



**BEAUMONT-CHERRY VALLEY WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
560 Magnolia Avenue, Beaumont, CA 92223
Wednesday, March 11, 2020 at 6:00 p.m.**

Call to Order: *President Covington began the meeting at 6:03 p.m.*

Pledge of Allegiance: Director Ramirez

Director Ramirez led the pledge.

Invocation: Director Slawson

Invocation was given by Director Slawson.

Roll Call:

Directors present:	Covington, Ramirez, Slawson, Williams
Directors absent:	Hoffman
Staff present:	General Manager Dan Jagers, Director of Finance and Administration Yolanda Rodriguez, Senior Engineer Mark Swanson, Assistant Director of Operations James Bean, Senior Finance and Administrative Analyst William Clayton, Administrative Assistant Erica Gonzales, Senior Accountant Sylvia Molina, Accountant III Lorena Lopez, Accounting Technician Sally Hernandez

Members of the public who registered attendance: Fran Flanders.

Public Comment: None.

1. Adjustments to the Agenda: None.

2. Consent Calendar:

The following Consent Calendar items were approved with one motion:

- a. January 2020 Budget Variance Report
- b. January 2020 Cash/Investment Balance Report
- c. February 2020 Check Register
- d. February 2020 Invoices Pending Approval
- e. Minutes of the Regular Meeting of February 12, 2020
- f. Minutes of the Regular Meeting of February 27, 2020

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

3. Acknowledge receipt of the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for BCVWD's 2018 Comprehensive Annual Financial Report

Director of Finance and Administration Yolanda Rodriguez explained the certification and noted this is the second year the District has received the award.

President Covington noted this is a prestigious award and noted the District is being truly recognized for its financial experience and professionalism.

Director Williams commended staff for efforts to keep everything straight and above board. She said it is a testament to the level of professionalism and talent of the team. Director Ramirez and Director Slawson congratulated the staff.

General Manager Jagers noted that the staff weathered a very busy and challenging 2019 year with effort above and beyond.

RECESS: President Covington called a recess at 6:10 p.m.

RECONVENE: The meeting was reconvened at 6:14 p.m.

4. Authorization of General Manager to enter into a Contract in an amount not to exceed \$27,792.00 for Reservoir Cleaning, Inspection and Minor Repair with Advanced Diving Services, Inc.

Assistant Director of Operations James Bean advised that each year, three to five reservoirs are scheduled for inspection and cleaning. A diving company goes in and cleans sediment, and inspects the coating, welds, seams, ladders and more, he explained. Quotes were solicited for this year's work and three companies responded, Bean said, with Advanced Diving Services being the lowest responsive qualified bidder.

President Covington asked which reservoirs were to be cleaned; Mr. Bean answered the Request for Quotation included Upper and Lower Edgar, Highland Springs and the 2800 non-potable reservoirs.

In response to Director Ramirez, Mr. Bean explained the reservoirs are filled as close as possible to overflow so the divers can go through the entire column and get a good look and video. He explained the process for the divers including disinfection of their dry suits and equipment, and stated the reservoir remains in full service during the cleaning. Minor repairs such as chipping in the coating can be made during the dive.

President Covington asked about normal monthly maintenance, and Mr. Bean noted inspections are done for the condition of the screening equipment, ladders, sediment content and more.

The Board authorized the General Manager to enter into a contract with Advanced Diving Services, Inc. to provide reservoir cleaning, inspection and minor repair of three (3) domestic drinking water reservoirs and one (1) non-potable storage reservoir currently owned by the Beaumont-Cherry Valley Water District by the following vote:

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

5. 2019 - 2020 Noble Creek Recharge Facility Phase I and II Pond Maintenance Costs

General Manager Jagers explained this annual activity. Extra work needed exceeded the GM's purchasing limit by a small amount. This is a time and materials-based contract awarded to the lowest and best available bid. Historically this has been under budget, but materials were added and this is in front of the Board in order to be transparent, Jagers advised.

Jagers detailed the work and equipment involved. President Covington asked about Board action necessary. GM Jagers requested Board approval of the \$26,086 to be expended.

Director Williams pointed out this is a difference of only \$1,086 over the GM's spending authorization. GM Jagers explained the timing of the projects which began in December. Director Ramirez asked about the buildup of sediment. Jagers noted the conditions are affected by weather and the water quality of the State Water Project water and explained some issues.

President Covington expressed concern about approval of the total of both the 2019 and 2020 expenses due to potential confusion. Ms. Rodriguez indicated that normally, the initial expense would be ratified in 2018 with the 2019 budget. This Board approval would be for the excess amount for 2020, she said; legal counsel concurred.

The Board approved expenses of \$26,086 in 2020 line item 01-40-470-540072, which was included in the approved 2020 operating budget by the following vote:

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

6. Beaumont Master Drainage Plan Line 16 Facilities Design, Funding Requirements and Timeline

Mr. Jagers reminded the Board of previous discussions and advised that the project has a higher cost now that new 60 percent drawings are available from the design consultant. The original 60 percent design had an estimated engineer's cost

of \$8.257 million which was unacceptable to the Riverside County Flood Control and Water Conservation District (RCFC&WCD) and to BCVWD.

BCVWD identified some opportunities for value engineering and the consultant was able to reduce the cost to \$6,665 million, Jagers explained. This is the point where BCVWD must approve the 60 percent design drawings and has authorized a \$50,000 contribution, and work is moving forward.

There is also discussion regarding the Memorandum of Agreement (MOA), Jagers continued. He said he asked RCFC&WCD if funding was available for a 60/40 cost split, and they indicated they could provide funding for a 50/50 split, as some of the cost increase is on the BCVWD facility side. Mr. Jagers detailed staff's plan analysis and said he believes the design addresses all the activities but there is cost creep.

GM Jagers reminded the Board that capacity charges (facilities fees) are collected for local water resources. A more robust cost estimate has been requested for the Board to take a more in-depth look, Jagers noted.

Mr. Jagers said he plans to approve the 60 percent drawings tomorrow to allow completion and bring back this item to the Board for further discussion on cost realities and to obtain the Board's thoughts, plus a cost-sharing agreement.

This project is included in the District's master plan and is also part of the current capacity charges study, Jagers advised. Timelines are getting tighter, he explained, as most engineers from RCFC&WCD were tied up for a year working on repair of facilities damaged in the Cleveland National Forest fire.

Director Ramirez asked if the cost increase was due to the full scope of the plan not being considered. Mr. Jagers answered that much of the extra cost is on the RCFC&WCD side. The preliminary design estimate was low, he said, and there have been three or four years of construction cost increases. Mr. Swanson added detail regarding engineering costs as determined by RCFC&WCD. The numbers were not a mistake; Swanson continued in response, estimates are based on a general rule of thumb and when examined in more detail the costs change.

Mr. Jagers added that this is a non-traditional facility and there is a street grade of 3 percent resulting in the actual facilities required being significantly more than anticipated in the preliminary design.

Ramirez asked for a simplification of the answer regarding cost increases. Mr. Jagers explained the engineer's estimate is based on general information and was done quickly for inclusion in a grant application. It seemed reasonable for the facility at the time, Jagers said.

President Covington asked for this item to be brought back at the Engineering Workshop and for plans to be on-screen. He requested information that would allow the Board to support a project that has doubled in cost.

Mr. Jagers indicated there would be another submittal, but staff would approve the 60 percent design in order to keep the project moving and not further compress the schedule. This commits only to design completion, he advised, not construction.

President Covington asked also for an update on the agreement that is not yet signed. He directed staff to bring an executed agreement back from RCFC&WCD for Board signature. Mr. Jagers noted there is a cost-sharing agreement. Covington opined that was a second agreement and Ramirez added that the Board should reconsider the percent of participation.

Mr. Jagers acknowledged and said the project and agreement will be brought to the Workshop. This is now a \$7 million project without any kind of agreement, Covington noted. Mr. Swanson noted that District staff believes they have responded to all questions of RCFC&WCD. Jagers added that RCFC&WCD has indicated they want to get it done. President Covington suggested that Jason Uhley (General Manager and Chief Engineer at RCFC&WCD) might come before the Board to explain. He also reminded that there will be an operations and maintenance agreement to be signed in addition.

Director Ramirez suggested requesting more financial participation from RCFC&WCD. Jagers said he has already made the request for a 60/40 split. Ramirez acknowledged staff's effort and suggested the Board offer more support for the GM to push for more financial commitment. Mr. Jagers said he would begin the query, and President Covington and Director Ramirez indicated support.

7. Status Update regarding Well 21 and Well 29 Performance

Mr. Jagers advised that the District is being proactive on its big pumping wells.

Mr. Bean reported that worsening vibration issues were noted at Well 21 and there may be issues with that pumping unit. Staff is putting together an RFP to pull and inspect the equipment and with Well 21 being down, staff wanted to assure redundancy in the system and began looking at Well 29.

Director Ramirez asked the age of the Well 21 motor and Mr. Jagers noted it was replaced last year, but the noise is not coming from the motor. Bean explained the noise appears to be subsurface.

At about the same time, Bean continued, a different noise was noticed on the Well 29 motor. The motor vendor came out and recommended that if the motor was going to be pushed, the bearings should be inspected, Bean reported. In response to Director Ramirez, Bean noted that the Well 29 issue is on the electric motor itself and if the District will be relying on that well through the summertime to make up for the loss of production from Well 21, staff wanted to assure the motor is ready to go, and it is a quick turnaround.

Mr. Jagers indicated that Well 29 was a pump that was rehabilitated two years ago under an emergency declaration. Due to the bearing load, the well has a 10-year, 10 percent failure rate, so staff is very proactive and protective of the large production wells due to the opportunity for bearing failure, he explained.

Mr. Bean added that Well 21 has been pulled only once since 1999 to replace the pumping unit. President Covington noted this is being addressed in March rather than the middle of summer.

8. Reports For Discussion

a. Ad Hoc Committees:

Ad Hoc Communications Committee: Director Williams reported on the meeting with CV Strategies with Director Hoffman attending as the alternate Committee member. CV Strategies provided data on the reach and engagement of posts. Two of the largest were the informational community meeting about the public hearing, and the public hearing, she said. The newsletter was previewed, and discussion continued on other items moving forward, she said, including getting more information out about the capacity charges (facilities fees) study and video development. Also discussed was each director having a page on the website for specific division news if the need arises for that.

b. General Manager

Mr. Jagers reported that the District is working on coronavirus response. The HR department is preparing, Jagers continued, and said discussions are ongoing about maintaining operations and limiting public contact. Trends in the industry are being monitored such as public access to the office and staff will come back to the Board with further news and strategies.

A public hearing on Chromium 6 is coming up in April and Mr. Jagers said he reached out to Steve Bigley who serves on the related Association of California Water Agencies (ACWA) committee. BCVWD has three wells that will be affected by Chromium 6 if the state goes back to the same level of concentration which may be problematic for the District. The state seems willing to look at stannous chloride as a potential solution on a case-by-case basis, Jagers said, but it may not make the list of best available technologies. There may be an opportunity for BCVWD to partner with Coachella Valley Water District (CVWD) to run a demonstration test in its non-potable system at one of the high-chromium wells, Jagers said.

President Covington asked if the American Water Works Association anticipated that the state would try to attain the previous mcl as set. Mr. Jagers noted that white papers prepared by the regional board indicated it was unknown how to do an economic analysis of the issue. Some of the discussion has been on how to do the economic study and perhaps CVWD doing some of the work for them, Jagers said. Covington noted it is unlikely that anyone would support the state returning the mcl to what had been set previously. The state must prove their case, he added. Mr. Jagers noted there is a public workshop in Diamond Bar that he plans to attend.

Production numbers are up, as it has been hot, Jagers advised.

c. Directors' Reports:

Director Ramirez said he is looking forward to seeing the division-specific pages available on the website as quickly as possible from CV Strategies.

d. Legal Counsel Report: None.

9. Announcements

President Covington read the following announcements:

- Personnel Committee meeting: Monday, March 23, 2020 at 5:30 p.m.
- Engineering Workshop: Thursday, March 26, 2020 at 6:00 p.m.
- Beaumont Basin Watermaster Committee: Wednesday, April 1, 2020 at 10 a.m.
- Finance and Audit Committee Meeting: Thursday, April 2, 2020 at 3:00 p.m.
- Regular Board Meeting: Wednesday, April 8, 2020 at 6:00 p.m.

10. Action List for Future Meetings:

- Beaumont Master Drainage Plan Line 16 agreement
- Closed Session re: General Manager Evaluation

11. Convened in Closed Session: 7:04 p.m.

President Covington left the meeting.

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

Reconvened in Open Session: 7:08 p.m.

Report on Closed Session

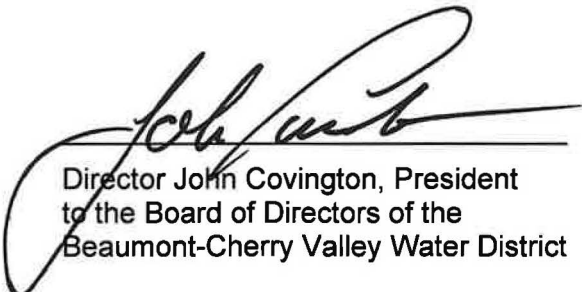
Legal Counsel James Markman reported that a temporary chair was appointed.

Temporary Chair Daniel Slawson announced there was no reportable action taken during Closed Session.

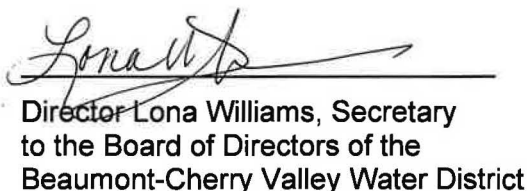
12. Adjournment

Temporary Chair Slawson adjourned the meeting at 7:09 p.m.

ATTEST:



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



Director Lona Williams, Secretary
to the Board of Directors of the
Beaumont-Cherry Valley Water District