



**BEAUMONT CHERRY VALLEY WATER DISTRICT
AGENDA
REGULAR MEETING OF THE BOARD OF DIRECTORS
560 Magnolia Avenue, Beaumont, CA 92223
Wednesday, February 9, 2011
Regular Session 7:00 p.m.**

CALL TO ORDER, PRESIDENT BALL

CLOSED SESSION

Closed Session will begin at 7:00 p.m.

The Closed Session will be held to confer with Legal Counsel on an existing litigation pursuant to subdivision (a) of Government Code Section 54956.9 (Re: Joseph R. Scott, Inc. vs Beaumont Cherry Valley Water District, Superior Court of California, County of Riverside, Case No. RIC 10021518.)

REPORT ON CLOSED SESSION BY LEGAL COUNSEL

SECOND CALL TO ORDER, PRESIDENT BALL

PLEDGE OF ALLEGIANCE, DIRECTOR ROSS

INVOCATION, DIRECTOR GULDSETH

ROLL CALL, BLANCA MARIN

PUBLIC INPUT

PUBLIC COMMENT: Anyone wishing to address the Board of Directors on any matter not on the agenda of this meeting may do so now. Anyone wishing to speak on an item on the agenda may do so at the time the Board considers that item. All persons wishing to speak must fill out a "Request to Speak" form and give it to the Secretary at the beginning of the meeting. The forms are available on the table at the back of the room. There is a three (3) minute limit on public comments. Sharing or passing time to another speaker is not permitted. Please do not repeat what was said by a previous speaker except to note agreement with that speaker. Thank you for your cooperation.

ACTION ITEMS

1. ADOPTION OF THE AGENDA

GULDSETH	M	S	A	N
EARHART	M	S	A	N
ROSS	M	S	A	N
WOLL	M	S	A	N
BALL	M	S	A	N

2. CONSENT CALENDAR: Matters listed in the Consent Calendar are considered to be routine and will be approved by one motion as recommended. There will be no separate discussion unless Board or Staff Member request separate discussion prior to approval. Page 4

- a. January 2011 Bills for Consideration**
- b. January 2011 Invoices Pending Approval**
- c. December 2010 Month End Financial Statement**
- d. Minutes of the Regular Meeting of January 12, 2011**

GULDSETH	M	S	A	N
BALL	M	S	A	N
EARHART	M	S	A	N
ROSS	M	S	A	N
WOLL	M	S	A	N

3. WILL SERVE LETTER REQUEST FROM MARINO INVESTMENTS, PARCEL NUMBER 421-020003-2 Page 30**

GULDSETH	M	S	A	N
BALL	M	S	A	N
EARHART	M	S	A	N
ROSS	M	S	A	N
WOLL	M	S	A	N

4. REPORTS FOR DISCUSSION AND POSSIBLE ACTION

(a) Ad hoc Committees

(b) General Manager

- Discussion of Points for Lease of Capacity in BCVWD Recharge Facilities to San Geronio Pass Water Agency** Page 34
- Correspondence from JPIA regarding premium refund check to receive and file** Page 44
- Request from the University of California Riverside to access the District's Groundwater Wells for a Water Quality Study**Page 45
- 2011 Budget Revision update

(c) Directors

- Dr. Blair Ball
- James Earhart
- John Guldseth
- Ken Ross
- Ryan Woll

(d) Legal Counsel

5. ANNOUNCEMENTS

- A) District will be closed on February 21, 2011 in observance of President's Day
- B) Finance & Audit Meeting, March 3, 2011 at 4:00 p.m.
- C) Regular Board Meeting, March 9, 2011 at 7:00 p.m.

6. ACTION LIST

- _____
- _____

7. CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL-

Closed Session will be held regarding a personnel matter pursuant to Government Code Section 54957- Interim General Manager- Performance Review.

8. OPEN SESSION- REPORT ON CLOSED SESSION

9. ADJOURNMENT

GULDSETH	M	S	A	N
EARHART	M	S	A	N
ROSS	M	S	A	N
WOLL	M	S	A	N
BALL	M	S	A	N

** Information included in the agenda packet

Assistance for the Disabled: If you are disabled in any way and need accommodation to participate in the meeting, please call Blanca Marin, at (951) 845-9581 Ext. 23 for assistance so the necessary arrangements can be made.

The agenda material for this meeting is available to the public at the District's Administrative Office which is located at 560 Magnolia Avenue, Beaumont, CA 92223. If any additional material related to an open session agenda item is distributed to all or a majority of the board of directors after this agenda is posted, such material will be made available for immediate inspection at the same location.

Check Register-Summary-Bank



AP5090

Page : 1

Date : Jan 31, 2011

Time : 12:24 pm

Vendor : A&A FENCE To ZETLMAIER

Cheque Dt. : 01-Jan-2011 To 31-Jan-2011

Bank : 7 - ACCOUNTS PAYABLE

Seq : Cheque No.

Status : All

Medium : M=Manual C=Computer E=EFT-PA

Check #	Check Date	Vendor	Vendor Name	Status	Batch	Medium	Amount
41671	13-Jan-2011	ACPROPANE	AC PROPANE	Issued	11	C	861.04
41672	13-Jan-2011	ACTIONTRUE	ACTION TRUE VALUE HARDWARE	Issued	11	C	749.68
41673	13-Jan-2011	ALSCO	ALSCO	Issued	11	C	54.60
41674	13-Jan-2011	ARCO	ARCO GASPRO PLUS	Issued	11	C	5,457.73
41675	13-Jan-2011	B ACE HOME	BEAUMONT DO IT BEST HOME CENTER	Issued	11	C	194.48
41676	13-Jan-2011	B76	BEAUMONT 76	Issued	11	C	63.50
41677	13-Jan-2011	BENDEFORGE	DEFORGE, BEN	Issued	11	C	130.00
41678	13-Jan-2011	CALTOOL	CALIFORNIA TOOL & WELDING	Issued	11	C	93.60
41679	13-Jan-2011	CITYOFB	CITY OF BEAUMONT	Issued	11	C	47.54
41680	13-Jan-2011	CR&RINCORP	CR&R INC	Issued	11	C	228.27
41681	13-Jan-2011	CVAUTO	CHERRY VALLEY AUTOMOTIVE	Issued	11	C	168.70
41682	13-Jan-2011	DEPTOFENVI	DEPT OF ENVIRONMENTAL HEALTH	Issued	11	C	8,330.00
41683	13-Jan-2011	EDISON	SOUTHERN CALIFORNIA EDISON	Issued	11	C	30,876.56
41684	13-Jan-2011	ESBABCOCK	ES BABCOCK	Issued	11	C	1,080.00
41685	13-Jan-2011	FREEMANOFF	FREEMAN OFFICE PRODUCTS	Issued	11	C	52.04
41686	13-Jan-2011	GASCO	THE GAS COMPANY	Issued	11	C	14.79
41687	13-Jan-2011	HOMEDEPOT	HOME DEPOT CREDIT SERVICES	Issued	11	C	432.53
41688	13-Jan-2011	MCCALLSGLA	MCCALL'S GLASS & MIRROR	Issued	11	C	590.00
41689	13-Jan-2011	MELFRED	MELFRED INDUSTRIAL SERVICES INC.	Issued	11	C	3,520.00
41690	13-Jan-2011	MSTBACKFLO	MST BACKFLOW	Issued	11	C	80.00
41691	13-Jan-2011	NAPAAUTOPA	NAPA AUTO PARTS	Issued	11	C	172.64
41692	13-Jan-2011	NINOS	NINO'S	Issued	11	C	368.46
41693	13-Jan-2011	ONLINE INF	ONLINE INFORMATION SERVICES	Issued	11	C	256.80
41694	13-Jan-2011	PACIFICALA	PACIFIC ALARM	Issued	11	C	226.00
41695	13-Jan-2011	PITNEYGLOB	PITNEY BOWES GLOBAL FINANCIAL SERVI	Issued	11	C	4,707.79
41696	13-Jan-2011	PRESTIGEMO	PRESTIGE MOBILE DETAIL	Issued	11	C	304.00
41697	13-Jan-2011	SGPWA	SAN GORGONIO PASS WATER AGENCY	Issued	11	C	97,002.00
41698	13-Jan-2011	SOCALWEST	SO CAL WEST COST ELECTRIC	Issued	11	C	77.00
41699	13-Jan-2011	STAPLES	STAPLES ADVANTAGE	Issued	11	C	454.50
41700	13-Jan-2011	TOMLARA	TOM LARA	Issued	11	C	3,950.00
41701	13-Jan-2011	UNDERGROU	UNDERGROUND SERVICE ALERT	Issued	11	C	60.00
41702	13-Jan-2011	VADIM	VADIM	Issued	11	C	1,232.50
41703	13-Jan-2011	VERIZON	VERIZON	Issued	11	C	340.22
41704	13-Jan-2011	VERIZONIP	VERIZON BUSINESS	Issued	11	C	1,088.75
41705	13-Jan-2011	WASTEMANA	WASTE MANAGEMENT	Issued	11	C	357.65
41706	13-Jan-2011	WELLSFARG	WELLS FARGO REMITTANCE CENTER	Issued	11	C	211.86
41707	25-Jan-2011	SUNRISEFOR	SUNRISE FORD	Issued	18	C	21,909.49
41708	25-Jan-2011	SUNRISEFOR	SUNRISE FORD	Issued	18	C	31,614.76
41709	27-Jan-2011	ACPROPANE	AC PROPANE	Issued	19	C	747.06
41710	27-Jan-2011	AIRPROSERV	AIR PRO SERVICES	Issued	19	C	237.00
41711	27-Jan-2011	ALSCO	ALSCO	Issued	19	C	54.60
41712	27-Jan-2011	ASPEN	ASPEN PUBLISHERS INC	Issued	19	C	452.31
41713	27-Jan-2011	AVAYA	AVAYA INC	Issued	19	C	132.41
41714	27-Jan-2011	B ACE HOME	BEAUMONT DO IT BEST HOME CENTER	Issued	19	C	87.75
41715	27-Jan-2011	BASICCHEM	BASIC CHEMICAL SOLUTIONS LLC	Issued	19	C	2,679.54
41716	27-Jan-2011	CDPH-OCP	CA DEPT OF PUBLIC HEALTH	Issued	19	C	1,178.00
41717	27-Jan-2011	CLEANBYDES	CLEAN BY DESIGN INC.	Issued	19	C	1,110.00
41718	27-Jan-2011	EDISON	SOUTHERN CALIFORNIA EDISON	Issued	19	C	13,189.08
41719	27-Jan-2011	EDISON	SOUTHERN CALIFORNIA EDISON	Issued	19	C	11,354.33
41720	27-Jan-2011	ESBABCOCK	ES BABCOCK	Issued	19	C	1,325.00
41721	27-Jan-2011	FREEMANOFF	FREEMAN OFFICE PRODUCTS	Issued	19	C	97.33
41722	27-Jan-2011	HASLE000	MAIL FINANCE	Issued	19	C	4,705.92
41723	27-Jan-2011	HASLER	TOTALFUNDS BY HASLER	Issued	19	C	1,000.00
41724	27-Jan-2011	HUDECS	HUDECS COMPUTER CONSULTING	Issued	19	C	3,116.50
41725	27-Jan-2011	INLANDWATE	INLAND WATER WORKS	Issued	19	C	3,543.83
41726	27-Jan-2011	JAYTOWNIND	JAYTOWN INDUSTRIES INC	Issued	19	C	73.95

Check Register-Summary-Bank



AP5090

Page : 2

Date : Jan 31, 2011

Time : 12:24 pm

Vendor : A&A FENCE To ZETLMAIER

Cheque Dt. : 01-Jan-2011 To 31-Jan-2011

Bank : 7 - ACCOUNTS PAYABLE

Seq : Cheque No.

Status : All

Medium : M=Manual C=Computer E=EFT-PA

Check #	Check Date	Vendor	Vendor Name	Status	Batch	Medium	Amount
41727	27-Jan-2011	LUTHERSTRU	LUTHERS TRUCK & EQUIPMENT	Issued	19	C	297.00
41728	27-Jan-2011	METROCALL	USA MOBILITY WIRELESS INC.	Issued	19	C	25.74
41729	27-Jan-2011	MIKEMCGEOR	MIKE MCGEORGE GOPHER CONTROL	Issued	19	C	250.00
41730	27-Jan-2011	NAPAAUTOPA	NAPA AUTO PARTS	Issued	19	C	237.08
41731	27-Jan-2011	NEWMeyer	NEWMeyer, MIKE	Issued	19	C	300.00
41732	27-Jan-2011	NORTHROP	NORTHROP GRUMMAN COMMERCIAL INFOF	Issued	19	C	600.00
41733	27-Jan-2011	PATSPOTS	PAT'S POTS	Issued	19	C	310.00
41734	27-Jan-2011	PITNEYBOW	EASYPERMIT POSTAGE	Issued	19	C	6,508.08
41735	27-Jan-2011	PRESTIGEMO	PRESTIGE MOBILE DETAIL	Issued	19	C	400.00
41736	27-Jan-2011	SOUTH WEST	SOUTH WEST PUMP & DRILLING INC.	Issued	19	C	530.08
41737	27-Jan-2011	STAPLES	STAPLES ADVANTAGE	Issued	19	C	646.62
41738	27-Jan-2011	SUNRISEFOR	SUNRISE FORD	Issued	19	C	599.51
41739	27-Jan-2011	TALLEY	TALLEY	Issued	19	C	113.10
41740	27-Jan-2011	USABBLUEBOC	USA BLUE BOOK	Issued	19	C	387.39
41741	27-Jan-2011	VERIZON	VERIZON	Issued	19	C	192.48
41742	27-Jan-2011	VERIZONCRE	VERIZON CREDIT INC.	Issued	19	C	139.29
41743	27-Jan-2011	VERIZONWIR	VERIZON WIRELESS	Issued	19	C	638.07
41744	27-Jan-2011	XEROX	XEROX CORPORATION	Issued	19	C	1,193.64
41745	31-Jan-2011	CHARLESFED	CHARLES Z. FEDAK & CO.	Issued	21	C	4,136.00
41746	31-Jan-2011	PARSONS	PARSONS WATER & INFRASTRUCTURE INC.	Issued	21	C	18,702.50
41747	31-Jan-2011	REDWINE	REDWINE AND SHERRILL	Issued	21	C	7,540.35
Total Computer Paid :		306,191.02	Total EFT PAP :	0.00	Total Paid :		306,191.02
Total Manually Paid :		0.00	Total EFT File :	0.00			

77 Total No. Of Cheque(s) ...

Check Register-Summary-Bank



AP5090

Page : 1

Date : Jan 31, 2011

Time : 8:47 am

Vendor : A&A FENCE To ZETLMAIER

Cheque Dt. : 01-Jan-2011 To 31-Jan-2011

Bank : 10 - CUSTOMER REFUNDS

Seq : Cheque No. Status : All

Medium : M=Manual C=Computer E=EFT-PA

Check #	Check Date	Vendor	Vendor Name	Status	Batch	Medium	Amount
1030	13-Jan-2011	STMP001043	KB HOME INC	Issued	10	C	750.00
1031	13-Jan-2011	STMP001044	CHOCTAW CONTRACTORS INC	Issued	10	C	451.52
1032	13-Jan-2011	STMP001045	EMPIRE PIPE CLEANING & EQUIPMENT INC.	Issued	10	C	714.52
1033	13-Jan-2011	STMP001046	SOUTHWEST CONTRACTORS	Issued	10	C	707.42
1034	13-Jan-2011	STMP001047	PAR ELECTRIC	Issued	10	C	652.55
1035	13-Jan-2011	STMP001048	CHJ INC C/O JAY J. MARTI	Issued	10	C	640.00
1036	13-Jan-2011	STMP001049	METROCELL CONSTRUCTION INC	Issued	10	C	519.12
1037	13-Jan-2011	STMP001050	SILVERMAN, DONNA	Issued	10	C	17.72
1038	13-Jan-2011	STMP001051	BEAUMONT INVEST. C/O MT. VIEW APTS-JIT	Issued	10	C	1,537.45
1039	13-Jan-2011	STMP001052	MEJIA, CONSTANCE	Issued	10	C	18.42
1040	13-Jan-2011	STMP001053	YBARRA, JOSEPH & GLORA	Issued	10	C	41.17
1041	13-Jan-2011	STMP001054	CAZALEZ, GUADALUPE	Issued	10	C	255.51
1042	13-Jan-2011	STMP001055	LARRY & SANDRA GUSTUSON%BIG TEX TRI	Issued	10	C	399.00
1043	13-Jan-2011	STMP001056	GIANNINI, JOSEPH & YVONNE	Issued	10	C	20.05
1044	13-Jan-2011	STMP001057	MOORE, THOMAS	Issued	10	C	96.90
1045	13-Jan-2011	STMP001058	YOUNG, RICHARD	Issued	10	C	9.32
1046	27-Jan-2011	STMP001059	PIERIK, MERRI	Issued	20	C	48.27
1047	27-Jan-2011	STMP001060	BLESCH & ASSOC REAL ESTATE	Issued	20	C	53.04
Total Computer Paid :		6,931.98	Total EFT PAP :	0.00	Total Paid :		6,931.98
Total Manually Paid :		0.00	Total EFT File :	0.00			

18 Total No. Of Cheque(s) ...

Memorandum

Date: February 9, 2011
From: Anthony Lara, Interim General Manager
To: Board of Directors
Subject: Invoices Pending Payment

Attached please find copies of the professional services invoices which are pending payment. Total amount pending approval is \$ 36,942.14

Vendor Name	Invoice No.	Amount
Wildermuth Environmental Inc	2010824	\$1,500.00
Parsons	11010033	\$28,573.14
Redwine & Sherrill	111001	\$6,869.00
	Total	\$36,942.14

Recommendation: That the Board approves payment of invoices



WILDERMUTH™
ENVIRONMENTAL INC.

Wildermuth Environmental
23692 Birtcher Drive
Lake Forest, CA 92630
949.420.3030

HOLD INVOICE
Board Approval Required

RECEIVED
JAN 24 2011

BY:

Beaumont Cherry Valley Water District
Anthony L. Lara
560 Magnolia Ave.
Beaumont, CA 92223-2258

Invoice number 2010824
Date 01/01/2011

Project: **035-010 BMZ Antidegradation Analysis -
BCVWD Share**

Professional Services for the Period: December 1, 2010 through December 30, 2010

The following work was completed during this billing period:

- * Assisted Brian Villalobos of GeoScience (representing the City of Banning) with background information for use in a letter to the Regional Board requesting participation in the BMZ study.
- * Updated the strawman recycled water planning scenarios discussed at the November 17, 2010 meeting and sent to the BMZ working group on December 10, 2010.
- * Prepared for the December 16, 2010 meeting at the Regional Board to review the work performed to date for the BMZ study. The meeting was cancelled by Cindy Li of the Regional Board on December 15, 2010.
- * Sent a follow up data request to the City of Banning on December 15, 2010 asking for clarification and supplemental information on the water supply plan data provided and requesting additional data on the City's wastewater treatment plant. A data request reminder was sent on December 22, 2010.
- * Reviewed the list of comments and questions regarding the strawman planning scenarios submitted by Joe Zoba on December 16, 2010. Prepared a response and sent to the BMZ working group on December 17, 2010.
- * Completed the draft wastewater production and reuse plan for the Yucaipa Valley Water District's Wochholz Regional Water Recycling Facility and submitted to YVWD for review and comment on December 22, 2010.
- * Completed the draft water supply plan of the City of Beaumont based on the updated baseline strawman scenario in preparation for meeting with the City to review and confirm the data in January.
- * Completed the draft water supply of the Beaumont Cherry Valley Water District based on the updated baseline strawman scenario in preparation for meeting with the City to review and confirm the data in January.
- * Completed the draft water supply of the Yucaipa Valley Water District based on the updated baseline strawman scenario in preparation for meeting with the City to review and confirm the data in January.
- * Prepared for and participated in a conference call with Cindy Li on December 22, 2010 to provide an update on the status of the data collection for the BMZ study. The call was requested by Cindy Li to ensure the BMZ working group was in compliance with the recent schedule provided to the Regional Board.
- * Reviewed the November 17, 2010 meeting minutes prepared by Jennifer Ares of the YVWD and distributed by Cindy Li on December 22, 2010.
- * Reviewed the draft meeting agenda proposed and distributed by Cindy Li on December 22, 2010.

Professional Services

	Hours	Rate	Billed Amount
Samantha S. Adams	10.00	150.00	1,500.00
Professional Services subtotal	10.00		1,500.00
Invoice total			1,500.00

Please note the above billing rates include a 5% recession reduction

MEMORANDUM

January 7, 2010

HOLD INVOICE
Board Approval Required

TO: Tony Lara, Interim General Manager
FROM: Steve Gratwick
SUBJECT: Work During Billing Period: **11/27/10** through **12/31/10**
Invoice No. 11010033

During this past billing period we performed the following tasks:

Task 01000 – General:

- Administration;.....\$575.00
- District Standard Specification Review and Policies;.....\$1,020.00
- Revisions to Landscape Maintenance Service RFP and Agreement. Prepare and attend bid opening, review bids, prepare letter of recommendation and prepare contract agreement;.....\$6,460.00

Task 89000 – Master Plan Update:

- Update demands and hydraulic model for 2750 Pressure Zone;.....\$340.00

Task 10023 – Cherry Tank Site Remediation:

- Prepare and submit for approval with RCEH the Removal Action Plan. Prequalify and prepare proposal packages for bids from subcontractors for soil removal. Review bids and make recommendation for award of subcontract, prepare contract documents;.....\$18,370.00
- ODCs (Kehoe Testing & Engineering – On-site soil sampling);.....\$1,636.00
- ODCs (Postage, Reproduction, & Travel);.....\$172.14

TOTAL \$28,573.14

LAW OFFICES
REDWINE AND SHERRILL
STATEMENT FOR PROFESSIONAL SERVICES

1950 MARKET STREET
RIVERSIDE, CALIFORNIA 92501-1720
TELEPHONE 951-684-2520
ID # 95-1979827

RECEIVED
JAN 31 2011

Invoice#1110001

BY:

January 28, 2011

Beaumont Cherry Valley Water District
ATTN: Tony Lara
P. O. Box 2037
Beaumont, CA 92223

For Services Rendered During January 2011

Legal Fees due for Month	\$ 6,864.00
Costs Advanced for Month	\$ 4.00
CURRENT AMOUNT DUE	\$ 6,869.00

Beaumont-Cherry Valley Water District
Statements of Revenues, Expenses, and Changes in Net Assets
Unaudited
Through December 31, 2010

	Actual Current Month	Actual YTD	Adopted Budget	Budget Remaining	Percent to Budget
Operating revenues:					
Water consumption sales	280,836	4,170,600	4,329,564	158,964	96.33%
Water service charges	177,623	1,773,147	1,863,415	90,268	95.16%
Water importation surcharges	78,835	1,027,000	996,851	(30,149)	103.02%
Water pumping power surcharges	105,154	1,350,621	1,311,650	(38,971)	102.97%
Development and installation charges	3,229	227,503	160,000	(67,503)	142.19%
Other charges for services	13,230	337,618	259,000	(78,618)	130.35%
Total operating revenues	658,907	8,886,488	8,920,480	33,992	99.62%
Operating expenses:					
Source of supply	627,044	3,820,959	3,071,820	(749,139)	124.39%
Transmission and distribution	106,580	916,110	1,033,700	117,590	88.62%
Customer accounts	21,479	190,817	183,400	(7,417)	104.04%
Maintenance & general plant	37,948	319,418	393,400	73,982	81.19%
In-House engineering	17,032	117,258	112,012	(5,246)	104.68%
Professional services	16,661	218,112	290,000	71,888	75.21%
Administrative	252,429	1,680,243	2,291,300	611,057	73.33%
Total operating expenses	1,079,174	7,262,916	7,375,632	112,716	98.47%
Operating income before depreciation	(420,267)	1,623,573	1,544,848	(78,725)	105.10%
Depreciation	(168,779)	(2,025,351)	(2,025,351)	0	100.00%
Operating income(loss)	(589,046)	(401,779)	(480,503)	(78,724)	
Non-operating revenue(expense):					
Interest earnings	2,575	35,519	51,000	15,481	69.65%
Rental income	2,095	21,973	30,800	8,827	71.34%
Other non-operating revenues	51,362	78,627	15,000	(63,627)	524.18%
Other non-operating expenses	-	123,248	84,969	(38,279)	
Total non-operating revenues(expenses), net	56,032	12,871	11,831	(1,040)	108.79%
Net income(loss) before capital contributions	(533,014)	(388,907)	(468,672)	(79,765)	
Capital contributions:					
Facilities charges	0	719,321	272,402	446,919	264.07%
Front footage fees	0	0	0	0	0
Total capital contributions	0	719,321	272,402	446,919	
Change in net assets	(533,014)	330,413	(196,270)	526,683	

Beaumont-Cherry Valley Water District
Statements of Revenues, Expenses, and Changes in Net Assets
Detailed
Unaudited Through December 31, 2010

	<u>Current Month</u>	<u>Actual - YTD</u>	<u>Adopted Budget</u>	<u>Budget Remaining</u>	<u>Percent to Budget</u>
Operating revenues:					
Water consumption sales					
DOMESTIC WATER SALES	277,551	3,962,580	4,074,564	111,984	97.25%
IRRIGATION WATER SALES	-	27,759	30,000	2,241	92.53%
CONSTRUCTION WATER SALES	3,285	98,455	125,000	26,545	78.76%
RECHARGE INCOME (CITY OF BANNING)	-	81,805	100,000	18,195	81.81%
Water service charges (meter charge)					
SERVICE CHARGES	177,623	1,773,147	1,863,415	90,268	95.16%
Water importation surcharge	78,835	1,027,000	996,851	(30,149)	103.02%
Water pumping power surcharge	105,154	1,350,621	1,311,650	(38,971)	102.97%
Development and installation charges					
INSTALLATION CHARGES	-	140,149	100,000	(40,149)	140.15%
DEVELOPMENT INCOME	3,229	87,354	60,000	(27,354)	145.59%
Other charges for services					
REIMB. CUST. DAMAGES/UPGRADES/WELLS	25	108,331	30,000	(78,331)	361.10%
BACKFLOW DEVICES	3,035	28,135	22,500	(5,635)	125.04%
RETURNED CHECK FEES	260	2,000	3,500	1,500	57.14%
TURN ONS	2,880	34,720	36,000	1,280	96.44%
THIRD NOTICE CHARGE	2,865	78,070	76,000	(2,070)	102.72%
PENALTIES	4,165	86,362	91,000	4,638	94.90%
	<u>13,230</u>	<u>337,618</u>	<u>259,000</u>	<u>(78,618)</u>	<u>130.35%</u>
Total operating revenues	<u>658,907</u>	<u>8,886,488</u>	<u>8,920,480</u>	<u>33,992</u>	<u>99.62%</u>
Operating expenses:					
Source of supply					
STATE PROJECT WATER PURCHASED	362,648	1,815,459	570,600	(1,244,859)	318.17%
HEALTH INSURANCE	6,997	52,338	55,000	2,662	95.16%
RETIREMENT/CALPERS	6,592	61,170	65,000	3,830	94.11%
LABOR	31,552	224,825	275,000	50,175	81.75%
BEREAVEMENT/SEMINAR/JURY DUTY	-	379	1,000	621	37.86%
SICK LEAVE	762	6,456	4,500	(1,956)	143.47%
VACATION	-	4,405	6,000	1,595	73.42%
HOLIDAYS	2,455	9,475	9,500	25	99.73%
LIFE INSURANCE	171	1,428	1,600	172	89.23%
UNIFORMS, EMPLOYEE BENEFITS	130	687	1,000	313	68.71%
TREATMENT & CHEMICALS	5,295	39,132	160,000	120,868	24.46%
LAB TESTING	7,740	54,468	45,000	(9,468)	121.04%
MAINTENANCE EQUIPMENT (PUMPING) 81088	7,607	119,854	160,000	40,146	74.91%
UTILITIES - GAS	31	175	120	(55)	145.46%
UTILITIES - ELECTRIC	170,193	1,376,978	1,700,000	323,022	81.00%
TELEMETRY MAINTENANCE	-	621	6,000	5,379	10.34%
SEMINAR & TRAVEL EXPENSES	-	-	500	500	0.00%
EDUCATION EXPENSES	-	300	1,000	700	30.00%
WORKER'S COMPENSATION INSURANCE	916	7,638	10,000	2,362	76.38%
STATE MANDATE CLEAN UP	23,955	45,172	0	(45,172)	0.00%
Total Source of supply	<u>627,044</u>	<u>3,820,959</u>	<u>3,071,820</u>	<u>(749,139)</u>	<u>124.39%</u>
Transmission and distribution					
HEALTH INSURANCE	21,808	149,336	115,000	(34,336)	129.86%
RETIREMENT/CALPERS	13,391	124,654	110,000	(14,654)	113.32%
LABOR	45,592	369,633	370,000	367	99.90%

Beaumont-Cherry Valley Water District
Statements of Revenues, Expenses, and Changes in Net Assets
Detailed
Unaudited Through December 31, 2010

	<u>Current Month</u>	<u>Actual - YTD</u>	<u>Adopted Budget</u>	<u>Budget Remaining</u>	<u>Percent to Budget</u>
BEREAVEMENT/SEMINAR/JURY DUTY	-	3,240	2,400	(840)	135.02%
SICK LEAVE	2,479	23,722	18,000	(5,722)	131.79%
VACATION	1,050	14,031	24,000	9,969	58.46%
HOLIDAYS	5,566	20,475	24,000	3,525	85.31%
LIFE INSURANCE	382	3,154	3,100	(54)	101.73%
UNIFORMS, EMPLOYEE BENEFITS	166	2,797	3,200	403	87.42%
SEMINAR & TRAVEL EXPENSES	-	756	1,000	244	75.56%
EDUCATION EXPENSES	-	350	2,000	1,650	17.50%
WORKER'S COMPENSATION INSURANCE	(2,958)	15,020	15,000	(20)	100.13%
MAINT PIPELINE/FIRE HYDRANT	235	31,768	95,000	63,232	33.44%
LINE LOCATES	246	2,497	3,500	1,003	71.36%
MAINT METERS & SERVICES	8,637	118,482	175,000	56,518	67.70%
BACKFLOW DEVICES	656	656	500	(156)	131.28%
MAINTENANCE RESERVOIRS/TANKS	7,028	11,480	10,000	(1,480)	114.80%
MAINTENANCE PRESSURE REGULATORS	-	-	12,000	12,000	0.00%
INSPECTIONS	2,557	23,020	35,000	11,980	65.77%
INVENTORY ADJUSTMENT	-	-	0	0	-
INVENTORY PURCHASE DISCOUNTS	(255)	(2,285)	(5,000)	(2,715)	45.71%
OBSOLETE OR DAMAGED INVENTORY	-	65	20,000	19,935	0.32%
PROPERTY THEFT	-	3,258	0	(3,258)	-
Total transmission and distribution	106,580	916,110	1,033,700	117,590	88.62%
Customer accounts					
HEALTH INSURANCE	4,542	36,078	34,000	(2,078)	106.11%
RETIREMENT/CALPERS	3,420	32,096	31,000	(1,096)	103.53%
LABOR	12,429	98,548	99,000	452	99.54%
BEREAVEMENT/SEMINAR/JURY DUTY	-	195	1,000	805	19.54%
SICK LEAVE	219	6,276	3,000	(3,276)	209.19%
VACATION	733	6,197	4,000	(2,197)	154.91%
HOLIDAYS	1,604	6,164	6,500	336	94.84%
LIFE INSURANCE	93	801	800	(1)	100.08%
UNIFORMS, EMPLOYEE BENEFITS	130	717	800	83	89.59%
EDUCATION EXPENSES	-	-	1,000	1,000	0.00%
WORKER'S COMPENSATION	(1,692)	3,745	2,300	(1,445)	162.84%
Total customer accounts	21,479	190,817	183,400	(7,417)	104.04%
Maintenance & general plant					
UTILITIES - DISTRICT PROPERTIES	9,622	87,991	95,400	7,409	92.23%
AUTO/FUEL	11,252	73,753	85,000	11,247	86.77%
SAFETY EQUIPMENT	160	5,548	3,000	(2,548)	184.94%
COMMUNICATION MAINTENANCE	-	-	1,000	1,000	0.00%
REPAIR & MAINT OF GEN EQUIPMENT	206	4,059	3,000	(1,059)	135.29%
REPAIR VEHICLES AND TOOLS	2,587	11,571	40,000	28,430	28.93%
LARGE EQUIPMENT MAINTENANCE	4,212	24,747	35,000	10,253	70.70%
EQUIP. PREVENTATIVE MAINTENANCE	953	1,015	1,000	(15)	101.54%
AUTO/EQUIPMENT OPERATION	1,021	20,974	40,000	19,026	52.43%
MAINT GENERAL PLANT (BUILDINGS)	86	2,170	10,000	7,830	21.70%
LANDSCAPE MAINTENANCE	6,575	52,240	50,000	(2,240)	104.48%
RECHARGE FAC, CANYON & POND MAINTENA	1,275	35,350	30,000	(5,350)	117.83%
Total maintenance & general plant	37,948	319,418	393,400	73,982	81.19%

In-House engineering

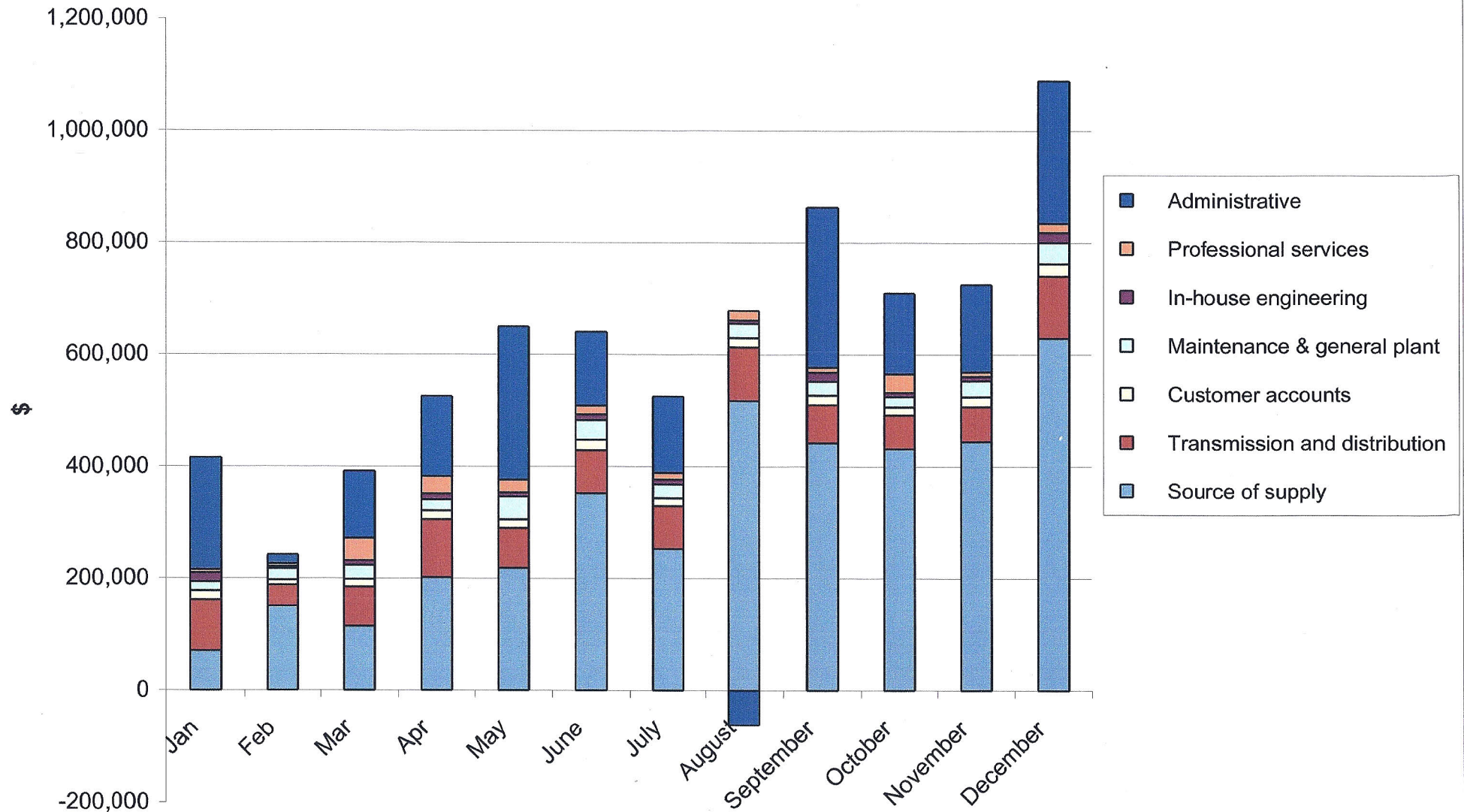
Beaumont-Cherry Valley Water District
Statements of Revenues, Expenses, and Changes in Net Assets
Detailed
Unaudited Through December 31, 2010

	<u>Current Month</u>	<u>Actual - YTD</u>	<u>Adopted Budget</u>	<u>Budget Remaining</u>	<u>Percent to Budget</u>
HEALTH INSURANCE	694	4,639	4,000	(639)	115.96%
RETIREMENT/CALPERS	1,692	13,392	10,000	(3,392)	133.92%
LABOR	12,858	83,590	82,000	(1,590)	101.94%
BEREAVEMENT/SEMINAR/JURY DUTY	-	295	500	205	59.09%
SICK LEAVE	-	-	2,000	2,000	0.00%
VACATION	-	1,571	3,200	1,629	49.08%
HOLIDAY	751	2,972	3,200	229	92.86%
LIFE INSURANCE	51	366	312	(54)	117.38%
SEMINAR & TRAVEL EXPENSES	-	-	500	500	0.00%
EDUCATION EXPENSE	1,683	8,529	5,000	(3,529)	170.59%
WORKER'S COMPENSATION	(697)	1,904	1,300	(604)	146.45%
Total in-house engineering	<u>17,032</u>	<u>117,258</u>	<u>112,012</u>	<u>(5,246)</u>	<u>104.68%</u>
Professional services					
GENERAL LEGAL	7,716	147,046	125,000	(22,046)	117.64%
DEVELOPMENT - REIMB. LEGAL	-	-	1,000	1,000	0.00%
AUDIT	-	18,733	19,000	267	98.59%
ACCOUNTING (NON AUDIT)	-	-	10,000	10,000	0.00%
GENERAL ENGINEERING	2,033	43,206	120,000	76,794	36.01%
DEVELOPMENT - REIMB. ENGINEERING	3,897	6,111	5,000	(1,111)	122.22%
ENGINEERING - PERMITTING (REC WATER)	3,015	3,015	10,000	6,985	0.00%
Total professional services	<u>16,661</u>	<u>218,112</u>	<u>290,000</u>	<u>71,888</u>	<u>75.21%</u>
General and administrative					
HEALTH INSURANCE	20,205	151,705	152,000	295	99.81%
RETIREMENT/CALPERS	20,976	196,756	221,000	24,244	89.03%
LABOR	89,583	724,717	810,000	85,283	89.47%
BEREAVEMENT/SEMINAR/JURY DUTY	-	1,461	2,500	1,039	58.45%
SICK LEAVE	1,259	27,437	20,000	(7,437)	137.18%
VACATION	1,353	24,165	38,000	13,835	63.59%
HOLIDAYS	8,579	32,236	39,000	6,764	82.66%
LIFE INSURANCE	539	4,681	5,600	919	83.60%
SEMINAR & TRAVEL EXPENSES	21	1,794	5,500	3,706	32.61%
EDUCATION EXPENSES	-	926	1,000	74	92.56%
WORKER'S COMPENSATION INSURANCE	(491)	8,060	8,000	(60)	100.74%
UNEMPLOYMENT INSURANCE	-	12,751	14,000	1,249	91.08%
EMPLOYER SHARE FOR RETIRED (CALPERS)	569	5,783	4,500	(1,283)	128.51%
ADMINISTRATIVE COSTS (CALPERS)	143	1,447	2,000	553	72.37%
BANK CHGS/MONEY MARKET/TRANS. FEES	2,421	24,273	20,000	(4,273)	121.36%
OFFICE SUPPLIES	5,886	46,563	47,500	937	98.03%
OFFICE EQUIPMENT/SERVICE AGREEMENTS	28,563	82,553	85,000	2,447	97.12%
OFFICE MAINTENANCE	1,101	14,000	15,000	1,000	93.33%
MEMBERSHIP DUES	2,508	30,420	21,000	(9,420)	144.86%
OFFICE EQUIP.MAINT. & REPAIRS	-	2,320	2,000	(320)	116.01%
POSTAGE	3,085	40,940	40,000	(940)	102.35%
SUBSCRIPTIONS	346	4,947	1,600	(3,347)	309.21%
MISCELLANEOUS OPERATING SUPPLIES	94	4,639	15,000	10,361	30.93%
MISCELLANEOUS TOOLS/EQUIPMENT	-	1,929	10,000	8,071	19.29%
EMPLOYEE MEDICAL/FIRST AID	22	390	600	210	65.08%
RANDOM DRUG TESTING	60	135	500	365	27.00%
PROPERTY/AUTO/GEN LIABILITY INSURANCE	7,477	88,206	60,000	(28,206)	147.01%
STATE MANDATES AND TARIFFS	9,822	30,815	27,000	(3,815)	114.13%

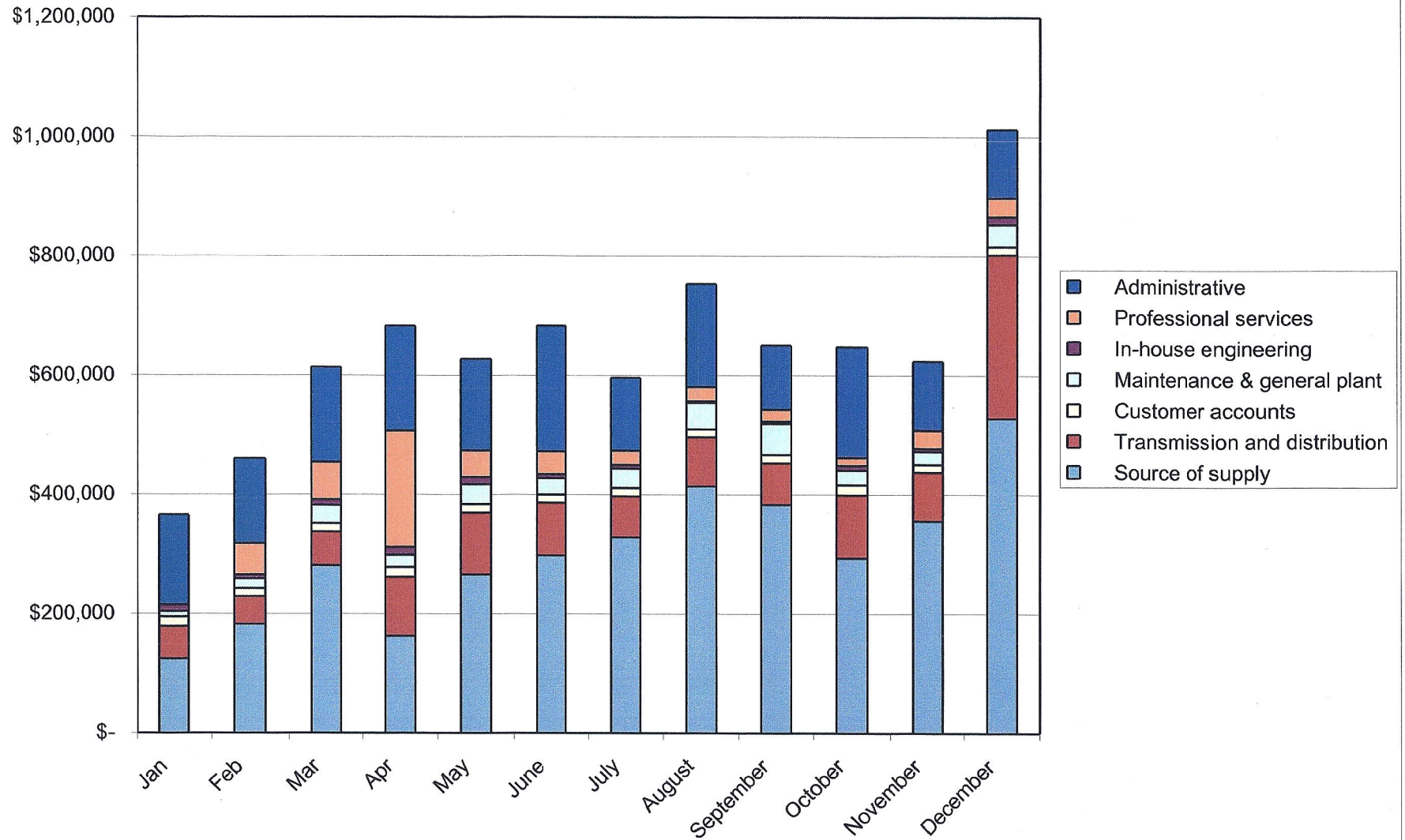
Beaumont-Cherry Valley Water District
Statements of Revenues, Expenses, and Changes in Net Assets
Detailed
Unaudited Through December 31, 2010

	<u>Current Month</u>	<u>Actual - YTD</u>	<u>Adopted Budget</u>	<u>Budget Remaining</u>	<u>Percent to Budget</u>
MISCELLANEOUS EXPENSES	562	19,236	3,000	(16,236)	641.20%
PUBLIC EDUCATION	-	8,353	10,000	1,647	83.53%
PROPERTY DAMAGE	-	1,848	0	(1,848)	0.00%
IT SUPPORT/SOFTWARE SUPPORT	3,590	45,071	65,000	19,929	69.34%
PRINCIPAL PAYMENT	-	-	470,000	470,000	0.00%
INTEREST EXPENSE	38,279	-	0	0	0.00%
BAD DEBT EXPENSES	-	-	1,000	1,000	0.00%
NOTE COST OF ISSUANCE	1,527	13,742	0	(13,742)	-
BOARD OF DIRECTOR FEES	4,350	25,740	40,000	14,260	64.35%
ELECTION EXPENSES	-	205	34,000	33,795	0.60%
Total general and administrative	<u>252,429</u>	<u>1,680,243</u>	<u>2,291,300</u>	<u>611,057</u>	<u>73.33%</u>
 Total operating expenses	<u>1,079,174</u>	<u>7,262,916</u>	<u>7,375,632</u>	<u>112,716</u>	<u>98.47%</u>
 Operating income before depreciation	(420,267)	1,623,573	1,544,848	(78,725)	105.10%
Depreciation	<u>(168,779)</u>	<u>(2,025,351)</u>	<u>(2,025,351)</u>	<u>0</u>	<u>100.00%</u>
Operating income(loss)	<u>(589,046)</u>	<u>(401,779)</u>	<u>(480,503)</u>	<u>(78,724)</u>	<u>83.62%</u>
 Non-operating revenue(expense):					
Interest earnings	2,575	35,519	51,000	15,481	69.65%
Rental income	2,095	21,973	30,800	8,827	71.34%
Other non-operating revenues	51,362	78,627	15,000	(63,627)	524.18%
Other non-operating Expenses	-	123,248	84,969	(38,279)	145.05%
Total non-operating revenues(expenses), net	<u>56,032</u>	<u>12,871</u>	<u>11,831</u>	<u>(1,040)</u>	<u>108.79%</u>
 Net income(loss) before capital contributions	<u>(533,014)</u>	<u>(388,907)</u>	<u>(468,672)</u>	<u>(79,765)</u>	
 Capital contributions:					
Facilities charges	-	719,321	272,402	446,919	264.07%
Front footage fees	<u>-</u>	<u>-</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
 Total capital contributions	<u>-</u>	<u>719,321</u>	<u>272,402</u>	<u>446,919</u>	<u>264.07%</u>
 Change in net assets	<u>(533,014)</u>	<u>330,413</u>	<u>(196,270)</u>	<u>526,683</u>	<u>-168.35%</u>

Operating Expenses by Activity - December 2010

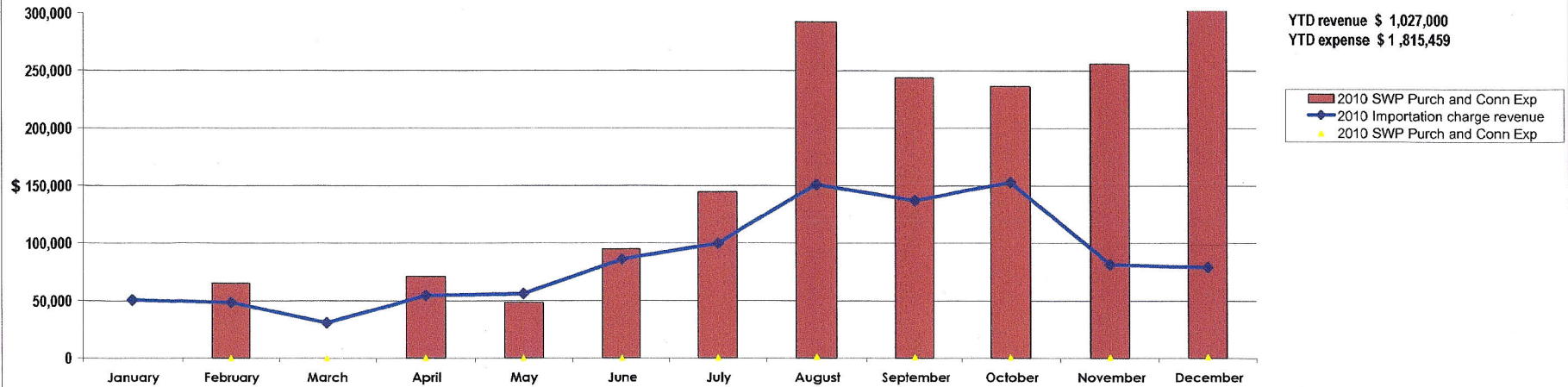


Operating Expenses by Activity - December 2009

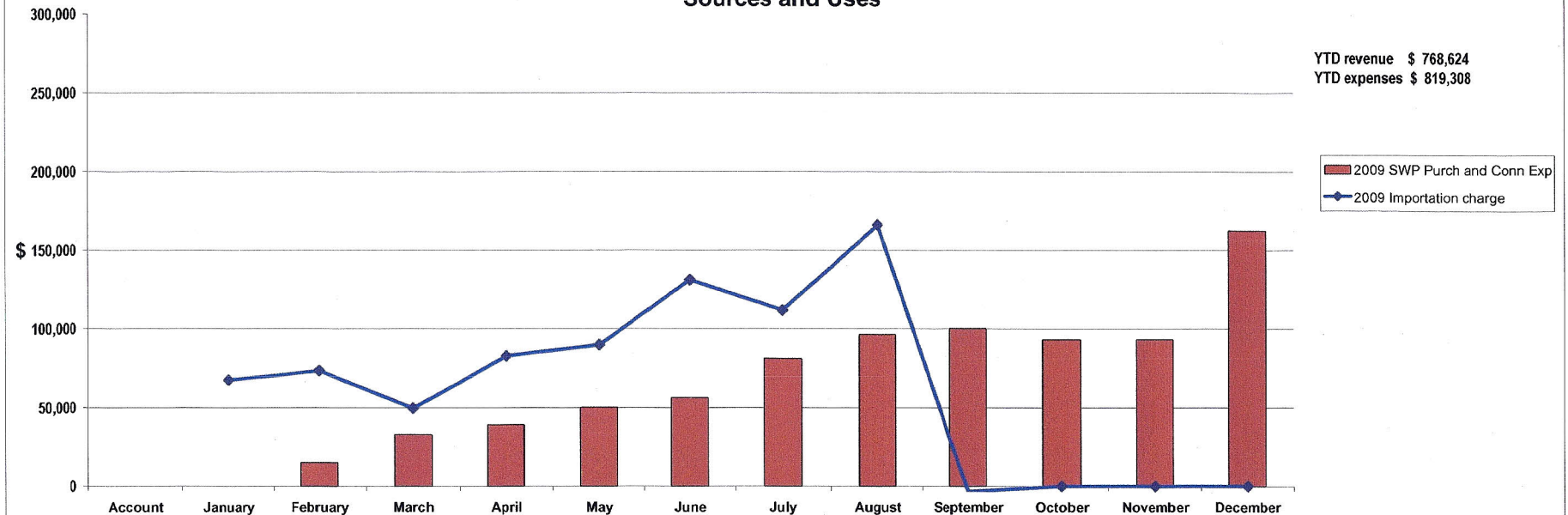


**Beaumont Cherry Valley Water District
Importation Charges**

**2010 Importation Charge
Revenue and Expense**

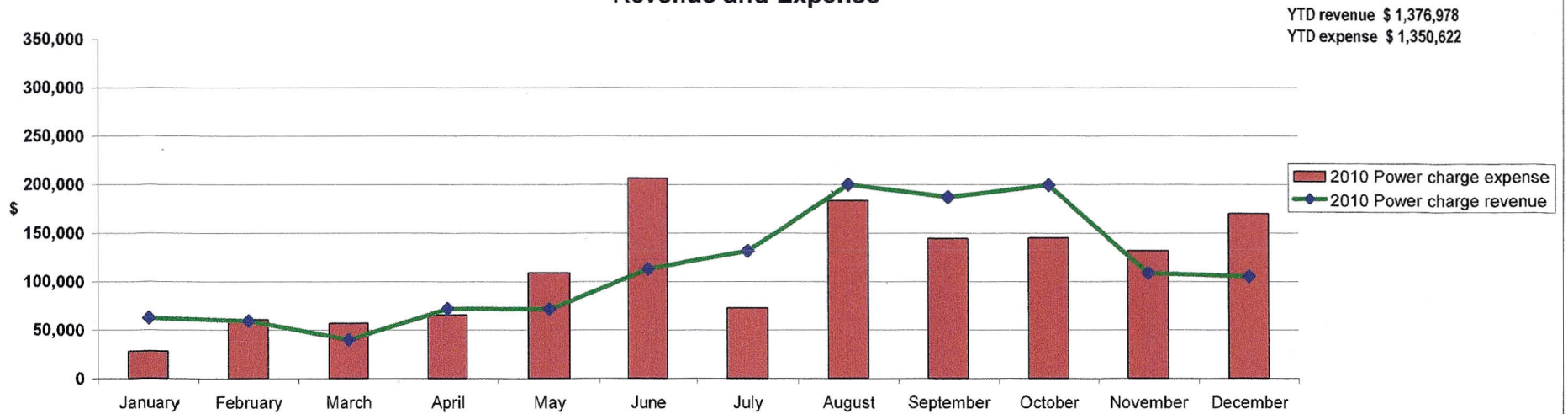


**2009 Importation Charge
Sources and Uses**

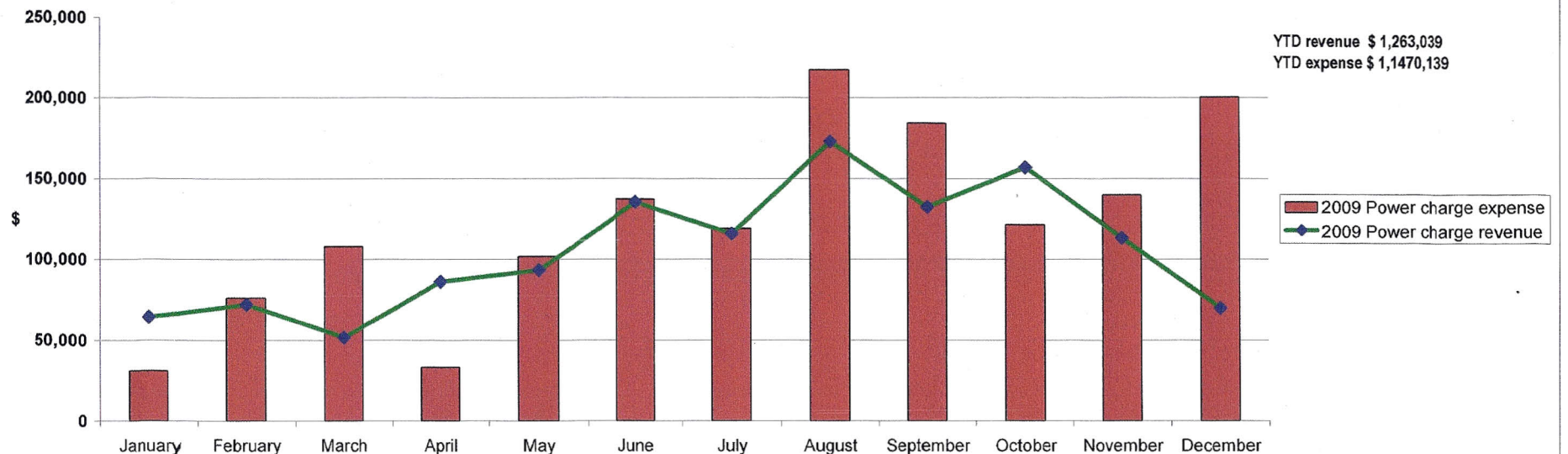


Beaumont Cherry Valley Water District
Power Charge

**2010 Power Charge
Revenue and Expense**



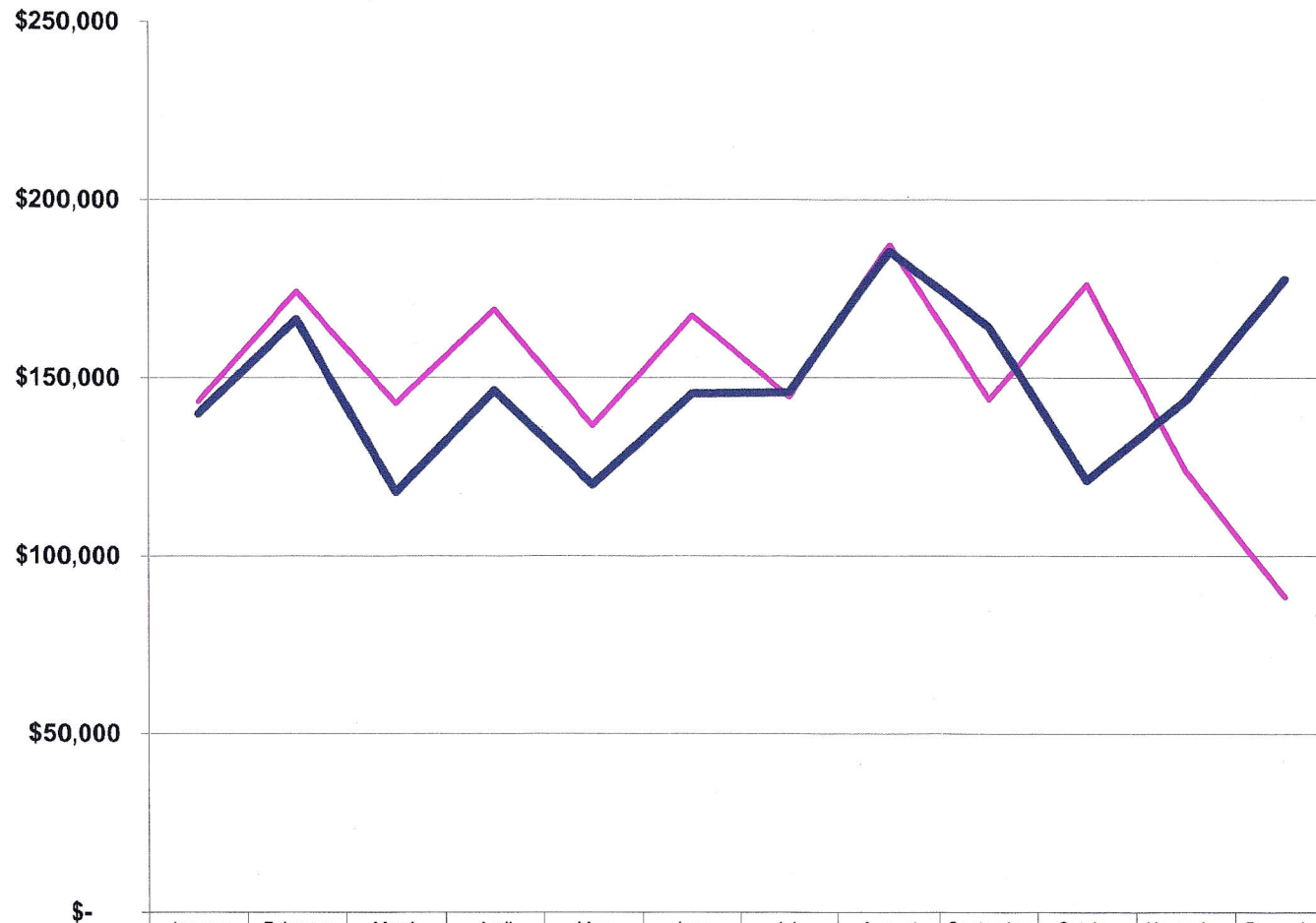
**2009 Power Charge
Sources and Uses**



Water Sales through December 2010
(Includes Domestic, Irrigation and Construction)



Meter Charge through December 2010



	January	February	March	April	May	June	July	August	September	October	November	December
2009 Meter charge	\$143,230	\$174,113	\$142,716	\$169,148	\$136,432	\$167,405	\$144,567	\$187,274	\$143,760	\$176,144	\$123,708	\$88,319
2010 Meter charge	\$139,823	\$166,318	\$117,800	\$146,328	\$119,929	\$145,413	\$145,762	\$185,438	\$164,153	\$121,016	\$143,544	\$177,623

Beaumont-Cherry Valley Water District
Month-end Financial Statement
Cash and Investments (Unaudited)
As of December 30, 2010

Cash and cash equivalents	5,356,380
Restricted:	
Debt service	270,779
Construction	<u>59,851</u>
Total	<u><u>5,687,009</u></u>

Cash and cash equivalents consist of the following:

Petty cash	1,400
Deposits with financial institutions	<u>5,354,980</u>
Total cash and cash equivalents	<u><u>5,356,380</u></u>

**Beaumont-Cherry Valley Water District
Bank of America Note Reconciliation
December 31,2010**

Funds received on March 31, 2010	\$4,965,000.00
Add: Year to date Interest earned	\$1,644.98
Less: reimbursement for costs incurred on capital projects	
2800 Zone Tank	\$2,341,275.33
24" Recycled - Brookside	\$609,951.29
1 MG Reservoir/Booster	\$63,715.61
24" Recycled - Westerly Loop Phase 4B	\$1,091,848.91
Ring Ranch Rd	\$708,080.23
24" Recycled - Westerly Loop Phase 4A	\$91,922.73
Total	<u>\$4,906,794.10</u>
Capital Project Fund balance	<u><u>\$59,850.88</u></u>

**RECORD OF THE MINUTES OF THE
REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE
BEAUMONT CHERRY VALLEY WATER DISTRICT
January 12, 2011**

CALL TO ORDER, PRESIDENT BALL

President Ball called the meeting to order at 7:01 p.m., 560 Magnolia Avenue, Beaumont, California.

CLOSED SESSION

Closed Session will begin at 7:00 p.m.

The Closed Session will be held to confer with Legal Counsel on existing litigation pursuant to subdivision (a) of Government Code Section 54956.9 (Re: Joseph R. Scott, Inc. vs. Beaumont Cherry Valley Water District, Superior Court of California, County of Riverside, Case No. RIC 10021518.)

President Ball adjourned the meeting to Closed Session at 7:02 p.m.

REPORT ON CLOSED SESSION BY LEGAL COUNSEL

President Ball reconvened to Open Session at 7:43 p.m.

General Counsel Gil Granito reported that the Board went into Closed Session at approximately 7:02 pm. The Closed Session was held to confer with Legal Counsel on an existing litigation pursuant to Subdivision (a) of Government Code Section 54956.9, Joseph R. Scott vs Beaumont Cherry Valley Water District. Granito reported that the District has been sued for an amount allegedly due. The District will defend the lawsuit and there are no other further reportable actions.

SECOND CALL TO ORDER, PRESIDENT BALL

President Ball called the meeting to order.

PLEDGE OF ALLEGIANCE, DIRECTOR EARHART

Director Earhart led the pledge

INVOCATION, DIRECTOR ROSS

Director Ross recited the invocation

ROLL CALL, BLANCA MARIN

Those responding to roll call were President Ball, Vice President Woll and Directors Earhart, Guldseth and Ross. Also present at this meeting were General Counsel Gil Granito, Interim General Manager Anthony Lara and Executive Assistant Blanca Marin.

Public present at this meeting were:

Judy Bingham	Frances Flanders
John Halliwill	Luwana Ryan

Niki Magee	David Castaldo
Knute Dahlstrom	Neal Meyers
Mr. Reeley	Patsy Reeley
Barbara Voigt	Basil Clinton
Len Leach	William Adams
Betty Beckman	

PUBLIC INPUT

Secretary Ross invited Judy Bingham to address the Board on an item not on the agenda. Ms. Bingham questioned the Board as to when the District will have a discussion on whether or not permission was granted to the UC Riverside to sample the District's Wells and to complete the study. She also indicated that the study on these wells is being paid for by the City of Beaumont. She further commented on the City of Beaumont's Sewage Spill fine that will be paid for by the tax payers.

Secretary Ross invited Len Leach to address to the Board on an item not on the agenda. Mr. Leach congratulated and thanked the new Board members.

Secretary Ross invited David Castaldo to address the Board on an item not on the agenda. Mr. Castaldo congratulated the new Board members. Mr. Castaldo indicated his interest in becoming involved in resolving the water issues and to open up communications with the Beaumont Cherry Valley Water District and the City of Beaumont. He further spoke briefly about his background.

ACTION ITEMS

1. ADOPTION OF THE AGENDA

Director Ross moved to adopt the agenda as presented. Vice President Woll seconded. The motion passed unanimously.

2. CONSENT CALENDAR: Matters listed in the Consent Calendar are considered to be routine and will be approved by one motion as recommended. There will be no separate discussion unless Board or Staff Member request separate discussion prior to approval.

- a. December 2010 Bills for Consideration**
- b. December 2010 Invoices Pending Approval**
- c. November 2010 Month End Financial Statement**
- d. Minutes of the Regular Meeting of December 8, 2010**
- e. Minutes of the Special Meeting of December 18, 2010**

Director Ross moved to approve the Consent Calendar. Director Earhart seconded. The motion passed unanimously.

3. ACCEPTANCE AND AWARD OF THE CONTRACT TO MIDORI GARDENS LANDSCAPE COMPANY FOR THE LANDSCAPE MAINTENANCE SERVICES**

After a brief report, Interim General Manager Anthony Lara requested to amend the Staff's report to indicate that the Contract is a two year contract.

Director Ross moved to approve the Contract to Midori Gardens Landscape Company. Vice President Woll seconded. The motion passed unanimously.

4. REQUEST FROM AIM ALL STORAGE, MIKE GIURBINO OFFERING SETTLEMENT IN THE AMOUNT OF \$20,000 TO CLEAR THE DEBT OF INVOICE 7331 IN THE AMOUNT OF \$38,640.72**

After discussion Vice President Woll moved to deny the Settlement Request by Aim All Storage and that the District request payment of full amount. Director Earhart seconded. The motion passed unanimously.

5. APPROVAL OF THE EXTENSION OF THE FURLOUGH PROGRAM AGREEMENT UNTIL DECEMBER 31, 2011**

Interim General Manager recommended that the Furlough Program Agreement be extended until the end of the year however; Lara indicated that the Furlough Program will be reassessed as part of the Mid-Year Budget review.

Director Earhart recommended that Furlough Program be effective until June instead of December.

Director Ross moved to approve the Extension of the Furlough Program Agreement until December 31, 2011 as recommended by Interim General Manager Anthony Lara. Director Guldseth seconded. The motion passed with Director Earhart opposing.

6. RESOLUTION 2011-01, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BEAUMONT CHERRY VALLEY WATER DISTRICT COMMENDING STELLA PARKS FOR HER SERVICE AS A DIRECTOR**

Anthony Lara apologized on behalf of Ms. Parks as she could not attend this meeting and he further read the Resolution into minutes for the record as requested by President Ball:

"RESOLUTION 2011-01

***A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE BEAUMONT CHERRY VALLEY WATER DISTRICT
COMMENDING DIRECTOR PARKS
FOR HER YEARS OF DEDICATED SERVICE AS A DIRECTOR***

WHEREAS, the Beaumont Cherry Valley Water District is a public agency pursuant to the California State Water Code commencing at 20500, and

WHEREAS, the Board of Directors of the District are elected from the registered voters that reside in the District, and

WHEREAS, Directors of the Board are required to give considerable personal time to perform in the position of Director, and

WHEREAS, Stella Parks dedicated herself to service in the position of Director on the Board of Directors since 2002, and

WHEREAS, through Mrs. Parks' diligence and guidance in working with other Directors and employees of the Beaumont Cherry Valley Water District, the water system was upgraded to the benefit of the community, and

WHEREAS, the improvements made to the Beaumont Cherry Valley water system during Mrs. Parks. tenure will serve the community for many decades to come, and

WHEREAS, the Board of Directors wishes to commend Mrs. Parks for her years of dedicated service to the Beaumont Cherry Valley Water District and her dedication to the community in which she has served.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Beaumont Cherry Valley Water District desires by this Resolution to commend Mrs. Parks and does hereby pay tribute to her for her

dedicated service to the Board of Directors and employees of the Water District, as well as to the people of the Beaumont-Cherry Valley area. "

Vice President Woll moved to approve the Resolution 2011-01. Director Earhart seconded. The motion passed unanimously.

7. RESOLUTION 2011-02, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BEAUMONT CHERRY VALLEY WATER DISTRICT COMMENDING JOHN HALLIWILL FOR HIS SERVICE AS A DIRECTOR**

Interim General Manager Anthony Lara read the Resolution 2011-02 into the minutes and for the record as requested by President Ball.

"RESOLUTION 2011-02

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE BEAUMONT CHERRY VALLEY WATER DISTRICT
COMMENDING DIRECTOR HALLIWILL
FOR HIS TIME OF DEDICATED SERVICE AS A DIRECTOR**

WHEREAS, the Beaumont Cherry Valley Water District is a public agency pursuant to the California State Water Code commencing at 20500, and

WHEREAS, the Board of Directors of the District are elected from the registered voters that reside in the District, and

WHEREAS, Directors of the Board are required to give considerable personal time to perform in the position of Director, and

WHEREAS, John Halliwill dedicated himself to service in the position of Director on the Board of Directors since March 2010, and

WHEREAS, through Mr. Halliwill diligence and guidance in working with other Directors and employees of the Beaumont Cherry Valley Water District, the water system was upgraded to the benefit of the community, and

WHEREAS, the improvements made to the Beaumont Cherry Valley water system during Mr. Halliwill's tenure will serve the community for many decades to come, and

WHEREAS, the Board of Directors wishes to commend Mr. Halliwill for his time of dedicated service to the Beaumont Cherry Valley Water District and his dedication to the community in which he has served.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Beaumont Cherry Valley Water District desires by this Resolution to commend Mr. Halliwill and does hereby pay tribute to him for his dedicated service to the Board of Directors and employees of the Water District, as well as to the people of the Beaumont-Cherry Valley area. "

Director Ross moved to approve Resolution 2011-02. Vice President Woll seconded. The motion passed unanimously.

8. APPROVAL OF PLAN OF SERVICES FOR THE BEAUMONT UNIFIED SCHOOL DISTRICT**

Interim General Manager Anthony Lara briefly reported on this item.

Director Earhart moved to approve the Plan of Services for the Beaumont Unified School District. Director Ross seconded. The motion passed unanimously.

9. REPORTS FOR DISCUSSION AND POSSIBLE ACTION

(a) Ad hoc Committees

None

(b) General Manager

- Update on diesel fuel spill incident- Lara reported that the District has received approval and been granted permission from the County to remove and dispose of the contaminated soil. He further indicated that the claim has been filed with the JPIA to cover some of the costs of the spill.
- Update on IRS Ruling on District houses- Lara Reported that according to the IRS there should be no income reported in the employees W-2. He further indicated that the Housing Contracts will be sent to the IRS and that he will be requesting an IRS Ruling in writing
- Report on Health Insurance costs CalPers vs JPIA- Lara reported that CalPers insurance cost is lower than JPIA.
- SGPWA Water Deliveries- Lara reported that the system will be shut down the entire month of February for maintenance on the East Branch Extension and that the system was also shut down in December. Due to possible damage to the system that may have been caused by the floods. Lara also reported that the District will have approximately 6800 acre feet of water available to purchase this year.
- Ethics Training- Lara announced that there will be an Ethics Training on January 27, 2011 at 6pm at Yucaipa Valley Water District
- Water Quality Committee- Lara addressed a question related to whether or not the District granted permission to UC Riverside to access the District's Wells. He further reported on the recent Water Quality Committee Meeting.

(c) Directors

- Dr. Blair Ball-President Ball recommended that the Budget meeting should be scheduled for the beginning of the year rather than December as the Financial Information would be more accurate.
- James Earhart-None
- John Guldseth- Director Guldseth requested information as to how to lower the irrigation water rates. He indicated that he was contacted and he was provided with some ideas as to how use other resources to help lower the cost the rate for irrigation customers. Legal Counsel Granito recommended that Director Guldseth recluse himself from talking about a matter on which he will be a direct beneficiary due to a potential conflict of interest.
- Ken Ross-Director Ross reported that he attended the Blue Ribbon Committee Meeting.
- Ryan Woll-None

(d) Legal Counsel

None

10. ANNOUNCEMENTS

- A) District will be closed on January 17, 2011 in observance of the Martin Luther King's Holiday**
- B) Finance & Audit Meeting, February 3, 2011 at 4:00 p.m.**

C) Regular Board Meeting, February 9, 2011 at 7:00 p.m.

11. ACTION LIST

- NONE

12. CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL-

Closed Session will be held regarding a personnel matter pursuant to Government Code Section 54957- Interim General Manager- Performance Review.

President Ball adjourned to Closed Session at 8:47pm.

President Ball reconvened to Open Session at 11:43 p.m.

13. OPEN SESSION- REPORT ON CLOSED SESSION

General Counsel Gil Granito reported that at approximately 8:47 p.m., the board went into Closed Session pursuant to Government Code Section 54957 as reflected in tonight's agenda and resumed its ongoing evaluation of the District's Interim General Manager.

14. ADJOURNMENT

President Ball adjourned the meeting at 11:45 p.m.

Dr. Blair Ball, President to the
Board of Directors of the
Beaumont Cherry Valley

Attest:

Kenneth Ross, Secretary to the
Board of Directors of the
Beaumont Cherry Valley Water District



**Beaumont Cherry Valley Water District
Regular Meeting of the
Board of Directors
February 9, 2011**

Background

Marino Investments (Applicant) is the owner of approximately 35 acres of land that is currently being annexed into the City of Beaumont. The applicant is proposing that the property also be annexed into the District's service area. The property is located south of Highway 60, approximately 1 ½ miles west of the I-10 and Highway 60 interchange (map attached) and is within the District's Sphere of Influence.

In accordance with District Policy, before the District will accept a proposed annexation, property owners wishing to annex must first obtain a Will Serve Letter approved by the Board of Directors.

Fiscal Impact

None, all costs shall be paid by the applicant.

Recommendation

That the Board of Directors authorizes Staff to issue a Will Serve Letter to Marino Investments for parcel number 421-020003-2



MARINO
INVESTMENTS

November 8th, 2010

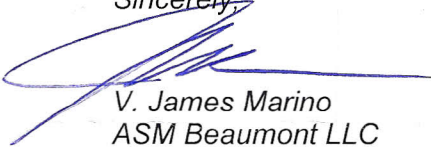
Blanca Marin
Beaumont Cherry Valley Water District
560 Magnolia Avenue
PO Box 2037
Beaumont, CA
92223-2258

Re: Will Server Letter

Dear Ms. Marin:

We are the owners of parcel # 421-020003-2 in the county of Riverside and are in the process of annexation into the city of Beaumont. Please call me at 949-975-0242 with an estimated response time for the enclosed "will serve letter application" from the Beaumont Cherry Valley Water District.

Sincerely,



V. James Marino
ASM Beaumont LLC

Tel 949.975.0242 Fax 949.975.0243
www.marinoinvestments.com
3636 Birch Street Suite 200
Newport Beach CA 92660



BEAUMONT CHERRY VALLEY WATER DISTRICT

560 Magnolia Avenue • PO Box 2037

Beaumont, CA 92223-2258

Phone (951) 845-9581

www.bcvwd.org

☒ Will Serve Request ☐ Water Supply Assessment (SB210)

Applicant Name: ASM Beaumont Investors LLC		Contact Phone # 949-975-0242
Mailing Address: 3636 Birch Street Suite 200		Fax #: 949-975-0243
City: Newport Beach		E-mail:
State & Zip: California 92660		
Service Address:		
Assessor's Parcel Number (APN), Tract Map No. Parcel Map No.: 421-020003-2		
Project Type: <input type="checkbox"/> Single-Family <input type="checkbox"/> Multi-Family <input checked="" type="checkbox"/> Commercial/Industrial <input type="checkbox"/> Minor Subdivision (5 lots or less) <input type="checkbox"/> Major subdivision (6+ lots) <input type="checkbox"/> Other		
Site Map Attached: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

The letter should be delivered to:

Recipient:	Blanca Marin

PLEASE CHOOSE ONE:	
<input checked="" type="checkbox"/> Mail (above address)	<input type="checkbox"/> E-mail
<input checked="" type="checkbox"/> Fax	<input type="checkbox"/> Will pick up

The District reserves the right to impose terms and conditions in Will Serve Letters and/or Water Supply Assessment Reports that take into account water availability issues, conservation issues and the District's existing facilities, all of which impact the District's ability to provide service to the subject property and maintain the District's ability to meet existing water demands.

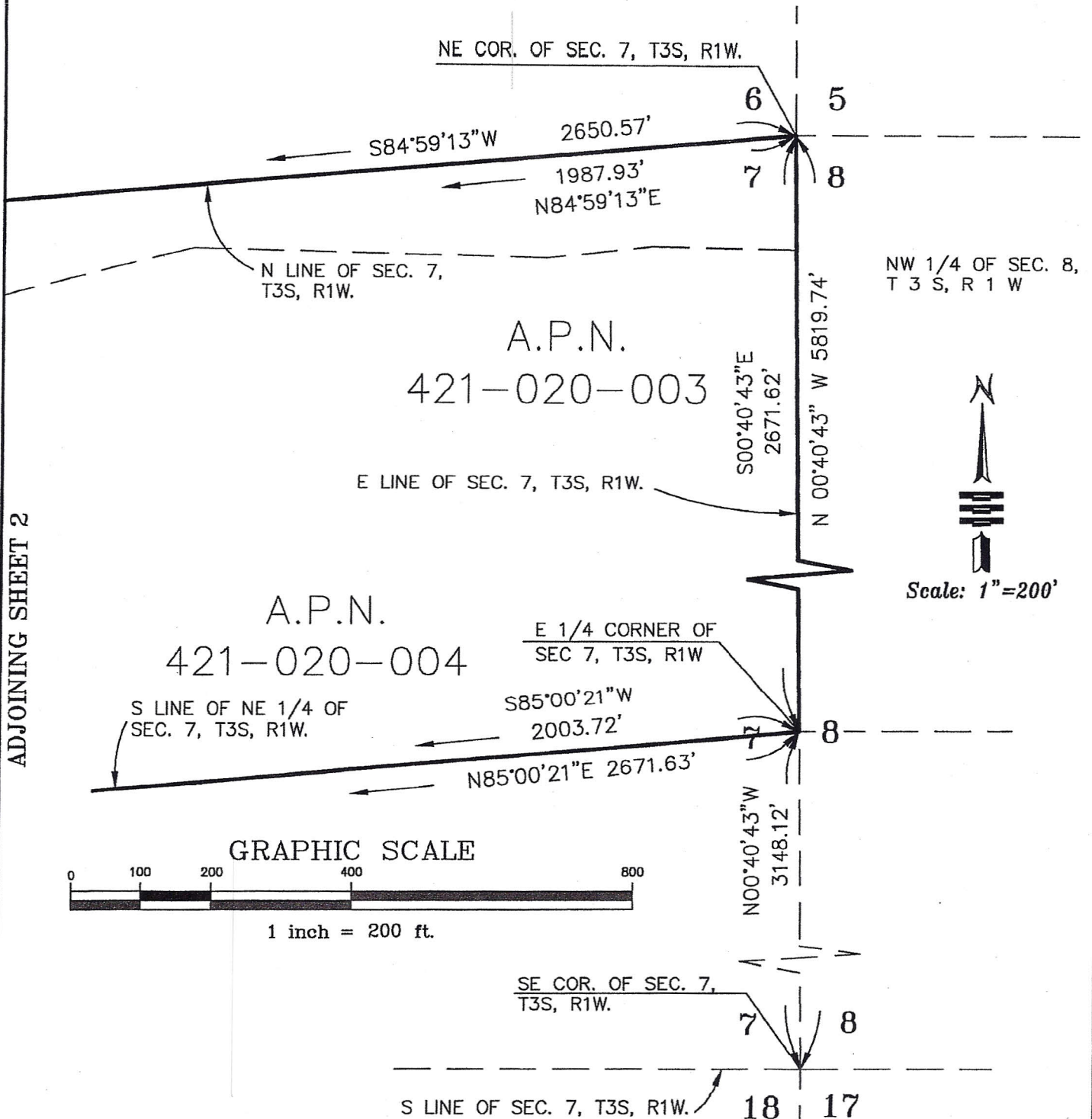
Applicant's Signature

11/08/2011

Date

EXHIBIT "B"

ANNEXATION TO THE CITY OF BEAUMONT



Prepared in the office of
ROX Consulting Group, Inc.
 Engineering
 Planning
 Construction Mgmt.
 Environmental Svcs.
 Geotechnical Engr.
 EMail: administration@roxogi.com
 8891 Research Dr.
 Irvine, CA. 92618
 Tel (949) 502-8100
 Fax (949) 502-8111

PORTION OF THE NE 1/4 OF SECTION 7, T. 3 S., R. 1 W., S.B.B.M., UNINCORPORATED AREA OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

SHEET
3
 OF **3**
 DATE:
 06/20/07

Discussion Points for Lease of Capacity in BCVWD Recharge Facilities to San Geronio Pass Water Agency

Prepared by: Joe Reichenberger PE District Engineer

Date: 9/1/10, Revised 12/23/2010, Revised 1/5/2011

Background and Options

There have been several discussions between BCVWD (Tony Lara and Joe Reichenberger), SGPWA (Jeff Davis), and the City of Banning (Duane Burk) on the possibilities of developing a 3-party agreement for the use of BCVWD's recharge facilities at Beaumont Avenue and Cherry Valley Blvd. Several options were discussed including:

- 1) a direct outright purchase of a portion of the capacity of the facilities, including a portion of the pipeline from the EBX metering structure to the recharge facility by the Pass Agency and then a sharing of the O&M based on some formula,
- 2) a "per acre-ft" recharge "fee" charged by BCVWD to recharge Pass Agency water. The "per acre-ft" charge would include some capital recovery and O&M based on some agreed to formula.
- 3) a lease of a certain amount of capacity (acre-ft) for an extended term (say 10 or 20 years) and a share in the O&M costs on the facility.

The desired recharge capacity desired by the Pass Agency is 3200 acre-ft/year; Pass Agency would reserve 1200 acre-ft/year of that capacity (or as agreed to) for the City of Banning. All of this would be spelled out in a 3-party agreement to be developed once the "terms" have been agreed to.

Direct Purchase

With the direct purchase the Pass Agency would have complete control over the operation of the basins or trains they purchased. They would be responsible for their own monitoring and maintenance or pay BCVWD to do the monitoring and maintenance. Once the Pass Agency purchased the portion, they would not be charged to recharge the water except for cost sharing in any water quality/level monitoring that might be required. The purchase cost would be based on the capital expenditures to date by BCVWD including the land purchase and soft costs such as legal, engineering, hydrogeology, CEQA, etc less the depreciation since September 2006, the time the project first went on line.

The disadvantage to the Pass Agency would be initial cost for the purchase. The Pass Agency also expressed some concern about "what they were buying." What kind of guarantees and warranties would BCVWD provide? These would have to be worked out in the purchase agreement.

In terms of the operation and maintenance, this would probably best be done by BCVWD using their equipment and staff (as they are currently doing for the recharge basins at the mouth of Little San Geronio Creek). The Pass Agency would enter into an agreement with BCVWD for this work.

A breakdown of the cost for the direct purchase of capacity is presented in a subsequent section.

Per acre-ft Charge

With a “per acre-ft charge” (unit charge), the Pass Agency would pay BCVWD for each acre-ft recharged. The charge would include facility depreciation, operation and maintenance etc. Whenever there was capacity available in the recharge facility, BCVWD would spread water on behalf of the Pass Agency and charge the Pass Agency for every acre-ft recharged. This represents the least initial cost for the Pass Agency; however, the disadvantage is the Pass Agency would have to coordinate with BCVWD to ensure available capacity. There may not be capacity available when the Pass Agency wants to use the basins. Basically BCVWD would have the first right to use of the spreading basins.

This option, though available for consideration, may not meet the objectives of the Pass Agency’s Board of Directors and so has not been “costed out.”

Extended Term Lease

In this option the Pass Agency would enter into a lease for some specified duration and capacity that could be extended on mutual consent of the parties. The cost for the lease would be based on the depreciation of the facility plus any monitoring and operation and maintenance cost. Since land is typically not depreciated, interest on the money used for land purchase would be included in the cost. All monitoring, operation and maintenance would be done by BCVWD and included in the annual lease. By leasing a portion, the Pass Agency has full control over that leased capacity and that leased capacity would always be reserved and available for the Pass Agency. The Pass Agency would recharge water for the City of Banning as covered in the 3-party agreement. This lease option also eliminates the issue of guarantees and warranties as BCVWD still owns the facility and would be responsible for normal repairs etc.

The lease option results in a reduced initial payment and provides significant flexibility. Control of the spreading would be by the Pass Agency.

The lease could be for any length of time, e.g., 5 years, 10 years etc with renewals based on mutual agreement. If it does not “work out” or the Pass Agency has other alternatives, they do not have to extend the lease. The Pass Agency has recently indicated a 10 year lease (December 17, 2010 communication)

A breakdown of the lease costs is presented in a subsequent section.

Brief History of the Project

The concept for the stormwater capture and recharge project started in the spring of 2000. This followed with some basic hydrogeology, additional engineering studies, monitoring and test well development, a 2-year pilot recharge project involving potable water, CEQA for the pilot program and monitoring well drilling and CEQA for the project, biological and cultural resource surveys, engineering design, construction and construction inspection. The project was operational in September 2006. As of August 24, 2010 19,276 acre-ft have been recharged. BCVWD maintains daily records of the flow rate and amount recharged in each pond or train.

Recharge Facility Capacity

The 24-in pipeline from EBX to the recharge facilities was designed for 30 cubic feet per second (cfs). The pipeline velocity is just under 10 feet per second (ft/s) which is tolerable in a lined pipeline. If operated 24/365, the pipeline would convey 21,700 acre-ft per year. This is a little more than the entire Pass Agency Table A amount (17,600 acre-ft/year). To convey the Pass Agency's Table A amount of water, the pipeline would need to operate for 296 days per year or about 81% of the time. At some point in the future there might be interest in constructing a second pipeline to the recharge facility, perhaps with a connection to EBX upstream of the Cherry Valley Pump Station.

Geoscience Inc. has prepared a number of reports on the operation of the recharge project since recharge by BCVWD began in September 2006. The last report is dated February, 2010. Copies of these can be provided to the Pass Agency. Based on their initial studies, the weighted average recharge rate is 10.3 acre-ft/wetted acre/day. This is a very high rate. There are a total of 10.2 wetted acres in the BCVWD Phase 1 (Westerly portion) Recharge facility. This would mean that the existing recharge facility would be able to percolate over 100 acre-ft/day. Theoretically this would be over 36,000 acre-ft per year (about twice the Pass Agency's Table A amount.) The 36,000 acre-ft per year however has to be reduced because of the need to "rest" and "restore" the basins and perform routine maintenance. BCVWD has 3 trains (2.7 acres, 4.2 acres, and 3.32 acres respectively for trains 1, 2, and 3). Assuming only 2 trains are operating at any one time, the capacity is 25,200 acre-ft/yr – again much more than the Pass Agency's Table A amount. To account for decreases in recharge rates that may occur over time, BCVWD is suggesting the tentative capacity for the Phase I recharge facility is 20,000 acre-ft/year. This assumes a 20 percent reduction in infiltration rate.

Unfortunately, BCVWD is currently unable to fully utilize that capacity at the present time since EBX II is not on line. The Pass Agency is restricted to 50% of their Table A amount from the Department of Water Resources or 8,650 acre-ft/yr. When EBX II is completed (projected to be around 2014), the Pass Agency can import 17,300 acre-ft/yr or more depending on operations.

BCVWD will not be able to utilize the full capacity of the Phase I recharge facility initially, even if local runoff and surplus recycled water is recharged along with imported water. Once EBX II is completed, imported water, including Article 21 water, plus recycled water and local storm water would allow BCVWD to use the full capacity of 20,000 acre-ft/yr in the Phase I facilities.

BCVWD is suggesting that for allocation of costs, an interim capacity of 10,000 acre-ft/yr should be assumed until EBX II is on line; from that point on the Phase I recharge capacity would be 20,000 acre-ft/yr.

Aquifer Response

A question often asked is "does the water reach the aquifer?" BCVWD installed monitoring wells with the initial construction of the recharge facility. According to Geosciences, Inc Feb 2010 report, BCVWD recharged over 15,000 acre-ft of water from September 2006 to December 20, 2009 and water levels in the 3 shallow aquifer monitoring wells (perforated from 480 to 550 ft below ground surface) increased 94.4 ft, 86.1 ft, and 89.5 ft respectively. In the deeper aquifer (perforated 600 to 700 ft below ground surface), water levels increased in the fall and winter when BCVWD Well 23 was used less and decreased in summer when the well was used more. The water level in

the two very deep monitoring wells (perforated 600 to 1000 ft below ground surface) increased 11.5 and 13.2 ft respectively since start of recharge in September 2006.. In summary, it is clear the water is reaching the intended aquifers.

Cost Summary

The following presents a summary of the costs for the recharge facilities which will form the basis for the purchase and lease options presented subsequently.

Initial Capital Costs

Table 1 is a summary of costs incurred by BCVWD in the development and construction of the project. BCVWD has gone through their project accounting records and has verified these costs.

Table 1
Estimate of Recharge Facility Costs

Item	Estimated Cost
Land Purchase for 80 acres	\$6,304,500
Hydrogeology, Engineering, CEQA, Legal costs for condemnation, Inspection etc	\$1,718,000
Construction of the ponds incl 24-in Pipeline and Maintenance Building	\$4,286,800
Landscaping, Fencing and Public Facilities	\$2,836,400
Total	\$15,145,700
Depreciable Assets (does not include land)	\$8,841,200

Operation and Maintenance

Table 2 presents the basis of the costs for scarification and pond recharge restoration.

Note that BCVWD actually owns the equipment listed in Table 2 that is used for maintenance but rather than deal with equipment purchase, depreciation and operation and maintenance costs, a rental cost is used to cover these items. This is based on a discussion with Knute Dahlstrom head of BCVWD's field operations.

According to Knute, four or five of the eight basins are ripped in one day. Then water is moved to the "ripped" basins; and the other 3 or 4 basins are ripped after they dry out – usually after a few days. It takes about 2 days for a dozer/scarifier operator and associated equipment to complete scarification of the eight basins. This operation is performed approximately once per month or so. Soil material is not generally removed because of the desire to not deepen the basins. This has worked well to maintain the percolation rate.

Table 3 presents a summary of the annual O&M costs based on Table 2. It should be noted that the landscape maintenance will be going out to bid shortly; so depending on the bid, this amount could change.

Table 2
Basis of Costs for Pond Recharge Restoration

Item	Estimated Cost per "Event"
Crew Size	1
Equipment	1 dozer/scarifier/ripper, 1 truck and trailer to haul dozer
Equipment Operating Cost	Based on Rental Rates provided by Knute Dahlstrom
Dozer/scarifier	\$78.81/hr
Equipment Trailer to haul dozer	\$30.00/hr
Dump Truck	\$90.00/hr
Skip Loader, if required	\$83.81/hr
Subtotal not incl. skip loader	\$1890/day (9.5 hr)
Labor	\$35/hr incl fringes
Duration of work	2 days @ 9.5hr/day = 19 hours
Cost per restoration	
Labor	\$665
Equipment	\$3780
Materials	\$500
Subtotal	\$4945
10% contingency	\$495
Total	\$5440say \$5450

Table 3
Estimate of Recharge Facility Annual O&M Costs

Item	Estimated Annual Cost
Daily Monitoring based on 3x/day, total 3 hours @ \$35/hr incl fringe benefits, 365days/year	\$40,000
Pond scarification & maintenance based on Table 2, 12 restoration events per year per pair of basins (12 events).	\$65,400
Landscaping and Public Facilities maintenance	\$50,000
Hydrogeologic Monitoring and Reporting	\$10,000
Total	\$165,400

Annual Depreciation on Capital Cost of the Project

The annual depreciation is based on a straight line depreciation based on the useful life of the facility. The estimated useful life of facilities is presented in Table 4.

Table 4
Useful Life of Facilities

Item	Useful Life, years	Estimated Percent of Capital Cost
Grading and basin linings etc	15	48
Landscaping, fencing, public facilities	10	40
Water Tank	30	1
Pipelines	50	4
Misc. Structures and Vaults	30	5
Weighted Useful Life		21 (use 20)

The depreciable assets in Table 2 amount to \$8,841,200, so the annual depreciation is \$442,100.

Principles of an Extended Term Lease

Basis for Leasing Cost

The basic methodology in developing the lease cost is as follows. The cost will include depreciation of the assets (earthwork, piping, meters, landscaping, public use facilities, engineering, CEQA, hydrogeologic studies, etc). Land will not be depreciated; but since BCVWD does not have full utilization of the land since a part of it is leased to the Pass Agency, interest on the prorated land purchase will be included. This will be prorated on the basis of leased capacity/total Phase I recharge capacity.

In addition, facility operation and maintenance will be included such as daily meter reading and inspections of the facility, basin recharge restoration, repairs, landscape maintenance, monitoring well reading and operational reporting by Geosciences Inc., etc.

Interest on Land Purchase

Interest on the land purchase by BCVWD is included in the lease cost because BCVWD is precluded from free unencumbered use of the property since a portion is leased to the Pass Agency. The annual interest on BCVWD's land purchase is based on what BCVWD can earn considering BCVWD's investment policy. Over the last 20 years the Local Agency Investment Fund (LAIF) interest averaged 4.7%; the last 10 years, the average was 3.48%. Interest rates are very low currently (LAIF rate 0.6%) but will likely not remain that low too much longer. For purposes of the lease, the interest on the land purchase will be based on the last 10 years of LAIF or 3.48% per year. For the \$6,304,500 land purchase, the annual interest payment is \$219,400. Since only 40 acres is involved with the Phase I (current) recharge facility, the interest cost would be 50% of the \$219,400 or \$109,700.

Summary of Lease Cost

Table 5 presents a summary of lease cost based on 3,200 acre-ft/yr requested by the Pass Agency, a 10,000 acre-ft/yr interim capacity until EBX II is on-line, and 20,000 acre-ft/yr thereafter.

Table 5
Summary of Lease Costs

Item	Total Cost	Prorated Cost (3,200 acre-ft/year) until EBX II is on- line	Prorated Cost (3,200 acre-ft/year) after EBX II is on-line
Land Interest Cost per year	\$109,700	\$35,100	\$17,600
Depreciated Cost of Installed Facilities per year	\$442,100 i.e, \$8,841,200/20 years	\$141,500	\$70,700
Subtotal Capital and Interest	\$551,800	\$176,600	\$88,300
Annual O&M, assumes operating costs remain constant irrespective of amount recharged	\$165,400	\$52,900	\$26,500
Total Annual Lease Payment		\$229,500	\$114,800
Cost per acre-ft		\$71.70	\$35.90

The \$71.70 per acre-ft is higher than the City of Banning is currently paying to BCVWD for recharge (\$61.14 per acre-ft). Using the 3,200 acre-ft/yr and the Banning rate of approximately \$61.14 per acre-ft, the annual payment would be \$195,648. Table 5 and the foregoing payments do not take into account the fact that the Pass Agency is willing to enter into a long term (up to 10 years/5 years minimum) with a guaranteed payment regardless of the water availability. On that basis then, the annual cost should be reduced. BCVWD is suggesting an annual cost of \$175,000 until EBX II is on line (\$54.70 per acre-ft).

Table 6
Summary of BVWD Recommended Lease Costs

Item	Total Cost	Cost (3,200 acre-ft/year) until EBX II is on-line	Prorated Cost (3,200 acre-ft/year) after EBX II is on-line
Land Interest Cost per year	\$109,700	\$26,800	\$17,600
Depreciated Cost of Installed Facilities per year	\$442,100 i.e., \$8,841,200/20 years	\$107,800	\$70,700
Subtotal Capital and Interest	\$551,800	\$134,600	\$88,300
Annual O&M, assumes operating costs remain constant irrespective of amount recharged	\$165,400	\$40,400	\$26,500
Total Annual Lease Payment		\$175,000	\$114,800
Cost per acre-ft		\$54.70	\$35.90

Some Points for Lease Consideration

1. Suggested Term of Agreement: **Ten years.** SGPWA obligated to pay for capacity, (capital plus interest and pro-rata share of annual O&M based on 3200 acre-ft/yr and the actual amount recharged), in each of the next ten years, regardless of whether it uses the capacity or not, regardless of whether it has water or not. Lease would begin **January 2011** and end **December 31, 2020**
2. BCVWD can unilaterally end the lease with **one year** written notice to SGPWA but in no case can this be done before January 1, 2016. BCVWD would have to vote on this in an open session of a board meeting.
3. SGPWA can unilaterally end the lease with **one year** written notice to BCVWD but in no case can this be done before January 1, 2016. SGPWA would have to vote on this in an open session of a board meeting. SGPWA would be subject to all lease payments through the end of the agreement, proportional to its use during the last calendar year. In effect, the agreement becomes a minimum five-year agreement, with each side able to escape after that with a one-year notice to the other.
4. At the end of ten years, the agreement may be extended by mutual consent under terms to be negotiated at that time.
5. SGPWA to pay BCVWD the full lease for each year no later than **January 31** in each year, except 2011, when the first payment can be made as late as March 31.

6. Leased capacity to be **3200 acre-feet per year**.
7. Payments to be made based on Table 6.
 - a. See attached table (**Exhibit 1)f or the capital and interest portion depending on the status of EBX II**)
 - b. The O&M portion may fluctuate up to a maximum of **suggesting 10%** per year. BCVWD must provide evidence of this price fluctuation to SGPWA prior to January 1 for any year in which there is to be a fluctuation (could be Riverside County labor cost, Consumer Price Index for Riverside County, actual bids for work, or other credible source).
8. Exceptions to annual lease payment: Extraordinary costs for operation and maintenance above routine operation and maintenance would be split based on 16% SGPWA, 84% BCVWD except that before EBX II is on line, shall be split 32% SGPWA, 68% BCVWD. Extraordinary costs include: uninsured vandalism fire or theft losses; claims for bodily injury or death, natural damage to landscaping, etc. **(to be negotiated)**.
9. SGPWA can acquire additional capacity in any given year over and above its 3200 AF at a cost calculated as follows:
 - a. **For the first 1000 AF above 3200 AF**, cost per AF is **120% of cost per AF** for that calendar year.
 - b. For the **next 1000 AF above 4200 AF**, cost per AF is **140% of cost per AF** for that calendar year.
 - c. For **any additional use above 5200 AF**, the cost shall be **160% of cost per AF** for that calendar year.
 - d. SGPWA may only take this action with written authorization by BCVWD in advance and is subject to capacity availability. BCVWD may deny this request or may impose restrictions on the timing of the additional recharge. Written authorization and any restrictions imposed may be via email.
10. Capacity leased by SGPWA may be used at any time during the year as **mutually agreed to** by both parties.
 - a. SGPWA to make request to BCVWD in advance, preferably before January 1. This may be done via email between the two general managers or their designees.
 - b. Permission must be granted by BCVWD before capacity can be used. This may be via email between the two general managers or their designees.
 - c. BCVWD has the right to deny capacity to SGPWA for short periods of time if no excess capacity is available in the facility.
 - d. However, permission may not be unreasonably withheld and SGPWA must be given the opportunity to recharge its entire 3200 AF in each and every calendar year.
11. In the event that any **max benefit** assessments or credits are imposed or given, BCVWD and SGPWA to share in these **proportionally to actual water recharged in each calendar year** (not leased capacity).
12. Any water other than State Water Project Water imported by SGPWA requires permission of BCVWD prior to being recharged in BCVWD facility. This can be given via email.

13. BCVWD to support SGPWA in obtaining a storage account from Watermaster with terms acceptable to both SGPWA and Watermaster. It is the intent of both parties that all water recharged by SGPWA under this agreement will be in a Watermaster storage account. It is acknowledged by both parties that this may not happen prior to the first water being recharged. If this is the case, any water recharged by SGPWA in advance of the storage account will be added retroactively.
13. If SGPWA does not have a storage account by December 31, 2011, and only if this is the case, SGPWA has the option to abrogate the agreement as of January 1, 2012. In this case, any water recharged by SGPWA in the facility must be sold to BCVWD and Banning equally and put in their respective storage accounts.
14. All maintenance, operation and monitoring will be by BCVWD.
15. SGPWA and BCVWD would share proportionally in any Maximum Benefit Monitoring/testing/reporting costs.
16. SGPWA shall give BCVWD ample notice that they are coming on line with their flow or stopping their flow. Suggest 24 hours minimum; preferably 48 hours.
17. BCVWD may request SGPWA to stop recharging water because of unforeseen events, i.e., ponds down suddenly for any reason, pipe break etc.



JOINT POWERS
INSURANCE AUTHORITY

P. O. Box 619082
Roseville, CA 95661-9082

phone
916.786.5742
800.231.5742

direct line
916.774.7050
800.535.7899

fax
916.774.7040

www.acwajpia.com

President
E.G. "Jerry" Gladbach

Vice President
Tom Cuquet

Chief Executive Officer
Daniel N. Klaff

Chief Operations Officer
Walter "Andy" Sells

Auditor/Controller
Eldon Boone

Executive Committee
Tom Cuquet
Joseph Dion
E.G. "Jerry" Gladbach
David T. Hodgins
W.D. "Bill" Knutson
Melody A. McDonald
Charles W. Muse
Randy A. Record
Lou Reinkens

January 25, 2011

Mr. Tony Lara, Interim General Manager
Beaumont-Cherry Valley Water District
P.O. Box 2037
Beaumont, California 92223-0937

RECEIVED
JAN 31 2011

Re: Underground Line Locating / 811 Training

BY:

Dear Tony:

I wanted to thank your District for conducting Underground Line Locating (ULL) training on January 11, 2011. Steve Gamblin, California Utility Equipment / MetroTech, and I conducted the training. Please thank Knute Dahlstorm, Operations Foreman, for scheduling the class and your entire staff for their assistance in setting up the facilities.

Eighteen individuals attended the ULL training. The purpose was to assist districts in meeting the requirements of the Cal/OSHA Standard 1541, that underground line locators be "qualified." This class included training in the theory of electromagnetic locating and hands-on use of locating equipment. Steve Gamblin conducted this portion of the training.

Other topics covered in the training included:

- Markout Procedures and DigAlert standards;
- Knowledge of Facilities / Plans;
- Visual Observation Skills;
- Safe Work Practices, Customer Service, and Regulations; and
- Locator Request Procedures, Documentation, and Mapping.

After the training, I was pleased to inform you that the District will be receiving a premium refund check in the amount of \$33,766. This is based on your proactive efforts and low-loss history. Congratulations! Please continue your efforts to improve your safety, risk management, and security programs.

It is always a pleasure to assist in providing training and risk management services. If you have any questions regarding the training or need additional assistance, contact me at (760) 224-4322, or pkuchinsky@acwajpia.com.

Sincerely,

Peter Kuchinsky II, CSP, REA I
Senior Risk Management Consultant

125:tl

c: Knute Dahlstorm, Operations Foreman
JPIA Member Services
JPIA Risk Management Subcommittee
Blair Ball, JPIA Board Member

January 19, 2011

To: Anthony Lara
 General Manager
 Beaumont Cherry Valley Water District
 560 Magnolia Avenue
 Beaumont, CA 92223-2258

RECEIVED
 JAN 24 2011

Re: Access to groundwater wells for water quality study

BY:

Dear Mr. Lara:

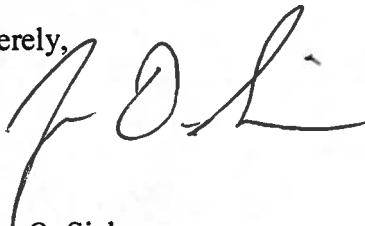
I am the principal investigator for a Supplemental Environmental Project funded by the State Water Resources Control Board that will examine groundwater quality in the Beaumont area. I am writing to request written permission and a sampling permit to sample the following groundwater wells (IDs and geographic coordinates are listed) operated by the Beaumont Cherry Valley Water District:

	<u>Well ID</u>	<u>UTM Northing</u>	<u>UTM Easting</u>
1	BCVWD 01	502723.67	755313.09
2	BCVWD 02	502920.51	755311.76
3	BCVWD 03	502907.87	755205.03
4	BCVWD 04A	503224.51	760400.01
5	BCVWD 05	503553.77	760837.16
6	BCVWD 06	503430.87	763011.39
7	BCVWD 10	504647.33	765017.62
8	BCVWD 11	504860.20	765116.04
9	BCVWD 12	504997.26	765248.65
10	BCVWD 14	504253.54	764826.19
11	BCVWD 16	502912.90	759076.98
12	BCVWD 18	504627.70	764993.11
13	BCVWD 19	504717.41	764973.95
14	BCVWD 20	504666.44	764986.07
15	BCVWD 21	503293.08	757562.70
16	BCVWD 22	502885.31	756094.85
17	BCVWD 23	502490.00	757737.00
18	BCVWD 24	500220.57	757664.56
19	BCVWD 25	504151.00	756122.00
20	BCVWD 26	503441.00	755078.00
21	BCVWD 29	498511.70	758423.00

The objective of the study is to determine if septic systems pose a risk to groundwater quality in the Beaumont Management Zone groundwater basin. We will use chemical and isotope techniques to ascertain if nitrate found in active groundwater wells is derived from human or animal waste or other sources, including naturally occurring nitrate in soils and imported water from the State Water Project used to recharge aquifers. As you are aware, Riverside County Ordinance 871 restricts the installation of new on-site wastewater disposal systems, until new studies can determine the occurrence and extent of water quality impairment caused by these treatment systems. Our study is designed to answer critical questions regarding groundwater quality for the Beaumont community and we therefore ask for your cooperation in accessing the wells listed above. We have attached copies of our project plan and the June 15, 2009 report by the Ground Water Quality Evaluation Committee (Blue Ribbon Committee) calling for additional studies such as ours.

We would like to begin sampling the wells in February 2011, so we would be very appreciative if you could expedite our request. Please feel free to contact me if you have any questions about the study. Thank you.

Sincerely,



James O. Sickman
Associate Professor
Department of Environmental Sciences
University of California, Riverside
Room 2324 Geology
Riverside, California 92521
Office: (951) 827-4552
Fax: (951) 827-3993
E-mail: james.sickman@ucr.edu
URL: <http://www.envisci.ucr.edu/faculty/sickman.html>

Sampling Plan
for
Detection of septic system waste in the groundwater
of Beaumont CA using chemical and isotopic tracers

University of California, Riverside
SWRCB Agreement No. R8-2010-0022

Department of Environmental Sciences
University of California
Riverside, CA 92521

January 17, 2011

1. BACKGROUND AND GENERAL APPROACH

Non-point nitrate contamination from human activities adversely affects both surface and groundwaters in the United States, however determining sources of nitrate is difficult. A prior study (Wildermuth 2007) identified elevated nitrate levels in some groundwater wells in the Beaumont Management groundwater basin. Subsequent action by the Riverside County Board of Supervisors placed a moratorium on new on-site human waste treatment (i.e., private septic system) unless they were designed to remove 50% of the nitrogen in the effluent stream. The Board of Supervisors formed the Ground Water Quality Evaluation Committee (GWQEV) and directed them to review technical data on groundwater quality and express their concerns regarding groundwater regulation in the Beaumont. The Committee disputes the findings of the Wildermuth 2007 report and has identified potential shortcomings in sampling design and project execution (GWQEC 2009). In the Committee's report to the Supervisors dated June 15, 2009, they make the following findings and recommendations:

"1. Findings: The Wildermuth report titled: Water Quality Impacts from On-site Waste Disposal Systems in the Cherry Valley Community of Interest March 2007 Wildermuth Environmental Inc. had parameters that were too narrowly focused; used well water sources located in close proximity to on-site wastewater disposal systems and used exaggerated build out approximations.

Recommendation:

• An independent third party study conducted by someone other than Wildermuth Environmental, who conducted the initial report, is needed to evaluate this perceived regional issue. The study should evaluate beyond those areas studied in the initial report, consider reasonable build-out projections and consider other possible sources of groundwater contamination such as septic systems in the Cherry Oaks Tract and beyond to the Hidden Meadows Tract area and the surrounding communities including the City of Beaumont. The cost of the new study would likely exceed \$150,000 (based on the cost of Wildermuth Report). The information would be invaluable and assist in making sensible land use planning decisions in the area. (Board of Supervisors Committee Charge #3, #4 & #5)."

This project is funded as a Supplemental Environmental Project by the State Water Resources Control Board, in response to this recommendation by the GWQEC and a desire for improved understanding of groundwater quality and risks in the Beaumont Management Zone. Using existing information on active wells in the Zone, we have designed a sampling plan for 30-40 wells that utilizes advanced methods for detecting of nitrate from septic systems. We will utilize dual isotopic analysis of nitrate in rigorously collected groundwater samples to ascertain

the source of nitrate and determine if denitrification is affecting nitrate source signatures in the Management Zone. Secondly, we will use a suite of organic substances derived from human waste to confirm the isotope findings and evaluate if high nitrate is caused by animal or human waste (these sources produce nitrate with similar isotopic signatures). These septic waste indicators (SWIs) include over the counter medicines and personal care products used by humans. In the proposed study, samples will be collected from active groundwater wells in and around the City of Beaumont CA, in a synoptic survey. Additional samples of surface water in the region (urban and natural streams, agricultural drainage and groundwater recharge basins) will be co-collected to examine water quality in waters recharging the aquifer. The surface and groundwater samples will be analyzed to determine concentrations of chemical and isotopic constituents that are diagnostic of the presence of septic wastewater in groundwater. These constituents include major cations (Ca, Mg, Na, K, B), major anions (Cl, SO₄, Br), dissolved organic carbon (DOC), nutrients (NH₄, NO₃, total N, dissolved organic N), isotopes of nitrate ($\delta^{15}\text{N}$ and $\delta^{18}\text{O}$) and emerging pharmaceutical, pesticide, and food additive contaminants. Using these diagnostic tracers and results from modeling of groundwater movement using MODFLOW 96, the investigators will assess the threat of septic systems to groundwater quality in the study region.

2. SAMPLING SITES

2.1 Wells

Well water sampling locations were chosen from a list of 54 Key Well Water Quality Program Wells that were previously sampled within the Beaumont Management Zone (Wildermuth 2010; Table 1 and Figure 1). Using a list of contacts supplied by Dr. Cindy Li of the SWRCB and assistance from Samantha Adams (Senior Scientist II, Wildermuth Environmental, Inc.) we attempted to contact the owner/operators of all publically operated wells and a subset of privately operated wells (Table 1). Table 1 and Figure 1 show all 54 Key Program Wells and are colored coded with circles as to the wells' sampling status: a) green wells will be sampled, b) pink wells are no longer operated and cannot be sampled, c) red wells will likely be sampled, but permission to access is still being negotiated and d) black wells are duplicative of other sampled wells and we do not intend to sample them except at the direction of SWRCB. The total number of wells to be sampled will be between 30 and 40 and they provide

excellent spatial coverage of the Beaumont Management Zone and encompass all major landuse types (Figure 1).

Additional surface water sampling sites have been identified and are listed in Table 2. These sites include the BCVWD Recharge Basin, Little San Gorgonio Creek (2 locations), and Smith Creek (2 locations). The creek sampling sites are positioned so that we can collect runoff that is: a) predominantly from upland areas with little urban influence and b) near the creeks' intersection with Interstate 10 with greater influence from non-point urban contaminant sources. The two creeks will be sampled on two dates to provide a better picture of surface water quality over the course of the rainy season: (a) a first flush storm in the early part of the rainy season and (b) during a large rain event in January or February (weather permitting). The BCVWD Recharge Basin utilizes State Water Project water and local runoff in Little San Gorgonio Creek. We will coordinate our sampling of the BCVWD Recharge Basin to coincide with periods when only Project water is being used for recharge; we plan to collect two samples of the BCVWM Recharge Basin between November 2010 and February 2011.

Proper interpretation of the stable isotope values of nitrate, requires understanding of end-member isotopic composition. While broad patterns in $\delta^{15}\text{N}$ and $\delta^{18}\text{O}$ value exist (Kendall 1998), site-specific end-member values for nitrate provide additional information that can be used in mixing models to determine groundwater nitrate sources. To better understand inputs of nitrate to groundwaters of Beaumont from septic tanks and agricultural operations, we will attempt to acquire: (a) septic fluids from local Septic Pumping companies and (b) collect surface run-off originating on poultry ranches during winter rain events (Table 3).

Table 1. Well sampling sites. Verbal permission has been granted to sample wells shown in green, and we are in the process of acquiring written permission to sample. Sites in red are high priority wells for sampling; contact has been attempted, but we have not gotten a reply.

Well Number	Well Owner	UTM Easting	Longitude Northing
0	Alino, M.C.	501832.318	3753005.698
1	Beaumont Cemetery	503380.900	3753003.040
2	Beaumont Cherry Valley Water District	502723.670	3755313.088
3	Beaumont Cherry Valley Water District	502920.506	3755311.762
4	Beaumont Cherry Valley Water District	502907.868	3755205.032
5	Beaumont Cherry Valley Water District	503224.512	3760400.012
6	Beaumont Cherry Valley Water District	503553.772	3760837.162
7	Beaumont Cherry Valley Water District	503430.870	3763011.388
8	Beaumont Cherry Valley Water District	504647.326	3765017.622
9	Beaumont Cherry Valley Water District	504860.197	3765116.043
10	Beaumont Cherry Valley Water District	504997.261	3765248.651
11	Beaumont Cherry Valley Water District	504253.537	3764826.190
12	Beaumont Cherry Valley Water District	502912.902	3759076.975
13	Beaumont Cherry Valley Water District	504627.699	3764993.106
14	Beaumont Cherry Valley Water District	504717.412	3764973.949
15	Beaumont Cherry Valley Water District	504666.443	3764986.073
16	Beaumont Cherry Valley Water District	503293.078	3757562.700
17	Beaumont Cherry Valley Water District	502885.314	3756094.850
18	Beaumont Cherry Valley Water District	502490.000	3757737.000
19	Beaumont Cherry Valley Water District	500220.570	3757664.560
20	Beaumont Cherry Valley Water District	504151.000	3756122.000
21	Beaumont Cherry Valley Water District	503441.000	3755078.000
22	Beaumont Cherry Valley Water District	498511.704	3758423.000
24	California Oak Valley Golf And Resort LLC	500681.000	3756648.000
25	California Oak Valley Golf And Resort LLC	500336.560	3756839.650
26	Cherry Valley Mutual Water Co.	501814.000	3760073.000
28	Cherry Valley Water Company	500029.000	3758878.000
29	Desert Lawn Funeral Home and Memorial	498094.000	3757277.000
32	East Valley Golf Club	497356.000	3756555.000
33	East Valley Golf Club	498779.000	3756714.000
35	MCM Poultry	499544.000	3753783.000
36	Oak Valley Partners	495985.000	3758865.000
37	Oak Valley Partners	495346.086	3759044.000
38	Oak Valley Partners	495356.000	3759175.000
39	Pistilli, Joe	501474.810	3753148.460
41	Sharondale Mesa Owners Association	496103.000	3759672.000
42	Sharondale Mesa Owners Association	496254.000	3759672.000
44	South Mesa Water Company	495036.451	3760833.490

Well Number	Well Owner	UTM Easting	Longitude Northing
47	United States, Geological Survey	502543.000	3759307.000
48	United States, Geological Survey	502545.000	3759306.000
49	United States, Geological Survey	502447.670	3759426.510
50	United States, Geological Survey	502447.670	3759426.510
51	United States, Geological Survey	502447.670	3759426.510
53	Yucaipa Valley Water District	495785.965	3759731.055

Table 2. Surface water sampling sites.

Site Number	Well Owner	UTM Easting	Longitude Northing
	Beaumont Cherry Valley Water District Recharge Facility	502258.000	3758489.000
1			
2	Little San Gorgonio Creek @ Orchard Street	502497.000	3759496.000
3	Little San Gorgonio Creek @ Oak Valley PKWY	500764.000	3756255.000
4	Smith Creek near Highland Springs Resort	505415.000	3758476.000
5	Smith Creek near @ I-10	507150.000	3753860.000

Table 3. Isotope end-member sampling.

Site Number	Well Owner	UTM Easting	Longitude Northing
1	MCM Poultry	499544.000	3753783.000
2	Sunny-Cal Egg & Poultry Company	498792.970	3758454.620
3	Wright Septic Tank Services	Beaumont,	California
4	Patrick's Septic Tank Services	Yucaipa	California
5	Honest John's Septic Services Inc.	Apple Valley	California

3. SAMPLING METHOD REQUIREMENTS

Well samples will be collected from hose bibs or alternate devices at each sampling location. Water will be drained from the pressure tank with the well pump turned off. Once empty, the pump will be turned on and the pressure tank will be allowed to refill. These steps will be repeated once more. The water will then be turned on and remain on throughout the remainder of the sampling procedure. A 5 gallon bucket will be filled from a valve nearest the wellhead, and the time will be recorded. Water pH, temperature, conductivity, and dissolved oxygen (DO) will be measured using a YSI meter and probe to ensure water is representative of local groundwater. These probes will be rinsed with well water and then used to measure parameters until the values obtained stabilize over a pre-determined time interval. These values are shown in Table 4. If there is any treatment system attached to the well, water will be sample prior to treatment, or the well may have to be removed from the sampling list if pre-treated water sampling is not possible.

Table 4. Well water flushing stability criteria.

Field Measurement	Stability Criteria ¹
pH	± 0.3 standard units
Temperature (T)	± 0.4°C (Thermistor thermometer) ± 0.8°C (liquid-in-glass thermometer)
Conductivity ($\mu\text{S cm}^{-1}$ at 25°C)	± 1.0% for $\text{SC} \leq 100 \mu\text{S cm}^{-1}$ ± 0.5% for $\text{SC} > 100 \mu\text{S cm}^{-1}$
Dissolved Oxygen (mg L^{-1})	± 0.5 mg L^{-1}

¹Allowable variation between 3 or more sequential field measurement values taken every 5 minutes

Creek samples will be collected by dipping sample bottles underwater with a gloved hand or by using a telescoping sampling pole to hold the sample bottle for dipping into the creek. All sample bottles will be rinsed 3x with sample before filling. A small sampling pump with tubing will be used to collect septic fluid and surface runoff from poultry ranches. Every 10th major ion sample from well, creeks and surface waters will be collected in duplicate.

Samples for major anions, cations, nutrients and stable isotope measurements will be collected after filtering through a 0.45 μm pore size, Whatmann Polycap GW capsule filter. Major cation and anion samples will be collected in a new 1-liter HDPE bottle that has been soaked in deionized water (18 megaohm) for several days and rinsed three times with filtered sample water; these samples will be stored at 5°C. Samples for nutrient fractions will be collected in a new 0.25-liter HDPE bottle that has been soaked in deionized water (18 megaohm) for several days and rinsed three times with filtered sample water; these samples will be filled to the neck and stored frozen at -20°C. Filtered samples for DOC will collected in 40 ml amber bottles and preserved with 2 drops of trace metal grade HCl. Samples for organic SWI analyses

will be collected in pre-cleaned glass sample bottles that are triple rinsed with sample. Organic SWI sample collection bottles will be cleaned with laboratory detergent, a brush, and hot tap water. After scrubbing, the glass bottles will be rinsed three to four times with de-ionized water and either burned at 400 °C for four hours or rinsed consecutively with 5 ml MTBE, 5 ml HPLC grade methanol and 5 ml ultra-pure water. The glassware will then be stored with dedicated glassware to prevent external contamination of samples. The SWI samples will not be field-filtered and instead will be transported by the laboratory on ice for further processing. At the lab the SWI samples will be filtered and extracted within 48 hours of sampling. Every 10th SWI well sample will be collected in duplicate.

3.1 Sample Handling and Custody Requirements

Samples are labeled with individual site codes, sample date and time, and numbered consecutively starting with number one. The result is a unique identification combination for each sample collected. These identification labels are also entered directly on to the chain-of-custody form in the field. A sample chain of custody (COC) will accompany every sample taken in the field. An example of the COC is presented in Appendix A of the QAPP. Immediately following collection, samples will be kept on ice in a cooler until they are delivered to the UCR laboratory. The UCR laboratory keeps a copy of the chain-of-custody form.

4. CHEMICAL ANALYSES

A variety of inorganic (Table 5), isotopic (Table 5) and organic (Table 6) analyses will be conducted during our groundwater investigation. The chemical species to be determined were chosen to: (a) provide diagnostic indicators of the presence of septic wastewater in groundwater (e.g., NO₃, NH₄, DON, DOC, isotopes of NO₃, emerging contaminants), (b) to help identify groundwater flow patterns and potential pollutant sources (e.g., major cations and anions) and (c) provide general knowledge of groundwater conditions in the Beaumont region (e.g., pH, alkalinity, specific conductance, Cl and SO₄). Note: quality assurance and control procedures for all chemical analyses are contained in the project QAPP document which accompanies this Workplan.

4.1 Major Ions, Nutrients and Isotopes of Nitrate

Specific conductance measurements will be made with a laboratory conductivity meter equipped with a graphite conductivity electrode with a cell constant of K=1 cm⁻¹. Laboratory pH will be made with a high quality, laboratory pH meter equipped with an Orion-Ross combination electrode. The pH meter and electrode will be calibrated using pH buffer solutions (4, 7 and 10) and the calibration checked by measuring the pH of two weak-HCl solutions (10⁻⁴ N (pH: 4.0)

and 10^{-5}N (pH: 5.0)). Acid neutralizing capacity of samples will be measured by Gran Titration using the calibrated laboratory pH meter and Ross electrode. Hydrochloric acid with a normality of 0.1 will be used to titrate the sample past the equivalence point. At least four titrant-pH measurement pairs will be made between pH 4.3 and 3.7 and used in the Gran computation.

Major anions (Cl , Br , NO_3 , NO_2 and SO_4) will be measured using chemically suppressed ion chromatography on a Dionex ion chromatograph following EPA Method 300.1 or a modification thereof. Major cations will be measured by inductively coupled plasma - atomic emission spectroscopy (EPA Method 200.7).

Ammonium will be measured using the phenol-hypochlorite method (modified EPA 350.1). Total dissolved nitrogen (TDN) will be analyzed in samples after NaOH -potassium persulfate digestion, with the nitrate produced by the digestion measured by EPA Method 353.2. Dissolved organic nitrogen will be computed as the difference between TDN and dissolved inorganic nitrogen (nitrate+nitrite+ammonium). Dissolved organic carbon will be measured on a Shimadzu TOC 5050 employing high-temperature Pt-catalyzed combustion (EPA 9060A).

Isotopes of nitrate will be measured using the microbial denitrifier method of the USGS Reston Laboratory (RSIL Code 2900). In this method, bacteria (*Pseudomonas chlororaphis* and/or *P. aureofaciens*) are used to convert NO_3 into N_2O gases which are then led to an isotope ratio mass spectrometer which measures the $\delta^{15}\text{N}$ and $\delta^{18}\text{O}$ of the N_2O and through computational means, arrives at the $\delta^{15}\text{N}$ and $\delta^{18}\text{O}$ of the NO_3 in the samples. Analyses will be performed at the Facility for Isotope Ratio Mass Spectrometry at UC Riverside.

Table 5. Summary of general water quality and isotopic constituents to be measured in water samples collected during the Beaumont investigation.

Analyte	Well Samples	Creek Samples	Poultry Runoff	Septic Fluids	Analytical Method
pH, Alkalinity	X	X	X		pH Electrode and Meter
Specific Conductance	X	X	X		Meter and $K=1\text{ cm}^{-1}$ cell
Major Anions (Cl , Br , NO_3 , SO_4)	X	X	X		EPA Method 300.1
Major Cations (Ca , Mg , Na , K , B)	X	X	X		EPA Method 200.7

Nutrients (NH ₄ , Total Dissolved N, organic N)	X	X	X		EPA Method 350.1, NaOH- Persulfate digestion, EPA 353.2
Dissolved Organic Carbon	X	X	X		EPA Method 9060A
$\delta^{15}\text{N}$ and $\delta^{18}\text{O}$ of Nitrate	X	X	X	X	USGS Method (RSIL Lab Code 2900)

4.2 Septic Waste Indicators

The analysis of the organic septic waste indicators (SWI) in water is based on the methods developed by Vanderford and Snyder (2006). In method development, rigorous procedures will be used to validate the recovery, precision, and determine the instrument limits of detection (ILOD). The compounds of interest are shown in Table 6. SWI analyses will be conducted on all well and creek samples and in samples from the BCVWD recharge facility. The use of UPLC-MS/MS to detect SWI in water includes several steps. These steps are preparation of stock and working solutions of the target compounds and their labeled counterparts, sample preparation, sample extraction, instrument calibration and QA/QC evaluation.

Standard Preparation: SWI compounds and their isotopically labeled counterparts will be purchased from Sigma Aldrich (St. Louis, MO), Toronto Research Chemicals (North York, Ontario, Canada), United States Pharmacopeia (Rockville, MD), and C/D/N Isotopes, Inc. (Pointe-Claire, Quebec, Canada). Individual stock solutions (100 $\mu\text{g L}^{-1}$ or 10 $\mu\text{g L}^{-1}$ for each compound) will be prepared by weighing the exact amount of each compound and dissolving in methanol. A multiple SWI working solution (100 ng L^{-1} of each compound) will be prepared by appropriate dilutions of the stock solutions in methanol.

UPLC-MS/MS Analysis: Analysis will be conducted using Aquity UPLC system coupled with a Trinity triple quadrupole mass spectrometer equipped with an electrospray ionization source (ESI) (Waters, Milford, MA). The column will be a BEH C18 column (100mm X 2.1mm i.d. with 1.7 μm particle size). Individual tune files will be created by infusing the individual compounds to determine the optimum capillary and cone voltages, collision energies, product ions. The ILOD ranges from 0.1 to 10 ng/ml for individual analytes, for the listed SWIs.

Table 6. Emerging contaminants to be used as indicators of septic contamination of groundwater in the Beaumont region.

Compound	Use	Compound	Use
17 α -Ethinylestradiol	Oral Contraceptive	Estrone	Human Hormone
Acetaminophen	Analgesic	Fluoxetine	Anti-depressant
Atenolol	Beta Blocker	Gemfibrozil	Fibrate
Atorvastatin	Statin	Ibuprofen	Non-steroidal Anti-inflammatory
Bisphenol	Plasticizer	Meprobamate	Human Tranquilizer
Caffeine	Stimulant	Naproxen	Non-steroidal Anti-inflammatory
Carbamazepine	Anti-epileptic	Primidone	Anti-convulsant
DEET	Insect Repellent	Simvastatin	Statin
Diazepam	Barbiturate	Sulfamethoxazole	Antibiotic
Diclofenac	Non-steroidal Anti-inflammatory	TCEP	Flame Retardant
Dilantin	Anti-epileptic	Triclosan	Antibacterial
Diuron	Herbicide	Trimethoprim	Antibiotic

5. GROUNDWATER MODELING

The objectives of the modeling component of this project are two-fold: (a) assess the aquifer vulnerability to potential contamination from septic systems existing under different hydrogeological and meteorological conditions and (b) Estimate the potential recharge zones for the different ground water wells being analyzed for contamination.

We will assess the aquifer vulnerability in the study area using a variety of statistical and numerical approaches. Ground water vulnerability maps are designed to show areas of greatest potential for ground-water contamination on the basis of hydrogeological and anthropogenic (human) factors. The maps are developed by using computer mapping hardware and software called a geographic information system (GIS) to combine data layers such as land use, soils, and depth to water. Usually, ground-water vulnerability is determined by assigning point ratings to the individual data layers and then adding the point ratings together when those layers are combined into a vulnerability map. An example of a simple vulnerability assessment method is DRASTIC, named for the seven factors considered in the method: Depth to water, net Recharge, Aquifer media, Soil media, Topography, Impact of vadose zone media, and hydraulic Conductivity of the aquifer (Twarakavi and Kaluarachchi, 2005). We will also analyze the applicability of statistical approaches such as logistic regression to assess ground water vulnerability in the area (Twarakavi and Kaluarachchi, 2005; 2006a; 2006b). Use of these statistical methods helps in identifying regions of high risk with the model domain.

We will also use HYDRUS-1D (Simunek et al., 2010) to numerically assess the vulnerability of the aquifer to contamination from septic systems. HYDRUS-1D uses the Richard's equation for water flow and convection-dispersion equation for the solute transport through the unsaturated zone. We will use HYDRUS-1D to assess the movement of solutes through soils to ground water. HYDRUS-1D gives information about the potential contaminants in the unsaturated zone as well as the ability of the soils to leach the contaminants to ground water. Together with the information provided by HYDRUS-1D model and holistic-based ground water vulnerability methods, we will summarize the susceptibility of the aquifer to contamination.

Our second objective is to estimate the extent of recharge zones for each of the ground water wells under consideration. We will accomplish this objective using MODFLOW. MODFLOW is

a three dimensional finite-difference ground water model that simulates steady and non-steady flow in complex aquifer systems subjected to various external stresses such as flow to wells, areal recharge, evapotranspiration, flow to drains, and flow through river beds. The estimated recharge zones for each of the wells would be analyzed together with aforementioned modeling efforts as well as contamination data obtained from the field for outlining the state of quality of ground water resources in the study area.

6. PROJECT SCHEDULE

During the initial project period, existing reports on groundwater in the Beaumont region were reviewed (Rewis et al., 2006, GWQEC 2009, Wildermuth 2007 & 2010,) and the Workplan was developed in collaboration with Dr. Cindy Li (Task 1). Groundwater sampling sites have been chosen and permission is being sought from owner/operators for access to the wells for sampling. The total number of wells to be sampled will be between 30 and 40 and will provide excellent spatial coverage of the Beaumont Management Zone and encompass all major landuse types. Surface water sampling sites include the BCVWD Recharge Basin, Little San Gorgonio Creek (2 locations), and Smith Creek (2 locations). We will coordinate our sampling of the BCVWD Recharge Basin to coincide with periods when only State Water Project water is being used for recharge. To better understand inputs of nitrate to groundwaters of Beaumont from septic tanks and agricultural operations, we will attempt to acquire: (a) septic fluids from local Septic Pumping companies, (b) surface run-off originating on poultry ranches during winter rain events and (c) Beaumont WWTP effluent.

Well, creek, surface runoff and septic fluid sampling will begin in February or March 2011 and continue into April or May (Task 2). Creek samples and surface runoff from poultry ranches will be collected during a rain event in the late winter. The BCVWD recharge facility will be sampled in early 2011 and septic pumping trucks will be sampled during other scheduled well sampling trips. Chemical analyses of well water, creek water, surface runoff and septic fluids will begin in February 2011 and be completed by the end of June 2011 (Tasks 3, 4 and 5). Groundwater modeling will begin in June 2011 and will continue through the end of September 2011 (Task 6); modeling efforts will be focused on sites (if any) that chemical analyses suggest are being affected by septic inputs. Progress reports will be prepared and submitted to Dr. Cindy Li on a quarterly basis (Task 7). The Project Workplan contains information on the progress of

the study to date and was submitted as our first quarterly report on November 1, 2010. A final report, summarizing all project findings and recommendations will be completed by December 1, 2011.

Progress reports will be prepared and submitted to Dr. Cindy Li on a quarterly basis (Table 7). This Workplan contains information on the progress of the study to date and is submitted as evidence for completion of Task 1 and, thus, it serves as our first quarterly report. A final report, summarizing all project findings and recommendations will be completed by December 1, 2011 and submitted to the SWRCB.

Table 7. Project schedule and timeline of Tasks.

Start Date: August 6, 2010. End Date December 1, 2011

	Jul-Sep '10	Oct-Dec '10	Jan-Mar '11	Apr-Jun '11	Jul-Sep '11	Oct-Dec- '11
Task 1: Work plan development	X	X	X			
Task 2: Water sampling			X	X		
Task 3: Inorganic analyses			X	X		
Task 4: Isotope analyses			X	X		
Task 5: Organic analyses			X	X		
Task 6: Modeling.				X	X	
Task 7: Reports						
Quarterly:		11/1/2010	3/1/2011	7/1/2011	11/1/2011	
Final:						12/1/2011
Task 8 Project Management	X	X	X	X	X	X

7. LITERATURE CITED

- GWQEC, 2009. Final Report and Recommendations of the Ground Water Quality Evaluation Committee (Blue Ribbon Committee). June 15, 2009.
- Révész, Kinga, and Casciotti, Karen, 2007, Determination of the $\delta(^{15}\text{N}/^{14}\text{N})$ and $\delta(^{18}\text{O}/^{16}\text{O})$ of Nitrate in Water: RSIL Lab Code 2900, chap. C17 of Révész, Kinga, and Coplen, Tyler B., eds., Methods of the Reston Stable Isotope Laboratory: Reston, Virginia, U.S. Geological Survey, Techniques and Methods, book 10, sec. C, chap. 17, 24 p.
- Rewis, D.L., Christensen, A.H., Matti, J.C., Hevesi, J.A., Nishikawa, Tracy, and Martin, Peter, 2006, Geology, ground-water hydrology, geochemistry, and ground-water simulation of the Beaumont and Banning storage units, San Geronio Pass area, Riverside County, California: U.S. Geological Survey Scientific Investigations Report 2006-5026, 173 p.
- Šimůnek, J., M. Th. van Genuchten, and M. Šejna, 2008, Development and applications of the HYDRUS and STANMOD software packages, and related codes. Vadose Zone Journal, doi:10.2136/VZJ2007.0077, Special Issue "Vadose Zone Modeling", 7(2), 587-600.
- Twarakavi, N.K.C., and J.J. Kaluarachchi, 2005, Aquifer vulnerability assessment to heavy metals using ordinal logistic regression. Ground Water, 43 (2): 200-214.
- Twarakavi, N.K.C., and J.J. Kaluarachchi, 2006, Arsenic in the shallow ground waters of conterminous United States: assessment, health risks, and costs for MCL compliance. Journal of American Water Resources Association, AWRA No. 04161, 42(2): 275-294.
- Twarakavi, N.K.C., and J.J. Kaluarachchi, 2006. Sustainability of ground water quality considering land use changes and public health risks. Journal of Environmental Management, 81(4): 405-419.
- Vanderford B.J., Snyder S.A. 2006 Analysis of pharmaceuticals in water by isotope dilution liquid chromatography/tandem mass spectrometry. Environmental Science & Technology 40:7312-7320. DOI: 10.1021/es0613198.
- Wildermuth Environmental Inc., 2007. Water Quality Impacts from On-Site Waster Disposal Systems in the Cherry Valley Community of Interests (CVCOI) – Final Report. Accessed at <http://www.clerkoftheboard.co.riverside.ca.us/ords/800/871.pdf>.
- Wildermuth Environmental Inc. 2010, Maximum Benefit Monitoring Program 2009 Annual Report. Prepared for the City of Beaumont and the Yucaipa Valley Water District. 61 pages. April 2010.

Figure 1a. Land use map of Beaumont with all potential sampling sites identified. Sites in purple and black circles will not be sampled.

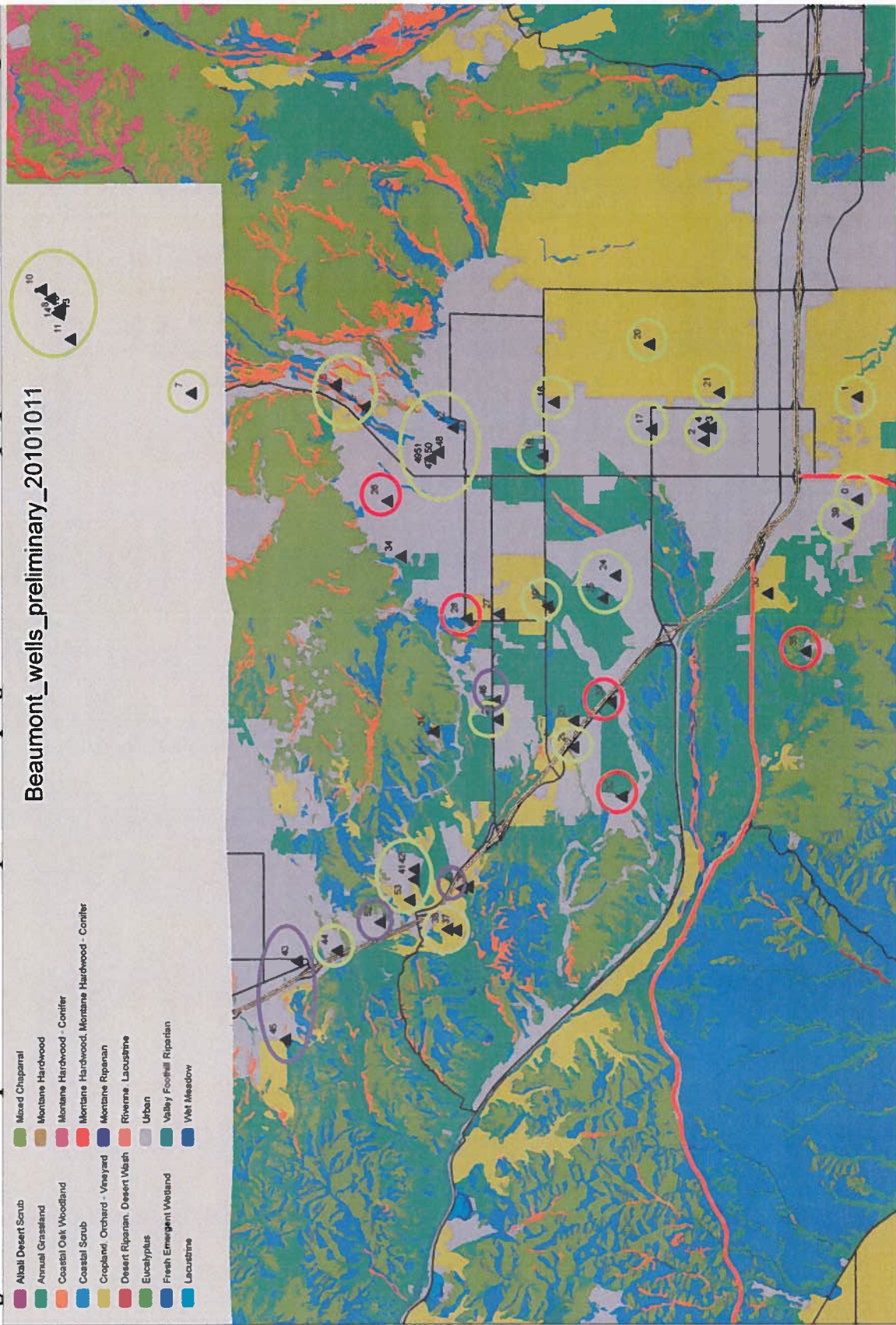
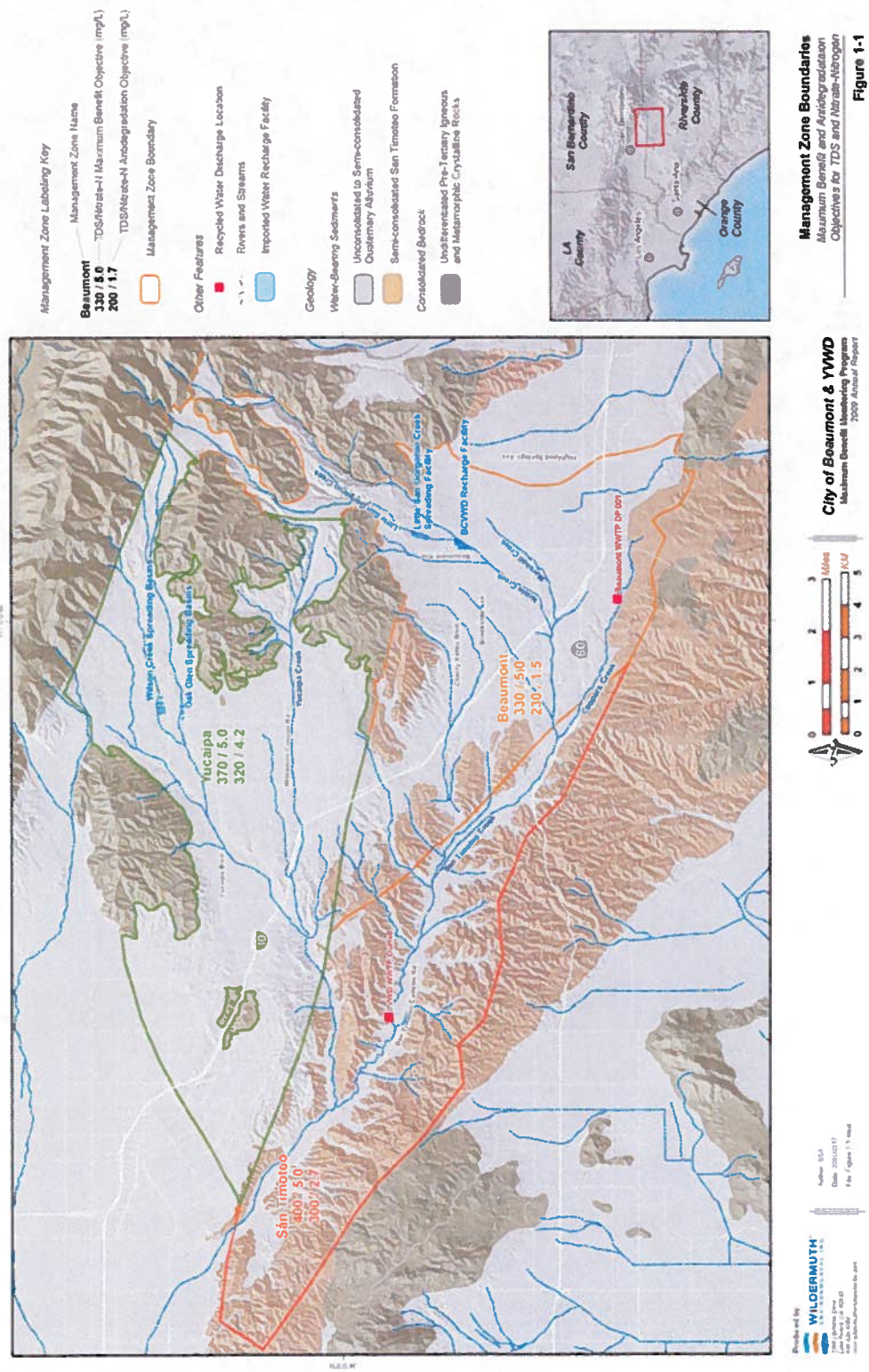


Figure 1b. Map showing boundary of Beaumont Management Zone.





**Groundwater Quality Evaluation
Committee for the
Beaumont/Cherry Valley Area.**



Final Report And Recommendations

June 15, 2009

Table of Contents

Executive Summary	3
Introduction	5
Scope of Investigation	7
Land Use	7
Scientific Literature	7
Nitrogen Concentrations below the OSWDS	7
Tracer Study	8
Estimation of current/future discharge	8
Planning level of basin –wide nitrogen impacts	8
Thresholds to compel sewer	8
Water Resource Quality	8
Committee Directives	10
Committee Activities	10
Committee Conclusions and Recommendations	11

Executive Summary

The Ground Water Quality Evaluation Committee (Blue Ribbon Committee) was formed by the County of Riverside on April 29, 2008 to review the Wildermuth Environmental Report and all pertinent data. Water quality data included within the Wildermuth Environmental Inc. (WEI) report indicates that Beaumont Cherry Valley Water District's well #16 and #21 have had sporadic spikes of nitrate concentration levels reaching the Maximum Contaminant Level (MCL). Cherry Valley Water Company and Bonita Vista Mutual Water Company have encountered the same problems. Data provided to the Committee from the California Department of Public Health (CDPH) indicates that these levels were only a spike and NOT indicative of the regional aquifer. Also the WEI report states that the presence of on-site wastewater disposal systems (OSWDS) could be a "*possible source*". As you read on, the build out of potential OSWDS are inflated and also indicates that OSWDS "*are the source of nitrate contamination in the Beaumont Management Zone*" contradicting previous pages. And again on page 1.1, the report indicates the OSWDS as being a "*possible source*." The report tends to discredit the effectiveness of septic systems leading the reader to assume the worst. United States Environmental Protection Agency (EPA) Fact sheet #932-F99-075 contradicts this discredit and clearly explains the functionality and operations of septic tanks including the parameters for failure. Maintained septic systems have an operational life exceeding 30+ years. Also, nitrogen removal was grossly understated and future nitrogen loading was over estimated.

Section 4 within the WEI report references future build out and potential nitrogen loading factors. Unfortunately, these factors are overstated due to inaccurate information with regard to potential build out projections. Furthermore, the Cherry Oaks and Hidden Meadows Tracts should have been included in these equations thus adding to the uncertainty of these projections. Figures 4-1, 4-2, 4-3 are a simulation in time to project the total impact of nitrogens. However with the data provided in this report to reflect future build-out/impacts, this data was part of the model calibration which should be deemed inaccurate. The report gives conclusions and recommendations on page 6-1 a total of 11:

1. According to CDPH water quality records, this is NOT accurate.
2. Again, this is NOT accurate, but over stated.
3. True.
4. This is true according to the report, however not noticed in Well 16.
5. High nitrate levels are sporadic at best, and there are NO high levels of specific ions according to CDPH.
6. Accurate under report conditions only.
7. Accurate under report conditions only.

8. Accurate under report conditions only.
9. This has NOT been proven in the Cherry Valley Community of Interest (CVCOI).
10. This should be left undetermined at this time.
11. This should be left undetermined at this time.

Despite efforts by local agencies involved in this report and /or those agencies that have deemed this report credible, it is apparent that the OSWDS within the CVCOI should be considered an effective treatment system until otherwise proven by future reports. It is also apparent that within the CVCOI there may be some locations that should be considered a "Point Source" based on their land use which would distinguish predictable concentrations and volumes. As noted, there have been geographical areas that should have been included in this report that were not.

At the County level, their efforts were deemed appropriate under the circumstances and information provided to them. Pursuant to the County of Riverside review and actions; the Board of Supervisors acted on April 29, 2008 to form this Committee evaluate groundwater quality in the CVCOI and make specific recommendations to County Board of Supervisors. However, after lengthy review of all reports, supporting documentation, the Committee would recommend that the County Board of Supervisors immediately repeal Ordinance 871 which prohibited conventional OSWDS until further investigations can be completed by an independent resource NOT associated with local agencies or influences. The potential effects of installing sanitary sewers within the CVCOI has not been determined that it will eliminate the degradation of local ground waters.

Measure "B" which was defeated by majority vote could have had a devastating effect on the CVCOI. The proposed cost to complete all infrastructures was estimated to be at \$60 million amongst 2000 residents. This equates to \$30,000 per resident and based on the final report by Wildermuth Environmental Inc. The tragedy to this would be if Measure "B" had passed, infrastructure built, and the problem NOT solved.

Introduction

Within the Beaumont Management Zone (BMZ) and surrounding areas, increasing nitrate levels were noticed in some production wells giving concern to local water agencies. Within this area, the main source of drinking water is groundwater extracted from the Beaumont Basin area. The San Timoteo Water Shed Management Authority (STWMA) was formed in 2001 by the following agencies: Beaumont/Cherry Valley Water District (BCVWD), the City of Beaumont, South Mesa Water Company and the Yucaipa Valley Water District (YVWD). BCVWD and City of Beaumont concerned with water quality issues formed Project Committee No.1 (PC1) to manage and improve water quality in the BMZ respectively. With ongoing concerns over potential nitrates issues; PC1 initiated an investigation to determine the source of nitrates within this area.

Consequently, Wildermuth Environmental, Inc. (WEI) was contracted to develop a report regarding water quality within the BMZ to help determine the source of nitrates and was finalized in March 2007. At the County level, Ordinance 864.1 was passed by the Board of Supervisors on October 16, 2006 in response to the Wildermuth "Draft Report" dated July 12, 2006 for a 90 day period. Subsequently on February 27, 2007 Ordinance 864.2 was passed leading to an extension of a 120 day moratorium. On June 19, 2007, Ordinance 871 was passed, prohibiting any additional OSWDS unless they can remove 50% nitrogen. The ordinance was then considered a "*Prohibition*" instead of a moratorium. All action was based on a draft and final report prepared by Wildermuth Environmental.

On September 25, 2007 the Beaumont Cherry Valley Water District held a Special Measure Election that could have empowered the District to activate its "Latent Powers". Through the Local Agency Formation Commission (LAFCO), the District would have filed an application under the Municipal Water District Act. During local town hall meetings organized by the District prior to the election, it was estimated that capital costs to sewer the Cherry Valley area was ranging between \$50 to 60 million dollars. It was to be divided amongst 2000 residents with no additional funding secured. On September 26, 2007, Measure "B" failed to get the required votes for passage.

The Riverside County Board of Supervisors established the Groundwater Quality Evaluation Committee for the Beaumont/Cherry Valley Area on April 29, 2008. The Committee consists of interested local residents and technical experts in the field of water quality. The Committee membership is as follows:

Local Residents

Name	Area Represented	Number Attended
Joe Aceto	Beaumont	10
Bruce Cash ¹	San Timoteo Canyon	10
Brian DeForge	Beaumont	8
Sarah Eberhardt	Beaumont/Cherry Valley	1
Nancy Hall	Beaumont	10
Luwanna Ryan ²	Cherry Valley	11
Carl Workman	Banning	6

¹Appointed by the Committee as Chairperson

²Appointed by the Committee as Vice – Chairperson

One member, Sarah Eberhardt, only attended the first meeting. She did not participate in any of the discussions or vote on the approval of the Committee's final recommendations.

Technical Experts

Name	Job Title	Agency Represented	Number Attended
John Covington*	Water Resources Manager	Morongo Band of Mission Indians	11
Cindy Li, PhD, R.G.	Engineering Geologist	Regional Water Quality Control Board – Santa Ana Region	8
Hal Marlow, PhD	Assistant Professor	Loma Linda University School of Public Health	0
Behrooz Mortazavi, PhD, P.E.	Assistant General Manager Resource Development	Eastern Municipal Water District	6
Mark Norton, P.E.	Water Resources & Planning Manager	Santa Ana Watershed Project Authority (SAWPA)	7
John Watkins, M.P.H., R.E.H.S.	Deputy Director	Riverside County Department of Environmental Health	11
Joe Zoba	General Manager	Yucaipa Valley Water District	1

*Also a local resident of Cherry Valley

The technical experts are non-voting members of the Committee but provided significant technical assistance to the process of evaluating the many sources of information

The Committee was directed to review technical data presented by Federal, State and regional experts and make recommendations to the Riverside County Board of Supervisors, Cities of Beaumont and Banning and the Board of Beaumont Cherry Valley Water District regarding the on-going concerns of groundwater quality in the Beaumont Management Zone.

Scope of Investigation

Land Use: The area of investigation within the WEI report identifies the Cherry Valley Community of Interest (CVCOI). Directly up gradient of the Bonita Vista Mutual Water Company (BVMWC) and the Cherry Valley Water Company's (CVWC) wells are two large scale residential tracks of homes. The Cherry Oaks Tract includes 100 lots and the Hidden Meadows Tract includes 600 lots, unfortunately this should have been made a portion of this study as the impacts could be considerable. WEI indicates that the CVCOI has 1,900 developed lots, and under the assumption that future 1 acre lots would be reduced in size to .25 acre thus increasing the total number of OSWDS potentially to 8800. Currently, lots sizes are predominately 1 acre in size thus over inflating the potential OSWDS projections and future nitrogen loadings.

Scientific Literature: The WEI report consisted of many excerpts from previous studies that were related to OSWDS and the functionality and life expectancies. However, likewise there were many challenges to those references.

Nitrogen concentrations below OSWDS: The WEI report indicated that 9 sample locations were chosen for field examination and sampling. Samples were only recovered at 5 of 9 locations. Generally leach lines are located a few feet below ground surface and are usually surrounded by gravel. Every sample obtained was dry and did not have a distinguishing odor. It was also stated in the WEI report that *"the average nitrate concentrations in the samples from the CVCOI are much lower than seen in other studies"*. *The moisture content of the samples and the analytical results of the samples suggest that a representative sample was NOT obtained. The nitrogen concentrations of the samples collected suggest that the samples were more representative of soil NOT impacted by OSWDS.* Based on sampling results, it would seem prudent to incorporate additional sample locations for verification which was not completed.

Tracer Study: Within the CVCOI, nine wells were selected for sampling. Out of the nine, only 4 wells were active producers. Inactive wells can be used, however they must be adequately cleansed/flushed prior to sampling. Within the WEI report, it was apparent to the Committee that inadequate flushing of the inactive wells may have occurred. A low-flow pump was used and the sampler had no well data on any of the nine wells to help determine the construction and the well casing volume to assure that appropriate cleansing had occurred. Within the CVCOI, there are over 40 active wells which could have been utilized other than inactive sites. Pharmaceuticals and personal care products (PPCP) were detected in 6 of nine wells. However, one of the nine wells with the highest "nitrate spike" had NO PPCP's found in the samples. Also within the report, it is stated that *"The possible source of detected pharmaceuticals are OSWDS and animal waste"*.

As noted in Section 3.5, *“elevated concentrations of specific ions, such as boron, potassium, and sodium relative to OSWDS have been used as indicators of OWDS effluent”*. However, all water quality data submitted from the California Department of Public Health to the Committee shows very low levels of the above mentioned ions or completely non-detected.

Estimation of current/future discharge projections: Information regarding future build out was inflated due to the WEI report’s assumptions that current undeveloped lots which are mostly 1 acre would be developed into .5 acres in size thus doubling the estimated OSWDS and their discharge amounts. Current and future nitrogen loads have also been overstated. There are numerous references that indicate that an average household of four persons will contribute 8-10 lbs. annually. WEI reports 18 lbs annually. It is also stated that OSWDS only remove between 10-20% of nitrogen. EPA treatment guidelines indicate that 10-20% is removed before the Soil Absorption System (SAS) and another 10-40% removed in the leach field equating to 20-60% removal rate.

Planning level of basin-wide nitrogen impacts: The report is based on potential build out, again assuming that lot sizes will become .5 acres or less and the total OSWDS will increase accordingly. This is shown to equate to 185,000 to 500,000 pounds of nitrogen a year which would only be possible under these assumptions. There are numerous assumptions into the Year 2100, which the following would have to occur:

- Water quality would have to be at a point of degradation with an average nitrate concentration of 8 mg/l. (n)
- CVCOI would have to completely build out all potential lots.
- CVCOI would have to decrease all lot sizes to .5 acres.

Thresholds to compel sewerage: It is understood that the California Regional Water Quality Control Board (CRWQCB) has certain authority to compel sewerage in areas determined to be negatively effecting groundwaters and exceeding basin water quality objectives. It is further understood that under the previous AB 885, it would have required the CRWQCB to further establish Statewide regulations for OSWDS. Since the immediate withdrawal of AB 885, it is presumed that this bill will be re-introduced in the near future. However, the CRWQCB has established over 60 prohibitions of OSWDS within the State based on some type of report indicating the degradation of local groundwater.

Water Resource Quality

As indicated in Figure 1-1 of the WEI report the groundwater flows directly from a northerly to a southern direction or in other words, from the Cherry Oaks Tract to the Beaumont Management Zone thus impacting the BVMWC and CVWC respectfully. Well locations that were selected for the “Tracer Study” appeared to be only wells that at some time had shown elevated levels of nitrate. Wells in surrounding areas of the Beaumont Management Zone were NOT part of this study, nor were any water quality data sampled or recorded to establish a benchmark. None of the wells except Well 21

(BCVWD) have a sanitary seal. Wells selected were not reviewed for construction data, which would have included: casing diameter, overall depth, screen intervals, sanitary seal, date of construction, mineral composites, drilling method, and estimated yield. Lack of this information whether it becomes part of a final report or just utilized for field study reference, is critical before determining sampling locations. It has been confirmed that most of the wells selected in this report are less than the required 100' distance between a domestic water well and an OSWDS. Furthermore, specific flood control channels, active commercial septic systems, and residential activity could have been the determining factor for the sporadic spikes in nitrates rather than a widespread aquifer problem with OSWDS. When reviewing the sampling procedures, it has been determined that 60% of all wells sampled were in-active. Not having the well construction data, the sampler has no idea if he/she has exchanged the stagnant waters with a representative sample amount of the surrounding aquifer. The pump used in the in-active wells is listed as a GrundFos Redi-Flo2 pump. The report indicates that the pump was lowered to 100' below ground surface (BGS) and pumped at a minimum of 45 minutes. The total flow equates to 338 gallons @ 7.5 gallons per minute at 100' of total dynamic head (TDH).

This is NOT an adequate exchange of casing volume as well as lacking velocity to help cleanse the casing in a stagnate state. Section 3 of the WEI report references specific ions that would be attributed to the presence of OSWDS. In reviewing water quality data received from the California Department of Public Health with regards to wells referenced in the study, it appears that there is at best a minimal detection of such ions in BCVWD wells #4a, 5, 16, and 21. These results are from 1996 to 2008. The results are summarized as follows:

Well Number	Chloride Level	Sodium Level	Total Dissolved Solids	Potassium	Nitrate
4a	20 to 21 mg/l <i>MCL 250 mg/l</i>	20-21 mg/l <i>MCL 250 mg/l</i>	300-350 mg/l <i>MCL 500 mg/l</i>	1-2 mg/l <i>MCL - None</i>	8-11 mg/l <i>MCL 45 mg/l</i>
5	10 - 11 mg/l <i>MCL 250 mg/l</i>	15 - 19 mg/l <i>MCL 250 mg/l</i>	290-370 mg/l <i>MCL 500 mg/l</i>	1.2 - 2 mg/l <i>MCL - None</i>	11-16 mg/l <i>MCL 45 mg/l</i>
16	13 - 16 mg/l <i>MCL 250 mg/l</i>	35-38 mg/l <i>MCL 250 mg/l</i>	310-360 mg/l <i>MCL 500 mg/l</i>	1 - 2 mg/l <i>MCL - None</i>	6 - 43 mg/l <i>MCL 45 mg/l</i>
21	11 - 13 mg/l <i>MCL 250 mg/l</i>	24 - 25 mg/l <i>MCL 250 mg/l</i>	270-300 mg/l <i>MCL 500 mg/l</i>	1.5 - 2 mg/l <i>MCL - None</i>	9.5 - 43 mg/l <i>MCL 45 mg/l</i>

Under State law, every water purveyor is required to submit to its consumers a Consumer Confidence Report (CCR) each calendar year prior to July. This report in detail should explain the following: (i) water quality constituents that have been detected within the year of the report, including previous year's data (ii) explanation of the related terms used in the report, (iii) contaminants that may be

present in the source water, (iii) and any additional information deemed necessary by the agency. This committee has received and reviewed the CCR's for the calendar years of 2006-2009 and has found the following levels of detected nitrates:

Range of Detections		Average Level Detected	
2006:	3.1-40 mg/l (NO3)	8.1 mg/l	MCL 45 mg/l
2007:	2.5-16 mg/l (NO3)	6.8 mg/l	MCL 45 mg/l
2008:	3.1-16 mg/l (NO3)	6.8 mg/l	MCL 45 mg/l

Committee Directives

The Riverside County Board of Supervisors directed the Committee to accomplish the following:

1. Conduct bi-monthly committee meetings.
2. Examine the overall water quality of the Beaumont/Cherry Valley region.
3. Review independent technical studies regarding the current and future status of the groundwater quality in the area.
4. Identify potential threats to the groundwater quality.
5. Identify possible mitigation measures and the cost effectiveness of each measure.
6. Present Committee's recommendations to the Board of Supervisors, Cities of Beaumont, Banning and Calimesa, the Board of Beaumont Cherry Valley Water District, 5th District Pass Area Municipal Advisory Committee, Regional Water Quality Control Board – Santa Ana Region, Riverside County Department of Environmental Health, San Geronimo Pass Water Agency, San Timoteo Watershed Management Authority, Yucaipa Valley Water District, Morongo Band of Mission Indians and other interested entities.

Committee Activities

The Committee typically met once per month starting in July 2008 through June 2009. There were a total of 13 meetings which were all held in the Beaumont/Cherry Valley Area. The Committee heard from seven different speakers representing agencies with knowledge and expertise of groundwater quality in the Beaumont Basin. Two of the presenters discussed their own independent studies and the others reflected on those studies. The speakers included the following individuals:

Committee Presenters

Name	Agency Represented
Peter Martin, PhD	United States Geological Survey
Steve Williams, P.E.	State Department of Public Health – Drinking Water
Mark Wildermuth, M.S., P.E.	Wildermuth Environmental
Chuck Butcher	Beaumont Cherry Valley Water District
Jeff Davis, M.S., P.E.	San Geronio Pass Water Agency
Gerard Thibeault, P.E.	Regional Water Quality Control Board – Santa Ana
Andy Schlange	San Timoteo Watershed Mgmt. Authority and Watermaster

After each presentation the Committee and the audience were able to ask questions of the presenters for clarification and in some cases request additional information. The Committee met three additional times to review the presentations in their totality and evaluate their findings in reference to the charge of the Committee. These studies and presentations considered current conditions and sensible future growth for the area. (Charge #2, #3 & #4)

Committee Conclusions and Recommendations

The Committee makes the following findings and recommendations:

1. **Findings:** The Wildermuth report titled: *Water Quality Impacts from On-site Waste Disposal Systems in the Cherry Valley Community of Interest March 2007 Wildermuth Environmental Inc.* had parameters that were too narrowly focused; used well water sources located in close proximity to on-site wastewater disposal systems and used exaggerated build out approximations.

Recommendation:

- An independent third party study conducted by someone other than Wildermuth Environmental, who conducted the initial report, is needed to evaluate this perceived regional issue. The study should evaluate beyond those areas studied in the initial report, consider reasonable build-out projections and consider other possible sources of groundwater contamination such as septic systems in the Cherry Oaks Tract and beyond to the Hidden Meadows Tract area and the surrounding communities including the City of Beaumont. The cost of the new study would likely exceed \$150,000 (based on the cost of Wildermuth Report). The information would be invaluable and assist in making sensible land use planning decisions in the area. (Board of Supervisors Committee Charge #3, #4 & #5)
2. **Findings:** The conventional on-site wastewater disposal system prohibition instituted by Riverside County may have been premature. It was based on a narrowly focused report prepared by Wildermuth Environmental and

commissioned by the San Timoteo Watershed Management Authority Project Committee 1. It was acknowledged that on-site wastewater disposal systems can negatively impact the groundwater but not as quickly or severely as specified in the Wildermuth Report.

Recommendation:

- Repeal Riverside County Ordinance 871 which prohibits the installation of new conventional on-site wastewater disposal systems until further information on the impact of groundwater quality is determined. This is under the assumption that stringent parcel size restrictions are in place and are enforced. The cost of the non-conventional or advanced treatment systems is estimated to be between \$30,000 and 40,000 for each property owner and may not be necessary until more is known about the groundwater basin. (Board of Supervisors Committee Charge #4 & #5)
3. Findings: Additional development has occurred in the unincorporated area of Cherry Valley that violates parcel size restrictions of nothing less than ½ acre. The California Regional Water Quality Control Board – Santa Ana Region has adopted this same minimum parcel size restriction of 1 OSWDS per ½ acre. The smaller parcel size may be a contributor to eventual groundwater contamination.

Recommendation:

- Continue parcel size restrictions of nothing less than 1 acre to limit density for developments using on-site wastewater disposal systems and to be consistent with existing land use parameters. The cost of this recommendation would be borne by the developer and not existing residents. (Board of Supervisors Committee Charge #4 & #5)
4. Findings: Some active water wells, including ALL wells studied in the Wildermuth Report in the Cherry Valley area appear to be located within the 100' restrictive zone surrounding contamination sources.

Recommendations:

- Encourage water purveyors within the Beaumont Management Zone to retrofit water wells to have at least the minimum fifty foot sanitary seal.
- Initiate the directives found in the State of California Drinking Water Source Assessment and Protection Program (DWSAP). (Board of Supervisors Committee Charge #4 & #5)

5. Findings: Potential and future development of parcels within the unincorporated area of Cherry Valley, and the possible action of future assembly bills for on-site wastewater disposal systems could be deemed undesirable both financially and operationally with respect to current and future landowners.

Recommendations:

- The County of Riverside should consider and convene an oversight committee comprised of the County Department of Environmental Health, representatives of local water agencies within the immediate geographical area and residents of the unincorporated area of Cherry Valley. This committee's tasks shall be but not limited to:
 - Prepare and initiate a future proposed study.
 - Review potential actions of future assembly bills
 - Seek source funding for future projects within the unincorporated area of Cherry Valley. (Board of Supervisors Committee Charge #4 & #5)