

JOSHUA BASIN WATER DISTRICT
Minutes of the
REGULAR MEETING OF THE BOARD OF DIRECTORS

March 2, 2016

1. CALL TO ORDER: 7:00 PM

2. PLEDGE OF ALLEGIANCE

3. DETERMINATION OF QUORUM:

Victoria Fuller	Present
Bob Johnson	Present
Mickey Luckman	Present
Mike Reynolds	Present
Rebecca Unger	Present

STAFF PRESENT:

Curt Sauer, General Manager
Seth Zielke, Director of Water Resources and Operations
Keith Faul, GIS Coordinator

CONSULTANTS PRESENT:

Kathleen Radnich, Public Outreach Consultant
Gil Granito, District Counsel, Redwine & Sherrill

GUESTS 14

4. APPROVAL OF AGENDA

MSC Luckman/Reynolds, 5/0 to approve the agenda for the March 2, 2016 meeting.

Fuller	Aye
Luckman	Aye
Johnson	Aye
Reynolds	Aye
Unger	Aye

5. PUBLIC COMMENT

Al Marquez, Joshua Tree: Mr. Marquez told a joke.

David Fick, Joshua Tree: Mr. Fick suggested the meeting recordings be posted on You Tube, stating it would be useful for sharing and reviewing the meetings, and expand audiences and ability to archive.

Jet Tucker, Joshua Tree: Ms. Tucker seconded what Mr. Fick said about putting the meeting on You Tube, as many people have a computer and not a television.

6. CONSENT CALENDAR

MSC Luckman/Reynolds, 5/0 to approve Draft Minutes of the February 17, 2016 Regular Meeting of the Board of Directors, with the following changes: on page 3 under public comments to Item #9, 3rd paragraph down, the name should be Jet Tucker, not Judd Tucker.

Fuller	Aye
Luckman	Aye
Johnson	Aye
Reynolds	Aye
Unger	Aye

7. UPDATE ON NEXTERA SOLAR PROJECT, PROPOSED WILL SERVE LETTER AND WATER SUPPLY AGREEMENT

GM Sauer gave the report. GM Sauer updated the Board with actions he has taken as requested at the previous meeting, including finding out about the regulation passed by the County and talking with the State about drought regulations and the possibility of being subject to fines if we do not meet targets due to in part to pumping additional water from the aquifer to serve a solar project. The regulation passed by the County Board of Supervisors was on their consent calendar and recognized the extension of State drought regulations, but did not regulate on well drilling and apparently does not impact the discussion at hand. GM Sauer contacted Mathew Buffleben of the Division of Enforcement with the SWRCB. There was not an indication from Mr. Buffleben that serving the NextEra project would specifically negatively impact the JBWD in terms of the SWQCB and any potential conservation fines. GM Sauer's recommendation is to move forward with the current draft will serve letter and water supply agreement included in the agenda packet, contingent on County approval of the project.

Public Comment:

Deborah Bollinger, Joshua Tree: Ms. Bollinger praised the Board and staff for their work and diligence in putting together the will serve letter. Ms. Bollinger noted that some solar projects have underestimated their water requirements and recommends, if the will serve letter is approved, to use the estimated water use as the water budget, and to charge a higher rate for any water that exceeds the water budget, aka at "Water Budget based rate."

Al Marquez, Sunfair area, Joshua Tree: Mr. Marquez called the proposed will serve letter and water supply agreement convoluted and noted the name differences of NextEra and Joshua Tree Solar Farm

David Fick, Joshua Tree: Mr. Fick read through both will serve letters and took issue with a statement that NextEra owns the land, stating that NextEra does not own the land and the Notice of Merger is not verification that the parcels are actually merged. Mr. Fick also stated that thanks to the Joshua Tree residents diligently conserving water that NextEra can get a will serve letter due to the Joshua Tree residents' good efforts. Mr. Fick states that if approved, he recommends a very stern diplomatic letter to the County planners about how difficult it was to approve the will serve letter, and documented on You Tube as well. Mr. Fick also asked whether JBWD has heard anything from Altamira since their will serve letter was issued?

Julian Gonzales, Joshua Tree: Mr. Gonzales is opposed to the NextEra project, and is a proponent for property rights. Mr. Gonzales further made statements indicating he believes NextEra has a right to the water and suggested that Board members are only there to make decisions for the water and not for or against particular interest groups. Mr. Gonzales also provided a paper copy to the Board and staff of his public comment.

Jet Tucker, Joshua Tree: Ms. Tucker asked the question: Does NextEra/JT Solar Farm have to actually take title of the land before being served water?

Buck Buckley, Joshua Tree: Mr. Buckley pointed out that the amount of water the solar project proposed to use is relatively high considering JBWD is a small water district, and thus will have a significant impact on an

aquifer that is already depleting. Furthermore, the proposed site, the Roy Williams airport is one of the few historic areas in Joshua Tree and Mr. Buckley is troubled to see it going to being used as a solar facility site.

Public Comment closed.

GM Sauer answered questions brought up during public comment:

Water Budget based rates is a good idea to consider if the project exceeds 86AF and JBWD is willing to look into it.

NextEra and JT Solar are the same entity.

Wholesale versus retail price: all of the water sold to NextEra will be sold at a retail price. The wholesale is for the purchase of 86AF of water from Mojave Water Agency for groundwater recharge to mitigate depletion of the aquifer.

NextEra must own the land before they can sign the water supply agreement.

GM Sauer has confirmed with the county that 9 of the 10 parcels have been legally merged.

The letter to County Planning can be written as GM Sauer is directed to by the Board.

GM Sauer has not heard anything from Altamira since November 2015, which was to request reimbursement of costs incurred to JBWD, which Altamira provided.

GM Sauer discussed water production reduction targets.

GM Sauer pointed out that the water levels in both of the aquifers are going down each year, and the reason for not purchasing additional AF of water for recharge is budgetary.

Director Luckman believes the most important point is that if water is denied by JBWD that NextEra may drill a production well. While Director Luckman disagrees with the project in general, she believes it is in the District's best interest to prevent another entity from drilling a production well into the aquifer.

Director Reynolds pointed out that Mr. Buffleben of the SWRCB could not guarantee that JBWD would not get fined if more water is produced and served to NextEra, and the state has directed us to reduce, not increase our water use.

Director Johnson also noted the potential for fines from the State for non-compliance, and expressed concerns of lack of recognition for water uses such as irrigation, versus drinking, versus washing solar panels.

Director Unger asked questions regarding the potential well permit. Director Unger is concerned that the County appears not to be considering water availability during a drought. Director Unger pointed out that the County General Plan Update and SPARC review is still pending as well as the JBWD Urban Water Management Plan; all of which could impact decision making.

President Fuller believes the County of San Bernardino should consider drought regulations when considering approval of well permits in non-adjudicated and unincorporated areas. President Fuller states the proposed 2016 Will Serve and Water Supply Agreement will best protect the District and the aquifer, particularly with regard to the alternative of NextEra drilling a production well.

MSC Luckman/Fuller 2/3 to authorize General Manager to execute the Will Serve Letter and Water Supply Agreement in substantially the same format as discussed.

Fuller	Aye
Luckman	Aye
Johnson	No
Reynolds	No
Unger	No

8. UPDATE ON CONSERVATION EFFORTS/2016 TARGET ADJUSTMENTS BY SWRCB

GM Sauer gave the conservation update and new target of 20% water production reduction instead of 28%. The Board accepted the presentation for information only.

9. STANDING COMMITTEE REPORTS

- A. LEGISLATIVE AND PUBLIC INFORMATION COMMITTEE: Vice President Luckman and Director Unger: Kathleen Radnich, Public Outreach Consultant, gave the report. JBWD will be at the Farmers Market this upcoming Saturday. The Joshua Tree National Park Visitors Center is requesting more water conservation postcards. April 3rd is Water Education Day. April 16th Home Depot will have a water wise plant sale. May 26th is a new Water Education Festival for Junior high students. The Next meeting is scheduled for April 6, 2016 at 9:30AM.
- B. FINANCE COMMITTEE: President Fuller and Director Johnson: Finance committee meeting fiscal projections need to be watched with reduced incoming rates from conservation and upcoming expenditures, including unfunded mandates. The next meeting is scheduled for March 28, 2016 at 10:00AM.
- C. WATER RESOURCES & OPERATIONS COMMITTEE: Vice President Luckman and Director Johnson: The committee reviewed a draft of the Capital Improvement Plan. The next meeting is scheduled for March 28, 2016 at 9:00AM.

10. DISTRICT COUNSEL REPORT

No Report.

11. GENERAL MANAGER REPORT

Director of Operations Seth Zielke provided an update of projects currently in progress, including recharge pond scarification, recharge water deliveries and Well 14 rehabilitation.

12. FUTURE DIRECTOR MEETINGS AND TRAINING OPPORTUNITIES

Mojave Water Agency BOD Meeting, March 10th : Victoria Fuller

Next ASBCSD meeting: March 21

Morongo Basin Pipeline Commission, Wednesday March 9th at 2PM at Bighorn: Mickey Luckman

13. DIRECTOR REPORTS ON MEETINGS ATTENDED, COMMENTS/FUTURE AGENDA ITEMS

Director Reynolds reported on the February ASBCSD meeting, and a synopsis of the presentation about leasing land for cell towers.

Future agenda items: Consider Meeting time change to 6PM

14. CLOSED SESSION

MSC Johnson/Luckman to adjourn to Closed Session.

Fuller	Aye
Luckman	Aye

Johnson Aye
Reynolds Aye
Unger Aye

15. REPORT ON CLOSED SESSION

General Counsel reported that at approximately 8:45PM the Board went into Closed Session for the purposes set forth in Item 14 of tonight's agenda. In the first phase of the Closed Session (Item 14.1.) the Board conducted the Annual Performance Evaluation of the General Manager pursuant to Government Code Section 54957 (b) (1) . In the second phase of the Closed Second, (Item 14.2.), the Board consulted with the Ad Hoc Negotiation Committee (Directors Johnson and Unger) pursuant to Government Code Section 54957.6 with regard to potential compensation adjustments/increases to the District's General Manager and provided the Ad Hoc Committee with instructions on how to proceed with said negotiations. Final action on any such adjustments would be considered at a future open session of a Regular Board Meeting.

16. ADJOURNMENT

MSC Unger/Reynolds, 5/0 to adjourn the Regular Meeting of the Board of Directors of March 2, 2016 at 10:05 PM.

Fuller Aye
Luckman Aye
Johnson Aye
Reynolds Aye
Unger Aye

Respectfully submitted:



Curt Sauer, General Manager and Board Secretary