



BEAUMONT-CHERRY VALLEY WATER DISTRICT
AGENDA
MINUTES REGULAR MEETING OF THE BOARD OF DIRECTORS
560 Magnolia Avenue, Beaumont, CA 92223
Wednesday, April 12th, 2017
Regular Session 7:00 p.m.

Call to Order, President Slawson

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

Pledge of Allegiance, Director Ramirez

Director Ramirez led the pledge.

Invocation, Director Hoffman

Director Hoffman led the invocation.

Roll Call

Present at the meeting were: President Slawson, Director Covington, Hoffman, and Director Ramirez. 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 Service Analyst: William Clayton.

Public who registered their attendance were Patsy Reeley, Barbara Brown, Fran Flanders, and Claudeen C. Diaz.

Public Comment

Ms. Judy Bingham wanted to publicly thank the General Manager, Eric Fraser, for everything he has done for the District and the rate payers. She also voiced her concerns regarding what seemed to her, an attempt to remove General Manager Fraser from his position, and stated that she has shared her concerns with State and Federal agencies.

Ms. Patsy Reeley thanked General Manager, Eric Fraser for the great job he is doing with the District. She shared that she has been attending the Finance and Audit Committee meetings, and expressed that the District is in the best financial situation she has seen in many years, and recommended the Board keep Eric Fraser as the District's General Manager for many years.

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. February 2017 Budget Variance Report Review** (pages 3-7)
- b. February 28th, 2017 Cash/Investment Balance Report** (page 8)
- c. March 2017 Check Register Review** (pages 9-18)
- d. March 2017 Invoices Pending Approval**(pages 19-21)
- e. Minutes of the Regular Meeting March 8th, 2017**(pages 22-27)

Director Ramirez motioned to approve all items on the Consent Calendar. The motion was seconded by Director Hoffman and passed 4-0.

3. Acceptance of Reimbursement From Joint Powers Insurance Authority (JPIA) From The Rate Stabilization Fund. (pages 28-29)**

Ms. Melody McDonald, JPIA Board member, presented the District with a check from the Rate Stabilization Fund in the amount of \$77,905. She commended the District for being a strong member and for their commitment to risk management and excellent efforts in mitigating loss. She stated the check represents three years of hard work.

Ms. Karen Thesing, ACWA/JPIA Director of Insurance Services, congratulated the District and thanked management for allowing District's employees to participate in the Target Solutions safety programs. She also thanked the Board members for allowing management to participate in the insurance pool.

General Manager Fraser thanked staff and stated this exemplifies staff's commitment to safety and risk management.

President Slawson, shared that this just shows how well the District is running.

4. Consideration of applicants for appointment to the Board of Directors

President Slawson invited the only candidate who applied for the position, Ms. Claudeen C. Diaz, to provide her background information.

Candidate Claudeen C. Diaz, Four Seasons resident, gave an overview of her experience. She shared that she is retired and currently serves on the Four Seasons board. She shared that her background is that of a General Manager for the South West Water Company and Joshua Basin. She also shared that one of her concerns is the cost of water, and feels that with her finance and water background, she would be an asset to the Board.

Director Covington thanked Ms. Diaz for wanting to serve on the Board and motioned to nominate Ms. Claudeen C. Diaz. Director Ramirez seconded the motion to appoint Claudeen C. Diaz as the new Board member. The motion was passed 4-0.

District's Sr. Finance and Administrative Analyst Clayton administered the Oath of Office to the newly appointed Director Diaz, who then took her seat on the dais.

5. Consideration of Request for Update of "Will Serve Letter" for New Elementary School District Infill Parcel Associated with Pardee Sundance Community (Originally Deutsch Property "Will Serve and Annexation")

(Infill Parcel – Riverside County Assessor’s Parcel No. 408-090-013).**
(pages 30-34)

Public Comment

Ms. Lisa Tarrats, representative for the new elementary school, thanked the Board for the consideration of the “Will Serve Letter”. She shared that the opening of the new school is anticipated to be in August 2018. Ms. Tarrats made herself available to answer Board questions.

Ms. Judy Bingham shared her concerns regarding BCVWD issuance of “Will Serve Letters” and reminded the Board that California law states that a twenty year water supply must be in place before a “Will Serve Letter” can be issued.

General Manager Fraser shared that the water needs for this particular project is included in the District’s Urban Water Management Plan.

Director of Engineering Jagers answered Board questions regarding the property.

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

6. Consideration of Request for “Will Serve Letter” for Tract No. 33680 (Riverside County Assessors No. 414-142-038) for a new residential development within Beaumont California.** (pages 35-43)

General Manager Fraser gave an overview of the “Will Serve Letter” request. He shared that the original “Will Serve Letter” was not located and therefore staff recommended several options stated in the staff report.

After discussion, Director Hoffman motioned to defer the Applicant’s request for “Will Serve Letter” until the original “Will Serve Letter” can be produced by the Applicant or until all file research on the Applicant’s part is completed. The motion was seconded by Director Diaz and passed 5-0.

7. Employee Survey Results—Personnel Committee.

Director Covington gave an update on the Employee Survey sharing that the raw data was given to all Board members only. He recommended that a follow up on the results be conducted in a closed session meeting.

Public Comment

Blair Ball, Beaumont resident and San Geronio Pass Water Agency Board member, shared that after reviewing the questions, it seemed that the questions are biased without intention. He shared examples of the questions which contradict each other’s answers and asked that the Board consider that some of the questions were perhaps not clear to the employees. Furthermore, Mr. Ball shared his experience with BCVWD and the history employees have gone through. He also shared that BCVWD is a well-run District at this time. He also requested, as a rate payer, a copy of the Employee Survey comments.

Director Ramirez thanked the employees who participated in the survey and shared that twenty-three employees participated, therefore it warrants a need for the survey responses be looked at and discussed.

After discussion, Director Hoffman motioned to review the Employee Survey comment results in a closed session at the Special Board meeting on May 18th, 2017. The motion was seconded by Director Ramirez and passed 5-0.

Public Comment

Fran Flanders, Beaumont resident, voiced her disagreement with changing the date of the May Board meeting from May 10, 2017 to May 18, 2017.

8. Reports For Discussion

a. Ad Hoc Committees

No Reports were made.

b. General Manager

- **Recharge Facility Maintenance Update**

General Manager Fraser gave a PowerPoint presentation to give an update on the maintenance of the Recharge Facility. He shared that Pond 1 and 2 in Phase II are in a dry down state. He continued to share that currently the District has completed the restoration and maintenance activities and water is flowing at 24 cubic feet per second, or about 50 acre feet per day. There is one pond in service in Phase II, there is also a little overflow into pond 4, and pond 5 and 6 are dry.

General Manager Fraser shared that staff is very satisfied with the level of maintenance done to restore the capacity of the ponds and that he is very happy with the improvements to the percolation rate. He stated that staff is very proactive with algae control. He shared that the District is delivering everything that the SGPWA can deliver to the District, which currently is 24 cfs. He also shared that the State is at 60% allocation, which is only 11,000 acre feet of water. He stated that he is waiting for a response from Mr. Davis from the SGPWA on how much water he anticipates to deliver to the District.

- **Sites Reservoir Agreement Update**

General Manager Fraser gave an update on the original request from BCVWD for 4,000 acre feet class 1 shares in the Site Reservoir project. He shared that Mr. Davis provided BCVWD with a counter proposal, which General Manager Fraser distributed to the Board members to review and discuss at the May's Board meeting.

General Manager Fraser also gave an update on the Draft Capacity Fee Collection Agreement he sent to the SGPWA. He shared that the structure of the agreement has key points, such as the District

identifying the supply required to meet any new development. He stated that the applicant would go to the SGPWA and discuss availability of the water supply and the cost. Once determined, the applicant would pay the SGPWA directly for the necessary water entitlement. He stated that for the interim water needs, the applicant would pay the cost to SGPWA to acquire the water supply from another water agency as needed. He shared the intent is to make sure the applicant is responsible for the permanent water rights as well as any interim needs so that there is no undo financial burden on any existing customers to meet demand. He stated that at that point the SGPWA would collect the fee and provide the District with a definitive assignment of water rights, so there's no questions regarding as to how much water rights we have to meet the Water Supply Assessment required by the Water Code. He stated he will report back to the Board once he has more information on the response from the SGPWA.

c. Directors Reports

Director Hoffman thanked District staff and commended them for not raising rates during the drought when revenues were down. He expressed his gratitude to District staff for being debt free, having money to purchase water, and keeping overtime to a minimum to provide and maintain the services to the area. He reminded the Board that there is no upset citizens complaining about the services provided.

Director Ramirez wanted to reemphasize how important it was to have the Personnel Committee, and expressed his appreciation for the Employee Representatives and that he looked forward to champion them. He also thanked Director Covington for the direction over the meetings.

President Slawson welcomed Director Diaz.

d. Legal Counsel Report

No Reports were made.

9. Announcements

- Finance and Audit Committee meeting, May 4th, 2017 at 3:00 p.m.
- Regular Board Meeting, May 10th, 2017 at 7:00 p.m.
- District Offices will be closed May 29th, 2017 in observance of Memorial Day

President Slawson made the announcements above.

10. Action List for Future Meetings

- Proposition 1 Bond Opportunities

President Slawson made the announcements above.

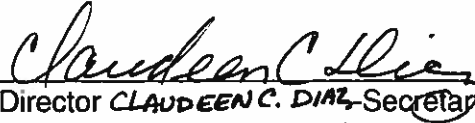
11. Adjournment

President Slawson adjourned the meeting at 8:09 p.m.

Attest:



Director Daniel Slawson, President
to the Board of Directors of the
Beaumont-Cherry Valley Water District



Director CLAUDEEN C. DIAZ-Secretary
to the Board of Directors of the
Beaumont-Cherry Valley Water District

** Information included in the agenda packet