



BEAUMONT-CHERRY VALLEY WATER DISTRICT
AGENDA
MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS
560 Magnolia Avenue, Beaumont, CA 92223
Wednesday, September 13th, 2017
7:00 p.m.

Call to Order, Vice President Covington

Vice President Covington began the meeting at 7:01 p.m.

Pledge of Allegiance, Director Hoffman

Director Hoffman let the pledge.

Invocation, Director Diaz

Director Diaz led the invocation.

Roll Call

Present at the meeting were: Vice President Covington, Director Hoffman, Diaz, and Director Ramirez. Legal Counsel: James Markman. District Staff: Interim General Manager: Dan Jagers, Director of Operations: Anthony Lara, and Director of Finance and Administrative Services: Yolanda Rodriguez.

Public Comment

No public comment.

ACTION ITEMS

1. Adjustment 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. July 2017 Budget Variance Report Review** (page 4-8)
- b. July 31st, 2017 Cash/Investment Balance Report** (page 9)
- c. August 2017 Check Register Review** (pages 10-30)
- d. August 2017 Invoices Pending Approval** (pages 31-32)
- e. Minutes of the Regular Meeting August 9th, 2017** (pages 33-36)

Director Hoffman motioned to approve the consent calendar. The motion was seconded by Director Diaz and passed 4-0, with President Slawson absent.

3. Annual Financial Report for 2016-FINAL (pages 37-107)**

Director of Finance and Administrative Services Rodriguez reminded the Board that a draft version of the Annual Financial Report for 2016 was presented to the Board at the last Regular Board Meeting.

Director of Finance and Administrative Services Rodriguez went on to explain that the previous version of the Annual Financial Report did not allow the Board an ample amount of time to review the report to receive and file.

Director of Finance and Administrative Services Rodriguez now recommends the Board to receive and file said report.

Director Diaz motioned to approve the Annual Financial Report for 2016. The motion was seconded by Director Ramirez and passed 4-0, with President Slawson absent.

4. Association of California Water Agencies (ACWA) 2018-2019 Region 9 Board Ballot: Vote to Elect a Chair, Vice Chair, and Five (5) Board Members to the Association of California Water Agencies Region 9 (pages 108-110)**

Interim General Manager Jagers informed the Board that the District has received a letter from a candidate soliciting support from the District.

Vice President Covington motioned to vote for his recommended candidates for the ACWA 2018-2019 Region 9 Board Ballot. The motion was seconded by Director Diaz and passed 4-0, with President Slawson absent.

5. Discussion of Methodology for Collection of a Water Capacity Fee Related to the Purchase of Supplemental Water from the San Geronio Pass Water Agency (pages 111-112)**

Public Comment

Judy Bingham addressed her concerns as a rate payer in regards to the cost associated with the purchase of supplemental water. She advised the Board to look at alternative measures.

Interim General Manager Jagers explains that this item was presented to the Board as an informational item. Interim General Manager Jagers then explains that Yucaipa Valley Water Agency has been working with SGPWA to adopt a water capacity fee that relates to the purchase of supplemental water.

Vice President Covington asked Interim General Manager Jagers if the District's fees were adopted in 2010 and Interim General Manager Jagers answered yes. Vice President Covington went on to clarify the estimated dwelling unit cost.

Vice President Covington asked about the proposed increase from YVWA for capacity fee in relation to a breakdown of costs. Interim General Manager Jagers did not have a breakdown of the capacity fee, but mentioned that YVWA had an assessment utilizing the Nexus Report from the Pass Agency in 2015.

Vice President Covington asked Interim General Manager Jagers how important it is to develop a methodology in relation to determining a water capacity fee related to the purchase of supplemental water and Interim General Manager Jagers answered that it is of highest importance.

Legal Counsel Markman added that in order to collect these fees the District would have to have a Nexus Study showing a gap in supply and allocate the fees in direct proportion of the supply.

Vice President Covington mentioned again that the last adopted facility fees were in 2010 and expired in January 2015.

Director Ramirez encouraged Interim General Manager Jagers to continue working with SGPWA in finding the best sourcing for supplemental water.

Public Comment

Don Ortega explained to the Board that they have been working with South Mesa Water Agency in finding alternative sources for supplemental water. Mr. Ortega went on to explain that Los Angeles Department of Water and Power has a surplus of water because of the wet season in the Eastern Sierra's and that the Mayor has declared it an emergency to move the water. The Los Angeles Department of Water and Power is seeking exchange agreements with surrounding agencies for the surplus water to prevent damage to critical infrastructure.

Director Ramirez asked what the cost is per acre-foot and what the water quality is. Mr. Ortega explains that the cost will be approximately \$1,200-\$1,300 per acre-foot.

6. Discussion of the Analysis of State Project Water (SPW) Requirements for SGPWA and BCVWD. (pages 113-123)**

Interim General Manager Jagers explains that the District provides an Urban Water Management Plan every 5 years. It produces information on what the climate looks like and gives an outlook on water supply for the region.

Interim General Manager Jagers emphasized that the Sites Reservoir's Phase 1 project is a good project. He then goes on to give a presentation with slides that details water supply needs for the region and give water supply projections for future years.

Interim General Manager Jagers references the San Geronio Pass Water Agency (SGPWA) Urban Water Management Plan and explained that it provides what the existing water demand needs are. He goes on to explain that in 2010 BCVWD was allowed to pump water out of the basin freely without replenishment obligations, which conflicts with some of the figures that were projections from the SGPWA Urban Water Management Plan.

Interim General Manager Jagers explains that the SPW is at 62% reliable in means of getting to the region. Interim General Manager Jagers then explains that SGPWA is working on getting to 100% of the SPW total by different measures.

Interim General Manager Jagers explains that there are areas in which SGPWA has secured water by other means and that BCVWD outlook takes into account these different secured means. Interim General Manager Jagers also informed the Board what the potential increases in allocation of water could be and provides numbers.

In closing Interim General Manager Jagers emphasized the importance of securing water for the region.

Public Comment

Ms. Judy Bingham again addressed her concerns in regards to water supply.

7. Consideration of Request for Updated "Will Serve Letter" for Ongoing Development Within K. Hovnanian Homes – Four Seasons at Beaumont Development (Tract 33096-13) (pages 124-153)**

Interim General Manager Jagers informed the Board that the representative for K. Hovnanian could not make the Board meeting and went on to explain that this is an ongoing project requesting an update to an already approved "Will Serve Letter."

Public Comment

Ms. Judy Bingham asked if there are any potential conflicts in relation to this project and Legal Counsel Markman answered her questions.

Director Ramirez motioned to approve the Updated "Will Serve Letter." The motion was seconded by Director Hoffman and passed 4-0, with President Slawson absent.

8. Reports For Discussion

a. Ad Hoc Committees

Vice President Covington shared that the City is planning a General Plan meeting for some time in October.

b. General Manager

Interim General Manager Jagers informs the Board that at the Personnel Committee BCVWD has had discussions in regards to safety and have ordered supplies to insure safety in the future.

Interim General Manager Jagers explains that at the NCRF things have been moving smoothly and have implemented a pond maintenance schedule. Interim General Manager Jagers then goes on to commend the maintenance staff in regards to maintenance of the NCRF.

Interim General Manager Jagers talks about local agency meetings that he attended recently to get a better understanding of capacity fees other agencies are charging and reaffirming regional water supply issues.

Interim General Manager Jagers informs the Board that he had a meeting with the City of Beaumont in regards to move forward with recycled water.

Finally, Interim General Manager Jagers informed the Board that the Beaumont-Cherry Valley Recreation and Park District has asked him to be a part of the lease of Bogart Park.

c. Directors Reports

Director Ramirez explains that at the Personnel Committee meeting the employees were very communitive and they are working on the 2018 MOU.

d. Legal Counsel Report

No reports were made.

9. Announcements

- Beaumont Basin Watermaster meeting, October 4th, 2017 at 10:00 a.m.
- Finance and Audit Committee meeting, October 5th, 2017 at 3:00 p.m.
- Engineering Workshop, October 5th, 2017 at 7:00 p.m.
- Regular Board Meeting, October 11th, 2017 at 7:00 p.m.

Vice President Covington made the announcements above.

10. Action List for Future Meetings

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

Vice President Covington made the announcements above.

11. Recessed to Closed Session

Vice President Covington recessed the meeting to closed session at 8:20 p.m.

- a. PUBLIC EMPLOYEE APPOINTMENT pursuant to Government Code section 54957

Position: Permanent District General Manager

- b. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION pursuant to Government Code section 54956.9 (d)(1)

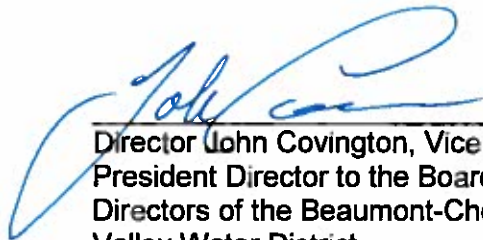
Number of case: San Gorgonio Pass Water Agency v. Beaumont Basin Watermaster

Vice President Covington reconvened the closed session at 9:15 and reported that the Board agreed to appoint Interim General Manager Jagers as the permanent General Manager and move forward with contract negotiations.


12. Adjournment

Vice President Covington adjourned the meeting at 9:16 p.m.

Attest:



Director John Covington, Vice
President Director to the Board of
Directors of the Beaumont-Cherry
Valley Water District



Claudeen C. Diaz, Secretary
to the Board of Directors of the
Beaumont-Cherry Valley Water District

** Information included in the agenda packet

