



**BEAUMONT-CHERRY VALLEY WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
560 Magnolia Avenue, Beaumont, CA 92223
Wednesday, August 14, 2019 at 6:00 p.m.**

Call to Order: President Covington

President Covington began the meeting at 6:05 p.m. and dedicated the meeting to the memory of former BCVWD Board member Stella Parks.

Pledge of Allegiance: President Covington

President Covington led the pledge.

Invocation: Director Williams

Director Williams gave the invocation.

Roll Call:

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

Members of the public who registered their attendance: Chris Stark, Fran Flanders and Tom Medina.

Public Comment:

Mr. Thomas Medina, a resident of Elm Avenue commented on the relocation of Elm Avenue water lines. He said he hoped the District will re-route the lines to have the water meters located on Elm Street, not in backyards. He also noted that Elm Street does not have a fire hydrant. He offered to give Board members a tour of the project.

ACTION ITEMS

1. Adjustments to the Agenda:

General Manager Jaggars suggested pulling item 3, Presentation by Public Relations Consultant CV Strategies and Discussion of Progress Update, by request of a Board member not present.

2. Consent Calendar:

Consent Calendar items a, b, c d, e, and g were approved with one motion:

- a. June 2019 Budget Variance Report
- b. Quarterly Statement of Cash Flows for June 30, 2019
- c. June 30, 2019 Cash/Investment Balance Report
- d. July 2019 Check Register
- e. July 2019 Invoices Pending Approval
- g. Minutes of the Regular Meeting of July 11, 2019

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

The following items were tabled to the September 11, 2019 meeting:

- f. Minutes of the Regular Meeting of June 27, 2019
- h. Minutes of the Regular Meeting of July 25, 2019

3. Presentation by Public Relations Consultant CV Strategies and Discussion of Progress Update

This item was pulled from the agenda.

4. Consideration of Amendment to the Beaumont-Cherry Valley Water District Organizational Chart and 2019 Salary Schedule

Director of Finance and Administrative Services Yolanda Rodriguez pointed out that the budget adopted in December 2018 included a proposed Human Resources Manager. It has been determined that a Human Resources Coordinator was better suited to the District. Staff requests a change on the organization chart.

President Covington noted this was discussed at the Personnel Committee meeting.

The Board authorized an amendment to the Beaumont-Cherry Valley Water District Organizational Chart and 2019 Salary Schedule to change the title of Human Resources Manager to Human Resources Coordinator by the following vote:

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

5. Consideration of Resolution 2019-08 Amending the District Policies and Procedures Manual: Revising Section 22 – Vacation, and Adding Sections 49 – Employee Performance Evaluation Policy, 50 – Personnel Action Form Policy, 51 – Recruitment / Selection and On-Boarding Policy and Procedure, and Part I Table of Contents

General Manager Jagers explained these policies have been worked through at the Personnel Committee level.

Regarding the Vacation Policy, Jagers advised that the District's auditors identified that there was no cap on vacation hours, and it was suggested to modify the Vacation Policy to clean it up and add a cap for both exempt and MOU-covered employees. The intention is to limit the liability of the District moving forward, he said, preventing the accumulation of thousands of hours on the books for an individual employee. Director of Finance and Administrative Services Yolanda Rodriguez added this is for budgeting and internal control. Mr. Jagers detailed the policy content.

President Covington said he appreciated the six months of work at the Personnel Committee and highlighted some updates.

Mr. Jagers continued. The human resources consultant prepared the additional three policies, he said. Ms. Rodriguez noted that as a government agency, there are steps that need to be taken and these policies include appropriate procedures. Mr. Jagers drew attention to the forms listed with each policy. He advised that sample forms were viewed at the Personnel Committee level. The intent of the forms is to give guidance to staff as well as to document the processes, but the forms are not part of the policy. The intent is to allow the forms to be updated without requiring Board approval.

Director Slawson thanked the Personnel Committee for its work.

The Board approved Resolution 2019-08 Amending the District Policies and Procedures Manual: Revising Section 22 – Vacation, and Adding Sections 49 – Employee Performance Evaluation Policy and Procedure, 50 – Personnel Action Form Policy, Procedure, and 51 – Recruitment / Selection and On-Boarding Policy and Procedure, and Part I Table of Contents by the following vote:

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

6. Consideration of Resolution 2019-09 Amending Part 8 Section 1.2 of the Beaumont-Cherry Valley Water District Regulations Governing Water Service related to Water Service Applications

General Manager Jagers reminded the Board about previous discussion of this policy and approval options. He described the options proposed in the staff report.

Option 2, Jagers explained, provides first approval by the Board, then gives an opportunity for the General Manager to approve it the subsequent year, or if the GM is inclined, it would come back to the Board. After that, it goes back to the Board for approval on the third year, then on the fourth year it would go back to the General Manager and run through that cycle repeatedly.

Jagers noted there had been discussion of adding a second year of GM approval to small projects of four Equivalent Dwelling Units (EDUs) or less, as they are less impactful to the water supply, which is addressed in Option 3.

President Covington asked what option is more manageable for staff given the goal of keeping all the Will-Serve Letters (WSLs) from recurring on the agenda every 12 months. Mr. Jagers suggested Option 2 as straightforward, or Option 3 with elimination of the commercial component.

Directors Williams and Slawson expressed preference for Option 2. President Covington voiced concern with manageability of Option 3.

The Board adopted Resolution 2019-09, amending the Beaumont-Cherry Valley Water District Regulations Governing Water Service Part 8 Section 1.2 and the BCVWD Water Service Application Process as stated below and identified as Option 2:

Option 2:

Once a "Will Serve Letter" has been approved by the Board, the Applicant shall have one (1) year to begin the project. If the project has not begun construction of water facilities related to the project within one (1) year of Board approval, the Applicant shall request an extension, in writing, to the General Manager. If there are no significant changes to the previously approved project, the General Manager is authorized by the Board to grant, at his/her discretion, a one (1) year "Will Serve Letter" extension or present said extension request to the Board of Directors for consideration. Should the General Manager grant the one (1) year extension to the project and the construction of project water facilities does not begin within that one (1) year extension term, the process will begin anew with the Applicant requesting an extension, or update, in writing, to the General Manager and the request will be presented to the Board of Directors for consideration.

by the following vote:

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

7. Consideration of Request for "Will Serve Letter" at 750 East 1st Street (Riverside County Assessor's Parcel No. 418-260-023) in the City of Beaumont

Senior Engineer Mark Swanson reminded the Board this was originally discussed at the June 27 meeting and denied. At the time, there was some ambiguity in information, he noted.

This is a proposed RV storage facility on 1st Street, east of Maple, west of Pennsylvania on the north side of the road. Grading activities are currently ongoing, Swanson advised.

The current proposal includes a required fire service connection and a recycled water connection. The plans have been received and are ready for approval. The applicant is present in the audience, Swanson noted.

President Covington asked if it is normal for a project to begin grading when water service is uncertain. Typically, no, answered Swanson. Mr. Jagers noted that the City may issue grading permits in advance of a WSL. Any grading is at the developer's risk and the District has no control over that, Jagers said.

Covington noted the plans show no office or bathrooms. Mr. Swanson added there is no sewer, either. Mr. Jagers reminded the Board that the last plans submitted to the District showed an ice house. Applicant Chris Stark advised the Board that option has been eliminated due to the cost of the potable water connection. Mr. Stark described the business and staff answered questions.

In response to concern of President Covington, Mr. Jagers indicated that there is a rigorous fine for use of fire service water for domestic purposes. The District could also lock off service. He suggested adding monitoring as a condition of approval and noted it is a remote-run site, but activity is monitored by cameras.

Mr. Stark asked about the condition for re-evaluation. Mr. Jagers explained this allows the District to update impacts and fees if changes are made to the use of the facility.

Director Williams pointed out the correction of address from 550 East 1st Street to 750 East 1st Street and asked about drainage. Mr. Stark noted the lot is angled to drain into a gravel basin over an underground storage container.

The Board approved the second request for water service "Will Serve Letter" (WSL) for a property located at 750 East 1st Street, identified as Riverside County Assessor's Parcel No. (APN) 418-260-023 within the City of Beaumont, subject to payment of all fees to the District and securing all approvals from the City of Beaumont, with a condition that will restrict the property owner from use of water for domestic purposes by the following vote:

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

8. Consideration of Request for "Will Serve Letter" for Commercial Development – Riverside County Assessor's Parcel No. (APN) 400-530-007 located on Golf Club Drive, south of Oak Valley Village and north of Oak Valley Parkway in the City of Beaumont

Senior Engineer Mark Swanson described the project: a gas station and 7,000 square foot convenience store with two restrooms. Staff requested and the applicant provided usage for a similar location and compared it to other gas stations served by BCVWD and estimated consumption of 2.38 EDUs per day.

Mr. Swanson noted that conditions can be applied to allow an audit of use later.

The Board approved the Request for "Will Serve Letter" for Riverside County Assessor's Parcel No. 400-530-007 located on Golf Club Drive, south of Oak Valley Village Circle and north of Oak Valley Parkway in the City of Beaumont by the following vote:

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

9. Consideration of Request for Update of "Will Serve Letter" for Previously Approved Development – Parcel Map 32737 located on Desert Lawn Drive Southwest of Interstate 10 and Southeast of Brookside Avenue in the City of Calimesa (Riverside County Assessor Parcel Nos. 400-010-001 and 400-010-007)

Mr. Swanson described the location of the two parcels just below Brookside. This area is a challenge, he noted, as this is close to the boundary of BCVWD to the west. A WSL was issued last year, he continued, and the Board had looked for information of when construction activities were to begin. The developer would like to begin grading in September, Swanson said.

The project has not changed, Swanson indicated, and reviewed consumption figures. An 18-inch, dead end line was indicated but the developer's engineer has proposed an alternative which will be evaluated by staff. Delays on the water side are caused by the challenge to keep water circulating and the BCVWD system healthy, explained General Manager Jagers.

The Board approved the Request for Update of "Will Serve Letter" for Previously Approved Development – Parcel Map 32737 located on Desert Lawn Drive Southwest of Interstate 10 and Southeast of Brookside Avenue in the City of Calimesa (Riverside County Assessor Parcel Nos. 400-010-001 and 400-010-007) by the following vote:

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

10. Consideration of Attendance at the Association of California Water Agencies Annual Fall Conference in San Diego, December 3-6, 2019

General Manager Jagers noted that the conference is a good opportunity to become educated on the current water industry trends and issues, and stressed the importance for the Board to understand what is going on in the community in order to be prepared from legal and industry perspectives. He indicated he would like to attend this year and / or in the future.

President Covington opined that this is a great conference and noted that San Diego is close enough to curtail attendance costs.

The Board approved travel for Directors and available staff to attend the Association of California Water Agencies Annual Fall Conference in San Diego, December 3-6, 2019 by the following vote:

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

11. Update on the Beaumont Basin Watermaster Committee and its Adoption of Resolution No. 2019-02 Amending Section 7 of the Rules and Regulations of the Beaumont Basin Watermaster

General Manager Jagers noted thorough discussion at the Beaumont Basin Watermaster Committee and the vote to adopt the Resolution No. 2019-02 Amending Section 7 to eliminate some added restrictions not in the stipulated judgment. Significantly, he explained, the conversion of overlie water rights to use by an Appropriative party does not have to be metered.

Yucaipa Valley Water District is currently working on transfers with Oak Valley Partners and Jagers said he would keep the Board updated.

Counsel Markman noted the issue was early transfers and use on other parcels based on developer agreements, so storage accounts received early transfers of unpumped water. The language has been restored indicating the unpumped water cannot be claimed until it is being served appropriatively. The Watermaster Counsel has agreed that service is the key, Markman noted. The agency must be serving the water to claim the conversion.

12. Update of the San Timoteo Groundwater Basin, Sustainable Groundwater Management Agency requirements and Review of the Draft Memorandum of Agreement for the San Timoteo Groundwater Sustainability Agency

Mr. Jagers explained the San Timoteo Groundwater Management Agency (STGMA) which consists of representatives from the City of Redlands, Yucaipa Valley Water District, Beaumont-Cherry Valley Water District and the San Geronio Pass Water Agency and gave background on boundary adjustments.

The Department of Water Resources subsequently identified that a significant part of the STGMA area is the adjudicated Beaumont Basin, served by the Watermaster. Pumping in the other areas of the basin is minimal, Jagers continued, so it has been designated a Very Low Priority Basin. This means the STGMA does not have to produce a Sustainable Groundwater Management Plan,

but there is interest in developing a monitoring of use of the Basin related to discharge and wintertime flows, he said. Jagers said he believes it is a good idea to have a management strategy for the area that parallels and identifies planned activities so there are no snags in the future.

The current proposed concept is to establish management areas, Jagers explained. He said his goal is to ensure the Board has interest in the continued development of these opportunities. He believes it is important to have a plan that parallels the Sustainable Groundwater Management Act (SGMA) and that all plans work together.

The next step would be to have legal counsel review the proposed draft Memorandum of Agreement, Jagers said.

Mr. Jagers responded to President Covington's questions regarding boundaries and existing mutual / private water companies. Counsel Markman clarified this is a cooperative effort to mutually manage the area and be prepared if a management plan ever becomes a requirement.

President Covington encouraged the group to form one Groundwater Sustainability Agency, one Groundwater Sustainability Plan, and to divide it into management areas. Separate GSPs, he noted, are a lot of work.

13. Discussion of San Geronio Pass Water Agency (SGPWA) East Branch Extension Noble Creek Turnout Expansion Project Status, Water Rate update, Water Delivery Schedule for 2019/2020, Capacity Fee update and Status

Mr. Jagers advised that the San Geronio Pass Water Agency authorized the general manager to look at a deal with Casitas Water Agency for a one-year water exchange for 2,000 acre-feet this year. If that happens, he said, it will bring more water to the area, but a challenge is that BCVWD must make a water order by Sept. 1. At its meeting last night, the YVWD was uncertain if they would order any water at all, Jagers noted, but then talked about ordering 500 acre-feet.

BCVWD ordered a total of 9,700 acre-feet this year for replenishment need, plus 6,300 acre-feet of available water, Jagers said. He explained that the District, for the past few years, has ordered supplemental water and reminded the Board about the hydraulic constraints discussed at prior meetings. BCVWD was unable to receive delivery of 16,000 acre-feet this year, Jagers posited. He projected 2020 deliveries of 13,734 acre-feet for BCVWD given the hydraulic constraints. The SGPWA, he said, has more like 16,875 acre-feet available for delivery right now, but it is unlikely it can be delivered due to all the deals made.

Given the carry-over water, production estimates, and growth projections, Jagers estimated the District has 11,153 acre-feet of production from the Beaumont Basin, Jagers said leaving a replenishment need for 9,395 acre-feet in 2019. He advocated drought-proofing for added growth and estimated 13,734 acre-feet will be in the ground bringing the District's potential storage to 39,133.

At the next workshop, Mr. Jagers said, he will discuss his estimate of the 2020 water order. He reminded the Board about the significant cost, which comes out of reserves as it is not replenished by sales.

President Covington suggested a target of having at least five years' supply in storage. He noted that while there are constraints on the East Branch Extension or Pearblossom, if there is funding and it makes sense to purchase additional supply, then discussions with agencies such as the City of Banning should be taking place where water can be moved from their storage account and into BCVWD's. Jagers voiced concern about rebalance and noted that now that the SGPWA has a recharge facility, they will be putting water in the ground. President Covington noted the potential for additional price increases.

Counsel Markman expressed disappointment with the State drought cutbacks which affected his clients with water in storage that they were unable to serve.

14. Reports For Discussion

a. Ad Hoc Committees: None.

b. General Manager:

Mr. Jagers advised that the SGPWA discussed the imported water rate for next year at the last workshop, and the general manager does not think they should change the rate in 2020.

c. Directors' Reports: None.

d. Legal Counsel Report: None.

15. Announcements

President Covington read the following announcements:

- Engineering Workshop: Aug. 22, 2019 at 6:00 p.m.
- District Offices will be closed on Sept. 2, 2019 in observance of Labor Day
- Collaborative Agencies Committee Meeting: Sept. 4, 2019 at 5:00 p.m.
- Finance and Audit Committee Meeting: Sept. 5, 2019 at 3:00 p.m.
- Regular Board Meeting: Sept. 11, 2019 at 6:00 p.m.
- Personnel Committee meeting: Sept. 23, 2019 at 5:30 p.m.
- Engineering Workshop: Sept. 26, 2019 at 6:00 p.m.
- Beaumont Basin Watermaster Committee Meeting: Oct. 2, 2019 at 10:00 a.m.
- BCVWD Centennial Celebration and Regular Meeting: Oct. 9, 2019 at 6 p.m.
- Association of California Water Agencies Fall Conference: Dec. 3-6, 2019

16. Action List for Future Meetings

- Water supply for BCVWD and the region

17. Convened in Closed Session: 7:55 p.m.

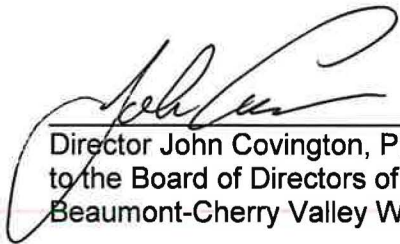
- a. CONFERENCE WITH LEGAL COUNSEL – Anticipated Litigation
Pursuant to Government Code Section 54956.9(d)(4)
One Potential Case

Reconvened in Open Session: 8:12 p.m.

Report on Action Taken During Closed Session:


No reportable action was taken.

18. Adjournment: 8:13 p.m.



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

ATTEST:



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