

Approved August 12, 2020

**EAST VALLEY WATER DISTRICT
REGULAR BOARD MEETING
VIA TELECONFERENCE**

June 10, 2020

MINUTES

The Chairman of the Board called the meeting to order at 5:30 p.m. Director Coats led the flag salute.

PRESENT: Directors: Carrillo, Coats, Goodrich, Smith

ABSENT: Director Morales

STAFF: John Mura, General Manager/CEO; Brian Tompkins, Chief Financial Officer; Jeff Noelte, Director of Engineering and Operations; Kelly Malloy, Director of Strategic Services; Justine Hendricksen, District Clerk; Shayla Antrim, Sr. Administrative Assistant

LEGAL COUNSEL: Jean Cihigoyenetché

GUEST(s): Members of the public

PUBLIC COMMENTS

Chairman Smith declared the public participation section of the meeting open at 5:33 p.m.

There being no written or verbal comments, the public participation section was closed.

The District Clerk announced that the General Manager/CEO has requested that the following item be added to the agenda after unanimously determining that there was a need to take immediate action on the item, which came to the Districts attention after the agenda was posted.

Discussion and possible action regarding Southern California Edison Interconnection Fees for the Sterling Natural Resource Center.

M/S/C (Coats-Goodrich) by unanimous roll call vote to place Southern California Edison Interconnection Fees for the Sterling Natural Resource Center as an action item on the June 10, 2020 agenda as item # 5A.

AYE: Directors: Carrillo, Coats, Goodrich, Smith

NOES: None

ABSENT: Director Morales

APPROVAL OF AGENDA

M/S/C (Goodrich-Coats) by unanimous roll call vote that the June 10, 2020 agenda be approved as amended.

AYE: Directors: Carrillo, Coats, Goodrich, Smith

NOES: None

ABSENT: Director Morales

DIRECTORS' FEES AND EXPENSES FOR MAY 2020

M/S/C (Carrillo-Coats) by unanimous roll call vote that the Board approve the Directors' fees and expenses for May 2020 as submitted.

AYE: Directors: Carrillo, Coats, Goodrich, Smith

NOES: None

ABSENT: Director Morales

FORMATION OF COMMUNITY FACILITIES DISTRICT (CFD) 2020-1 (HIGHLAND HILLS); APPROVAL OF RESOLUTION 2020.11; CFD 2020-1 RESOLUTION 2020.01, CFD 2020-1 RESOLUTION 2020.02, AND CFD 2020-1 ORDINANCE NO. 1; PUBLIC HEARING

The Chief Financial Officer provided information regarding the formation of Community Facilities District 2020-1. He stated that included is a public report prepared by District's Special Tax Consultant, for entry into the record of the public hearing. That the report encapsulates all of items being discussed at this evenings meeting. He described items included in public report and the District's costs associated with the formation of CFD 2020-1 (Highland Hills).

Chairman Smith stated that this is the time and place set for a duly noticed Public Hearing regarding the proposed establishment of Community Facilities District No. 2020-1 (Highland Hills) of East Valley Water District and Improvement Areas 1, 2 and 3, the proposed Rate and Method of Apportionment of Special Taxes with respect to each Improvement Area and the proposed issuance of bonds of the Community Facilities District on behalf of each Improvement Area.

THE CHAIRMAN OPENED THE PUBLIC HEARING AT 5:40 P.M.

PUBLIC COMMENTS

Chairman Smith declared the public participation section of the meeting open at 5:40 p.m. There being no written or verbal comments, the public participation section was closed.

ADJOURN TO REGULAR BOARD MEETING AT 5:41 P.M.

BOARD DISCUSSION

There were no questions or comments from the Governing Board.

M/S/C (Goodrich-Coats) by unanimous roll call vote, the Board adopted Resolution 2020.11 as submitted.

AYE: Directors: Carrillo, Coats, Goodrich, Smith

NOES: None

ABSENT: Director Morales

M/S/C (Goodrich-Coats) by unanimous roll call vote, acting as the legislative body of Community Facilities District No. 2020-1 (Highland Hills) of East Valley Water District, that the Board adopt Community Facilities District 2020-1 Resolution 2020.01 as submitted.

AYE: Directors: Carrillo, Coats, Goodrich, Smith

NOES: None

ABSENT: Director Morales

Chairman Smith stated that the Resolutions adopted establish the District and Improvement Areas 1, 2 and 3 therein, authorize the levy of special taxes within the District in accordance with the applicable Rate and Method of Apportionment of Special Taxes, determine the necessity to incur bonded indebtedness and call an election within Improvement Areas 1, 2 and 3 of the District. Election is to be held at this time by the Secretary, as the District has received from all owners of taxable property within the District waivers as to the time for holding the election.

CERTIFYING RESULTS OF ELECTION FOR COMMUNITY FACILITIES DISTRICT 2020-1 (HIGHLAND HILLS)

The District Clerk stated that all ballots have been cast in connection with the election for Improvement Areas 1, 2 and 3 of Community Facilities District No. 2020-1 of East Valley Water District and the elections have now been closed.

The results of said elections and the number of votes cast for and against Propositions A, B and C for Improvement Area No. 1 were unanimous, [29.79] votes in favor of all propositions.

The results of said elections and the number of votes cast for and against Propositions A, B and C for Improvement Area No. 2 were unanimous, [14.48] votes in favor of all propositions.

The results of said elections and the number of votes cast for and against Propositions A, B and C for Improvement Area No. 3 were unanimous, [33.95] votes in favor of all propositions.

M/S/C (Carrillo-Goodrich) by unanimous roll call vote, acting as the legislative body of Community Facilities District No. 2020-1 (Highland Hills) of East Valley Water District, that the Board adopt Community Facilities District 2020-1, Resolution 2020.02 as submitted.

AYE: Directors: Carrillo, Coats, Goodrich, Smith

NOES: None

ABSENT: Director Morales

Chairman Smith stated that with respect to authorizing the levy of special tax within the District a vote is needed.

M/S/C (Goodrich-Coats) by unanimous roll call vote, acting as the legislative body of Community Facilities District No. 2020-1 (Highland Hills) of East Valley Water District, that the Board adopt Community Facilities District 2020-1, Ordinance No. 1 as submitted.

AYE: Directors: Carrillo, Coats, Goodrich, Smith

NOES: None

ABSENT: Director Morales

ADOPT ORDINANCE 399, REVISIONS TO COMMUNITY ADVISORY COMMISSION POLICY, AND RESOLUTION 2020.18 - ESTABLISHING THE NUMBER OF COMMISSIONERS FOR THE COMMUNITY ADVISORY COMMISSION; PUBLIC HEARING.

The Director of Strategic Services gave a brief overview of the formation of the Community Advisory Commission (CAC), the purpose it serves and proposed changes. She stated that currently there are two vacant seats on the CAC. That revisions to the policy reflect enhancements to the structure and clarification to the purpose: incorporated more flexibility on size of commission by allowing the Governing Board to establish the size of the CAC by resolution, and incorporated term limits. She stated that if approved, the District will promote vacancies and an application process as approved by the General Manager/CEO. That the Governing Board would then be presented with recommendations for appointments at a future Board meeting.

THE CHAIRMAN OPENED THE PUBLIC HEARING AT 5:55 P.M.

PUBLIC COMMENTS

Chairman Smith declared the public participation section of the meeting open at 5:55 p.m. There being no written or verbal comments, the public participation section was closed.

ADJOURN TO REGULAR BOARD MEETING AT 5:56 P.M.

BOARD DISCUSSION

There were no questions or comments from the Governing Board.

M/S/C (Coats-Goodrich) by unanimous roll call vote that the Board adopt Ordinance 399, revisions to the Community Advisory Commission Policy, and adopt Resolution 2020.18 as submitted.

AYE: Directors: Carrillo, Coats, Goodrich, Smith
NOES: None
ABSENT: Director Morales

ADOPT RESOLUTION 2020.15 - A RESOLUTION OF NECESSITY AUTHORIZING EMINENT DOMAIN PROCEEDINGS TO ACQUIRE PROPERTY; PUBLIC HEARING.

Legal Counsel provided an overview of the timeline and steps the District has taken to-date to acquire property located adjacent to the Sterling Natural Resource Center. He described the numerous attempts the District has taken to offer compensation and communicate with the property owner. That the District has been forced to exercise its power of eminent domain and this is the next step in the legal process to obtain the property.

THE CHAIRMAN OPENED THE PUBLIC HEARING AT 6:07 P.M.

PUBLIC COMMENTS

Chairman Smith declared the public participation section of the meeting open at 6:07 p.m. There being no written or verbal comments, the public participation section was closed.

ADJOURN TO REGULAR BOARD MEETING AT 6:08 P.M.

BOARD DISCUSSION

There were no questions or comments from the Governing Board.

M/S/C (Goodrich-Coats) by unanimous roll call vote that the Board adopt Resolution 2020.15 as submitted.

AYE: Directors: Carrillo, Coats, Goodrich, Smith
NOES: None
ABSENT: Director Morales

SOUTHERN CALIFORNIA EDISON (SCE) INTERCONNECTION FEES FOR THE STERLING NATURAL RESOURCE CENTER

The Director of Engineering and Operations stated that on September 11, 2019, the Board of Directors authorized the incorporation of co-digestion into the project scope of the Sterling Natural Resource Center (SNRC). He stated that the conditions associated with this interconnection are described in an Interconnection Agreement between the District and SCE. He reviewed key elements of the agreement. He stated that an

interconnection analysis, a detailed analysis of the grid and the proposed electrical generation equipment, performed by SCE determined the infrastructure requirements to have a cost of \$801,168.

M/S/C (Coats- Goodrich) by unanimous roll call vote that the Board approve the payment of the Southern California Edison Interconnection fees for the Sterling Natural Resource Center in the amount of \$801,168.

AYE: Directors: Carrillo, Coats, Goodrich, Smith

NOES: None

ABSENT: Director Morales

REVIEW DRAFT BUDGET FOR FY 2020-21

The Chief Financial Officer presented the draft FY 2020-21 Budget to the Board; he stated that the draft FY 2020-21 Budget was presented to the Community Advisory Commission for review and feedback.

The Chief Financial Officer recited district-wide goals and reviewed a summary of the following: the operating budget, district-wide revenues and expenses, a program overview of each department, capital outlay, capital improvement projects, and authorized positions.

A public comment was received from Ms. Gail Shelton; she stated that the budget presentation is easy to understand and on target.

Information only.

BOARD OF DIRECTORS' REPORTS

Director Carrillo reported on the following: June 5 he met with the General Manager/CEO to discuss District business and the upcoming agenda; and June 8 he met with the General manager/CEO for a tour of construction progress at the SNRC site.

Director Coats reported on the following: June 1 he met Information Technology staff where he received technology updates; June 2 he participated in the San Bernardino Valley Municipal Water District Board meeting; June 4 he met with the General Manager/CEO for a site visit to the SNRC where he received updates on construction progress; June 9 he met with the General Manager/CEO where he received District updates; and June 10 he participated in two conference calls with California Special District Association Professional Development and Member Services Committees.

Vice Chairman Goodrich reported on the following: May 29 he participated in the Highland Chamber of Commerce monthly meeting virtually; June 4 he met with the General Manager/CEO to review the agenda; June 5 he met with the General Manager/CEO for a site visit to the SNRC where he received updates on construction progress; and June 9 he attended the Finance & Human Resources Committee meeting.

Chairman Smith reported on the following: June 4 he met with the General Manager/CEO to review the agenda; June 5 he met with the General Manager/CEO for a site visit to the SNRC where he received updates on construction progress; and June 10 he participated in the San Bernardino Valley Water Conservation District Board meeting.

Information only.

GENERAL MANAGER/CEO REPORT

The General Manager/CEO reported on the following:

- June 11th he will be participating in the Inland Empire Economic Partnership Recovery Task Force teleconference meeting.
- He thanked the public for their continued support during the past few months.
- The District will be open to the public for regular business beginning on Monday, June 15; and the next Board meeting scheduled for June 24th.
- He stated that the District recognized local students for their graduation by installing a congratulatory banner at the SNRC site where it is visible to Indian Spring High School students.

Upcoming Teleconference Meetings:

- Tuesday, June 16 @ 6:00pm - Community Advisory Commission meeting

LEGAL COUNSEL REPORT

No report at this time.

BOARD OF DIRECTORS' COMMENTS

Vice Chairman Goodrich stated that he is happy to see staff and colleagues in person.

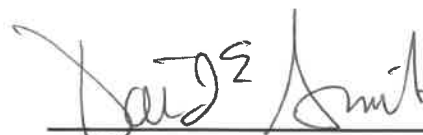
Information only.

ADJOURN

The meeting adjourned at 6:52 p.m.



John Mura, Secretary



David E. Smith, Board President