



**BEAUMONT-CHERRY VALLEY WATER DISTRICT  
AGENDA  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
560 Magnolia Avenue, Beaumont, CA 92223  
Wednesday, July 8<sup>th</sup>, 2015  
Regular Session 7:00 p.m.**

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**Call to Order, President Ross**

**Pledge of Allegiance, Director Covington**

**Invocation, Director Slawson**

**Roll Call**

**Public Comment**

**PUBLIC COMMENT:** At this time, any person may address the Board of Directors on matters within its jurisdiction which are not on the agenda. However, any non-agenda matters that require action will be referred to Staff for a report and possible action at a subsequent meeting. To provide comments on specific agenda items, please complete a speaker's request form and provide the completed form to the Board Secretary prior to the Board meeting. Please limit your comments to three minutes. Sharing or passing time to another speaker is not permitted.

**ACTION ITEMS**

**1. Adjustments to the Agenda**

**2. Consent Calendar:** All matters listed under the Consent Calendar are considered by the Board of Directors to be routine and will be enacted in one motion. There will be no discussion of these items prior to the time the Board considers the motion unless members of the Board, the administrative staff, or the public request specific items to be discussed and/or removed from the Consent Calendar.

- a. May 2015 Budget Variance Report Review\*\* (pages 4-8)
- b. May 31<sup>st</sup>, 2015 Cash/Investment Balance Report\*\* (page 9)
- c. June 2015 Check Register Review\*\* (pages 10-26)
- d. June 2015 Invoices Pending Approval\*\* (pages 27-34)
- e. Minutes of the Regular Meeting June 10<sup>th</sup>, 2015\*\* (pages 35-39)
- f. Annual Financial Report for 2014-DRAFT\*\* (pages 40-94)

**3. Consideration of Candidate Nomination of Interested District Board of Director Members for the Association of California Water Agencies (ACWA) Position of President and Vice President for the 2016-2017 Term\*\* (pages 95-101)**

**4. California Special Districts Association (CSDA) 2015 Board Elections: Vote To Elect A Representative to the California Special District Association Board of Directors in the Southern Network for Seat A\*\* (pages 102-107)**

5. **Consideration of Resolution 2015-03: A Resolution of the Board of Directors of the Beaumont-Cherry Valley Water District Amending the District's Policies & Procedures Manual Pursuant to the Healthy Workplace Healthy Family Act of 2014 (AB 1522)\*\* (pages 108-121)**
6. **Grand Avenue Storm Drain Project Second Project Update and Request for Board Consideration of Approval of Resolution 2015-04 Supporting SAWPA's OWOW 2.0 Integrated Regional Water Management Plan (IRWMP) for the Santa Ana River Watershed \*\* (pages 122-151)**
7. **Consideration of Resolution 2015-05 a Resolution of the Board of Directors of the Beaumont Cherry Valley Water District authorizing the implementation of penalties for non-compliance with mandatory water use restrictions and rescinding Resolution 2015-02\*\* (pages 152-156)**
8. **Consider Authorization of Pumping Unit Repair Costs Related to Well 25 Placement of Gravel Seal, Bentonite Plug and Cement Cap Contract\*\* (pages 157-158)**
9. **Consideration of Request for a Conditional "Intent to Serve Letter" for Proposed Low Income Veterans Housing Project – Illinois Avenue, Beaumont, CA and approval of Draft "Intent to Serve Letter" (Riverside County Assessor's Parcel No's 418-020-027, -032, -033, -034)\*\* (pages 159-175)**
10. **Update & Discussion of the San Geronio Pass Water Agency Water Issues**
11. **Reports For Discussion**
  - a. Ad Hoc Committees
  - b. General Manager
  - c. Directors Reports
  - d. Legal Counsel Report

## 12. Announcements

- Special Board Meeting/Workshop, July 15<sup>th</sup>, 2015 at 6:30
- Watermaster meeting, August 5<sup>th</sup>, 2015 at 10 a.m.
- Finance & Audit Committee meeting, August 6<sup>th</sup>, 2015 at 3:00 p.m.
- Regular Board meeting, August 12<sup>th</sup>, 2015 at 7:00 p.m.

## 13. Action List for Future Meetings

- Solar System Update
- Grand Avenue Storm Water Capture Project

## 14. Adjournment

\*\* Information included in the agenda packet

**AVAILABILITY OF AGENDA MATERIALS** - Agenda exhibits and other writings that are disclosable public records distributed to all or a majority of the members of the Beaumont-Cherry Valley Water District Board of Directors in connection with a matter subject to discussion or consideration at an open meeting of the Board of Directors are available for public inspection in the District's office, at 560 Magnolia Avenue, Beaumont, California ("District Office"). If such writings are distributed to

members of the Board less than 72 hours prior to the meeting, they will be available from the District Office at the same time as they are distributed to Board Members, except that if such writings are distributed one hour prior to, or during the meeting, they can be made available from the District Office in the Board Room of the District's Office.

**REVISIONS TO THE AGENDA** -In accordance with §54954.2(a) of the Government Code (Brown Act), revisions to this Agenda may be made up to 72 hours before the Board Meeting, if necessary, after mailings are completed. Interested persons wishing to receive a copy of the set Agenda may pick one up at the District's Main Office, located at 560 Magnolia Avenue, Beaumont, California, up to 72 hours prior to the Board Meeting.

**REQUIREMENTS RE: DISABLED ACCESS** - In accordance with §54954.2(a), requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting, should be made to the District Office, at least 48 hours in advance of the meeting to ensure availability of the requested service or accommodation. The District Office may be contacted by telephone at (951) 845-9581, email at [info@bcvwd.org](mailto:info@bcvwd.org) or in writing at the Beaumont-Cherry Valley Water District, 560 Magnolia Avenue, Beaumont, California 92223.

General Ledger

Budget Variance Revenue

User: yrodriguez  
 Printed: 06/23/15 10:54:47  
 Period 05 - 05  
 Fiscal Year 2015

Beaumont-Cherry Valley Water District

560 Magnolia Avenue  
 Beaumont CA 92223  
 (951) 845-9581  
 www.bcavwd.org



Account Number	Description	Budget	Period Amt	End Bal	Variance	% Avail/ Uncollect
<b>50</b>	<b>GENERAL</b>					
01-50-510-419051	Grant Revenue	\$ -	\$ -	\$ -	\$ 34,306.00	0.00%
	<b>Grant Rev</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 34,306.00</b>	<b>0.00%</b>
01-50-510-419061	Miscellaneous Income	\$ 250.00	\$ 0.02	\$ 801.28	\$ (551.28)	-220.51%
01-50-510-490001	Interest Income - Bonita Vista	\$ 2,800.00	\$ 7.49	\$ 887.56	\$ 1,912.44	68.30%
01-50-510-490011	Interest Income-Fairway Canyon	\$ 51,000.00	\$ -	\$ 40,301.83	\$ 10,698.17	20.98%
01-50-510-490021	Interest Income - General	\$ 9,500.00	\$ -	\$ 6,935.51	\$ 2,564.49	26.99%
	<b>Misc Income</b>	<b>\$ 63,550.00</b>	<b>\$ 7.51</b>	<b>\$ 48,926.18</b>	<b>\$ 14,623.82</b>	<b>23.01%</b>
01-50-510-481001	Fac Fees-Wells	\$ 5,000.00	\$ 147,136.00	\$ 639,761.88	\$ (634,761.88)	-12695.24%
01-50-510-481006	Fac Fees-Water Rights (SWP)	\$ 3,300.00	\$ 93,100.00	\$ 404,808.01	\$ (401,508.01)	-12166.91%
01-50-510-481012	Fac Fees-Water Treatment Plant	\$ 2,400.00	\$ 69,996.00	\$ 304,349.53	\$ (301,949.53)	-12581.23%
01-50-510-481018	Fac Fees-Local Water Resources	\$ 1,200.00	\$ 36,860.00	\$ 160,270.93	\$ (159,070.93)	-13255.91%
01-50-510-481024	Fac Fees-Recycld Wtr Facilities	\$ 3,700.00	\$ 106,552.00	\$ 521,881.33	\$ (518,181.33)	-14004.90%
01-50-510-481030	Fac Fees-Transmission (16")	\$ 4,000.00	\$ 119,168.00	\$ 518,154.25	\$ (514,154.25)	-12853.86%
01-50-510-481036	Fac Fees-Storage	\$ 5,400.00	\$ 152,608.00	\$ 663,554.68	\$ (658,154.68)	-12188.05%
01-50-510-481042	Fac Fees-Booster	\$ 300.00	\$ 10,564.00	\$ 45,933.32	\$ (45,633.32)	-15211.11%
01-50-510-481048	Fac Fees-Pressure Reducng Stns	\$ 200.00	\$ 5,396.00	\$ 23,462.34	\$ (23,262.34)	-11631.17%
01-50-510-481054	Fac Fees-Misc Projects	\$ 200.00	\$ 4,712.00	\$ 20,488.24	\$ (20,288.24)	-10144.12%
01-50-510-481060	Fac Fees-Financing Costs	\$ 1,000.00	\$ 23,180.00	\$ 100,788.94	\$ (99,788.94)	-9978.89%
	<b>Non-Operating Revenue</b>	<b>\$ 26,700.00</b>	<b>\$ 769,272.00</b>	<b>\$ 3,403,453.45</b>	<b>\$ (3,376,753.45)</b>	<b>-12647.02%</b>
01-50-510-410100	Sales	\$ 4,364,000.00	\$ 345,636.61	\$ 1,373,477.22	\$ 2,990,522.78	68.53%
01-50-510-410151	Agricultural Irrigation Sales	\$ 25,500.00	\$ 3,905.67	\$ 6,256.95	\$ 19,243.05	75.46%
01-50-510-410171	Construction Sales	\$ 48,738.00	\$ 3,949.10	\$ 20,901.25	\$ 27,836.75	57.12%
01-50-510-413001	Backflow Admin Charges	\$ 24,000.00	\$ 2,117.91	\$ 13,866.25	\$ 10,133.75	42.22%
01-50-510-413011	Fixed Meter Charges	\$ 2,550,000.00	\$ 208,157.46	\$ 1,097,005.74	\$ 1,452,994.26	56.98%
01-50-510-413021	Meter Fees	\$ 75,000.00	\$ 21,943.00	\$ 75,229.00	\$ (229.00)	-0.31%
01-50-510-415001	SGPWA Importation Charges	\$ 2,176,000.00	\$ 160,628.32	\$ 640,012.72	\$ 1,535,987.28	70.59%
01-50-510-415011	SCE Power Charges	\$ 1,764,000.00	\$ 115,233.36	\$ 459,139.56	\$ 1,304,860.44	73.97%
01-50-510-417001	2nd Notice Penalties	\$ 90,000.00	\$ 7,595.00	\$ 36,585.00	\$ 53,415.00	59.35%
01-50-510-417011	3rd Notice Charges	\$ 32,000.00	\$ -	\$ 11,070.00	\$ 20,930.00	65.41%
01-50-510-417021	Account Reinstatement Fees	\$ 75,000.00	\$ 5,000.00	\$ 30,400.00	\$ 44,600.00	59.47%
01-50-510-417031	Lien Processing Fees	\$ 2,800.00	\$ 500.00	\$ 3,800.00	\$ (1,000.00)	-35.71%
01-50-510-417041	Credit Check Processing Fees	\$ 7,500.00	\$ 930.00	\$ 3,795.00	\$ 3,705.00	49.40%
01-50-510-417051	Returned Check Fees	\$ 2,000.00	\$ 140.00	\$ 1,175.00	\$ 825.00	41.25%
01-50-510-417061	Custmr Damages/Upgrade Charges	\$ 8,000.00	\$ 20.00	\$ 10,778.90	\$ (2,778.90)	-34.74%
01-50-510-417071	After Hours Call Out Charges	\$ 600.00	\$ 200.00	\$ 450.00	\$ 150.00	25.00%
01-50-510-417081	Bench Test Fees	\$ 180.00	\$ -	\$ 30.00	\$ 150.00	83.33%
01-50-510-417091	Credit Card Processing Fees	\$ 24,000.00	\$ 2,677.50	\$ 13,926.50	\$ 10,073.50	41.97%
01-50-510-419011	Development Income	\$ 50,000.00	\$ 4,443.56	\$ 37,262.67	\$ 12,737.33	25.47%
01-50-510-419021	Recharge Income	\$ 35,000.00	\$ 7,397.94	\$ 14,123.34	\$ 20,876.66	59.65%
	<b>Operating Revenue</b>	<b>\$ 11,354,318.00</b>	<b>\$ 890,475.43</b>	<b>\$ 3,849,285.10</b>	<b>\$ 7,505,032.90</b>	<b>66.10%</b>
01-50-510-471001	Rent - 12303 Oak Glen	\$ 2,400.00	\$ 200.00	\$ 1,000.00	\$ 1,400.00	58.33%
01-50-510-471011	Rent - 13695 Oak Glen	\$ 2,400.00	\$ 200.00	\$ 1,000.00	\$ 1,400.00	58.33%
01-50-510-471021	Rent - 13697 Oak Glen	\$ 2,400.00	\$ 200.00	\$ 1,000.00	\$ 1,400.00	58.33%
01-50-510-471031	Rent - 9781 Avenida Miravilla	\$ 2,400.00	\$ 200.00	\$ 1,000.00	\$ 1,400.00	58.33%
01-50-510-471101	Util - 12303 Oak Glen	\$ 3,380.00	\$ 171.48	\$ 692.80	\$ 2,687.20	79.50%
01-50-510-471111	Util - 13695 Oak Glen	\$ 2,200.00	\$ 65.44	\$ 823.80	\$ 1,376.20	62.55%
01-50-510-471121	Util - 13697 Oak Glen	\$ 2,400.00	\$ 148.42	\$ 1,104.85	\$ 1,295.15	53.96%
01-50-510-471131	Util - 9781 Avenida Miravilla	\$ 3,400.00	\$ 83.41	\$ 780.29	\$ 2,619.71	77.05%
	<b>Rent/Utilities</b>	<b>\$ 20,980.00</b>	<b>\$ 1,268.75</b>	<b>\$ 7,401.74</b>	<b>\$ 13,578.26</b>	<b>64.72%</b>
<b>Revenue Total</b>		<b>\$ 11,465,548.00</b>	<b>\$ 1,661,023.69</b>	<b>\$ 7,343,372.47</b>	<b>\$ 4,122,175.53</b>	<b>36.00%</b>

General Ledger

Budget Variance Expense

User: yrodriguez  
 Printed: 06/25/15 11:58:33  
 Period 05 - 05  
 Fiscal Year 2015

Beaumont-Cherry Valley Water District

560 Magnolia Avenue  
 Beaumont CA 92223  
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Account Number	Description	Budget	Period Amt	End Bal	Variance	Encumbered	% Avail/
<b>10</b>	<b>BOARD OF DIRECTORS</b>						
01-10-110-500101	Board of Directors Fees	\$ 30,800.00	\$ 1,400.00	\$ 8,064.00	\$ 22,736.00	\$ -	73.82%
01-10-110-500115	Social Security	\$ 3,100.00	\$ 86.80	\$ 499.97	\$ 2,600.03	\$ -	83.87%
01-10-110-500120	Medicare	\$ 700.00	\$ 20.30	\$ 116.93	\$ 583.07	\$ -	83.30%
01-10-110-500145	Workers' Compensation	\$ 450.00	\$ 21.63	\$ 124.59	\$ 325.41	\$ -	72.31%
01-10-110-500175	Seminar & Travel Expenses	\$ 10,000.00	\$ -	\$ 314.00	\$ 9,686.00	\$ -	96.86%
	<b>Board of Directors Personnel</b>	<b>\$ 45,050.00</b>	<b>\$ 1,528.73</b>	<b>\$ 9,119.49</b>	<b>\$ 35,930.51</b>	<b>\$ -</b>	<b>79.76%</b>
<b>Expense Total</b>	<b>BOARD OF DIRECTORS</b>	<b>\$ 45,050.00</b>	<b>\$ 1,528.73</b>	<b>\$ 9,119.49</b>	<b>\$ 35,930.51</b>	<b>\$ -</b>	<b>80.00%</b>
<b>20</b>	<b>ENGINEERING</b>						
01-20-210-500105	Labor	\$ 212,221.38	\$ 12,441.90	\$ 63,686.08	\$ 148,535.30	\$ -	69.99%
01-20-210-500115	Social Security	\$ 11,992.94	\$ 947.18	\$ 4,262.16	\$ 7,730.78	\$ -	64.46%
01-20-210-500120	Medicare	\$ 3,077.21	\$ 221.52	\$ 996.82	\$ 2,080.39	\$ -	67.61%
01-20-210-500125	Health Insurance	\$ 18,678.24	\$ 1,556.52	\$ 7,517.99	\$ 11,160.25	\$ -	59.75%
01-20-210-500140	Life Insurance	\$ 576.00	\$ 50.05	\$ 228.65	\$ 347.35	\$ -	60.30%
01-20-210-500145	Workers' Compensation	\$ 2,587.86	\$ 287.74	\$ 1,294.72	\$ 1,293.14	\$ -	49.97%
01-20-210-500155	Retirement/CalPERS	\$ 24,189.89	\$ 2,878.62	\$ 12,952.72	\$ 11,237.17	\$ -	46.45%
01-20-210-500165	Uniforms & Employee Benefits	\$ 50.00	\$ -	\$ -	\$ 50.00	\$ -	100.00%
01-20-210-500170	Education Expenses	\$ 2,500.00	\$ -	\$ -	\$ 2,500.00	\$ -	100.00%
01-20-210-500175	Seminar & Travel Expenses	\$ 500.00	\$ -	\$ 62.70	\$ 437.30	\$ -	87.46%
01-20-210-500180	Accrued Sick Leave Expenses	\$ -	\$ 609.84	\$ 10,535.42	\$ (10,535.42)	\$ -	0.00%
01-20-210-500185	Accrued Vacation Expenses	\$ -	\$ 761.64	\$ 7,738.11	\$ (7,738.11)	\$ -	0.00%
01-20-210-500195	CIP Related Labor	\$ (121,157.68)	\$ 2,822.85	\$ 406.64	\$ (121,564.32)	\$ -	100.34%
	<b>Engineering Personnel</b>	<b>\$ 155,215.84</b>	<b>\$ 22,577.86</b>	<b>\$ 109,682.01</b>	<b>\$ 45,533.83</b>	<b>\$ -</b>	<b>29.34%</b>
01-20-210-540048	Permits, Fees & Licensing	\$ 4,000.00	\$ -	\$ -	\$ 4,000.00	\$ -	100.00%
	<b>Engineering Materials &amp; Supplies</b>	<b>\$ 4,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,000.00</b>	<b>\$ -</b>	<b>100.00%</b>
01-20-210-540012	Dev Reimbursable Engineering	\$ 43,363.84	\$ -	\$ 900.00	\$ 42,463.84	\$ -	97.92%
01-20-210-550068	Software Maintenance	\$ 22,500.00	\$ -	\$ 10,000.00	\$ 12,500.00	\$ -	55.56%
01-20-210-580031	Outside Engineering	\$ 50,000.00	\$ -	\$ -	\$ 50,000.00	\$ -	100.00%
01-20-210-580032	CIP Related Outside Engineering	\$ (25,000.00)	\$ -	\$ -	\$ (25,000.00)	\$ -	100.00%
	<b>Engineering Services</b>	<b>\$ 90,863.84</b>	<b>\$ -</b>	<b>\$ 10,900.00</b>	<b>\$ 79,963.84</b>	<b>\$ -</b>	<b>88.00%</b>
<b>Expense Total</b>	<b>ENGINEERING</b>	<b>\$ 250,079.68</b>	<b>\$ 22,577.86</b>	<b>\$ 120,582.01</b>	<b>\$ 129,497.67</b>	<b>\$ -</b>	<b>52.00%</b>
<b>30</b>	<b>FINANCE &amp; ADMIN SERVICES</b>						
01-30-310-500105	Labor	\$ 1,011,492.50	\$ 70,681.89	\$ 314,262.14	\$ 697,230.36	\$ -	68.93%
01-30-310-500110	Overtime	\$ 1,500.00	\$ 7.97	\$ 7.97	\$ 1,492.03	\$ -	99.47%
01-30-310-500115	Social Security	\$ 58,638.40	\$ 4,388.14	\$ 19,962.97	\$ 38,675.43	\$ -	65.96%
01-30-310-500120	Medicare	\$ 15,342.34	\$ 1,026.28	\$ 4,668.85	\$ 10,673.49	\$ -	69.57%
01-30-310-500125	Health Insurance	\$ 177,443.28	\$ 13,227.02	\$ 54,962.37	\$ 122,480.91	\$ -	69.03%
01-30-310-500130	CalPERS Health Admin Costs	\$ 2,000.00	\$ 146.28	\$ 662.65	\$ 1,337.35	\$ -	66.87%
01-30-310-500140	Life Insurance	\$ 4,608.00	\$ 233.65	\$ 1,325.05	\$ 3,282.95	\$ -	71.24%
01-30-310-500145	Workers' Compensation	\$ 16,790.93	\$ 1,187.75	\$ 5,436.61	\$ 11,354.32	\$ -	67.62%
01-30-310-500150	Unemployment Insurance	\$ 12,760.00	\$ -	\$ 383.00	\$ 12,377.00	\$ -	97.00%
01-30-310-500155	Retirement/CalPERS	\$ 156,308.39	\$ 11,139.16	\$ 51,221.79	\$ 105,086.60	\$ -	67.23%
01-30-310-500160	Post-Employment Health Expenses	\$ 13,500.00	\$ 758.40	\$ 3,792.00	\$ 9,708.00	\$ -	71.91%
01-30-310-500165	Uniforms & Employee Benefits	\$ 500.00	\$ -	\$ -	\$ 500.00	\$ -	100.00%
01-30-310-500170	Education Expenses	\$ 2,000.00	\$ 484.00	\$ 984.20	\$ 1,015.80	\$ -	50.79%
01-30-310-500175	Seminar & Travel Expenses	\$ 8,000.00	\$ 1,962.27	\$ 7,886.69	\$ 113.31	\$ -	1.42%
01-30-310-500180	Accrued Sick Leave Expenses	\$ -	\$ 2,693.14	\$ (631.75)	\$ 631.75	\$ -	0.00%
01-30-310-500185	Accrued Vacation Expenses	\$ -	\$ 5,462.66	\$ 6,549.53	\$ (6,549.53)	\$ -	0.00%
01-30-310-500195	CIP Related Labor	\$ (25,000.00)	\$ -	\$ -	\$ (25,000.00)	\$ -	100.00%
01-30-310-550024	Employment Testing	\$ 300.00	\$ -	\$ -	\$ 300.00	\$ -	100.00%
	<b>Finance &amp; Admin Services Personnel</b>	<b>\$ 1,456,183.84</b>	<b>\$ 113,398.61</b>	<b>\$ 471,474.07</b>	<b>\$ 984,709.77</b>	<b>\$ -</b>	<b>67.62%</b>

Account Number	Description	Budget	Period Amt	End Bal	Variance	Encumbered	% Avail/
01-30-310-520001	Maint & Rpr-Office Equipment	\$ 2,800.00	\$ -	\$ -	\$ 2,800.00	\$ -	100.00%
01-30-310-550006	Cashiering Shortages/Overages	\$ 50.00	\$ 0.98	\$ (95.55)	\$ 145.55	\$ -	291.10%
01-30-310-550018	Employee Medical/First Aid	\$ 500.00	\$ -	\$ -	\$ 500.00	\$ -	100.00%
01-30-310-550042	Office Supplies	\$ 41,250.00	\$ 1,155.98	\$ 3,944.11	\$ 37,305.89	\$ -	90.44%
01-30-310-550046	Office Equipment	\$ 82,000.00	\$ 1,539.12	\$ 11,518.31	\$ 70,481.69	\$ -	85.95%
01-30-310-550048	Postage	\$ 58,800.00	\$ 3,909.94	\$ 19,562.16	\$ 39,237.84	\$ -	66.73%
01-30-310-550066	Subscriptions	\$ 11,000.00	\$ 497.10	\$ 1,757.02	\$ 9,242.98	\$ -	84.03%
01-30-310-550072	Misc Operating Expenses	\$ -	\$ -	\$ 35,007.49	\$ (35,007.49)	\$ -	0.00%
01-30-310-550084	Depreciation	\$ 2,468,440.00	\$ 210,197.61	\$ 1,045,075.29	\$ 1,423,364.71	\$ -	57.66%
	<b>Finance &amp; Admin Services Materials &amp; Supplies</b>	<b>\$ 2,664,840.00</b>	<b>\$ 217,300.73</b>	<b>\$ 1,116,768.83</b>	<b>\$ 1,548,071.17</b>	<b>\$ -</b>	<b>58.09%</b>
01-30-310-500190	Temporary Labor	\$ 83,000.00	\$ 8,289.87	\$ 66,178.02	\$ 16,821.98	\$ -	20.27%
01-30-310-550001	Bank Charges	\$ 30,000.00	\$ 2,271.72	\$ 11,812.79	\$ 18,187.21	\$ -	60.62%
01-30-310-550030	Membership Dues	\$ 30,500.00	\$ 160.00	\$ 6,370.00	\$ 24,130.00	\$ -	79.11%
01-30-310-550036	Notary & Lien Fees	\$ 1,500.00	\$ -	\$ 161.00	\$ 1,339.00	\$ -	89.27%
01-30-310-550054	Property, Auto& Gen Liab Insur	\$ 105,000.00	\$ 6,511.00	\$ 34,868.40	\$ 70,131.60	\$ -	66.79%
01-30-310-580001	Accounting & Audit	\$ 31,000.00	\$ 4,215.00	\$ 4,215.00	\$ 26,785.00	\$ 4,025.00	73.42%
01-30-310-580011	General Legal	\$ 150,000.00	\$ 20,428.02	\$ 58,094.45	\$ 91,905.55	\$ -	61.27%
01-30-310-580021	IT/Software Support	\$ 30,000.00	\$ 1,112.74	\$ 28,440.74	\$ 1,559.26	\$ -	5.20%
	<b>Finance &amp; Admin Services</b>	<b>\$ 461,000.00</b>	<b>\$ 42,988.35</b>	<b>\$ 210,140.40</b>	<b>\$ 250,859.60</b>	<b>\$ 4,025.00</b>	<b>53.54%</b>
<b>Expense Total</b>	<b>FINANCE &amp; ADMIN SERVICES</b>	<b>\$ 4,582,023.84</b>	<b>\$ 373,687.69</b>	<b>\$ 1,798,383.30</b>	<b>\$ 2,783,640.54</b>	<b>\$ 4,025.00</b>	<b>61.00%</b>
<b>40</b>	<b>OPERATIONS</b>						
<b>410</b>	<b>Source of Supply Personnel</b>						
01-40-410-500105	Labor	\$ 280,784.15	\$ 12,020.35	\$ 60,759.30	\$ 220,024.85	\$ -	78.36%
01-40-410-500110	Overtime	\$ 13,476.00	\$ 512.82	\$ 4,374.71	\$ 9,101.29	\$ -	67.54%
01-40-410-500111	Double time	\$ 100.00	\$ -	\$ 122.10	\$ (22.10)	\$ -	-22.10%
01-40-410-500115	Social Security	\$ 17,842.62	\$ 951.15	\$ 4,432.81	\$ 13,409.81	\$ -	75.16%
01-40-410-500120	Medicare	\$ 4,172.87	\$ 222.44	\$ 1,036.71	\$ 3,136.16	\$ -	75.16%
01-40-410-500125	Health Insurance	\$ 84,052.08	\$ 5,033.81	\$ 23,022.89	\$ 61,029.19	\$ -	72.61%
01-40-410-500140	Life Insurance	\$ 1,272.00	\$ 72.67	\$ 291.96	\$ 980.04	\$ -	77.05%
01-40-410-500145	Workers' Compensation	\$ 20,623.51	\$ 1,245.75	\$ 5,755.80	\$ 14,867.71	\$ -	72.09%
01-40-410-500155	Retirement/CalPERS	\$ 55,341.84	\$ 3,573.47	\$ 16,082.38	\$ 39,259.46	\$ -	70.94%
01-40-410-500165	Uniforms & Employee Benefits	\$ 1,000.00	\$ -	\$ 130.00	\$ 870.00	\$ -	87.00%
01-40-410-500170	Education Expenses	\$ 1,500.00	\$ 20.00	\$ 110.00	\$ 1,390.00	\$ -	92.67%
01-40-410-500175	Seminar & Travel Expenses	\$ 500.00	\$ -	\$ 125.60	\$ 374.40	\$ -	74.88%
01-40-410-500180	Accrued Sick Leave Expenses	\$ -	\$ 3,411.89	\$ 5,776.66	\$ (5,776.66)	\$ -	0.00%
01-40-410-500185	Accrued Vacation Expenses	\$ -	\$ -	\$ 1,465.84	\$ (1,465.84)	\$ -	0.00%
01-40-410-550024	Employment Testing	\$ 200.00	\$ -	\$ -	\$ 200.00	\$ -	100.00%
<b>440</b>	<b>Transmission &amp; Distribution Personnel</b>						
01-40-440-500105	Labor	\$ 477,194.49	\$ 26,190.14	\$ 124,802.47	\$ 352,392.02	\$ -	73.85%
01-40-440-500110	Overtime	\$ 10,000.00	\$ 520.24	\$ 5,720.32	\$ 4,279.68	\$ -	42.80%
01-40-440-500111	Double time	\$ 500.00	\$ 200.28	\$ 687.79	\$ (187.79)	\$ -	-37.56%
01-40-440-500115	Social Security	\$ 29,586.06	\$ 1,885.33	\$ 9,584.83	\$ 20,001.23	\$ -	67.60%
01-40-440-500120	Medicare	\$ 6,919.32	\$ 440.98	\$ 2,241.79	\$ 4,677.53	\$ -	67.60%
01-40-440-500125	Health Insurance	\$ 180,245.02	\$ 11,911.80	\$ 59,754.24	\$ 120,490.78	\$ -	66.85%
01-40-440-500140	Life Insurance	\$ 1,954.80	\$ 137.60	\$ 615.35	\$ 1,339.45	\$ -	68.52%
01-40-440-500145	Workers' Compensation	\$ 39,320.83	\$ 2,242.33	\$ 11,281.71	\$ 28,039.12	\$ -	71.31%
01-40-440-500155	Retirement/CalPERS	\$ 73,612.90	\$ 6,195.42	\$ 30,280.30	\$ 43,332.60	\$ -	58.87%
01-40-440-500165	Uniforms & Employee Benefits	\$ 4,000.00	\$ 199.00	\$ 459.00	\$ 3,541.00	\$ -	88.53%
01-40-440-500170	Education Expenses	\$ 1,000.00	\$ -	\$ 771.68	\$ 228.32	\$ -	22.83%
01-40-440-500175	Seminar & Travel Expenses	\$ 500.00	\$ -	\$ -	\$ 500.00	\$ -	100.00%
01-40-440-500180	Accrued Sick Leave Expenses	\$ -	\$ 4,476.47	\$ 21,584.05	\$ (21,584.05)	\$ -	0.00%
01-40-440-500185	Accrued Vacation Expenses	\$ -	\$ 783.34	\$ 11,245.28	\$ (11,245.28)	\$ -	0.00%
01-40-440-500195	CIP Related Labor	\$ (40,000.00)	\$ -	\$ (807.12)	\$ (39,192.88)	\$ -	97.98%
01-40-440-550024	Employment Testing	\$ 200.00	\$ -	\$ 25.00	\$ 175.00	\$ -	87.50%
<b>450</b>	<b>Inspections Personnel</b>						
01-40-450-500105	Labor	\$ 24,077.03	\$ 825.82	\$ 4,417.50	\$ 19,659.53	\$ -	81.65%
01-40-450-500110	Overtime	\$ -	\$ 396.84	\$ 671.57	\$ (671.57)	\$ -	0.00%
01-40-450-500115	Social Security	\$ 1,492.78	\$ 75.79	\$ 315.55	\$ 1,177.23	\$ -	78.86%
01-40-450-500120	Medicare	\$ 349.12	\$ 17.72	\$ 73.77	\$ 275.35	\$ -	78.87%
01-40-450-500125	Health Insurance	\$ 6,537.38	\$ 388.91	\$ 1,404.76	\$ 5,132.62	\$ -	78.51%
01-40-450-500140	Life Insurance	\$ 150.00	\$ 8.11	\$ 25.46	\$ 124.54	\$ -	83.03%
01-40-450-500145	Workers' Compensation	\$ 1,983.95	\$ 98.00	\$ 398.22	\$ 1,585.73	\$ -	79.93%
01-40-450-500155	Retirement/CalPERS	\$ 1,938.20	\$ 194.08	\$ 1,129.69	\$ 808.51	\$ -	41.71%
01-40-450-500165	Uniforms & Employee Benefits	\$ 300.00	\$ -	\$ -	\$ 300.00	\$ -	100.00%

Account Number	Description	Budget	Period Amt	End Bal	Variance	Encumbered	% Avail/
<b>460</b>	<b>Customer Svc &amp; Meter Reading Personnel</b>						
01-40-460-500105	Labor	\$ 141,961.81	\$ 11,896.71	\$ 56,598.84	\$ 85,362.97	\$ -	60.13%
01-40-460-500110	Overtime	\$ 3,200.00	\$ 164.40	\$ 1,065.61	\$ 2,134.39	\$ -	66.70%
01-40-460-500111	Double time	\$ 100.00	\$ 54.80	\$ 54.80	\$ 45.20	\$ -	45.20%
01-40-460-500115	Social Security	\$ 8,801.63	\$ 751.22	\$ 3,719.93	\$ 5,081.70	\$ -	57.74%
01-40-460-500120	Medicare	\$ 2,058.45	\$ 175.70	\$ 870.04	\$ 1,188.41	\$ -	57.73%
01-40-460-500125	Health Insurance	\$ 56,034.72	\$ 5,158.96	\$ 25,708.43	\$ 30,326.29	\$ -	54.12%
01-40-460-500140	Life Insurance	\$ 624.00	\$ 43.32	\$ 286.27	\$ 337.73	\$ -	54.12%
01-40-460-500145	Workers' Compensation	\$ 11,697.65	\$ 989.92	\$ 4,914.47	\$ 6,783.18	\$ -	57.99%
01-40-460-500155	Retirement/CalPERS	\$ 26,269.18	\$ 2,610.04	\$ 12,786.36	\$ 13,482.82	\$ -	51.33%
01-40-460-500165	Uniforms & Employee Benefits	\$ 750.00	\$ -	\$ -	\$ 750.00	\$ -	100.00%
01-40-460-500170	Education Expenses	\$ 400.00	\$ -	\$ -	\$ 400.00	\$ -	100.00%
01-40-460-500175	Seminar & Travel Expenses	\$ 300.00	\$ -	\$ -	\$ 300.00	\$ -	100.00%
01-40-460-500180	Accrued Sick Leave Expenses	\$ -	\$ 505.10	\$ 5,801.53	\$ (5,801.53)	\$ -	0.00%
01-40-460-500185	Accrued Vacation Expenses	\$ -	\$ -	\$ 3,523.52	\$ (3,523.52)	\$ -	0.00%
01-40-460-550024	Employment Testing	\$ 300.00	\$ -	\$ -	\$ 300.00	\$ -	100.00%
<b>470</b>	<b>Maintenance &amp; General Plant Personnel</b>						
01-40-470-500105	Labor	\$ 32,000.00	\$ 2,368.08	\$ 21,690.00	\$ 10,310.00	\$ -	32.22%
01-40-470-500115	Social Security	\$ 1,700.00	\$ 146.81	\$ 1,331.21	\$ 368.79	\$ -	21.69%
01-40-470-500120	Medicare	\$ 400.00	\$ 34.32	\$ 311.29	\$ 88.71	\$ -	22.18%
01-40-470-500125	Health Insurance	\$ 11,000.00	\$ 1,046.77	\$ 9,273.04	\$ 1,726.96	\$ -	15.70%
01-40-470-500140	Life Insurance	\$ 200.00	\$ 21.78	\$ 105.94	\$ 94.06	\$ -	47.03%
01-40-470-500145	Workers' Compensation	\$ 2,500.00	\$ 193.45	\$ 1,761.95	\$ 738.05	\$ -	29.52%
01-40-470-500155	Retirement/CalPERS	\$ 9,950.00	\$ 417.34	\$ 4,531.92	\$ 5,418.08	\$ -	54.45%
	<b>Operations Personnel</b>	<b>\$ 1,612,974.39</b>	<b>\$ 110,831.27</b>	<b>\$ 564,505.12</b>	<b>\$ 1,048,469.27</b>	<b>\$ -</b>	<b>65.00%</b>
<b>410</b>	<b>Source of Supply Materials &amp; Supplies</b>						
01-40-410-501101	Electricity - Wells	\$ 1,692,915.00	\$ 92,953.77	\$ 492,791.26	\$ 1,200,123.74	\$ -	70.89%
01-40-410-501201	Gas - Wells	\$ 225.00	\$ 14.79	\$ 74.57	\$ 150.43	\$ -	66.86%
01-40-410-510011	Treatment & Chemicals	\$ 80,100.00	\$ -	\$ 4,863.06	\$ 75,236.94	\$ 25,003.62	62.71%
01-40-410-510021	Lab Testing	\$ 95,000.00	\$ 2,960.00	\$ 13,055.00	\$ 81,945.00	\$ -	86.26%
01-40-410-510031	Small Tools, Parts & Maint	\$ 1,000.00	\$ 16.18	\$ 16.18	\$ 983.82	\$ -	98.38%
01-40-410-520021	Maint & Rpr-Telemetry Equip	\$ 1,500.00	\$ 780.10	\$ 1,496.34	\$ 3.66	\$ -	0.24%
01-40-410-520031	Maint & Rpr-General Equipment	\$ 100.00	\$ -	\$ -	\$ 100.00	\$ -	100.00%
01-40-410-520061	Maint & Rpr-Pumping Equipment	\$ 100,000.00	\$ 5,595.87	\$ 22,608.72	\$ 77,391.28	\$ -	77.39%
01-40-410-550066	Subscriptions	\$ 600.00	\$ -	\$ -	\$ 600.00	\$ -	100.00%
<b>440</b>	<b>Trans &amp; Distribution Materials &amp; Supplies</b>						
01-40-440-510031	Small Tools, Parts & Maint	\$ 400.00	\$ -	\$ -	\$ 400.00	\$ -	100.00%
01-40-440-520071	Maint & Rpr-Pipelines&Hydrants	\$ 55,000.00	\$ 1,266.12	\$ 14,096.91	\$ 40,903.09	\$ -	74.37%
01-40-440-520081	Maint & Rpr-Pressure Regulatrs	\$ 5,000.00	\$ 1,362.56	\$ 1,362.56	\$ 3,637.44	\$ -	72.75%
01-40-440-540001	Backflow Devices	\$ 1,800.00	\$ -	\$ -	\$ 1,800.00	\$ -	100.00%
01-40-440-540024	Inventry Adjustments	\$ 3,000.00	\$ -	\$ -	\$ 3,000.00	\$ -	100.00%
01-40-440-540026	Inventry Purchase Discounts	\$ (5,000.00)	\$ -	\$ -	\$ (5,000.00)	\$ -	100.00%
01-40-440-540036	Line Locates	\$ 3,500.00	\$ 115.50	\$ 544.50	\$ 2,955.50	\$ -	84.44%
01-40-440-540042	Meters Maintenance & Services	\$ 82,000.00	\$ 3,675.92	\$ 33,600.18	\$ 48,939.82	\$ -	59.68%
01-40-440-540078	Reservoirs Maintenance	\$ 18,000.00	\$ -	\$ 2,350.56	\$ 15,649.44	\$ -	86.94%
<b>470</b>	<b>Maint &amp; General Plant Materials &amp; Supplies</b>						
01-40-470-501111	Electricity - 560 Magnolia	\$ 23,600.00	\$ 1,268.02	\$ 6,296.93	\$ 17,303.07	\$ -	73.32%
01-40-470-501121	Electricity - 12303 Oak Glen	\$ 2,800.00	\$ 171.48	\$ 692.80	\$ 2,107.20	\$ -	75.26%
01-40-470-501131	Electricity - 13695 Oak Glen	\$ 1,500.00	\$ 65.44	\$ 309.38	\$ 1,190.62	\$ -	79.37%
01-40-470-501141	Electricity - 13697 Oak Glen	\$ 2,725.00	\$ 148.42	\$ 672.68	\$ 2,052.32	\$ -	75.31%
01-40-470-501151	Elec - 9781 Avenida Miravilla	\$ 2,200.00	\$ 83.41	\$ 419.18	\$ 1,780.82	\$ -	80.95%
01-40-470-501161	Electricity - 815 E. 12th	\$ 6,000.00	\$ 219.21	\$ 1,216.67	\$ 4,783.33	\$ -	79.72%
01-40-470-501321	Propane - 12303 Oak Glen	\$ 120.00	\$ -	\$ -	\$ 120.00	\$ -	100.00%
01-40-470-501331	Propane - 13695 Oak Glen	\$ 1,100.00	\$ -	\$ 514.42	\$ 585.58	\$ -	53.23%
01-40-470-501341	Propane - 13697 Oak Glen	\$ 1,200.00	\$ -	\$ 432.17	\$ 767.83	\$ -	63.99%
01-40-470-501351	Propane-9781 Avenida Miravilla	\$ 1,200.00	\$ -	\$ 361.11	\$ 838.89	\$ -	69.91%
01-40-470-501411	Sanitation - 560 Magnolia	\$ 1,800.00	\$ 94.34	\$ 541.04	\$ 1,258.96	\$ -	69.94%
01-40-470-501461	Sanitation - 815 E. 12th	\$ 3,600.00	\$ 257.15	\$ 1,285.75	\$ 2,314.25	\$ -	64.28%
01-40-470-501471	Sanitation - 11083 Cherry Ave	\$ 3,200.00	\$ 242.78	\$ 1,213.90	\$ 1,986.10	\$ -	62.07%
01-40-470-501511	Phones - 560 Magnolia	\$ 25,000.00	\$ 1,755.35	\$ 7,511.11	\$ 17,488.89	\$ -	69.96%
01-40-470-501561	Phones - 815 E. 12th	\$ 3,200.00	\$ 111.07	\$ 513.42	\$ 2,686.58	\$ -	83.96%
01-40-470-501600	Property Maintenance & Repair	\$ 5,000.00	\$ -	\$ -	\$ 5,000.00	\$ -	100.00%
01-40-470-501611	Maint & Repair- 560 Magnolia	\$ 16,000.00	\$ 1,408.97	\$ 6,227.38	\$ 9,772.62	\$ -	61.08%
01-40-470-501621	Maint & Repair- 12303 Oak Glen	\$ 1,200.00	\$ -	\$ -	\$ 1,200.00	\$ -	100.00%
01-40-470-501631	Maint & Repair- 13695 Oak Glen	\$ 1,000.00	\$ -	\$ -	\$ 1,000.00	\$ -	100.00%
01-40-470-501641	Maint & Repair- 13697 Oak Glen	\$ 500.00	\$ -	\$ -	\$ 500.00	\$ -	100.00%
01-40-470-501651	Maint & Rpr-9781 Ave Miravilla	\$ 1,500.00	\$ -	\$ -	\$ 1,500.00	\$ -	100.00%
01-40-470-501661	Maint & Repair- 815 E. 12th	\$ 5,000.00	\$ 243.45	\$ 1,089.65	\$ 3,910.35	\$ -	78.21%
01-40-470-501691	Maint & Rpr- Buildgs (General)	\$ 5,000.00	\$ 738.69	\$ 1,152.27	\$ 3,847.73	\$ -	76.95%

Account Number	Description	Budget	Period Amt	End Bal	Variance	Encumbered	% Avail/
01-40-470-510001	Auto/Fuel	\$ 85,000.00	\$ 6,975.33	\$ 25,191.51	\$ 59,808.49	\$ -	70.36%
01-40-470-510002	CIP Related Fuel	\$ (15,000.00)	\$ -	\$ -	\$ (15,000.00)	\$ -	100.00%
01-40-470-520011	Maint & Rpr-Safety Equipment	\$ 5,500.00	\$ -	\$ 1,281.31	\$ 4,218.69	\$ -	76.70%
01-40-470-520031	Maint & Rpr-General Equipment	\$ 45,000.00	\$ 232.73	\$ 7,548.01	\$ 37,451.99	\$ 3,859.31	74.65%
01-40-470-520041	Maint & Rpr-Fleet	\$ 64,200.00	\$ 8,699.02	\$ 56,232.67	\$ 7,967.33	\$ -	12.41%
01-40-470-520091	Maint & Rpr-Communicatn Equip	\$ 2,500.00	\$ -	\$ -	\$ 2,500.00	\$ -	100.00%
<b>510</b>	<b>General Materials &amp; Supplies</b>						
01-40-510-510031	Small Tools, Parts & Maint	\$ 7,300.00	\$ 418.18	\$ 1,680.98	\$ 5,619.02	\$ -	76.97%
	<b>Operations Materials &amp; Supplies</b>	<b>\$ 2,444,085.00</b>	<b>\$ 131,873.85</b>	<b>\$ 708,704.18</b>	<b>\$ 1,735,380.82</b>	<b>\$ 28,862.93</b>	<b>69.82%</b>
<b>410</b>	<b>Source of Supply Services</b>						
01-40-410-500501	State Project Water Purchases	\$ 2,176,000.00	\$ 153,428.00	\$ 292,616.00	\$ 1,883,384.00	\$ -	86.55%
01-40-410-540084	State Mandates & Tariffs	\$ 50,000.00	\$ 1,191.68	\$ 16,113.98	\$ 33,886.02	\$ -	67.77%
<b>470</b>	<b>Maintenance &amp; General Plant Services</b>						
01-40-470-540030	Landscape Maintenance	\$ 15,000.00	\$ 72.33	\$ 378.79	\$ 14,621.21	\$ -	97.47%
01-40-470-540072	Rechrg Facs, Cynns&Ponds Maint	\$ 20,000.00	\$ 3,226.68	\$ 13,822.44	\$ 6,177.56	\$ -	30.89%
	<b>OperationsServices</b>	<b>\$ 2,261,000.00</b>	<b>\$ 157,918.69</b>	<b>\$ 322,931.21</b>	<b>\$ 1,938,068.79</b>	<b>\$ -</b>	<b>85.72%</b>
<b>Expense Total</b>	<b>OPERATIONS</b>	<b>\$ 6,318,059.39</b>	<b>\$ 400,623.81</b>	<b>\$ 1,596,140.51</b>	<b>\$ 4,721,918.88</b>	<b>\$ 28,862.93</b>	<b>74.00%</b>
<b>50</b>	<b>GENERAL</b>						
01-50-510-540066	Property Damages & Theft	\$ 2,000.00	\$ 2,942.12	\$ 4,379.39	\$ (2,379.39)	\$ -	-118.97%
01-50-510-550040	General Supplies	\$ 10,000.00	\$ 165.63	\$ 5,277.43	\$ 4,722.57	\$ -	47.23%
01-50-510-550060	Public Education	\$ 5,000.00	\$ -	\$ 143.39	\$ 4,856.61	\$ -	97.13%
01-50-510-550072	Misc Operating Expenses	\$ 4,500.00	\$ -	\$ 125,000.00	\$ (120,500.00)	\$ -	-2677.78%
	<b>General Materials &amp; Supplies</b>	<b>\$ 21,500.00</b>	<b>\$ 3,107.75</b>	<b>\$ 134,800.21</b>	<b>\$ (113,300.21)</b>	<b>\$ -</b>	<b>-526.98%</b>
01-50-510-550096	Beaumont Basin Watermaster	\$ 35,000.00	\$ 19,856.00	\$ 19,856.00	\$ 15,144.00	\$ -	43.27%
	<b>General Services</b>	<b>\$ 35,000.00</b>	<b>\$ 19,856.00</b>	<b>\$ 19,856.00</b>	<b>\$ 15,144.00</b>	<b>\$ -</b>	<b>43.27%</b>
<b>Expense Total</b>	<b>GENERAL</b>	<b>\$ 56,500.00</b>	<b>\$ 22,963.75</b>	<b>\$ 154,656.21</b>	<b>\$ (98,156.21)</b>	<b>\$ -</b>	<b>-174.00%</b>
<b>Expense Total</b>	<b>ALL EXPENSES</b>	<b>\$ 11,251,712.91</b>	<b>\$ 821,381.84</b>	<b>\$ 3,678,881.52</b>	<b>\$ 7,572,831.39</b>	<b>\$ 32,887.93</b>	<b>67.00%</b>



**Beaumont-Cherry Valley Water District  
Cash Balance & Investment Report  
As of May 31st, 2015**

<b>Account Name</b>	<b>Account Ending #</b>	<u>Cash Balance Per Account</u>	<b>Prior Month Balance</b>
Wells Fargo		<b>Balance</b>	
	General	4152	\$11,320,785.26
	<b>Total Cash</b>		<b>\$ 11,320,785.26</b>
			\$8,986,321.65

Investment Summary

<b>Account Name</b>	<b>Market Value</b>	<b>Prior Month Balance</b>	<b>Actual % of Total</b>	<b>Policy % Limit</b>	<b>Maturity</b>	<b>Par Amount</b>	<b>Rate</b>	<b>2015 Interest to Date</b>
Ca. State Treasurer's Office: Local Agency Investment Fund	\$ 10,821,533.44	\$ 10,821,533.44	100%	No Limit	Liquid	N/A	0.233	\$ 6,935.51
<b>Total Investments</b>	<b>\$ 10,821,533.44</b>	<b>\$ 10,821,533.44</b>						<b>\$ 6,935.51</b>
<b>Total Cash &amp; Investments</b>	<b>\$ 22,142,318.70</b>	<b>\$ 19,807,855.09</b>						

The investments above are in accordance with the District's investment policy.

BCVWD will be able to meet its cash flow obligations for the next 6 months.

# Accounts Payable

## Checks by Date - Detail by Check Date

User: yrodriguez  
 Printed: 6/23/2015 3:47 PM

### Beaumont-Cherry Valley Water District

560 Magnolia Avenue  
 Beaumont CA 92223  
 (951) 845-9581  
 www.bcvwd.org



Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
ACH	10030	Southern California Edison	06/02/2015	
	001035 May 2015	Electric Charges Apr 24-May 26 560 Magnolia Ave		1,268.02
	076437 May 2015	Electric Charges Apr 24-May 26 12303 Oak Glen Rd		171.48
	206083 May 2015	Electric Charges Apr 24-May 26 9781 Avenida Miravilla Shop		83.41
	338067 May 2015	Electric Charges Apr 24-May 26 13695 Oak Glen Rd		65.44
	346958 May 2015	Electric Charges Apr 24-May 26 815 E 12th St		219.21
	374889 May 2015	Electric Charges Apr 24-May 26 25 Wells		92,953.77
	593142 May 2015	Electric Charges Apr 24-May 26 13697 Oak Glen Rd		148.42
Total for this ACH Check for Vendor 10030:				94,909.75
ACH	10471	Marvin J Paull Enterprises, Inc.	06/02/2015	
	052615	Actuarial Consulting for OPEB for GASB 68 05/05-05/25/2015		2,275.00
	052615	Actuarial Consulting for OPEB for GASB 68 05/05-05/25/2015		535.00
Total for this ACH Check for Vendor 10471:				2,810.00
ACH	10288	CalPERS Health Fiscal Services Division	06/02/2015	
	1749	Active Employees Health Insurance June 2015		38,836.72
	1749	Retired Employees Health Insurance June 2015		758.40
	1749	Admin Fee for Health Insurance June 2015		136.03
Total for this ACH Check for Vendor 10288:				39,731.15
3738	10251	Accounting Principals Inc.	06/02/2015	
	7060339	Temporary Accountant KD W/E 05/17/15		2,008.67
	7068024	Temporary Accountant KD W/E 05/24/15		1,509.26
Total for Check Number 3738:				3,517.93
3739	10001	Action True Value Hardware	06/02/2015	
	43713	Reducer Drill Bit Elec Coupler for Well #29 Swamp Cooler		4.50
	43713	(1) PVC Cutters Used for Well #29 Swamp Cooler		16.18
	43713	(2) Elbows for Well #29 Swamp Cooler		0.63
	43713	PVC Glue for Well #29 Swamp Cooler		5.39
	43713	(2) Pair of Safety Glasses for Employee J Medina		10.35
	43713	(1) Key and Hide a Key for Unit #12		5.05
	43713	(2) PVC Couplers and Hose Bib for Well #23 & #25 Swamp Coolers		15.09
	43928	(1) Raincoat for Employee E Floyd		21.58
	43928	Anchors, Cable Ties, Conduit for Well #29 Swamp Cooler		10.08
	43928	(1) Shut off Valve for Well #29 Swamp Cooler		11.87
	43928	PVC Pipe, Straps, Conduit for Well #29 Swamp Cooler		14.06
	43928	Elbows, Galv Nipples, Couplers, for Well #29 Swamp Cooler		4.55
	43928	(1) Hacksaw Blade - Tools for Unit #17		23.75
	43928	(1) Pack SawAll Blades - Tools for Unit #17		21.58
	43928	(1) 3/4" Brass Valve for Well # 14		14.03
	43928	(1) Brush - Tool for Unit #11		11.88
Total for Check Number 3739:				190.57

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
3740	10086 289076	American Family Life Assurance Company of Columbus AFLAC Employee Insurance May 2015	06/02/2015	885.62
Total for Check Number 3740:				885.62
3741	10305 B-163 B-163	Beaumont Basin Watermaster Installation of Water Level Monitoring Equipment Beaumont Basin Prep of 2014 Annual Report, Safe Yield, Groundwater Model	06/02/2015	3,698.00 16,158.00
Total for Check Number 3741:				19,856.00
3742	10010 5714	Beaumont Tire (1) Flat Tire Repair Right Rear Unit #22	06/02/2015	20.00
Total for Check Number 3742:				20.00
3743	10308 520-15	Byrd Industrial Electronics Modify Controls on SCADA System Well 26	06/02/2015	771.24
Total for Check Number 3743:				771.24
3744	10014 09978 09978	Cherry Valley Automotive Oil Change Unit #1 Battery Service/Tire Rotation Unit #1	06/02/2015	19.27 38.00
Total for Check Number 3744:				57.27
3745	10112 664164	Cla-Val Preventative Maintenance of Main Valve & Pilot for Cherry Bypass	06/02/2015	1,362.56
Total for Check Number 3745:				1,362.56
3746	10323 05946	Ben DeForge Safety Boots B Deforge	06/02/2015	70.18
Total for Check Number 3746:				70.18
3747	10174 179795	United State and Canada Government Finance Officers Associatic Membership for Y Rodriguez 8/1/15-7/31/16	06/02/2015	160.00
Total for Check Number 3747:				160.00
3748	10022 99383	Hemet Valley Tool & Supply Repair for Powder Puff Air Tamper Compactor	06/02/2015	206.15
Total for Check Number 3748:				206.15
3749	10025 051315	Lee's Auto Body Repair Window Damage D Webster Board Approved 05.13.15	06/02/2015	487.20
Total for Check Number 3749:				487.20
3750	10278 KM05754034	Metlife - Group Benefits Monthly MetLife Dental Jun 2015	06/02/2015	482.99
Total for Check Number 3750:				482.99
3751	10196 S1059606.001 S1059606.001 S1059606.001 S1061267.001	National Meter & Automation, Inc. (20) 3/4" Badger Meters - Inventory (100) 1" Badger Meters - Inventory (4) 2" Badger Meters - Inventory (4) Radio Read Meters and Supplies for Meter Reading Testing	06/02/2015	1,922.40 14,364.00 2,514.24 831.60

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
Total for Check Number 3751:				19,632.24
3752	10275 05312015	Prestige Mobile Detail Bi Wk Wash Units 1,15,12,18,13,22,17,4,5,3,16,11,20, 19,Kenworth	06/02/2015	272.00
Total for Check Number 3752:				272.00
3753	10095 201504000339 201504000339	Riverside County Waste Management Broken Pallets NCR II Weed Removal Waste	06/02/2015	40.65 9.00
Total for Check Number 3753:				49.65
3754	10042 07132135000 May	Southern California Gas Company Montly Gas Charges 04/29-05/29/15	06/02/2015	14.79
Total for Check Number 3754:				14.79
3755	10276 00 610763 0001	Standard Insurance Company Monthly Life and AD & D Insurance June 2015	06/02/2015	645.95
Total for Check Number 3755:				645.95
3756	10031 3265278321 3265278321 3265278321 3265278321 3265278321 3265278321 3265278322 3266377779 3266377780 3266377780 3266377780 3266377780 3266377780 3266377782	Staples Advantage (1) 100CT 10x13 Clasp Envelopes - Main Office Stock (1) HP Blank Ink Cartridge - Main Office Stock (2) 50CT Manila Folders-Main Office Stock (1) Dozen Black Sharpie Markers - Main Office Stock (1) 250CT Towel Fold Napkins-Main Office Stock (1) 8PK Sharpie Assorted Pack - Main Office Stock (1) Box File Pkt Ltr-Main Office Stock (1) 32Ct 9x12 Manila Clasp Envelopes - Main Office Stock (2) Cases of Copy Paper - Main Office Stock (1) 300CT Plastic Spoons - Main Office Stock (1) Pack Paper Towels-Main Office Stock (2) 10PK File Pkt Ltr-Main Office Stock (1) 10Pk Thermal Print Rolls-Main Office Stock	06/02/2015	29.69 23.75 35.40 8.95 49.89 6.79 55.29 37.79 86.38 16.19 21.59 30.22 44.27
Total for Check Number 3756:				446.20
3757	10284 520150044	Underground Service Alert of Southern California 77 New Ticket Charges May 2015	06/02/2015	115.50
Total for Check Number 3757:				115.50
3758	10035 647985 647985	Usa Blue Book / Customer #911392 1" Corp Stop with CPVC Quill 1/2" for Wel I#23 C12 Freight	06/02/2015	310.65 22.82
Total for Check Number 3758:				333.47
3759	10057 078689229 079134608	Xerox Corporation Xerox Service Reimbursed Charges 1/21-2/28 Xerox Service Reimbursed Charges 2/28-3/30	06/02/2015	1,162.66 1,127.50
Total for Check Number 3759:				2,290.16
3760	UB*01308	Bruce & Christney Barilla Refund Check	06/02/2015	23.68
Total for Check Number 3760:				23.68

<b>Check No</b>	<b>Vendor No Invoice No</b>	<b>Vendor Name Description</b>	<b>Check Date Reference</b>	<b>Check Amount</b>
3761	UB*01332	Maurice Bingham Refund Check Refund Check Refund Check Refund Check	06/02/2015	180.81 38.82 18.60 13.34
Total for Check Number 3761:				251.57
3762	UB*01321	Bertha Braggs Refund Check Refund Check Refund Check Refund Check	06/02/2015	30.47 52.51 25.16 18.05
Total for Check Number 3762:				126.19
3763	UB*01329	Samantha Ciotta Refund Check	06/02/2015	103.85
Total for Check Number 3763:				103.85
3764	UB*01314	Community Services Dept. City Of Beaumont Refund Check	06/02/2015	663.73
Total for Check Number 3764:				663.73
3765	UB*01312	John M. Cooke Refund Check	06/02/2015	31.23
Total for Check Number 3765:				31.23
3766	UB*01315	Jeannette Crawley Refund Check	06/02/2015	250.00
Total for Check Number 3766:				250.00
3767	UB*01336	Donna Daughtery Refund Check Refund Check Refund Check Refund Check	06/02/2015	39.43 78.81 37.76 27.09
Total for Check Number 3767:				183.09
3768	UB*01310	Zaroug Derderian Refund Check	06/02/2015	24.21
Total for Check Number 3768:				24.21
3769	UB*01323	Maurice or Reina Dumas Refund Check Refund Check	06/02/2015	15.36 2.43
Total for Check Number 3769:				17.79
3770	UB*01306	Ely Ruth Gochez Refund Check	06/02/2015	95.52
Total for Check Number 3770:				95.52
3771	UB*01309	H. R. Trout Refund Check	06/02/2015	47.96
Total for Check Number 3771:				47.96

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
3772	UB*01319	Jerry Hanes Refund Check	06/02/2015	250.00
Total for Check Number 3772:				250.00
3773	UB*01311	Eva Hudson Refund Check	06/02/2015	82.50
Total for Check Number 3773:				82.50
3774	UB*01303	Jeff Teel- Agent Refund Check	06/02/2015	61.11
Total for Check Number 3774:				61.11
3775	UB*01318	Daniel Koneck Refund Check Refund Check Refund Check Refund Check	06/02/2015	8.40 7.68 3.68 2.64
Total for Check Number 3775:				22.40
3776	UB*01317	Tabitha A. Laser Refund Check	06/02/2015	74.25
Total for Check Number 3776:				74.25
3777	UB*01322	Shane Leeger Refund Check Refund Check Refund Check Refund Check	06/02/2015	151.55 24.23 11.61 8.33
Total for Check Number 3777:				195.72
3778	UB*01337	Jessica Leon Refund Check Refund Check Refund Check Refund Check	06/02/2015	44.87 30.23 14.48 10.39
Total for Check Number 3778:				99.97
3779	UB*01328	Lisette Ley Refund Check	06/02/2015	155.74
Total for Check Number 3779:				155.74
3780	UB*01335	Kathleen Lueke-Evylnn Refund Check Refund Check Refund Check Refund Check	06/02/2015	21.48 70.81 33.60 24.11
Total for Check Number 3780:				150.00
3781	UB*01305	Natalie May Refund Check	06/02/2015	73.38
Total for Check Number 3781:				73.38

<b>Check No</b>	<b>Vendor No Invoice No</b>	<b>Vendor Name Description</b>	<b>Check Date Reference</b>	<b>Check Amount</b>
3782	UB*01313	Jennifer Milliken Refund Check	06/02/2015	72.41
Total for Check Number 3782:				72.41
3783	UB*01324	Leanne Mitchell Refund Check	06/02/2015	23.50
Total for Check Number 3783:				23.50
3784	UB*01320	Robert Mooney Refund Check	06/02/2015	27.47
Total for Check Number 3784:				27.47
3785	UB*01307	Toby Osako Refund Check	06/02/2015	76.02
Total for Check Number 3785:				76.02
3786	UB*01326	Joshua Rogers Refund Check Refund Check Refund Check Refund Check	06/02/2015	62.77 47.79 22.90 16.43
Total for Check Number 3786:				149.89
3787	UB*01316	George & Barbara Schrader Refund Check Refund Check Refund Check Refund Check	06/02/2015	507.15 50.82 24.36 17.47
Total for Check Number 3787:				599.80
3788	UB*01304	Clive Scott Refund Check	06/02/2015	62.34
Total for Check Number 3788:				62.34
3789	UB*01327	So Cal Sandbags Inc Refund Check	06/02/2015	658.30
Total for Check Number 3789:				658.30
3790	UB*01330	Toddy Vander Broek Refund Check	06/02/2015	174.44
Total for Check Number 3790:				174.44
3791	UB*01325	Pablo Villacorta Refund Check Refund Check Refund Check Refund Check	06/02/2015	38.15 56.52 27.08 19.43
Total for Check Number 3791:				141.18

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
3792	UB*01334	Adam Webb Refund Check Refund Check Refund Check Refund Check	06/02/2015	6.83 15.78 7.56 5.42
Total for Check Number 3792:				35.59
3793	UB*01331	Eric Welsh Refund Check	06/02/2015	62.23
Total for Check Number 3793:				62.23
3794	UB*01333	Ashley Wilder Refund Check Refund Check Refund Check Refund Check	06/02/2015	14.17 21.74 15.59 45.36
Total for Check Number 3794:				96.86
Total for 6/2/2015:				194,482.49
ACH	10085	Calpers Retirement System PR Batch 00001.06.2015 CalPERS 1% ER Paid PR Batch 00001.06.2015 CalPERS 7% Deduction PR Batch 00001.06.2015 CalPERS 8% EE Paid PR Batch 00001.06.2015 CalPERS 8% ER Paid PR Batch 00001.06.2015 CalPERS Employer Paid PR Batch 00001.06.2015 CalPERS 6.9%	06/04/2015 PR Batch 00001 PR Batch 00001 PR Batch 00001 PR Batch 00001 PR Batch 00001 PR Batch 00001	210.77 2,051.96 2,527.82 892.17 12,036.25 568.43
Total for this ACH Check for Vendor 10085:				18,287.40
ACH	10087	Edd State Of California PR Batch 00001.06.2015 CA SDI PR Batch 00001.06.2015 State Income Tax	06/04/2015 PR Batch 00001 PR Batch 00001	662.07 2,396.64
Total for this ACH Check for Vendor 10087:				3,058.71
ACH	10094	U.S. Treasury PR Batch 00001.06.2015 Federal Income Tax PR Batch 00001.06.2015 FICA Employee Portion PR Batch 00001.06.2015 FICA Employer Portion PR Batch 00001.06.2015 Medicare Employee Portion PR Batch 00001.06.2015 Medicare Employer Portion	06/04/2015 PR Batch 00001 PR Batch 00001 PR Batch 00001 PR Batch 00001 PR Batch 00001	7,591.53 4,563.80 4,563.80 1,067.38 1,067.38
Total for this ACH Check for Vendor 10094:				18,853.89
ACH	10141	Ca State Disbursement Unit PR Batch 00001.06.2015 Garnishment PR Batch 00001.06.2015 Garnishment	06/04/2015 PR Batch 00001 PR Batch 00001	191.53 360.57
Total for this ACH Check for Vendor 10141:				552.10
ACH	10203	Ing Life Insurance PR Batch 00001.06.2015 Deferred Comp	06/04/2015 PR Batch 00001	460.00
Total for this ACH Check for Vendor 10203:				460.00
ACH	10264	Calpers Supplemental Income Plans PR Batch 00001.06.2015 CalPERS 457	06/04/2015 PR Batch 00001	1,584.61
Total for this ACH Check for Vendor 10264:				1,584.61

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
Total for 6/4/2015:				42,796.71
ACH	10085	Calpers Retirement System	06/11/2015	
		PR Batch 00002.06.2015 CalPERS 1% ER Paid	PR Batch 00002	16.36
		PR Batch 00002.06.2015 CalPERS 7% Deduction	PR Batch 00002	114.53
		PR Batch 00002.06.2015 CalPERS Employer Paid	PR Batch 00002	308.55
Total for this ACH Check for Vendor 10085:				439.44
ACH	10087	Edd State Of California	06/11/2015	
		PR Batch 00002.06.2015 CA SDI	PR Batch 00002	14.73
		PR Batch 00002.06.2015 State Income Tax	PR Batch 00002	111.57
Total for this ACH Check for Vendor 10087:				126.30
ACH	10094	U.S. Treasury	06/11/2015	
		PR Batch 00002.06.2015 Federal Income Tax	PR Batch 00002	388.58
		PR Batch 00002.06.2015 FICA Employee Portion	PR Batch 00002	202.89
		PR Batch 00002.06.2015 FICA Employer Portion	PR Batch 00002	202.89
		PR Batch 00002.06.2015 Medicare Employee Portion	PR Batch 00002	47.45
		PR Batch 00002.06.2015 Medicare Employer Portion	PR Batch 00002	47.45
Total for this ACH Check for Vendor 10094:				889.26
Total for 6/11/2015:				1,455.00
3795	10099	A & A Fence Co. Inc	06/12/2015	
	17784	(30) Ranch Rails Fencing at NCR 1		875.77
	17784	(3) Posts Fencing at NCR 1		45.75
	17784	(3) Caps Fencing at NCR 1		3.24
Total for Check Number 3795:				924.76
3796	10251	Accounting Principals Inc.	06/12/2015	
	7081365	Temporary Accountant KD W/E 05/31/2015		1,642.43
Total for Check Number 3796:				1,642.43
3797	10272	Babcock Laboratories Inc	06/12/2015	
	BD52277-0034	(5) Coliforms - Wells 10, 16, 21, 23, 24		200.00
	BE50433-0034	(12) Coliforms B7-12,H1,H2,I1,I3,M3,N4		480.00
	BE51025-0034	(2) Nitrate Samples Well 16, Well 21		30.00
	BE51039-0034	(2) Nitrate Samples Cherry Resv and Vineland Resv		30.00
	BE51290-0034	(12) Coliforms B1-5,B10,H1,I1,I2,M1,N1		480.00
	BE51907-0037	(4) Coliforms - Wells 16, Well 21, Well 4A Raw, Well 5 Raw		160.00
	BE51914-0034	(2) Nitrate Samples Well 16 Well 21		30.00
	BE52465-0034	(12) Coliforms B1-6,B10,H1,I1,I2,M1,N3		480.00
	BE52466-0034	(2) Coliforms Well 19 RAW 10 Raw		80.00
	BE52803-0034	(2) Coliforms - B7-B12,H1,H2,I1,I3,M3,N4		480.00
Total for Check Number 3797:				2,450.00
3798	10287	Bank of the West	06/12/2015	
	10021	Fedex		
		Postage to Richards, Watson, & Gershon		27.65
		Postage to Patrick Babko		26.00
	10034	US Postal Service		
		(400) Postage Stamps		196.00
		Postage for Bid Packet Well 25		5.75
		Postage to Well & Drilling Co		2.66
		Business Cards for Knute		118.80
	10044	Verizon		
		Monthly Phone Service 04/10/15-05/09/15		233.45
		Monthly Phone Service 05/10/15-06/09/15		233.45
		Monthly Long Distance 04/25/15-05/24/15		42.31
		Monthly FIOS 04/25/15-05/24/15		64.95
		Monthly Phone Service 04/25/15-05/24/15		1,089.51
	10052	Home Depot Credit Services		

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	10083	1000FT CAT6 Wire for Main Office California Chamber Of Commerce		160.92
	10147	Paid Sick Leave Webinar 05/21 Y Rodriguez Online Information Services		199.00
	10174	173 Credit Reports for April 2015 United State and Canada Government Finance Officers Association of the		497.10
	10349	Best Practices in Budgeting 08/13 Webinar Y Rodriguez Redlands-Yucaipa Rentals, Inc.		160.00
	10377	Light Tower & Arrow Board Rental for Night Highland Springs Job Expedia Inc		192.50
	10426	Car Rental/ Airlines-Springbrook Conf 05/04-05/07 S Molina Car Rental/ Airlines-Springbrook Conf 05/04-05/07 Y Rodriguez Car Rental/ Airlines-Springbrook Conf 05/04-05/07 L Gonzales Newegg Business, Inc.		654.09 654.09 654.09
		(30) Cables-IT Stock (30) Cables-IT Stock Use Tax		271.52 -1.26
Total for Check Number 3798:				5,482.58
3799	10271	Beaumont Ace Home Center	06/12/2015	
	405883	(1) 22" Leaf Rake for Maintenance		22.67
	405883	(2) 1.33 Gallons of Roundup for Maintenance		49.66
	406369	(2) Employee Yellow Rainsuits		54.52
	406518	Couplings, Primer, PVC Cement, Used for Meter Repair		10.65
	406544	Install Waterline for Well 25 Swamp Cooler		50.33
	406612	Stomper Repairs		2.03
	406618	(1) PVC Union for Well 24 Air Vent		11.87
	406618	(1) Prograde Gloves for T Lara		15.11
	406618	(1) 6PC Screwdriver Set for Unit 19		27.53
	406627	Install Waterline for Well 23 Swamp Cooler		27.55
	406696	(5) Gallons of Paint for Hydrants		268.60
	406879	(1) Deluxe Drivers Gloves for Unit 5		19.32
	406938	(1) 9' Outlet Cord for 12th/Palm Office		16.19
Total for Check Number 3799:				576.03
3800	10382	Beaumont Power Equipment Inc.	06/12/2015	
	1566	(3) Trimmer Head Assemblies for Weedeaters		87.45
Total for Check Number 3800:				87.45
3801	10010	Beaumont Tire	06/12/2015	
	5709	Replace Right Rear Tire Unit 17		163.26
Total for Check Number 3801:				163.26
3802	10308	Byrd Industrial Electronics	06/12/2015	
	406-15	Replaced Battery System at Reservoir 28		780.10
Total for Check Number 3802:				780.10
3803	10019	C R & R Incorporated	06/12/2015	
	0077741	Monthly Charges for 3YD Commercial Bin June 2015		242.78
Total for Check Number 3803:				242.78
3804	10014	Cherry Valley Automotive	06/12/2015	
	09158	Oil Change Unit 17 Odometer 30,282 Miles		44.83
	09158	Replace Driver's Seat Belt/Receptal Unit 17		155.24
	09158	Rotate Tires and Alignment Unit 17		125.00
Total for Check Number 3804:				325.07
3805	10016	City Of Beaumont	06/12/2015	
	261701 Mar-Apr	Monthly Sewer Charges 03/01-04/30/2015		76.14
Total for Check Number 3805:				76.14
3806	10283	Petty Cash	06/12/2015	
	053115	Live Scan Fingerprinting A Frausto		35.00
	053115	San Gorgonio Pass Water Agency Public Records Request E Fraser		2.00
Total for Check Number 3806:				37.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
3807	10332	Department of Forestry and Fire Protection	06/12/2015	
		Grounds Maint Oak Glen Conservation Camp Crew Labor 03/24/2015		450.76
		Grounds Maint Oak Glen Conservation Camp Crew Labor 03/25/2015		676.14
		Grounds Maint Oak Glen Conservation Camp Crew Labor 03/26/2015		676.14
Total for Check Number 3807:				1,803.04
3808	10052	Home Depot Credit Services	06/12/2015	
	4050406	4FT Lights Maint/Repair for Canyon Wells		178.10
	4050406	(3) Motion Lights Maint/Repair for Canyon Wells		118.70
	4050406	Screws, Straps, Conduit, Nuts, Install Lights at Canyon Wells		24.53
	4050406	Fittings, Boxes, Hex Head, Install Lights at Canyon Wells		52.70
	5022725	(4) Lights and Bulbs for Canyon Wells		320.16
	6012424	Rotary Hammer		70.17
	6110934	Blower Repairs		73.30
Total for Check Number 3808:				837.66
3809	10273	Inland Water Works Supply Co.	06/12/2015	
	274165	(25) Valve Box Cap Water - Inventory		609.50
	274633	(20) METER BOX PLASTIC COVER GREEN #1015 - Inventory		508.04
	274704	(6) Nipple Galv 2 X Close - Inventory		17.15
	274704	(6) Coupling Galv 2 - Inventory		73.34
	274704	(6) Elbow Galv ST 3 - 90 - Inventory		98.96
	274704	(6) Elbow Galv 2 - 90 - Inventory		72.50
	274704	(6) Nipple Galv 1 X 02 - Inventory		9.53
	274704	(6) Nipple Galv 1 X 02-1/2 - Inventory		10.80
	274704	(6) Nipple Galv .75 X 02 - Inventory		6.35
	274704	(6) Nipple Galv .75 X 02-1/2 - Inventory		7.62
	274704	(6) Nipple Galv .75 X 03-1/2 - Inventory		9.22
	274704	(3) Full Circle 287 - 312 X 12		67.26
	274704	(4) Full Circle 400 - 425 X 07 - Inventory		244.49
	274704	(50) Meter Gasket Drop-In 2 - Inventory		66.15
	274704	(50) Meter Coupling 1 X 2-1/2 - Inventory		627.10
	274704	(4) Elbow Brass 2 - 45 - Inventory		232.85
	274704	(20) Corp Stop 1 MIP - Inventory		760.99
	274704	(20) Victaulic Coupling 6 - Inventory		42.34
	274704	(20) Meter Bolts 2 - Inventory		60.01
	274704	(30) Gasket Drop In Flg 6 - Inventory		95.26
	274704	(30) Gasket Drop In Flg 4 - Inventory		85.73
	274704	(40) Flex Bolts 5/8 X 8 - Inventory		264.60
	274704	(10) Meter Box Plastic Body Green #1320 - Inventory		469.93
	274704	(10) Meter Box Plastic Body Cover Green #1320 - Inventory		232.85
	274704	(20) Slip Can 8 X 12 - Inventory		232.85
	274704	(20) Slip Can 8 X 18 - Inventory		296.35
	274704	(5) Saddle 1320 - 1438 X 1 DS - Inventory		73.03
	274704	(3) Full Circle 495 - 535 X 07 - Inventory		244.49
	274704	(5) Full Circle 235 - 263 X 07 - Inventory		123.94
	274704	(20) Meter Box Plastic Body Green #1015 - Inventory		240.26
Total for Check Number 3809:				5,883.49
3810	10121	Jack Henry And Associates Inc	06/12/2015	
	1977622	Annual Remit Plus Maint for Utility Billing 07/01/15-06/30/16		3,017.39
Total for Check Number 3810:				3,017.39
3811	10429	Legend Pump & Well Service Inc.	06/12/2015	
	52279	Troubleshoot and Replace Motor Saver at Well 21		454.37
Total for Check Number 3811:				454.37
3812	10281	Luther's Truck and Equipment	06/12/2015	
	36096	Diagnostic and Replace Flasher Module Unit 22		168.99

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
Total for Check Number 3812:				168.99
3813	10300 32515	Mike's Gopher and Bee Control Monthly Services at NCR I Rodent Control May 2015	06/12/2015	400.00
Total for Check Number 3813:				400.00
3814	10350 910271 911132 911183	NAPA Auto Parts Wiper Blades for Unit 3 Connector for Dump Trailer Connector for Tow Hitch	06/12/2015	19.50 8.63 11.33
Total for Check Number 3814:				39.46
3815	10196 S1061551.001	National Meter & Automation, Inc. (1) Radio Read Meter Supplies for Meter Reading Testing	06/12/2015	93.56
Total for Check Number 3815:				93.56
3816	10045 R112212 R112213	Pacific Alarm Service Inc. Alarm/Equip/Rent/Service/Monitor Jun 2015 Alarm/Equip/Rent/Service/Monitor Jun 2015	06/12/2015	233.00 44.50
Total for Check Number 3816:				277.50
3817	10056 P04971 P04971 P04971	Rdo Equipment Co. Trust# 80-5800 (2) Anti Sway Bars for John Deere Mower (2) Pins for John Deere Mower Shipping Parts for John Deere Mower	06/12/2015	189.46 24.02 19.25
Total for Check Number 3817:				232.73
3818	10290 15-00082	San Gorgonio Pass Water Agency 484 AF@\$317.00 for May 2015	06/12/2015	153,428.00
Total for Check Number 3818:				153,428.00
3819	10031 3267680204 3267680204 3267680204 3267680204 3267680204 3267680204 3267680204 3267680204 3267680207 3267680207	Staples Advantage (1) Case of Copy Paper - Main Office Stock (2) Boxes of Trashbags - Main Office Stock (4) Boxes of Check Storage Boxes - Main Office Stock (1) 6-Pk of Glue Sticks - Main Office Stock (1) Box Rubber Fingers - Main Office Stock (1) 4-Pk of Dab n Seal Glue - Main Office Stock (1) 12-Pk of Legal Size Storage Boxes - Main Office Stock (1) 10-Pk of Economy Storage Boxes - Main Office Stock (1) Case of Copy Paper - Main Office Stock	06/12/2015	43.19 81.62 9.46 5.93 2.15 6.47 72.35 19.43 43.19
Total for Check Number 3819:				283.79
3820	10307 043131	Technique Data Systems Renewal for Annual Maint for Remit Scanner 07/10/15-07/09/2016	06/12/2015	550.00
Total for Check Number 3820:				550.00
3821	10255 0270862-IN 0270863-IN	Unlimited Services Building Maintenance Monthly Janitorial Services 815 E 12th June 2015 Monthly Janitorial Services 560 Magnolia June 2015	06/12/2015	150.00 845.00
Total for Check Number 3821:				995.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
3822	10116 9746439365	Verizon Wireless Services LLC Cell Phone Charges for May 2015	06/12/2015	133.99
Total for Check Number 3822:				133.99
3823	10293 17436	Western Dental Services Inc. Dental Premiums Jun 2015	06/12/2015	192.19
Total for Check Number 3823:				192.19
Total for 6/12/2015:				181,578.76
ACH	10085	Calpers Retirement System PR Batch 00003.06.2015 CalPERS 1% ER Paid PR Batch 00003.06.2015 CalPERS 7% Deduction PR Batch 00003.06.2015 CalPERS 8% EE Paid PR Batch 00003.06.2015 CalPERS 8% ER Paid PR Batch 00003.06.2015 CalPERS Employer Paid PR Batch 00003.06.2015 CalPERS 6.9%	06/18/2015 PR Batch 00003 PR Batch 00003 PR Batch 00003 PR Batch 00003 PR Batch 00003 PR Batch 00003	198.04 1,968.34 2,546.72 892.17 11,840.82 573.79
Total for this ACH Check for Vendor 10085:				18,019.88
ACH	10087	Edd State Of California PR Batch 00003.06.2015 CA SDI PR Batch 00003.06.2015 State Income Tax	06/18/2015 PR Batch 00003 PR Batch 00003	663.37 2,215.45
Total for this ACH Check for Vendor 10087:				2,878.82
ACH	10094	U.S. Treasury PR Batch 00003.06.2015 Federal Income Tax PR Batch 00003.06.2015 FICA Employer Portion PR Batch 00003.06.2015 Medicare Employee Portion PR Batch 00003.06.2015 Medicare Employer Portion PR Batch 00003.06.2015 FICA Employee Portion	06/18/2015 PR Batch 00003 PR Batch 00003 PR Batch 00003 PR Batch 00003 PR Batch 00003	7,179.04 4,672.01 1,092.70 1,092.70 4,672.01
Total for this ACH Check for Vendor 10094:				18,708.46
ACH	10141	Ca State Disbursement Unit PR Batch 00003.06.2015 Garnishment PR Batch 00003.06.2015 Garnishment	06/18/2015 PR Batch 00003 PR Batch 00003	191.53 360.57
Total for this ACH Check for Vendor 10141:				552.10
ACH	10203	Ing Life Insurance PR Batch 00003.06.2015 Deferred Comp	06/18/2015 PR Batch 00003	460.00
Total for this ACH Check for Vendor 10203:				460.00
ACH	10264	Calpers Supplemental Income Plans PR Batch 00003.06.2015 CalPERS 457	06/18/2015 PR Batch 00003	1,584.61
Total for this ACH Check for Vendor 10264:				1,584.61
3824	10138 HW201 JUN	ARCO Business Solutions ARCO Fuel Charges 05/12-06/11/2015	06/18/2015	5,626.33
Total for Check Number 3824:				5,626.33
3825	10272 BE51906-0034 BE52577-0034	Babcock Laboratories Inc (12) Coliforms B7-B12, H2,I1,I3,M2,M3,N2 (2) Nitrate Cherry Reservoir & Vineland Reservoir	06/18/2015	480.00 30.00
Total for Check Number 3825:				510.00

<b>Check No</b>	<b>Vendor No Invoice No</b>	<b>Vendor Name Description</b>	<b>Check Date Reference</b>	<b>Check Amount</b>
3826	10464 BCVWD060815	Besst Inc. Flow and Water Chemistry Mass Balance Detailed Report Well 26	06/18/2015	4,500.00
Total for Check Number 3826:				4,500.00
3827	10048 WI002748	Brithinee Electric Replace Coupling, Bearings, Rewind Materials and Labor Well 6	06/18/2015	3,530.01
Total for Check Number 3827:				3,530.01
3828	10406 41804	Burgeson's Heating and Air Conditioning, Inc. Service Repair Diagnostic Main Office Air Conditioner	06/18/2015	99.00
Total for Check Number 3828:				99.00
3829	10014 09833 09833	Cherry Valley Automotive Oil Change Unit 15 Odometer 117,280 Transmission Service Unit 15	06/18/2015	50.51 211.50
Total for Check Number 3829:				262.01
3830	10207 061515	Eric Fraser AWWA Conference Parking 06/08-06/10/2015	06/18/2015	50.00
Total for Check Number 3830:				50.00
3831	10398 92994 92994	Infosend, Inc. May 2015 Postage Charges for Utility Billing May 2015 Billing Charges for Utility Billing	06/18/2015	3,533.08 2,160.66
Total for Check Number 3831:				5,693.74
3832	10309 0414184	Inland Empire Resource Conservation District (10) Water Conservation Programs Jan-Mar Sundance and Anna Hause	06/18/2015	1,200.00
Total for Check Number 3832:				1,200.00
3833	10223 201664 201665 201666	Richards, Watson & Gershon Legal Service Case# 12788-0001 Approved 06/10/15 Legal Service Case# 12788-0004 Approved 06/10/15 Legal Service Case# 12788-0005 Approved 06/10/15	06/18/2015	10,262.75 253.40 9,911.87
Total for Check Number 3833:				20,428.02
3834	10277 11728	Rio Stone Building Materials Sidewalk Replacement at Highland Springs	06/18/2015	150.85
Total for Check Number 3834:				150.85
3835	10095 2015050000339 2015050000339	Riverside County Waste Management 05/27 Yard Waste 05/28 Tree Trimmings	06/18/2015	18.95 12.00
Total for Check Number 3835:				30.95
3836	UB*01350	Vince & Liz Buglios Refund Check	06/18/2015	46.16
Total for Check Number 3836:				46.16

<b>Check No</b>	<b>Vendor No Invoice No</b>	<b>Vendor Name Description</b>	<b>Check Date Reference</b>	<b>Check Amount</b>
3837	UB*01339	Shawn Burdine Refund Check	06/18/2015	469.20
Total for Check Number 3837:				469.20
3838	UB*01360	Crystelle Casarez Refund Check Refund Check Refund Check Refund Check	06/18/2015	123.36 51.75 24.79 17.79
Total for Check Number 3838:				217.69
3839	UB*01340	City Of Beaumont Refund Check	06/18/2015	9.10
Total for Check Number 3839:				9.10
3840	UB*01366	Devin Cooney Refund Check Refund Check Refund Check Refund Check	06/18/2015	44.20 71.80 34.41 24.68
Total for Check Number 3840:				175.09
3841	UB*01363	Ct Beaumont Partners LLC Refund Check Refund Check Refund Check Refund Check	06/18/2015	1.89 0.36 60.58 5.44
Total for Check Number 3841:				68.27
3842	UB*01344	Merlin J. De Coud Refund Check	06/18/2015	31.44
Total for Check Number 3842:				31.44
3843	UB*01352	Rosanna De Leon Refund Check Refund Check Refund Check Refund Check	06/18/2015	40.71 34.71 16.64 11.93
Total for Check Number 3843:				103.99
3844	UB*01365	Nicole Gama Refund Check Refund Check Refund Check Refund Check	06/18/2015	125.73 14.92 31.12 10.70
Total for Check Number 3844:				182.47
3845	UB*01364	Charles Grammer Refund Check	06/18/2015	8.42
Total for Check Number 3845:				8.42
3846	UB*01342	Sylvia Gregory Refund Check	06/18/2015	35.71
Total for Check Number 3846:				35.71

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
3847	UB*01368	Elisha Heller Refund Check Refund Check Refund Check Refund Check	06/18/2015	9.31 87.54 27.08 12.97
Total for Check Number 3847:				136.90
3848	UB*01354	Keith Hill Refund Check Refund Check	06/18/2015	27.49 18.80
Total for Check Number 3848:				46.29
3849	UB*01356	Troy Hitchcock Refund Check Refund Check Refund Check Refund Check	06/18/2015	101.20 40.88 19.59 14.05
Total for Check Number 3849:				175.72
3850	UB*01353	Jena Jones Refund Check	06/18/2015	250.00
Total for Check Number 3850:				250.00
3851	UB*01351	Shevonn Moore Refund Check Refund Check Refund Check Refund Check	06/18/2015	334.98 19.58 9.39 6.73
Total for Check Number 3851:				370.68
3852	UB*01347	Francoise Moua Refund Check	06/18/2015	19.10
Total for Check Number 3852:				19.10
3853	UB*01348	Francoise Moua Refund Check	06/18/2015	72.39
Total for Check Number 3853:				72.39
3854	UB*01343	Steven Pavka Refund Check	06/18/2015	865.00
Total for Check Number 3854:				865.00
3855	UB*01367	Phisith Phavong Refund Check Refund Check Refund Check Refund Check	06/18/2015	29.45 1.84 0.88 0.63
Total for Check Number 3855:				32.80

<b>Check No</b>	<b>Vendor No Invoice No</b>	<b>Vendor Name Description</b>	<b>Check Date Reference</b>	<b>Check Amount</b>
3856	UB*01357	Susana Ramirez Refund Check	06/18/2015	96.73
Total for Check Number 3856:				96.73
3857	UB*01349	Tim Seymour Refund Check	06/18/2015	67.31
Total for Check Number 3857:				67.31
3858	UB*01355	Jeffery Sok Refund Check Refund Check Refund Check Refund Check	06/18/2015	20.71 33.70 16.15 11.58
Total for Check Number 3858:				82.14
3859	UB*01345	Lupe Soto Refund Check Refund Check Refund Check Refund Check	06/18/2015	27.15 24.82 11.90 8.53
Total for Check Number 3859:				72.40
3860	UB*01362	Elizabeth Syria Refund Check	06/18/2015	11.44
Total for Check Number 3860:				11.44
3861	UB*01341	Wendell Turner Refund Check	06/18/2015	38.56
Total for Check Number 3861:				38.56
3862	UB*01361	Isabel Valdez Refund Check Refund Check Refund Check Refund Check	06/18/2015	26.25 18.83 116.09 54.77
Total for Check Number 3862:				215.94
3863	UB*01359	Anna Valiente Refund Check Refund Check Refund Check Refund Check	06/18/2015	12.19 26.19 12.56 9.00
Total for Check Number 3863:				59.94
3864	UB*01369	Samila Violeta Refund Check Refund Check Refund Check Refund Check	06/18/2015	25.49 24.70 11.83 8.49
Total for Check Number 3864:				70.51
3865	UB*01346	Vogler Feigen Realty Refund Check	06/18/2015	18.01
Total for Check Number 3865:				18.01

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
3866	UB*01338	Wow Bubbles Refund Check Refund Check Refund Check Refund Check	06/18/2015	224.03 356.98 89.61 64.29
Total for Check Number 3866:				734.91
3867	UB*01358	Taylor & Hayley Young Refund Check Refund Check Refund Check Refund Check	06/18/2015	55.45 72.68 34.83 24.98
Total for Check Number 3867:				187.94
Total for 6/18/2015:				89,257.03
ACH	10471 060515	Marvin J Paull Enterprises, Inc. 05/25-06/05/2015 Actuarial Consulting for OPEB for GASB 68	06/22/2015	1,225.00
Total for this ACH Check for Vendor 10471:				1,225.00
Total for 6/22/2015:				1,225.00
Report Total (149 checks):				510,794.99



**Beaumont-Cherry Valley Water District  
Regular Board Meeting  
July 8<sup>th</sup>, 2015**

**DATE:** July 2<sup>nd</sup>, 2015  
**TO:** Board of Directors  
**FROM:** Eric Fraser, General Manager  
**SUBJECT:** Approval of Pending Invoices

---

**Recommendation**

Staff recommends that the Board of Directors approve the pending invoices totaling \$63,428.32.

**Background**

Staff has reviewed the pending invoices and found the services rendered were acceptable to the District. CalPERS is a lump sum prepayment due August 1, 2015.

**Fiscal Impact**

There is a \$63,428.32 impact to the District which will be paid from the 2015 budget.

**Attachments:**

- Richards Watson Gershon Invoice #202023
- Richards Watson Gershon Invoice #202024
- Richards Watson Gershon Invoice #202025
- California Public Employee's Retirement System (CalPERS)

**RW** RICHARDS | WATSON | GERSHON  
**STC** ATTORNEYS AT LAW – A PROFESSIONAL CORPORATION

355 South Grand Avenue, 40th Floor, Los Angeles, California 90071-3101  
Telephone 213.626.8484 Facsimile 213.626.0078  
Fed. I.D. No. 95-3292015

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WORK PRODUCT PRIVILEGES. DO NOT  
DISCLOSE THE CONTENTS HEREOF. DO NOT  
FILE WITH PUBLICLY ACCESSIBLE RECORDS.

ERIC FRASER  
Beaumont- Cherry Valley Water District  
560 Magnolia Avenue  
Beaumont, Ca 92223-2258

June 17, 2015  
Invoice # 202023

Re: 12788-0001 [REDACTED]

---

Current Legal Fees .....	\$4,537.50
Current Client Costs Advanced .....	<u>\$81.30</u>
<b>TOTAL CURRENT FEES AND COSTS .....</b>	<b><u>\$4,618.80</u></b>
Balance Due From Previous Statement .....	\$10,262.75
<b>TOTAL BALANCE DUE FOR THIS MATTER .....</b>	<b><u>\$14,881.55</u></b>

**TERMS: PAYMENT DUE UPON RECEIPT**

**PLEASE RETURN THIS PAGE WITH YOUR REMITTANCE**

**RW** RICHARDS | WATSON | GERSHON  
**STC** ATTORNEYS AT LAW – A PROFESSIONAL CORPORATION

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ERIC FRASER  
Beaumont- Cherry Valley Water District  
560 Magnolia Avenue  
Beaumont, Ca 92223-2258

June 17, 2015  
Invoice # 202024

Re: 12788-0004 [REDACTED]

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Current Legal Fees .....	\$379.20
Current Client Costs Advanced .....	<u>\$20.32</u>
<b>TOTAL CURRENT FEES AND COSTS .....</b>	<b><u>\$399.52</u></b>
Balance Due From Previous Statement .....	\$253.40
<b>TOTAL BALANCE DUE FOR THIS MATTER .....</b>	<b><u>\$652.92</u></b>

**TERMS: PAYMENT DUE UPON RECEIPT**

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**RICHARDS | WATSON | GERSON**

ATTORNEYS AT LAW – A PROFESSIONAL CORPORATION

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FILE WITH PUBLICLY ACCESSIBLE RECORDS.

ERIC FRASER  
Beaumont- Cherry Valley Water District  
560 Magnolia Avenue  
Beaumont, Ca 92223-2258

June 17, 2015  
Invoice # 202025

Re: 12788-0005 [REDACTED]

---

Current Legal Fees .....	\$3,874.40
Current Client Costs Advanced .....	<u>\$292.60</u>
<b>TOTAL CURRENT FEES AND COSTS .....</b>	<b><u>\$4,167.00</u></b>
Balance Due From Previous Statement .....	\$9,911.87
<b>TOTAL BALANCE DUE FOR THIS MATTER .....</b>	<b><u>\$14,078.87</u></b>

**TERMS: PAYMENT DUE UPON RECEIPT**

**PLEASE RETURN THIS PAGE WITH YOUR REMITTANCE**

Valuation as of June 30, 2013	Pre-Payment	Post Payment
Projected 6/30/15 Side Fund	\$ 1,000,935	\$ 0
2015-2016 Employer Contributions		
Plan's Net Employer Normal Cost	10.298%	10.298%
Surcharges for Class 1 Benefits		
a) FAC 1	0.660%	0.660%
b) PRSA	1.034%	1.034%
c) 5% COLA	1.251%	1.251%
Phase out of Normal Cost Difference	0.000%	0.000%
Employer Normal Cost Contribution Rate	13.243%	13.243%
Side Fund	\$ 225,678	\$ 0
Share of pre-2013 pool UAL	48,065	48,065
Asset (Gain)/Loss	8,137	8,137
Non-Asset (Gain)/Loss	38	38
2015-2016 Employer Unfunded Liability Payment	\$ 281,918	\$ 56,240

Required Employer Contribution for FY 2015-16 Post Payment		
Employer Contribution Rate		13.243%
Plus Monthly Employer Dollar UAL Payment	\$	4,687 (A)
Annual Lump Sum Prepayment Option	DUE IN JULY 2015	\$ 54,243 (B)

For FY 2015-16 the total minimum required employer contribution is the sum of the Plan's Employer Contribution Rate (expressed as a percentage of payroll) plus the Employer Unfunded Accrued Liability (UAL) Contribution Amount (in dollars). Whereas in prior years it was possible to prepay total employer contributions for the fiscal year, beginning with FY 2015-16 and beyond, only the UAL portion of the employer contribution can be prepaid.

To initiate this change, the enclosed Lump Sum Payment Request must be completed and returned to the Fiscal Services Division with a wire transfer or a check by December 31, 2014. A copy should be sent to us.

If you have questions, please call (888) CalPERS (225-7377).



TODD TAUZER, ASA, CERA, MAAA  
Associate Pension Actuary, CalPERS

Billed out 7/1/2015  
Must be paid by  
8/1/2015.

0.000	*
(A) 4,687.	x
12.	=
<u>56,244.000</u>	
0.000	*
MONTHLY PMTS TOTAL	

PREPAYMENT LUMP PAYMENT OF \$ 54,243
0.000 *
56,244.000 +
(B) <u>54,243.000 -</u>
SAVINGS <u>2,001.000 *</u>

# LUMP SUM PAYMENT REQUEST

Please complete and return this form to the following address:

CalPERS  
Fiscal Services Division  
Attn: Retirement Program Accounting  
P O Box 942703  
Sacramento, CA 94229-2703

Or fax to: 916-795-7622.

If a wire transfer is being used, it should go to the following account:

██████████  
Bank of America Sacramento Main  
555 Capitol Mall, Suite 1555  
Sacramento, CA 95814

For credit to State of CA, CalPERS  
Account #: ██████████

Please e-mail [FCSD\\_public\\_agency\\_wires@calpers.ca.gov](mailto:FCSD_public_agency_wires@calpers.ca.gov) and your actuary on the day of the wire to ensure timely crediting to your account. Any individual wire totaling over \$5,000,000 requires a 72 hour notice.

Employer Name: BEAUMONT-CHERRY VALLEY WATER DISTRICT

CalPERS ID: ██████████

Member Group or Plan: MISCELLANEOUS PLAN

Rate Plan ID: 3922

Amount: **\$1,072,941**

Purpose:	Pay off the side fund
Base(s) to which payment is applied:	N/A

In recognition of our payment please revise our employer contribution rate effective December 31, 2014:

Name and Title: (Please Print): \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Telephone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

Fiscal Services verification Date Received \_\_\_\_\_ Amount Received \_\_\_\_\_

PERS01F0036 DMC (02-2009) Reference # \_\_\_\_\_ Name and Date: \_\_\_\_\_



California Public Employees' Retirement System  
 Actuarial Office  
 P.O. Box 942709  
 Sacramento, CA 94229-2709  
 TTY: (916) 795-3240  
 (888) 225-7377 phone • (916) 795-2744 fax  
 www.calpers.ca.gov

December 4, 2014

CalPERS ID: ██████████  
 Employer Name: BEAUMONT-CHERRY VALLEY WATER DISTRICT  
 Rate Plan: MISCELLANEOUS PLAN

Re: Lump Sum Payment to reduce 2015-2016 pooled employer contributions

Dear Requestor:

As requested, 2014-2015 and 2015-2016 employer contribution rate information on your lump sum payment follows.

If you are aware of others interested in this information (i.e. payroll staff, county court employees, port districts, etc.), please inform them.

The information is based on the most recent annual valuation and assumes payment *by December 31, 2014* and no further contractual or financing changes taking effect before June 30, 2014. The Side Fund will be reduced or eliminated by a lump sum payment in the amount of \$1,072,941.

Valuation as of June 30, 2012	Pre-Payment	Post-Payment
Projected 6/30/14 Side Fund (SF)	<b>(\$ 1,142,426)</b>	
Proposed Lump Sum Pmt by 12/31/14	<b>\$ 1,072,941</b>	
Revised projected 1/1/15 SF		<b>\$ 0</b>
<b>2014-2015 Employer Contribution Rate</b>		
Risk Pool's Net Employer Normal Cost	10.007%	10.007%
Risk Pool's Payment on Amortization Bases	6.079%	6.079%
<b>Surcharges for Class 1 Benefits</b>		
a) FAC 1	0.605%	0.605%
b) PRSA	1.001%	1.001%
c) 5% COLA	1.166%	1.166%
Phase out of Normal Cost Difference	0.000%	0.000%
Amortization of Side Fund	13.190%	0.000%
<b>Total Employer Contribution Rate</b>	<b>32.048%</b>	<b>18.858%</b>
Amortization Period	<b>6 years</b>	<b>N/A</b>
Change to 14/15 Total Employer Contribution Rate		<b>(13.190%)</b>

## Required Employer Contribution

Actuarially Determined Employer Contributions:	Fiscal Year	Fiscal Year
	2014-15 <sup>1</sup>	2015-16
Employer Contributions (in Projected Dollars)		
Plan's Employer Normal Cost	\$ 166,225	\$ 191,579
Plan's Payment on Amortization Bases	100,978	281,918 <sup>2</sup>
Surcharge for Class 1 Benefits <sup>3</sup>		
a) FAC 1	10,050	12,278
b) PRSA	16,627	19,236
c) 5% COLA	19,368	23,273
Phase out of Normal Cost Difference <sup>4</sup>	0	0
Amortization of Side Fund	219,105	0
<b>Total Employer Contribution</b>	<b>\$ 532,353</b>	<b>\$ 528,284</b>
Projected Payroll for the Contribution Fiscal Year	\$ 1,661,087	\$ 1,860,356
Required Employer Contributions (Percentage of Payroll)		
Plan's Net Employer Normal Cost	10.007%	10.298%
Plan's Payment on Amortization Bases	6.079%	15.154% <sup>2</sup>
Surcharge for Class 1 Benefits <sup>3</sup>		
a) FAC 1	0.605%	0.660%
b) PRSA	1.001%	1.034%
c) 5% COLA	1.166%	1.251%
Phase out of Normal Cost Difference <sup>4</sup>	0.000%	0.000%
Amortization of Side Fund	13.190%	0.000%
<b>Total Employer Contribution Rate</b>	<b>32.048%</b>	<b>28.397%</b>

<b>Required Employer Contribution for FY 2015-16</b>	
<b>Employer Contribution Rate<sup>5</sup></b>	<b>13.243%</b>
<b>Plus Monthly Employer Dollar UAL Payment<sup>6</sup></b>	<b>\$ 23,493</b>
<b>Annual Lump Sum Prepayment Option</b>	<b>\$ 271,906</b>

*For FY 2015-16 the total minimum required employer contribution is the sum of the Plan's Employer Contribution Rate (expressed as a percentage of payroll) plus the Employer Unfunded Accrued Liability (UAL) Contribution Amount (in dollars). Whereas in prior years it was possible to prepay total employer contributions for the fiscal year, beginning with FY 2015-16 and beyond, only the UAL portion of the employer contribution can be prepaid.*

(A) Original Calculation  
 DUE TO  
 (B) Side Fund Paid = New Annual Calculation

<sup>1</sup> The results shown for FY 2014-15 reflect the prior year payoff or rate adjustment made after annual valuation	0.000 *	payment, side fund
<sup>2</sup> For FY 2015-16 the Plan's Payment on Amortization Bases includes the Plan's Side Fund (where applicable).	0.000 *	bases including the
<sup>3</sup> Section 2 of this report contains a list of Class 1 benefits		fit.
<sup>4</sup> Risk pooling was implemented for most plans as of 1/1/13 and is incrementally reduced by 20 percent of the original contribution or the total level dollar amount percent. Lump sum	(A) 271,906.000 +	as scheduled to be
	(B) 54,243.000 -	first year of pooling,
	217,663.000 *	year.
<sup>5</sup> The minimum employer contribution under PEPR is the employer normal cost.		tribution or the total
<sup>6</sup> The Plan's Payment on Amortization Bases Contribution is paid monthly over the course of the year. Late payments are not allowed.		level dollar amount
		percent. Lump sum

(A) (B)  
 SAVINGS TO THE DISTRICT



**BEAUMONT-CHERRY VALLEY WATER DISTRICT**  
**MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS**  
**560 Magnolia Avenue, Beaumont, CA 92223**  
**Wednesday, June 10<sup>th</sup>, 2015**  
**Regular Session 7:00 p.m.**

---

**Call to Order, President Ross**

*President Ross began the meeting at 7:03 p.m.*

**Pledge of Allegiance, Director Cottrell**

*Director Cottrell led the pledge*

**Invocation, Director Covington**

*Director Covington led the invocation*

**Roll Call**

*Present at the meeting were President Ross, Directors Cottrell, Slawson, Covington and Hoffman. Legal Counsel: James Markman. District Staff: Director of Engineering: Dan Jagers and Director of Finance and Administrative Services: Yolanda Rodriguez. Director of Operations: Tony Lara was present as the alternate in the absence of General Manager Eric Fraser.*

*Public who registered their attendance were Mark & Kim Swanson, Lloyd White, Mark Orozco, Fran Flanders, Margaret Downs, Sal Amata, Mo Behzad, Patsy Reeley, Barbara H. Brown, Pam Lindgren, Kristian George, Christopher George, Sheri Bogh, Bud Sanders, Bart Hollander, Mary Daniel, Sharon Hamerton, Kevin Cischer, Anita Worthen.*

**Public Comment**

*Chris George, Beaumont resident, questioned the purpose of the purple pipes. Kristian George, Beaumont resident, shared her concerns regarding the latest Governor Brown's Executive Order and the associated penalties imposed on the citizens if the 36 percent water reduction was not met by the citizens.*

*Director of Operations Lara responded to the public's questions above and explained the purpose of the purple pipes used for recycled water.*

**ACTION ITEMS**

**1. Adjustments to the Agenda**

*Director Lara advised the Board that there were no changes to the Agenda.*

**2. Consent Calendar:** All matters listed under the Consent Calendar are considered by the Board of Directors to be routine and will be enacted in one motion. There will be no discussion of these items prior to the time the Board considers the motion unless members of the Board, the administrative staff, or

the public request specific items to be discussed and/or removed from the Consent Calendar.

- a. April 2015 Budget Variance Report Review\*\* (pages 3-7)
- b. April 30<sup>th</sup>, 2015 Cash/Investment Balance Report\*\* (page 8)
- c. May 2015 Check Register Review\*\* (pages 9-26)
- d. May 2015 Invoices Pending Approval\*\* (pages 27-30)
- e. Minutes of the Regular Meeting May 13<sup>th</sup>, 2015\*\* (pages 31-35)

*Director Covington motioned to approve all items on the Consent Calendar. The motion was seconded by Director Hoffman and passed 5-0.*

**3. Update on InfoSend Water Bill Print & Mail Services: One Year Cost Analysis \*\* (pages 36-40)**

*Director of Finance & Administrative Services Rodriguez shared that since the implementation of InfoSend print and mailing services, the District has experienced a \$54,999 reduction in annual cost for supplies and District's staff time in processing the utility billing.*

**4. Consideration of Request for Update of "Will Serve Letter" for Previously Approved Development – Tract 32850. \*\* (pages 41-61)**

*Director of Engineering Jagers provided an overview of the request for an update of the "Will Serve Letter". He shared that the project developer has worked proactively to process water and non-potable water improvement plans through the District's approval process over the last year and is currently proceeding with project development.*

**Public Comment on Item:**

*Mary Daniel expressed her concerns regarding the current drought situation and requested the update to the Will Serve Letter be denied.*

*Vicky Valenzuela, representative for Thatcher Engineering & Associates and the owner (developer), shared that since the project was previously provided with a "Will Serve Letter" by the District, the project site was annexed into the District's Service Area Boundary and the developer has actively worked over the last year to update plans and secure District project approval for the revised Water and Non-Potable Water Plans and hereby request approval of an update to the "Will Serve Letter".*

*Patsy Reeley shared her concerns regarding the current drought situation and allowing the applicant to update their "Will Serve Letter".*

*After discussion, Director Slawson motioned to approve the updated "Will Serve Letter" request. Director Hoffman seconded the motion. The motion passed 5-0.*

**5. Consideration of Request for Update of "Will Serve Letter" for Commercial Development Infill Parcel Associated with Loma Linda University Annexation (Infill Parcel-Riverside County Assessor's Parcel No. 419-267-075. \*\*(pages 62-84)**

*Director of Engineering Jagers provided an overview of the request for an update of the "Will Serve Letter". He explained the request for the updated "Will Serve Letter" and shared that the applicant, Rich Development Enterprise, is currently in escrow with Loma Linda University to purchase the*

identified parcel which was part of the 437 acres owned by Loma Linda University for which a "Will Serve Letter" was previously issued by the District on September 9, 1985.

**Public Comment on Item:**

Bob Botts, representative for the Beaumont Chamber of Commerce, expressed his support for the development and supported the update to the "Will Serve Letter".

City of Beaumont councilman Mark Orozco, expressed his support for the update of the "Will Serve Letter" and expressed this development would be a benefit to the Beaumont community by generating sales tax thereby increasing the City of Beaumont's revenue stream.

City of Beaumont councilman Lloyd White, also expressed his support for the update of the "Will Serve Letter" and commented this would be good for the citizens of the City of Beaumont.

Bart Hollander from Rich Development Enterprise, shared his opinion on the benefits of allowing the development to move forward by granting an update "Will Serve Letter".

After discussion, Director Slawson motioned to approve the updated "Will Serve Letter" request. Director Cottrell seconded the motion. The motion passed 5-0.

**6. Consideration of Request for a Conditional "Intent to Serve Letter" for Proposed Low Income Veterans Housing Project – Illinois Avenue, Beaumont, CA (Riverside County Assessor's Parcel No 418-020-027, -032, -033, -034)\*\*(pages 85-97)**

Director of Engineering Jagers gave an overview of the request from LINC Housing Corporation, for a conditional "Intent to Serve Letter" for the proposed Low Income Veteran's Housing Project. He explained that the applicant has requested that the District provide a commitment to serve the project upon resolution of the drought in California. He also shared that the applicant was aware of the District's Resolution 2014-05 which prohibited the issuance of a new "Will Serve Letter". He further explained the applicant wanted to move forward with the project at their own risk and anticipated construction would not began until January 2017.

**Public Comment on Item:**

City of Beaumont councilman Mark Orozco expressed his support for the "Intent to Serve Letter" for the proposed Low Income Veteran's Housing Project.

Pam Lindgren also expressed her support for granting the "Intent to Serve Letter".

Michael De La Torre, representing the non-profit LINC Housing, offered to answer any questions and requested approval of the "Intent to Serve Letter" for the Low Income Veteran's Housing Project.

Anita Worthen, representative for the Riverside Veteran's Affairs Committee, expressed her support for the "Intent to Serve Letter".

*After discussion, Director Covington motioned to table the request until next Board Meeting to allow District staff to draft a letter of project support. Director Cottrell seconded the motion to table the request. The motion was passed 5-0.*

## **7. Reports For Discussion**

### a. Ad Hoc Committees

*No reports were made.*

### b. General Manager

*No reports were made.*

### c. Directors Reports

*Director Covington shared that although the District does not give rebates and grants, there are resources for the public, such as the California Department of Water Resources website, which offers grants. He encouraged the public to visit the website and read the guidelines for applying for such grants.*

### d. Legal Counsel Report

*No reports were made.*

## **8. Announcements**

- Finance & Audit Committee meeting, July 2<sup>nd</sup>, 2015 at 3:00 p.m.
- Regular Board meeting, July 8th, 2015 at 7:00 p.m.

*President Ross made the announcements above.*

## **9. Action List for Future Meetings**

- Schedule a workshop to discuss the landscape for the Noble Creek Recharge Phase II Project with the public
- Solar System Update
- Grand Avenue Storm Water Capture Project

*Director of Operations Lara asked the Board to notify the District of a date and time which would work for them to schedule the public meeting/workshop to discuss the landscape for the Noble Creek Recharge Phase II Project.*

*President Ross requested for General Manager Fraser to give a report on how the District will meet California's Conservation Standards.*

*President Ross made the announcements above.*

## **10. Adjournment**

*President Ross adjourned the meeting at 8:24 p.m.*

Attest:

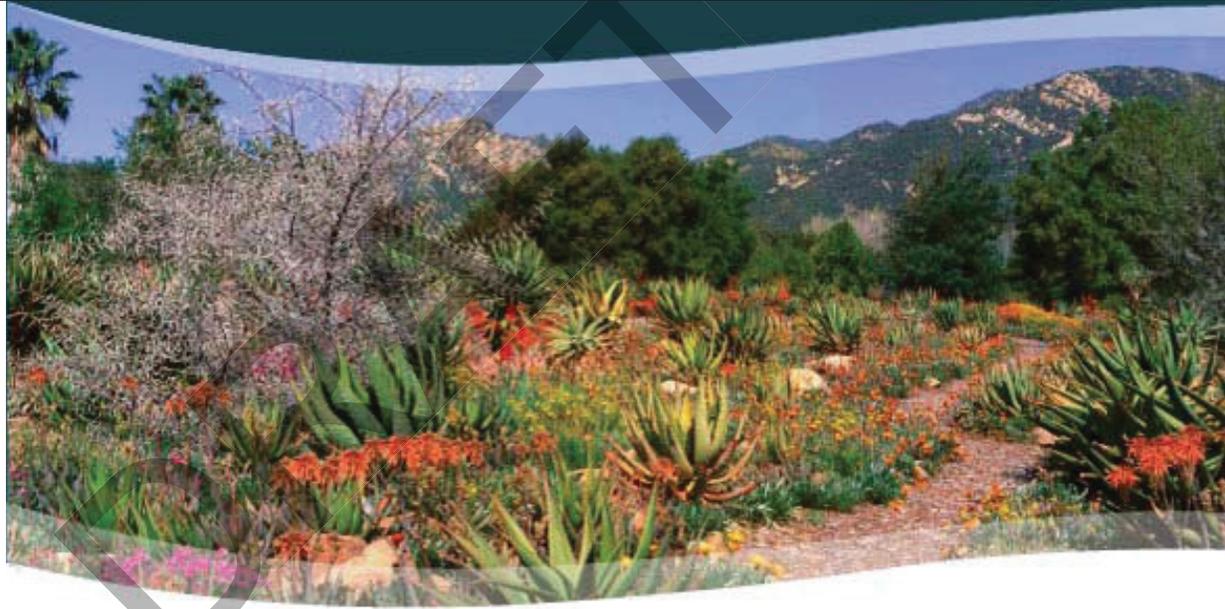
\_\_\_\_\_  
Director Kenneth Ross, President  
of the Board of Directors of the  
Beaumont-Cherry Valley Water District

\_\_\_\_\_  
Director Daniel Slawson, Secretary to  
the Board of Directors of the  
Beaumont-Cherry Valley Water District

\*\* Information included in the agenda packet

# Annual Financial Report

For the Fiscal Year Ended December 31, 2014

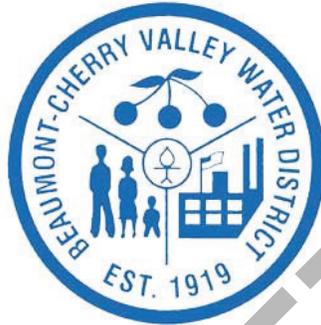


Beaumont-Cherry Valley  
Water District

DRAFT

# Beaumont-Cherry Valley Water District

560 Magnolia Avenue Beaumont CA 92223  
951.845-9581 www.bcvwd.org



## Board of Directors as of December 31, 2014

Director	Title	Division	Current Term
Ken Ross	President	2	12/2012 – 12/2016
Jeffrey Cottrell	Vice-President	1	11/2014 – 12/2016
John Covington	Treasurer	4	12/2014 – 12/2018
Daniel Slawson	Secretary	3	12/2014 – 12/2018
David Hoffman	Director	5	12/2014 – 12/2018

Eric Fraser, P.E.  
General Manager

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Beaumont-Cherry Valley Water District  
Annual Financial Report  
For the Year Ended December 31, 2014

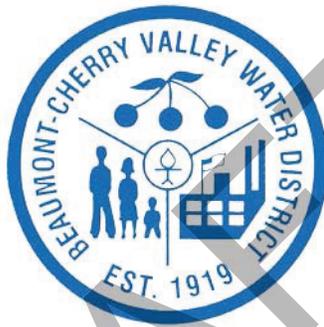
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# Introductory



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www.bcvwd.org

# Beaumont-Cherry Valley Water District

Phone: (951) 845-9581 Fax: (951) 845-0159

July 2, 2015

## Board of Directors

Dr. Blair Ball  
Division 5

John Guldseth  
Division 4

Daniel Slawson  
Division 3

Kenneth Ross  
Division 2

Ryan Woll  
Division 1

Honorable Board of Directors  
Beaumont-Cherry Valley Water District

## Introduction

It is our pleasure to submit the Annual Financial Report for the Beaumont-Cherry Valley Water District for the year ended December 31, 2014, following guidelines set forth by the Government Accounting Standards Board (GASB). District staff prepared this financial report. District management is ultimately responsible for both the accuracy of the data and the completeness and fairness of presentation, including all disclosures in this financial report. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The District's financial statements have been audited by Vavrinek, Trine, Day and Company, LLP, a firm of licensed certified public accountants. The purpose of their independent audit was to provide reasonable assurance that the financial statements of the District, for the year ended December 31, 2014, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used; and evaluating the overall financial statement presentation. The audit included obtaining an understanding of the District and its environment, including internal controls, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures.

The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the year ended December 31, 2014, are fairly presented, in all material respects, in conformity with Generally Accepted Accounting Principles (GAAP). The independent auditors' report is presented as the first component of the financial section of this report, beginning on page 6.

GAAP requires management to provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditor, beginning on page 8.

## District Profile

The goal of the District is to provide for a healthy, safe and enriched quality of life throughout the District boundaries through watershed stewardship and thorough management of water resources in a practical, cost-effective and environmentally sensitive manner for current and future generations.

## Beaumont-Cherry Valley Water District

The origin of the Beaumont-Cherry Valley Water District dates back to the latter part of the 1800's when the Southern California Investment Company was the owner of the land that currently is the City of Beaumont and the community of Cherry Valley. The Company intended to build a system of water lines for the purpose of developing subdivisions throughout the Beaumont and Cherry Valley areas.

Over many decades, the water system of the Beaumont-Cherry Valley Water District has evolved from a small privately owned company that was started to support development in the District's service area, to the system today that serves over 46,843 people in both the City of Beaumont and the community of Cherry Valley.

The District's present service area covers approximately 28 square miles, virtually all of which is in Riverside County, and includes the City of Beaumont, the community of Cherry Valley and some small areas of Calimesa. The District does, however, own 539 acres of watershed land in Edgar Canyon in San Bernardino County located just north of the Riverside-San Bernardino County line where the District operates a number of wells and several reservoirs.

The District has both a potable and non-potable water distribution system. At the end of 2014, the District had a total of 16,535 connections, an increase of 399 connections over 2013. Approximately 311 of these total connections are landscape irrigation connections to the non-potable (recycled) water system and approximately 45 of these total connections are for agricultural irrigation which is connected to the potable water system. The number of connections increased from 5,600 in the year 2000 before the housing market boom that encompassed Western Riverside County and particularly Beaumont.

The District has a total of 24 wells and 14 reservoirs ranging in size from 0.5 million gallons (MG) to 5 MG. Total storage is approximately 22 MG.

Today, the Beaumont-Cherry Valley Water District continues to develop programs and policies that ensure a supply of water for the area's growing population and include recharge of local area storm water and imported water from the State Water Project.

Of significance to its programs and goals, the District's Board purchased 78.8 acres of land and eventually constructed the Noble Creek Recharge Facility for the recharge of imported water from the State Water Project. In the future, storm runoff and possibly highly treated recycled water will be recharged at the facility. These water sources are in the untreated state which means the water will be naturally treated as it recharges the groundwater much like rain and runoff are naturally treated as they seep into the ground to become groundwater.

The District is governed by a five-member Board of Directors representing five divisions. The General Manager administers the day-to-day operations of the District in accordance with policies and procedures established by the Board of Directors. The District currently employs thirty-three employees. The District's Board of Directors meets on the second Wednesday of each month and the Finance & Audit Committee meets on the first Thursday of each month. Meetings are publically noticed and citizens are encouraged to attend.

## Local Economy

The Inland Empire, east of Los Angeles, is projected to be one of the fastest growing large metropolitan area economies in the country over the next six years, according to a forecast from the United States Conference of Mayors.

Economic growth estimates in the Riverside/San Bernardino economy will be the highest in California, for an average of 4.2% through 2020.

Riverside County was the states sixth fastest growing county out of 58. Its population rose 1.2%, from 2,280,191 to 2,308,441.

Two inland cities had the fastest growth rates. Beaumont, California's sixth fastest growing city in 2014, grew 4% and Chino at number ten on the list saw its population rise 3.4%.

The City of Beaumont experienced very rapid growth from the year 2000 to 2010 and about two-thirds of this growth occurred between 2000 and 2005. The high rate of growth continued until mid-2008 when development slowed markedly following the economic downturn in the US and California.

The historic growth of the local economy is set forth by the recent population and household data for the District's service area are as follows:

City of Beaumont	1990	2000	2010	2014
Population	9,685	11,407	36,837	40,853
Households	3,718	3,887	11,801	12,039
People/Household	2.60	2.93	3.12	3.39

The population in Cherry Valley has remained relatively constant since 1980.

In 2014, the District continued to experience increased interest from land developers in completing tract developments that were put on hold during the economic slowdown and beginning new developments that were previously delayed.

The future growth anticipated for the local economy is reflected in the planned construction by area land developers of approximately 13,806 housing units. Approximately 10,806 of these planned housing units are approved.

The District staff anticipates that in 2015 the growth in the District's service area related to residential, commercial and industrial development will again increase incrementally.

## Relevant Financial Policies

### Budgetary Controls

The District maintains budgetary controls, the objectives of which are to ensure compliance with legal provisions, embodied in the annually appropriated budget approved by the Board of Directors.

During the budget year ending December 31, 2014, there was one significant amendment made to the original budget. Of significance was the CalPERS Side Fund payoff of \$1,072,886.

## Beaumont-Cherry Valley Water District

The year 2014 was another transitional year for the District in many regards but still resulted in operating revenues being in line with operating expenses and a balanced budget.

### **Major Initiatives**

Major goals for the District continue to be the conservation and efficient use of urban water supplies, providing the means to meet increasing demands for water, and providing an accurate accounting of all business operations including District infrastructure. The following paragraphs summarize the status of the District's completed and on-going initiatives identified in the 2014 Annual Financial Report as well as briefly describing new projects initiated to meet those goals.

Developing the facilities to provide water for future growth continues to be a priority and therefore District staff continued the expansion of the District's Noble Creek Recharge Facility. Specifically, in the year 2000, the District began investigating a 78.8 acre site as a location for a facility to recharge captured storm flow and other water sources. The District eventually purchased the site and developed Phase 1 of the Noble Creek Recharge Facility to enable the District to meet current and near-future demand through groundwater recharge. Phase 1 facilities were completed and went on line in late summer of 2006 for recharging storm flow and imported water from the State Water Project. Phase 2 of the Noble Creek Recharge Facility project is on-going and designed to enable the District to meet ultimate development and overall community demand for additional water via groundwater recharge. Completion of Phase 2 construction is expected in 2016.

Upon completion of the Urban Water Management Plan, the District directed its efforts to a needed update of the Water Master Plan. Essentially, the Water Master Plan provides an overview of present, planned and probable future development trends; a review of development densities; the City of Beaumont's General Plan; the County of Riverside's General Plan; a review of historical supply and demand, present trends, future trends and water requirements; estimated demands that could be met with recycled water; a review of plans and system capacities for imported water; the development of water resource and supply scenarios for dry, average and wet years; and project needed facilities and costs needed to meet future demands. The District's Water Master Plan is estimated to be completed in 2015.

The District recognized the need to upgrade its main accounting system in order to improve the efficiency of day-to-day operations and provide an accurate accounting of all business operations. The District implemented the new "Springbrook" accounting system during the period of April through June of 2013. System modules for capital assets, inventory, accounts receivable and work order processing were deployed in 2014 to enhance support staff efficiencies and internal controls. The District will be directing its efforts toward enhancing system reporting including "dashboard" development in 2015.

### **Water Restrictions**

On January 17, 2014, Governor Brown issued a proclamation of a state of emergency under the California Emergency Services Act based on drought conditions. On April 25, 2014, Governor Brown issued a proclamation of a continued state of emergency based on continued drought. As a result of two or more consecutive dry years, the State Water Resources Control Board implemented emergency regulations on July 15, 2014, effective

## Beaumont-Cherry Valley Water District

July 29, 2014, intended to limit outdoor irrigation and other wasteful water practices for a period of 270 days.

The District's Board of Directors declared on August 13, 2014 that conditions exist to implement water usage restrictions in accordance with the Urban Water Management Plan adopted by the Board of Directors. Board declarations are available as part of Resolution 2014-04 and available on the District's website.

On March 17, 2015, the State Water Resources Control Board issued Urban Water Conservation Emergency Regulations which included additional restrictions as well as those already in place. On March 27, 2015 the Office of Administrative Law approved the regulations, extending the restrictions for another 270 days. On April 8, 2015 the Board of Directors adopted Resolution 2015-02 implementing new water use restrictions. For example, item 11 of the Resolution 2015-02 is as follow:

*“Lawn watering, park, school, and street median landscape watering is restricted to Monday, Wednesday, and Friday for addresses ending in odd numbers, and Sunday, Tuesday, and Thursday for addresses ending in even numbers during the months of May through October. For the months of November through April, odd addresses are limited to Monday and Friday and even addresses are limited to Tuesday and Saturday.”*

### **Acknowledgements**

Preparation of this report was accomplished by the combined efforts of District staff. We appreciate the dedicated efforts and professionalism that these staff members contribute to the District. We would also like to thank the members of the Board of Directors for their continued support in planning and the implementation of the Beaumont-Cherry Valley Water District's financial and operating policies.

This report is prepared in remembrance of Melissa Bender, our friend and colleague. Her dedication, leadership and warm personality helped reshape our District culture.

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**Eric Fraser**  
**General Manager**

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**Yolanda Rodriguez**  
**Director of Finance &**  
**Administrative Services**

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## Financial

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# Independent Auditor's Report

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Beaumont-Cherry Valley Water District  
Beaumont, California

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Beaumont-Cherry Valley Water District (the District), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the District, as of December 31, 2014, and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

As disclosed in Note 17 to the financial statements, the District recognized a Special Item resulting from a change in actuarial assumptions used in the calculation of the District's Other Post-Employment Benefits obligations as of December 31, 2014. Our opinion is not modified with respect to this matter.

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 8 through 13 and the schedule of funding status on page 35 to be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements that comprise the District's basic financial statements. The introductory section is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

***Other Reporting Required by Government Auditing Standards***

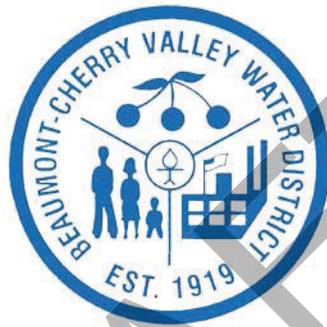
In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2015, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Riverside, California  
July 2, 2015

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# Management's Discussion & Analysis

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Beaumont-Cherry Valley Water District  
Management's Discussion and Analysis  
For the Year Ended December 31, 2014

As management of the Beaumont-Cherry Valley Water District, we offer readers of the Beaumont-Cherry Valley Water District's financial statements this narrative overview and analysis of the financial activities of the Beaumont-Cherry Valley Water District for the fiscal year ended December 31, 2014. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our transmittal letter which can be found on pages 1-5.

### Financial Highlights

Based on the financial information for the year ended December 31, 2014, the following financial highlights are noted for the Beaumont-Cherry Valley Water District:

- The assets of the District exceeded its liabilities at year end by \$131,692,144 (net position). Of this amount, \$13,498,835 represents unrestricted net position, which may be used to meet the District's ongoing obligations to customers and creditors.
- The District's total net position increased \$8,267,830 from the prior fiscal year. The increase is a result of the combined effects of increased revenues (e.g. water sales) of \$198,278; decreased operating expenses of \$1,414,344 primarily due to a decrease in water purchases of \$1,211,232; capital contributions from developer activities of \$2,677,180; and a revision of assumptions regarding OPEB costs amounting to \$2,964,502.

### Overview of Required Financial Statements

This discussion and analysis is intended to serve as an introduction to the Beaumont-Cherry Valley Water District's annual financial report. The annual financial report is comprised of the following:

- Transmittal Letter;
- Independent Auditors' Report;
- Management's Discussion and Analysis;
- Basic Financial Statements:
  - Statement of Net Position;
  - Statement of Revenues, Expenses and Changes in Net Position;
  - Statement of Cash Flows;
- Notes to the Basic Financial Statements;
- Required Supplementary Information; and
- Report on Internal Controls & Compliance.

The *Statement of Net Position* presents financial information on all of the Beaumont-Cherry Valley Water District's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Beaumont-Cherry Valley Water District is improving or deteriorating. Beaumont-Cherry Valley Water District's net position as of December 31, 2014 was \$131,692,144 an increase of \$8,267,830 from the \$123,424,314 reported in 2013. The *Statement of Net Position* can be found on page 14.

Beaumont-Cherry Valley Water District  
Management's Discussion and Analysis  
For the Year Ended December 31, 2014

The *Statement of Revenues, Expenses and Changes in Net Position* presents information illustrating how net position changed during the fiscal year. This *Statement* measures the success of the District's operations over the past reporting period and can be used to determine if the District has successfully recovered all of its costs through its rates and other charges. More succinctly, this *Statement* can be used to evaluate the District's financial condition over the last year. It can also be used as a basis for determining credit worthiness. The *Statement of Revenues, Expenses & Changes in Net Position* can be found on page 15.

The *Statement of Cash Flows* presents information relating to the District's cash receipts and cash payments for the year. When used with related disclosures and information in the other financial statements, the information in this *Statement* should help readers assess the District's ability to generate future net cash flows, its ability to meet its obligations as they come due and its need for external financing. It also provides insight into the reasons for differences between operating income and associated cash receipts and payments; and the effects of the District's financial position of its cash and non-cash investing for capital and related transactions during the year. This *Statement* answers questions such as sources of cash, uses of cash and the change in the cash balance during the reporting period. The *Statement of Cash Flows* can be found on page 16.

*Notes to the Financial Statements.* The notes provide additional information that is necessary to understand the data provided in the basic financial statements. The notes to the financial statements are included immediately following the *Basic Financial Statements* and can be found on pages 17-34 of this report.

In addition to the *Basic Financial Statements* and accompanying notes, this report also presents *Required Supplementary Information* concerning the Beaumont-Cherry Valley Water District's progress in funding its obligation to provide for future retirees health care benefits (OPEB). *Required Supplementary Information* can be found on page 35 of this report.

### **Financial Analysis**

The following condensed schedules contain a summary of financial information that was taken from the *Basic Financial Statements* to assist readers in assessing the District's overall financial position and operating results as discussed in this MD&A.

# Beaumont-Cherry Valley Water District

## Management's Discussion and Analysis

For the Year Ended December 31, 2014

### Statement of Net Position

As noted earlier, net position over time, may serve as a useful indicator of a government's financial position. Beaumont-Cherry Valley Water District's assets exceeded liabilities by \$131,692,144 for the fiscal year ending December 31, 2014.

	<u>2014</u>	<u>2013</u>
Current assets	\$ 18,781,794	\$ 12,479,279
Non-current assets	230,157	458,383
Capital assets	<u>116,054,562</u>	<u>117,924,668</u>
Total assets	<u>135,066,513</u>	<u>130,862,330</u>
Current liabilities	2,773,346	2,792,543
Non-current liabilities	<u>601,023</u>	<u>4,645,473</u>
Total liabilities	<u>3,374,369</u>	<u>7,438,016</u>
Net investment in capital assets	116,054,562	117,924,668
Restricted	2,138,747	-
Unrestricted	<u>13,498,835</u>	<u>5,499,646</u>
Total Net Position	<u>\$ 131,692,144</u>	<u>\$ 123,424,314</u>

The largest portion of the District's net position \$116,054,562 (88.1%) reflects its investment in capital assets (e.g., land, transmission and distribution systems, reservoirs, tanks, pumps, buildings and structures, equipment and vehicles) net of depreciation. The District uses its capital assets to provide water service to the residents of Beaumont, Cherry Valley and some portions of Calimesa. As such, these assets are not available for future spending.

The restricted net position of \$2,138,747 (1.6%) represents funds to be used for future infrastructure construction. The remaining unrestricted net position of \$13,498,835 (10.3%) is designated according to board policy to meet the ongoing needs of the District. See Note 12 on pages 31 for more details on the District's net position.

The District's net position increased \$8,267,830 from the prior fiscal year, details of which were discussed in the Financial Highlights section on page 8.

### Statement of Revenues, Expenses and Changes in Net Position

The increase in operating revenue was primarily attributable to an increase in water consumption (11,922 acre feet sold in 2014 versus 11,829 acre feet sold in 2013). Furthermore, there was an increase in overall customers served by the District (16,535 active customers (meters) in 2014 versus 16,136 active customers (meters) in 2013).

Operating expenses decreased in 2014 by \$1,414,344 primarily due to a decrease in water purchases of \$1,211,232. Capital contributions in 2014 of \$2,677,180 increased from

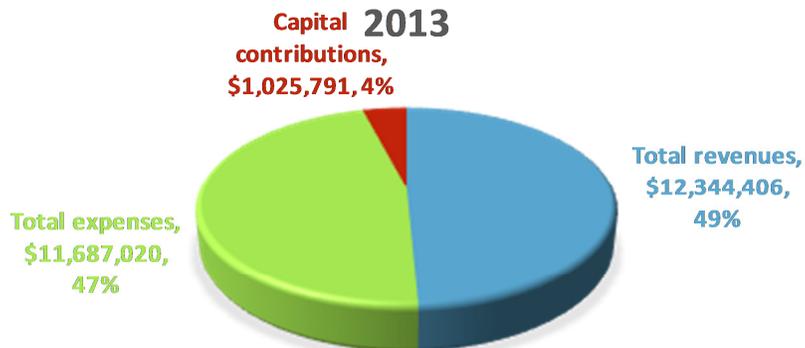
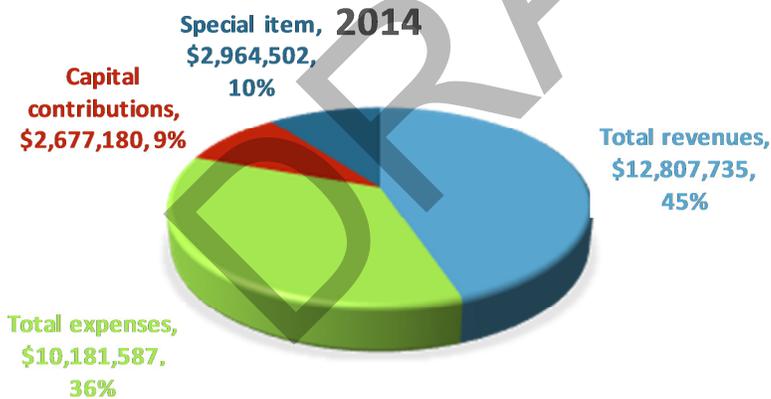
# Beaumont-Cherry Valley Water District

## Management's Discussion and Analysis

For the Year Ended December 31, 2014

\$1,025,791 in 2013 due to an increase in development activity and the resulting facilities fees and front footage fees paid by developers. Capital contributions from developers are expected to continue to increase in 2015.

	<u>2014</u>	<u>2013</u>
Operating revenues	\$ 12,436,150	\$ 12,237,872
Non-operating revenues	371,585	106,534
<b>Total revenues</b>	<b>12,807,735</b>	<b>12,344,406</b>
Operating expenses	10,181,287	11,595,631
Non-operating expenses	300	91,389
<b>Total expenses</b>	<b>10,181,587</b>	<b>11,687,020</b>
Income (loss) before contributions & special item	2,626,148	657,386
Capital contributions	2,677,180	1,025,791
Special item (Note 17)	2,964,502	-
Net position - beginning	123,424,314	121,741,137
<b>Net position - ending</b>	<b>\$ 131,692,144</b>	<b>\$ 123,424,314</b>



Beaumont-Cherry Valley Water District  
Management's Discussion and Analysis  
For the Year Ended December 31, 2014

**Capital Assets**

**Capital Assets (Net of Accumulated Depreciation)**

	Balance December 31, 2014	Balance December 31, 2013
Land	\$ 7,721,730	\$ 7,721,730
Construction in progress	1,791,723	1,591,960
Transmission and distribution system	64,322,496	65,287,743
Structures and improvements	13,863,814	14,143,675
Reservoirs and tanks	17,827,225	18,267,166
Pumping and telemetry equipment	9,832,997	10,055,202
Vehicles and equipment	694,577	857,192
Capital assets, net of depreciation	<u>\$ 116,054,562</u>	<u>\$ 117,924,668</u>

Beaumont-Cherry Valley Water District's investment in capital assets as of December 31, 2014 was \$116,054,562, net of accumulated depreciation. This investment in capital assets includes land, transmission and distributions systems, reservoirs, tanks, pumps, buildings and structures, equipment and vehicles. Construction in progress increased by \$292,522 due to work performed on the following projects: Water Masterplan Update, Recycled Water Connection, Noble Creek Recharge Facility Phase II, GIS Software Project and Grand Ave. Storm Drain Project.

Construction in progress decreased during the year by \$92,759, reflecting the capitalization of the Lower Edgar Stormwater Project.

Direct capital asset additions of \$351,741 were primarily due to new meter installations amounting to \$265,386. New meter installations include the cost of employee labor, as well as meter parts. Meters are currently replaced every 10-15 years as part of the District's meter change out program. The remaining additions of \$86,355 represent charges to the State Water Project Permanent Connection.

Information on the District's capital assets activity for the year ending December 31, 2014 can be found in Note 5 on page 26 of this report.

**Long-term Debt**

At December 31, 2014, the District had no long-term debt.

**Side Fund**

As of June 30, 2003, CalPERS implemented risk-pooling for the District's agent multiple-employer public employee defined benefit pension plan. As a result, the District's defined benefit pension plan with CalPERS converted from an agent multiple-employer plan to a cost sharing multiple-employer plan. This change in the type of plan created the CalPERS Side Fund, which CalPERS financed at a 7.75% interest rate.

Beaumont-Cherry Valley Water District  
Management's Discussion and Analysis  
For the Year Ended December 31, 2014

On December 1, 2014, the Board of Directors approved the payoff of the CalPERS Side Fund in the amount of \$1,072,886. The payoff resulted in a decrease of the District's employer contribution rate to CalPERS from 32.048% to 18.858%. The District was earning less than 1% return on its investment in the Local Agency Investment Fund (LAIF) while paying financing costs of 7.75% to CalPERS.

**Economic Factors and Next Year's Budgets & Rates**

California is in its fourth straight year of drought, prompting Governor Jerry Brown to impose mandatory water conservation measures for the first time in state history. Effective July 29, 2014, the State Water Resources Control Board implemented emergency regulations intended to limit outdoor irrigation and other wasteful water practices. Effective August 13, 2014, the District's Board of Directors adopted Resolution 2014-04 implementing water usage restrictions in accordance with the Urban Water Management Plan adopted by the Board. Effective April 8, 2015, the Board of Director's adopted Resolution 2015-02 implementing enhanced water use restrictions. These Resolutions can be found on the District's website.

**Requests for Information**

This financial report is designed to provide a general overview of the Beaumont-Cherry Valley Water District's finances. Questions regarding the content provided in this report or request for additional information should be addressed to the Director of Finance & Administrative Services, Beaumont-Cherry Valley Water District, 560 Magnolia Avenue, Beaumont, CA, 92223

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# Basic Financial Statements

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# Beaumont-Cherry Valley Water District

## Statement of Net Position

December 31, 2014

### ASSETS

#### Current Assets:

Cash and investments (Note 2)	\$ 11,909,155
Restricted cash and investments - funds held for others (Note 2)	2,112,394
Restricted cash and investments - capital commitments (Note 2)	2,138,747
Interest receivable	32,559
Accounts receivable, net of allowance for uncollectibles (Note 3)	1,719,190
Notes receivable (Note 4)	262,691
Inventories	482,698
Prepaid items	124,360
<b>Total Current Assets</b>	<b><u>18,781,794</u></b>

#### Non-Current Assets:

Notes receivable (Note 4)	230,157
Capital assets, net of accumulated depreciation (Note 5)	116,054,562
<b>Total Non-Current Assets</b>	<b><u>116,284,719</u></b>

### TOTAL ASSETS

**135,066,513**

### LIABILITIES

#### Current Liabilities:

Accounts payable and other accrued liabilities (Note 6)	406,401
Customer account credit balances (Note 7)	217,144
Customer deposits payable	313,355
Unearned revenues (Note 8)	1,581,895
Current portion of long-term liabilities:	
Compensated absences (Note 9)	254,551
<b>Total Current Liabilities</b>	<b><u>2,773,346</u></b>

#### Non-Current Liabilities:

Compensated absences (Note 9)	118,615
Other post-employment benefits obligations (Note 11)	482,408
<b>Total Non-Current Liabilities</b>	<b><u>601,023</u></b>

### TOTAL LIABILITIES

**3,374,369**

### NET POSITION

Net investment in capital assets (Note 12)	116,054,562
Restricted (Note 12)	2,138,747
Unrestricted (Note 12)	13,498,835
<b>TOTAL NET POSITION</b>	<b><u>\$ 131,692,144</u></b>

**Beaumont-Cherry Valley Water District**  
Statement of Revenues, Expenses and Changes in Net Position  
For the Year Ended December 31, 2014

**OPERATING REVENUES**

Metered water sales	\$ 5,174,292
Water service charges	2,623,140
Water importation pass-through charges	2,334,731
Water pumping power pass-through charges	1,674,936
Development and installation charges	315,244
Other revenue	313,807
Total Operating Revenues	12,436,150

**OPERATING EXPENSES**

Salaries and employee benefits	2,985,138
Energy expenses	1,772,112
Water purchases	1,396,410
Administration	173,873
Operations	468,345
Maintenance and repairs	469,552
Depreciation	2,514,369
Insurance	80,162
Professional fees	310,590
Other expenses	10,736
Total Operating Expenses	10,181,287

Operating Income	2,254,863
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**NON-OPERATING REVENUES (EXPENSES)**

Interest earnings	55,597
Rental income	21,007
Other revenue	291,671
Gain on disposal of capital assets	3,310
Interest expense	(300)
Total Non-Operating Revenues, Net	371,285

Income Before Contributions & Special Item	2,626,148
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**CONTRIBUTIONS**

Capital contributions	2,677,180
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**SPECIAL ITEM**

Change in Assumptions - OPEB (Note 17)	2,964,502
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Change in Net Position	8,267,830
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Net Position, Beginning of Year	123,424,314
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Net Position, End of Year	\$ 131,692,144
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# Beaumont-Cherry Valley Water District

## Statement of Cash Flows

For the Year Ended December 31, 2014

**CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts from customers	\$	12,984,067
Payments to suppliers and service providers		(4,823,559)
Payments to employees for salaries and benefits		(4,104,963)
Return of customer deposits		16,696
		4,072,241
Net Cash Provided by Operating Activities		4,072,241

**CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES**

Rental income and other receipts		312,678
		312,678
Net Cash Provided by Non-Capital Financing Activities		312,678

**CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES**

Acquisition and construction of capital assets		(644,263)
Proceeds from disposal of capital assets		3,310
Capital contributions		2,677,180
Interest paid on capital debt		(300)
		2,035,927
Net Cash Used for Capital and Related Financing Activities		2,035,927

**CASH FLOWS FROM INVESTING ACTIVITIES**

Interest received		50,764
		50,764
Net Cash Provided by Investing Activities		50,764

Net Increase in Cash and Cash Equivalents		6,471,610
Balance, Beginning of Year		9,688,686
Balance, End of Year		\$ 16,160,296

Reconciliation to Statement of Net Position:

Cash and investments	\$	11,909,155
Restricted cash and investments - funds held for others		2,112,394
Restricted cash and investments - capital commitments		2,138,747
		16,160,296
Total Cash and Investments	\$	16,160,296

**RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES**

Operating Income	\$	2,254,863
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:		
Depreciation expense		2,514,369
(Increase) decrease in accounts receivable		160,684
(Increase) decrease in notes receivable		223,515
(Increase) decrease in inventories		47,468
(Increase) decrease in prepaid items		(29,869)
Increase (decrease) in accounts payable and other accrued liabilities		(159,378)
Increase (decrease) in customer credits payable		2,026
Increase (decrease) in customer deposits payable		16,696
Increase (decrease) in unearned revenues		161,692
Increase (decrease) in compensated absences		7,534
Increase (decrease) in pension related debt		(1,206,227)
Increase (decrease) in other post-employment benefit obligations		78,868
		1,817,378
Total Adjustments		1,817,378
Net Cash Provided by Operating Activities	\$	4,072,241

# Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### A. Reporting Entity and Basis of Presentation

The Beaumont-Cherry Valley Water District (the District) is a special-purpose government district supplying and distributing water to over 46,843 people in both the City of Beaumont and the community of Cherry Valley. The District is governed by a five-member Board of Directors who serve overlapping four-year terms. The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applied to enterprise funds. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District solely operates as a special-purpose government which means it is only engaged in business-type activities; accordingly activities are reported in the District's proprietary fund.

### B. Measurement Focus and Basis of Accounting

Proprietary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District receives value without directly giving equal value in return, include grants, entitlements and donations. Revenue from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services, and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's enterprise fund is charges to customers for sales and services. Operating expenses include the costs of sales and services, the costs of employee benefits, maintenance of capital assets, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

### C. Cash and Cash Equivalents

The District's cash and investments are considered to be cash on hand, demand deposits and investments with maturities less than 90 days. Therefore, for purposes of the statement of cash flows, the District considers the cash and investment balance to be cash and cash equivalents.

### D. Restricted Cash and Investments

Restricted cash and investments are cash and investments that are segregated and can only be used for specific purposes. The District's restricted cash and investments consist of funds held for others, including refundable or prepaid customer deposits. The District also restricts cash and investments for capital commitments in the amount of developer facility fees collected during the year to ensure that fees are set aside to provide for the expansion of the domestic and non-potable water system.

Please refer to *Note 2 Cash and Investments* for additional details.

# Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (*Continued*)

### E. Inventories and prepaid items

Inventories are stated at cost using the average-cost method, and consist of materials used in construction and maintenance of the water system.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The costs of the prepaid items are recorded as expenses when consumed rather than when purchased.

### F. Capital Assets

Capital assets purchased or constructed are carried at historical cost. Constructed costs include labor, materials and construction period interest expense (net of interest income, where applicable). Capitalization threshold is \$5,000. Contributed assets are stated at estimated fair market value at the time received by the District. Land and construction in progress are not depreciated. Depreciation on the other assets is calculated on the straight-line method over the following estimated useful lives of the assets:

Pumphouse Structures	25 to 40 years
Well Casings & Development	10 to 40 years
Pumping Equipment	10 to 50 years
Chlorinators	15 to 30 years
Reservoirs & Tanks	15 to 50 years
Telemetry Equipment	10 to 20 years
Transmission & Distribution Mains	40 to 75 years
Meters & Meter Services	10 to 15 years
Fire Hydrants	30 to 50 years
Structures & Improvements	10 to 75 years
Office Furniture & Equipment	5 to 20 years
Automobile Equipment:	
Vehicles	5 to 15 years
Heavy Equipment	7 to 15 years
Light Equipment	5 to 7 years
General Equipment	5 to 15 years

Please refer to *Note 5 Capital Assets* for additional details.

### G. Unearned Revenues

Unearned revenues arise when resources are received by the District before revenues are earned, as when developers pay in advance for services to be provided by the District at a later date. When the District has provided the services, the amounts will be recognized as revenue.

Please refer to *Note 8 Unearned Revenues* for additional details.

# Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (*Continued*)

### H. Compensated Absences

#### Vacation

The District's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment upon separation from the District. The liability for such leave is reported as an expense when incurred.

#### Sick Leave

Employees who are part of the District's Employee Association not using any sick leave for twelve consecutive months can convert their twelve accrued 8-hour sick days to cash at the rate of two accrued days for 8 hours paid at their regular hourly rate. Upon retirement or death, all employees or their beneficiaries are entitled to receive a pay-out of 50% of all accumulated sick leave. Accumulated sick leave dissolves when employees separate from the District in any other manner.

Please refer to *Note 9 Compensated Absences* for additional details.

### I. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### J. Uncollectible Accounts

The District provides an allowance for doubtful accounts for all accounts deemed uncollectible.

Please refer to *Note 3 Accounts Receivable* for additional detail.

### K. Credit/Market Risk

The District provides water services to local residential, commercial, industrial, construction and irrigation customers. As part of normal operating practices, credit is granted to residential, commercial, industrial, and irrigation customers on a secured basis and to construction customers on an unsecured basis.

### L. Use of Restricted Resources

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, and then unrestricted resources as they are needed.

# Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (*Continued*)

### M. New Accounting Pronouncements

#### *Effective This Fiscal Year*

**GASB Statement No. 67** – In June 2012, GASB issued Statement 67, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement No. 25*. This Statement establishes accounting and financial reporting requirements related to pensions for governments whose employees are provided with pensions through pension plans that are covered by the scope of this Statement, as well as for nonemployer governments that have a legal obligation to contribute to those plans. This Statement also addresses accounting and financial reporting for the activities of pension plans that are administered through trusts. This Statement is effective for periods beginning after June 15, 2013. The District has determined there is no effect on the financial statements.

**GASB Statement No. 69** – In January 2013, GASB issued Statement 69, *Government Combinations and Disposals of Government Operations*. This Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. This Statement is effective for periods beginning after December 15, 2013. The District has determined there is no effect on the financial statements.

**GASB Statement No. 70** – In April 2013, GASB issued Statement 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. This Statement improves accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees. This Statement is effective for periods beginning after June 15, 2013. The District has determined there is no effect on the financial statements.

#### *Effective in Future Fiscal Years*

**GASB Statement No. 68** – In June 2012, GASB issued Statement 68, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement No. 27*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. The Statement is effective for periods beginning after June 15, 2014. The District has not determined the effect on the financial statements.

**GASB Statement No. 71** – In November 2013, GASB issued Statement 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The provisions of this Statement should be applied simultaneously with the provisions of Statement No. 68. The District has not determined the effect on the financial statements.

# Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

**GASB Statement No. 72** – In November 2015, GASB issued Statement No. 72, *Fair Measurement and Application*. This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The District has not determined the effect of this on the financial statement.

## NOTE 2 – CASH AND INVESTMENTS

Cash and investments are classified in the accompanying financial statements as follows:

Cash and investments	\$ 11,909,155
Restricted cash and investments - funds held for others	2,112,394
Restricted cash and investments - capital commitments	<u>2,138,747</u>
Total Cash and Investments	<u>\$ 16,160,296</u>

Cash and investments consist of the following:

Cash on hand (petty cash and change drawers)	\$ 1,400
Demand deposits (cash in bank)	5,351,223
Investments	<u>10,807,673</u>
Total Cash and Investments	<u>\$ 16,160,296</u>

# Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

## NOTE 2 – CASH AND INVESTMENTS, (Continued)

### Investments Authorized by the California Government Code and the District's Investment Policy

The table below identifies the investment types that are authorized for the District by the California Government Code and the District's policy, where more restrictive. The table also identifies certain provisions of the California Government Code that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maturity Limit	Percent Limit Per Type	Percent Limit Per Issuer
U.S. Treasuries	5 years	100%	None
Federal Agencies:			
GNMA	5 years	100%	50%
Farm Credit	5 years	100%	30%
FHLB	5 years	100%	30%
FHLMC	5 years	100%	30%
FNMA	5 years	100%	30%
FDIC – Guaranteed	5 years	100%	30%
Tennessee Valley Authority	5 years	100%	30%
Other Agencies:			
State of California, LAIF	Not applicable	Allowable Maximum	None
California State and Local Agencies Obligations	5 years	Allowable Maximum 20%	5%
Bankers' Acceptances	180 days	40%	5%
Commercial Paper	270 days	25%	5%
Negotiable Certificates of Deposits	5 years	30%	5%
Corporate Medium Term Notes	5 years	30%	5%
Time Certificates of Deposit	5 years	40%	5%
Government Money Market	5 years	20%	5%
Mutual Funds			
Repurchase Agreements	1 year	10%	5%
Collateralized Mortgage Obligations, Mortgage-Backed Securities and Asset-Backed Securities	5 years	20% combined	5%

# Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

## NOTE 2 – CASH AND INVESTMENTS, (Continued)

### Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity 12 Months or Less</u>
LAIF	<u>\$ 10,807,673</u>	<u>\$ 10,807,673</u>

### Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District only has investment in LAIF and LAIF is unrated.

### Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code.

### Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies.

As of December 31, 2014, the District's deposits are insured in accordance with FDIC guidelines. District funds in excess of the deposits covered by FDIC insurance are collateralized at 110 percent by the depository bank as required by California Government Code. Of the District's deposits with financial institutions, \$5,101,224 was in excess of federal depository insurance limits and subject to custodial credit risk as described above.

# Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

## NOTE 2 – CASH AND INVESTMENTS, (Continued)

### Investment in State Investment Pool

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements, at amounts based upon the District's pro-rata share of the fair value provided by LAIF, for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

LAIF is a governmental investment pool managed and directed by the California State Treasurer and is not registered with the Securities and Exchange Commission. An oversight committee comprised of California State officials and various participants provide oversight to the management of the fund. The daily operations and responsibilities of LAIF fall under the auspices of the State Treasurer's office. The District is a voluntary participant in the investment pool.

## NOTE 3 – ACCOUNTS RECEIVABLE

Amounts are aggregated into a single accounts receivable (net of allowance for uncollectibles) amount on the financial statements. Below is the detail of the receivables, including applicable allowances for uncollectible amounts:

	Water Sales and Services	Other	Developer	Totals
Receivables	\$ 1,549,570	\$ 62,452	\$ 378,851	\$ 1,990,873
Less: Allowance for Uncollectible Accounts	-	(3,959)	(267,724)	(271,683)
Net Receivables	<u>\$ 1,549,570</u>	<u>\$ 58,493</u>	<u>\$ 111,127</u>	<u>\$ 1,719,190</u>

Water Sales and Services are reported net of uncollectible amounts based on actual collections as of the preparation date of the statements. Other receivables, those billings outside of the normal water sales and services billings, include items such as damages to District property and rental of District property. Amounts not expected to be collected within the next year have been included in the allowance for uncollectible amounts. Developer receivables are those receivables due from developers for development activity that has exceeded deposits collected to-date. The amount included in the allowance for uncollectible accounts is an estimate based on other refundable accounts held for the developer that the District feels they can use to negotiate settlement on balances due to the District.

# Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

## NOTE 4 – NOTES RECEIVABLE

Amounts due from Bonita Vista and Fairway Canyon are combined and are separated into current and non-current portions on the *Statement of Net Position* on page 14.

	<u>Bonita Vista</u>	<u>Fairway Canyon</u>	<u>Totals</u>
Receivables			
Current	\$ 11,834	\$ 250,857	\$ 262,691
Non-current	<u>140,475</u>	<u>89,682</u>	<u>230,157</u>
 Total Receivables	<u>\$ 152,309</u>	<u>\$ 340,539</u>	<u>\$ 492,848</u>

In 2003, the Bonita Vista Mutual Water Company started the annexation process to join the District. The annexation agreement called for the District to install a new water delivery system. The property owners/shareholders in the Bonita Vista Mutual Water Company were responsible for 1/100<sup>th</sup> of the costs of construction of the new system, at \$5,500 per meter. The notes are payable over 20 years at a variable interest rate calculated annually at 1.5% above the LAIF interest rate. The notes are due to mature as of February 15, 2028.

The District has entered into various agreements with the developers of the Fairway Canyon Community Association for payment of water main extension and facilities construction fees. The notes are payable over 10 years at an annual interest rate of 10%.

# Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

## NOTE 5 - CAPITAL ASSETS

The following table summarizes capital asset activity during the year:

	Balance December 31, 2013	Increases	Decreases	Transfers	Balance December 31, 2014
Capital assets not being depreciated:					
Land	\$ 7,721,730	\$ -	\$ -		\$ 7,721,730
Construction in progress	1,591,960	292,522		(92,759)	1,791,723
Total capital assets not being depreciated	<u>9,313,690</u>	<u>292,522</u>	<u>-</u>	<u>(92,759)</u>	<u>9,513,453</u>
Capital assets being depreciated:					
Transmission and distribution system	77,011,736	351,741			77,363,477
Structures and improvements	16,393,296			92,759	16,486,055
Reservoirs and tanks	22,274,959				22,274,959
Pumping and telemetry equipment	12,642,605				12,642,605
Vehicles and equipment	2,068,174				2,068,174
Total capital assets being depreciated	<u>130,390,770</u>	<u>351,741</u>	<u>-</u>	<u>92,759</u>	<u>130,835,270</u>
Less accumulated depreciation for:					
Transmission and distribution system	(11,723,993)	(1,316,988)			(13,040,981)
Structures and improvements	(2,249,621)	(372,620)			(2,622,241)
Reservoirs and tanks	(4,007,793)	(439,941)			(4,447,734)
Pumping and telemetry equipment	(2,587,403)	(222,205)			(2,809,608)
Vehicles and equipment	(1,210,982)	(162,615)			(1,373,597)
Total accumulated depreciation	<u>(21,779,792)</u>	<u>(2,514,369)</u>	<u>-</u>	<u>-</u>	<u>(24,294,161)</u>
Total capital assets being depreciated, net	<u>108,610,978</u>	<u>(2,162,628)</u>	<u>-</u>	<u>92,759</u>	<u>106,541,109</u>
Capital assets, net of depreciation	<u>\$ 117,924,668</u>	<u>\$ (1,870,106)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 116,054,562</u>

## Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements  
For the Year Ended December 31, 2014

### NOTE 6 – ACCOUNTS PAYABLE AND OTHER ACCRUED LIABILITIES

Accounts payable and other accrued liabilities were as follows:

Accounts Payable	\$	339,717
Salaries and Employee Benefits		58,213
Other		<u>8,471</u>
	<u>\$</u>	<u>406,401</u>

### NOTE 7 – CUSTOMER ACCOUNT CREDIT BALANCES

Credit balances on customer utility accounts in 2014 are to be used against future billings or refunded upon request. As of December 31, 2014, the balance was \$217,144.

### NOTE 8 – UNEARNED REVENUES

Developers make payments in advance of the District providing services, including items such as meter installations, development plan checks and development inspections. As the District provides these services, revenues are recognized and the unearned revenues balance is reduced. As of December 31, 2014, the balance was \$1,581,895.

### NOTE 9 – COMPENSATED ABSENCES

Compensated absences comprise unpaid vacation, sick, holiday and administrative leave which is accrued as earned. The liability for compensated absences is determined annually. The activity for the year was as follows:

Balance December 31, 2013	Increases	Decreases	Balance December 31, 2014	Current Portion	Non-current Portion
\$ 365,632	\$ 294,724	\$ (287,190)	\$ 373,166	\$ 254,551	\$ 118,615

### NOTE 10 - PENSION RELATED DEBT

As of June 30, 2003, CalPERS implemented risk-pooling for the District's agent multiple-employer public employee defined benefit pension plan. As a result, the District's defined benefit pension plan with CalPERS converted from an agent multiple-employer plan to a cost sharing multiple-employer plan. This change in the type of plan created the CalPERS Side Fund, which CalPERS financed at a 7.75% interest rate. CalPERS actuarially calculated the amount needed to bring the District into the cost sharing multiple-employer plan on an equal basis with other governmental agencies that all had less than 100 active and retired employees combined.

# Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

**NOTE 10 - PENSION RELATED DEBT, (Continued)**

A portion of the District's annual required contributions to CalPERS are actuarially determined and shared by all governmental agencies within the cost sharing risk pool. In addition, the District is required to make annual payments to pay down the CalPERS Side Fund. The responsibility for paying down the District's CalPERS Side Fund is specific to the District and is not shared by all governmental agencies within the cost sharing risk pool. Therefore, the Side Fund falls under the definition of pension related debt, as described in GASB Statement No. 27 and is recorded as a liability on the District's financial statements.

On December 1, 2014, the District approved to payoff the CalPERS Side Fund in the amount of \$1,072,886. The payoff resulted in a decrease of the District's employer contribution rate from 32.048% to 18.858%.

Changes in Pension Related Debt during the year were as follows:

Balance December 31, 2013	Decreases	Balance December 31, 2014
\$ 1,072,886	\$ (1,072,886)	\$ -

**NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS OBLIGATIONS**

***Plan Description***

The District pays a portion of the cost of health insurance (including prescription drug benefits) as post-employment medical benefits to retired employees who satisfy the eligibility rules as required by CalPERS Health Program enrollment. The current District contribution is fixed at \$379.20 per month and is scheduled to increase by 5% per year up to a maximum of \$474.00 per month. Spouses and surviving spouses are also eligible to receive benefits. Retirees may enroll in any medical plan available through the District's CalPERS Health Program, a cost-sharing multiple-employer medical coverage plan. The contribution requirements of eligible retired employees and the District are established and may be amended by the Board of Directors.

***Funding Policy***

The District is not required to contribute the Annual Required Contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The District has elected to calculate the ARC and related information using the entry age normal actuarial cost method. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The District will pay an amount towards the cost of the post-employment benefit plan for those employees who meet the required service years for retirement from the District. The District funds the plan on a pay-as-you-go basis and records a liability for the difference between pay-as-you-go and the actuarially determined expense cost.

## Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

### NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS OBLIGATIONS, (Continued)

#### Annual Cost

The District's ARC for the year was \$109,809. The District's annual OPEB cost amounted to \$89,888. The District paid \$11,376 for current retiree OPEB premiums for the year.

Annual Required Contribution	\$ 109,809
Interest on Net OPEB Obligation	15,146
Adjustment to Annual Required Contribution	<u>(35,067)</u>
Annual OPEB Expense	89,888
Less Contributions	-0-
Less Benefits paid	(11,376)
Less Revision of calculations and changes in assumptions	<u>(2,964,502)</u>
Change in Net OPEB Obligation	(2,885,990)
Net OPEB Obligation - 12/31/2013	<u>3,368,398</u>
Net OPEB Obligation - 12/31/2014	<u><u>\$ 482,408</u></u>

The District's annual OPEB cost, the percentage of the annual OPEB cost contributed to the Plan, and the net OPEB obligation for year and the two preceding years were as follows:

Fiscal Year Ending	Annual OPEB Cost	Annual Contributions & Benefits	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2012	\$ 1,152,726	\$ 17,037	1.50%	\$ 2,251,722
12/31/2013	\$ 1,135,132	\$ 18,456	1.60%	\$ 3,368,398
12/31/2014	\$ 89,888	\$ 11,376	12.66%	\$ 482,408

#### Funded Status and Funding Progress of the Plan

The most recent valuation dated December 31, 2014 includes an Actuarial Accrued Liability and Unfunded Actuarial Accrued Liability of \$843,352. The covered payroll (annual payroll of active employees covered by the plan) for the year was estimated at \$1,835,790. The ratio of the unfunded actuarial accrued liability to annual covered payroll is 45.94%. The plan does not have any assets since the plan is funded pay-as-you-go.

# Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

## NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS OBLIGATIONS, (Continued)

### **Actuarial Methods and Assumptions**

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and the pattern of sharing of costs between the employer and plan members to that point. Consistent with the long-term perspective of actuarial calculations, actuarial methods and assumptions used include funding approaches that are designed to reduce short-term volatility in the incidence of benefit costs and in the growth of unfunded accrued actuarial liability (UAAL).

BCVWD's actuarial review and analysis of the post-employment benefits (OPEB) expense, liability and funding status will be actuarially reviewed and updated annually. A complete actuarial study will be performed every three years or annually if there are significant changes in the plan.

The following is a summary of the actuarial assumptions and methods utilized by the District:

Valuation date:	December 31, 2014
Cost method:	Entry age normal actuarial cost method
Amortization method:	Level annual dollar amount
Remaining amortization period:	30 Years as of the valuation date on an open basis
Actuarial assumptions	
Discount rate:	3.75%
Projected salary increase:	2.50%
Medical cost increases:	
1/1/15	0%
1/1/16	5%
1/1/17	5%
1/1/18	5%
1/1/19	5%
1/1/20	2.84%
5/15/20 + later	0

The required schedule of funding progress presented as required supplementary information on page 35 provides multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

# Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

## NOTE 12 – NET POSITION

Net Position:

Net investment in capital assets	\$ 116,054,562
Restricted - capital commitments	2,138,747
Unrestricted	<u>13,498,835</u>
 Total Net Position	 <u>\$ 131,692,144</u>

Net investment in capital assets is the value of the District's assets, less accumulated depreciation.

Unrestricted net position includes non-spendable assets and spending designations set by the Board of Directors:

Unrestricted Net Position	<u>\$ 13,498,835</u>
Non-spendable assets:	
Inventories	482,698
Prepaid items	124,360
Non-current portion of notes receivable	<u>230,157</u>
 Total Non-spendable assets	 <u>837,215</u>
Board of Directors' designations:	
Capital replacement reserve	6,952,493
Operating reserve	4,391,636
Emergency reserve	<u>1,317,491</u>
 Total Designations	 <u>12,661,620</u>
 Total Unrestricted Net Position	 <u>\$ 13,498,835</u>

# Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

## NOTE 13 – DEFINED BENEFIT PENSION PLAN

### Plan Description

The District's defined benefit pension plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The Plan is part of the Public Agency portion of the California Public Employees Retirement System (CalPERS), a cost-sharing multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for participating public employers within the State of California. State statutes, within the Public Employees' Retirement Law, establish benefit provisions and other requirements. The Board of Directors selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through a Board Resolution. Benefit provisions selected may be amended or modified by the District's Board of Directors. CalPERS issues a separate comprehensive annual financial report. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office – 400 P Street, Sacramento, California, 95814.

### Funding Policy

An employee contribution of 8 percent of annual covered salary is required for each active plan member. For employees hired prior to January 1, 2001, the District pays the contribution required of the employees on their behalf. For employees hired between January 1, 2001 and June 30, 2011, the District pays 1% of the contribution required of the employees on their behalf. Employees hired after July 1, 2011 do not receive a contribution from the District. During the year, the District contributed \$27,910 on behalf of its employees.

Additionally, the District is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. The required employer contribution rates for FY 2013-2014 and FY 2014-2015 were 31.318 and 32.048 percent, respectively, of annual covered payroll. The contribution requirements of the plan members are established by State statute and the employer contribution rate is established on an actuarially determined basis and may be amended by CalPERS.

### Annual Pension Cost

During the year, the District contributed \$1,732,565 which was equal to the District's required contributions of \$659,679, and the payoff of the CalPERS side fund obligation of \$1,072,886.

### Three Year Trend Information for the Plan

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed
12/31/2012	\$ 481,401	100%
12/31/2013	\$ 547,775	100%
12/31/2014	\$ 659,679	100%

The funded status of the pooled plan may be obtained from CalPERS.

# Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

## NOTE 14 – COMMITMENTS

In 2004, the Beaumont Basin Watermaster (Watermaster) was created to manage the groundwater excavations, replenishment thereof, and storage of supplemental water within the Beaumont Basin. The Watermaster consists of representatives from the Beaumont-Cherry Valley Water District, the City of Banning, the City of Beaumont, the South Mesa Water Company, and the Yucaipa Valley Water District. The District is a member agency of the Watermaster and contributes a varied annual amount to the Watermaster to fund its operations. The District contributed \$44,489 during the year.

## NOTE 15 – CONTINGENCIES

In the ordinary course of operations, the District is subject to claims and litigation from outside parties. After consultation with legal counsel, the District believes the ultimate outcome of such matters, if any, will not have a material adverse effect on the financial position of the District.

## NOTE 16 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is a member of the Association of California Water Agencies/Joint Powers Insurance Authority (ACWA/JPIA), an intergovernmental risk sharing joint powers authority created to provide self-insurance programs for California water agencies. The purpose of the ACWA/JPIA is to arrange and administer programs of self-insured losses and to purchase excess insurance coverage. At December 31, 2014, the District participated in the liability, property, and workers' compensation programs of the ACWA/JPIA as follows:

- General and auto liability, public officials and employees' errors and omissions: Total risk financing limits of \$2,000,000, combined single limit at \$2,000,000 per occurrence. The District purchased additional excess coverage layers: \$60 million for general, auto and public officials liability, which increases the limits on the insurance coverage noted above.

In addition to the above, the District also has the following insurance coverage:

- Employee dishonesty coverage up to \$100,000 per loss includes public employee dishonesty, forgery or alteration and theft, disappearance and destruction coverages.
- Property loss is paid at the replacement cost for property on file, if replaced within two years after the loss, otherwise paid on an actual cash value basis, to a combined total of \$100 million per occurrence, subject to a \$1,000 deductible per occurrence. Mobile equipment and vehicles have a \$1,000 deductible and \$500 deductible per occurrence, respectively.
- Boiler and machinery coverage for the replacement cost up to \$100 million per occurrence, subject to various deductibles depending on the type of equipment.
- Workers' compensation insurance up to California statutory limits for all work related injuries/illnesses covered by California law.

Settled claims have not exceeded any of the coverage amounts in any of the last three fiscal years and there was no reduction in the District's insurance coverage during the year ended December 31, 2014. Liabilities are recorded when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated net of the respective insurance coverage.

# Beaumont-Cherry Valley Water District

Notes to the Basic Financial Statements

For the Year Ended December 31, 2014

## **NOTE 17 – SPECIAL ITEM**

As specifically described in NOTE 11, the District pays a portion of the cost of health insurance as post-employment medical benefits to retired employees, spouses, and surviving spouses who satisfy the eligibility rules as required by CalPERS Health Program enrollment. The District is not required to contribute an amount actuarially determined in accordance with the parameters of GASB Statement No. 45.

During the year, the District decided to re-examine the actuarial assumptions and revise the calculation used as a basis for determining the annual OPEB cost and OPEB liability which resulted in a change of the OPEB liability in the amount of \$2,964,502. The revised assumptions are reflected in the amounts recognized in the Basic Financial Statements.

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# Required Supplementary Information

**Beaumont-Cherry Valley Water District**  
 Schedule of Funding Status – Other Post-Employment Benefits Obligations  
 For the Year Ended December 31, 2014

***Funded Status and Funding Progress of the Plan***

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
* 12/31/2011	\$ -	\$ 5,908,180	\$ 5,908,180	0.00%	\$ 1,892,911	312.12%
12/31/2014	\$ -	\$ 843,352	\$ 843,352	0.00%	\$ 1,835,790	45.94%

Funding progress is presented for the year(s) that an actuarial study has been prepared since the effective date of GASB Statement 45. The District implemented GASB 45 during fiscal year 2011. Additional data will be provided as future valuations are performed.

\* Using the Alternate Measurement Method

# Report on Internal Controls and Compliance

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors  
Beaumont-Cherry Valley Water District  
Beaumont, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Beaumont-Cherry Valley Water District (District), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which comprise the District's basic financial statements, and have issued our report thereon dated June 26, 2015. Our report included an emphasis of matter regarding the District's Other Post-Employment Benefits.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Draft Copy 06/26/15

Riverside, California  
July 2, 2015



**Beaumont-Cherry Valley Water District  
Regular Board Meeting  
July 8<sup>th</sup>, 2015**

**DATE:** July 2, 2015

**TO:** Board of Directors

**FROM:** Eric Fraser, General Manager

**SUBJECT:** Consideration of Candidate Nomination of Interested District Board of Director Members for the Association of California Water Agencies (ACWA) Position of President and Vice President for the 2016-2017 Term

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**Recommendation:**

Staff recommends that the Board of Directors of the Beaumont-Cherry Valley Water District (District) consider candidate nominations of interested District Board of Director Members for the Association of California Water Agencies (ACWA) position of President and Vice President for the 2016-2017 term.

**Background:**

ACWA has presented a call for candidate nominations of interested District Board of Director Members for the Association of California Water Agencies (ACWA) statewide position of President and Vice President for the 2016-2017 term. Nominations must be received in the ACWA office by Tuesday, September 1, 2015 to be considered by ACWA's Nominating Committee. The Nominating Committee is responsible for then submitting a slate of candidates for those statewide positions to the Fall Conference General Membership Meeting.

Specific criteria, information, and important dates which must be met by the nominated candidates is provided in the attached ACWA Memorandum dated June 3, 2015 related to ACWA's Call for Candidate Nominations for the 2016-2017 Term. That memorandum also includes basic information for ACWA Officer Nominations and a sample Board Resolution which is required to nominate any potential candidates. In the event the Board nominates an interested Board Member, the Board will be required to execute a resolution to nominate and support the interested Board Member as a candidate for the specific ACWA position as part of the Nominee Submittal Package.

**Fiscal Impact:**

The District will be responsible for all costs associated with the participation of its Board Member as allowed under the current District Reimbursement Policy. The Board of Directors are currently on a per diem basis at a \$200.00 per meeting rate.

**Attachments:**

- ACWA Memorandum related to Call for Candidate Nominations for the 2016-2017 Term.



# Association of California Water Agencies

Since 1910

Local water agencies united to improve water service

## MEMORANDUM

**TO:** ACWA Public Agency Members  
General Managers and Board Presidents

**CC:** ACWA Board of Directors

**FROM:** ACWA Nominating Committee

**DATE:** June 3, 2015

**SUBJECT:** Call for Candidate Nominations for the 2016-2017 Term

---

ACWA's Nominating Committee is responsible for submitting a slate for the Association's statewide positions of president and vice president to the general membership meeting at Fall Conference.

Nominations must be received in the ACWA office by **Tuesday, September 1, 2015**, to be considered by the committee.

The following criteria must be met for names to be considered:

- Only elected or appointed member of the governing body or commission (as appropriate) of a member agency of the Association shall be eligible for election to the officer positions.
- Nominations of qualified candidates are encouraged from all member agencies.
- All nominations for the positions of ACWA President and Vice President shall be accompanied by an official nominating resolution from the ACWA member agency on whose board the nominee serves. Said resolution shall be signed by an authorized signatory of the member agency's Board of Directors.
- A resume of the candidate, highlighting qualifications for the position, shall accompany each nomination.

Additional letters or resolutions of support from other agencies may be submitted but are not required.

ACWA's Bylaws and Board policies establish the criteria outlined above, which also govern nominations from the floor. Board policy requires that all nominations received for the positions of ACWA President and Vice President shall be accompanied by a nominating resolution from

the ACWA member agency on whose board the nominee serves, and signed by an authorized signatory of the Board of Directors. This policy applies to nominations received in the ACWA office prior to elections, as well as to all nominations received from the floor at general session during the floor nomination process.

We appreciate your interest and participation in this process to find the best qualified individuals to serve in representing the statewide membership of ACWA.

Nominating Committee members include:

- Judith Mirbegian, Region 1
- Eric Larrabee, Region 2
- Joe Parker, Region 3
- Shauna Lorance, Region 4
- Lesa McIntosh, Region 5
- Matthew Hurley, Region 6
- William Taube, Region 7
- Stephen Cole, Region 8
- Harvey Ryan, Region 9
- Linda Ackerman, Region 10
- Randy Record, At-large representative
- Paul Kelley, At-large representative

We ask that Nominating Committee members not be approached to solicit their support of any candidate.

#### IMPORTANT DATES

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- Tentative date for candidate interviews: **Wednesday, September 16, 2015**
- Election of ACWA's President and Vice President: **Wednesday, December 2, 2015**, at Fall Conference

Should you have any questions regarding this process, please contact Clerk of the Board Donna Pangborn at the ACWA office at 916-441-4545 or [donnap@acwa.com](mailto:donnap@acwa.com)

Enclosures:

1. Basic Information for ACWA Officer Nominees
2. Sample Resolution to Nominate Candidate for ACWA President or Vice President

### 1.1 Board Officers

The president and vice president of the Association shall be the elected officers of the Association.

#### 1.1.1 President

---

##### 1.1.1.1 Purpose

The president is an elected officer of the Association and presides at all meetings of the Board of Directors, the Executive Committee, and the general membership and is responsible to the Board of Directors and the general membership for the duties established by ACWA's Bylaws.

##### 1.1.1.2 Duties and Authority

Within the limits of ACWA's Bylaws and the Duties and Authorities established for ACWA Board members, and in coordination with the executive director, the president:

- Serves on the ACWA Board and presides at all meetings.
- Serves as the chair of the Executive Committee and presides at all meetings.
- Schedules special Board and Executive Committee meetings.
- Presides over all general membership meetings.
- Serves as a non-voting *ex officio* member of each committee, but shall not be an *ex officio* member of the Nominating Committee or the region boards.
- Appoints members of all committees upon recommendation from members and regions as communicated by the region chairs.
- Appoints the chair and vice chair of each committee, each of whom shall be ratified by the Board of the Directors.
- Appoints special committees, work groups, and task forces from time to time as needed to accomplish a specific task or assignment, consistent with and supportive of the mission of the Association.
- Participates in the Association's spring and fall conferences.
- Represents and supports ACWA's official policies and positions when acting in capacity of ACWA President.
- Represents and promotes ACWA's purposes, policies, and goals at a variety of ACWA functions/events, including visits to member agencies for ceremonies, meetings, and retention efforts in coordination with the executive director.

## BASIC INFORMATION FOR ACWA OFFICER NOMINEES

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- Represents and promotes ACWA's purposes, policies, and goals at a variety of external functions/events, including speaking engagements, event participation, and news media and other contacts in coordination with the executive director.
- Performs other responsibilities assigned by the Board.

### **1.1.1.3 Qualification**

The president shall be an elected or appointed member of the governing body or commission of a member agency of the Association at the time of his/her election.

### **1.1.1.4 Term of Office**

The president shall be elected by the members of the Association at its fall conference in each odd-numbered year and shall take office on January 1 of the calendar year following election. The president shall hold office until December 31 of the following odd numbered year two years later or until his/her successor takes office or is appointed. An elected president shall not be permitted to succeed himself/herself to that office.

### **1.1.1.5 Vacancy**

Should a vacancy occur in the president's office, the ACWA vice president shall assume the duties of that office and succeed the president for the unexpired term. Should the vice president not be able to assume this role, the Board of Directors shall appoint a person to fill the office for the unexpired term thereof.

### **1.1.1.6 Compensation**

ACWA's president shall serve without compensation. The president shall be allowed reasonable reimbursement of expenses incurred in the performance of his/her duties while on Association business. The president will be reimbursed for expenses incurred for attending conferences, meetings, seminars, workshops or other events, which are mutually beneficial to the officer and the Association and have been authorized by either the Board of Directors or the executive director.

## **1.1.2 Vice President**

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### **1.1.2.1 Purpose**

The vice president is an elected officer of the Association and is a voting member of the Board of Directors. The vice president is responsible to the Board of Directors and the general membership for the duties established by ACWA's Bylaws.

### **1.1.2.2 Duties and Authority**

Within the limits of ACWA's Bylaws and the Duties and Authorities established for ACWA Board members, and in coordination with the executive director and president, the vice president:

- Serves as a voting member of the Board of Directors.
- Serves as a voting member of the Executive Committee.

## BASIC INFORMATION FOR ACWA OFFICER NOMINEES

---

- Performs the duties of the president in the president's absence.
- Succeeds the president for an unexpired term if vacancy occurs.
- Serves on ACWA/JPIA's Executive Committee.
- Participates in the Association's spring and fall conferences.
- Represents and supports ACWA's official policies and positions when acting in capacity of ACWA Vice President.
- Represents and promotes ACWA's purposes, policies, and goals at a variety of ACWA functions/events, including visits to member agencies for ceremonies, meetings, and retention efforts in coordination with the executive director.
- Represents and promotes ACWA's purposes, policies, and goals at a variety of external functions/events, including speaking engagements, event participation, and news media and other contacts in coordination with the executive director.
- Serves as a chair/vice chair or participant on committees or task forces as appointed by the president or Board of Directors.
- Performs other responsibilities assigned by the Board or president.

### ***1.1.2.3 Qualification***

The vice president shall be an elected or appointed member of the governing body or commission of a member agency of the Association at the time of his/her election.

### ***1.1.2.4 Term of Office***

The vice president shall be elected by the members of the Association at its fall conference in each odd-numbered year and shall take office on January 1 of the calendar year following election. The vice president shall hold office until December 31 of the following odd numbered year two years later or until his/her successor takes office or is appointed.

### ***1.1.2.5 Vacancy***

Should a vacancy occur in the vice president's office, the Board of Directors shall appoint a person to fill the office for the unexpired term thereof.

### ***1.1.2.6 Compensation***

ACWA's vice president shall serve without compensation. The vice president shall be allowed reasonable reimbursement of expenses incurred in the performance of his/her duties while on Association business. The vice president will be reimbursed for expenses incurred for attending conferences, meetings, seminars, workshops or other events, which are mutually beneficial to the officer and the Association and have been authorized by either the Board of Directors or the executive director.



# SAMPLE RESOLUTION TO NOMINATE CANDIDATE FOR ACWA PRESIDENT OR VICE PRESIDENT

RESOLUTION OF THE BOARD OF DIRECTORS OF

\_\_\_\_\_

TO NOMINATE AND SUPPORT

\_\_\_\_\_

AS A CANDIDATE FOR THE POSITION OF ACWA \_\_\_\_\_

WHEREAS, ACWA has announced that a Nominating Committee has been formed to develop a slate for the Association's statewide positions of President and Vice President; and

WHEREAS, the individual who fills an officer position will need to have a working knowledge of water industry issues and concerns, possess strength of character and leadership capabilities, and be experienced in matters related to the performance of the duties of the office; and

WHEREAS, this person must be able to provide the dedication of time and energy to effectively serve in this capacity; and

WHEREAS, \_\_\_\_\_ has served in a leadership role as a member of the \_\_\_\_\_ Board of Directors since \_\_\_\_\_; and

WHEREAS, (list positions held to demonstrate knowledge of water and leadership)

WHEREAS,

WHEREAS,

WHEREAS, it is the opinion of the \_\_\_\_\_ Board of Directors that \_\_\_\_\_ possesses all of the qualities needed to fulfill the duties of the office of ACWA \_\_\_\_\_.

NOW, THEREFORE, BE IT RESOLVED, that the \_\_\_\_\_ Board of Directors does hereby nominate and support \_\_\_\_\_ as a candidate for the office of ACWA \_\_\_\_\_, pledging the District's support of his/her endeavors in fulfilling the duties of this office if elected.

PASSED AND ADOPTED by the \_\_\_\_\_ Board of Directors at a regular meeting of said Board held on the \_\_\_\_\_ day of \_\_\_\_\_, 2015, by the following vote:

Ayes: Directors

Noes: Directors

Absent: Directors



**Beaumont Cherry Valley Water District  
Board of Directors  
July 8, 2015**

**DATE:** June 29, 2015  
**TO:** Board of Directors  
**FROM:** Eric Fraser, General Manager  
**SUBJECT:** California Special Districts Association (CSDA) 2015 Board Elections: Vote To Elect A Representative to the California Special District Association Board of Directors in the Southern Network for Seat A

---

**Recommendation**

Staff recommends that the Board of Directors vote to elect a representative of their choice to the California Special District Association Board of Directors, Seat A for the Southern Network.

**Background**

The (CSDA) has request that the Board of Directors of the Beaumont-Cherry Valley Water District submit a ballot to vote for one candidate of their choice to represent the CSDA Southern Network, Seat A. The candidate's information is attached for reference.

**Fiscal Impact**

There is no fiscal impact to the District.

Attachments:

- Correspondence from CSDA
- Candidate Information
- CSDA Board of Directors 2015 Election Ballot

Prepared by Yolanda Rodriguez, Director of Finance & Admin. Svc.



**California Special  
Districts Association**  
*Districts Stronger Together*

## **CALIFORNIA SPECIAL DISTRICTS ASSOCIATION**

### **2015 BOARD ELECTIONS**

#### **MAIL BALLOT INFORMATION**

Dear Member:

A mail ballot has been enclosed for your district's use in voting to elect a representative to the CSDA Board of Directors in your Network for Seat A. Each of CSDA's six (6) networks has three seats on the Board. Each of the candidates is either a board member or management-level employee of a member district located in your network. Each Regular Member (district) in good standing shall be entitled to vote for one (1) director to represent its network.

We have enclosed the candidate information for each candidate who submitted one. Please vote for only one candidate to represent your network in Seat A and be sure to sign, date and fill in your member district information. If any part of the ballot is not complete, the ballot will not be valid and will not be counted.

Please utilize the enclosed return envelope to return the completed ballot. Ballots must be received at the CSDA office at 1112 I Street, Suite 200, Sacramento, CA 95814 by **5:00pm on Friday, August 7, 2015**.

If you do not use the enclosed envelope, please mail in your ballot to:  
**California Special Districts Association**  
**Attn: 2015 Board Elections**  
**1112 I Street, Suite 200**  
**Sacramento, CA 95814**

Please contact Charlotte Lowe toll-free at 877.924.CSDA or [charlottel@csga.net](mailto:charlottel@csga.net) with any questions.



## **Candidate statement Southern network Seat A**

**Jo MacKenzie**

### **PROVEN EXPERIENCE LEADING SPECIAL DISTRICTS**

It would be an honor to continue serving special districts on the CSDA Board of Directors.

I am committed to building on the present foundation of CSDA's educational programs and legislative and public outreach, so that CSDA continues to be recognized as the voice of all special districts. My enthusiasm, commitment, and comprehensive knowledge of special districts and LAFCO, along with my years of experience, will help me to be of service to your district as a member of the CSDA Board of Directors.

Representing the Southern Network, I will bring to the organization years of experience in local government and a strong understanding of how the California Special Districts Association can best serve its members.

I have served as CSDA President, Treasurer and the Chair of Legislative Committee. I know the commitment and time it takes to be an effective board member. A flexible schedule is paramount to being a successful Director. I have attended all board of director and assigned committee meetings, read through a myriad of legislation in order to relate to the Advocacy and Public Affairs Department what impact I think such legislation may have on districts' ability to provide local services

I have completed CSDA's Special District Leadership Academy which is a requirement to serve on the CSDA Board. Under my leadership, my district, Vista Irrigation District, has obtained the Special District Leadership Foundation District of Distinction Designation and the District Transparency Certificate of Excellence.

I believe it is important to the continued success and growth of CSDA that the Board of Directors remain committed to its mission: to provide legislative advocacy education and member services for all special districts.

**Your District's vote will be greatly appreciated!**

## **CANDIDATE STATEMENT FOR GLORIA A. DIZMANG**

In December of 2011, I was sworn in as a Director of the Palmdale Water District Board. I knew little about water but I had agreed to serve an agency that was fairly beaten up—legally, economically, and in the area of morale. PWD was engaged in three lawsuits with the City of Palmdale. We had dropped in our credit rating and could no longer receive loans/grants. The employees were split into two warring camps.

Today, we are on our way to a stable and professional future, due to the actions of the new Board, on which I serve. This is what we have achieved:

- Low and consistent rate increases improved our credit to the point that we issued an \$8.5 million revenue bond for infrastructure.
- Provided a legal water rate assistance program for seniors.
- Settled all lawsuits with the City of Palmdale.
- Developed a Customer Care program to assist our rate-payers.
- Replaced 80% of our infrastructure from the 1950s.
- Reordered the organizational chart, without lay-offs, for more efficiency.
- Developed and implemented educational programs for our rate-payers. (top contender in ACWA's Best in Blue)
- Developed and continue to offer an intern program to train young people in the basic facets of the water industry.

As part of our Board, I was a leading member to move in these directions.

I believe my background in education can be of assistance in the CSDA. My experience in the area looks small in comparison to others who have served on many boards and in many organizations. Nevertheless, I can see things with a different perspective and am not afraid to speak up and to actively support change.

I would be honored to receive your vote. Thank you.

# CSDA BOARD OF DIRECTORS 2015 ELECTION



**SOUTHERN  
NETWORK**

**Jo MacKenzie\***  
Vista Irrigation District

**Gloria Dizmang**  
Palmdale Water District

**SEAT A**  
term ends 2018

*Please vote for only one.*

*All fields must be completed for ballot to be counted.*

*\* incumbent running for re-election*

SIGNATURE	DATE
MEMBER DISTRICT	

Must be received by 5pm, August 7, 2015. CSDA, 1112 I Street, Suite 200, Sacramento, CA 95814



**California Special Districts Association**

1112 I Street, Suite 200  
Sacramento, CA 95814

**SOUTHERN**



**Beaumont-Cherry Valley Water District  
Regular Board Meeting  
July 8<sup>th</sup>, 2015**

**DATE:** June 25<sup>th</sup>, 2015

**TO:** Board of Directors

**FROM:** Eric Fraser, General Manager

**SUBJECT:** Consideration of Resolution 2015-03: A Resolution of the Board of Directors of the Beaumont-Cherry Valley Water District Amending the District's Policies & Procedures Manual Pursuant to the Healthy Workplace Healthy Family Act of 2014 (AB 1522)

---

**Recommendation**

Consider adoption of Resolution 2015-03 whereby amending the District's Policies & Procedures Manual to conform to the Healthy Workplace Healthy Family Act of 2014 (AB 1522).

**Background**

On September 10, 2014, the Governor of the State of California signed the Healthy Workplace Healthy Family Act of 2014 (AB 1522) providing paid sick leave to employees who work for 30 or more days within a year and who are not covered by a collective bargaining agreement. The law requires that an employee shall accrue one (1) hour of paid sick leave for every thirty (30) hours worked, and the accrued time will be eligible for use after the 90<sup>th</sup> day of employment. Additionally, the law allows, at the discretion of the employer, to limit the amount of accrued sick leave to 24 hours per year.

The Policies & Procedures Manual which was last amended on May 8, 2013 states that temporary and part-time employees are not eligible for fringe benefits including paid sick leave. As such, these employees are subject to the provisions of AB 1522. All other employees of the District are covered under collective bargaining units or a benefits resolution that exceed the minimum requirements for AB 1522 paid sick leave and are, therefore, not subject to AB 1522.

**Fiscal Impact**

The District currently has 2 part-time employees to whom this resolution would apply. Based on a cap of 24 hours per year, the total cost to the District would not exceed \$5,500 per fiscal year.

Report prepared by: Yolanda Rodriguez, Director of Finance & Administrative Services

**BEAUMONT-CHERRY VALLEY WATER DISTRICT**

**PART 1**

**PERSONNEL  
POLICIES & PROCEDURES MANUAL**

**Adopted March 18, 2009 by Resolution 2009-05  
Amended April 28, 2011 by Resolution 2011-04  
Amended May 8, 2013 by Resolution 2013-02**

**RESERVATION OF RIGHTS**

As circumstances change, the District may revise, supplement, or rescind any policies or portion of this Manual. Employees will be notified in writing of such changes as they occur. Only written changes adopted by the Board of Directors are recognized or binding.

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- iv. All discussions resulting from said investigation shall be kept confidential by all informed of said investigation.
- v. The person initiating the complaint has the right to be accompanied by advocate when discussing alleged incidents. Said person shall be advised of this right prior to the commencement of such discussions.
- v. All parties concerned will be advised of the results of the investigation.

F. **Disciplinary Procedures and Sanctions.** Upon conclusion of the investigation of an alleged sexual harassment, appropriate action shall be taken by the General Manager against the harasser where sexual harassment is found, including mandatory sexual harassment training to prevent future incidents. The complainant will be advised once the investigation is complete and will be provided with a summary of the results of the investigation, including whether corrective action was taken and the general nature of that action. The complainant will not be entitled to a copy of the confidential investigation report or the specific details of corrective action, consistent with employee privacy and confidential personnel matters. Others involved in the investigation may also be advised once the investigation is complete and provided with a summary of other information appropriate to their involvement.

- i. Appropriate action shall be taken to remedy the victim's loss, if any, resulting from the harassment. Making the employee whole may involve reinstatement, back pay, etc.
- ii. Action taken to remedy a sexual harassment situation shall be done in a manner so as to protect potential future victims. An employee involved in a confirmed incident shall be removed from supervision of a person verified to have committed a harassment activity.
- ii. Employees complaining of sexual harassment shall be protected thereafter from any form of reprisal and/or retaliation.

## 8. EMPLOYEE STATUS

A. **At Will.** All employment at the District is "at will." This means that either the employee or the District may end the employment relationship at any time, with or without advance notice and with or without cause. Provided, however, that discipline, grievance, layoff and other similar procedures in an MOU or written employment agreement will apply while in force, but are not intended to alter the at-will nature of the employment relationship. The at will nature of the employment relationship can only be changed by a clear and unambiguous intent to alter the at will nature of employment made in a MOU or written employment agreement approved by the District Board and signed by or on half of the employee involved. Any reference in this Manual to discipline is not intended to change the at will nature of the employment relationship or to restrict either the employee's or the District's options under the "at will" employment policy.

- B. **Regular Full Time Employee.** A "Regular" employee is one who has been hired to fill a regular position in any job classification and has completed his/her introductory period except as otherwise required by law.
- C. **Introductory Employee.** All newly hired employees serve an introductory period. The introductory period is intended to give new employees the opportunity to demonstrate their ability to achieve a satisfactory level of performance and to determine whether the new position meets their expectations. The District uses this period to evaluate employee capabilities, work habits, and overall performance. Either the employee or the District may end the employment relationship at will at any time during or after the introductory period, with or without cause or advance notice.  
All new (Including rehired) employees work on an introductory basis for the first six (6) months after their date of hire. Any significant absence will automatically extend an introductory period by the length of the absence. If the District determines that the designated introductory period does not allow sufficient time to thoroughly evaluate the employee's performance, the introductory period may be extended one or more times.

Upon satisfactory completion of the introductory period, full-time employees enter the "regular" employment classification. Successful completion of the introductory period does not guarantee employment for any specific duration or change the at-will status of regular employment.

- D. **Temporary Employee.** A temporary employee is defined as anyone hired for a period of six (6) months or less.
- i. Employees hired to replace a regular employee who is on a leave of absence shall be hired as temporary employees unless said leave of absence is in excess of one-hundred-eighty (180) days.

A temporary employee will not not be eligible for any fringe benefits including sick leave pay, holiday pay, vacation pay, insurance coverage, jury duty pay, bereavement pay or items of a similar nature, nor will he/she accrue seniority or leave of absence rights.

**Part-Time Employee.** A "Part-time" employee is one who is hired to work within any job classification, but whose position is not regular in nature. The part-time employee works whenever the District's workload increases to a level that regular employee cannot accommodate it or when other factors make part-time employment advantageous. He/she also works standby as discussed in Section 19, ("WORK HOURS, OVERTIME AND STANDBY PROGRAM").

## 9. COMPENSATION

- A. **Compensation at Hiring.** This policy shall apply to all District employees:

**Beaumont-Cherry Valley Water District  
Proposed Amendments to Personnel Policies & Procedures Manual**

**8. EMPLOYEE STATUS**

*Delete the text of this section and substitute the following:*

- D. **Temporary Employee.** A temporary employee is defined as anyone hired for a period of six (6) months or less. Employees hired to replace a regular employee who is on a leave of absence shall be hired as temporary employees unless said leave of absence is in excess of one-hundred-eighty (180) days.

**Part-Time Employee.** A “Part-time” employee is one who is hired to work within any job classification, but whose position is not regular in nature. The part-time employee works whenever the District’s workload increases to a level that regular employee cannot accommodate or when other factors make part-time employment advantageous. He/she also works standby as discussed in Section 19, (“WORK HOURS, OVERTIME AND STANDBY PROGRAM”).

- i. A temporary or part-time employee will not be eligible for fringe benefits including holiday pay, vacation pay, insurance coverage, jury duty pay, bereavement pay or items of a similar nature, nor will he/she accrue seniority or leave of absence rights. Following the Healthy Workplace Healthy Family Act of 2014 (AB 1522), a temporary or part-time employee will accrue paid sick leave as of the first day of employment at a rate of one (1) hour for every thirty (30) hours worked provided that the employee has worked for 30 or more days within a year from the beginning of employment. The temporary or part-time employee will be eligible to take the paid sick leave after the 90<sup>th</sup> day of employment. The employee shall be limited to an annual accrued sick leave limit of twenty-four (24) hours annually.

**RESOLUTION 2015-03**

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE BEAUMONT-CHERRY VALLEY WATER DISTRICT  
AMENDING THE POLICIES & PROCEDURE MANUAL PURSUANT TO THE  
HEALTHY WORKPLACE HEALTHY FAMILY ACT OF 2014 (AB 1522)**

**WHEREAS**, on September 10, 2014 the Governor of the State of California signed the Healthy Workplace Healthy Family Act of 2014 (AB1522) providing paid sick leave for covered employees effective July 1, 2015; and

**WHEREAS**, the Beaumont-Cherry Valley Water District wishes to establish a paid sick leave policy pursuant to AB 1522 for temporary and part-time employees; and

**WHEREAS**, temporary and part-time employees are not covered by any existing collective bargaining agreement or benefits policy; and

**WHEREAS**, AB 1522 requires an employee to accrue paid sick leave at a minimum rate of one (1) hour for every thirty (30) hours worked; and

**WHEREAS**, the employee must work for 30 or more days during the year with the accrued paid sick leave to be available for use beginning on the 90<sup>th</sup> day of employment; and

**WHEREAS**, the employee shall be limited to an annual accrued sick leave limit of twenty-four (24); and

**WHEREAS**, the Board of Directors of the Beaumont-Cherry Valley Water District has determined that it is in the best interest of the District to amend the District's Policies & Procedures Manual to ensure compliance with all applicable laws and to resolve ambiguities; and

**WHEREAS**, the Board of Directors of the Beaumont-Cherry Valley Water District has carefully reviewed the proposed changes as attached to this Resolution, and

**NOW, THEREFORE, BE IT RESOLVED** that the District's Policies & Procedures are hereby amended and immediately enforceable as set forth in this Resolution.

**ADOPTED**, This 8th day of July, 2015

ATTEST:

\_\_\_\_\_  
Kenneth Ross, President of the  
Board of Directors of the  
Beaumont-Cherry Valley Water District

\_\_\_\_\_  
Daniel Slawson, Secretary to the  
Board of Directors of the  
Beaumont-Cherry Valley Water District



AB-1522 Employment: paid sick days. (2013-2014)

## Assembly Bill No. 1522

### CHAPTER 317

An act to amend Section 2810.5 of, and to add Article 1.5 (commencing with Section 245) to Chapter 1 of Part 1 of Division 2 of, the Labor Code, relating to employment.

[ Approved by Governor September 10, 2014. Filed with Secretary of State September 10, 2014. ]

#### LEGISLATIVE COUNSEL'S DIGEST

AB 1522, Gonzalez. Employment: paid sick days.

Existing law authorizes employers to provide their employees paid sick leave.

This bill would enact the Healthy Workplaces, Healthy Families Act of 2014 to provide that an employee who, on or after July 1, 2015, works in California for 30 or more days within a year from the commencement of employment is entitled to paid sick days for prescribed purposes, to be accrued at a rate of no less than one hour for every 30 hours worked. An employee would be entitled to use accrued sick days beginning on the 90th day of employment. The bill would authorize an employer to limit an employee's use of paid sick days to 24 hours or 3 days in each year of employment. The bill would prohibit an employer from discriminating or retaliating against an employee who requests paid sick days. The bill would require employers to satisfy specified posting and notice and recordkeeping requirements. The bill would define terms for those purposes.

The bill would require the Labor Commissioner to enforce these requirements, including the investigation, mitigation, and relief of violations of these requirements. The bill would authorize the Labor Commissioner to impose specified administrative fines for violations and would authorize the commissioner or the Attorney General to recover specified civil penalties against an offender who violated these provisions on behalf of the aggrieved, as well as attorney's fees, costs, and interest.

The bill would not apply to certain categories of employees that meet specified requirements.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: no

#### THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

**SECTION 1.** The Legislature finds and declares the following:

- (a) Nearly every worker in the State of California will at some time during the year need some time off from work to take care of his or her own health or the health of family members.
- (b) Many workers in California do not have any paid sick days, or have an inadequate number of paid sick days, to care for their own health or the health of family members.
- (c) Low-income workers are significantly less likely to have paid sick time than other workers.
- (d) Providing workers time off to attend to their own health care and the health care of family members will ensure a healthier and more productive workforce in California.

(e) Paid sick days will have an enormously positive impact on the public health of Californians by allowing sick workers paid time off to care for themselves when ill, thus lessening their recovery time and reducing the likelihood of spreading illness to other members of the workforce.

(f) Paid sick days will allow parents to provide personal care for their sick children. Parental care ensures children's speedy recovery, prevents more serious illnesses, and improves children's overall mental and physical health.

(g) Providing paid sick days is affordable for employers and good for business.

(h) Employers who provide paid sick days enjoy greater employee retention and reduce the likelihood of employees coming to work sick. Studies have shown that costs of decreased productivity caused by sick workers exceed the costs of employee absenteeism.

(i) Many adults have significant elder care responsibilities requiring them to take time off from work or to work reduced hours.

(j) Employees frequently lose their jobs or are disciplined for taking sick days to care for sick family members or to recover from their own illnesses.

(k) Workers whose jobs involve significant contact with the public, such as service workers and restaurant workers, are very unlikely to have paid sick days. Often, these workers have no choice but to come to work when they are ill, thereby spreading illness to coworkers and customers.

(l) Domestic violence and sexual assault affect many persons without regard to age, race, national origin, sexual orientation, or socioeconomic status.

(m) Domestic violence is a crime that has a devastating effect on families, communities, and the workplace. It impacts productivity, effectiveness, absenteeism, and employee turnover in the workplace. The National Crime Survey estimates that 175,000 days of work each year are missed due to domestic violence.

(n) Survivors of domestic violence and sexual assault may be vulnerable at work when trying to end an abusive relationship because the workplace may be the only place where the perpetrator knows to contact the victim. Studies show that up to one-half of domestic violence victims experience job loss. Forty percent reported on-the-job harassment. Nearly 50 percent of sexual assault survivors lose their jobs or are forced to quit in the aftermath of the assaults.

(o) Affording survivors of domestic violence and sexual assault paid sick days is vital to their independence and recovery.

**SEC. 2.** In enacting this act, it is the intent of the Legislature to do the following:

(a) Ensure that workers in California can address their own health needs and the health needs of their families by requiring employers to provide a minimum level of paid sick days including time for family care.

(b) Decrease public and private health care costs in California by enabling workers to seek early and routine medical care for themselves and their family members and to address domestic violence or sexual assault.

(c) Protect employees in California from losing their jobs while they use sick days to care for themselves or their families.

(d) Provide economic security to employees in California who take time off from work for reasons related to domestic violence or sexual assault.

(e) Safeguard the welfare, health, safety, and prosperity of the people of and visitors to California.

**SEC. 3.** Article 1.5 (commencing with Section 245) is added to Chapter 1 of Part 1 of Division 2 of the Labor Code, to read:

**Article 1.5. Paid Sick Days**

**245.** (a) This article shall be known and may be cited as the Healthy Workplaces, Healthy Families Act of 2014.

(b) The provisions of this article are in addition to and independent of any other rights, remedies, or procedures available under any other law and do not diminish, alter, or negate any other legal rights, remedies, or procedures available to an aggrieved person.

**245.5.** As used in this article:

(a) "Employee" does not include the following:

(1) An employee covered by a valid collective bargaining agreement if the agreement expressly provides for the wages, hours of work, and working conditions of employees, and expressly provides for paid sick days or a paid leave or paid time off policy that permits the use of sick days for those employees, final and binding arbitration of disputes concerning the application of its paid sick days provisions, premium wage rates for all overtime hours worked, and regular hourly rate of pay of not less than 30 percent more than the state minimum wage rate.

(2) An employee in the construction industry covered by a valid collective bargaining agreement if the agreement expressly provides for the wages, hours of work, and working conditions of employees, premium wage rates for all overtime hours worked, and regular hourly pay of not less than 30 percent more than the state minimum wage rate, and the agreement either (A) was entered into before January 1, 2015, or (B) expressly waives the requirements of this article in clear and unambiguous terms. For purposes of this subparagraph, "employee in the construction industry" means an employee performing onsite work associated with construction, including work involving alteration, demolition, building, excavation, renovation, remodeling, maintenance, improvement, repair work, and any other work as described by Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions Code, and other similar or related occupations or trades.

(3) A provider of in-home supportive services under Section 14132.95, 14132.952, or 14132.956 of, or Article 7 (commencing with Section 12300) of Chapter 3 of Part 3 of Division 9 of, the Welfare and Institutions Code.

(4) An individual employed by an air carrier as a flight deck or cabin crew member that is subject to the provisions of Title II of the federal Railway Labor Act (45 U.S.C. 181 et seq.), provided that the individual is provided with compensated time off equal to or exceeding the amount established in paragraph (1) of subdivision (b) of Section 246.

(b) "Employer" means any person employing another under any appointment or contract of hire and includes the state, political subdivisions of the state, and municipalities.

(c) "Family member" means any of the following:

(1) A child, which for purposes of this article means a biological, adopted, or foster child, stepchild, legal ward, or a child to whom the employee stands in loco parentis. This definition of a child is applicable regardless of age or dependency status.

(2) A biological, adoptive, or foster parent, stepparent, or legal guardian of an employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child.

(3) A spouse.

(4) A registered domestic partner.

(5) A grandparent.

(6) A grandchild.

(7) A sibling.

(d) "Health care provider" has the same meaning as defined in paragraph (6) of subdivision (c) of Section 12945.2 of the Government Code.

(e) "Paid sick days" means time that is compensated at the same wage as the employee normally earns during regular work hours and is provided by an employer to an employee for the purposes described in Section 246.5.

**246.** (a) An employee who, on or after July 1, 2015, works in California for 30 or more days within a year from the commencement of employment is entitled to paid sick days as specified in this section.

(b) (1) An employee shall accrue paid sick days at the rate of not less than one hour per every 30 hours worked, beginning at the commencement of employment or the operative date of this article, whichever is later.

(2) An employee who is exempt from overtime requirements as an administrative, executive, or professional employee under a wage order of the Industrial Welfare Commission is deemed to work 40 hours per workweek for the purposes of this section, unless the employee's normal workweek is less than 40 hours, in which case the employee shall accrue paid sick days based upon that normal workweek.

(c) An employee shall be entitled to use accrued paid sick days beginning on the 90th day of employment, after which day the employee may use paid sick days as they are accrued.

(d) Accrued paid sick days shall carry over to the following year of employment. However, an employer may limit an employee's use of paid sick days to 24 hours or three days in each year of employment. This section shall be satisfied and no accrual or carry over is required if the full amount of leave is received at the beginning of each year, in accordance with subdivision (e).

(e) An employer is not required to provide additional paid sick days pursuant to this section if the employer has a paid leave policy or paid time off policy, the employer makes available an amount of leave that may be used for the same purposes and under the same conditions as specified in this section, and the policy does either of the following:

(1) Satisfies the accrual, carry over, and use requirements of this section.

(2) Provides no less than 24 hours or three days of paid sick leave, or equivalent paid leave or paid time off, for employee use for each year of employment or calendar year or 12-month basis.

(f) (1) Except as specified in paragraph (2), an employer is not required to provide compensation to an employee for accrued, unused paid sick days upon termination, resignation, retirement, or other separation from employment.

(2) If an employee separates from an employer and is rehired by the employer within one year from the date of separation, previously accrued and unused paid sick days shall be reinstated. The employee shall be entitled to use those previously accrued and unused paid sick days and to accrue additional paid sick days upon rehiring.

(g) An employer may lend paid sick days to an employee in advance of accrual, at the employer's discretion and with proper documentation.

(h) An employer shall provide an employee with written notice that sets forth the amount of paid sick leave available, or paid time off leave an employer provides in lieu of sick leave, for use on either the employee's itemized wage statement described in Section 226 or in a separate writing provided on the designated pay date with the employee's payment of wages. The penalties described in this article for a violation of this subdivision shall be in lieu of the penalties for a violation of Section 226.

(i) An employer has no obligation under this section to allow an employee's total accrual of paid sick leave to exceed 48 hours or 6 days, provided that an employee's rights to accrue and use paid sick leave under this section are not otherwise limited.

(j) An employee may determine how much paid sick leave he or she needs to use, provided that an employer may set a reasonable minimum increment, not to exceed two hours, for the use of paid sick leave.

(k) The rate of pay shall be the employee's hourly wage. If the employee in the 90 days of employment before taking accrued sick leave had different hourly pay rates, was paid by commission or piece rate, or was a nonexempt salaried employee, then the rate of pay shall be calculated by dividing the employee's total wages, not including overtime premium pay, by the employee's total hours worked in the full pay periods of the prior 90 days of employment.

(l) If the need for paid sick leave is foreseeable, the employee shall provide reasonable advance notification. If the need for paid sick leave is unforeseeable, the employee shall provide notice of the need for the leave as soon as practicable.

(m) An employer shall provide payment for sick leave taken by an employee no later than the payday for the next regular payroll period after the sick leave was taken.

**246.5.** (a) Upon the oral or written request of an employee, an employer shall provide paid sick days for the following purposes:

(1) Diagnosis, care, or treatment of an existing health condition of, or preventive care for, an employee or an employee's family member.

(2) For an employee who is a victim of domestic violence, sexual assault, or stalking, the purposes described in subdivision (c) of Section 230 and subdivision (a) of Section 230.1.

(b) An employer shall not require as a condition of using paid sick days that the employee search for or find a replacement worker to cover the days during which the employee uses paid sick days.

(c) (1) An employer shall not deny an employee the right to use accrued sick days, discharge, threaten to discharge, demote, suspend, or in any manner discriminate against an employee for using accrued sick days, attempting to exercise the right to use accrued sick days, filing a complaint with the department or alleging a violation of this article, cooperating in an investigation or prosecution of an alleged violation of this article, or opposing any policy or practice or act that is prohibited by this article.

(2) There shall be a rebuttable presumption of unlawful retaliation if an employer denies an employee the right to use accrued sick days, discharges, threatens to discharge, demotes, suspends, or in any manner discriminates against an employee within 30 days of any of the following:

(A) The filing of a complaint by the employee with the Labor Commissioner or alleging a violation of this article.

(B) The cooperation of an employee with an investigation or prosecution of an alleged violation of this article.

(C) Opposition by the employee to a policy, practice, or act that is prohibited by this article.

**247.** (a) In each workplace of the employer, the employer shall display a poster in a conspicuous place containing all the information specified in subdivision (b). The Labor Commissioner shall create a poster containing this information and make it available to employers.

(b) The poster shall state all of the following:

(1) An employee is entitled to accrue, request, and use paid sick days.

(2) The amount of sick days provided for by this article.

(3) The terms of use of paid sick days.

(4) That retaliation or discrimination against an employee who requests paid sick days or uses paid sick days, or both, is prohibited and that an employee has the right under this article to file a complaint with the Labor Commissioner against an employer who retaliates or discriminates against the employee.

(c) An employer who willfully violates the posting requirements of this section is subject to a civil penalty of not more than one hundred dollars (\$100) per each offense.

**247.5.** An employer shall keep for at least three years records documenting the hours worked and paid sick days accrued and used by an employee, and shall allow the Labor Commissioner to access these records pursuant to the requirements set forth in Section 1174. An employer shall make these records available to an employee in the same manner as described in Section 226. If an employer does not maintain adequate records pursuant to this section, it shall be presumed that the employee is entitled to the maximum number of hours accruable under this article, unless the employer can show otherwise by clear and convincing evidence.

**248.5.** (a) The Labor Commissioner shall enforce this article, including investigating an alleged violation, and ordering appropriate temporary relief to mitigate the violation or to maintain the status quo pending the completion of a full investigation or hearing.

(b) (1) If the Labor Commissioner, after a hearing that contains adequate safeguards to ensure that the parties are afforded due process, determines that a violation of this article has occurred, he or she may order any appropriate relief, including reinstatement, backpay, the payment of sick days unlawfully withheld, and the payment of an additional sum in the form of an administrative penalty to an employee or other person whose rights under this article were violated.

(2) If paid sick days were unlawfully withheld, the dollar amount of paid sick days withheld from the employee multiplied by three, or two hundred fifty dollars (\$250), whichever amount is greater, but not to exceed an aggregate penalty of four thousand dollars (\$4,000), shall be included in the administrative penalty.

(3) If a violation of this article results in other harm to the employee or person, such as discharge from employment, or otherwise results in a violation of the rights of the employee or person, the administrative

penalty shall include a sum of fifty dollars (\$50) for each day or portion thereof that the violation occurred or continued, not to exceed an aggregate penalty of four thousand dollars (\$4,000).

(c) Where prompt compliance by an employer is not forthcoming, the Labor Commissioner may take any appropriate enforcement action to secure compliance, including the filing of a civil action. In compensation to the state for the costs of investigating and remedying the violation, the commissioner may order the violating employer to pay to the state a sum of not more than fifty dollars (\$50) for each day or portion of a day a violation occurs or continues for each employee or other person whose rights under this article were violated.

(d) An employee or other person may report to the Labor Commissioner a suspected violation of this article. The commissioner shall encourage reporting pursuant to this subdivision by keeping confidential, to the maximum extent permitted by applicable law, the name and other identifying information of the employee or person reporting the violation. However, the commissioner may disclose that person's name and identifying information as necessary to enforce this article or for other appropriate purposes, upon the authorization of that person.

(e) The Labor Commissioner or the Attorney General may bring a civil action in a court of competent jurisdiction against the employer or other person violating this article and, upon prevailing, shall be entitled to collect legal or equitable relief on behalf of the aggrieved as may be appropriate to remedy the violation, including reinstatement, backpay, the payment of sick days unlawfully withheld, the payment of an additional sum, not to exceed an aggregate penalty of four thousand dollars (\$4,000), as liquidated damages in the amount of fifty dollars (\$50) to each employee or person whose rights under this article were violated for each day or portion thereof that the violation occurred or continued, plus, if the employer has unlawfully withheld paid sick days to an employee, the dollar amount of paid sick days withheld from the employee multiplied by three; or two hundred fifty dollars (\$250), whichever amount is greater; and reinstatement in employment or injunctive relief; and further shall be awarded reasonable attorney's fees and costs, provided, however, that any person or entity enforcing this article on behalf of the public as provided for under applicable state law shall, upon prevailing, be entitled only to equitable, injunctive, or restitutionary relief, and reasonable attorney's fees and costs.

(f) In an administrative or civil action brought under this article, the Labor Commissioner or court, as the case may be, shall award interest on all amounts due and unpaid at the rate of interest specified in subdivision (b) of Section 3289 of the Civil Code.

(g) The remedies, penalties, and procedures provided under this article are cumulative.

(h) An employer shall not be assessed any penalty or liquidated damages under this article due to an isolated and unintentional payroll error or written notice error that is a clerical or an inadvertent mistake regarding the accrual or available use of paid sick leave. In reviewing for compliance with this section, the factfinder may consider as a relevant factor whether the employer, prior to an alleged violation, has adopted and is in compliance with a set of policies, procedures, and practices that fully comply with this section.

**249.** (a) This article does not limit or affect any laws guaranteeing the privacy of health information, or information related to domestic violence or sexual assault, regarding an employee or employee's family member. That information shall be treated as confidential and shall not be disclosed to any person except to the affected employee, or as required by law.

(b) This article shall not be construed to discourage or prohibit an employer from the adoption or retention of a paid sick days policy more generous than the one required herein.

(c) This article does not lessen the obligation of an employer to comply with a contract, collective bargaining agreement, employment benefit plan, or other agreement providing more generous sick days to an employee than required herein.

(d) This article establishes minimum requirements pertaining to paid sick days and does not preempt, limit, or otherwise affect the applicability of any other law, regulation, requirement, policy, or standard that provides for greater accrual or use by employees of sick days, whether paid or unpaid, or that extends other protections to an employee.

**SEC. 4.** Section 2810.5 of the Labor Code is amended to read:

**2810.5.** (a) (1) At the time of hiring, an employer shall provide to each employee a written notice, in the language the employer normally uses to communicate employment-related information to the employee, containing the following information:

(A) The rate or rates of pay and basis thereof, whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise, including any rates for overtime, as applicable.

(B) Allowances, if any, claimed as part of the minimum wage, including meal or lodging allowances.

(C) The regular payday designated by the employer in accordance with the requirements of this code.

(D) The name of the employer, including any "doing business as" names used by the employer.

(E) The physical address of the employer's main office or principal place of business, and a mailing address, if different.

(F) The telephone number of the employer.

(G) The name, address, and telephone number of the employer's workers' compensation insurance carrier.

(H) That an employee: may accrue and use sick leave; has a right to request and use accrued paid sick leave; may not be terminated or retaliated against for using or requesting the use of accrued paid sick leave; and has the right to file a complaint against an employer who retaliates.

(I) Any other information the Labor Commissioner deems material and necessary.

(2) The Labor Commissioner shall prepare a template that complies with the requirements of paragraph (1). The template shall be made available to employers in such manner as determined by the Labor Commissioner.

(3) If the employer is a temporary services employer, as defined in Section 201.3, the notice described in paragraph (1) must also include the name, the physical address of the main office, the mailing address if different from the physical address of the main office, and the telephone number of the legal entity for whom the employee will perform work, and any other information the Labor Commissioner deems material and necessary. The requirements of this paragraph do not apply to a security services company that is licensed by the Department of Consumer Affairs and that solely provides security services.

(b) An employer shall notify his or her employees in writing of any changes to the information set forth in the notice within seven calendar days after the time of the changes, unless one of the following applies:

(1) All changes are reflected on a timely wage statement furnished in accordance with Section 226.

(2) Notice of all changes is provided in another writing required by law within seven days of the changes.

(c) For purposes of this section, "employee" does not include any of the following:

(1) An employee directly employed by the state or any political subdivision thereof, including any city, county, city and county, or special district.

(2) An employee who is exempt from the payment of overtime wages by statute or the wage orders of the Industrial Welfare Commission.

(3) An employee who is covered by a valid collective bargaining agreement if the agreement expressly provides for the wages, hours of work, and working conditions of the employee, and if the agreement provides premium wage rates for all overtime hours worked and a regular hourly rate of pay for those employees of not less than 30 percent more than the state minimum wage.



**Beaumont-Cherry Valley Water District  
Regular Board Meeting  
July 8<sup>th</sup>, 2015**

**DATE:** June 30<sup>th</sup>, 2015

**TO:** Board of Directors

**FROM:** Eric Fraser, General Manager

**SUBJECT:** Grand Avenue Storm Drain Project Second Project Update and Request for Board Consideration of Approval of Resolution 2015-04 Supporting SAWPA's OWOW 2.0 Integrated Regional Water Management Plan (IRWMP) for the Santa Ana River Watershed

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**Recommendation**

This item is provided to update the Board of Directors with recent project developments regarding the BCVWD and Riverside County Flood Control & Water Conservation District (RCFC&WCD) joint agency project identified by BCVWD as the Grand Avenue Storm Drain and Water Conservation Project (Beaumont Master Drainage Plan Line 16).

Staff also requests the Board to consider approval of Resolution 2015-04 supporting the Santa Ana Watershed Project Authority's (SAWPA) One Water One Watershed 2.0 Integrated Regional Watershed Management Plan (Plan) for the Santa Ana River Watershed.

**Background**

In 2012, BCVWD approached Riverside County Flood Control & Water Conservation District with a conceptual storm water capture (conservation) project which entails diverting water tributary to Marshal Creek to the District's Noble Creek Recharge Facilities – Phase II Ponds. Specifically, BCVWD proposed this project be accomplished via the construction of a storm drain identified in RCFC&WCD's Master Drainage Plan for the Beaumont Area, dated July 1983 as Line 16, with a revised discharge point into Noble Creek Storm Drain Channel adjacent to the BCVWD Noble Creek Phase II Recharge Facilities in lieu of the planned discharge point into Marshal Creek at the intersection of Brookside Avenue and Cherry Avenue. The intent of the redirecting the storm water tributary to Line 16 from Marshall Creek to Noble Creek was to provide an opportunity to recharge that storm water high in the Beaumont Basin in BCVWD's Phase II Noble Creek Recharge Facility.

Since 2012, District Staff have been working with Riverside County Flood Control & Water Conservation District to continue the development of the Grand Avenue Storm Drain Project as directed by the District Board at the June 11, 2014 Board Meeting (a copy of the June 11<sup>th</sup> 2014 Staff Report related to this item is attached for reference).

As part of that continued development, District Staff has reviewed the project hydrology developed for this project and has determined that the District's Phase II Recharge Facilities should be able to capture, store, and percolate all of the storm water associated with MDP Line 16 Drainage Area for a 10 year storm event (and possibly the 100 year storm event). District



Staff has also attended meetings with RCFC&WCD management and engineering Staff in order to further define project specific components. The most recent meeting was on April 9, 2015 to discuss project development and concerns.

Subsequent to that meeting, RCFC&WCD and District Staff have pursued a grant funding opportunity from the State of California Department of Water Resources (DWR) which would be administered by SAWPA under the final round of Proposition 84 Funding available from the State of California DWR. This grant would help the District and RCFC&WCD fund the Grand Avenue Storm Drain Project.

District Staff and RCFC&WCD prepared a Proposition 84 grant application through the Santa Ana Watershed Project Authority (SAWPA). That application proposed a project partnership between BCVWD and RCFC&WCD, with each member contributing one third of the project cost; the final one third of the project cost is proposed to be contributed by the Proposition 84 Grant. The current preliminary estimated project cost which includes Line 16 as well as a storm water diversion structure and inter pond transmission facilities at BCVWD's Phase II Noble Creek Recharge Facilities is approximately \$3,658,000.00. The requested OWOW 2.0 2015 grant funding request was \$1,219,333.00.

District Staff and RCFC&WCD interviewed with SAWPA on June 11<sup>th</sup>, 2015 as part of that grant application process and it appears that interview was successful for moving the grant application process forward through SAWPA to the formal DWR application process. Specifically, SAWPA is currently proposing to recommend award of available Proposition 84 Grant funds to RCFC&WCD as part of a regional watershed management program which will include three RCFC&WCD sponsored projects (including the BCVWD/RCFC&WCD Grand Avenue Storm Drain Project).

One of the Stipulations of being eligible for this grant funding from DWR is for the requesting agencies to adopt the SAWPA "One Water, One Watershed 2.0" or OWOW 2.0 Integrated Regional Water Management Plan prior to August 5, 2015. The DWR requires that agencies requesting project funding have adopted the OWOW 2.0 IRWMP Plan because it is the only plan DWR recognizes for the regional area. A brief history of the SAWPA OWOW 2.0 IRWMP and associated executive summary of that plan are provided as Exhibit "A" (attached) and a complete copy of the SAWPA OWOW 2.0 IRWMP (OWOW 2.0 Plan) can be viewed at <http://www.sawpa.org/owow-2-0-plan-2/>.

In order to be eligible for the DWR grant funding, Staff recommends that the Beaumont-Cherry Valley Water District Board of Directors adopt Resolution No. 2015-04 supporting the SAWPA One Water One Water Shed 2.0 Integrated Regional Watershed Management Plan for the Santa Ana River Watershed.

Finally, prior to recommending that the Board of Directors enter into an agreement for Grand Avenue Storm Drain Project (Beaumont MDP Line 16) with RCFC&WCD, District Staff will provide a report on the final developed project components, key project and agreement requirements and final estimated project costs.



## **Financial Impact**

The Grand Avenue Storm Drain Project financial impacts are undetermined at this time and will be presented to the Board of Directors once the final specific project components and specific project partner construction, operation and maintenance requirements are identified. It is anticipated that the presentation would include the final project description, project components, and a draft project agreement together with a breakdown of the components which would be funded by RCFC&WCD, BCVWD, and the Proposition 84 Grant.

Report prepared by: Dan Jagers, Director of Engineering



**Beaumont-Cherry Valley Water District  
Regular Board Meeting  
June 11<sup>th</sup>, 2014**

**DATE:** June 5<sup>th</sup>, 2014  
**TO:** Board of Directors  
**FROM:** Eric Fraser, General Manager  
**SUBJECT:** Discussion of Grand Avenue Storm Drain Project and Request for Board Direction Regarding Continued Project Development

**Recommendation**

This item is provided to update the Board of Directors with recent project developments regarding the BCVWD and Riverside County Flood Control & Water Conservation District (RCFC&WCD) Project identified as the proposed Grand Avenue Storm Drain and Water Conservation Project.

Staff also requests direction from the Board of Directors regarding the Board's desire for staff's continued development of the proposed Grand Avenue Storm Drain Project.

**Background**

In 2012, BCVWD approached Riverside County Flood Control & Water Conservation District with a conceptual storm water capture (conservation) project which entails diverting water tributary to Marshal Creek to the District's Noble Creek Recharge Facilities – Phase II Ponds. A component of this project requires the discharge of any additional storm water flow which could not be recharged at the BCVWD facilities (i.e. recharge ponds are full) into the Noble Creek Storm Drain Channel. BCVWD proposed this project be accomplished via the construction of (storm drain) Line 16 identified in RCFC&WCD's Master Drainage Plan for the Beaumont Area, dated July 1983, with a revised discharge point into Noble Creek Storm Drain Channel adjacent to the BCVWD Recharge Facilities in lieu of the planned discharge point into Marshal Creek at the intersection of Brookside Avenue and Cherry Avenue.

RCFC&WCD identified they felt the project had merit and subsequently provided a letter on July 8, 2013 to the BCVWD identifying that this project was budgeted for construction by RCFC&WCD and that RCFC&WCD had appropriated \$1,500,000 toward the construction of the project in their 5-Year Capital Improvement Plan. RCFC&WCD additionally identified they estimated the total project cost to be \$2,538,000.

During project development over the last year, RCFC&WCD has identified (via hydrology and hydraulic modeling) that an 800' portion of the Noble Creek Storm Drain Channel directly upstream of that channel's crossing of Beaumont Avenue is deficient regarding its hydraulic capacity (storm water carrying capacity) and that unless it is improved, the channel does not currently have the capacity (upstream of the Beaumont Avenue crossing) to carry the remaining storm water flow that may be generated by diverting the Line 16 flows away from Marshal Creek.



After various discussions between BCVWD and RCFC&WCD, RCFC&WCD has identified that at this time (and subject to their Board approval), they are willing to construct Line 16, improve the deficient portion of the Noble Creek Storm Drain Channel by installing additional flood walls, and will agree to the connection of Line 16 to the Noble Creek Storm Drain Channel for discharge of the remaining storm waters which can't be recharged if the BCVWD will enter into an agreement that indemnifies RCFC&WCD from the following items:

1. Damage to downstream property owners from the point of connection of Line 16 that may occur due to the increased storm water flow attributable to the diversion of water from Marshal Creek to Noble Creek due to this facility. It should be noted that RCFC&WCD identifies that hydraulic modeling of the downstream portions of Noble Creek (south of Beaumont Avenue to San Timoteo Creek) shows that the existing channel has the hydraulic capacity to carry the additional water added by diverting Line 16.
2. Water Right claims by parties downstream of the diversion. BCVWD staff has identified Noble Creek and Marshal Creek confluence (combine) approximately 3 miles downstream of the point where the planned diversion would take place. The area within that 3 mile zone contains primarily channelized storm water courses through the City of Beaumont where no water rights issues related to the diverted storm water flows should be present. Due to this fact, it appears there should be no issue related to water right claims.

At this time it is District staff's opinion that this project warrants further development and that this project will provide benefit to the community served by the BCVWD for the following reasons:

1. Provides offset of BCVWD's dependency on imported water.
2. Provides development of local water resources by capturing of storm water resources otherwise lost to the local community which runs off and leaves the Beaumont Basin via San Timoteo Creek.
3. Provides for reduction of storm water nuisances created by these waters at Brookside Avenue between Cherry Avenue and Bellflower Avenue.

Finally, prior to recommending that the Board of Directors enter into an agreement indemnifying RCFC&WCD from damages associated with the diverted flows, District staff will investigate RCFC&WCD's hydrology and hydraulic calculations and modeling to understand BCVWD's actual exposure this indemnification may create. Staff anticipates actual exposure due to the contribution of this storm water may not be significant and that said contribution will to some degree be offset by storm water drainage from approximately 50 acres that were tributary to Noble Creek Storm Drain Channel in this area which are now diverted into the Noble Creek Recharge Facilities –Phase I as part of an existing storm water capture program.

Once again, Staff requests direction from the Board of Directors regarding the Boards desire regarding continued development of the proposed Grand Avenue Storm Drain Project, with the understanding of the indemnification requirements that will be imposed by RCFC&WCD as part of the project.



### **Financial Impact**

The Grand Avenue Storm Drain Project financial impacts are undetermined at this time and will be presented to the Board of Directors once the final specific project components are identified. That presentation would include a breakdown of those components which will be funded by RCFC&WCD and by BCVWD.

Report prepared by: Dan Jagers, Director of Engineering

## EXHIBIT "A"

### SANTA ANA WATERSHED PROJECT AUTHORITY ONE WATER, ONE WATERSHED 2.0 SUMMARY

In 2002, the Integrated Regional Water Management (IRWM) Planning Act (SB 1672) was chaptered into law, establishing a basis by which the California Department of Water Resources (DWR) would administer the State's IRWM Program. Propositions 50 and 84 were approved by voters in 2002 and 2006 respectively, authorizing a total of \$1.5 billion of State grant funds statewide for IRWM Planning and Programs. Additionally, Proposition 1E was approved by the voters in 2006, authorizing an additional \$300 million in grant funding for stormwater flood management projects that are identified in IRWM Plans. The development of an IRWM Plan is required for regional eligibility for IRWM State grant funds. To date, more than \$139 Million of IRWM grant funds have been allocated to the Santa Ana Watershed.

The Santa Ana Watershed Project Authority (SAWPA) is a Joint Powers Authority, focusing on water supply and water quality. As a regional watershed planning group, SAWPA has been facilitating efforts to develop a Watershed for the immediate future through the year 2035. To date, this has resulted in the development of the Santa Ana Watershed Integrated Water Management Plan, known by stakeholders as the "One Water One Watershed" Plan (Plan).

Regular workshops throughout the watershed were held with more than 100 agencies and non-profit organizations spanning Riverside, San Bernardino, and Orange counties. From the beginning, the process has been open and has received participation of representatives from all geographic regions and political jurisdictions within the watershed, and from diverse representatives of different sectors of the community.

SAWPA began efforts in 2011 to update and refine the Plan with the mission to create opportunities for collaboration to find sustainable watershed-wide solutions among diverse stakeholders from throughout the Watershed. The Plan will also provide a blueprint for water resources management in the Watershed over the course of several decades.

The updated 2014 Plan built upon previous planning processes and collaborative efforts to ensure a sustainable water supply through more efficient use of water, protect and improve water quality, and promote environmental stewardship. The 2014 Plan places more emphasis on the watershed scale and multi-benefit and multi-purpose solutions. The success of the updated Plan relies on the continued participation of stakeholders in the Plan program throughout the 25-year planning horizon. The complete Plan can be viewed at <http://www.sawpa.org/owow-2-0-plan-2/>.

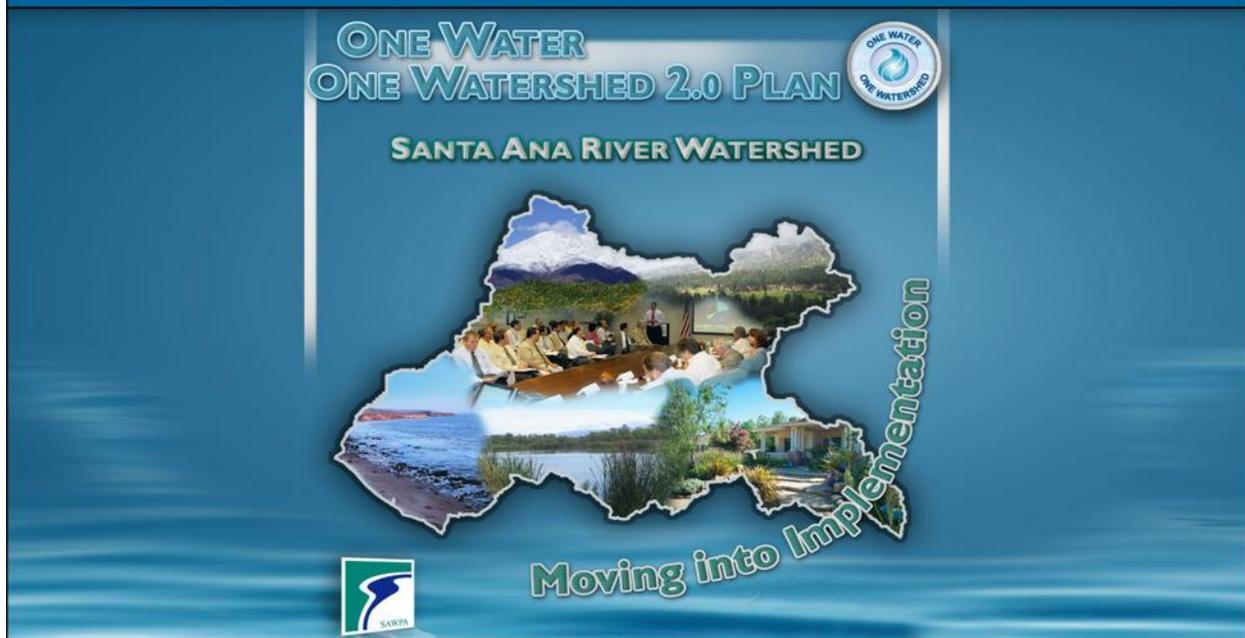
The plan itself does not lead directly to the implementation of any specific project and does not bind the various stakeholders to any particular course of actions; as a result, the Plan is exempt from CEQA under the following provisions:

- Statutory Exemption (15262 Feasibility and Planning Studies)
- Categorical Exemption (15061 Review for Exemption; 15306 Information Collection)

#### **Attachment:**

1. Executive Summary for Santa Ana Watershed Project Authority's "One Water One Watershed 2.0 Integrated Water Management Plan For the Santa Ana Watershed

# Executive Summary



The Santa Ana River Watershed faces enormous challenges as it strives to adapt to changing conditions, many of which are at an unprecedented scale in its modern history. The watershed's population, already one of the most densely populated in the State, continues to grow and urbanize, increasing demands on water supply, water quality, and flood management. Even with its plentiful groundwater resources, several basins now are experiencing declining groundwater levels and overdraft conditions. With the uncertainties of climate change and its impacts, environmental concerns are taking even greater precedence than they ever have in the past, affecting how we manage water for the future.

Most agree that the water management approaches of the past several decades are no longer sustainable in today's environment and economic climate. And most agree that a more integrated and collaborative approach to water resource management will show tremendous promise to water resources everywhere. But in the Santa Ana River Watershed, this approach is not new; it has been our practice and legacy since the first integrated plan was approved by the Santa Ana Watershed Project Authority (SAWPA) Commission in 1998.

In a nutshell, the goal of yesteryear was affordable water for a growing economy. But over time, the goal has changed to become a more complicated balancing act of environmental sustainability, quality of life and, economic growth in a changing environment dominated by water and financial scarcity. The strategy to achieve this goal is integrated water management. This means the various silos of water supply, flood management, water quality, ecosystem restoration, and recreation are brought together as one. Another way to think about it is that while the drop of water may at different times be characterized by different elements, it is still the same drop of water.

The benefits of this approach are better coordination across functions that are often managed separately and across a broader geographic scale larger than the boundaries of individual agencies. Through integration at the watershed scale, economic and environmental performance is more effectively balanced. This water resource planning approach based on a watershed basis has even been recognized by independent review, objective and nonpartisan research organizations such as the Public Policy Institute of California, which cited SAWPA as an excellent example of integrated water management in the State.

SAWPA 'S APPROACH —  
COORDINATION, COOPERATION,  
AND INTEGRATION OF WATER  
AGENCIES TO POOL RESOURCES  
AND MANAGE WATER AT THE  
BASIN SCALE IS ONE OF  
CALIFORNIA'S BEST MODELS  
FOR INTEGRATED WATER  
MANAGEMENT.

*Public Policy Institute of California 2011  
"Managing California's Water – From  
Conflict to Reconciliation"*

The Santa Ana River Watershed continues to progress with many "bright spots" and pilot projects accomplished to date. The use of sophisticated "big data" analytics continues to set us apart, resulting in a more robust watershed and a very competitive position to compete for State and Federal funds.

The "One Water One Watershed" (OWOW) 2.0 Plan is the Santa Ana River Watershed's integrated regional water management (IRWM) plan. This plan reflects a collaborative planning process that addresses all aspects of water resources in a region or watershed, in our case. It includes planning of future water demands and supplies over a 20-year time horizon within the watershed as a hydrologic and interconnected system. The plan represents collaboration across jurisdictions, and political boundaries involving multiple agencies, stakeholders, individuals, and groups; and attempts to address the issues and differing perspectives of all the entities involved through mutually beneficial solutions. The plan reflects a new suite of innovative approaches that instead of relying solely on continued imported water deliveries to meet growing water demands in the region, is leading with a water demand reduction strategy. These approaches include the following:

- Multi-beneficial projects and programs that are linked together for improved synergy
- Proactive innovative, and sustainable solutions
- Integrated regional solutions supporting local reliability and local prioritization
- Watershed based project and programs that effectively leverage limited resources, promote trust and produce a greater bang for the buck
- Integrates water supply, water quality, recycled water, stormwater management, water use efficiency, land use, energy, climate change, habitat, and disadvantaged communities and tribes
- Coordinates resources so that water is used multiple times
  - Manages stormwater for drinking water
  - Treats wastewater for irrigation and groundwater replenishment
  - Builds or modifies parks to support water efficiency, ecosystem habitat, and stormwater capture
  - Improves water quality pollution prevention
  - Addresses energy and water nexus

The OWOW 2.0 Plan was funded by the SAWPA member agencies with grant funding assistance from the California Department of Water Resources (DWR) through the Proposition 84 IRWM Planning Grant program, and a funding partnership from the U.S. Bureau of Reclamation (Reclamation) through their Basin Studies program. Work with Reclamation, the State, local and non-profit organizations provided the OWOW 2.0 Plan with the necessary resources to expand outreach and support that ultimately will create more cost effective integrated water resource management solutions.

In the final analysis, the prescription for success is clear; we need to “double down” on integrated water management, strengthen the alignment among all government agencies, and invest in innovation and infrastructure. For the Santa Ana River Watershed, the road map for this success is our IRWM plan known as the OWOW Plan.

The emphasis of this new OWOW 2.0 Plan is that all people are encouraged to adopt a water ethic that focuses on understanding where their water comes from, how much they use of it, what they put into water, and where it goes after they finish using it. To meet growing water demands in the region, a new suite of approaches to planning are needed now that lead with a water demand reduction strategy.

### Analysis and Support Tools

To support implementation of the OWOW 2.0 Plan, SAWPA in conjunction with its funding partners, conducted research and analyses on climate change impacts to the watershed, and developed a variety of new computer support tools to support our modern water management goals. Under this Plan, new resource tools and analyses were developed to help water resource managers adapt to changing climate conditions, support project proponents in better integrated solutions, assist analysis of watershed performance over time, and provide the public better access to water quality for beneficial use.

Through the work of Reclamation, an interactive climate change modeling tool was developed to provide water planners with information on potential impacts of climate change within the Santa Ana River Watershed. This tool provides a simplified modeling framework for evaluating climate change impacts, as well as mitigation/adaptation alternatives. The climate change tool enables the user to explore, identify, and download custom climate change data for various scenarios modeled for the Santa Ana River Watershed. Some of the results of the climate change analysis for the watershed that address common public concerns are as follows:

#### *Will surface water supply decrease?*

- Annual surface water is likely to decrease over future periods.
- Precipitation is projected to show long-term slightly decreasing trends.
- Temperature is projected to increase, which will likely cause increased water demand and reservoir evaporation.
- Snow melt water runoff is projected to decrease.

#### *Will I still be able to go skiing at Big Bear Mountain Resorts?*

- The projected warmer temperatures would result in a delayed onset and shortened ski season. Both



Big Bear Mountain Resorts lie below 3,000 meters and are projected to experience declining snowpack that could exceed 70% by 2070.

*How many more days over 95°F are expected in Anaheim, Riverside, and Big Bear City?*

- By 2070, it is projected that the number of days above 95°F will quadruple in Anaheim (4 to 16 days) and nearly double in Riverside (43 to 82 days). The number of days above 95°F at Big Bear City is projected to increase from zero days historically to four days in 2070.

Another powerful tool that Reclamation developed under the OWOW 2.0 Plan is an interactive green house gas (GHG) modeling tool to provide water planners and the public about the impacts of GHG within the Santa Ana River Watershed. This tool enables the user to explore, identify and download custom GHG data for a suite of water technologies modeled for the Santa Ana River Watershed. It also will exhibit energy consumption in the delivery and treatment process with relation to water. In accordance with AB – 32, which requires regions to reduce their overall GHG emissions, the tool also evaluates both water supply and demand in the Santa Ana River Watershed. This tool will prove to be very useful within the watershed because it allows users to calculate different scenarios, which can be used to compare each outcome and result. Further, the tool can be adapted to individual projects and is anticipated for use in future GHG emissions calculations by project proponents.

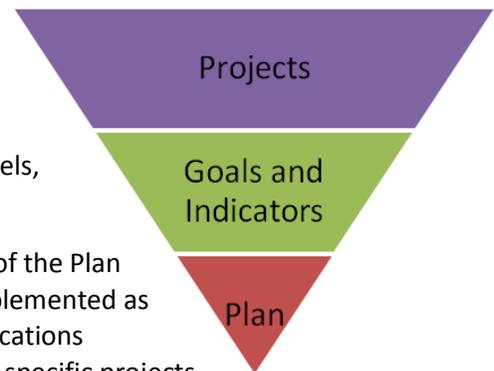
#### *Santa Ana River Watershed Water Quality Tools*

SAWPA, partnering with the Santa Ana Regional Water Quality Control Board and local stakeholders, has developed a suite of tools to provide water planners and the public access to water quality information relating to designated beneficial uses, water quality objectives, and water quality data for water bodies and waterways within the Santa Ana River Watershed.

#### *Watershed Assessment Tool, Plan Performance and Monitoring*

In order to track progress, SAWPA has developed a system to monitor the implementation of the OWOW Plan and projects implemented under OWOW. The monitoring takes place at two levels, the plan level and project level, to:

- Ensure progress is being made toward meeting objectives of the Plan
- Ensure specific projects identified in the Plan are being implemented as planned in terms of schedule, budget, and technical specifications
- Identify potential necessary modifications to the Plan or to specific projects, to more efficiently and effectively accomplish the goals and objectives of the Plan
- Provide transparency and accountability regarding the disbursement and use of funds for project implementation



To tie the plan and project monitoring together, SAWPA recognized the need for an interface process of measuring progress on meeting the goals and objectives, as well as the health of the Santa Ana River Watershed. SAWPA engaged the services of the Council for Watershed Health, a nonprofit organization, and Dr. Fraser Shilling of the University of California, Davis to develop a watershed assessment framework for the Santa Ana River Watershed. The Council and Dr. Shilling worked with the OWOW Pillars, workgroups of experts and stakeholders organized generally based on water resource management strategies, to update the watershed management goals, establish planning targets, and

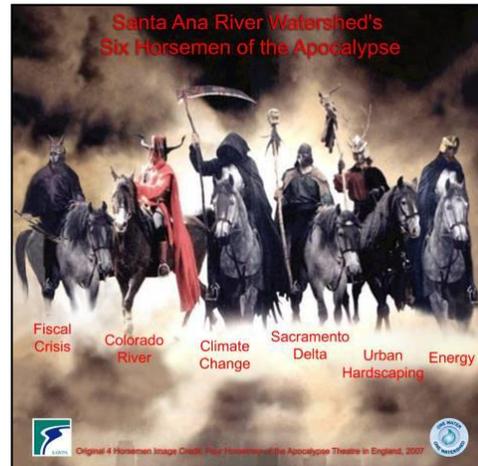
utilize data indicators from existing datasets to track progress. With the input of SAWPA staff, a new tracking computer tool was created, incorporating this work that will allow managers to evaluate and assess progress, and assure actionable results for implementation.

## Vision, Mission and Challenges

Under OWOW 1.0, the vision for the watershed was developed and continues under the OWOW 2.0 Plan as follows:

1. A watershed that is sustainable, drought-proofed and salt-balanced by 2035, and in which water resources are protected and water is used efficiently
2. A watershed that supports economic and environmental viability
3. A watershed that is adaptable to climate change
4. A watershed in which environmental justice deficiencies are corrected
5. A watershed in which the natural hydrology is protected, restored, and enhanced
6. A water ethic is created at the institutional and personal level

The mission of the OWOW Plan is to create opportunities for smarter collaboration to find sustainable watershed-wide solutions among diverse stakeholders from throughout the watershed. Clinging to the path of yesteryear will place us at greater risk of producing results with limited impact and unintended consequences. Our 21<sup>st</sup> Century plan creates a blueprint for more effective water resource management by using data and tools to keep us better informed and allowing us to be more productive in using less energy and producing less GHG emissions.



To achieve this vision and mission, stakeholders must address four major threats, which we have dubbed the Four Horsemen of the Apocalypse: 1) Climate Change resulting in reduced water supplies combined with increased water needs in the region; 2) Colorado River Drought Conditions resulting in pressures on imported supply due to upper basin entitlements and continued long-term drought; 3) San Joaquin-Bay Delta Vulnerability resulting in loss of supply due to catastrophic levee failure or changing management practices of the Delta; and 4) Population Growth and Development resulting in interruptions in hydrology and groundwater recharge while increasing water needs.

To implement OWOW 2.0 and adjust to current affairs, SAWPA and stakeholders needed to adapt to address the new challenges, the Energy and Fiscal Crises. The Four Horsemen of the Apocalypse herd has grown to six. The Fiscal Crisis reflects the impacts of the Great Recession commonly marked by a global economic decline that began in December 2007, and took a particularly sharp downward turn in September 2008. Some say the epicenter was the Inland Empire. By late 2013, the recession remains a part of our lives resulting in far fewer State and Federal funds, and State bond funding being deferred each year as the realization that they would not likely be supported by the California electorate.

Recent energy developments such as the closure of the San Onofre Nuclear Generating Station, have forced us to recognize the water-energy nexus and the need to address our energy needs and escalating costs for delivering energy. Energy costs can be reduced by water agencies through energy efficiency measures, while teaching the public that water conservation equates to energy conservation and thus money saved.

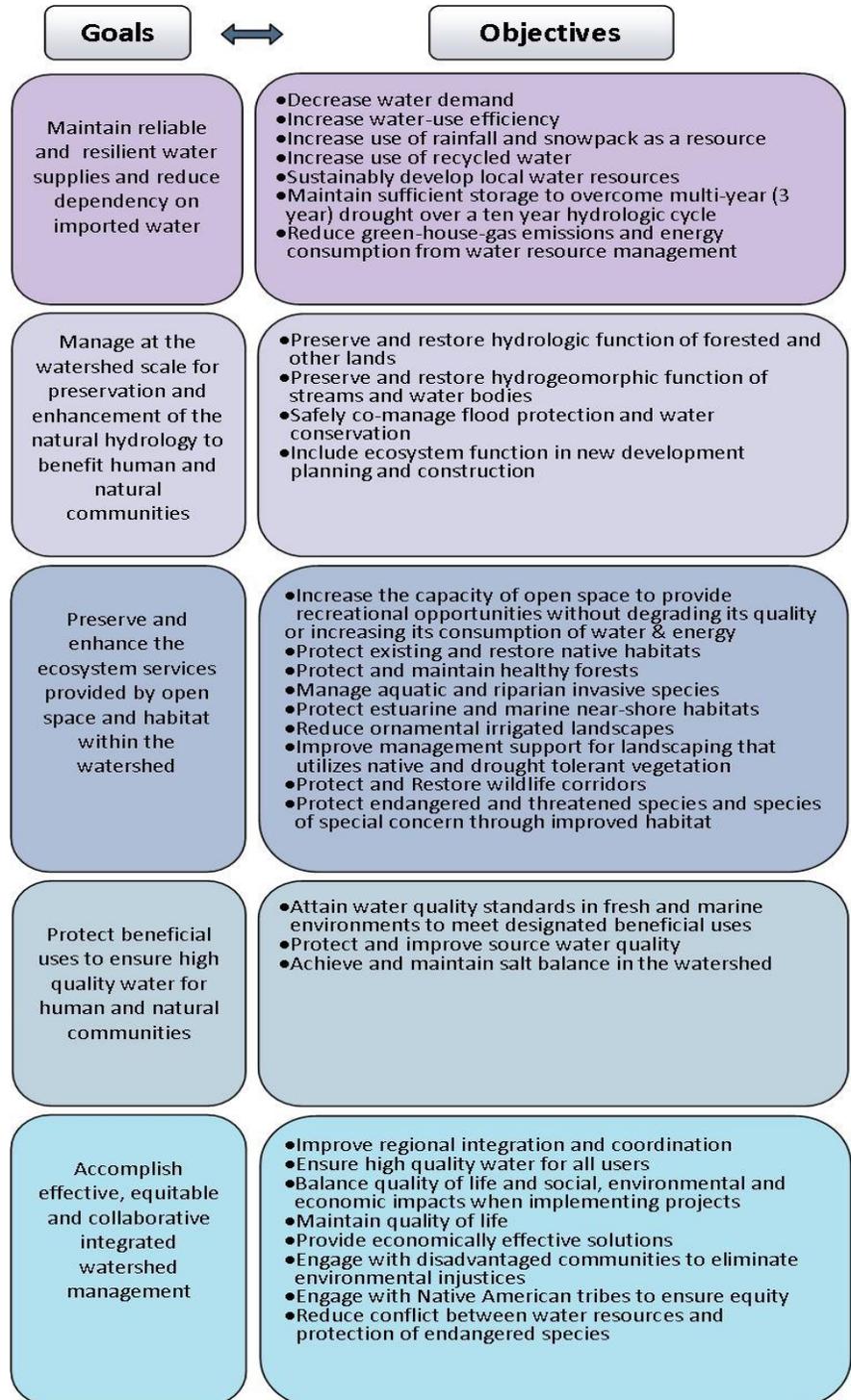
## Goals, Objectives, Targets and Indicators

As previously stated, in order to achieve the watershed’s vision, the Pillars worked with the Council of Watershed Health on updating the goals and objectives for the OWOW 2.0 Plan as part of the new watershed assessment framework.

The Pillars and the Council selected five areas: water supply, hydrology, open spaces, beneficial uses, and effective and efficient management. Using these newly defined goals and objectives, an assessment process was established that will assure actionable results for implementation.

Thereafter, the new goals and objectives were shared with the Steering Committee for their acceptance. Planning targets within the watershed along with data indicators were developed to track progress and allow measurement of the extent to which the plan objectives are being met. To achieve the updated goals and objectives, resource and broad

management strategies were investigated through work of the Pillars. Quantifiable planning targets were developed in conjunction with the 20-year planning horizon of Year 2035.



The targets and indicators are listed in Chapter 4.3, Planning Targets.

Goals	Performance Targets for 2035
Maintain reliable and resilient water supplies and reduce dependency on imported water	<ul style="list-style-type: none"> <li>• Conserve an additional 256,500 AFY of water through water use efficiency and conservation measures</li> <li>• Create 58,000 AFY using a combination of additional wells, treatment, conjunctive use storage and desalination of brackish groundwater</li> <li>• Increase production of recycled water by 157,000 AFY</li> <li>• Increase both centralized and distributed stormwater capture and recharge by 132,000 AFY</li> <li>• Develop 54,000 AFY of ocean water desalination</li> </ul>
Manage at the watershed scale for preservation and enhancement of the natural hydrology to benefit human and natural communities	<ul style="list-style-type: none"> <li>• Reduce flood risk in 700 acres using integrated flood management approaches.</li> <li>• Remove 500,000 cubic yards of sediment from debris basins and reservoirs</li> </ul>
Preserve and enhance the ecosystem services provided by open space and habitat within the watershed	<ul style="list-style-type: none"> <li>• Preserve or restore 3,500 acres of terrestrial aquatic habitat</li> <li>• Construct 39.5 miles of additional Santa Ana River Trail and Parkway</li> </ul>
Protect beneficial uses to ensure high quality water for human and natural communities	<ul style="list-style-type: none"> <li>• Reduce non-point source pollution by treating an additional 35 MGD of surface and stormwater flow, emphasizing higher priority TMDL areas</li> <li>• Remove an additional 25,000 tons of salt per year from the watershed</li> </ul>
Accomplish effective, equitable and collaborative integrated watershed management	<ul style="list-style-type: none"> <li>• Engage with 50% (approximately 35) Disadvantaged Communities within the watershed</li> <li>• Engage with 100% of the Non-Federally Recognized Tribes in the watershed</li> </ul>

### OWOW Planning Process

SAWPA officially launched its OWOW 2.0 planning effort on April 20, 2011, with the signing ceremony of the agreement with Reclamation. The work commenced in earnest with the first meeting with the Pillar Co-chairs. Regular workshops throughout the watershed were held with more than 100 agencies and non-profit organizations spanning Riverside, San Bernardino, and Orange counties. From the very beginning, the process has been open to and has received the participation of representatives from all

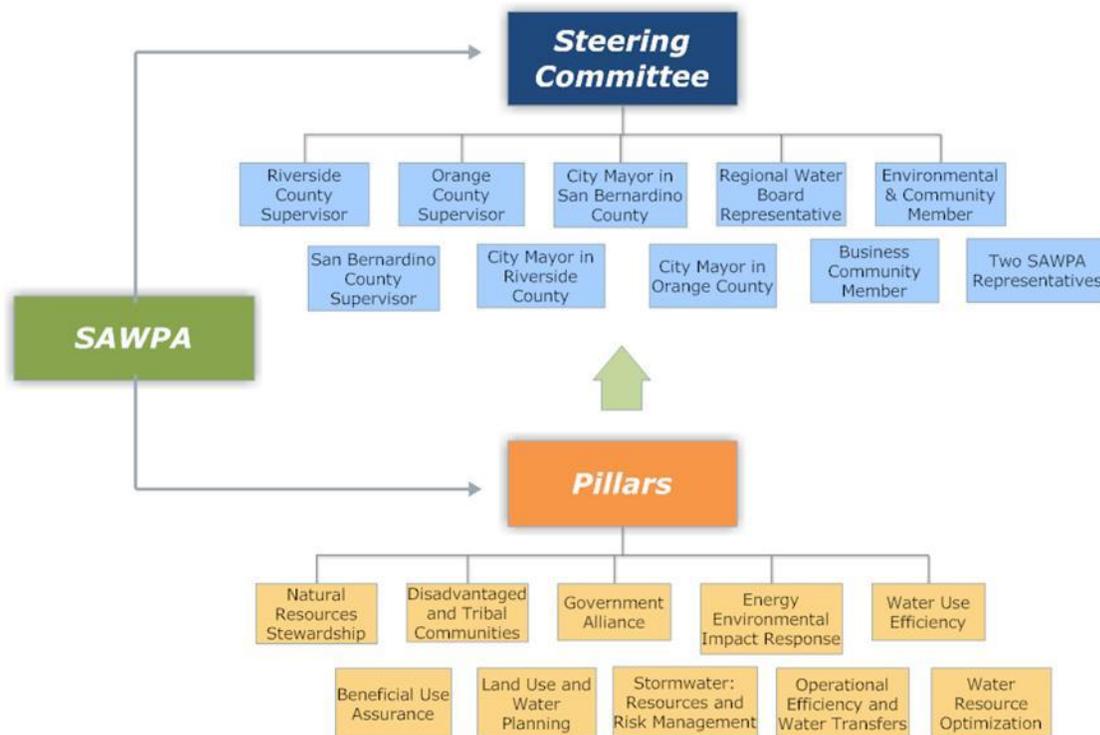
geographic regions and political jurisdictions within the watershed, and from diverse representatives of different sectors of the community (governments, water agencies, the development and environmental community, and the public).

As with the OWOW 1.0 Plan development, the OWOW 2.0 Plan utilized a “bottom up” approach for governance and involvement. Every effort was made to encourage the development of a shared vision and the involvement and participation of all watershed stakeholders in key discussions of major water resource issues, concerns, problems, goals, and objectives, with a particular focus on supporting multi-beneficial system-wide implementation. By expanding the involvement and collaboration to the *on-the-ground* level, greater buy-in and support were realized for this planning development process.

### OWOW 2.0 Governance

As with OWOW 1.0, the OWOW 2.0 Plan is led by an 11-member Steering Committee composed of elected officials from counties and cities in the watershed, representatives from the environmental, regulatory, and business communities, and representatives from SAWPA.

The Steering Committee’s role is to serve as the developer of integrated regional water management goals and objectives for the watershed, and to act as the oversight body that performs strategic decision making, crafts and adopts programmatic suites of project recommendations, and provides program advocacy necessary to optimize water resource protection for all.

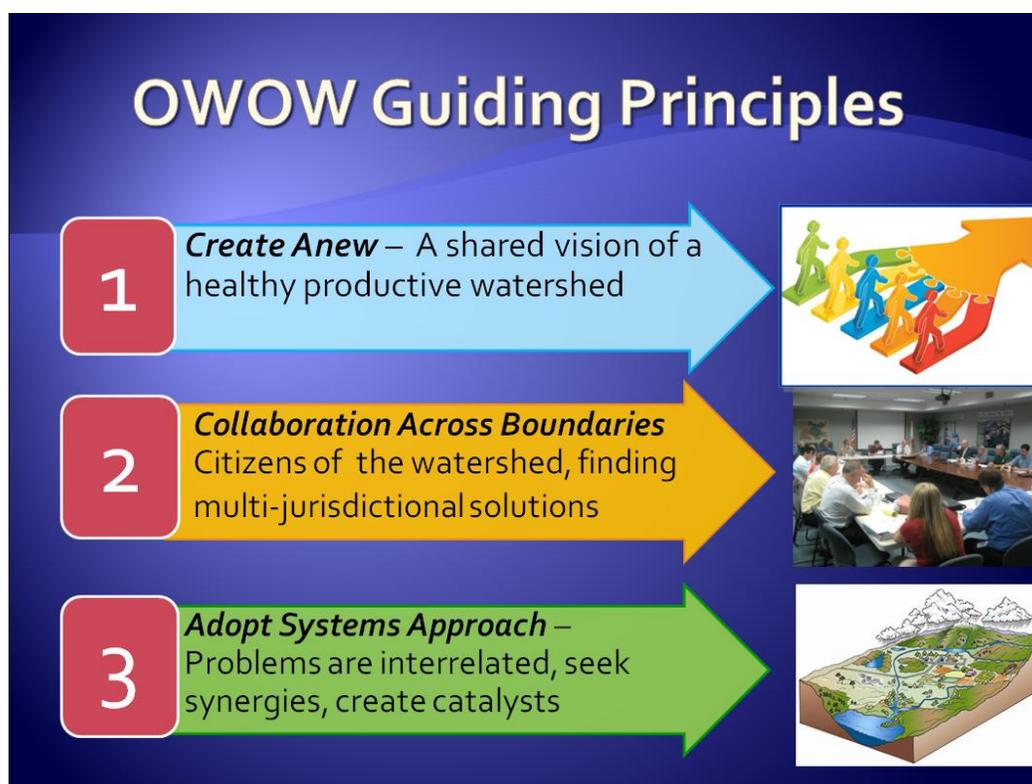


The Steering Committee is supported by technical experts assembled into ten groupings (known as Pillars), generally aligned along major water resource management strategies, but renamed under the OWOW 2.0 Plan to reflect greater integration and synergy.

While SAWPA facilitates the planning process and provides technical input and support through its staff and consultants, the development of the goals and strategies of the Plan, as well as the decision making process, are under the purview of the Steering Committee and the SAWPA Commission, with support of the Pillars and with consideration to comments from the public.

### Pillar Work and Key Findings

Under OWOW 2.0, more emphasis is being placed on the watershed scale, and multi-benefit and multi-purpose solutions. Multi-beneficial projects and greater diversification of water management approaches are achieved through greater collaboration and cooperation, building trust among stakeholders, viewing the watershed as a hydrologic whole, working in concert with nature, and seeing each problem as interrelated that provides opportunities for synergy and efficiencies. These OWOW guiding principles were shared with the Pillars and the watershed stakeholders on multiple occasions.



In preparation for the next phase of OWOW 2.0 planning, SAWPA directed that the OWOW 2.0 Plan was not intended to be merely an update of previous planning data from the OWOW 1.0 Plan, but rather would focus on identifying integrated and watershed-wide implementation actions. To achieve this, SAWPA conducted innovative brainstorming processes with the Pillars utilizing the experience and skills of local experts to inspire and promote integrated system-wide implementation actions that address water resource challenges in the Santa Ana River Watershed.

Starting in September of 2011, three well known water resource experts dubbed the “Master Craftsmen”, were tasked to develop a list of conceptual project concepts and to describe the spatial, temporal, regulatory, economic, political, and physical barriers that impair the ability to implement

watershed-based implementation actions that support the vision articulated in the OWOW Plan. From these Master Craftsmen meetings, a white paper was developed that identifies 13 key examples of watershed-based water resource management concepts that, when implemented, would provide tangible and measurable benefits by removing impairments. These watershed-based concepts are ideas, vetted by the Pillars, and provide significant additional benefits such as habitat restoration and increased habitat connectivity. Two types of concepts were included: (1) those that require implementation of capital projects, and (2) those that are programmatic and focus on establishment of regional management practices or policies that increase sustainability of existing resources.

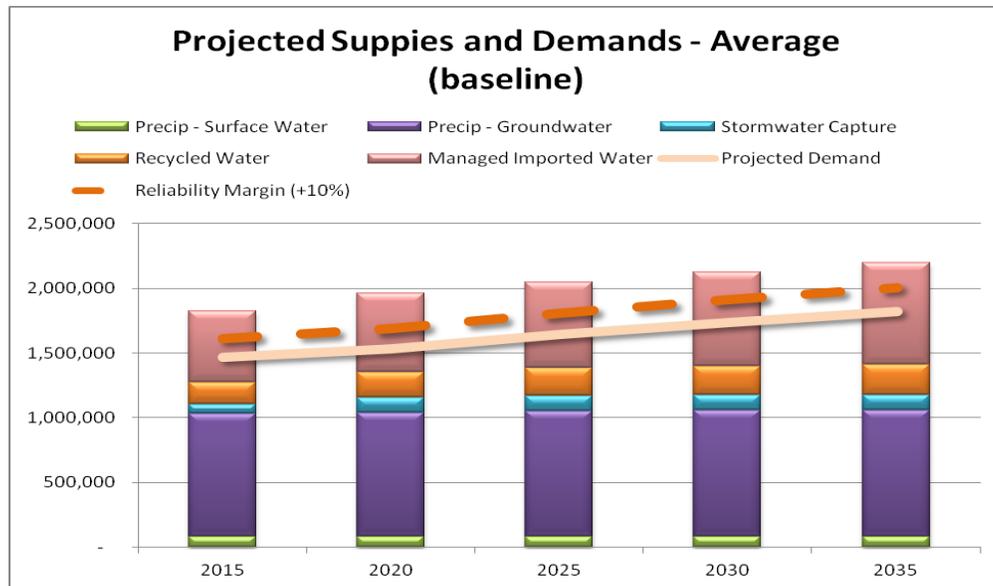
These ideas and concepts were approved by the Steering Committee and the SAWPA Commission. Thereafter, the Pillars commenced their respective meetings over the following 18 months of the OWOW 2.0 planning. They investigated new regional implementation actions within their Pillars that could lead to multiple, integrated benefits that, in turn, could be linked and integrated with other Pillar implementation actions. In addition to conceptual implementation actions, the Pillars developed key findings that will support implementation described as follows:

#### *Water Use Efficiency Pillar – Key Findings*

- Water use efficiency practices remain the number one water resource management priority for the watershed.
- Agencies and their partnerships with each other and private industry will continue to collaborate and develop new programs promoting water use efficiency.
- The ultimate goal will be to get water customers to automatically base decisions on what is the most water efficient way to plan, implement, and maintain devices and landscapes. This will require customer education and continued incentives to promote water use efficiency.
- Landscape demonstrates the greatest potential for water savings. Therefore, the Water Use Efficiency Pillar will move forward with collaborative projects that primarily emphasize outdoor efficient use of water.

#### *Water Resource Optimization Pillar - Key Findings*

Based on the work of the Water Resource Optimization Pillar, the projected supplies and demands for the average year are as follows:



A key finding from this Pillar’s analysis is that with implementation of the 20% water demand reductions by 2020, as well as a reliability margin of 10%, water supplies will be adequate to meet demands through the 20-year planning horizon or Year 2035. This evaluation also was conducted for the single year, the historical year that received the lowest amount of imported water, and the multi-year drought, three- year period that received the lowest amount of imported water. Their findings show that the watershed in the aggregate will be able to meet its demands in a single year drought with a reliability margin of 11% in 2035, and for a multi-year drought of 13% in 2035. The watershed is able to make it through these drought years by relying on the native water, precipitation as surface water and precipitation as groundwater, and imported water storage programs that store water when it is available during wet periods for use during drought periods, and on recycled water that is not impacted by weather.

The Water Resource Optimization Pillar concludes that there is more to be done to ensure water supply reliability for the future. This is particularly true in the face of climate change that may impact local precipitation patterns, the need for intra-basin transfers to maintain groundwater levels, the State-defined mandate for regions to become less dependent on Delta imported water, and a significant funding requirement of water use efficiency and infrastructure to meet future demands.

*Beneficial Use Assurance Pillar - Key Findings*

- Surface water quality monitoring is not coordinated within the watershed leading to duplicative sampling in some areas and inadequate sampling in others. Work on a plan to improve coordination and development of a regional approach to monitoring that will generate better information and be less expensive.
- New statewide regulations setting biological objectives and nutrient objectives for surface water are being developed and will be a compliance challenge for wastewater agencies. Participate in rule making process to support development of policies and regulations that are effective and efficient.

- A small number of small water systems in operation within the watershed that do not have resources for monitoring and proper operations and maintenance, may result in drinking water provided to customers that is in violation of drinking water standards. Work with California Department of Public Health and county health departments to identify small system water providers, if any, which need assistance with providing safe drinking water. Develop a plan to address any small system water providers that need assistance.
- Sediment deposition in some areas creates water quality impairments, reduces aquatic habitat, and reduces water conservation storage. Reduced sediment flow downstream of dams causes armoring of river/creek beds resulting in reduction in percolation capacity, aquatic habitat, and beach replenishment. Support USACE/OCWD Prado Basin Sediment Management Demonstration Project and Newport Bay Stakeholders to reduce sediment load into Upper Newport Bay.

#### *Land Use and Water Planning Pillar – Key Findings*

- Water supply agencies should be consulted early in the land use decision-making process regarding technology, demographics and growth projections.
- City and county officials, the watershed stakeholders, Local Agency Formation Commissions, special districts and other stakeholders sharing watersheds should collaborate to take advantage of the benefits and synergies of water resource planning at a watershed level.
- Plans, programs, projects and policies affecting land use and water should be monitored and evaluated to determine if the expected results are achieved and to improve future practices.
- Limited, accessible, and low-cost, outdoor recreational opportunities should be promoted throughout the watershed.

#### *Stormwater: Resource and Risk Management Pillar – Key Findings*

- Comprehensive and integrated stormwater management projects driven by a multi-stakeholder project paradigm can more effectively and efficiently address watershed needs. Such projects can assist stakeholders to achieve compliance with the Municipal Stormwater National Pollutant Discharge Elimination System Permits (MS4 Permits), while increasing capture of stormwater and other flows and groundwater recharge using favorable cost benefit approaches.
- Reducing the risk of loss of life and property damage due to flooding remains a high priority within the Santa Ana River Watershed. The completion of the Santa Ana River Mainstem Project will reduce the risk of a catastrophic flood event in the Santa Ana River Watershed. However, there remains significant flood risk related to tributary watercourses within the watershed, compounded by potential impacts of wildfires and earthquakes.

#### *Natural Resources Stewardship Pillar – Key Findings*

- A plan for sustainable management of conservation areas with targeted restoration efforts is essential for preventing further deterioration of habitat. Consideration for characteristics of each of the main habitat types: Chaparral/forest, Alluvial fan; Riparian, Wetland, and Coastal and their specific ecosystems, require habitat-specific management plans and restoration criteria.
- Creating sustainable wildlife corridors requires land use planning coordinated across jurisdictional boundaries. Cooperation also must take place among all of the current regional conservation plans, mitigation providers, resource conservation districts, and non-profit conservation organizations.

- Consensus among all agencies and organizations with ownership/stewardship over areas of the Santa Ana River Mainstem and tributaries should be sought that provides for long-term protection of areas where habitat restoration efforts are occurring or need to occur. This kind of cooperative agreement will be critical to the ability of governmental and non-profit organizations to secure mitigation funding to do the necessary habitat restoration work needed in the watershed.
- Grant and bond funding in the watershed have funded the removal of thousands of acres of invasive plants, initial and ongoing restoration of habitat areas, biological monitoring of sensitive species, and conservation of habitat areas. All of these sources and more should continue to support restoration and ongoing maintenance.
- Much of the remaining invasive plant biomass and areas that could benefit from re-establishment activities (removal of invasive species followed by long-term, active planting and biological monitoring) in the watershed is on land owned by Federal, State, and local governments for purposes other than water-oriented habitat conservation. These are prime lands for future habitat restoration projects with multi-use and benefit.

#### *Operational Efficiency and Water Transfers Pillar – Key Findings*

- Expand compliance with the SBx7-7 and implement projects that reduce per capita water usage by more than 20 percent by the year 2020.
- Create/ expand supply and system reliability during drought, emergency, and peak demand situations.
- Create/expand coordination with other agencies in the area and develop regional water management strategies that would increase conservation and local water supplies.
- Create/expand local recycled water reuse program(s) in the area with an OWOW 2.0 goal of 157,000 acre feet per year.
- Develop/Implement projects that protect groundwater resources, the environment and consider storage and transfers. These projects are important to assure that water is readily availability in the right place when we need it. This can be overcome with storage and transfers.

#### *Disadvantaged and Tribal Communities Pillar – Key Findings*

- Engaging Disadvantage Communities (DACs) and Tribes in water and related resources planning through effective outreach is good for both the community and the water sector itself. There are distinct differences due to cultural and historic context. Both need their voices heard during proposed project development.
- Today, DACs and some Tribes face critical and serious water and related resources challenges, such as failing septic systems, isolation, language barriers, flood risk, and lack of funding and or resources. It is imperative that the water sector and its key stakeholders recognize proposed DAC and Tribe water project needs, and engage these communities early in the process. The OWOW 2.0 process recognizes the various funding needs for DACs and Tribes, and the Federal and State funding programs available to them.
- From engaging and speaking with DAC residents and attending Tribal Council meetings, it is evident that there is a need for continuous networking resulting in consensus based development and implementation of project solutions.

### *Government Alliance Pillar – Key Findings*

- Ensure that Federal and State agencies effectively partner in the management of water and other resources within the watershed, and consider other Pillars’ perspectives in their support of OWOW goals and objectives.
- Periodically publish updates of the Resource Guide and post them on SAWPA’s website.
- Use the Resource Guide’s agency contacts, and assure that steps are taken to keep all information current.
- Continue coordination with various governmental agencies, as appropriate, for all proposed projects, initiatives, and integrated water and related resources activities to help identify necessary environmental compliance requirements and or potential areas of conflict.

### *Energy and Environmental Impact Response Pillar – Key Findings*

- Annual surface water is likely to decrease over future periods with precipitation showing somewhat long-term decreasing trends. Temperature will increase, which is likely to cause increased water demand and reservoir evaporation. Projected decreases in precipitation and increases in temperature will decrease natural recharge throughout the basin.
- Management actions such as reducing municipal and industrial water demands or increasing trans-basin water imports within the watershed may be required to maintain current groundwater levels.
- Warmer temperatures likely will cause Jeffrey Pines to move to higher elevations and may decrease their total habitat. Forest health also may be influenced by changes in the magnitude and frequency of wildfires or infestations. Alpine ecosystems are vulnerable to climate change because they have little ability to expand to higher elevations.
- Increasing temperatures will result in a greater number of days above 95°F in the future. The number of days above 95°F gets progressively larger for all cities advancing into the future.
- Simulations indicate a significant increase in flow for 200-year storm events in the future. The likelihood of experiencing what was historically a 200-year event will nearly double (i.e. the 200-year historical event is likely to be closer to a 100-year event in the future). Findings indicate an increased risk of severe floods in the future, although there is large variability between climate simulations.
- Sea level rise is likely to inundate beaches and coastal wetlands and may increase coastal erosion. The effects on local beaches depend upon changes in coastal ocean currents and storm intensity, which are highly uncertain at this time. Sea level rise will increase the area at risk of inundation due to a 100-year flood event.
- Existing barriers are sufficient to deter seawater intrusion at Talbert and Alamitos gaps under a 3-foot rise in sea levels. However, operation of barriers under sea level rise may be constrained by shallow groundwater concerns.

To further enhance the integration and linkages among the recommended conceptual implementation actions suggested by the Pillars, Pillar Integration Workshops were conducted by SAWPA throughout the OWOW 2.0 Plan development period. The integration workshops included discussion of system-wide regional or watershed scale implementation actions, addressing different components of the hydrologic cycle, evaluating linkages among proposed projects/programs, and developing and identifying synergy among projects and programs to create anew.

## OWOW 2.0 Plan – Future Implementation

During the last two years, Pillars have been working together to write the next integrated water plan, OWOW 2.0. The Broad Planning/Management Guidance Strategies were distilled from that work and will serve to guide future planning and management in the watershed. The strategies reflect a change in thinking about water resource management. Historically, water activities were organized into different silos, and managers worked to achieve separate and individual goals that were thought to be unrelated. The water supplier's goal was to deliver water for a growing population and economy. The flood control manager's goal was to channelize stormwater to get it out of the community before it could harm people and property. The wastewater manager's goal was to highly treat wastewater before it is discharged into the river or ocean to be carried away. Managing the watershed and water resources as done in the past realized narrow singular goals, but did so with tremendous unintended consequences. The list of endangered species only grew longer, as did the list of impaired water bodies. Societal values have changed, water and funds are scarcer, and together we have realized that the old way is no longer viable.

These Broad Planning/Management Guidance Strategies are not projects or programs themselves. These strategies represent a shift from remediation to protection. It is the opportunity to be proactive rather than reactive. This can facilitate the vision we want, a sustainable and productive watershed, rather than only focusing on solving the problems that past practices have created.



These watershed planning and management strategies are separate and distinct from priorities assigned to evaluate projects for funding that are often dependent on the grant sponsoring agency criteria. These Planning/Management Strategies are meant to guide planning efforts and are *in no particular ranked or priority order* as shown below.

- **Demand Reduction and Water Use Efficiency**

Water use efficiency practices remain a key resource management priority for the watershed and a cost effective tool for reducing the gap between available supplies and projected demand. This is reflected through a reduced per capita water use as well as potentially reduced commercial and industrial water use. Although significant progress is anticipated with mandated reductions through 20% by 2020 legislation, more can be done. Many water use efficiency actions have been implemented locally, but these can be scaled watershed-wide. These include water rates structures that encourage conservation, also known as budget-based water rates, garden friendly landscaping and landscape ordinance application, smart controllers and irrigation nozzles, and turf buy-back programs, to name a few. The last acre foot of water is often the most expensive, reducing that cost goes far to keep water rates stable.

Monitoring data shows wasteful irrigation runs off yards, down streets and culverts collecting pet waste and pollution until it hits the receiving water with a toxic slug causing beach closures and fish kills. At great expense, cities have been tasked to clean up this dry weather urban runoff pollution. This cost can be avoided with successful water use efficiency.

It is understood too that there is a direct link of water use efficiency with energy efficiency and GHG emission reduction.

- **Watershed Hydrology and Ecosystem Protection and Restoration**

Implementing cost effective programs will protect and restore our watershed's ecosystem and hydrologic system so that it will sustainably produce the array of services including water resources. Recognizing that the Santa Ana River Watershed has multiple interrelated parts, a holistic approach to solving issues of supply, quality, flood, and ecosystem management is necessary. This approach recognizes that in order to achieve a healthy productive watershed, improvements starting at the top of the watershed with a healthy and managed forest effectively support downstream stormwater attenuation and runoff capture and water quality improvement. The emphasis is on source control rather than end-of-pipe treatment as a best management practice. Implementation actions under this priority include forest management, pollution prevention, low impact development, stormwater capture and flood management, and MS4 stormwater implementation.

- **Operational Efficiency and Transfers**

Cooperative agreements arising from water transfers, exchanges, and banking can result in better use of water resources. With the rich groundwater storage opportunities available in the watershed, expanding the groundwater storage with a variety of available water sources can be much more cost effective than new surface storage. Such agreements will result in our ability to stretch available supplies and replace the storage lost by a shrinking snowpack. Projects under this category occur by collaboration and cooperation among the multitude of agencies and entities in the watershed, and agencies that import water into the watershed, expanding on the many past successful water agreements within the watershed. New banking agreements can represent both habitat mitigation

banking as well as groundwater banking. These agreements only can occur by entities working together and opening doors to improved efficiency and increased water supply reliance.

- **Innovative Supply Alternatives**

This strategy recognizes the need for more progress in a portfolio approach with expansion of innovative and effective 21<sup>st</sup> Century technology for water production, recycling, pumping, and desalinization. Traditionally these projects serve as an important component to achieving water supply reliability. Moving forward, a broader range of tools is available to us to serve both economic and environmental objectives. Projects under this category provide multiple benefits and thus can be mutually reinforcing. Brackish desalination and salinity management are necessary to sustain local supplies. Salinity management is essential for groundwater basin health in the watershed.

- **Remediation and Clean up**

Another strategy is implementing Total Maximum Daily Loads (TMDLs) and pollution remediation. Projects under this category must reflect projects that have region wide benefit, are integrated and have multiple benefits without a focus only on local or single purpose needs. Under this strategy, the focus is on preventing pollution and dealing with the pollution that has already occurred. This reflects a desire to duplicate the successes already established in the watershed to prevent and remediate pollution.

The Broad Planning/Management Guidance Strategies were presented and discussed with the Pillars and other stakeholders for possible prioritization of the five strategies. The feedback received is that all five strategies are a priority to the watershed. But as stakeholders of the watershed, entities are encouraged to consider the long term watershed planning approach as they consider competing alternatives to meet needs and give more merit or attention to strategies such as water use efficiency that has been traditionally found to be more cost effective in reducing water demands and generating water supply. Further, projects should consider system wide benefits before other alternatives. This applies particularly to pollution prevention at the source rather than having to address a chain of unintended and possibly negative consequences downstream for future generations.

Shown below is a list of Pillar Recommended Implementation Actions that were prepared based on the Pillar's work and other stakeholder input. These regional implementation actions are not listed in priority, nor are they in any particular order. They represent the integrated work of the Pillars that resulted from their collaboration internally and with other Pillars and are the solutions to the challenges that they identified in each of their Pillar chapters. This list does not represent a list of projects that been rated and ranked projects under the more formal Project Review Process defined under the OWOW 2.0 Plan. However, they are recommended implementation actions that reflect an emphasis on integration and system-wide solutions to the watershed challenges and include the 13 watershed-wide framework concepts previously discuss.

Each of the Pillar-recommended watershed-wide implementation actions eventually could become projects once they are more fully investigated and analyzed. Multi-agency project proponents for these implementation actions have not have been identified yet. It is anticipated that these recommended actions may best help fulfill the vision of the OWOW 2.0 Plan.

**Pillar Recommended Implementation Actions**  
(In no particular order)

Title	Description
Water Rate Structures that Encourage Conservation	Create incentive programs for retail water agencies in the watershed to reduce water demand and help meet SBX7-7 required demand reductions.
Water Use Efficiency Incentive Program	Create an incentive program for expanded water use efficiency programs including cash for grass, landscape retrofit support, and California-friendly plant discounts. Utilize IEUA Residential Landscape Transformation Program and MWDOC Comprehensive Landscape Water Use Efficiency Programs as template.
Watershed Exchange Program	<ul style="list-style-type: none"> <li>- Upper watershed foregoes development of more water recycling and provides future treated wastewater to the lower watershed via the Santa Ana River</li> <li>- Lower watershed provides “replacement” water to upper/middle watershed</li> </ul>
Wet Year Imported Water Storage Program	<ul style="list-style-type: none"> <li>- Upper watershed and MWDSC would implement this strategy</li> <li>- Goal: change MWDSC place of storage from Central Valley to Santa Ana River watershed</li> <li>- Develop MWDSC pricing structure to encourage more storage in watershed</li> <li>- Water stored in wet years for a reduced price. Water pumped in dry years for remaining Tier 1 price</li> </ul>
Enhanced Santa Ana River stormwater capture below Seven Oaks Dam	Additional stormwater detained by Seven Oaks Dam could enable the diversion of up to 500 cfs and up to 80,000 acre-feet per year. This may require execution of new water rights agreement among SAR Watermaster parties.
Off River Storage and Supply Credits	Additional stormwater capture along the SAR tributaries could enhance capture/recharge. Specific locations in the watershed would need to be defined. New recharge projects could allow for purchase of “MS4 Credits” by cities and counties as part of new development as a regional MS4 compliant recharge project.
Re-Operate Flood Control Facilities	Working with flood control agencies re-operate flood control facilities with the goal of increasing stormwater capture increasing flood get away capacity and revising decades old storage curves. Without any impending storms, the flood control agencies may be able to release stormwater at a slower rate. This relatively minor operational change would make stormwater flows easier to capture and put to use. It also would result in impounding the water longer, which would increase artificial recharge during the “holding period”. This strategy has already been successfully implemented in some portions of the watershed.
Increase Surface Water Storage	Helps offset drought and climate change while also increasing watershed sustainability and less dependence on imported water. This project would supplement but not replace existing or proposed groundwater storage.
Increase Groundwater Storage	Helps offset drought and climate change while also increasing watershed sustainability and less dependence on imported water.

Title	Description
Inland Empire Garden Friendly Demonstration and LID Project	Using the Inland Empire Garden Friendly Program as a template, a demonstration project is proposed to quantify the benefits of installing Inland Empire garden friendly products and further demonstrate Low Impact Development features in a DAC neighborhood. The project would be modeled in part after the successful City of Santa Monica Garden-Friendly Project, as well as the Elmer Ave. Neighborhood Retrofit project in the LA Basin.
DAC Water Supply or Water Quality Improvement Projects	Provide funding support to assure drinking water standards are met such as in the County Water Company of Riverside near Wildomar. Construct new sewer system for the areas that have failing septic systems/undersized treatment facilities like Beaumont Cherry Valley.
Wetlands Expansion Watershed wide	Create new wetlands along the tributaries of Santa Ana River to provide for natural water quality improvement, ecosystem restoration and recreational opportunities. Water supply for such wetlands would be dry weather urban runoff and available recycled water and would be patterned after the Mill Creek Wetlands in Chino Basin.
Watershed wide Multi-Use Corridor Program	Create multi-use corridors along SAR and its tributaries and Upper Newport Bay tributaries in all three counties in watershed to provide for sustainable wildlife corridors, stormwater attenuation and capture, flood control, sediment reduction and erosion restoration, enhanced NPS pollution treatment, removal of non-native species, and creation of recreational trails,. In Riverside County, along Temescal Wash, in San Bernardino in San Timoteo Wash, in Orange County along Borrego Canyon Wash between Irvine Blvd and Town Center Drive.
Multi-Species Habitat Plan for Gap areas of Watershed	Create multi-species habitat plan for San Bernardino County and portions of Orange County. Though work is underway on the Upper Santa Ana Wash Land Management and Habitat Conservation Plan, there is no MSHCP covering the growing areas of southwestern San Bernardino County. Western Orange County is also not covered by an MSHCP.
Water conservation recharge optimization program	Establish a water conservation-recharge optimization plan for existing and potential future flood control facilities, using the example work of the Chino Basin Recharge Master Plan and implementation projects as a template.
Watershed wide geodatabase access	Connect existing county or program-specific geodatabases to create a comprehensive watershed geodatabase that provides access to appropriate stakeholders, and set up a data quality control and maintenance program. The main component County MS4 geodatabases are well under way.
Forest Restoration Projects	Expand forest restoration through fuels reduction, meadow and chaparral restoration projects to strategic areas above major stormwater recharge basins for flood control, water supply and water quality benefits.
Residential Self-Regenerating Water Softener Removal Rebate Program	Removal of self regenerating water softeners has been proven as an effective strategy to reduce TDS levels at WWTP and assure future salt discharge requirements. The project provides watershed-wide rebates and would be a joint program among water agencies in the watershed.
Salt removal projects to achieve Salt Balance	Expand groundwater desalination to key groundwater basins where TDS and Nitrate concentrations are approaching discharge limits. Locations may include Elsinore Basin, Perris Basins in EMWD and Riverside Basins.

Title	Description
Enhanced stormwater capture from the tributaries of the Santa Ana River	Develop additional stormwater capture projects along the SAR tributaries that support key groundwater management zones identified by SB, RV, and OC Geodatabases. Early estimates indicated a capture potential of 12,000 AFY.
Conjunctive Use Storage and Water Transfer Project using Wet Year and Dry Year Allocation	This project concept proposes a purchase by downstream entities of up to 45,000 AF of imported water to be recharged by the upstream agencies during wet years. Water would be purchased at a reduced imported water rate from MWD reflecting the savings of not storing the SWP water at one of MWD's own storage programs such as the Semi-Tropic Water Storage District and/or Kern County Water Bank. In dry years, downstream agencies could request upstream agencies to increase their groundwater production for three years by up to 15,000 AF per year in-lieu of direct deliveries from MWD, while MWD increases deliveries in the downstream area by an equal amount.
Salt Assimilative Capacity Building and Recycled Water Transfer Project	EMWD has the capability to discharge 15,000 AFY of recycled water into Temescal Creek. The recycled water discharge will be dependent on surplus recycled water available and not used within EMWD particularly during wet seasons. With the approval of the SAR Watermaster, this flow can be contractually added to the Santa Ana River base flow allocation at Prado. The water quality of EMWD's discharged recycled water may require some salinity mitigation by downstream parties to meet the RWQCB Basin Plan Objective in Orange County. The GWRS will be used to provide the required mitigation for the discharged water, and EMWD will pay downstream parties for the cost of that mitigation.
Riverside Basin Aquifer Storage and Recovery Project	Riverside Public utilities, in partnership with Valley District and others are developing a design for a rubber dam that would cross the Santa Ana River and be used to divert flows, while mitigating environment impacts. The project is currently anticipated to capture and recharge 15,000 AFY.
Watershed Invasive Plant Removal Project	The Santa Ana Watershed Association, the Front Country District Ranger on the San Bernardino National Forest and Southern California Edison had proposed a major an invasive plant eradication project for the Mill Creek Watershed. This project proposes to expand the San Bernardino Mountains Front Range Invasive Plant Removal Project to an invasive plant removal and restoration project in the Santa Ana River Watershed that has many partners and stakeholders extending from the coast to the headwaters.
Regional BMPs to manage municipal stormwater discharges	Develop regional BMPs including infiltration, harvest & reuse, and biotreatment as proposed under current MS4 Permits. Initial phase would be located in MSAR Pathogen TMDL area and expand into other areas of the watershed under future phases to address pathogen treatment.
Watershed-wide coordinated surface water monitoring program	Surface water quality monitoring is not coordinated within the watershed leading to duplicative sampling in some areas and inadequate sampling in others. In some cases this may lead to 303(d) listings that do not reflect real impairments. A new program to coordinate surface water quality monitoring to enhance efficiency and reduce costs is proposed. Sources of monitoring data would come from MSAR Watershed TMDL, SWQSTF, MS4 Stormwater Permits, and SCCWRP Bioassessment Program.
Watershed Urban Runoff Management	Establishing a Watershed Based Urban Runoff Management Fund to support the implementation of stormwater management programs. Components of this program

Title	Description
Fund	could include the regulatory basis for a watershed based program, the legal basis and authority for the fund, the agreements, and programmatic elements.
Santa Ana River Sediment Transport	Building upon an OCWD demonstration project, implementation of a full scale project that allows for the appropriate transfer of sediment to maximize recharge operations, restore habitat, and reduce operation costs.
Transportation Corridor Stormwater Capture and Treatment	New uses of the current transportation right of ways can be expanded to for capturing rain runoff and replenishing groundwater basins.
Modified Watershed Brine Management System	Optimizing the water used to transport brine so that less water is lost to the ocean through increased concentrating of brine or delivery to the Salton Sea for beneficial use.
Water Industry Energy Use Reduction Incentive Program	Supporting regional purchase and installation programs of water resource related greener energy projects that reduce capital costs and green house gas emissions.
Watershed Land Use Planning Tool Kit	Developing a tool kit that translates water principles to support watershed planning decisions and implements a jurisdictional outreach effort for relevant regional, county and city planning agencies that encourages adoption of the guidance ideology into General Plans and zoning codes at the local level.

### OWOW Projects and Benefits

It is the intent of the OWOW planning process to transcend specific funding cycles. Projects are included in the OWOW 2.0 Plan based on the latest rating and ranking criteria and their merit to address the watershed’s strategic needs, regardless of available funding opportunities at any given time. (See list in **Appendix K**)

Shown below is a list of the Round 1 Proposition 84 projects and the benefits that ultimately will be realized once all these projects are fully constructed. Round 2 projects submitted by SAWPA are under consideration by DWR for future grant funding with awards anticipated in early 2014.

### OWOW Proposition 84, Round 1 Projects

Project	Project Sponsor	Total Local Cost	Grant Amount	Other State Funds Being Used	Total Cost
Groundwater Replenishment System - Flow Equalization	OCWD	\$14,399,680	\$1,000,000	\$0	\$15,399,680
Sludge Dewatering, Odor Control, and Primary Sludge Thickening	OCSO	\$137,115,600	\$1,000,000	\$0	\$138,115,600
Vireo Monitoring	SAWA	\$269,207	\$600,000	\$0	\$869,207
Mill Creek Wetlands	City of Ontario	\$14,355,000	\$1,000,000	\$5,000,000	\$20,355,000
Cactus Basin	SBCFCD	\$8,250,752	\$1,000,000	\$0	\$9,250,752
Inland Empire Brine Line Rehabilitation and Enhancement	SAWPA	\$698,153	\$1,000,000	\$5,234,576	\$6,932,729
Arlington Desalter Interconnection Project	City of Corona	\$948,049	\$400,000	\$0	\$1,348,049
Perris II Desalination Facility	EMWD	\$1,335,752	\$1,000,000	\$0	\$2,335,752
Perchlorate Wellhead Treatment System Pipelines	WVWD	\$419,000	\$1,000,000	\$0	\$1,419,000
Chino Creek Wellfield	WMWD	\$5,331,118	\$1,000,000	\$0	\$6,331,118
Impaired Groundwater Recovery	IRWD	\$36,321,970	\$1,000,000	\$0	\$37,321,970
Alamitos Barrier Improvement Project	OCWD	\$10,571,600	\$1,000,000	\$0	\$11,571,600
Arlington Basin Water Quality Improvement Project	WMWD	\$3,443,636	\$1,000,000	\$0	\$4,443,636
<b>Grant Total</b>		<b>\$233,459,517</b>	<b>\$12,000,000</b>	<b>\$10,234,576</b>	<b>\$256,354,097</b>

- Reduces water demand by 11,200 AF/YR
- Captures 16,300 AFY of stormwater for recharge
- Produces 28,600 AFY of desalted groundwater while removing 21,600 tons of salt
- Creates 90,400 AFY of new water recycling
- Creates 16,400 AF of new storage
- Improves water quality to 7,800 AFY
- Creates or restores 400 acres of habitat
- Leverages \$11.7 million in grants funds with \$240 million on local funds
- Creates about 3900 construction related jobs for region

**RESOLUTION 2015-04**

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE BEAUMONT-CHERRY VALLEY WATER DISTRICT  
IN SUPPORT OF THE SANTA ANA WATERSHED PROJECT AUTHORITY  
("SAWPA") "ONE WATER, ONE WATERSHED" (OWOW) 2.0 PLAN**

**WHEREAS**, The Santa Ana Watershed Project Authority (SAWPA) adopted the "One Water One Watershed (OWOW) 2.0 Plan", the Integrated Regional Water Management Plan for the Santa Ana River Watershed; and

**WHEREAS**, a safe, clean and reliable water supply is critical to California's economic and environmental future, and

**WHEREAS**, California's dependence on imported water supplies threatens both the economy and the environment, especially during times of drought; California should pursue new and innovative methods to become more water self-sufficient by increasing water storage and utilizing that water during times of drought; and

**WHEREAS**, SAWPA programs are intended to move the region will move toward being self-sufficient during droughts, improve the quality and safety of the water supply, restore habitat for native species, provide flood control, and create new wetlands and open spaces in the region.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Beaumont-Cherry Valley Water District which declares that the District supports the SAWPA (OWOW) 2.0 Plan, the Integrated Regional Water Management Plan for the Santa Ana River Watershed.

**ADOPTED**, This 8th day of July, 2015

ATTEST:

\_\_\_\_\_  
Kenneth Ross, President of the  
Board of Directors of the  
Beaumont-Cherry Valley Water District

\_\_\_\_\_  
Daniel Slawson, Secretary to the  
Board of Directors of the  
Beaumont-Cherry Valley Water District



**Beaumont Cherry Valley Water District  
Regular Board Meeting  
July 8, 2015**

**DATE:** July 2, 2015

**TO:** Board of Directors

**FROM:** Eric Fraser, General Manager

**SUBJECT:** Consideration of Resolution 2015-05 a Resolution of the Board of Directors of the Beaumont Cherry Valley Water District authorizing the implementation of penalties for non-compliance with mandatory water use restrictions and rescinding Resolution 2015-02

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**Recommendation**

It is recommended that the Board consider and approve the attached Resolution authorizing the General Manager to implement financial penalties for non-compliance with mandatory water use restrictions

**Background**

At the regular Board meeting on April 8, 2015 the Board had a discussion related to the implementation of penalties and, or fees to be charged to customers for failure to comply with mandatory water use restrictions. Rather than adopt penalties in accordance with the emergency drought regulations which authorize the Board to impose fines of up to \$500 per day for continued violations, staff was directed to develop a progressive penalty structure to be imposed on customers for failing to comply with the restrictions.

Penalties for non-compliance shall be imposed in the following order:

- First Violation – Written Notice.
  - Any notice required by this Resolution may include, for example and not by way of limitation, the following information: (i) The water conservation stage and restrictions that are in effect; (ii) Actions required for compliance in order to prevent future violations; and (iii) Penalties and enforcement actions which may be imposed for future violations.
- Second Violation – A penalty will be imposed in an amount equal to 10 percent of the customer's current water bill.
- Third Violation – A penalty will be imposed in an amount equal to 20 percent of the customer's current water bill.



- Fourth Violation – A penalty will be imposed in an amount equal to 30 percent of the customer’s current water bill.
- Fifth Violation and any subsequent violation – A penalty will be imposed in an amount equal to 50 percent of the customer’s current water bill.

In the event of any violation after the fifth violation, the General Manager, or his/her designee, may determine, in his/her reasonable discretion that the continued violation of the restrictions set forth in this Resolution warrant the initiation of procedures for the termination of water service pursuant to Part 15 of the District’s Regulations Governing Water Service.

### **Financial Impact**

A reduction in water consumption will result in a reduction in water sales

Report prepared by: Tony Lara, Director of Operations

## RESOLUTION 2015-05

### A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BEAUMONT-CHERRY VALLEY WATER DISTRICT AUTHORIZING THE IMPLEMENTATION OF PENALTIES FOR NON-COMPLIANCE WITH MANDATORY WATER USE RESTRICTIONS AND RESCINDING RESOLUTION 2015-02

**WHEREAS**, On May 5, 2015 the State Water Resources Control Board (State Board) adopted updated emergency water use regulations intended to safeguard urban water supplies in the event of continued drought, minimize the potential for waste and unreasonable use of water, and to achieve a 25 percent statewide potable water usage reduction ordered by Governor Brown in his April 1, 2015 executive order, and

**WHEREAS**, The Board of Directors has discussed and desires to implement penalties and, or fees for failure by any water user to comply with mandatory water use restrictions adopted by the State Water Resources Control Board and The Beaumont-Cherry Valley Water District to achieve a mandatory 36 percent reduction in urban water usage as compared to 2013, and

**WHEREAS**, the drought conditions that formed the basis of Governor Brown's executive order continue to exist; and

**WHEREAS**, the Board of Directors declares the conditions continue to exist to implement water usage restrictions in accordance with the Urban Water Management Plan adopted by the Board of Directors, and additional outdoor water use restrictions approved by the Office of Administrative Law (OAL) on May 18, 2015.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Beaumont-Cherry Valley Water District declares the following:

1. Implementation of the emergency water use regulations was previously adopted by the Board of Directors of the Beaumont-Cherry Valley Water District by Resolution 2015-02 which shall be rescinded by the adoption of this resolution.
2. A Level 2 Water Supply Shortage continues to exist within the Beaumont - Cherry Valley Water District service area.
3. The water conservation measures identified in this resolution are mandatory and violations are subject to penalties, fees, and remedies as described in the Water Code and District Rules and Regulations.
  - All persons using water provided by the Beaumont-Cherry Valley Water District shall comply with the restrictions as defined in this resolution, except where recycled water or other non-potable water is used.
  - The application of potable water to outdoor landscapes in a manner that causes runoff such that water flows onto adjacent property, non-irrigated areas, private and public walkways, roadways, parking lots, or structures is prohibited;
  - The use of a hose that dispenses potable water to wash a motor vehicle, except where the hose is fitted with a shut-off nozzle is prohibited;

- The application of potable water to sidewalks, and driveways is prohibited;
  - The use of potable water in a fountain or other decorative water feature, except where the water is part of a recirculating system is prohibited;
  - Irrigating turf or ornamental landscapes during and 48 hours after measurable precipitation is prohibited;
  - Restaurants and other food service establishments may only serve water to customers on request;
  - Operators of hotels and motels must provide guests with the option of choosing not to have towels and linens laundered daily; notice of this option must be prominently displayed;
  - Lawn watering, park, school and street median landscape watering is restricted to Monday and Friday between the hours of 8:00 pm. and 8:00 am.
4. Penalties for non-compliance. The following financial penalties will be imposed when a customer violates the Mandatory Restrictions set forth in Section 3 of this Resolution.
- a) First Violation – Written Notice.  
Any notice required by this Resolution may include, for example and not by way of limitation, the following information: (i) The water conservation stage and restrictions that are in effect; (ii) Actions required for compliance in order to prevent future violations; and (iii) Penalties and enforcement actions which may be imposed for future violations.
  - b) Second Violation – A penalty will be imposed in an amount equal to 10 percent of the customer’s current water bill.
  - c) Third Violation – A penalty will be imposed in an amount equal to 20 percent of the customer’s current water bill.
  - d) Fourth Violation – A penalty will be imposed in an amount equal to 30 percent of the customer’s current water bill.
  - e) Fifth Violation and any subsequent violation – A penalty will be imposed in an amount equal to 50 percent of the customer’s current water bill.

In the event of any violation after the fifth violation, the General Manager, or his/her designee, may determine, in his/her reasonable discretion that the continued violation of the restrictions set forth in this Resolution warrant the initiation of procedures for the termination of water service pursuant to Part 15 of the District's Regulations Governing Water Service.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Beaumont-Cherry Valley Water District accepts by this Resolution the implementation of penalties for non-compliance with mandatory water restrictions

**ADOPTED**, This 8th day of July, 2015

ATTEST:

\_\_\_\_\_  
Kenneth Ross, President of the  
Board of Directors of the  
Beaumont-Cherry Valley Water District

\_\_\_\_\_  
Daniel Slawson, Secretary to the  
Board of Directors of the  
Beaumont-Cherry Valley Water District



**Beaumont-Cherry Valley Water District  
Regular Board Meeting  
July 8<sup>th</sup>, 2015**

**DATE:** July 2<sup>nd</sup>, 2015  
**TO:** Board of Directors  
**FROM:** Eric Fraser, General Manager  
**SUBJECT:** Consider Authorization of Pumping Unit Repair Costs Related to Well 25 Placement of Gravel Seal, Bentonite Plug and Cement Cap Contract

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**Recommendation:**

Authorize required pumping unit repair costs in the amount of \$20,907.32 for work related to the District's existing Well 25 Placement of Gravel Seal, Bentonite Plug, and Cement Cap Contract with Southwest Pump & Drilling, Inc. (SWP&D). The total revised Contract Amount with SWP&D would be \$81,331.32. The original authorized contract amount for the Well 25 Placement of Gravel Seal, Bentonite Plug and Cement Cap is \$60,424.00.

**Background:**

The Board of Directors authorized award of a Construction Contract to Southwest Pump & Drilling, Inc. at the May 13, 2015 Board Meeting for Well 25 Placement of gravel seal, bentonite plug, and cement cap in the amount of \$60,424.00.

At this time the Well 25 pumping unit has been removed and the lower 270 feet of the well has been filled with the specified gravel, bentonite seal, and concrete cap as part of the Chromium VI Phase I mitigation work. At this time, the Contractor has also performed contract required work related to dis-assemble, cleaning and inspection of all pumping unit components, including the pumping unit column, tube, line shaft and bowl assembly components.

The Contractor has identified that the pumping unit bowl assembly wear is such that reconditioning of said unit is warranted and recommended. In addition the Contractor has identified that the following line shaft enclosing tube, line shaft, and line shaft bearings should be replaced due to excessive wear:

1. 20' of 3-1/2" enclosing tube (line shaft tube)
2. 20' of 2-7/16" line shaft
3. 72 line shaft bearings (bearings internal clearance tolerances are greater than the manufactures recommended maximum dimension due to wear).

It should be noted that "Additive Bid Items" were included in the bid schedule to establish fixed pricing for replacement components that may be necessary to recondition the pump, column, enclosing tube and line shaft. These "Additive Bid Items" were not included in the base bid items used to assess the minimum work required to complete the gravel seal, bentonite plug, and cement cap installation and used as the basis of award of the Contract with SWP&D in the amount of \$60,424.00.



The cost associated with the additional recommended repair work is as follows:

<b>Item Description</b>	<b>Unit Cost</b>	<b>Unit Amount</b>	<b>Total Cost</b>
3-1/3" Enclosing Tube	\$25.00	20	\$ 500.00
2-2/16" Line Shaft, C1045	\$36.00	20	\$ 720.00
Line Shaft Bearings	\$121.00	72	\$ 8,712.00
Recondition Bowl Assembly, New S.S. Bowl Shaft, New Bowl Bearings, New Wear Ring	\$10,975.32	1	\$ 10,975.32
<b>Total:</b>			<b>\$ 20,907.32</b>

Staff agrees that the costs associated with the identified pumping unit repair work are reasonable for the components requiring replacement and recommends that the Board authorize Staff to authorize the repair work identified above in the amount of **\$20,907.32**.

Finally, work related to performing routine maintenance on the Well 25 800 horsepower motor was completed and said work consisted of testing the motor windings, washing the motor and epoxy dip and baking the motor, and replacing the thrust bearing and steading bearing. Costs associated with this motor maintenance work activities was **\$7,974.47**.

**Fiscal Impact:**

Funds are available from the current fiscal year budgeted depreciation expense for completion of the District's share this work. It is anticipated that the identified pumping unit repair work and 800 Hp motor maintenance work for Well 25 will be shared proportionally with the City of Banning based upon water produced and used by BCVWD and the City of Banning by said well over the course of the last maintenance cycle (original installation date to present).

Prepared by Daniel K. Jagers, Director of Engineering



**Beaumont-Cherry Valley Water District  
Regular Board Meeting  
July 8<sup>th</sup>, 2015**

**DATE:** July 2, 2015

**TO:** Board of Directors

**FROM:** Eric Fraser, General Manager

**SUBJECT:** Consideration of Request for a Conditional “Intent to Serve Letter” for Proposed Low Income Veterans Housing Project – Illinois Avenue, Beaumont, CA and approval of Draft “Intent to Serve Letter”  
(Riverside County Assessor’s Parcel No’s 418-020-027, -032, -033, -034)

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**Recommendation:**

Consider request to provide a conditional “Intent to Serve Letter” for a proposed low income veteran’s housing project to be located southwest of the intersection of 8<sup>th</sup> Street and Illinois Avenue in Beaumont, CA (Assessor’s Parcel Numbers (APN) 418-020-027, 418-020-032, 418-020-033, and 418-020-034) and approval of Draft “Intent to Serve Letter” regarding the same.

A draft copy of the proposed “Intent to Serve Letter” is attached for Board review, comment, and consideration of approval.

**Background:**

At the June 10, 2015 Board Meeting, the Applicant (LINC Housing Corporation) made a request for the District to provide a conditional “Intent to Serve Letter” on behalf of the property owner (Developer).

The Applicant is aware of the District’s Resolution 2014-05 prohibiting the issuance of new “Will Serve Letters” for projects not previously considered by the District, however, at the June 10, 2015 Board Meeting, the Applicant requested that the District provide an intent to serve the project upon resolution of the drought in California and the associated removal of limitations for new service set forth by the District’s Resolution 2014-05. The Applicant indicated at that meeting that they require some form of commitment letter from the District in order to proceed with the City of Beaumont planning review and subsequently secure State of California loans through the Veterans Housing and Homeless Prevention Program and California affordable housing tax credit investments.

Upon review of that request, the Beaumont-Cherry Valley Water District Board of Directors requested that a letter be prepared for Board review and approval with the intent of that letter to indicate Board support of the project while providing the requirement that the Applicant secure a final “Will Serve Letter” upon expiration of the District’s Resolution 2014-05.

As stated in the June 10, 2015 Staff Report related to this item (attached for reference), the Applicant identified that assuming all funding is secured, the soonest project start date would be approximately January 2017. The Applicant also identified at that time that they would like the opportunity to move the project forward at their own risk and cost in order to secure funding in order to provide much needed housing to veterans.



Finally and for reference only, the District’s Regulations Governing Water Service defines Service Charges and Facilities Fees (and presumably associated water usage) for water demands for multifamily dwelling units to be 2/3 of the fees associated with a single family dwelling unit. Based upon these facts, the equivalent dwelling units for this project are set forth as follows:

<b>Description</b>	<b>Multifamily Dwelling Units</b>	<b>Equivalent Dwelling Units (EDUs)</b>	<b>Annual Demand (Acre-Ft/Year)</b>
38 Unit Multi-Family Dwelling Units	38	25.46	16.54

The impact of this development on the District’s water supply system is determined to be minimal and is generally incorporated in the District’s 2013 Urban Water Management Plan Update as infill lot development.

**Conditions:**

Prior to a final project “Will Serve Letter” being issued the following conditions must be met:

1. Resolution 2014-05 must expire. The Applicant will be required to submit a final project “Will Serve Letter” request to the District Board for consideration.
2. Upon approval of that final “Will Serve Letter” the Applicant will be required to enter into a water facilities extension agreement and pay all fees associated with the domestic and if applicable, non-potable water services for the project. The Applicant will also be required to pay all fees related to new fire service facilities including any facilities improvements that may be necessary to meet the fire flow requirements.
3. The Applicant will be required to pay front footage fees along all property frontages where facilities are currently installed.
4. If available, the Applicant will be required to connect to the non-potable water system for irrigation supply. To minimize the use of potable water, the District requires the applicant conform to the City of Beaumont Landscaping Ordinances and Zoning Requirements and/or County of Riverside Landscaping Ordinances (as applicable) which pertains to water efficient landscape requirements and the following:
  - a. Landscaped areas which have turf, shall have “smart irrigation controllers” which use Evapotranspiration (ET) data to automatically control the watering. Systems shall have an automatic rain sensor to prevent watering during and shortly after rainfall and automatically determine watering schedule based on weather conditions, and not require seasonal monitoring changes. Orchard areas, if any, shall have drip irrigation.
  - b. Landscaping in non-turf areas should be drought tolerant consisting of planting materials. Irrigation systems for these areas should be drip or bubbler type.
5. The Applicant will be required to conform to all District requirements and all City of Beaumont requirements.

**Fiscal Impact:**

There will be no fiscal impact to the District as all the fees and deposits will be paid for by the Applicant.

Prepared by Daniel K. Jagers, Director of Engineering



www.bcvwd.org

# Beaumont-Cherry Valley Water District

Phone: (951) 845-9581 Fax: (951) 845-0159

**DRAFT**

July 9, 2015

## Board of Directors

David Hoffman  
Division 5

John Covington  
Division 4

Daniel Slawson  
Division 3

Ken Ross  
Division 2

Jeffrey Cottrell  
Division 1

Suny Lay Chang, Vice President  
LINC Community Development Corporation  
555 Ocean Boulevard, Suite 900  
Long Beach, Ca 90802

Subject: Project Support and Intent to Serve Letter  
Proposed Low Income Veterans Housing Project – Illinois Avenue,  
Beaumont, CA  
(Riverside County Assessor's Parcel No's 418-020-027, -032, -033, -  
034)

Dear Ms. Chang:

At the regular meeting of the Beaumont-Cherry Valley Water District Board of Directors held on July 8, 2015, LINC Community Development Corporation (LINC) requested that the Board of Directors provide an "Intent to Serve Letter" supporting a proposed low income Veterans housing project to be located on Illinois Avenue in the city of Beaumont, California (Riverside County Assessor's Parcel No's 418-020-027, -032, -033, -034)

The District understands that LINC is requesting some form of commitment or project support letter from the District at this time in order to advance the proposed project with the City of Beaumont planning review and subsequently secure State of California loans through the Veterans Housing and Homeless Prevention Program and California affordable housing tax credit investments.

The District's current Resolution 2014-05 prohibits the issuance of new "Will Serve Letters" for projects not previously considered by the District while a condition of drought exists in the State of California as declared by the Governor of the State of California and mandatory conservations measures are imposed by the State of California and are in effect in the State of California unless the project meets one of two exceptions provided in said Resolution 2014-05. This proposed project does not qualify for either of those two exceptions. Resolution 2014-05 is written such that the Resolution will expire with the end of the drought in California.

Finally, the District understands that assuming all project funding is secured, the soonest realistic project start date would be approximately January 2017 and that LINC would like the opportunity to move the project forward at your own risk and cost in an effort to secure project funding.

Based upon these facts, this letter is provided to identify that the Beaumont-Cherry Valley Water District conceptually supports the proposed low income Veterans Housing Project and upon expiration or repeal of Resolution 2014-05 and based upon the District's current proposed water supply portfolio, the District would most



www.bcvwd.org

# Beaumont-Cherry Valley Water District

Phone: (951) 845-9581 Fax: (951) 845-0159

**DRAFT**

## Board of Directors

David Hoffman  
Division 5

John Covington  
Division 4

Daniel Slawson  
Division 3

Ken Ross  
Division 2

Jeffrey Cottrell  
Division 1

likely support the proposed project's final "Will Serve Letter" application to the District's Board of Directors based upon the proposed project demands set forth as follows:

Description	Multifamily Dwelling Units	Equivalent Dwelling Units (EDUs)	Annual Dem (Acre-Ft/Year)
38 Unit Multi-Family Dwelling Units	38	25.46	16.54

It should be noted that this letter in no way provides a guarantee of service to the proposed project but only serves to identify that under current conditions, the District Board of Directors favorably views the proposed development with the community needs as it relates to low income veterans housing.

LINC will be required to secure Beaumont-Cherry Valley Water District Board approval for an actual "Will Serve Letter" upon expiration of the District's Resolution 2014-05 and when you advance the proposed Veteran's Housing project beyond the planning stage for the proposed project

We look forward to working with you in the coming months and please feel free to contact the office should you have any questions.

Sincerely,

Eric Fraser  
BCVWD  
General Manager

Attachments: 1. July 8, 2015 Staff Report (NOT INCLUDED IN DRAFT LETTER PRESENTED AS PART OF BOARD PACKAGE)

DKJ/dkj



**Beaumont-Cherry Valley Water District  
Regular Board Meeting  
June 10<sup>th</sup>, 2015**

**DATE:** June 4, 2015

**TO:** Board of Directors

**FROM:** Eric Fraser, General Manager

**SUBJECT:** Consideration of Request for a Conditional "Intent to Serve Letter" for Proposed Low Income Veterans Housing Project – Illinois Avenue, Beaumont, CA (Riverside County Assessor's Parcel No's 418-020-027, -032, -033, -034)

---

**Recommendation:**

Consider request to provide a conditional "Intent to Serve Letter" for a proposed low income veteran's housing project to be located southwest of the intersection of 8<sup>th</sup> Street and Illinois Avenue in Beaumont, CA (Assessor's Parcel Numbers (APN) 418-020-027, 418-020-032, 418-020-033, and 418-020-034).

**Background:**

Refer to the Applicant's (LINC Housing Corporation) attached request for a conditional "Intent to Serve Letter" dated June 4, 2015 on behalf of the property owner (Developer). The Applicant is aware of the District's Resolution 2014-05 prohibiting the issuance of new "Will Serve Letters" for projects not previously considered by the District, however, the Applicant has requested that the District provide a commitment to serve the project upon resolution of the drought in California and the associated removal of limitations for new service set forth by the District's Resolution 2014-05. At this time, the Applicant requires some form of commitment letter from the District in order to proceed with the City of Beaumont planning review and subsequently secure State of California loans through the Veterans Housing and Homeless Prevention Program and California affordable housing tax credit investments.

The Applicant further identifies that assuming all funding is secured, the soonest project start date would be approximately January 2017. In the event the project is ready for construction while Resolution 2014-05 is in effect, the Applicant will be conditioned to submit a request for "Will Serve Letter" to the Board for consideration prior to commencing construction.

The Applicant further identifies that they would like the opportunity to move the project forward at their own risk and cost in order to secure funding in order to provide much needed housing to veterans.

Finally, it should be noted that California Government Code Section 65589.7 requires public entities to grant priority for the provisions of water service to proposed developments that include housing units affordable to lower income households. This project appears to qualify as a lower income household project and therefore the District appears to be required to grant priority to this project.



The District's Regulations Governing Water Service defines Service Charges and Facilities Fees (and presumably associated water usage) for water demands for multifamily dwelling units to be 2/3 of the fees associated single family dwelling unit. Based upon these facts, the equivalent dwelling units for this project are set forth as follows:

<b>Description</b>	<b>Multifamily Dwelling Units</b>	<b>Equivalent Dwelling Units (EDUs)</b>
38 Unit Multi-Family Dwelling Units	38	25.46

The Applicant will also be conditioned to secure final project approvals from the District and the City of Beaumont for the project development prior to construction.

The impact of this development on the District's water supply system is determined to be minimal and is generally incorporated in the District's 2013 Urban Water Management Plan Update as infill lot development.

**Conditions:**

Prior to final project development the following conditions must be met:

1. Resolution 2014-05 must expire prior to issuance of the project final "Will Serve Letter" or the Applicant must submit a final "Will Serve Letter" request to the District Board for consideration.
2. The Applicant shall enter into a water facilities extension agreement and pay all fees associated with the domestic and if applicable, non-potable water services for the project. The Applicant shall also pay all fees related to new fire service facilities including any facilities improvements that may be necessary to meet the fire flow requirements.
3. The Applicant shall pay front footage fees along all property frontages where facilities are currently installed.
4. If available, the Applicant shall connect to the non-potable water system for irrigation supply. To minimize the use of potable water, the District requires the applicant conform to the City of Beaumont Landscaping Ordinances and Zoning Requirements and/or County of Riverside Landscaping Ordinances (as applicable) which pertains to water efficient landscape requirements and the following:
  - a. Landscaped areas which have turf, shall have "smart irrigation controllers" which use Evapotranspiration (ET) data to automatically control the watering. Systems shall have an automatic rain sensor to prevent watering during and shortly after rainfall and automatically determine watering schedule based on weather conditions, and not require seasonal monitoring changes. Orchard areas, if any, shall have drip irrigation.
  - b. Landscaping in non-turf areas should be drought tolerant consisting of planting materials. Irrigation systems for these areas should be drip or bubbler type.
5. The Applicant shall conform to all District requirements and all City of Beaumont requirements.

**Fiscal Impact:**

There will be no fiscal impact to the District as all the fees and deposits will be paid for by the Applicant.

Prepared by Daniel K. Jagers, Director of Engineering

June 4, 2015

Board of Directors  
Beaumont Cherry Valley Water District  
560 Magnolia Avenue  
Beaumont, CA 92223

RE: Consideration of Request for a Conditional “Intent to Serve Letter”

Dear Board of Directors:

The Illinois Avenue development will be a 38-unit 100% affordable rental community located in Beaumont, CA. The community will provide homes for 37 veteran households. The site, located east of Illinois Avenue and 7<sup>th</sup> Street, will include the acquisition of four contiguous parcels totaling approximately 1.3 acres. More specifically located at Parcel numbers 418-020-027, 418-020-032-4, 418-020-033-5, 418-020-034-6.

The project will have affordability covenants/restrictions for at least 55 years and will have rent and income restrictions for individuals making between 30-60% of the area median income.

**Beaumont Cherry Valley Water District Request for Veterans Housing**

LINC understands the District’s resolution 2014-05 related to the current drought conditions in California. However, due to the intense need of affordable housing and the proposed Veteran population, the proposed water-efficiency measures, and in light of the public financing proposed and timing of the project, LINC would like to request consideration of a will serve letter, conditional will serve letter, or intent to serve letter in order to move the project forward through the City of Beaumont Planning Department. Please see details below.

**The Proposed Veteran Housing Development**

The Illinois Avenue development will be a 38-unit affordable rental community located in Beaumont, CA. The community will provide homes for 37 veteran households comprised of:

- 19 units for homeless veterans with a disability;
- 2 units for chronically homeless veterans;
- And 16 units for veteran families earning less than 60% of the area median income.

**The Need for Veteran Housing**

There’s a great and urgent need for housing for homeless veterans in Riverside County. According to the Riverside County 2014 Homeless Veterans Count and Survey, there are 173 unsheltered Veterans, 98 of which are Chronically Homeless and 146 with either chronic health conditions or physical disabilities in



555 E. Ocean Blvd, Suite 900  
Long Beach, CA 90802-5056  
Telephone: 562.684.1100  
Facsimile: 562.684.1137  
www.linchoosing.org

SERVING  
OUR  
COMMUNITIES  
THROUGH  
HOUSING

**CORPORATE OFFICERS**

Rebecca F. Clark  
President & CEO

Karen Maeshima  
Sr. Vice President & CFO

Suny Lay Chang  
Sr. Vice President

Nina Dooley  
Vice President

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Everett Orrick

Jay Prag

Elaine M. Winer

need of permanent housing. The Illinois Avenue project will serve as a valuable resource supporting the VA Loma Linda Healthcare System with ending homelessness among Veterans by 2015 and has received support from the Department of Veterans Affairs, the County of Riverside Department of Veteran's Services, and the County of Riverside Continuum of Care.

### **Green Building**

As stewards of our communities and our environment, LINC Housing is dedicated to providing housing that sits lightly on the land. Our properties are built to be energy and water efficient. All of our new developments are built to LEED standards, often reaching LEED Platinum level. Below is a list of our LEED rated properties:

- Mosaic Gardens at Huntington Park – LEED Platinum
- Mosaic Gardens at Whittier – LEED Platinum
- The Palace – LEED Platinum
- SEASONS at Compton – LEED Platinum
- East Street Senior Apartments – LEED Gold
- SEASONS at San Juan Capistrano II – LEED Gold

To help combat the current state of drought in California, LINC develops all of its properties to be as efficient as possible in its use of water. Illinois Avenue will incorporate the following water-saving features:

- Faucets and toilets will be low-flow fixtures.
- Water heaters will be tank-less.
- Front-loading laundry room washers.
- Drought-tolerant landscaping with no turf areas.
- Weather-based landscape irrigation sensors.

### **Veterans Housing Development Timeline and Funding**

Affordable housing developments are difficult to develop due to limited funding availability. This project is currently being reviewed by the State of California's Housing and Community Development Department to assess whether it will be awarded a \$3.8M loan for affordable housing for veterans via its Veterans Housing and Homeless Prevention program, ("VHHP") mentioned below. In addition, the project would utilize \$9.1M in affordable housing tax credit investment ("TCAC" below) to build the project.

If all funding is secured, the soonest the project could start construction would be January 2017. LINC would like the opportunity to continue to move the project forward at our own risk and cost in order to provide much needed housing to veterans. In the event the project would be able to proceed at pace quicker than the resolution of the drought, LINC would again approach the Board of Directors.

**Estimated Timeline**

<b>Action</b>	<b>Date</b>
PBV Commitment	April 2015
VHHP Commitment	June 2015
HOME Commitment	June 2015
CA Tax Credit Allocation Committee (TCAC) Application	March 2016
TCAC Approval	June 2016
Construction Start	January 2017
Construction Completion	February 2018

**LINC Housing Corporation**

LINC Housing Corporation (“LINC”) is a nonprofit affordable housing developer based in Long Beach. Throughout our 30-year history we have had a hand in preserving and creating over 7,500 affordable homes throughout the State of California. We’ve developed and operated affordable housing for seniors, families, disabled individuals, transition-age-youth, and homeless individuals.

With more than 30 years of service to families, seniors, and local governments, LINC Housing is helping to preserve the legacy of what it means to live in California – to have unparalleled opportunities for a better future. LINC’s work is principled and reflects our belief that housing connects people to their community. The goal of every LINC property is to enhance the lives of people and the communities in which they live, by increasing the supply of affordable, sustainable and service-enriched housing. The hallmark of LINC’s work is a commitment to helping our city partners achieve the best local outcomes. LINC’s development, resident services, asset management, accounting, and support staff work together to deliver comprehensive service to communities.

Sincerely,



Suny Lay Chang  
SVP & Director of Housing Development



# HOUSING AUTHORITY of the County of Riverside

*Main Office*  
5555 Arlington Avenue  
Riverside, CA 92504-2506  
(951) 351-0700  
FAX (951) 354-6324  
TDD (951) 351-9844

*Indio Office*  
44-199 Monroe, Ste. B  
Indio, CA 92201  
(760) 863-2828  
(760) 863-2838 FAX  
TDD (760) 863-2830

**Website:** [harivco.org](http://harivco.org)

April 9, 2015

Suny Lay Chang, Vice President  
LINC Community Development Corporation  
555 Ocean Boulevard, Suite 900  
Long Beach, CA 90802

RE: Illinois Avenue Development, Beaumont, CA

Dear Ms. Chang:

The Housing Authority of the County of Riverside (HACR) is pleased to inform you that the above referenced project proposal was selected to receive Project Based Vouchers pursuant to the Request for Proposal released by the HACR on March 4, 2015. The HACR is reserving funding for twenty one vouchers for a fifteen (15) year contract term which will include: 21-one bedroom units, which will be utilized to serve veterans on the HACR's waiting list.

Final commitment of the Project Based Vouchers is subject to the following items:

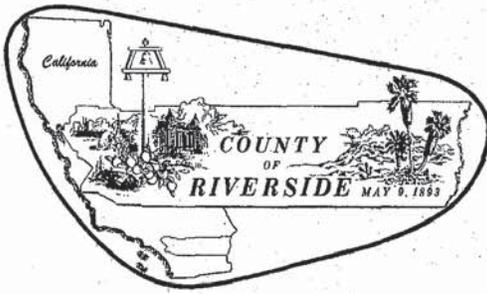
- Project's receipt of Veterans Housing and Homeless Prevention (VHHP) funds through the California Department of Housing and Community Development (HCD), pursuant to the Notice of Funding Availability dated, February 20, 2015.
- Project's receipt of all necessary capital funding for the construction of the project, including but not limited to a tax credit allocation.
- Subsidy layering requirements as defined by the U.S. Department of Housing and Urban Development (HUD).
- National Environmental Policy Act Clearance.
- Approval of an Agreement to Enter into Housing Assistance Payments (AHAP) Contract by the HACR's Board of Commissioners.

This commitment is also contingent on continued funding from HUD. In the event of a budget decrease, HACR reserves the right to rescind the commitment up until the execution of an AHAP contract. This letter of commitment is valid for one year following project's notification of receipt of VHHP funds from HCD's Notice of Funding Availability, dated February 20, 2015.

If you have any questions, please feel free to contact Stephanie Adams at (951) 343-5455 or via e-mail at [sjadams@rivcoeda.org](mailto:sjadams@rivcoeda.org).

Thank you,

Heidi Marshall  
Executive Director  
Housing Authority of the County of Riverside



COUNTY OF RIVERSIDE  
DEPARTMENT OF VETERANS' SERVICES  
GRANT A. GAUTSCHE, Director

MAIN OFFICE:  
4360 Orange Street  
Riverside, CA 92501  
Telephone: (951) 955-3060  
FAX: (951) 955-3063

BRANCH OFFICE:  
749 N. State Street  
Hemet, CA 92543  
Telephone: (951) 766-2566  
FAX: (951) 766-2567

BRANCH OFFICE:  
44-199B Monroe Street  
Indio, CA 92201  
Telephone: (760) 863-8266  
FAX: (760) 863-8478

April 1, 2015

LINC Community Development Corporation  
Sunny Lay Chang  
555 East Ocean Boulevard, Suite 900  
Long Beach, CA 90802

Re: Support for the Construction and Operation of Veteran's Housing  
Illinois Avenue Apartments, Beaumont, Ca

Dear Mrs. Chang,

Please consider this letter as the Riverside County Veterans' Services support for the above mentioned supportive housing project for veterans. The Illinois Avenue project will restrict 19 units for Homeless Veterans with a Disability, 2 units for Chronically Homeless Veterans, and 16 units for Veterans and their families.

Ending homelessness among veterans by 2015 became a national priority after Secretary of Veterans Affairs Eric K. Shinseki unveiled the department's comprehensive plan to end homelessness among veterans in five years at the National Summit on Ending Veterans Homelessness in November 2009. The following year, the U.S. Interagency Council on Homelessness (USICH) released *Opening Doors: Federal Strategic Plan to Prevent and End Homelessness (Opening Doors)*, listed preventing and ending homelessness among veterans in five years as a primary goal.

To meet the mission objectives of ending Veteran homelessness by 2015, VA targeted a select number of Continuum of Care (CoC) communities throughout the country, including Riverside County, to conduct a special point-in-time (PIT) enumeration of homeless veterans in 2014. Collecting accurate data on the numbers and demographics of veteran individuals and families experiencing homelessness is a critical part of VA planning and program development to end homelessness. Accurate data on Veteran homelessness will assist VA to:

- Understand changes in trends among homeless populations;
- Adjust the types of programs and services available according to need and use resources as efficiently as possible;
- Justify requests for additional resources and/or programming modifications;
- Comply with reporting requirements for HUD, the VA, other funders, and local stakeholders;
- Raise public awareness about the issue of homelessness; and
- Measure the progress of VA towards preventing and ending Veteran homelessness.

To that end, VA contracted with the Riverside County Department of Public Social Services (DPSS) to conduct the 2014 point-in-time (PIT) count of homeless veterans. The 2014 PIT Count of Homeless Veterans will enable VA, the U.S. Department of Housing and Urban Development (HUD) and the County of Riverside to assess the current size and characteristics of our homeless veteran population in order to seek the additional resources needed to achieve the goal of preventing and ending homelessness among veterans in Riverside County by the end of 2015.

The Illinois Avenue project will help meet a high priority local need to house and help homeless veterans maintain their housing. According to the Riverside County 2014 Homeless Veterans Count and Survey, there are 173 unsheltered veterans, 98 of which are Chronically Homeless and 146 with either chronic health conditions or physical disabilities.

Should you have any questions, please feel free to contact me at (951) 955-3041.

Sincerely,

A handwritten signature in black ink that reads "Grant Gautsche". The signature is written in a cursive style with a large initial "G".

GRANT A. GAUTSCHE, Director



## DEPARTMENT OF VETERANS AFFAIRS

*VA Desert Pacific Healthcare Network*

300 Oceangate, Suite 700

Long Beach, CA 90802

VA Greater  
Los Angeles  
Healthcare  
System  
Los Angeles, CA

April 1, 2015

Re: Support for the Construction and Operation of Veteran's Housing  
Illinois Avenue Apartments, Beaumont, Ca

VA Loma Linda  
Healthcare  
System  
Loma Linda, CA

Dear Sir or Madam,

I am writing in support of the Veteran's Housing Illinois Avenue supportive housing project through the LINC Community Development Corporation. The Illinois Avenue project will offer 19 units strictly for the housing of Homeless Veterans with a Disability in Beaumont, CA. Two of the units will be strictly for Chronically Homeless Veterans and the remaining 16 units will be for Veterans and their families.

VA Long Beach  
Healthcare  
System  
Long Beach, CA

According to the Riverside County 2014 Homeless Veterans Count and Survey, there are 173 unsheltered Veterans, 98 of which are Chronically Homeless and 146 with either chronic health conditions or physical disabilities in need of permanent housing. The Illinois Avenue project will serve as a valuable resource supporting VA Loma Linda Healthcare System with ending homelessness among Veterans by 2015. The Illinois Avenue project would offer additional permanent housing resources for Veterans and their families in the Inland Empire.

VA San Diego  
Healthcare  
System  
San Diego, CA

The Illinois Avenue project will help meet a high priority local need to house and help homeless Veterans maintain their housing. I strongly support their application.

VA Southern  
Nevada  
Healthcare  
System  
Las Vegas, NV

Sincerely,

Jennifer Gerrib, LCSW, VA-CM, MVF-CSW  
Network Homeless Coordinator

*Network Director*  
300 Oceangate,  
Suite 700  
Long Beach, CA  
90802

**SITE INFORMATION:**

AREA: 1.3 Acres  
PROPOSED DENSITY: 33.3 DU/Acre  
APN: 418-020-027, 032, 033, 034  
ADDRESS: ILLINOIS AVE, BEAUMONT, CA  
RIVERSIDE COUNTY

**PROPERTY OWNER**

RICHARD BATCH  
18655 N. BERNARDO DR., APT. 463  
SAN DIEGO, CA 92127

**BUILDING COUNT:**

BUILDING "A" (3 story) - (21) 1BR, (3) 2BR | 1  
BUILDING "B" (3 story) - REC, (2) 2BR, (12) 3BR | 2  
TOTAL BUILDING COUNT: 2

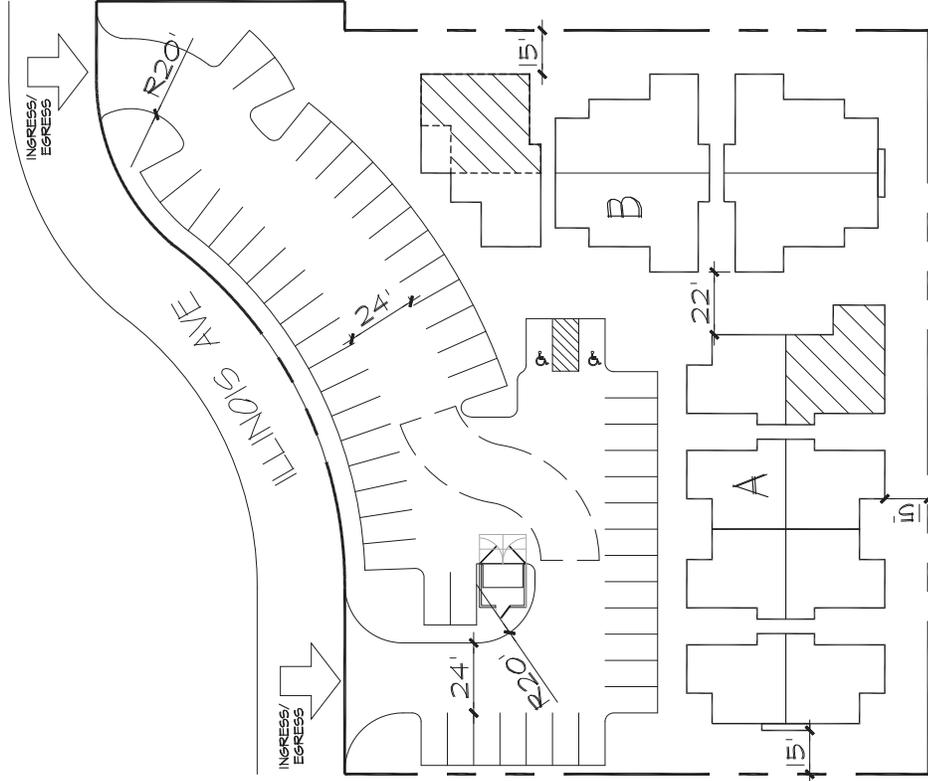
**UNIT MIX:**

PLAN 1: 1BR/1BA (600 Sq.Ft. MIN.): 21 UNITS  
PLAN 2: 2BR / 2BA (800 Sq.Ft. MIN.): 5 UNIT  
PLAN 3: 3BR / 2BA (1,20000 Sq.Ft. MIN.): 12 UNITS  
TOTAL 38 UNITS

REC/LAUNDRY: (2) OFFICES, 1,000 Sq.Ft.  
EXCLUDING LAUNDRY, (4) WASHING  
MACHINES, (4) DRYERS

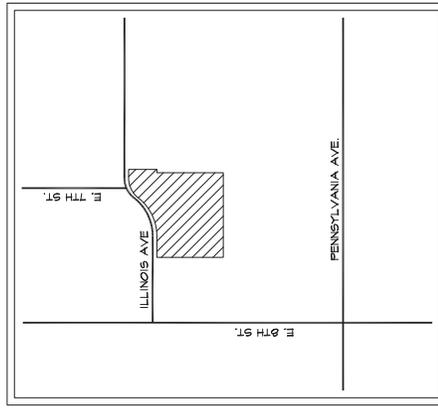
**PARKING:**

55 UNCOVERED SPACES (INCLUDING (2)  
ACCESSIBLE SPACES)



**CONCEPTUAL SITE PLAN**

Boundary is not derived from surveyed base - verify with engineer.



**DESIGNER**  
**LINC Housing**  
31864 Cantabria, Cupertino  
San Jose, California, CA  
949.230.4537  
545 E. Ocean Blvd., Ste 900  
Long Beach, CA  
562.684.1120

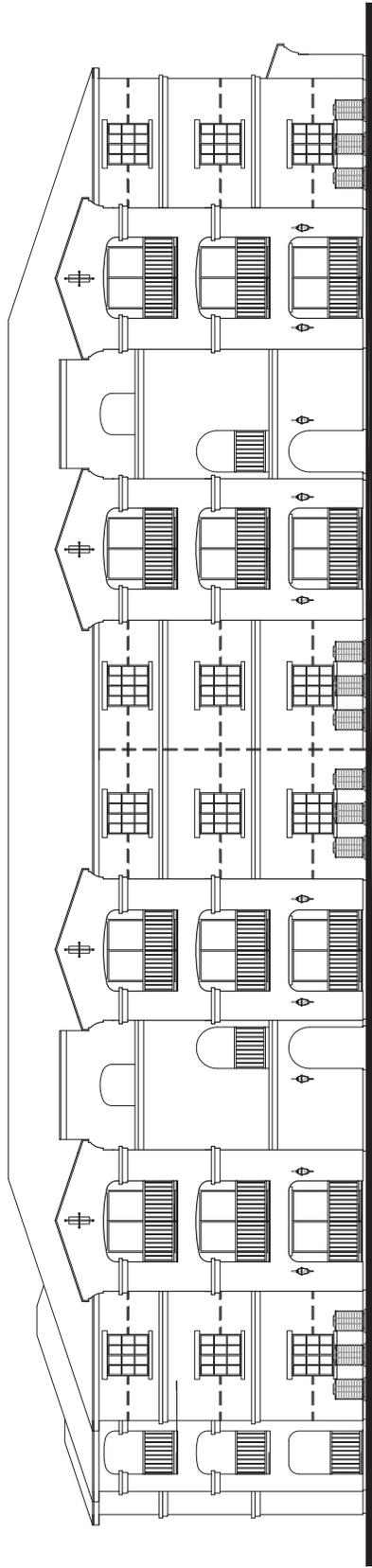
03-23-2015  
PROJECT NO. 2014XXXX

**Seasons at Beaumont**

Beaumont, California

□

□



Conceptual Elevation

Elevations

# Seasons at Beaumont

Beaumont, California



Scale: 3/16" = 1'-0"

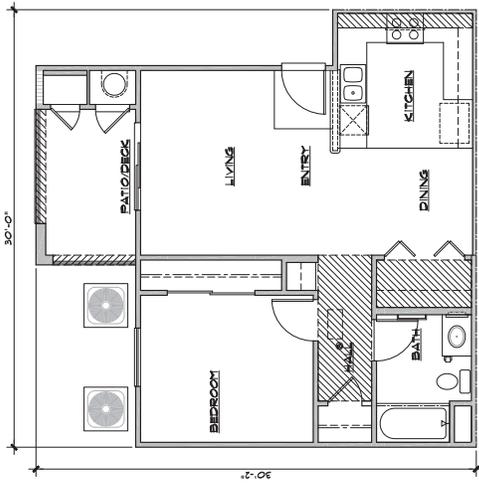
**LINC Housing**  
 545 E. Ocean Blvd., Ste 900  
 Long Beach, CA  
 562.684.1120

**DRS**  
 31864 Camino Capistrano  
 San Juan Capistrano, CA  
 949.230.4537

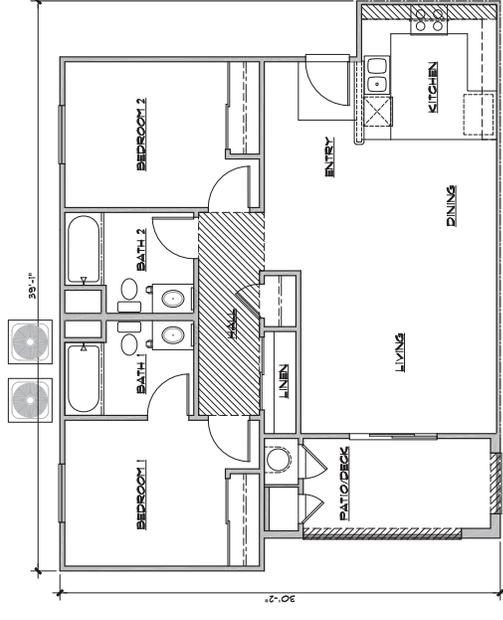
03-23-2015  
PROJECT NO. 2014XXXX

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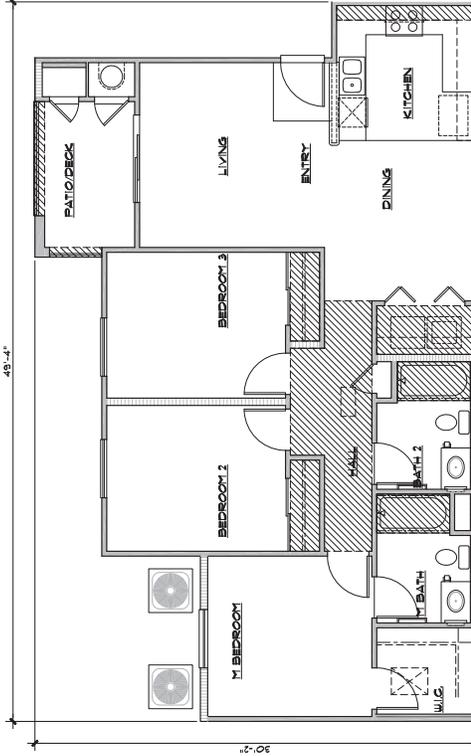
□



Plan 1 - 644 Sq. Ft.  
Deck: 73 sf



Plan 2 - 942 Sq. Ft.  
Deck: 95 sf



Plan 3 - 1,096 Sq. Ft.  
Deck: 92 sf



Floor Plans

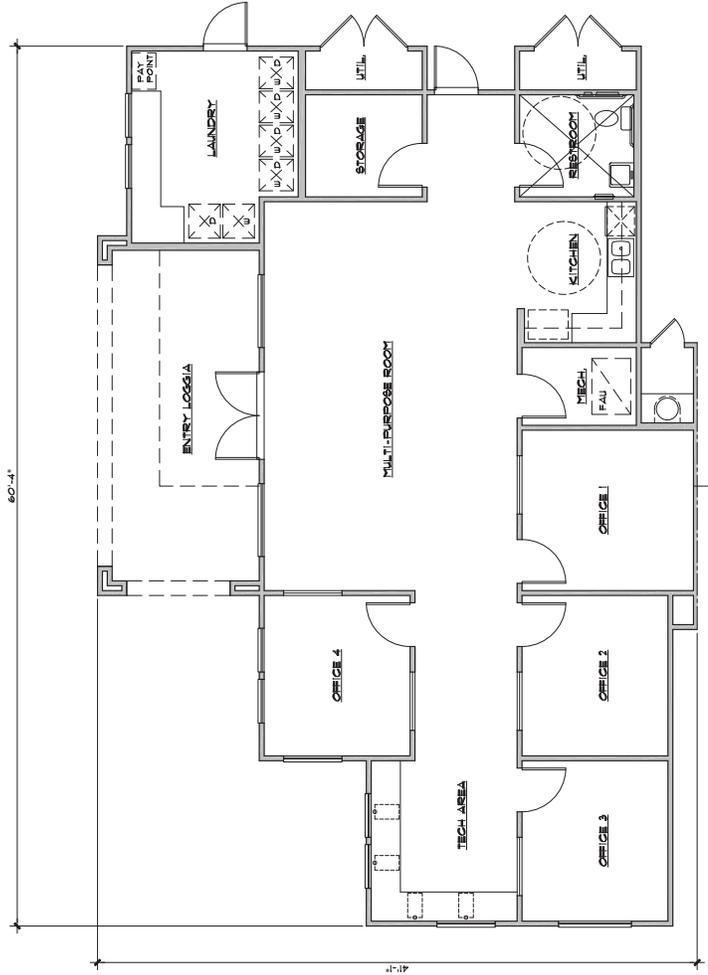
# Seasons at Beaumont

Beaumont, California

**LINC Housing**  
 545 E. Ocean Blvd., Ste 900  
 Long Beach, CA  
 562.684.1120

**DRIVERS**  
**1133**  
 31864 Cantabria, Chatsworth  
 San Juan Capistrano, CA  
 949.230.4537

03-23-2015  
 PROJECT NO. 2014XXXX



Community/Offices - 1,584 Sq. Ft.  
 Laundry Room: 155 sf  
 5 Washing Machines/5 Dryers



Floor Plans

**Seasons at Beaumont**

Beaumont, California

**LINC Housing**  
 545 E. Ocean Blvd., Ste 900  
 Long Beach, CA  
 562.684.1120

**DESIGNER**  
**IDS3**  
 31864 Camino Capistrano  
 San Juan Capistrano, CA  
 949.230.4537

03-23-2015  
 PROJECT NO. 2014XXXX

