are just 5 members of SAWA-Esinore-Murrieta-Anza RCD, Inland Empire RCD, Orange County Water District, Riverside Corona RCD and San Jacinto RCD,

Mr. Wood outlined the area covers by all RCD's. He outlined areas in which SAWA is doing mitigation work that started back in the mid 90's eradicating invasive plant species throughout the Santa Ana River system. They originally started at Prado Dam but decided it best to start at the headwaters and move south removing invasive plant species. They continue to this day.

They have large projects where the 210 Freeway, the 10 Freeway and the 215 Freeway meet. They have large projects all over and included projects that they are presently working on. Following is the transcript and overview from this point in the meeting.

"Prop 50: back in about 2008 we received a grant from the Department of Water Resources, funded through Prop 50, a \$3 million grant to remove arundo that was in the area of the Hidden Valley Park area, just north of Corona and Norco. And that's a pretty large project. It's almost 1,000 acres was infested with arundo. Originally, we had a 730 acre site and after planning and figuring out how we could do it more cost effectively, we were able to expand it to almost 1,000 acres.

Additionally in this project, what was interesting was we went into a very large scale—almost a 70 acre site—where we were doing active restoration of native plants in that area. So that was a rather large planting that we took. You can see here—that's the boundaries of the project. And that, there is the area where we're doing the restoration. It's a pretty large area and we're still working in it.

To try to keep our costs down on some of these projects, we bring in volunteers. That's something you as a district ought to consider doing. It's a really great opportunity to work with various volunteer groups, schools, that sort of thing. They'll come in and they'll do work on your site whether it's cleaning up conservation easement or something of that nature. In this case, we had them planting native trees. The holes were already dug and that sort of things so they were just planting the plants. It also gives them the chance—we teach them about habitat and doing the work.

We do irrigation systems. There's just a couple of water tanks we have there at Carr. And that's some of the natural vegetation coming back on that site. It's such a large site; we have to use one of our helicopters to get around. We don't really have any helicopters. Rick will be asking did it help; use it to get to the Board Meeting.

One of the other things we do that's kind of interesting in the Carbon Canyon area, after the large wildlife fire that they had in 2007, we partnered with Chino Hills, Carbon Canyon Fire Safe Council, state parks and Hills [inaudible] a nonprofit group in that area. Because it burned a great deal of the invasive plants that were in that area, we wanted to see if we could kill them off and maintain the area so they wouldn't re-grow. Plus, we could use that as an opportunity to go through and help them clean out a lot of the dead vegetation, that sort of thing, in the area and other invasives that didn't burn.

So we reduced the fuel load for fire purposes. And we've been successful in the last few years of getting grants with the Fire Safe Council and the City of Chino Hills to continue that work. This is a map of Carbon Canyon, which runs from Chino Hills down into the City of Brea in Orange County.

And then in Orange County, one of the larger projects we have in there is in Santiago Canyon, Irvine Park and Irvine Lake; all through that area we've removed invasive plants and now we're doing pretty much maintenance. That project can ramp up—excuse me; not ramp, it's going to wrap in the next couple of years. So we're glad to see that one done.

Basically one of the things we do while we're doing the work and after we finish, is we do a lot of bio assessment of what impact is this having. Return of native plants to these areas that had been infested with invasive species; are we seeing a return of other wildlife that live in that area? One of those is the least belderrandia, and it has come back in rather large numbers. So we see some improvements after some of that work.

Future, continue to improve the habitat and hydrological resources. For every acre of Arundo, I think there's like 12,000 acre feet of water that is saved. So kind of gives you some idea. It's a real benefit to our water resources by getting rid of the plants that do consume water far in excess of what our native vegetation does.

A little bit of history of SAWA. It was formed in '96 and was unincorporated at the beginning, but incorporated in 2003. Received their 501(c)(3) exemption at that time. They were initially funded by Orange County Water District at the Corps of Engineers to the tune of \$2.6 million. In 2003 we also received an MOU with the Corps for a in lieu fee program which helped supplement a lot of the grant monies we received; Prop 13 grant money, Prop 50 and Prop 84 funded, and a number of other sources during that time. So to have the litigation money also to supplement those sources was really beneficial to us.

Prior to 2006, Orange County Water District acted as our treasurer and accountant and took care of all the funds. In 2006, the decision on the part of the board to expand the resource base of SAWA by including staffing. Up to that time, most of the work was performed by the RCDs themselves in their district, and there was very little staff with SAWA. Following 2006, they transferred the treasury so they got their administration. They added more biologists and they added a crew to do their project management.

To give you some idea of our finances currently, in 2015 our expenses were budgeted at \$3.2 million, our revenue is almost \$3.3 million. Our investment pool and cash balances as of the end of July was \$7.4. We currently have 34 employees and propose to add five in the 2016 budget.


Here are some of the services we provide. I handed out some brochures to give you some additional information. If you want more brochures, I will get them to you; I have some additional here. But basically Habitat Wildlife Management Services, that's more the biological side where you monitor and survey, biological assessment reporting and studies, predator trapping, species restoration. We have a staff of 13 biologists and assistants. Six of them are seasonal; we bring them in in the summer. We bring in college biology students who come and



work with our biologists so that helps reduce our costs. We also provide RCA, the original conservation authority with biologists for their MSHCP program.

Habitat restoration work, invasive plant removal and maintenance, habitat restoration, wildlife creation, vegetation management, wildfire – it should be wild land fire interface vegetation modification; basically fire protection work. And currently, these services are provided by four staff members. This is the area where we're going to grow the most and we're going to add four – we're proposing to add four new additional staff members to that group.

Some of our customers, who do we serve? U.S. Fish and Wildlife Service; this year we have a \$300,000 contract to do wildlife monitoring for them and trapping. U.S. Army Corps of Engineers, U.S. Natural Resources Conservation Services; they have projects in the foothills associated with healthy forests. We do the biological monitoring for them on that project. Riverside County Parks and Open Space District, Riverside Land Conservancy; people like yourselves who have conservation easements. We do a lot of the maintenance work on their sites.




Regional Conservation Authority, Carbon Canyon Fire Safe Council, Orange County Flood; people that need that kind of vegetation management in their areas. Santa Ana Watershed Project Authority, Inland Empire Utilities Agency, City of Chino Hills, Corona, Aspen, even private companies like Aspen Environmental; they did have people on staff to do bat survey and we went up and did their bat survey for them. That was one of the requirements for Caltrans because the bats live under the bridges and they were going to do work at the bridges and so we did a bat survey as part of your permit.

Orange County Water District, and then our members. Orange County Water District, Inland Empire, San Jacinta Basin, plus we have 13 mitigation sites – projects, I should say, sites that were very active. This kind of sums it up. We have an investment account, like I said before, of about \$7.4 million. And there are some restricted accounts, and then we have a discretionary funds balance of about \$1 million. And that sums it up. Any questions?"

END TRANSCRIPT AT THIS POINT IN MEETING.

Director Corona asked since SAWA had the staff and the various support systems in place, that it was possible to partner with SAWA to do much of the mitigation that EMARCD may be desiring to do. Mr. Wood concurred pointing out the types of services from biological assessments to monitoring or whatever the District may need.



Director McElroy asked if the Santa Ana Watershed Project authority was affiliated with SAWA. Mr. Wood said that they were one of SAWA's customers. They basically are the money handlers down in the watershed that receive the money from the various state agencies and then dole it out to the various entities that do the work in the area. They don't own a lot of



facilities but their members do so their membership consists of Municipalities, water districts, etc.


Director Long asked to speak about the Tamarisk at Vail Lake however Director Martin noted that the Tamarisk issue was put on a future agenda and not on this meeting's agenda.

**ITEM 1-CONSIDER APPROVAL OF MINUTES OF THE BOARD OF DIRECTORS REGULAR MEETING ON SEPTEMBER 10, 2015.**

Director Corona made a motion to accept the minutes of Sept 10, 2015. Seconded by Dave Kuhlman. Call for vote. Motion passed unanimously 5-0.

**ITEM 2 –CONSIDER APPROVAL OF CURRENT BILLS, REIMBURSEMENTS AND JULY 2015 FINANCIALS.**

Current bills included approval of web server bills for ISC International and reimbursements for past expenses incurred for transcription and small office expenses, billed to EMARCD and paid for by Director Corona. Also the bills for the accountant Van Lant and Fankhanel at \$500.00 for the quarter was due.



In addition, the audio tapes Director Long were provided to her and she paid cash for them because understandably she does not want to have to write a check for small amounts if not necessary. Director Corona offered that if Director Long could bring her original thumb drive in after transferring information to her computer that she would be glad to swap the thumb drive each time so Director Long will not have to continually buy thumb drives for audio tapes.


Financials were also provided to the board as an update from July. Director Corona noted that there wasn't much action on any of the accounts so the information was fairly static and it was reflected in the overview which indicated "No activity". Director Corona said that if anyone would like more information, she would be more than happy to go over any of the information that had been put together in regards to the financials.

Director Martin made a motion to approve the financials, the reimbursements and to pay the bills. Director Corona seconded the motion. Call to vote. **Motion passed unanimously 5-0.**

**ITEM 3-CONSENT CALENDAR**

No items for Consent Calendar

**ITEM 4-CORRESPONDENCE**



Director Martin indicated that the Board received correspondence from the California State Controller for financial transactions and recording. This was regarding the Annual State report. Director Long asked if it had been taken care of and Director Corona responded by letting the Board know that the Accountants Van Lant and Fankhanel completed the report and sent it to

the state electronically and Director Corona signed on behalf of the board (Copy of State Report was submitted in the meeting packet) on the request of the accountant and sent it into the state.

Director Martin indicated that there was another letter from Katharine Smith the former landlord and an accounting of the charges for finishing off the lease with Falcon Properties along with the security deposit check for the remainder that was due to the District. Katherine Smith is the agent for Falcon Properties. There was also a final Edison bill that had been paid closing the account.

## **ITEM 5 ACTION ITEMS**

### **ITEM A-DISCUSSION OF NEW DIRECTOR**

Director Martin introduced Carol Lee Brady the new appointment to the board to replace Pam Nelson. He indicated that she is a wine country resident and a grower.

### **ITEM B-DISCUSSION OF AUDIT AND POSSIBLE ACTION**

Director Corona recused herself from the discussion and left the room. Following is the transcript from this point in the meeting:

Transcript begins:

Danny: Okay. On July 7th we had a proposal from Nigro & Nigro to perform an audit for us. And it was significantly lower cost than another one that we did get, and another firm decided not to do it. And then one of the firms decided after the fact they didn't want to do it. So we've had this on the table for two or three meetings, now. And I would like to get the audit done. I think it's very important that we get this done. This firm has done our audit; I think it was 2010, '11 and '12, in those years. At one time, they were the accountant, back in 2008 or 2009, for the EMA.

And we have not had the votes to get this passed because Rose recused herself because this is her business's personal CPA firm. So she thought it best that she would not be in on the discussions or the vote. I would like to make a motion to pass this and contract with Nigro & Nigro because we're late. Technically, this is due in two weeks. And so we're going to have to notify the State, and the County, of course, that we're late and I think it's in the best interest of the association that if we have this in progress, then at least we have an excuse, for what it's worth. So I'm making the motion that we accept the Nigro & Nigro contract.

Dave K: I'll second the motion.

Danny: Any further discussion? Call for a vote. All in favor?

Group: Aye.

Vicki: And I'm gonna be a no for my past reasons.

Danny: Okay.

Dave K: Did the motion pass, then?

Danny: Yes. Three and one. "

END OF TRANSCRIPT AT THIS POINT IN THE MEETING.

Call for vote:

**Motion passed 3-1 –Martin, Kuhlman, Brady –Aye Long- No Corona –Recused**

**ITEM C-DISCUSSION OF UPCOMING RESIGNATION OF THE CURRENT PRESIDENT**

Director Martin who will be taking his seat on the Rancho Water District indicated that he would still be on the board at least through the November 12, 2015 meeting. Basically no change as of this meeting.

**ITEM D-DISCUSSION, VOTE AND ADOPTION OF RESOLUTION TO REQUEST THAT THE RIVERSIDE COUNTY BOARD OF SUPERVISORS CHANGE THE DISTRICT NAME FROM ELISINORE-MURRIETA-ANZA RESOURCE CONSERVATION DISTRICT (EMARCD) TO THE TEMECULA-ELSINORE-ANZA MURRIETA RESOURCE CONSERVATION DISTRICT (TEAM RCD)**

Director Martin led the discussion by indicating that the proposed resolution was to change the name in order to give a larger geographic presence to the organization. Looking at the region, Temecula is probably the dominant city in the District but has been left out of the name. He indicated he felt the new name TEAM RCD, incorporating the T for Temecula would give the district a new spirit. Director Corona spoke with the banks and there doesn't seem to be an issue with changing the name although the officers may need to go in and sign new signature cards although the accounts won't change.

Director Long asked if it would affect the Federal ID and Director Corona said that she could check. Long indicated she didn't have a problem with changing the name just all the stuff that has to change with it. Group discussed whether changing the name would affect the Federal ID number and it was agreed that someone would look into it.

Director Martin made a motion to have District Counsel draw up a resolution and propose to pass the change of name and submit it to the Board of Supervisors. Director Corona seconded. Director Martin asked for further discussion. Director Brady commented that with the new website it might just be the place to start fresh with everything.. Director Martin called for vote. **Motion passed unanimously 5-0**

**ITEM E-DISCUSSION OF BANK ACCOUNTS/CDS AND POSSIBLE ACTION TO REVIEW. RATE INFORMATION WILL BE UPDATED WITH KRISTEN ROYBAL OF UNION BANK.**

Director Martin had contacted Kristen Roybal at Union Bank who handles the Districts Brokerage accounts. He indicated that the current rates for CD were as follows:

Two Year CD-1.15%

Three Year CD-1.6%

Five Year CD-2.2%

The two accounts in question are Benton Channel otherwise known as Adeline Farms and the other is for Greer Ranch. Associate Director Neugebauer inquired if there was a possibility of putting the monies into something of a higher return that was just as secure as the bank. Director Martin and Long indicated that as a District we are limited to bank accounts and/or government securities and to things that are FDIC insured. They also cannot go over 5 years.

Director Kuhlman indicated that the interest rates could change substantially in the mid term however the board after much discussion decided that it was imperative to get the monies that had gone out of the brokerage account into the checking account in July because the term was up and needed to get back into the brokerage account so it could earn some kind of interest in order to fund mitigation projects. Long term the endowment fund and rates are generally low everywhere so it would be best to take the rate from Union Bank and get the monies back into the brokerage account to start earning interest.

Director Martin made a motion to put the monies into Brokerage for 5 years at the 2.2% rate. Director Long seconded the motion. Director Kuhlman asked if the Board wished to cancel the CD what the fee was to do so and basically if the District could get out of it. Director Long indicated that we would lose what we would have gained because there would be a penalty for cancelling early.

Call for vote. **Motion passed unanimously 5-0.**

**ITEM F-DISCUSSION AND UPDATE OF MOU WITH THE CITY OF MURRIETA MITIGATION**

Director Corona indicated that she had spoken to Roger Owen at the City of Murrieta and that he had indicated that he needed to go down to meet with the San Diego Water Quality Board with AD Neugebauer to see if there is any leeway in what the Water Quality board is now requiring for their mitigation needs. Owen says that so much time has passed that he is not sure whether they will change the requirements. Mr. Owen says that he is hoping that the WQB will be asking for mitigation land that Murrieta already has or that lands that we own that we can help them with. Director Long asked if Murrieta wanted to continue the MOU and District Counsel Cushman indicated that unless both parties put something in writing one month before wanting to cancel the MOU, then it automatically renews.



**ITEM G-DISCUSSION, CONSIDERATION, AND POSSIBLE APPROVAL OF PENDING CONTRACTS WITH HOA'S FOR FUEL MAINTENANCE WORK ON THE BEAR CREEK, FAIRWAY ESTATES AND COUNTRY CLUB VILLAS PROJECTS UNDER THE DIRECTION OF THE EMARCD.**

Following is the discussion from the transcript at this part of the meeting:

Danny: Onward. The next item is 5G, it's the discussion and consideration of possible approval of pending contracts with homeowners' associations for fuel maintenance work on the Bear Creek Fairway Estates and Country Club Villas projects, under the direction of the EMARCD. And I believe that you all have, hopefully somewhere in here—

Rose: Starts with SAWA's....

Danny: Projects.

Rose: And then maintenance services so it's the last three stapled things.

Rick:: Third from the back.

Vicki: The Helix fund doesn't go with that, though.

Rose: Oh, it doesn't?

Vicki: No. That one's separate.

Danny: So what we have here, we have three contracts—proposed contracts—that basically we became aware of in the last, oh, 45 days. And maybe Vicki, you can give us a little more information on these.

Vicki: Okay. The way this started was last year, in 2014, California Fish & Wildlife—Department of California Fish & Wildlife called and said they had an issue with fuel removal and fuel modification in conserved lands and sensitive habitat. So they wanted to know if our district would be able to help do the removal in such a way that we were not destroying all of the value of the habitat. So I said we'd be interested. So we had meetings with the homeowner's association board president on one of them, and then the association's managers. And they were wanting to use our 1600 permit because they tried to get their own 1600 permit last year, in 2014. And it's a very arduous process.

Rose: So homeowners.

Vicki: The homeowners' associations. So they decided that they would try to go with us at the introduction of Cal Fish & Wildlife. So we've been working on that since then, just going out, meeting with them and then Kerwin Russell of Riverside Corona went out to do bird monitoring

to make sure we didn't have nesting birds, or we would have done this sooner. But we did indeed have nesting birds in the areas so we had to wait until that was done. So we've been working with the Department of Fish & Wildlife on these contracts. And so now that we're out of bird season, we could now push these forward and bring them to the board.

So these contracts were brought to the board last month, last meeting, and Melissa has worked very hard with the HOA managers and their attorneys to make sure the contracts are good and right. And Kerwin Russell came out to do the bids initially for these areas, for the monitoring for the removal. And so we're ready to go, if the board's ready to go.

Carol: One of the contracts still has blanks in it. The one with –

Vicki: The Villa?

Carol: The Country Club Villas. So they can be approved and someone given authorization to sign as soon as they're complete, rather than signing them – well, one of them is ready to sign today.

Vicki: And then in conjunction with that, Fairway Estates needs a W-9 signed. I can no longer do that; I'm not office manager. So I sent over what we used to use to Melissa today. So somebody will have to sign that so that they can issue a check and get the ball rolling. But I think we're ready to go to do the work.

Danny: I'm just wondering –

Vicki: On the contract side.

Danny: – having been on the board just since February, why wasn't this ever on the agenda?

Vicki: I have talked about it. It's the fuel modification that – if you go back and read the minutes, it's about the fuel modification that we've been working on.

Danny: You know what month that would have been?

Vicki: I have no idea. But every time I would go out and meet with somebody, I would come back and tell you guys that I was doing that. We haven't moved it to the contract stage until I brought it last month. They were ready to go. Because we had to wait for the birds. We had to wait.

Rose: She brought it to the board last month but I remember you handing it to Melissa, so we didn't really get a chance to see. There was Bear Creek but we never saw the meeting –

Vicki: If you look in your – you know those big books I gave you guys in the very beginning? That's in there, the Bear Creek fuel modification. And I gave you those, I think, March or April.

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Vicki: If you look in your – you know those big books I gave you guys in the very beginning? That's in there, the Bear Creek fuel modification. And I gave you those, I think, March or April.



Anyway, it's been an ongoing thing. Melissa has to work on it to be able to get the kinks worked out of it before you guys to really—to really review that.

Danny: Let me ask this: do we have any—from Riverside Corona, do we have any type of proposed cost bids?

Vicki: It's just the bids that we put in the—we do.

Danny: Let the board—you know.

Rick: Do we have the hours? Do we have what the scope of work is; anything like that?

Vicki: Well, they did things a little bit different. They have a pictorial scope of work.

Rick: Can you forward emails?

Vicki: I don't think you guys have it. I sent it along with contracts.

Rick: We haven't seen them.



Rose: We haven't seen them.

Melissa: Is that just for Bear Creek?

Vicki: No. But it was a pictorial. And I have since—we had this on the agenda for SAWA to do the work. I've since then talked to Riverside Corona and they're fine; they don't care if they do the work or not. They were just helping us out.

Danny: I just want to know what the cost is to do it; that's the most advantageous to the—

Vicki: Different—yes.

Melissa: Yeah. That's just for Bear Creek, though, right?

Vicki: No, I think I sent one for Fairway and then one for—

Rose: I got the written part for Fairway that you sent but I didn't get—

Vicki: They're like two or three pages long.

Melissa: One picture for Fairway.



Vicki: Yeah, and then I sent other stuff, too.



**Melissa:** I did not get one for —

**Vicki:** Or I thought I sent it. You know, you guys, I have issues with my emails.

**Melissa:** Okay, I'm sorry. I did get one for Country Club Villas but the — I guess it's Fairway, all I got was this one picture with no explanation.

**Rick:** So on Country Club Villas, Hugh, since you're here, I'll forward an additional site review to James so that he'll — there will be a third piece of this.


**Hugh:** Do they want it done at the same time, do you know?

**Vicki:** Yeah, they want it —

**Rick:** Potentially, yes. We haven't looked at it yet, or we don't know what's there. So let's look at it first.

**Rose:** If I may —

**Vicki:** Let me show you the pictures that Kerwin — I can send —



**Rick:** But it's going to be totally different today. We've had a year go by since those pictures were taken.

**Vicki:** No, we just took them last month.

**Rose:** If I may interrupt, I know that Hugh also — SAWA did put in a bid and maybe you can tell us what you saw — you sent to somebody there? Maybe you could tell us about your proposal?

**Hugh:** When we met with the management there from the HOAs and we walked the site, they were showing us the price that you had in the contract. We looked at the price and we looked at the work and we said you can't do all — we felt we couldn't do all of this, to what they were talking about having — the state they want it in for that price. I said this is probably a multi — if that's what you're talking about is a price, I said this would be a multi year where you go through and —

[Crosstalk]

**Rick:** It had been let go for a long time.

**Vicki:** It was Washburne that bid it.



**Rick:** Was it?

**Vicki:** Yeah, it was Washburne.

Hugh: We could not clear everything for the price that they had. What we did was we said: look, we can go through there, trim all the dead stuff, do some of the invasives and that. But in some of the areas, it's so choked with invasives, the amount—you have palm trees growing up there. They're expensive to remove. You have a number of other trees. You have Tamarisk growing up on one hillside. There's —

Rick: It's a lot of work.

Hugh: And what I mentioned to them at the time, I said from my perspective, if you're trying to keep the costs down—because they said they have budgetary concerns—I said you would want to do this in stages and maybe multiple years, doing so much a year so that you eventually would reach the goal where you wanted it.

Rick: Right, and hit the high impact invasives first; the palms, the Tamarisk and get that stuff handled first in the mess.

Vicki: And the most important part is Fish & Game went out to look at this, and Fish & Game—California Fish & Wildlife is very concerned. And that's where you guys get the bids to—along with Washburne and Kerwin, they're very concerned about value. You can't just go in there and clear cut stuff.

Hugh: Right.

Rick: Everybody understood that.


Vicki: That's where we have to have people who understand how to do this work. But Washburne was the one that made the bids on the contract so he was going to do the work. But since I've talked to Shelly about what was on the agenda with SAWA, she doesn't want to compete with SAWA and she said just let them know that we're going to back out of it. So you don't have to worry about competing bids or anything.

Rick: I think in the future, we'd like to get more than one proposal.

Danny: Absolutely.

Rick: I would still like to see her proposal. Let's see what it is, what the scope is.

Vicki: Yeah. Well, maybe next time, if we get more lead time. I think right now, the most important thing is these people have had to wait for bird season. They've had the fire department out there with the meetings that we've had with Cal Fish & Wildlife. And they want to get the work done.



Rick: The fire hazards are minimal. I'm very conscious of the fire—there's very little fire hazard.

Vicki: I don't know if you want to go on record saying that, but—

Rick: I will go on the record saying that. I've walked the site.

Vicki: Well, I have, too. But since we're not fire department people here at EMA, we let the other people make those decisions. So they would love to have this done as fast as they can; like they would have loved to have it done in June but the birds were nesting so they couldn't do it. So I would like to move it forward, if we can. And Melissa, if she can keep working on the contract with the Villas, they're worried about flooding.

Rose: So where would we be if we— with some of this—

Rick: I have a date of when they can do the work. I was going to do it in my report, but since we're talking about it now, I'll put it out there.

Danny: Rick, let me interrupt and ask something. Melissa, how long is it going to get the contract back from the third entity?



Vicki: The Villas.

Melissa: I don't know. I've contacted them. I've followed up three times whether they were going to get back to me, and I haven't received anything. I've received no response at all. So I—

Rose: So is it possible to do two, or no?

Melissa: Yes. They can be done piecemeal. The one thing that is missing is the EMARCD activate spreadsheet where it details exactly what will be done. This is missing on all of them.

Vicki: That's what we're going to do with this.

Melissa: Okay. So once that's included, I presume that goes toward the amount. There is an amount in here, and if this amount is incorrect, then that needs to be changed. One of them, the Fairway Estates, has already signed. We can, of course, make a change and ask them to sign again.

Vicki: Here's the issue, though. On these—this is just for SAWA doing the work. This is not our admin that we add to it, and cost for a permit, and our insurance.



[Crosstalk]

Melissa: I have no objection except there it says see attached and there's nothing attached so my advice is don't have it signed until something is either attached or that's crossed out.

Vicki: Okay.

[Crosstalk]

Carol: There are milestones and deliverables that are clearly identified, right? Because there need to be deliverables and milestones to hit timelines. I mean if time is indeed of the essence, then we need to somehow call that out. But the other thing that I was noticing is when there's a fixed cost type of a contract, typically—just to make myself comfortable with it, I like to see something to the effect of no changes—if there's a change order, it needs to be approved and signed by the appropriate people before commencement of the work.

Melissa: The one thing this does have is it says if the actual costs exceed the anticipated costs, EMARCD can just bill the different to the HOA. So that helps cover both SAWA or whoever's doing the work, and EMARCD that if what's actually done is actually more than this amount, it would be very good to give them notice beforehand, absolutely before any additional work gets done. But that kind of solves the cost of—this is a set amount. EMARCD isn't quite bound to that.

[Crosstalk]

Carol: My concern is if we do end up, in the future, having two bidders or three bidders, if someone comes in and low balls it, knowing that they're going to change order it to death and end up higher than the low bidder—the second bidder.

Melissa: Right now, we don't even have set forth exactly what's going to be done. That's what's missing.

Rick:: And that's the scope that's in this proposal from SAWA.

Melissa: Which if we append the contract, then two of them will be complete and either can be signed, or—again—the amounts can be changed, an addition can be made—

Vicki: I would suggest that we put contingency with that for EMA. That's what we're gonna pay SAWA, but then we also have a contingency plan that we need to put in for us, just to cover us and so we don't have to re-bill them for something. And then insurance costs that we might incur.

Melissa: And those amounts are different than the ones in—

[Crosstalk]



Vicki: That's for your contractor. That's the bid from your contractor. We need admin things for EMA.

Melissa: So these amounts are incorrect. Is that correct?

[Crosstalk]

Vicki: No, those amounts are correct for what I submitted for....

Rick: So when we put the scope in, we need to redact the amounts. Or if you could send us one that we could use as a scope—

Melissa: That would be better."

**End of transcript at this point in the meeting.**

The board continued to discuss the matter as to what costs were already submitted in the contracts that the Bear Creek HOA's had originally agreed to and the fact that the administrative fees needed to be covered. Hugh Wood from SAWA was asked to outline the services SAWA would be providing for the amount submitted to the HOA's to include the administrative fees.

At this time there were two contracts, Bear Creek and Fairway Estates however the Board was still waiting for Country Club Villas. District Counsel had tried several times to contact them however has had no response to date. The board did have two contracts which could be signed and the motion to approve would include the vote to authorize a signature within a certain monetary range and be forwarded to an officer to sign when the Country Club Villas contract arrived to District Counsel and was processed.

Director Martin made a motion to have District Counsel complete the last contract for Country Club Villas and when the contracts are completed, and they come back and it's in the range, after SAWA and Rick have looked at this, that you authorize me or a board member to execute these contracts so we can move this along.

Director Long asked that the board make sure the W-9's were taken care of and Hugh Wood of SAWA asked if they would be working under the EMARCD's 1600 permit or SAWA's permit. Director Long responded that it would be under the EMA's 1600 permit. Mr. Wood asked that the board make sure there's nothing in the contract with the agreements that is prescriptive which tells the EMARCD exactly what they are to do with the mitigation. Director Long suggested that Mr. Wood and the Board contact Jeff Brandt with Fish and Game just to be sure.

Director Martin noted that he had a motion on the floor. Director Brady seconded. Call for vote.

**Motion passed unanimously 5-0**

**ITEM 5-H – DISCUSSION OF A PROPOSED BENTON CHANNEL AGREEMENT**

Director Martin opened discussion to discuss Benton Channel otherwise known as the Adeline property.

**The transcript is as follows from this point in the meeting:**

Danny: Okay, the next order of business is the discussion of this proposed Benton Channel agreement that we just received.

Rose: Because he likes [inaudible] [01:05:36].

Vicki: This is another one that we've had for last year.

Danny: Specifically, this is on the Adeline property. And specifically what are – I'm looking at this. This looks like it's a mitigation to –

Vicki: It's not our mitigation. What it is, is it's a developer is trying to develop a property to the northeast of the Benton Channel. And Benton Channel is our easement for Adeline Farms. So he has proposed to put in – and he started proposing this last year or the beginning of this year – to put extra water – pipe his water, his runoff, into the Benton Channel. And he's had to work with Army Corps and Flood Control and a lot of entities. So he's been working on that and he's bringing this proposal to the board to see if the board is interested in letting him do this. He's worked through Army Corps, Flood Control, all – he's almost ready to get his permits.

Rose: And this developer, is he with Environmental Planning?

Danny: No, that's their consultant. Let me ask. The property to the north of this, Vicki, what kind of – is it a housing project?

Vicki: Yes.

Danny: Do you know how many houses it is?

Vicki: You and I talked about this a long time ago.

Danny: But I don't recall.

Vicki: And I have not asked them how many houses because frankly, Flood Control has worked that all out.

Danny: Okay, and let me ask you this. So our conservation easement, what's the scope of our conservation?

Rick: How big is it?

Danny: It's about four acres, isn't it?

Vicki: Yeah, it's 4.5, I think?

Danny: Yeah, somewhere in there.

Vicki: But it's a long, skinny and we have the bottom of the channel, is basically what we have.

Danny: And so what the developer is doing to accommodate his real estate development, he's proposing to dump water on our easement, on our conservation easement.

Vicki: Which, in a lot of ways, is beneficial because it keeps the plants going.

Danny: I'm just wondering if he needs that easement, how come he hasn't tendered an offer to our district to compensate us for—

Vicki: This is it.

Danny: I see that. That's \$17,000, but how many houses is that?

Rick: Good question. I would like to see—get a copy of the hydrology report, see the civils, see their WQMP and then let's look and see what the runoff is before we just say yes to this.

Carol: Especially with an El Niño looming.

Rick: Absolutely. I think it would be foolish just to approve this as it is because we haven't looked at—

Vicki: You don't have to do it today. I'm going to save you a lot of energy.

Rick: I'm not saying today. I think we need to get all the documents. Let's look at it.

Vicki: This is just a first blush for you guys to be looking at, what he's proposing. I'm just letting you know he's gone through all the regulatory agencies—

Danny: When you say he, who is he?

Vicki: The one I'm dealing with is from Helix and it's Carl Osmondson.

Danny: Who's their client? Is that Shea?

Vicki: It says right here it's FES Partners, LLC, on the cover page. So what I told him—he called again—I said now that you've worked out a lot of the kinks with the regulatory agencies, why do you write something up for me and I can send it to the board for the board to review? So that's what you're doing today; you're looking at it. He would not mind coming and speaking with you, or any other information that you want. This is just something for you to start looking at, familiarize yourselves with it.

Danny: I would like—this is from Helix. That's Carl, correct?

Vicki: It's Carl.

Danny: I'll give Carl a call and invite him out to a future meeting, whether I'm here or not. Because I think that's really important. Because there's something in this deal—and this is a deal, okay? There's value, tremendous value.

Rick: And long term.

Danny: And long term. And I'm talking about this is the trigger that he can shoot to build his development. There's compensation, okay?

Vicki: Okay. I'm just letting you know, this is what they've come up with for right now.

Danny: I'm going to make a motion to table this until next month.

Vicki: I'll second it.

Danny: Okay. All in favor?

Group: Aye."


**End of transcript at this point in the meeting.**

Motion made to table the issue until next month. Seconded by Vicki Long. Call for vote.  
**Motion passed to table unanimously 5-0**

#### **ITEM 5-I-DISCUSSION OF WEBSITE STATUS-RANDY FEENEY TO PRESENT**

Associate Director Feeney had technical difficulties and so the Board decided to move on to next item until technical difficulties resolved.

#### **ITEM 5-J-DISCUSSION OF CLOUD ACCOUNTING USING QUICKBOOKS**




Director Corona reported that she had come across Quickbooks in the Cloud accounting that might make it easier for the Board to maintain their accounts and provide access to Board members and the accountants without having a physical location for the computer. All the information is uploaded to the Cloud from the banks (bank reconcilements etc) and the information is loaded into pre-set General Ledger accounts for each bank account and the reconcilment happens very quickly. The accountant can get a password and have easy access to whatever accounts they need to look at and any director with authorization can access the accounts anywhere they may be. They don't need to be in a physical office.

Guest Eric Anderson from Valley Soil mentioned that he has the Quickbooks in the Cloud at his office and is very satisfied with it. Back up is automatic. You don't have to back up on a disc and it costs around \$27.00 per month.

Members of the Board wanted a little more information on how the system works and are going to contact the Quickbooks people to see if they can give a presentation. Rose Corona to follow up. No action required.

## **ITEM 6-OLD BUSINESS**

### **ITEM 6-A- UPDATE DISCUSSION FOR CONSOLIDATION OF THE EMARCD AND RCRCD**



Associate Director Dave McElroy spoke about visiting the RCRCD campus and the amenities merging can offer. He handed out some samples of educational outreach material and felt that the District could get much better service right away to our citizens and to our constituents. But ultimately it depends on whether the board wants to merge with another district. AD McElroy does not see the Board of Supervisors being an obstacle to such a move and he believes that the RCRCD would work with us.

Director Martin asked to table the discussion until District Counsel can give the Board the whole total logistics on merging at the next month's meeting or the following months if necessary.

### **ITEM 6-B – ANNUAL PLAN-2015-2016**

Director Long indicated that she did not see any new ideas but would like to put the Tamarisk removal at Vail Lake in the annual plan. She suggested that since there were no new ideas that we just add it to the annual plan and produce the report. Director Martin asked to have a vote on it at the next meeting since Vail Lake is a Rancho Water District issue and he would have to abstain from voting to avoid any conflict. The Board agreed to table until next meeting.

## **7. NEW BUSINESS**



### **7A-THE LAW RELATING TO CALIFORNIA FISH AND WILDLIFE DUE DILIGENCE REQUIREMENTS FOR MITIGATION ENDOWMENTS – DISTRICT COUNSEL- DISCUSSION OR HAND-OUT**

District Counsel passed out a memo to everyone at the last meeting about the requirements for the due diligence requirements for vacation endowments. The memos were passed out once again. Director Long recommended that the Board needs to get to work on it since the District needs it to hold easements.

**Following is the transcript from this portion of the meeting:**

Vicki: Keep the ones – yeah, the future easements – to take them. And I did talk to Jeff Brandt at Cal. Fish & Wildlife about three weeks ago, and he did ask again how are you doing on that due diligence? And I said I need to talk to the board about it again, and we have been discussing it. So they're looking for it to be finished. They want to know if we're gonna do it, if we're not gonna do it. They've got people looking to use those for easement holders. And I don't know, Melissa, maybe you could help in that respect to help with that? But I think we need a committee or somebody to go ahead and put that together.

Melissa: I could assist in reviewing a package but I don't think I would be qualified to put one together. So probably a committee of a couple of people to work on that, and then maybe bring it to me and we can discuss it at a future board meeting. This memo does set forth the requirements and has the links, and everything you said is absolutely correct. There's a lot of specific requirements for the type of information that they want. One thing they want is three years of audits that they have looked at and approved, and I think that was a sticking point, previously.

But yeah, just being able to show good return on investment and a few other things are things that this particular RCD has had a little bit of a challenge with.

Vicki: And I think the main thing that they want to see is that the money has been kept in a safe place, used appropriately, and so we just need to document that for them.

Melissa: Right, and this particular change in the law really did change who can hold these mitigation and easements and endowments. Because in the past, some private organizations did and one of them, I believe, went bankrupt and there was quite a lot of bad publicity about that. So it's much easier for public entities now to do this. There's still a lot of hoops to jump through but for private entities, it may be impossible in many situations for them to do it. It's very limited.

Again, all existing holdings are grandfathered in so that's not an issue for the things that the RCD is already working on. But to be able to take the future business, these are hoops that have to be jumped through and it has to be completed"

**END OF TRANSCRIPT AT THIS POINT IN THE MEETING**

District Counsel asked if the Board wanted to form a committee to address the report and due diligence. Director Martin said he would like to look and review the information and next month get back to the board. Ms. Long asked to have it added to future agenda items for a committee.

## **RETURN TO ITEM 5-I-DISCUSSION OF WEBSITE STATUS**

A.D. Feeney gave a brief overview of the status of the new website. Although far from complete, the Board now has the last few months of Agendas and Minutes up and running on the site. Randy went through the process of how Directors or Associate Directors with authorization can post information for the upcoming meetings and also post informational type content for the website.

At the moment the items on the website are limited but it has great potential for expansion. Associate Director Neugebauer asked if it would be possible to put up the draft agenda prior to notice so people could comment to the President or whoever is putting the Agenda together additional things that might be pertinent. Director Brady suggested that there might be a Brown Act violation with that. District Counsel said there might be however that would have to be discussed prior to any action being put into place.

Director Long suggested a website committee that could work with Director Feeney in putting together content and things that could work on the website. The Board was agreeable to this suggestion.

Mr. Feeney continued to show various aspects of the program until Director Martin had to stop him due to time constraints.

## **ITEM 8-REPORTS**

### **A-DISTRICT COUNSEL – NO REPORT**

#### **b. Director Reports**

Director Long wanted to bring to the attention an open house informational meeting that she attended at the Rancho California Water District. She informed the board that they were talking about a restoration area and brought photo for the members. She said that when she was Board President that she had talked to them about EMA doing future projects with them. So her information was solely for future use.

No other Directors had a report

#### **c. Associate Director Reports-**

Rick Neugebauer reported that he had the opportunity to tour the Inland Empire RCD and met with Mandy Parks at her office. They went and looked at some of their mitigation maintenance sites. He mentioned that they were doing amazing things with Branch 3 with the San Timateo Canyon. He also mentioned that the reclamation of the storm channel and what they are doing now will be an amazing project in the future when it's done. He also met with James

with SAWA to review the Bear Creek sites and go over those. He will follow up with him on the Country Club Villas and get a proposal on that. He will also be working on the schedule of work at Bear Creek which they should be able to do November 30<sup>th</sup> through December 3<sup>rd</sup> and then December 7 and 8 and have that work accomplished.


No other Associate Director Reports

#### 9. FUTURE AGENDA ITEMS

Vicki Long made arrangements for Fish and Wildlife and US Army Corp of Engineers to give 15-20 minute presentations on December 10, 2015 and there will be a discussion of the Annual Plan adding Tamarisk removal for Vail Lake to the plan.

Director Long made a motion to adjourn. Seconded by Danny Martin. Call for vote.  
**Motion passes unanimously 5-0**

MEETING ADJOURNED- 5:38 pm

 11/12/2015  
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DAVE KUHLMAN-SECRETARY-TREASURER - DATE