

BEAUMONT-CHERRY VALLEY WATER DISTRICT REGULAR MEETING AGENDA BOARD OF DIRECTORS ENGINEERING WORKSHOP 560 Magnolia Avenue, Beaumont, CA 92223 Thursday, January 24, 2019 - 6:00 p.m.

Call to Order: President Covington

Pledge of Allegiance: Director Williams

Invocation: Vice President Slawson

Roll Call

Public Comment

PUBLIC COMMENT:

At this time, any person may address the Board of Directors on matters within its jurisdiction which are not on the agenda. However, state law prohibits the Board from discussing or taking action on any item not listed on the agenda. Any non-agenda matters that require action will be referred to Staff for a report and possible action at a subsequent meeting. To provide comments on specific agenda items, please complete a speaker's request form and provide the completed form to the Board Secretary prior to the Board meeting. **Please limit your comments to three minutes.** Sharing or passing time to another speaker is not permitted.

ACTION ITEMS

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

- 1. Acknowledge receipt of the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for BCVWD's 2017 Comprehensive Annual Financial Report (page 4)
- 2. Resolution 2019-__: Consideration of Resolution 2019-__ Authorizing Agreement with UMPQUA Bank to Participate in the California Special Districts Association Purchasing Card Program (pages 5 6)
- 3. Consideration of Award of Contract for Landscape Services to Urban Habitat Landscape Contractors for an amount not to exceed \$55,564.61 (pages 7 8)
- 4. Consideration of Renewal of Contract with Wells Fargo for Banking Services (pages 9 22)
- 5. Consideration of Proposed new alignment for existing water line through 9087 Avenida Miravilla (formerly known as 401-190-035, 401-190-034 and 401-190-033 located on Nonie Court) in the Community of Cherry Valley (pages 23 56)

- 6. Discussion regarding the SGPWA and Sites Project Authority 2019 Reservoir Project (Phase 2 Participation Agreement), Associated 2019 and Ongoing Costs and Presentation by Jeff Davis, General Manager of the San Gorgonio Pass Water Agency (pages 57 94)
- 7. Discussion regarding the Water Supply Assessment for Hidden Canyon Industrial Park (pages 95 105)
- 8. Discussion regarding the Beaumont Basin Watermaster Accounting of Recharge and Storage Levels and City of Banning Extractions from Beaumont Basin through Well 25 (pages 106 108)
- 9. Discussion Regarding a New Opportunity and Options for Additional Office Space (pages 109 113)
- 10. Notification of Intention to proceed Redundant SAN Project / Server Replacement Project (page 114)
- 11. Discussion regarding 2019 AB 1234 Ethics Training Requirements and Options for Fulfillment (pages 115 116)
- 12. Update: Legislative Action and Issues Affecting BCVWD (pages 117 118)
- 13. Status Update regarding Well 26 (no staff report)
- 14. Topics for Future Meetings

15. Announcements

- Personnel Committee Meeting: January 28, 2019 at 5:30 p.m.
- Bogart Park Ad Hoc Committee meeting: PENDING February 4, 2019 at 5:45 p.m.
- Beaumont Basin Watermaster Committee: February 6, 2019 at 10 a.m.
- Finance and Audit Committee Meeting: February 7, 2019 at 3:00 p.m.
- Regular Board meeting: February 13, 2019 at 6:00 p.m.
- District Offices will be closed Monday, February 18, 2019 in observance of Presidents' Day
- Engineering Workshop: February 28, 2019 at 6:00 p.m.
- Collaborative Agencies Committee meeting: March 6, 2019 at 5:00 p.m. (Location: Beaumont-Cherry Valley Recreation and Park District – Noble Creek Community Center, 390 W. Oak Valley Pkwy)

16. Closed Session

a. PUBLIC EMPLOYEE PERFORMANCE EVALUATION Pursuant to Government Code Section 54947 Title: General Manager

17. Adjournment

Cherry Valley Water District Board of Directors in connection with a matter subject to discussion or consideration at an open meeting of the Board of Directors are available for public inspection in the District's office, at 560 Magnolia Avenue, Beaumont, California ("District Office"). If such writings are distributed to members of the Board less than 72 hours prior to the meeting, they will be available from the District Office at the same time as they are distributed to Board Members, except that if such writings are distributed one hour prior to, or during the meeting, they can be made available from the District Office in the Board Room of the District's Office. Materials may also be available on the District's website: www.bcvwd.org.

REVISIONS TO THE AGENDA - In accordance with §54954.2(a) of the Government Code (Brown Act), revisions to this Agenda may be made up to 72 hours before the Board Meeting, if necessary, after mailings are completed. Interested persons wishing to receive a copy of the set Agenda may pick one up at the District's Main Office, located at 560 Magnolia Avenue, Beaumont, California, up to 72 hours prior to the Board Meeting.

REQUIREMENTS RE: DISABLED ACCESS - In accordance with §54954.2(a), requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting, should be made to the District Office, at least 48 hours in advance of the meeting to ensure availability of the requested service or accommodation. The District Office may be contacted by telephone at (951) 845-9581, email at info@bcvwd.org or in writing at the Beaumont-Cherry Valley Water District, 560 Magnolia Avenue, Beaumont, California 92223.

CERTIFICATION OF POSTING

I certify that on or before Jan. 21, 2019, a copy of the foregoing notice was posted near the regular meeting place of the Board of Directors of Beaumont-Cherry Valley Water District and to its website at least 72 hours in advance of the meeting (Government Code §54954.2(a)).

Yolanda Rodriguez
Director of Finance and Administration



Item 1

STAFF REPORT

TO: Board of Directors

FROM: Dan Jaggers, General Manager

SUBJECT: Acknowledge receipt of the Certificate of Achievement for Excellence in

Financial Reporting from the Government Finance Officers Association for

BCVWD's 2017 Comprehensive Annual Financial Report

Staff Recommendation

Acknowledge Beaumont-Cherry Valley Water District's (BCVWD) receipt of the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada (GFOA) for the 2017 Comprehensive Annual Finance Report.

Background

In early 2018, the Accounting and Finance staff of BCVWD prepared the District's first Comprehensive Annual Finance Report and submitted it to the GFOA for review and in December 2018, staff was informed that BCVWD had been awarded the Certificate of Achievement for Excellence in Financial Reporting for the 2017 CAFR.

The GFOA established the Certificate of Achievement for Excellence in Financial Reporting Program (CAFR Program) in 1945 to encourage and assist state and local governments to go beyond the minimum requirements of generally accepted accounting principles to prepare comprehensive annual financial reports that evidence the spirit of transparency and full disclosure and then to recognize individual governments that succeed in achieving that goal. The Certificate is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

Reports submitted to the CAFR program are reviewed by selected members of the GFOA professional staff and the GFOA Special Review Committee, which is comprised of individuals with expertise in public sector financial reporting and includes financial statement preparers, independent auditors, academics, and other finance professionals.

District staff has posted a notice of this award on our website and in local media. Staff also intends to prepare a formal Press Release via the District's newly contracted Public Relations Consultant and would like to solicit Board member comments at this time to be included in said Press Release.

Fiscal Impact

No fiscal impact.

Report prepared by Erica Gonzales, Administrative Assistant



Item 2

STAFF REPORT

TO: Board of Directors

FROM: Dan Jaggers, General Manager

SUBJECT: Consideration of Resolution 2019-___: Authorizing Agreement with Umpqua

Bank to Participate in the California Special Districts Association Purchasing

Card Program

Staff Recommendation

Adopt Resolution 2019-____, Authorizing Agreement with Umpqua Bank to participate in the California Special Districts Association (CSDA) District Purchasing Card Program.

Background

In 2014 California Special Districts Association (CSDA) introduced a purchasing card program to its members. The program, managed by Bank of the West, provides rebates to the participating district and a rebate to CSDA as a source of non-dues revenue. The Beaumont-Cherry Valley Water District participates in this program. The purchasing card is used for online purchases, some vendor payments and local retail merchants. BCVWD has received approximately \$2,000 in rebates since 2014.

In August 2017, Bank of the West notified CSDA that they would be discontinuing the program in 2018. CSDA entered negotiations with other banks for a replacement commercial card program and selected Umpqua Bank as the new provider in March 2018.

Summary

Since there is no automatic transfer of the commercial card program to the new bank, it is necessary for the District to apply for the new program with Umpqua Bank. To accomplish this, the Board must approve the attached Resolution. If the District does not apply for the new program with Umpqua Bank, the District still will continue to utilize the purchasing cards issued by Bank of the West but will no longer be eligible or receive rebates from the CSDA program.

Fiscal Impact

BCVWD receives approximately \$600 in rebates from this program per year.

Attachment(s)

1. Resolution 2019-

Report prepared by Erica Gonzales, Administrative Assistant

RESOLUTION 2019-

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BEAUMONT-CHERRY VALLEY WATER DISTRICT AUTHORIZING AGREEMENT WITH UMPQUA BANK TO PARTICIPATE IN THE CALIFORNIA SPECIAL DISTRICTS ASSOCIATION PURCHASING CARD PROGRAM

WHEREAS, credit cards and purchasing cards are mechanisms for purchasing goods and services for the convenience of the Beaumont-Cherry Valley Water District; and

WHEREAS, the California Special Districts Association (CSDA) has negotiated with Umpqua Bank to provide a purchasing card program for vendor payments, purchasing, travel or fleet transactions: and

WHEREAS, the CSDA District Purchasing Card Program is available to members of the CSDA and the BCVWD is a member of the CSDA; and

WHEREAS, the Program requires an application for credit approval, a resolution by the District Governing Board, and District policy and procedures regarding the use of the credit cards; and

WHEREAS, the District has a Standard Practice of procedures for using credit cards as required by the Program,

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Beaumont-Cherry Valley Water District directs the following actions:

- a. Authorize participation with Umpqua Bank in the CSDA District Purchasing Card Program
- b. Authorize the application to the Program for credit cards or purchasing cards;
- c. Authorize Dan Jaggers, General Manager, to execute any necessary agreements;
- d. Authorize Yolanda Rodriguez, Director of Finance and Administrative Services, or Dan Jaggers, General Manager to add or remove participants or cancel former employees.

BE IT FURTHER RESOLVED, that this Resolution shall be effective immediately upon adoption.

ADOPTED this day of	, 2019 by the following vote:	
AYES: NOES: ABSTAIN: ABSENT:		
	ATTEST:	
Director John Covington, President of the Board of Directors of the Beaumont-Cherry Valley Water District	Director Andy Ramirez, Secretary to the Board of Directors of the Beaumont-Cherry Valley Water District	



Item 3

STAFF REPORT

TO: Board of Directors

FROM: Dan Jaggers, General Manager

SUBJECT: Consideration of Award of Contract for Landscape Services to Urban Habitat

Landscape Contractors for an amount not to exceed \$55,564.61

Staff Recommendation

Authorize the General Manager to execute a one-year contract for Landscape Maintenance Services in an amount not to exceed \$55,564.61 with Urban Habitat Landscape Contractors (Urban Habitat).

Background

On November 14, 2018 the Beaumont-Cherry Valley Water District (BCVWD) Board of Directors approved the award of a Contract for Landscape Services in the amount of \$55,564.61 to Mariposa Landscapes, Inc. for Bid Schedules 1, 4-14, and 16-17 of the BCVWD Request for Proposal for Landscape Maintenance Services dated August 21, 2018 (RFP). The remaining Bid Schedules of the RFP, Items 2-3 and 15 (i.e. Noble Creek Recharge Facility Phase I, Phase II, and the 2800 tank), were awarded to the California Conservation Corps (CCC) and California Department of Forestry and Fire Protection (CalFire) as a hybrid solution for BCVWD landscape maintenance needs. This hybrid solution was in accordance with the 2018 RFP section 1.1 Purpose, which states "The District may elect to award only some District sites as part of a landscape maintenance activity, all sites or no sites as part of this request for proposal."

A Notice of Award and a Contract were prepared and sent to Mariposa Landscapes, Inc. in early December 2018. On January 2, 2019, Mariposa Landscapes, Inc. informed staff that they were not interested in proceeding with the work and would not be able to perform the services of the project for the amounts bid, due to the deletion of Items 2, 3 and 15 of the bid schedule.

Staff identified that the possibility of award of a contract for only a portion of BCVWD sites was clearly stated in the 2018 RFP. On January 4, 2019 Mariposa Landscapes, Inc., again, respectfully declined moving forward with the landscape project.

Summary

Subsequent to Mariposa Landscapes, Inc. declining to proceed, staff contacted the one other responsive bidder for the RFP, Urban Habitat, and confirmed that said contractor would be interested in providing landscape services for the quoted amounts identified in their bid submission of the 2018 RFP with excluded bid schedules.

After analyzing the quoted bid amounts from Urban Habitat, staff has identified that the budgeted amount approved by the Board for landscape services for Mariposa Landscapes, Inc. in the amount of \$55,564.61 could be met if Bid Schedules 2, 3-4, 9, 12 and 15 (i.e. Noble Creek Recharge Facility Phase I, Phase II, Well 1, Well 23, Well 26, and the 2800 tank) are excluded from the contract. To reach this contract amount previously authorized, three (3) additional District sites must be removed from the landscape maintenance contract.



These three (3) particular sites were chosen for exclusion due to the close proximity of these sites to sites with planned maintenance activities to be performed by CCC and CalFire. Well 1 and Well 26 can also be maintained with minimal effort by District staff, as needed. Staff will review landscape maintenance activities monthly and determine if the landscape maintenance approach outlined herein satisfies the District's needs.

Fiscal Impact

The fiscal impact of awarding this contract to Urban Habitat will be \$55,564.61 and has already been approved and included in the Operating Budget for the 2019 Fiscal Year.

Prepared by: Erica Gonzales, Administrative Assistant and James Bean, Assistant Director of Operations



Item 4

STAFF REPORT

TO: Board of Directors

FROM: Dan Jaggers, General Manager

SUBJECT: Consideration of Renewal of Contract with Wells Fargo for Banking Services

Staff Recommendation

Approve and authorize the General Manager to execute a two (2) year extension of the contract for banking services with Wells Fargo Bank.

Background

In 2013, the District conducted a competitive procurement process to select a firm for banking services for the District. The proposals received were presented to the Board, with the recommendation of banking with Wells Fargo based on their services, locations, and competitive merchant service prices. On May 8, 2013, the Board of Directors approved the recommendation, and the Acceptance of Services was signed on July 30, 2013.

Summary

The District Purchasing Policy confirms the steps of the selection process implemented by the District for banking service in 2013, but does not outline restrictions on renewing contracts for services. Neither the Purchasing Policy, nor the Investment Policy, provide a timeframe for reevaluation of the procurement process specifically for banking services. The average contract, according to industry's best practices and the California Society of Municipal Finance Officers (CSMFO), initially lasts between 3 to 5 years. CSMFO recommends new Request for Proposals for banking services be issued when the total period of services has reached 10 years, as a prudent procurement practice as there are continual changes in technology and treasury management systems.

On November 16, 2018, Wells Fargo submitted a request to extend the existing contract an additional two (2) years based on the discounted price list for services that would be applied during the two (2) year period as shown in Exhibit A. The discounted rates applied to past transactions show the District has the potential to see significant savings with the newly discounted rates as shown in the attached Comparison of Existing and Proposed Wells Fargo Contracted Service Charges.

There is no change to the market value of the pledged securities in the collateral pool, which must equal at least 110 percent of the total amount deposited by public agencies, according to California Government Code §16521.

Fiscal Impact

The District could save an estimated \$5,400 annually.



Attachments

- (1) Proposed contract from Wells Fargo
- (2) Exhibit A Wells Fargo Treasury Management Pro Forma
- (3) Exhibit B Client Analysis Statement
- (4) Comparison of Existing and Proposed Wells Fargo Contracted Service Charges
 Report prepared by Sylvia Molina, Senior Accountant

AGREEMENT

THIS AGREEMENT, dated for purposes of identification only this	day of
, 2019, is made and entered into by and between the	
Beaumont Cherry Valley Water District, a district duly organized and existing under the laws of the State of California, hereinafter ref "DISTRICT,"	ferred to as
AND	
WELLS FARGO BANK, a national banking association, hereinafter referred to as "BANK."	
WITNESSETH:	
WHEREAS, DISTRICT desires to re-hire the services of BANK as the depository of certain D in accordance with the terms and conditions hereinafter set forth; and	ISTRICT funds
WHEREAS, BANK desires to perform said services for DISTRICT, and represents that BAN bank within the meaning of Section 53635.2 of the Government Code of the State of California.	√K is a national
NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE MUTUAL PROMISES, COVE CONDITIONS HEREIN CONTAINED, THE PARTIESHERETO AGREE AS FOLLOWS:	NANTS AND
1. <u>INCORPORATION OF EXHIBITS</u>	
A. The following document is attached hereto as Exhibit A, and incorporated herei (hereafter referred to collectively as the "Contract Appendix"):	n by reference
i) BANK Banking Services Proposal, dated November, 2018 (collectively, Exhibit	"A")
B. In the event of any conflict between any provision of this Agreement and any p	
Contract Appendix, the order of preference shall be as follows: 1) This Agreement, and 2	z) Exnibit "A."

2. <u>SERVICES</u>

BANK agrees to perform those certain services for DISTRICT set forth in the Contract Appendix, as determined

and expressly authorized by the General MANAGER of the DISTRICT.

3. COMPENSATION

As complete compensation for the services performed by BANK pursuant to Paragraph 2 above, DISTRICT shall compensate BANK, and BANK shall accept from DISTRICT, those certain amounts established for the services so authorized and performed as set forth in the Contract Appendix. DISTRICT may compensate BANK with fees or compensating balances, or a combination of the two. Any fees not covered by compensating balances shall be billed to DISTRICT monthly.

4. <u>COMPLIANCE WITH LAWS</u>

The laws governing this Agreement include the laws and regulations of the United States and, to the extent applicable, the laws of the state of California.

5. DISTRICT TO ADMINISTER AGREEMENT

DISTRICT hereby designates, appoints and authorizes the General Manager of DISTRICT to administer this Agreement, including the power to: (i) authorize the specific services of BANK pursuant to the provisions of this Agreement, (ii) execute any documents, including service agreements, on behalf of DISTRCT necessary in the performance of, or pursuant to, this Agreement, (iii) perform those certain acts required or authorized to be performed by such Treasurer by the Banking Statute, (iv) negotiate the price of any services, the cost of which is not specifically setforth in the Contract Appendix, (v) negotiate the price of and execute agreements for other additional services related to the services for accounts covered by this Agreement, and (vi) Terminate this Agreement pursuant to Paragraph 6 below.

6. TERM

This Agreement shall be for a term of two (2) years commencing on January 1, 2019, and ending January 31, 2021, provided, however, that either party may terminate this agreement at any time prior to the expiration of said tem1 upon sixty (60) days' advance written notice of such termination to the other party. Services provided by any third-party vendors, such as armored carrier, deposit courier, messenger, or check printers, are not covered by this Agreement, unless specified in the Contract Appendix. Notice shall be deemed given for purposes of this Paragraph upon the deposit thereof in the course of transmission with the United States Postal Service, properly addressed with postage prepaid, or upon personal delivery to such other party.

DISTRICT shall have the option, in the sole discretion of the General Manager, to renew this Agreement for two (2) additional two-year terms. Written notice of the DISTRICT'S intent to exercise its option to renew this

Agreement shall be given to BANK at least thirty (30) days prior to the termination of the Agreement or

any renewal term thereof. The terms and conditions of any renewal term of this Agreement shall be as set forth

herein, except that modifications in the compensation designated in Exhibit "A" may be made effective for any

renewal term as mutually determined by BANK and the General Manager of the DISTRICT in writing.

7. AUDITS

BANK agrees to provide DISTRICT'S outside auditors reasonable access to or, as BANK determines in its sole

discretion, copies of BANK records relating to DISTRICT'S accounts and transactions with BANK and to

respond to other reasonable requests of such auditors about information relating to DISTRICT'S accounts

and transactions with BANK, provided (i) BANK receives a written request from the auditors specifying what

they wish to review, (ii) DISTRICT'S provides BANK evidence reasonably acceptable to BANK that such

auditors are acting in their capacity as DISTRICT'S outside auditors, (iii) such auditors are bound to maintain

the confidentiality of BANK information (iv) disclosure of any requested BANK information or records does

not violate any applicable law, regulation or order by which BANK is bound and (v) such disclosure is made at

a time and in a manner which does not interfere with BANK'S normal operations or customer or employee

relations.

8. **BANK OFFICE**

Unless otherwise approved by the General Manager, most if not all accounts of DISTRICT established by BANK

pursuant to this Agreement shall be maintained at BANK'S Government Banking Office in San Bernardino at the

address indicated below. One of BANK'S Beaumont branches will service as a conduit for DISTRICT deposits

and other banking servicing needs as determined by General Manager.

9. **NOTICES**

Any written notice given by either party to this Agreement shall be given to the other party at the following

respective address:

DISTRICT: Daniel Jaggers, General Manager

Beaumont Cherry Valley Water District

560 Magnolia Ave. Beaumont, CA 92223

Jamie Varner, Relationship Manager

BANK: Wells Fargo Bank, N.A.

Government Banking Division

334 W. 3rd St, 4th Floor

San Bernardino, CA 92401

7

Either party may designate a different address to which notices are to be sent to such party upon written notice of such change of address to the other party.

10. PRICE RATES

BANK rates and prices for services as set forth in the Contract Appendix shall remain fixed at the rates and prices set forth therein for the term of this Agreement. BANK reserves the right to pass on any and all direct costs associated with Federal and State Regulations, which costs arise solely and directly out of this Agreement or services provided hereunder, including but not limited to Federal Deposit Insurance Corporation charges.

11. ENTIRE AGREEMENT

This writing constitutes the entire agreement between the parties with respect to the subject matter hereof, and supersedes all oral or written representations or written agreements which may have been entered into between the parties. No modification or revision shall be of any force or effect, unless the same is in writing and executed by the parties hereto.

If any provision of this Agreement shall be held invalid, such invalidity shall not affect the other provisions hereof, and to this extent, the provisions of this Agreement are intended to be and shall be deemed severable. The parties shall agree, if reasonably practicable, upon provisions which are equivalent from an economic point of view to replace any provision which is determined to be invalid.

12. <u>ASSIGNMENT</u>

Neither BANK nor DISTRICT may assign or transfer this Agreement, or any part thereof, without the written consent of the other party.

13. GOVERNING LAW

This Agreement shall be governed by the laws of the State of California. If any portion of this Agreement is held invalid under any applicable statute or rule of law, then such portion only shall be deemed invalid.

14. <u>NO WAIVER</u>

No waiver or failure to exercise any right, option or privilege under the terms of this Agreement on any occasion shall be construed to be a waiver of any other right, option or privilege on any other occasion.

15. AUTHORITY AND EFFECTIVE DATE

BANK and BANK'S signators represent that the signators hold the positions set forth below their signatures and that the signators are authorized to execute this Agreement on behalf of BANK to bind BANK hereto.

The effective date of this Agreement shall be the latest date of execution hereinafter set forth opposite the names of the signators hereto. In the event BANK fails to set forth the a date of execution opposite the name(s) of BANK's signator(s), BANK hereby authorizes DISTRICT by and through its representative, to insert the date of execution by BANK'S signator(s) as the date said Agreement, as executed by BANK, is received by the DISTRICT.

[Remainder of page intentionally left blank; signatures on next page]

IN WITNESS WHEREOF, the parties	hereto have caused this Agreement to be executed on the dates
hereinafter respectively set forth.	
	Beaumont Cherry Valley Water District, a water district jurisdiction duly organized and existing under the laws of the State of California
DATE OF EXECUTION:	
	By Daniel Jaggers General Manager
DATE OF EXECUTION:	WELLS FARGO BANK, a National Banking Association
	By
	Jamie Varner
	Relationship Manager
	"BANK"



Exhibit A

Wells Fargo Treasury Management Pro Forma

Prepared For

Beaumont Cherry Valley Water

ANALYSIS SUMMARY

Average Positive Collected Balance	\$ 1,013,737.13
Reserve Requirement @ 0.00%	\$ 0.00
Investable Balance Available for Services	\$ 1,013,737.13
Monthly Analyzed Charges	\$ 1,334.89
Earnings Allowance @ 0.60%	\$ 516.59
Net Monthly Analyzed Charges	\$ 818.30
*Monthly Fee Based Charges	\$ 0.00
Total Monthly Analyzed Charges	\$ 818.30
*Charges not offset by balances	
Investable balance required to offset \$1.00 of analyzed charges	\$ 2,000.00
Balance required to offset current month analyzed charges.	\$ 2,669,774.40
Note: Palance required can vary monthly based on the monthly volume, sorvices, carnings credit rate and pricing	

Note: Balance required can vary monthly based on the month's volume, services, earnings credit rate and pricing

SERVICE DETAILS

WF	AFP				Service
Code	Code	Service Description	Unit Price	Volume	Charges
IAMTH	000230	RECOUPMENT MONTHLY	0.12750	1,036	132.09
		BALANCE & COMPENSATION INFORMATION Subtotal			132.09
22051	010000	ACCT MAINTENANCE	15.00000	3	45.00
DS510	010000	ZERO BALANCE MASTER ACCOUNT MAINT	25.00000	1	25.00
DS001	010021	ZERO BALANCE MONTHLY BASE	0.00000	2	0.00
CK021	010100	DEBITS POSTED	0.08000	65	5.20
15007	010101	DESKTOP DEPOSIT-DEPOSIT CREDITED	1.10000	51	56.10
		GENERAL ACCOUNT SERVICES Subtotal			131.30

WF Code	AFP Code	Service Description	Unit Price	Volume	Service Charges
CK161	100006	CASH DEPOSITED IN WF BRANCH	0.00150	46,921	70.38
CK197	100040	CASH ORDER FEE IN A WF BRANCH	5.25000	4	21.00
CK141	100040	CURRENCY FURNISHED BY WF BRANCH	0.00130	559	0.73
CK066	100404	ADMIN RETURN ITEM-REPAIRED ACH ITEM	2.25000	4	9.00
CK062	100416	CEO RETURN ITEM RETRIEVAL-IMAGE	0.25000	17	4.25
CK064	100416	CEO RETURN ITEM SERVICE MTHLY BASE	0.00000	1	0.00
CK061	100400	RETURN ITEM - CHARGEBACK	5.00000	1	5.00
CK075	100402	RETURN ITEM REDEPOSITED	3.00000	2	6.00
34236	100416	CEO RETURN DECISIONING PER ITEM	0.25000	15	3.75
70025	109999	SMART DECISION-ELEC CHECK ACH	0.10500	2,080	218.40
70029	109999	SMART DECISION-ELEC CHECK ACH ONUS	0.07700	479	36.88
08052	100006	BRANCH DEPOSIT	1.40000	22	30.80
CK464	100453	RETURN ITEM CONVERTED CHK CHGBK IRD	2.00000	4	8.00
CK461	100453	RETURN ITEM CONVERTED CHK REDEPOSIT	2.00000	4	8.00
701	100220	DESKTOP DEPOSIT-DEPOSITED ITEM ONUS	0.15000	13	1.95
706	100224	DESKTOP DEPOSIT-DEPOSITED ITEM	0.15000	76	11.40
741	100220	WF ELEC DEPOSIT-DEPOSITED ITEM ONUS	0.05500	45	2.48
746	100224	WF ELEC DEPOSIT-DEPOSITED ITEM	0.08500	823	69.95
790	100230	ELECTRONIC DEPOSIT - DEP ADJUSTMENT	17.00000	1	17.00
		DEPOSITORY SERVICES Subtotal			524.97
DS191	150122	PAYEE VALIDATION STANDARD-ITEM	0.03500	136	4.76
22810	150500	WF CHK CASHED FOR NONACCT HOLDER	7.50000	2	15.00
DS255	151399	WELLSIMAGE PAID CHECK PER ITEM	0.08800	112	9.86
22225	150240	CHECK CASHING THRESHOLD MO BASE	0.00000	1	0.00
22245	150240	CHECKS PAY TO INDIV BLOCK MO BASE	0.00000	1	0.00
22235	150240	OTC DEBIT BLOCK MONTHLY BASE	0.00000	1	0.00
12907	150030	POSITIVE PAY MONTHLY BASE	11.00000	1	11.00
12682	150120	POSITIVE PAY ONLY - ITEM	0.08000	10	0.80
12681	150030	POSITIVE PAY ONLY MONTHLY BASE	11.00000	1	11.00
MD091	150240	PYMT AUTH MAX CHECK MTHLY BASE	5.00000	1	5.00
22020	151350	WELLSIMAGE PAID CHECK MONTHLY BASE	40.00000	1	40.00
22202	150100	DDA CHECKS PAID	0.18000	136	24.48
22015	151353	WELLSIMAGE PAID CHECK PER CD	66.00000	1	66.00
		PAPER DISBURSEMENT SERVICES Subtotal			187.90
34337	200201	CEO CHECK ISSUES-ITEM	0.05000	152	7.60
12687	209999	ARP AGED ISSUE RECORDS ON FILE-ITEM	0.00600	40	0.24
12377	200201	ARP FULL RECON-ITEM	0.09000	134	12.06
12060	200010	ARP MONTHLY BASE - FULL	50.00000	1	50.00
34350	200306	CEO ARP STMT & RPTS MONTHLY BASE	0.00000	1	0.00
		PAPER DISBURSEMENT RECON SERVICES Subtotal			69.90

WF	AFP				Service
Code	Code	Service Description	Unit Price	Volume	Charges
CK018	250201	ELECTRONIC CREDITS POSTED	0.08000	289	23.12
34342	250400	ACH CEO RETURN SUBSCRIPTION - ITEM	0.20000	123	24.60
34340	250400	ACH CEO RETURN SUBSCRIPTION-ACCOUNT	5.00000	3	15.00
ES344	250202	ACH RECEIVED ITEM	0.05000	143	7.15
06505	250302	ACH RETURN ADMIN -ELECTRONIC	0.27500	5	1.38
06502	250302	ACH RETURN ITEM-ELECTRONIC	0.27500	5	1.38
ES803	250500	ACH PAYMENTS ONLINE BATCH RELEASE	3.00000	7	21.00
34377	250000	ACH PAYMENTS BASE FEE	25.00000	2	50.00
ACH1D	250102	ACH PAYMENTS ONE DAY ITEM	0.08000	4	0.32
ACH2D	250102	ACH PAYMENTS TWO DAY ITEM	0.08000	1,322	105.76
70035	250102	SMART DECISION-BRANCH ACH	0.11000	5	0.55
34333	251050	ACH CEO FRAUD FILTER REVIEW MO BASE	0.00000	3	0.00
34335	251053	ACH CEO FRAUD FILTER REVIEW - ITEM	0.50000	2	1.00
ES481	250302	ACH NOC - INFO REPORTING ADVICE	0.25000	2	0.50
		GENERAL ACH SERVICES Subtotal			251.75
34260	400054	CEO DEPOSIT DETAIL MAINTENANCE	0.00000	1	0.00
34123	40022Z	CEO EVENT MESSAGING SERVICE - EMAIL	0.00000	129	0.00
27707	400340	CEO SEARCH	0.99000	2	1.98
46100	40005Z	CEO BASIC BANKING - MONTHLY BASE	25.00000	1	25.00
46102	40005Z	CEO BASIC BANKING ADDL ACCT-MO BASE	5.00000	2	10.00
15017	400003	DESKTOP DEPOSIT MONTHLY BASE	0.00000	1	0.00
		INFORMATION SERVICES Subtotal			36.98
		Total Analyzed Charges			818.30
		*Total Fee Based Charges			0.00
		Total Service Charges			1,334.89
		•			

For additional service definitions, please contact your Treasury Management Sales Consultant or visit: www.wellsfargo.com/accountanalysis

Exhibit B - CLIENT ANALYSIS STATEMENT



RELATIONSHIP SUMMARY

AUGUST 2018

WELLS FARGO BANK, N.A.
NORTHERN CAL SMG GNP
1995 EL CAMINO REAL, 3RD FLOOR, STE 302
SANTA CLARA, CA 95050-4066

Officer: Phone No.:

BEAUMONT CHERRY VALLEY WATER DISTRICT 560 MAGNOLIA AVE BEAUMONT*CA*92223-2258

Average Positive Collected Balance	\$	1,013,737.14
Investable Balance Available for Services	=	1,013,737.14
Earnings Allowance@ 0.40%	\$	344.39
Net Earnings Allowance	=	344.39
Current Month Analyzed Charges	-	1,807.82
Current Month Position	=	(1,463.43)
Net Shortfall Due	\$	1.463.43
	Ť	1,400.40
Total Amount Due	\$	1,463.43

Number of days this cycle:

Investable balance required to offset \$1.00 of analyzed charges:

Balance required to cover all analyzed charges:

\$ 5,321,406

TOTAL AMT DUE WILL BE DEBITED TO ACCT

ON SEP 11, 2018.

BALANCE SUMMARY

Account Number	Account Name	Average <u>Ledger</u>	Average Collected	Average Daily Negative Coll	Regative Coll Use of Fund Rate	Service Charge
	BEAUMONT CHERRY VALLEY WATER DIST	1,036,477.33	1,013,737.14	0.00	0.00%	1,311.06
	BEAUMONT CHERRY VALLEY WATER DIST	0.00	0.00	0.00	0.00%	119.82
	BEAUMONT CHERRY VALLEY WATER DIST	0.00	0.00	0.00	0.00%	376.94

^{*} Indicates billing account

SERVICE DETAIL

Svc	AFP	Service	Unit		Service
Code	Code	Description	Price	Volume	Charges
IAMTH	00 0230	RECOUPMENT MONTHLY 0.	12750	1,036.48	132.15
		BALANCE & COMPENSATION INFORMATION			132.15
15007	01 0101	DESKTOP DEPOSIT-DEPOSIT CREDITED 1.	10000	51.00	56.10
DS510	01 0020	ZERO BALANCE MASTER ACCOUNT MAINT	00000	1.00	50.00
22051	01 0000	ACCT MAINTENANCE 22.	00000	3.00	66.00
DS001	01 0021	ZERO BALANCE MONTHLY BASE 0.4	00000	2.00	0.00
CK021	01 0100	DEBITS POSTED 0.3	20000	65.00	13.00
		GENERAL ACCOUNT SERVICES			185.10
34236	10 0416	CEO RETURN DECISIONING PER ITEM 0.3	25000	15.00	3.75
70025	10 9999	SMART DECISION-ELEC CHECK ACH 0.	10500	2,080.00	218.40
70029	10 9999	SMART DECISION-ELEC CHECK ACH ONUS 0.6	07700	479.00	36.88
08052	10 0006	BRANCH DEPOSIT 1.	40000	22.00	30.80
CK461	10 0453	RETURN ITEM CONVERTED	<mark>50092</mark> ge 20 of 118	4.00	14.00

CLIENT ANALYSIS STATEMENT

WELLS
FARGO

CK464	10 0453	RETURN ITEM CONVERTED CHK CHGBK IRD	4.00000	4.00	16.00
701	10 0220	DESKTOP DEPOSIT-DEPOSITED ITEM ONUS	0.15000	13.00	1.95
706	10 0220	DESKTOP DEPOSIT-DEPOSITED ITEM ONOS DESKTOP DEPOSIT-DEPOSITED ITEM	0.15000	76.00	11.40
741	10 0224	WF ELEC DEPOSIT-DEPOSITED ITEM ONUS	0.05500	45.00	2.48
746	10 0220	WF ELEC DEPOSIT-DEPOSITED ITEM	0.08500	823.00	69.96
790	10 0224	ELECTRONIC DEPOSIT - DEP ADJUSTMENT	17.00000	1.00	17.00
CK161	10 0230	CASH DEPOSITED IN WE BRANCH	0.00150	46,921.00	70.38
CK101				40,921.00	
	10 0040	CASH ORDER FEE IN A WF BRANCH	5.25000		21.00
CK141 CK061	10 0040	CURRENCY FURNISHED BY WF BRANCH	0.00130 12.00000	559.00 1.00	0.73 12.00
	10 0400 10 0416	RETURN ITEM - CHARGEBACK			
CK062		CEO RETURN ITEM RETRIEVAL-IMAGE	0.25000	17.00	4.25
CK064 CK066	10 0416 10 0404	CEO RETURN ITEM SERVICE MTHLY BASE	0.00000 2.25000	1.00 4.00	0.00 9.00
		ADMIN RETURN ITEM-REPAIRED ACH ITEM RETURN ITEM REDEPOSITED	8.00000		
CK075	10 0402		(8.00000)	2.00	16.00
12601	15 0020	DEPOSITORY SERVICES POSITIVE PAY ONLY MONTHLY BASE	11 00000	1.00	555.98 11.00
12681 12682	15 0030 15 0120	POSITIVE PAY ONLY - ITEM	11.00000 0.08000	10.00	0.80
12002					
22020	15 0030 15 1350	POSITIVE PAY MONTHLY BASE	11.00000 40.00000	1.00 1.00	11.00 40.00
22020	15 1350	WELLSIMAGE PAID CHECK MONTHLY BASE WELLSIMAGE PAID CHECK PER CD	66.00000	1.00	66.00
22202		DDA CHECKS PAID			
DS191	15 0100 15 0122	PAYEE VALIDATION STANDARD-ITEM	0.18000 0.03500	136.00 136.00	24.48 4.76
22810	15 0500	WF CHK CASHED FOR NONACCT HOLDER	7.50000	2.00	15.00
DS255	15 1399	WELLSIMAGE PAID CHECK PER ITEM	0.08800	112.00	9.86
DSZSS	13 1399	PAPER DISBURSEMENT SERVICES	0.08800	112.00	182.90
34337	20 0201	CEO CHECK ISSUES-ITEM	0.20000	152.00	30.40
12060	20 0010	ARP MONTHLY BASE - FULL	100.00000	1.00	100.00
12377	20 0201	ARP FULL RECON-ITEM	0.09000	134.00	12.06
12687	20 9999	ARP AGED ISSUE RECORDS ON FILE-ITEM	0.00600	40.00	0.24
34350	20 0306	CEO ARP STMT & RPTS MONTHLY BASE	10.00000	1.00	10.00
34330	20 0300	PAPER DISBURSEMENT RECON SERVICES	10.00000	1.00	152.70
CK018	25 0201	ELECTRONIC CREDITS POSTED	0.20000	289.00	57.80
34340	25 0400	ACH CEO RETURN SUBSCRIPTION-ACCOUNT	5.00000	3.00	15.00
34342	25 0400	ACH CEO RETURN SUBSCRIPTION - ITEM	0.20000	123.00	24.60
ES344	25 0202	ACH RECEIVED ITEM	0.10000	143.00	14.30
06502	25 0302	ACH RETURN ITEM-ELECTRONIC	0.27500	5.00	1.38
06505	25 0302	ACH RETURN ADMIN -ELECTRONIC	0.27500	5.00	1.38
ES803	25 0500	ACH PAYMENTS ONLINE BATCH RELEASE	5.00000	7.00	35.00
ACH1D	25 0102	ACH PAYMENTS ONE DAY ITEM	0.25000	4.00	1.00
ACH2D	25 0102	ACH PAYMENTS TWO DAY ITEM	0.25000	1,322.00	330.50
34377	25 0000	ACH PAYMENTS BASE FEE	25.00000	2.00	50.00
70035	25 0102	SMART DECISION-BRANCH ACH	0.11000	5.00	0.55
34333	25 1050	ACH CEO FRAUD FILTER REVIEW MO BASE	0.00000	3.00	0.00
34335	25 1053	ACH CEO FRAUD FILTER REVIEW - ITEM	10.00000	2.00	20.00
ES481	25 0302	ACH NOC - INFO REPORTING ADVICE	0.25000	2.00	0.50
20401	20 0002	GENERAL ACH SERVICES	0.2000	2.00	552.01
15017	40 0003	DESKTOP DEPOSIT MONTHLY BASE	0.00000	1.00	0.00
27707	40 0340	CEO SEARCH	0.99000	2.00	1.98
34123	40 022Z	CEO EVENT MESSAGING SERVICE - EMAIL	0.00000	129.00	0.00
34260	40 0054	CEO DEPOSIT DETAIL MAINTENANCE	0.00000	1.00	0.00
46100	40 005Z	CEO BASIC BANKING - MONTHLY BASE	25.00000	1.00	25.00
46102	40 005Z	CEO BASIC BANKING ADDL ACCT-MO BASE	10.00000	2.00	20.00
		INFORMATION SERVICES			46.98

Total Analyzed Charges 1,807.82
Total Fee Based Charges 0.00
Total Service Charges 1,807.82

BCVWD

Comparison of Existing and Proposed Wells Fargo Contracted Service Charges

Average Monthly	verage iviolitiiiy	Savings with	Proposed Charges	(25.00)	(7.00)	(7.00)	(7.00)	(4.56)	(2.64)	(0.48)	(00.9)	(00.9)	(7.00)	(5.00)	(1.80)	(17.40)	(50.00)	(10.00)	(30.24)	(1.32)	(2.28)	(2.90)	(1.10)	(0.20)	(8.00)	(00.9)	(32.36)	(180.88)	(28.50)	(2.00)	5.00	(456,66)
Δνουσφο			Volume Pro	1	1	Н	П	38	22	4	4	8	1	1	12	116	П	Н	252	11	19	118	22	4	4	3	208	1064	3	П	1	
	Change in	Service Price		(25.00)	(7.00)	(7.00)	(7.00)	(0.12)	(0.12)	(0.12)	(1.50)	(2.00)	(7.00)	(2.00)	(0.15)	(0.15)	(20.00)	(10.00)	(0.12)	(0.12)	(0.12)	(0.05)	(0.05)	(0.05)	(2.00)	(2.00)	(0.17)	(0.17)	(9.50)	(2.00)	5.00	(136.51)
Proposed	rioposed	Cost for	Service	25.00	15.00	15.00	15.00	0.08	0.08	0.08	2.00	2.00	5.00	3.00	0.05	0.05	50.00	ı	0.08	0.08	0.08	0.05	0.05	0.05	3.00	3.00	0.08	0.08	0.50	5.00	5.00	149.39
Original	0 18 1a	Cost for	Service	50.00	22.00	22.00	22.00	0.20	0.20	0.20	3.50	4.00	12.00	8.00	0.20	0.20	100.00	10.00	0.20	0.20	0.20	0.10	0.10	0.10	5.00	5.00	0.25	0.25	10.00	10.00	1	285.90
				DDADS510 01 0020 ZERO BALANCE MASTER ACCOUNT MAINT	DDA22051 010000 ACCT MAINTENANCE (GF)	DDA22051 010000 ACCT MAINTENANCE (PR)	DDA22051 010000 ACCT MAINTENANCE (AP)	DDACK021 01 0100 DEBITS POSTED (GF)	DDACK021 01 0100 DEBITS POSTED (PR)	DDACK021 010100 DEBITS POSTED (AP)	DDACK461 10 0453 RETURN ITEM CONVERTED CHK REDEPOSIT	DDACK464 10 0453 RETURN ITEM CONVERTED CHK CHGBK IRD	DDACK061 10 0400 RETURN ITEM - CHARGEBACK	DDACK075 10 0402 RETURN ITEM REDEPOSITED	DDA34337 20 0201 CEO CHECK ISSUES-ITEM (PR)	DDA34337 20 0201 CEO CHECK ISSUES-ITEM (AP)	DDA12060 20 0010 ARP MONTHLY BASE - FULL	DDA34350 20 0306 CEO ARP STMT & RPTS MONTHLY BASE	DDACK018 25 0201 ELECTRONIC CREDITS POSTED (GF)	DDACK018 25 0201 ELECTRONIC CREDITS POSTED (PR)	DDACK018 25 0201 ELECTRONIC CREDITS POSTED (AP)	DDAES344 25 0202 ACH RECEIVED ITEM (GF)	DDAES344 25 0202 ACH RECEIVED ITEM (PR)	ACH RECEIVED ITEM	DDAES803 25 0500 ACH PAYMENTS ONLINE BATCH RELEASE (PR)	DDAES803 25 0500 ACH PAYMENTS ONLINE BATCH RELEASE (AP)	DDAACH1D 25 0102 ACH PAYMENTS ONE DAY ITEM	DDAACH2D 25 0102 ACH PAYMENTS TWO DAY ITEM	DDA34335 25 1053 ACH CEO FRAUD FILTER REVIEW - ITEM	DDA46102 40 005Z CEO BASIC BANKING ADDL ACCT-MO BASE	MD091 15 0240 PYMT AUTH MAX CHECK MTHLY BASE (NEW)	Totals

(5,479.92)	Potential annual savings
(456.66)	Average Monthly Savings



Item 5

STAFF REPORT

TO: Board of Directors

FROM: Daniel Jaggers, General Manager

SUBJECT: Discussion of Proposed new alignment for existing water line through 9087

Avenida Miravilla (formerly known as Assessor's Parcel Nos. 401-190-034 and

401-190-033 located on Nonie Court) in the Community of Cherry Valley

Staff Recommendation

No recommendation. Information only.

Background

At the August 23, 2018 Board Meeting, District Staff presented a Staff Report (See Attachment 1) for discussion of Application for Water Service on Parcel Nos. 401-190-035, 401-190-034, and 401-190-033 located on Nonie Court in the Community of Cherry Valley. The August 2018 Staff Report identified that the owner of the 3 parcels would be merging them into 1 parcel for a single residence, along with the abandonment of Nonie Court.

The project was originally approved by the District with the condition that a water main extension be provided by the Developer. This extension required approximately 1,400 LF of water main (Figure 1 of Attachment 1). In February 2018, District Staff identified an alternative main line to the original agreed upon extension. This alternative (Figure 2 of Attachment 1) consists of approximately 560 LF of water main and would require additional easements from nearby property owners.

The owner of the property (Tim Daniels) provided correspondence to the District which stated that the two provided options were cost prohibitive for one single-family residence and asked if due to the lot configuration, the District explore alternate solutions. In the August 23, 2018 Staff Report, Staff had identified two additional alternatives (Figures 3 and 4 of Attachment 1) to facilitate the connection to a single-family residence. Figure 3 would require a main extension consisting of approximately 387 LF of pipeline and would need to align down Avenida Miravilla. Figure 4 proposed the abandonment of a portion of the existing 4" main line which runs through the project parcel and realigns the line southeasterly. There are parcels which are served off the existing line that would require connection to the 3330 Pressure Zone (lower zone than 3394 Pressure Zone), so these parcels would experience lower pressure than they currently receive today. Board members indicated they would not support the reduction in service pressure.

The property owner has since contacted District Staff to determine if there could be any other possible solutions available that would involve the existing 4" water line. District Staff recently met the property owner at the site on January 9, 2019 and discussed the



Item 5

various nuances with the existing 4" waterline as well as its inability to provide adequate fire flow. The property owner had indicated that the property is encumbered by an MSHCP (Multi-Species Habitat Conservation Plan) zone over portions of the property with certain areas identified as "No Disturbance" (See Attachment 2). District Staff has recently worked with Riverside County to confirm whether or not the existing waterline could be realigned through the property (as depicted in Attachment 3); and the County has indicated that the pipeline can be realigned.

District Staff indicated to the owner that the proposed realignment would not be considered until both the County had confirmed that the alignment would be deemed acceptable and the realignment was brought before the Board of Directors. Additionally, the cost of the realignment over the property would be burdened by the property owner.

Further south, the pipeline is old and has reached the end of its useful service life, so at the point where the property owner brings the pipeline back into the existing alignment, District Staff also recommends working with the property owners to the south to determine the best alignment for replacement of the southerly portion of the existing pipeline. It is estimated that the District might construction approximately 620 LF of new realigned 4" replacement water line. The District costs for this realignment will be brought before the Board in the near future.

Fiscal Impact

- The fiscal impact to the District for the water line which is realigned through the
 property known as 9087 Nonie Court and to the location where it would tie to the
 existing alignment to the south will be none. The costs will be the responsibility of
 the property owner.
- The fiscal impact to the District for the realignment of the remaining water line to the south is undetermined at this time. District Staff will determine a feasible alignment by working with the property owners and determine costs based on that alignment.

<u>Attachments</u>

Attachment 1 – August 23, 2018 Staff Report – Item 9.

Attachment 2 – Riverside County MSHCP Exhibit for 9087 Avenida Miravilla

Attachment 3 – Alternative 4" Waterline Realignment across 9087 Avenida Miravilla

Report prepared by Mark Swanson, Senior Engineer

Attachment 1



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

Item 09

STAFF REPORT

TO: Board of Directors

FROM: Daniel Jaggers, 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 though 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.



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.



Item 09

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)

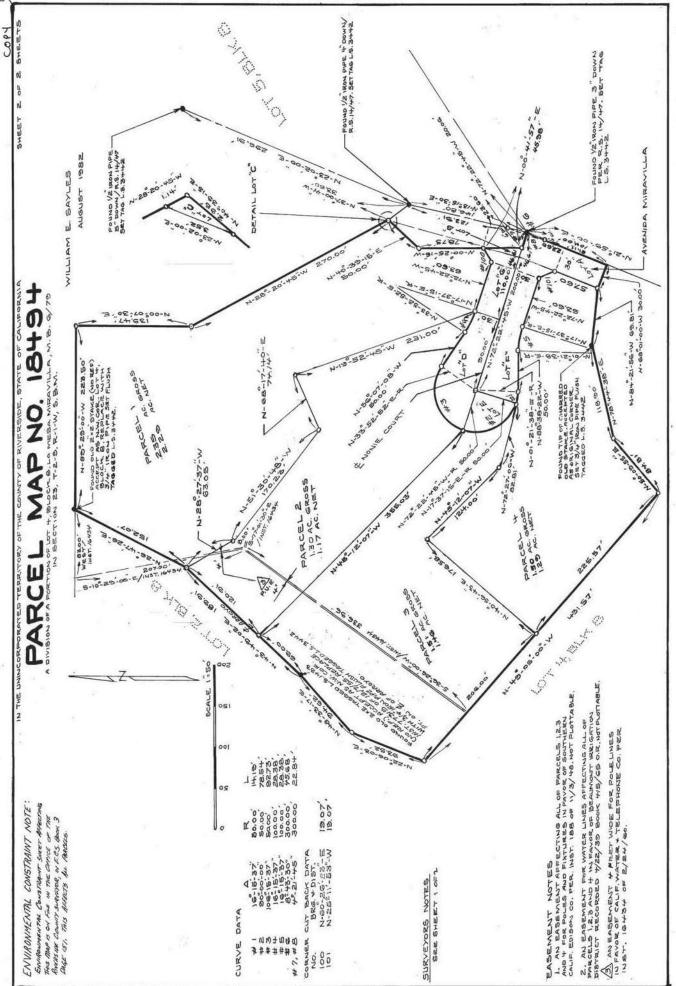
Figure 4 – Site Detail (Current Proposed Extension Option 2)

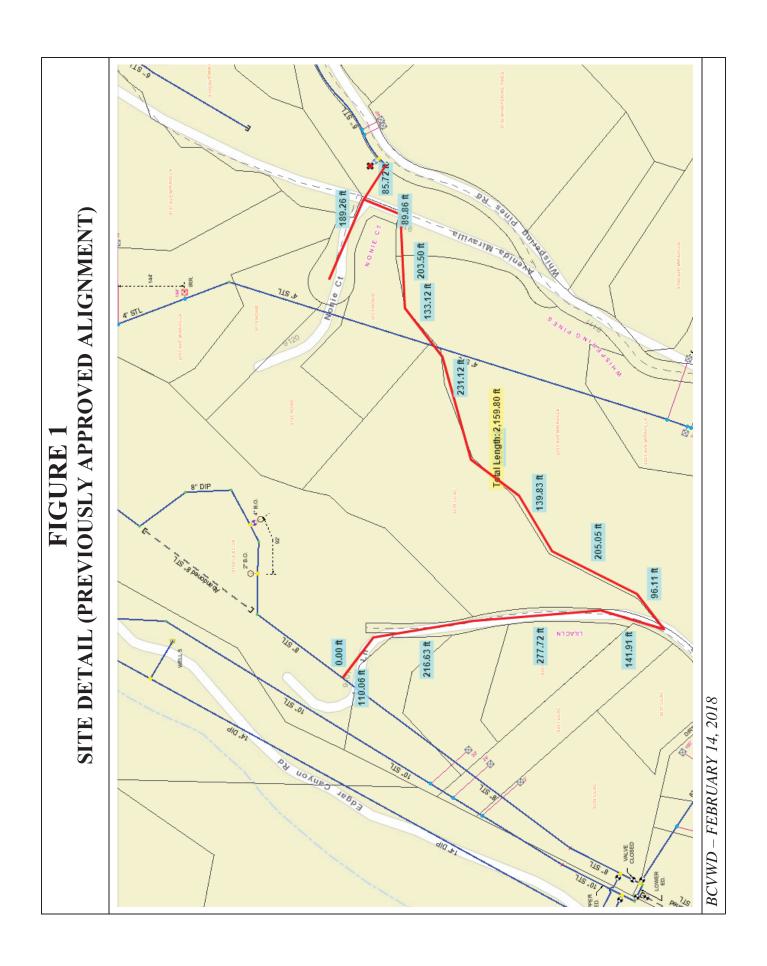
Exhibit A – Water Service "Will Serve Letter" Request from current land owner (Applicant)

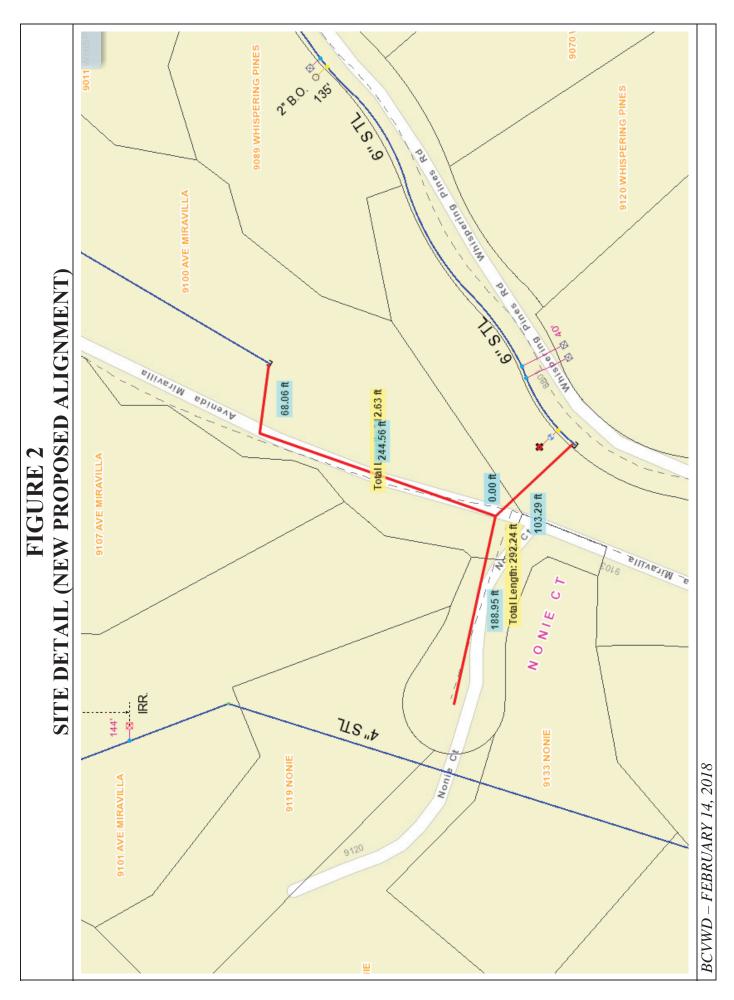
Exhibit B – Original Water Service correspondence and preliminary plan of service and fire flow report.

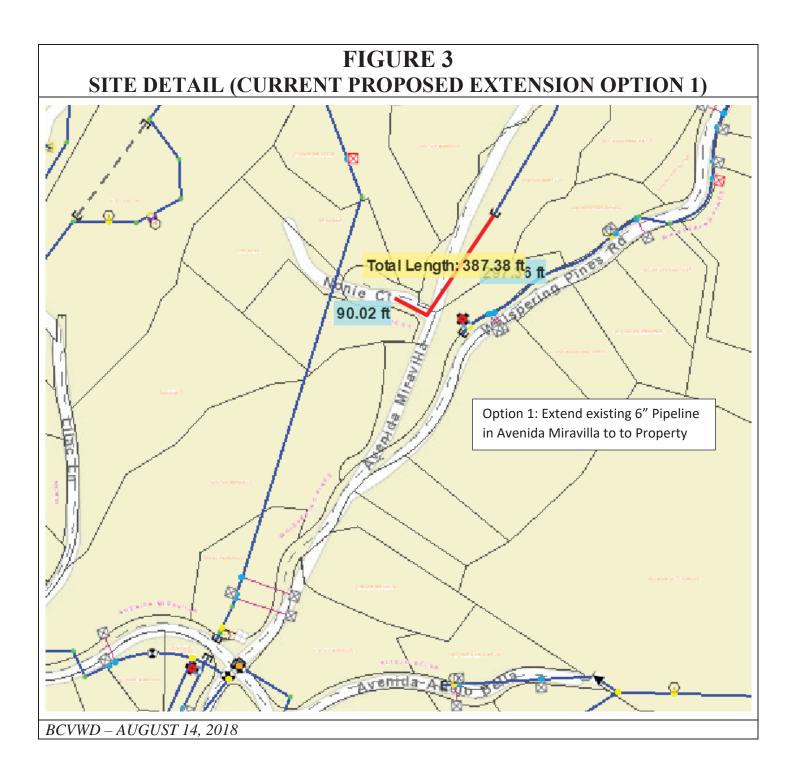
Report prepared by Kaden E. Johnsen

PM.113/6









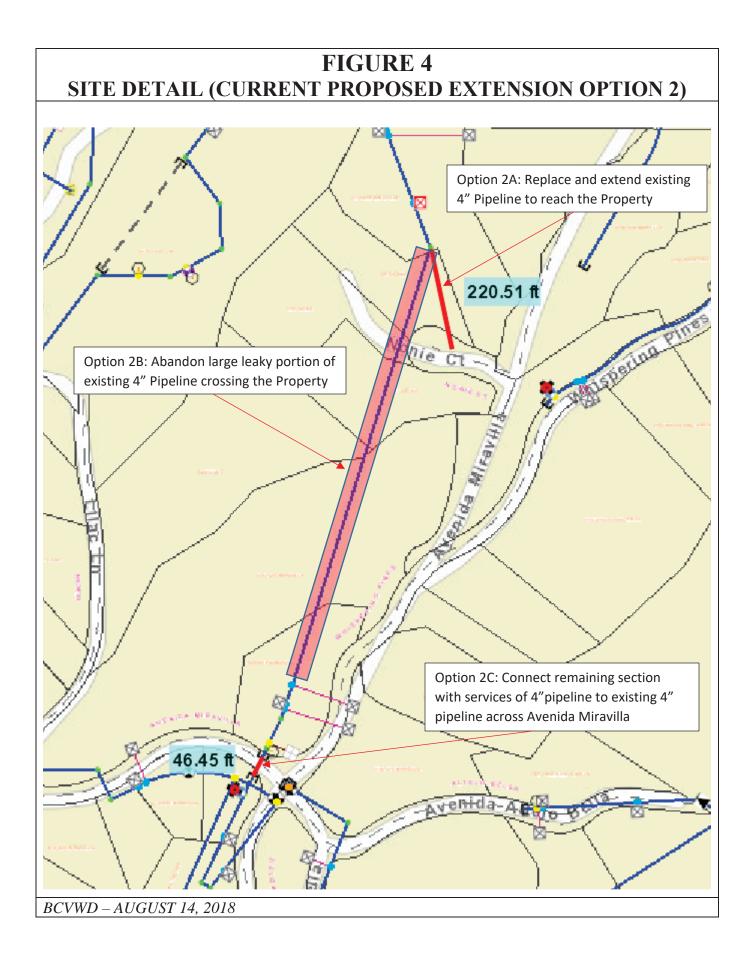


Exhibit A

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 acceptation 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 acceptation 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

Kehneth 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.)

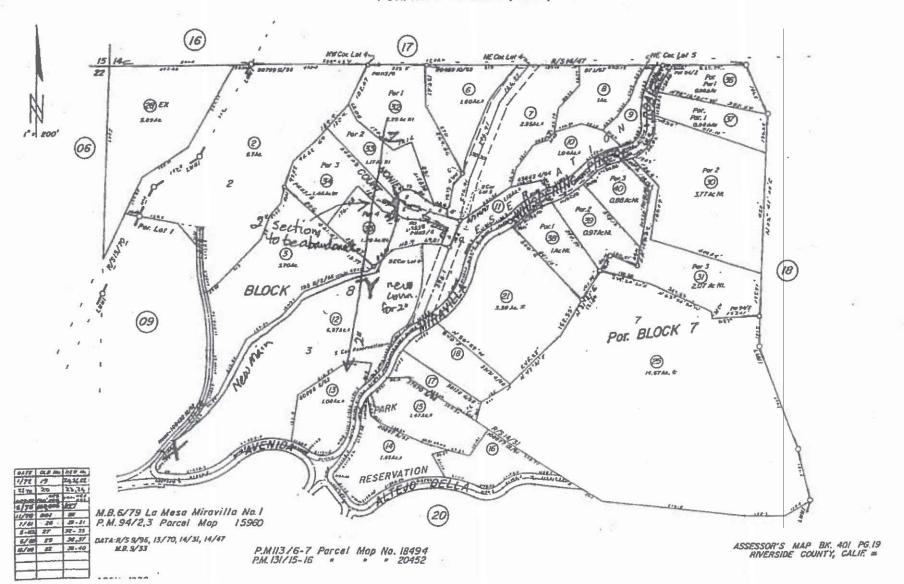
At the western end of Nonie Ct, 3 @1" connections will be provided to supply 3 single-family residences, one each on lots 33, 34, and 35, as indicated on the attached map. Subject to approval of this proposal, lot 34 is going to be developed by us for our personal residence.

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.



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, Lot34 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 "Grantce," 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

Page 1 of 5

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. <u>Easement Grant</u>. 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

Page 2 of 5

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. <u>Easement Location</u>. 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. <u>Conditions and Limitations</u>. 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. <u>Grantor's Costs.</u> 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. <u>Term of Easement</u>. 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. <u>Entire Agreement</u>. 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. <u>Binding Effect</u>. 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:

Haloga to Holywan

REBECCA HOFTMAN

BENEFICIARY:

Page 5 of 5

Agreement to Grant Easement 05.0321

STATE OF CALIFORNIA COUNTY OF RIVERSIDE	} } ss. }	
On 3/29/05, before me, Teresa California, personally appeared David Hoffman, Rebecca and Carmen Wisdom	Hoffman	
Personally known to me (or proved to me person (s) whose name(s) is/are subscribed the he/she/they executed the same in his/his/her/their signature(s) on the instrument the person(s) acted, executed the instrument	to the within instru her/their authorized nt the person(s), or	ment and acknowledged to me d capacity (ies), and that by
WITNESS my hand and official seal. Signature Leven dutuma y	tourg	TERESA AUTUMN YOUNG COMM. #1417576 NOTARY PUBLIC - CALIFORNIA RIVERSIDE COUNTY MY COMM. EXPIRES MAY 13, 2007
	3,1	
DESCRIPTION OF ATTACHED DOCUMENT Water agree	ement	16
NUMBER OF PAGES 5		
DATE OF DOCUMENT 3/29/	05	
SIGNER(S) OTHER THAN NAMED ABOVE	none	
		



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

FACSIMILE TRANSMITTAL SHEET

	Comm	ents:		,,,,			
Urgent		ent	☐ For Review ☐ Please	☐ Please R	eply	Please Recycle	
	Re:	Nonie Court		cc:			
	Phone:	909.792.1422		Date:	4/6/2006		
	Fax:	909.335.6374		Pages:	5 (includ	ling cover)	
	To:	Ken Matthews		From:	Julie Sali	nas	

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", (superhead) 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.

Page 2 of 3

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.



http://www.bcvwd.org

Beaumont-Cherry Valley Water District

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

February 14, 2018

Board of Directors

David Hoffman Division 5

John Covington Division 4

Daniel Slawson 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

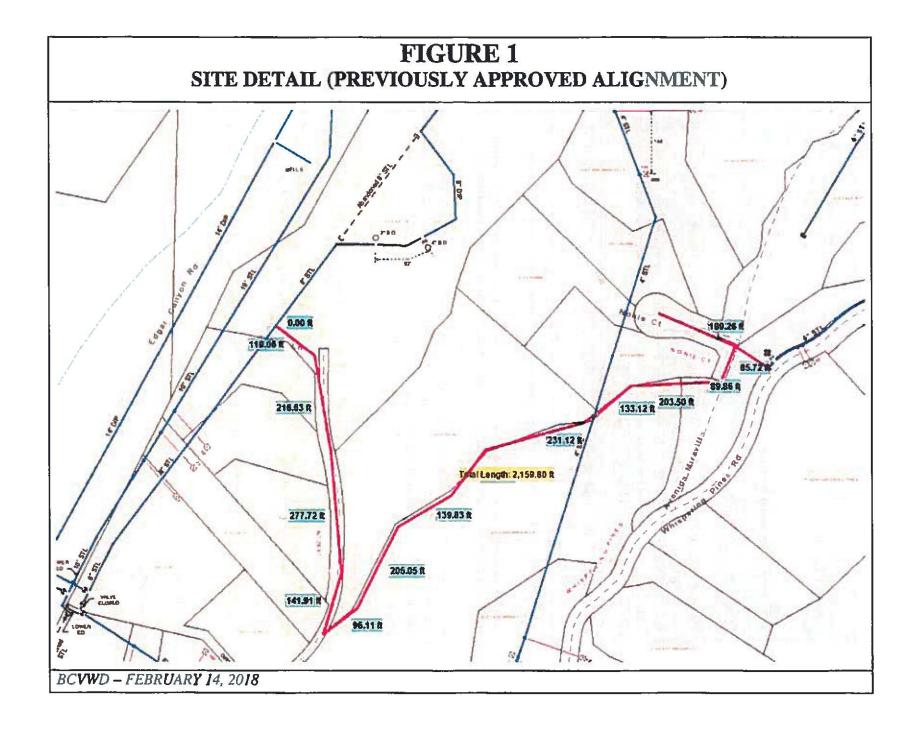
General Manager

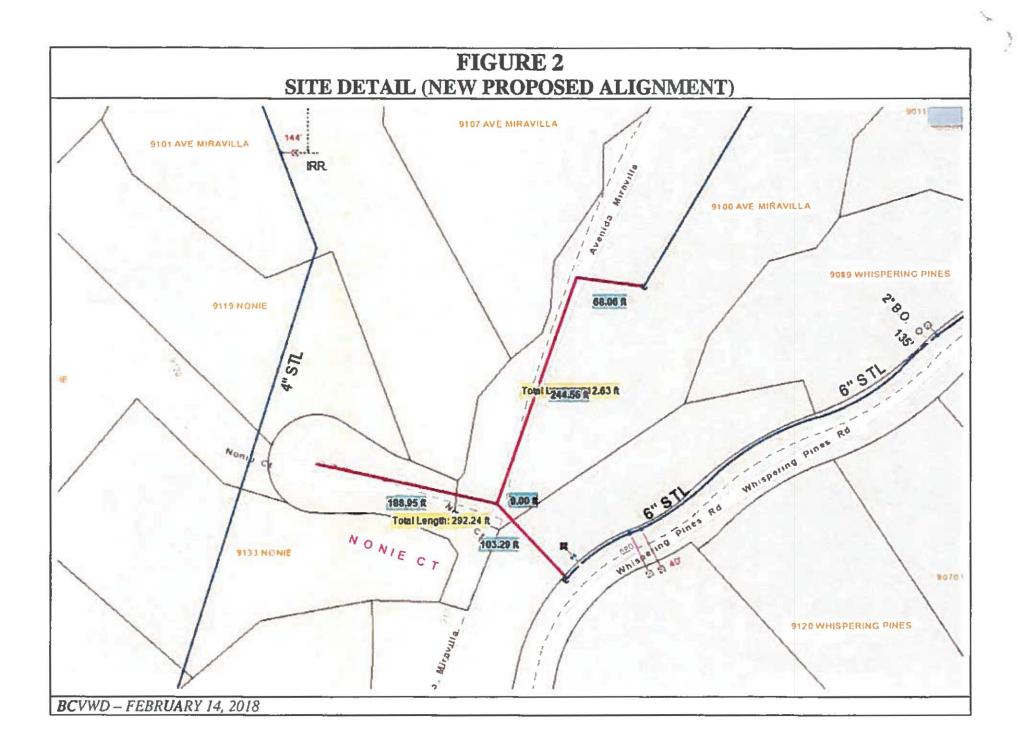
Attachment: Figure 1 - Site Detail (Previously approved alignment)

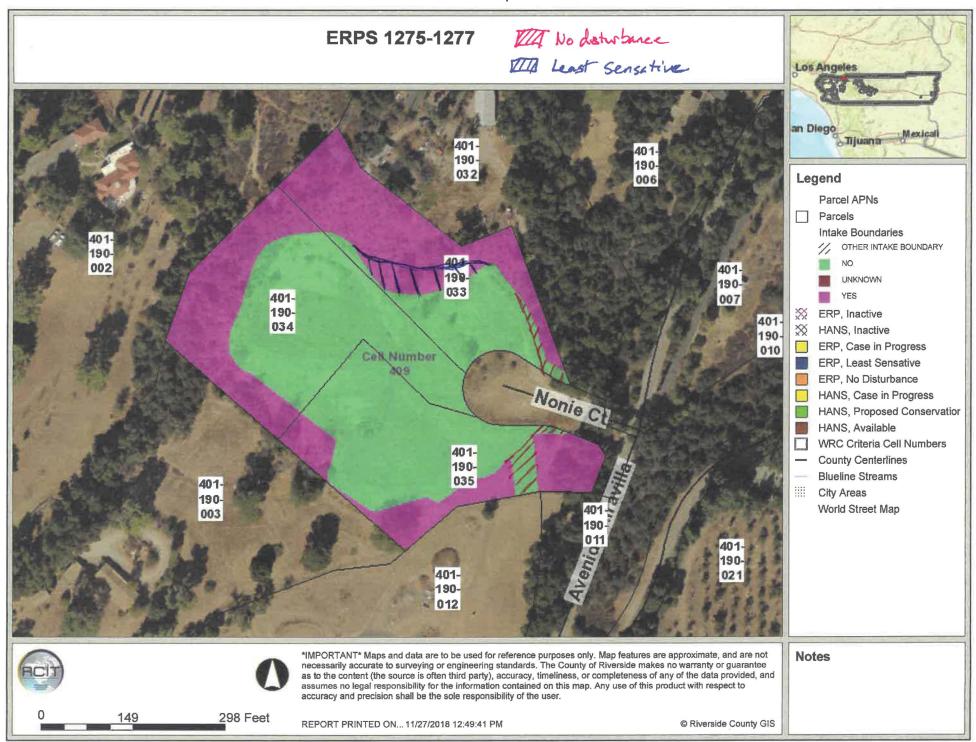
Figure 2 - New Alignment

DKJ/new

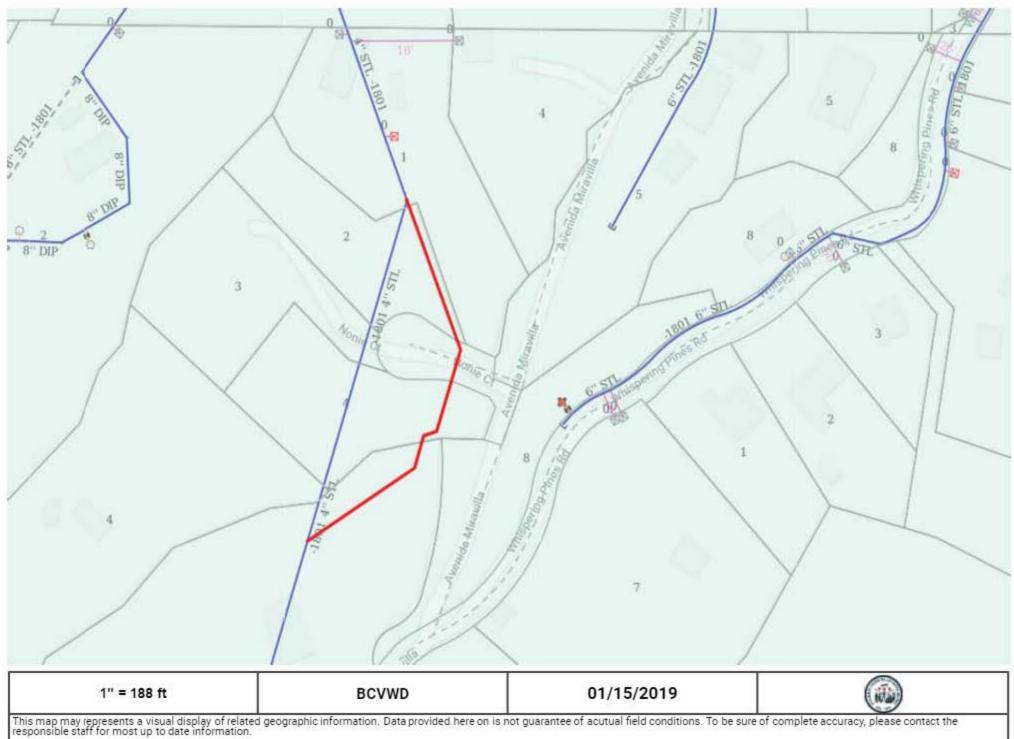
560 Magnolia Avenue Beaumont CA 92223







Attachment 3 - Alternative 4" Waterline Realignment acress 9087 Avenida Miravilla





Beaumont-Cherry Valley Water District Regular Board Meeting January 24, 2018

Item 6

STAFF REPORT

TO: Board of Directors

FROM: Dan Jaggers, General Manager

SUBJECT: Discussion regarding the SGPWA and Sites Project Authority 2019 Reservoir

Project (Phase 2 Participation Agreement), Associated 2019 and Ongoing Costs and Presentation by Jeff Davis, General Manager of San Gorgonio Pass Water

Agency

Staff Recommendation

No recommendation. Information only.

Background

In a letter dated January 11, 2019 and received by the District on January 14, 2019, SGPWA General Manager Jeff Davis identified that the SGPWA Board will consider taking action to enter into the Sites Project Authority 2019 Reservoir Project Agreement and requested BCVWD's ongoing participation. Said Agreement will be for only the 2019 year and will expire on December 31, 2019. In order to continue participation beyond 2019, each member will be required to submit, in writing, their desire to continue participation. This participation requires the District to pay SGPWA \$60 per Acre Foot (AF) for its share of 4,000 AF of 14,000 AF for the 2019 Agreement. This equates to \$240,000. Said letter also indicates that an additional payment of \$27,790.50 would be due sometime in 2019 to convert BCVWD's 1,146 AF of Phase 1, Class 2 Water to Class 1 water status.

Staff has identified some concerns regarding the January 11, 2019 letter and general attitude of SGPWA's staff and legal counsel. Said concerns are as follows:

- 1. The Agreement between SGPWA and BCVWD, titled Agreement Sites Reservoir Project Participation in Phase I Reservoir Project Agreement, does not outline either agency's rights and/or responsibilities once the Project has progressed out of Phase I.
- 2. The January 11, 2019 letter from SGPWA does not provide a clear migration of the District's 4,000 AF purchase as it moves from the Phase I Agreement between the SGPWA and the District into the 2019 Reservoir Project Agreement activities (other than an indication in the January 11, 2019 SGPWA Subject Line).
- 3. There is no clear definition of what will transpire if the SGPWA decides not to pursue participation in the Sites Reservoir after 2019 should BCVWD like to continue participation in the Sites Reservoir Project.

Fiscal Impact

The fiscal impact to the District to participate in the Sites Project Authority 2019 Reservoir Project Agreement will be \$240,000 and will be paid with Facilities Fees.

Attachment(s)

- 1. January 11, 2019 Letter from SGPWA General Manager, Jeff Davis
- 2. Sites Project Authority 2019 Reservoir Project Agreement Dated as of April 1, 2019 by and among Sites Project Authority and the Project Agreement Members Listed Herein
- 3. Agreement Sites Reservoir Participation in Phase I Reservoir Project Agreement

Staff Report prepared by Erica Gonzales, Administrative Assistant



San Gorgonio Pass Water Agency

A California State Water Project Contractor 1210 Beaumont Avenue • Beaumont, CA 92223 Phone (951) 845-2577 • Fax (951) 845-0281



BY:

January 11, 2019

Dan Jaggers, General Manager Beaumont-Cherry Valley Water District 560 Magnolia Avenue

Beaumont, CA 92223

Vice President: Ronald Duncan

President:

David Fenn

Re: Sites Reservoir Project ("Project") Participation in Phase 2 Reservoir Project Agreement ("Phase 2")

Cost Share Payment Due by Beaumont Cherry Valley Water District Treasurer: ("District") (Corrected) Leonard Stephenson

Dear Dan:

Pursuant to the District's desire to participate in the San Gorgonio Pass Water Agency's ("Agency") share of 2019 Project costs, please submit payment of the following amount: \$240,000 (\$60 per AF for 4000 AF). Due to the deadline imposed on the Agency by the Project, payment from the District should be made on or before February 15, 2019. Background and an update are set forth below.

Background

Public agencies in the Sacramento River Watershed entered into the Fourth Amended and Restated Sites Project Authority Joint Exercise of Powers Agreement, dated November 21, 2016, which provides that said agencies ("Members") have formed the Sites Project Authority ("Authority") to develop the Sites Reservoir Project ("Project") and which provides for "Project Agreements" to undertake specific work activities for development of the Project.

On April 16, 2016, certain Members entered into a Phase 1 Reservoir Project Agreement and invited additional Members and Non-Member Participating Parties to become part of the Phase 1 Reservoir Project Agreement. The Agency Board took action to submit a proposal to the Authority to become a Non-Member Participating Party through the purchase of 14,000 acre-feet ("AF") of Class 1 water. The Agency Board also took action to provide an opportunity to the District to purchase 4,000 AF of the Agency's 14,000 AF requested amount.

On July 27, 2016, the District Board took action to participate with the Agency in the amount of 4,000 AF. On January 17, 2017, the Agency Board took action to enter into the Sites Project Authority's Amended and Restated Phase 1 Reservoir Project Agreement and to make the financial commitment required for Agency's participation in Phase 1. Based on the Agency's participation in Phase 1, the District agreed to purchase a portion of the Agency's participation in Phase 1.

Directors:

Dr. Blair M Ball David Castaldo Stephen Lehtonen Michael Thompson

General Manager & Chief Engineer: Jeff Davis, PE

Legal Counsel: Jeffry Ferre

Update

The Agency Board will consider taking action on January 22, 2019 to enter into the Sites Project Authority 2019 Reservoir Project Agreement ("2019 Agreement") and to make the financial commitments required for the Agency's participation in 2019. The 2019 Agreement sets forth the 2019 budget and the work plan for 2019. The pro rata share of the budget required to be paid by Members (including the Agency) is set forth in the 2019 Agreement. The 2019 Agreement will expire on December 31, 2019, unless extended in writing by the parties/Members. A copy of the 2019 Agreement, including the exhibits which explain the payment obligations, is enclosed.

For the 2019 Agreement, all Class 2 and Class 1 water requested by the Agency is maintained. Thus, the Agency has available to it all 14,000 AF requested (of which 4,000 AF was requested by the District). The 2019 cost per AF, taking into consideration outside financial contributions, is \$60 per AF. Payment of this amount will enable the Agency to continue its participation in the Project through December 31, 2019.

In addition to this \$240,000 required by February 15, the Agency will also ask the District for an additional \$24.25 per AF as a payment to convert all Class 2 water to Class 1 water. This amounts to \$27,790.50 for the 1146 AF of Class 2 water held by BCVWD. The Agency will be invoicing the District for this amount at some point in the near future, probably in the first quarter of 2019. We are not asking for these funds at this time.

The Agency looks forward to continuing this partnership with the District. The District's timely payment of the above-mentioned \$240,000 is greatly appreciated.

Sincerely,

Jeff-Davis

General Manager

Enclosure: Sites Project Authority 2019 Reservoir Project Agreement

SITES PROJECT AUTHORITY

2019 RESERVOIR PROJECT AGREEMENT

DATED AS OF APRIL 1, 2019

BY AND AMONG

SITES PROJECT AUTHORITY

AND

THE PROJECT AGREEMENT MEMBERS LISTED HEREIN

TABLE OF CONTENTS

Section 1	Definitions	2
Section 2	Purpose	3
Section 3	Reservoir Project Committee	3
Section 4	Funding	5
Section 5	Participation Percentages	6
Section 6	Future Development of the Sites Reservoir Project	6
Section 7	Indemnity and Contribution	7
Section 8	Term	
Section 9	Withdrawal From Further Participation	7
Section 10	Admission of New Project Agreement Members	8
Section 11	Amendments	8
Section 12	Assignment; Binding on Successors	8
Section 13	Counterparts	
Section 14	Merger of Prior Agreements	9
Section 15	Severability	9
Section 16	Choice of Law	9
Section 17	Notices	
EXHIBIT A EXHIBIT B EXHIBIT C	PROJECT AGREEMENT MEMBERS	B-1

THIS 2019 RESERVOIR PROJECT AGREEMENT is made effective as of April 1, 2019, by and among (a) the Sites Project Authority (the "Authority") and (b) certain Members and/or Non-Member Participating Parties, listed on the attached **Exhibit A** and is made with reference to the following facts:

RECITALS

- A. Various public agencies in the Sacramento River Watershed created the Authority in 2010. Various public agencies in the Sacramento River Watershed, including certain Project Agreement Members, previously entered into the Fourth Amended and Restated Sites Project Authority Joint Exercise of Powers Agreement, dated November 21, 2016, pursuant to which they are developing the Sites Reservoir Project, which is contained in the CalFed Bay-Delta program Programmatic Record of Decision, August 28, 2000. The Joint Powers Agreement provides a mechanism for "Project Agreements" (as defined in the Joint Powers Agreement) to undertake specific work activities for the development of the Sites Reservoir Project. On September 17, 2018, the Authority's Board of Directors also adopted Bylaws for Phase 2 of the Sites Reservoir Project, which also address Project Agreements and their management through Reservoir Project Committees.
- B. On April 11, 2016, certain Authority Members of the Authority entered into the PHASE 1 RESERVOIR PROJECT AGREEMENT which was amended and restated as of November 21, 2016.
- C. The Authority and certain Project Agreement Members have undertaken a process to negotiate a 2019 Reservoir Project Agreement to undertake specific work activities.
- D. The Project Agreement Members wish to continue development of the Project pursuant to a Work Plan approved by the Authority on November 19, 2018 and the Reservoir Project Committee on November 16, 2018 and a summary of which is described in **Exhibit B** attached hereto. The Project will be undertaken in the name of the Authority and in accordance with the Authority's stated Mission as set forth in the fourth Recital of the Joint Powers Agreement. The Project Agreement Members are entering into this Project Agreement to satisfy the requirements of Article VI of the Joint Powers Agreement.
- E. All members of the Authority have also been given the opportunity to enter into this Project Agreement. The form of this Project Agreement was determined to be consistent with the Joint Powers Agreement and the Bylaws and approved by the Authority's Board of Directors on September 17, 2018.
- F. The Authority and the Project Agreement Members acknowledge that one of the Authority's goals, in addition to providing environmental benefits, is to develop and make both a water supply and storage capacity available to water purveyors and landowners within the Sacramento River watershed, and in other areas of California, who are willing to purchase either or both a water supply and storage capacity from the Sites Reservoir Project, and that the Project Agreement Members should have a preference to the water supply or storage capacity.
- G. The Authority and the Project Agreement Members acknowledge that the approval and execution of this Project Agreement does not commit the Authority, the Project Agreement Members or any other party to any definite course of action regarding the Sites Reservoir Project. As

set forth in Section 6(a) of this Project Agreement, there are no assurances that the Sites Reservoir Project will be constructed. One of the prerequisites that would need to be fulfilled before the Sites Reservoir Project could be constructed is the completion of environmental review under the California Environmental Quality Act ("CEQA"). As part of this environmental review, the Authority, as the lead agency that is conducting the review, reserves all of its rights, responsibilities, obligations, powers, and discretion under the provisions of CEQA to: (i) evaluate the environmental impacts of the Sites Reservoir Project; (ii) deny and disapprove the Sites Reservoir Project if the environmental review reveals significant environmental impacts that cannot feasibly be mitigated; (iii) adopt feasible mitigation measures and/or an alternative to the Sites Reservoir Project to avoid or lessen significant environmental impacts; or (iv) determine that any significant environmental impacts that cannot feasibly be mitigated are outweighed by the economic, social or other benefits of the Sites Reservoir Project.

AGREEMENT

THEREFORE, in consideration of the facts recited above and of the covenants, terms and conditions set forth herein, the parties agree as follows:

Section 1 Definitions

"Authority" means the Sites Project Authority, a joint exercise of powers agency created pursuant to the Joint Powers Agreement.

"Authority Members" means the members of the Authority executing the Joint Powers Agreement, as such members may change from time-to-time in accordance with Section 3.3, Section 7.12 and Section 7.2 of the Joint Power Agreement.

"Board" means the Board of Directors of the Authority.

"Bylaws" means the Bylaws for Phase 2 of the Sites Reservoir Project adopted by the Authority on September 17, 2018, as such Bylaws may be amended or supplemented from time-to-time in accordance therewith.

"Committee" means the Reservoir Project Committee described in Section 3 of this Project Agreement.

"Fiscal Year" means the fiscal year of the Authority, which currently begins on January 1 of each calendar year and ends on December 31 of each calendar year, or such other twelve month period which may be designated by the Authority as its Fiscal Year.

"Joint Power Agreement" means the Fourth Amended and Restated Sites Project Authority Joint Exercise of Powers Agreement, dated November 21, 2016, as such agreement may be amended or supplemented from time-to-time in accordance therewith.

"Law" means Articles 1 through 4 (commencing with Section 6500), Chapter 5, Division 7, Title 1 of the California Government Code, as amended or supplemented from time-to-time.

"Material Change Item" shall have the meaning ascribed thereto in the Bylaws.

"Participation Percentage" means the Participation Percentages as set forth in **Exhibit** A hereto, as such Participation Percentages may be modified in accordance herewith.

"2019 Budget" means the 2019 Budget approved by the Committee on November 16, 2018 and the Authority on November 19, 2018, as such 2019 Budget may be amended or supplemented from time-to-time in accordance with the Joint Powers Agreement, this Project Agreement and the Bylaws.

"Project" or "Sites Reservoir Project" means the Sites Reservoir Project as described in **Exhibit B** hereto, as modified from time-to-time in accordance therewith.

"Project Agreement" means this Project Agreement, dated as of April 1, 2019, by and among the Authority and the Project Agreement Members listed on **Exhibit A** from time-to-time, as such Project Agreement may be amended or supplemented from time-to-time in accordance herewith.

"Project Agreement Members" means (a) the Authority Members listed in the attached Exhibit A, (b) the Non-Member Participating Parties listed in the attached Exhibit A and (c) additional Authority Members or Non-Member Participating Parties who execute this Project Agreement from time-to-time pursuant to Section 10 hereof.

"Work Plan" means the activities described in **Exhibit B** hereto as such description may be amended or supplemented from time-to-time.

Section 2 Purpose

The purpose of this Project Agreement is to permit the Authority and the Project Agreement Members to continue development of the Project in the name of the Authority consistent with the Joint Powers Agreement. The activities undertaken to carry out the purposes of this Project Agreement shall be those, and only those, authorized by the Authority and the Committee in accordance with this Project Agreement, the Joint Powers Agreement and the Bylaws. Without limiting in any way the scope of the activities that may be undertaken under this Project Agreement, such activities shall include funding the Authority's costs undertaken to carry out the directions of the Committee. Notwithstanding any other provision of this Project Agreement, no activity undertaken pursuant to this Project Agreement shall conflict with the terms of the Joint Powers Agreement or the Bylaws, nor shall this Project Agreement be construed in any way as creating an entity or combination of entities that is separate and apart from the Authority.

Section 3 Reservoir Project Committee

(a) <u>Committee Membership</u>. The business of the Project Agreement Members under this Project Agreement shall be conducted by a Committee consisting of one member appointed by each Project Agreement Member. Appointment of each member of the Committee shall be by action of the governing body of the Project Agreement Member appointing such member, and shall be effective upon the appointment date as communicated in writing to the Authority. Project Agreement Members may also appoint one or more alternate Committee members, which alternate(s) shall assume the duties of the Committee member in case of absence or unavailability of such member. Project Agreement Members may also appoint an alternate Committee member from a different Project Agreement Member for convenience in attending Committee meetings, who may

cast votes for such Project Committee Members, provided that no person shall represent more than five other Project Committee Members and more than 20% of the weighted vote as provided in Subsection 3(g) at any given meeting; provided however, that if the appointing Project Committee Member is an officer of the Committee, the appointed alternate Committee member shall not assume the capacity of such officer position. In order to serve as an alternate Committee member, a written evidence of such designation shall be filed with the Committee Secretary. Each member and alternate member shall serve on the Committee from the date of appointment by the governing body of the Project Agreement Member he/she represents and at the pleasure of such governing body.

- (b) Officers. The Committee shall select from among its members a Chairperson, who shall annually act as presiding officer, and a Vice Chairperson, to serve in the absence of the Chairperson. There also shall be selected a Secretary, who may, but need not be, a member of the Committee and a Treasurer. All elected officers shall be elected and remain in office at the pleasure of the Committee, upon the affirmative vote of at least a majority of the total weighted vote as provided at Subsection 3(g);
- (c) <u>Treasurer</u>. The Authority Treasurer shall serve as the Committee's Treasurer and shall act as the Committee's liaison to the Authority's General Manager and Authority Board on financial matters affecting the Committee. The Treasurer shall prepare and provide regular financial reports to the Committee as determined by the Committee. The Treasurer shall not be required to be a member of the Board of Directors of the Authority.
- (d) General Manager. The Authority's General Manager shall (1) serve as the Project Director responsible for advancing the Sites Reservoir Project, (2) be a non-voting member of the Committee, (3) ensure coordination of activities between the Authority and Committee, (4) convene, on an as needed basis, legal representatives from the Project Agreement Members and Authority Members to advise the General Manager on legal matters that will be reported to the Committee and Authority on a timely basis, and (5) coordinate the activities between the Committee and both the United States Bureau of Reclamation and Department of Water Resources.
- (e) Meetings. The Chairperson of the Committee or a majority of a quorum of the members of the Committee are authorized to call meetings of the Committee as necessary and appropriate to conduct its business under this Project Agreement. All such meetings shall be open to the public and subject to the requirements set forth in the Ralph M. Brown Act (Government Code Sections 54950 et seq.).
- (f) Quorum. A majority of the Committee members based on the weighted vote provided in Subsection 3(g) shall constitute a quorum of the Committee.
- (g) <u>Voting</u>. Notwithstanding any provisions of the Bylaws that might be construed otherwise, for purposes of this Project Agreement, the voting rights of each Project Agreement Member shall be determined as follows:
 - (i) an equal number of voting shares for each Project Agreement Member as defined in **Exhibit A**, that being for each Project Agreement Member, 1 divided by the total number of Project Agreement Members, multiplied by 50; plus

(ii) an additional number of voting shares for each Project Agreement Member equal to its respective Participation Percentage described in **Exhibit A**, multiplied by 50, using the version of **Exhibit A** in effect at the time the Committee votes.

The resulting weighted total of all voting shares shall equal 100. An Example of this weighted voting incorporating the formulas for determining participating percentages is attached at **Exhibit A**.

- (h) <u>Decision-making Thresholds</u>. In accordance with Section 5.8 of the Bylaws, for purposes of this Project Agreement, approval by the Committee for material and non-material changes shall be as follows: for actions other than Material Change Items, action of the Committee shall be taken upon the affirmative vote of at least a majority of the total weighted vote as provided in Subsection 3(g); for Material Change Items, action shall be taken upon the affirmative vote of at least 75% of the total weighted vote as provided at Subsection 3(g).
- (i) <u>Delegation of Authority/Powers and Limitations Thereon</u>. Subject to the direction of the governing bodies of the Project Agreement Members, the Committee shall undertake all actions necessary for carrying out this Project Agreement, including but not limited to setting policy for the Project Agreement Members acting under this Project Agreement with respect to the Project; recommending actions to be undertaken in the name of the Authority under this Project Agreement; determining the basis for calculation of the Participation Percentages for each fiscal year, and the timing required for payments of obligations hereunder; authorizing expenditure of funds collected under this Project Agreement within the parameters of the Work Plan and budget; and such other actions as shall be reasonably necessary or convenient to carry out the purposes of this Project Agreement. This Section 3(i) is subject to any and all limitations set forth in the Joint Powers Agreement and Bylaws, including but not limited to, any action that constitutes a material change as defined at Section 12.3 of the Bylaws requiring the approval of both the Committee and the Authority Board, and actions specified in Section 10 of the Bylaws which remain exclusively with the Authority Board.

Section 4 Funding

- (a) <u>Budget</u>. The Committee shall, in cooperation with the Authority's Board, provide and approve both a Fiscal Year operating budget and reestablish a Phase 2 budget target, annually or more frequently as needed. On November 19, 2018, the Board approved the Fiscal Year 2019 operating budget. The Work Plan, including annual budget, dated November 19, 2018, is attached at Exhibit B, along with the budget approval process and requirements. The Project Agreement Members shall contribute their respective pro-rata share of the budgeted sums in accordance with Section 5 of this Project Agreement; provided, however, that in no event shall the amount paid by a Project Agreement Member exceed \$60 per acre-foot without the approval of such Project Agreement Member.
- (b) <u>Fiscal Responsibilities</u>. Exhibit B specifies the Authority's requirements regarding the fiscal responsibilities of the Committee.
- (c) <u>Allocation of Project Agreement Expenses</u>. The Project Agreement Members agree that all expenses incurred by them and/or by the Authority under this Project Agreement are the costs of the Project Agreement Members and not of the Authority or the Project Agreement Members of the Authority that do not execute this Project Agreement, and shall be paid by the Project Agreement Members; provided, however, that this Section shall not preclude the Project

Agreement Members from accepting voluntary contributions and/or Authority Board's pre-approval of in-kind services from other Authority Members, or Project Agreement Members, and applying such contributions to the purposes hereof. The Project Agreement Members further agree to pay that share of any Authority costs reasonably determined by the Authority's Board to have been incurred by the Authority to administer this Project Agreement. Before the Authority's costs of administering this Project Agreement become payable, the Authority will provide its calculation of such costs to the Committee, which will have the right to audit those costs and provide comments on the calculation to the Authority Board. The Authority Board shall consider the Committee's comments, if any, including the results of any such audit, in a public meeting before the Authority Board approves a final invoice for such costs.

Section 5 Participation Percentages

Subject to Section 4(a), each Project Agreement Member shall pay that share of costs for activities undertaken pursuant to this Project Agreement, whether undertaken in the name of the Authority or otherwise, equal to such Project Agreement Member Participation Percentage as established in this Section 5. The initial Participation Percentages of the Project Agreement Member are set forth in the attached Exhibit A. These initial Participation Percentages are for the purpose of establishing the Reservoir Project Agreement Members respective responsibilities for costs under this Project Agreement and other amounts contained in the approved Fiscal Year budget and Phase 2 budget target, which is defined as the "Reservoir Total" on Exhibit B. The Participation Percentages of each Project Agreement Member will be modified by the Committee from time to time as the result of the admission of a new Project Agreement Member to this Project Agreement or the withdrawal of a Project Agreement Member, and Exhibit A shall be amended to reflect all such changes. Such amended Exhibit A shall, upon approval by the Committee, be attached hereto and upon attachment, shall supersede all prior versions of Exhibit A without the requirement of further amendment of this Project Agreement.

Section 6 Future Development of the Sites Reservoir Project

- Project is still in the conceptual stage and there are no assurances that the Sites Reservoir Project will be constructed or that any water supplies will be developed as a result of this Project Agreement. **Exhibit B** includes a partial list of some of the risks and uncertainties that underlie the lack of assurances. The Project Agreement Members therefore recognize that they are not acquiring any interest in the Sites Reservoir Project other than their interest in the specific permitting, design, engineering and other materials that will be in the Work Plan Project as described in **Exhibit B**, and that the Project Agreement Members are not acquiring under this Project Agreement any interest in any future water supply or access to any other services from the Sites Reservoir Project except as provided hereunder.
- (b) Without limiting the foregoing, any Project Agreement Member that elects to continue participating in the development, financing, and construction of the Sites Reservoir Project to the time when the Authority offers contracts for a water supply or other services, will be afforded a first right, equal to that Project Agreement Member's Participation Percentage, to contract for a share of any water supply that is developed, and for storage capacity that may be available from, the Sites Reservoir Project. In any successor phase agreements, Project Agreement Members who are parties to this Project Agreement that submitted a proposal to participate before February 15, 2019, shall be granted rights to contract for a share of any water supply that is developed, and for storage capacity

that may be available from the Sites Reservoir Project prior to the rights of those becoming parties to this Project Agreement after that date. The Authority and the Project Agreement Members will cooperate on the drafting of provisions in the water supply contract that will allow a Project Agreement Member or other eligible entity that commits to purchase a Sites Reservoir Project water supply to transfer water that the entity may not need from time to time on terms and conditions acceptable to the such Project Agreement Member.

Section 7 Indemnity and Contribution

- (a) Each Project Agreement Member, including Authority Members acting in their capacity as Project Agreement Members, shall indemnify, defend and hold the Authority, Authority Members and other Project Agreement Members and their directors, trustees, officers, employees, and agents harmless from and against any liability, cause of action or damage (including, without limitation, reasonable attorneys; fees) arising out of the performance of this Project Agreement multiplied by each Project Agreement Member's Participation Percentage. Notwithstanding the foregoing, to the extent any such liability is caused by the negligent or intentional act or omission of an Authority Member or a Project Agreement Member, such Authority Member or Project Agreement Member shall bear such liability.
- (b) Each Project Agreement Member, including Authority Members acting in their capacity as Project Agreement Members, shall indemnify, defend and hold the Authority and the members of the Authority that do not execute this Project Agreement and their directors, trustees, officers, employees and agents harmless from and against any liabilities, costs or expenses of any kind (including, without limitation, reasonable attorney's fees) arising as a result of the activities described in or undertaken pursuant to this Project Agreement multiplied by each Project Agreement Member's Participation Percentage. All assets, rights, benefits, debts, liabilities and obligations attributable to activities undertaken under this Project Agreement shall be assets, rights, benefits, debts, liabilities and obligations solely of the Project Agreement Members in accordance with the terms hereof, and shall not be the assets, rights, benefits, debts, liabilities and obligations of the Authority or of those members of the Authority that have not executed this Project Agreement. Members of the Authority not electing to participate in the Project Agreement shall have no rights, benefits, debts, liabilities or obligations attributable to the Project Agreement.

Section 8 Term

- (a) No provision of this Project Agreement shall take effect until this Project Agreement has been duly executed and delivered by the Authority and by one Project Agreement Member.
- (b) The term of this Project Agreement shall continue until December 31, 2019, unless extended in writing by the parties hereto.

Section 9 Withdrawal From Further Participation

To withdraw from this Project Agreement, a Project Agreement Member shall give the Authority and other Project Agreement Members written notice of such withdrawal not less than 30 days prior to the withdrawal date. As of the withdrawal date, all rights of participation in this Project Agreement shall cease for the withdrawing Project Agreement Member. The financial obligation as prescribed in the Bylaws' Section 5.11 in effect on the withdrawal date, shall consist of the

withdrawing Member's share of the following costs: (a) payment of its share of all non-contract costs incurred prior to the date of the written notice of withdrawal, and (b) those contract costs associated with funds approved in either contract amendments or task orders that were approved prior to the date of the written notice of withdrawal for which the contractor's work extends beyond the withdrawal date. However, a withdrawing member shall have no liability for any change order or extensions of any contractor's work that the remaining Project Agreement Members agree to after the withdrawing Member provides written notice of withdrawal. Withdrawal from this Project Agreement shall not be considered a Material Change Item and shall not be subject to the Dispute Resolution process provided for in Section 13.3 of the Bylaws.

Section 10 Admission of New Project Agreement Members

Additional Members of the Authority and Non-Member Participating Parties may become Project Agreement Members upon (a) confirmation of compliance with the membership requirements established in the Bylaws, (b) the affirmative vote of at least 75% of the total weighted vote as provided at Subsection 3(g) of the then-current Project Agreement Members, (c) the affirmative vote of at least 75% of the total number of Directors of the Authority, and (d) upon such conditions as are fixed by such Project Agreement Members.

Section 11 Amendments

This Project Agreement may be amended only by a writing executed by the Authority and at least 75% of the total weighted vote as provided in Subsection 3(g) of the then-current Committee members.

Section 12 Assignment; Binding on Successors

Except as otherwise provided in this Project Agreement, the rights and duties of the Project Agreement Members may not be assigned or delegated without the written consent of the other Project Agreement Members and the Authority, which consent shall not be unreasonably withheld. Any attempt to assign or delegate such rights or duties in contravention of this Project Agreement shall be null and void. Project Agreement Members may assign and delegate their rights and duties under this Project Agreement to other Project Agreement Members, and they may assign, sell, trade, or exchange all or a fraction of the potential benefits (e.g. acre-feet of water supply, megawatt-hours of power) they expect to receive through their participation in this Project Agreement. Any approved assignment or delegation shall be consistent with the terms of any contracts, resolutions, indemnities and other obligations of the Authority then in effect. This Project Agreement shall inure to the benefit of, and be binding upon, the successors and assigns of the Authority and the Project Agreement Members.

Section 13 Counterparts

This Project Agreement may be executed by the Authority and each Project Agreement Member in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument. Facsimile and electronic signatures shall be binding for all purposes.

Section 14 Merger of Prior Agreements

This Project Agreement and the exhibits hereto constitute the entire agreement between the parties and supersede all prior agreements and understanding between the parties relating to the subject matter hereof. This Project Agreement is intended to implement, and should be interpreted consistent with, the Joint Powers Agreement.

Section 15 Severability

If one or more clauses, sentences, paragraphs or provisions of this Project Agreement shall be held to be unlawful, invalid or unenforceable, the remainder of the Project Agreement shall not be affected thereby.

Section 16 Choice of Law

This Project Agreement shall be governed by the laws of the State of California.

Section 17 Notices

Notices authorized or required to be given under this Project Agreement shall be in writing and shall be deemed to have been given when mailed, postage prepaid, or delivered during working hours, to the addresses set forth **Exhibit E** ("Notifications"), or to such other address as a Project Agreement Member may provide to the Authority and other Project Agreement Members from time to time.

IN WITNESS WHEREOF, the Authority and Project Agreement Members hereto, pursuant to resolutions duly and regularly adopted by their respective governing bodies, have caused their names to be affixed by their proper and respective officers on the date shown below:

Dated:	SITES PROJECT AUTHORITY	
	By:	
	Title:	
	[PROJECT AGREEMENT MEMBER]	
Dated:		
	(Authority & Project Agreement Member)	
	Ву:	
	Name: Title:	

EXHIBIT A PROJECT AGREEMENT MEMBERS

Participation
(Annualized Acre-Foot)

	(Annualized	Acre-root)
Participant	Preliminary	Percent
American Canyon, City of	~4,000	1.7%
Antelope Valley-East Kern Water Agency	~500	0.2%
Carter Mutual Water Company ‡	~500	0.2%
Coachella Valley Water District	~10,000	4.3%
Colusa County	~10,000	4.3%
Colusa County Water District	~13,100	5.6%
Desert Water Agency	~6,500	2.8%
Glenn-Colusa Irrigation District	~5,000	2.1%
Metropolitan Water District of S. CA	~50,000	21.4%
Pacific Resources Mutual Water Company ‡	~20,000	8.5%
Reclamation District 108	~5,000	2.1%
San Bernardino Valley Municipal Water District	~21,400	9.1%
San Gorgonio Pass Water Agency	~14,000	6.0%
Santa Clara Valley Water District	24,000	10.3%
Santa Clarita Valley Water Agency	~5,000	2.1%
TC-4: Cortina Water District	~300	0.1%
TC-4: Davis Water District	~2,000	0.9%
TC-4: Dunnigan Water District	~2,774	1.2%
TC-4: LaGrande Water District	~1,000	0.4%
Westside Water District	~15,000	6.4%
Wheeler Ridge-Maricopa Water Storage District	14,000	6.0%
Zone 7 Water Agency	~10,000	4.3%
Potential new participants	TBD	%
Total:	234,074	100.0%

Participation Percentages exclude State of California and United States Bureau of Reclamation share of the Project.

NOTE: Any annualized amounts listed for Phase 2 are preliminary and are based on best estimates received after participants' respective review of the draft financing plan and draft Phase 2 Reservoir Project Agreement. These amounts do not represent the results of any action having been taken by the participants' respective governing body to formally execute the Phase 2 Reservoir Project Agreements. Final participation amounts will be established after interim financing terms and conditions have been provided and incorporated into the final Phase 2 Reservoir Project Agreement.

Denotes a non-public agency. Refer to California Corporations Code Section 14300 et. seq. with additional requirements provided in both the Public Utilities Code and Water Code.

EXHIBIT B

2019 WORK PLAN

2018 November 16 Reservoir Committee Meeting - Attachment A - Agenda Item 3-3

Category	(Multiple Items)
Action	(Multiple Items)
Funding Source	(Multiple Items)
Work Manager	(All)
Priority	(All)

Report Date 2018 Nov 12

				Reprioritize Currently Approve Budget	d Au	oposed Budget ithority= 12 mon s. Comm= 9 mon
Expense (-) or		125		Sum of Total End	533	
Revenue (+)	Cost Center	Task	Resource	Phase		um of Total 201
Expense	C.R. Policy	***		\$	- \$	(2,067,094
	Engagement				- \$	(135,000
	Operations	Contingency		\$	- \$	
		Env Interests		\$ (44,93		(120,552
		Exchange		\$	- \$	(75,550
		Modeling		\$ (325,000	3) \$	(998,480
		Op POA		\$ (59,48)		(61,040
		Staff+		\$ (69,70)	5) \$	(417,555
		Storage		\$ (17,82	1) \$	(136,300
		Water Rights		\$ (29,71)	2) 5	(204,264
		Water Rights+		\$ (29,71)	2) \$	(119,892
	Operations Tota			\$ (576,37)	7) 5	(2,133,633
	Power	Grid Interconn+		\$	- 5	(1,097,880
		H2oPower+		\$. 5	(668,453
		Staff Aug+		\$	- 5	(632,880
	According to	Staff+		\$	- \$	
	Power Total			\$	- \$	(2,399,213
	Res. Comm. O	Advisory		\$ (43,200)) \$	(82,565
		Office		\$	- \$	(133,100
		Participation		\$ [109,800)) \$	(210,600
		PROCURE		\$	- \$	(80,240
		PROCURE-2		\$	- 5	-
		Rebalance		\$ (8,400)) \$	(134,070)
		Staff		\$ (6,000)) \$	(1,739,573)
		Staff Aug		\$. 5	(4,237,495
		Staff Aug+		\$. 5	(225,990)
		Staff+		S	- 5	
		Support		\$ (26,925	5) 5	(107,678)
		Technology		\$ (3,330) \$	(13,280)
		USDA-1		\$ (10,000)) \$	(10,800)
		WSIP-1		\$ (51,440)) \$	(81,960)
	Res. Comm. OH	lotal		\$ (259,095) \$	(7,057,351)
	Water	Dam Design		S	. \$	(8,776,500)
		Economics+		\$. \$	(329,880)
		EIR-EIS		\$ (165,000	3) \$	(2,371,767)
		Field Studies		\$ (200,000) \$	(887,876)
		Field Surveys		\$	\$	(91,980)
		Permit Coord		\$ (590,000)) \$	(8,095,900)
		Rights of Entry	7	\$ (306,000)) \$	(600.119)
	Water Total			\$ (1,261,000) \$	(21,154,022)
Expense Total				\$ (2,096,472) 5	(34,946,312)

Summary - Page 1 of 2

NOTE: 2019 proposed budget, which is applicable to this Agreement, was approved by the Reservoir Committee at their November 16, 2018 meeting with the Reservoir Committee's share of expenses listed on page B-2.

				100000000000000000000000000000000000000	oritize Intly Approved et	Auth	osed Budget ority= 12 mon Comm= 9 mon
Expense (-) or Revenue (+)	Cost Center	Task	Resource	Sum	of Total End of Phase 1		n of Total 2019
Revenue	Conversion			\$		\$	2,067,094
	WIIN	and the second section is a second section in the second section in the second section is a second section in the second section in the second section is a second section in the second section in the second section is a second section in the second section in the second section is a second section in the second section in the second section is a second section in the second section in the second section is a second section in the second section in the second section is a second section in the second section in the second section is a second section in the second section in the second section is a second section in the second section in the second section is a second section in the second section in the second section is a second section in the second section in the second section is a second section in the second section in the second section is a second section in the second section in the second section is a second section in the second section in the second section is a second section in the second section in the second section is a second section in the second section in the second section is a second section in the second section in the second section is a second section in the second section in the second section is a section section in the section in the section is a section section in the section in the section section in the section is a section section in the section in the section section is a section section in the section section in the section section is a section section section in the section section section is a section sec		\$	-	\$	8,776,500
	WSIP			\$	821,603	\$	10,077,760
	Res. Comm.			\$		\$	14,044,440
Revenue Total				\$	821,603	\$	34,965,795
Grand Total				\$	(1,274,870)	\$	19,482

Summary - Page 2 of 2

EXHIBIT C

NOTIFICATIONS

Attention: Mr. Steve Hartwig

City of American Canyon 4381 Broadway, Suite 201 American Canyon, CA 94503

Attention: Mr. Dwayne Chisam

Antelope Valley-East Kern WA

6500 West Avenue N Palmdale, CA 93551

Attention: Mr. Ben Carter

Carter MWC 4245 River Road Colusa, CA 95932

Attention: Mr. Jim Barrett

Coachella Valley Water District

P.O. Box 1058

Coachella, CA 92236

Attention: Ms. Wendy Tyler

Colusa County

547 Market St., Suite 102

Colusa, CA 95932

Attention: Ms. Shelley Murphy

Colusa County Water District

P.O. Box 337

Arbuckle, CA 95912

Attention: Mr. Jim Peterson

Cortina Water District

P.O. Box 489,

Williams, CA 95987

Attention: Mr. Tom Charter c/o Ms Jamie Traynham

Davis Water District

P.O. Box 83

Arbuckle, CA 95912

Attention: Mr. Mark Krause

Desert Water Agency

1200 South Gene Autry Trail Palm Springs, CA 92264

Attention: Mr. Bill Vanderwaal

Dunnigan Water District

P.O. Box 84

Dunnigan, CA 95937

Attention: Mr. Thad Bettner

Glenn-Colusa Irrigation District

P.O. Box 150

Willows, CA 95988

Attention: Mr. Matt LaGrande

LaGrande Water District

P.O. Box 370

Williams, CA 9598

Attention: Mr. Steve Arakawa

Metropolitan Water District of Southern

California

1121 L Street, Suite 900 Sacramento, CA 95814

Attention: Mr. Preston Brittain

Pacific Resources MWC

4831 Calloway Drive, Ste. 102

Bakersfield, CA 93312

Bakersfield, CA 93312

Attention: Mr. Bill Vanderwaal

Reclamation District 108

P.O. Box 50 Grimes, CA 95950 Attention: Mr. Dirk Marks

Santa Clarita Valley Water Agency 27234 Bouquet Canyon Road Santa Clarita, CA 91350

Attention: Mr. Doug Headrick

San Bernardino Valley Municipal Water District

380 East Vanderbilt Way

San Bernardino, CA 92408-3593

Attention: Mr. Jeff Davis

San Gorgonio Pass Water Agency

1210 Beaumont Ave, Beaumont, CA 92223

Attention: Ms. Cindy Kao

Santa Clara Valley Water District 5750 Almaden Expressway San Jose, CA 95118-3686 Attention: Mr. Dirk Marks Attention: Dan Ruiz

Westside Water District 5005 State Hwy 20 Williams, CA 95987

Attention: Robert Kunde

Wheeler Ridge-Maricopa Water Storage District

12109 Highway 166 Bakersfield, CA 93313

Attention: Ms. Valerie Pryor

Zone 7 Water Agency 100 North Canyons Parkway

Livermore, CA 945





Dan Jaggers, General Manager
BCVWD
560 Magnolia Avenue
Beaumont, CA 92223

111 + 444

AGREEMENT SITES RESERVOIR PROJECT PARTICIPATION IN PHASE 1 RESERVOIR PROJECT AGREEMENT

This AGREEMENT FOR PARTICIPATION IN THE PHASE I RESERVOIR PROJECT AGREEMENT ("Agreement") is made as of 2-2-, 2017, by and between the San Gorgonio Pass Water Agency, a public agency ("Agency") and the Beaumont-Cherry Valley Water District, a public agency ("District"). Agency and District are hereinafter sometimes collectively referred to as the "Parties" or individually as a "Party."

RECITALS

- A. On December 21, 2015, public agencies in the Sacramento River Watershed entered in that certain Modified Third Amended and Restated Sites Project Authority Joint Exercise of Powers Agreement pursuant to which said agencies ("Members") formed the Sites Project Authority ("Authority") to develop the Sites Reservoir Project ("Project").
- B. On April 16, 2016, certain Members entered into a Phase 1 Reservoir Project Agreement and invited additional Members and Non-Member Participating Parties to become part of the Phase 1 Reservoir Project Agreement. Phase 1 includes the following primary activities: (i) planning level studies related to operation of the reservoir to provide both direct and indirect water supply and water supply reliability for water users and Proposition 1, Chapter 8-defined public benefits; (ii) planning level studies related to the design and construction of the reservoir; and (iii) the potential inclusion of pumped-storage to provide renewable energy; and
- C. On June 20, 2016, the Agency Board took action to submit a proposal to the Authority to become a Non-Member Participating Party through the purchase of 14,000 acre-feet ("AF") of Class 1 water. The Agency Board also took action to provide an opportunity to District to purchase 4,000 AF of the Agency's 14,000 AF requested amount; and
- D. On July 27, 2016, the District Board took action to participate with the Agency in the amount of 4,000 AF as offered by the Agency but specified that it was interested in only a Class 1 level of participation; and
- E. Class 1 water is defined by the Authority as 50% of the expected annualized yield that would be allocated to the Project Agreement Members. Class 1 water represents the amount of water that would not be made available for Proposition 1, Chapter 8-eligible public benefits assuming the California Water Commission elects to participate up to the maximum amount allowed by Proposition 1, Chapter 8, which is 50% of the total development costs of the Project. Class 2 water is defined by the Authority as some of the remaining 50% which could become available for non-Proposition 1, Chapter 8 uses. For Phase 1, the maximum amount of this Class 2 additional water is approximately 35% of the total. The remaining 15% is currently not available for potential non-Proposition 1, Chapter 8 uses and represents the differential amount of long-term annualized water produced should the Project be downsized from 1.8 million AF to

1.3 million AF; and

- F. The Authority responded to Agency's request by way of a letter dated October 11, 2016. The Authority stated that the amount requested by all interested entities totaled 377,411 AF, of which only 250,000 AF is available until the State of California makes its decision to participate in the development of the Project, which in accordance with Chapter 8 of Proposition 1, is limited to 50% of capital costs. Therefore, the difference, which equals 127,411 AF, is deemed to be Class 2 water. As a result, the Authority was originally able to provide to Agency 7,966 AF as Class 1 water, which has a Phase 1 not-to-exceed cost of \$60/AF plus an additional 6,034 AF as Class 2 water, which has a Phase 1 not-to-exceed cost of \$30/AF. This counterproposal from the Agency is referred to as the "Agency Participation"; and
- G. The Parties acknowledge that the Authority may change the volume of Class 1 water and Class 2 water to be made available; and
- H. On January 17, 2017, the Agency Board took action to enter into the Sites Project Authority's Amended And Restated Phase 1 Reservoir Project Agreement ("Project Agreement") and to make the financial commitment required for the Agency Participation under said Project Agreement. A copy of the Project Agreement is set forth in Exhibit "A" attached hereto and incorporated herein by reference; and
- I. Pursuant to the Agency's previous offer to District to participate in Agency's purchase, and based on the Agency Participation, the Parties desire to enter into this Agreement in order to set forth the terms and conditions upon which the District will purchase a portion of the Agency Participation.

NOW, THEREFORE, in consideration of the mutual covenants, promises, and conditions set forth in this Agreement, and for other good, valuable, and adequate consideration, the Parties hereto agree as follows:

1. District Participation

District hereby agrees to make the following financial commitment and otherwise participate in the Agency Participation ("District Participation"). The following percentage shares shall remain in effect regardless of whether the Authority later changes the volume of Class 1 water and Class 2 water to be made available. Based on the volumes available from the Authority as of the effective date of this Agreement, the District Participation shall be deducted from the Agency Participation as follows:

(a) Percentages By And Between The Parties Agency - 71.429%

District - 28.571%

- (b) Current Authority Proposal and Agency Participation 14,000 AF divided between Class 1 and Class 2 7,966 AF of Class 1 water; Phase 1 not-to-exceed cost of \$60/AF 6,034 AF of Class 2 water; Phase 1 not-to-exceed cost of \$30/AF
- (c) Agency Participation After Deducting District Participation
 71.429% of Class 1 water; Phase 1 not-to-exceed cost of \$60/AF
 71.429% of Class 2 water; Phase 1 not-to-exceed cost of \$30/AF
- (d) District Participation After Deducting Agency Participation 28.571% of Class 1 water; Phase 1 not-to-exceed cost of \$60/AF 28.571% of Class 2 water; Phase 1 not-to-exceed cost of \$30/AF

2. Rights And Obligations

- (a) <u>Compliance With Project Agreement</u> Performance of this Agreement, and the activities of the Parties, shall be subject to the rights and obligations set forth in the Project Agreement and any other Authority rules and regulations as the same may be adopted or revised from time to time.
- (b) Agency's Obligations To District The rights and obligations of Agency to District shall be limited to the terms and conditions of this Agreement. District shall not be deemed to be a party to the Project Agreement nor otherwise have any right or entitlement under the Project Agreement. For example and not by way of limitation, District shall not have any right to participate in, or become a member of, the Reservoir Project Committee as set forth in the Project Agreement.
- (c) No Representations Or Warranties Nothing in this Agreement shall constitute a representation or warranty by Agency to District of any water rights, water supplies, allocation or any other obligation regarding the amount of water which may or may not be provided by the Authority under the Project Agreement. Agency's obligations are limited to performance of the Project Agreement as a Non-Member Participating Party and performance of this Agreement. Agency shall not be deemed to have made any commitment of a water right or water supply to District, District's customers or District's applicants for service.

3. Payment Obligations

(a) Payment Requests From Authority - Upon receipt of Phase 1 cost payment requests from the Authority, Agency shall provide a copy of said requests to District along with a cover letter setting forth the calculation of the percentage amount due and owing by District. Within thirty (30) days of the date of said cover letter, District shall submit payment to Agency for District's percentage share as set forth in this Agreement. Agency shall be responsible for

71.429% of Phase 1 costs and District shall be responsible for 28.571% of Phase 1 costs.

(b) <u>District's Review Of Payment Requests</u> - If District objects to any portion of said statement or calculation, it shall provide written notice to Agency of said objections within ten (10) days from the date of the Agency cover letter and the Parties shall then engage in good faith efforts to resolve such issues through informal discussions. In the event District does not submit such an objection to Agency within said 10-day period, District will be deemed to have approved said statement.

(c) Failure Or Refusal To Make Payment

- (i) The Parties hereby acknowledge that Agency will be the Non-Member Participating Party contractually bound to the Project Agreement and Agency will be ultimately responsible for all Phase 1 costs in relation to the Agency Participation which includes the portion designated as the District Participation.
- (ii) Therefore, in the event that District objects to a payment request or otherwise fails or refuses to make a payment, and said issues are not resolved through good faith informal discussions prior to a deadline for payment imposed by the Authority, Agency reserves the right to make the entire payment as applicable. As a result of making any such payment, Agency shall have the right to terminate this Agreement under the termination provisions set forth below. Upon said termination, District shall be deemed to have released any and all rights and obligations under this Agreement in regard to the District Participation.

4. Compliance With Legal And Regulatory Requirements

In carrying out its respective activities, each Party shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and regulations in any manner affecting the performance of the respective activities. Each Party shall be liable to the other Party for all violations of such laws and regulations in connection with the respective activities. Each Party shall be responsible for securing, at its own expense, and paying for all permits and licenses necessary to perform their respective activities as set forth in this Agreement.

5. Effective Date

This Agreement shall be effective on the date of full execution of this Agreement by both Parties ("Effective Date").

6. Term and Termination

(a) <u>Term</u> The term of this Agreement shall be from the Effective Date to the date of

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completion of performance of the activities under this Agreement. This Agreement shall remain in effect during the term unless earlier terminated under the following procedures:

(b) Notice and Opportunity to Cure If either Party to this Agreement believes that the other Party has failed to perform any obligation of that Party in accordance with the terms of this Agreement ("Default"), the Party alleging the Default shall provide written notice ("Default Notice") to the other Party, setting forth the nature of the alleged Default. Unless otherwise provided by a specific term of this Agreement, the Party claimed to be in Default shall have thirty (30) days from the receipt of the Default Notice to completely cure such Default or, if such Default cannot reasonably be cured within such thirty (30) day period, to commence the cure of such Default within the thirty (30) day period and diligently prosecute the cure to completion thereafter. If the Party claimed to be in Default does not cure such Default within the time period and procedures as set forth herein, the Party alleging Default may then terminate this Agreement.

7. General Provisions

- (a) Entire Agreement This Agreement is intended by the Parties as a complete and exclusive statement of the terms of their agreement and it supersedes all prior agreements, written or oral, as to this subject matter. For example, and not by way of limitation, any previous actions or correspondence from the District regarding a preference for only purchasing Class 1 water is hereby superseded by this Agreement and shall be of no further force or effect. This Agreement may be modified only upon the mutual written agreement of the Parties hereto.
- (b) <u>Notices</u> Written notices to be given to either Party must be given by personal delivery or by registered or certified mail addressed and delivered as set forth below.

Beaumont-Cherry Valley Water District 560 Magnolia Avenue Beaumont, CA 92223 (951) 845-9581 Attn: General Manager

San Gorgonio Pass Water Agency 1210 Beaumont Avenue Beaumont, CA 92223 (951) 845-2577

Attn: General Manager

- (c) <u>Representation of Authority</u> Each Party represents to the other that it has the authority to enter into this Agreement and that the individual signing this Agreement on behalf of their respective Parties has the authority to execute this Agreement and to bind their respective Parties to the terms and conditions of this Agreement.
- (d) <u>Incorporation of Recitals</u> The Recitals set forth above are incorporated herein and made an operative part of this Agreement.

(e) <u>Invalidity and Severability</u> If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

IN WITNESS WHEREOF, each of the Parties have caused this Agreement to be executed by its respective duly authorized officers.

SAN GORGONIO PASS WATER AGENCY

Ву:		
Title:	_	

BEAUMONT-CHERRY VALLEY WATER DISTRICT

Ву:	()	14	17		~	
Бу.	1	200		-		_
Title						

Exhibit "A"

Project Agreement

11/21/16 Draft

SITES PROJECT AUTHORITY'S AMENDED AND RESTATED PHASE 1 RESERVOIR PROJECT AGREEMENT

THIS AMENDED AND RESTATED PHASE 1 RESERVOIR PROJECT AGREEMENT (the "Project Agreement") is made effective as of November 21, 2016, by and among (a) the Sites Project Authority (the "Authority") and (b) certain Members and/or Non-Member Participating Parties, listed on the attached Exhibit A1 (collectively the "Project Agreement Members"), and is made with reference to the following facts:

RECITALS

- A. Various public agencies in the Sacramento River Watershed, including certain Project Agreement Members, entered into the Modified Third Amended and Restated Sites Project Authority Joint Exercise of Powers Agreement, dated December 21, 2015 (the "Joint Powers Agreement"), pursuant to which they formed the Authority to develop the Sites Reservoir Project, which is contained in the CalFed Bay-Delta program Programmatic Record of Decision, August 28, 2000. The Joint Powers Agreement provides a mechanism for "Project Agreements" (as defined in the Joint Powers Agreement) to undertake specific work activities for the development of the Sites Reservoir Project. On December 21, 2015, the Authority's Board of Directors ("Board") also adopted Bylaws for Phase 1 of the Sites Reservoir Project ("Bylaws"), which were amended on December 21, 2015, and which also address Project Agreements and their management through Reservoir Project Committees.
- B. On April 11, 2016, certain Authority Members of the Authority entered into the PHASE 1 RESERVOIR PROJECT AGREEMENT. Thereafter, the Authority undertook a process to allow for additional Members and Non-Members Participating Parties to become part of the Phase 1 Reservoir Project Agreement, and in certain instances, consistent with the Bylaws, to become Authority Members. The deadline for such additional participation in the Project was August 1, 2016. This AMENDED AND RESTATED PHASE 1 RESERVOIR PROJECT AGREEMENT, provides for the addition of certain Project Agreement Members who have asked to be a party to this Project Agreement and their addition to the PHASE 1 RESERVOIR PROJECT AGREEMENT has been approved pursuant to Section 9 of the original PHASE 1 RESERVOIR PROJECT AGREEMENT by the then Project Agreement Members and the affirmative vote of at least 75% of the total number of Directors of the Authority.

Version 2 File: 12.210-020.02
Date: 2016 Nov 27 Page 1 of 10

- C. The Project Agreement Members wish to undertake the Project described on the attached Exhibit B (the "Phase 1 Reservoir Project Agreement Requirements") in the name of the Authority and in accordance with the Authority's stated Mission as set forth in the fourth Recital of the Joint Powers Agreement. The Project Agreement Members are entering into this Agreement to satisfy the requirements of Article VI of the Joint Powers Agreement. Exhibit B defines the Project (herein called the "Project"), including principles to aid in decision-making, the scope of work, budget targets, Phase 1 milestone schedule, approved consultant scopes of work and estimated fees, and related items necessary to complete Phase 1.
- D. All members of the Authority have also been given the opportunity to enter into this Project Agreement. The form of this Project Agreement was determined to be consistent with the Joint Powers Agreement and the Bylaws and approved by the Authority's Board of Directors on November 21, 2016.
- The Authority and the Project Agreement Members acknowledge that one of the Authority's goals, in additional to providing environmental benefits, is to develop and make both a water supply and storage capacity available to water purveyors and landowners within the Sacramento River watershed, and in other areas of California, who are willing to purchase either or both a water supply and storage capacity from the Sites Reservoir Project, and that the Project Agreement Members should have a preference to the water supply or storage capacity.

AGREEMENT

THEREFORE, in consideration of the facts recited above and of the covenants, terms and conditions set forth herein, the parties agree as follows:

Section 1 Purpose:

The purpose of this Project Agreement is to permit the Project Agreement Members to undertake the Project in the name of the Authority consistent with the Joint Powers Agreement. The activities undertaken to carry out the purposes of this Project Agreement shall be those, and only those, authorized by the Reservoir Project Committee (the "Committee", defined in Section 2 of this Project Agreement) in accordance with this Project Agreement, the Joint Powers Agreement and its Bylaws. Without limiting in any way the scope of the activities that may be undertaken under this Project Agreement, such activities shall include funding Authority actions and obligations undertaken to carry out the directions of the Committee. Notwithstanding any other

Version 2 File: 12.210-020.02 Date: 2016 Nov 27

provision of this Project Agreement, no activity undertaken pursuant to this Project Agreement shall conflict with the terms of the Joint Powers Agreement or the Bylaws, nor shall this Project Agreement be construed in any way as creating an entity that is separate and apart from the Authority.

Section 2 Reservoir Project Committee:

- (a) Committee Membership. The business of the Project Agreement Members under this Project Agreement shall be conducted by a Committee consisting of one member appointed by each Project Agreement Member, Appointment of each member of the Committee shall be by action of the governing body of the Project Agreement Member appointing such member, and shall be effective upon the appointment date as communicated in writing to the Authority. Project Agreement Members may also appoint one or more alternate Committee members, which alternate(s) shall assume the duties of the Committee member in case of absence or unavailability of such member. Project Agreement Members may also appoint an alternate Committee member from a different Project Agreement Member for convenience in attending Committee meetings, who may cast votes for such Project Committee Members, provided that no person shall represent more than five other Project Committee Members and more than 20% of the weighted vote as provided in Subsection 2(g) at any given meeting. In order to serve as an alternate Committee member, a written evidence of such designation shall be filed with the Committee Secretary. Each member and alternate member shall serve on the Committee from the date of appointment by the governing body of the Project Agreement Member he/she represents and at the pleasure of such governing body.
- (b) Officers. The Committee shall select from among its members a Chairperson, who shall annually act as presiding officer, and a Vice Chairperson, to serve in the absence of the Chairperson. There also shall be selected a Secretary, who may, but need not be, a member of the Committee and a Treasurer. All elected officers shall be elected and remain in office at the pleasure of the Committee, upon the affirmative vote of at least a majority of the total weighted vote as provided at Subsection 2(g);
- (c) <u>Treasurer</u>. The Authority Treasurer shall serve as the Committee's Treasurer and shall act as the Committee's liaison to the Authority's General Manager and Authority Board on financial matters affecting the Committee. The Treasurer shall prepare and provide regular financial reports to the Committee as determined by the Committee.
 - (d) General Manager. The Authority's General Manager shall (1)

Version 2 File: 12.210-020.02

Date: 2016 Nov 27 Page 3 of 10

serve as the Project Director responsible for advancing the Sites Reservoir Project, (2) be a non-voting member of the Committee, (3) ensure coordination of outreach and engagement activities between the Authority and Committee, , and (4) convene, on an as needed basis, legal representatives from the Project Agreement Members and Authority Members to advise the General Manager on legal matters that will be reported to the Committee and Authority on a timely basis.

- (e) <u>Meetings</u>. The Chairperson of the Committee or a majority of a quorum of the members of the Committee are authorized to call meetings of the Committee as necessary and appropriate to conduct its business under this Project Agreement. All such meetings shall be open to the public and subject to the requirements set forth in the Ralph M. Brown Act (Government Code Sections 54950 <u>et seq.</u>).
- (f) <u>Quorum</u>. A majority of the Reservoir Project Committee members based on the weighted vote provided in Subsection 2(g) shall constitute a quorum of the Committee.
- (g) <u>Voting</u>. Notwithstanding any provisions of the Bylaws that might be construed otherwise, for purposes of this Project Agreement, the voting rights of each Project Agreement Member shall be determined as follows:
 - (i) an equal number of voting shares for each Project Agreement Member participating in Class 1 and/or Class 2 as defined at **Exhibit A1**, that being for each Project Agreement Member, 1 divided by the total number of Project Agreement Members, multiplied by 50%; plus
 - (ii) an additional number of voting shares for each Project Agreement Member participating in Class 1 and/or Class 2, equal to its respective participating percentage described at Section 4 and defined at **Exhibit A1**, multiplied by 50%, using the version of Exhibit A in effect at the time the Committee votes.

The resulting weighted total of all voting shares shall equal 100. An Example of this weighted voting incorporating the formulas for determining participating percentages is attached at **Exhibit A2**.

(h) <u>Decision-making Thresholds</u>. In accordance with Section 5.7 of the Bylaws, for purposes of this Project Agreement, approval by the Committee for material and non-material changes shall be as follows: for actions other than Material Change Items, action of the Committee shall be taken upon the

Version 2 File: 12.210-020.02 Date: 2016 Nov 27 Page 4 of 10 affirmative vote of at least a majority of the total weighted vote as provided in Subsection 2(g); for Material Change Items, action shall be taken upon the affirmative vote of at least 75% of the total weighted vote as provided at Subsection 2(g).

Delegation of Authority/Powers and Limitations Thereon. (i) Subject to the direction of the governing bodies of the Project Agreement Members, the Committee shall undertake all actions necessary for carrying out this Project Agreement, including but not limited to setting policy for the Project Agreement Members acting under this Project Agreement with respect to the Project; recommending actions to be undertaken in the name of the Authority under this Project Agreement; determining the basis for calculation of the participation percentages for each fiscal year, and the timing required for payments of obligations hereunder; authorizing expenditure of funds collected under this Project Agreement within the parameters of the approved work plan and budget; and such other actions as shall be reasonably necessary or convenient to carry out the purposes of this Project Agreement. This Section 2(i) is subject to any and all limitations set forth in the Joint Powers Agreement and Bylaws, including but not limited to, any action that constitutes a material change as defined at Section 12.3 of the Bylaws requiring the approval of both the Committee and the Authority Board, and actions specified in Section 10 of the Bylaws which remain exclusively with the Authority Board.

Section 3 <u>Funding</u>:

- (a) <u>Budget</u>. The Committee shall, in cooperation with the Authority's Board, provide and approve both a fiscal year operating budget and reestablish the Phase 1 budget target, annually or more frequently as needed. On September 21, 2015, the Board approved both a fiscal year 2015 operating budget and Phase 1 budget target. Then, on November 11, 2015 the Board approved the fiscal year 2016 operating budget and reaffirmed the Phase 1 budget target for planned work by both the Authority and being delegated to the Committee under the original PHASE 1 RESERVOIR PROJECT AGREEMENT. An amended Phase 1 Work Plan, including annuals budgets, dated November 14, 2016, is attached at **Exhibit B**, along with the budget approval process and requirements. The Project Agreement Members shall contribute their respective pro-rata share of the budgeted sums in accordance with Section 4 of this Project Agreement.
- (b) <u>Fiscal Responsibilities</u>. **Exhibit B** specifies the Authority's requirements regarding the fiscal responsibilities of the Committee.

Version 2 File: 12.210-020.02 Date: 2016 Nov 27 Page 5 of 10

- (c) <u>Allocation of Obligations</u>. Should the Project Agreement Members acting collectively under this Project Agreement enter into any contract or other voluntary obligation, such contract or obligation shall be in the name of the Authority; provided, that all financial obligations thereunder shall be satisfied solely with funds provided under this Project Agreement and in accordance with Section 6.
- (d) Allocation of Project Agreement Expenses. The Project Agreement Members agree that all Agreement expenses incurred by them and/or by the Authority under this Project Agreement are the costs of the Project Agreement Members and not of the Authority or the Members of the Authority that do not execute this Project Agreement, and shall be paid by the Project Agreement Members; provided, however, that this Section shall not preclude the Project Agreement Members from accepting voluntary contributions and/or Authority Board's pre-approval of in-kind services from other Authority Members, or Project Agreement Members, and applying such contributions to the purposes hereof. The Project Agreement Members further agree to pay that share of any Authority costs reasonably determined by the Authority's Board to have been incurred by the Authority to administer this Project Agreement. Before the Authority's costs of administering this Project Agreement become payable, the Authority will provide its calculation of such costs to the Committee, which will have the right to audit those costs and provide comments on the calculation to The Authority Board shall consider the Committee's the Authority Board. comments, if any, including the results of any such audit, in a public meeting before the Authority Board approves a final invoice for such costs.

Section 4 <u>Participation Percentages</u>:

Each Project Agreement Member shall pay that share of costs for activities undertaken pursuant to this Project Agreement, whether undertaken in the name of the Authority or otherwise, equal to such Project Agreement Member participation percentage as established in this Section 4. The initial participation percentages of the Project Agreement Member are set forth at the attached Exhibit A1. These initial participation percentages are for the purpose of establishing the Reservoir Project Agreement Members respective responsibilities for start-up costs and other amounts contained in the approved Fiscal year budget and Phase 1 budget target, which is defined as the "Reservoir Total" on Exhibit B. The participation percentages of each Project Agreement Member will be modified by the Committee from time to time as the result of the admission of a new Project Agreement Member to this Project Agreement or the withdrawal of a Project Agreement Member, and Exhibit A1 shall be amended to reflect all such changes. Such amended Exhibit A1 shall, upon approval by the Committee,

Version 2 File: 12.210-020.02 Date: 2016 Nov 27 Page 6 of 10 be attached hereto and upon attachment, shall supersede all prior versions of **Exhibit A1** without the requirement of further amendment of this Project Agreement.

Section 5. Future Development of the Sites Reservoir Project:

- (a) The Project Agreement Members acknowledge that the Sites Reservoir Project is still in the conceptual stage and there are no assurances that the Reservoir will be constructed or that any water supplies will be developed as a result of this Project Agreement. Exhibit B includes a partial list of some of the risks and uncertainties that underlie the lack of assurances. The Project Agreement Members therefore recognize that they are not acquiring any interest in the Sites Reservoir Project other than their interest in the specific materials that will be produced by the Project defined on Exhibit B, and that they are not acquiring under this Project Agreement any interest in any future water supply or access to any other services from the Sites Reservoir Project except as provided hereunder.
- Without limiting the foregoing, any Project Agreement Member that elects to continue participating in the development, financing, and construction of the Sites Reservoir Project to the time when the Authority offers contracts for a water supply or other services, will be afforded a first right, commensurate with that Member's participation and financial contribution to the Sites Reservoir Project, to contract for a share of any water supply that is developed, and for storage capacity that may be available from the Sites Reservoir Project. In any successor Phase agreements, Project Agreement Members who are parties to this Project Agreement that submitted a proposal to participate before August 1, 2016, shall be granted rights to such share of water supply and storage capacity prior to those becoming parties after that date. The Authority and the Project Agreement Members will cooperate on the drafting of provisions in the water supply contract that will allow a Project Agreement Member or other eligible entity that commits to purchase a Sites Reservoir Project water supply to transfer water that the entity may not need from time to time on terms and conditions acceptable to the entity.

Section 6 <u>Indemnity and Contribution</u>:

(a) Each Project Agreement Member, including Authority Members acting in their capacity as Project Agreement Members and notwithstanding Section 5.9 of the Agreement, shall indemnify, defend and hold the Authority and other Project Agreement Members harmless from and against any liability, cause of action or damage (a "Cost") arising out of the performance of this Project

Version 2 File: 12,210-020.02 Date: 2016 Nov 27 Page 7 of 10

Agreement in excess of the amount of such Cost multiplied by each Project Agreement Member's participation percentage (defined in Section 4). Notwithstanding the foregoing, to the extent any such liability is caused by the negligent or intentional act or omission of a Project Agreement Member, such Project Agreement Member shall bear such liability.

(b) The Project Agreement Members shall indemnify, defend and hold the Authority and the members of the Authority that do not execute this Project Agreement harmless from and against any liabilities, costs or expenses of any kind arising as a result of the activities described in or undertaken pursuant to this Project Agreement. All assets, rights, benefits, debts, liabilities and obligations attributable to activities undertaken under this Project Agreement shall be assets, rights, benefits, debts, liabilities and obligations solely of the Project Agreement Members in accordance with the terms hereof, and shall not be the assets, rights, benefits, debts, liabilities and obligations of the Authority or of those members of the Authority that have not executed this Project Agreement. Members of the Authority not electing to participate in the Project Agreement shall have no rights, benefits, debts, liabilities or obligations attributable to the Project Agreement.

Section 7 Term:

This Project Agreement shall take effect on the date it is executed by at least two members of the Authority and shall remain in full force and effect until this Project Agreement is amended, rescinded or terminated by the Reservoir Project Committee, or completion of Phase 1 as defined at **Exhibit B**. Notwithstanding the foregoing, upon the expiration of the Joint Powers Agreement, this Project Agreement shall terminate and all uncommitted funds contributed by each Project Agreement Member shall be returned in proportion to the contributions made by each.

Section 8 <u>Withdrawal From Further Participation</u>:

To withdraw from this Project Agreement, a Project Agreement Member shall give the Authority and other Project Agreement Members written notice of such withdrawal not less than 30 days prior to the withdrawal date. As of the withdrawal date, all rights of participation in this Project Agreement shall cease for the withdrawing Project Agreement Member. The financial obligation as prescribed in the Bylaws' Section 5.10 in effect on the withdrawal date, shall consist of the withdrawing Member's share of the following costs: (a) payment of its share of all non-contract costs incurred prior to the date of the written notice of withdrawal, and (b) those contract costs associated with funds approved

Version 2 File: 12.210-020.02 Date: 2016 Nov 27 Page 8 of 10

in either contract amendments or task orders that were approved prior to the date of the written notice of withdrawal for which the contractor's work extends beyond the withdrawal date. However, a withdrawing member shall have no liability for any change order or extensions of any contractor's work that the remaining Members agree to after the withdrawing Member provides written notice of withdrawal. Withdrawal from this Project Agreement shall not to be considered a Material Change and shall not be subject to the Dispute Resolution process provided for in Section 12.3.5 of the Bylaws.

Section 9 Admission of New Project Agreement Members:

Additional Members of the Authority and Non-Member Participating Parties may become Project Agreement Members upon the affirmative vote of at least 75% of the total weighted vote as provided at Subsection 2(g) of the thencurrent Project Agreement Members and the affirmative vote of at least 75% of the total number of Directors of the Authority, and upon such conditions as are fixed by such Project Agreement Members.

Section 10 Amendments:

This Project Agreement may be amended only by a writing executed by at least 75% of the total weighted vote as provided in Subsection 2(g) of the then-current Reservoir Project Committee members.

Section 11 Assignment; Binding on Successors:

Except as otherwise provided in this Project Agreement, the rights and duties of the Project Agreement Members may not be assigned or delegated without the written consent of the other Project Agreement Members and the Authority. Any attempt to assign or delegate such rights or duties in contravention of this Project Agreement shall be null and void. Project Agreement Members may assign and delegate their rights and duties under this Project Agreement to other Project Agreement Members, and they may assign, sell, trade, or exchange all or a fraction of the potential benefits (e.g. acre-feet of water supply., megawatt-hours of power) they expect to receive through their participation in this Project Agreement consistent with the Re-balancing process and provisions set forth in Section 14.3.2 of the Bylaws, Any approved assignment or delegation shall be consistent with the terms of any contracts, resolutions, indemnities and other obligations of the Authority then in effect. This Project Agreement shall inure to the benefit of, and be binding upon, the successors and assigns of the Authority and the Project Agreement Members.

Version 2 File: 12.210-020.02
Date: 2016 Nov 27 Page 9 of 10

Section 12 Counterparts:

This Project Agreement may be executed by the Authority and the Project Agreement Members in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument. Facsimile and electronic signatures shall be binding for all purposes.

Section 13 Severability:

If one or more clauses, sentences, paragraphs or provisions of this Project Agreement shall be held to be unlawful, invalid or unenforceable, the remainder of the Project Agreement shall not be affected thereby.

Section 14 Notices:

Notices authorized or required to be given under this Project Agreement shall be in writing and shall be deemed to have been given when mailed, postage prepaid, or delivered during working hours, to the addresses set forth **Exhibit C ("Notifications")**, or to such other address as a Project Agreement Member may provide to the Authority and other Project Agreement Members from time to time.

IN WITNESS WHEREOF, the Authority and Project Agreement Members hereto, pursuant to resolutions duly and regularly adopted by their respective governing bodies, have caused their names to be affixed by their proper and respective officers on the date shown below:

Dated:		TES PROJECT AUTHORITY BOARD PRESENTATIVE
	Ву	:
Dated: 1-1	19-17 So	uthority & Project Agreement Member)
	Ву	

Version 2 Date: 2016 Nov 27 File: 12.210-020.02 Page 10 of 10



Beaumont-Cherry Valley Water District Regular Board Meeting January 24, 2019

Item 7

STAFF REPORT

TO: Board of Directors

FROM: Dan Jaggers, General Manager

SUBJECT: Discussion regarding Water Supply Assessment for Hidden Canyon Industrial

Park

Staff Recommendation

No recommendation. Information only.

Background

District Staff has received a request for an updated "Will Serve Letter" for a project known to District Staff as the Hidden Canyon Development Project which is located on Riverside County Assessor's Parcel Numbers (APN) 421-020-001 and 421-020-006) and as shown in Figure 1 – Hidden Canyon Project Location as follows:

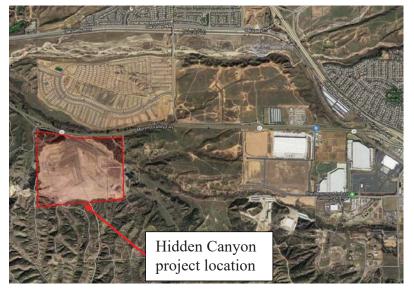


Figure 1 -Hidden Canyon Project Location

The Beaumont Gateway Specific Plan ("BGSP") was a residential project with 573 dwelling units proposed by the Lockheed Corporation and approved by the City of Beaumont ("City") in 1996. CEQA compliance for the project was documented through the BGSP EIR, which was certified in 1996. The BGSP was never constructed.

In 2003, CRV-SC Beaumont Partners, LP made an application to the City of Beaumont and the District for the Hidden Canyon Specific Plan (HCSP), a revised residential development of up to 426 residents, park space and a 4.8 acre commercial site located on the former site of the proposed BGSP and an additional 36.5 acres to the east. The City prepared and adopted an addendum to the BGSP EIR in 2005 ("2005 Addendum"). However, the HCSP was never constructed.



The Hidden Canyon Development Project appears to have approved for annexation and water service ("Will Serve Letter") by the District in either the mid to late 1990s or early 2000s (staff is still reviewing files to determine specific timelines). Regardless, the HCSP residential housing development project described above was annexed into the District's service area as part of LAFCO Annexation 2004-48-5.

Since the project annexed into the District, the developer has proposed a revised development project which changed said project from a Residential Tract Home Project to and Industrial Park Project of two warehouse type facilities consisting of two buildings with approximately 2,867,210 square feet. BCVWD staff also provided a preliminary fire flow and plan of service assessment in early 2011.

In December 2011, BCVWD offered comment to the City of Beaumont Planning Committee, identifying that due to the change in the Proposed Project from residential to industrial / warehousing, a Water Supply Assessment (WSA) would be required before moving forward with presenting a request for an updated "Will Serve Letter" to the BCVWD Board. Said comments were restated to the City of Beaumont Planning Committee on April 5, 2016, per the attached.

At this time, the Developer has requested that the District prepare a Water Supply Assessment and that said assessment together with a request for updated "Will Serve Letter" be presented to the Board. This Staff Report serves to commence the review of the Draft Water Supply Assessment prepared by District Staff and the Developer and begin discussion related to approval of the update to the "Will Serve Letter".

The proposed Hidden Canyon Industrial Park consists of approximately 200 gross acres (146 acres net) and is located south of State Highway 60 and west of Potrero Blvd. Said project is rough graded into two large pads with one building proposed on each pad; one building will be 1,000,000 sq. ft. and the other 1,800,000 sq. ft. 4th Street is proposed to be extended from its current end to the western boundary of the Project where it will terminate in a cul-de-sac. The Project consists of a total of 2,800,000 sp. ft. industrial distribution.

The estimated water demand for the Proposed Project has been established based on discussion with BCVWD staff, City of Beaumont staff and the Developer. District staff has also evaluated water use for an existing 720,000 sq. ft. industrial distribution center nearby and noted that a maximum water use for that facility was 2,000 gallons per day (gpd) in the last 12-month period. An estimated 1,500 sq. ft. per employee was used to estimate the proposed facility staff levels, which is supported by industry standards. The total number of employees was rounded to 2,000 and based on 15 gpd per employee, the estimated water use for said Project would be 30,000 gpd or 24 acre-ft. per year (AFY) based on 244 working days, distributed among the potable and non-potable water system as follows:

- Potable Water Demand 18,750 gpd or 15 AFY
- Non-Potable Water Demand 11,250 gpd or 9 AFY

The total new water demand required by the project will be approximately 51.75 EDUs. This new water demand will need to be provided by imported water via the San Gorgonio Pass Water Agency and new non-potable water resource provided by BCVWD through the City of Beaumont's upgraded WWTP which is anticipated to be completed in approximately March 2020.



BCVWD Proposed Development Conditions are as Follows:

Prior to final project development, the following conditions must be met:

- The Applicant shall enter into a water facilities extension agreement and pay all fees associated with the domestic, non-potable water services and main line pipeline extensions. The Applicant shall also pay all fees related to new fire service facilities including any facilities improvements that may be necessary to meet the fire flow requirements.
- 2. The Applicant shall be required to extend all master plan water and recycled water pipeline facilities to the property in question and along all property frontages in accordance with a Plan of Service for said property which will be updated from the preliminary plan of service and fire flow analysis prepared in 2011.
- 3. The Applicant shall be required to pay front footage fees along all property frontages where facilities are currently installed.
- 4. The Applicant shall connect to the recycled water system for irrigation supply. To minimize the use of potable water, the District requires the applicant conform to the City of Beaumont Landscaping Ordinances and Zoning Requirements and/or County of Riverside Landscaping Ordinances (as applicable) which pertains to water efficient landscape requirements and the following:
 - a. Landscaped areas which have turf, shall have "smart irrigation controllers" which use Evapotranspiration (ET) data to automatically control the watering. Systems shall have an automatic rain sensor to prevent watering during and shortly after rainfall and automatically determine watering schedule based on weather conditions, and not require seasonal monitoring changes. Orchard areas, if any, shall have drip irrigation
 - b. Landscaping in non-turf areas should be drought tolerant consisting of planting materials. Irrigation systems for these areas should be drip or bubbler type.
- 5. The Applicant shall prepare plans in accordance with District Standards showing all required domestic water system and non-potable water system improvements. Said plans shall be approved by the District prior to construction.
- 6. The Applicant shall conform to all District requirements and all City of Beaumont requirements.

Fiscal Impact

There will be no fiscal impact to the District as all fees and facility installation costs will be paid for by the Developer.

Attachment(s)

April 5, 2016 BCVWD Comments to the City of Beaumont Planning Committee

Handout

Beaumont-Cherry Valley Water District Water Supply Assessment for Hidden Canyon Industrial Park

Staff Report prepared by Erica Gonzales, Administrative Assistant

CITY OF BEAUMONT 550 EAST 6TH STREET

BEAUMONT CALIFORNIA 92223

(951) 769-8518

(951) 769-8526 FAX

PLANNING DEPARTMENT TRANSMITTAL SHEET

ASSESS PCL NO. 421-020-001, 421-020-006 BEAUMONT CASE NO. RETURN COMMENTS BY: DATE 16-PP-02 3/15/2016 4/5/2015 LOCATION South side of SR-60 at the end of future 4th Street, Beaumont, CA 92223 TRANSMITTED TO: Southern California Edison Beaumont Transit Department Southern California Gas Company Beaumont Unified School Dist. Cal Trans Beaumont Cherry Valley Water Dist. Verizon Beaumont CV Recreation & Parks Dist. Beaumont Building and Safety Beaumont Library Economic Development Beaumont Public Works RC Waste Management (no plans) Beaumont Fire Department Regional Water Quality Control Board Beaumont Police Department South Coast Air Quality District State Dept. of Fish & Wildlife

BRITE DESCRIPTION OF PROJECTS

Plot Plan Application for two (2) industrial buildings totaling 2,867,210 square feet on two (2) vacant parcels totaling 204.225 Acres within the Hidden Canyon Industrial Specific Plan (SP) Zone.

Please review the attached tentative map/documents and return your comments or Conditions of Approval NO LATER THAN the date noted above. If additional time is needed, please so state in your recommendations or contact the Planning Director by telephone. There is no need to return the exhibit, you may keep it in your files. Should you have any questions, please do not hesitate to contact this department (951) 769-8518 or rdeming@beaumontcares.com. Mailing Address: City of Beaumont, Planning Department, 550 E. 6th Street, Beaumont, Ca 92223

COMMENTS/RECOMMENDED CONDITIONS OF APPROVAL (COMMENTS MAY BE ATTACHED)

SEE Co Letter a	d 12/7/2011	ched on	April 5, 2016 Borns
T	and Mr.		En Date: 4/5/2016
Signature:	MA	1	



Beaumont-Cherry Valley Water District

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

Board of Directors

David Hoffman Division 5

John Covington Division 4

Daniel Slawson Division 3

Nathan Douglas Division 2

Jeffrey Cottrell
Division 1

April 5, 2016

Rebecca Demming City of Beaumont, Planning Department 550 East 6th Street Beaumont, CA 92223

Subject: Planning Case for APN 421-020-001, and 421-020-006

(Beaumont Case Number: 16-99-02)

Dear Ms. Demming:

The Beaumont-Cherry Valley Water District (District) has reviewed the proposed development submittal and offers the following comments:

- The Beaumont-Cherry Valley Water District previously offered comment regarding this project on December 12, 2011 identifying a Water Supply Assessment (WSA) would be required for this project. That WSA is still required. A copy of those comments is provided for reference and those comments are still valid.
- 2. The Plan of Service developed by the District for the original proposed projects that encompassed these parcels (Tract 31843) and Tract 32747) and the District's Urban Water Management Plan envisioned that the recycled water component of the required project water supply would be provided by the Beaumont-Cherry Valley Water District utilizing recycled water acquired by the District from the City of Beaumont. The Applicant shall secure entitlement to said non-potable water supply from the City of Beaumont via an irrevocable offer of dedication by the City of Beaumont to the District as necessary to support the project development nonpotable water use requirements. Said non-potable water supply shall be provided to the District by the City at a delivered cost not to exceed the cost per acre-foot of imported water available from the State Water Project supply as available from the San Gorgonio Pass Water Agency. Current Table "A" Allotment (currently \$317) per acre foot of water). The water quality of said non-potable water shall meet all Title 22 and Basin Plan requirements. Alternatively, the Developer may propose an alternative source of supply that is acceptable by the District.



Beaumont-Cherry Valley Water District

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

Board of Directors

David Hoffman

John Covington
Division 4

Daniel Slawson Division 3

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Jeffrey Cottrell
Division 1

- 3. The Applicant shall connect to the recycled water system for irrigation supply. To minimize the use of potable water, the District requires the applicant conform to the City of Beaumont Landscaping Ordinances and Zoning Requirements and/or County of Riverside Landscaping Ordinances (as applicable) which pertains to water efficient landscape requirements and the following:
 - a. Landscaped areas which have turf shall have "smart irrigation controllers" which use Evapotranspiration (ET) data to automatically control the watering. Systems shall have an automatic rain sensor to prevent watering during and shortly after rainfall and automatically determine watering schedule based on weather conditions, and not require seasonal monitoring changes. Orchard areas, if any, shall have drip irrigation.
 - Landscaping in non-turf areas should be drought tolerant consisting of planting materials. Irrigation systems for these areas should be drip or bubbler type.
- 4. The Applicant shall prepare separate water improvement plans and non-potable water improvement plans for the project as well as required water main and non-potable water main pipeline extensions in accordance with current District Standards showing all required domestic water system and non-potable water system improvements. Said plans shall be approved by the District prior to construction.
- 5. The existing Will Serve letter issued by the District for this project is expired. The Developer will be required to request an updated will serve letter from the District at the time the Water Supply Assessment is completed and when project moves forward. Finally, the District has enacted Resolution 2014-05 which prohibits the issuance of Will Serve Letters for projects while the drought is in effect in California with 2 exceptions (Item 2.a and 2.b of said resolution). This project may or may not be affected by District Resolution 2014-05 and said determination will be made by the District Board of Directors upon request by the Developer. Please see attached copy of said resolution for specific requirements.
- 6. The Applicant shall conform to all District requirements and all City of Beaumont requirements.



Beaumont-Cherry Valley Water District

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

Board of Directors

David Hoffman Division 5

John Covington Division 4

Daniel Slawson 3

Nathan Douglas Division 2

Jeffrey Cottrell Division 1 See attached "Timoteo Industrial Park, Comment on Revision of Hidden Canyon Specific Plan APN 421-020-001 & 421-020-006" for additional comments.

Sincerely,

Daniel K. Jaggers

Director of Engineering

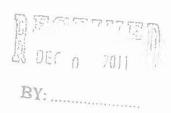
Beaumont-Cherry Valley Water District

DKJ/dkj

APN_421-020-001-006_COB_Plan_L1_20160405r1.docx

CITY OF BEAUMONT 550 EAST 6TH STREET BEAUMONT CALIFORNIA 92223

(951) 769-8520 (951) 769-8526 FAX



	G DEPARTMENT MITTAL SHEET	
ASSESS PCI. NO.: 421-020-001 & 421-020-006	TRACT MAP /PARCHL M PM 36426	AP NO.:
11-SPA-01, 11-PM-03, 11-GPA-02, and 11-PP-04	DATE: 11/29/2011	RETURN COMMENTS BY: 12/15/2011
LOCATION: 36523 Hwy 60 – South of Hwy 60 and East	of Jack Rabbit Trail	
Southern California Edison Southern California Gas Company Cal Trans Verizon RC Waste Management (no plans)	Beaumor	nt Unified School Dist. nt Cherry Valley Water Dist. Rcc & Parks Dist. nt Library
BRILL DESCRIPTION OF PROJECT		
Specific Plan Amendment, Parcel Map, Gene Hidden Canyon Specific Plan from Single Fa industrial distribution facility.		
Please review the attached tentative map/documents at LATER THAN the date noted above. If additional tircontact the Planning Director by telephone. There is no Should you have any questions, please do not hesitate the City of Beaumont, Planning Department, 550 E. 6th Str.	ne is needed, please so state is to need to return the exhibit, to contact this department (9).	n your recommendations or you may keep it in your files.
COMMENTS/RECOMMENDED CONDITIONS OF APPROVA	AL (COMMENTS MAY BE ATTA	снір)

Submitted by: Signature: Signatur



DATE:

December 7, 2011

TO:

City of Beaumont Planning Dept

FROM:

Joseph Reichenberger, District Engineer

SUBJECT:

Timoteo Industrial Park, Comments on Revision of Hidden Canyon Specific Plan

APN 421-020-001 & 421-020-006

- A water supply assessment (WSA) conforming to Water Code §10910 is required. City to request BCVWD in writing, to prepare the WSA per Water Code §10910 (c)(1).
- Applicant shall make deposits to BCVWD to cover all costs associated with preparation of the WSA. Applicant shall provide BCVWD with potable and landscape irrigation water demands. Applicant shall request fire flow requirements from the City of Beaumont.
- 3. WSA and water service application requires approval of the BCVWD Board of Directors. Applicant recognizes there is a time limit of 1 year on water service applications.
- Applicant shall be responsible for securing all rights-of-way for the off-site pipelines to the satisfaction of BCVWD.
- Applicant shall prepare plans and profiles of on-site and off-site water and recycled water plpelines; plans shall be prepared by a civil engineer registered in the State of California. Applicant shall make deposits to BCVWD to cover the costs of studies, plan check, inspection etc.
- Applicant shall Install all potable and recycled water pipelines and appurtenances as required by BCVWD from the existing end of the pipelines in Fourth Street about 3000 feet east of proposed Potrero Street to the property and install pipelines on the property to serve each parcel at the Applicant's sole cost.
- 7. Applicant shall execute a main line extension agreement with BCVWD.
- 8. Applicant shall use recycled water for all landscape irrigation. Submit plans to BCVWD for approval. Final as-built plans shall be submitted to BCVWD upon final completion.
- Applicant shall conform to BCVWD's Rules and Regulations Governing Water Service which are available on the BCVWD's website www.bcvwd.org

RESOLUTION 2014-05

A RESOLUTION OF THE BOARD OF DIRECTORS OF BEAUMONT-CHERRY VALLEY WATER DISTRICT PRECLUDING THE APPROVAL OF A REQUEST FOR THE ISSUANCE OF ANY WILL SERVE LETTER UNDER THE CIRCUMSTANCES STATED HEREIN SUBJECT TO THE EXCEPTIONS STATED HEREIN

WHEREAS, This Board has discussed and desires to adopt a policy which will suspend the issuance of will serve letters which will add demand to the District's water supplies not previously considered and approved by this Board during conditions specified herein.

WHEREAS, This policy is intended to avoid requiring conservation by presently served ratepayers in order to protect available supplies while simultaneously creating new demand on those supplies and to preserve the rights of persons who have relied on the issuance of a will serve letter by annexing to the District or paying fees or constructing infrastructure in consideration of the issuance of a will serve letter.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Beaumont-Cherry Valley Water District declares the following:

- Subject to the exceptions stated in Paragraph 2 below, this Board shall not issue a will serve letter when:
 - (a) A condition of drought exists in the State of California as declared by the Governor of the State of California,
 - (b) There is in effect mandatory conservation measures applicable to the District's ratepayers imposed directly by the State of California, or imposed by implementation of District conservation measures in accordance with the District's Urban Water Management Plan and
 - (c) The quantity of the District's ready to deliver water supplies is less than a projected demand of five years based on the District's then current annual demand.
- The following applications shall be excepted from the prohibition of the issuance of will serve letters stated in Paragraph 1 of this Resolution:
 - (a) An application for residential or commercial water use reasonably estimated to constitute an annual demand equal to or less than 2 (two) EDU's;
 - (b) An application for service to property as to which a will serve letter previously has been issued and the recipient of that letter or his or her successor in interest has relied on the letter in paying fees to the District, annexing the subject property to the District or constructing District infrastructure in order to provide service to the subject property.
- 3. The District Secretary shall certify the adoption of this Resolution.

ADOPTED AND APPROVED this 8th day of October, 2014

Chairman

I, Daniel Successive Secretary of the Beaumont-Cherry Valley Water District Board of Directors, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the Beaumont-Cherry Valley Water District Board of Directors, held on the 8th day of October, 2013, by the following vote:

AYES: 3 BOARDMEMBERS: Ross, Guldseth, Ball

NOES: | BOARDMEMBERS: 5 awson

ABSENT: 1 BOARDMEMBERS: Well (vacant seat)

ABSTAINED: Ø BOARDMEMBERS:

ATTEST: Secretary



Beaumont-Cherry Valley Water District Regular Board Meeting January 24, 2019

Item 8

STAFF REPORT

TO: Board of Directors

FROM: Dan Jaggers, General Manager

SUBJECT: Discussion regarding the Beaumont Basin Watermaster Accounting of Recharge

and Storage Levels and City of Banning Extractions from Beaumont Basin

through Well 25

Staff Recommendation

None. Information only.

Background

<u>History</u>

In 2001, the City of Beaumont (Beaumont), the Beaumont-Cherry Valley Water District (BCVWD), the South Mesa Water Company (SMWC) and the Yucaipa Valley Water District (YVWD) formed the San Timoteo Watershed Management Authority (STWMA). One of the initial tasks was to develop a watershed-wide program to develop and implement a comprehensive management program.

The goals of the program included enhancing and protecting water quality and supply. One of the elements of the plan was the establishment of a groundwater management entity for the Beaumont Basin, which was accomplished in 2003 by a stipulated agreement through the Riverside Superior Court creating the Beaumont Basin Watermaster Committee to manage the basin.

The 2004 judgment assured that:

- All producers shall be allowed to pump sufficient water from the Basin to meet their respective requirements.
- The Safe Yield of the Basin was established at 8,650 acre-feet per year to be distributed among overlying producers. The safe yield is to be re-evaluated every 10 years. The 2013 re-evaluation of the Safe Yield of the Basin was established at 6,700 acre-feet.
- The overlying parties, as of the 2013 re-evaluation of Safe Yield, can extract a combined total of 6,700 acre-feet per year with individual rights set for each overlying producer. If an overlying producer pumps more than five times its share of the operating safe yield in any five consecutive years, the overlying producer shall provide Watermaster with sufficient funds to replace the overproduction.

Since 2013, the Appropriators may extract only the amount each has in storage or credited to them. An Appropriator shall provide Watermaster with sufficient funds to replace any amount of overproduction that may have occurred over a five-year period.

The Watermaster has the authority to enter into Groundwater Storage Agreements with producers for the storage of supplemental water, and more.



The Watermaster develops and implements a groundwater management plan including water quality and quantity considerations. It is responsible for the legal and practical means of ensuring the waters of the Basin are put to maximum beneficial use.

Storage

The following table shows participating entities and the amount of storage capacity of each as of December 31, 2017, from a total available storage capacity of 290,000 acre-feet:

Entity	Available storage (Acre-feet)
City of Banning	80,000
City of Beaumont	30,000
Beaumont-Cherry Valley WD	80,000
South Mesa Water Company	20,000
Yucaipa Valley Water District	50,000
Morongo Band of Mission Indians	20,000
San Gorgonio Pass Water Agency	10,000

Overlying Party Production

There are 17 Overlying Parties: owners of land which overlies the Beaumont Basin and have exercised water rights to pump therefrom. They were assigned a share of the Safe Yield and may not pump more than five times their assigned share without incurring a replenishment obligation. Monthly and annual production is reported to the Watermaster.

Summary

At the Regular Meeting on January 9, 2019, the Board requested an update on water storage activity in the Beaumont Basin.

<u>Production</u>

From inception of the Watermaster in 2003 to December 31, 2017, production by Appropriators has steadily increased and stood at an average of 85.7 percent of the Safe Yield. Updated production numbers will be available in the Watermaster 2018 annual report, expected to be filed with the Watermaster in March 2019.

Interestingly, groundwater production peaked in 2007 when close to 20,000 acre-feet was pumped. The amount declined steadily through 2010, to approximately 13,600 acre-feet pumped annually, then began to climb again reaching 15,867 acre-feet in 2017.

Recharge

Since 2006, the Beaumont Basin has been recharged with 72,121 acre-feet by BCVWD and 12,942.2 acre-feet by Banning for a total of 85,063.4 acre-feet of water deliveries as of December 31, 2017 from the State Water project via the BCWVD Noble Creek Recharge



Facility. In anticipation of future needs and a hedge against price increases, BCVWD has been purchasing and banking more water over the past two years.

In addition, the San Gorgonio Pass Water Agency has recharged a total of 9,582.50 acre-feet as of December 2012 and a total of 10,507.8 acre-feet as of December 31, 2017 just outside and north of the Adjudicated Beaumont Basin Boundary at the Little San Gorgonio Recharge Ponds. Said ponds are located just north of Orchard Street and east of Avenida Miravilla.

It is the opinion of staff that said Little San Gorgonio Recharge Ponds activities most likely influenced the 2013 re-evaluation of the Safe Yield due to BCVWD understanding that the recharge performed by the SGPWA between 2004 and 2012 was tabulated and was modeled as hydrologic underflow into the Beaumont Basin by the Beaumont Watermaster's Hydrogeologist during the hydrology modeling associated with the Watermaster's 2013 re-evaluation. This recharge underflow component may have resulted in providing an annual average underflow contribution of about 958 acre-feet over the 2003 to 2012 re-evaluated period.

Finally, additional recharge capacity will become available to the SGPWA when their planned "Fiesta Recharge Facility" located at the south west corner of Brookside and Beaumont Avenue is completed in early 2019.

<u>Storage</u>

The table below represents the content of each Appropriator's storage account at the beginning and end of Calendar Year 2017:

Agency	Calenda	ar Year 2017 (ad	cre-feet)
, igono,	Beginning	Ending	Change
City of Banning	49,990.8	51,960.6	1,969.8
BCVWD	27,565.9	32,295.7	4,729.9
City of Beaumont	0.0	0.0	0.0
South Mesa Water Company	8,681.3	9,132.5	451.2
Yucaipa Valley Water District	14,880.8	15,776.2	895.3
Morongo Band of Mission Indians	0.0	0.0	0.0
San Gorgonio Pass Water Agency	0.0	0.0	0.0

Handout

Beaumont Basin Watermaster 2017 Consolidated Annual Report and Engineering Report: (Handout Tables and Figures are also available online within the Beaumont Watermaster's Annual Watermaster Report for Calendar Year 2018 at

http://www.beaumontbasinwatermaster.org/documents--publications.html)

- a. Figures 3-1 through 3-9
- b. Tables 3-1A through Table 8

Staff Report prepared by Lynda Kerney, Administrative Assistant



Beaumont-Cherry Valley Water District Regular Board Meeting January 24, 2019

Item 9

STAFF REPORT

TO: Board of Directors

FROM: Dan Jaggers, General Manager

SUBJECT: Discussion Regarding a New Opportunity and Options for Additional Office

Space

Staff Recommendation

No recommendation. Board discussion and direct staff as desired.

Background

This Staff Report furthers the discussion regarding additional office space started at the June 28, 2018 Engineering Workshop, District staff presented various options for the increase in workspace at the District's Administration Facilities Building. Currently all available space is in use and Staff has worked with an outside Vendor to determine if a cost effective solution is available to provide a more efficient use of space and obtain more work stations and offices within the existing building footprint.

Additionally, District staff has evaluated the purchase option of a Modular Building to be located on a District owned parcel (559 Orange Ave, Beaumont) and has also inquired with the property owner of a vacant office space located at 692 E. 6th Street, Beaumont.

Summary

Modification to Existing Office Building

District staff consulted with a Vendor to assist with optimizing the current Office Building layout to achieve additional workspace for the increase in staff as the District grows. The costs associated with reconfiguring the existing office space (approximately \$40,000) are relatively low, however this reconfigured space does not solve the 2019 staffing needs of the office. Based upon these facts, staff considers this option to be the least viable to meet ongoing District needs.

Alternative "A" – Modular Building Purchase

District staff identified an option to the Board during the June 28, 2018 discussion utilizing the District-owned parcel (559 Orange Ave., Beaumont), securing it with fencing and placing a modular building (24' x 60') within the fenced area. It is estimated that this building could facilitate six (6) to seven (7) staff members. This option does involve a large up-front cost for the building purchase, site design and improvements, fencing, ADA accommodations, permits and minor inside improvements. However, after the first year, the ongoing costs are relatively small. See Table 1 and 3 for costs related to this Alternative.

Alternative "B" - Off-Site Building Suite Lease

Recently, District staff also identified a commercial office space available for lease which is approximately 1,660 sf (approximately 200sf larger than a 24' x 60' modular building) located at 692 E. 6th Street, Beaumont, approximately 900 ft. from the existing office building. Staff has subsequently contacted the owner of the building to further understand



the rental costs associated with the space. This Alternative will require less initial cost, but will have an ongoing annual rental cost for the duration of the District's need. See Table 2 and 3 for costs related to this Alternative.

Fiscal Impact

The fiscal impact for additional office space will vary in an initial cost from \$63,140 to \$229,140 and will be paid from Facilities Fees.

Attachment(s)

- 1. Table 1 BCVWD Additional Office Space Off-Site Modular Building Purchase Alternative "A"
- 2. Table 2 BCVWD Additional Office Space Off-Site Office Space Lease Alternative "B"
- 3. Table 3 Cost Breakdown 5-Year Comparison

Staff Report prepared by Mark Swanson, Senior Engineer

BCVWD Additional Office Space

Off-Site Modular Building Purchase - Alternative "A"

Approx. Building Size

24'x60' (1440 sf)

Description:

Mobile Unit with 4 offices, 2 restrooms, 1 conference room

Monthly Costs		
Item	New Moc	New Model (2018)
	Amount	Unit
Liability Insurance*		\$/Mo.
Utilities (Electric, Sewer)*	\$180.00	\$/Mo.
One-Time Costs (from June 2018)		
Item		
	Amount	Unit
Building Sale Price w/ 20oz carpeting and 4" vinyl cove base	\$115,079	EA
Delivery (Clear and unobstructed access)	\$4,750	EA
Set Up (Block, Level, and Close Up, Seam Carpet) Assumes Level Site	\$1,425	EA
Two (2) OSHA Metal Stairs	\$1,500	EA
Foundation Materials (Steel Piers w/ PT Wood Pads)	\$550	EA
Seismic / Wind Anchors (14)	\$963	EA
Skirting (Painted w/ Vents and Access Panel) +/-168LF	\$3,150	EA
Title Transfer Fees	\$50	EA
Sales Tax (7.75%)	\$9,396	EA
Subtotal	\$136,863	
Optional		
Engineered Foundation Plans & Calcs (Wet Stamped)	\$825	4 sets
Subtotal	\$855	
City & Other Eggs	+ silowy	± 2
City Plan Review & Inspection Fees (Approximate)	\$4,250	EA
Misc. City Fees (Approximate)	\$400	EA
SCE Setup / Connection Charges	Unknown	EA
Subtotal	\$4,650	
Total (Sum of Building, Optional Items and City & Other Fees)	\$142,338	
Chain Link Fence (Perimeter Fencing)	\$33,490	LS
Wrought Iron Fence (Perimeter Fencing)	\$86,800	LS

Modular Building to be located on BCVWD property ar 559 Orange Ave, Beaumont, CA 92223

^{*}Costs are approximated for these items.

BCVWD Additional Office Space

Off-Site Office Space Lease - Alternative "B"

Approx. Office Space Size (sf)

1662

Description:

692 E. 6th Street Suite #B, Beaumont, CA

Monthly Costs			
Item		Office S	Office Space Lease
	Amount	Unit	Cost/Month
Building Rental Space	\$1.25	\$/SF	\$2,077.50
Liability Insurance*		\$/Mo.	\$0.00
CAM (Common Area Maintenance)	\$0.30	\$/Mo.	\$498.60
Total Monthly			\$2,576.10
Total Annual Rent Costs			\$30,913.20
One-Time Costs			
Item		Initial Impr	Initial Improvement Costs
Tenant Improvements* (Assumes construction of 3 offices and other misc. indoor const.)	\$16.50	\$/SF	\$27,423.00
Miscellaneous Furnishings** (Assumes purchase/lease of 5-6 cubicle workstations)	\$800	EA	\$4,800
Total Approximate Initial Improvement Costs (One Time)			\$32,223.00

Notes:

692 E. 6th Street is located just east of City Hall, in the same building as Frijoles Restaurant.

*Costs are estimated for these items.

 $^{^{**}}$ Approximate cubicle costs range from \$600 ea (used/refurbished) to \$1200 ea (new)

Table 3

Cost Breakdown 5- Year Comparison

	Projected Approximate 5-Yr Cost		\$237,780		Projected Approximate 5-Yr Cost		\$186,820
		Year 5	\$2,160	ease		Year 5	\$30,920
Option "A" - Modular Building	(pəpun	Year 4	\$2,160	Option "B" - Off-site Building Suite Lease	nnded)	Year 4	\$30,920
Option "	l Cost Breakdown (Rounded)	Year 3	\$2,160	Option "B" - 0	l Cost Breakdown (Rounded)	Year 3	\$30,920
	Annual Co	Year 2	\$2,160		Annual Co	Year 2	\$30,920
		Year 1	\$229,140			Year 1	\$63,140



Beaumont-Cherry Valley Water District Regular Board Meeting January 24, 2019

Item 10

STAFF REPORT

TO: Board of Directors

FROM: Dan Jaggers, General Manager

SUBJECT: Notification of Intention to proceed - Redundant SAN Project / Server

Replacement Project

Staff Recommendation

No recommendation. Information only.

Summary

In the spirit of transparency, staff is notifying the Board of Directors of the intention to move forward with two projects that have been previously approved on the Capital Improvement Program.

Most recently, said projects were approved in the 2019 Operating & Capital Improvement Budget at the December 12, 2018 Regular Board meeting. The projects have been referenced on the CIP as Redundant SAN Project and Server Replacement Project. Both of these projects will be completed by the Information Technology Department in the next 30 days. Due to the secure nature of these projects, specific details about the purpose of the replacements, types of equipment used, etc. will not be outlined in this notification. If the Board would like to have a closed session briefing, staff will be pleased to discuss the details of the project.

It is important to note that both of these projects will be replacing existing equipment that has been fully depreciated, and all procurement processes will comply with the District's purchasing policy.

Fiscal Impact

The fiscal impact to the District will be an amount not to exceed \$51,417 for the Redundant SAN Project and \$51,771 for the Server Replacement Project as outlined in the Capital Improvement Program and 2019 Operating and Capital Improvement Budget. Said equipment will be purchased from various materials and equipment vendors and constructed, installed and configured by District staff.

Funds are available from the Capital Replacement Reserve Fund for completion of this work.

Staff Report prepared by Robert Rasha, Information Technology Department



Beaumont-Cherry Valley Water District Regular Board Meeting January 24, 2019

Item 11

STAFF REPORT

TO: Board of Directors

FROM: Dan Jaggers, General Manager

SUBJECT: Discussion regarding 2019 AB 1234 Ethics Training Requirements and Options

for Fulfillment

Staff Recommendation

Review Ethics Training policy and determine best option to complete the training requirements.

Background

The central purpose of ethics laws is to preserve the public's trust in its public institutions and those who serve in them. California law requires elected officials to complete two hours of ethics training within six months of taking office and once during each two-year period. (Government Code sections 53234 – 53235.2).

Consistent with this requirement, the BCVWD Policies and Procedures Manual Part II, Section 18 reiterates the obligations for training.

In the past, the BCVWD Board members have participated with the Yucaipa Valley Water District in Ethics Training, however this year, the scheduled training date conflicted with the January 9 Board meeting.

The most recent training for BCVWD elected officials was conducted on January 19, 2017. Four Board members are now due for Ethics Training.

Summary

Options:

- A. Complete the course online. There are three options:
 - a. Online course by the Fair Political Practices Commission
 - b. Online course by the California Special Districts Association
 - c. Online course by the ACWA/JPIA through Target Solutions
- B. Engage a trainer to present the two-hour course at the District office. Often, the training would be facilitated by District Counsel.

Fiscal Impact

The fiscal impact of the training will depend on the option chosen.

Option A – online training has no fiscal impact if completed before March 15

Option B – The fiscal impact will depend on the cost of the trainer engaged.

Board members are also eligible for a per diem compensation for the training per BCVWD day of service policy.

Attachments

Policies and Procedures Manual Part II, Section 18

Report prepared by Lynda Kerney, Administrative Assistant



BCVWD Policies and Procedures Manual Part II, Section 18

18. ETHICS TRAINING

- A. **Policy.** All directors and designated executive staff of the District shall receive two hours of training in general ethics principles and ethics laws relevant to public service within one year of election or appointment to the board of directors and at least once every two years thereafter, pursuant to Government Code Sections 53234 through 53235.2.
- B. **Application.** This policy shall also apply to all staff members that the board of directors designates and to members of all commissions, committees and other bodies that are subject to the Ralph M. Brown Open Meeting Act.
- C. Provider. All ethics training shall be provided by entities whose curricula have been approved by the California Attorney General and the Fair Political Practices Commission.
- D. Participation. Directors shall obtain proof of participation after completing the ethics training. Applicable costs for attending the training will be reimbursed by the District.
- E. **Records.** District staff shall maintain records indicating both the dates that directors completed the ethics training and the name of the entity that provided the training. These records shall be maintained for at least five years after directors receive the training, and are public records subject to disclosure under the California Public Records Act.
- F. **Training Information.** District staff shall provide the board of directors with information on available training that meets the requirements of this policy at least once every year.
- G. **Training Options.** Ethics training may consist of either a training course or a set of self-study materials with tests, and may be taken at home, in person or online.
- H. **Requirements.** Any director of the District that serves on the board of another agency is only required to take the training once every two (2) years.



Beaumont-Cherry Valley Water District Regular Board Meeting January 24, 2019

Item 12

Update: Legislative Action and Issues Affecting BCVWD

Federal			
Issue	Status	Description Description New o	New or Change in Status (New/Y/N)
H. Res 19	1/3/19 - Introduced in House.	Resolution recognizes the importance of protecting the American people from drinking water polluted with carcinogens, such as hexavalent chromium.	New
H.R. 6705 – Amd. to Safe Drinking Water Act	9/8/18 – Referred to the House Subcommittee on Environment	To amend the Safe Drinking Water Act to require the Administrator of the Environmental Protection Agency to publish a maximum contaminant level goal and promulgate a national primary drinking water regulation for perchlorate, and for other purposes.	Z
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. 1/16/19 – No change in status.	Z
H.R. 434 – New WATER Act	Wrapped into America's Water Infrastructure Act of 2018. Signed into law by President.	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.	>-
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.	Z

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Update Prepared by: Mark Swanson, Senior Engineer and Lynda Kerney, Administrative Assistant

California			
Issue	Status	Description New State St	New or Change in Status (New/Y/N)
AB 869: Sustainable Water use and demand reduction:	11/30/18 – Bill died in 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 acrefoot basis, to meet its water use target. Encourages continued investment in water reuse throughout the state to be better prepared for periods of drought.	\
AB 3206. Water conservation: water meters: accuracy and performance standards	11/30/18 – Bill died in committee.	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.	*
SB 952: Water Conservation: Local Water Supplies	11/30/18 – Bill died in committee.	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.	>

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Update Prepared by: Lynda Kerney, Administrative Assistant