



**BEAUMONT-CHERRY VALLEY WATER DISTRICT
MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS
560 Magnolia Avenue, Beaumont, CA 92223
Wednesday, March 9th, 2016
Regular Session 7:00 p.m.**

Call to Order, President Cottrell

President Cottrell began the meeting at 7:02 p.m.

Pledge of Allegiance, Director Douglass

Director Hoffman led the pledge.

Invocation, President Cottrell

President Cottrell led the invocation.

Roll Call

Present at the meeting were President Cottrell, Directors Covington, Hoffman, Douglass, and Slawson. Legal Counsel: James Markman. District Staff: General Manager: Eric Fraser, Director of Engineering: Dan Jagers, Director of Operations: Anthony Lara and Sr. Finance and Administrative Analyst: William Clayton.

Public who registered their attendance were John Jeter, Bill Dickson, Patsy Reeley, Barbara W. Brown, Fran Flanders, and Lloyd White.

Public Comment

There was no public comment.

ACTION ITEMS

1. Adjustments to the Agenda

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. January 2016 Budget Variance Report Review** (pages 4-8)
- b. January 31st, 2016 Cash/Investment Balance Report** (page 9)
- c. February 2016 Check Register Review** (pages 10-28)
- d. February 2016 Invoices Pending Approval** (pages 29-32)
- e. Minutes of the Regular Meeting February 10th, 2016** (pages 33-38)

Director Slawson requested item 2e be pulled due to his absence from that meeting. Director Hoffman motioned to approve items 2a through 2d of the Consent Calendar. The motion was seconded by Director Douglass and passed 5-0.

Director Covington motioned to approve item 2e of the Consent Calendar. The motion was seconded by Director Hoffman and passed 4-0 with Director Slawson abstaining.

3. Consideration of the Memorandum of Understanding Between the BCVWD Employee Association and the District. (pages 39-52)**

General Manager Fraser provided an overview of the Memorandum of Understanding (MOU) between the BCVWD Employee Association and the District and highlighted the Association's graciousness in understanding the District's revenue situation as it relates to the Governor's mandates, and the reduction in revenues. He pointed out that an item to be revisited would be a salary survey during the period of this MOU to be used in negotiations for the next period.

Director Slawson motioned to approve the MOU and Director Hoffman seconded. Director Covington asked for clarification regarding the timeline of the agreement and where the salary survey would occur in the process. The motion passed 5-0.

4. Consideration of Request for Update of Will Serve Letter for Previously Approved Development – Tract 27971 (Parcel Map 34880) (pages 31-54)**

President Cottrell presented the item for public comment.

Public Comment on Item:

Ms. Judy Bingham expressed her concerns regarding Heartland Area 5 and the bond debt attached to the property.

Dr. Blair Ball shared his concerns regarding the current drought, DWR regulations and the District's availability to serve the developer's project.

Ms. Lisa Gordon, representing the applicant for the project, provided a background of the development of the project from 2008 to the present, and expressed support of District staff as well as a desire to have the Board grant the Will Serve Letter.

Following the public comments, General Manager Fraser emphasized the table in the Agenda packet showing investment on behalf of the applicant throughout the period, and mentioned that there was a variety of actions from both the District and the applicant that included annexation of the District, and payment of front footage fees and other fees to the District.

After discussion, Director Slawson motioned to approve the updated Will Serve Letter. The motion was seconded by Director Hoffman and passed 5-0.

5. Consideration of Resolution No. 2016-03 Authorizing the General Manager to file a Basin Boundary Modification Request to the Department of Water Resources for the Beaumont Groundwater Basin Pursuant to the Sustainable Groundwater Management Act of 2014 (pages 78-83)**

General Manager Fraser provided reasons as to why it would be in the best interests of the District, as well as for other agencies in the region, for the District to file a Basin Boundary Modification Request to the Department of Water Resources for the Beaumont Groundwater Basin.

After discussion, President Cottrell motioned to approve the adoption of Resolution 2016-03. The motion was seconded by Director Hoffman and passed 5-0.

6. Consideration of Request for Water Service for 39875 Dutton Street (Riverside County Assessor's Parcel Number (APN) 403-030-021-7) ** (pages 84-86)

General Manager Eric Fraser provided an overview of the request for water service. After discussion, Director Covington motioned to approve the request. Director Douglass seconded the motion and the motion passed 5-0.

7. Consideration of Resolution 2016-04: A Resolution of the Board of Directors of the Beaumont-Cherry Valley Water District establishing the District's Investment Policy (pages 87-96)**

General Manager Fraser indicated that as is required by government code, the policy is presented for annual review and acceptance. After discussion, Director Covington motioned to approve Resolution 2016-04. The motion was seconded by President Cottrell and passed 5-0.

8. Notice Regarding the Preparation of the Beaumont-Cherry Valley Water District 2015 Urban Water Management Plan Update (page 97)**

General Manager Fraser stated that as is required by provisions of the Urban Water Management Planning Act, the notice is presented to inform the board and surrounding agencies and members of the public that the Plan is being prepared. No action was taken.

9. Reports For Discussion

a. Ad Hoc Committees

No reports were made.

b. General Manager

General Manager Fraser gave a presentation to provide the Board and the public with general information as it relates to the San Geronio Pass Water Agency (SGPWA), including sources of the SGPWA revenues and General Fund costs. He provided a breakdown of the assessed valuations within the SGPWA service by retail water agency and highlighted the following: Ninety percent of the SGPWA property tax revenues are derived from three agencies: Beaumont-Cherry Valley Water District, the City of Banning, and Yucaipa Valley Water District.

One hundred percent of the water revenues are derived from the same three agencies. He expressed that he also wanted the Board to be aware that the District currently pays for most of the bills of the SGPWA, and for this reason should have a significant say in what happens.

General Manager Fraser presented information on Article XXI Water, which the SGPWA plans to convey through the Beaumont Avenue Recharge Facility. He stated that this water might be available to the region for one week to a month once in five years and compared the project to the District's Grand Avenue project, which is expected to provide nearly twice as much water for about an eighth of the cost. He emphasized that the Beaumont Avenue Recharge Facility comes at a very significant cost for very little water.

General Manager Fraser concluded his presentation by highlighting the main issues he felt the Board members and public should consider in anticipation of the following night's meeting. Those issues highlighted were acquiring new sources of water, engaging the stakeholders in that process, recognizing that ninety percent of the SGPWA revenues are derived from three agencies and will always be that way, and developing an allocation plan of the existing State Water Project water entitlement.

c. Directors Reports

Director Slawson provided a synopsis of the San Gorgonio Pass Regional Water Alliance (Alliance) meeting that he attended on January 27th. President Cottrell asked for a list of priorities that was discussed at that meeting, and General Manager Fraser stated that he would contact the City of Banning for such a list.

Director Hoffman mentioned that he walked the District's recharge facility and that he would like to manage the graffiti on the benches and elsewhere. He said that he also noticed some irrigation leaks that should be addressed if they haven't been already.

General Manager Fraser commented that with the high school across the street, the graffiti is an ongoing issue at the recharge facility, and that the District staff will address the concerns.

d. Legal Counsel Report

No reports were made.

10. Announcements

- Special Joint Board Meeting, March 10th, 2016 at 6:00 p.m.
- Beaumont Basin Watermaster meeting, April 6th, 2016 at 10:00 a.m.
- Finance and Audit Committee meeting, April 7th, 2016 at 3:00 p.m.
- Regular Board meeting, April 13th, 2016 at 7:00 p.m.

President Cottrell made the announcements above.

11. Action List for Future Meetings


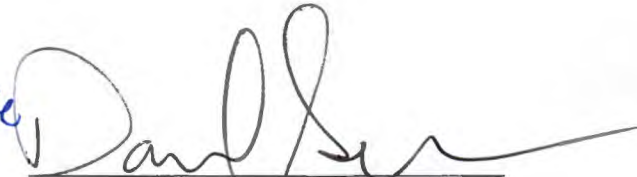
- Solar System Update
- Grand Avenue Storm Water Capture Project
- Proposition 1 Bond Opportunities
- Sustainable Groundwater Management Act: BCVWD impact

President Cottrell made the announcements above, and requested an update on the Grand Avenue Storm Water Capture Project prior to the next meeting.

12. Adjournment

President Cottrell adjourned the meeting at 7:55 p.m.

Attest:

 in place of: 
Director Jeffrey Cottrell, President to 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