

**INLAND VALLEY DEVELOPMENT AGENCY**  
**ACTION MEETING MINUTES**  
**August 8, 2007**

A Regular Meeting of the Inland Valley Development Agency Board was called to order by Co-Chair Dennis Hansberger approximately 4:37 p.m. on Wednesday, August 8, 2007, in the Council Chambers, Loma Linda City Hall, 25541 Barton Road, Loma Linda, California.

**BOARD MEMBERS PRESENT:**

City of Colton	Councilmember John D. Mitchell Mayor Kelly J. Chastain
City of Loma Linda	Vice-Chair/Mayor Robert Christman Councilmember Floyd Petersen
County of San Bernardino	Co-Chair/Supervisor Dennis Hansberger Supervisor Josie Gonzales
City of San Bernardino	Co-Chair/Mayor Patrick J. Morris Councilmember Wendy McCammack Councilmember Rikke Van Johnson (alt)

**OTHERS PRESENT:** Donald L. Rogers, Interim Executive Director  
Michael Burrows, Assistant Director  
Timothy J. Sabo, Lewis Brisbois Bisgaard & Smith, LLP  
William E. Leonard, Consultant  
Alex Estrada, Director of Redevelopment & Transportation  
Penny Chua, Director of Economic Development & Marketing  
Martin Romeo, Chief Financial Officer  
Eric Ray, Airport Operations Manager  
Kelly Berry, Clerk of the Board

**A. CALL TO ORDER**

**B. ROLL CALL**

**C. ITEMS TO BE ADDED OR DELETED**

At the request of staff, Agenda Item No. 7 was continued to the next regular meeting.

**D. CONFLICT OF INTEREST DISCLOSURE/INFORMATIONAL ITEMS**

**Item #1 - Conflict of Interest Disclosure**

Co-Chair Dennis Hansberger stated Board members should note the item(s) listed which might require member abstentions. Councilmember Wendy McCammack and Supervisor Josie Gonzales stated they would be abstaining on Agenda Item No. 12.

**Item #2 – Informational Items**

There were no informational items.

**E. BOARD CONSENT ITEMS**

**Item #3 - Receive Register of Demands**

**Item #4 - Approve Meeting Minutes: July 18, 2007**

**Item #5- Receive and File Cash Report for June 30, 2007, for the Inland Valley Development Agency (IVDA)**

**Item #6- Authorize Staff to Advertise for Bids for the Construction of Central Avenue from Valley View Avenue to Mountain View Avenue**

The record will note that at the request of staff, Item No. 4 was pulled from the Agenda.

**ACTION:** Approve Item Nos. 3, 5 and 6 the Consent Calendar.

<b>Motion</b>	<b>Second</b>	<b>Aye</b>	<b>Aye</b>	<b>Aye</b>
Mitchell	Johnson	Chastain	Christman	Gonzales
<b>Aye</b>	<b>Aye</b>	<b>Aye</b>	<b>Aye</b>	
Hansberger	McCammack	Morris	Petersen	

**Motion carried unanimously.**

**F. BOARD DISCUSSION ITEMS**

**Item #7 – Consider and Approve a Certain Agreement among the City of Highland, City of San Bernardino, the Inland Valley Development Agency (IVDA), and the San Bernardino International Airport Authority (SBIAA), for the Design and Construction of Portions of Third Street and Fifth Street, as a Part of the Inland Empire Goods Movement Gateway Project**

At the request of staff, Agenda Item No. 7 was continued to the next meeting.

**Item #8 – Approve Resolution No. 2007-05 of the Inland Valley Development Agency (IVDA) Amending Resolution 2007-01 and Designating Additional Signatories on Construction Loan Related Documents and Approving a Certain Fund Control Agreement among California Fund Control, Inc., Norton Development Company, LLC., NBI General Contractors, and the Inland Valley Development Agency (IVDA)**

**ACTION:** Approve Resolution No. 2007-05 of the Inland Valley Development Agency (IVDA) Amending Resolution 2007-01 and Designating Additional Signatories on Construction Loan Related Documents and Approving a Certain Fund Control Agreement among California Fund Control, Inc., Norton Development Company, LLC., NBI General Contractors, and the Inland Valley Development Agency (IVDA).

<b>Motion</b>	<b>Second</b>	<b>Aye</b>	<b>Aye</b>	<b>Aye</b>
Petersen	Gonzales	Chastain	Christman	Hansberger
<b>Aye</b>	<b>Aye</b>	<b>Aye</b>	<b>Aye</b>	
Johnson	McCammack	Mitchell	Morris	

**Motion carried unanimously.**

**Item #9 – Consider and Approve a Resolution or other Authorization of the Inland Valley Development Agency (IVDA) Adopting a Policy for the Funding of Local Projects and Approving Certain Identified Projects for IVDA Funding**

Mr. Michael Burrows, Assistant Director, gave a brief statement on the background of this item. Mr. Burrows also noted that the Finance and Budget committee had met on Tuesday, August 7, 2007, in order to consider this matter and accordingly a revised staff report had been prepared and provided to the Board members and to the public. The revised staff report referred to two recommended actions as set forth below:

**ITEM #9 REVISED RECOMMENDED ACTION:**

- (A) Motion to Approve the IVDA Policy as to Member Jurisdiction Project Referrals in the Form as Presented to the IVDA Board on August 8, 2007, and as Recommended by the IVDA Finance and Budget Committed on August 7, 2007.
- (B) Motion to Authorize the Execution of Grant/Loan Agreement between the Inland Valley Development Agency (IVDA) and Casa Ramona, Inc., from 2007-08 line item budgeted amounts to be equally divided between a Grant and a Loan portion for Capital Improvements and Demolition related to the Casa Ramona Community Center Project; and authorize the Interim Executive Director to Execute such Grant/Loan Agreement on behalf of the IVDA subject to approval of the final form of the Grant/Loan Agreement by Agency Counsel.

A discussion ensued regarding the adoption of the policy and whether or not a project should be considered at this time which would not fall under the authority and guidelines of any such adopted policy. Councilmember John Mitchell expressed his desire that first and foremost the IVDA Board should be looking toward supporting Airport projects. Councilmember Mitchell also voiced his desire that funds such as this, if approved by the Board, be allocated in the form of a loan and not a grant.

Councilmember John Mitchell, who was present at the Finance and Budget Committee meeting, stated he had voiced his opinion at the Committee meeting that a policy be adopted and that any project brought before the Board under the provisions of the adopted policy must be brought through a Member Agency.

Co-Chair Hansberger, who participated in a portion of the Finance and Budget Committee meeting via telephone, stated it was his understanding that a policy would be adopted first, and then any potential projects would subsequently be considered under the provisions of the adopted policy. Accordingly, Co-Chair Hansberger presented the recommended action for this Item No. 9 as two separate and distinct actions, taking the Casa Ramona item first.

Mayor Patrick J. Morris made a motion, which was seconded by Councilmember Rikke Van Johnson, to Authorize the Execution of a Grant/Loan Agreement between the Inland Valley Development Agency (IVDA) and Casa Ramona, Inc., from 2007-08 line item budgeted amounts to be equally divided between a Grant and a Loan portion for Capital Improvements and Demolition related to the Casa Ramona Community Center Project; and authorize the Interim Executive Director to Execute such Grant/Loan Agreement on behalf of the IVDA subject to approval of the final form of the Grant/Loan Agreement by Agency Counsel.

Co-Chair Hansberger clarified that the request is for \$400,000 total, with \$200,000 being in the form of a grant and \$200,000 being in the form of a loan. Mayor Robert Christman requested that the motion be divided into two motions – one for the grant and another for the loan. No change in the motion being forthcoming, Co-Chair Hansberger polled the members as to the motion before the Board:

**Aye:** Mayor Patrick J. Morris  
Councilmember Rikke Van Johnson

**Nay:** Mayor Robert Christman  
Supervisor Josie Gonzales  
Councilmember Floyd Petersen  
Councilmember Wendy McCammack  
Councilmember John Mitchell  
Mayor Kelly J. Chastain  
Supervisor Dennis Hansberger

The motion died for lack of a majority.

Co-Chair Hansberger then indicated he would entertain a motion on the IVDA policy brought before the Board, then reconsider the previous motion given the indication from many members of the Board that they desired a policy be in place before action could be taken on requests such as those of Casa Ramona. A discussion ensued as to the timing of considering the adoption of such a policy, with Board members voicing their desire to have additional time to review and consider such a policy.

Mayor Robert Christman made a motion, seconded by Councilmember Wendy McCammack, to approve a \$200,000 grant conditioned on first receiving a recommendation from the City of San Bernardino or its redevelopment agency in addition to a matching program providing funds through means available to the City and/or its redevelopment agency. After further discussion, Mayor Christman amended his motion to approve a \$200,000 collateralized loan, at five percent (5%) interest, instead of a grant. Councilmember McCammack accepted the amended motion.

Councilmember John Mitchell proposed a substitute motion to delay acceptance of the policy until Monday for further review by the Board, with the stipulation that the current project before the Board be funded according to staff's recommendation, if it is subsequently approved by the City of San Bernardino. Councilmember Mitchell's motion died for lack of a second. Co-Chair Hansberger noted that Mayor Christman's amended motion remained before the Board.

Councilmember Rikke Van Johnson proposed a substitute motion to approve a \$200,000 grant to Casa Ramona, with a \$100,000 loan coming through the City of San Bernardino. Councilmember Johnson's motion died for lack of a second. Co-Chair Hansberger again noted that Mayor Christman's amended motion remained before the Board.

Co-Chair Hansberger acknowledged a request from the Board to reconsider Councilmember John Mitchell's substitute motion. Co-Chair Hansberger then placed Councilmember Mitchell's substitute motion before the Board for reconsideration, with the amendment that the Policy not be brought back before the Board until the next regularly scheduled meeting. Mayor Patrick J. Morris seconded the motion. Co-Chair Hansberger polled the members as to the motion before the Board:

**Aye:** Mayor Patrick J. Morris  
Councilmember Rikke Van Johnson  
Councilmember John Mitchell

**Nay:** Mayor Robert Christman  
Supervisor Josie Gonzales  
Councilmember Floyd Petersen  
Councilmember Wendy McCammack  
Mayor Kelly J. Chastain

The motion died for lack of a majority.

Co-Chair Hansberger then called for a vote on Mayor Robert Christman's motion, seconded by Councilmember McCammack, which still remained before the Board.

Co-Chair Hansberger polled the members as to the motion before the Board:

**Aye:** Mayor Robert Christman  
Mayor Patrick J. Morris  
Councilmember Wendy McCammack  
Councilmember Floyd Petersen

**Nay:** Supervisor Josie Gonzales  
Councilmember John Mitchell  
Mayor Kelly J. Chastain  
Councilmember Rikke Van Johnson

**Abstain:** Co-Chair/Supervisor Dennis Hansberger

The motion died for lack of a majority.

Co-Chair Hansberger called for any additional motions members might desire to be brought before the Board on this item at this time. None being forthcoming, and there being no further discussion, the item was continued to the next regular meeting.

**Item #10 – Approve a Professional Services Agreement with Connective Issue for Preparation of Design Work for the Santa Ana River Trail Project**

**ACTION:** Approve a Professional Services Agreement with Connective Issue for the Preparation of Schematic Design Plans for the Santa Ana River Trail Project in and Amount Not to Exceed \$30,000.00; and Authorize the Interim Executive Director or his designee to Execute all Related Documents.

<b>Motion</b>	<b>Second</b>	<b>Aye</b>	<b>Aye</b>	<b>Aye</b>
McCammack	Mitchell	Chastain	Christman	Gonzales
<b>Aye</b>	<b>Aye</b>	<b>Aye</b>	<b>Aye</b>	
Hansberger	Johnson	Morris	Petersen	

**Motion carried unanimously.**

**Item #11 – Approve Change Order No. 6 with GLE Group in an Amount Not to Exceed \$8,015 for Additional Asbestos Sampling of Buildings 747 and 763 East Annex**

**ACTION:** Approve Change Order No. 6 with GLE Group in an amount not to exceed \$8,015 for additional asbestos sampling of Buildings 747 and 763 East Annex.

<b>Motion</b>	<b>Second</b>	<b>Aye</b>	<b>Aye</b>	<b>Aye</b>
Christman	McCammack	Chastain	Gonzales	Hansberger
<b>Aye</b>	<b>Aye</b>	<b>Aye</b>	<b>Aye</b>	
Johnson	Mitchell	Morris	Petersen	

**Motion carried unanimously.**

**Item #12 – Approve Award of Contract to Vanir Construction Management, In., in an Amount Not to Exceed \$633,460 for the Preparation of Demolition Plans and Specifications and Construction Management Services for the Abatement and Demolition of Building Nos. 666, 671 and 672; Hangar Improvements Including Roof, Doors, Electrical, Office and Fire Suppression; and Appropriate \$63,000 for a Contingency Budget**

**ACTION:** Approve Award of Contract to Vanir Construction Management, Inc., in an Amount Not to Exceed \$633,460 for the Preparation of Demolition Plans and Specifications and Construction Management Services for the Abatement and Demolition of Building Nos. 666, 671 and 672; Hangar Improvements Including Roof, Doors, Electrical, Office and Fire Suppression; Authorize the Interim Executive Director or his Designee to Execute all Necessary Documents; and Appropriate \$63,000 for a Contingency Budget, subject to approval by the U.S. Department of Commerce Economic Development Administration (EDA).

<b>Motion</b>	<b>Second</b>	<b>Aye</b>	<b>Aye</b>	<b>Aye</b>
Mitchell	McCammack	Chastain	Christman	Johnson
<b>Aye</b>	<b>Aye</b>	<b>Abstain</b>	<b>Abstain</b>	
Morris	Petersen	Gonzales	Hansberger	

**Motion carried. No roll call vote was taken.**

**G. ADDED AND DEFERRED ITEMS**

There were no added or deferred items.

Councilmember Rikke Van Johnson addressed Co-Chair Hansberger, requesting that he be allowed to reconsider his vote on Agenda Item No. 9. Co-Chair Hansberger declined his request to reconsider, stating the Agenda Item had been continued to the next regular meeting.

**H. PUBLIC COMMENT**

There were no public comments.

**I. CLOSED SESSION**

Co-Chair Hansberger recessed to closed session at 5:45 p.m. Mr. Timothy J. Sabo, of Lewis Brisbois Bisgaard & Smith, LLP, read the closed session items as posted on the Agenda and stated there were no reportable items anticipated.

Councilmember Wendy McCammack left closed session at 5:55 p.m., and did not participate in the discussion of or voting on Agenda Item No. I. III.

Co-Chair Hansberger reconvened the meeting at 6:06 P.M.

Mr. Timothy J. Sabo, Agency Counsel, read the following announcement into the record: With regard to Agenda Item No. I. III., concerning Sterling Norton Investment Co., a motion was made by Councilmember John Mitchell, seconded by Supervisor Josie Gonzales, and unanimously approved by those present. The action was to accept the offer as presented by Sterling Norton Investment Co. pursuant to the supplemental

escrow instructions and to authorize Mr. Donald L. Rogers, or his designee, to execute the acceptance.

**AGENDA ITEM NO. I. III. ACTION:** Accept the offer as presented by Sterling Norton Investment Co. pursuant to the supplemental escrow instructions; and authorize the Interim Executive Director, or his designee, to execute the acceptance.

<b>Motion</b>	<b>Second</b>	<b>Aye</b>	<b>Aye</b>	<b>Aye</b>
Mitchell	Gonzales	Chastain	Christman	Hansberger
<b>Aye</b>	<b>Aye</b>	<b>Aye</b>	<b>Absent</b>	
Johnson	Morris	Petersen	McCammack	

**Motion carried.**

**J. ADJOURN MEETING**

There being no further business before the Board at this session, at 6:08 p.m., Co-Chair Dennis Hansberger declared the meeting adjourned to Monday, August 13, 2007, at 3:00 p.m., in Loma Linda City Hall Council Chambers, 25541 Barton Road, Loma Linda, California.

**Minutes approved at a Regular Meeting on September 12, 2007.**

/s/  
**Kelly Berry**  
**Clerk of the Board**

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