



**BEAUMONT-CHERRY VALLEY WATER DISTRICT
REGULAR MEETING AGENDA
BOARD OF DIRECTORS ENGINEERING WORKSHOP
560 Magnolia Avenue, Beaumont, CA 92223
Thursday, August 23, 2018 - 6:00 p.m.**

Call to Order, President Covington

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, 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

- 1. Consideration of Options for Filling the Division 2 Vacancy on the Board of Directors per Government Code Section 1780 (tabled from August 08, 2018) (pages 3 – 6)**
- 2. Consideration of Proposed Changes to the District's Conflict of Interest Code and Approval of Notice of Intent and 45-day Comment Period (pages 7 – 11)**
- 3. Consideration of Utilization of a Public Relations Consultant (page 12)**
- 4. Update: Sites Reservoir Project (no staff report)**
- 5. Presentation of Funding Strategies for New and Existing Regional Water Supplies - White Paper No. 7 (pages 13 – 30)**
- 6. Consideration of BCVWD 2019 Water Order Quantity from the San Geronio Pass Water Agency (pages 31 - 35)**
- 7. Discussion of Existing District Rate Study and Consideration of Future Required Rate Study (no staff report)**
- 8. Discussion of Facilities Fees Payment Schedule (page 36)**
- 9. Discussion of Application for Water Service for Riverside County Assessor's Parcel Nos. 401-190-035, 401-190-034 and 401-190-033 located on Nonie Court in the Community of Cherry Valley (pages 37 - 66)**
- 10. Discussion of proposed Well Rehabilitation Projects – Wells 4A, 10, and 18 (pages 67 - 69)**

11. Update: Status of District Wells, Capital Improvements, and Engineering Projects (pages 70 - 76)
12. Update: Legislative Action and Issues Affecting BCVWD (pages 77 - 79)
13. General Manager's Report
14. Topics for Future Meetings
15. Adjournment

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.

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 REGULAR MEETING

I certify that on or before 5:59 p.m. Aug. 20, 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 §54956(a)).

For 
Yolanda Rodriguez
Director of Finance and Administration

William C. Clayton



**Beaumont-Cherry Valley Water District
Regular Board Meeting
August 23, 2018**

Item 1

STAFF REPORT

TO: Board of Directors
FROM: Dan Jagers, General Manager
SUBJECT: **Consideration of Options for Filling the Division 2 Vacancy on the Board of Directors per Government Code Section 1780** (tabled from August 08, 2018)

Staff Recommendation

Determine to fill the vacancy on the Board of Directors by appointment, authorize the General Manager to notify the County Registrar of Voters of the determination, and direct staff to post the Notice of Vacancy on or before August 28, 2018.

Background

At its regular meeting on August 8, 2018, the Board accepted the resignation of Division 2 Director Claudeen Diaz, effective August 9, 2018. At that meeting, the District's Legal Counsel advised the Board to delay action until the nomination period for the November 6, 2018 election was closed.

The Division 2 seat, term ending December 5, 2020, is on the November 6 ballot as a short term. As of the closure of the nomination period at 5 p.m. on August 15, 2018, only one candidate qualified for the ballot for the Division 2 seat.

Summary

Staff has requested but had not yet received guidance from the Riverside County Registrar of Voters due to the unique circumstances of the timing of the vacancy within 130 days of the election, however, District's Legal Counsel has advised the following:

Government Code 1780 provides direction for the filling of vacancies. The Board has 60 days from the effective date of the resignation (October 8) to make an appointment or to call a special election. Since the Division 2 short term is already on the November 6 ballot, a special election is moot because there is not sufficient time to organize a special election before the term of the new Director would begin. Legal Counsel identifies that the more prudent option would be that the Board make an appointment to fill the vacancy. The appointed member would serve until the seat is filled by the elected member.

The candidate elected on November 6 would then take office effective at noon on Friday, December 7, 2018.

Should the Board choose to fill the vacancy by appointment, a Notice of Vacancy would be posted in three conspicuous places within the District and on the District's website on or before Tuesday, August 28 and would be advertised in the Beaumont Record-Gazette. Interested applicants would be directed to submit an application before September 6, in order for the Board to consider the appointment at its regular meeting on September 12. The Board may



choose to push this action to a future regular or special Board meeting as long as the appointment is made by Monday, October 8.

The Board may also consider the alternative to the staff recommendation:

Alternative: Do nothing. If the Board fails to act to fill the vacancy by appointment or to call a special election by October 8, 2018, the Riverside County Board of Supervisors (BOS) may make an appointment, or call a special election. Given the timing of the upcoming November 6 election, it is unlikely that the BOS would take such action.

However, staff identifies that the timely appointment of a new director may be the preferred option. The Board will be facing some significant decisions in the Fall season, and a timely appointment will assure all divisions are represented for the anticipated votes.

Fiscal Impact

Should the Board choose to fill the vacancy by appointment, staff estimates an advertising cost of >\$1,000 to publish the Notice of Vacancy.

Attachments

Notice of Vacancy
Division 2 map

Report prepared by Lynda Kerney, Administrative Assistant



BEAUMONT-CHERRY VALLEY WATER DISTRICT

NOTICE OF VACANCY BOARD OF DIRECTORS - DIVISION 2

NOTICE IS HEREBY GIVEN that there is a vacancy on the Board of Directors of the Beaumont-Cherry Valley Water District due to the resignation of Claudeen Diaz.

The term of vacancy will expire on December 4, 2020. The appointed director would stand for election to a regular term in the November, 2020 general election.

In accordance with the provisions of Government Code Section 1780, the Board may fill the vacancy by appointment. The Board has requested that interested qualified residents of the District submit a letter of interest and a statement of qualifications and other information which will assist the Board in making its decision.

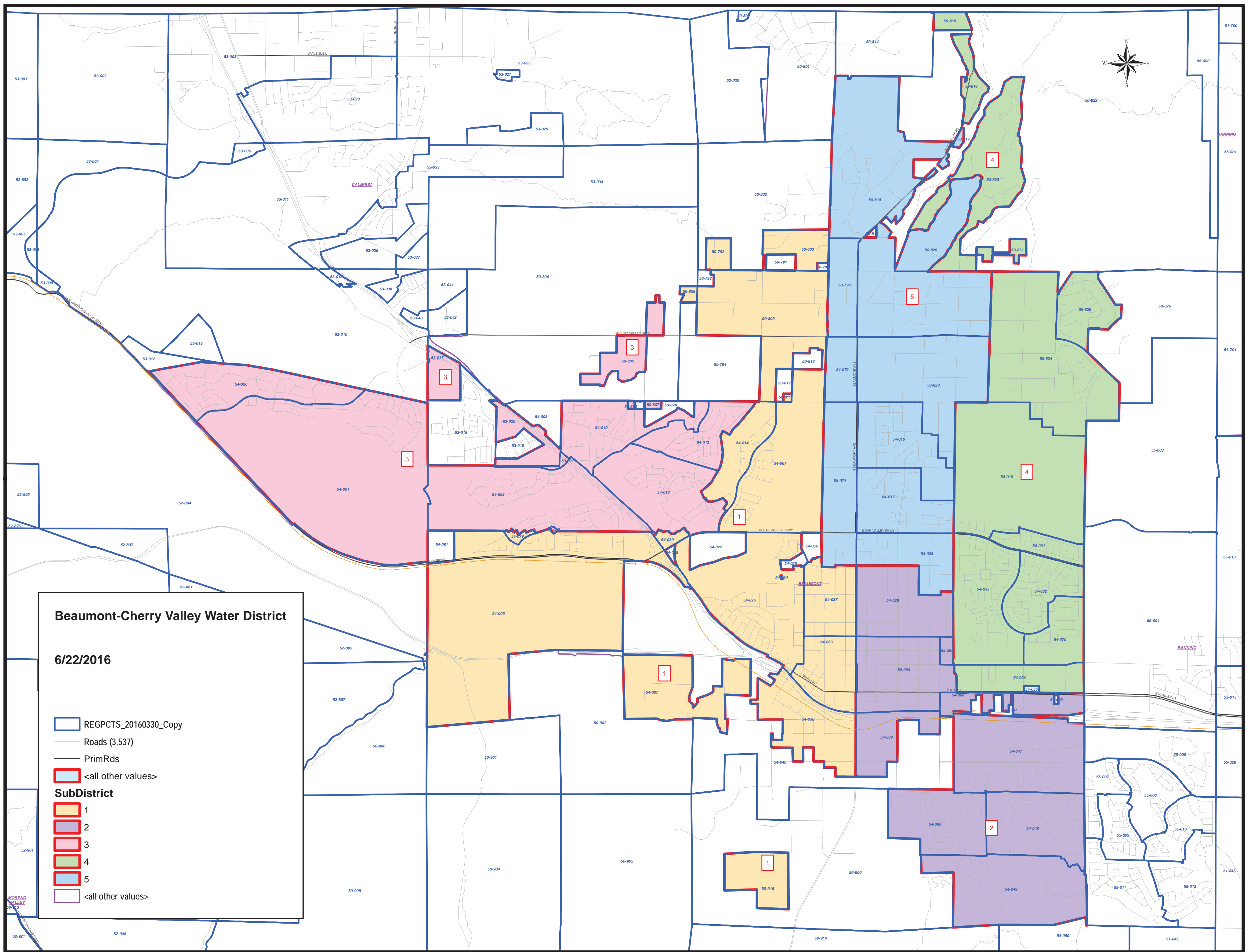
Letters and questions should be directed to Yolanda Rodriguez, Director of Finance and Administrative Services, at the District office located at 560 Magnolia Avenue, Beaumont, CA 92223. All material must be received at the District office on or before Thursday, September 6, 2018 by 5:00 p.m.

Minimum qualifications for the service on the Board of Directors are set forth in California Water Code Section 71250 – 71256.

NOTICE IS FURTHER GIVEN that a decision on appointment will be made as prescribed by Government Code Section 1780 by the Board of Directors of said District at the Regular Board Meeting on September 12, 2018 held at the District office located at 560 Magnolia Avenue, Beaumont, CA 92223.

Dated: August 23, 2018

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



Beaumont-Cherry Valley Water District

6/22/2016

- REGPCTS_20160330_Copy
- Roads (3,537)
- PrimRds
- <all other values>
- SubDistrict**
- 1
- 2
- 3
- 4
- 5
- <all other values>



**Beaumont-Cherry Valley Water District
Regular Board Meeting
August 23, 2018**

Item 2

STAFF REPORT

TO: Board of Directors
FROM: Dan Jagers, General Manager
SUBJECT: **Consideration of Proposed Changes to the District’s Conflict of Interest Code:
Approval of Notice of Intent and 45-day Comment Period**

Staff Recommendation

Approve the Notice of Intent and conduct a 45-day comment period regarding the proposed changes to the District’s Conflict of Interest Code.

Background

The Political Reform Act requires every multi-county agency to review its Conflict of Interest Code biennially and notify the Fair Political Practices Commission whether the agency’s Code needs to be amended. The District’s last Code was approved by adopting Resolution 2010-12 on October 13, 2010.

The District’s Code now requires substantive amendments to reflect new positions that must be designated. The Fair Political Practices Commission considers the additions or deletion of positions to be a substantive change. The addition/deletion of positions are the only changes made to the Code.

Positions deleted:	Positions added:
None	Senior Engineer
	Assistant Director of Operations
Position title changed from:	Position title changed to:
None	None

Legal Counsel has reviewed the amendments and his input has been incorporated into the draft.

Fiscal Impact

None.

Attachment(s)

Proposed Revision of the Beaumont-Cherry Valley Conflict of Interest Code (redline)
Notice of Intent to Adopt or Amend a Conflict Of Interest Code

Report prepared by Lynda Kerney, Administrative Assistant

**ARTICLE 13. BEAUMONT-CHERRY VALLEY WATER DISTRICT
CONFLICT OF INTEREST CODE**

The Political Reform Act (Government Code Section 81000. et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations Section 18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendices, designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the **Beaumont-Cherry Valley Water District (District)**.

Individuals holding designated positions shall file their statements of economic interests with the **District**, which will make the statements available for public inspection and reproduction. (Gov. Code Sec. 81008.) All statements will be retained by the **District**.

BEAUMONT-CHERRY VALLEY WATER DISTRICT

**CONFLICT OF INTEREST CODE
APPENDIX A
DESIGNATED POSITIONS**

<u>Designated Position</u>	<u>Assigned Disclosure Category</u>
Board of Directors	1, 2, 4
General Manager	1, 2, 4
Legal Counsel	2, 4
Director of Operations	<u>1, 2, 4</u>
<u>Assistant Director of Operations</u>	<u>1, 2, 4</u>
Field Superintendent	3
Transmission & Distribution Supervisor	3
Production Supervisor	<u>3</u>
Recycled Water Supervisor	3
Director of Engineering	1, 2
<u>Senior Engineer</u>	<u>1, 2</u>
Director of Finance and Administrative Services/Treasurer	2
Senior Finance and Administrative Analyst	3
Information Systems Manager	<u>3</u>

Note: The Legal Counsel position is filled by an outside consultant who acts in a staff capacity.

Consultants/New Positions*

*Consultants/New Positions shall be included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code, subject to the following limitation:

The General Manager may determine in writing that a particular consultant/new position, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this section. Such written determination shall include a description of the consultant/new position's duties and, based upon that description, a statement of the extent of disclosure requirements. The General Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code (Gov. Code Section 81008).

BEAUMONT-CHERRY VALLEY WATER DISTRICT

CONFLICT OF INTEREST CODE APPENDIX B DISCLOSURE CATEGORIES

Individuals holding designated positions must report financial interests in accordance with the assigned disclosure categories.

Category 1: Interests in real property located within the jurisdiction or within two miles of the boundaries of the jurisdiction or within two miles of any land owned or used by the District as well as investments and business positions in business entities, and income, including receipt of loans, gifts, and travel payments, from sources, that provide real estate services (e.g. consulting, appraisal, development, construction) of the type used by the District.

Category 2: Investments and business positions in business entities, and income, including receipt of loans, gifts, and travel payments, from sources, that provide services, supplies, materials, machinery, or equipment of the type utilized or funded by the District.

Category 3: Investments and business positions in business entities, and income, including receipt of loans, gifts, and travel payments, from sources, that provide services, supplies, materials, machinery, or equipment of the type utilized or funded by the employee's division or department.

Category 4: Investments and business positions in business entities, and income, including receipt of loans, gifts, and travel payments, from sources, that filed a claim, or have a claim pending, against the District during the previous two years.

Sources of the type utilized or funded by the district include:

- Engineering and environmental consulting firms
- Transportation equipment and parts
- Water and soil testing products and services
- Services for energy pricing/demand, legal and labor relations
- Mapping and educational water services

(Non-inclusive list)



BEAUMONT-CHERRY VALLEY WATER DISTRICT

NOTICE OF INTENTION

TO AMEND THE CONFLICT OF INTEREST CODE OF THE BEAUMONT-CHERRY VALLEY WATER DISTRICT

NOTICE IS HEREBY GIVEN that the Beaumont-Cherry Valley Water District pursuant to the authority vested in it by section 87306 of the Government Code, proposes an amendment to its Conflict of Interest Code. All inquiries should be directed to the contact listed below.

The Beaumont-Cherry Valley Water District proposes to amend its Conflict of Interest Code to include employee positions that involve the making or participation in the making of decisions that may foreseeably have a material effect on any financial interest, as set forth in subdivision (a) of section 87302 of the Government Code. The amendment carries out the purposes of the law and no other alternative would do so and be less burdensome to affected persons.

Changes to the Conflict of Interest Code include **addition of the following positions:**

Assistant Director of Operations
Senior Engineer

The proposed amendment and explanation of the reasons is available on the District's website at www.bcvwd.org or can be obtained from the agency's contact.

Any interested person may submit written comments relating to the proposed amendment by submitting them no later than **October 08, 2018**, or at the conclusion of the public hearing, if requested, whichever comes later. At this time, no public hearing is scheduled. A person may request a hearing no later than **September 23, 2018**.

The Beaumont-Cherry Valley Water District has determined that the proposed amendments:

1. Impose no mandate on local agencies or school districts.
2. Impose no costs or savings on any state agency.
3. Impose no costs on any local agency or school district that are required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.
4. Will not result in any nondiscretionary costs or savings to local agencies.
5. Will not result in any costs or savings in federal funding to the state.
6. Will not have any potential cost impact on private persons, businesses or small businesses.

All inquiries concerning this proposed amendment and any communication required by this notice should be directed to:

Yolanda Rodriguez, Director of Finance and Administration
Beaumont-Cherry Valley Water District
560 Magnolia Ave, Beaumont, CA 92223
(951) 845-9581 ext 224 or yolanda.rodriquez@bcvwd.org.

POSTED 08/23/2018



**Beaumont-Cherry Valley Water District
Regular Board Meeting
August 23, 2018**

Item 3

STAFF REPORT

TO: Board of Directors
FROM: Dan Jagers, General Manager
SUBJECT: Consideration of Utilization of a Public Relations Consultant

Staff Recommendation

Direct staff as desired.

Background

Beaumont-Cherry Valley Water District is participating in a variety of high-impact projects in which decisions will be made that will affect the community in the near and far future, such as the Recycled Water Supply Project in conjunction with the City of Beaumont; Sites Reservoir Water Supply Project in conjunction with San Gorgonio Pass Water Agency (SGPWA) and BCVWD centennial anniversary (2019). Members of the Board have indicated a desire to assure that the public is aware of the activities that are taking place at the District.

Summary

In an effort to maintain transparency and to fully educate the Board of Directors and the public, staff has provided, in the past months, a substantial amount of information regarding some of the ongoing projects in which the District is currently involved. Due to the serious nature of these projects and the impact they will have on the future of the District, its ratepayers, and the surrounding communities, members of the Board have suggested it may be beneficial to the District and to the public to engage a public relations consultant to assist in disseminating information to the public.

In addition, 2019 is the Centennial anniversary of the District and a public relations consultant could assist District staff in positive outreach for this anniversary event.

Fiscal Impact

To be determined.

Report prepared by Erica Gonzales, Administrative Assistant



**Beaumont-Cherry Valley Water District
Regular Board Meeting
August 23, 2018**

Item 5

STAFF REPORT

TO: Board of Directors
FROM: Dan Jagers, General Manager
SUBJECT: **Presentation of Funding Strategies for New and Existing Regional Water Supplies – White Paper No. 7**

Staff Recommendation

No recommendation.

Background

This Staff Report serves as a summary of the presentation that will be given at the August 23, 2018 Engineering Workshop relating to the funding strategies for new and existing regional water supplies as referenced in White Paper No. 7 created by District Staff to further explore planning activities related to water needs, costs, and funding strategies, in the San Gorgonio Pass region.

Since the development of the series of White Papers (1 through 6) by BCVWD discussing imported water supply needs and projections in the San Gorgonio Pass Area in late 2017 and early 2018, the San Gorgonio Pass Water Agency (SGPWA) has initiated a water rate study to identify a potential rate structure to secure imported water supply for the entire Pass Area.

The previous White Papers provided the SGPWA and other interested parties in the Pass Area with a preliminary overview of imported water supply needs and what the projected needs are. These White Papers were based on BCVWD's planning efforts¹ and SGPWA's 2015 Urban Water Management Plan (UWMP), and recently completed Water supply Assessment and the San Gorgonio Integrated Regional Water Management Plan.

BCVWD has developed a table as part of White Paper No. 7 that reviews possible funding strategies for projects such as the California Water Fix and the Sites Reservoir Project. This table sets forth anticipated costs for water for SGPWA area.

Attachments

1. Funding Strategies for New and Existing Regional Water Supplies – White Paper No. 7
2. Table 1 – SGPWA Funding Requirements for Administration Operations and Water Supply

Prepared by Dan Jagers, General Manager

¹ BCVWD's 2013 Potable Water Master Plan, 2015 Urban Water Management Plan, and others



Beaumont Cherry Valley Water District

560 Magnolia Avenue

Beaumont, CA 92223

951-845-9581

www.bcvwd.org

DRAFT

DATE: August 15, 2018
TO: Board of Directors
FROM: Dan Jagers, General Manager
SUBJECT: Funding Strategies for New and Existing Regional Water Supplies, Sites Reservoir and Other Sources – White Paper No. 7

This white paper is the seventh of a series of White Papers discussing San Geronio Pass Water Agency (SGPWA) and Beaumont Cherry Valley Water District's (BCVWD's) imported water needs to near build-out. This white paper focusses on SGPWA's funding requirements for additional imported water supplies listed in Table 1 on the following page. Table 1 shows that the current and projected imported water available to SGPWA range from 24,900 AFY to almost 35,880 AFY depending on the actual yield.

Previous white papers have discussed funding and financing options for these sources. Yuba Accord, SBVMWD Water, and AVEK-Nickel Water were assumed to be funded from SGPWA's existing rate structure and were not included in any previous funding analyses. However, this option is still being evaluated by the SGPWA.

The existing SWP Table A Transportation and Delta Water Charges, totaling about \$24 million per year, will continue to be funded through property taxes and rates. This payment will continue to year 2035 at which time the existing contracts expire.

The CWF funding for Phases 1 and 2, ("two tunnels") has been committed and both tunnels are proposed to be constructed initially, pending environmental permits. The CWF is anticipated to be funded by revenue bonds issued by the State or a Joint Powers Financing Agency with payment by State Water Contractors south of the Delta through their existing contracts with the DWR – extended as needed into the future. In addition to other federal, State, and local permits, CWF requires changes to the water rights permits for the SWP and Federal Central Valley Project to authorize the proposed new points of diversion and recombination. The hearings on the "change petition" are underway. The CWF would be funded by SGPWA through their State Water Project (SWP) Debt Service taxes. There are some Operation, Maintenance, Power, and Replacement (OMP&R) costs for the CWF that would be paid on an annual basis plus the variable OMP&R costs associated with transporting the water from the Delta to Cherry Valley. The OMP&R costs are anticipated to be funded from water rates charged by SGPWA to the water retailers purchasing imported water. Although the CWF will not be operational until about 2032, there will be costs for design and permitting that will have to be paid, beginning before 2018.

Table 1
SGPWA Current and Projected Available Long Term Imported Water Supply

Source	Low Yield Case, Annual Amount, AFY	High Yield Case, Annual Amount, AFY	Comment
Existing Table A	8,300	10,380	17,300 AFY but only 60% reliable (10,380 0 AFY) per Bulletin 132; to degrade to approximately 48% (8,300 AFY) without California Water Fix (CWF)
Yuba Accord	300	300	When available
San Bernardino Valley MWD Surplus Table A Water (SBVMWD Water)	2,000	2,000	Up to 5,000 AFY available estimated 2 out of every 5 years (40%) of time = 2,000 AFY; agreement terminates in 2032
Antelope Valley East Kern Water Agency (AVEK) Nickel Water, (AVEK Nickel Water)	1,700	1,700	20 year agreement with option for 20 year extension
California Water Fix (CWF)	2,478	3,119	Expected to increase reliability of State Water Project (SWP) by 14% (2,478 AFY) to 17.62% (3,119 AFY) from 48%
CWFSide Deal	3,500	7,500	Purchase (Transfer) of Additional Table A CWF increased yield to SGPWA from other SWP Contractors
Sites Reservoir	9,100	14,000	Assumes all Class 2 will convert to Class 1 Water (14,000 AFY); worst case with 65% assumed reliability. (BCVWD has committed to 4,000 AFY of the 14,000 AFY)
Total Imported Water Potentially Available	24,900	35,880	

Although all of the “South of the Delta” SWP Contractors will be paying their proportionate share of the CWF, for various reasons, a few SWP Contractors do not need the benefits of the increased yield and are interested in transferring (selling) their incremental yield to other interested SWP Contractors, such as SGPWA. The buyer (in this case SGPWA, for example) would receive the seller’s CWA Table A Reliability Increase which depends on the particular DWR Allocation for the year. These “side deals” work as follows. The seller pays all SWP costs including the CWF cost to DWR, but receives 85% reimbursement from the buyer. The seller retains the right to purchase Article 21 water and retains conveyance capacity for non-SPW. The buyer pays 85% of the sellers CWF cost and obtains the reliability benefit which is based on the DWR allocation for that year for the amount of Table A transferred. The amount of SPW which could be obtained in this type of “side deal” could vary from about 3,500 AF to 7,500 AF assuming a 50,000 AF Table A transfer

based on information published by the SGPWA. The cost for this transfer would be funded from debt service taxes, which is an advantage.

Sites Reservoir was approved for \$816 million of Proposition 1 funding on July 24, 2018; the California Water Commission also agreed to provide \$40.8 million in early funding to assist in completing the needed environmental analyses and to obtain permits. It is believed that the project participants will receive the combined total of their Phase I Class 1 and Class 2 water amounts, which for the SGPWA is 14,000 AFY, of which, 4,000 AFY is BCVWD’s committed participation.

Sites Reservoir will not produce water until about 2030 or so; however, there will be costs incurred by SGPWA to fund design, environmental studies, permitting, etc. until the Sites Project Authority (Sites Authority), the managing agency, can secure long-term funding. SGPWA and other project participants have paid for Phase 1, which is now almost complete. The Sites Reservoir Project Authority (Authority) will finance all Phase 2 costs. The Authority’s current plan is a \$350 million revolving line of credit with a bank with the funds available in early 2019. The intent is an “interest only” payment through the end of Phase 2, after which, the line of credit will be refinanced with long-term bonds beginning in Phase 3. The first payment on the line of credit is due in January 2020. The preliminary terms on the Line of Credit are 3% interest on the amount borrowed with a 0.75% fee on the undrawn balance.

Table 2 shows the estimated costs that will be incurred by SGPWA and BCVWD for participation in Sites Reservoir Phase 2. The initial payment is due in November 2019. In addition, in FY 2019 (ending 30 September 2019), a payment is due to convert Class 2 Water to Class 1 Water. This is shown in Table 3.

**Table 2
Sites Reservoir Phase 2 Project Costs**

Calendar Year	Cost per AF based on Sites Reservoir Yield of 335,000 AF	SGPWA Cost (14,000 AF)	BCVWD Share (4,000 AF)
2019	\$9.89	\$138,460	\$39,560
2020	\$15.32	\$214,480	\$61,280
Due November 2019	\$25.20	\$352,940	\$100,840
2021	\$20.88	\$292,320	\$83,520
2022	\$11.11	\$155,540	\$44,440
Total	\$57.19	\$800,660	\$228,760

Table 3
Sites Reservoir Cost to Convert Class 2 Water to Class 1 Water

Year Due	Cost per AF to Convert Class 2 to Class 1	SGPWA Cost (5,201 AF)	BCVWD Share (1,486 AF)
2019	\$24.25	\$126,125	\$36,035

If the Sites Reservoir Project does not proceed to Phase 3 and all of the \$350 million has been “drawn,” there would be a debt obligation of \$1,045/AF. For the SGPWA this would amount to \$14.63 million for the 14,000 AF commitment. (Note that BCVWD, at the present time, has committed to 4,000 AF of the 14,000 AF SGPWA commitment.) Assuming the \$350 million debt is financed over 30 years, the annual payment would be \$67.60/AF/year, or \$946,000/year. (BCVWD’s share would be \$270,400.)

Phase 3 annual debt service costs would begin in 2022 or 2023 gradually ramping up to the maximum in year 2030 or so as shown in Table 4. The values in Table 4 are based on an estimated \$564/AF/year as the annual debt service for the project.¹ A simple “S” curve was developed from experience. The debt service cost includes the repayment of the Phase 2 Line of Credit.

Table 4
Sites Reservoir Estimated Debt Service Cost for Phases 3 and 4 and Beyond

Year Due	Cost/AF/year (Estimated as “S” Curve)	SGPWA Cost (14,000 AF)	BCVWD Share (4,000 AF)
2023	\$135	\$1,890,000	\$540,000
2024	\$165	\$2,310,000	\$660,000
2025	\$220	\$3,080,000	\$880,000
2026	\$380	\$5,320,000	\$1,520,000
2027	\$490	\$6,860,000	\$1,960,000
2028	\$510	\$7,140,000	\$2,040,000
2029	\$535	\$7,490,000	\$2,140,000
2030 and beyond	\$546	\$7,644,000	\$2,184,000

The cost for OMP&R cost for Sites Reservoir was estimated to be \$98/AF/year.² The annual costs for SGPWA and BCVWD are shown in Table 5.

¹ From SGPWA Presentation Aug. 13, 2018, “Sites Reservoir Project Status Report” by J. Davis

² Ibid.

**Table 5
Sites Reservoir Estimated Annual
Operation, Maintenance, Power, and Replacement and Monitoring Costs**

Year Start	Cost/AF/year	SGPWA Cost (14,000 AF)	BCVWD Share (4,000 AF)
2030	\$98	\$1,372,000	\$392,000

The Sites Authority will be working closely with the federal Bureau of Reclamation to secure Bureau participation and funding which will reduce the cost to the current participants. Previous White Papers have assumed the Sites Project Authority would be responsible for 60% of the project cost with the rest from the State and federal agencies. This may change since the Sites Authority anticipated slightly more Proposition 1 funding than the \$816 million.

In summary both the CWF and Sites Reservoir are moving forward but there is always some risk that one or both may not be completed and operational. Also, some participants in Sites Reservoir have indicated they will not continue participation in Sites Reservoir if the CWF does not proceed. It is important that SGPWA continue to review and potentially secure low cost short and longer term water purchases/leases throughout the next 5 to 10 years until there is some degree of certainty with either the CWF or Sites Reservoir, or both.

Once there is certainty, SGPWA and the retail agencies can work to refine imported water needs for the long term and develop a long-range, regional imported water supply plan considering conservation, more efficient landscaping, increased use of recycled water, and reduced indoor water use.

Purpose of this White Paper

The purpose of this White Paper is to provide:

- A preliminary evaluation of the impacts of new short term, leased water sources, such as AVEK-Nickel Water in combination with Yuba Accord and SBVMWD Surplus Water on SGPWA water rates
- Assessment of the impact of construction and operation and maintenance of the SGPWA Fiesta Recharge Facility, currently funded from the General Fund, will have on the Agency’s water rates
- Financial impacts of reduced demands by SGPWA retailers due to local water resources development, storm water capture, and recycled water use
- Financial impacts of downturns in housing construction affecting the Agency’s share of Riverside County’s 1% property tax, potential new connection revenue, and assessed valuation
- Assess the impact of the OMP&R costs for the CWF and Sites Reservoir on SGPWA water rates
- Options for funding Sites Reservoir, if debt service taxes cannot be used as a funding source

Spreadsheet models will be developed to address these issues.

Supply Demand Model Refinement

The spreadsheet supply-demand model developed for White Paper No. 6 was refined to include:

- The impacts of recycled water, storm water capture, captured groundwater, and other local water sources on the need for imported water
- Adjustment factors to account for reduction in the irrigation of street median turf and the potential conversions of street medians and other common area to more drought-tolerant landscaping
- Ability to adjust the amount of imported water purchased by a retailer to either bank water or withdraw water from their groundwater storage account
- Reduced recycled water availability considering the recent restrictions on residential indoor water use to 50 gal/capita/day (gpcd) by 2030. It is assumed the Commercial, Industrial and Institutional (CII) component of the wastewater will add to the indoor residential wastewater and would remain about the same as it currently is, i.e., about 15 gpcd. This is based on BCVWD's annual water demand reporting to the Division of Drinking Water.
- Forbearance water resulting from serving potable and non-potable water to overlying parties as stated in the Beaumont Basin Adjudication

Funding Model Refinement

White Papers No. 3 provided unit costs, (\$/AF), for various sources of water; White Paper No. 4 summarized the total funding requirements for the SGPWA including the current SWP and EBXI/EBXII plus CWF and Sites Reservoir. White Paper No. 5 provided revenue forecasts for assessed valuation and potential property tax revenue to fund the CWF and Sites Reservoir (possibly). White Paper No. 6 refined future demand projections within the SGPWA service area and looked at meeting demands until CWF and Sites Reservoir Projects were operational – about 2030 or so.

This White Paper No. 7 builds on the data from the previous white papers and refines the funding sources and requirements:

- SGPWA General Fund
 - General Operation and Administration
 - Local capital projects, including the SGPWA Fiesta Recharge Facility and other Agency capital asset purchases
 - DWR Variable OMP&R charges on the SWP and other water including Yuba Accord, SBVMWD Surplus, and AVEK-Nickel Water
 - SBVMWD annual SWP operational and administrative charges performed on behalf of the SGPWA in the delivery of SPW
 - Purchase of Yuba Accord, SBVMWD Surplus, and AVEK-Nickel Water (possibly)
 - SGPWA Fiesta Recharge Facility operation and maintenance
 - OMP&R of the CWF and Sites Reservoir Project which are assumed to be funded from the General Fund (possibly)

- Debt Service taxes
 - SWP, EBXI/EBXII, except for DWR Variable OMP&R
 - CWF except for DWR Variable OMP&R
- Connection Fees (potential)
 - Sites Reservoir planning, design, and construction

The SGPWA General Fund revenue sources include: SGPWA’s share of the 1% Riverside County Property Tax, revenue from water sales, interest earned on investments, and other sources.

In the analysis in this White Paper, a conservative approach was taken; it was assumed that Yuba Accord, SBVMWD Surplus and AVEK-Nickel Water would not be funded from either debt service taxes or connection fees. It was also assumed that the CWF would be funded from debt service taxes, but Sites Reservoir would not. Again, this is believed to be a conservative approach which needs to be verified with SGPWA’s legal counsel. The purpose was to “bracket” the potential future costs.

Spreadsheet Funding Model Revenue and Expenditures

The following paragraphs describe some of the principal assumptions in developing the spreadsheet model that supports this White Paper. The assumptions can easily be changed to test/verify other conditions.

SGPWA Administration and Operation Costs

SGPWA annual administration and operating costs were extracted from the Agency’s most recent audit³, and presented in Table 6 on the following page.

Amortization costs, although presented in the audit, were not included. In the analysis it was estimated that SGPWA would always have about \$37,000 of annual capital asset purchases for miscellaneous items such as computers, vehicles, furniture, etc. The SGPWA’s Fiesta Recharge Facility project estimate was listed as \$8 million by the Agency and would continue through construction from 2017 through 2019 at \$2.5 to \$3 million per year. The Noble Creek Turnout Expansion is listed as a capital project by the Agency funded from the General Fund in the 2017-18 budget, but this cost is to be reimbursed by BCVWD and was not included in the capital project expenditures in the spreadsheet model. The Fiesta Recharge facility operation would begin in 2020 at an estimated rate of \$120,000 per year based on BCVWD’s experience with their, much larger, facility.

SGPWA pays a pass through charge to SBVMWD for SBVMWD’s operation of the SWP facilities for SGPWA. This cost was extracted from a 2009 Rate Study⁴ conducted by the Agency, and escalated 13% based on the Consumer Price Index (CPI) to \$112,000 per year.

³ SGPWA Audit (2017). San Gorgonio Pass Water Agency Financial Statements and Supplementary Information with Independent Auditor’s Report for years ended June 30, 2017 and 2016, prepared by Eadie & Payne, LLP, October 12.

⁴ SGPWA (2009). Water Rate Study for the San Gorgonio Pass Water Agency, Draft, prepared by David Taussig Associates, Inc., February 2.

Table 6
2017-18 FY SGPWA General Fund Budget

General and Administrative	
Salaries and Benefits	\$ 725,900
Admin and Professional	\$ 496,650
General Engineering	\$ 302,000
Legal	\$ 200,000
Conservation and Education	\$ 54,000
Subtotal	\$ 1,778,550
Capital Projects	
Building/furniture/vehicles	\$37,000
Recharge Facility	\$2,500,000

DWR’s Variable OMP&R Charges

DWR’s Variable OMP&R Charges (DWR Variable Charges) amount to \$260/AF. This was determined in White Paper No. 3, Table 1. This is the cost of delivering the SPW to the SGPWA and is currently included in the water rate paid to SGPWA by the retailers purchasing imported water. For this analysis this is assumed to be the cost SGPWA would pay to DWR for conveying Yuba Accord, SBVMWD Surplus, AVEK-Nickel Water, and other water in the SWP system from the Delta to Cherry Valley.

SWP, EBXI, and EBX II Costs

The debt service, Fixed OMP&R costs and other costs for the SWP, EBXI and EBX II are paid for from debt service taxes based on DWR Bulletin 132 and were included in the previous white papers. These charges will continue to about 2035 or so.

Costs for Other Imported Water

The Agency has agreements with DWR for Yuba Accord Water, SBVMWD for surplus water, and Antelope Valley-East Kern Water Agency (AVEK) for Nickel Water. These are described in detail in White Papers No.1 and 3. In the spreadsheet model it is assumed that the full quantity of these sources is delivered every year; it is further assumed that the agreements will be extended beyond current termination date.

Yuba Accord Water

The Yuba Dry Year Transfer Program, the official name for Yuba Accord Water, allows the SGPWA to purchase water from Yuba County Water Agency. There are four components to the pricing, varying from \$25/AF to \$125/AF depending on the hydrologic condition (See White Paper No. 3). A conservative estimate of \$125/AF has been assumed in the funding analysis.

DWR’s variable charge of \$260/AF applies to this water also; so the total cost of the water would be \$385/AF. SGPWA estimates that 300 AFY are available on the average so the average annual cost for this water is \$115,500. This has been rounded to \$120,000 per year.

SBVMWD Surplus Water

The agreement to purchase surplus water from SBMVWD terminates in 2032; however, it is likely, with the agreement of both parties, it would be extended. SBVMWD has a set rate, \$100 to \$400/AF, for the purchase of the surplus water depending on the SWP allocation percentage for the particular year. The lower cost would occur in years with high allocation percentages. BCVWD staff did an analysis, taking into account historical allocation percentages, and developed an average cost of \$240/AF for the surplus water. In addition to this cost, the SGPWA would pay DWR’s variable cost to convey the water to the Agency. This is estimated to be \$260/AF. The total cost for this surplus water is \$500/AF or about \$1,000,000/year for the 2,000 AFY, on the average. This will vary from year to year depending on the allocation, DWR’s variable charge, and the amount of water the Agency will purchase.

AVEK-Nickel Water

The SGPWA entered into a 20-year purchase agreement with AVEK in 2017 to buy 1,700 AFY of water from Nickel Farms. This AVEK-Nickel Water is not subject to the reliability variations of the SWP. The purchase agreement is “take or pay” and there is an option to extend it for another 20 years. The water is available at the Tupman Turnout, west of Bakersfield, at a current price of \$1,021.29. In addition SGPWA will need to pay the pumping costs from the Turnout to Cherry Valley, estimated to be about \$247/AF; total cost is then \$1,268.29/AF. This is rounded to \$1,270/AF. The AVEK-Nickel Water has cost escalation costs in the Agreement, 3% per year or the increase in the CPI for Los Angeles, Orange, and Riverside Counties, whichever is greater. Based on the Bureau of Labor Statistics for Los Angeles, Long Beach and Anaheim, the CPI increased about 2.5% per year for the last 18 years, so the 3% escalation in the agreement will be used in this White Paper. The current annual cost for the 1,700 AF is \$2,160,000.

Summary of Other Water Costs

Table 7 presents a summary of the “per acre-ft” and annual costs for other water which is projected to be purchased by SGPWA.

**Table 7
Summary Cost for Other Water Purchased by SGPWA
(including DWR Variable Charges)**

Water Source	Annual Amount Purchased, AF	Cost/AF	Annual Cost, (\$000s)	Comment
Yuba Accord	300	\$385	\$120	
SBVMWD	2,000	\$500	\$1,000	
AVEK-Nickel	1,700	\$1,270	\$2,160	Subject to annual escalation of 3% or more

City of Ventura/Casitas MWD One-year Exchange

In 2018 the SGPWA, the City of San Buenaventura (Ventura) and Casitas Municipal Water District entered into a one-year exchange agreement wherein SGPWA would receive all of Ventura's and Casitas' SWP allocation for 2018 or 5,250 AF based on DWR's 35% SWP allocation. Forty percent of the water delivered (2,100 AF) will need to be returned to the agencies within a 10-year period as determined by the agencies and agreed to by SGPWA. SGPWA agreed to pay Ventura and Casitas for the Transportation Capital, Transportation Minimum, Conservation Capital, and Conservation Minimum charges imposed by DWR, totaling \$2,230,000 for the water. SGPWA will also pay the variable DWR Pass-through cost, estimated to be \$260/AF or \$1.365 million. SGPWA indicated the \$2.23 million would be paid from debt service taxes.

CWF and Sites Reservoir Water Costs

It is assumed the CWF capital cost and other fixed costs will be paid for through debt service taxes similar to the SWP, EBXI and EBXII. The DWR Variable OMP&R costs to convey the water through the SWP would be paid for through the water rate as is currently done. There are some additional operating costs associated with the CWF, and it is assumed that SGPWA's share of the annual operating cost, \$150,000, will be paid for through the water rates beginning in 2032.

For this White Paper, Sites Reservoir capital and fixed costs will be paid for by some other funding source other than debt service taxes, a conservative approach. (If it can be funded through debt service taxes, this will ease the funding burden and open up other options. This will need to be confirmed by the Department of Water Resources as well as the SGPWA's legal counsel.) The SGPWA's share of the annual operating costs of \$1.372 million for Sites Reservoir project, (refer to Table 5 presented previously), will be paid for through water rates beginning in 2030. (BCVWD's share of the \$1.372 million is \$0.392 million.)

These costs are added to the General and Administration costs and the DWR Variable Costs to deliver the existing Table A water to Cherry Valley. The baseline spreadsheet identifies these costs on an annual basis

General Fund Revenues

The General Fund revenue is from three primary sources:

- SGPWA's share of Riverside County's 1% property tax
- Water sales to the retail agencies
- Interest on investments

SGPWA's Share of Riverside County's 1% Property Tax

The annual amount the Agency receives is a portion of the 1% property tax collected by Riverside County through an apportionment process which is complex. The complexities are brought about by the numerous and varied procedures and formulas used, and how each of

these interrelate and affect the final apportionment. Figure 1 shows the historical assessed valuation (AV) within the SGPWA and BCVWD since 2002 when the “development push” began. As can be seen, there was a rapid rise in AV from 2002 to 2008. It then leveled off, in fact dropped slightly from 2010 to 2011. It began to rise again after 2013, but at a much more gradual rate, (2.5% per year). Note that BCVWD’s AV accounts for about 50% of SGPWA’s AV at the present time.

Figure 1
Historical Assessed Valuation in SGPWA and BCVWD

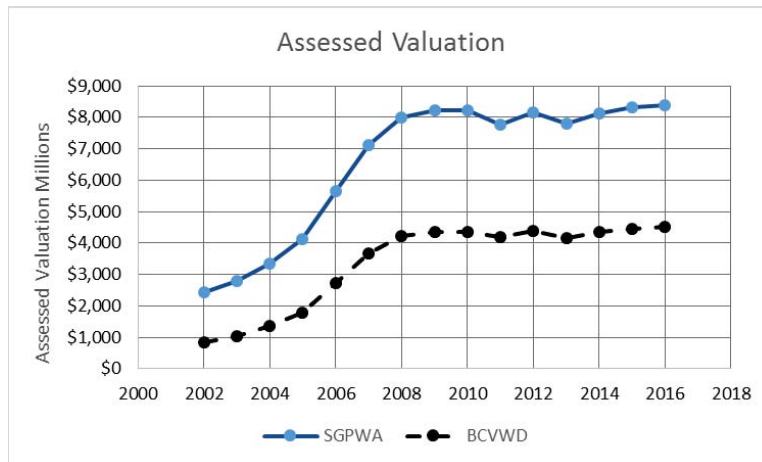
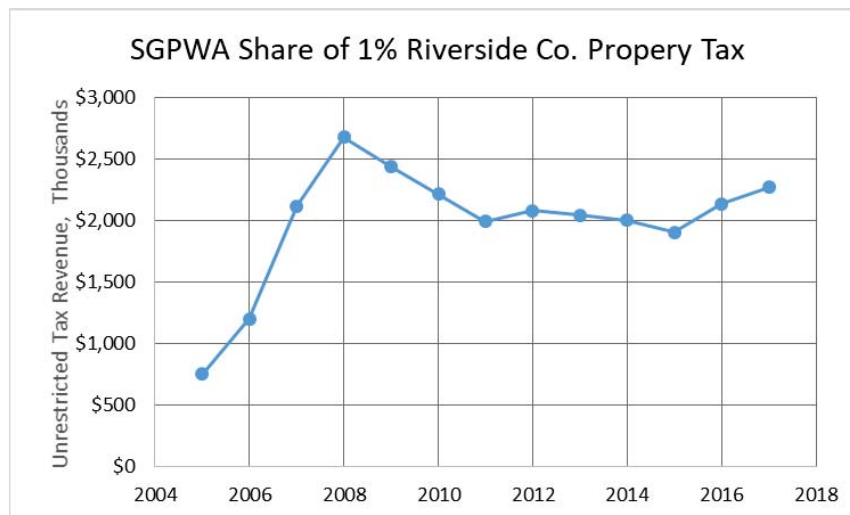


Figure 2 shows SGPWA’s historical share of Riverside County’s 1% property tax through the apportionment process extracted from the SGPWA annual audits. The share tends to mirror the AV shown in Figure 1; however, it showed a significant decline from 2008 to 2011 and did not begin to pick up again until 2015. This drop adversely affects SGPWA’s unrestricted operating revenue. The AV has gradually increased from 2015 to 2017 at about 9% per year. The model allows for adjustment of this annual increase. A 5% annual increase has been initially set to be conservative.

Figure 2
Historical SGPWA Share of 1% Riverside County Property Tax



It is important to point out that the revenue is subject to fluctuation with the housing market and some decreases should be expected to occur over the next 20 years or so; this should be factored into the revenue stream.

Interest on Investments

SGPWA earns interest on their investments in the Local Agency Investment Fund (LAIF) and other instruments permitted by the Agency's investment policy. The amount of interest income in 2017, per the audit, was \$480,000. This amount could increase or decrease depending on the market conditions and the amount of money collected by the Agency and invested. For purposes of this model it is assumed this investment income will gradually decrease over time, (by \$20,000 per year), as reserves are used for capital projects, supplement shortfalls in revenue, and other Agency needs.

Water Rates

The current water rate is \$317/AF which generated about \$4.752 million in FY 2017. The amount of revenue from water sales depends on the amount of water available and sold. The model allows for the calculation of a "revenue neutral" SGPWA water rate under several assumptions:

- CWF design, construction, and operation paid for through financing with the financing costs paid through a new connection charge
- CWF design, construction, and operation paid for through financing with the financing costs paid through the water rate

Other assumptions of costs included in the water rates are described above and include the costs for Yuba Accord, SBVMWD Surplus, and AVEK-Nickel water. It is assumed these costs are paid out of the General Fund, although, it is possible that Yuba Accord, SBVMWD Surplus, and other Table A water acquisitions, i.e., Ventura/Casitas, could be paid out of debt service taxes. This should be confirmed by the SGPWA Legal Counsel. If these lease/purchase costs could be paid from debt service taxes, the water rate could be reduced.

Imported Water Available

The reliability of the SWP is projected to decrease from about 60% current reliability (10,380 AFY per DWR Bulletin 132) to 48% by 2035 (8,300 AFY) as discussed in White Paper No. 6. This will affect the total delivery of Table A water. This has been included in the model. Depending on hydrologic conditions, the SGPWA may be able to deliver more than these Table A amounts; but to be conservative, the appropriate reliability factors were included in the model.

SBVMWD Surplus, Yuba Accord, and AVEK-Nickel Water are included in the model as available water supply in addition to the Table A water. This adds another 4,000 AFY to the available water supply bringing the total to 14,380 AFY currently declining to 11,300 AFY by 2035. The one-year Ventura-Casitas Transfer was shown from 2018.

In the model, in terms of purchase priority, it is assumed that SGPWA will purchase all of the Table A water available, adjusted for reliability plus all AVEK-Nickel Water, since they are obligated to purchase it. If necessary, this will be supplemented by Yuba Accord and SBVMWD Surplus Water in that order, i.e. starting with the least costly water.

Imported Water Demand

The water demand model developed in previous White Papers was refined to include:

- Future use of City of Beaumont recycled water in BCVWD's non-potable water system beginning in 2020. Because it may not be possible to use all of the recycled water available from the City due to low winter time water use and the reject water in the membrane treatment system, a factor is included in the model which can be adjusted. An initial value of 75% was used. Wastewater generation in the City is estimated to be 0.25 AFY/EDU.
- The water demand for BCVWD was 0.546 AFY/EDU for new construction; 0.62 AFY/EDU for existing EDUs constructed before 2017. Ongoing studies underway by BCVWD staff indicated that the new housing units appear to be using less water than the older units possibly due to compliance with new landscape ordinances and the use of more water-efficient appliances such as dishwashers, clothes washers, toilets, and other plumbing fixtures. BCVWD staff has observed annual water use as low as 0.50 AFY/EDU. The 0.546 AFY/EDU includes the impact of commercial, industrial, and institutional (CII) water demands associated with and supporting the new EDUs. This includes the non-potable demands associated with landscape irrigation of common areas, schools, etc. It should be pointed out that the water demands for BCVWD have been significantly reduced from the demands in BCVWD's 2015 Urban Water Management Plan (UWMP). The water demands from the other retailers (YVWD/Calimesa and City of Banning) were verified by the two retailers as part of the work on previous White Papers.
- The growth in demand, i.e. EDU growth, was based on data presented in previous White Papers, which was reviewed by BCVWD, YVWD, and the City of Banning. The growth in EDUs is believed to be realistic, based on projections made by the retail agencies and may differ from projections in the retailers' respective UWMPs. Average growth rate in terms of EDUs/yr in BCVWD, City of Banning, and YVWD/Calimesa service areas within SGPWA boundaries over the period 2018 through 2035 are: 431, 356, 392 respectively. Total average projected EDUs within SGPWA service area from these three retailers is 1,229 EDUs/yr. It should be noted that this is greater than the historical average for these areas.

Some Model Results

Water Supply

Figure 3 shows the total amount of water available versus the actual demand within the SGPWA based on the growth assumptions stated above. Figure 3 includes the impacts of declining

reliability in the SWP Table A. The plot does not include the additional water supply from future single year or multiyear deals (Ventura and Casitas MWD) and the CWF, Sites Reservoir, or any of the CWF “side deals” described above.

Figure 3
SGPWA Imported Water Supply vs Actual Projected Demand

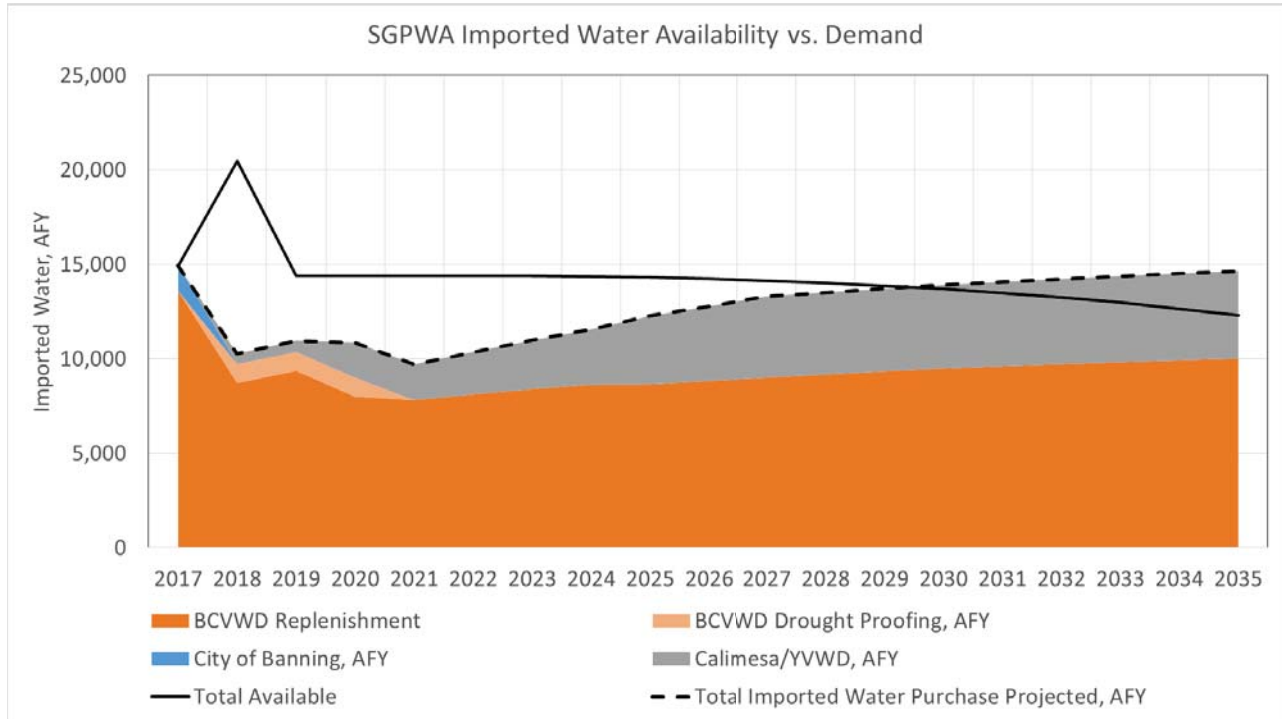


Figure 3 shows there appears to be adequate water supply available to accommodate the projected growth, averaging 1,229 EDUs/year until about 2030, at which time retail agencies can use “banked” water to meet their needs until CWF and Sites Reservoir become operational. It is anticipated that this would occur before 2035. Figure 3 shows there is water available between now and 2028 or so which could be purchased and banked either by the retailers or the SGPWA. In the development of Figure 3, it was assumed that BCVWD would only purchase 1,000 AFY for drought proofing until 2020 when recycled water would be available from the City of Beaumont. This is a slight departure from BCVWD’s 2015 UWMP. However, depending on SGPWA’s water rate, BCVWD may purchase additional water for “banking” since there is more than enough available.

Once CWF and Sites Reservoir are operational the amount of imported water available will be somewhere between 24,900 AFY and 35,880 AFY as shown in Table 1. This is more than SGPWA will need for a long time.

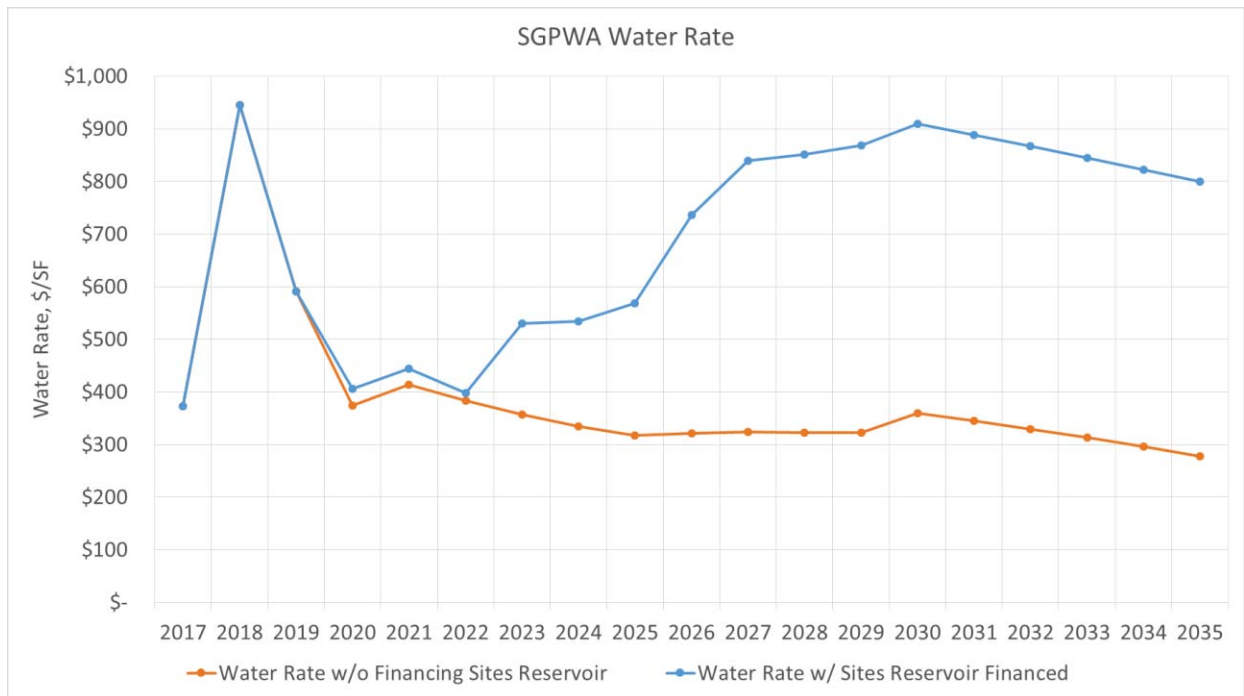
Water Rates

Figure 4 shows the SGPWA water rate needed to maintain a “revenue neutral” position under two conditions:

- Sites Reservoir design and construction paid for with either debt service taxes or through connection charges; variable operating costs would be paid from water rates
- Sites Reservoir design, construction and operation paid for through the water rates

In the analysis for Figure 4, it is assumed that all of the Agency’s operation, purchase of Yuba Accord, SBVMWD Surplus, AVEK-Nickel Water and other water would be paid from the Agency’s General Fund. It also assumes a 5% annual increase in the Agency’s share of the 1% Riverside County property tax. It also assumes that water purchases are as anticipated in Figure 3.

Figure 4
SGPWA Imported Water Rate for Revenue Neutral Position



It appears a water rate in the \$375 to \$400/AF range would be adequate for the near term and future if Sites Reservoir design and construction is financed and paid through connection charges or debt service taxes. If Sites Reservoir is paid for through the water rates, a rate between \$800 to \$1,000/AF would be needed.

Figure 3 assumes that SGPWA will continue to participate in Sites Reservoir to the current amount (14,000 AF with 4,000 AF of that funded by BCVWD). If this changes, the rates would change correspondingly. It should be pointed out that Figure 3 does not include the impact of reimbursement for 4,000 AF participation by BCVWD.

Connection Charges for Sites Reservoir

An alternative to increasing the water rate is to pay for Sites Reservoir design and construction through connect charges for new EDUs. The analysis in the model shows that a connection fee of about \$3,720/EDU would accumulate enough money to fund the financing until about 2030 or

so, at which time the connection fee should be re-evaluated based on projected growth. This should only be considered a rough estimate. A much more detailed assessment needs to be made if this is the method of financing Sites Reservoir.

As discussed above, the estimated connection fee assumes that SGPWA will continue to participate in Sites Reservoir to the current amount (14,000 AF with 4,000 AF of that funded by BCVWD). If this changes, the rates would change correspondingly. It should be pointed out that Figure 3 does not include the impact of reimbursement for 4,000 AF participation by BCVWD.

Conclusions

- There appears to be enough water available from SGPWA and what is currently in banked storage to meet imported water demands until CWF and Sites Reservoir are on line. This assumes that the region's local water resource projects, including recycled water, are implemented by 2020.
- Sites Reservoir design and construction may be best funded by debt service taxes or connection fees rather than rates, although a combination of rates and connection fees is also possible.
- The analysis presented in this White Paper is subject to change depending on changes in development growth, i.e., slowdowns in housing market, reductions in AV, etc. These changes could cause an increase in the water rates (fewer connections to spread cost across).
- The retailers and SGPWA need to refine their projections and evaluate the long term needs for water supply with and without CWF and Sites Reservoir due to their current uncertainty.
- SGPWA should continue to look for lease/purchase of Table A, which can be funded through debt service due to the uncertainty of CWF and Sites Reservoir. This should continue until CWF and/or Sites Reservoir is a certainty. At that point the SGPWA along with the regional water retailers should re-evaluate their position in Sites Reservoir, considering long term water demand projections, imported water supplies, current availability of short term deals, and possible use of water in storage to meet near term water supply needs.



**Beaumont-Cherry Valley Water District
Regular Board Meeting
August 23, 2018**

Item 6

STAFF REPORT

TO: Board of Directors
FROM: Dan Jagers, General Manager
SUBJECT: **Consideration of BCVWD 2019 Water Order Quantity from the San Gorgonio Pass Water Agency**

Staff Recommendation

Direct staff as desired.

Background

In order to fulfill the District's replenishment needs and have additional water supply for storage and drought-proofing, in September 2017 the Beaumont-Cherry Valley Water District ordered 15,923 acre-feet of water from the San Gorgonio Pass Water Agency (state water contractor). This was intended to guarantee receipt of at least 9,800 AF of water, given the 62% reliability rate of the State Water Project.

Summary

Staff must submit the District's imported water supply order to the San Gorgonio Pass Water Agency (SGPWA) by September 1, 2018 for 2019 water deliveries. At this time, staff must determine how much water to order for 2019. In addition, District staff must consider new challenges such as the potential for a rate increase from SGPWA as the 2019 water order is considered.

BCVWD's projected replenishment need for 2019 is approximately 9,000 AF of water with another 1,000 AF for water banking for drought-proofing and anticipated new home construction. The District's Urban Water Management Plan strategizes this water banking activity as currently being 1,000 AF per year, however, because of the amount of water put into storage over the last few years the District is ahead of planned banking activities. Specifically, staff believes the district will have approximately 36,400 AF in its storage account by the end of 2018. This equates to about four years of water supply if no imported water is available. The District could choose to purchase water, or to not to purchase water, for SGPWA.

It is apparent that SGPWA plans to increase rates, which will in turn require BCVWD to increase rates. The Board should discuss the possibility of modifying BCVWD's purchase schedule to allow for completion of a rate study to accommodate the pass-through component of SGPWA's anticipated rate increase.

Fiscal Impact

To be determined.

Report prepared by Erica Gonzales, Administrative Assistant



Beaumont-Cherry Valley Water District

Phone: (909) 845-9581 Fax: (951) 845-0159

Email: info@bcvwd.org

<http://www.bcvwd.org>

Board of Directors

David Hoffman
Division 5

John Covington
Division 4

Daniel Slawson
Division 3

Claudeen Diaz
Division 2

Andy Ramirez
Division 1

September 5, 2017

Jeff Davis, General Manager
San Geronio Pass Water Agency
1210 Beaumont Avenue
Beaumont, CA 92223

Subject: SGPWA Supplemental Water Order
Beaumont-Cherry Valley Water Order for 2018

Dear Mr. Davis:

The Beaumont-Cherry Valley Water District (BCVWD) is interested in all available 2018 State Water Project (SWP) Table "A" supplies that may be available and has set forth our order to represent that interest. Specifically, the San Geronio Pass Water Agency (SGPWA) SWP 100% allocation is 17,300 acre-feet (AF), and it is imperative to obtain all of the supply available to the region and put said supply in storage in the 2018 calendar year.

In addition, BCVWD understands that the City of Banning and the Yucaipa Valley Water District (YVWD) have ordered 1,850 AF collectively (1,000 AF to Banning and 850 AF to YVWD) to supply their 2018 water demands.

The BCVWD has calculated that if **25.5 cfs** can be delivered through the District's Noble Creek Turnout, based on 11 months of operation, the total amount of water that could be expected to be delivered is approximately **16,923 AF**. The expected delivery volume when reduced by Banning's 2018 supplemental water order of **1,000 AF** (which currently is delivered through the Noble Creek Turnout) is approximately **15,923 AF**.

The BCVWD has a current projected replenishment need for 2018 of approximately **9,800 AF** which includes additions to storage for drought proofing for new construction activities.

BCVWD understands that the average year delivery in the State Water Project is about 62% at this time. Based upon our turnout's ability to deliver **15,923 AF**, an order of that amount over the average delivery reliability of 62%, provides a supply of 9,872 AF. This amount is approximately equal to our current replenishment requirement.

Our order is set forth on the attached "Supplemental Water Order Form" and generally as follows:

SWP/Supplemental Water Order (based on projected demands)	9,800 AF
Additional Water Requested (if available)	6,123 AF

Total 15,923 AF

560 Magnolia Avenue Beaumont CA 92223



Beaumont-Cherry Valley Water District

Phone: (909) 845-9581 Fax: (951) 845-0159

Email: info@bcvwd.org

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Division 1

This order ensures the BCVWD is capturing over time the average water supply requirement of our customers in the average year supply available from the State Water Project (i.e. 62% supply average).

Please note that BCVWD is concerned about the possibility of the current wholesale water rate of \$317 per acre-foot being increased in the near future (2018) due to recent actions by the SGPWA to acquire supplemental water to meet the region's needs. The BCVWD is also concerned that a potential rate adjustment may adversely affect BCVWD's 2018 budget projections for water purchases.

Based upon these concerns, BCVWD reserves the right to modify the total water order amount in the event the SGPWA raises the wholesale water rate in 2018 from the current \$317.00 per AF cost.

Please call at (951) 845-9581, extension 217 if you have any questions or email me at dan.jaggers@bcvwd.org.

Sincerely,

Daniel K. Jaggers PE
Beaumont-Cherry Valley Water District
Interim General Manager

DKJ/dkj/kej

SGPWA_Water_Rates_Letter_Rough_20170905.docx

**San Geronio Pass Water Agency
Supplemental Water Order Form**

Name of Retail Water Agency: Beaumont-Cherry Valley Water District

Calendar Year: 2018

SWP/Supplemental Water Order (based on projected demands)

Treated Direct Deliveries _____ AF

Replenishment Deliveries 9,800 AF

Additional Water Requested (if available)

Direct Deliveries _____ AF

Replenishment Deliveries 6,123 AF

If a dry year yield program is undertaken and additional water supplies would be available at an additional cost, would you be interested in participating in such a program?

Yes, however, BCVWD's participation would be subject to understanding the additional cost per acre foot to participate in such a program prior to making a final decision.

Date: 9/5/2017

Signed: [Signature]

Title: Interim Genl Manager

AGENCY USE ONLY

Reviewed: _____

Met with Retail Manager: _____

Recommended Order: _____

Approved: _____

Date: _____

BEAUMONT-CHERRY VALLEY WATER DISTRICT

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			200.0			200.0
AVEK (Nickel Water)			1,700.0			1,700.0
SBVMWD			-			-
Sub Total:			13,114.0			13,114.0

(1) SGPWA confirmed carryover

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:			18,364.0		Total:	16,264.0

2019 Carry Over Water **900.0**

Anticipated Water Available for Purchase	17,464.0	Acre Feet
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**Beaumont-Cherry Valley Water District
Regular Board Meeting
August 23, 2018**

Item 8

STAFF REPORT

TO: Board of Directors
FROM: Dan Jagers, General Manager
SUBJECT: Discussion of Facilities Fees Payment Schedule

Staff Recommendation

No recommendation.

Background

It is the District's current practice to collect facilities fees for all planned Dwelling Units (DUs) of a residential development at the beginning of any particular development (tract). As development projects can be built out over the course of three to five years, or longer as in the case of a recession, any increase in facilities fees charged by the District over the period of delay is lost on those projects.

District staff has looked into other options for the timing of the collection of facilities fees and suggests that the Board discuss this issue and provide possible guidance to District staff as to future policy regarding this matter.

Set forth below are several strategies employed by other local governmental entities. While not exhaustive, these are strategies which could be employed by the District for the collection of facilities fees on future development projects:

1. Facilities fees could be collected (current practice) at the time when the water main extension agreement is executed (e.g. commencement of construction of the water facilities improvements).
2. Facilities fees could be charged on a pro rata basis for each DU as it is completed, such as when the water meter for that particular DU is requested by the developer and installed by the District.
3. Facilities fees could be charged on a pro rata basis when a certain percentage of DUs are completed.
4. Continue with the current practice of collecting facilities fees at the commencement of construction and add a timing component to apply an annual inflationary or facilities fees update adjustment to each development's uncompleted DUs.

Report prepared by Bill Clayton, Senior Finance and Administrative Analyst



**Beaumont-Cherry Valley Water District
Regular Board Meeting
August 23, 2018**

Item 09

STAFF REPORT

TO: Board of Directors

FROM: Daniel Jagers, General Manager

SUBJECT: Discussion of Application for Water Service for Riverside County Assessor's Parcel Nos. 401-190-035, 401-190-034 and 401-190-033 located on Nonie Court in the Community of Cherry Valley

Staff Recommendation

No recommendation.

Background

The District has been requested to provide service to three land parcels which are proposed to be merged into one parcel. Said parcels were originally created by Parcel Map No. 18494 which was recorded in 1983. Parcel Map 18494 created a total of four land parcels and Nonie Court. Parcel No. 1 of Parcel Map 18494 currently receives service through an existing pressure reducing station known to the District as the Fisher Regulator. Parcel Map No. 18494 Parcel Nos. 2 (APN 401-190-033), 3 (APN 401-190-034), and 4 (APN 401-190-035) do not currently receive water service from the District.

The Fisher Regulator establishes a small sub-pressure zone (3394 Pressure Zone) from the District's 3620 Pressure Zone. The Fisher Regulator Pressure Zone currently provides water service to a total of six existing residences in the vicinity of the request for service. Three of the existing residences are located north of Parcels 2, 3, and 4 the other three are located south of said parcels.

A new request for service has been received from the current landowner and Applicant, Tim Daniels, who plans to merge the three parcels into one parcel and build one residence. A copy of the Applicant's water service request letter is attached as Exhibit A. Development of these parcels (2, 3 and 4) have presented ongoing challenges for water service from the District due to the location in relation to existing water service lines and the cost of the required water line extension.

The District originally appears to have offered service to the three parcels in 2005, and has been approached by various owner over the years with requests for service. Although, Staff has not been able to locate the original project "Will Serve Letter", it is apparent through review of District files that in 2005, District Staff began working with the original developer, Kenneth Mathews to establish requirements for a water main extension necessary to provide water service to Nonie Court from Lilac Lane to supply service to this location. The District also prepared a "Preliminary Report of Water Supply and Fire Flow Analysis" in April 2006, and subsequently review plans related to the water main extension in 2007. Exhibit B, attached, includes figures and descriptions showing the original proposed water main extension alignment as well as copies of correspondence from the original Applicant, water line alignment easement, and preliminary report of water supply and fire flow analysis.



**Beaumont-Cherry Valley Water District
Regular Board Meeting
August 23, 2018**

Item 09

The original developer began grading the property in or around 2007 and subsequently stopped work. Development of the property was never completed and the water main extension was never started.

Over the years District staff has consistently identified to all inquiries related to the three parcels that a water main extension would be required prior to water service being provided to Nonie Court. The original water main extension proposed by the developer (Figure 1) included a water main extension down Lilac Lane and up a private easement that was to be provided by another land owner. The length of that water main extension was approx. 1,400 ft. and as stated previously, this work was never completed.

District staff has reviewed the existing and proposed water facilities requirements in the vicinity of this area as part of the 2015 Water System Master Plan Update and more recently has also reviewed possible alternative options for service requirements related to this particular set of parcels. District Staff prepared a letter dated February 14, 2018 based upon the findings which set forth two options for water service to these properties that included the original proposed water main extension as well as a second water main extension alignment that could provide service to the properties.

The second alignment alternative could be provided by connecting to an existing 6" water main located north of the property and extending said main southerly in Avenida Miravilla to Nonie Court. However, the second alignment alternative may not provide more than 500 gpm for fire flow. The alternate water main extension (Figure 2) would include an extension down Avenida Miravilla from an existing water main located east of Avenida Miravilla on private property and continue down to Nonie Court.

The Applicant has requested District Staff to consider if a third alternative service would be considered by the District consisting of one new service being added to the existing Fisher Regulator system in lieu of the original required mainline extension since the three parcels are now proposed to be merged and only one residence constructed. The applicant was provided with a copy of the letter prepared by the District in February 14, 2018 which identifies the original agreed upon water main extension as well as the alternative water main extension.

The Applicant has been informed of the District's requirements for providing water service to this property. Discussion of alternatives for service have continued between the District and the Applicant throughout the last several months. The water service request letter received by the District from the Applicant is presented as Exhibit A. Said letter identifies the intentions to merge the three (3) parcels identified above into a 4.15 acre parcel and construct a single family dwelling unit.

Contrary to the applicant's understanding set forth in Exhibit A, the District does not feel confident that the existing 4 inch steel line crossing the property is currently serviceable or capable of providing service to a near property in its current condition and said pipeline configuration if utilized would require remediation.

The District has prepared two more main extension options, which are shown in Figures 3 and 4 attached for discussion. These options present alternatives the District may be willing to consider while providing remediation for the existing line at the same time providing water service (and possibly some level of fire protection) to the subject property.



**Beaumont-Cherry Valley Water District
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At this point, the next step will be for the Board to consider the three parcel merger and associated one new "Will Serve Letter" request for the merged parcels at an upcoming Board Meeting. If approved, District Staff will work with the Applicant to set forth final project requirements which may include water service provided by one of the two original alignment options Figures, 1 and 2, or alternatively a solution similar to that identified on Figure 3 and 4. Regardless, moving forward, it will be the Applicant's responsibility to hire a District approved Engineer and pipeline contractor to perform the work including, but not limited to preparation of any required easements, as well as providing for the extension of the main. The applicant will be required to prepare and submit plans for the final main extension alignment for review and approval by District Staff.

Fiscal Impact:

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

Attachments

Parcel Map 18494

Figure 1 – Site Detail (Previously Approved Alignment)

Figure 2 – Site Detail (New Proposed Alignment, February)

Figure 3 – Site Detail (Current Proposed Extension Option 1)

Figure 4 – Site Detail (Current Proposed Extension Option 2)

Exhibit A – Water Service "Will Serve Letter" Request from current land owner (Applicant)

Exhibit B – Original Water Service correspondence and preliminary plan of service and fire flow report.

Report prepared by Kaden E. Johnsen

OWNER'S CERTIFICATE
 WE HEREBY CERTIFY THAT WE ARE THE OWNERS OF THE LAND INCLUDED WITHIN THE SUBDIVISION SHOWN HEREON; THAT WE ARE THE ONLY PERSONS WHOSE CONSENT IS NECESSARY TO PASS A CLEAR TITLE TO SAID LAND AND THAT WE CONSENT TO THE MAKING AND RECORDING OF THIS PARCEL MAP AS SHOWN WITHIN THE DISTINCTIVE BORDER LINE. WE HEREBY DEDICATE TO PUBLIC USE FOR STREET AND PUBLIC UTILITY PURPOSES LOTS "A" THROUGH "G" INCLUSIVE.

IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

PARCEL MAP NO. 18494

A DIVISION OF A PORTION OF
 LOT 4, BLOCK 8, LA MESA MIRAVILLA, M.B. 6/79
 IN SECTION 23, T-2-S, R-1-W, S.B.M.

WILLIAM E. SAYLES

AUGUST 1982

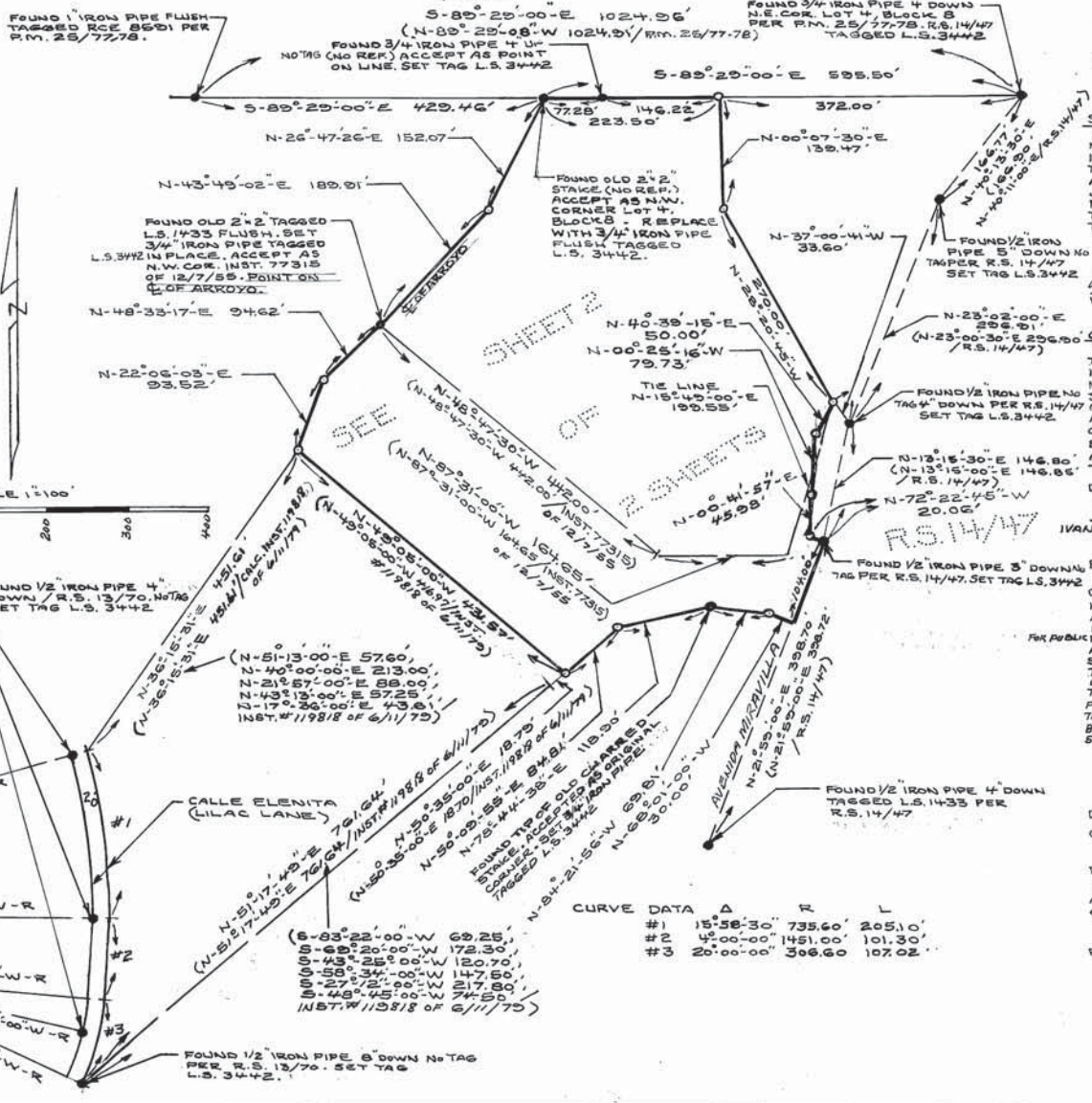
RECORDER'S CERTIFICATE
 FILED THIS 2 DAY OF MARCH
 1982 AT 11:30 AM IN BOOK 113
 OF PARCEL MAPS AT PAGES 6 & 7
 AT THE REQUEST OF THE COUNTY CLERK.
 NO. 39711
 FEE \$8.00

WILLIAM E. CONERLY COUNTY RECORDER

By Dellin Ann Stogers
 DEPUTY

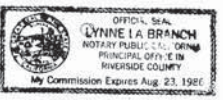
SUBDIVISION GUARANTEE -
 TICOR TITLE INSURANCE CO. OF CALIFORNIA

Alvan H. Fisher Nonie K. Fisher
 ALVAN H. FISHER NONIE K. FISHER



NOTARY ACKNOWLEDGEMENT
 STATE OF CALIFORNIA
 COUNTY OF RIVERSIDE S.S.
 ON FEBRUARY 3, 1983
 BEFORE ME LYNNE LA BRANCH
 A NOTARY PUBLIC IN FOR SAID STATE, PERSONALLY APPEARED ALVAN H. FISHER AND NONIE K. FISHER PERSONALLY KNOWN TO ME TO BE THE PERSONS WHOSE NAMES ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED THAT THEY EXECUTED THE SAME.

WITNESS MY HAND AND OFFICIAL SEAL
Lynne La Branch
 NOTARY PUBLIC IN AND FOR SAID STATE
 MY COMMISSION EXPIRES 8-23-86



SURVEYOR'S NOTES
 IS THE BASIS OF BEARINGS FOR THIS SURVEY IS THE CENTERLINE OF THE PROPOSED 60' ROAD AS SHOWN ON R.S. 14/47 BEING N-21°59'00"-E

- INDICATES FOUND MONUMENT NOTED.
- INDICATES SET 3/4" IRON PIPE TAGGED L.S. 3442 FLUSH UNLESS NOTED
- () INDICATES RECORD AS NOTED

TOTAL GROSS AREA IS 6.66 AC.



SURVEYOR'S CERTIFICATE
 THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF ALVAN FISHER ON JUNE 14, 1982. I HEREBY STATE THAT THIS PARCEL MAP SUBSTANTIALLY CONFORMS TO THE APPROVED OR CONDITIONALLY APPROVED TENTATIVE MAP, IF ANY.

William E. Sayles
 WILLIAM E. SAYLES L.S. 3442

COUNTY SURVEYORS CERTIFICATE
 THIS MAP CONFORMS TO THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCES. I HEREBY CERTIFY THAT I HAVE EXAMINED THIS MAP AND FOUND IT TO BE SUBSTANTIALLY THE SAME AS IT APPEARED ON THE TENTATIVE MAP OF PARCEL MAP 18494 AS FILED, AMENDED AND APPROVED BY THE BOARD OF SUPERVISORS ON MAY 28, 1982, THE EXPIRATION DATE BEING MAY 28, 1984; AND THAT I AM SATISFIED THIS MAP IS TECHNICALLY CORRECT.

DATED Feb 23, 1983
Jan F. Tennant
 IVAN F. TENNANT, ACTING COUNTY SURVEYOR

BOARD OF SUPERVISORS CERTIFICATE
 THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, BY ITS BOARD OF SUPERVISORS HEREBY APPROVES THE PARCEL MAP AND ACCEPTS THE OFFERS OF DEDICATION MADE HEREON OF LOTS "A" THROUGH "G" INCLUSIVE FOR PUBLIC ROAD AND PUBLIC UTILITY PURPOSES AND AS PART OF THE COUNTY-MAINTAINED ROAD SYSTEM. THE OFFERS OF DEDICATION THROUGH "G" INCLUSIVE FOR PUBLIC ROAD AND PUBLIC UTILITY PURPOSES ARE ACCEPTED TO VEST TITLE IN THE COUNTY ON BEHALF OF THE PUBLIC FOR SAID PURPOSES, BUT SAID ROADS SHALL NOT BECOME PART OF THE COUNTY MAINTAINED ROAD SYSTEM UNTIL ACCEPTED BY RESOLUTION OF THIS BOARD ADOPTED PURSUANT TO SECTION 9049 OF THE STREETS AND HIGHWAYS CODE.

DATED 3-1, 1983
 COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

By Kay Conteras
 CHAIRMAN OF THE BOARD OF SUPERVISORS
 ATTEST: GERALD A. MALONEY CLERK OF THE BOARD OF SUPERVISORS.

By Nancy Downs
 DEPUTY

CURVE DATA

A	R	L
#1	15°58'30"	735.60' 205.10'
#2	4°00'00"	1451.00' 101.30'
#3	20°00'00"	308.60' 107.02'

P.M. 113/6

ENVIRONMENTAL CONSTRAINT NOTE:
 ENVIRONMENTAL CONSTRAINT SHEET AFFECTING THIS MAP IS ON FILE IN THE OFFICE OF THE RIVERSIDE COUNTY SUPERVISOR, IN E.C.S. BOOK 3 PAGE 151. THIS AFFECTS ALL PARCELS.

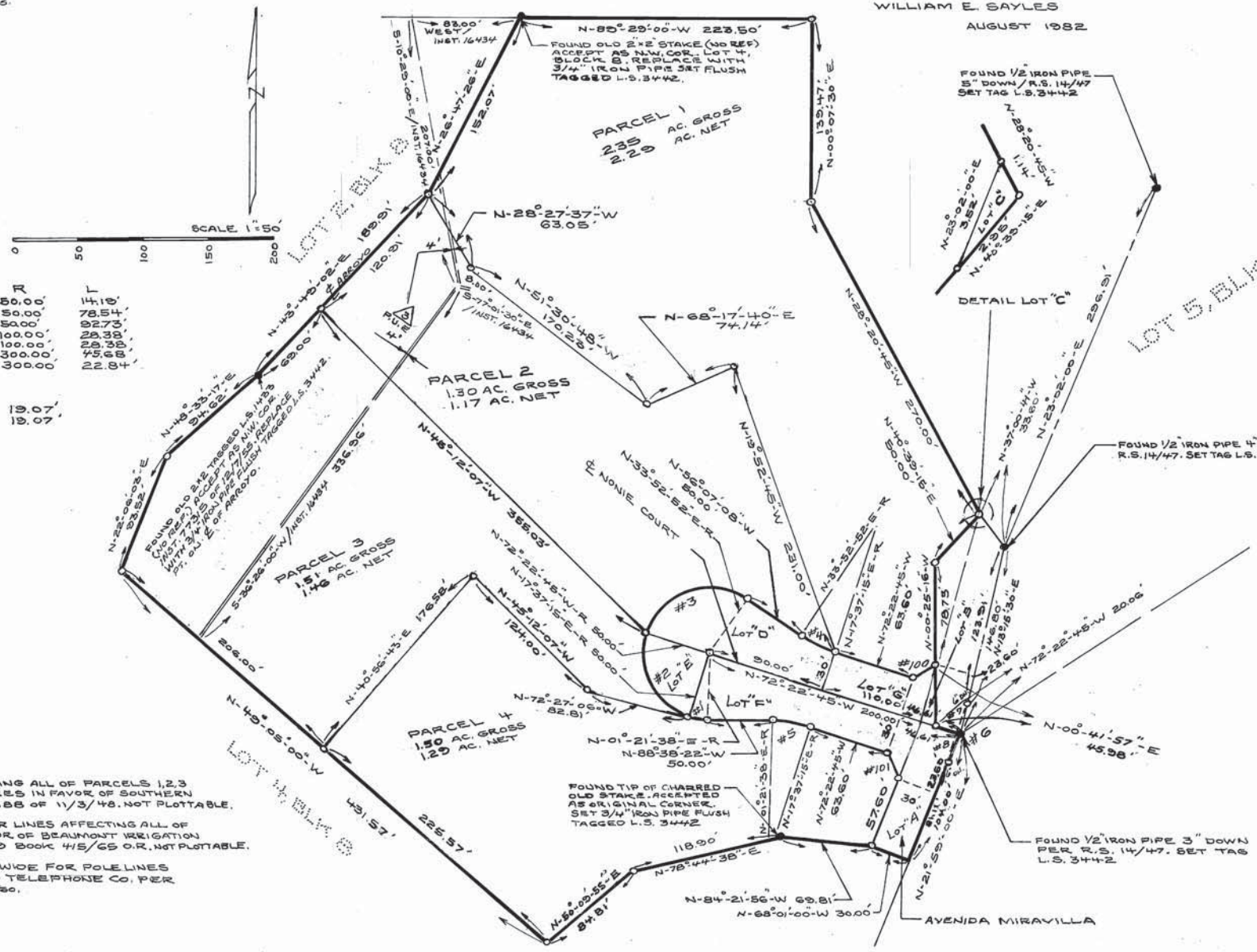
IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

SHEET 2 OF 2 SHEETS

PARCEL MAP NO. 18494

A DIVISION OF A PORTION OF LOT 4, BLOCK B, LA MESA MIRAVILLA, M. B. G/79 IN SECTION 23, T-2-S, R-1-W, S.B.M.

WILLIAM E. SAYLES
 AUGUST 1982



CURVE DATA

#	Δ	R	T
# 1	16°-15'-37"	50.00'	14.18'
# 2	90°-00'-00"	50.00'	78.54'
# 3	106°-15'-37"	50.00'	92.73'
# 4	16°-15'-37"	100.00'	28.38'
# 5	16°-15'-37"	100.00'	28.38'
# 6	8°-43'-30"	300.00'	45.68'
# 7, # 8	4°-21'-45"	300.00'	22.84'

CORNER CUT BACK DATA

NO.	BRG. & DIST.	19.07'
100	N-60°-26'-23"-E	19.07'
101	N-25°-11'-53"-W	19.07'

SURVEYORS NOTES
 SEE SHEET 1 OF 2

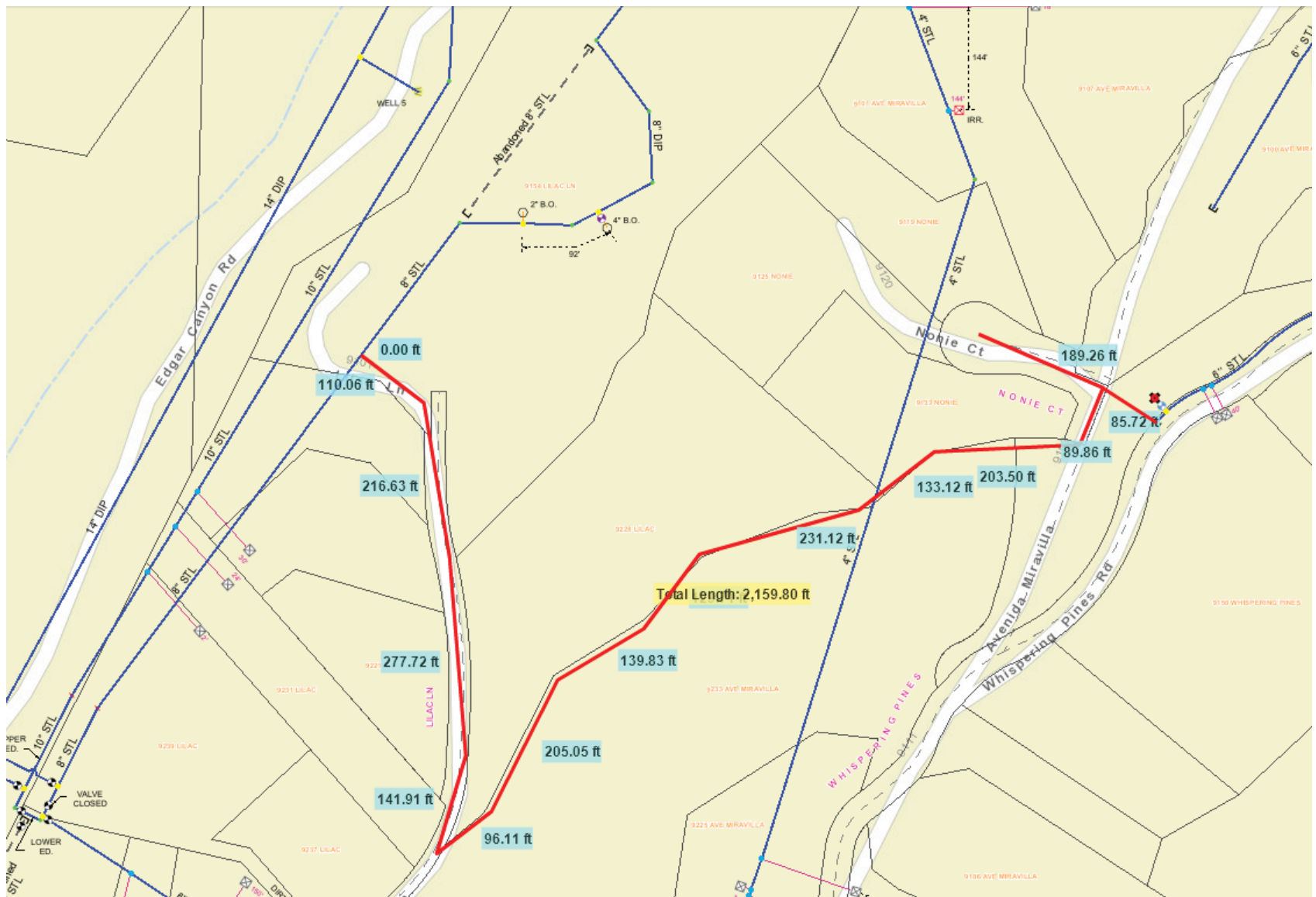
EASEMENT NOTES

1. AN EASEMENT AFFECTING ALL OF PARCELS 1, 2, 3 AND 4 FOR POLES AND FIXTURES IN FAVOR OF SOUTHERN CALIF. EDISON CO. PER. INST. 188 OF 1/13/48. NOT PLOTTABLE.
2. AN EASEMENT FOR WATER LINES AFFECTING ALL OF PARCELS 1, 2, 3 AND 4 IN FAVOR OF BEAUMONT IRRIGATION DISTRICT RECORDED 4/22/39 BOOK 415/65 O.R. NOT PLOTTABLE.
3. AN EASEMENT 4 FEET WIDE FOR POLE LINES IN FAVOR OF CALIF. WATER & TELEPHONE CO. PER INST. 16434 OF 2/24/60.

P.M. 113/7

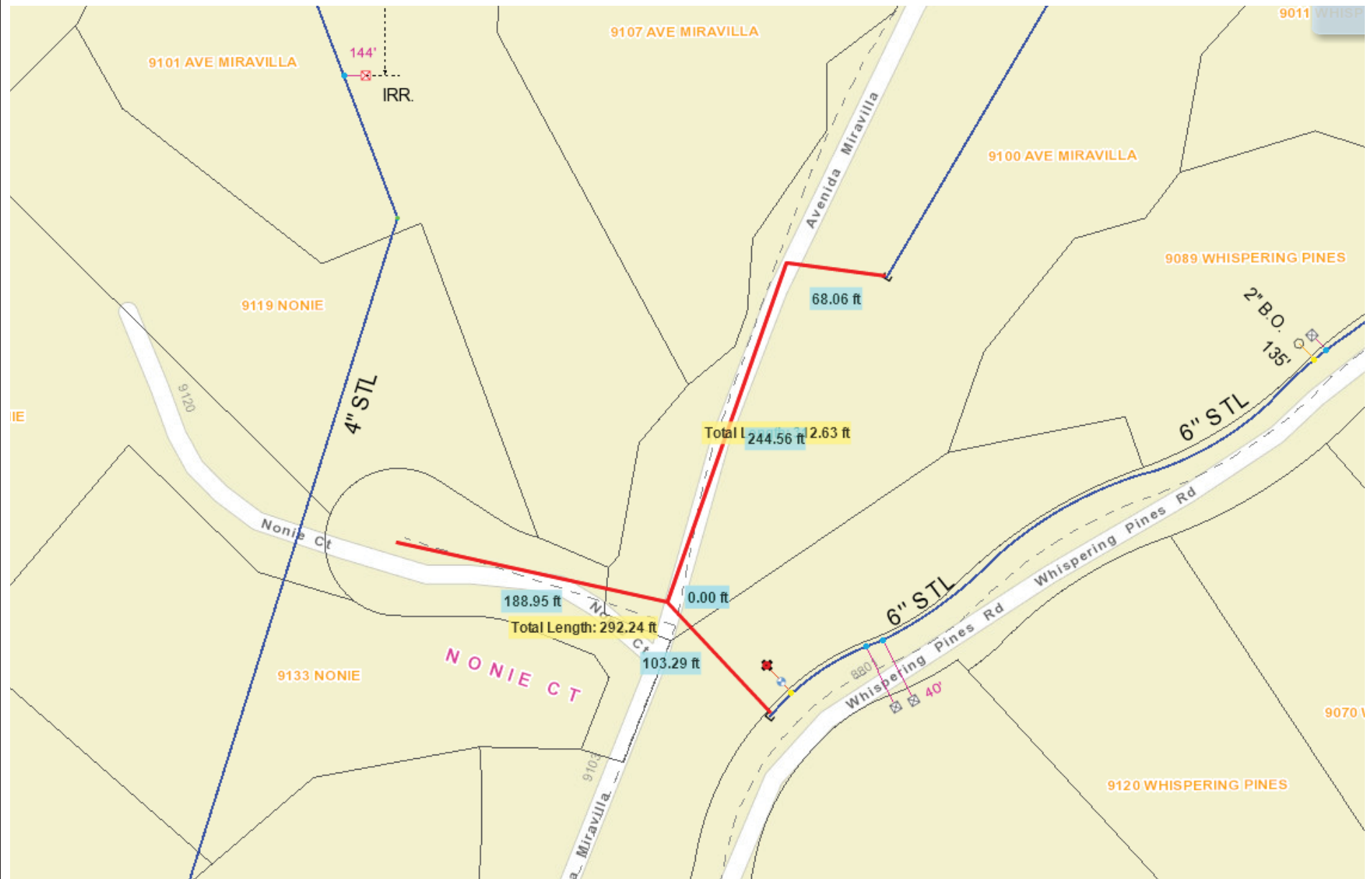
FIGURE 1

SITE DETAIL (PREVIOUSLY APPROVED ALIGNMENT)



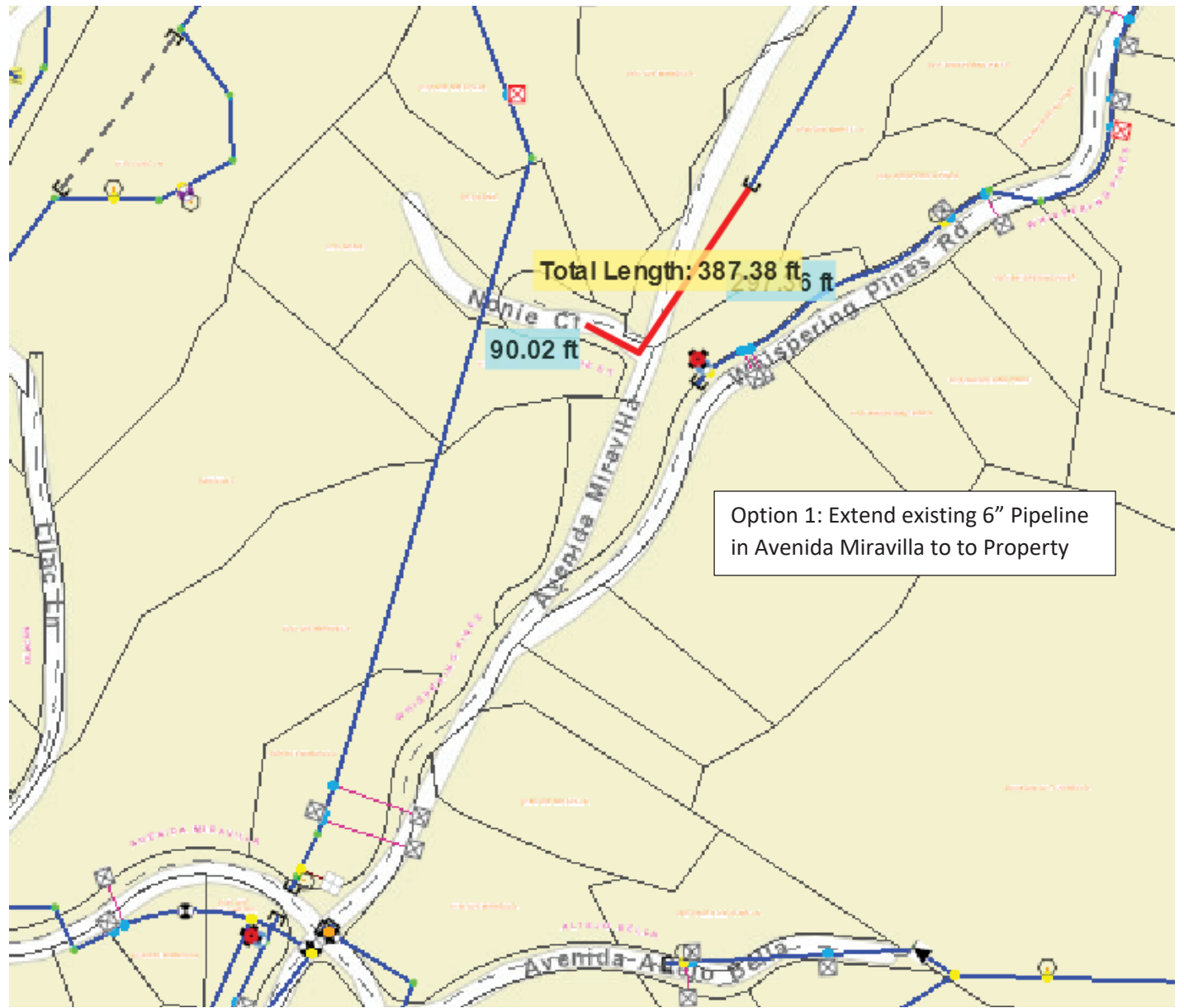
BCVWD – FEBRUARY 14, 2018

FIGURE 2 SITE DETAIL (NEW PROPOSED ALIGNMENT)



BCVWD – FEBRUARY 14, 2018

FIGURE 3 SITE DETAIL (CURRENT PROPOSED EXTENSION OPTION 1)



BCVWD – AUGUST 14, 2018

Exhibit A

Letter from Current Owner

Dear Dan,

I would like to thank you for taking the time to assist us in researching and obtaining information about the Nonie Court properties. The information you have provided has been very helpful in our successful negotiations to secure the purchase of all three Nonie Ct lots with the sellers of these properties. (9119, 9125 & 9133 Nonie Ct).

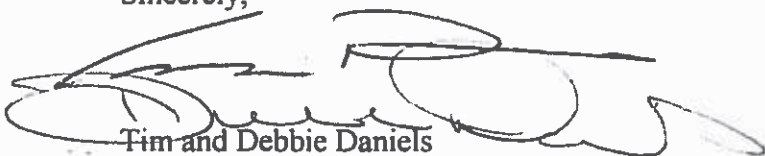
My wife and I have been very excited to begin the process of merging these lots and building our retirement home here but we have unfortunately come across a huge obstacle in trying to get started in the development of our home. This unfortunate obstacle is the very high cost of construction needed to bring the main water line all the way up the road and into our Nonie Ct property. Considering this is our first time building from the ground up we were unaware that our lenders for our construction loans would not allow for any portion of the loan to go toward any city improvements such as this. Now aware of this matter, our retirement home plans are at a halt since we do not have the funds needed to pay for this costly process of bringing that water line to the property.

Although very disappointed with this unforeseen obstacle we are very optimistic and believe there to be an alternative option and are hoping the Beaumont/Cherry Valley Water District would be willing to work with us to execute this alternate option. From previous research and investigations of these properties we see that there is a much closer water line currently in place that actually runs through the middle of all three of the Nonie Ct lots and we would like to request The Beaumont/Cherry Valley water district to allow us authorization and access to use this water line which is already running through our properties. Our previous discussions and research with you and the water district has left us with the understanding that this line running through our properties is sufficient to service one home but is too small and or does not have enough pressure to service three separate lots/homes. We completely understand that this waterline cannot service three homes, which is why we would like to make it clear that we are not a developer and we will not be developing all three lots each with a separate home. In fact, we will be merging all three lots into one lot of approximately 4.15 acres and would be building only one single family residence of approximately 2800-3000 sq. ft. for our retirement home as previously mentioned. Therefore the water line that is currently in place would be servicing only one single family residence, which we have understood to be sufficient for that line to service.

So with all that said we would like to ask that you please make a special acceptance and consider our request to use the existing water line that already runs through our Nonie Ct properties. We would be truly grateful if you could please make this special acceptance which would in turn allow for us to begin the construction of our dream retirement home.

Thank you in advance for your time and consideration of this matter it truly means a lot to us.

Sincerely,



Tim and Debbie Daniels

Exhibit B

Water Service Correspondence and Preliminary Plan of Service and Fire Flow Report

Chuck Butcher, Managing Director
Beaumont/Cherry Valley Water District

Dear Mr. Butcher:

You may remember that Mr. David Hoffman and I came to see you a month or so ago regarding the proposal to install a water line across the Hoffman's property on Avenida Miravilla to supply water to our properties on Nonie Court. Also, you may remember that my wife and I had earlier proposed this to the BCVWD at the end of January, and that tentative approval had been given to our proposal, subject to an agreement between ourselves and the Hoffmans regarding the granting of an easement to the BCVWD.

We have reached a formal agreement with the Hoffmans regarding this matter. A copy of our agreement, as well as our original proposal to the BCVWD is attached hereto.

We wish to proceed as quickly as possible with obtaining formal approval from the BCVWD regarding this matter.

Also, you had indicated during our conversation that we could request the Board of Directors to extend the period of time during which frontage fees on this new water line could be collected, from 10 years, to (as I recall) 20 years. If my recollection as to the number of years is incorrect, we would like to request this period be extended to the maximum that the Board will permit. I understand of course that such an extension is not automatically granted, but is subject to the discretion of the Directors.

Thank you for your consideration. I am in contact with an engineer regarding the installation of the water line; and upon obtaining formal Board approval of the easement proposal, I will be in contact with you regarding the next steps to be taken toward submitting a plan and proposal for the installation.

I have greatly appreciated your assistance throughout my involvement with this matter.

Sincerely



Kenneth Matthews
1550 Kelly St
Redlands, CA 92374
909-792-1422 (h) 909-645-3762 (c)

Board of Directors
Beaumont/Cherry Valley Water District

Proposal for water service connection
16 January 2005

Kenneth Matthews and Carmen Wisdom
1550 Kelly St
Redlands, CA 92374
(909) 792-1422

We submit the following proposal for your consideration. All references are to locations approximately as marked on attached map: Map Bk 401, pg 19, of Riverside Co, parcel map 15960. (Por NW ¼ Sec 23, T.2S, R.1W)

Connect a new 6" water line (8" if required by code) to the existing 8" main at the approximate point marked "X" on the attached map. Connection location is approximate on the map, in or beside Lilac Lane, approximately 100' north of the intersection of Lilac Lane and Avenida Miravilla, Cherry Valley. Line has been recently located and marked at this approximate location by water district personnel.

Install this new water line to run roughly northeast, adjacent to the property line between parcels APN 401190012 (Hoffman, 9233 Avenida Miravilla, Lot 12) and APN 401190003 (Higbee, 9228 Lilac Lane, Lot 3) as marked on the attached map. Length of line approximately 600 lineal feet, not including a run from western end of Nonie Ct to the intersection of Nonie Ct and Avenida Miravilla, should Riverside County require placement of fire hydrant at that location. If required, that additional run would be approximately 200 lineal feet.

New water line to terminate at the western end of Nonie Ct, subject to approval by Riverside County. At the terminus, a blow-off will be provided by installation of a 6" fire hydrant, as required by Riverside County. (It is possible that Riverside County will require the fire hydrant to be placed at/near the intersection of Nonie Ct and Avenida Miravilla. In either case, the fire hydrant will provide the blow-off for the new main.)

At the western end of Nonie Ct, 3 @1" connections will be provided to supply 3 single-family residences, one each on lots 33, 34, and 35, as indicated on the attached map. Subject to approval of this proposal, lot 34 is going to be developed by us for our personal residence.

Approximately at the point marked "Y" on the map, a new connection will be provided for the existing 2" line, that supplies water to the existing residence on parcel 13. The upper portion of that existing 2" water line which currently supplies the Meier residence on parcel 32 will then be terminated at approximately the point marked "Z" on the map,

and the section of this 2" water line between point "Y" and point "Z" which currently crosses our property approximately as shown, will be abandoned.

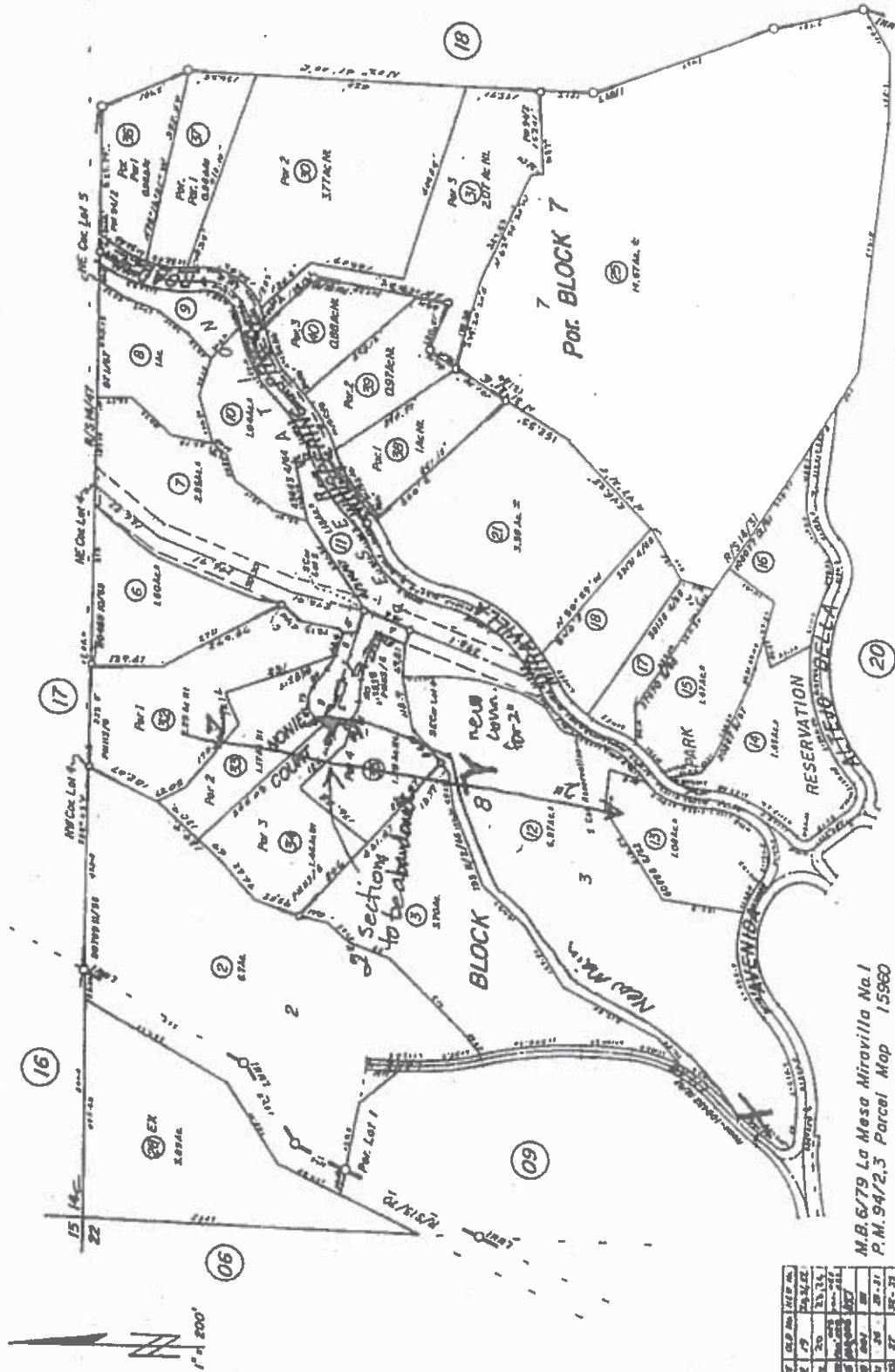
The property owners (Hoffman) of parcel 12 have indicated that they wish in the future to build a residence on that parcel, and the new water main will be more than adequate to supply any such future residential need.

Engineering Plan and Proposal for this installation will be prepared and submitted subject to Water District requirements.

401-19

T. C. A. 5614

POR. NW 1/4 SEC. 23, T. 2S, R. 1W



M.B. 6/79 La Mesa Miravilla No. 1
 P.M. 9/4/2.3 Parcel Map 15980
 DATA R/S 8/96, 13/70, 14/31, 14/47
 M.B. 3/33

P.M. 113/15-16 Parcel Map No. 18494
 P.M. 131/15-16 " " 20452

ASSESSOR'S MAP BK 401 PG 19
 RIVERSIDE COUNTY, CALIF.

DATE	OLD MAP	NEW MAP
1/7/71	20	20, 31, 32
3/7/71	20	20, 31, 32
10/7/71	20	20, 31, 32
11/7/71	20	20, 31, 32
1/7/72	20	20, 31, 32
6/7/72	20	20, 31, 32
8/7/72	20	20, 31, 32
10/7/72	20	20, 31, 32
12/7/72	20	20, 31, 32
2/7/73	20	20, 31, 32
4/7/73	20	20, 31, 32
6/7/73	20	20, 31, 32
8/7/73	20	20, 31, 32
10/7/73	20	20, 31, 32
12/7/73	20	20, 31, 32
2/7/74	20	20, 31, 32
4/7/74	20	20, 31, 32
6/7/74	20	20, 31, 32
8/7/74	20	20, 31, 32
10/7/74	20	20, 31, 32
12/7/74	20	20, 31, 32
2/7/75	20	20, 31, 32
4/7/75	20	20, 31, 32
6/7/75	20	20, 31, 32
8/7/75	20	20, 31, 32
10/7/75	20	20, 31, 32
12/7/75	20	20, 31, 32
2/7/76	20	20, 31, 32
4/7/76	20	20, 31, 32
6/7/76	20	20, 31, 32
8/7/76	20	20, 31, 32
10/7/76	20	20, 31, 32
12/7/76	20	20, 31, 32
2/7/77	20	20, 31, 32
4/7/77	20	20, 31, 32
6/7/77	20	20, 31, 32
8/7/77	20	20, 31, 32
10/7/77	20	20, 31, 32
12/7/77	20	20, 31, 32
2/7/78	20	20, 31, 32
4/7/78	20	20, 31, 32
6/7/78	20	20, 31, 32
8/7/78	20	20, 31, 32
10/7/78	20	20, 31, 32
12/7/78	20	20, 31, 32
2/7/79	20	20, 31, 32
4/7/79	20	20, 31, 32
6/7/79	20	20, 31, 32
8/7/79	20	20, 31, 32
10/7/79	20	20, 31, 32
12/7/79	20	20, 31, 32
2/7/80	20	20, 31, 32
4/7/80	20	20, 31, 32
6/7/80	20	20, 31, 32
8/7/80	20	20, 31, 32
10/7/80	20	20, 31, 32
12/7/80	20	20, 31, 32
2/7/81	20	20, 31, 32
4/7/81	20	20, 31, 32
6/7/81	20	20, 31, 32
8/7/81	20	20, 31, 32
10/7/81	20	20, 31, 32
12/7/81	20	20, 31, 32
2/7/82	20	20, 31, 32
4/7/82	20	20, 31, 32
6/7/82	20	20, 31, 32
8/7/82	20	20, 31, 32
10/7/82	20	20, 31, 32
12/7/82	20	20, 31, 32
2/7/83	20	20, 31, 32
4/7/83	20	20, 31, 32
6/7/83	20	20, 31, 32
8/7/83	20	20, 31, 32
10/7/83	20	20, 31, 32
12/7/83	20	20, 31, 32
2/7/84	20	20, 31, 32
4/7/84	20	20, 31, 32
6/7/84	20	20, 31, 32
8/7/84	20	20, 31, 32
10/7/84	20	20, 31, 32
12/7/84	20	20, 31, 32
2/7/85	20	20, 31, 32
4/7/85	20	20, 31, 32
6/7/85	20	20, 31, 32
8/7/85	20	20, 31, 32
10/7/85	20	20, 31, 32
12/7/85	20	20, 31, 32
2/7/86	20	20, 31, 32
4/7/86	20	20, 31, 32
6/7/86	20	20, 31, 32
8/7/86	20	20, 31, 32
10/7/86	20	20, 31, 32
12/7/86	20	20, 31, 32
2/7/87	20	20, 31, 32
4/7/87	20	20, 31, 32
6/7/87	20	20, 31, 32
8/7/87	20	20, 31, 32
10/7/87	20	20, 31, 32
12/7/87	20	20, 31, 32
2/7/88	20	20, 31, 32
4/7/88	20	20, 31, 32
6/7/88	20	20, 31, 32
8/7/88	20	20, 31, 32
10/7/88	20	20, 31, 32
12/7/88	20	20, 31, 32
2/7/89	20	20, 31, 32
4/7/89	20	20, 31, 32
6/7/89	20	20, 31, 32
8/7/89	20	20, 31, 32
10/7/89	20	20, 31, 32
12/7/89	20	20, 31, 32
2/7/90	20	20, 31, 32
4/7/90	20	20, 31, 32
6/7/90	20	20, 31, 32
8/7/90	20	20, 31, 32
10/7/90	20	20, 31, 32
12/7/90	20	20, 31, 32
2/7/91	20	20, 31, 32
4/7/91	20	20, 31, 32
6/7/91	20	20, 31, 32
8/7/91	20	20, 31, 32
10/7/91	20	20, 31, 32
12/7/91	20	20, 31, 32
2/7/92	20	20, 31, 32
4/7/92	20	20, 31, 32
6/7/92	20	20, 31, 32
8/7/92	20	20, 31, 32
10/7/92	20	20, 31, 32
12/7/92	20	20, 31, 32
2/7/93	20	20, 31, 32
4/7/93	20	20, 31, 32
6/7/93	20	20, 31, 32
8/7/93	20	20, 31, 32
10/7/93	20	20, 31, 32
12/7/93	20	20, 31, 32
2/7/94	20	20, 31, 32
4/7/94	20	20, 31, 32
6/7/94	20	20, 31, 32
8/7/94	20	20, 31, 32
10/7/94	20	20, 31, 32
12/7/94	20	20, 31, 32
2/7/95	20	20, 31, 32
4/7/95	20	20, 31, 32
6/7/95	20	20, 31, 32
8/7/95	20	20, 31, 32
10/7/95	20	20, 31, 32
12/7/95	20	20, 31, 32
2/7/96	20	20, 31, 32
4/7/96	20	20, 31, 32
6/7/96	20	20, 31, 32
8/7/96	20	20, 31, 32
10/7/96	20	20, 31, 32
12/7/96	20	20, 31, 32
2/7/97	20	20, 31, 32
4/7/97	20	20, 31, 32
6/7/97	20	20, 31, 32
8/7/97	20	20, 31, 32
10/7/97	20	20, 31, 32
12/7/97	20	20, 31, 32
2/7/98	20	20, 31, 32
4/7/98	20	20, 31, 32
6/7/98	20	20, 31, 32
8/7/98	20	20, 31, 32
10/7/98	20	20, 31, 32
12/7/98	20	20, 31, 32
2/7/99	20	20, 31, 32
4/7/99	20	20, 31, 32
6/7/99	20	20, 31, 32
8/7/99	20	20, 31, 32
10/7/99	20	20, 31, 32
12/7/99	20	20, 31, 32
2/7/00	20	20, 31, 32

AGREEMENT TO GRANT EASEMENT

THIS AGREEMENT is entered into on March 29, 2005, by and between DAVID AND REBECCA HOFFMAN (hereinafter referred to as "Grantor") and KENNETH MATTHEWS AND CARMEN WISDOM (hereinafter referred to as "Beneficiary").

A. Grantor is the owner of certain real property situated in the unincorporated area of Riverside County, California, known as Cherry Valley, and commonly described as 9233 Avenida Miravilla, Beaumont, California 92223, and more specifically described as Map Bk 401, pg 19 of Riverside Co, parcel map 15960 (Por NW 1/4 Sec 23, T. 2S, R. 1W) Lot 12, APN 401190012, which by said reference is fully incorporated herein (the "Servient Tenement"), and is hereinafter referred to as "Lot 12," as provided on the map attached hereto labeled "Exhibit A," and hereinafter referred to as "Exhibit A."

B. Beneficiary is in the process of purchasing certain real property situated in the unincorporated area of Riverside County, California, known as Cherry Valley, and commonly described as 9119 Nonie Court, 9125 Nonie Court, and 9131 Nonie Court, Beaumont, California 92223 and more specifically described as Map Bk 401, pg 19 of Riverside Co, parcel map 15960 (Por NW 1/4 Sec 23, T. 2S, R. 1W) Lot 33, APN 401190033; Lot 34, APN 401190034; and Lot 35, APN 401190035, as provided in Exhibit "A" and is hereinafter referred to as "Lot 33," "Lot 34," and "Lot 35." Beneficiary desires to provide water to Lot 33, Lot 34 and Lot 35, and to develop Lot 34 by way of constructing a single family residence on the same. Beneficiary has been advised by the County of Riverside that he must be assured that he has an adequate supply of water prior to development. A supply of water is available from the Beaumont/Cherry Valley Water District hereinafter referred as "Grantee," but it is necessary for Grantor to grant an easement across Lot 12 as indicated in Exhibit "A" to Grantee for the purposes of installing a water line and also to allow future access as needed for maintenance and repair of the new water line. Beneficiary has formally

proposed this installation to the Board of Director of the Beaumont/Cherry Valley Water District, who on 22 January 2005, have approved the proposal, subject to a final Grant of Easement as described herein. A copy of the approved proposal is attached hereto labeled as "Exhibit B," and hereinafter referred to as "Exhibit B."

IT IS THEREFORE AGREED:

1. Easement Grant. In consideration of the sum of One Dollar (\$1.00) which Grantor hereby acknowledges receipt of, Grantor agrees to grant for the benefit of Beneficiary an easement to Grantee subject to the terms and conditions of this agreement as are hereinafter provided.

(a) In addition to the sum described above, Beneficiary agrees to pay one half of the cost of installation of the following three items on Lot 12 for the benefit of Grantor: (i) one residential water meter; (ii) one agricultural water meter; and (iii) one fire hydrant.

(b) Beneficiary further agrees that, should Grantor decide to develop Lot 12 as a single family residence for Grantor, no frontage charge will be assessed to Grantor in respect of the new water line herein referred to. Beneficiary and Grantor agree, however, that, should Grantor subdivide Lot 12, frontage charges will be assessed against any third parties who may purchase any of the subsequent lots arising from such subdivision, and further that Beneficiary and Grantor will equally divide the proceeds from such frontage charges paid by future third party purchasers of those subdivided lots. However, the obligation of Grantor to assess frontage charges to future third party purchasers and to divide any such proceeds with Beneficiary shall be null and void if at the time of such assessment the Beneficiary is no longer an owner of Lots 33, 34 or 35, or any of them.

(c) Beneficiary further agrees, in the event Grantor does subdivide Lot 12, should the northernmost of the subsequent lots from such a subdivision not have direct access to the street, Beneficiary will and hereby does grant to Grantor an access easement, for the purpose of constructing a private driveway across Lot 35. This private

access easement shall conform to code requirements that are in effect at the time of construction of the driveway. The easement will start from the northernmost point of Lot 12, running approximately north-north-eastward to a point where it can connect to Nonie Court and thus provide access to the street. This line approximately parallels the tree line on the east side of Avenida Miravilla. It is the spirit and intent of this agreement that such easement and the driveway that might arise from it will be as unobtrusive as possible to the future owners of Lot 35, and that construction of the driveway will do as little damage as possible to the oak trees on the east side of Avenida Miravilla. Preservation of the trees is agreed to be more important than the exact location of the easement with respect to the northernmost corner of Lot 12. Given that Grantor's intentions regarding subdivision of Lot 12 are not certain, Beneficiary agrees that the agreement to grant this easement will be attached as a condition of the sale of Lot 35, legally binding any future owner of Lot 35 to this agreement. It is further agreed that the cost of surveying the easement, as well as any legal costs involved in the granting or recording of the easement and costs on installation of any future driveway will be the sole responsibility of Grantor (Hoffman).

2. Easement Location. The easement granted to Grantee will give Grantee a right to construct a water line across Lot 12, to a point where it connects to an existing water main on Lilac Lane, approximately as provided in Exhibit "A," and as proposed in Exhibit "B." Grantee shall further have the right to future access as is needed for maintenance and/or repair of the water line.

3. Conditions and Limitations. The location, construction, and maintenance of the water line and the easement itself will be subject to the following limitations:

(a) The easement shall not exceed twenty (20) feet in width and will extend from the Beneficiary's property line of Lot 35 generally southwest, parallel to the existing property line between Lot 3 and Lot 12 to a point where it can connect to the existing water main on Lilac Lane, as determined and approved by Grantee.

(b) Grantor agrees that the exact placement of the easement will be determined by survey at a later date, but will generally parallel the westward property

line of Grantor's property, Lot 12, as described herein. The easement will be placed so that it does not interfere with any existing structures on Grantor's property.

(c) It is acknowledged that Grantor shall not have any right to construct any permanent structures on the easement.

(d) Beneficiary will pay for the cost of any damage done to Grantor's property during installation of the water line.

4. Grantor's Costs. Grantor shall not bear any costs for the construction and maintenance of the water line, nor for any of the costs associated with the survey or preparation and recording of the Grant of Easement.

5. Term. This agreement shall remain binding for a period of twenty-four (24) months from the date it is executed by both parties hereto. In the event Beneficiary or Grantee does not submit a final Grant of Easement to Grantor within said time period for Grantor's signature, this agreement shall become null and void and of no further effect. This agreement may also become null and void in the event Beneficiary communicates in writing to Grantor that it no longer desires the easement agreed to be conveyed herein.

6. Beneficiary's Reliance. It is understood that Beneficiary will be relying on Grantor's commitment to convey the easement and that in the event that Grantor refuses to convey the easement as provided herein that Beneficiary will suffer substantial damages.

7. Term of Easement. The easement to be granted to Grantee shall be in perpetuity until and unless it is abandoned under the laws of this State as now exist or as may be amended hereinafter.

8. Retention of Rights. The Grantor retains the right to make any use of the Servient Tenement, including the right to grant concurrent easements in the Servient Tenement to third parties, which does not interfere unreasonably with Grantee's free use and enjoyment of the easement.

9. Attorney Fees. If legal action or proceeding arising out of or relating to this agreement is brought by either party to this agreement, the prevailing party shall be entitled to receive from the other party, in addition to any other relief that may be granted, the reasonable attorney's fees, costs, expenses incurred in the action or

proceedings by the prevailing party. Grantor acknowledges that either Grantee or Beneficiary shall have a right to bring an action to either specifically enforce the terms of this agreement and/or to seek damages thereunder.

10. Entire Agreement. This agreement constitutes the entire agreement between the parties relating to the easement described herein. Any prior agreements, promises, negotiations, or representations not expressly set forth in this agreement are of no force and effect. Any amendment to this agreement shall be of no force or effect unless it is in writing and signed by the parties.

11. Binding Effect. This agreement shall be binding on and shall inure to the benefit of the heirs, executors, administrators, successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties have executed this agreement as of the date first referenced above.

GRANTOR:


DAVID HOFFMAN


REBECCA HOFFMAN

BENEFICIARY:


KENNETH MATTHEWS


CARMEN WISDOM

STATE OF CALIFORNIA }
COUNTY OF RIVERSIDE } ss.
}

On 3/29/05, before me, Teresa Autumn Young, a Notary Public for the State of California, personally appeared David Hoffman, Rebecca Hoffman, Kenneth Matthews and Carmen Wisdom

Personally known to me (or proved to me on the basis of satisfactory evidence) to be the person (s) whose name(s) is/are subscribed to the within instrument and acknowledged to me the he/she/they executed the same in his/her/their authorized capacity (ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Teresa Autumn Young



DESCRIPTION OF ATTACHED DOCUMENT Water agreement

NUMBER OF PAGES 5

DATE OF DOCUMENT 3/29/05

SIGNER(S) OTHER THAN NAMED ABOVE none



BCVWD

Beaumont Cherry Valley Water District

560 Magnolia Avenue
Beaumont, CA 92223
Tel: 951.845.9581
Fax: 951.845.0159

FACSIMILE TRANSMITTAL SHEET

To: Ken Matthews

From: Julie Salinas

Fax: 909.335.6374

Pages: 5 (including cover)

Phone: 909.792.1422

Date: 4/6/2006

Re: Nonie Court

cc:

Urgent

For Review

Please Reply

Please Recycle

Comments:

**PRELIMINARY REPORT OF WATER SUPPLY
AND FIRE FLOW ANALYSIS**

LILAC LANE and NONIE COURT

BEAUMONT CHERRY VALLEY WATER DISTRICT

PARSONS FILE NUMBER 723185.01000

APRIL 2006

**J. C. REICHENBERGER
DISTRICT ENGINEER**

INTRODUCTION

A residential development consisting of 4 lots (Project) is proposed in Nonie Court in the community of Cherry Valley. Water service to the development is proposed to come from an existing water line in Lilac Lane and Avenida Miraville, which is approximately 1,100 feet from Nonie Court across steep terrain. The estimated fire flow, as determined by the Riverside County Fire Department, is 500 gpm with a minimum residual pressure of 20 psi at the project site.

EXISTING FACILITIES

The Beaumont Cherry Valley Water District (District) has existing facilities in the vicinity of the project. The District currently has an existing 8-inch water main at the intersection of Lilac Lane and Avenida Miraville, which is in the 3330 (Mesa) Pressure Zone. The District also has an existing 8-inch water main crossing the cul-the-sac of Lilac Lane, which is in the 3620 (Upper Mesa) Pressure Zone. A new 8-inch water line is proposed to be installed between Lilaic Lane and Nonie Court to serve the Project.

EXPECTED PRESSURES

The general site elevation of the development is 3240. Based on this elevation, the estimated static line pressure, if the development were being served off the 3330 (Mesa) Pressure Zone, would be about 37 psi. If the development were served off the 3620 (Upper Mesa) Pressure Zone, the estimated pressure at the site would be about 157 psi. Final estimated pressures would be based on final grading of the lots. The District's Water Master would recommend the 3620 (Upper Mesa) Pressure Zone ultimately serve the Project. The District's hydraulic model was used to predict system pressures within the 3620 Pressure Zone for the Project under various scenarios with the above backbone 8-inch in place. As indicated above the District's hydraulic model results indicate that during an average day the predicted static line pressure at the Project site is 157 psi. During maximum day the predicted static pressure at the site is 156 psi. During peak hour the estimated pressure at the site of 154 psi. During maximum day plus a fire flow of 500 gpm at the Project site, the predicted pressure at the site is estimated to be 137 psi. The velocity in the 8-inch is approximately 3 ft/sec under this scenario.

REQUIRED FACILITIES

The Applicant shall install an 8-inch water line from Lilac Lane to the Project site at Nonie Court. A connection shall be made to the existing 8-inch 3620 (Upper Mesa) Pressure Zone system. The 8-inch water line in Nonie Court shall be extended to the intersection of Nonie Court and Avenida Miraville.

All pipe shall be ductile iron pipe with push-on joints. The minimum pressure class of the pipe shall be Class 200. In addition, the applicant shall install fire hydrants or 4-inch blow-offs at the end of all lines in cul-de-sacs for line flushing.

REQUIRED ENGINEERING

The Applicant shall perform all necessary calculations, and prepare construction drawings fully describing the work required.

The construction drawings, calculations, and other work, shall be prepared by, or under the direct supervision of, a Civil Engineer registered in the State of California.

All design work shall conform to District's standards and be subject to the approval of the District and the Riverside County Fire Department.

REQUIRED DOMESTIC WATER SERVICES

The Applicant shall provide minimum 1" copper services for domestic services from the water main to and including angle meter stop and coupling fitting in accordance with District's standard drawings and specifications. All water service laterals shall be located horizontally a minimum of 5 feet off property lines and minimum 10 feet clear of any sewer laterals. Due to the high line pressures, it is recommended that pressure reducing valves be installed for each lot.

REQUIRED FIRE HYDRANTS

Fire hydrants shall be dry-barrel and of the commercial type, 6"x4"x2½"x2½", (super-head) in accordance with District standards. The Riverside County Fire Department shall approve all fire hydrant locations.

All fire hydrant and service laterals to the meter shall be ductile iron pipe, minimum pressure class 200.

MAINLINE EXTENSION AGREEMENT

The Applicant shall execute a mainline extension agreement with the District. All applicable reimbursements shall be in accordance with the District's adopted policies and procedures.

REQUIRED FEES

The Applicant shall pay all deposits, District charges, and facility fees prior to construction of any off-site and on-site water system improvements.



Beaumont-Cherry Valley Water District

Phone: (951) 845-9581 Fax: (951) 845-0159
Email: info@bcvwd.org

<http://www.bcvwd.org>

February 14, 2018

Board of Directors

David Hoffman
Division 5

John Covington
Division 4

Daniel Stawson
Division 3

Claudeen Diaz
Division 2

Andy Ramirez
Division 1

Subject: Conditional Service

To whom it may concern:

Water service to Nonie Court was originally approved by the District with the condition that a water main extension be provided by the developer. That developer began grading and subdividing the property, however the water main extension was not completed. That water main extension is required at this time prior to service being provided to Nonie Court by Beaumont-Cherry Valley Water District.

The original water main extension proposed by the developer and approved by the District included a water main extension down Lilac Lane and up a private easement that was to be provided by another land owner. The length of that water main extension was approx. 1,400 ft. This work and associated easement was never completed.

As part of a review for request for service for the subject property(s) the District has reviewed existing water facilities and has determined that an alternate water main extension could be provided by the developer(s) of Nonie Court in lieu of the original alignment proposed water main extension shown on Figure 1. The alternate water main extension is represented on figure 2 and would include an extension down Avenida Miravilla from an existing water main located east of Avenida Miravilla on private property and continue down to Nonie court as shown on Figure 2.

The approximate length of the alternate alignment is 560 ft. An easement will be required from the property owner at APN 401-190-011 at a later date.

It should also be noted that Riverside County fire flow requirements will need to be provided by the Developer to ensure the proposed alignment and sizing can meet the fire flow requirements set forth by the Fire Department.

Please call at (951) 845-9581, extension 217 if you have any questions or email me at dan.jaggers@bcvwd.org.

Sincerely,

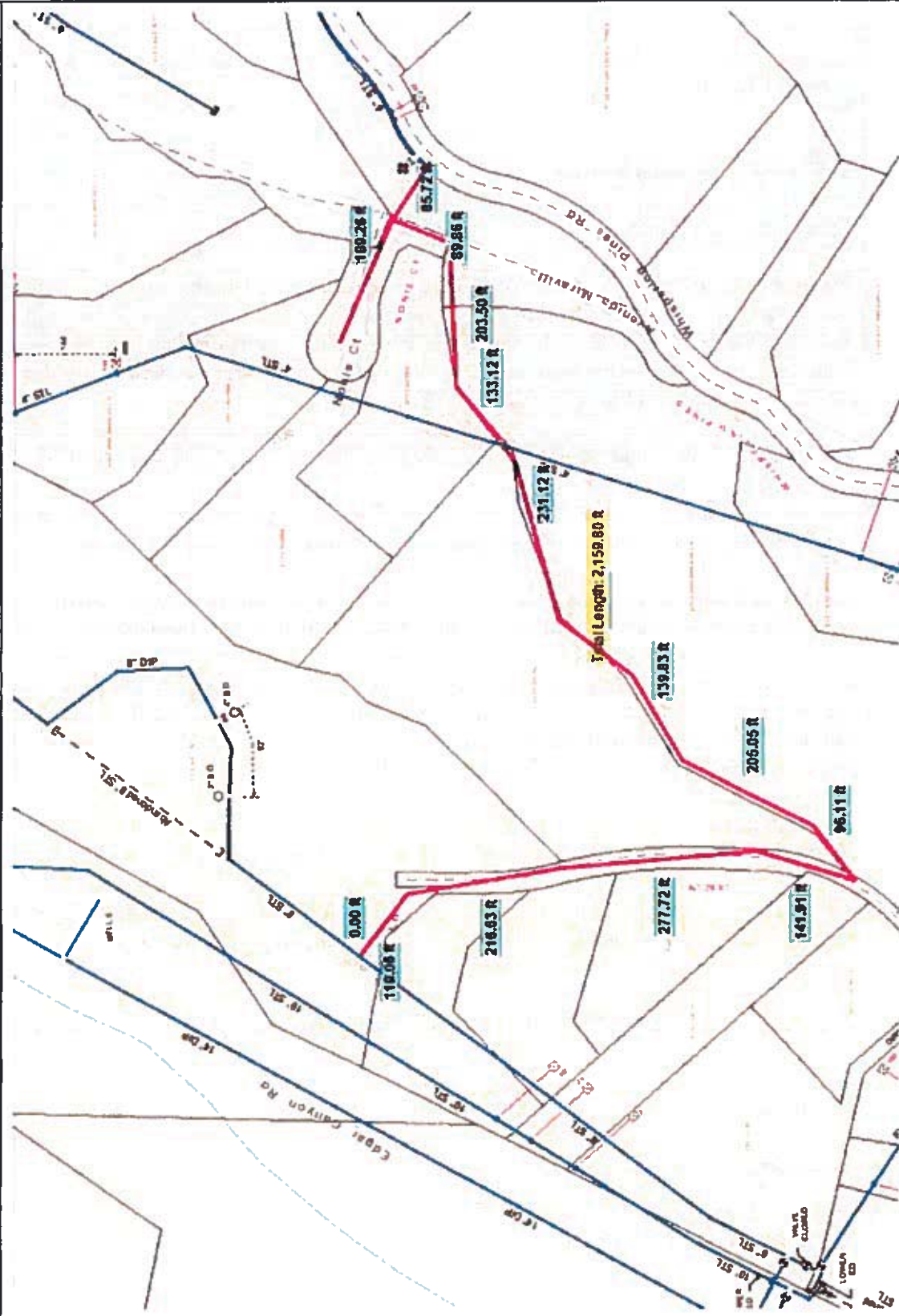
Daniel K. Jaggers, PE
Beaumont-Cherry Valley Water District
General Manager

Attachment: Figure 1 – Site Detail (Previously approved alignment)
Figure 2 – New Alignment

DKJ/new

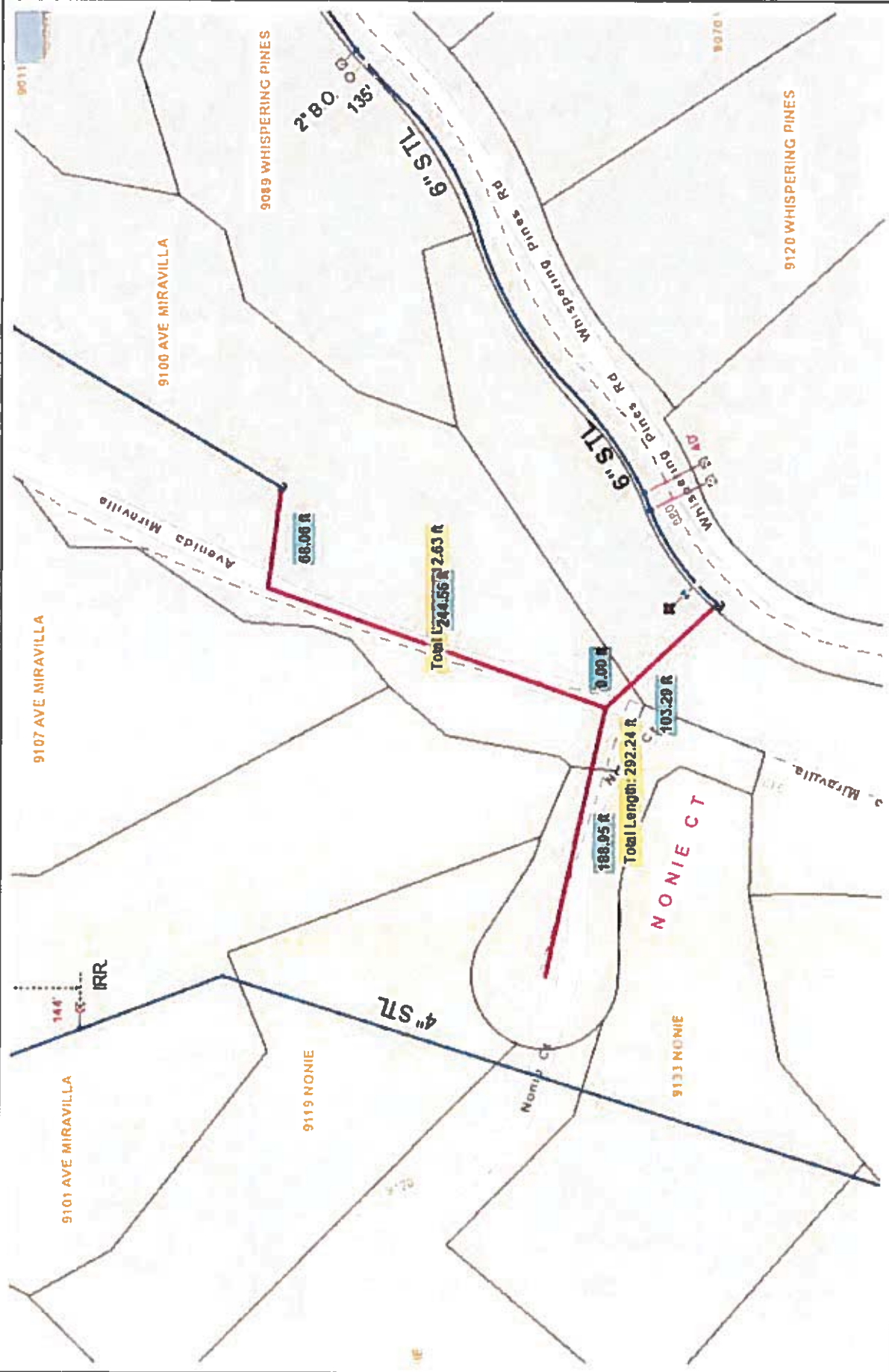
560 Magnolia Avenue Beaumont CA 92223

**FIGURE 1
SITE DETAIL (PREVIOUSLY APPROVED ALIGNMENT)**



BCVWD – FEBRUARY 14, 2018

**FIGURE 2
SITE DETAIL (NEW PROPOSED ALIGNMENT)**



BCVWD - FEBRUARY 14, 2018



**Beaumont-Cherry Valley Water District
Regular Board Meeting
August 23, 2018**

Item 10

STAFF REPORT

TO: Board of Directors
FROM: Dan Jagers, General Manager
SUBJECT: Discussion of Proposed Well Rehabilitation Projects – Wells 4A, 10 and 18

Staff Recommendation

No recommended action. Information only.

Background

BCVWD holds water rights to Edgar Canyon which is located along Oak Glen Road north of the Riverside County line. This area is not subject to the Beaumont Basin Adjudication, therefore any water pumped from the wells in this Canyon does not need to be replenished, and thereby decreases the District's reliance, and need for, imported water.

In 2016, District Staff identified that many of the existing Edgar Canyon wells had not been serviced in the last 10-18 years. Over the past two years, staff has worked aggressively to rehabilitate nine (9) of the Edgar Canyon wells in order to increase efficiency and production. Staff has identified three (3) additional wells that need to be rehabilitated in order to complete capacity restoration: Well Nos. 4A, 10 and 18. The status of these wells is reflected in Table 1 below.

Table 1 – Well Maintenance Status

Well No.	Capacity, gpm	Year Const	Total Depth, ft	Maintenance Status
4A	300	1949	459	Proposed Work
5	160	1929	308	Rehabilitated in 2016
6	250	1929	270	Rehabilitated in 2014, 2017
9A	75	2006	113	To be Rehabilitated
10	50	1935	152	Proposed Work
11	100	1927	170	Rehabilitated in 2018
12	130	1942	253	Rehabilitated in 2018
13	60	1927	88	Rehabilitated in 2016
14	200	1955	711	Rehabilitated in 2014
18	50	1967	168	Proposed Work (Rehab 2016)
19	220	1967	200	Rehabilitated in 2018
20	50	1969	165	Rehabilitated in 2018
RR-1	250	1993	425	Rehabilitated in 2016



The rehabilitation and repair work of these wells is necessary to recover and maintain maximum production capacity and efficiency in Edgar Canyon. This work has the possibility to recover up to 450 AF of production capacity as set forth on Table 2 below.

The proposed well rehabilitation projects provide for operational maintenance, maximize well field redundancy, increase fire protection capacity, and provide an opportunity for the District to restore pumping capacity without need of replenishment. In comparison, the District's wells located in the adjudicated Beaumont Basin, must be replenished with costly imported water. Maximizing the capacity of the Edgar Canyon wells helps to reduce the District's need for imported water supplies.

Well Nos. 10 and 18 are located in the Upper Edgar Canyon Well Field and deliver water to the Upper Edgar Reservoir which supplies the 3620 (upper Mesa) pressure zone and the 3340 (lower Mesa) pressure zone through various pipelines. Both wells are currently out of service and contributing no water. Well 10 has progressively lost production over time and was shut off due to the total production capacity being reduced to 10-20 gallons per minute (gpm). Well 18 experienced an electrical failure and upon further investigation was found to have a direct short-circuit which indicates a motor lead or submersible electrical motor issue down hole.

Well No. 4A is located in Lower Edgar Canyon and delivers water to the Noble Reservoir which supplies the 3040 pressure zone under normal operation. This well is unique because it is equipped with an emergency onsite booster station which allows for both Well Nos. 4A and 5 to be boosted up Edgar Canyon to the Upper Edgar Reservoir when needed. This provides redundancy and additional fire protection capacity in both the 3620 and 3340 pressure zones.

As previously stated, rehabilitation efforts in Edgar Canyon to maximize capacity reduces the District's need for imported water and lowers the overall cost of water to the District's ratepayers. The replenishment savings for imported water is significant and the upcoming anticipated SGPWA rate increase has accelerated the need to restore pumping capacity in Edgar Canyon. Table 2 shows current production in Edgar Canyon and an analysis of potential imported water savings in Acre Feet per Year at various imported water rates if the repair and rehabilitation of wells Nos. 4A, 10, and 18 are completed. In addition, Table 2 indicates Edgar Canyon well field production could be increased up to approximately 450 AFY.



Table 2 – Analysis of Recent, Current and Future Edgar Canyon Well Field Production

Well	Current Production	(AFY)	Possible Production	(AFY)	Diff (Current - Possible)	(AFY)
11	120	193.57				
12	200	322.62				
19	180	290.36				
20	100	161.31				
18	0	-	80	129.05	-80	(129.05)
14	100	161.31				
6	140	225.84				
5	120	193.57				
4a	150	241.97	300	483.94	-150	(241.97)
10	0	-	50	80.66	-50	(80.66)
Total Production (AFY)	1,790.56		Possible Increased Production:			(451.67)
			Cost per AF	Total Savings		
			\$ 317	\$ (143,180)		
			\$ 500	\$ (225,836)		
			\$ 600	\$ (271,004)		

Note: Operational conditions dictate that Well 12 runs as the primary source with Well 13 only running in lieu of Well 12. For the purpose of Table 2 production calculations Well 13 was excluded. Well 13 has recently contributed 100 gpm or 161.31 AFY.

Fiscal Impact

Fiscal impact to be determined based on projects as directed by the Board.

Prepared by James Bean, Assistant Director of Operations



**Beaumont-Cherry Valley Water District
Regular Board Meeting
August 23, 2018**

Item 11

STAFF REPORT

TO: Board of Directors
FROM: Dan Jagers, General Manager
SUBJECT: **Update on the Status of District Wells, Capital Improvements, and Engineering Projects**

Staff Recommendation

No recommendation.

Background

Beginning in late 2017, the Board approved a number of Capital Improvement, Engineering and Well repair and rehabilitation projects, either as part of the annual 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 Capital Improvement, Engineering and Well repair and rehabilitation projects that have been undertaken in 2017/2018 or are upcoming in the near future.

Summary

The attached tables set forth the current status of said on-going projects.

Attachments

Table 1 – 2018 Board Approved Facility Replacement and Well Site Repair and Replacement

Table 2 – On-going Capital Improvement Projects

Table 3 – Upcoming Capital Improvement Progress

Prepared by Erica Gonzales, Administrative Assistant

Table 1
2018 Board Approved Facility Replacement and Well Site Repair and Rehabilitation

Potable Infrastructure Project Description	Total Anticipated Project Amount	Total Project Expenses	Y-T-D Actuals 2018	Funding Source	Current Status	Project Notes
Well 11 Repair and Rehabilitation	\$ 87,621	\$ 13,979	\$ 13,979	Capital Replacement Reserve	Completed	
Well 20 Repair and Rehabilitation	See Well 11	\$ 16,919	\$ 16,919	Capital Replacement Reserve	Completed	
Well 12 Repair and Rehabilitation	See Well 11	\$ 31,009	\$ 31,009	Capital Replacement Reserve	Completed	
Well 19 Repair and Rehabilitation	See Well 11	\$ 33,782	\$ 33,782	Capital Replacement Reserve	Completed	
Well 26 Repair and Rehabilitation	\$ 142,900	\$ 92,933	\$ 92,933	Capital Replacement Reserve	Completed	
Well 29 Emergency Repair	\$ 119,637	\$ 132,863	\$ 132,863	Capital Replacement Reserve	Completed	
Well 22 Repair and Rehabilitation	\$ 121,200	\$ -	\$ -	Capital Replacement Reserve	Offline	Motor pulled on Tuesday, August 14

Beaumont-Cherry Valley Water District

Table 2 Ongoing Capital Improvement Plan (CIP) Projects								
Project No.	Project Description	Approved CIP Cost	Total Project Costs (July 31, 2018)	% Expended	Budget 2018	Y-T-D Costs (July 31, 2018)	Funding Source	Project Status
WR-SITES-Reser.	Investment in Sites Reservoir Project	\$ 4,000,000	\$ 166,200	4%	\$ 73,800	\$ -	Facilities Fees	Ongoing
WR-REWTR-Plan	Recycled Water Masterplan Update 2016	\$ 25,000	\$ 84,004	336%	\$ 25,000	\$ 5,360	Facilities Fees	Ongoing
WR-IMWTR-Plan	Pass Agency Imported Water Strategy	\$ 7,000	\$ 52,834	755%	\$ 7,000	\$ 27,118	Capital Replacement Reserve	Ongoing, White Papers 1-6
WR-COBRW-Plan	City of Beaumont Recycled Water Project	\$ 15,000	\$ 8,228	55%	\$ 15,000	\$ 1,849	Facilities Fees	Ongoing
M-3040-0002	Noble Booster Pump and Motor(Spare Pump & Motor)	\$ 26,188	\$ 2,978	11%	\$ 26,188	\$ 1,655	Capital Replacement Reserve	Specs. 80% Complete
M-0000-0001	800hp Spare Motor	\$ 131,948	\$ 2,433	2%	\$ 131,948	\$ 1,410	Capital Replacement Reserve	Specs. 80% Complete
M-2750-0001	2850/2750 Pressure Reducing Station & Piping (Cherry Reservoir)	\$ 52,767	\$ 869	2%	\$ 52,767	\$ -	Capital Replacement Reserve	Not started
M-0000-0002	Chlorination Retrofit At Misc. Wells (6 Well Sites)	\$ 100,677	\$ 31,615	31%	\$ 31,713	\$ 31,526	Capital Replacement Reserve	3 year project, 2 of 2 delivered for 2018
W-2750-0001	Replacement for Well 2	\$ 5,389,609	\$ 29,007	1%	\$ 2,191,452	\$ 24,984	Capital Replacement Reserve	Ongoing
W-2750-0002	2750 Zone Well in Noble Creek Regional Park	\$ 5,995,649	\$ 16,732	0%	\$ 3,208,817	\$ 10,965	Facilities Fees	Ongoing
W-2750-0005	Replace 2750 Zone Well 1	\$ 4,161,200	\$ 30,164	1%	\$ 2,750,969	\$ 24,997	Facilities Fees	Ongoing
M-2850-0001	Well 25 East Block Wall and Entrance Gate	\$ 56,660	\$ 3,705	7%	\$ 56,660	\$ 723	Facilities Fees	Specs. 80% Complete

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Table 2 Ongoing Capital Improvement Plan (CIP) Projects								
Project No.	Project Description	Approved CIP Cost	Total Project Costs (July 31, 2018)	% Expended	Budget 2018	Y-T-D Costs (July 31, 2018)	Funding Source	Project Status
W-2850-0001	New Beaumont Basin Well on Pardee Sundance Site	\$ 5,860,743	\$ 16,004	0%	\$ 2,303,894	\$ 10,965	Facilities Fees	Ongoing
T-3040-0001	2 MG 3040 Zone Tank	\$ 3,769,181	\$ 71,280	2%	\$ 239,743	\$ 60,129	Facilities Fees	Ongoing
T-3040-0001	Pressure Zone Pipeline	\$ 1,250,369	\$ 9,794	1%	\$ 65,312	\$ 4,595	Facilities Fees	Ongoing
WR	Grand Avenue Storm Drain	\$ 2,160,327	\$ 38,058	2%	\$ 327,261	\$ 748	Facilities Fees	Ongoing
NPT-2800-001	Raw Water Filter System at 2800 PZ Tank	\$ 263,543	\$ 2,235	1%		\$ -	Facilities Fees	Not started
P-2750-0069	Egan Ave-California Ave. Alley, 5th to 7th	\$ 221,920	\$ 16,406	7%	\$ 221,920	\$ 13,337	Capital Replacement Reserve	Ongoing
P-3620-0015	Appletree Ln, B line to Oak Glen Rd	\$ 696,143	\$ 14,734	2%	\$ 696,143	\$ 11,674	Capital Replacement Reserve	Ongoing
P-3620-0012	Ave Altejo Bella, Ave Miravilla to end of cul-de-sac	\$ 295,648	\$ 15,451	5%	\$ 100,000	\$ 12,173	Capital Replacement Reserve	Ongoing
IT-NETW-0006	Workstation Replacement project (50 units @ \$1,000 per unit - 33% per year)	\$ 225,096	\$ 4,016	2%	\$ 20,101	\$ 4,016	Capital Replacement Reserve	70% Complete for 2018

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Table 3 Upcoming Capital Improvement Plan (CIP) Projects				
Project No.	Project Description	Approved CIP Cost	Funding Source	Priority (1 -5)
TM-3040-0001	Highland Springs Reservoir Recoat & Retrofit	\$ 375,200	Capital Replacement Reserve	2
TM-3330-0001	Lower Edgar Reservoir Recoat & Retrofit	\$ 375,200	Capital Replacement Reserve	2
BP-2850-0001	2850 Zone to 3040 Zone Booster Pump Station	\$ 3,921,014	Facilities Fees	2 - 3
W-2850-0003	New Beaumont Basin Well Noble Creek Meadows	\$ 6,688,706	Facilities Fees	5
PR-3330-0001	3330 to 3150 Lower Mesa, Noble Regulator	\$ 37,286	Capital Replacement Reserve	4
PR-3620-0001	3620 to 3330 Fisher Pressure Regulator	\$ 37,286	Capital Replacement Reserve	3
NPR-2520-0001	2520 to 2370 Non-potable Water Pressure Regulator	\$ 134,041	Facilities Fees	1 - 2
NPR-2600-0001	2600 to 2520 Non-potable Water Pressure Regulator	\$ 134,041	Facilities Fees	1 - 2
NPR-2600-0001	2600 Zone Non-potable Regulation and Metering Station	\$ 362,474	Facilities Fees	3 - 4
NPR-2800-0001	2800 to 2600 Non-potable Water Pressure Regulator	\$ 211,431	Facilities Fees	3 - 4
NT-2800-0001	2MG Non-potable 2800 Zone Tank	\$ 4,267,870	Facilities Fees	5
NWR-2600-0002	San Timoteo Creek Non-potable Extraction Wells	\$ 8,793,300	Facilities Fees	2 - 3
P-2520-0003	Cherry Valley Blvd., End Ex. 24-in to Suncal PA 17	\$ 181,764	Facilities Fees	3
P-3620-0009	Ave. Miravilla, End of 12-in to Whispering Pines	\$ 339,092	Capital Replacement Reserve	1
P-2750-0067	Elm Ave.-Wellwood Ave. Alley, 7th St. to 5th St.	\$ 152,976	Capital Replacement Reserve	1

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Table 3				
Upcoming Capital Improvement Plan (CIP) Projects				
Project No.	Project Description	Approved CIP Cost	Funding Source	Priority (1 -5)
IT-NETW-0002	Redundant SAN Project	\$ 27,950	Capital Replacement Reserve	3
IT-NETW-0003	Endpoint Protection / LanGuard Security Software Project	\$ 11,010	Capital Replacement Reserve	1
IT-NETW-0004	Email Spam Protection / Archive Solution	\$ 7,839	Capital Replacement Reserve	1
IT-NETW-0005	IP Surveillance Project	\$ 27,950	Capital Replacement Reserve	1
IT-NETW-0008	Shoretel Phone System Redundancy Equipment	\$ 13,769	Capital Replacement Reserve	4
IT-NETW-0009	Engr. Blueprint/ Plans Printer/Scanner	\$ 8,414	Capital Replacement Reserve	2
IT-NETW-0010	Truck Radios (7)	\$ 21,655	Capital Replacement Reserve	3
IT-SCAD-0002	Wonderware SCADA Phase 2 Project	\$ 391,596	Capital Replacement Reserve	2
IT-SCAD-0003	Wonderware SCADA Phase 3 Project	\$ 224,686	Capital Replacement Reserve	3 - 4
IT-SCAD-0004	AMR / AMI Deployment Project	\$ 4,198,595	Capital Replacement Reserve	2
IT-ADMN-0001	Laser-Fishe Digitized Fileroom Project	\$ 100,833	Capital Replacement Reserve	2
IT-ADMN-0003	Replace Desk 14 Desk Chairs @ \$90 ea-old high backs worn out	\$ 1,260	Capital Replacement Reserve	2 - 3
IT-ADMN-0004	Replace 18 Guest Chairs @ \$135 ea - broken and dangerous	\$ 2,430	Capital Replacement Reserve	2 - 3
IT-ADMN-0005	Two (2) End Tables for Lobby @ \$85 ea	\$ 170	Capital Replacement Reserve	2 - 3

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Table 3 Upcoming Capital Improvement Plan (CIP) Projects				
Project No.	Project Description	Approved CIP Cost	Funding Source	Priority (1 -5)
IT-ADMN-0006	Three (3) Customer Svc.Stools @\$140 ea - old ones worn out	\$ 420	Capital Replacement Reserve	2 - 3
VE-TRUK-0003	F150 (Replacing the 2005 4X4 Ranger) (Dec, 2004)	\$ 27,485	Capital Replacement Reserve	Ordered
VE-TRUK-0006	F150 (Replacing the 2005 4X4 Ranger) (Dec, 2004)	\$ 27,485	Capital Replacement Reserve	Ordered
VE-TRUK-0007	F150 (Replacing the 2006 4X4 Ranger)(Dec, 2004)	\$ 27,485	Capital Replacement Reserve	Ordered
VE-TRUK-0010	2004 Dodge 1500 (Mar, 2004)	\$ 36,084	Capital Replacement Reserve	2 - 3



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Item 12

BCVWD LEGISLATIVE UPDATE

Federal			
Issue	Status	Description	New or Change in Status (New/Y/N)
H.R. 8 – Water Resources and Development Act (WRDA) of 2018	Approved by House on 6/6/18. On 6/26/18, Bill was placed on Senate Legislative Calendar	This bill will authorize various US Army Corps of Engineers projects under previous reform efforts to be improved. Eliminates barriers to project delays and improves oversight and transparency. Reauthorizes the Levee Safety Initiative and National Dam Safety Program through 2023. Authorizes modifications to on-going projects – including Yuba River Basin. WRDA would be considered by Congress every 2 years.	Y
H.R. 434 – New WATER Act	Introduced 02/07/17 – Referred to House Subcommittee on Water, Power, and Oceans	This bill would authorize the Dept. of Interior, for 15 years after the bill's enactment, to provide financial assistance, such as secured loans or loan guarantees, to entities that contract under federal reclamation law to carry out water projects within the 17 western states served by the Bureau of Reclamation, other states where Bureau is authorized to provide project assistance, Alaska, and Hawaii.	N
H.R. 1269 – Sacramento Valley Water Storage and Restoration Act	Introduced 3/10/17 – Referred to House Subcommittee on Water, Power, and Oceans	This bill would direct the Secretary of the Interior to take actions to support the non-Federal investments in water infrastructure improvements in the Sacramento Valley. The legislation declares that it is in the interest of the Federal Government to work with the Sites Reservoir Project Authority to study, promote, develop, design, finance, acquire, construct, manage, and operate Sites Reservoir and related facilities in order to advance the Sites Project in the most expeditious and cost-effective manner possible.	N
Energy and Water Appropriations Bill For FY 2019	Passed by the Senate 6/24/18	Overall, the bill totals \$44.7B. Includes \$1.56B in funds for the Bureau of Reclamation, including \$134M for water storage projects authorized in the Water Infrastructure Improvements for the Nation (WIIN) Act.	Y

California			
Issue	Status	Description	New or Change in Status (New/Y/N)
AB 869: Sustainable Water use and demand reduction: recycled water	8/24/17 – Referred to Senate Natural Resources and Water Committee	This bill would require long-term standards for urban water conservation and include a credit for recycled water. Urban water suppliers would receive a credit for the volume of its potable water reuse, on an acre-foot basis, to meet its water use target. Encourages continued investment in water reuse throughout the state to be better prepared for periods of drought.	N
AB 1668 - Water Management Planning	5/31/18 – Approved by Governor	Approved bill which establishes an “urban water use objective” representing the total amount of efficiently used water by water suppliers. Five major components: 1) Total Indoor Residential Use; 2) Total Outdoor Water Use and CII Use; 3) Water Loss from Leaks; 4) Approved Variances; 5) Credits for Qualifying Potable Reuse.	N
AB 3206: Water conservation: water meters: accuracy and performance standards	6/27/18 – Passed as Amended by Senate Natural Resources and Water Committee. Re-Referred to Committee on Appropriations	Proposed bill would require the State Energy Resources Conservation and Development Commission, on or before January 1, 2022 to adopt regulations setting standards for the accuracy of water meters.	Y
SB 606: Water Management Planning	5/31/18 – Approved by Governor	The bill would require an urban retail water supplier to calculate an urban water use objective no later than November 1, 2023, and by November 1 every year thereafter, and its actual urban water use by those same dates.	N
SB 952: Water Conservation: Local Water Supplies	2/8/18 – Referred to Senate Committee on Rules.	This Bill would provide a statement of intent of the Legislature to enact legislation that would require the State Water Resources Control Board to recognize local water agency investment in water supply and will ensure that local agencies receive sufficient credit for these investments in meeting any water conservation or efficiency mandates	Y



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SB 998: Discontinuation of residential water service: urban and community water systems	6/27/18 – Re-referred to Committee on Appropriations	This Bill would prohibit residential service from being discontinued under specified circumstances (i.e. inability to pay). The proposed bill sets forth a shut-off process creates a statewide program which would prevent discontinuation of service for at least 60 days for delinquent customers, cap reconnection fees that may or may not cover the actual cost of reconnections.	<p align="center">Y</p>
SB 1422: California Safe Drinking Water Act: Microplastics	6/27/18 – Re-referred to Committee on Appropriations	Would require the State Water Resources Control Board to adopt requirements for the testing and reporting of the amount of microplastics in drinking water, including public disclosure of those results.	<p align="center">Y</p>