



**BEAUMONT-CHERRY VALLEY WATER DISTRICT  
AGENDA  
MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS  
560 Magnolia Avenue, Beaumont, CA 92223  
Wednesday, June 14, 2017  
Regular Session 7:00 p.m.**

---

**Call to Order, President Slawson**

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

**Pledge of Allegiance, Director Covington**

*Director Diaz led the pledge.*

**Invocation, Director Ramirez**

*Director Ramirez 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 Director of Finance and Administrative Services: Yolanda Rodriguez.*

*Public who registered their attendance were Fran Flanders, David Castaldo, Barbara A. Brown, and Patsy Reeley.*

**Public Comment**

*Ms. Judy Bingham shared that she filed a complaint with the Fair Political Practices Commission regarding two Board members. She also voiced her concerns in regards to the appointment of two (2) of the five (5) Board Directors and accused Director Ramirez of receiving political funding from Mr. Orozco, she went on to state that Director Covington's position as a Board member is a conflict of interest due to his employment.*

*Mr. David Castaldo with the San Geronio Pass Water Agency (SGPWA) explained that the District's Board has a seat on the Watermaster and that the District's Board had directed General Manager Fraser to vote against the SGPWA application for storage account. He then went on to explain that there is a conflict between State Legislation and the Watermaster and advises that it would be in the rate payers best interest if a resolution could be found without paying for legal counsel. Mr. David Castaldo suggested that the Board of Directors invite the Directors of the SGPWA Board to the next regular board meeting to resolve this conflict.*

**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 2017 Budget Variance Report Review\*\* (pages 4-8)
- b. January 31<sup>st</sup>, 2017 Cash/Investment Balance Report\*\* (page 9)
- c. February 2017 Check Register Review\*\* (pages 10-24)
- d. February 2017 Invoices Pending Approval\*\*(pages 25-26)
- e. Minutes of the Regular Meeting February 8<sup>th</sup>, 2017\*\*(pages 27-30)

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

- 3. Appointment to the Finance & Audit Committee.**

*General Manager Fraser explained that with the departure of Director Douglas from the area there is a vacancy on the Finance & Audit Committee and it is up to the President to assign the appointment.*

*President Slawson asked Director Diaz if she would like to serve on the Finance & Audit Committee. Director Diaz agreed to fill the vacancy.*

- 4. BCVWD Water Service Credit Check and Deposit Policy.\*\*(pages 32-45)**

*General Manager Fraser addressed the Board in regards to a concern from a rate payer at the last Regular Board Meeting regarding the District's Deposit Policy. The customer put in a request for service and due to current District policy (which has been in place for a number of years), the District performed a soft credit check. The customer was then told he would have to pay the District's maximum deposit of \$250.00, which the customer gets refunded after one year of good payment history, or six on-time payments. The customer had filed for bankruptcy within the last seven years, which impacted his soft credit report score. The customer produced a letter of upstanding history from his prior water and electricity providers.*

*General Manager Fraser explained that the reasoning behind the policy was to collect a deposit for individuals applying for service who were considered a risk based on their soft credit score. He shared that the policy was implemented following the Grand Jury's investigation, prior to his employment with the District, in which a receivable of approximately \$400,000 was found. The District, during that time, lacked adequate deposit requirements. He also explained that since then the District staff managed to collect a sizeable amount of the outstanding receivables, and the current Deposit Policy, which also liens the property for non-payment, has helped with keeping receivables down. He also shared that a customer is given the option of paying the deposit in installment payments if the customer can't afford to pay the required deposit at the time of starting service.*

*General Manager Fraser then provided members of the Board a survey, conducted by the District, of agencies in the surrounding area, which detailed which agencies require deposits and which do not.*

*Director of Finance and Administrative Services Rodriguez explained the processes currently in place to protect the customer's personal information.*

*After discussion Director Diaz motioned to keep the current Deposit Policy in place. Director Hoffman seconded and passed 5-0.*

**5. Consideration of Request for Water Service "Will Serve Letter" for Single Family Residence located on Riverside County Assessor's Parcel No. (APN) 402-190-007-3.\*\*(pages 46-48)**

*General Manager Fraser addressed the Board with the application for a "Will Serve Letter" and deferred questions to Director of Engineering Jagers.*

*Director Diaz motioned to approve the "Will Serve Letter". The motion was seconded by Director Hoffman and passed 5-0.*

**6. Consideration of Request for Water Service "Will Serve Letter" for Single Family Residence located on Riverside County Assessor's Parcel No. (APN) 402-230-015.\*\*(pages 49-51)**

*General Manager Fraser addressed the Board with the application for a "Will Serve Letter" and deferred questions to Director of Engineering Jagers.*

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

**7. Consideration of Request for Update of "Will Serve Letter" for Previously Approved Development – Parcel Map 32737 (Riverside County Assessor's Parcel No. 400-010-001 and 400-010-007). \*\* (pages 52-62)**

*General Manager Fraser addressed the Board with the application for a "Will Serve Letter" and deferred questions to Director of Engineering Jagers.*

*Director Ramirez ask if there were any impacts to the natural habitat or any issues to the water quality by allowing this to proceed. He also asked if this would fall into the MS4 or NPDS program or permits.*

*Director of Engineering Jagers addressed any concern of potential environmental impact and explained that this information is out of the District's jurisdiction and shared that the City of Calimesa is the responsible agency with respect to storm water issues.*

*Mr. Dan Haskins, with Land Engineering Consultants, said that they have been working with the City of Calimesa for two years and decided to leave the channel alone. They have drafted a water quality plan that is ready to be approved by the City of Calimesa and will be a mitigated negative declaration.*

*Director of Engineering Jagers went on to answer additional questions in regards to future sewer infrastructure, potable water, and non-potable water. He also explained that there was an original "Will Serve Letter" in 2014 which was separated into three (3) phases. This is one of the remaining phases for the project.*

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

**8. Reports For Discussion**

a. Ad Hoc Committees

*No reports were made.*

b. General Manager

*General Manager Fraser clarified that he voted yes on the Watermaster granting the storage account to the SGPWA with the conditions that were identified previously. General Manager Fraser went on to explain that his understanding some of the claims made by Mr. David Castaldo were not factual.*

*Legal Counsel Markman explained that the agreement set in place to replenish the basin and maintain the obligation were set conditions by the Watermaster. He also shared that it was the Watermaster Board that made the decision to vote yes with the conditions and not General Manager Fraser alone.*

*General Manager Fraser explained that the interest is to maintain the ability to meet obligations under the stipulated judgment to make sure the basin gets replenished.*

*President Slawson asked if an outline of the agreement could be presented at the next Board meeting for more clarification.*

*General Manager Fraser, agreed to bring back the outline of the agreement and offered to go over the agreement details with each Board member.*

*General Manager Fraser gave a recharge status. He explained that 5,450 acre feet have been recharged as of June 1, 2017. He went into detail as to what the daily flows are for the District and explain that the District has adopted a maintenance interval plan. He shared the SGPWA eliminated the return flow claim in Ordinance 8 as a result of the District identifying that the recharge water should be owned by the ratepayers not SGPWA.*

*General Manager Fraser stated that the District is working on a Phase 1 Landscape and Irrigation System Improvement Plan. The District would like to keep the area aesthetically pleasing and recognizes that there has been vandalism in the area. General Manager Fraser said he has discussed the issue with Director of Operations Lara.*

*General Manager Fraser went on to explain that the fine organic material at the ponds has created a hardened crust and the sand is right under that hardened surface. Self-loading scrapers will be used to remove material with algae control methods. The District is working on reducing the amount of algae in the basin. He explained that the maintenance interval plan set in place will help reduce time and cost. He recognized the good work being done by the District's staff and said they are adaptive and are implementing new methods.*

*General Manager Fraser shared that all, but one reservoir in the State Water Project are basically full. He stated that water supply is looking good and the District's Recharge Facility is also looking good in terms of operational capabilities. He anticipates recharging close to 10,000 plus acre*

feet of water this year. He reported that State snowpack averages are at 173%.

Director Ramirez asked how often the District is scraping the basins, to which General Manager Fraser explained that it's been a 4-6 month interval, but he wouldn't tie the interval to time rather the volume of water put in the basin and the combination of the two.

Director Hoffman shared his concerns regarding the algae he observed in Phase II. He also stated that he was pleased to hear that the District was taking active actions with landscaping improvements to Phase I.

General Manager Fraser shared that the maintenance interval plan is to shift water flow from Phase I to Phase II, and vice versa, to allow the ponds to dry and conduct maintenance. He also shared that the goal is to get as much water in the ground as possible in a short period of time to allow the District flexibility of other sources of water as they come up in the season.

Director Diaz asked about the pond circulation process being conducted to help with the algae control. General Manager Fraser explained the process and stated that at this point one of the best solutions is using copper sulfate.

c. Directors Reports

President Slawson shared that he attended the Pass Alliance meeting and Director Covington explained SGMA. The Alliance is moving forward on their Integrated Regional Water Management Plan.

d. Legal Counsel Report

No reports were made.

**9. Announcements**

- District Offices will be closed July 4<sup>th</sup>, 2017 in observance of Independence Day.
- Finance and Audit Committee meeting, July 6<sup>th</sup>, 2017 at 3:00 p.m.
- Personnel Committee meeting, July 12<sup>th</sup>, 2017 at 5:00 p.m.
- Regular Board Meeting, July 12<sup>th</sup>, 2017 at 7:00 p.m.

Director Covington corrected the time of the Personnel Committee meeting and stated that it will be at 5:30 p.m. He went on to get clarification of the 6:00 p.m. closed session at the next Board meeting for an evaluation of General Manager Fraser, to which President Slawson concurred.

President Slawson made the announcements above.

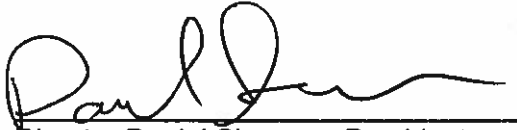
**10. Action List for Future Meetings**

- Proposition 1 Bond Opportunities
- Workshop – Discussion of California Water Code Section 350

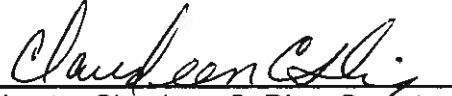
**11. Adjournment**

President Slawson adjourned the meeting at 8:03 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