



**BEAUMONT-CHERRY VALLEY WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
560 Magnolia Avenue, Beaumont, CA 92223
Wednesday, April 10, 2019 at 6:00 p.m.**

Call to Order: Vice President Slawson

Vice President Slawson began the meeting at 6:06 p.m.

Pledge of Allegiance: Vice President Slawson

Vice President Slawson led the pledge.

Invocation: Director Hoffman

Director Hoffman gave the invocation.

Roll Call:

Directors present:	Directors Hoffman, Slawson, Williams
Directors absent:	Covington, Ramirez
Staff present:	General Manager Dan Jagers, Director of Finance and Administration Yolanda Rodriguez, Senior Engineer Mark Swanson; Senior Finance and Administrative Analyst Bill Clayton, Assistant Director of Operations James Bean, Administrative Assistant Erica Gonzales
Legal counsel:	James Markman

Members of the public who registered their attendance: Fran Flanders, Judy Bingham, Libi Uremovic, David Golkar, Lloyd White, Hisam Baqai.

Public Comment: None.

ACTION ITEMS

1. Adjustments to the Agenda: None.

2. Consent Calendar:

The following Consent Calendar items were approved with one motion:

- a. February 2019 Budget Variance Report*
- b. February 28, 2019 Cash/Investment Balance Report*
- c. March 2019 Check Register*
- d. March 2019 Invoices Pending Approval*
- e. Minutes of the Regular Meeting of March 13, 2019*

MOVED: Hoffman	SECONDED: Williams	APPROVED 3-0
AYES:	Hoffman, Slawson, Williams	
NOES:	None.	
ABSTAIN:	None.	
ABSENT:	Covington, Ramirez.	

3. Consideration of Request for “Will Serve Letter” for Riverside County Assessor’s Parcel No. 401-141-010 located on Avenida Miravilla, Northeast of the Edgar Canyon Road, Avenida Miravilla Intersection in the Community of Cherry Valley

General Manager Jagers explained the location of this proposed single family residence at the end of the District’s service area. Mr. Jagers responded to questions regarding fire flow from Director Hoffman

The Board approved the Request for “Will Serve Letter” for Riverside County Assessor’s Parcel No. 401-141-010 located on Avenida Miravilla, Northeast of Edgar Canyon Road, Avenida Miravilla intersection in the community of Cherry Valley by the following vote:

MOVED: Hoffman	SECONDED: Slawson	APPROVED 3-0
AYES:	Hoffman, Slawson, Williams	
NOES:	None.	
ABSTAIN:	None.	
ABSENT:	Covington, Ramirez.	

4. Consideration of Attendance at the Association of California Water Agencies Annual Spring Conference in Monterey, CA from May 7 – 10, 2019

General Manager Jagers explained the program and asked if there were directors interested in attending. Director Williams indicated she may be interested.

5. Consideration of Attendance at the Water Education Foundation Bay-Delta Tour 2019 from June 5 – 7, 2019

General Manager Jagers explained the program which includes a presentation on the Sites Reservoir. He advised that President Covington had expressed interest in attending, and asked if there were additional directors interested in attending. Directors Williams, Hoffman and Slawson indicated interest in attending, noting the topics are timely and important.

The Board approved attendance and director per diem for up to four directors to attend the Water Education Foundation Bay-Delta Tour 2019 from June 5 – 7, 2019 by the following vote:

MOVED: Williams	SECONDED: Hoffman	APPROVED 3-0
AYES:	Hoffman, Slawson, Williams	
NOES:	None.	
ABSTAIN:	None.	
ABSENT:	Covington, Ramirez.	

6. Consideration of Support for Assembly Constitutional Amendment (ACA) 1 (Aguiar-Curry): Local Government Financing

Director of Finance and Administration Yolanda Rodriguez presented a draft letter of support and advised that the California Special Districts Association had requested support of ACA 1.

The Board approved the execution of the letter of support for ACA 1 by the following vote:

MOVED: Hoffman	SECONDED: Williams	APPROVED 3-0
AYES:	Hoffman, Slawson, Williams	
NOES:	None.	
ABSTAIN:	None.	
ABSENT:	Covington, Ramirez.	

7. Consideration of Granting an Exception to the District's Purchasing Policy for the Well 25 East Wall Construction Project

General Manager Jagers explained that the wall project was advertised for bid, but none were received. Staff is asking for Board approval of variance from the purchasing policy to allow informal bids, as the estimate exceeds the General Manager's purchasing limit.

The Board tabled this item to a future meeting by the following vote:

MOVED: Hoffman	SECONDED: Slawson	APPROVED 3-0
AYES:	Hoffman, Slawson, Williams	
NOES:	None.	
ABSTAIN:	None.	
ABSENT:	Covington, Ramirez.	

8. Discussion regarding the Water Supply Assessment for TTM 31570 – Legacy Highlands Development Project located south of Highway 60 and west of Beaumont Ave (Highway 79)

Vice President Slawson called on Ms. Judy Bingham for public comment. Ms. Bingham expressed opposition to the project and concern for fire safety.

General Manager Jagers explained the District has worked with the developer for several years to develop a satisfactory assessment. The development consists of 1,107 single family residential units and other uses, he indicated. The water use has been reduced from prior plans.

Senior Engineer Mark Swanson explained the Districts' understanding of the project history and gave additional detail. The Water Supply Assessment is prepared in compliance with SB 221 and SB 610, he said. The project initially came before the BCWVD in 1988, but was conditioned upon the availability of supplemental State Water Project Water. In 2007, BCWVD provided correspondence to the developer indicating cooperation with multiple agencies but no commitment of water supply was made.

In 2009, the Beaumont City Council rescinded all prior project approvals. Counsel Markman pointed out this was likely in response to a writ of the court, and indicated the California Environmental Quality Act (CEQA) process would begin anew. In June 2012, the developer submitted a Supplement to Water Supply Assessment Report, and submitted a Revised Supplement in May 2016. Mr. Jaggars explained that over that four-year period, there was communication between BCVWD and the developer, but there was no resolution to the water issue. Since that time, the San Geronio Pass Water Agency began pursuing supplemental water supply and the Sites Reservoir project is a possibility. Not all the needs are met, Jaggars stated, but the outlook for long-term activities is more positive.

Mr. Swanson continued. In January 2019, the developer requested BCVWD to prepare a Water Supply Assessment for the project. General Manager Jaggars explained the impetus for the WSA and noted the various water supply projections: secured, leased and current supplies with recycled water, and unsecured supply. No action is required by the Board at this time, he said.

Director Williams asked about the developer's requests for annexation; Mr. Swanson explained the process. Mr. Markman reiterated that the developer must re-start the land use process.

Vice President Slawson called on Ms. Libi Uremovic for public comment. Ms. Uremovic pointed out the water supply is based on two sources – the Sites Reservoir which has been “a fantasy since the 60s,” and the availability of recycled water which has been talked about since the 1990s. She suggested the City may not be able to provide recycled water. Mr. Jaggars explained the District is following the letter of the law in this process.

Mr. Hisam Baqai spoke on behalf of the developer. He advised the Board that the WSA is incomplete because there are wells on the property and enumerated other considerations that the developer would like to present to the District to potentially be included in the WSA.

9. Discussion regarding the Draft Cooperative Agreement for Beaumont Master Drainage Plan Line 16

General Manager Jaggars introduced the item. Senior Engineer Mark Swanson gave an overview of the cooperative agreement between Beaumont-Cherry Valley Water District (BCVWD) and Riverside County Flood Control and Water Conservation District (RCFCWCD) for development of a storm water capture project to capture high quality storm water for recharge at BCVWD's Noble Creek Recharge Facility - Phase II Ponds (NCRF - PH II). This was presented to the Board at the Regular Meeting of July 12, 2017 and a brief update was given at the October 10, 2018 Regular Meeting.

The project cost is to be shared 50/50 between BCVWD and RCFCWCD. Due to the Holy Fire cleanup, RCFCWCD has been focused on other projects but has recently brought back Line 16 to the District, explained Swanson. RCFCWCD staff has identified two items of concern with the cooperative agreement. Mr. Swanson pointed out:

1. Page 4, Section I.7 (District Obligations): The payment participation schedule proposed by RCFCWCD required 100 percent of BCVWD's project cost share

payment contribution at construction start. BCVWD would prefer to provide its share of costs over the following proposed payment schedule: 40 percent payable at construction start, 40 percent payable at (or near) 35 percent completion, and 20 percent at (or near) 75 percent completion. The Board concurred with staff's recommendation.

2. Page 7, Section II.7 (BCVWD Obligations): This item concerned BCVWD's ability to participate in the change order approval process as the project advanced. To ensure BCVWD supports and approves any possible project change orders prior to encumbering BCVWD with additional project cost, the RCFCWCD will work closely with BCVWD's inspector, and the RCFCWCD inspector will communicate all issues with the construction contractor.

Mr. Jagers indicated that Board approval of the agreement will be necessary, and recommended use of a design consultant to expedite completion of the work.

10. Discussion regarding Well 22 Site Design and Landscaping Options

General Manager Jagers explained options and necessary activities at the site. Assistant Director of Operations James Bean added detailed information.

The Board approved the following Well 22 site landscaping activities:

1. *Leave the existing chain link fence and ivy in place for approximately 12 to 18 months*
2. *Install new irrigation equipment to support existing perimeter ivy*
3. *Extend drip irrigation to the south and east street frontage areas on Oak Valley Parkway and Michigan Avenue*
4. *Install drought tolerant plants and decorative decomposed granite surfacing on south and east street frontage areas*
5. *Eradicate weeds and spread and compact new Class II Base on top of existing gravel within the interior yard of the Well 22 Site Facility*
6. *Review the Well 22 site in 2020 for an update and discussion on the condition of the improvements and performance of the maintenance activities*

by the following vote:

MOVED: Williams	SECONDED: Slawson	APPROVED 3-0
AYES:	Hoffman, Slawson, Williams	
NOES:	None.	
ABSTAIN:	None.	
ABSENT:	Covington, Ramirez.	

11. Update and Discussion regarding California Water Conditions as of April 4, 2019

Mr. Jagers noted the state is well above average for precipitation and snowpack in 2019. Reservoirs across the state are full, he said. The State Water Project allocations have been increased to 70 percent. He noted that the SGPWA has reported loss of 4,000 acre-feet from its storage in the San Luis Reservoir.

12. Discussion regarding SGPWA 2019 Water Supply Outlook, Rate Study, Capacity Fee Study, Tax Based Funding and SGPWA Schedule of Activities

General Manager Jagers reported that the District would have had 14,030 acre-feet, but lost 4,000 from the San Luis Reservoir (a value of approximately \$4 million). Approximately 1,500 AF remains stored in San Luis. Jagers reiterated the importance of the turnout enlargement project in order to accept water deliveries.

13. Discussion of Office Space Opportunities

General Manager Jagers reminded the Board that there is no available space remaining in the Magnolia office building. Senior Engineer Swanson briefed the Board on an option for 1,350 square feet of lease space.

The Board approved the negotiation of lease terms for 851 E. 6th Street, Beaumont, CA with review by legal counsel and authorized the General Manager to execute a lease by the following vote:

MOVED: Hoffman	SECONDED: Williams	APPROVED 3-0
AYES:	Hoffman, Slawson, Williams	
NOES:	None.	
ABSTAIN:	None.	
ABSENT:	Covington, Ramirez.	

14. Update: Well 3 Rehab Activities and Progress

General Manager Jagers gave a brief update.

15. Reports For Discussion

a. Ad Hoc Committees:

2x2 Recycled Water Committee: Director Slawson and Director Hoffman gave a brief report. General Manager Jagers indicated that a joint City Council – Board of Directors meeting would be scheduled prior to the Engineering Workshop on April 25, 2019 at 6 p.m. to discuss the recycled water agreement.

b. General Manager:

Mr. Jagers reiterated the loss of 4,000 AF of water from the San Luis reservoir, and the State Water Project allocation increase to 70 percent.

Jagers explained production numbers and noted that maintenance activities have been completed at Well 19. He advised the Board of a leak situation apparently caused by SGPWA construction activities in the area of the Noble Creek turnout. He expects this will be considered a construction defect and repair will be covered by the contractor.

c. Directors' Reports:

Director Williams reported on the One Water, One Watershed strategies update. Director Hoffman reported on District finances.

VP Slawson and GM Jagers reported on the San Geronio Pass Regional Water Alliance.

d. Legal Counsel Report: None.

16. Announcements

Vice President Slawson read the following announcements:

- Special Meeting with the Beaumont City Council: April 25 at 6 p.m.
- Engineering Workshop: April 25, 2019 at 7:00 p.m.
- Collaborative Agencies Committee meeting: May 1, 2019 at 5:00 p.m.
(Location: Beaumont-Cherry Valley Recreation and Park District – Noble Creek Community Center, 390 W. Oak Valley Pkwy)
- Finance and Audit Committee meeting: May 2, 2019 at 3:00 p.m.
- Regular Board Meeting: May 8, 2019 at 6:00 p.m.
- Personnel Committee Meeting: May 20, 2019 at 5:30 p.m.
- Beaumont Basin Watermaster Committee Meeting: June 5, 2019 at 10:00 a.m.
- Personnel Committee meeting: July 22, 2019 at 5:30 p.m.

17. Action List for Future Meetings

- Water supply for BCVWD and the region

18. Adjourned to Closed Session: 8:34 p.m.

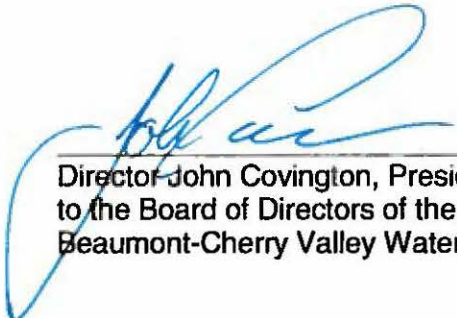
- a. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Government Code Section 54956.9(d)(1)
San Timoteo Watershed Management Authority v. City of Banning, et. al., Riverside County Superior Court Case No. RIC 389197
- b. CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION
Pursuant to Government Code Section 54956.9(d)(4)
One Case

Reconvene in Open Session: 8:53 p.m.

Report on Action Taken During Closed Session:


There was no reportable action taken.

19. Adjournment: 8:54 p.m.



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

ATTEST:



Director Andy Ramirez, Secretary
to the Board of Directors of the
Beaumont-Cherry Valley Water District