



**BEAUMONT-CHERRY VALLEY WATER DISTRICT
AGENDA
REGULAR MEETING OF THE BOARD OF DIRECTORS
560 Magnolia Avenue, Beaumont, CA 92223
Wednesday, June 13, 2018
7:00 p.m.**

Call to Order, President Covington

Pledge of Allegiance, President 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, state law prohibits the Board from discussing or taking action on any item not listed on the agenda. 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

Information on the following items is included in the full Agenda Packet.

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. April 2018 Budget Variance Report (pages 5 - 9)
- b. April 30, 2018 Cash/Investment Balance Report (page 10)
- c. April 2018 Cash Flow Report (page 11)
- d. May 2018 Check Register (pages 12 - 29)
- e. May 2018 Invoices Pending Approval (pages 30 - 32)
- f. Minutes of the Special Meeting of May 3, 2018 (pages 33 - 34)
- g. Minutes of the Regular Meeting of May 9, 2018 (pages 35 - 44)
- h. Minutes of the Special Meeting of May 31, 2018 (handout)

3. **Receive and file the 2017 External Audit and Comprehensive Annual Financial Report** (pages 45 - 132)
4. **Consideration of Request for Amendment of Tract 31469 Will Serve Letter (Planning Area 47 or Tentative Tract Map 37428), Update for Sundance Specific Plan Original Will Serve Letter (PA 13 or TTM 31426), and New Will Serve Letter for Chavez School Site Redevelopment (PA 54 or TTM 31427) Pardee Homes Sundance – Specific Plan Amendment No. 3** (pages 133 - 160)
5. **Consideration of Application for Water Service for Riverside County Assessor's Parcel No. 401-170-038 on Avenida Miravilla between Camino del Norte and Whispering Pines Road in the Community of Cherry Valley** (pages 161 - 164)
6. **Consideration of Application for Water Service for Riverside County Assessor's Parcel No. 404-100-014 at 11227 Sunnyslope** (pages 165 - 168)
7. **Consideration of Resolution 2018-____, Amending the District Policies and Procedures Manual, Part II, Section 5A: Regular Meetings to add one monthly Board of Directors Regular Meeting for an Engineering Workshop (fourth Thursday) and change Regular Meeting Time to 6:00 p.m.** (pages 169 - 172)
8. **Consideration of Resolution 2018-____: Support for the California Water Supply and Water Quality Bond Act of 2018** (pages 173 - 177)
9. **Continued Discussion of Potential Security Strategies for the Noble Creek Recharge Facility Phase I** (pages 178 - 184)
10. **Update on Rehabilitation and Repair of District Wells** (page 185)
11. **Update on the Status of the Noble Creek Turnout Connection Enlargement** (pages 186 - 187)
12. **Update on Imported Wholesale Water Rates** (handout)
13. **Update on the Sites Reservoir Project** (pages 188 - 191)
14. **Update on the Re-Prioritization of the San Timoteo Groundwater Sustainability Agency Pursuant to the Sustainable Groundwater Management Act** (pages 192 - 194)
15. **Report on the Status of Imported Water Supply Available for 2018** (pages 195 - 196)

INFORMATION / DISCUSSION ITEMS

16. **Legislative Updates:** (handout)
 - a. SB 606 and 1668
 - b. SB 623
 - c. AB 3045

17. Reports For Discussion

- d. Ad Hoc Committees
- e. General Manager
- f. Directors' Reports
- g. Legal Counsel Report

18. Announcements

- Engineering Workshop: June 28, 2018 at 6:00 p.m.
- District Offices will be closed Wednesday, July 4, 2018 in observance of Independence Day.
- Finance and Audit Committee meeting: July 5, 2018 at 3:00 p.m.
- Regular Board meeting: July 11, 2018 at 7:00 p.m.
- Personnel Committee meeting: July 23, 2018 at 5:30 p.m.
- Beaumont Basin Watermaster meeting: August 1, 2018 at 10:00 a.m.
- Collaborative Agencies Committee meeting: September 5, 2018 at 5:00 p.m. *(July 4 meeting cancelled due to holiday) (Location: Beaumont-Cherry Valley Recreation and Park District office)*

19. Action List for Future Meetings

- Proposition 1 Bond Opportunities

20. Closed Session

- a. CONFERENCE WITH LEGAL COUNSEL – LABOR NEGOTIATIONS
Pursuant to Government Code Section 54957.6:

Agency designated representative:
Dan Jagers, General Manager

21. Adjournment

NOTICES

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. Materials may also be available on the District's website: www.bcvwd.org.

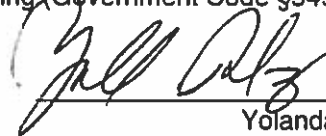
REVISIONS TO THE AGENDA - In accordance with §54954.2(a) of the Government Code (Brown Act), revisions to this Agenda may be made up to 72 hours before the Board Meeting, if necessary, after mailings are completed. Interested persons wishing to receive a copy of the

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 or in writing at the Beaumont-Cherry Valley Water District, 560 Magnolia Avenue, Beaumont, California 92223.

CERTIFICATION OF POSTING

I certify that on or before June 10, 2018, a copy of the foregoing notice was posted near the regular meeting place of the Board of Directors of Beaumont-Cherry Valley Water District and to its website at least 72 hours in advance of the meeting (Government Code §54954.2(a)).



Yolanda Rodriguez
Director of Finance and Administration

General Ledger
Budget Variance Revenue

User: wclayton
Printed: 05/29/18 09:14:04
Period 04 - 04
Fiscal Year 2018

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



| Account Number | Description | Budget | Period Amt | End Bal | Variance | % Avail/ Uncollect |
|----------------------|---------------------------------|-------------------------|----------------------|------------------------|-------------------------|-----------------------|
| 50 | GENERAL | | | | | |
| 01-50-510-419061 | Miscellaneous Income | \$ 200.00 | \$ 0.05 | \$ 50,811.06 | \$ (50,611.06) | -25305.53% |
| 01-50-510-490001 | Interest Income - Bonita Vista | \$ 1,995.00 | \$ 382.13 | \$ 716.91 | \$ 1,278.09 | 64.06% |
| 01-50-510-490011 | Interest Income-Fairway Canyon | \$ 57,363.00 | \$ - | \$ - | \$ 57,363.00 | 100.00% |
| 01-50-510-490021 | Interest Income - General | \$ 190,000.00 | \$ 134,233.78 | \$ 237,644.83 | \$ (47,644.83) | -25.08% |
| | Misc Income | \$ 249,558.00 | \$ 134,615.96 | \$ 289,172.80 | \$ (39,614.80) | -15.87% |
| 01-50-510-481001 | Fac Fees-Wells | \$ 956,333.00 | \$ - | \$ 727,548.80 | \$ 228,784.20 | 23.92% |
| 01-50-510-481006 | Fac Fees-Water Rights (SWP) | \$ 605,118.00 | \$ - | \$ 493,021.82 | \$ 112,096.18 | 18.52% |
| 01-50-510-481012 | Fac Fees-Water Treatment Plant | \$ 454,950.00 | \$ - | \$ 346,111.80 | \$ 108,838.20 | 23.92% |
| 01-50-510-481018 | Fac Fees-Local Water Resources | \$ 239,577.00 | \$ - | \$ 195,196.39 | \$ 44,380.61 | 18.52% |
| 01-50-510-481024 | Fac Fees-Recycld Wtr Facilities | \$ 692,551.00 | \$ - | \$ 526,871.60 | \$ 165,679.40 | 23.92% |
| 01-50-510-481030 | Fac Fees-Transmission (16") | \$ 774,550.00 | \$ - | \$ 589,254.40 | \$ 185,295.60 | 23.92% |
| 01-50-510-481036 | Fac Fees-Storage | \$ 991,899.00 | \$ - | \$ 754,606.40 | \$ 237,292.60 | 23.92% |
| 01-50-510-481042 | Fac Fees-Booster | \$ 68,662.00 | \$ - | \$ 52,236.20 | \$ 16,425.80 | 23.92% |
| 01-50-510-481048 | Fac Fees-Pressure Reducng Stns | \$ 35,072.00 | \$ - | \$ 26,681.80 | \$ 8,390.20 | 23.92% |
| 01-50-510-481054 | Fac Fees-Misc Projects | \$ 30,626.00 | \$ - | \$ 23,299.60 | \$ 7,326.40 | 23.92% |
| 01-50-510-481060 | Fac Fees-Financing Costs | \$ 150,662.00 | \$ - | \$ 114,619.00 | \$ 36,043.00 | 23.92% |
| 01-50-510-485001 | Front Footage Fees | \$ 16,541.00 | \$ - | \$ - | \$ 16,541.00 | 100.00% |
| | Non-Operating Revenue | \$ 5,016,541.00 | \$ - | \$ 3,849,447.81 | \$ 1,167,093.19 | 23.26% |
| 01-50-510-410100 | Sales | \$ 4,750,617.00 | \$ 254,850.02 | \$ 1,242,120.52 | \$ 3,508,496.48 | 73.85% |
| 01-50-510-410151 | Agricultural Irrigation Sales | \$ 20,000.00 | \$ - | \$ 4,879.31 | \$ 15,120.69 | 75.60% |
| 01-50-510-410171 | Construction Sales | \$ 150,000.00 | \$ 3,888.15 | \$ 28,217.55 | \$ 121,782.45 | 81.19% |
| 01-50-510-413001 | Backflow Admin Charges | \$ 41,501.00 | \$ 4,861.67 | \$ 14,609.08 | \$ 26,891.92 | 64.80% |
| 01-50-510-413011 | Fixed Meter Charges | \$ 3,158,771.00 | \$ 276,566.22 | \$ 1,033,002.87 | \$ 2,125,768.13 | 67.30% |
| 01-50-510-413021 | Meter Fees | \$ 619,974.00 | \$ 45,423.00 | \$ 188,860.00 | \$ 431,114.00 | 69.54% |
| 01-50-510-415001 | SGPWA Importation Charges | \$ 2,160,000.00 | \$ 119,643.70 | \$ 583,328.28 | \$ 1,576,671.72 | 72.99% |
| 01-50-510-415011 | SCE Power Charges | \$ 1,566,443.00 | \$ 85,831.35 | \$ 418,472.94 | \$ 1,147,970.06 | 73.29% |
| 01-50-510-417001 | 2nd Notice Penalties | \$ 93,072.00 | \$ 6,850.00 | \$ 28,415.00 | \$ 64,657.00 | 69.47% |
| 01-50-510-417011 | 3rd Notice Charges | \$ 32,000.00 | \$ 3,400.00 | \$ 11,425.00 | \$ 20,575.00 | 64.30% |
| 01-50-510-417021 | Account Reinstatement Fees | \$ 35,490.00 | \$ 4,700.00 | \$ 18,050.00 | \$ 17,440.00 | 49.14% |
| 01-50-510-417031 | Lien Processing Fees | \$ 5,000.00 | \$ 600.00 | \$ 2,100.00 | \$ 2,900.00 | 58.00% |
| 01-50-510-417041 | Credit Check Processing Fees | \$ 12,000.00 | \$ 960.00 | \$ 3,310.00 | \$ 8,690.00 | 72.42% |
| 01-50-510-417051 | Returned Check Fees | \$ 3,000.00 | \$ 325.00 | \$ 1,270.00 | \$ 1,730.00 | 57.67% |
| 01-50-510-417061 | Custmr Damages/Upgrade Charges | \$ 18,819.00 | \$ (546.70) | \$ 8,133.20 | \$ 10,685.80 | 56.78% |
| 01-50-510-417071 | After Hours Call Out Charges | \$ 1,931.00 | \$ 100.00 | \$ 700.00 | \$ 1,231.00 | 63.75% |
| 01-50-510-417091 | Credit Card Processing Fees | \$ 44,381.00 | \$ 3,183.25 | \$ 13,882.75 | \$ 30,498.25 | 68.72% |
| 01-50-510-419011 | Development Income | \$ 100,626.00 | \$ 30,198.01 | \$ 22,386.38 | \$ 78,239.62 | 77.75% |
| 01-50-510-419021 | Recharge Income | \$ 61,140.00 | \$ 3,301.56 | \$ 10,149.24 | \$ 50,990.76 | 83.40% |
| | Operating Revenue | \$ 12,874,765.00 | \$ 844,135.23 | \$ 3,633,312.12 | \$ 9,241,452.88 | 71.78% |
| 01-50-510-471001 | Rent - 12303 Oak Glen | \$ 2,400.00 | \$ 200.00 | \$ 800.00 | \$ 1,600.00 | 66.67% |
| 01-50-510-471011 | Rent - 13695 Oak Glen | \$ 2,400.00 | \$ 200.00 | \$ 800.00 | \$ 1,600.00 | 66.67% |
| 01-50-510-471021 | Rent - 13697 Oak Glen | \$ 2,400.00 | \$ 200.00 | \$ 800.00 | \$ 1,600.00 | 66.67% |
| 01-50-510-471031 | Rent - 9781 Avenida Miravilla | \$ 2,400.00 | \$ 200.00 | \$ 800.00 | \$ 1,600.00 | 66.67% |
| 01-50-510-471101 | Util - 12303 Oak Glen | \$ 2,273.00 | \$ 228.59 | \$ 964.60 | \$ 1,308.40 | 57.56% |
| 01-50-510-471111 | Util - 13695 Oak Glen | \$ 2,531.00 | \$ 40.81 | \$ 758.85 | \$ 1,772.15 | 70.02% |
| 01-50-510-471121 | Util - 13697 Oak Glen | \$ 3,436.00 | \$ 130.28 | \$ 1,162.62 | \$ 2,273.38 | 66.16% |
| 01-50-510-471131 | Util - 9781 Avenida Miravilla | \$ 2,737.00 | \$ 99.04 | \$ 943.56 | \$ 1,793.44 | 65.53% |
| | Rent/Utilities | \$ 20,577.00 | \$ 1,298.72 | \$ 7,029.63 | \$ 13,547.37 | 65.84% |
| Revenue Total | | \$ 18,161,441.00 | \$ 980,049.91 | \$ 7,778,962.36 | \$ 10,382,478.64 | 57.17% |

General Ledger

Budget Variance Expense

User: wclayton

Printed: 05/29/18 09:15:47

Period 04 - 04

Fiscal Year 2018

Beaumont-Cherry Valley Water District

560 Magnolia Avenue

Beaumont CA 92223

(951) 845-9581

www.bcvwd.org



| Account Number | Description | Budget | Period Amt | End Bal | Variance | Encumbered | % Avail/ Uncollect |
|----------------------|--|----------------------|---------------------|---------------------|----------------------|-------------|-----------------------|
| 10 | BOARD OF DIRECTORS | | | | | | |
| 01-10-110-500101 | Board of Directors Fees | \$ 36,000.00 | \$ 1,800.00 | \$ 7,200.00 | \$ 28,800.00 | \$ - | 80.00% |
| 01-10-110-500115 | Social Security | \$ 2,235.00 | \$ 111.60 | \$ 446.40 | \$ 1,788.60 | \$ - | 80.03% |
| 01-10-110-500120 | Medicare | \$ 525.00 | \$ 26.10 | \$ 104.40 | \$ 420.60 | \$ - | 80.11% |
| 01-10-110-500145 | Workers' Compensation | \$ 520.00 | \$ 17.82 | \$ 71.20 | \$ 448.80 | \$ - | 86.31% |
| 01-10-110-500175 | Seminar & Travel Expenses | \$ 10,000.00 | \$ - | \$ - | \$ 10,000.00 | \$ - | 100.00% |
| | Board of Directors Personnel | \$ 49,280.00 | \$ 1,955.52 | \$ 7,822.00 | \$ 41,458.00 | \$ - | 84.13% |
| 01-10-110-550042 | Supplies-Other | \$ 400.00 | \$ - | \$ 468.00 | \$ (68.00) | \$ - | -17.00% |
| | Board of Directors Materials & Supplies | \$ 400.00 | \$ - | \$ 468.00 | \$ (68.00) | \$ - | -17.00% |
| 01-10-110-550012 | Election Expenses | \$ 20,000.00 | \$ - | \$ - | \$ 20,000.00 | \$ - | 100.00% |
| | Board of Directors Services | \$ 20,000.00 | \$ - | \$ - | \$ 20,000.00 | \$ - | 100.00% |
| Expense Total | BOARD OF DIRECTORS | \$ 69,680.00 | \$ 1,955.52 | \$ 8,290.00 | \$ 61,390.00 | \$ - | 0.00% |
| 20 | ENGINEERING | | | | | | |
| 01-20-210-500105 | Labor | \$ 391,181.00 | \$ 23,833.55 | \$ 66,659.43 | \$ 324,521.57 | \$ - | 82.96% |
| 01-20-210-500115 | Social Security | \$ 24,489.00 | \$ 1,511.69 | \$ 4,307.25 | \$ 20,181.75 | \$ - | 82.41% |
| 01-20-210-500120 | Medicare | \$ 5,730.00 | \$ 353.55 | \$ 1,007.37 | \$ 4,722.63 | \$ - | 82.42% |
| 01-20-210-500125 | Health Insurance | \$ 43,440.00 | \$ 613.29 | \$ 2,453.16 | \$ 40,986.84 | \$ - | 94.35% |
| 01-20-210-500140 | Life Insurance | \$ 1,524.00 | \$ 29.82 | \$ 93.72 | \$ 1,430.28 | \$ - | 93.85% |
| 01-20-210-500145 | Workers' Compensation | \$ 5,842.00 | \$ 291.61 | \$ 830.86 | \$ 5,011.14 | \$ - | 85.78% |
| 01-20-210-500150 | Unemployment Insurance | \$ 13,303.00 | \$ - | \$ - | \$ 13,303.00 | \$ - | 100.00% |
| 01-20-210-500155 | Retirement/CalPERS | \$ 57,099.00 | \$ 2,729.95 | \$ 7,356.01 | \$ 49,742.99 | \$ - | 87.12% |
| 01-20-210-500165 | Uniforms & Employee Benefits | \$ 50.00 | \$ - | \$ - | \$ 50.00 | \$ - | 100.00% |
| 01-20-210-500170 | Education Expenses | \$ 5,000.00 | \$ - | \$ - | \$ 5,000.00 | \$ - | 100.00% |
| 01-20-210-500175 | Seminar & Travel Expenses | \$ 1,000.00 | \$ - | \$ - | \$ 1,000.00 | \$ - | 100.00% |
| 01-20-210-500180 | Accrued Sick Leave Expenses | \$ 16,230.00 | \$ 547.86 | \$ 1,594.76 | \$ 14,635.24 | \$ - | 90.17% |
| 01-20-210-500185 | Accrued Vacation Expenses | \$ 13,127.00 | \$ - | \$ 945.30 | \$ 12,181.70 | \$ - | 92.80% |
| 01-20-210-500187 | Accrual Leave Payments | \$ 2,657.00 | \$ - | \$ - | \$ 2,657.00 | \$ - | 100.00% |
| 01-20-210-500195 | CIP Related Labor | \$ (169,314.00) | \$ (16,385.17) | \$ (43,952.68) | \$ (125,361.32) | \$ - | 74.04% |
| | Engineering Personnel | \$ 411,358.00 | \$ 13,526.15 | \$ 41,295.18 | \$ 370,062.82 | \$ - | 89.96% |
| 01-20-210-540048 | Permits, Fees & Licensing | \$ 2,000.00 | \$ 1,125.00 | \$ 1,125.00 | \$ 875.00 | \$ - | 43.75% |
| | Engineering Materials & Supplies | \$ 2,000.00 | \$ 1,125.00 | \$ 1,125.00 | \$ 875.00 | \$ - | 43.75% |
| 01-20-210-580031 | Outside Engineering | \$ 60,000.00 | \$ - | \$ - | \$ 60,000.00 | \$ - | 100.00% |
| 01-20-210-580032 | CIP Related Outside Engineering | \$ (40,000.00) | \$ - | \$ - | \$ (40,000.00) | \$ - | 100.00% |
| | Engineering Services | \$ 20,000.00 | \$ - | \$ - | \$ 20,000.00 | \$ - | 100.00% |
| Expense Total | ENGINEERING | \$ 433,358.00 | \$ 14,651.15 | \$ 42,420.18 | \$ 390,937.82 | \$ - | 90.21% |
| 30 | FINANCE & ADMIN SERVICES | | | | | | |
| 01-30-310-500105 | Labor | \$ 963,090.00 | \$ 65,246.15 | \$ 239,997.98 | \$ 723,092.02 | \$ - | 75.08% |
| 01-30-310-500115 | Social Security | \$ 62,324.00 | \$ 4,354.24 | \$ 17,433.86 | \$ 44,890.14 | \$ - | 72.03% |
| 01-30-310-500120 | Medicare | \$ 14,583.00 | \$ 1,018.31 | \$ 4,077.19 | \$ 10,505.81 | \$ - | 72.04% |
| 01-30-310-500125 | Health Insurance | \$ 246,160.00 | \$ 15,921.04 | \$ 58,538.59 | \$ 187,621.41 | \$ - | 76.22% |
| 01-30-310-500130 | CalPERS Health Admin Costs | \$ 2,000.00 | \$ 151.69 | \$ 591.68 | \$ 1,408.32 | \$ - | 70.42% |
| 01-30-310-500140 | Life Insurance | \$ 6,072.00 | \$ 544.60 | \$ 1,348.72 | \$ 4,723.28 | \$ - | 77.79% |
| 01-30-310-500145 | Workers' Compensation | \$ 14,012.00 | \$ 725.62 | \$ 2,942.08 | \$ 11,069.92 | \$ - | 79.00% |
| 01-30-310-500150 | Unemployment Insurance | \$ 32,751.00 | \$ - | \$ - | \$ 32,751.00 | \$ - | 100.00% |
| 01-30-310-500155 | Retirement/CalPERS | \$ 156,625.00 | \$ 10,214.91 | \$ 43,619.25 | \$ 113,005.75 | \$ - | 72.15% |
| 01-30-310-500161 | Estim Current Yr OPEB Expenses | \$ 100,000.00 | \$ - | \$ - | \$ 100,000.00 | \$ - | 100.00% |
| 01-30-310-500165 | Uniforms & Employee Benefits | \$ 750.00 | \$ - | \$ - | \$ 750.00 | \$ - | 100.00% |
| 01-30-310-500170 | Education Expenses | \$ 2,000.00 | \$ 53.74 | \$ 77.51 | \$ 1,922.49 | \$ - | 96.12% |
| 01-30-310-500175 | Seminar & Travel Expenses | \$ 15,000.00 | \$ 259.00 | \$ 4,955.63 | \$ 10,044.37 | \$ - | 66.96% |
| 01-30-310-500180 | Accrued Sick Leave Expenses | \$ 27,897.00 | \$ 3,528.85 | \$ 11,166.66 | \$ 16,730.34 | \$ - | 59.97% |
| 01-30-310-500185 | Accrued Vacation Expenses | \$ 103,444.00 | \$ 1,374.20 | \$ 8,103.16 | \$ 95,340.84 | \$ - | 92.17% |
| 01-30-310-500187 | Accrual Leave Payments | \$ 40,781.00 | \$ - | \$ 21,642.75 | \$ 19,138.25 | \$ - | 46.93% |
| 01-30-310-550024 | Employment Testing | \$ 200.00 | \$ - | \$ - | \$ 200.00 | \$ - | 100.00% |
| 01-30-315-500105 | Labor | \$ 118,311.00 | \$ 7,963.20 | \$ 32,421.60 | \$ 85,889.40 | \$ - | 72.60% |

| Account Number | Description | Budget | Period Amt | End Bal | Variance | Encumbered | % Avail/ Uncollect |
|----------------------|--|------------------------|----------------------|------------------------|------------------------|--------------------|-----------------------|
| 01-30-315-500115 | Social Security | \$ 7,802.00 | \$ 564.60 | \$ 2,117.16 | \$ 5,684.84 | \$ - | 72.86% |
| 01-30-315-500120 | Medicare | \$ 1,825.00 | \$ 132.04 | \$ 495.13 | \$ 1,329.87 | \$ - | 72.87% |
| 01-30-315-500125 | Health Insurance | \$ 21,720.00 | \$ 1,809.52 | \$ 7,238.08 | \$ 14,481.92 | \$ - | 66.68% |
| 01-30-315-500140 | Life Insurance | \$ 780.00 | \$ 52.54 | \$ 167.56 | \$ 612.44 | \$ - | 78.52% |
| 01-30-315-500145 | Workers' Compensation | \$ 1,709.00 | \$ 90.00 | \$ 337.50 | \$ 1,371.50 | \$ - | 80.25% |
| 01-30-315-500150 | Unemployment Insurance | \$ 4,023.00 | \$ - | \$ - | \$ 4,023.00 | \$ - | 100.00% |
| 01-30-315-500155 | Retirement/CalPERS | \$ 11,648.00 | \$ 652.52 | \$ 2,446.96 | \$ 9,201.04 | \$ - | 78.99% |
| 01-30-315-500175 | Seminar & Travel Expenses | \$ 4,000.00 | \$ - | \$ - | \$ 4,000.00 | \$ - | 100.00% |
| 01-30-315-500180 | Accrued Sick Leave Expenses | \$ 6,883.00 | \$ - | \$ - | \$ 6,883.00 | \$ - | 100.00% |
| 01-30-315-500185 | Accrued Vacation Expenses | \$ 14,648.00 | \$ 1,137.60 | \$ 1,706.40 | \$ 12,941.60 | \$ - | 88.35% |
| 01-30-315-500187 | Accrual Leave Payments | \$ 7,458.00 | \$ - | \$ - | \$ 7,458.00 | \$ - | 100.00% |
| 01-30-315-500195 | CIP Related Labor | \$ (31,855.00) | \$ - | \$ - | \$ (31,855.00) | \$ - | 100.00% |
| | Finance & Admin Services Personnel | \$ 1,956,641.00 | \$ 115,794.37 | \$ 461,425.45 | \$ 1,495,215.55 | \$ - | 76.42% |
| 01-30-310-550006 | Cashiering Shortages/Overages | \$ 50.00 | \$ (0.10) | \$ 20.93 | \$ 29.07 | \$ - | 58.14% |
| 01-30-310-550018 | Employee Medical/First Aid | \$ 200.00 | \$ - | \$ - | \$ 200.00 | \$ - | 100.00% |
| 01-30-310-550042 | Office Supplies | \$ 10,500.00 | \$ 1,106.12 | \$ 4,836.27 | \$ 5,663.73 | \$ - | 53.94% |
| 01-30-310-550046 | Office Equipment | \$ 40,000.00 | \$ 1,585.33 | \$ 5,695.82 | \$ 34,304.18 | \$ - | 85.76% |
| 01-30-310-550048 | Postage | \$ 50,000.00 | \$ 4,275.97 | \$ 16,835.15 | \$ 33,164.85 | \$ - | 66.33% |
| 01-30-310-550066 | Subscriptions | \$ 3,000.00 | \$ - | \$ - | \$ 3,000.00 | \$ - | 100.00% |
| 01-30-310-550072 | Misc Operating Expenses | \$ 1,000.00 | \$ - | \$ (0.13) | \$ 1,000.13 | \$ - | 100.01% |
| 01-30-310-550078 | Bad Debt Expenses | \$ 5,000.00 | \$ - | \$ - | \$ 5,000.00 | \$ - | 100.00% |
| 01-30-310-550084 | Depreciation | \$ 2,554,781.00 | \$ 207,072.47 | \$ 855,510.36 | \$ 1,699,270.64 | \$ - | 66.51% |
| 01-30-315-501511 | Phones - 560 Magnolia | \$ 25,200.00 | \$ 1,159.68 | \$ 5,395.40 | \$ 19,804.60 | \$ - | 78.59% |
| 01-30-315-501561 | Phones - 815 E. 12th | \$ 2,800.00 | \$ 305.61 | \$ 1,317.51 | \$ 1,482.49 | \$ - | 52.95% |
| 01-30-315-550044 | Printing/Toner & Maint | \$ 15,000.00 | \$ 520.32 | \$ 3,918.97 | \$ 11,081.03 | \$ - | 73.87% |
| | Finance & Admin Services Materials & Supplies | \$ 2,707,531.00 | \$ 216,025.40 | \$ 893,530.28 | \$ 1,814,000.72 | \$ - | 67.00% |
| 01-30-310-550001 | Bank/Financial Service Fees | \$ 42,000.00 | \$ 1,175.30 | \$ 4,378.47 | \$ 37,621.53 | \$ - | 89.58% |
| 01-30-310-550008 | Transaction/Return Fees | \$ 3,000.00 | \$ 145.78 | \$ 373.12 | \$ 2,626.88 | \$ - | 87.56% |
| 01-30-310-550010 | Transaction/Credit Card Fees | \$ 44,381.00 | \$ 2,724.75 | \$ 13,226.70 | \$ 31,154.30 | \$ - | 70.20% |
| 01-30-310-550014 | Credit Check Fees | \$ 12,000.00 | \$ 480.90 | \$ 1,364.40 | \$ 10,635.60 | \$ - | 88.63% |
| 01-30-310-550030 | Membership Dues | \$ 42,000.00 | \$ 2,578.25 | \$ 17,334.00 | \$ 24,666.00 | \$ - | 58.73% |
| 01-30-310-550036 | Notary & Lien Fees | \$ 2,000.00 | \$ 333.00 | \$ 1,691.00 | \$ 309.00 | \$ - | 15.45% |
| 01-30-310-550051 | Advertising | \$ 4,000.00 | \$ 200.00 | \$ 1,909.00 | \$ 2,091.00 | \$ - | 52.28% |
| 01-30-310-550054 | Property, Auto& Gen Liab Insur | \$ 80,000.00 | \$ 5,979.78 | \$ 24,230.52 | \$ 55,769.48 | \$ - | 69.71% |
| 01-30-310-580001 | Accounting & Audit | \$ 35,000.00 | \$ 8,000.00 | \$ 24,200.00 | \$ 10,800.00 | \$ 1,362.00 | 26.97% |
| 01-30-310-580011 | General Legal | \$ 150,000.00 | \$ 1,806.88 | \$ 17,617.32 | \$ 132,382.68 | \$ - | 88.26% |
| 01-30-310-580021 | IT/Software Support | \$ - | \$ - | \$ - | \$ - | \$ - | 0.00% |
| 01-30-310-580036 | Other Professional Services | \$ 5,000.00 | \$ 1,581.92 | \$ 1,581.92 | \$ 3,418.08 | \$ - | 68.36% |
| 01-30-315-550030 | Membership Dues | \$ 2,000.00 | \$ - | \$ - | \$ 2,000.00 | \$ - | 100.00% |
| 01-30-315-580016 | Computer Hardware | \$ 20,000.00 | \$ 1,054.61 | \$ 4,246.87 | \$ 15,753.13 | \$ - | 78.77% |
| 01-30-315-580021 | IT/Software Support | \$ 5,000.00 | \$ 543.18 | \$ 1,665.18 | \$ 3,334.82 | \$ - | 66.70% |
| 01-30-315-580026 | License/Maintenance/Support | \$ 90,000.00 | \$ 2,540.36 | \$ 36,107.47 | \$ 53,892.53 | \$ - | 59.88% |
| | Finance & Admin Services | \$ 536,381.00 | \$ 29,144.71 | \$ 149,925.97 | \$ 386,455.03 | \$ 1,362.00 | 71.79% |
| Expense Total | FINANCE & ADMIN SERVICES | \$ 5,200,553.00 | \$ 360,964.48 | \$ 1,504,881.70 | \$ 3,695,671.30 | \$ 1,362.00 | 71.04% |
| 40 | OPERATIONS | | | | | | |
| 410 | Source of Supply Personnel | | | | | | |
| 01-40-410-500105 | Labor | \$ 328,948.00 | \$ 9,229.62 | \$ 58,836.78 | \$ 270,111.22 | \$ - | 82.11% |
| 01-40-410-500110 | Overtime | \$ 18,393.00 | \$ 291.57 | \$ 1,015.44 | \$ 17,377.56 | \$ - | 94.48% |
| 01-40-410-500111 | Double Time | \$ 930.00 | \$ - | \$ - | \$ 930.00 | \$ - | 100.00% |
| 01-40-410-500113 | Standby/On-Call | \$ 4,550.00 | \$ 700.00 | \$ 2,400.00 | \$ 2,150.00 | \$ - | 47.25% |
| 01-40-410-500115 | Social Security | \$ 21,988.00 | \$ 731.89 | \$ 4,168.03 | \$ 17,819.97 | \$ - | 81.04% |
| 01-40-410-500120 | Medicare | \$ 5,148.00 | \$ 174.52 | \$ 978.14 | \$ 4,169.86 | \$ - | 81.00% |
| 01-40-410-500125 | Health Insurance | \$ 108,600.00 | \$ 4,798.39 | \$ 19,593.40 | \$ 89,006.60 | \$ - | 81.96% |
| 01-40-410-500140 | Life Insurance | \$ 2,160.00 | \$ 88.29 | \$ 320.46 | \$ 1,839.54 | \$ - | 85.16% |
| 01-40-410-500145 | Workers' Compensation | \$ 23,214.00 | \$ 616.56 | \$ 3,447.84 | \$ 19,766.16 | \$ - | 85.15% |
| 01-40-410-500150 | Unemployment Insurance | \$ 48,080.00 | \$ - | \$ - | \$ 48,080.00 | \$ - | 100.00% |
| 01-40-410-500155 | Retirement/CalPERS | \$ 75,285.00 | \$ 2,195.82 | \$ 14,558.40 | \$ 60,726.60 | \$ - | 80.66% |
| 01-40-410-500165 | Uniforms & Employee Benefits | \$ 2,200.00 | \$ 350.84 | \$ 397.33 | \$ 1,802.67 | \$ - | 81.94% |
| 01-40-410-500170 | Education Expenses | \$ 1,000.00 | \$ - | \$ - | \$ 1,000.00 | \$ - | 100.00% |
| 01-40-410-500175 | Seminar & Travel Expenses | \$ 4,000.00 | \$ 99.00 | \$ 112.29 | \$ 3,887.71 | \$ - | 97.19% |
| 01-40-410-500180 | Accrued Sick Leave Expenses | \$ 9,519.00 | \$ 696.18 | \$ 2,331.24 | \$ 7,187.76 | \$ - | 75.51% |
| 01-40-410-500185 | Accrued Vacation Expenses | \$ 6,355.00 | \$ 1,837.54 | \$ 2,583.38 | \$ 3,771.62 | \$ - | 59.35% |
| 01-40-410-500187 | Accrual Leave Payments | \$ 6,235.00 | \$ - | \$ - | \$ 6,235.00 | \$ - | 100.00% |
| 01-40-410-500195 | CIP Related Labor | \$ (25,000.00) | \$ (89.49) | \$ (89.49) | \$ (24,910.51) | \$ - | 99.64% |
| 01-40-410-550024 | Employment Testing | \$ 200.00 | \$ - | \$ - | \$ 200.00 | \$ - | 100.00% |
| 440 | Transmission & Distribution Personnel | | | | | | |
| 01-40-440-500105 | Labor | \$ 922,072.00 | \$ 55,020.69 | \$ 171,079.82 | \$ 750,992.18 | \$ - | 81.45% |
| 01-40-440-500110 | Overtime | \$ 36,825.00 | \$ 2,194.18 | \$ 9,495.28 | \$ 27,329.72 | \$ - | 74.22% |
| 01-40-440-500111 | Double Time | \$ 3,000.00 | \$ - | \$ 714.51 | \$ 2,285.49 | \$ - | 76.18% |

| Account Number | Description | Budget | Period Amt | End Bal | Variance | Encumbered | % Avail/ Uncollect |
|------------------|---|------------------------|----------------------|----------------------|------------------------|--------------|-----------------------|
| 01-40-440-500113 | Standby/On-Call | \$ 7,800.00 | \$ 950.00 | \$ 3,425.00 | \$ 4,375.00 | \$ - | 56.09% |
| 01-40-440-500115 | Social Security | \$ 61,467.00 | \$ 3,845.82 | \$ 12,304.09 | \$ 49,162.91 | \$ - | 79.98% |
| 01-40-440-500120 | Medicare | \$ 14,386.00 | \$ 903.78 | \$ 2,914.96 | \$ 11,471.04 | \$ - | 79.74% |
| 01-40-440-500125 | Health Insurance | \$ 304,080.00 | \$ 15,699.93 | \$ 56,420.09 | \$ 247,659.91 | \$ - | 81.45% |
| 01-40-440-500140 | Life Insurance | \$ 6,060.00 | \$ 301.60 | \$ 879.40 | \$ 5,180.60 | \$ - | 85.49% |
| 01-40-440-500145 | Workers' Compensation | \$ 51,310.00 | \$ 2,470.06 | \$ 7,450.20 | \$ 43,859.80 | \$ - | 85.48% |
| 01-40-440-500155 | Retirement/CalPERS | \$ 170,684.00 | \$ 11,440.94 | \$ 34,814.59 | \$ 135,869.41 | \$ - | 79.60% |
| 01-40-440-500165 | Uniforms & Employee Benefits | \$ 4,500.00 | \$ 237.39 | \$ 1,345.06 | \$ 3,154.94 | \$ - | 70.11% |
| 01-40-440-500170 | Education Expenses | \$ 1,000.00 | \$ - | \$ - | \$ 1,000.00 | \$ - | 100.00% |
| 01-40-440-500175 | Seminar & Travel Expenses | \$ 500.00 | \$ 895.00 | \$ 895.00 | \$ (395.00) | \$ - | -79.00% |
| 01-40-440-500180 | Accrued Sick Leave Expenses | \$ 9,260.00 | \$ 347.00 | \$ 5,217.77 | \$ 4,042.23 | \$ - | 43.65% |
| 01-40-440-500185 | Accrued Vacation Expenses | \$ 20,816.00 | \$ 3,050.64 | \$ 9,467.68 | \$ 11,348.32 | \$ - | 54.52% |
| 01-40-440-500187 | Accrual Leave Payments | \$ 28,454.00 | \$ - | \$ 1,426.61 | \$ 27,027.39 | \$ - | 94.99% |
| 01-40-440-500195 | CIP Related Labor | \$ (57,300.00) | \$ (5,450.53) | \$ (20,551.17) | \$ (36,748.83) | \$ - | 64.13% |
| 01-40-440-550024 | Employment Testing | \$ 200.00 | \$ - | \$ 30.00 | \$ 170.00 | \$ - | 85.00% |
| 450 | Inspections Personnel | | | | | | |
| 01-40-450-500105 | Labor | \$ - | \$ 2,863.89 | \$ 15,539.91 | \$ (15,539.91) | \$ - | 0.00% |
| 01-40-450-500110 | Overtime | \$ - | \$ 1,007.50 | \$ 7,670.02 | \$ (7,670.02) | \$ - | 0.00% |
| 01-40-450-500115 | Social Security | \$ - | \$ 240.70 | \$ 1,443.60 | \$ (1,443.60) | \$ - | 0.00% |
| 01-40-450-500120 | Medicare | \$ - | \$ 56.28 | \$ 337.59 | \$ (337.59) | \$ - | 0.00% |
| 01-40-450-500125 | Health Insurance | \$ - | \$ 1,702.51 | \$ 7,219.07 | \$ (7,219.07) | \$ - | 0.00% |
| 01-40-450-500140 | Life Insurance | \$ - | \$ 23.85 | \$ 86.69 | \$ (86.69) | \$ - | 0.00% |
| 01-40-450-500145 | Workers' Compensation | \$ - | \$ 168.33 | \$ 1,020.47 | \$ (1,020.47) | \$ - | 0.00% |
| 01-40-450-500155 | Retirement/CalPERS | \$ - | \$ 585.04 | \$ 2,974.53 | \$ (2,974.53) | \$ - | 0.00% |
| 460 | Customer Svc & Meter Reading Personnel | | | | | | |
| 01-40-460-500105 | Labor | \$ 146,730.00 | \$ 10,381.83 | \$ 47,409.50 | \$ 115,320.50 | \$ - | 70.87% |
| 01-40-460-500110 | Overtime | \$ 14,102.00 | \$ 247.65 | \$ 1,147.35 | \$ 12,954.65 | \$ - | 91.86% |
| 01-40-460-500111 | Double Time | \$ 1,579.00 | \$ - | \$ 171.64 | \$ 1,407.36 | \$ - | 89.13% |
| 01-40-460-500113 | Standby/On-Call | \$ 3,900.00 | \$ 250.00 | \$ 625.00 | \$ 3,275.00 | \$ - | 83.97% |
| 01-40-460-500115 | Social Security | \$ 11,267.00 | \$ 699.23 | \$ 3,310.09 | \$ 7,956.91 | \$ - | 70.62% |
| 01-40-460-500120 | Medicare | \$ 2,639.00 | \$ 163.56 | \$ 779.36 | \$ 1,859.64 | \$ - | 70.47% |
| 01-40-460-500125 | Health Insurance | \$ 65,160.00 | \$ 3,544.75 | \$ 22,445.60 | \$ 42,714.40 | \$ - | 65.55% |
| 01-40-460-500140 | Life Insurance | \$ 1,068.00 | \$ 49.07 | \$ 250.59 | \$ 817.41 | \$ - | 76.54% |
| 01-40-460-500145 | Workers' Compensation | \$ 11,484.00 | \$ 580.57 | \$ 2,733.36 | \$ 8,750.64 | \$ - | 76.20% |
| 01-40-460-500155 | Retirement/CalPERS | \$ 39,275.00 | \$ 2,363.87 | \$ 10,285.73 | \$ 28,989.27 | \$ - | 73.81% |
| 01-40-460-500165 | Uniforms & Employee Benefits | \$ 200.00 | \$ - | \$ 130.00 | \$ 70.00 | \$ - | 35.00% |
| 01-40-460-500170 | Education Expenses | \$ 200.00 | \$ - | \$ - | \$ 200.00 | \$ - | 100.00% |
| 01-40-460-500175 | Seminar & Travel Expenses | \$ 200.00 | \$ - | \$ - | \$ 200.00 | \$ - | 100.00% |
| 01-40-460-500180 | Accrued Sick Leave Expenses | \$ 2,997.00 | \$ 355.54 | \$ 1,045.58 | \$ (898.58) | \$ - | -611.28% |
| 01-40-460-500185 | Accrued Vacation Expenses | \$ 13,150.00 | \$ 134.86 | \$ 3,564.02 | \$ (3,564.02) | \$ - | 0.00% |
| 01-40-460-500187 | Accrual Leave Payments | \$ 3,221.00 | \$ - | \$ - | \$ 3,221.00 | \$ - | 100.00% |
| 01-40-460-550024 | Employment Testing | \$ 200.00 | \$ - | \$ - | \$ 200.00 | \$ - | 100.00% |
| 470 | Maintenance & General Plant Personnel | | | | | | |
| 01-40-470-500105 | Labor | \$ - | \$ 1,576.62 | \$ 7,306.54 | \$ (7,306.54) | \$ - | 0.00% |
| 01-40-470-500115 | Social Security | \$ - | \$ 97.92 | \$ 453.66 | \$ (453.66) | \$ - | 0.00% |
| 01-40-470-500120 | Medicare | \$ - | \$ 22.90 | \$ 106.08 | \$ (106.08) | \$ - | 0.00% |
| 01-40-470-500125 | Health Insurance | \$ - | \$ 577.57 | \$ 1,902.95 | \$ (1,902.95) | \$ - | 0.00% |
| 01-40-470-500140 | Life Insurance | \$ - | \$ 7.15 | \$ 25.40 | \$ (25.40) | \$ - | 0.00% |
| 01-40-470-500145 | Workers' Compensation | \$ - | \$ 80.55 | \$ 367.77 | \$ (367.77) | \$ - | 0.00% |
| 01-40-470-500155 | Retirement/CalPERS | \$ - | \$ 385.32 | \$ 1,748.92 | \$ (1,748.92) | \$ - | 0.00% |
| | Operations Personnel | \$ 2,544,291.00 | \$ 141,794.29 | \$ 550,083.15 | \$ 1,994,207.85 | \$ - | 78.38% |
| 410 | Source of Supply Materials & Supplies | | | | | | |
| 01-40-410-501101 | Electricity - Wells | \$ 1,566,443.00 | \$ 126,310.15 | \$ 448,705.89 | \$ 1,117,737.11 | \$ - | 71.36% |
| 01-40-410-501201 | Gas - Wells | \$ 225.00 | \$ 14.30 | \$ 59.17 | \$ 165.83 | \$ - | 73.70% |
| 01-40-410-510011 | Treatment & Chemicals | \$ 80,000.00 | \$ 16.57 | \$ 27,116.66 | \$ 52,883.34 | \$ - | 66.10% |
| 01-40-410-510021 | Lab Testing | \$ 90,000.00 | \$ 5,055.00 | \$ 11,115.00 | \$ 78,885.00 | \$ - | 87.65% |
| 01-40-410-510031 | Small Tools, Parts & Maint | \$ 3,200.00 | \$ 115.60 | \$ 269.92 | \$ 2,930.08 | \$ - | 91.57% |
| 01-40-410-520021 | Maint & Rpr-Telemetry Equip | \$ 10,000.00 | \$ - | \$ - | \$ 10,000.00 | \$ - | 100.00% |
| 01-40-410-520061 | Maint & Rpr-Pumping Equipment | \$ 125,000.00 | \$ 15,025.95 | \$ 117,149.51 | \$ 7,850.49 | \$ 15,567.16 | -6.17% |
| 01-40-410-550066 | Subscriptions | \$ 400.00 | \$ - | \$ - | \$ 400.00 | \$ - | 100.00% |
| 440 | Trans & Distribution Materials & Supplies | | | | | | |
| 01-40-440-510031 | Small Tools, Parts & Maint | \$ 6,500.00 | \$ 347.63 | \$ 3,194.40 | \$ 3,305.60 | \$ 94.33 | 49.40% |
| 01-40-440-520071 | Maint & Rpr-Pipelines&Hydrants | \$ 55,000.00 | \$ 966.37 | \$ 15,611.67 | \$ 39,388.33 | \$ 4,324.72 | 63.75% |
| 01-40-440-520081 | Maint & Rpr-Pressure Regulatr | \$ 7,500.00 | \$ - | \$ 4,909.37 | \$ 2,590.63 | \$ - | 34.54% |
| 01-40-440-540001 | Backflow Devices | \$ 2,500.00 | \$ 208.71 | \$ 746.75 | \$ 1,753.25 | \$ - | 70.13% |
| 01-40-440-540024 | Inventory Adjustments | \$ 3,000.00 | \$ - | \$ (115.93) | \$ 3,115.93 | \$ - | 103.86% |
| 01-40-440-540036 | Line Locates | \$ 3,500.00 | \$ 767.45 | \$ 2,092.80 | \$ 1,407.20 | \$ (30.62) | 41.08% |
| 01-40-440-540042 | Meters Maintenance & Services | \$ 150,000.00 | \$ 13,884.47 | \$ 46,842.99 | \$ 103,157.01 | \$ 2,343.30 | 67.21% |
| 01-40-440-540078 | Reservoirs Maintenance | \$ 30,000.00 | \$ - | \$ 287.15 | \$ 29,712.85 | \$ - | 99.04% |
| 470 | Maint & General Plant Materials & Supplies | | | | | | |
| 01-40-470-501111 | Electricity - 560 Magnolia | \$ 23,000.00 | \$ 1,338.93 | \$ 5,071.09 | \$ 17,928.91 | \$ - | 77.95% |

| Account Number | Description | Budget | Period Amt | End Bal | Variance | Encumbered | % Avail/ Uncollect |
|----------------------|---|-------------------------|------------------------|------------------------|------------------------|---------------------|-----------------------|
| 01-40-470-501121 | Electricity - 12303 Oak Glen | \$ 2,159.00 | \$ 228.59 | \$ 964.60 | \$ 1,194.40 | \$ - | 55.32% |
| 01-40-470-501131 | Electricity - 13695 Oak Glen | \$ 1,848.00 | \$ 40.81 | \$ 302.55 | \$ 1,545.45 | \$ - | 83.63% |
| 01-40-470-501141 | Electricity - 13697 Oak Glen | \$ 2,818.00 | \$ 130.28 | \$ 654.11 | \$ 2,163.89 | \$ - | 76.79% |
| 01-40-470-501151 | Elec - 9781 Avenida Miravilla | \$ 1,834.00 | \$ 99.04 | \$ 396.41 | \$ 1,437.59 | \$ - | 78.39% |
| 01-40-470-501161 | Electricity - 815 E. 12th | \$ 6,000.00 | \$ 235.50 | \$ 1,176.71 | \$ 4,823.29 | \$ - | 80.39% |
| 01-40-470-501321 | Propane - 12303 Oak Glen | \$ 114.00 | \$ - | \$ - | \$ 114.00 | \$ - | 100.00% |
| 01-40-470-501331 | Propane - 13695 Oak Glen | \$ 683.00 | \$ - | \$ 456.30 | \$ 226.70 | \$ - | 33.19% |
| 01-40-470-501341 | Propane - 13697 Oak Glen | \$ 618.00 | \$ - | \$ 508.51 | \$ 109.49 | \$ - | 17.72% |
| 01-40-470-501351 | Propane-9781 Avenida Miravilla | \$ 903.00 | \$ - | \$ 547.15 | \$ 355.85 | \$ - | 39.41% |
| 01-40-470-501411 | Sanitation - 560 Magnolia | \$ 2,400.00 | \$ 361.95 | \$ 996.78 | \$ 1,403.22 | \$ - | 58.47% |
| 01-40-470-501461 | Sanitation - 815 E. 12th | \$ 4,050.00 | \$ 343.84 | \$ 1,439.75 | \$ 2,610.25 | \$ - | 64.45% |
| 01-40-470-501471 | Sanitation - 11083 Cherry Ave | \$ 3,200.00 | \$ 254.38 | \$ 1,017.52 | \$ 2,182.48 | \$ - | 68.20% |
| 01-40-470-501511 | Phones - 560 Magnolia | \$ - | \$ - | \$ - | \$ - | \$ - | 0.00% |
| 01-40-470-501611 | Maint & Repair- 560 Magnolia | \$ 16,000.00 | \$ 1,502.04 | \$ 10,867.00 | \$ 5,133.00 | \$ - | 32.08% |
| 01-40-470-501621 | Maint & Repair- 12303 Oak Glen | \$ 1,200.00 | \$ - | \$ 52.80 | \$ 1,147.20 | \$ - | 95.60% |
| 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 | \$ - | \$ 413.80 | \$ 1,086.20 | \$ - | 72.41% |
| 01-40-470-501661 | Maint & Repair- 815 E. 12th | \$ 5,000.00 | \$ 3,700.20 | \$ 5,749.54 | \$ (749.54) | \$ - | -14.99% |
| 01-40-470-501691 | Maint & Rpr- Bldgs (General) | \$ 5,000.00 | \$ 137.02 | \$ 593.48 | \$ 4,406.52 | \$ - | 88.13% |
| 01-40-470-510001 | Auto/Fuel | \$ 75,000.00 | \$ 8,278.52 | \$ 24,904.75 | \$ 50,095.25 | \$ - | 66.79% |
| 01-40-470-520011 | Maint & Rpr-Safety Equipment | \$ 3,000.00 | \$ 38.73 | \$ 745.94 | \$ 2,254.06 | \$ - | 75.14% |
| 01-40-470-520031 | Maint & Rpr-General Equipment | \$ 46,000.00 | \$ 718.72 | \$ 11,190.41 | \$ 34,809.59 | \$ - | 75.67% |
| 01-40-470-520041 | Maint & Rpr-Fleet | \$ 50,000.00 | \$ 3,737.97 | \$ 15,464.64 | \$ 34,535.36 | \$ - | 69.07% |
| 01-40-470-520091 | Maint & Rpr-Communicatn Equip | \$ 5,500.00 | \$ - | \$ - | \$ 5,500.00 | \$ - | 100.00% |
| 510 | General Materials & Supplies | | | | | | |
| 01-40-510-510031 | Small Tools, Parts & Maint | \$ 500.00 | \$ - | \$ - | \$ 500.00 | \$ - | 100.00% |
| | Operations Materials & Supplies | \$ 2,393,095.00 | \$ 183,858.72 | \$ 761,499.19 | \$ 1,631,595.81 | \$ 22,298.89 | 67.25% |
| 410 | Source of Supply Services | | | | | | |
| 01-40-410-500501 | State Project Water Purchases | \$ 2,813,692.00 | \$ 335,386.00 | \$ 1,022,008.00 | \$ 1,791,684.00 | \$ - | 63.68% |
| 01-40-410-540084 | State Mandates & Tariffs | \$ 70,000.00 | \$ - | \$ 59,030.43 | \$ 10,969.57 | \$ - | 15.67% |
| 470 | Maintenance & General Plant Services | | | | | | |
| 01-40-470-540030 | Landscape Maintenance | \$ 45,000.00 | \$ 17.75 | \$ 2,389.54 | \$ 42,610.46 | \$ - | 94.69% |
| 01-40-470-540072 | Rechrg Facs, Chyns&Ponds Maint | \$ 75,000.00 | \$ 20,798.22 | \$ 25,661.96 | \$ 49,338.04 | \$ - | 65.78% |
| | Operations Services | \$ 3,003,692.00 | \$ 356,201.97 | \$ 1,109,089.93 | \$ 1,894,602.07 | \$ - | 63.08% |
| Expense Total | OPERATIONS | \$ 7,941,078.00 | \$ 681,854.98 | \$ 2,420,672.27 | \$ 5,520,405.73 | \$ 22,298.89 | 69.24% |
| 50 | GENERAL | | | | | | |
| 01-50-510-540066 | Property Damages & Theft | \$ 15,000.00 | \$ (0.01) | \$ 3,032.45 | \$ 11,967.55 | \$ - | 79.78% |
| 01-50-510-550040 | General Supplies | \$ 11,000.00 | \$ 391.24 | \$ 5,019.80 | \$ 5,980.20 | \$ - | 54.37% |
| 01-50-510-550060 | Public Education | \$ 5,000.00 | \$ - | \$ - | \$ 5,000.00 | \$ - | 100.00% |
| 01-50-510-550072 | Misc Operating Expenses | \$ 1,000.00 | \$ - | \$ - | \$ 1,000.00 | \$ - | 100.00% |
| | General Materials & Supplies | \$ 32,000.00 | \$ 391.23 | \$ 8,052.25 | \$ 23,947.75 | \$ - | 74.84% |
| 01-50-510-550096 | Beaumont Basin Watermaster | \$ 42,000.00 | \$ - | \$ 24,493.66 | \$ 17,506.34 | \$ - | 41.68% |
| | General Services | \$ 42,000.00 | \$ - | \$ 24,493.66 | \$ 17,506.34 | \$ - | 41.68% |
| Expense Total | GENERAL | \$ 74,000.00 | \$ 391.23 | \$ 32,545.91 | \$ 41,454.09 | \$ - | 56.02% |
| Expense Total | ALL EXPENSES | \$ 13,718,669.00 | \$ 1,059,817.36 | \$ 4,008,810.06 | \$ 9,709,858.94 | \$ 23,660.89 | 70.61% |



**Beaumont-Cherry Valley Water District
Cash Balance & Investment Report
As of April 30, 2018**

| Account Name | Account Ending # | <u>Cash Balance Per Account</u> | |
|--------------|-------------------|---------------------------------|------------------------|
| | | Balance | Prior Month Balance |
| Wells Fargo | General | 4152 | |
| | | \$1,413,399.45 | \$1,166,836.31 |
| | Total Cash | \$ 1,413,399.45 | \$ 1,166,836.31 |

| Account Name | <u>Investment Summary</u> | | <u>Actual % of</u> | | Maturity | Par Amount | Rate | 2018 Interest to Date |
|--|---------------------------|-------------------------|--------------------|----------------|----------|------------|------|-----------------------|
| | Market Value | Prior Month Balance | Total | Policy % Limit | | | | |
| Ca. State Treasurer's Office: Local Agency Investment Fund | \$24,297,616.18 | \$24,207,549.46 | 45% | No Limit | Liquid | N/A | 1.73 | \$163,337.49 |
| CalTRUST Short Term Fund | \$30,285,947.09 | \$30,211,568.46 | 55% | No Limit | Liquid | N/A | 1.83 | \$127,721.43 |
| Total Investments | \$54,583,563.27 | \$54,419,117.92 | | | | | | \$291,058.92 |
| Total Cash & Investments | \$ 55,996,962.72 | \$ 55,585,954.23 | | | | | | |

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. _____

BCVWD

YTD Cash Balances Roll-Forward (Unaudited)
2018

| | Balance Mar. 31, 2018 | Actual Increase (Decrease) Apr. 2018 | Balance Apr. 30, 2018 |
|---|----------------------------------|---|----------------------------------|
| 1) Restricted Cash: | | | |
| Capacity Charges (Facility Fees) Collected | \$ 24,627,359 | \$ - | \$ 24,627,359 |
| Facilities Built | (37,392) | (6,150) | (43,542) |
| Restricted Cash - Capital Commitments | 24,589,967 | (6,150) | 24,583,817 |
| Customer Account Credit Balances | - | - | - |
| Customer Deposits Payable | 439,762 | 14,260 | 454,022 |
| Meter Fees | 120,338 | 30,591 | 150,929 |
| GIS Deposits | 1,587,409 | - | 1,587,409 |
| Plan Check, Inspection and Other Development Deposits | 909,057 | (27,966) | 881,091 |
| Restricted Cash - Funds Held for Others | 3,056,566 | 16,885 | 3,073,451 |
| Total Restricted Cash | 27,646,533 | 10,735 | 27,657,268 |
| 2) Unrestricted Cash: | | | |
| Designated: | | | |
| Reserve for Operations | 2,790,972 | - | 2,790,972 |
| Emergency Reserve | 1,674,583 | - | 1,674,583 |
| Capital Replacement Reserve | 19,908,863 | - | 19,908,863 |
| Revenue: | | | |
| Operating | | 768,514 (1) | |
| Miscellaneous | | 134,616 | |
| Rent/Utilities | | 1,299 | |
| | | <u>904,429</u> | |
| Expenses: | | | |
| Engineering | | (31,036) (2) | |
| Finance & Administration | | (153,892) (3) | |
| Operations | | (687,395) (2) | |
| Miscellaneous / General | | (391) | |
| Board Services | | <u>(1,956)</u> | |
| | | <u>(874,670)</u> | |
| Undesignated: | | | |
| Beginning Balance | 3,068,216 | | |
| Cash Flow from Operations | 534,825 | 29,759 | |
| Other Balance Sheet changes | <u>(36,638)</u> | <u>370,515</u> | |
| Ending balance | 3,566,403 | 400,274 | 3,966,677 |
| Total Unrestricted Cash | 27,940,821 | | 28,341,095 |
| Total Restricted and Unrestricted Cash | 55,587,354 | | 55,998,363 |
| Cash on Hand | (1,400) | | (1,400) |
| Total Cash Balance Per F & A Report | \$ 55,585,954 | | \$ 55,996,963 |

- (1) Excludes Meter Fees (Account No. 01-50-510-419011) and Development Income (Account No. 01-50-510-419011):
Not cash inflows-these are deposits that convert to revenue via journal entry as related costs are incurred.
- (2) Excludes CIP Related Labor (Account No. 500195). This labor has been charged against Capacity Charges above.
- (3) Excludes Depreciation Expense (Account No. 01-30-310-550084). Depreciation is not a cash outflow.

Accounts Payable

Checks by Date - Detail by Check Date

User: wclayton
Printed: 5/29/2018 10:02 AM

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 | 10085 | CalPERS Retirement System | 05/03/2018 | |
| | 1068043 | PR Batch 00001.05.2018 CalPERS 1% ER Paid | PR Batch 00001.05.2018 C | 162.15 |
| | 1068043 | PR Batch 00001.05.2018 CalPERS 7% EE Deduction | PR Batch 00001.05.2018 C | 3,021.87 |
| | 1068043 | PR Batch 00001.05.2018 CalPERS 8% EE Paid | PR Batch 00001.05.2018 C | 2,481.16 |
| | 1068043 | PR Batch 00001.05.2018 CalPERS 8% ER Paid | PR Batch 00001.05.2018 C | 1,078.34 |
| | 1068043 | PR Batch 00001.05.2018 CalPERS ER Paid Classic | PR Batch 00001.05.2018 C | 8,325.25 |
| | 1068043 | PR Batch 00001.05.2018 CalPERS ER PEPR | PR Batch 00001.05.2018 C | 1,932.81 |
| Total for this ACH Check for Vendor 10085: | | | | 17,001.58 |
| ACH | 10087 | EDD | 05/03/2018 | |
| | 0-092-890-688 | PR Batch 00001.05.2018 CA SDI | PR Batch 00001.05.2018 C | 917.50 |
| | 0-092-890-688 | PR Batch 00001.05.2018 State Income Tax | PR Batch 00001.05.2018 S | 2,948.96 |
| | 0-276-719-168 | PR Batch 00001.05.2018 State Income Tax 1st Qtr Catch-Up | | 677.30 |
| | 2-046-584-384 | PR Batch 00001.05.2018 State Income Tax 2nd Qtr Catch-Up | | 154.22 |
| Total for this ACH Check for Vendor 10087: | | | | 4,697.98 |
| ACH | 10094 | U.S. Treasury | 05/03/2018 | |
| | 95372887 | PR Batch 00001.05.2018 Federal Income Tax | PR Batch 00001.05.2018 F | 8,624.21 |
| | 95372887 | PR Batch 00001.05.2018 FICA Employee Portion | PR Batch 00001.05.2018 F | 5,755.14 |
| | 95372887 | PR Batch 00001.05.2018 FICA Employer Portion | PR Batch 00001.05.2018 F | 5,755.14 |
| | 95372887 | PR Batch 00001.05.2018 Medicare Employee Portion | PR Batch 00001.05.2018 M | 1,345.96 |
| | 95372887 | PR Batch 00001.05.2018 Medicare Employer Portion | PR Batch 00001.05.2018 M | 1,345.96 |
| Total for this ACH Check for Vendor 10094: | | | | 22,826.41 |
| ACH | 10141 | Ca State Disbursement Unit | 05/03/2018 | |
| | ICEYKE56657 | PR Batch 00001.05.2018 Garnishment | PR Batch 00001.05.2018 G | 266.30 |
| | ICEYKE56657 | PR Batch 00001.05.2018 Garnishment | PR Batch 00001.05.2018 G | 288.46 |
| Total for this ACH Check for Vendor 10141: | | | | 554.76 |
| ACH | 10203 | Voya Financial | 05/03/2018 | |
| | VB1450-PP09 | PR Batch 00001.05.2018 Deferred Comp | PR Batch 00001.05.2018 D | 475.00 |
| Total for this ACH Check for Vendor 10203: | | | | 475.00 |
| ACH | 10264 | CalPERs Supplemental Income Plans | 05/03/2018 | |
| | 1068027 | PR Batch 00001.05.2018 CalPERS 457 | PR Batch 00001.05.2018 C | 1,714.05 |
| | 1068027 | PR Batch 00001.05.2018 CalPERS 457 % | PR Batch 00001.05.2018 C | 44.27 |
| Total for this ACH Check for Vendor 10264: | | | | 1,758.32 |
| ACH | 10288 | CalPERS Health Fiscal Services Division | 05/03/2018 | |
| | 041618 | Active Employees Health Insurance May 2018 | | 41,357.26 |
| | 041618 | Retired Employees Health Insurance May 2018 | | 900.60 |
| | 041618 | Admin Fee for Health Insurance May 2018 | | 146.03 |
| | 041618 | E Fraser Final Health Insurance May 2018 | | 1,594.55 |
| | 041618 | Nyberg, C Mar Retro 2018 | | 1,715.19 |
| | 041618 | E Fraser (9 of 9) Correction Health Insurance Apr 2018 | | -1,715.19 |
| Total for this ACH Check for Vendor 10288: | | | | 43,998.44 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|-------------------------|----------------------------|-------------------------|--------------|
| 7586 | UB*02924 | Robert & Barbara Berkoff | 05/03/2018 | |
| | | Refund Check | | 25.94 |
| | | Refund Check | | 10.05 |
| | | Refund Check | | 4.82 |
| | | Refund Check | | 3.45 |
| Total for Check Number 7586: | | | | 44.26 |
| 7587 | UB*02930 | Shanna Bottoni-Olive | 05/03/2018 | |
| | | Refund Check | | 0.69 |
| | | Refund Check | | 1.04 |
| | | Refund Check | | 0.36 |
| | | Refund Check | | 0.49 |
| Total for Check Number 7587: | | | | 2.58 |
| 7588 | UB*02921 | Alfonso & Paula Coleman | 05/03/2018 | |
| | | Refund Check | | 195.99 |
| Total for Check Number 7588: | | | | 195.99 |
| 7589 | UB*02918 | James Dawson | 05/03/2018 | |
| | | Refund Check | | 81.59 |
| | | Refund Check | | 72.16 |
| | | Refund Check | | 34.58 |
| | | Refund Check | | 24.81 |
| Total for Check Number 7589: | | | | 213.14 |
| 7590 | UB*02923 | Stanton Diamond | 05/03/2018 | |
| | | Refund Check | | 199.87 |
| Total for Check Number 7590: | | | | 199.87 |
| 7591 | UB*02922 | Landy Foster | 05/03/2018 | |
| | | Refund Check | | 67.52 |
| | | Refund Check | | 45.39 |
| | | Refund Check | | 21.75 |
| | | Refund Check | | 15.61 |
| Total for Check Number 7591: | | | | 150.27 |
| 7592 | UB*02920 | Nelson Hernandez | 05/03/2018 | |
| | | Refund Check | | 135.59 |
| Total for Check Number 7592: | | | | 135.59 |
| 7593 | UB*02927 | Paul Jarrett | 05/03/2018 | |
| | | Refund Check | | 48.67 |
| | | Refund Check | | 52.65 |
| | | Refund Check | | 18.10 |
| | | Refund Check | | 25.22 |
| Total for Check Number 7593: | | | | 144.64 |
| 7594 | UB*02926 | Holly Liepert | 05/03/2018 | |
| | | Refund Check | | 218.79 |
| Total for Check Number 7594: | | | | 218.79 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|-------------------------|--|-------------------------|--------------|
| 7595 | UB*02928 | Heather Lopez | 05/03/2018 | |
| | | Refund Check | | 85.17 |
| | | Refund Check | | 61.75 |
| | | Refund Check | | 29.59 |
| | | Refund Check | | 21.23 |
| Total for Check Number 7595: | | | | 197.74 |
| 7596 | AR-Lind AR-Lindborg | Mike Lindborg AR Refund - Fire Flow | 05/03/2018 | |
| | | | | 268.41 |
| Total for Check Number 7596: | | | | 268.41 |
| 7597 | UB*02917 | Lan Pham | 05/03/2018 | |
| | | Refund Check | | 391.23 |
| | | Refund Check | | 20.82 |
| | | Refund Check | | 9.98 |
| | | Refund Check | | 7.16 |
| Total for Check Number 7597: | | | | 429.19 |
| 7598 | UB*02919 | Dana Roachat | 05/03/2018 | |
| | | Refund Check | | 15.07 |
| | | Refund Check | | 10.03 |
| | | Refund Check | | 4.81 |
| | | Refund Check | | 3.45 |
| Total for Check Number 7598: | | | | 33.36 |
| 7599 | UB*02925 | Ruben Sanchez | 05/03/2018 | |
| | | Refund Check | | 22.51 |
| | | Refund Check | | 13.85 |
| | | Refund Check | | 6.64 |
| | | Refund Check | | 4.76 |
| Total for Check Number 7599: | | | | 47.76 |
| 7600 | UB*02900 | Barbara Schlax | 05/03/2018 | |
| | | Refund Check | | 94.34 |
| | | Refund Check | | 64.65 |
| | | Refund Check | | 30.98 |
| | | Refund Check | | 22.22 |
| Total for Check Number 7600: | | | | 212.19 |
| 7601 | UB*02929 | Viridiana Serrano San Juan | 05/03/2018 | |
| | | Refund Check | | 86.97 |
| | | Refund Check | | 68.23 |
| | | Refund Check | | 32.69 |
| | | Refund Check | | 23.45 |
| Total for Check Number 7601: | | | | 211.34 |
| 7602 | UB*02897 | Rosa Solorio | 05/03/2018 | |
| | | Refund Check | | 38.25 |
| | | Refund Check | | 21.85 |
| | | Refund Check | | 10.48 |
| | | Refund Check | | 7.51 |
| Total for Check Number 7602: | | | | 78.09 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|--|---|-------------------------|--|
| 7603 | 10686 UB010903 | Christopher Swan Refund Unclaimed Funds 06/30/2015 | 05/03/2018 | 55.00 |
| Total for Check Number 7603: | | | | 55.00 |
| 7604 | UB*02870 | SWH 2017-1 Borrower LP Refund Check 179 Loma St, Beaumont CA | 05/03/2018 | 150.00 |
| Total for Check Number 7604: | | | | 150.00 |
| 7605 | UB*02517 049834002 | Yukata Enterprises Inc. Reissue Refund 049834-002 | 05/03/2018 | 66.76 |
| Total for Check Number 7605: | | | | 66.76 |
| 7606 | 10144 LYUM1258935 LYUM1258937 LYUM1262809 LYUM1262811 | AlSCO Inc Cleaning of Mats & Shop Towels 12th St Apr 2018 Cleaning of 3 Office Mats 560 Magnolia Apr 2018 Cleaning of Mats & Shop Towels 12th St Apr 2018 Cleaning of 3 Office Mats 560 Magnolia Apr 2018 | 05/03/2018 | 35.10 34.26 35.10 34.26 |
| Total for Check Number 7606: | | | | 138.72 |
| 7607 | 10283 0505580223 0505580223 | BCVWD Custodian of Petty Cash Certified Postage - A Lopez Certified Postage - IRS UB Request | 05/03/2018 | 6.24 7.12 |
| Total for Check Number 7607: | | | | 13.36 |
| 7608 | 10266 16877 16877 16877 16877 | Cozad & Fox Inc. (30%) Project Coordination - Noble Water Storage Tank 2/Pipeline (38%) Data/Site Analysis - Noble Water Storage Tank 2/Pipeline (43%) Surveying/Utility Rev - Noble Water Storage Tank 2/Pipeline (12%) Reimbursables - Noble Water Storage Tank 2/Pipeline | 05/03/2018 | 1,206.52 203.84 3,465.36 131.70 |
| Total for Check Number 7608: | | | | 5,007.42 |
| 7609 | 10286 100420716 | Jason Craghead Safety Boots - J Craghead | 05/03/2018 | 200.00 |
| Total for Check Number 7609: | | | | 200.00 |
| 7610 | 10244 051582000 | Fiserv Inc Fiserv NSF 051582-000 | 05/03/2018 | 78.00 |
| Total for Check Number 7610: | | | | 78.00 |
| 7611 | 10052 0023450 0023450 9051872 9051872 9051872 9051872 9051872 | Home Depot Credit Services (1) RYB 18V Impact Driver - District Tools (3) LED Lights/Replace Light Bulbs - 560 Magnolia (2) 3/8" Dozer Hooks - JD Dozer (1) 5Pk Flint Strikers for Welding Trailer (1) Welding Gloves - Welding Trailer (1) Roll Electrical Tape - Unit 16 (1) 1A10BC Fire Extinguisher - Unit 3 | 05/03/2018 | 106.67 80.72 15.82 5.35 11.82 2.12 21.53 |
| Total for Check Number 7611: | | | | 244.03 |
| 7612 | 10280 26114 26115 | Larry Jacinto Construction, Inc Scrapers w/Operator to Clean Ponds - NCR I Scrapers w/Operator to Clean Ponds - NCR II | 05/03/2018 | 6,760.00 6,045.00 |
| Total for Check Number 7612: | | | | 12,805.00 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|-------------------------|--|-------------------------|--------------|
| 7613 | 10281 | Luther's Truck and Equipment | 05/03/2018 | |
| | 41168 | Labor - Check Serpentine Belt OD 60,826 - Unit 5 | | 97.50 |
| | 41168 | Replace Belt/Tensioner/Shroud/AC Belt OD 60,826 - Unit 5 | | 484.13 |
| | 41168 | Replace Front Shocks OD 60,826 - Unit 5 | | 219.79 |
| | 41168 | Labor - Replace Front Shocks OD 60,826 - Unit 5 | | 97.50 |
| Total for Check Number 7613: | | | | 898.92 |
| 7614 | 10278 | MetLife - Group Benefits | 05/03/2018 | |
| | KM05754034 May18 | MetLife Dental Ins May 2018 | | 695.60 |
| | KM05754034 May18 | MetLife Visionl Ins May 2018 | | 163.68 |
| Total for Check Number 7614: | | | | 859.28 |
| 7615 | 10290 | San Gorgonio Pass Water Agency | 05/03/2018 | |
| | 18-00162 | 1,058 AF @ \$317 for Apr 2018 | | 335,386.00 |
| Total for Check Number 7615: | | | | 335,386.00 |
| 7616 | 10602 | Dustin Smith | 05/03/2018 | |
| | 042018 | Safety Boots - D Smith | | 200.00 |
| Total for Check Number 7616: | | | | 200.00 |
| 7617 | 10276 | Standard Insurance Company | 05/03/2018 | |
| | 00610763 May18 | Monthly Life & AD&D Insurance May 2018 | | 731.17 |
| | 00610763 May18 | Term Emp Pending Credit Monthly Life & AD&D Insurance May 2018 | | 12.78 |
| Total for Check Number 7617: | | | | 743.95 |
| 7618 | 10443 | Superior Gate Services | 05/03/2018 | |
| | 9264 | Add Security Gate to 12th/Palm (Contract Deposit) | | 4,140.00 |
| Total for Check Number 7618: | | | | 4,140.00 |
| 7619 | 10284 | Underground Service Alert of Southern California | 05/03/2018 | |
| | 420180045 | 179 New Ticket Charges Apr 2018 | | 295.35 |
| | 420180045 | Monthly Maintenance Fee Apr 2018 | | 10.00 |
| Total for Check Number 7619: | | | | 305.35 |
| 7620 | 10383 | Weaver Grading Inc | 05/03/2018 | |
| | 18-0417 | NCR Pond Maint - 28 Hours Dozer Rental | | 6,600.00 |
| Total for Check Number 7620: | | | | 6,600.00 |
| Total for 5/3/2018: | | | | 461,987.49 |
| 7621 | 10537 | Joshua McCue | 05/08/2018 | |
| | 102714 | Safety Boots - J McCue | | 150.84 |
| Total for Check Number 7621: | | | | 150.84 |
| 7622 | 10322 | Jonathan Medina | 05/08/2018 | |
| | 419137 | Safety Boots - J Medina | | 37.39 |
| Total for Check Number 7622: | | | | 37.39 |
| Total for 5/8/2018: | | | | 188.23 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|---|---|-------------------------|---|
| 7623 | 10073 18-010 18-010 | AWT Chemicals CIP Replacement Chlorinator Pump - Well #24 CIP Replacement Chlorinator - Well #3 | 05/10/2018 | 3,876.84 13,824.26 |
| Total for Check Number 7623: | | | | 17,701.10 |
| 7624 | 10060 0506647 | Beaumont Lawn Mower (2) Air Filters for Lawn Mowers | 05/10/2018 | 17.22 |
| Total for Check Number 7624: | | | | 17.22 |
| 7625 | 10019 0090765 | C R & R Incorporated Monthly Charges 3 YD Commercial Bin May 2018 | 05/10/2018 | 254.38 |
| Total for Check Number 7625: | | | | 254.38 |
| 7626 | 10614 22186 22186 22193 22193 22193 22193 22197 22197 22197 22197 22197 22223 22223 | Cherry Valley Automotive Labor - Oil Change OD 18,145 - Unit 1 Oil/Filter Change OD 18,145 - Unit 1 Labor - Oil Change OD 54,770 - Unit 3 Oil/Filter Change OD 54,770 - Unit 3 Labor - Mount/Balance Tires OD 54,770 - Unit 3 (4) Replace/Mount/Balance Tires OD 54,770 - Unit 3 Labor - Oil Change OD 172,661 - Unit 2 Oil/Filter Change OD 172,661 - Unit 2 Labor - Install Fuel Pump OD 172,661 - Unit 2 Labor - Front Brake Job OD 172,661 - Unit 2 Front Brake Job Set OD 172,661 - Unit 2 Labor - Mount/Balance Tires OD 101,776 - Unit 16 (4) Replace Mount/Balance Tires/Valve/Fees OD 101,776 - Unit 16 | 05/10/2018 | 22.00 17.98 22.00 43.98 80.00 613.01 22.00 25.53 220.00 140.00 64.65 80.00 578.79 |
| Total for Check Number 7626: | | | | 1,929.94 |
| 7627 | 10351 T1-0037188 | Cherry Valley Nursery & Landscape Supply Salt River Rock for Landscaping at Main Office | 05/10/2018 | 484.88 |
| Total for Check Number 7627: | | | | 484.88 |
| 7628 | 10390 S1334814.001 S1334814.001 | Dangelo Company (6) Blue Reflectors - Fire Hydrant Markers (6) 6oz Blue Reflector Epoxy - Fire Hydrant Markers | 05/10/2018 | 64.89 127.12 |
| Total for Check Number 7628: | | | | 192.01 |
| 7629 | 10273 S1010158.002 S1010158.002 S1010158.002 S1010564.001 S1010564.001 S1010564.001 S1010564.001 S1010564.001 S1010564.002 | Inland Water Works Supply Co. (6) 37 Steal Flush Covers - Inventory (6) 36 Steal Flush Covers - Inventory (72) 20oz White Marking Paint - Field Supplies (6) Full Circle Clamps 235-263 7.5" - Inventory (10) OD Tapes - Field Supplies (10) 6" 580-610 Flex Gaskets - Inventory (6) 6" OD x 3" Repair Bands - Inventory (3) Full Circle Clamps 297 x 325 7.5" - Inventory | 05/10/2018 | 588.31 678.83 425.76 335.79 63.36 73.92 101.37 177.42 |
| Total for Check Number 7629: | | | | 2,444.76 |
| 7630 | 10429 54739 54740 | Legend Pump & Well Service Inc Well Rehab & Repairs for District Wells - #11 Well Rehab & Repairs for District Wells - #20 | 05/10/2018 | 13,979.00 16,919.00 |
| Total for Check Number 7630: | | | | 30,898.00 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|-------------------------|--|-------------------------|--------------|
| 7631 | 10027 | MST Backflow Inc | 05/10/2018 | |
| | 031418 | (1) Backflow Test - 38001 Brookside | | 40.00 |
| | 041918 | (1) Rebuild Kit/Lead Free Test Cocks - 38621 Vineland | | 128.71 |
| | 041918 | (1) Backflow Test - 38621 Vineland | | 40.00 |
| Total for Check Number 7631: | | | | 208.71 |
| 7632 | 10350 | NAPA Auto Parts | 05/10/2018 | |
| | 049091 | (1) Turn Signal for Dump Truck | | 6.45 |
| | 050755 | (1) Relay - Unit 13 | | 13.46 |
| Total for Check Number 7632: | | | | 19.91 |
| 7633 | 10196 | National Meter & Automation, Inc | 05/10/2018 | |
| | S1095285.002 | (68) 1" Badger Meters w/Wire - Inventory | | 16,265.94 |
| Total for Check Number 7633: | | | | 16,265.94 |
| 7634 | 10143 | Nobel Systems Inc | 05/10/2018 | |
| | 14306 | GeoViewer Mobile Annual Subscription Fee 05/01-04/30/19 | | 15,000.00 |
| | 14306 | GeoViewer Mobile Valve Exercising Module 05/01-04/30/19 | | 1,500.00 |
| | 14306 | GeoViewer DigAlert Module 05/01-04/30/19 | | 1,500.00 |
| | 14306 | GeoViewer Hydrant Flushing Module 05/01-04/30/19 | | 1,500.00 |
| Total for Check Number 7634: | | | | 19,500.00 |
| 7635 | 10045 | Pacific Alarm Service Inc | 05/10/2018 | |
| | P100508 | Alarm Equip Rent/Service/Monitor 815 E 12th May 2018 | | 49.00 |
| | R138233 | Alarm Equip Rent/Service/Monitor 560 Magnolia Ave May 2018 | | 319.00 |
| | R138234 | Alarm Equip Rent/Service/Monitor 11083 Cherry Ave May 2018 | | 44.50 |
| Total for Check Number 7635: | | | | 412.50 |
| 7636 | 10277 | Rio Stone Building Materials | 05/10/2018 | |
| | 13791 | Re-Concrete Sidewalks - 8th Cap Imp Job 7928 | | 331.25 |
| | 13794 | Re-Concrete Sidewalks - 8th Cap Imp Job 7928 | | 169.63 |
| | 13815 | Re-Concrete Sidewalks - 8th Cap Imp Job 7928 | | 169.63 |
| | 13819 | Re-Concrete Sidewalks - 8th Cap Imp Job 7928 | | 169.63 |
| Total for Check Number 7636: | | | | 840.14 |
| 7637 | 10171 | Riverside Assessor - County Recorder | 05/10/2018 | |
| | 1860539-1885578 | Mar 2018 Lien Fees | | 176.00 |
| Total for Check Number 7637: | | | | 176.00 |
| 7638 | 10685 | Shred-it US JV LLC | 05/10/2018 | |
| | 8124707246 | On-Site Document Purge - 560 Magnolia Ave | | 1,060.89 |
| | 8124707246 | On-Site Document Purge - 815 E 12th Ave | | 521.03 |
| Total for Check Number 7638: | | | | 1,581.92 |
| 7639 | 10042 | Southern California Gas Company | 05/10/2018 | |
| | 07132135000Apr18 | Monthly Gas Charges 03/27-04/25/18 | | 14.30 |
| Total for Check Number 7639: | | | | 14.30 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|-------------------------|---|-------------------------|--------------|
| 7640 | 10031 | Staples Business Advantage | 05/10/2018 | |
| | 3375104616 | (5) 3" Heavy Duty White Binders - Main Office Stock | | 59.21 |
| | 3375104616 | (1) 1,400Ct White Laser Address Labels - Main Office Stock | | 24.23 |
| | 3375104616 | (1) 2Pk Febreze AIR Freshener with Gain - Main Office Stock | | 11.62 |
| | 3375104616 | (1) 600CT Laser Shipping Labels - Main Office Stock | | 41.47 |
| | 3375104616 | (1) Gallon Antibacterial Hand Soap - Main Office Stock | | 9.15 |
| | 3375721936 | (1) 12Ct Box 9V Batteries - Main Office Stock | | 67.87 |
| | 3375721936 | (1) 36Ct Box AA Batteries - Main Office Stock | | 32.96 |
| | 3375721936 | (1) 5Ct 12 Tab Indexmakers - Main Office Stock | | 36.62 |
| | 3375721936 | (1) 144Ct Small Binder Clips - Main Office Stock | | 5.38 |
| | 3375721936 | (2) 12Pks Pencils - Main Office Stock | | 17.22 |
| | 3375721936 | (1) 100Ct File Jackets - Main Office Stock | | 50.20 |
| | 3375721936 | (1) 6Pk Gluesticks - Main Office Stock | | 10.22 |
| | 3375721936 | (1) 4Ct Dab n Seal - Main Office Stock | | 5.15 |
| | 3375721936 | (1)Logitech Laser Pointer - Main Office Stock | | 64.60 |
| Total for Check Number 7640: | | | | 435.90 |
| 7641 | 10255 | Unlimited Services Building Maintenance | 05/10/2018 | |
| | 0362608-IN | May 2018 Janitorial Services | | 150.00 |
| | 0362609-IN | May 2018 Janitorial Services | | 845.00 |
| Total for Check Number 7641: | | | | 995.00 |
| 7642 | 10293 | Western Dental Services Inc | 05/10/2018 | |
| | 87738 | Western Dental Premiums May 2018 | | 156.84 |
| Total for Check Number 7642: | | | | 156.84 |
| 7643 | UB*02936 | Kimberlee Cavanaugh | 05/10/2018 | |
| | | Refund Check | | 3.30 |
| | | Refund Check | | 12.26 |
| | | Refund Check | | 5.87 |
| | | Refund Check | | 4.21 |
| Total for Check Number 7643: | | | | 25.64 |
| 7644 | UB*02933 | Michelle and Timothy Kelly | 05/10/2018 | |
| | | Refund Check | | 78.85 |
| | | Refund Check | | 84.01 |
| | | Refund Check | | 40.25 |
| | | Refund Check | | 28.88 |
| Total for Check Number 7644: | | | | 231.99 |
| 7645 | UB*02829 | Lozano's Drywall | 05/10/2018 | |
| | 027549001 | Re-Issue Refund Check | | 5.97 |
| Total for Check Number 7645: | | | | 5.97 |
| 7646 | UB*02934 | Noreen Meyer | 05/10/2018 | |
| | | Refund Check | | 91.18 |
| Total for Check Number 7646: | | | | 91.18 |
| 7647 | UB*02935 | Darrell Scriven | 05/10/2018 | |
| | | Refund Check | | 39.24 |
| Total for Check Number 7647: | | | | 39.24 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|---|--|-------------------------|--|
| 7648 | UB*02805 040819000 | Donna Solomon Re-Issue Refund Check | 05/10/2018 | 20.15 |
| Total for Check Number 7648: | | | | 20.15 |
| 7649 | UB*02931 | Kathleen White Refund Check Refund Check Refund Check Refund Check | 05/10/2018 | 121.86 25.98 12.45 8.93 |
| Total for Check Number 7649: | | | | 169.22 |
| 7650 | UB*02932 | TingTing Xin Refund Check Refund Check Refund Check Refund Check | 05/10/2018 | 91.49 56.61 27.12 19.46 |
| Total for Check Number 7650: | | | | 194.68 |
| Total for 5/10/2018: | | | | 95,307.52 |
| 7651 | 10287 10034 10037 10078 10147 10153 10173 10318 10335 10420 10424 | Bank of the West US Postal Service (4) 100Ct Rolls of Postage Stamps Waste Management Of Inland Empire Yard Dumpsters 815 E 12th Apr 2018 Recycling Dumpster Charges Apr 2018 Monthly Sanitation 560 Magnolia Apr 2018 Recycling Dumpster Charges 560 Magnolia Apr 2018 Northrop Grumman Systems Corp (10) Battery Packs - Handhelds Online Information Services, Inc 165 Credit Reports for Mar 2018 Brown and Caldwell Administrative Assistant Job Posting California Society of Municipal Finance Officers CSMFO Chapter Meeting 05.17.18 - Y Rodriguez CSMFO Chapter Meeting 05.17.18 - W Clayton Dell Marketing LP (2) Swiss Gear Slimcases - Workstation Replacement Project (1) Swiss Gear Backpack - Workstation Replacement Project (1) Dell Neoprene Sleeve - Workstation Replacement Project (4) 45Watt AC Adapters w/Powercord - Workstation Replacement Pro (3) Wireless Mouse - Workstation Replacement Project Beaumont Safe & Lock (Refund) (3) File Cabinet Locks (Item Returned April 2018) Amazon.com (3) Energy Bus Books - Management Training Pack of Labels for Retention Labeling by Year Top-Line Industrial Supply, LLC Presssure Wash Handle/Parts - Unit 8 | 05/11/2018 | 200.00 263.91 79.93 97.06 79.93 1,054.61 480.90 200.00 30.00 30.00 75.40 96.96 18.31 215.46 113.11 -77.42 43.74 17.98 172.88 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|--|-------------------------|--|-------------------------|--|
| | 10442 | CareerTrack Annual Training Subscription - S Delgadillo | | 199.00 |
| | 10526 | Verizon Monthly Phone Service 03/01-03/31/2018 | | 956.50 |
| | 10546 | Frontier Communications 04/10-05/09/18 Apr FIOS/FAX 12th/Palm | | 305.61 |
| | 10555 | Vistaprint, Netherlands B.V. Approval Stamp - J Bean | | 23.68 |
| | 10575 | All Green Electronics Recycling, LLC E-Waste Pickup 560 Magnolia Ave | | 110.00 |
| | 10589 | MasterCPE E-Book Fixed Assets - Finance | | 10.00 |
| | 10596 | Tractor Supply Co Pump for District Boat for Algae Control | | 155.05 |
| | 10604 | JotForm, Inc Annual Subscription for Cloud Storage | | 390.00 |
| | 10623 | WP Engine Web Host for BCVWD Website Apr 2018 | | 29.00 |
| | 10687 | Skillpath NST Excelling as a Manager Seminar - D Lee Excelling as a Manager Seminar - T Lara Supervisor Role as Trainer Seminar - J Craghead Supervisor Role as Trainer Seminar - A Couch Communicating w/Professionalism Seminar - T Lara Communicating w/Professionalism Seminar - K Dahlstrom | | 99.00 99.00 199.00 199.00 199.00 199.00 |
| | 10688 | 4Team Corporation IT Admin Tools - Restore OST Files | | 79.95 |
| Total for Check Number 7651: | | | | 6,445.55 |
| Total for 5/11/2018: | | | | 6,445.55 |
| ACH | 10030 | Southern California Edison | 05/15/2018 | |
| | 2039374889Apr18 | Electricity 03/23-04/24/18 - 9781 Avenida Miravilla | | 99.04 |
| | 2039374889Apr18 | Electricity 03/23-04/24/18 - 815 E 12th Ave | | 235.50 |
| | 2039374889Apr18 | Electricity 03/23-04/24/18 - Wells | | 121,568.63 |
| | 2039374889Apr18 | Electricity 03/23-04/24/18 - 12303 Oak Glen Rd | | 228.59 |
| | 2039374889Apr18 | Electricity 03/23-04/24/18 - 560 Magnolia Ave | | 1,338.93 |
| | 2039374889Apr18 | Electricity 03/23-04/24/18 - 13697 Oak Glen Rd | | 130.28 |
| | 2039374889Apr18 | Electricity 03/23-04/24/18 - 13695 Oak Glen Rd | | 40.81 |
| | 2039374889Apr18 | Electricity 02/22-03/23/18 - Wells | | 4,741.52 |
| Total for this ACH Check for Vendor 10030: | | | | 128,383.30 |
| ACH | 10086 | American Family Life Assurance Company of Columbus | 05/15/2018 | |
| | 327743 | AFLAC Employee Insurance Apr 2018 | | 1,213.36 |
| Total for this ACH Check for Vendor 10086: | | | | 1,213.36 |
| ACH | 10132 | South Coast AQMD | 05/15/2018 | |
| | 3271131 | Fac ID 120877 AB2588 AQMD Fee 07/2017-06/2018 | | 128.61 |
| | 3271578 | Fac ID 129302 AB2588 AQMD Fee 07/2017-06/2018 | | 128.61 |
| | 3271579 | Fac ID 129305 AB2588 AQMD Fee 07/2017-06/2018 | | 128.61 |
| | 3272352 | Fac ID 140810 AB2588 AQMD Fee 07/2017-06/2018 | | 128.61 |
| | 3274787 | FAC ID 148118 Brookside 07/17-06/18 | | 128.61 |
| Total for this ACH Check for Vendor 10132: | | | | 643.05 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|--|-------------------------|---|--------------------------|--------------|
| ACH | 10138 HW201 May2018 | ARCO Business Solutions ARCO Fuel Charges 04/12-05/11/2018 | 05/15/2018 | 6,336.12 |
| Total for this ACH Check for Vendor 10138: | | | | 6,336.12 |
| Total for 5/15/2018: | | | | 136,575.83 |
| ACH | 10085 | CalPERS Retirement System | 05/17/2018 | |
| | 1001076165 | PR Batch 00002.05.2018 CalPERS 8% ER Paid | PR Batch 00002.05.2018 C | 1,078.34 |
| | 1001076165 | PR Batch 00002.05.2018 CalPERS ER Paid Classic | PR Batch 00002.05.2018 C | 8,339.69 |
| | 1001076165 | PR Batch 00002.05.2018 CalPERS ER PEPRA | PR Batch 00002.05.2018 C | 2,077.20 |
| | 1001076165 | PR Batch 00002.05.2018 CalPERS 1% ER Paid | PR Batch 00002.05.2018 C | 163.19 |
| | 1001076165 | PR Batch 00002.05.2018 CalPERS 7% EE Deduction | PR Batch 00002.05.2018 C | 3,170.11 |
| | 1001076165 | PR Batch 00002.05.2018 CalPERS 8% EE Paid | PR Batch 00002.05.2018 C | 2,481.27 |
| | 1001076240 | PR Batch 00001.05.2018 CalPERS 1% ER Paid | PR Batch 00001.05.2018 C | 2.08 |
| | 1001076240 | PR Batch 00001.05.2018 CalPERS 7% EE Deduction | PR Batch 00001.05.2018 C | 14.56 |
| | 1001076240 | PR Batch 00001.05.2018 CalPERS ER Paid Classic | PR Batch 00001.05.2018 C | 28.53 |
| Total for this ACH Check for Vendor 10085: | | | | 17,354.97 |
| ACH | 10087 | EDD | 05/17/2018 | |
| | 0-156-784-192 | PR Batch 00002.05.2018 State Income Tax | PR Batch 00002.05.2018 S | 2,981.99 |
| | 0-156-784-192 | PR Batch 00002.05.2018 CA SDI | PR Batch 00002.05.2018 C | 940.79 |
| | 1-125-209-664 | PR Batch 00001.05.2018 CA SDI | PR Batch 00001.05.2018 C | 2.56 |
| Total for this ACH Check for Vendor 10087: | | | | 3,925.34 |
| ACH | 10094 | U.S. Treasury | 05/17/2018 | |
| | 02261735 | PR Batch 00001.05.2018 FICA Employer Portion | PR Batch 00001.05.2018 F | 15.90 |
| | 02261735 | PR Batch 00001.05.2018 Medicare Employee Portion | PR Batch 00001.05.2018 M | 3.72 |
| | 02261735 | PR Batch 00001.05.2018 Medicare Employer Portion | PR Batch 00001.05.2018 M | 3.72 |
| | 02261735 | PR Batch 00001.05.2018 FICA Employee Portion | PR Batch 00001.05.2018 F | 15.90 |
| | 73060903 | PR Batch 00002.05.2018 FICA Employer Portion | PR Batch 00002.05.2018 F | 5,997.79 |
| | 73060903 | PR Batch 00002.05.2018 Federal Income Tax | PR Batch 00002.05.2018 F | 8,858.35 |
| | 73060903 | PR Batch 00002.05.2018 FICA Employee Portion | PR Batch 00002.05.2018 F | 5,997.79 |
| | 73060903 | PR Batch 00002.05.2018 Medicare Employee Portion | PR Batch 00002.05.2018 M | 1,402.97 |
| | 73060903 | PR Batch 00002.05.2018 Medicare Employer Portion | PR Batch 00002.05.2018 M | 1,402.97 |
| Total for this ACH Check for Vendor 10094: | | | | 23,699.11 |
| ACH | 10141 | Ca State Disbursement Unit | 05/17/2018 | |
| | 85B243J6657 | PR Batch 00002.05.2018 Garnishment | PR Batch 00002.05.2018 G | 266.30 |
| | 85B243J6657 | PR Batch 00002.05.2018 Garnishment | PR Batch 00002.05.2018 G | 288.46 |
| Total for this ACH Check for Vendor 10141: | | | | 554.76 |
| ACH | 10203 | Voya Financial | 05/17/2018 | |
| | VB1450-PP10 | PR Batch 00002.05.2018 Deferred Comp | PR Batch 00002.05.2018 D | 475.00 |
| Total for this ACH Check for Vendor 10203: | | | | 475.00 |
| ACH | 10264 | CalPERs Supplemental Income Plans | 05/17/2018 | |
| | 1001076168 | PR Batch 00002.05.2018 CalPERS 457 | PR Batch 00002.05.2018 C | 1,714.05 |
| | 1001076168 | PR Batch 00002.05.2018 CalPERS 457 % | PR Batch 00002.05.2018 C | 44.27 |
| Total for this ACH Check for Vendor 10264: | | | | 1,758.32 |
| 7652 | UB*02948 | Ryan & Adriana Gonzales Barrier Refund Check | 05/17/2018 | 27.79 |
| Total for Check Number 7652: | | | | 27.79 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|-------------------------|--|-------------------------|-------------------------------------|
| 7653 | UB*02952 | Elayne Betts Refund Check Refund Check Refund Check Refund Check | 05/17/2018 | 84.65 62.20 29.81 21.38 |
| Total for Check Number 7653: | | | | 198.04 |
| 7654 | UB*02945 | James H and Janet L Bisset Refund Check Refund Check Refund Check Refund Check | 05/17/2018 | 28.87 18.47 8.84 6.35 |
| Total for Check Number 7654: | | | | 62.53 |
| 7655 | UB*02954 | Orion Bondar Refund Check Refund Check Refund Check Refund Check | 05/17/2018 | 76.24 1,829.06 30.49 21.88 |
| Total for Check Number 7655: | | | | 1,957.67 |
| 7656 | UB*02943 | Shanna Bottoni-Olive Refund Check Refund Check Refund Check Refund Check | 05/17/2018 | 23.40 35.31 16.91 12.14 |
| Total for Check Number 7656: | | | | 87.76 |
| 7657 | UB*02958 | CT & T Refund Check Refund Check Refund Check Refund Check | 05/17/2018 | 81.63 1,769.92 32.66 23.42 |
| Total for Check Number 7657: | | | | 1,907.63 |
| 7658 | UB*02955 | Kathryn DeLong Refund Check Refund Check Refund Check Refund Check | 05/17/2018 | 15.05 22.21 10.64 7.63 |
| Total for Check Number 7658: | | | | 55.53 |
| 7659 | UB*02939 | Monica Enriquez Refund Check | 05/17/2018 | 37.00 |
| Total for Check Number 7659: | | | | 37.00 |
| 7660 | UB*02942 | Fandango Solar Protection LLC Refund Check | 05/17/2018 | 45.03 |
| Total for Check Number 7660: | | | | 45.03 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|-------------------------|----------------------------|-------------------------|--------------|
| 7661 | UB*02953 | Cynthia Fernandez | 05/17/2018 | |
| | | Refund Check | | 62.75 |
| | | Refund Check | | 79.32 |
| | | Refund Check | | 38.00 |
| | | Refund Check | | 27.27 |
| Total for Check Number 7661: | | | | 207.34 |
| 7662 | UB*02947 | Gerardo Guerrero | 05/17/2018 | |
| | | Refund Check | | 73.37 |
| | | Refund Check | | 27.27 |
| | | Refund Check | | 13.07 |
| | | Refund Check | | 9.38 |
| Total for Check Number 7662: | | | | 123.09 |
| 7663 | UB*02956 | Paige Hoffman | 05/17/2018 | |
| | | Refund Check | | 72.49 |
| | | Refund Check | | 59.30 |
| | | Refund Check | | 28.41 |
| | | Refund Check | | 20.38 |
| Total for Check Number 7663: | | | | 180.58 |
| 7664 | UB*02944 | K Hovnanian Homes | 05/17/2018 | |
| | | Refund Check | | 1,764.44 |
| | | Refund Check | | 184.17 |
| Total for Check Number 7664: | | | | 1,948.61 |
| 7665 | UB*02950 | Kasey Kaiser | 05/17/2018 | |
| | | Refund Check | | 32.58 |
| | | Refund Check | | 65.51 |
| | | Refund Check | | 31.38 |
| | | Refund Check | | 22.52 |
| Total for Check Number 7665: | | | | 151.99 |
| 7666 | UB*02957 | KAR Construction Inc | 05/17/2018 | |
| | | Refund Check | | 814.62 |
| | | Refund Check | | 839.79 |
| | | Refund Check | | 325.85 |
| | | Refund Check | | 233.76 |
| Total for Check Number 7666: | | | | 2,214.02 |
| 7667 | UB*02940 | Athalia Marquez | 05/17/2018 | |
| | | Refund Check | | 55.00 |
| Total for Check Number 7667: | | | | 55.00 |
| 7668 | UB*02951 | Matich Corporation | 05/17/2018 | |
| | | Refund Check | | 1,957.67 |
| Total for Check Number 7668: | | | | 1,957.67 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|-------------------------|---|-------------------------|--------------|
| 7669 | UB*02938 | Jonathan McCormick | 05/17/2018 | |
| | | Refund Check | | 20.60 |
| | | Refund Check | | 30.03 |
| | | Refund Check | | 14.39 |
| | | Refund Check | | 10.32 |
| Total for Check Number 7669: | | | | 75.34 |
| 7670 | UB*02941 | Dennis Miller | 05/17/2018 | |
| | | Refund Check | | 12.61 |
| | | Refund Check | | 27.84 |
| | | Refund Check | | 13.34 |
| | | Refund Check | | 9.57 |
| Total for Check Number 7670: | | | | 63.36 |
| 7671 | UB*02949 | William Moseley | 05/17/2018 | |
| | | Refund Check | | 317.60 |
| Total for Check Number 7671: | | | | 317.60 |
| 7672 | UB*02946 | O. Fay Swan | 05/17/2018 | |
| | | Refund Check | | 105.39 |
| Total for Check Number 7672: | | | | 105.39 |
| 7673 | UB*02937 | Aaron Thibodeau | 05/17/2018 | |
| | | Refund Check | | 0.39 |
| | | Refund Check | | 0.58 |
| | | Refund Check | | 0.28 |
| | | Refund Check | | 0.20 |
| Total for Check Number 7673: | | | | 1.45 |
| 7674 | 10001 | Action True Value Hardware | 05/17/2018 | |
| | 46379 | (4) Exhaust Bolts - Unit 5 | | 5.13 |
| | 46379 | Chicken Wire - NCR I | | 15.07 |
| | 46379 | Water Supply Line for Lube Line - Well 4A | | 7.86 |
| | 46379 | (1) Chicken Wire/Wire Pack - NCR I | | 20.98 |
| | 46379 | Water Supply Line for Lube Line (Spare) - Well 4A | | 13.35 |
| | 46379 | (2) Pins/Clips - Dump Truck 12 | | 4.66 |
| | 46379 | Clamps/Adapters/Valves/Bolts - Boat Maintenance | | 30.54 |
| | 46379 | Gallon GoJo - Unit 13 | | 18.31 |
| | 46428 | (3) Edger Filter/Heads - Maintenance | | 107.58 |
| | 46428 | Edger Spool Trimmer - Maintenance | | 60.32 |
| | 46428 | Spray Paint - Paint Tools - Unit 18 | | 4.52 |
| | 46428 | (8) Chains - For Service Request | | 21.46 |
| | 46428 | Simple Green - Unit 4 | | 5.38 |
| | 46428 | Plastic Sheeting/Tape - Well 3 | | 47.37 |
| | 46428 | (2) Car Keys - Unit 13 | | 6.45 |
| | 46428 | (5) 90lb Concrete - 8th St | | 29.57 |
| | 46428 | Rubber Boots - Unit 5 | | 23.70 |
| | 46428 | (2) Slide Locks - Compressor | | 9.24 |
| | 46428 | (2) Self Tapper Screws - Unit 5 | | 10.11 |
| Total for Check Number 7674: | | | | 441.60 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|-------------------------|--|-------------------------|--------------|
| 7675 | 10272 | Babcock Laboratories Inc | 05/17/2018 | |
| | BD80302 | (5) DBP Trihalomethanes B1 H1 I3 M2 N4 | | 547.50 |
| | BD80302 | (6) DBP Haloacetic Acids B1 H1 I3 M2 N4 | | 547.50 |
| | BD80520 | (12) Coliforms B7-B12 H1 H2 H1 H3 M3 N4 | | 480.00 |
| | BD80555 | (13) Samples - State Required Trichloropropane MCL | | 1,300.00 |
| | BD80569 | (3) Nitrate-Nitrogen - Well 16 Well 21 Well 23 | | 45.00 |
| | BD80570 | (2) Nitrate-Nitrogen - Cherry & Vineland Reservoirs | | 30.00 |
| | BD80928 | (15) Lead Samples - District Wide School Sites | | 225.00 |
| | BD81020 | (12) Coliforms - B1-B6 B10 H1 I1 I2 M1 N1 | | 480.00 |
| | BD81858 | (12) Coliforms - B7-B12 H2 I1 I3 M2 M3 N2 | | 480.00 |
| | BD81867 | (5) Coliforms - Wells 5 6 13 21 23 | | 200.00 |
| | BD82477 | (9) Coliforms - B1 B2 B4-B6 H1 M1 N3 | | 360.00 |
| | BD82480 | (6) Coliforms - Wells 4A 6 13 22 24 29 | | 240.00 |
| | BE80070 | (3) Coliforms - B3 I1 I2 | | 120.00 |
| Total for Check Number 7675: | | | | 5,055.00 |
| 7676 | 10271 | Beaumont Ace Home Center | 05/17/2018 | |
| | Apr-18 | (15) 90lb Cement - 8th St Job | | 64.49 |
| | Apr-18 | Epoxy/Putty Knife - Line Locator | | 16.02 |
| | Apr-18 | (3) Pop Up Heads - 12th/Palm Stock | | 17.75 |
| | Apr-18 | (2) Premium Pumps - Well 25/Spare | | 59.24 |
| | Apr-18 | Map Pro Fuel for Water Samples | | 32.29 |
| | Apr-18 | (2) 2Pk Gal Liquid Chlorine - Well 20 | | 16.57 |
| | Apr-18 | Clamps/Adapters for CL2 Line - Well 22 | | 8.35 |
| | Apr-18 | (1) Braid Tube - Stock for Chlorinators | | 118.51 |
| | Apr-18 | Utility Pump - Unit 12 | | 38.78 |
| | Apr-18 | Valve/Elbow/Tee/Adapter for CL2 Line - Well 12 & 13 | | 62.70 |
| | Apr-18 | Wheelbarrow - Replacement | | 86.19 |
| | Apr-18 | Twin Pk Roll Rags - Unit 16 | | 7.32 |
| | Apr-18 | Duct Tape - Unit 16 | | 8.93 |
| | Apr-18 | (2) 4" Fluor Tube - Main Office | | 67.86 |
| | Apr-18 | Insulation/Coupling/Adapter/Union for CL2 Line - Wells 12 & 13 | | 57.28 |
| | Apr-18 | 10 Gal Mixing Tub for Storing Oil - Well 13 | | 8.07 |
| | Apr-18 | Cement Edger/Cement Tools - Field Tools | | 18.08 |
| | Apr-18 | 2Pk Respirators (dust mask) Field Safety - Unit 17 | | 5.38 |
| | Apr-18 | Knee Pads - Unit 17 | | 26.93 |
| | Apr-18 | 6 & 8 Duplex Nails - Unit 17 | | 10.75 |
| | Apr-18 | (4) Couplings- Well 16 Chlorinator | | 13.96 |
| | Apr-18 | PVC Cement / Primer- Well 16 Chlorinator | | 10.33 |
| | Apr-18 | 12" Pliers - Unit 10 | | 21.00 |
| | Apr-18 | 12oz Penetrant - Unit 32 | | 7.32 |
| | Apr-18 | (4) 1" Pillow Block - Well 29 Swamp Cooler | | 30.99 |
| | Apr-18 | 14 x 1 Blower Pulley / 2oz Lithium Grease - Well 23 Swamp Cooler | | 34.03 |
| | Apr-18 | Coil/Sleeve/Pump - Well 21 Swamp Cooler | | 86.95 |
| | Apr-18 | (3) 10W 3Pk Bulbs/20W 3pk Flood - Main Office | | 51.14 |
| | Apr-18 | Household Oil/Penetrant - Unit 33 | | 13.23 |
| | Apr-18 | (2) 1/2" Ball Valve - Well 25 | | 13.55 |
| | Apr-18 | New Chlorine Line - Well 3 | | 44.86 |
| | Apr-18 | (15) 90lb Cement - 8th St Job | | 64.49 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|-------------------------|---|-------------------------|--------------|
| | Apr-18 | 6 Outlet Surge Strip - Production Office | | 9.69 |
| | Apr-18 | (4) Gallon Muriatic Acid - Stock | | 25.82 |
| | Apr-18 | New Sprayer Copper Sulfate - NCR Boat | | 37.83 |
| | Apr-18 | Electrical Ballast - Main Office | | 107.71 |
| | Apr-18 | (2) 1 x 200' Flagging Tape/300' Blue Tape - Noble Reservoir | | 12.46 |
| | Apr-18 | (2) 50lb Marking Lime/5qt Paint Pail - Noble Reservoir | | 23.88 |
| | Apr-18 | Putty & Scraper Knives - 12th & Palm | | 5.46 |
| | Apr-18 | 100' Red Chalk /Reel Set - Unit 32 | | 8.93 |
| | Apr-18 | Trash Bags/Rags/Towels/Utility Pumps - Stock | | 168.97 |
| | Apr-18 | Bolts/Nuts/Washers - Mower Handle | | 4.44 |
| | Apr-18 | Box of Rags - Unit 5 | | 18.31 |
| | Apr-18 | Shovels/Rags/Scraper/Tinning Brush/Probe Set - Unit 5 | | 82.48 |
| | Apr-18 | FIP Gate Valve - 1" Meter Install | | 13.46 |
| | Apr-18 | Drill Screw/Washer/Screws/Hole Strap - Unit 4 Repairs | | 31.97 |
| | Apr-18 | (12) 90lb Cement - 8th St Job | | 51.59 |
| | Apr-18 | (12) 90lb Cement - 8th St Job | | 17.20 |
| Total for Check Number 7676: | | | | 1,743.54 |
| 7677 | 10557 | Beaumont Copy & Graphics | 05/17/2018 | |
| | 8248 | (250) Business Cards - S Delgadillo | | 41.97 |
| | 8248 | (250) Business Cards - M Swanson | | 41.97 |
| | 8248 | (250) Business Cards - Y Rodriguez | | 41.97 |
| Total for Check Number 7677: | | | | 125.91 |
| 7678 | 10016 | City of Beaumont | 05/17/2018 | |
| | 261701 Mar-Apr | Monthly Sewer Charges 03/01-05/01/2018 | | 74.96 |
| Total for Check Number 7678: | | | | 74.96 |
| 7679 | 10600 | Gaucha Gophers & Landscape Management | 05/17/2018 | |
| | 050918 | NCR I Rodent Control Apr 2018 | | 1,000.00 |
| Total for Check Number 7679: | | | | 1,000.00 |
| 7680 | 10398 | Infosend, Inc | 05/17/2018 | |
| | 135962 | Apr 2018 Postage Charges for Utility Billing | | 4,062.61 |
| | 135962 | Apr 2018 Billing Charges for Utility Billing | | 857.42 |
| | 135962 | Apr 2018 Supply Charges for Utility Billing | | 727.91 |
| Total for Check Number 7680: | | | | 5,647.94 |
| 7681 | 10273 | Inland Water Works Supply Co. | 05/17/2018 | |
| | S1010564.003 | (3) Full Circle Clamps 297 x 325 7.5 - Inventory | | 177.40 |
| | S1010942.001 | (1) 4" Meter - 3rd Street Repair | | 323.12 |
| | S1011594.001 | (3) 1" Gate Valves - Inventory | | 186.90 |
| | S1011594.001 | (20) 3/4" Gate Valves - Inventory | | 992.60 |
| | S1011658.001 | (150) 1" x 2 5/8" Meter Couplings - Inventory | | 2,304.61 |
| | S1011658.001 | (150) 1" x 6" Brass Nipples - Inventory | | 1,940.31 |
| | S1011658.001 | (100) 1" Brass Couplings - Inventory | | 1,161.54 |
| | S1011658.001 | (50) 1" x 5" U-Branch - Inventory | | 3,273.45 |
| | S1011658.001 | (200) 1" x Close Brass Nipples - Inventory | | 844.76 |
| | S1011658.001 | (50) 1" Curb Lock-Offs - Inventory | | 4,540.59 |
| | S1011658.001 | (50) 1" Curb Lock-Ons - Inventory | | 5,015.76 |
| | S1011663.001 | (100) 1" Brass Check Valves - Inventory | | 8,447.60 |
| | S1011663.001 | (100) 1" Ball Valves - Inventory | | 3,484.64 |
| Total for Check Number 7681: | | | | 32,693.28 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|---|--|-------------------------|--|
| 7682 | 10408 0528307-IN | Kenny Strickland Inc (25) 5 Gallon Drums Oil for Well Maint | 05/17/2018 | 1,375.09 |
| Total for Check Number 7682: | | | | 1,375.09 |
| 7683 | 10026 510358RI 510358RI | McCrometer Inc (1) Repair to Fire Hydrant Meter/End Cap Replacement (1) Service Repair to Fire Hydrant Meter | 05/17/2018 | 1,058.14 586.16 |
| Total for Check Number 7683: | | | | 1,644.30 |
| 7684 | 10674 1013599 1013599 1013599 | Michael Baker International Altejo - Miravilla to End - Pipeline Replacement Appletree - B Line to Oak Glen - Pipeline Replacement Egan - California Alley 5th to 7th - Pipeline Replacement | 05/17/2018 | 671.67 671.67 671.66 |
| Total for Check Number 7684: | | | | 2,015.00 |
| 7685 | 10634 050718 051518 | Robert Mitchell (14) Truck Washes May 2018 (13) Truck Washes May 2018 | 05/17/2018 | 250.00 230.00 |
| Total for Check Number 7685: | | | | 480.00 |
| 7686 | 10223 216560 216561 | Richards, Watson & Gershon Legal Services Board Approval 05/09/2018 Legal Services Board Approval 05/09/2018 | 05/17/2018 | 1,690.08 116.80 |
| Total for Check Number 7686: | | | | 1,806.88 |
| 7687 | 10171 18-108011 | Riverside Assessor - County Recorder Apr 2018 Lien Fees | 05/17/2018 | 157.00 |
| Total for Check Number 7687: | | | | 157.00 |
| 7688 | 10491 57699 | Rogers, Anderson, Malody & Scott, LLP 2017 Auditing Services Apr 2018 | 05/17/2018 | 8,000.00 |
| Total for Check Number 7688: | | | | 8,000.00 |
| 7689 | 10431 21795 | Southern California West Coast Electric 1462 6th St - Street Light Repairs | 05/17/2018 | 3,995.00 |
| Total for Check Number 7689: | | | | 3,995.00 |
| 7690 | 10668 No 2 No 2 No 4 No 4 No 4 No 4 | Thomas Harder & Co Well Siting/Survey Services - Well 30 Well Siting/Survey Services - Well 31 Well Siting/Survey Services - Well 1A Well Siting/Survey Services - Well 2A Environmental Compliance - Well 2A Environmental Compliance - Well 1A | 05/17/2018 | 9,258.08 9,258.07 8,924.60 8,924.60 265.00 265.00 |
| Total for Check Number 7690: | | | | 36,895.35 |
| 7691 | 10116 9806226080 9806226080 | Verizon Wireless Services LLC Cell Phone Charges for Apr 2018 iPad Charges for Apr 2018 | 05/17/2018 | 83.15 120.03 |
| Total for Check Number 7691: | | | | 203.18 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|--|--|-------------------------|---|
| 7692 | 10421 71816053 71816053 | Vulcan Materials Company (12.5) Tons Temp Concrete for Pipelines and Hydrants (12.5) Tons Temp Concrete for Meter Maintenance | 05/17/2018 | 1,262.88 1,262.88 |
| Total for Check Number 7692: | | | | 2,525.76 |
| 7693 | 10385 5411317 | Waterline Technologies, Inc. - PSOC Chlorine - Well 25 | 05/17/2018 | 1,089.00 |
| Total for Check Number 7693: | | | | 1,089.00 |
| 7694 | 10651 7291 | Weldors Supply and Steel (1) Oxygen Tank/Acetylene Supplies for Unit 5 | 05/17/2018 | 91.61 |
| Total for Check Number 7694: | | | | 91.61 |
| Total for 5/17/2018: | | | | 166,608.32 |
| 7695 | 10614 22296 | Cherry Valley Automotive Labor - Service Drivers Seatbelt OD 62,523 - Unit 8 | 05/24/2018 | 50.00 |
| Total for Check Number 7695: | | | | 50.00 |
| 7696 | 10465 AR755507 AR755507 | Image Source Xerox 3610 Contract Charges 05/01-05/31/2018 Xerox 3610 Usage Charges 04/01-04/30/2018 | 05/24/2018 | 59.26 461.06 |
| Total for Check Number 7696: | | | | 520.32 |
| 7697 | 10429 54775 54775 54775 54775 54775 | Legend Pump & Well Service Inc Labor - Disconnect Motor/Well Pump - Emergency Repairs Well 29 Labor - Deliver motor to Brithinee - Emergency Repairs Well 29 Labor - Video Log Well 1st Run - Emergency Repairs Well 29 Labor - Wire Brush Fabrication - Emergency Repairs Well 29 Labor - Wire Brush/Bail Well 16Hrs - Emergency Repairs Well 29 | 05/24/2018 | 15,950.00 150.00 1,000.00 650.00 6,560.00 |
| Total for Check Number 7697: | | | | 24,310.00 |
| 7698 | 10026 510875RI 510919RI | McCrometer Inc Well # 29 Meter Repair - Emergency Repairs Well # 3 Meter Repair - Emergency Repairs | 05/24/2018 | 1,442.03 760.16 |
| Total for Check Number 7698: | | | | 2,202.19 |
| 7699 | 10055 6875 | Nino's Auto/Diesel Fuel - 12/2017-05/2018 | 05/24/2018 | 1,471.41 |
| Total for Check Number 7699: | | | | 1,471.41 |
| 7700 | 10095 201804000339 201804000339 | Riverside County Dept of Waste Resources Weeds/Trash Removal NCR I Apr 2018 Demolition Waste for Well 3 Roof Apr 2018 | 05/24/2018 | 133.75 45.15 |
| Total for Check Number 7700: | | | | 178.90 |
| 7701 | 10385 5412424 | Waterline Technologies, Inc. - PSOC (1) Back-Up Chlorinator | 05/24/2018 | 1,226.03 |
| Total for Check Number 7701: | | | | 1,226.03 |
| Total for 5/24/2018: | | | | 29,958.85 |
| Report Total (132 checks): | | | | 897,071.79 |



**Beaumont-Cherry Valley Water District
Board of Directors Meeting
June 13, 2018**

Item 2e

STAFF REPORT

TO: Board of Directors
FROM: Dan Jagers, General Manager
SUBJECT: Approval of Pending Invoices

Staff Recommendation

Approve the pending invoices totaling \$1,633.58.

Background

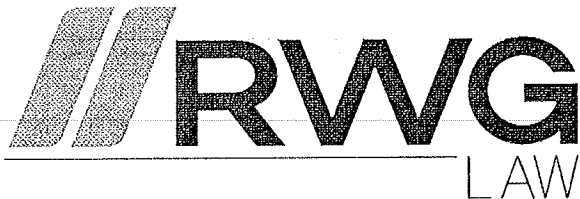
Staff has reviewed the pending invoices and found the services rendered were acceptable to the District.

Fiscal Impact

There is a \$1,633.58 impact to the District which will be paid from the 2018 budget.

Attachment(s)

- Richards Watson Gershon Invoice # 216908
- Richards Watson Gershon Invoice # 216909



T 213.626.8484
F 213.626.0078
Fed. I.D. No. 95-3292015

355 South Grand Avenue
40th Floor
Los Angeles, CA 90071-3101

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DAN JAGGERS, GENERAL MANAGER
Beaumont- Cherry Valley Water District
560 Magnolia Avenue
Beaumont, Ca 92223-2258

May 15, 2018
Invoice # 216908

Re: [REDACTED] GENERAL COUNSEL SERVICES

For professional services rendered through April 30, 2018:

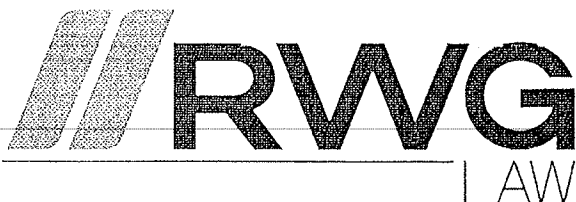
| | |
|--|--------------------------|
| Current Legal Fees | \$1,485.00 |
| Current Client Costs Advanced | <u>\$67.58</u> |
| TOTAL CURRENT FEES AND COSTS | <u>\$1,552.58</u> |
| Balance Due From Previous Statement..... | \$1,690.08 |
| TOTAL BALANCE DUE FOR THIS MATTER | <u>\$3,242.66</u> |

TERMS: PAYMENT DUE UPON RECEIPT

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355 South Grand Avenue, 40th Floor
Los Angeles, CA 90071-3101

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40th Floor
Los Angeles, CA 90071-3101

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DAN JAGGERS, GENERAL MANAGER
Beaumont- Cherry Valley Water District
560 Magnolia Avenue
Beaumont, Ca 92223-2258

May 15, 2018
Invoice # 216909

Re: [REDACTED] ADV. PETERS

For professional services rendered through April 30, 2018:

| | |
|--|------------------------|
| Current Legal Fees | \$62.00 |
| Current Client Costs Advanced | <u>\$19.00</u> |
| TOTAL CURRENT FEES AND COSTS | <u>\$81.00</u> |
| Balance Due From Previous Statement | \$116.80 |
| TOTAL BALANCE DUE FOR THIS MATTER | <u>\$197.80</u> |

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Los Angeles, CA 90071-3101

RICHARDS WATSON GERSHON



**BEAUMONT-CHERRY VALLEY WATER DISTRICT
MINUTES OF SPECIAL MEETING
OF THE BOARD OF DIRECTORS
560 Magnolia Avenue, Beaumont, CA 92223
Thursday, May 3, 2018 at 4:30 p.m.**

Call to Order: President Covington

President Covington began the meeting at 4:32 p.m.

Roll Call:

| | |
|--------------------|--|
| Directors present: | President Covington Directors Diaz, Hoffman, Slawson |
| Directors absent: | Ramirez |
| Staff present: | General Manager Dan Jagers, Director of Finance and Administration Yolanda Rodriguez, Staff: James Bean, Tony Lara, Lynda Kerney |

Members of the public who registered attendance: Patsy Reeley, Pam Lindgren

Public Comment: None.

ACTION ITEMS

1. Consideration of Ratification of the General Manager's Declaration of a District Emergency regarding Necessary Immediate Repairs to Well 3 and Well 29

General Manager Jagers advised the Board that with the agreement of the Board President, he had declared an emergency situation for the District on Monday, April 30. He explained problems with Well 3 and Well 29 and detailed the relationship to the BCVWD water system and pressure zones.

With Well 26 also out of service, 10 million gallons per day of pumping capacity is diminished (30 percent down). Mr. Jagers stressed that with summer approaching, this is important capacity.

In response to questions from President Covington, Mr. Jagers explained some technical specifications, including setting the pump for Well 29 100 feet deeper, to 600 to 650 feet.

General Manager Jagers explained that Legend Pump and Well was chosen from four responding contractors as they could respond as quickly as the following day, and they have been the lowest responsive bidder on the last three projects the District put out.

Director Hoffman commented that since Legend Pump and Well has been the low bidder and has done acceptable work, this seems a win-win. He asked

about the budget for this expense, and Mr. Jagers indicated this item comes from capital improvement funds.

Director Diaz asked about the timing of Well 3; Mr. Lara answered that it would be back online by the end of next week.

Ms. Patsy Reeley asked if the numbers on the handout from Legend are the bottom line. Mr. Jagers explained the bids. President Covington added that these are rough figures, and the final costs will come back to the Board at a future meeting. Ms. Pam Lindgren asked about availability of funds, and President Covington assured the District has money available for the repairs.

In response to Director Hoffman's inquiry about warranty, Mr. Tony Lara explained the work is warranted for 30 months.

Director Diaz asked about additional work, and Director Slawson asked for detail about lowering the pump another 100 feet. Mr. Jagers answered the bowls will be replaced, and adding 100 feet allows more flexibility. President Covington asked for an update and potential authorization at the May 9 meeting.

It was moved by Director Slawson and seconded by Director Hoffman to ratify the General Manager's declaration of an emergency.

| | | |
|----------------|-----------------------------------|--------------|
| MOVED: Slawson | SECONDED: Hoffman | APPROVED 4-0 |
| AYES: | Covington, Diaz, Hoffman, Slawson | |
| NOES: | None. | |
| ABSTAIN: | None. | |
| ABSENT: | Ramirez | |

2. General Manager's Report

General Manager Jagers advised the Board that the San Geronio Pass Water Agency has a rate study in progress. Staff believes that it has the potential to adversely affect the District's pass-through of the State Water Project fees, currently at 46 cents per hcf. If the rate changes, by law BVCWD will have to do a new rate study to update the pass-through.

Work has been completed at the Recharge Facility, and the Fishing Derby was held last weekend.

There is opportunity to buy 10,000 to 12,000 AF of Table A water. President Covington noted that the District should take advantage of any opportunity to buy short-term water if the price is amenable.

3. Adjournment

President Covington adjourned the meeting at 5:15 p.m.

ATTEST:

Director John Covington, 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



**BEAUMONT-CHERRY VALLEY WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
560 Magnolia Avenue, Beaumont, CA 92223
Wednesday, May 9, 2018 at 7:00 p.m.**

Call to Order: President Covington

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

Pledge of Allegiance: Director Slawson

Director Slawson led the pledge.

Invocation: Director Hoffman

Director Hoffman gave the invocation.

Roll Call:

| | |
|--------------------|---|
| Directors present: | President Covington Directors Diaz, Hoffman, Ramirez, Slawson |
| Directors absent: | None. |
| Staff present: | General Manager Dan Jagers, Director of Finance and Administration Yolanda Rodriguez, Senior Finance and Administrative Analyst William Clayton; Staff: James Bean, Tony Lara, Lynda Kerney |
| Legal counsel: | James Markman |

Members of the public who registered their attendance: Fran Flanders, Patsy Reeley, Barbara Brown, Michele Staples.

Public Comment: None.

ACTION ITEMS

1. Adjustments to the Agenda: None.

2. Consent Calendar:

The following Consent Calendar items were approved with one motion:

- a. March 2018 Budget Variance Report
- b. March 31, 2018 Cash/Investment Balance Report
- c. March 2018 Cash Flow Report
- d. April 2018 Check Register
- e. April 2018 Invoices Pending Approval
- f. Minutes of the Regular Meeting of April 11, 2018

| | | |
|-------------|--|--------------|
| MOVED: Diaz | SECONDED: Hoffman | APPROVED 5-0 |
| AYES: | Covington, Diaz, Hoffman, Ramirez, Slawson | |
| NOES: | None. | |
| ABSTAIN: | None. | |
| ABSENT: | None. | |

3. Report on City of Beaumont Wastewater Treatment Plant Expansion status and Recycled Water Supply – Todd Parton, Beaumont City Manager

General Manager Jagers introduced Todd Parton, City of Beaumont City Manager.

CM Parton called the Board's attention to a handout of a PowerPoint presentation. He explained current capacity is 4 million gallons per day (mgd), and by 2024, the plant could be at its maximum capacity. There is a tight time schedule for design, rate study, financing, bids, and construction. Currently can treat up to 4.3 mgd, but this would require a permit adjustment. This is in anticipation of delivering Title 22 water. He noted that the 4.3 mgd capacity can be met even if the plant is under construction.

The expansion of the plant will increase capacity of 6 mgd, which will be sufficient until 2037, Parton said. Ultimately, the city will need 8 mgd at full build out. To be able to address the maximum benefit conditions of the basin management plan, membrane treatment must be done, along with desalting. The City is negotiating purchase of capacity on the Inland Empire Brine Line to the Orange County Sanitation District, and is in the process of establishing connection segments over 23 miles.

Mr. Parton continued, detailing the site plans. He noted that the existing UV systems are currently adequate for the expansion plan but require some upgrades to deliver Title 22 water. This is part of the first phase of the plan.

An engineer's estimate of costs is being prepared, Parton said. The original estimate was \$111 million including hard and soft costs and contingency. A construction manager is reviewing the plans and seeking value.

He explained the timeline for the project, starting with the Brine Line. Bids are due in July, and the City is beginning a Prop 218 process to increase rates to fund the project along with Developer Impact Fee funds, \$10 million in cash, and borrowing. Funding is expected by September. Director Ramirez asked about the Proposition 218 rate studies. Parton replied that the proposed increase contemplates the operational needs, capital replacement reserve and debt service. The sewer bill for the average home would increase by about \$4 per month for the first year. The five-year adjustment increment is 7% per year, totaling about \$12 per month.

Director Hoffman noted the building of additional homes and asked how many years it would take to pay for the project. Parton answered it is a 30-year program at a 5% interest rate. Existing ratepayers account for about 53 % of the cost, development is factored in. Regardless of new development demands, there are environmental and update needs for the plant that are required, which

comprise \$5 to \$6 million. Impact fees were increased, and additional customers were factored in.

Hoffman asked if there would be capacity for the total number of dwelling units at build out. Parton noted that another 2 mgd would need to be added later.

Director Slawson asked for clarification on the Prop 218 vote; it is a 50% plus one. Director Diaz asked about future repairs; Parton said depreciation is accommodated. Director Ramirez asked about the use of the Title 22 water. Parton explained the reuse water could be used for irrigation and to supplement and increase conjunctive use. Ramirez noted that costs for recycled water would be paid not only by the new residences but by all as it will have a benefit to all in the future; Parton agreed and noted the goal is to create sustainability and to lessen the burden for everyone.

Councilman Lloyd White asked City Manager Parton to address the monthly rate increase and the Highland Springs Village issues. Parton noted that currently the bills are bi-monthly, resulting in a \$24 increase each bi-monthly bill. Currently, a ratepayer on the system but outside the city is charged an additional \$4 to \$5 premium. After the Prop. 218 increase, the premium will no longer be applied.

President Covington asked about the two phases of the Brine Line connection. Parton indicated that it seems to make more sense to bid them as two separate projects, as two contractors can be working at the same time. It is hoped to be online by 2020, including recycled water.

Mr. Jagers added that it is great to see the City moving forward and the District is looking forward to partnering on the recycled water. The District has much work to do, including a \$200,000 to \$500,000 project converting systems to recycled water. It is important to understand each other and come together to be successful.

President Covington thanked CM Parton and Councilmember White.

4. Consideration of Request for an Amendment of Will Serve Letter for the Sundance Specific Plan including Tentative Tract Maps 37426, 37427, and 37428: Pardee Homes Sundance Specific Plan Amendment No. 3

General Manager Jagers explained the request for water service to amend the existing will serve letter and provide a new Will Serve Letter (WSL) for the Chavez school site. A WSL was issued in 2014 for a number of dwelling units and updates have been approved with changes in the plans. Pardee has requested to modify two planning areas and add the conversion of a closed school site (Planning Area 54).

President Covington requested that staff address each Planning Area individually. Mr. Jagers explained Planning Area 47 (Tract 31469-5) for 97 dwelling units has been reconfigured to meet market demands, using smaller lot sizes and adding 41 dwelling units (DUs). Pardee has argued that smaller lot sizes with larger houses reduces demand. Staff responded and Pardee noted that ¼ of the hoes have been converted to an active adult designation which reduces demand. Pardee would like to be able to re-lot the area. Because

the Board had previously approved the WSL, this is a change to what was approved.

President Covington offered Pardee representative Jeff Chambers an opportunity to speak; he responded that he would comment after the staff presentation.

Director Slawson questioned the EDUs attributed to active adult living. Mr. Jagers indicated that Pardee has submitted documentation for staff to consider a ten percent reduction in use. Director Hoffman asked if smaller lot sizes would impact the amount of water for in landscaping and outdoor use. Mr. Jagers noted the landscape laws are pointing toward less use but the results of the landscape ordinance is still being analyzed.

General Manager Jagers suggested looking at the development holistically to understand the changes in use. President Covington noted that, looking at the calculations, he is not convinced that increasing DUs results in less water use but he said he has noticed more efficient landscaping in new developments. He noted that it was previously estimated that 70 percent of water use was outdoors, now it is probably more 50-50 or 60-40. He said he is not convinced and would require more information to approve 41 additional DUs.

Mr. Chambers of Pardee presented a map of the development. He noted that a section originally included in the project will not be developed, resulting in approximately 4,300 DUs. He pointed out that looking at just one isolated planning area; it was not representative of the overall project and any offsets. Pardee is requesting approval of three planning areas looking at the overall project and what Pardee has done over the past years. Pardee believes that older homes consume much more water than the newer in the development. At build-out, will be approximately 500 AF less than what was originally projected for the project as a whole.

Chambers continued, explaining the Specific Plan changes and Pardee's analysis of reduction in water use. He pointed out that the Beaumont Unified School District has abandoned the junior high school site within the development and is considering location in Banning. He believes it has been adequately demonstrated that there is no net increase in water use and there are additional factors that support approval such as funding for the Sites Reservoir, the California Water Fix moving forward, the City's progress toward Title 22 water, and there is no situation that would warrant a moratorium on water. He said he believes there is water available and the overall project is using less water than anticipated; the overall impact to the water supply system is insignificant.

President Covington indicated he was looking at the projects independently. He feels the information presented in the staff report is not sufficient, and he would like to see on paper the information just shared by Mr. Chambers. He understands the replacement of the junior high school is a net reduction, but would like more information on the other two planning areas. Director Ramirez noted there is no hard analysis of the stats wondered if there is something hindering getting accurate information. President Covington said he would like to see something that ties together that there is a net savings. Director Slawson noted that it appears to him there is a net reduction. He asked for clarification on Planning Area 48. Mr. Chambers replied that although 48 is part of the

original specific plan, Pardee will not be buying that property and therefore it will not be using any water.

General Manager Jagers continued with Planning Area 54, the Chavez School site. President Covington noted that the EDUs assigned to the school have since been traded off to other school sites. Mr. Chambers explained that the City of Beaumont approved the Specific Plan Amendment, which now includes this site. Pardee signed an exchange agreement with the Beaumont Unified School District for Planning Area 41 swapped for the smaller site plus school fee credits. Pardee would like to build 31 homes, which use less water than a school site. Director Ramirez pointed out that there would be less landscaping on homes than a school.

President Covington reiterated that he would be more comfortable if all the data was detailed and tied together in one report. He suggested tabling the item. Director Diaz noted there is a lot of data and said she would like to have seen the report simplify the information and tie it back to the request.

Counsel Markman pointed out there are many representations made by Pardee but there is nothing that ties down the facts. He suggested conditions be included in the new WSL that lock down the representations. President Covington suggested staff work together with Pardee.

The Board voted to table the request by Pardee Homes for Amendment of the Will Serve Letter for the Sundance Specific Plan to a future meeting.

| | | |
|------------------|--------------------------|--------------|
| MOVED: Covington | SECONDED: Hoffman | APPROVED 3-2 |
| AYES: | Covington, Diaz, Hoffman | |
| NOES: | Slawson | |
| ABSTAIN: | Ramirez | |
| ABSENT: | None. | |

5. Consideration of Request for Extension of Water Service “Will-Serve Letter” for Previously-Approved Development: Tract 32850, a proposed 30-acre single-family residential development located at Assessor’s Parcel No. 421-110-014 in the City of Beaumont

Mr. Jagers advised this is the fifth extension of this WSL since the 2006 original letter. The developer is not present, but has requested an extension citing that the local market for this 95-home development has been slow. An agreement with a builder has been submitted to address staff concerns.

Three options have been presented to the Board for consideration, including a recommendation that this would be the final extension of this WSL, however the developer could make another request.

In response to Director Ramirez, General Manager Jagers explained that the developer covers all costs of staff work through a deposit.

The Board approved the request for extension of Water Service for Tract 32850, a proposed 30-acre single-family residential development located at Assessor’s Parcel No. 421-110-014 in the City of Beaumont by the following vote:

| | | |
|----------------|--|--------------|
| MOVED: Ramirez | SECONDED: Slawson | APPROVED 5-0 |
| AYES: | Covington, Diaz, Hoffman, Ramirez, Slawson | |
| NOES: | None. | |
| ABSTAIN: | None. | |
| ABSENT: | None. | |

6. Consideration of Request for Extension of Water Service “Will Serve Letter” for the Desert Pass development located at Assessor’s Parcel No. 414-142-038 (1109 Elm Street) per Tract No. 33680

General Manager Jagers explained this development had been dormant until a request for extension last year. This will be the second extension before it expires so the developer can move forward with funding and building status.

Director Ramirez asked if staff had any concerns. Mr. Jagers noted the plans will need to be updated but no significant changes are anticipated. From a water supply perspective, staff is working diligently to confirm water supply.

The Board approved the Extension of Water Service “Will Serve Letter” for the Desert Pass development located at Assessor’s Parcel No. 414-142-038 (1109 Elm Street) per Tract No. 33680 by the following vote:

| | | |
|----------------|--|--------------|
| MOVED: Ramirez | SECONDED: Diaz | APPROVED 5-0 |
| AYES: | Covington, Diaz, Hoffman, Ramirez, Slawson | |
| NOES: | None. | |
| ABSTAIN: | None. | |
| ABSENT: | None. | |

7. Consideration of Proposed Amendment to District Policies and Procedures Manual, Part II, Section 5A: Regular Meetings to add one monthly Board of Directors Regular Meeting and / or change Regular Meeting Time

President Covington noted that this addresses the Engineering Workshops. General Manager Jagers explained that the Board requested to move the meeting time from 7 p.m. to 6 p.m., and indicated an interest in adding one additional meeting known as the Engineering Workshop to have two meetings per month. There are costs associated which are detailed in the staff report.

President Covington expressed the will of the Board to start meetings at 6 p.m. and that an Engineering Workshop would be suitable on a monthly basis. This provides an opportunity to better inform the Board and shorten the meetings.

Discussion ensued regarding the additional regular meeting date.

The Board directed staff to compose a resolution amending the District Policies and Procedures Manual, Part II, Section 5A: Regular Meetings to add one monthly Board of Directors Regular Meeting on the 4th Thursday (to be known as the Engineering Workshop) and change regular meeting times to 6:00 p.m.

8. Consideration of Potential Security Strategies for the Noble Creek Recharge Facility Phase I

Mr. Jagers introduced the continuing discussion about security. He reminded the Board about the existing situation and reviewed the discussion from the Engineering Workshop. The board directed staff to firm up the cost for a chain link option and to provide photos of the facility.

Staff sent out typical standard public works chain link specifications and received response from one vendor, which paralleled the staff estimate of \$140,000 for 3,000 feet of fence with three strands of barbed wire at the top.

Mr. Jagers reviewed prior discussion, which suggested removal of some of the facilities that may attract undesirable activity. Director Hoffman noted the tables are in good condition and may be able to be used by another entity. Mr. Jagers shared photos of the area and described its layout and uses.

President Covington reiterated that the Board agrees that better security is necessary. At the Engineering Workshop, there was consensus on chain link, but it was noted that could be climbed over so it was requested that bids include angled barbed wire to prevent climbing. He noted the staff report includes permanent prohibition of public access, and suggested discussion.

President Covington suggested fencing, and allowing daytime public access. If this is the will of the Board, and it turns out to be no better than before, it will be obvious that it must be locked. He indicated apprehension of denying use based on poor behavior by a few.

President Covington invited Patsy Reeley for public comment. Ms. Reeley said it is a shame to fence it in. If the picnic area is causing the problem, then get rid of it. She would hate to see a chain link fence.

Director Ramirez concurred with Ms. Reeley, and said he is torn although he understands the safety concerns. If the Board decides to move forward, it may make sense to consider a better-looking fence. He suggested having the gates open during the day as a test.

Director Diaz asked if it would be possible to locate the fence to secure only the pond area. Mr. Jagers noted from the aspect of security the Board must define limiting access due to safety or because it attracts overnight visitors. Diaz noted safety concerns, and Covington responded that the picnic area is the problem, but he is in favor of securing the entire facility.

Director Hoffman noted there is adequate access for equipment, and there are walkways and steps along Beaumont Avenue that would require gates. He pointed out alternative fencing of a powder-coated wire, which is more attractive. He noted that he is leaning toward securing the facility but continuing to allow daytime access. He noted the barbecues are probably not used.

Director Ramirez agreed. The District pays attention to its well sites to assure attractive landscape, and believes that the District should continue to take care of its property. He would like to see the alternative fencing. Director Slawson concurred that this need is unfortunate, but he believes it should be closed down

entirely. He would like to see the other fencing option for both strength / maintenance issues and aesthetics.

President Covington requested staff investigate the wire fence and bring samples and photos. He polled the Board members informally about complete closure of the facility: In favor were Directors Slawson and Diaz. President Covington suggested a trial run of keeping the site open during the daytime. If it does not work out, it should be closed. At the end of the day, he said, the District is not in the park business.

Mr. Jagers advised that staff would have preliminary costs for discussion at the June Engineering Workshop.

9. Update on Status of Well 29 and Well 3 Repair Activities

General Manager Jagers updated the Board on the repairs. A new starter has been installed at Well 3 and issues are being worked out. It has been flushed and is moving toward being back online.

Well 29, he explained, needs a replacement pump. Staff is considering reducing the flow of the pump from 4,000 to 3,500 gpm. Staff has discussed all work with the contractor and parts have been ordered. The last issue to resolve is the bowl. If there is an emergency, a temporary pump can be added.

President Covington asked about brushing; Mr. Jagers indicated it is in progress. Repairs are moving as quickly as possible to return the well to service.

10. Reports For Discussion

a. Ad Hoc Committees:

Bogart Park Ad Hoc Committee: Director Hoffman reported that he and Director Diaz attended the committee meeting. There is a lack of clarity on the park boundaries and who has title to some of the property. Mr. Jagers noted that there is a discrepancy in acreage and the County is looking at it. Director Hoffman said the committee will move forward trying to create a position for the Parks and Recreation District to take over the park, and get needed financing and any available grants. The goal is to keep the park open and functional.

Director Slawson said he attended the San Geronio Pass Water Agency meeting where GM Jagers presented the different cities and districts with their own spreadsheets. They were impressed and thanked Mr. Jagers for his work.

President Covington reported that at the Collaborative Agencies Committee the City of Beaumont reported that the Oak Valley Parkway lights at the I-10 are in progress. Parks and Recreation also reported out on Bogart Park.

b. General Manager:

Mr. Jagers reported that on Monday, the SGPWA authorized the GM to move forward with a 1-year deal to purchase 4,500 AF of water from the City of Ventura and Casitas MWD. The term requires pay back over a ten-year period at a cost of \$1.5 million to Ventura for 3,000 AF, and \$730,000 to Casitas for 1,500 AF which works out to a total of \$826 per AF. Since it is part of the State Water Project, SGPWA suggests it can be paid from the debt service fund generated from new development tax base. Over 20 years, it is about 250 houses of water supply.

Significantly, the Santa Clara Water District voted to participate in the California Water Fix. Additionally, the Sites Reservoir was recommended by the California Water Commission to be eligible for a \$1.2 billion contribution from Prop. 1 funds.

Mr. Jagers updated on RFPs for grant writing, consideration of an investment advisor, and April recharge and delivery. He advised that wells 11 and 20 have been returned to service, school lead testing reports show non-detectable levels, and 123 Trichloropropane was also below detectable limits.

The District's IT Manager worked with the vendor and was able to upgrade accounting software in-house and save \$35,000.

b. Directors' Reports: None.

c. Legal Counsel Report: None.

11. Announcements

President Covington read the following announcements:

- Personnel Committee meeting: May 21, 2018 at 5:30 p.m. *President Covington noted he has a scheduling conflict on this date and requested to reschedule the meeting.*
- District Offices will be closed Monday, May 28, 2018 in observance of Memorial Day.
- Beaumont Basin Watermaster meeting: June 6, 2018 at 10:00 a.m.
- Finance and Audit Committee meeting: June 7, 2018 at 3:00 p.m.
- Engineering Workshop: May 31, 2018 at 6:00 p.m. *(by consensus, date and time changed from June 7 at 7 p.m.)*
- Regular Board meeting: June 13, 2018 at 7:00 p.m.
- Personnel Committee meeting: July 23, 2018 at 5:30 p.m.
- Collaborative Agencies Committee meeting: September 5, 2018 at 5:00 p.m. *(Location: Beaumont-Cherry Valley Recreation and Park District office)*

12. Action List for Future Meetings

- Proposition 1 Bond Opportunities
- Noble Creek Recharge Facility fencing options
- Pardee Homes request for an Amendment of Will Serve Letter for the Sundance Specific Plan (tabled)

13. Adjournment

President Covington adjourned the meeting at 9:28 p.m.

ATTEST:

Director John Covington, 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



**Beaumont-Cherry Valley Water District
Regular Board Meeting
June 13, 2018**

Item 3

STAFF REPORT

TO: Board of Directors
FROM: Dan Jagers, General Manager
SUBJECT: 2017 External Audit and Comprehensive Annual Financial Report

Staff Recommendation

Receive and file the independent auditors' unmodified (clean) opinion on the Beaumont-Cherry Valley Water District's (District) financial statements for the year ended December 31, 2017, included in the December 31, 2017 Comprehensive Annual Financial Report, and the attached Management Letter.

Background

The Comprehensive Annual Financial Report is used to communicate the District's financial condition and activity in a transparent and organized manner. The report presents historical and comparative information that can be useful to District staff, elected officials, and external users, such as debt rating agencies, businesses, other public agencies and the District's customers. The most recent Comprehensive Annual Financial Report and several prior year reports are available on the District's website.

Financial statements are prepared by the District and audited by independent auditors who are contracted through a competitive procurement process. The District's current independent auditor is Rogers Anderson, Malody & Scott, LLP (RAMS). Auditors follow audit industry standards established by the American Institute of Certified Public Accountants (AICPA). These standards require auditors to provide an opinion on specific areas of the District's financial statements based on observations, inquiries, testing of transactions and analysis.

A clean, unmodified opinion communicates to users that the financial statements are fairly presented, in all material respects, and that the information used in the report is reliable. Other minor issues that would not warrant a change in the auditor's opinion are presented in the form of a Management Letter, with comments and recommendations to management, intending to improve internal control or result in other operating efficiencies. RAMS consulted with staff regarding each of these recommendations.

The District's Annual Financial Report includes the following major sections and information:

Introductory Section

- Letter of Transmittal – prepared by management and used to communicate information on areas that may have an impact on the District's finances now and in the future. This includes economic factors as well as budget and management factors.



Financial Section

- Independent Auditors' Report – report on the reliability and fair presentation of the Comprehensive Annual Financial Report.
- Management's Discussion and Analysis (MD&A) – an overview of the year's operations and how the District performed financially.
- Basic Financial Statements
 - Statement of Net Position – presents information on all of the District's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference reported as net position.
 - Statement of Revenues, Expenses and Changes in Net Position – measures the success of the District's operations over the past reporting period(s) and can be used to determine if the District has successfully recovered all of its costs through its rates and other charges.
 - The Statement of Cash Flows – presents information relating to the District's cash receipts and cash disbursements during the year. This information 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.
 - Notes to the Basic Financial Statements – presents additional information that is necessary to understand the data provided in the basic financial statements.
- Required Supplementary Information
 - Pension information – presents the District's proportionate share of the Net Pension Liability of the Cost-Sharing Multiple Employer Benefit Plan, and contributions to the Plan as of the end of the year.
 - Other Post-Employment Benefits information – presents 3 years of OPEB funding information

Statistical Section

Presents information on financial trends, revenue capacity, debt capacity, demographic and economic conditions, and comparative operational data, for ten years.

Fiscal Impact

There is no immediate financial impact or budget action necessary as a result of the recommended action.

Attachment(s)

Comprehensive Annual Financial Report for the year ended December 31, 2017

Management Letter

Draft - subject to change



Beaumont-Cherry Valley Water District
Comprehensive Annual Financial Report

Fiscal Year Ended December 31, 2017



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Draft - subject to change



Comprehensive Annual Financial Report For the Year Ended December 31, 2017

Beaumont-Cherry Valley Water District Beaumont, California

Board of Directors

John Covington, President
Andy Ramirez, Vice-President
Claudeen Diaz, Secretary
David Hoffman, Treasurer
Daniel Slawson, Director

Daniel K. Jaggers, P.E., General Manager

Prepared by:

Beaumont-Cherry Valley Water District
Finance and Administrative Services Department

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.

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Draft - subject to change

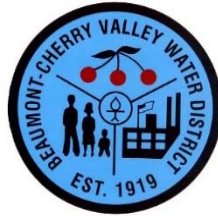
Beaumont-Cherry Valley Water District

Comprehensive Annual Financial Report

For the Year Ended December 31, 2017

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Introductory

June XX, 2018

Honorable Board of Directors
Beaumont-Cherry Valley Water District

It is our pleasure to submit the Comprehensive Annual Financial Report (CAFR) for the Beaumont-Cherry Valley Water District (District) for the year ended December 31, 2017, following guidelines set forth by the Government Accounting Standards Board (GASB) and Generally Accepted Accounting Principles (GAAP).

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. Internal controls are an important part of any financial reporting framework, and management of the District has established a comprehensive framework of internal controls to provide a reasonable basis for asserting that the financial statements are fairly presented. Because the cost of an internal control should not exceed the benefits to be derived, the objective is to provide reasonable, rather than absolute assurance, that the financial statements are free of any material misstatements.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The 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 auditors.

The District's financial statements have been audited by Rogers, Anderson, Malody & Scott, 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, 2017, 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 (clean) opinion that the District's financial statements for the year ended December 31, 2017, are fairly presented, in all material respects, in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

Profile of the District

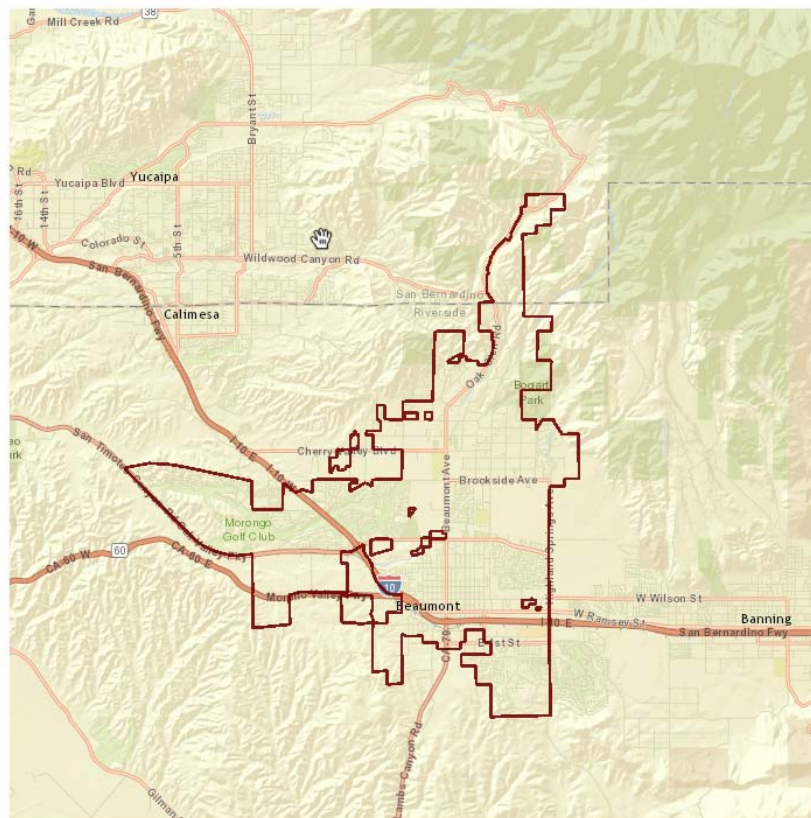
The goal of the District is to provide for a healthy, safe and enriched quality of life throughout the District boundaries through watershed stewardship and thorough management of water resources in a practical, cost-effective, and environmentally sensitive manner for current and future generations.

History

The origin of the 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. The area started to develop in the late 1880s and in 1912 the community of Beaumont incorporated. The District was formed in 1919 as the Beaumont Irrigation District under California Irrigation District law, Water Code Section #20500 et seq. The name was changed to the Beaumont-Cherry Valley Water District in 1973. The District owns 575 acres of watershed land in Edgar Canyon in San Bernardino County and 949 acres of watershed in Riverside County. Edgar Canyon is named after Dr. William F. Edgar, a military doctor who was in charge of a number of hospitals during the Civil War. Dr. Edgar appreciated the beauty of the land and purchased it in 1859. He planted fruits and vineyards and later established the first winery.

Service Area

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.



Water Services

The District has both a potable and non-potable water distribution system. At the end of 2017, the District had a total of 17,997 connections, an increase of 625 connections over 2016, 93.17 percent of which are for single family residences. 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 15 reservoirs ranging in size from 0.5 million gallons (MG) to 5 MG. Total storage is approximately 23 MG.

Today, the 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 Board authorized the purchase of 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, which are naturally treated as they seep into the ground to become groundwater.

Governance

The District's Board of Directors is comprised of five members elected by the citizens within their geographical area. Each Director serves a four year staggered term and must be a resident of the division they represent. The District operates under a Board-Manager form of government. The General Manager is appointed by the Board, and administers the daily affairs of the District and carries out policies of the Board of Directors. The District employs a staff of 35 under the direction of the General Manager.

Local Economy

Beaumont and Cherry Valley remained relatively small until the mid-1980s. The populations of Beaumont and Cherry Valley in 1980 were 6,818 and 5,012 respectively. The boom of the early 2000s saw Beaumont's population skyrocket to 46,179 by 2017; Cherry Valley showed only limited growth to 6,279 during that same time period. Current population served by the District is approximately 53,603. Although population growth has stabilized to approximately 3.5 percent per year, meeting the water supply demands for this continued growth in Beaumont continues to be challenging. The City of Beaumont remains one of the fastest-growing cities in the State of California.

According to projections by the Southern California Association of Governments, the population served by the District is expected to reach approximately 97,000 by 2030. The City of Beaumont's General Plan, adopted in 2007, had a projected build-out population of 87,200. The build-out population within the District's Sphere of Influence (SOI) is estimated to be about 112,300 based on the District's estimates of land use.

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

| City of Beaumont | 1990 | 2000 | 2010 | 2017 |
|------------------|-------|--------|--------|--------|
| Population | 9,685 | 11,407 | 37,278 | 46,179 |
| Households | 3,718 | 3,887 | 11,801 | 13,856 |
| People/Household | 2.60 | 2.93 | 3.16 | 3.33 |

Draft - subject to change

In 2017, 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 13,355 housing units of which approximately 10,659 of these planned housing units are approved.

The District staff anticipates that in 2018 the growth within the District's service area related to residential, commercial and industrial development will again increase incrementally.

Financial Management

The keys to the District's successful financial management are the District's Capital Improvement Plan, annual budget process, and financial policies.

Capital Improvement Plan

The Capital Improvement Plan (CIP) is a ten-year fiscal planning tool used to identify the future capital needs of the District, as well as identify the timing and method of financing those capital needs. The District's Ten Year Capital Improvement Plan is planned to be updated annually for consideration and approval by the District's Board of Directors.

Annual Budget Process

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. The General Manager is responsible for keeping the expenses within budget allocations and may adopt budget policies necessary to carry out that responsibility. No expenditure of funds shall be authorized unless sufficient funds have been appropriated by the Board or reallocated by the General Manager. The General Manager may exercise discretion in the administration of the Budget to respond to changed circumstances, provided that any single modification in excess of \$50,000 shall require approval by the Board.

Financial Policies

The District's financial policies include financial management practices that are used for operational and strategic decision making and allow the Board of Directors and stakeholders to monitor how the District is managing its financial responsibilities.

Investment Policy - This policy is intended to provide a guideline for the prudent investment of surplus cash, reserves, trust funds, and restricted monies and to outline a policy for maximizing the efficiency of the District's cash management system in compliance with Section 53646 of the Government Code of California. The policy applies to all financial assets of the District as accounted for in the audited financial statements. The primary objectives of the District's investment activities, in order of priority, are safety of principal through the mitigation of both credit and market risk, maintenance of the liquidity necessary to meet cash flow needs and, lastly, return on investment.

Reserve Policy - This policy incorporates and identifies restricted reserves as Future Capital Commitments, Funds Held for Others, and Debt Service. Board designated unrestricted reserves are identified in the policy as Emergency, Capital Replacement, and Operations.

The purpose of the Emergency Reserve is to ensure continued service to the District's customers and service areas for events which are impossible to anticipate and budget for. The Emergency Reserve is adjusted annually to a minimum of 15 percent of the annual operating budget.

Draft - subject to change

The Capital Replacement Reserve is earmarked for the purchase of operating equipment, physical plant, infrastructure, water conservation projects and other capital items. They are designed to stabilize funding for capital by accumulating “pay as you go” reserves available for necessary capital purchases. The Capital Replacement Reserve is funded through any sources available for capital improvements, including operating revenues.

The Reserve for Operations is to be used for working capital purposes and to ensure continuity of customer services regardless of cash flow. This Reserve is adjusted annually to a minimum amount sufficient to pay for three months of budgeted operating expenses, not exceeding a maximum of six months of budgeted operating expenses. Adequate reserves, along with sound financial policies, provide financial flexibility in the event of unanticipated expenses or revenue fluctuations.

Purchasing Policy - This policy is designed to establish policies and procedures that provide for:

- competitive bidding in the open market
- a cost effective purchasing process that incorporates high ethical standards
- obtaining quality materials, supplies, equipment, and non-professional services at the lowest ultimate cost and in a timely manner
- a process to purchase, using effective fiscal controls that assure adherence to budgeted expenses and for obtaining appropriate levels of approval as established therein

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. Planning for and developing facilities to provide water for future growth continues to be a District priority.

Following are highlights of the District's completed and on-going initiatives identified in the 2016 Annual Financial Report as well as highlights of major projects to be initiated in 2018 to meet the District's goals.

Completed

- Urban Water Management Plan (UWMP) Update – The UWMP, completed in house solely by District staff, is a long-term planning document that is used by the District and the District's wholesale water provider, the San Geronio Pass Water Agency (SGPWA) to ensure adequate future water supplies. The UWMP Update is also used by the Department of Water Resources (DWR) to update the Comprehensive California Water Plan.
- Supervisory Control and Data Acquisition (SCADA) Phase I – All hardware was replaced, operating systems were upgraded and new communication protocols were implemented. The purpose of the project was to replace an outdated SCADA system.
- District Website Deployment – The purpose of the Website Deployment project was to rewrite all code and redesign the outdated online presence. Several new features were added on the website that help automate communications with the public, provide better transparency, and ensure full mobile accessibility.

Draft - subject to change

- IPAD Project - The purpose of the IPAD project was to provide field staff with a simple and convenient way to complete daily site rounds, reporting, incident reports, and maintenance of facilities from a mobile device.
- The District completed a number of IT security related projects.

To Be Initiated:

- Moving forward, the District intends to initiate the planning and construction on a number of potable water system infrastructure projects including the Noble Tank No. 2 and related pipeline, re-drilling of Wells 1 and 2, and the drilling of Noble Creek Park and Sundance North wells.
- Regional Water Supply Outlook - The District plans to conduct long-term forecasting and planning for water supply, working with all stakeholders to formulate a plan.
- Conservation Program and a Community Outreach Program - The District's intent is to work with surrounding agencies and develop a joint program.
- Water Rates and Fees Update - The last water rate study was conducted in 2010.

Ongoing:

- The District will continue with the development of the non-potable water system by constructing additional facilities necessary to complete the conversion of the remaining 10% of landscape irrigation users as well as satisfy additional demand. The District's focus in 2018 will be on pressure regulator projects, 2520 PZ to 2370 PZ and 2600 PZ to 2520 PZ, as well as the Raw Water Filter System Project at the 2800 PZ Tank.
- The District's main accounting system, Springbrook (Accela), implemented in 2013, has allowed District staff to enhance reporting and internal controls. The District continued to direct its efforts in 2017 towards enhanced system reporting capabilities as well as focusing on the design and implementation of the remaining system modules for Project Costing & Tracking and Remote Time Entry.
- The Grand Avenue Storm Drain Project, which is being developed in conjunction with Riverside County Flood Control and Water Conservation District and partially funded utilizing grant funding from Proposition 84, will capture and recharge storm water at NCRF Phase II. The Project continued in 2017 and likely will be on-going through 2021.
- The GIS System Mapping Project is on-going with the majority of the system completely mapped and accessible to District personnel.
- With the completion of the Potable Water System Master Plan in 2016, the District directed its planning focus to the Recycled Water Master Plan Update which is expected to be completed in 2018.
- The revised Capacity Fee (Facility Fee) Study was initiated in 2016 and is expected to be completed by the end of 2018.

Draft - subject to change

- The Automated Meter Reading (AMR) Deployment project was designed to provide a streamlined and efficient way for staff to read water meters electronically. The initial phase of the AMR Deployment project was completed in 2016, however the District has continued to deploy radios on all new constructions and rehabs. Staff plans to deploy several hundred radios over the next few years.
- In 2017 the District initiated the IT workstation upgrade program that is based on a rotating three-year replacement plan.

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 the planning and implementation of the Beaumont-Cherry Valley Water District's financial and operating policies.

Daniel Jagers
General Manager

Yolanda Rodriguez
Director of Finance and
Administrative Services

Beaumont-Cherry Valley Water District

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



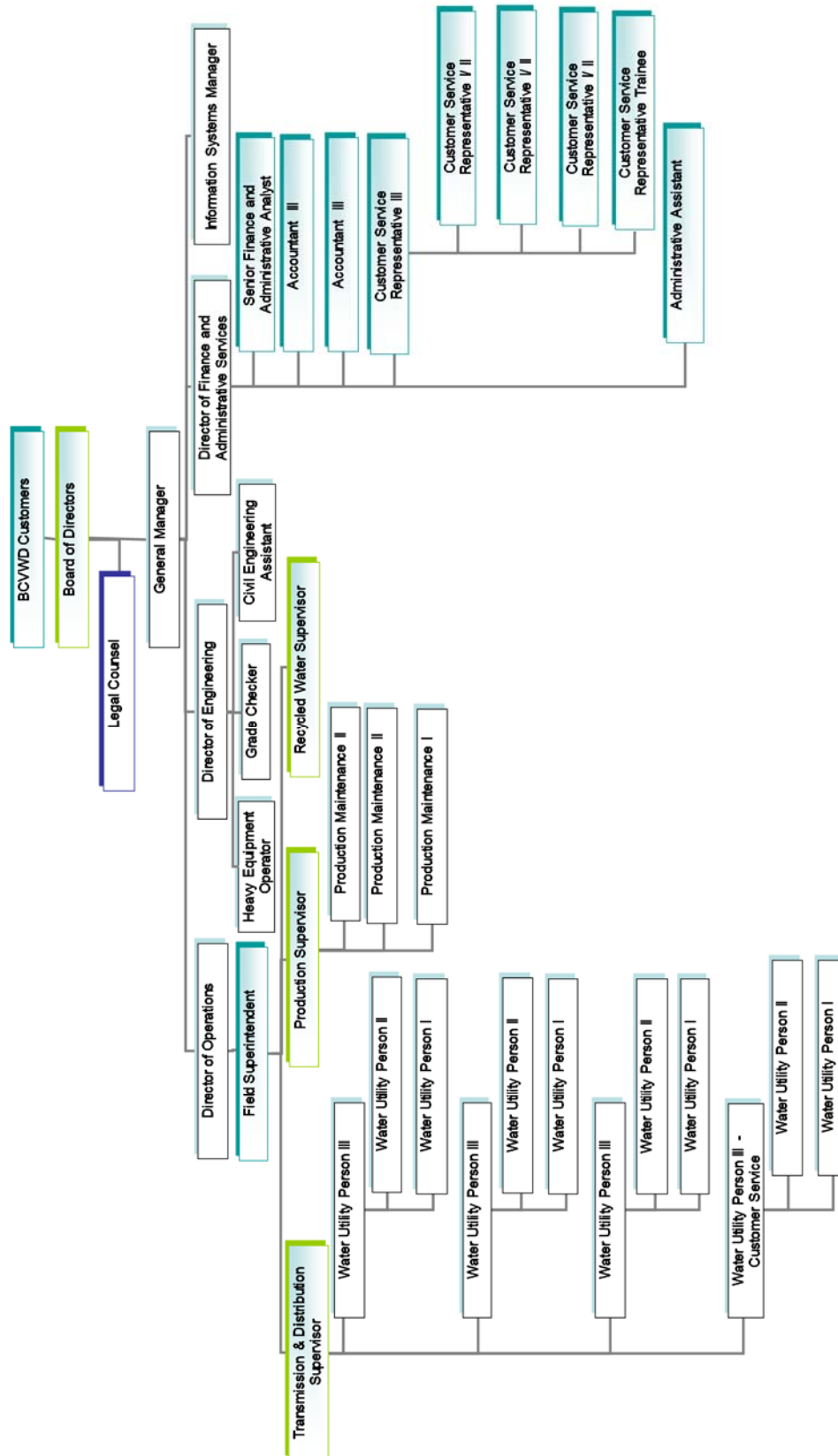
Board of Directors as of December 31, 2017

| Director | Title | Division | Current Term |
|----------------|----------------|----------|-------------------|
| John Covington | President | 4 | 12/2014 – 12/2018 |
| Andy Ramirez | Vice-President | 1 | 12/2016 – 12/2020 |
| Claudeen Diaz | Secretary | 2 | 04/2017 – 12/2018 |
| David Hoffman | Treasurer | 5 | 12/2014 – 12/2018 |
| Daniel Slawson | Director | 3 | 12/2014 – 12/2018 |

Daniel K. Jagers, P.E.
General Manager

Draft - subject to change

Beaumont-Cherry Valley Water District Organizational Chart





Financial

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Independent Auditor's Report

Independent Auditor's 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, 2017, and the related notes to the financial statements, which collectively comprise the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the State Controller's *Minimum Audit Requirements for California Special Districts*. 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 District'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 District'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.

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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, 2017, and the changes in financial position and, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America, as well as the accounting systems prescribed by the State Controller's Office and State Regulations governing Special Districts.

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 13 through 21, the Schedule of Proportionate Share of the Net Pension Liability and Related Ratios as of the Measurement Date on page 52, the Schedule of Plan Contributions on page 53 and the Other Post-Employment Benefits Schedule of Funding Progress on page 54 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 collectively comprise the District's basic financial statements. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The introductory section and statistical section 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.

Prior Year Comparative Information

The financial statements include partial prior-year comparative financial information for the year ended December 31, 2016, which was audited by another auditor whose report dated August 9, 2017, expressed an unmodified opinion on those statements. Such information does not include all of the information required to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended December 31, 2016, from which such partial information was derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June xx, 2018 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.

San Bernardino California

June xx, 2018



Management's Discussion and Analysis

Beaumont-Cherry Valley Water District

Management's Discussion and Analysis For the Years Ended December 31, 2017 and 2016

As management of the Beaumont-Cherry Valley Water District (the "District" or "BCVWD"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal years ended December 31, 2017 and 2016. 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 1-7.

FINANCIAL HIGHLIGHTS

Based on the financial information for the year ended December 31, 2017, the following financial highlights are noted for the District:

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at year end by \$161,399,305 (net position). Of this amount, \$27,261,540 represents unrestricted net position, which may be used to meet the District's ongoing obligations to customers and creditors and maintain designated reserves approved by the District's Board of Directors.
- The District's total net position increased \$11,637,488 from the prior fiscal year. The increase is mainly a result of capital contributions from developer activities of \$11,270,398, which are capacity charges to developers to ensure that funds are set aside to provide for the expansion of the domestic and non-potable water system.

Based on the financial information for the year ended December 31, 2016, the following financial highlights are noted for the District:

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at year end by \$149,761,817 (net position). Of this amount, \$25,294,018 represents unrestricted net position, which may be used to meet the District's ongoing obligations to customers and creditors and maintain designated reserves approved by the District's Board of Directors.
- The District's total net position increased \$10,951,220 from the prior fiscal year. The increase is mainly a result of capital contributions from developer activities of \$9,541,491, which is comprised of \$1,004,624 in donated capital assets and \$8,536,867 in capacity charges.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

Beaumont-Cherry Valley Water District is a special-purpose government engaged in activities that are supported exclusively by user charges. As such, the District's financial statements are presented in the format prescribed for proprietary funds by the Governmental Accounting Standards Board.

The following financial statements for the year ended December 31, 2017 (2016 for comparative purposes only) consist of a series of interrelated statements designed to provide the reader with relevant, understandable data about the District's financial condition and operating results. They are the Statement of Net Position, the Statement of Revenues, Expenses, and Changes in Net Position, and the Statement of Cash Flows.

The *Statement of Net Position* presents financial information on all of the District's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, 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.

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 periods 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 two years. It can also be used as a basis for determining credit worthiness.

The *Statement of Cash Flows* presents information relating to the District's cash receipts and cash disbursements during 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 years. This *Statement* answers questions such as sources of cash, uses of cash, and the change in the cash balance during the reporting periods.

Notes to the Basic 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 26-51 of this report.

In addition to the *Basic Financial Statements* and accompanying notes, this report also presents *Required Supplementary Information*, which includes the schedule of the District's proportionate share of the net pension liability, schedule of pension contributions, and the schedule of funding progress on the other post-employment benefit (OPEB) plan. *Required Supplementary Information* can be found on pages 52-54 of this report.

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Beaumont-Cherry Valley Water District

Management's Discussion and Analysis For the Years Ended December 31, 2017 and 2016

FINANCIAL ANALYSIS OF THE DISTRICT

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.

Condensed Statements of Net Position

| | 2017 | 2016 | 2015 |
|----------------------------------|----------------|----------------|----------------|
| Assets | | | |
| Current assets | \$ 54,612,083 | \$ 41,545,467 | \$ 29,151,714 |
| Non-current assets | 659,696 | 99,265 | 120,516 |
| Capital assets | 112,850,063 | 114,241,568 | 115,246,313 |
| Total assets | 168,121,842 | 155,886,300 | 144,518,543 |
| Deferred outflows of resources | 838,114 | 631,124 | 824,839 |
| Liabilities | | | |
| Current liabilities | 4,379,864 | 3,796,063 | 3,088,212 |
| Non-current liabilities | 2,988,345 | 2,538,800 | 2,126,138 |
| Total liabilities | 7,368,209 | 6,334,863 | 5,214,350 |
| Deferred inflows of resources | 192,442 | 420,744 | 1,318,435 |
| Net position | | | |
| Net investment in capital assets | 112,850,063 | 114,241,568 | 115,246,313 |
| Restricted | 21,287,702 | 10,226,231 | 9,225,608 |
| Unrestricted | 27,261,540 | 25,294,018 | 14,338,676 |
| Total net position | \$ 161,399,305 | \$ 149,761,817 | \$ 138,810,597 |

Management's Discussion and Analysis
For the Years Ended December 31, 2017 and 2016

FINANCIAL ANALYSIS OF THE DISTRICT (CONTINUED)

Assets

2017 compared to 2016 Total assets were \$168,121,842, reflecting an increase of \$12,235,542 primarily due to the following:

- Current assets, comprised of restricted and unrestricted assets, increased by \$13,066,616. This change is primarily reflective of net cash from operations of \$2,664,155, and capital contributions of \$11,270,398 less \$1,251,166 for acquisition and construction of capital assets.

2016 compared to 2015 Total assets were \$155,886,300, reflecting an increase of \$11,367,757. Current assets, comprised of restricted and unrestricted assets, increased by \$12,393,753. This change is primarily reflective of net cash from operations of \$4,219,758, and capital contributions of \$8,536,867 less \$527,172 for construction of capital assets.

Liabilities

2017 compared to 2016 Total liabilities were \$7,368,209, reflecting an increase of \$1,033,346 primarily due to the following:

- Unearned revenues, which are generally payments made in advance of the District providing services such as meter installations, plan checks, and inspections, increased by \$596,171.
- The District's net pension liability increased by \$347,778, a year-end calculation made in accordance with Governmental Accounting Standards Board (GASB) statement number 68 Accounting and Financial Reporting for Pensions.

2016 compared to 2015 Total liabilities were \$6,334,863, reflecting an increase of \$1,120,513. This change is primarily comprised of increases of \$435,971 in unearned revenues and \$356,717 in the District's net pension liability.

Beaumont-Cherry Valley Water District

Management's Discussion and Analysis For the Years Ended December 31, 2017 and 2016

FINANCIAL ANALYSIS OF THE DISTRICT (CONTINUED)

Net Position

2017 compared to 2016 Total net position was \$161,399,305, reflecting an increase of \$11,637,488.

- The largest portion of the District's net position, which is its investment in capital assets of \$112,850,063 (69.9%) had a decrease of \$1,391,505 from the prior year. Investment in capital assets reflects its investment in land, transmission and distribution systems, reservoirs, tanks, pumps, buildings and structures, and 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 portion of net position was \$21,287,702 (13.2%), an increase of \$11,061,471 from the prior year. Restricted net position is subject to external restrictions on its use, such as for future infrastructure construction.
- The remaining unrestricted net position of \$27,261,540 (16.9%), an increase of \$1,967,522, is non-spendable (\$1,456,865) and designated (\$25,804,675), according to Board policy, to meet the ongoing needs of the District. See Note 11 on page 41 for more details on the District's net position.

2016 compared to 2015 Total net position increased by \$10,951,220 primarily due to \$9,541,491 in capital contributions received.

The details of both increases were discussed in the Financial Highlights section on page 13.

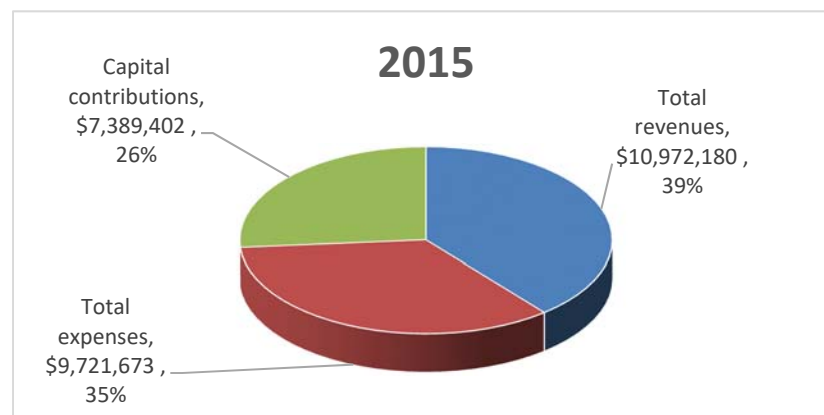
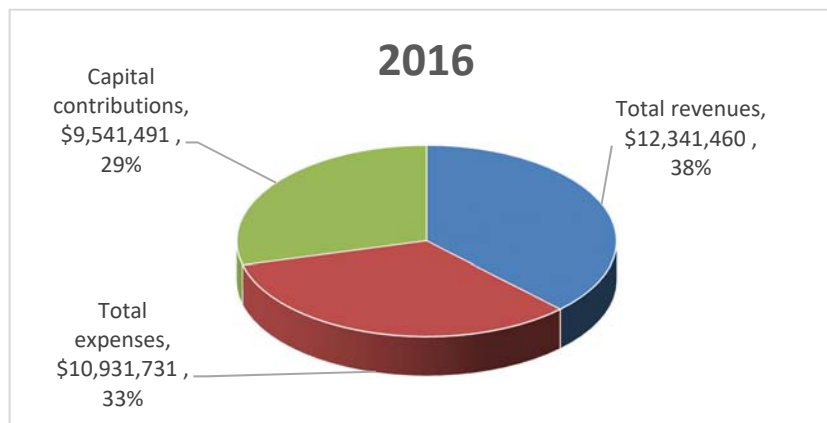
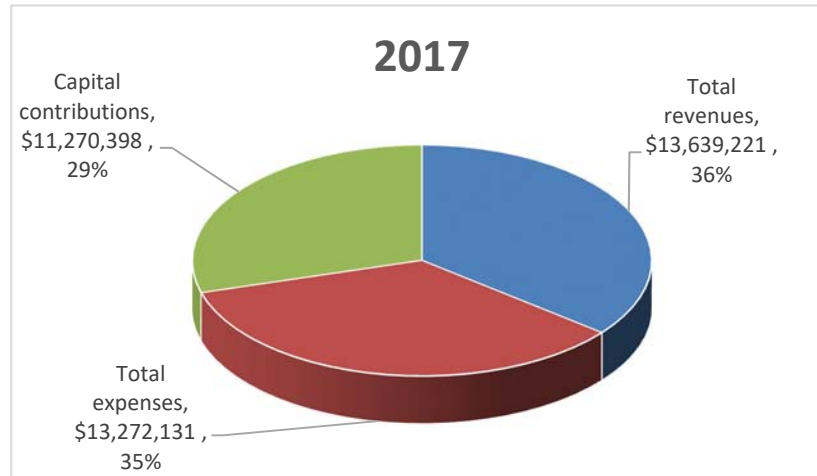
Condensed Statements of Revenues, Expenses and Changes in Net Position

| | 2017 | 2016 | 2015 |
|------------------------------------|----------------------|----------------------|---------------------|
| Operating revenues | \$ 13,177,509 | \$ 12,139,440 | \$ 10,832,295 |
| Non-operating revenues | 461,712 | 202,020 | 139,885 |
| Total revenues | <u>13,639,221</u> | <u>12,341,460</u> | <u>10,972,180</u> |
| Operating expenses | 13,235,100 | 10,923,833 | 9,721,673 |
| Non-operating expenses | 37,031 | 7,898 | - |
| Total expenses | <u>13,272,131</u> | <u>10,931,731</u> | <u>9,721,673</u> |
| Income (loss) before contributions | <u>367,090</u> | <u>1,409,729</u> | <u>1,250,507</u> |
| Capital contributions | 11,270,398 | 9,541,491 | 7,389,402 |
| Change in net position | <u>\$ 11,637,488</u> | <u>\$ 10,951,220</u> | <u>\$ 8,639,909</u> |

Management's Discussion and Analysis
For the Years Ended December 31, 2017 and 2016

FINANCIAL ANALYSIS OF THE DISTRICT (Continued)

REVENUES BY SOURCE



**Management's Discussion and Analysis
For the Years Ended December 31, 2017 and 2016**

FINANCIAL ANALYSIS OF THE DISTRICT (Continued)

Operating Revenues and Expenses

2017 compared to 2016

Total operating revenues of \$13,177,509 increased by \$1,038,069 primarily due to the following:

- Metered water sales and the corresponding water importation charges and water pumping pass-through charges totaling \$8,990,894 increased by \$723,857, mainly due to an 8.8 percent increase in water consumption.
- Development and installation charges of \$818,430 increased by \$165,179, mainly due to an increase in development-driven activities.
- Water service charges of \$3,014,752 increased by \$149,019, mainly due to the installation of 625 meters during 2017.

Total operating expenses of \$13,235,100 increased by \$2,311,267 primarily due to the following:

- Purchases of imported water totaling \$4,308,030 increased by \$1,353,907 as the District participated in a regional effort to buy imported water from Northern California, available after the heavy winter rainfall, to recharge the local groundwater basin. Higher groundwater levels resulting from the recharge not only helps ensure the health of the basin but makes pumping groundwater more cost effective.
- Salaries and employee benefits expenses of \$3,395,058 increased by \$420,071 as the District filled several positions that were previously vacant and incurred severance costs.
- Energy costs from pumping totaling \$1,598,665 increased by \$253,932 as a result of the increase in consumer demand of 8.8 percent.

2016 compared to 2015

Total operating revenues were \$12,139,440, reflecting an increase of \$1,307,145. Water consumption-related sales, totaling \$8,267,037, increased by \$856,522 mainly due to a 12 percent increase in water consumption resulting from an easing of water conservation mandates due to drought conditions. Additionally, development and installation charges of \$653,251 increased by \$304,421, primarily due to an increase in the fee charged for new meters at the end of 2015.

Total operating expenses were \$10,923,833, which increased by \$1,202,160. This increase was mainly due to purchases of imported water, totaling \$2,954,123, which reflected a \$2,075,057 increase as the District purchased excess water from Northern California that had become available toward the end of the year. This increase was offset by a decrease in pension expense (credit) of \$619,307, a year-end calculation made in accordance with Governmental Accounting Standards Board (GASB) statement number 68 Accounting and Financial Reporting for Pensions.

Beaumont-Cherry Valley Water District

Management's Discussion and Analysis For the Years Ended December 31, 2017 and 2016

FINANCIAL ANALYSIS OF THE DISTRICT (CONTINUED)

Capital Assets

| | Balance December 31, 2017 | Balance December 31, 2016 | Balance December 31, 2015 |
|--------------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Land | \$ 7,721,730 | \$ 7,721,730 | \$ 7,721,730 |
| Construction in progress | 428,469 | 296,555 | 1,941,074 |
| Transmission and distribution system | 63,828,190 | 64,552,041 | 64,403,958 |
| Structures and improvements | 14,138,546 | 14,531,008 | 13,490,201 |
| Reservoirs and tanks | 16,722,251 | 17,215,523 | 17,387,284 |
| Pumping and telemetry equipment | 9,300,108 | 9,412,938 | 9,629,051 |
| Vehicles and equipment | 710,769 | 511,773 | 673,015 |
| Capital assets, net of depreciation | <u>\$ 112,850,063</u> | <u>\$ 114,241,568</u> | <u>\$ 115,246,313</u> |

The District's investment in capital assets includes land, transmission and distribution systems, reservoirs, tanks, pumps, buildings and structures, equipment and vehicles, and construction in progress.

2017 compared to 2016 The District's investment in capital assets, net of accumulated depreciation, was \$112,850,063, a decrease of \$1,391,505. The decrease resulted mainly from the following significant capital additions, offset by current year depreciation of \$2,591,208:

- New meter installations amounting to \$581,071.
- Additions to construction in progress of \$465,731
- Vehicle and equipment purchases of \$182,622.

2016 compared to 2015 The District's investment in capital assets, net of accumulated depreciation, was \$114,241,568 a decrease of \$1,004,745. The increase resulted mainly from water system improvements contributed by two development tracts totaling \$1,004,624, and new meter installations amounting to \$352,341, offset by current year depreciation of \$2,528,643.

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. More information on the District's capital assets activity for the years ending December 31, 2017 and 2016 can be found in Note 5 beginning on page 36 of this report.

Long-term Debt

At December 31, 2017, the District had no long-term debt.

**Management's Discussion and Analysis
For the Years Ended December 31, 2017 and 2016**

CONDITIONS AFFECTING CURRENT FINANCIAL POSITION

In response to the drought conditions that affected the state of California in recent years, District customers have significantly reduced the amount of water they are using. Some of the changes in water use are temporary and based on customer behavior, while others are a result of more permanent changes, such as landscaping and toilet replacements. The amount of water consumption has increased slightly compared to prior years, but the District has experienced a rapid growth in connections over the past several years. While the impact of these conservation efforts benefits the District's groundwater supply, as well as its reliance on imported water, revenue is significantly impacted by these reductions.

There have been no increases in the District's basic domestic water charges since July 1, 2012.

Requests for Information

This financial report is designed to provide a general overview of the District's finances and to demonstrate accountability and stewardship over the money it receives. Questions regarding the content provided in this report or requests for additional information should be addressed to the Director of Finance and 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

Statements of Net Position

December 31, 2017 with Comparative Information as of December 31, 2016

| | 2017 | 2016 |
|---|----------------|----------------|
| ASSETS | | |
| Current assets: | | |
| Cash and investments (Note 2) | \$ 27,029,833 | \$ 25,748,942 |
| Restricted cash and investments - funds held for others (Note 2) | 3,476,548 | 2,857,850 |
| Restricted cash and investments - capital commitments (Note 2) | 20,668,475 | 10,226,231 |
| Interest receivable | 135,958 | 41,510 |
| Accounts receivable, net of allowance for uncollectibles (Note 3) | 2,448,749 | 1,840,317 |
| Notes receivable (Note 4) | 9,751 | 10,282 |
| Restricted notes receivable (Note 4) | 45,600 | - |
| Inventories | 635,908 | 668,705 |
| Prepaid items | 161,261 | 151,630 |
| Total current assets | 54,612,083 | 41,545,467 |
| Noncurrent assets: | | |
| Notes receivable (Note 4) | 86,069 | 99,265 |
| Restricted notes receivable (Note 4) | 573,627 | - |
| Capital assets, net of accumulated depreciation (Note 5) | 112,850,063 | 114,241,568 |
| Total noncurrent assets | 113,509,759 | 114,340,833 |
| Total assets | 168,121,842 | 155,886,300 |
| DEFERRED OUTFLOWS OF RESOURCES | | |
| Pension related (Note 12) | 838,114 | 631,124 |
| LIABILITIES | | |
| Current liabilities: | | |
| Accounts payable and other accrued liabilities (Note 6) | 734,558 | 682,844 |
| Customer account credit balances (Note 7) | 163,619 | 193,857 |
| Customer deposits payable | 425,447 | 372,682 |
| Unearned revenues (Note 8) | 2,887,482 | 2,291,311 |
| Current portion of long-term liabilities: | | |
| Compensated absences (Note 9) | 168,758 | 255,369 |
| Total current liabilities | 4,379,864 | 3,796,063 |
| Noncurrent liabilities: | | |
| Compensated absences (Note 9) | 100,771 | 91,868 |
| Other post-employment benefits obligations (Note 10) | 760,952 | 668,088 |
| Net pension liability (Note 12) | 2,126,622 | 1,778,844 |
| Total noncurrent liabilities | 2,988,345 | 2,538,800 |
| Total liabilities | 7,368,209 | 6,334,863 |
| DEFERRED INFLOWS OF RESOURCES | | |
| Pension related (Note 12) | 192,442 | 420,744 |
| NET POSITION | | |
| Net investment in capital assets (Note 11) | 112,850,063 | 114,241,568 |
| Restricted (Note 11) | 21,287,702 | 10,226,231 |
| Unrestricted (Note 11) | 27,261,540 | 25,294,018 |
| Total net position | \$ 161,399,305 | \$ 149,761,817 |

See accompanying notes to the financial statements.

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Beaumont-Cherry Valley Water District

Statements of Revenues, Expenses and Changes in Net Position

For the Year Ended December 31, 2017 with Comparative Information for the year ended December 31, 2016

| | 2017 | 2016 |
|---|-----------------------|-----------------------|
| OPERATING REVENUES | | |
| Metered water sales | \$ 5,060,758 | \$ 4,655,883 |
| Water service charges | 3,014,752 | 2,865,733 |
| Water importation pass-through charges | 2,288,455 | 2,102,694 |
| Water pumping power pass-through charges | 1,641,681 | 1,508,460 |
| Development and installation charges | 818,430 | 653,251 |
| Other revenue | 353,433 | 353,419 |
| Total operating revenues | 13,177,509 | 12,139,440 |
| OPERATING EXPENSES | | |
| Salaries and employee benefits | 3,395,058 | 2,974,987 |
| Pension expense (credit) | (87,514) | (225,040) |
| Energy expenses | 1,598,665 | 1,344,733 |
| Water purchases | 4,308,030 | 2,954,123 |
| Administration | 284,724 | 193,382 |
| Operations | 292,991 | 234,245 |
| Maintenance and repairs | 515,645 | 604,118 |
| Depreciation | 2,591,208 | 2,528,643 |
| Insurance | 73,674 | 75,502 |
| Professional fees | 250,504 | 228,162 |
| Other expenses | 12,115 | 10,978 |
| Total operating expenses | 13,235,100 | 10,923,833 |
| Operating income (loss) | (57,591) | 1,215,607 |
| NONOPERATING REVENUES (EXPENSES) | | |
| Interest earnings | 350,406 | 180,342 |
| Rental income | 21,715 | 20,577 |
| Other revenue | 89,591 | 1,101 |
| Loss on disposal of capital assets | (37,031) | (7,898) |
| Total nonoperating revenues (expenses) | 424,681 | 194,122 |
| Income before contributions | 367,090 | 1,409,729 |
| CAPITAL CONTRIBUTIONS | | |
| Donated capital assets | - | 1,004,624 |
| Capacity charges | 11,270,398 | 8,536,867 |
| Total capital contributions | 11,270,398 | 9,541,491 |
| Change in net position | 11,637,488 | 10,951,220 |
| Net position, beginning of year | 149,761,817 | 138,810,597 |
| Net position, end of year | \$ 161,399,305 | \$ 149,761,817 |

See accompanying notes to the financial statements.

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Beaumont-Cherry Valley Water District

Statements of Cash Flows

For the Year Ended December 31, 2017 with Comparative Information for the year ended December 31, 2016

| | 2017 | 2016 |
|--|----------------------|----------------------|
| Cash flows from operating activities: | | |
| Receipts from customers | \$ 13,231,196 | \$ 12,719,157 |
| Payments to employees for salaries and benefits | (3,385,908) | (3,105,783) |
| Payments to suppliers and service providers | (7,233,898) | (5,423,422) |
| Receipt of customer deposits | 52,765 | 29,806 |
| Net cash provided by operating activities | 2,664,155 | 4,219,758 |
| Cash flows from capital and related financing activities: | | |
| Acquisition and construction of capital assets | (1,251,166) | (527,172) |
| Capital contributions | 10,651,171 | 8,536,867 |
| Rental income | 21,715 | 20,577 |
| Net cash provided by capital and related financing activities | 9,421,720 | 8,030,272 |
| Cash flows from investing activities: | | |
| Interest received | 255,958 | 160,973 |
| Net increase in cash and cash equivalents | 12,341,833 | 12,411,003 |
| Cash and investments, beginning of year | 38,833,023 | 26,422,020 |
| Cash and investments, end of year | <u>\$ 51,174,856</u> | <u>\$ 38,833,023</u> |
| Reconciliation to the Statement of Net Position: | | |
| Cash and investments | \$ 27,029,833 | \$ 25,748,942 |
| Restricted cash and investments - funds held for others | 3,476,548 | 2,857,850 |
| Restricted cash and investments - capital commitments | 20,668,475 | 10,226,231 |
| Total cash and investments | <u>\$ 51,174,856</u> | <u>\$ 38,833,023</u> |

See accompanying notes to the financial statements.

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Beaumont-Cherry Valley Water District

Statements of Cash Flows, Continued

For the Year Ended December 31, 2017 with Comparative Information for the year ended December 31, 2016

| | 2017 | 2016 |
|--|--------------|--------------|
| Reconciliation of operating income (loss) to net cash provided by operating activities | | |
| Operating income (loss) | \$ (57,591) | \$ 1,215,607 |
| Adjustments to reconcile operating income (loss) to net cash provided by operating activities: | | |
| Depreciation expense | 2,591,208 | 2,528,643 |
| Construction in progress abandoned | 14,432 | - |
| Other income | 89,591 | 1,101 |
| (Increase) decrease in accounts receivable | (608,432) | 15,189 |
| (Increase) decrease in notes receivable | 13,727 | 111,804 |
| (Increase) decrease in inventories | 32,797 | (59,905) |
| (Increase) decrease in prepaid items | (9,631) | (9,218) |
| (Increase) decrease in deferred outflows of resources | (206,990) | 193,715 |
| Increase (decrease) in accounts payable and other accrued liabilities | 51,714 | 178,873 |
| Increase (decrease) in customer account credit balances | (30,238) | 12,446 |
| Increase (decrease) in customer deposits payable | 52,765 | 29,806 |
| Increase (decrease) in unearned revenues | 596,171 | 435,971 |
| Increase (decrease) in compensated absences | (77,708) | 17,361 |
| Increase (decrease) in other post-employment benefit obligations | 92,864 | 89,339 |
| Increase (decrease) in net pension liability | 347,778 | 356,717 |
| Increase (decrease) in deferred inflows of resources | (228,302) | (897,691) |
| Total adjustments | 2,721,746 | 3,004,151 |
| Net cash provided by operating activities | \$ 2,664,155 | \$ 4,219,758 |
| Schedule of non-cash investing and capital and related financing activities | | |
| Capital contributions - donated capital assets | \$ - | \$ 1,004,624 |

See accompanying notes to the financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity and Basis of Presentation

The Beaumont-Cherry Valley Water District (District) is a special-purpose government district supplying and distributing water to over 46,000 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 proprietary 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.

Notes to the Financial Statements For the Years Ended December 31, 2017 and 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 capacity charges collected during the year to ensure that funds 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.

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). The capitalization threshold is \$5,000. Contributed assets are stated at estimated acquisition 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 | 3 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.

Notes to the Financial Statements
For the Years Ended December 31, 2017 and 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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. Any unpaid debt is deemed a lien against the real property to which service is rendered in accordance with applicable law.

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

Notes to the Financial Statements
For the Years Ended December 31, 2017 and 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. Fair Value Measurement

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. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

M. 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.

N. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's California Public Employees Retirement System (CalPERS) Plans and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

O. New Accounting Pronouncements

Effective in Future Fiscal Years

GASB Statement No. 75 – In June 2015, GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. The provisions in Statement 75 are effective for fiscal years beginning after June 15, 2017. The District has not determined the effect on the financial statements.

Beaumont-Cherry Valley Water District

Notes to the Financial Statements For the Years Ended December 31, 2017 and 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Prior Year Data

Selected information regarding the prior year has been included in the accompanying financial statements. This information has been included for comparison purposes only and does not represent a complete presentation in accordance with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the District's prior year financial statements from which this selected financial information was derived.

Q. Reclassifications

Certain reclassifications have been made to prior year's balance to conform to classifications used in 2017.

NOTE 2 – CASH AND INVESTMENTS

Cash and investments as of December 31 are classified in the accompanying financial statements as follows:

| Description | 2017 | 2016 |
|---|----------------------|----------------------|
| Cash and investments | \$ 27,029,833 | \$ 25,748,942 |
| Restricted cash and investments - funds held for others | 3,476,548 | 2,857,850 |
| Restricted cash and investments - capital commitments | 20,668,475 | 10,226,231 |
| Total cash and investments | <u>\$ 51,174,856</u> | <u>\$ 38,833,023</u> |

Cash and investments as of December 31 consist of the following:

| Description | 2017 | 2016 |
|--|----------------------|----------------------|
| Cash on hand (petty cash and change drawers) | \$ 1,400 | \$ 1,400 |
| Demand deposits (cash in bank) | 1,320,227 | 14,904,402 |
| Investments | 49,853,229 | 23,927,221 |
| Total cash and investments | <u>\$ 51,174,856</u> | <u>\$ 38,833,023</u> |

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.

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Beaumont-Cherry Valley Water District

Notes to the Financial Statements For the Years Ended December 31, 2017 and 2016

NOTE 2 – CASH AND INVESTMENTS (Continued)

| Authorized Investment Type | Maturity Limit | Maximum Specified % of Portfolio |
|--|----------------|---|
| Local Agency Bonds | 5 years | None |
| US Treasury Obligations | 5 years | None |
| State Obligations - CA and others | 5 years | None |
| CA Local Agency Obligations | 5 years | None |
| US Agency Obligations | 5 years | None |
| Bankers Acceptances | 180 days | 40% |
| Commercial Paper - Pooled Funds | 270 days | 40% of the District's money |
| Commercial Paper - Non-Pooled Funds | 270 days | 25% of the District's money |
| Negotiable Certificates of Deposit | 5 years | 30% |
| Non-negotiable Certificates of Deposit | 5 years | None |
| Placement Service Deposits | 5 years | 30% |
| Placement Service Certificates of Deposit | 5 years | 30% |
| Repurchase Agreements | 1 year | None |
| Reverse Repurchase Agreements and Securities Lending Agreements | 92 days | 20% of the base value of the portfolio |
| Medium Term Notes | 5 years | 30% |
| Mutual Funds and Money Market | | |
| Mutual Funds | N/A | 20% |
| Collateralized Bank Deposits | 5 years | None |
| Mortgage Pass-Through Securities | 5 years | 20% |
| County Pooled Investment Funds | N/A | None |
| Joint Powers Authority Pool | N/A | None |
| Local Agency Investment Fund (LAIF) | N/A | None |
| Voluntary Investment Program Fund | N/A | None |
| Supranational Obligations | 5 years | 30% |

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.

The District's investment policy follows the California Government Code as it relates to limits on investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates.

Beaumont-Cherry Valley Water District

Notes to the Financial Statements For the Years Ended December 31, 2017 and 2016

NOTE 2 – CASH AND INVESTMENTS (Continued)

The District's investments as of December 31, 2017 were as follows:

| Investment Type | Fair Value | Maturity |
|-------------------|----------------------|----------------------|
| | | 12 Months or Less |
| CalTRUST | \$ 25,718,950 | \$ 25,718,950 |
| LAIF | 24,134,279 | 24,134,279 |
| Total investments | <u>\$ 49,853,229</u> | <u>\$ 49,853,229</u> |

The District's investments as of December 31, 2016 were as follows:

| Investment Type | Fair Value | Maturity |
|-----------------|----------------------|----------------------|
| | | 12 Months or Less |
| LAIF | <u>\$ 23,927,221</u> | <u>\$ 23,927,221</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's only investments are in LAIF and CalTRUST, both of which are 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.

Notes to the Financial Statements For the Years Ended December 31, 2017 and 2016

NOTE 2 – CASH AND INVESTMENTS (Continued)

Custodial Credit Risk (Continued)

California law also allows financial institutions to secure deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits. The District may waive collateral requirements for deposits which are fully insured by federal depository insurance.

As of December 31, 2017 and 2016, the District had deposits with financial Institutions of \$1,065,565 and \$14,654,377, respectively, in excess of federal depository insurance limits and subject to custodial credit risk as described above.

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. 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 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. Accordingly, under the fair value hierarchy, the measurement of the District's investment is based on uncategorized inputs not defined as Level 1, Level 2, or Level 3 inputs. Further information about LAIF is available on the California State Controller's website: www.treasurer.ca.gov/pmia-laif/.

CalTRUST

The District is a voluntary participant in CalTRUST, a Joint Exercise Powers Agreement of the Investment Trust of California. The principal executive office is located at 1100 K Street, Suite 1010, Sacramento, California 95814. CalTRUST is subject to the California Joint Exercise of Powers Act. Each participant in CalTRUST must be a California Public Agency. The purpose of CalTRUST is to consolidate investment activities of its participants and thereby reduce duplication, achieve economies of scale and carry out coherent and consolidated investment strategies through the issuance of shares of beneficial interest in investments purchased by CalTRUST.

The two funds the District has invested in are the short-term and medium-term fund. The short-term fund has a targeted portfolio duration of 0 to 2 years and medium-term fund has a targeted portfolio duration of 1 ½ to 3 ½ years. Investment strategies are to attain as high as a level of current income as is consistent with the preservation of principal.

Beaumont-Cherry Valley Water District

Notes to the Financial Statements For the Years Ended December 31, 2017 and 2016

NOTE 2 – CASH AND INVESTMENTS (Continued)

CalTRUST (Continued)

The fair value of the District's investment in CalTRUST is based upon the net asset value (NAV) of shares held by the District at year-end. The net asset value per share is computed by dividing the total value of the securities and other assets, less any liabilities, by the total outstanding shares. Liabilities include all accrued expenses and fees, including expenses of the trust. The market value of portfolio securities is determined on the basis of the market value of such securities, or, if market quotations are not readily available, at fair value under the guidelines established by the trustees. Investments with short remaining maturities may be valued at amortized cost which the CalTRUST Board has determined to equal fair value.

NOTE 3 – ACCOUNTS RECEIVABLE

Water Sales and Services are reported net of uncollectible amounts based on actual collections as of the preparation date of the statements. The General Manager or their designee is authorized to file a lien against real property serviced with the Assessor-Clerk-Recorder of the County of Riverside for any charges 60 days past due. The amount of charges of unpaid bills are included as a lien against the debtor's property until the unpaid charges are collected and the account is brought current. 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 accounts. 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. Amounts are aggregated into a single accounts receivable (net of allowance for uncollectible) amount on the financial statements.

The detail of the receivables, including applicable allowances for uncollectible amounts as of December 31, 2017 is as follows:

| | Water Sales and Services | Other | Developer | Total |
|---|-----------------------------|------------------|-------------------|---------------------|
| Receivables | \$ 2,257,606 | \$ 26,498 | \$ 432,369 | \$ 2,716,473 |
| Less: allowance for uncollectible accounts | - | - | (267,724) | (267,724) |
| Net receivables | <u>\$ 2,257,606</u> | <u>\$ 26,498</u> | <u>\$ 164,645</u> | <u>\$ 2,448,749</u> |

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Beaumont-Cherry Valley Water District

Notes to the Financial Statements For the Years Ended December 31, 2017 and 2016

NOTE 3 – ACCOUNTS RECEIVABLE (Continued)

The detail of the receivables, including applicable allowances for uncollectible amounts, as of December 31, 2016 is as follows:

| | Water Sales and Services | Other | Developer | Total |
|---|-----------------------------|------------------|-------------------|---------------------|
| Receivables | \$ 1,690,759 | \$ 30,053 | \$ 388,499 | \$ 2,109,311 |
| Less: allowance for uncollectible accounts | - | (1,270) | (267,724) | (268,994) |
| Net receivables | <u>\$ 1,690,759</u> | <u>\$ 28,783</u> | <u>\$ 120,775</u> | <u>\$ 1,840,317</u> |

NOTE 4 – NOTES RECEIVABLE

In 2003, the Bonita Vista Mutual Water Company (Bonita Vista) 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 Bonita Vista were responsible for 1/100th 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 percent 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 (Fairway Canyon) for payment of the new water component of the water main extension and capacity charges. The notes are payable over 10 years at an annual interest rate of 10 percent.

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

The detail of the notes, including applicable allowances for uncollectible amounts as of December 31, 2017 is as follows:

| | Notes Receivable | Restricted Notes Receivable | |
|------------------------|---------------------|-----------------------------------|-------------------|
| | Bonita Vista | Fairway Canyon | Total |
| Current | \$ 9,751 | \$ 45,600 | \$ 55,351 |
| Non-current | <u>86,069</u> | <u>573,627</u> | <u>659,696</u> |
| Total notes receivable | <u>\$ 95,820</u> | <u>\$ 619,227</u> | <u>\$ 715,047</u> |

Beaumont-Cherry Valley Water District

Notes to the Financial Statements For the Years Ended December 31, 2017 and 2016

NOTE 4 – NOTES RECEIVABLE (Continued)

The detail of the notes, including applicable allowances for uncollectible amounts as of December 31, 2016 is as follows:

| | Notes Receivable | Restricted Notes Receivable | |
|------------------------|---------------------|-----------------------------------|-------------------|
| | Bonita Vista | Fairway Canyon | Total |
| Notes receivable | | | |
| Current | \$ 10,282 | \$ - | \$ 10,282 |
| Non-current | 99,265 | - | 99,265 |
| Total notes receivable | <u>\$ 109,547</u> | <u>\$ -</u> | <u>\$ 109,547</u> |

NOTE 5 – CAPITAL ASSETS

The following table summarizes capital asset activity during the year ended December 31, 2017:

| | Beginning Balance | Additions | Deletions | Transfers | Ending Balance |
|--|-----------------------|-----------------------|--------------------|-------------|-----------------------|
| Capital assets, not being depreciated | | | | | |
| Land | \$ 7,721,730 | \$ - | \$ - | \$ - | \$ 7,721,730 |
| Construction in progress | 296,555 | 465,731 | (14,432) | (319,385) | 428,469 |
| Total capital assets, not being depreciated | 8,018,285 | 465,731 | (14,432) | (319,385) | 8,150,199 |
| Capital assets, being depreciated: | | | | | |
| Transmission and distribution system | 78,246,903 | 581,071 | - | - | 78,827,974 |
| Structures and improvements | 17,919,428 | - | - | - | 17,919,428 |
| Reservoirs and tanks | 22,546,667 | - | - | - | 22,546,667 |
| Pumping and telemetry equipment | 12,654,512 | 21,742 | - | 73,610 | 12,749,864 |
| Vehicles and equipment | 2,067,116 | 182,622 | (298,429) | 245,775 | 2,197,084 |
| Total capital assets, being depreciated | 133,434,626 | 785,435 | (298,429) | 319,385 | 134,241,017 |
| Less accumulated depreciation for: | | | | | |
| Transmission and distribution system | (13,694,862) | (1,304,922) | - | - | (14,999,784) |
| Structures and improvements | (3,388,420) | (392,462) | - | - | (3,780,882) |
| Reservoirs and tanks | (5,331,144) | (493,272) | - | - | (5,824,416) |
| Pumping and telemetry equipment | (3,241,574) | (208,182) | - | - | (3,449,756) |
| Vehicles and equipment | (1,555,343) | (192,370) | 261,398 | - | (1,486,315) |
| Total accumulated depreciation | (27,211,343) | (2,591,208) | 261,398 | - | (29,541,153) |
| Total capital assets, being depreciated, net | 106,223,283 | (1,805,773) | (37,031) | 319,385 | 104,699,864 |
| Capital assets, net of depreciation | <u>\$ 114,241,568</u> | <u>\$ (1,340,042)</u> | <u>\$ (51,463)</u> | <u>\$ -</u> | <u>\$ 112,850,063</u> |

Beaumont-Cherry Valley Water District

Notes to the Financial Statements For the Years Ended December 31, 2017 and 2016

NOTE 5 – CAPITAL ASSETS (Continued)

The following table summarizes capital asset activity during the year ended December 31, 2016:

| | Beginning Balance | Additions | Deletions | Transfers | Ending Balance |
|--|----------------------|--------------|-------------|-------------|-------------------|
| Capital assets, not being depreciated | | | | | |
| Land | \$ 7,721,730 | \$ - | \$ - | \$ - | \$ 7,721,730 |
| Construction in progress | 1,941,074 | 174,113 | (6,169) | (1,812,463) | 296,555 |
| Total capital assets, not being depreciated | 9,662,804 | 174,113 | (6,169) | (1,812,463) | 8,018,285 |
| Capital assets, being depreciated: | | | | | |
| Transmission and distribution system | 78,759,223 | 1,356,965 | (1,976,667) | 107,382 | 78,246,903 |
| Structures and improvements | 16,486,055 | - | - | 1,433,373 | 17,919,428 |
| Reservoirs and tanks | 22,274,959 | - | - | 271,708 | 22,546,667 |
| Pumping and telemetry equipment | 12,654,512 | - | - | - | 12,654,512 |
| Vehicles and equipment | 2,088,085 | 6,887 | (27,856) | - | 2,067,116 |
| Total capital assets, being depreciated | 132,262,834 | 1,363,852 | (2,004,523) | 1,812,463 | 133,434,626 |
| Less accumulated depreciation for: | | | | | |
| Transmission and distribution system | (14,355,265) | (1,316,264) | 1,976,667 | - | (13,694,862) |
| Structures and improvements | (2,995,854) | (392,566) | - | - | (3,388,420) |
| Reservoirs and tanks | (4,887,675) | (443,469) | - | - | (5,331,144) |
| Pumping and telemetry equipment | (3,025,461) | (216,113) | - | - | (3,241,574) |
| Vehicles and equipment | (1,415,070) | (160,231) | 19,958 | - | (1,555,343) |
| Total accumulated depreciation | (26,679,325) | (2,528,643) | 1,996,625 | - | (27,211,343) |
| Total capital assets, being depreciated, net | 105,583,509 | (1,164,791) | (7,898) | 1,812,463 | 106,223,283 |
| Capital assets, net of depreciation | \$ 115,246,313 | \$ (990,678) | \$ (14,067) | \$ - | \$ 114,241,568 |

NOTE 6 – ACCOUNTS PAYABLE AND OTHER ACCRUED LIABILITIES

Accounts payable and other accrued liabilities as of December 31 were as follows:

| Description | 2017 | 2016 |
|--|------------|------------|
| Accounts payable | \$ 659,211 | \$ 594,359 |
| Salaries and employee benefits | 42,446 | 47,357 |
| Other | 32,901 | 41,128 |
| Total accounts payable and accrued liabilities | \$ 734,558 | \$ 682,844 |

NOTE 7 – CUSTOMER ACCOUNT CREDIT BALANCES

Credit balances on customer utility accounts are to be used against future billings or refunded upon request. As of December 31, 2017 and 2016, the balance was \$163,619 and \$193,857, respectively.

Beaumont-Cherry Valley Water District

Notes to the Financial Statements For the Years Ended December 31, 2017 and 2016

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, 2017 and 2016, the balance was \$2,887,482 and \$2,291,311, respectively.

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 ended December 31, 2017 was as follows:

| Beginning Balance | Additions | Deletions | Ending Balance | Current Portion | Non-current Portion |
|----------------------|------------|--------------|-------------------|--------------------|------------------------|
| \$ 347,237 | \$ 244,835 | \$ (322,543) | \$ 269,529 | \$ 168,758 | \$ 100,771 |

The activity for the year ended December 31, 2016 was as follows:

| Beginning Balance | Additions | Deletions | Ending Balance | Current Portion | Non-current Portion |
|----------------------|------------|--------------|-------------------|--------------------|------------------------|
| \$ 329,876 | \$ 267,226 | \$ (249,865) | \$ 347,237 | \$ 255,369 | \$ 91,868 |

NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS OBLIGATION

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 \$450.30 per month and is scheduled to increase by 5 percent 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.

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Beaumont-Cherry Valley Water District

Notes to the Financial Statements For the Years Ended December 31, 2017 and 2016

NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS OBLIGATION (Continued)

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 ARC cost.

Annual Cost

The District paid \$10,239 and \$9,669 for retiree healthcare OPEB premiums, for the years ended December 31, 2017 and 2016, respectively.

| | December 31, 2017 | December 31, 2016 |
|--|----------------------|----------------------|
| Annual required contribution | \$ 114,625 | \$ 108,533 |
| Interest on net OPEB obligation | 25,058 | 21,567 |
| Adjustment to annual required contribution | (36,580) | (31,092) |
| Annual OPEB cost | 103,103 | 99,008 |
| Less benefits paid | (10,239) | (9,669) |
| Change in net OPEB obligation | 92,864 | 89,339 |
| Net OPEB obligation - 12/31/2016 | 668,088 | 578,749 |
| Net OPEB obligation - 12/31/2017 | <u>\$ 760,952</u> | <u>\$ 668,088</u> |

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

| Fiscal Year Ending | Annual OPEB Cost | Annual Contributions and Benefits | Percentage of Annual OPEB Cost Contributed | Net OPEB Obligation |
|-----------------------|---------------------|---|--|------------------------|
| 12/31/2015 | \$ 105,442 | \$ 9,101 | 8.63% | \$ 578,749 |
| 12/31/2016 | 99,008 | 9,669 | 9.77% | 668,088 |
| 12/31/2017 | 103,103 | 10,239 | 9.93% | 760,952 |

Notes to the Financial Statements
For the Years Ended December 31, 2017 and 2016

NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS OBLIGATION (Continued)

Funded Status and Funding Progress of the Plan

The most recent roll-forward valuation dated December 31, 2017 includes an Actuarial Accrued Liability and Unfunded Actuarial Accrued Liability of \$1,148,140. The covered payroll (annual payroll of active employees covered by the plan) for the year was estimated at \$1,715,473. The ratio of the unfunded actuarial accrued liability to annual covered payroll is 66.93 percent. The plan does not have any assets since the plan is funded on pay-as-you-go basis.

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).

The District's actuarial review and analysis of the other post-employment benefits (OPEB) expense, liability and funding status will be actuarially reviewed and rolled forward annually. A complete actuarial study will be performed every two to 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:

| | |
|--------------------------------|--|
| Roll-forward valuation date: | December 31, 2017 |
| 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: | |
| 1/1/18 | 5% |
| 1/1/19 | 5% |
| 1/1/20 & later | 0% |

The required schedule of funding progress presented as required supplementary information 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.

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Beaumont-Cherry Valley Water District

Notes to the Financial Statements For the Years Ended December 31, 2017 and 2016

NOTE 11 – NET POSITION

| | December 31, 2017 | December 31, 2016 |
|----------------------------------|-----------------------|-----------------------|
| Net Position: | | |
| Net investment in capital assets | \$ 112,850,063 | \$ 114,241,568 |
| Restricted | 21,287,702 | 10,226,231 |
| Unrestricted | 27,261,540 | 25,294,018 |
| Total net position | <u>\$ 161,399,305</u> | <u>\$ 149,761,817</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:

| | December 31, 2017 | December 31, 2016 |
|---|----------------------|----------------------|
| Unrestricted Net Position: | | |
| Nonspendable assets: | | |
| Inventories | \$ 635,908 | \$ 668,705 |
| Prepaid items | 161,261 | 151,630 |
| Non-current portion of notes receivable | 86,069 | 99,265 |
| Total nonspendable items | <u>883,238</u> | <u>919,600</u> |
| Board of Directors' Designations: | | |
| Capital replacement reserve | 21,912,747 | 20,769,815 |
| Operating reserve | 2,790,972 | 2,252,877 |
| Emergency reserve | 1,674,583 | 1,351,726 |
| Total designations | <u>26,378,302</u> | <u>24,374,418</u> |
| Total unrestricted net position | <u>\$ 27,261,540</u> | <u>\$ 25,294,018</u> |

Notes to the Financial Statements
For the Years Ended December 31, 2017 and 2016

NOTE 12 – DEFINED BENEFIT PENSION PLAN

A. General Information about the Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS.) The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other). Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The District sponsors two miscellaneous rate plans. Benefit provisions under the Plan are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS' website, at www.calpers.ca.gov.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan operates under the provisions of the California Public Employees' Retirement Law (PERL), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the regulations, procedures and policies adopted by the CalPERS Board of Administration. The Plan's authority to establish and amend the benefit terms are set by the PERL and PEPRA, and may be amended by the California state legislature and in some cases require approval by the CalPERS Board.

The Plan's provisions and benefits in effect at December 31, 2017 are summarized as follows:

| | Prior to January 1, 2013 | On or after January 1, 2013 |
|---|-----------------------------|--------------------------------|
| Hire date | | |
| Benefit formula | 2.7% @ 55 | 2% @ 62 |
| Benefit vesting schedule | 5 years service | 5 years service |
| Benefit payments | monthly for life | monthly for life |
| Retirement age | 50 - 60 | 52 - 62 |
| Monthly benefits, as a % of eligible compensation | 2.0% to 3.0% | 1.0% to 2.0% |
| Required employee contribution rates | 8.0% | 7.0% |
| Required employer contribution rates | 13.673% | 7.191% |

Notes to the Financial Statements
For the Years Ended December 31, 2017 and 2016

NOTE 12 – DEFINED BENEFIT PENSION PLAN (Continued)

A. General Information about the Pension Plan (Continued)

Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. For public agency cost-sharing plans covered by either the Miscellaneous or Safety risk pools, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions. Employer Contributions to the Plan for the fiscal year ended December 31, 2017 were \$241,633. The actual employer payments of \$310,075 made to CalPERS by the District during the measurement period ended June 30, 2017 differed from the District's proportionate share of the employer's contributions of \$282,656 by \$27,419, which is being amortized over the expected average remaining service lifetime in the Public Agency Cost-Sharing Multiple Employer Plan.

B. Net Pension Liability

The District's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2017, using an annual actuarial valuation as of June 30, 2016 rolled forward to June 30, 2017 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is as follows.

Notes to the Financial Statements
For the Years Ended December 31, 2017 and 2016

NOTE 12 – DEFINED BENEFIT PENSION PLAN (Continued)

B. Net Pension Liability (Continued)

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

| | | |
|--|---|---|
| Valuation Date | June 30, 2016 | June 30, 2015 |
| Measurement Date | June 30, 2017 | June 30, 2016 |
| Actuarial Cost Method | Entry Age Normal | Entry Age Normal |
| Asset Valuation Method | Market Value of Assets | Market Value of Assets |
| Actuarial Assumptions: | | |
| Discount Rate | 7.15% | 7.65% |
| Inflation | 2.75% | 2.75% |
| Salary Increases ⁽¹⁾ | 3.2% - 12.2% | 3.2% - 12.2% |
| Investment Rate of Return ⁽²⁾ | 7.65% | 7.65% |
| Mortality Rate Table ⁽³⁾ | Derived using CalPERS' membership data for all Funds | Derived using CalPERS' membership data for all Funds |
| Post Retirement Benefit Increase | Contract COLA up to 2.75% until purchasing power protection allowance floor on purchasing power applies, 2.75% thereafter | Contract COLA up to 2.75% until purchasing power protection allowance floor on purchasing power applies, 2.75% thereafter |

(1) Annual increases vary by category, entry age and duration of service

(2) Net of pension plan investment and administrative expenses; includes inflation

(3) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 experience study report.

All other actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period from 1997 to 2011, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website, at www.calpers.ca.gov.

Change of Assumptions

In 2017, the financial reporting discount rate for the PERF C was lowered from 7.65 percent to 7.15 percent.

Notes to the Financial Statements
For the Years Ended December 31, 2017 and 2016

NOTE 12 – DEFINED BENEFIT PENSION PLAN (Continued)

B. Net Pension Liability (Continued)

Discount Rate (Continued)

The discount rate used to measure the total pension liability was 7.15 percent and reflects the long-term expected rate of return for the Plan net of investment expenses and without reduction for administrative expenses. To determine whether the municipal bond rate should be used in the calculation of the discount rate for public agency plans (including PERF C), the amortization and smoothing periods adopted by the Board in 2013 were used. For the Plan, the crossover test was performed for a miscellaneous agent plan and a safety agent plan selected as being more at risk of failing the crossover test and resulting in a discount rate that would be different from the long-term expected rate of return on pension investments. Based on the testing of the plans, the tests revealed the assets would not run out. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for PERF C. The crossover test results can be found on CalPERS' website, at www.calpers.ca.gov.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The following table reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. The target allocation shown was adopted by the CalPERS Board effective on July 1, 2014.

Notes to the Financial Statements
For the Years Ended December 31, 2017 and 2016

NOTE 12 – DEFINED BENEFIT PENSION PLAN (Continued)

B. Net Pension Liability (Continued)

Discount Rate (Continued)

| Asset Class | New Strategic Allocation | Real Return Years 1 - 10 ¹ | Real Return Years 11+ ² |
|-------------------------------|--------------------------|---------------------------------------|------------------------------------|
| Global Equity | 47.0% | 4.90% | 5.38% |
| Global Fixed Income | 19.0% | 0.80% | 2.27% |
| Inflation Sensitive | 6.0% | 0.60% | 1.39% |
| Private Equity | 12.0% | 6.60% | 6.63% |
| Real Estate | 11.0% | 2.80% | 5.21% |
| Infrastructure and Forestland | 3.0% | 3.90% | 5.36% |
| Liquidity | 2.0% | (0.40%) | (0.90%) |
| Total | 100% | | |

¹ An expected inflation of 2.5% used for this period

² An expected inflation of 3.0% used for this period

Pension Plan Fiduciary Net Position

Information about the pension plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position are presented in CalPERS' audited financial statements, which are publicly available reports that can be obtained at CalPERS' website, at www.calpers.ca.gov. The plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis used by the pension plan, which is the economic resources measurement focus and the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

The plan fiduciary net position disclosed in the GASB 68 accounting valuation report may differ from the plan assets reported in the funding actuarial valuation report due to several reasons. First, for the accounting valuations, CalPERS must keep items such as deficiency reserves, fiduciary self-insurance and other post-employment benefits (OPEB) expense included as assets. These amounts are excluded for rate setting purposes in the funding actuarial valuation. In addition, differences may result from early Comprehensive Annual Financial Report closing and final reconciled reserves.

C. Proportionate Share of Net Pension Liability

The following table shows the District's proportionate share of the net pension liability over the measurement period.

| | Increase (Decrease) | | |
|--|-----------------------------|---------------------------------|---------------------------------------|
| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (c) = (a) - (b) |
| Balance at: 6/30/2016 (Valuation Date) | \$ 8,418,133 | \$ 6,639,289 | \$ 1,778,844 |
| Balance at: 6/30/2017 (Measurement Date) | \$ 9,597,115 | \$ 7,470,493 | \$ 2,126,622 |
| Net Changes during 2016-17 | \$ 1,178,982 | \$ 831,204 | \$ 347,778 |

Beaumont-Cherry Valley Water District

Notes to the Financial Statements For the Years Ended December 31, 2017 and 2016

NOTE 12 – DEFINED BENEFIT PENSION PLAN (Continued)

C. Proportionate Share of Net Pension Liability (Continued)

The District's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2017, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016 rolled forward to June 30, 2017 using standard update procedures. The District's proportion of the net pension liability was determined by CalPERS using the output from the Actuarial Valuation System and the fiduciary net position, as provided in the CalPERS Public Agency Cost-Sharing Allocation Methodology Report, which is a publicly available report that can be obtained at CalPERS' website, at www.calpers.ca.gov. The changes in the District's proportionate share of the net pension liability were as follows:

December 31, 2017

| | |
|--|-----------|
| Proportionate Share - December 31, 2016 (measurement date June 30, 2016) | 0.020557% |
| Proportionate Share - December 31, 2017 (measurement date June 30, 2017) | 0.021444% |
| Change - Increase (Decrease) | 0.000887% |

December 31, 2016

| | |
|--|------------|
| Proportionate Share - December 31, 2015 (measurement date June 30, 2015) | 0.020719% |
| Proportionate Share - December 31, 2016 (measurement date June 30, 2016) | 0.020557% |
| Change - Increase (Decrease) | -0.000162% |

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 7.15 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15 percent) or 1 percentage-point higher (8.15 percent) than the current rate:

December 31, 2017

| | Discount Rate - 1% (6.15%) | Current Discount Rate (7.15%) | Discount Rate + 1% (8.15%) |
|---------------------------------|---------------------------------------|--|---|
| Plan's Net Pension Liability \$ | 3,446,676 | \$ 2,126,622 | \$ 1,033,330 |

December 31, 2016

| | Discount Rate - 1% (6.65%) | Current Discount Rate (7.65%) | Discount Rate + 1% (8.65%) |
|---------------------------------|---------------------------------------|--|---|
| Plan's Net Pension Liability \$ | 2,912,187 | \$ 1,778,844 | \$ 842,192 |

Notes to the Financial Statements
For the Years Ended December 31, 2017 and 2016

NOTE 12 – DEFINED BENEFIT PENSION PLAN (Continued)

C. Proportionate Share of Net Pension Liability (Continued)

Subsequent Events

There were no subsequent events that would materially affect the results presented in this disclosure.

Recognition of Gains and Losses

Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

| | |
|--|--|
| Difference between projected and actual earnings | 5 year straight-line amortization |
| All other amounts | Straight-line amortization over the expected average remaining service lives of all members that are provided with benefits (active, inactive and retired) as of the beginning of the measurement period |

The expected average remaining service lifetime (EARSL) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired) in the Public Agency Cost-Sharing Multiple-Employer Plan (PERF C).

The EARSL for the Plan for the 2016-17 measurement period is 3.8 years, which was obtained by dividing the total service years of 490,088 (the sum of remaining service lifetimes of the active employees) by 130,595 (the total number of participants: active, inactive, and retired). Note that inactive employees and retirees have remaining service lifetimes equal to 0. Also note that total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

D. Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

As of the start of the measurement period (July 1, 2016), the District's net pension liability was \$1,778,844. For the measurement period ending June 30, 2017 (the measurement date), the District incurred a pension expense/(income) of \$(87,514).

Beaumont-Cherry Valley Water District

Notes to the Financial Statements For the Years Ended December 31, 2017 and 2016

NOTE 12 – DEFINED BENEFIT PENSION PLAN (Continued)

D. Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions (Continued)

As of December 31, 2017 and 2016, the District has deferred outflows and deferred inflows of resources related to pensions as follows:

December 31, 2017

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|---|--|
| Differences Between Expected and Actual Experience | \$ 3,228 | \$ (46,241) |
| Changes of Assumptions | 400,467 | (30,536) |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | 90,568 | - |
| Change in Employer's Proportion | 153,148 | (115,665) |
| Difference in Actual vs Projected Contributions | 72,728 | - |
| Pension Contributions Subsequent to Measurement Date | 117,975 | - |
| Total | \$ 838,114 | \$ (192,442) |

December 31, 2016

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|---|--|
| Differences Between Expected and Actual Experience | \$ 7,844 | \$ - |
| Changes of Assumptions | - | (96,271) |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | 501,060 | - |
| Difference in Actual vs Projected Contributions | - | (324,473) |
| Pension Contributions Subsequent to Measurement Date | 122,220 | - |
| Total | \$ 631,124 | \$ (420,744) |

Beaumont-Cherry Valley Water District

Notes to the Financial Statements For the Years Ended December 31, 2017 and 2016

NOTE 12 – DEFINED BENEFIT PENSION PLAN (Continued)

D. Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions (Continued)

These amounts above are net of outflows and inflows recognized in the 2016-17 measurement period expense. Contributions subsequent to the measurement date of \$117,975 reported with deferred outflows of resources will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

| Fiscal Year Ended December 31: | Deferred Outflows/(Inflows) of Resources |
|---|---|
| 2018 | \$ 125,175 |
| 2019 | 266,411 |
| 2020 | 189,883 |
| 2021 | (53,772) |
| 2022 | - |

E. Payable to the Pension Plan

At December 31, 2017, the District reported a payable of \$0 for the outstanding amount of contributions to the pension plan required for the year ended December 31, 2017.

NOTE 13 – 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. For the years ended December 31, 2017 and 2016, the District contributed \$42,726 and \$28,144, respectively.

NOTE 14 – 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.

Notes to the Financial Statements For the Years Ended December 31, 2017 and 2016

NOTE 15 – 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, 2017, 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, computer fraud, disappearance and destruction coverages, subject to a \$1,000 deductible per occurrence.
- 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, 2017. 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.



Required Supplementary Information

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Beaumont-Cherry Valley Water District

Required Supplementary Information

Schedule of Proportionate Share of the Net Pension Liability and Related Ratios as of the Measurement Date

Last 10 Years*

| | Measurement Date | | |
|---|------------------|--------------|--------------|
| | 6/30/2015 | 6/30/2016 | 6/30/2017 |
| Employer's Proportion of the Collective Net Pension Liability ¹ | 0.020719% | 0.020557% | 0.021444% |
| Employer's Proportionate Share of the Collective Net Pension Liability | \$ 1,422,127 | \$ 1,778,844 | \$ 2,126,622 |
| Employer's Covered Payroll | \$ 1,716,891 | \$ 1,894,097 | \$ 1,969,047 |
| Employer's Proportionate Share of the Net Pension Liability as a Percentage of the Employer's Covered Payroll | 82.83% | 93.92% | 108.00% |
| Pension Plan's Fiduciary Net Position as a Percentage of the Total Pension Liability | 82.06% | 75.87% | 75.39% |

¹ Proportion of the collective net pension liability represents the plan's proportion of PERF C, which includes both the Miscellaneous and Safety Risk pools excluding the 1959 Survivors Risk Pool.

* Measurement date 6/30/2014 (fiscal year 2015) was the 1st year of implementation. Additional years will be presented as they become available.

Draft - subject to change

Beaumont-Cherry Valley Water District

Required Supplementary Information Schedule of Plan Contributions Last 10 Years*

| | Fiscal Year | | |
|---|--------------|--------------|--------------|
| | 12/31/2015 | 12/31/2016 | 12/31/2017 |
| Contractually Determined Contributions | \$ 275,729 | \$ 237,259 | \$ 241,633 |
| Contributions in Relation to the Contractually Determined Contributions | (275,729) | (237,259) | (241,633) |
| Contribution Deficiency (Excess) | \$ - | \$ - | \$ - |
| Employer's Covered Payroll | \$ 1,914,001 | \$ 1,985,446 | \$ 2,019,541 |
| Contributions as a Percentage of Covered Payroll | 14.41% | 11.95% | 11.96% |

* Measurement date 6/30/2014 (fiscal year 2015) was the 1st year of implementation. Additional years will be presented as they become available.

Notes to Schedule:

Change in Benefit Terms: None

Change in Assumptions: For measurement date 6/30/2017, the discount rate was changed from 7.65 percent (net of administrative expenses) to 7.15 percent. For measurement date 6/30/2015, the discount rate was changed from 7.5 percent (net of administrative expenses) to 7.65 percent.

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Beaumont-Cherry Valley Water District

Required Supplementary Information Other Post-Employment Benefits Schedule of Funding Progress

| 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% | 1,892,911 | 312.12% |
| 12/31/2014 | - | 843,352 | 843,352 | 0% | 1,835,790 | 45.94% |
| 12/31/2016 | - | 983,638 | 983,638 | 0% | 1,806,897 | 54.44% |

*Using the Alternative Measurement Method



Statistical Section

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Draft - subject to change

Beaumont-Cherry Valley Water District

Net Position by Component Last Ten Years

| | 2008 | 2009 | 2010 | 2011 | 2012 |
|------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Net investment in capital assets | \$ 102,938,880 | \$ 103,938,452 | \$ 99,800,836 | \$ 99,194,309 | \$ 98,791,875 |
| Restricted for capital commitments | - | - | - | - | - |
| Unrestricted | 4,651,477 | 2,885,726 | 7,090,191 | 5,283,208 | 5,827,344 |
| Total net position | <u>\$ 107,590,357</u> | <u>\$ 106,824,178</u> | <u>\$ 106,891,027</u> | <u>\$ 104,477,517</u> | <u>\$ 104,619,219</u> |
| | 2013 | 2014 | 2015 | 2016 | 2017 |
| Net investment in capital assets | \$ 117,924,668 | \$ 116,054,562 | \$ 115,246,313 | \$ 114,241,568 | \$ 112,850,063 |
| Restricted for capital commitments | - | 2,138,747 | 9,225,608 | 10,226,231 | 21,287,702 |
| Unrestricted | 5,499,646 | 13,498,835 | 14,338,676 | 25,294,018 | 27,261,540 |
| Total net position | <u>\$ 123,424,314</u> | <u>\$ 131,692,144</u> | <u>\$ 138,810,597</u> | <u>\$ 149,761,817</u> | <u>\$ 161,399,305</u> |

Source: Beaumont-Cherry Valley Water District

Beaumont-Cherry Valley Water District

Changes in Net Position Last Ten Years

| | 2008 | 2009 | 2010 | 2011 | 2012 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| OPERATING REVENUES | | | | | |
| Metered water sales | \$ 4,478,760 | \$ 4,651,105 | \$ 4,170,001 | \$ 4,766,022 | \$ 5,139,923 |
| Water service charges | 1,883,007 | 1,796,816 | 1,810,098 | 2,188,438 | 2,339,128 |
| Water importation pass-through charges | 1,360,785 | 768,624 | 1,025,996 | 1,326,091 | 2,318,837 |
| Water pumping power pass-through charges | 1,062,011 | 1,263,040 | 1,349,287 | 1,617,081 | 1,663,191 |
| Development and installation charges | 814,546 | 282,049 | 228,986 | 127,141 | 146,889 |
| Other revenue | 271,942 | 262,823 | 381,094 | 288,708 | 364,628 |
| Total operating revenues | 9,871,051 | 9,024,457 | 8,965,462 | 10,313,481 | 11,972,596 |
| OPERATING EXPENSES ⁽¹⁾ | | | | | |
| Salaries and employee benefits | 3,077,279 | 2,495,567 | 2,404,984 | 3,094,522 | 4,040,757 |
| Pension expense (credit) | - | - | - | - | - |
| Energy expenses | - | - | - | - | 1,231,156 |
| Water purchases | 771,112 | 1,361,308 | 1,815,459 | 3,125,537 | 2,642,003 |
| Administration | 332,896 | 303,135 | 187,758 | 196,422 | 552,707 |
| Operations | 3,112,538 | 3,379,820 | 3,051,149 | 2,877,985 | 281,110 |
| Maintenance and repairs | - | - | - | - | 577,422 |
| Depreciation | 1,763,321 | 2,223,219 | 1,998,033 | 2,002,794 | 2,072,402 |
| Insurance | - | - | - | - | 95,208 |
| Professional fees | - | - | - | - | 211,580 |
| Other expenses | 163,190 | 174,322 | 193,713 | 199,934 | 11,749 |
| Total operating expenses | 9,220,336 | 9,937,371 | 9,651,096 | 11,497,194 | 11,716,094 |
| Operating Income (loss) | 650,715 | (912,914) | (685,634) | (1,183,713) | 256,502 |
| NONOPERATING REVENUES (EXPENSES) | | | | | |
| Interest earnings | 82,261 | 54,576 | 89,198 | 127,905 | 110,426 |
| Rental income | 1,200 | 10,027 | 22,031 | 20,507 | 22,969 |
| Other revenue | 34,871 | 38,243 | 193,834 | 101,383 | 43,092 |
| Gain/loss on disposal of capital assets | - | - | 4,500 | - | - |
| Interest expense | - | - | (38,278) | (137,271) | (122,975) |
| Amortization of deferred charges | - | - | (13,742) | (18,322) | - |
| Other non-operating expenses | - | - | (104,659) | - | - |
| Total nonoperating revenues (expenses) | 118,332 | 102,846 | 152,884 | 94,202 | 53,512 |
| Income (loss) before contributions | 769,047 | (810,068) | (532,750) | (1,089,511) | 310,014 |
| CAPITAL CONTRIBUTIONS | | | | | |
| Donated capital assets | - | - | - | - | - |
| Capacity charges | 1,547,784 | 478,614 | 1,853,106 | 579,869 | 66,382 |
| Total capital contributions | 1,547,784 | 478,614 | 1,853,106 | 579,869 | 66,382 |
| SPECIAL ITEM | | | | | |
| Change in assumptions - OPEB | - | - | - | - | - |
| Change in net position | 2,316,831 | (331,454) | 1,320,356 | (509,642) | 376,396 |
| Net position, beginning of year | 105,273,526 | 107,590,357 | 106,824,178 | 106,891,027 | 104,477,517 |
| Prior period adjustment | - | (434,725) | (1,253,507) | (1,903,868) | (234,694) |
| Net position, end of year | \$ 107,590,357 | \$ 106,824,178 | \$ 106,891,027 | \$ 104,477,517 | \$ 104,619,219 |

Note:

(1) Amounts may appear to be inconsistent and incomparable as classifications of operating expenses changed in 2012

Source: Beaumont-Cherry Valley Water District

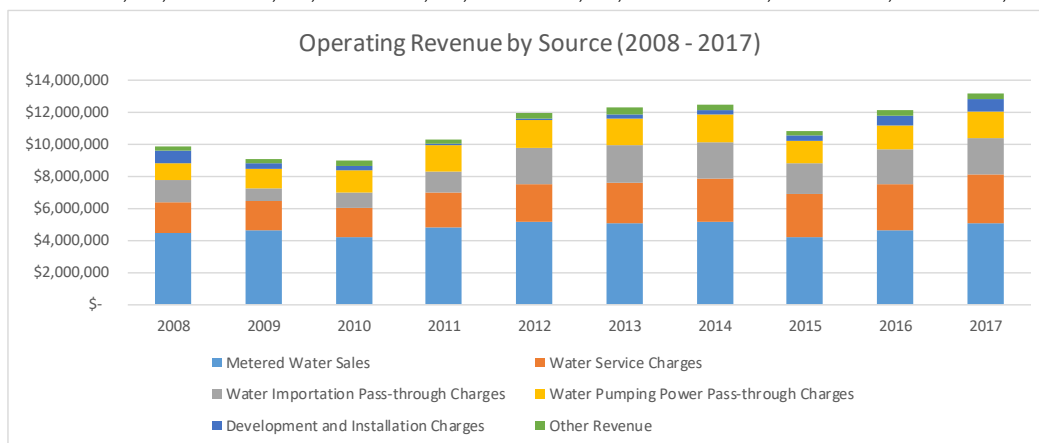
(continued)

| 2013 | 2014 | 2015 | 2016 | 2017 |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| \$ 5,046,558 | \$ 5,174,292 | \$ 4,165,087 | \$ 4,655,883 | \$ 5,060,758 |
| 2,544,173 | 2,623,140 | 2,756,998 | 2,865,733 | 3,014,752 |
| 2,321,236 | 2,334,731 | 1,889,751 | 2,102,694 | 2,288,455 |
| 1,685,246 | 1,674,936 | 1,355,677 | 1,508,460 | 1,641,681 |
| 271,122 | 315,244 | 348,830 | 653,251 | 818,430 |
| 369,537 | 313,807 | 315,952 | 353,419 | 353,433 |
| 12,237,872 | 12,436,150 | 10,832,295 | 12,139,440 | 13,177,509 |
| 3,780,225 | 2,985,138 | 3,076,232 | 2,974,987 | 3,395,058 |
| - | - | 394,267 | (225,040) | (87,514) |
| 1,435,343 | 1,772,112 | 1,371,858 | 1,344,733 | 1,598,665 |
| 2,607,642 | 1,396,410 | 879,066 | 2,954,123 | 4,308,030 |
| 270,533 | 173,873 | 381,598 | 193,382 | 284,724 |
| 297,048 | 468,345 | 236,757 | 234,245 | 292,991 |
| 272,990 | 469,552 | 591,554 | 604,118 | 515,645 |
| 2,528,691 | 2,514,369 | 2,517,384 | 2,528,643 | 2,591,208 |
| 96,385 | 80,162 | 78,285 | 75,502 | 73,674 |
| 295,528 | 310,590 | 184,169 | 228,162 | 250,504 |
| 11,246 | 10,736 | 10,503 | 10,978 | 12,115 |
| 11,595,631 | 10,181,287 | 9,721,673 | 10,923,833 | 13,235,100 |
| 642,241 | 2,254,863 | 1,110,622 | 1,215,607 | (57,591) |
| 84,830 | 55,597 | 84,254 | 180,342 | 350,406 |
| 17,815 | 21,007 | 20,103 | 20,577 | 21,715 |
| 3,889 | 291,671 | 35,528 | 1,101 | 89,591 |
| (41,421) | 3,310 | - | (7,898) | (37,031) |
| (49,968) | (300) | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| 15,145 | 371,285 | 139,885 | 194,122 | 424,681 |
| 657,386 | 2,626,148 | 1,250,507 | 1,409,729 | 367,090 |
| - | - | 1,092,505 | 1,004,624 | - |
| 1,025,791 | 2,677,180 | 6,296,897 | 8,536,867 | 11,270,398 |
| 1,025,791 | 2,677,180 | 7,389,402 | 9,541,491 | 11,270,398 |
| - | 2,964,502 | - | - | - |
| 1,683,177 | 8,267,830 | 8,639,909 | 10,951,220 | 11,637,488 |
| 104,619,219 | 123,424,314 | 131,692,144 | 138,810,597 | 149,761,817 |
| 17,121,918 | - | (1,521,456) | - | - |
| <u>\$ 123,424,314</u> | <u>\$ 131,692,144</u> | <u>\$ 138,810,597</u> | <u>\$ 149,761,817</u> | <u>\$ 161,399,305</u> |

Beaumont-Cherry Valley Water District

Operating Revenue by Source Last Ten Years

| Fiscal Year | Metered Water Sales | Water Service Charges | Water Importation Pass-through Charges | Water Pumping Power Pass-through Charges | Development and Installation Charges | Other Revenue | Totals |
|-------------|---------------------|-----------------------|--|--|--------------------------------------|---------------|--------------|
| 2008 | \$ 4,478,760 | \$ 1,883,007 | \$ 1,360,785 | \$ 1,062,011 | \$ 814,546 | \$ 271,942 | \$ 9,871,051 |
| 2009 | 4,651,105 | 1,796,816 | 768,624 | 1,263,040 | 282,049 | 262,823 | 9,024,457 |
| 2010 | 4,170,001 | 1,810,098 | 1,025,996 | 1,349,287 | 228,986 | 381,094 | 8,965,462 |
| 2011 | 4,766,022 | 2,188,438 | 1,326,091 | 1,617,081 | 127,141 | 288,708 | 10,313,481 |
| 2012 | 5,139,923 | 2,339,128 | 2,318,837 | 1,663,191 | 146,889 | 364,628 | 11,972,596 |
| 2013 | 5,046,558 | 2,544,173 | 2,321,236 | 1,685,246 | 271,122 | 369,537 | 12,237,872 |
| 2014 | 5,174,292 | 2,623,140 | 2,334,731 | 1,674,936 | 315,244 | 313,807 | 12,436,150 |
| 2015 | 4,165,087 | 2,756,998 | 1,889,751 | 1,355,677 | 348,830 | 315,952 | 10,832,295 |
| 2016 | 4,655,883 | 2,865,733 | 2,102,694 | 1,508,460 | 653,251 | 353,419 | 12,139,440 |
| 2017 | 5,060,758 | 3,014,752 | 2,288,455 | 1,641,681 | 818,430 | 353,433 | 13,177,509 |



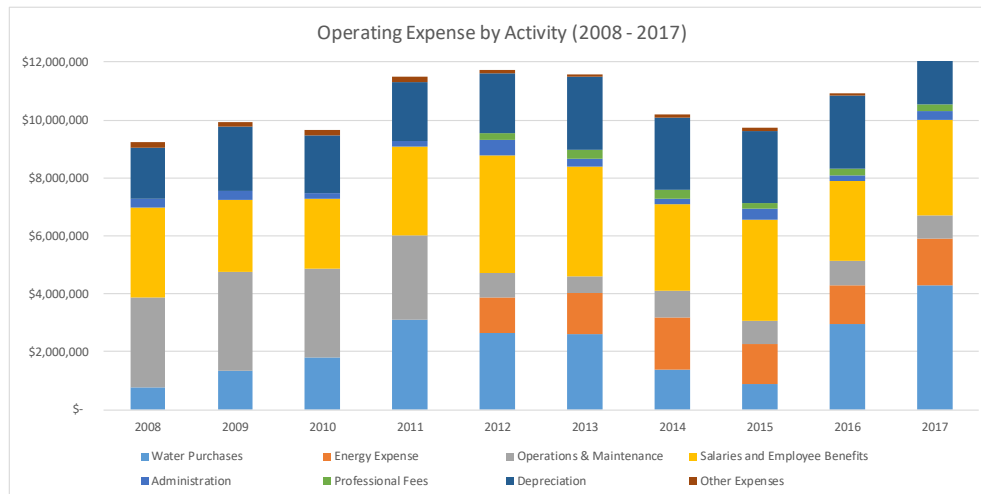
Source: Beaumont-Cherry Valley Water District

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Beaumont-Cherry Valley Water District

Operating Expense by Activity⁽¹⁾⁽²⁾ Last Ten Years

| Fiscal Year | Salaries and Employee Benefits | Water Purchases | Energy Expense | Operations & Maintenance | Administration | Professional Fees | Depreciation | Other Expenses | Totals |
|-------------|--------------------------------|-----------------|----------------|--------------------------|----------------|-------------------|--------------|----------------|--------------|
| 2008 | \$ 3,077,279 | \$ 771,112 | \$ - | \$ 3,112,538 | \$ 332,896 | \$ - | \$ 1,763,321 | \$ 163,190 | \$ 9,220,336 |
| 2009 | 2,495,567 | 1,361,308 | - | 3,379,820 | 303,135 | - | 2,223,219 | 174,322 | 9,937,371 |
| 2010 | 2,404,984 | 1,815,459 | - | 3,051,149 | 187,758 | - | 1,998,033 | 193,713 | 9,651,096 |
| 2011 | 3,094,522 | 3,125,537 | - | 2,877,985 | 196,422 | - | 2,002,794 | 199,934 | 11,497,194 |
| 2012 | 4,040,757 | 2,642,003 | 1,231,156 | 858,532 | 552,707 | 211,580 | 2,072,402 | 106,957 | 11,716,094 |
| 2013 | 3,780,225 | 2,607,642 | 1,435,343 | 570,038 | 270,533 | 295,528 | 2,528,691 | 107,631 | 11,595,631 |
| 2014 | 2,985,138 | 1,396,410 | 1,772,112 | 937,897 | 173,873 | 310,590 | 2,514,369 | 90,898 | 10,181,287 |
| 2015 | 3,470,499 | 879,066 | 1,371,858 | 828,311 | 381,598 | 184,169 | 2,517,384 | 88,788 | 9,721,673 |
| 2016 | 2,749,947 | 2,954,123 | 1,344,733 | 838,363 | 193,382 | 228,162 | 2,528,643 | 86,480 | 10,923,833 |
| 2017 | 3,307,544 | 4,308,030 | 1,598,665 | 808,636 | 284,724 | 250,504 | 2,591,208 | 85,789 | 13,235,100 |



Notes:

- (1) Amounts may appear to be inconsistent and incomparable as classifications of operating expenses changed in 2012
 (2) Some amounts from the Changes in Net Position schedule are grouped together for comparability

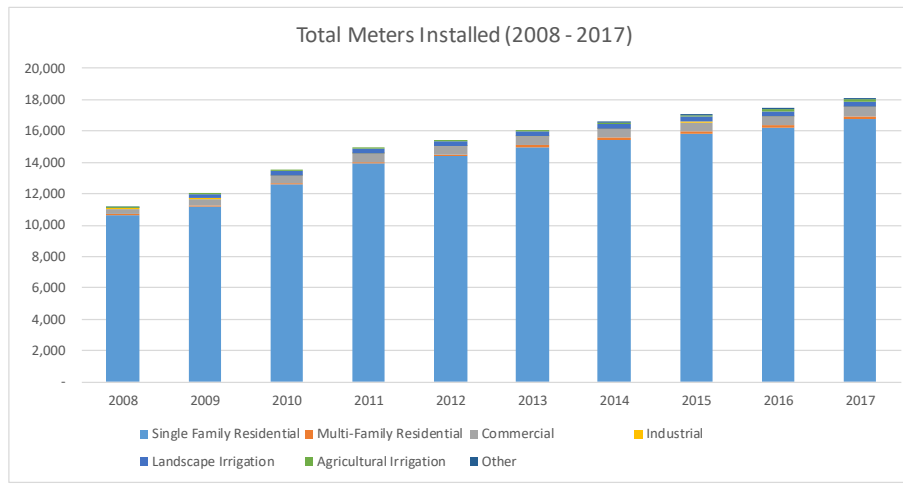
Source: Beaumont-Cherry Valley Water District

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Beaumont-Cherry Valley Water District

Customers by Type Last Ten Years

| Fiscal Year | Single Family Residential | Multi-Family Residential | Commercial | Industrial | Landscape Irrigation | Agricultural Irrigation | Other | Totals |
|-------------|---------------------------|--------------------------|------------|------------|----------------------|-------------------------|-------|--------|
| 2008 | 10,603 | 96 | 354 | 20 | 46 | 72 | - | 11,191 |
| 2009 | 11,143 | 99 | 432 | 22 | 282 | 77 | - | 12,055 |
| 2010 | 12,578 | 114 | 453 | 23 | 286 | 82 | - | 13,536 |
| 2011 | 13,921 | 122 | 494 | 26 | 288 | 84 | - | 14,935 |
| 2012 | 14,388 | 130 | 507 | 26 | 297 | 86 | - | 15,434 |
| 2013 | 14,981 | 140 | 536 | 31 | 311 | 89 | - | 16,088 |
| 2014 | 15,436 | 140 | 540 | 31 | 314 | 90 | 1 | 16,552 |
| 2015 | 15,860 | 140 | 546 | 31 | 321 | 90 | 2 | 16,990 |
| 2016 | 16,222 | 141 | 560 | 31 | 326 | 89 | 1 | 17,370 |
| 2017 | 16,768 | 141 | 631 | 31 | 337 | 88 | 1 | 17,997 |



Source: Beaumont-Cherry Valley Water District

Draft - subject to change

Beaumont-Cherry Valley Water District

Principal Customers Current and Seven Years Ago ⁽¹⁾

| Customer | 2017 | | 2010 | |
|-------------------------------------|--------------------------|---------------------------------|--------------------------|---------------------------------|
| | Annual Consumption (hcf) | Percentage of Total Consumption | Annual Consumption (hcf) | Percentage of Total Consumption |
| City of Beaumont | 288,840 | 5.93% | 323,495 | 6.73% |
| Beaumont Unified School District | 186,692 | 3.83% | 157,291 | 3.27% |
| K Hovnanian Four Seasons | 171,569 | 3.52% | 75,843 | 1.58% |
| Solera Oak Valley Greens | 56,312 | 1.16% | 64,616 | 1.34% |
| Highland Sprgs Cntry Club | 49,583 | 1.02% | 51,032 | 1.06% |
| Fairway Cyn Comm Assoc | 38,416 | 0.79% | 54,593 | 1.14% |
| BCV Rec & Park District | 32,266 | 0.66% | 28,546 | 0.59% |
| Country Highlands MHC | 27,564 | 0.57% | 30,631 | 0.64% |
| K Hovnanian Homes | 27,219 | 0.56% | 67,767 | 1.41% |
| Oak Valley II Community Association | 27,190 | 0.56% | - | 0.00% |
| | <u>905,651</u> | <u>18.60%</u> | <u>853,814</u> | <u>17.77%</u> |
| Total Water Consumed | <u>4,869,997</u> | <u>100.00%</u> | <u>4,805,082</u> | <u>100.00%</u> |

Notes:

(1) Data for years prior to 2010 not available

Source: Beaumont-Cherry Valley Water District

Draft - subject to change

Beaumont-Cherry Valley Water District

Revenue Rates Last Ten Years

| Charges for Water Used (per ccf) | | | | | | | | | |
|---|---------------------------|--------|--------------------------|--------|-------------------|-----------|-------------------------|--------------|--|
| Fiscal Year | Single-Family Residential | | Multi-Family Residential | | Commercial / Fire | Landscape | Agricultural Irrigation | Construction | |
| | Tier 1 | Tier 2 | Tier 1 | Tier 2 | | | | | |
| 2008 | 0.84 | 0.84 | 0.84 | 0.84 | 0.84 | 0.84 | 0.47 | 1.61 | |
| 2009 | 0.84 | 0.84 | 0.84 | 0.84 | 0.84 | 0.84 | 0.47 | 1.61 | |
| 2010 | 0.80 | 0.88 | 0.80 | 0.82 | 0.82 | 0.96 | 0.84 | 0.96 | |
| 2011 | 0.91 | 1.00 | 0.91 | 0.93 | 0.94 | 1.09 | 0.96 | 1.09 | |
| 2012 | 0.96 | 1.05 | 0.96 | 0.98 | 0.99 | 1.15 | 1.01 | 1.15 | |
| 2013 | 0.96 | 1.05 | 0.96 | 0.98 | 0.99 | 1.15 | 1.01 | 1.15 | |
| 2014 | 0.96 | 1.05 | 0.96 | 0.98 | 0.99 | 1.15 | 1.01 | 1.15 | |
| 2015 | 0.96 | 1.05 | 0.96 | 0.98 | 0.99 | 1.15 | 1.01 | 1.15 | |
| 2016 | 0.96 | 1.05 | 0.96 | 0.98 | 0.99 | 1.15 | 1.01 | 1.15 | |
| 2017 | 0.96 | 1.05 | 0.96 | 0.98 | 0.99 | 1.15 | 1.01 | 1.15 | |

| Domestic Service Charge (bi-monthly) | | | | | | | | | | | |
|---|----------|-------|-------|-------|--------|--------|--------|--------|----------|----------|----------|
| Fiscal Year | 5/8" | 3/4" | 1" | 1.5" | 2" | 3" | 4" | 6" | 8" | 10" | 12" |
| 2008 | \$ 12.00 | 17.25 | 28.00 | 54.00 | 85.00 | 158.00 | 262.00 | 522.00 | 834.00 | 1,198.00 | 2,238.00 |
| 2009 | \$ 12.00 | 17.25 | 28.00 | 54.00 | 85.00 | 158.00 | 262.00 | 522.00 | 834.00 | 1,198.00 | 2,238.00 |
| 2010 | \$ 15.00 | 22.50 | 37.50 | 75.01 | 120.01 | 240.02 | 375.03 | 750.05 | 1,200.08 | 1,725.12 | 2,325.16 |
| 2011 | \$ 17.04 | 25.56 | 42.61 | 85.21 | 136.34 | 272.67 | 426.05 | 852.10 | 1,363.36 | 1,959.83 | 2,641.51 |
| 2012 | \$ 18.01 | 27.02 | 45.03 | 90.06 | 144.09 | 288.18 | 450.28 | 900.55 | 1,440.88 | 2,071.27 | 2,791.71 |
| 2013 | \$ 18.01 | 27.02 | 45.03 | 90.06 | 144.09 | 288.18 | 450.28 | 900.55 | 1,440.88 | 2,071.27 | 2,791.71 |
| 2014 | \$ 18.01 | 27.02 | 45.03 | 90.06 | 144.09 | 288.18 | 450.28 | 900.55 | 1,440.88 | 2,071.27 | 2,791.71 |
| 2015 | \$ 18.01 | 27.02 | 45.03 | 90.06 | 144.09 | 288.18 | 450.28 | 900.55 | 1,440.88 | 2,071.27 | 2,791.71 |
| 2016 | \$ 18.01 | 27.02 | 45.03 | 90.06 | 144.09 | 288.18 | 450.28 | 900.55 | 1,440.88 | 2,071.27 | 2,791.71 |
| 2017 | \$ 18.01 | 27.02 | 45.03 | 90.06 | 144.09 | 288.18 | 450.28 | 900.55 | 1,440.88 | 2,071.27 | 2,791.71 |

Source: Beaumont-Cherry Valley Water District

Draft - subject to change

Beaumont-Cherry Valley Water District

Ratios of Outstanding Debt by Type Last Ten Years

| Fiscal Year | General Obligation Bonds | Revenue Bonds | Notes Payable | Capital Leases | Loans Payable | Total Outstanding Debt | Per Capita | Share of Personal Income |
|----------------|-----------------------------|------------------|------------------|-------------------|------------------|------------------------------|------------|--------------------------------|
| 2008 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | - | 0% |
| 2009 | - | - | - | - | - | - | - | 0% |
| 2010 | - | - | 4,530,000 | - | - | 4,530,000 | 121.52 | 0% |
| 2011 | - | - | 3,585,000 | - | - | 3,585,000 | 92.99 | 0% |
| 2012 | - | - | 2,600,000 | - | - | 2,600,000 | 66.07 | 0% |
| 2013 | - | - | - | - | - | - | - | 0% |
| 2014 | - | - | - | - | - | - | - | 0% |
| 2015 | - | - | - | - | - | - | - | 0% |
| 2016 | - | - | - | - | - | - | - | 0% |
| 2017 | - | - | - | - | - | - | - | 0% |

Source: Beaumont-Cherry Valley Water District

Draft - subject to change

Beaumont-Cherry Valley Water District

Debt Coverage Last Ten Years

| Fiscal Year | Net Revenues | Operating Expenses | Net Available Revenues | Principal | Interest | Total | Debt Coverage Ratio |
|-------------|---------------|--------------------|------------------------|-----------|----------|-----------|---------------------|
| 2008 | \$ 11,537,167 | \$ (7,457,015) | \$ 4,080,152 | \$ - | \$ - | \$ - | 0.00 |
| 2009 | 9,605,917 | (7,714,152) | 1,891,765 | - | - | - | 0.00 |
| 2010 | 11,123,631 | (7,653,063) | 3,470,568 | 470,000 | - | 470,000 | 7.38 |
| 2011 | 11,143,145 | (9,494,400) | 1,648,745 | 945,000 | 145,256 | 1,090,256 | 1.74 |
| 2012 | 12,215,465 | (9,643,692) | 2,571,773 | 985,000 | 112,976 | 1,097,976 | 2.61 |
| 2013 | 13,370,197 | (9,066,940) | 4,303,257 | 2,600,000 | 71,938 | 2,671,938 | 1.66 |
| 2014 | 15,481,605 | (7,666,918) | 7,814,687 | - | 300 | 300 | 0.00 |
| 2015 | 17,269,077 | (7,204,289) | 10,064,788 | - | - | - | 0.00 |
| 2016 | 20,878,327 | (8,395,190) | 12,483,137 | - | - | - | 0.00 |
| 2017 | 24,909,619 | (10,643,892) | 14,265,727 | - | - | - | 0.00 |

Source: Beaumont-Cherry Valley Water District

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Beaumont-Cherry Valley Water District

Demographic and Economic Statistics Last Ten Years

| Calendar Year | Population | County of Riverside | | |
|---------------------|------------|-------------------------------|----------------------------------|----------------------|
| | | Median Household Income | Per Capita Personal Income | Unemployment Rate |
| 2008 | 32,366 | \$ 58,168 | \$ 24,836 | 8.4% |
| 2009 | 33,523 | 58,134 | 24,361 | 10.6% |
| 2010 | 37,278 | 57,768 | 24,431 | 11.2% |
| 2011 | 38,553 | 58,365 | 24,516 | 12.9% |
| 2012 | 39,353 | 57,096 | 23,863 | 14.2% |
| 2013 | 40,424 | 56,529 | 23,591 | 14.9% |
| 2014 | 42,117 | 63,523 | 23,660 | 14.3% |
| 2015 | 43,629 | 56,603 | 23,783 | 12.9% |
| 2016 | 45,349 | 57,972 | 24,443 | 11.3% |
| 2017 ⁽¹⁾ | 46,179 | 60,100 | 36,800 | 4.3% |

Notes:

(1) Population Source: State of California Department of Finance;

County Source: Riverside County Economic Development Agency

Source: *United States Census Bureau*

Draft - subject to change

Beaumont-Cherry Valley Water District

Principal Employers for the Community Area ⁽¹⁾

Current Year ⁽³⁾

| Employer | 2017 | |
|----------------------------------|------------------------|---------------------------------------|
| | Number of Employees | Total Employment ⁽²⁾ |
| Casino Morongo | 1900 | 6.36% |
| Desert Hills Premium Outlet | 1700 | 5.69% |
| Beaumont Unified School District | 639 | 2.14% |
| Morongo Resort & Spa | 563 | 1.88% |
| Banning Unified School District | 511 | 1.71% |
| San Geronio Memorial Hospital | 250 | 0.84% |
| Lowe's Distribution Center | 250 | 0.84% |
| City of Banning | 200 | 0.67% |
| City of Beaumont | 146 | 0.49% |
| Skat-Trak, Inc | 115 | 0.38% |
| Total | 6,274 | 21.00% |

Notes:

(1) Community Area defined as Beaumont, Banning, Calimesa, Cabazon, and Cherry Valley

(2) Total employment 29,879

(3) Information for 2008 (ten years prior) is unavailable

Source: City of Beaumont

Draft - subject to change

Beaumont-Cherry Valley Water District

Full-time and Part-time District Employees by Department Last Ten Years⁽¹⁾

| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|------------------------------------|------|------|------|------|------|------|------|------|------|------|
| Department | | | | | | | | | | |
| Engineering | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 3 | 5 |
| Finance & Administrative Services | 13 | 11 | 11 | 13 | 7 | 8 | 6 | 10 | 10 | 12 |
| IT | 0 | 0 | 0 | 0 | 1 | 1 | 1 | 1 | 1 | 1 |
| Operations | | | | | | | | | | |
| Source of Supply | 4 | 4 | 4 | 4 | 3 | 3 | 3 | 3 | 3 | 4 |
| Transmission and Distribution | 18 | 13 | 13 | 12 | 11 | 12 | 12 | 11 | 11 | 10 |
| Customer Service and Meter Reading | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Total | 40 | 33 | 33 | 34 | 27 | 29 | 27 | 30 | 31 | 35 |

Notes:

(1) As of 12/31 of each year

Source: Beaumont-Cherry Valley Water District

Draft - subject to change

Beaumont-Cherry Valley Water District

Operating Indicators by Function Last Ten Years

| Function/Program | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| District Service Area (square miles) | 28 | 28 | 28 | 28 | 28 | 28 | 28 | 28 | 28 | 28 |
| Water mains (miles) | 282 | 282 | 282 | 282 | 282 | 282 | 282 | 282 | 282 | 282 |
| Fire hydrants | 1,133 | 1,189 | 1,248 | 1,310 | 1,375 | 1,443 | 1,515 | 1,590 | 1,669 | 1,752 |
| Number of reservoirs/tanks (potable) | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 |
| Storage Capacity (MG) | 23.25 | 23.25 | 23.25 | 23.25 | 23.25 | 23.25 | 23.25 | 23.25 | 23.25 | 23.25 |
| Number of reservoirs/tanks (non-potable) | - | - | - | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Storage Capacity (MG) | - | - | - | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Number of wells | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 |
| Well Capacity (GPM) | 23,175 | 23,175 | 23,175 | 23,175 | 23,175 | 23,175 | 23,175 | 23,175 | 23,175 | 23,175 |

Source: Beaumont-Cherry Valley Water District

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

We have audited the financial statements of the Beaumont-Cherry Valley Water District (the District) for the year ended December 31, 2017 and have issued our report thereon dated June xx, 2018. In planning and performing our audit of the financial statements of the District, we considered internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. An audit does not include examining the effectiveness of internal control and does not provide assurance on internal control. We have not considered internal control since the date of our report.

During our audit we noted certain matters involving internal control and other operational matters that are presented for your consideration. These comments and recommendations, all of which have been discussed with the appropriate members of management, are intended to improve internal control or result in other operating efficiencies and are summarized below.

Management's responses to the findings identified in our audit have been included after each finding. We did not audit management's responses and accordingly, we express no opinion on them.

CURRENT YEAR MANAGEMENT LETTER COMMENTS

VACATION AND SICK LEAVE ACCRUALS

CONDITION:

As a result of our audit procedures, we noted various employees with vacation and sick accruals in excess of 300-400 hours. This causes an increase to the outstanding liability and, depending on the timing of employment separations or retirements, the cash outflows needed to pay these liabilities may be significant.

RECOMMENDATION:

We recommend that the District calculate and implement a cap to the amount of hours allowed to be accrued and paid out to employees for vacation and sick leave.

MANAGEMENT'S RESPONSE:

Management recognizes that without a cap to the to the amount of hours allowed to be accrued and paid out to employees for vacation and sick leave, depending on the timing of employment separations or retirements, the cash outflows needed to pay these liabilities may be significant. Management will research best practices in the industry for calculating and implementing a maximum number of hours allowed to be accrued and paid out to employees for vacation and sick leave.

TIMELINESS OF BANK RECONCILIATIONS**CONDITION:**

As a result of our audit procedures, we noted bank reconciliations were prepared and approved by separate individuals within the Finance department, however, the date of such preparation and approval was not documented.

RECOMMENDATION:

We recommend that the date of preparation and approval of the bank reconciliation be noted to support the timeliness of such procedures.

MANAGEMENT'S RESPONSE:

Management agrees with this recommendation and will note the date of preparation and approval of the bank reconciliation in order to support the timeliness of those procedures.

Our audit procedures are designed primarily to enable us to form our opinion on the financial statements, and therefore may not bring to light all weaknesses in policies or procedures that may exist. We aim, however, to use our knowledge of the District gained during our work to make comments and suggestions that we hope will be useful to you.

We would be pleased to discuss these comments and recommendations with you at any time.

This communication is intended solely for the information and use of the District's Board of Directors and management and others within the organization and should not be used by anyone other than these specified parties.

San Bernardino, California

June xx, 2018



**Beaumont-Cherry Valley Water District
Regular Board Meeting
June 13, 2018**

Item 4

STAFF REPORT - REVISED

TO: Board of Directors

FROM: Dan Jagers, General Manager

SUBJECT: **Consideration of Request for Amendment of Tract 31469 Will Serve Letter (PA 47 or TTM 37428), Update for Sundance Specific Plan Original Will Serve Letter (PA 13 or TTM 31426), and New Will Serve Letter for Chavez School Site Redevelopment (PA 54 or TTM 31427) Pardee Homes Sundance – Specific Plan Amendment No. 3**

Staff Recommendation

Consider the request for each part of the three-part request for amendment, update, and issuance of new “Will Serve Letter” for ongoing development of Pardee Homes–Sundance Master Planned Community that serves as “Will Serve Letter(s)” for TTMs 37426, 37427, and 37428 per Pardee Homes - Sundance – Specific Plan Amendment No. 3:

- A. Planning Area 47: Approve the request for amendment of Tract 31469 “Will Serve Letter” to provide for re-lotting of Tract 31469-5 from 97 Dwelling Units to 138 Dwelling Units.
- B. Planning Area 13: Update Sundance Specific Plan “Will Serve Letter” to provide for redevelopment of PA 13 (TTM 31426) from Planned School Site to 87 Dwelling Units (84 Cluster products and 3 Single Family Dwelling Units).
- C. Provide new “Will Serve Letter” to provide for redevelopment of existing Chavez School Site to new Planning Area 54 (TTM 31427) with 31 Dwelling Units.
- D. Deny the request for amendment of “Will Serve Letter” for Water Service

Summary

The Sundance Specific Plan requests were originally presented to the Board at the May 9, 2018 Regular Meeting, and a follow-up discussion was held at the Engineering Workshop on May 31, 2018, including a presentation by Pardee Homes.

Pardee representative Michael Heishman provided additional information and data, indicating that the increased number of homes requested would actually result in reduced water use when compared to current and prior uses of the same land areas.

In looking at the project with a holistic view, staff is satisfied that Pardee Homes has shown a reduction in required water supply per the changes to the Specific Plan, and as set forth on the attached May 31, 2018 Engineering Workshop Presentation. Some factors that accounted for the overall savings include:

- Increase in lot coverage between Single Family Dwelling Units and Active Adult Dwelling Units and associated reduction of outdoor landscaping area



- Reduction of number of household members per residence (active adult use)
- Conversion of Planning Area 13 planned school field to non-irrigated Drainage Basin

Pardee Homes analysis included conversion of approximately 10.29 acres of Planning Area 13 Junior High School Field to non-irrigated drainage basin, therefore, District Staff has included three Draft "Will Serve Letters" for TTM 37426, 37427, and 37428 for Board consideration.

Finally, Pardee Homes representative Mike Taylor pledged to work with the City of Beaumont and the District for potential projects involving use of the site's detention basins for potential stormwater reclamation or percolation.

Fiscal Impact

None. All fees and deposits will be paid by the Applicant prior to providing service.

Attachment(s)

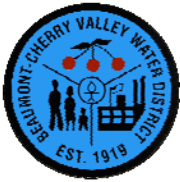
BCVWD Staff Report of May 31, 2018

Pardee Homes Sundance SPA #3 Water Supply Analysis dated May 31, 2018

Draft Tract 31469 "Will Serve Letter" update (provides for re-lotting of Tract 31469-5 from 97 Dwelling Units to 138 Dwelling Units).

Draft Update of Sundance Specific Plan Planning Area 13 "Will Serve Letter" (provides for redevelopment of PA 13 (TTM 31426) from Planned School Site to 97 Dwelling Units (94 Cluster products and 3 Single Family Dwelling Units)).

Draft new Planning Area 54 "Will Serve Letter" to provide for redevelopment of existing Chavez School Site to new Planning Area 54 (TTM 31427) with 31 Dwelling Units.



**Beaumont-Cherry Valley Water District
Special Board Meeting
May 31, 2018**

STAFF REPORT

TO: Board of Directors

FROM: Dan Jagers, General Manager

SUBJECT: **Presentation of Water Supply Analysis for Sundance Specific Plan including TTMs 37426, 37427, and 37428, Pardee Homes Sundance – Specific Plan Amendment No. 3**

Staff Recommendation

No recommendation.

Background

Pardee Homes applied to the City of Beaumont for Amendment No. 3 to the Sundance Specific Plan and that application was approved by the City of Beaumont City Council on May 2, 2018.

On May 9, 2018, Pardee Homes also requested that the Board of Directors of BCVWD consider the following:

- A request to amend the existing "Will Serve Letter" for Tract 31469 and 31470 to add 41 dwelling units to Tract 31469-5.
- A request to update the original Specific Plan "Will Serve Letter", dated September 13, 2001 for the inclusion of Tract 37426 (PA 13, 90 dwelling units).
- A request for a "Will Serve Letter", for the redevelopment of the existing Chavez School site to Tract 37427 (PA 54, 31 dwelling units).

As a result, the Board requested that Pardee Homes provide a holistic and complete analysis of the water usage throughout the proposed areas as well as substantiation of the facts and figures presented at that meeting.

Pardee Homes has revised the approach to their existing analysis and has created a complete new analysis using facts and figures to substantiate their findings. This new analysis includes the following:

- Revised Water Demand Calculations for each of the newly proposed areas (Tracts 37426, 37427, and 37428).
- Identification of lot area breakdown (pervious and impervious) between currently proposed land use and previously proposed land use.
- Water Savings Analysis of the Active Adult Area (Tracts 3170-3 thru -6) due to the land use change from traditional single-family residential to age restricted (55+).
- Net water usage adjustments to Park and Open Space calculations due to the change in landscape usage and irrigation techniques (drip vs. sprinkler) in the affected areas.



- Supporting documentation regarding Water Use Factors (AFY/DU) for single-family and multi-family.
- Supporting documentation regarding population adjustment considerations between single-family residential and age restricted. (BCVWD UWMP)
- Supporting documentation regarding water consumption reduction considerations for age restricted in lieu of single-family residential. ("Approving 55+ Housing: Facts That Matter")
- Overall net summary of the water usage when considering the proposed developments, land use changes, landscape usage, and lot coverage considerations.

District Staff understands that Pardee Homes will be requesting a three-part request for water service for developments which consists of the modification of use for two existing planning areas located within the existing Sundance Specific Plan as well as the addition of one new Planning Area to the Specific Plan. District Staff has further identified the current status and requested modification of each of the Planning Areas as follows:

1. PA 47 Currently Identified as Tract 31469-5 (Proposed Tentative Tract Map 37428)

- a. Existing Tract 31469 WSL clearly identified a total number of 97 Dwelling Units 97 for this Planning Area per Tentative Tract Map 31469 attached as part of the WSL, Last Updated Oct. 2017.
- b. Proposed re-development which will require an amended WSL includes re-lot of said Tract 31469-5 from 97 to 138 dwelling units [EDUs (additional 41 EDUs)].
- c. Minimum Lot sizes will decrease from 10,000 sf to 7,500 sf.
- d. BCVWD has previously plan checked and approved Water Facilities Plans consistent with development of 97 dwelling units.
- e. Water Main Extension and Facilities Agreement has been executed by BCVWD and Pardee Homes for 97 dwelling units and facilities fees paid by Pardee Homes for 97 dwelling units.

2. Planning Area 13 (Currently identified as Tentative Tract Map 37426):

- a. Proposed Development replaces Specific Plan identified Junior High School site located at the south end of the Sundance Specific Plan with 90 dwelling units.
- b. No active "Will Serve Letter" (original "Will Serve Letter" was issued for this area as part of the original Sundance Specific Plan Annexation and Water Service Letter dated September 13, 2001).

3. Proposed Planning Area 54 (TTM 37427)

- a. Proposed addition of new Planning Area 54 consisting of re-development of existing Beaumont Unified School District's Chavez School site to provide for 31 new dwelling units.
- b. No "Will Serve Letter" was issued for this area as part of the original Sundance Specific Plan. This area was not included within the original Sundance Specific Plan.
- c. Replace existing (but currently closed) school site with 31 proposed dwelling units.
- d. Historically consuming water as a school use since at least the early 1990s.



As part of these three “Will Serve Letter” requests, Pardee posits that additions of Equivalent Dwelling Units (EDUs) result in an overall balance of the estimated water use by the project and will present their analysis at the Engineering Workshop.

At this point, Pardee Homes has presented a revised analysis that generally support that the added homes will balance the overall project demand to less than or equal to the demands that were originally presented during the “Will Serve Letter” updates provided over the years, specifically for Tracts 31469 and 31470.

Pardee Homes has again requested to have this issue presented to the Board at the engineering workshop for discussion and resolution of questions in preparation to their desired upcoming request for amended “Will Serve Letter(s)” that address each of the three Planning Areas at the upcoming District June Board Meeting.

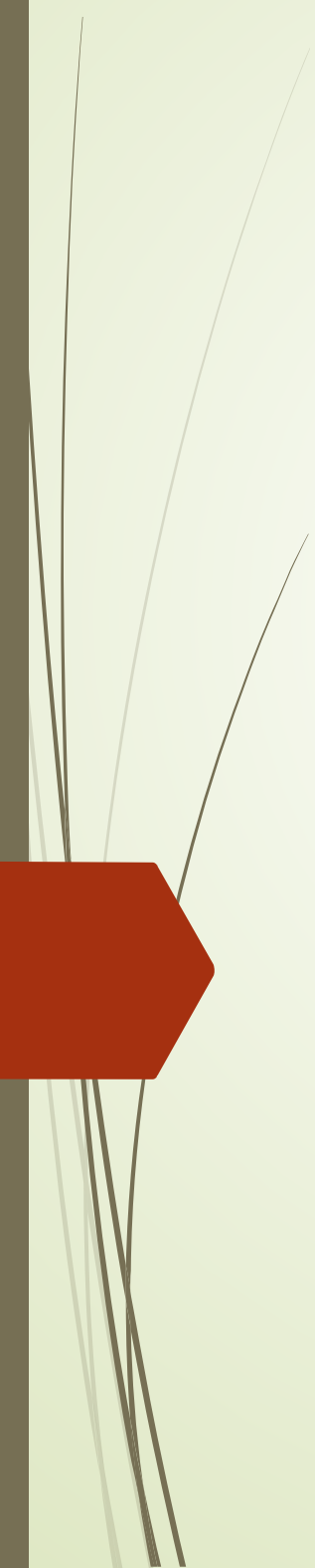
Fiscal Impact

None. All fees and deposits will be paid by the Applicant prior to providing service.

Attachment(s)


Pardee Homes – Specific Amendment No.3 “Will Serve Letter” Requests for Tentative Tract Maps 37426, 37427, and 37428 Letter, Dated May 24, 2018 (with supporting Maps, Calculations and Documentation as Appendices A thru E)

Report prepared by Dan Jagers, General Manager
DKJ:ljlk



PARDEE HOMES SUNDANCE SPA #3 WATER SUPPLY ANALYSIS

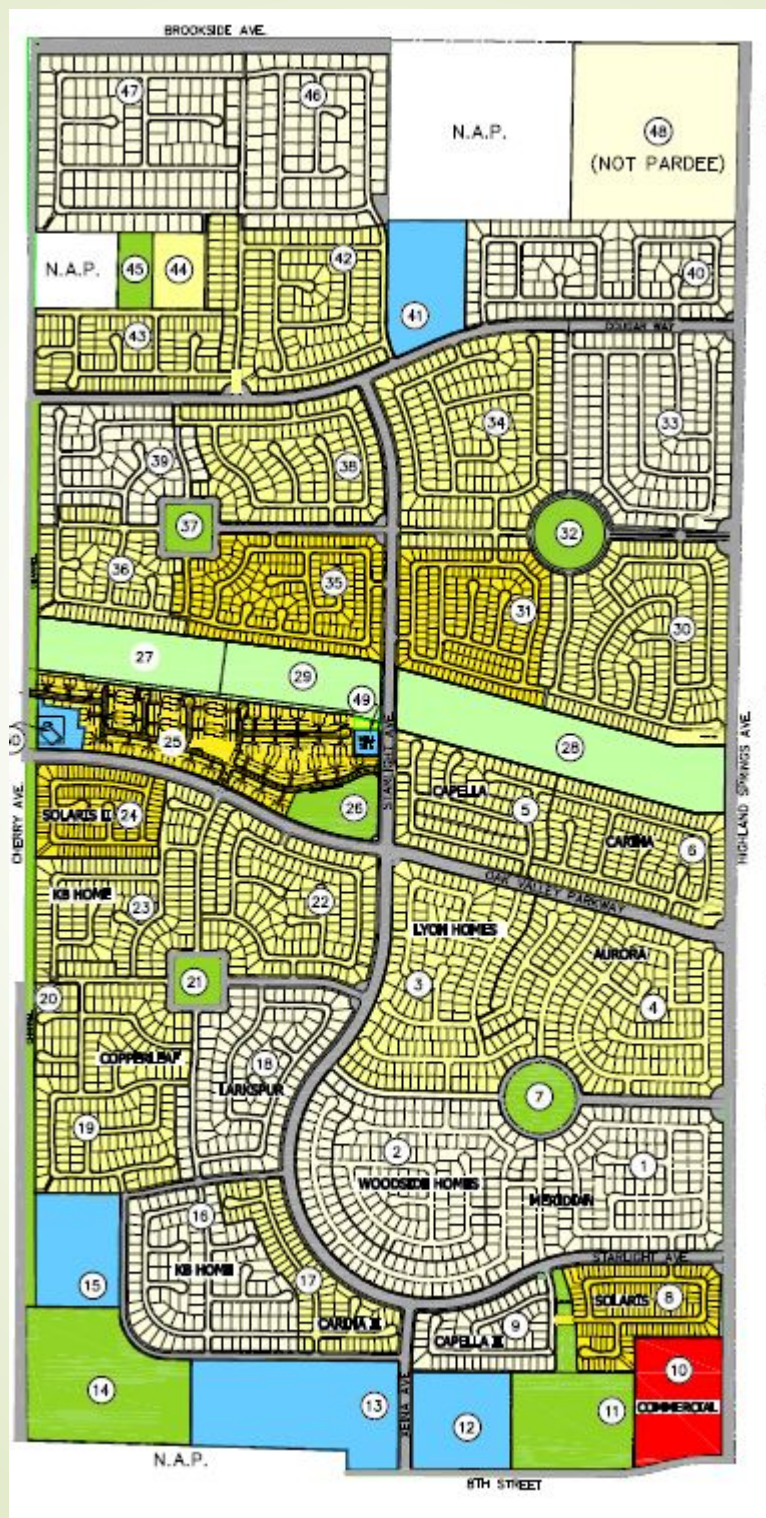
BCVWD Engineering Workshop –
5/31/2018



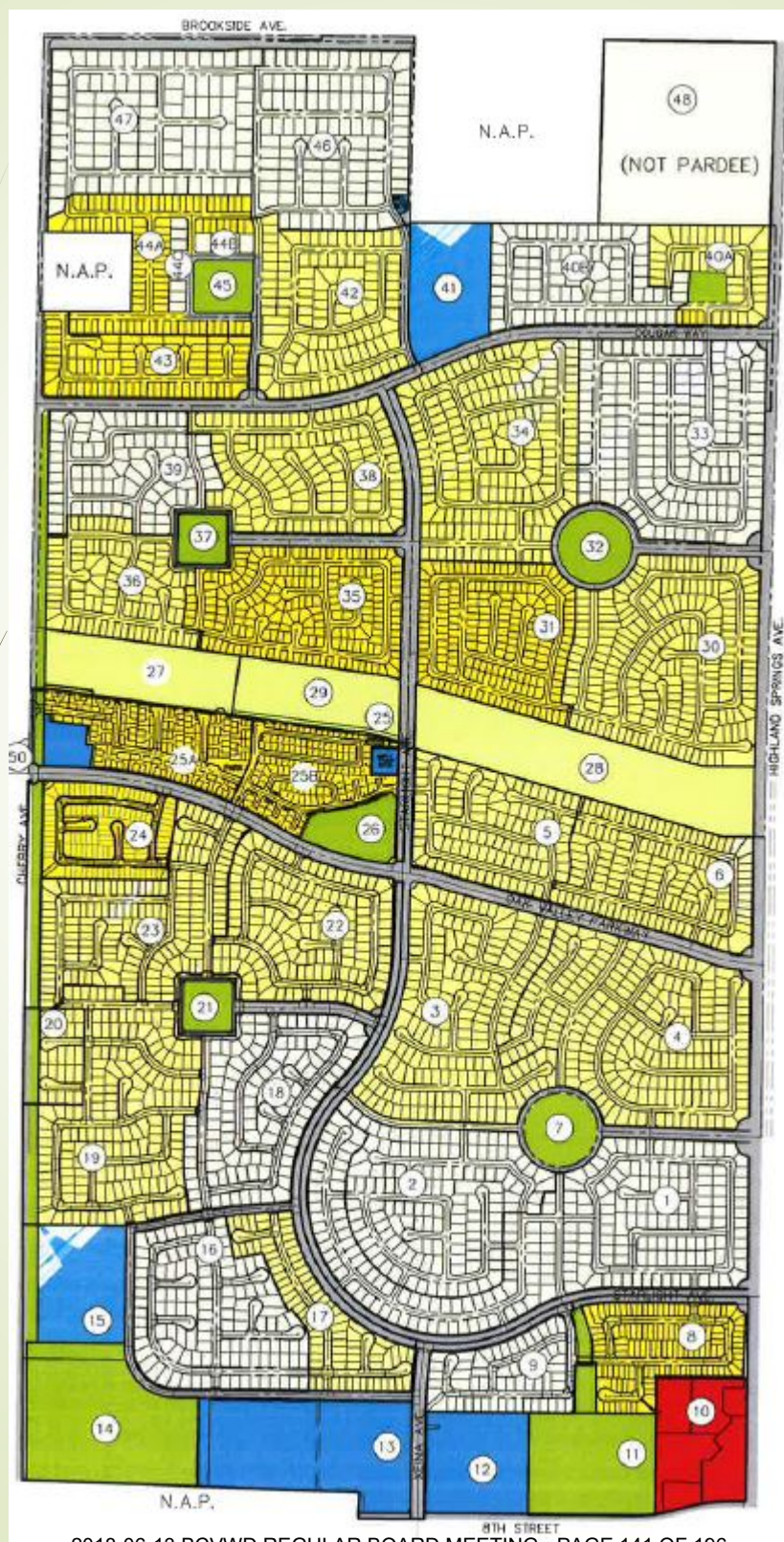
WATER SUPPLY ANALYSIS OVERVIEW

- Provide a more thorough and conservative analysis
- Research and utilize published factors
 - SGPWA
 - BCVWD
 - NAHB
- Identify New Water Demands
- Identify Water Savings from:
 - Conversion of Traditional SF Housing to 55+ SF Housing
 - Junior High School Site to Cluster Product

SUNDANCE - 2011



SUNDANCE - 2014



SUNDANCE - CURRENT



RESULTS – TABLE 1

TABLE 1
ACTIVE ADULT WATER NEEDS ANALYSIS
SUMMARY OF DEMANDS AND SUPPLIES

NEW PLANNING AREA WATER DEMAND

| Planning Area | Dwelling Units | Description | Water Use Factor (AF/EDU)* | Total AFY Required |
|---|----------------|-----------------|----------------------------|--------------------|
| 13 | 84 | Cluster Product | 0.267 | 22.43 |
| | 3 | Single Family | 0.546 | 1.64 |
| Total AF Needed for Development of Planning Area 13: | | | | 24.07 |

| Planning Area | Dwelling Units | Description | Water Use Factor (AF/EDU)* | Total AFY Required |
|---|----------------|---------------|----------------------------|--------------------|
| 47 | 41 | Single Family | 0.546 | 22.39 |
| Total AF Needed for Development of Planning Area 47: | | | | 22.39 |

| Planning Area | Dwelling Units | Description | Water Use Factor (AF/EDU)* | Total AFY Required |
|---|----------------|---------------|----------------------------|--------------------|
| 54 | 31 | Single Family | 0.546 | 16.93 |
| Total AF Needed for Development of Planning Area 54: | | | | 16.93 |

Total New Planning Area Demand Needed (AFY): 63.38

* Refer to Appendix D for factors from SGPWA 2015 Capacity Fee Study.

NEW PARK/PASEO WATER DEMAND

| Planning Area | Water Demand Due to Increased Parks/Paseos (AFY) | Total Parks/Paseos Landscape Demand (AFY) |
|--|--|---|
| 30, 31, 32, 33, 34 | (See Table 2 for Active Adult Landscape Demand Analysis) | |
| Active Adult Parks/Paseos | 51.42 | 51.42 |
| Exist. Park (PA 32) Reduction | -10.86 | -10.86 |
| Total New Park/Paseo Demand Needed (AFY): | | 40.56 |

RESULTS – Cont.

NEW WATER SAVINGS

Planning Area 13 (Original Junior High School Site at 22.39 acres)

| Usage Type | Estimated Children* | GPD per Child (Indoor use) | Water Use Factor (AFY/Child) | Total AFY Saved |
|--|---------------------|-------------------------------|------------------------------------|--------------------|
| Indoor Use | 1,200 | 15 | 0.01680 | 20.16 |
| Estimated Inside Water Supply Planned for Original School Development (AFY): | | | | 20.16 |
| * Based upon 12 acre school site (see below for 10.39 acre field) | | | | |

| Usage Type | Field Area (Acres) | Estimated % of Developed Area | Water Use Factor (GPD/Acre) | Total AFY Saved |
|---|--------------------|----------------------------------|-----------------------------------|--------------------|
| Field Total | 10.39 | | | |
| Turf | 6.23 | 60.0% | 3,000 | 20.95 |
| Drip | 2.60 | 25.0% | 1,800 | 5.24 |
| Impervious | 1.56 | 15.0% | 0 | 0.00 |
| Estimated Outside Water Supply Planned for Original School Development (AFY): | | | | 26.19 |
| Estimated Water Supply Planned for School Site Saved (AFY): | | | | 46.35 |

Active Adult Landscape Savings Due to Increased House Footprint

| Planning Area | Landscape Reduction due to Increased Lot Coverage (Acres) | Estimated % of Area* | Water Use Factor (GPD/Acre) | Total AFY Saved |
|---|--|--|-----------------------------------|--------------------|
| 30, 31, 33, 34 | 8.20 | (See Table 3 for Analysis of Coverage Reduction) | | |
| Turf | 2.71 | 33.0% | 3,000 | 9.10 |
| Drip | 5.50 | 67.0% | 1,800 | 11.08 |
| Estimated Water Supply Saved by Converting to Active Adult Development (AFY): | | | | 20.18 |

* Refer to Attachment C for Traditional Lot Front and Rear Yard Landscape Coverage

RESULTS – Cont.

Active Adult Indoor Water Use Reduction

| Planning Area | 55+ Reduction Percentage (14.23%)* | Demand Factor | Gross Water Use (AFY) | Adjusted Total (AFY) |
|--------------------------|------------------------------------|--------------------------------------|-----------------------|----------------------|
| 30, 31, 33, 34 | | | | |
| Number of Dwelling Units | 704 | | | |
| AF/DU water use factor | 0.546 | (See SGPWA Capacity Fee Study, 2015) | | |
| Outside Use @ 60% | 85.77% | 60.0% | 230.6 | 32.83 |
| Inside Use @ 40% | 85.77% | 40.0% | 153.8 | 21.89 |

Estimated Total Water Supply Savings (AFY): 21.89

* Refer to Attachment D for NAHB Approving 55+ Housing: Facts That Matter.

Active Adult Community School-Aged Children Water Use Reduction

| Planning Area | Estimated Children | GPD per Child | Water Use Factor (AFY/Child) | Total AFY Saved |
|---------------------------------------|--------------------|---------------|------------------------------|-----------------|
| 30, 31, 33, 34 | | | | |
| Number of Dwelling Units | 704 | | | |
| Average Children per DU* | 0.8 | | | |
| Children Lost to School System | | | | |
| PA 13 Indoor Use | 563.2 | 15 | 0.01680 | 9.46 |
| PA 13 Outdoor Use | 563.2 | 15 | 0.01680 | 9.46 |

Estimated Total Water Supply Savings (AFY): 18.93

* Refer to Attachment D BCVWD 2017 Urban Water Management Plan

SUMMARY - DEMAND vs SAVINGS

| Item | Total AFY |
|--|-------------|
| New Water Demand | 103.94 |
| New Water Savings | 107.35 |
| Total Water Supply Savings (AFY): | 3.41 |

RESULTS – TABLE 2

TABLE 2
ACTIVE ADULT LANDSCAPE DEMAND ANALYSIS

| Landscape Area | Yearly Water Use MAWA (HCF/Yr)* | Yearly Water Use ETWU (HCF/Yr)* | Yearly Water Use ETWU (CF/Yr) | Yearly Water Use ETWU (AFY) |
|---------------------|---------------------------------------|---------------------------------------|-------------------------------------|---|
| PA 32 Rec Center | 8,854 | 5,255 | 525,500 | 12.1 |
| Park A (Starlight) | 2,398 | 1,374 | 137,400 | 3.2 |
| Park B (Cougar) | 2,808 | 2,090 | 209,000 | 4.8 |
| PA 30 (incl Paseos) | 6,165 | 3,425 | 342,500 | 7.9 |
| PA 31 (incl Paseos) | 2,892 | 1,607 | 160,700 | 3.7 |
| PA 33 (incl Paseos) | 6,940 | 3,856 | 385,600 | 8.9 |
| PA 34 (incl Paseos) | 6,940 | 2,464 | 246,400 | 5.7 |
| Primary Entry | 4,024 | 2,327 | 232,700 | 5.3 |
| Totals | 41,021 | 22,398 | 2,239,800 | 51.42 |
| | | | | Original Park Landscape Demand (AFY): -10.86 |
| | | | | Additional Active Adult Landscape Demand (AFY): 40.56 |

* Per landscaping construction plans

| ORIGINAL PA 32 PARK WATER USE | | | | | |
|---------------------------------------|--------|----------------------------|------|------|-------|
| | | GPD Factors (GPD per Acre) | | | |
| Total Park Acres | 5.01 | 3000 | 1800 | 1200 | 0 |
| Turf Area | 56.50% | 9.51 | | | |
| Drip Area - Medium Demand | 8.00% | | 0.81 | | |
| Drip Area - Low Demand | 8.00% | | | 0.54 | |
| Impervious | 27.50% | | | | 0.00 |
| | | 9.51 | 0.81 | 0.54 | 0.00 |
| Original Park Landscape Demand (AFY): | | | | | 10.86 |

Example of Existing Sundance Park



RESULTS – TABLE 3

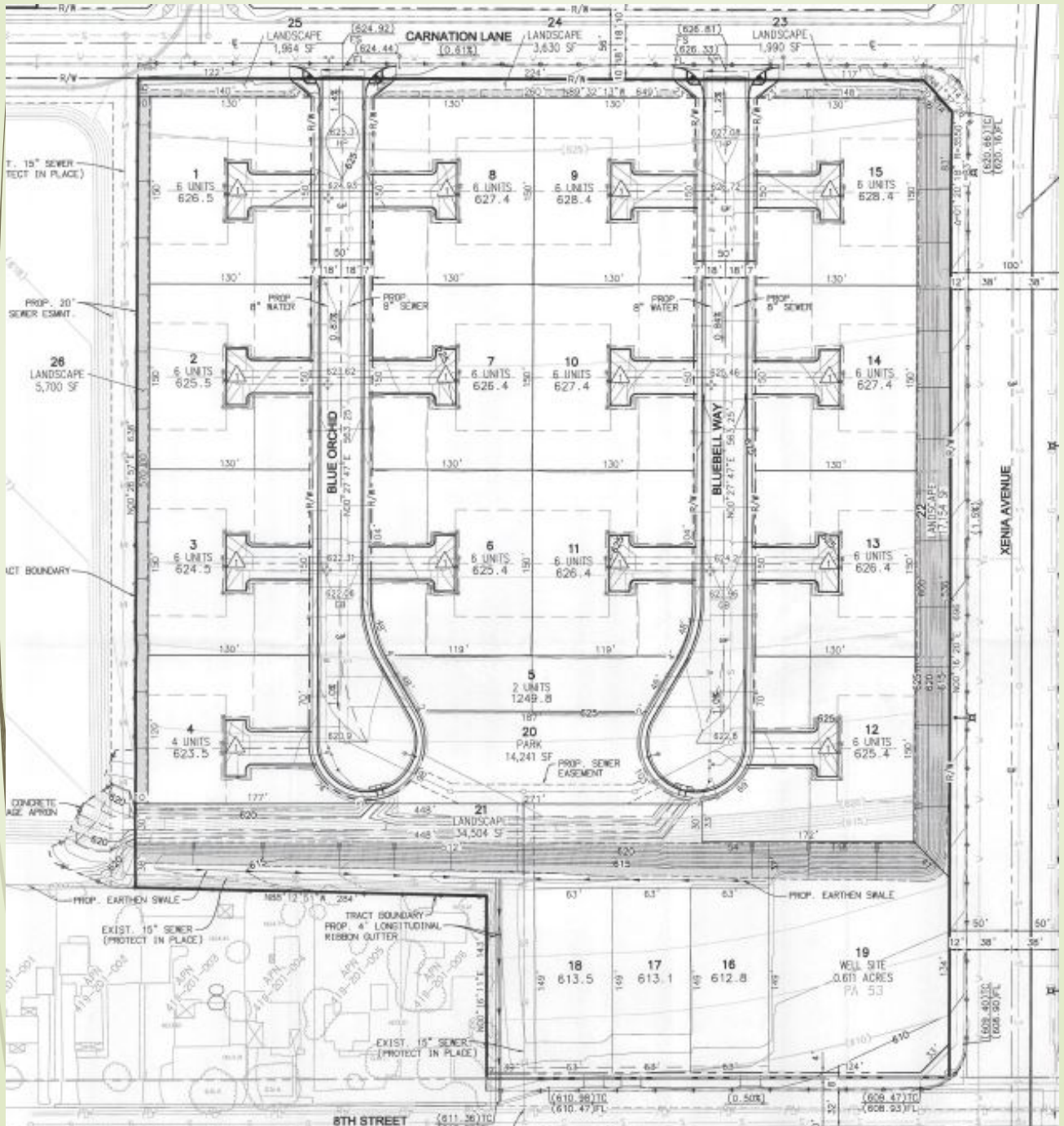
TABLE 3
TRADITIONAL SINGLE FAMILY DWELLING UNIT HOUSING VS ACTIVE ADULT LIVING HOUSING
SUNDANCE FOOTPRINT COMPARISON

| CONVENTIONAL DEVELOPMENT | | | | | | | | | | | | | | | | | | | | | |
|--|--------------------|--|---------------------------|----------------|---|---------------------------|--------------|--|---|----------------------------------|---------------------------|--|---|---------------------------------|-------|--|--|--|--|--|--|
| Lot Type | Planning Area (PA) | Lot Size | Typical Building Pad (SF) | # of DUs in PA | Type of House | 1st Floor Footprint (SF)* | Plotting Mix | Total Square Footage of 1st Floor Footprint (SF) | Total Square Footage of Typical Building Pad (SF) | Average 1st Floor Footprint (SF) | 1st Floor Footprint (SF)* | Typical Developed Building Pad Size (SF) | Percentage of Building Pad Covered by House Footprint | Averaged Percentage of Coverage | | | | | | | |
| Conventional | PA 35A/B | 47x72 | 3,384 | 195 | 2 Story | 1,688 | 33% | 108,623 | 217,760 | 1,800 | 1,688 | 3,384 | 49.88% | 51.54% | | | | | | | |
| | | | | | 2 Story | 1,822 | 33% | 117,246 | 217,760 | | 1,822 | | 53.84% | | | | | | | | |
| | PA 36 | 45x105 | 4,725 | 102 | 2 Story | 1,888 | 34% | 125,174 | 224,359 | 2,300 | 1,888 | 4,725 | 55.79% | | | | | | | | |
| | | | | | 1 Story | 2,431 | 33% | 81,827 | 159,044 | | 2,431 | | 51.45% | | | | | | | | |
| | | | | | 1 Story | 2,582 | 33% | 86,910 | 159,044 | | 2,582 | | 54.65% | | | | | | | | |
| | | | | | 2 Story | 1,900 | 34% | 65,892 | 163,863 | | 1,900 | | 40.21% | | | | | | | | |
| | PA 38** | 50x100 | 5,000 | 142 | 1 Story | 2,966 | 33% | 138,987 | 234,300 | 2,442 | 2,966 | 5,000 | 59.32% | | | | | | | | |
| | | | | | 2 Story | 2,081 | 33% | 97,516 | 234,300 | | 2,081 | | 41.62% | | | | | | | | |
| | | | | | 2 Story | 2,284 | 34% | 110,272 | 241,400 | | 2,284 | | 45.68% | | | | | | | | |
| | | | | | 1 Story | 3,786 | 33% | 109,945 | 174,240 | | 3,786 | | 63.10% | | | | | | | | |
| | PA 39** | 60x100 | 6,000 | 88 | 2 Story | 2,958 | 33% | 85,900 | 174,240 | 3,321 | 2,958 | 6,000 | 49.30% | | | | | | | | |
| | | | | | 2 Story | 3,221 | 34% | 96,372 | 179,520 | | 3,221 | | 53.68% | | | | | | | | |
| | | | | | 1,224,665 | 2,379,830 | | | | | | | | | | | | | | | |
| | | | | | | | | Square Feet | | Acres | | | | | | | | | | | |
| Total Traditional SF Landscaping Area: | | | | | | | | 1,155,166 | | 26.52 | | | | | | | | | | | |
| ACTIVE ADULT DEVELOPMENT | | | | | | | | | | | | | | | | | | | | | |
| Lot Type | Planning Area (PA) | Lot Size | Typical Building Pad (SF) | # of DUs in PA | Type of House | 1st Floor Footprint (SF)* | Plotting Mix | Total Square Footage of 1st Floor Footprint (SF) | Total Square Footage of Typical Building Pad (SF) | Average 1st Floor Footprint (SF) | 1st Floor Footprint (SF)* | Typical Developed Building Pad Size (SF) | Percentage of Building Pad Covered by House Footprint | Averaged Percentage of Coverage | | | | | | | |
| Active Adult | PA 30, 31, 33 & 34 | 50x77 | 3,850 | 152 | 1 Story | 2,407 | 33% | 120,735 | 193,116 | 2,495 | 2,407 | 3,850 | 62.52% | 61.87% | | | | | | | |
| | | | | | 1 Story | 2,456 | 33% | 123,193 | 193,116 | | 2,456 | | 63.79% | | | | | | | | |
| | | | | | 1 Story | 2,617 | 34% | 135,247 | 198,968 | | 2,617 | | 67.97% | | | | | | | | |
| | | 45x105 | 4,725 | 205 | 1 Story | 2,756 | 33% | 186,443 | 319,646 | 2,840 | 2,756 | 4,725 | 58.33% | | | | | | | | |
| | | | | | 1 Story | 2,850 | 33% | 192,803 | 319,646 | | 2,850 | | 60.32% | | | | | | | | |
| | | | | | 1 Story | 2,911 | 34% | 202,897 | 329,333 | | 2,911 | | 61.61% | | | | | | | | |
| | | 50x105 | 5,250 | 183 | 1 Story | 3,033 | 33% | 183,163 | 317,048 | 3,152 | 3,033 | 5,250 | 57.77% | | | | | | | | |
| | | | | | 1 Story | 3,215 | 33% | 194,154 | 317,048 | | 3,215 | | 61.24% | | | | | | | | |
| | | | | | 1 Story | 3,205 | 34% | 199,415 | 326,655 | | 3,205 | | 61.05% | | | | | | | | |
| | | 55x105 | 5,775 | 164 | 1 Story | 3,487 | 33% | 188,716 | 312,543 | 3,616 | 3,487 | 5,775 | 60.38% | | | | | | | | |
| | | | | | 1 Story | 3,694 | 33% | 199,919 | 312,543 | | 3,694 | | 63.97% | | | | | | | | |
| | | | | | 1 Story | 3,665 | 34% | 204,360 | 322,014 | | 3,665 | | 63.46% | | | | | | | | |
| | | | | | | | 2,131,045 | 3,461,675 | | | | | | | | | | | | | |
| | | | | | | | | | | | | | Square Feet | | Acres | | | | | | |
| | | | | | Total Active Adult SF Landscaping Area: | | | | | | | | 1,330,630 | | 30.55 | | | | | | |
| | | Active Adult Coverage @ 61.87% | | | | | | | | 2,141,641 | | | | | | | | | | | |
| | | Active Adult Coverage @ 51.54% | | | | | | | | 1,784,279 | | | | | | | | | | | |
| | | Reduction to Landscape area due to increased lot coverage: | | | | | | | | 357,362 | | 8.20 | | | | | | | | | |

* Taken from City approved arch. submittal. Includes living space, garage, covered patio (if standard), porch and driveway. See Appendix E.

**Averaged the conventional 50x100 and 60x100 lots to get an Active Adult 55x100 lot for comparison.

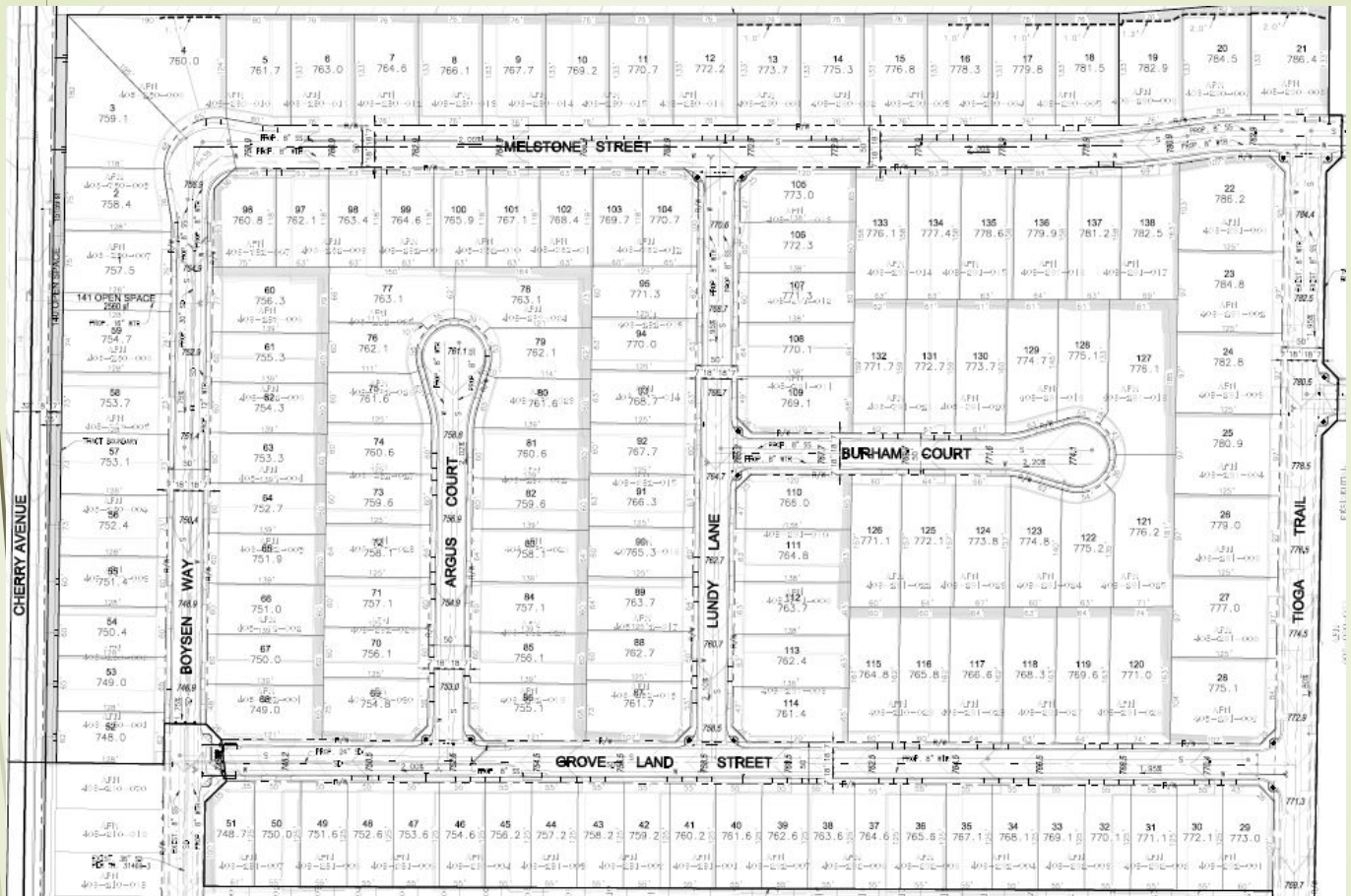
PA 13 SITE PLAN



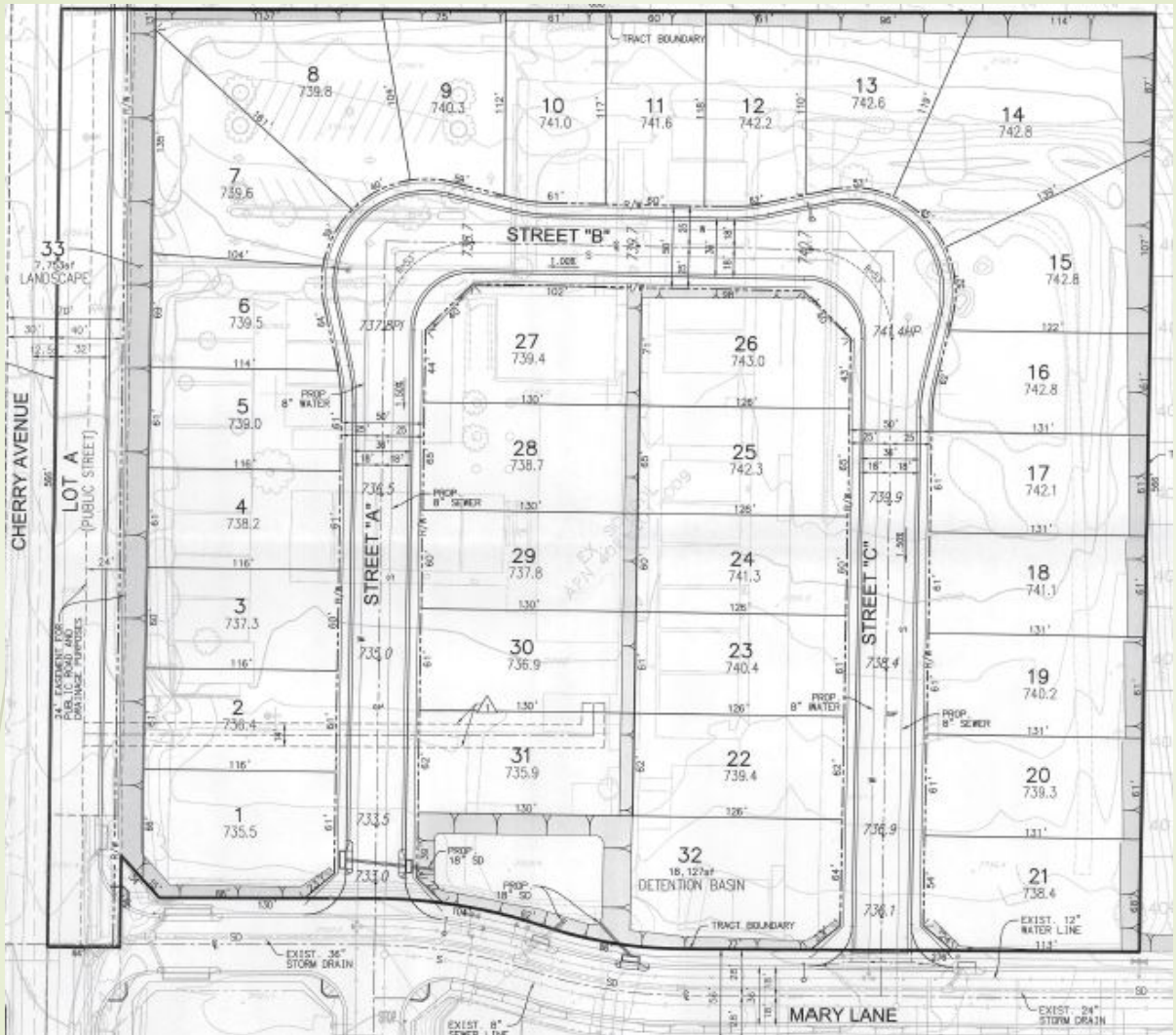
CLUSTER PRODUCT



PA 47 SITE PLAN



PA 54 SITE PLAN



TRADITIONAL SF VS. 55+ SF (KHOV)



SIMILAR JR. HIGH SCHOOL SITE





CONCLUSION

- Analysis provided is more conservative and complete than the prior analysis
- Demonstrated that the water savings are slightly greater than the new water demand
- Apply Water Savings to Offset New Water Demand
- Questions?



Beaumont-Cherry Valley Water District

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

Email: info@bcvwd.org

<http://www.bcvwd.org>

June 13, 2018

Board of Directors

David Hoffman
Division 5

John Covington
Division 4

Daniel Slawson
Division 3

Claudeen Diaz
Division 2

Andy Ramirez
Division 1

Michael Heishman
Pardee Homes
1250 Corona Point Court, Ste. 600
Corona, CA 92879

Subject: Update of "Will Serve Letter" for Original Sundance Specific Plan
Specific Plan Amendment No. 3 with Ongoing Development of
Sundance Master Planned Community
Tentative Tract Map 37426 (Planning Area 13)
Beaumont, CA

Dear Mr. Heishman:

At the Regular Meeting of the Board of Directors held on June 13, 2018, Pardee Homes request for an Update to "Will Serve Letter" for the above referenced property (Tentative Tract Map 37426) which utilizes the Specific Plan Amendment No. 3, detailing a re-lotting of TTM 37426 from a planned school site to 87 Dwelling Units. The Update to "Will Serve Letter" was approved for domestic and non-potable water service for the proposed planning area. Please see the attached Staff Report for reference.

The Beaumont-Cherry Valley Water District will provide water service to the subject property assuming all obligations to provide service are met including, but not limited to, the Rules and Regulations Governing Water Service as amended by the Board of Directors from time to time.

The Applicant shall conform to all District requirements for water service and all City of Beaumont requirements.

1. The Applicant shall enter into a water facilities extension agreement and pay all fees associated with the domestic and non-potable water services for the proposed development. The Applicant shall also pay all fees related to new fire service facilities including any facilities improvements that may be necessary to meet the current City of Beaumont fire protection conditions and/or fire flow requirements.
2. The Applicant shall pay front footage fees along all property frontages where facilities are currently installed, for which fees have not previously been paid as part of the original development proceedings.
3. 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:



Beaumont-Cherry Valley Water District

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Board of Directors

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Division 3

Claudeen Diaz
Division 2

Andy Ramirez
Division 1

- 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.
4. The Applicant shall update existing plans (and prepare or submit existing recycled water improvement plans) in accordance with current District Standards showing all required domestic water system and non-potable water system improvements. Said plans shall be approved by the District prior to construction.
 5. The Applicant shall provide domestic water line and non-potable water line easements as necessary to provide domestic water supply and non-potable water supply to the project as required if said water lines are proposed to be installed in private or public land not within the public right of way.
 6. The Applicant shall conform to all District requirements and all City of Beaumont requirements.
 7. The Applicant will not develop nor irrigate the westerly 10.39-acre (Basin) parcel located to the west of TTM 37426.
 8. 84 Units shall be developed as “cluster” product housing.

We look forward to working with you in the coming months and please feel free to contact the office should you have any questions.

This letter will expire 12 months from the date of issue.

Sincerely,

Dan Jagers
BCVWD
General Manager

Attachments: 1. June 13, 2018 Staff Report related to Consideration of Update to Request for “Will Serve Letter” for Tentative Tract Map 37426

DKJ/dkj



Beaumont-Cherry Valley Water District

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<http://www.bcvwd.org>

June 13, 2018

Board of Directors

David Hoffman
Division 5

John Covington
Division 4

Daniel Slawson
Division 3

Claudeen Diaz
Division 2

Andy Ramirez
Division 1

Michael Heishman
Pardee Homes
1250 Corona Point Court, Ste. 600
Corona, CA 92879

Subject: Request for New "Will Serve Letter"
Specific Plan Amendment No. 3 with Ongoing Development of
Sundance Master Planned Community
Tentative Tract Map 37427 (Planning 54, Formerly Chavez Elementary
School)
Beaumont, CA

Dear Mr. Heishman:

At the Regular Meeting of the Board of Directors held on June 13, 2018, Pardee Homes request for a new "Will Serve Letter" for the above referenced property (Tentative Tract Map 37427) which utilizes the Specific Plan Amendment No. 3, detailing a re-lotting of TTM 37427 from the existing Chavez School site to 31 Dwelling Units. The "Will Serve Letter" was approved for domestic and non-potable water service for the proposed planning area. Please see the attached Staff Report for reference.

The Beaumont-Cherry Valley Water District will provide water service to the subject property assuming all obligations to provide service are met including, but not limited to, the Rules and Regulations Governing Water Service as amended by the Board of Directors from time to time.

The Applicant shall conform to all District requirements for water service and all City of Beaumont requirements.

1. The Applicant shall enter into a water facilities extension agreement and pay all fees associated with the domestic and non-potable water services for the proposed development. The Applicant shall also pay all fees related to new fire service facilities including any facilities improvements that may be necessary to meet the current City of Beaumont fire protection conditions and/or fire flow requirements.
2. The Applicant shall pay front footage fees along all property frontages where facilities are currently installed, for which fees have not previously been paid as part of the original development proceedings.
3. 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



Beaumont-Cherry Valley Water District

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Board of Directors

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Division 5

John Covington
Division 4

Daniel Slawson
Division 3

Claudeen Diaz
Division 2

Andy Ramirez
Division 1

(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.
4. The Applicant shall update existing plans (and prepare or submit existing recycled water improvement plans) in accordance with current District Standards showing all required domestic water system and non-potable water system improvements. Said plans shall be approved by the District prior to construction.
 5. The Applicant shall provide domestic water line and non-potable water line easements as necessary to provide domestic water supply and non-potable water supply to the project as required if said water lines are proposed to be installed in private or public land not within the public right of way.
 6. The Applicant shall conform to all District requirements and all City of Beaumont requirements.

We look forward to working with you in the coming months and please feel free to contact the office should you have any questions.

This letter will expire 12 months from the date of issue.

Sincerely,

Dan Jagers
BCVWD
General Manager

Attachments: 1. June 13, 2018 Staff Report related to Consideration of Request for “Will Serve Letter” for Tentative Tract Map 37427

DKJ/dkj



Beaumont-Cherry Valley Water District

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June 13, 2018

Board of Directors

David Hoffman
Division 5

John Covington
Division 4

Daniel Slawson
Division 3

Claudeen Diaz
Division 2

Andy Ramirez
Division 1

Michael Heishman
Pardee Homes
1250 Corona Point Court, Ste. 600
Corona, CA 92879

Subject: Update of "Will Serve Letter" for Tract 31469
Specific Plan Amendment No. 3 with Ongoing Development of
Sundance Master Planned Community
Tentative Tract Map 37428 (Formerly TTM 31469-5)
Beaumont, CA

Dear Mr. Heishman:

At the Regular Meeting of the Board of Directors held on June 13, 2018, Pardee Homes request for an Update to "Will Serve Letter" for the above referenced property (Tentative Tract Map 37428) which utilizes the Specific Plan Amendment No. 3, detailing a re-lotting of TTM 37428 from 97 Dwelling units to 138 Dwelling Units (41 new units). The Update to "Will Serve Letter" was approved for domestic and non-potable water service for the proposed planning area. Please see the attached Staff Report for reference.

The Beaumont-Cherry Valley Water District will provide water service to the subject property assuming all obligations to provide service are met including, but not limited to, the Rules and Regulations Governing Water Service as amended by the Board of Directors from time to time.

The Applicant shall conform to all District requirements for water service and all City of Beaumont requirements.

1. The Applicant shall enter into an amended water facilities extension agreement and pay all fees associated with the domestic and non-potable water services for the proposed development. The Applicant shall also pay all fees related to new fire service facilities including any facilities improvements that may be necessary to meet the current City of Beaumont fire protection conditions and/or fire flow requirements.
2. The Applicant shall pay front footage fees along all property frontages where facilities are currently installed, for which fees have not previously been paid as part of the original development proceedings.
3. 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



Beaumont-Cherry Valley Water District

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Email: info@bcvwd.org

<http://www.bcvwd.org>

Board of Directors

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Division 5

John Covington
Division 4

Daniel Slawson
Division 3

Claudeen Diaz
Division 2

Andy Ramirez
Division 1

(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.
4. The Applicant shall update existing plans (and prepare or submit existing recycled water improvement plans) in accordance with current District Standards showing all required domestic water system and non-potable water system improvements. Said plans shall be approved by the District prior to construction.
 5. The Applicant shall provide domestic water line and non-potable water line easements as necessary to provide domestic water supply and non-potable water supply to the project as required if said water lines are proposed to be installed in private or public land not within the public right of way.
 6. The Applicant shall conform to all District requirements and all City of Beaumont requirements.

We look forward to working with you in the coming months and please feel free to contact the office should you have any questions.

This letter will expire 12 months from the date of issue.

Sincerely,

Dan Jagers
BCVWD
General Manager

Attachments: 1. June 13, 2018 Staff Report related to Consideration of Request for Update to “Will Serve Letter” for Tentative Tract Map 37428

DKJ/dkj



**Beaumont-Cherry Valley Water District
Regular Board Meeting
June 13, 2018**

Item 5

STAFF REPORT

TO: Board of Directors

FROM: Dan Jagers, General Manager

SUBJECT: **Consideration of Application for Water Service for Riverside County Assessor's Parcel No. 401-170-038 on Avenida Miravilla between Camino del Norte and Whispering Pines Road in the Community of Cherry Valley**

Staff Recommendation

Consider the request for water service for a property located on Avenida Miravilla, identified as **Riverside County Assessor's Parcel No. (APN) 401-170-038** within the community of Cherry Valley, subject to payment of all fees to the District and securing all approvals from the County of Riverside and:

- A. Approve the Application for Water Service and furnish "Will Serve Letter", or
- B. Deny the Application for Water Service

Background

The Applicant, David Fawcett, has requested water service from the District for a proposed single family residence on an existing parcel of land located on Avenida Miravilla and further identified as Riverside County Assessor's Parcel No. 401-170-038.

Subject property is located on Avenida Miravilla, between Camino Del Norte Avenue and Whispering Pines Road in the Community of Cherry Valley, California (see Figure 1 attached). It has not yet been designated a numeric address. This parcel is currently within the District's Service Boundary and the District has confirmed there is a 4-inch main fronting the property. The Applicant plans to build a single family residence on the parcel identified on Figure 1. The Applicant will need to secure the necessary approvals from the County of Riverside.

The impact of this residence on the District's water supply system is minimal. The Applicant will be expected to pay applicable Facilities Fees for a single residential unit, a non-tract water service installation charge and front-footage fees. The Applicant will be required to pay actual fees in effect at the time of application for service installation.

Final meter size will be determined by the Applicant and the final sizing of said meter and need for new fire hydrant. Installation may be affected by the County of Riverside Fire Department requirements to provide fire protection and residential fire sprinklers for the residence.

Conditions:

The Applicant shall conform to all District requirements for water service and all County of Riverside requirements.

1. The Applicant will be required to pay front footage fees along all property frontages where facilities are currently installed.



2. To minimize the use of potable water, the District requires the applicant to conform to the County of Riverside Landscaping Ordinances 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, 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 similar to that at the District’s demonstration garden at the Noble Creek Groundwater Recharge site. Irrigation systems for these areas should be drip or bubbler type.

Fiscal Impact: None. All fees and deposits will be paid by the Applicant prior to providing service.

Attachments

Figure 1 – Site Plan

Application for Water Service for Riverside County APN 401-170-038 (Avenida Miravilla)

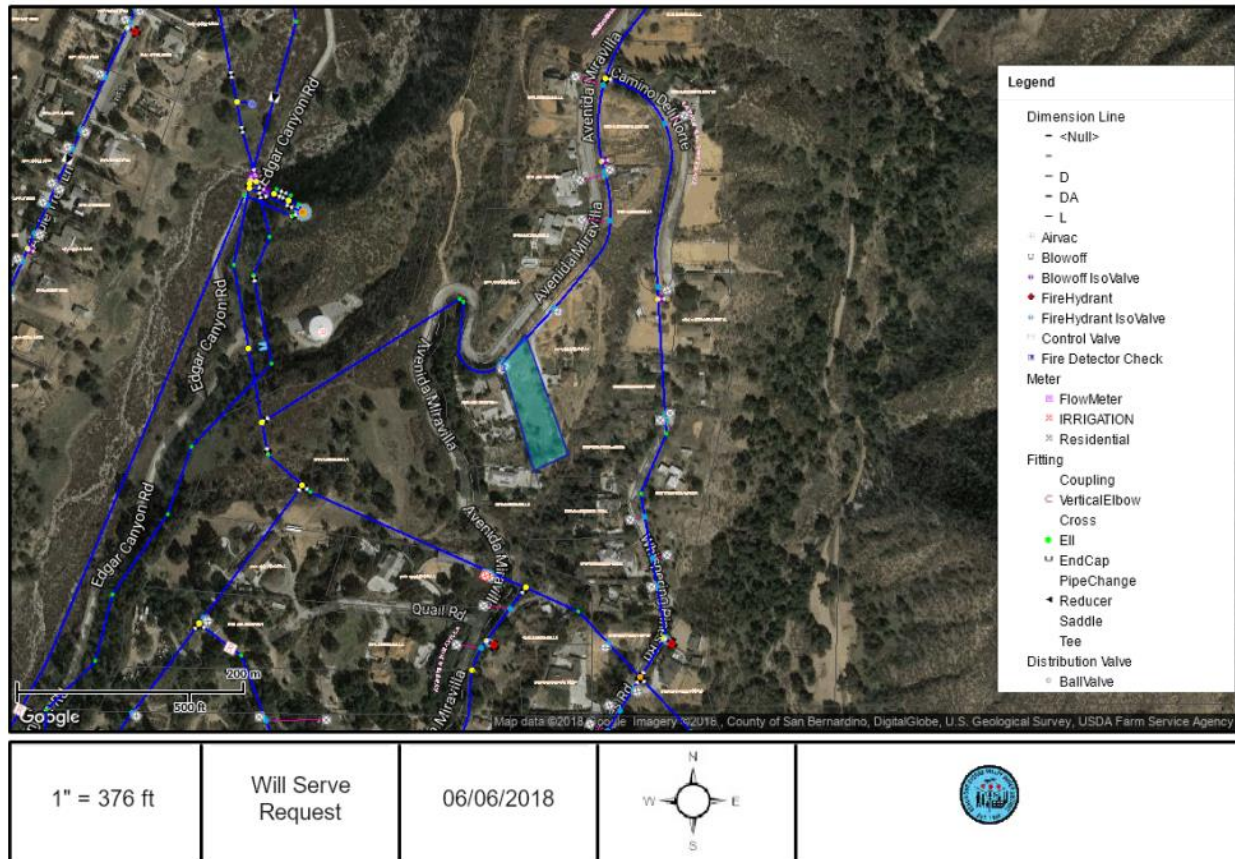


**Beaumont-Cherry Valley Water District
Regular Board Meeting
June 13, 2018**

Item 5

FIGURE 1

APN 401-170-038



APN_401-170-038_Staff_Report_06052018



BEAUMONT CHERRY VALLEY WATER DISTRICT

560 Magnolia Avenue • PO Box 2037

Beaumont, CA 92223-2258

Phone (951) 845-9581

www.bcvwd.org

CUST #55822

☒ Will Serve Request ☐ Water Supply Assessment (SB210)

| | |
|---|---|
| Applicant Name: <u>David Fawcett</u> | Contact Phone #: <u>949 285-9743</u> |
| Mailing Address: <u>13867 Meadow View Ln</u> | Fax #: |
| City: <u>Yucaipa</u> | E-mail: <u>davef@ppmech.com</u> |
| State & Zip: <u>CA 92399</u> | |
| Service Address: <u>Avenida Miravilla</u> | <u>No number Yet</u> |
| Assessor's Parcel Number (APN), Tract Map No. Parcel Map No.: <u>401-170-038</u> | |
| Project Type: <input checked="" type="checkbox"/> Single-Family <input type="checkbox"/> Multi-Family <input type="checkbox"/> Commercial/Industrial <input type="checkbox"/> Minor Subdivision (5 lots or less) <input type="checkbox"/> Major subdivision (6+ lots) <input type="checkbox"/> Other | |
| Site Map Attached: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |

The letter should be delivered to:

Recipient: _____

PLEASE CHOOSE ONE:

☐ Mail (above address)

☒ E-mail

☐ Fax

☐ Will pick up

The District reserves the right to impose terms and conditions in Will Serve Letters and/or Water Supply Assessment Reports that take into account water availability issues, conservation issues and the District's existing facilities, all of which impact the District's ability to provide service to the subject property and maintain the District's ability to meet existing water demands.

David Fawcett
Applicant's Signature

5-24-18
Date



**Beaumont-Cherry Valley Water District
Regular Board Meeting
June 13, 2018**

Item 6

STAFF REPORT

TO: Board of Directors

FROM: Dan Jagers, General Manager

SUBJECT: **Consideration of Application for Water Service for Riverside County Assessor's Parcel No. 404-100-014 at 11227 Sunnyslope Avenue**

Staff Recommendation

Consider the request for water service for a property located on 11227 Sunnyslope Avenue, identified as **Riverside County Assessor's Parcel No. (APN) 404-100-014** within the community of Cherry Valley, subject to payment of all fees to the District and securing all approvals from the County of Riverside and:

- A. Approve the Application for Water Service and furnish "Will Serve Letter", or
- B. Deny the Application for Water Service

Background

The Applicant, Bill Lattin, has requested water service from the District for a proposed single family residence on a subdivided parcel of land located on 11227 Sunnyslope Avenue and further identified as Riverside County Assessor's Parcel No. 404-100-014.

Subject property is located on Sunnyslope Avenue, approximately 1,090 feet south of Brookside Avenue in the Community of Cherry Valley, California (see Figure 1 attached). This parcel is currently within the District's Service Boundary and the District has confirmed there is a 6" main fronting the property. The Applicant plans to build a single family residence on the parcel identified on Figure 1. The Applicant will need to secure the necessary approvals from the County of Riverside.

The impact of this residence on the District's water supply system is minimal. The Applicant will be expected to pay applicable Facilities Fees for a single residential unit, a non-tract water service installation charge and front-footage fees. The Applicant will be required to pay actual fees in effect at the time of application for service installation.

Final meter size will be determined by the Applicant and the final sizing of said meter and need for new fire hydrant. Installation may be affected by the County of Riverside Fire Department requirements to provide fire protection and residential fire sprinklers for the residence.

Conditions:

The Applicant shall conform to all District requirements for water service and all County of Riverside requirements.

1. The Applicant will be required to pay front footage fees along all property frontages where facilities are currently installed.
2. The Applicant shall conform to all District requirements and all County of Riverside requirements.



3. To minimize the use of potable water, the District requires the applicant to conform to the County of Riverside Landscaping Ordinances 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, 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 similar to that at the District’s demonstration garden at the Noble Creek Groundwater Recharge site. Irrigation systems for these areas should be drip or bubbler type.

Fiscal Impact:

None. All fees and deposits will be paid by the Applicant prior to providing service.

Attachments

Application for Water Service for Riverside County APN 404-100-014 (Sunnyslope Avenue)

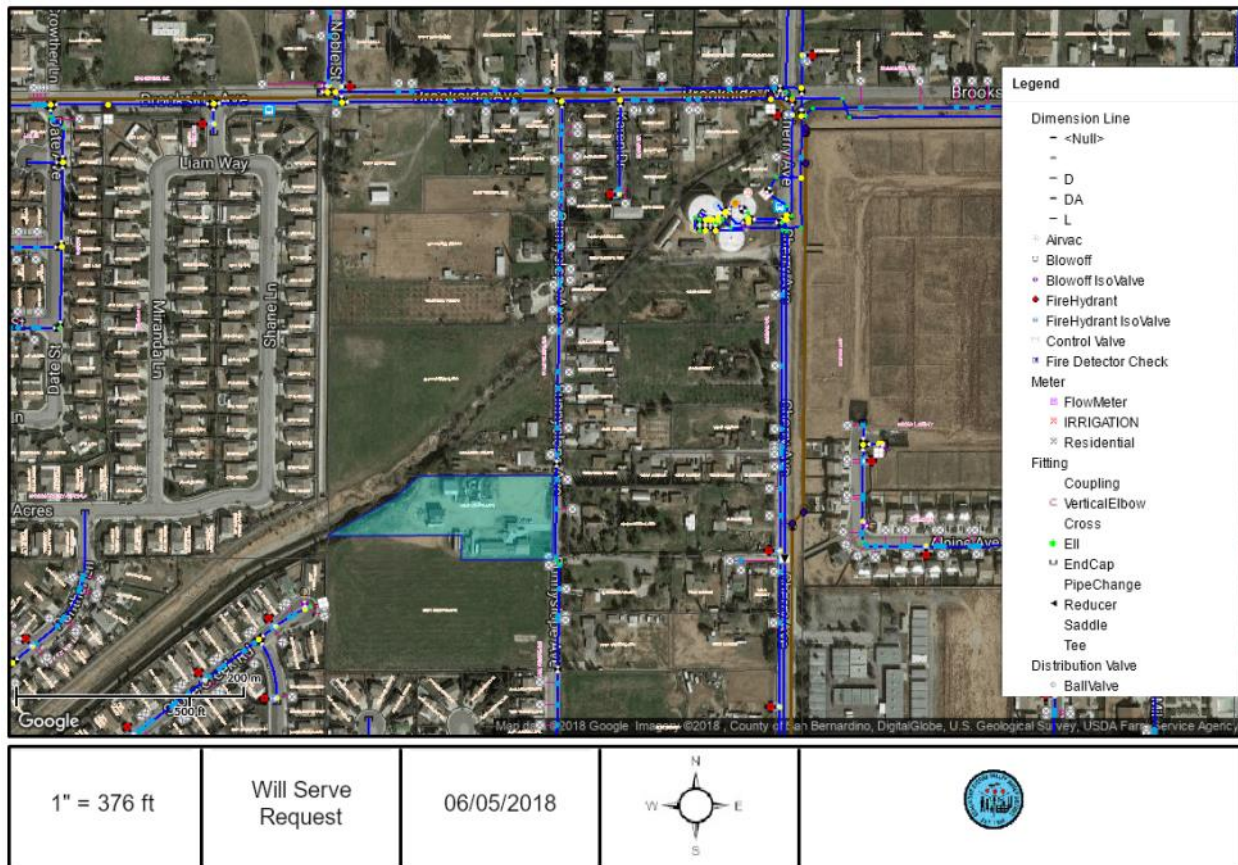


Beaumont-Cherry Valley Water District
Regular Board Meeting
June 13, 2018

Item 6

FIGURE 1

APN 404-100-014



APN_404-100-014_Staff_Report_06052018



BEAUMONT CHERRY VALLEY WATER DISTRICT
560 Magnolia Avenue • PO Box 2037
Beaumont, CA 92223-2258
Phone (951) 845-9581
www.bcvwd.org

☒ Will Serve Request ☐ Water Supply Assessment (SB210)

| | |
|--|--------------------------------------|
| Applicant Name: <u>Bill Lattin</u> | Contact Phone #: <u>760 533 1932</u> |
| Mailing Address: <u>9824 Jonathan ave</u> | Fax #: |
| City: <u>Cherry Valley</u> | E-mail: <u>BSLattin69@gmail.com</u> |
| State & Zip: <u>CA 92223</u> | |
| Service Address: <u>11227 sunnyslope ave cherry Valley CA 92223</u> | |
| Assessor's Parcel Number (APN), Tract Map No. Parcel Map No.: <u>409 100 614</u> | |
| Project Type: <input checked="" type="checkbox"/> Single-Family <input type="checkbox"/> Multi-Family <input type="checkbox"/> Commercial/Industrial <input type="checkbox"/> Minor Subdivision (5 lots or less) | |
| <input type="checkbox"/> Major subdivision (6+ lots) <input type="checkbox"/> Other | |
| Site Map Attached: <input type="checkbox"/> Yes <input type="checkbox"/> No | |

The letter should be delivered to:

| |
|--|
| Recipient: <u>Bill Lattin</u> <u>9824 Jonathan ave</u> <u>Cherry Valley CA 92223</u> |
| PLEASE CHOOSE ONE: <input type="checkbox"/> Mail (above address) <input type="checkbox"/> E-mail <input type="checkbox"/> Fax <input checked="" type="checkbox"/> Will pick up |

The District reserves the right to impose terms and conditions in Will Serve Letters and/or Water Supply Assessment Reports that take into account water availability issues, conservation issues and the District's existing facilities, all of which impact the District's ability to provide service to the subject property and maintain the District's ability to meet existing water demands.

Bill Lattin
Applicant's Signature

6-4-18
Date



**Beaumont-Cherry Valley Water District
Regular Board Meeting
June 13, 2018**

Item 7

STAFF REPORT

TO: Board of Directors

FROM: Dan Jagers, General Manager

SUBJECT: Consideration of Resolution 2018-____, Amending the District Policies and Procedures Manual, Part II, Section 5A: Regular Meetings to add one monthly Board of Directors Regular Meeting for an Engineering Workshop (fourth Thursday) and change Regular Meeting Time to 6:00 p.m.

Staff Recommendation

Adopt Resolution 2018-____, Amending the District's Operations Policies and Procedures Manual, Part II, Section 5A: Regular Meetings, adding one Regular Monthly Meeting for an Engineering Workshop and Changing the Regular Meeting Time to 6:00 p.m.

Summary

At its meeting of May 9, 2018, the Board discussed a change in regular meeting dates and times and directed staff to prepare a resolution for making the following changes:

Add to the District's docket one regular monthly meeting, known as the "Engineering Workshop," on the fourth Thursday of each month.

Change the time of Call to Order of the regular meetings to 6:00 p.m.

The proposed Resolution was published once a week for two successive weeks (May 25 and June 1, 2018) in the Beaumont Record Gazette per the requirements of Water Code Section 21378. If the Board chooses to adopt this Resolution at this meeting, any changes to the regular meeting schedule will be effective starting with the June 28, 2018 meeting.

Fiscal Impact

The addition of six meetings per year will result in costs to the District of approximately \$38,814.

Attachment(s)

Resolution 2018-_____
Revised 2018 meeting schedule

RESOLUTION 2018-_____

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE BEAUMONT-CHERRY VALLEY WATER DISTRICT
AMENDING THE DISTRICT'S OPERATIONS POLICIES AND PROCEDURES
MANUAL, PART II, SECTION 5A: REGULAR MEETINGS
ADDING ONE REGULAR MONTHLY MEETING AND
CHANGING THE REGULAR MEETING TIME TO 6:00 P.M.**

WHEREAS, Water Code Section 21378 provides that the Board may, by Resolution entered upon the Minutes, fix any day of the month for its regular monthly meetings. Section 21378 also provides that a change in the schedule of regular meetings shall not be effective until the resolution proposing it has been published once a week for two successive weeks in a newspaper published in the county; and

WHEREAS, the Board wishes to add one monthly regular meeting of the Board of Directors in order to address the increased amount of business before the Board; and

WHEREAS, the Board wishes to change its regular meeting time to 6 p.m. to increase the available time for deliberations and limit the lateness of the hour of adjournment,

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Beaumont-Cherry Valley Water District as follows:

1. Notice is hereby given that on June 13, 2018 at 7:00 p.m., the Board will consider adoption of this Resolution. This Notice and Resolution is being published once a week for two successive weeks pursuant to Water Code Section 21378.
2. The days of the month for regular monthly meetings of the Board of Directors are hereby designated as the second Wednesday and the fourth Thursday of each month.
3. Each regular meeting provided for in this resolution shall commence at 6:00 p.m. and shall be located in the Board room at the District's Administrative Offices at 560 Magnolia Avenue, Beaumont, Ca., 92223.
4. The meeting dates set forth in Section 2 of this Resolution shall be effective as of the date of this Resolution and the next regular monthly meeting of the Board shall be held on the fourth Thursday of the month (June 28, 2018) at 6:00 p.m.

BE IT FURTHER RESOLVED that Part II, Section 5A: Regular Meetings of the BCVWD Operations Policies and Procedures Manual is hereby rescinded and replaced.

PASSED AND ADOPTED this ____ day of _____ by the following vote:

//
//
//

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

DRAFT UNTIL ADOPTED

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

DRAFT UNTIL ADOPTED

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



BEAUMONT-CHERRY VALLEY WATER DISTRICT

BOARD OF DIRECTORS 2018 REGULAR MEETING SCHEDULE (Pending Board approval)

| | |
|--|---|
| Regular Meetings Second Wednesday of every month Meeting time is 6:00 p.m. unless otherwise noted on posted agendas. | Finance and Audit Committee First Thursday of the month Meeting time is 3:00 p.m. unless otherwise noted on posted agendas. |
| January 10 | January 4 |
| February 14 | February 1 |
| March 14 | March 1 |
| April 11 | April 5 |
| May 9 | May 3 |
| June 13 | June 7 |
| July 11 | July 5 |
| August 8 | August 2 |
| September 12 | September 6 |
| October 10 | October 4 |
| November 14 | November 1 |
| December 12 | December 6 |

| | |
|---|---|
| Personnel Committee Fourth Monday, odd months Meeting time is 5:30 p.m. unless otherwise noted on posted agendas. | Engineering Workshop Fourth Thursday of every month Meeting time is 6:00 p.m. unless otherwise noted on posted agendas. |
| January 22 | June 28 |
| March 26 | July 26 |
| May 28 May 21 | August 23 |
| July 23 | September 27 |
| September 24 | October 25 |
| November 26 | November (no meeting, Thanksgiving) |
| | December 27 |

Agendas are posted at least 72 hours in advance of a regular meeting and 24 hours in advance of a special meeting, and are also available on the District's website at www.bcvwd.org. At regular meetings, members of the public may address the Board of Directors on any item within the jurisdiction of the Board; however no action may be taken on any item not appearing on the agenda, unless the action is otherwise authorized by Government Code Subdivision 54954.2(b). Unless otherwise noted, meetings are held at the BCVWD office at 560 Magnolia Avenue, Beaumont, CA 92223. For additional information, please contact the Director of Finance and Administrative Services at (951) 845-9581.



**Beaumont-Cherry Valley Water District
Regular Board Meeting
June 13, 2018**

Item 8

STAFF REPORT

TO: Board of Directors

FROM: Dan Jagers, General Manager

SUBJECT: **Consideration of Resolution 2018-____: Support for the California Water Supply and Water Quality Bond Act of 2018**

Staff Recommendation

Adopt Resolution 2018-____ in support of the November 2018 California Water Supply and Water Quality Bond Act of 2018.

Background

The Water Supply and Water Quality Act of 2018 is a citizen's initiative water bond that will appear on the November 2018 statewide California ballot. According to its sponsor, this measure is intended to be complementary to Proposition 68, the \$4.1 billion California Clean Water and Safe Parks Act, which was passed by California voters in the June 5 election. On April 25, the California Secretary of State announced that sufficient signatures were submitted to place the water bond on the ballot. The bond will invest \$8.877 billion in California water infrastructure, including key categories such as: safe drinking water, Sustainable Groundwater Management (SGMA) implementation, watershed restoration, fish and wildlife habitat conservation, infrastructure repair, and many other important water management programs.

According to the proponents, the bill would benefit individual water users, the environment, agriculture, environmental justice and civic organizations, and has received endorsement from the Association of California Water Agencies and several water purveyors, including the Coachella Valley Water District.

Summary

The proponents of the measure have requested the support of the BCVWD. Attached is a Short Summary of major programs in the Act, a number of which could be directly beneficial to the District, such as the allocation for wastewater recycling, and funding for the Sustainable Groundwater Management Act. A draft resolution has been prepared for the Board's consideration.

The Water Supply and Water Quality Act does not provide funding for surface storage such as the Sites Reservoir. It does, however, include \$200 million for Salton Sea habitat and dust control and has other elements, which may directly or indirectly benefit the Beaumont-Cherry Valley area.

This measure is considered a complement to the Proposition 68 bond measure which was passed by California voters on Tuesday, June 5 and provides funding for a variety of water projects, parks, and wildlife conservation programs.



Fiscal Impact

None.

Attachments

Resolution 2018-____

Fact Sheet prepared by “Californians for Safe Drinking Water and a Clean and Reliable Water Supply”

RESOLUTION 2018-_____

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE BEAUMONT-CHERRY VALLEY WATER DISTRICT
SUPPORTING THE WATER SUPPLY
AND WATER QUALITY ACT OF 2018**

WHEREAS, California faces a new climate reality and a growing list of challenges associated with aging infrastructure, natural disasters, climate change, population growth and other factors; and

WHEREAS, water managers and top leaders including Governor Jerry Brown agree that California needs to improve water supply reliability and ecosystem health in California; and

WHEREAS, on April 25, 2018, the California Secretary of State announced that sufficient signatures have been submitted to place the water bond on the November 8, 2018 ballot; and

WHEREAS, if approved by voters, the measure would provide \$8.877 billion in bond in California water infrastructure, including key categories such as: safe drinking water, Sustainable Groundwater Management (SGMA) implementation, watershed restoration, fish and wildlife habitat conservation, infrastructure repair, and many other important water management programs the Association of California Water Agencies (ACWA) and its members have long advocated as a part of a statewide comprehensive plan; and

WHEREAS, this bond measure complements the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018 passed by the voters in the June 5, 2018 election. Together these bonds will build upon the successes of Proposition 1 and secure further investment in the California Water Action Plan; and

WHEREAS, ACWA's Board of Directors voted unanimously to formally support the Water Supply and Water Quality Act of 2018,

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Beaumont-Cherry Valley Water District that the BCVWD does formally support the Water Supply and Water Quality Act of 2018.

PASSED AND ADOPTED this _____ day of _____ by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

John Covington, President of 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

Short Summary of major programs in Water Supply and Water Quality Bond Act of 2018

Safe drinking water and wastewater treatment for disadvantaged communities. \$750 million.

Provides safe drinking water and wastewater treatment for disadvantaged communities, especially in the Central Valley.

Wastewater recycling. \$400 million. Recycles wastewater mainly for landscaping and industrial uses

Groundwater desalination. \$400 million. Converts salty groundwater to usable water supply.

Urban water conservation. \$300 million. Leak detection, toilet replacement, landscape conversion.

Agricultural water conservation. \$50 million. Improves inefficient irrigation systems, increasing river flows

Central valley flood management, including flood plain restoration. \$100 million. Makes farms and communities more flood safe, and makes flood plains for habitat friendly. Additional \$50 million for retrofit of a reservoir (probably Bullard's Bar) for better flood management.

San Francisco Bay Wetlands and flood improvements. \$200 million. Improves wetlands in San Francisco Bay to provide flood protection and mitigate sea level rise.

Data management. \$60 million. Better data collection and management: streamflow, etc.

Stormwater management \$600 million for a variety of state agencies. Capture and treatment of stormwater flows improved river and ocean water quality and increasing water supplies

Watershed Improvement \$2355 million to a wide variety of state agencies. Pays for better management of watersheds throughout the state to improve water quality and water supply. Includes \$150 million for the Los Angeles River, as well as \$100 million for the Delta Conservancy, which helps fund the governor's Eco-Restore program. Includes \$80 million for the removal of Matilija Dam, a silted-in dam in Ventura County. \$200 million for ecological restoration and dust control at the Salton Sea. Watershed restoration after fires in the Sierra Nevada and elsewhere receives \$100 million. Funds state conservancies and state parks to better manage watersheds.

Land Management for Water Yield. \$100 million. Removal of invasive weeds which use excessive amounts of surface and groundwater such as tamarisk, yellow starthistle, and Arundo. Estimates of water savings are in excess of one million acre feet per year.

Fisheries restoration. \$400 million. Restoring fish habitat. Supplements necessary streamflows.

Groundwater. \$675 million. Implements the Sustainable Groundwater Management Act., stabilizing groundwater levels in overdraft groundwater basins.

Water and specific habitat improvements for fisheries. \$500 million. Purchase of water for fish and waterfowl.

Completion of fish screens in Central Valley. \$100 million. Will prevent baby fish from being diverted into irrigation systems.

San Joaquin River fisheries Restoration. \$100 million. Restoration of Spring Run Chinook Salmon downstream of Friant dam.

Waterfowl habitat. \$280 million. Helps meet waterfowl obligations under the Central Valley Project Improvement Act, and other waterfowl habitat improvement programs.

Bay Area Regional Reliability. \$250 million. Improves interconnections between Bay Area water agencies, making it easier to survive droughts.

Improvement to Friant Kern Canal and other Friant water interconnections. \$750 million. Restores lost capacity to Friant Kern Canal, pays for groundwater recharge programs, water conservation and possibly new water conveyance in the Friant area.

Oroville Dam Spillway Repair. \$200 million. Makes Oroville Dam more flood safe.

The initiative also allows state and federal water contractors to recover the funds they pay in climate change charges due to implementation of AB 32, and use those funds in their own systems for water and energy conservation to reduce greenhouse gas emissions.



**Beaumont-Cherry Valley Water District
Regular Board Meeting
June 13, 2018**

Item 9

STAFF REPORT

TO: Board of Directors

FROM: Dan Jagers, General Manager

SUBJECT: Continued Discussion of Potential Security Strategies for the Noble Creek Recharge Facility Phase I

Staff Recommendation

Board discussion and direct staff as desired.

Background

At the April 18, 2018 Board meeting, the District presented a Staff Report with a solution to the lack of security fencing around the Noble Creek Recharge Facility (NCRF), Phase I which is approximately 28.5 acres. The NCRF is located on the east side of Beaumont Avenue between Cherry Valley Boulevard and Brookside Avenue and consists of both spreading basins and trails.

NCRF Phase 1 is currently posted as open to the public from sunrise to sunset with the intent to allow public day use of the property for community park purposes, but currently there is no way to secure the site either after hours or continuously. The northwest corner of the property is currently open space, with picnic tables and barbecues. At this time, the interior of the recharge facility is also open to District vehicles (maintenance) and public foot traffic; with pathways among the ponds, additional picnic benches, trash cans and a park-like walkway along the edge of Noble Creek.

During the last few years, both directors and staff have noticed increasing problems with site security, site use, and/or undesirable activity at the NCRF. Per the direction of the Board, staff has proposed three (3) potential options for security fencing (chain link, wrought iron, and block wall) to mitigate the undesirable activity and increase safety at the NCRF.

After the April 18 meeting, the Board requested that a preliminary construction cost estimate and site photographs be obtained for further discussion of the facility security.

On May 9, 2018, the District presented a slide show and a supplemental staff report which provided preliminary costs for the installation of perimeter chain link fencing. Through Board discussion and at the direction of the Board, staff was requested to evaluate an alternative fence type to provide a more aesthetically pleasing look than chain link. Director Hoffman suggested that Staff look into Welded Wire Fencing (WWF) as has been installed at nearby local areas/facilities.

Upon further discussion during the Engineering Workshop on May 31, 2018, Board had requested Staff to determine preliminary costs for 8-foot high WWF. Staff also identified that the San Geronio Pass Water Agency (SGPWA) has begun to discuss security measures for the perimeter of their new recharge facility and Staff was authorized to reach out to SGPWA to



determine if and when they might consider security measures in an effort to more accurately understand local development aesthetic impacts from that activity.

Summary

At the request of the Board, Staff has evaluated WWF¹ as has determined the following:

- Fence panels are available in 4', 5', 6', and 8' heights.
- Fence material is 2"x6" mesh and 6 ga. steel.
- Posts are 2" square and 16 ga (6' high)
- Posts are 2.5" square x 16 ga. (8' high)
- Single- and Double-Swing gates
- Single-gate widths are 3.5' to 16' wide.
- Double-gate widths are 7' to 32' wide.
- Steel is galvanized steel, coated with zinc phosphate, epoxy powder coat, and a polyester color coat.
- 10 year limited warranty.
- Optional Barb-wire Arm Kit or "Y" Bracket for Barb-wire
- Color Options are available:
Black, Green, Bronze, Sand, Tube Brown, White

¹Wire Works Plus manufactured by Ameristar Fence was evaluated.

Fiscal Impact

The below is a preliminary summary of engineering estimates of anticipated construction costs based on past and recently obtained construction cost information.

| Alternative | Type of Fencing | Preliminary Estimated Cost (rounded) |
|--------------------|---|---|
| A | 6' Chain link | \$144,160 |
| B | 6' Welded Wire Fencing | \$284,140 |
| C | 6' Welded Wire Fencing (w/ Barbed Tape) | \$306,340 |
| D | 8' Welded Wire Fencing (w/ Barbed Tape) | \$388,350 |

Attachment(s):

- Preliminary Cost Estimates
 - Alternative "A" – 6' Chain link
 - Alternative "B" – 6' WWF
 - Alternative "C" – 6' WWF w/ Barbed Tape
 - Alternative "D" – 8' WWF w/ Barbed Tape

Handout(s):

- *WireWorks Plus* Information Sheets
- "Y" Bracket Photograph

Report prepared by Mark Swanson, Senior Engineer – June 7, 2018



BEAUMONT-CHERRY VALLEY WATER DISTRICT

CHAIN LINK SECURITY FENCE Alternative "A"

NOBLE CREEK RECHARGE FACILITIES PHASE 1 SECURITY EAST AND NORTH FENCE AND ENTRANCE GATES ENGINEER'S PRELIMINARY ESTIMATE

| Item No. | Description | ENGINEER'S ESTIMATE | | | |
|--|--|---------------------|-------|-------------|----------------------|
| | | Qty. | Units | Unit Price | Amount |
| 1 | Contract bonds, insurance, permits, project management, mobilization of equipment, materials, and labor prior to starting work, and demobilization | 1 | L.S. | \$ 3,000.00 | \$ 3,000.00 |
| 2 | Site Work | | | | |
| a. | Chain Link Fence Construction (w/ Barbed Wire) | 2,910 | L.F. | \$ 26.50 | \$ 77,115.00 |
| b. | Drive Access Gate (30 foot wide) | 4 | L.S. | \$ 1,250.00 | \$ 5,000.00 |
| c. | Concrete Gate Runner (2.25' wide x 1' thick x Length) | 120 | L.F. | \$ 25.00 | \$ 3,000.00 |
| d. | Man Access Gate (5 foot wide) | 5 | L.S. | \$ 500.00 | \$ 2,500.00 |
| 3 | Electrical | | | | |
| a. | Construct Electrical Gate Operator (One Drive Access Gate - Mechanical) | 1 | L.S. | \$ 4,000.00 | \$ 4,000.00 |
| b. | Gate Opener Electrical (One Drive Access Gate - Mechanical) | 1 | L.S. | \$ 7,500.00 | \$ 7,500.00 |
| 4 | Misc. | | | | |
| a. | Start-up and performance testing of all equipment, controls, and instrumentation | 1 | L.S. | N/A | \$ - |
| b. | Furnish operation and maintenance manuals for all equipment, controls, and instrumentation | 1 | L.S. | \$ 1,000.00 | \$ 1,000.00 |
| TOTAL ENGINEERS ESTIMATE | | | | | \$ 103,115.00 |
| CONTINGENCY 20% | | | | | \$20,623.00 |
| TOTAL CONSTRUCTION ESTIMATE AND CONTINGENCIES | | | | | \$ 123,738.00 |

| Item No. | Description | ENGINEER'S ESTIMATE | | | |
|--|--------------------------------------|---------------------|-------|------------|----------------------|
| | | Qty. | Units | Unit Price | Amount |
| 1 | Engineering | 1 | L.S. | 5.00% | \$ 6,186.90 |
| 2 | Survey / Mapping | 1 | L.S. | 3.50% | \$ 4,330.83 |
| 3 | Geotechnical | | L.S. | 0.00% | \$ - |
| 4 | Materials Testing | | L.S. | 0.00% | \$ - |
| 5 | Environmental & Permitting | | L.S. | 0.00% | \$ - |
| 6 | Construction Contract Administration | 1 | L.S. | 3.00% | \$ 3,712.14 |
| 7 | Inspection | 1 | L.S. | 3.00% | \$ 3,712.14 |
| 8 | Legal and Administration | 1 | L.S. | 2.00% | \$ 2,474.76 |
| SUBTOTAL OTHER COSTS | | | | | \$ 20,416.77 |
| SUBTOTAL COSTRUCTION AND OTHER COSTS | | | | | \$ 144,154.77 |
| 9 | Land, acre | | | | \$ - |
| TOTAL CONSTRUCTION ESTIMATE AND CONTINGENCIES | | | | | \$ 144,154.77 |

| | | | | | |
|--|--|--|--|--|-------------------|
| TOTAL CONSTRUCTION ESTIMATE AND CONTINGENCIES (ROUNDED) | | | | | \$ 144,160 |
|--|--|--|--|--|-------------------|

BEAUMONT-CHERRY VALLEY WATER DISTRICT

WIREWORKS¹ SECURITY FENCE

Alternative "B" - 6' Fencing w/o Barbed Wire

NOBLE CREEK RECHARGE FACILITIES PHASE 1 SECURITY EAST AND NORTH FENCE AND ENTRANCE GATES

ENGINEER'S PRELIMINARY ESTIMATE

| Item No. | Description | ENGINEER'S ESTIMATE | | | |
|--|--|---------------------|-------|-------------|----------------------|
| | | Qty. | Units | Unit Price | Amount |
| 1 | Contract bonds, insurance, permits, project management, mobilization of equipment, materials, and labor prior to starting work, and demobilization | 1 | L.S. | \$ 3,000.00 | \$ 3,000.00 |
| 2 | Site Work | | | | |
| a. | Wireworks Plus 6' Security Fencing (w/ 2" posts) | 2,910 | L.F. | \$55.84 | \$ 162,494.40 |
| b. | Drive Access Gate (20' wide) | 4 | L.S. | \$ 4,000.00 | \$ 16,000.00 |
| c. | Concrete Gate Runner (2.25' wide x 1' thick x Length) | 120 | L.F. | \$ 25.00 | \$ 3,000.00 |
| d. | Man Access Gate (5' wide) | 5 | L.S. | \$ 1,250.00 | \$ 6,250.00 |
| 3 | Electrical | | | | |
| a. | Construct Electrical Gate Operator (One Drive Access Gate - Mechanical) | 1 | L.S. | \$ 4,000.00 | \$ 4,000.00 |
| b. | Gate Opener Electrical (One Drive Access Gate - Mechanical) | 1 | L.S. | \$ 7,500.00 | \$ 7,500.00 |
| 4 | Misc. | | | | |
| a. | Start-up and performance testing of all equipment, controls, and instrumentation | 1 | L.S. | N/A | \$ - |
| b. | Furnish operation and maintenance manuals for all equipment, controls, and instrumentation | 1 | L.S. | \$ 1,000.00 | \$ 1,000.00 |
| TOTAL ENGINEERS ESTIMATE | | | | | \$ 203,244.40 |
| CONTINGENCY | | | | 20% | \$40,648.88 |
| TOTAL CONSTRUCTION ESTIMATE AND CONTINGENCIES | | | | | \$ 243,893.28 |

| Item No. | Description | ENGINEER'S ESTIMATE | | | |
|--|--------------------------------------|---------------------|-------|------------|----------------------|
| | | Qty. | Units | Unit Price | Amount |
| 1 | Engineering | 1 | L.S. | 5.00% | \$ 12,194.66 |
| 2 | Survey / Mapping | 1 | L.S. | 3.50% | \$ 8,536.26 |
| 3 | Geotechnical | | L.S. | 0.00% | \$ - |
| 4 | Materials Testing | | L.S. | 0.00% | \$ - |
| 5 | Environmental & Permitting | | L.S. | 0.00% | \$ - |
| 6 | Construction Contract Administration | 1 | L.S. | 3.00% | \$ 7,316.80 |
| 7 | Inspection | 1 | L.S. | 3.00% | \$ 7,316.80 |
| 8 | Legal and Administration | 1 | L.S. | 2.00% | \$ 4,877.87 |
| SUBTOTAL OTHER COSTS | | | | | \$ 40,242.39 |
| SUBTOTAL COSTRUCTION AND OTHER COSTS | | | | | \$ 284,135.67 |
| 9 | Land, acre | | | | \$ - |
| TOTAL CONSTRUCTION ESTIMATE AND CONTINGENCIES | | | | | \$ 284,135.67 |

| | | | | | |
|--|--|--|--|--|-------------------|
| TOTAL CONSTRUCTION ESTIMATE AND CONTINGENCIES (ROUNDED) | | | | | \$ 284,140 |
|--|--|--|--|--|-------------------|

¹ Wireworks is manufactured by Ameristar. This product was pulled for costing purposes only.

BEAUMONT-CHERRY VALLEY WATER DISTRICT

WIREWORKS¹ SECURITY FENCE

Alternative "C" - 6' Fencing with Barbed Tape

NOBLE CREEK RECHARGE FACILITIES PHASE 1 SECURITY EAST AND NORTH FENCE AND ENTRANCE GATES ENGINEER'S PRELIMINARY ESTIMATE

| Item No. | Description | ENGINEER'S ESTIMATE | | | |
|--|--|---------------------|-------|-------------|----------------------|
| | | Qty. | Units | Unit Price | Amount |
| 1 | Contract bonds, insurance, permits, project management, mobilization of equipment, materials, and labor prior to starting work, and demobilization | 1 | L.S. | \$ 3,000.00 | \$ 3,000.00 |
| 2 | Site Work | | | | |
| a. | Wireworks Plus 6' Security Fencing (w/ 2" posts) | 2,910 | L.F. | \$55.84 | \$ 162,494.40 |
| b. | Barbed Wire "Y" Bracket | 375 | E.A. | \$21.00 | \$ 7,873.32 |
| c. | Barbed Tape | 2,910 | L.F. | \$2.75 | \$ 8,002.50 |
| d. | Drive Access Gate (20' wide) | 4 | L.S. | \$ 4,000.00 | \$ 16,000.00 |
| e. | Concrete Gate Runner (2.25' wide x 1' thick x Length) | 120 | L.F. | \$ 25.00 | \$ 3,000.00 |
| f. | Man Access Gate (5' wide) | 5 | L.S. | \$ 1,250.00 | \$ 6,250.00 |
| 3 | Electrical | | | | |
| a. | Construct Electrical Gate Operator (One Drive Access Gate - Mechanical) | 1 | L.S. | \$ 4,000.00 | \$ 4,000.00 |
| b. | Gate Opener Electrical (One Drive Access Gate - Mechanical) | 1 | L.S. | \$ 7,500.00 | \$ 7,500.00 |
| 4 | Misc. | | | | |
| a. | Start-up and performance testing of all equipment, controls, and instrumentation | 1 | L.S. | N/A | \$ - |
| b. | Furnish operation and maintenance manuals for all equipment, controls, and instrumentation | 1 | L.S. | \$ 1,000.00 | \$ 1,000.00 |
| TOTAL ENGINEERS ESTIMATE | | | | | \$ 219,120.22 |
| CONTINGENCY | | | | | 20% |
| | | | | | \$43,824.04 |
| TOTAL CONSTRUCTION ESTIMATE AND CONTINGENCIES | | | | | \$ 262,944.26 |

| Item No. | Description | ENGINEER'S ESTIMATE | | | |
|--|--------------------------------------|---------------------|-------|------------|----------------------|
| | | Qty. | Units | Unit Price | Amount |
| 1 | Engineering | 1 | L.S. | 5.00% | \$ 13,147.21 |
| 2 | Survey / Mapping | 1 | L.S. | 3.50% | \$ 9,203.05 |
| 3 | Geotechnical | | L.S. | 0.00% | \$ - |
| 4 | Materials Testing | | L.S. | 0.00% | \$ - |
| 5 | Environmental & Permitting | | L.S. | 0.00% | \$ - |
| 6 | Construction Contract Administration | 1 | L.S. | 3.00% | \$ 7,888.33 |
| 7 | Inspection | 1 | L.S. | 3.00% | \$ 7,888.33 |
| 8 | Legal and Administration | 1 | L.S. | 2.00% | \$ 5,258.89 |
| SUBTOTAL OTHER COSTS | | | | | \$ 43,385.80 |
| SUBTOTAL COSTRUCTION AND OTHER COSTS | | | | | \$ 306,330.07 |
| 9 | Land, acre | | | | \$ - |
| TOTAL CONSTRUCTION ESTIMATE AND CONTINGENCIES | | | | | \$ 306,330.07 |

| | | | | | |
|--|--|--|--|--|-------------------|
| TOTAL CONSTRUCTION ESTIMATE AND CONTINGENCIES (ROUNDED) | | | | | \$ 306,340 |
|--|--|--|--|--|-------------------|

¹ Wireworks is manufactured by Ameristar. This product was pulled for costing purposes only.

BEAUMONT-CHERRY VALLEY WATER DISTRICT

WIREWORKS¹ SECURITY FENCE

Alternative "D" - 8' Fencing w/ Barbed Wire

NOBLE CREEK RECHARGE FACILITIES PHASE 1 SECURITY EAST AND NORTH FENCE AND ENTRANCE GATES

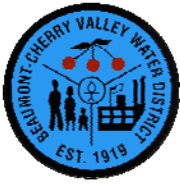
ENGINEER'S PRELIMINARY ESTIMATE

| Item No. | Description | ENGINEER'S ESTIMATE | | | |
|--|--|---------------------|-------|-------------|------------------------|
| | | Qty. | Units | Unit Price | Amount |
| 1 | Contract bonds, insurance, permits, project management, mobilization of equipment, materials, and labor prior to starting work, and demobilization | 1 | L.S. | \$ 3,000.00 | \$ 3,000.00 |
| 2 | Site Work | | | | |
| a. | Wireworks Plus 8' Security Fencing (w/ 2.5" posts) | 2,910 | L.F. | \$76.00 | \$ 221,160.00 |
| b. | Barbed Wire "Y" Bracket | 375 | E.A. | \$21.00 | \$ 7,873.32 |
| c. | Barbed Tape | 2,910 | L.F. | \$2.75 | \$ 8,002.50 |
| d. | Drive Access Gate (20' wide) | 4 | L.S. | \$ 4,000.00 | \$ 16,000.00 |
| e. | Concrete Gate Runner (2.25' wide x 1' thick x Length) | 120 | L.F. | \$ 25.00 | \$ 3,000.00 |
| f. | Man Access Gate (5' wide) | 5 | L.S. | \$ 1,250.00 | \$ 6,250.00 |
| 3 | Electrical | | | | |
| a. | Construct Electrical Gate Operator (One Drive Access Gate - Mechanical) | 1 | L.S. | \$ 4,000.00 | \$ 4,000.00 |
| b. | Gate Opener Electrical (One Drive Access Gate - Mechanical) | 1 | L.S. | \$ 7,500.00 | \$ 7,500.00 |
| 4 | Misc. | | | | |
| a. | Start-up and performance testing of all equipment, controls, and instrumentation | 1 | L.S. | N/A | \$ - |
| b. | Furnish operation and maintenance manuals for all equipment, controls, and instrumentation | 1 | L.S. | \$ 1,000.00 | \$ 1,000.00 |
| TOTAL ENGINEERS ESTIMATE | | | | | \$ 277,785.82 |
| CONTINGENCY | | | | | 20% \$55,557.16 |
| TOTAL CONSTRUCTION ESTIMATE AND CONTINGENCIES | | | | | \$ 333,342.98 |

| Item No. | Description | ENGINEER'S ESTIMATE | | | |
|--|--------------------------------------|---------------------|-------|------------|----------------------|
| | | Qty. | Units | Unit Price | Amount |
| 1 | Engineering | 1 | L.S. | 5.00% | \$ 16,667.15 |
| 2 | Survey / Mapping | 1 | L.S. | 3.50% | \$ 11,667.00 |
| 3 | Geotechnical | | L.S. | 0.00% | \$ - |
| 4 | Materials Testing | | L.S. | 0.00% | \$ - |
| 5 | Environmental & Permitting | | L.S. | 0.00% | \$ - |
| 6 | Construction Contract Administration | 1 | L.S. | 3.00% | \$ 10,000.29 |
| 7 | Inspection | 1 | L.S. | 3.00% | \$ 10,000.29 |
| 8 | Legal and Administration | 1 | L.S. | 2.00% | \$ 6,666.86 |
| SUBTOTAL OTHER COSTS | | | | | \$ 55,001.59 |
| SUBTOTAL COSTRUCTION AND OTHER COSTS | | | | | \$ 388,344.58 |
| 9 | Land, acre | | | | \$ - |
| TOTAL CONSTRUCTION ESTIMATE AND CONTINGENCIES | | | | | \$ 388,344.58 |

| | | | | | |
|--|--|--|--|--|-------------------|
| TOTAL CONSTRUCTION ESTIMATE AND CONTINGENCIES (ROUNDED) | | | | | \$ 388,350 |
|--|--|--|--|--|-------------------|

¹ Wireworks is manufactured by Ameristar. This product was pulled for costing purposes only.



**Beaumont-Cherry Valley Water District
Regular Board Meeting
June 13, 2018**

Item 10

STAFF REPORT

TO: Board of Directors
FROM: Dan Jagers, General Manager
SUBJECT: Update on Rehabilitation and Repair of District Wells

Staff Recommendation

No recommendation.

Background

Beginning in late 2017, the Board has approved a number of well repair and rehabilitation projects either as part of the annual well maintenance program to ensure quality of supply and serviceable equipment, or out of necessity due to equipment failure. The purpose of this staff report is to update the Board on all major well maintenance and repair projects that have been undertaken in 2018.

Summary

The attached list sets forth the current status of said ongoing well maintenance and repair projects.

| Well | Flow Rate (GPM) | Project Description | Status |
|------|--|---------------------------|---|
| 3 | 1,400 | Motor Electrical Work | Completed |
| 6 | 130 | Pumping Unit Repair | Completed |
| 11 | 100 | Rehabilitation and Repair | Completed |
| 20 | 100 | Rehabilitation and Repair | Completed |
| 25 | 2,950 | Motor Electrical Work | Completed |
| 12 | 200 before repair | Rehabilitation and Repair | Ready for install pending casing extension and pedestal build |
| 19 | 120-240 before repair | Rehabilitation and Repair | Installed, needs to be flushed and sampled |
| 26 | 1,350 to non-potable; 1,600 to potable before repair | Rehabilitation and Repair | Well rehabilitation is complete, pumping unit is ordered |
| 29 | 3,500 to 3,900 before repair | Emergency Repair | Currently being installed, needs to be flushed and sampled |

Prepared by Tony Lara, Director of Operations and James Bean, Assistant Director of Operations



**Beaumont-Cherry Valley Water District
Regular Board Meeting
June 13, 2018**

Item 11

STAFF REPORT

TO: Board of Directors
FROM: Dan Jagers, General Manager
SUBJECT: Update on Noble Creek Turnout Connection Enlargement from 20 CFS to 34 CFS

Staff Recommendation

Direct staff to prepare and send letter to the San Geronio Pass Water Agency General Manager identifying that the Noble Creek Turnout Connection Enlargement Project to increase the turnout capacity from 20 CFS to 34 CFS is considered by the District to be a high priority project and that the Beaumont Cherry Valley Water District desires to move this project forward as quickly as possible.

Background

At the May 21, 2018 Regular Board of Directors Meeting for the San Geronio Pass Water Agency (SGPWA), the SGPWA General Manager Jeff Davis identified that the SGPWA received comments back from the California Department of Water Resources (DWR), and that DWR's comments were relatively minor regarding the proposed enlargement of the Noble Creek Turnout capacity from 20 CFS to 34 CFS.

General Manager Davis further identified that the SGPWA's next step is to finalize the design to 100% and to resubmit to DWR for final review and approval. Subsequent to DWR approval of the final design, the project could be advertised for construction and scheduled for construction.

BCVWD Staff feels that this project should be completed as soon as possible to increase the flexibility of the District's recharge operation. District Staff has been diligently working to increase this connection's capacity since 2015 and formally since providing a letter to the SGPWA on May 16, 2016 requesting said capacity increase.

At the November 3, 2016 Board Meeting, the Board authorized Staff to proceed with the upgrade to the Noble Creek Turnout Facility based upon the following estimate:

**TABLE 1-ESTIMATED CONSTRUCTION/ ENGINEERING/ AND CONSTRUCTION COSTS
FOR PROPOSED SGPWA UPGRADES**

| ITEM | DESCRIPTION | ESTIMATED COST |
|------|---|------------------|
| 1 | Scenario 4 Upgrade (per A&B Technical Memorandum) | \$162,000 |
| 2 | Engineering/Construction Administration Cost (25%) | \$40,500 |
| | Subtotal Construction & Eng./Admin. | \$202,500 |
| 3 | Contingencies (20%) | \$40,500 |
| | Total Construction/Eng./Admin./Contingencies | \$243,000 |

Final project costs will be revised as necessary based upon the SGPWA's final approved project design.



Fiscal Impact

District Staff will work with the SGPWA to resolve final construction costs for the facilities required by the final project design and will present those costs to the Board, when known.

The fiscal impact to the District associated with this work will be paid for by Facilities Fees collected for new development.



**Beaumont-Cherry Valley Water District
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June 13, 2018**

Item 13

STAFF REPORT

TO: Board of Directors
FROM: Dan Jagers, General Manager
SUBJECT: Update on Sites Reservoir Project and Future Funding Requirements

Staff Recommendation

No recommendation. Information only.

Background

Previous White Papers prepared by BCVWD Staff have demonstrated the importance of the Sites Reservoir Project in meeting the SGPWA's and BCVWD's long term water supply needs. The Sites Project Authority, a Joint Powers Agency (JPA) is responsible to pursue the development and construction of the Sites Reservoir Project,

The Sites Reservoir Project implementation is proposed to occur in five phases – from planning through transfer to the ultimate operation authority. A phasing/activity diagram is attached.

- Phase 1 – California Water Commission Proposition 1 Application, feasibility level engineering, and preliminary environmental work.
- Phase 2 – Final EIRs and preliminary engineering
- Phase 3 – Permits, rights-of-way, and final design
- Phase 4 – Construction and close-out
- Phase 5 – Transfer to operation

Phase 1 is now complete. Phase 1 focused on preparing a proposal for funding from Proposition 1, the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1). The California Water Commission, designated to review all of the Proposition 1 applications, indicated the Sites Reservoir Project would be eligible for \$1 Billion of Proposition 1 funding. This was less than the anticipated \$1.7 Billion. The difference, \$0.7 Billion, will have to be borne by the project participants. The overall Sites Reservoir Project cost is \$5.85 Billion (2017 cost). In addition to Proposition 1 funding, the federal government will fund a portion of the flood control benefits with the remainder funded by the Sites Project Authority (about 54% per White Paper No. 4).

For the Phase 1 work, which was self-funded by the project participants, SBGPWA entered into an agreement with the Sites Project Authority for 14,000 AF participation, with BCWD agreeing to 4,000 AF share of the 14,000 AF. This agreement was approved at a BCVWD Board Meeting in January 2017. The participation and funding for Phase I is summarized as follows:

Class 1 Water: 8,799 AF at a Phase 1 not to exceed cost of \$60/AF
Class 2 Water: 5,201 AF at a Phase 1 not to exceed cost of \$30/AF.



SGPWA at 10,000 AF of 14,000 AF Requested (71.43%)

Class 1 Water: 6,285 AF at a Phase 1 not to exceed cost of \$60/AF

Class 2 Water: 3,715 AF at a Phase 1 not to exceed cost of \$30/AF

Maximum SGPWA commitment -- \$488,550

BCVWD at 4,000 AF of 14,000 AF Requested (28.57%)

Class 1 Water: 2,514 AF at a Phase 1 not to exceed cost of \$60/AF

Class 2 Water: 1,486 AF at a Phase 1 not to exceed cost of \$30/AF

Maximum BCVWD commitment -- \$195,420 (actual amount paid \$166,200)

The Sites Joint Powers Authority defined Class 1 water as 50% of the expected annualized yield of water from the Sites Reservoir that would be allocated to Project Members. Class 2 water is some of the remaining 50% which could become available depending on the Proposition 1 funding. Class 1 water carries less risk; if the project gets constructed, all Class 1 water will be realized. Class 2 water carries more risk. For Phase 1 participation, BCVWD actually only paid \$166,200 per BCVWD records – all in 2017.

With the reduced funding by the State through Proposition 1, it is believed that all of the Class 2 water will be converted to Class 1 water. There will no longer be any Class 2 water. The actual project yield is not available at the present time, but an estimate can be made. The total yield will be at least 330,000 AFY for the Sites Reservoir Project. From White Paper No. 1, SGPWA and BCVWD's total will be 10,000 AFY and 4,000 AFY respectively.

Phase 2 will be self-funded; Phase 3, Final Design, also will likely require some initial funding until the bonds are sold, which presumably would cover some or all the design, environmental studies, permitting, and right-of-way acquisition.

Figure 1 shows the overall project schedule developed by the Sites Project Authority. Phase 2 which includes the environmental studies and preliminary engineering should be completed by late-2019; final design by 2022. It is anticipated that bonds will be sold sometime before 2022.

Estimated Costs for Phase 2 Participation

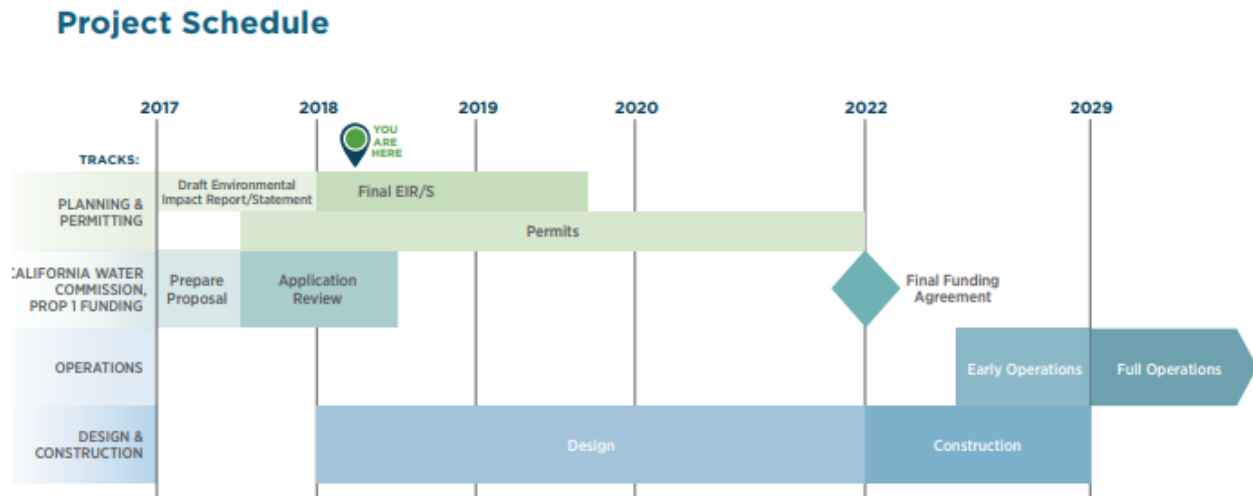
Of interest to the Board are the costs BCVWD will be incurring going forward with this critical water supply project. No firm costs have been developed by the Sites Project Authority at present, so only an estimate of future costs can be presented.

| | |
|---|--------------------------------|
| Total Capital Cost of Sites Reservoir Project | \$5,851 Million |
| Estimated Class 1 water project yield | 330,000 AFY |
| Preliminary Engineering and Environmental Studies | 4% to 5% (estimated) |
| Range of Phase 2 costs | \$234 million to \$292 million |
| Range of Phase 2 costs per acre-ft participation | \$709/AF to \$885/AF |
| Estimated SGPWA Phase 2 Cost (10,000 AF) | \$7.1 million to \$8.9 million |
| Estimated BCVWD Phase 2 Cost (4,000 AF) | \$2.8 million to \$3.6 million |

It is possible the costs for participation in Phase 2 could be lower than estimated above; but for budgeting purposes, until the estimates can be refined, the above estimates should be used.



Figure 1
Sites Reservoir Project Schedule



BCVWD staff anticipates funding Phase 2 costs from Facilities Fees collected by the District from Developers for the water supply component related to Water Rights (new water supply acquisition).

There are several options as funding sources for Phase 2 which could be implemented by the SGPWA: 1) capacity fee, 2) water rates, 3) from SGPWA's share of Riverside County's 1% reallocation of property taxes, or 4) combination of each. It is unlikely the Phase 2 costs can be funded from the current property taxes collected for the State Water Project debt service; but this should be determined by SGPWA's legal counsel. Currently SGPWA does not have a capacity fee that has been adopted by the retailers for collection.

Funding from rates, assuming 13,000 AFY annual water sales, and further assuming this would be spread out over five years, a "rate surcharge" of between \$109 and \$136/AF to the current water rate would fund Phase 2 costs. The rate surcharge could be reduced if it were spread out over a longer period of time; that is an option.

In 2017 SGPWA received about \$2.3 million of Riverside County's 1% property tax. This will likely increase each year as development occurs in the SGPWA service area. (Refer to White Paper No. 5.) If a portion of this were dedicated each year for five years, \$1.4 to \$1.8 million per year would have to be dedicated. This appears to be a reasonable option.

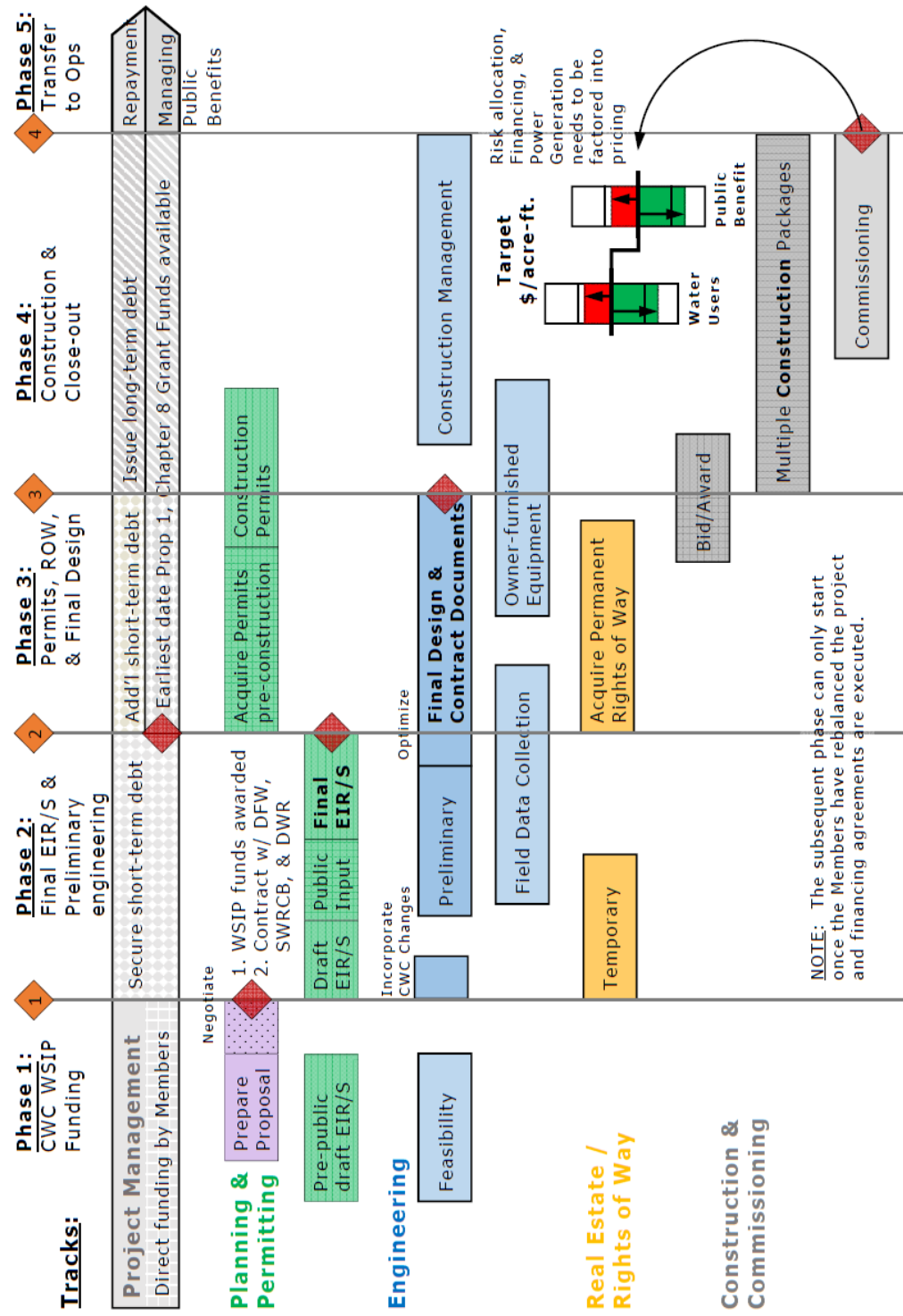
Financial Impact

To be determined.

Prepared by J. C. Reichenberger, Senior Engineer; reviewed by Dan Jagers, General Manager.

3. Project Phase Summary Schedule: The following draft schedule summarizes the current milestones and summary-level activities. Please note: As the Water Commission's regulatory approval proves advances, the Phase 1 schedule will be updated in parallel with the on-boarding process.

Figure 3.1 All Phases





**Beaumont-Cherry Valley Water District
Regular Board Meeting
June 13, 2018**

Item 14

STAFF REPORT

TO: Board of Directors

FROM: Dan Jagers, General Manager

SUBJECT: Update on the Re-Prioritization of the San Timoteo Groundwater Sustainability Agency (GSA) Pursuant to the Sustainable Groundwater Management Act (SGMA)

Staff Recommendation

No recommendation. Update only.

Summary

The Sustainable Groundwater Management Act (SGMA) became a new state requirement on September 16, 2014, establishing a new structure for managing California's groundwater resources. Upon the establishment of SGMA, the Upper Santa Ana Valley – San Timoteo Basin was given a priority level of **“Medium”**. This priority level required the formation of a Groundwater Sustainability Agency (GSA) and Groundwater Sustainability Plan (GSP). California Department of Water Resources (DWR) has recognized the formation of the San Timoteo Sub-Basin Groundwater Sustainability Agency (GSA), along with the Yucaipa Valley Water District, the City of Redlands, and the San Geronimo Pass Water Agency. The GSP is ready to be formulated, however, on May 18, 2018, DWR published a DRAFT 2018 Prioritization⁽¹⁾ where DWR reviewed the Basins within the state and prioritized each. The Draft will be available for public comment until July 18, 2018. If no comments are received, then based on the 2018 Prioritization document, the Upper Santa Ana Valley – San Timoteo Basin becomes a **“Very Low”** priority and the requirement of the GSA is no longer needed.

As part of the re-prioritization efforts by DWR, the San Timoteo Sub-Basin received a “Very Low” priority as a result of certain assessment conditions being met under sub-component 8c. Sub-component 8c pertains to whether or not the basin is adjudicated and further identifies that if the groundwater volume used from the non-adjudicated portion is less than or equal to 9,500 ac-ft., then the Basin could be re-prioritized to “Very Low”. The San Timoteo Sub-Basin was found to use groundwater from the non-adjudicated portion, as determined by DWR, in the amount of approximately 4,526 ac-ft.

Fiscal Impact

The fiscal impact is still undetermined. However, the re-prioritization and lack of need to prepare a Groundwater Sustainability Plan should result in significantly lower costs to the District. Financial considerations will be presented to the Board as information becomes available.

Attachments

Exhibit “A” - SGMA 2018 DRAFT Prioritization Dashboard

Exhibit “B” - 2014 vs. 2018 DRAFT Prioritization Dashboard

Reference

⁽¹⁾ “2018 SGMA Basin Prioritization Process and Results” – Draft

Report prepared by Mark Swanson, Senior Engineer

Search...



Groundwater Basin Prioritization

☒ 2018 Basin Prioritization

2018 DRAFT Prioritization

7 points or less : Very Low

8 to 14 points : Low

15 to 21 points : Medium

Greater than 21 points : High

Reference Layers

☐ Critically Overdrafted Basins

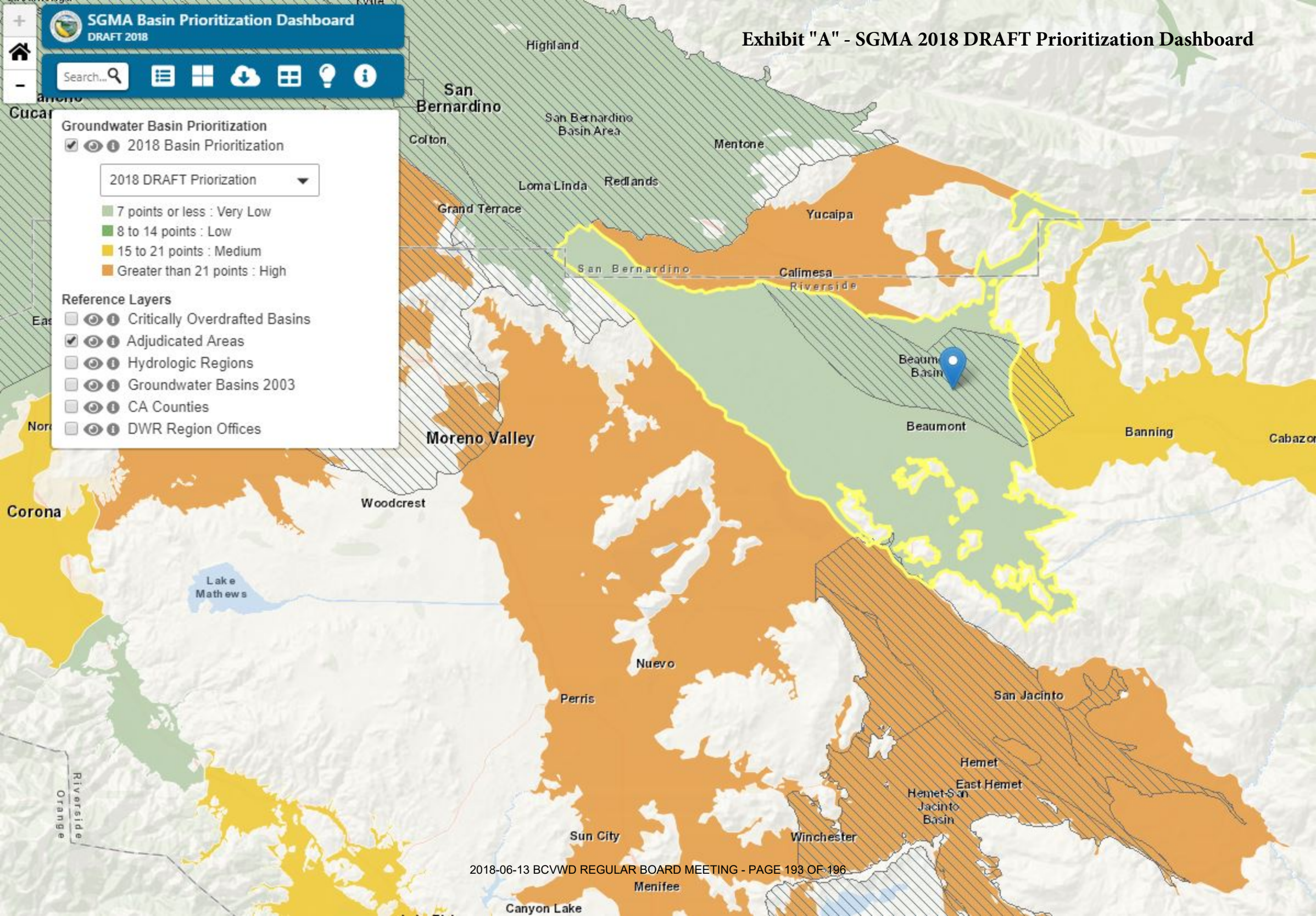
☒ Adjudicated Areas

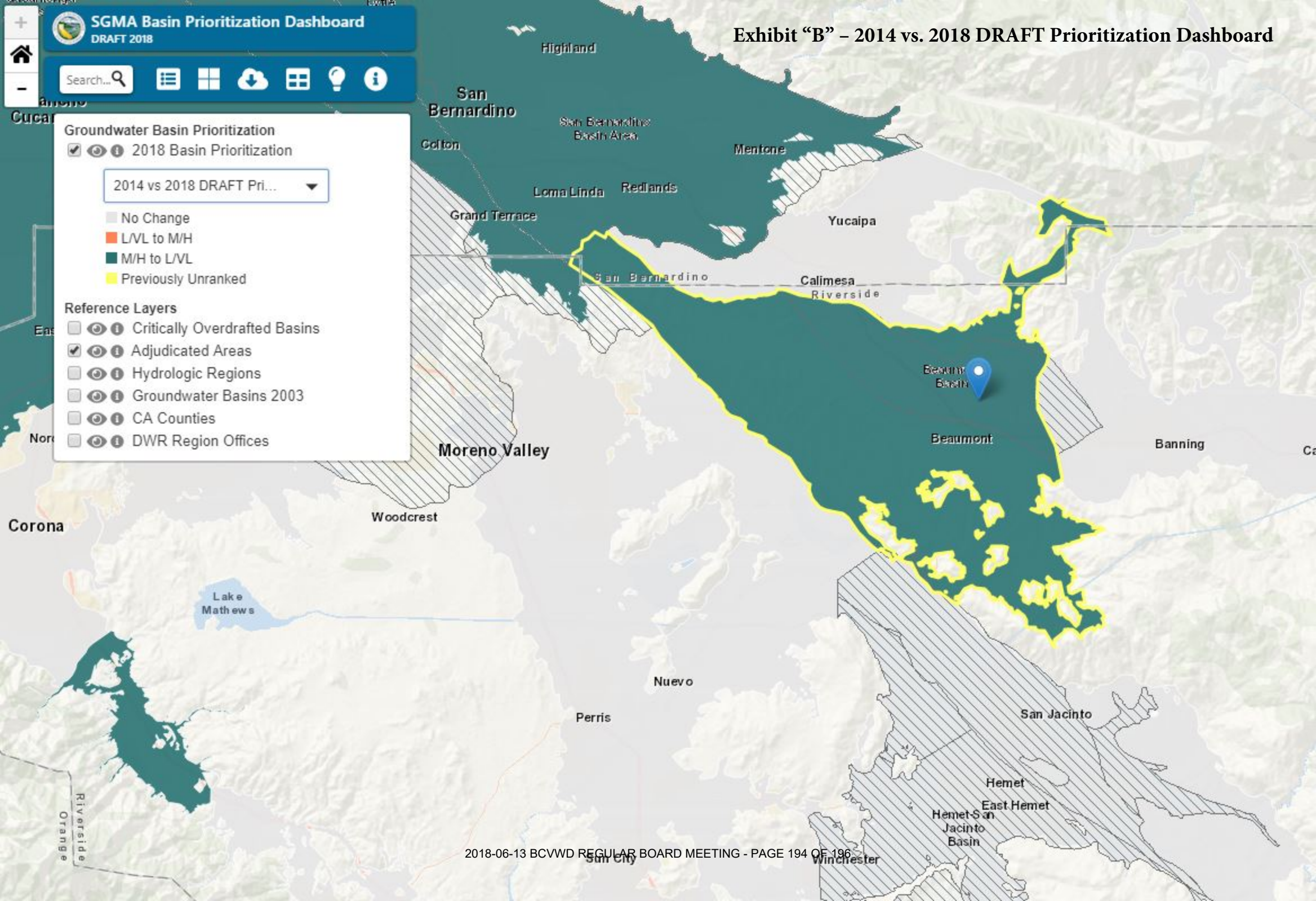
☐ Hydrologic Regions

☐ Groundwater Basins 2003

☐ CA Counties

☐ DWR Region Offices







**Beaumont-Cherry Valley Water District
Regular Board Meeting
June 13, 2018**

Item 15

STAFF REPORT

TO: Board of Directors
FROM: Dan Jagers, General Manager
SUBJECT: Update on the Status of Imported Water Supply Available for 2018

Staff Recommendation

No recommendation at this time. District Staff will prepare a recommendation at a later date setting forth the amount of additional water the District can purchase from the San Geronio Pass Water Agency (SGPWA) beyond the amount which was originally budgeted.

Background

The attached Tables set forth the imported water supply which should be available for purchase through the San Geronio Pass Water Agency in 2018 and the costs associated with that supply.

The SGPWA 2018 Anticipated Water Supply listed in Table 1 has been developed through several meetings and discussions between District Staff and SGPWA General Manager Jeff Davis. The numbers presented in the table are understood by District Staff to be an accurate representation of the water which will be available for purchase according to the SGPWA's participation in the various water supply opportunities listed.

The District has historically stated to SGPWA that the District would be interested in purchasing any available imported water supply which would not be purchased by other agencies who receive supply from the SGPWA. For the 2018 year, District Staff has currently budgeted \$2,813,692 to purchase State Water Project (SWP) water from the SGPWA. The SWP 2018 Table "A" allocation recently increased to 35% and the SGPWA has secured new one year water supply deals raising the amount of water available for purchase beyond what was originally planned or budgeted for.

The District has the opportunity to purchase more water supply than budgeted and place said water in storage. Table 2 sets forth the Projected Cost of Water Supply that can be purchased from the SGPWA.

At this time, Staff recommends that all available water supply which can be delivered by the SGPWA be purchased in 2018. This purchase will be made using the District's Reserve Funds.

Fiscal Impact

None.

Attachments

SGPWA 2018 Anticipated Water Supply Table

Projected Cost of Water Supply Table



Table 1 – SGPWA 2018 Anticipated Water Supply

| SGPWA 2018 Anticipate Water Supply | | | | | | |
|---|--------------------|------------------------------|-----------------|-----------------------------------|-------------------------------|------------------|
| Description of Long Term Water Supply Source (Table A or Lease) | Table "A" Quantity | 2018 allocation | 2018 Supply | % of Water Returned per Agreement | Amount of Water Returned (AF) | Long Term Supply |
| SGPWA Table "A" | 17,300.0 | 35% | 6,055.0 | | | 6,055.0 |
| SGPWA Table "A" 2017 Carryover Water (1) | | | 5,159.0 | | | 5,159.0 |
| Yuba Water Exchange | | | - | | | - |
| AVEK (Nickel Water) | | | 1,700.0 | | | 1,700.0 |
| SBVMWD | | | - | | | - |
| (1) SGPWA confirmed carryover | | Sub Total: | 12,914.0 | | | 12,914.0 |
| | | | | | | |
| | | | | | | |
| Description of Short Term Water Supply Source (One Year Deal) | Table "A" Quantity | 2018 allocation | 2018 Supply | % of Water Returned per Agreement | Amount of Water Returned (AF) | Long Term Supply |
| City of Ventura Water Deal | 10,000.0 | 35% | 3,500.0 | 40% | 1,400.0 | 2,100.0 |
| Casitas MWD Water Deal | 5,000.0 | 35% | 1,750.0 | 40% | 700.0 | 1,050.0 |
| | | Sub Total: | 5,250.0 | | | 3,150.0 |
| | | | | | | |
| | | Total: | 18,164.0 | | Total: | 16,064.0 |
| | | | | | | |
| | | 2019 Carry Over Water | 900.0 | | | |
| | | | | | | |
| Anticipated Water Available for Purchase | | | 17,264.0 | Acre Feet | | |

Table 2 – Projected Cost of Water Supply

| A. SGPWA Water Cost per Acre Foot: \$ 317.00 | | | | | | | |
|---|------------------------------|--|--------------------------------|--------------------------|--------------------------------------|-------------------------------------|--|
| | SWP/Supplemental Water Order | Replenishment Cost Per Acre Foot (\$ per AF) | Water Requested (if Available) | Total Water Ordered (AF) | Total Cost Per Acre Foot (\$ per AF) | Difference in Cost (Repl. Vs Total) | |
| YVWD 2018 Water Order | 850.0 | \$ 269,450 | - | 850.0 | \$ 269,450 | \$ - | |
| Banning 2018 Water Order | 500.0 | \$ 158,500 | - | 500.0 | \$ 158,500 | \$ - | |
| BCVWD 2018 Water Order | 9,800.0 | \$ 3,106,600 | 6,123.0 | 15,923.0 | \$ 5,047,591 | \$ 1,940,991 | |
| | 11,150.0 | \$ 3,534,550.00 | 6,123.0 | 17,273.0 | \$ 5,475,541 | \$ 1,940,991 | |