



**BEAUMONT-CHERRY VALLEY WATER DISTRICT  
560 Magnolia Avenue, Beaumont, CA 92223**

**MINUTES OF REGULAR MEETING – ENGINEERING WORKSHOP  
OF THE BOARD OF DIRECTORS  
Thursday, May 28, 2020 at 6:00 p.m.**

***Meeting held via teleconference pursuant to  
California Government Code Section 54950 et. seq. and  
California Governor’s Executive Order N-29-20***

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**Call to Order: President Covington**

*President Covington began the meeting at 6:05 p.m.*

*Pledge of Allegiance was led by Director Williams.*

*Invocation was given by Director Ramirez.*

**Announcement of Teleconference Participation**

Director of Finance and Administration Yolanda Rodriguez clarified that this meeting is conducted via teleconference pursuant to California Government Code Section 54953, and under Executive Order N-29-20 and N-33-20 of the Governor of California.

The teleconference capabilities of this meeting have been identified in the Notice and Agenda for this meeting, pursuant to the Brown Act and the Governor’s Executive Order. Under the Governor’s Executive Order and the Gathering Guidelines of the California Department of Health due to the danger of COVID-19, the teleconference locations are not publicly accessible. The public’s right to comment and participate in the meeting is being assured via teleconference capabilities.

The Beaumont-Cherry Valley Water District (BCVWD) will use sound discretion and make reasonable efforts to adhere as closely as reasonably possible to the provisions of the Brown Act, and other applicable local laws regulating the conduct of public meetings, in order to maximize transparency and provide the public access to meetings.

**Roll Call:**

Directors present:	Covington, Hoffman, Ramirez, Slawson, Williams
Directors absent:	None.
Staff present:	General Manager Dan Jagers Director of Finance and Administration and Recording Secretary Yolanda Rodriguez Senior Engineer Mark Swanson Senior Finance and Administrative Analyst William Clayton

	Assistant Director of Operations James Bean Administrative Assistant Erica Gonzales Human Resources Coordinator Sabrina Foley
Legal Counsel	James Markman

Members of the public who registered their attendance: Dr. Blair Ball, James Kraus, Steven Huffaker, Glen Stull, Sharon Hamilton. Representing the Legacy Highlands project: Arthur Kidman, David Golkar, Hisam Baqai.

Director of Finance and Administration Yolanda Rodriguez verified that all members of the Board of Directors have indicated that they are able to hear the other directors clearly on the teleconference. No directors expressed any reason to believe, based on voice recognition or otherwise, that those persons representing themselves to be directors are not truly so.

**Public Comment:**

Ms. Sharon Hamilton confirmed her attendance.

- 1. Adjustments to the Agenda: None.**
- 2. NOT ADOPTED: Ordinance 2020-X: Waiver of Second Reading and Adoption of Ordinance 2020-X: Providing for Compensation of the Members of the Board of Directors of the Beaumont-Cherry Valley Water District and Superseding Ordinance 2007-01 (Continued from April 8, 2020 Regular Meeting)**

General Manager Jagers introduced the item and reminded the Board that this item has been discussed for quite some time at both the Personnel Committee level and the Board. In early April, this item was tabled for consideration in May due to the COVID-19 situation.

This is an opportunity to increase the Board per diem compensation from \$200 per day to some higher number, Jagers noted. The final decision now comes to the Board, he said.

Jagers advised the Board that approximately 42 written public comments were received via email and were posted to the website, and at least six additional emailed public comments had been received since the posting. All indicate opposition to a raise for the Board, he noted. The final email comments that have come in will also be posted online, Jagers said.

Public Comment: Ms. Sharon Hamilton of Cherry Valley said she did not think a raise for anyone is in line right now. Many ratepayers have economic uncertainty with lost jobs and price increases. She pointed out that water rates were just raised over the next five years.

Public Comment: Mr. Glen Stull of Cherry Valley said he sent an email and indicated opposition to the ordinance. He pointed out that the State of California is in total crisis with a \$54 billion deficit due to loss of revenue and tremendous expenses. People are watching and are unhappy with leadership, he said. He suggested the Board to step back and move with extreme caution.

Public Comment: Mr. Steven Huffaker, resident of Four Seasons, reiterated the prior comments. He said it is not the right time to be talking about raises. Any talk of raises for government flies in the face of what everyone is going through right now, he said, and people are angry at the idea of raises.

Public Comment: Mr. James Kraus said there is a component of public service that accompanies being a Board member; it is a privilege. When the community is facing so many problems, unless a Board member would be totally unable to complete their duties because of the pressure of poor compensation, it is totally inappropriate. The Board should continue to perform their duties without having to extract more from the customer base at a time when they are unable to provide that. He thanked the Board members for their service, but added that it stops being service when it is highly compensated.

Public Comment: Dr. Blair Ball of Cherry Valley said he appreciates the work of the directors and reminded the Board that he has indicated that \$260 per meeting is in the high range for a district of this size. It is difficult for Beaumont-Cherry Valley Water District to compare themselves with Desert Water Agency which has three times the workforce, is a wholesaler and retailer, and sewer district. In addition, COVID-19 puts everything in disarray, he continued. Unemployment is up, and the economy is uncertain. He asked the Board to forgo the 30 percent pay increase and said the Board is sending the wrong message to the community. He pointed out that directors have been conservative in meeting attendance, however, the next people who come on Board will have a precedent for the future. They may look at this as a job and want to attend as many meetings as they can, Ball noted, which puts them into a \$31,000 per year job. That is not wanted, he said, and he urged the Board to deny the pay raise on a 5-0 vote.

#### President's Remarks

President Covington said he read the comments received via email and thanked the residents for sharing their thoughts.

The California Water Code, Covington explained, allows public agencies to adjust elected officials' meeting stipends no more than 5 percent on any given year and to limits payment to no more than 10 meetings per month. He pointed out that there are no Board members who attend ten meetings per month.

District records show the Board of Directors did nothing with this issue for ten years, Covington continued, although the District's policy clearly states that this issue is to come before the Board for consideration every year in October. It is the inaction of previous Boards which has led to this point, he said. Compensation could be increased as to high as \$320 per day of service, he pointed out. On October 9, 2019 this item came before the Board with a fully-burdened per diem analysis, Covington stated. Covington said he believes not all the facts were conveyed to the ratepayers by whomever contacted them about tonight's meeting.

The email comments tie the Board stipend issue to the rate increase recently passed, Covington noted. The last time the Board did a five-year rate survey was in 2010, he reminded. The District should have been looking at a new rate survey in 2013 or 2014. The District went eight years without raising water rates, he said.

President Covington pointed out that the Directors fees budget item has come in under budget for the past three years. In the 2019 budget, the line item was increased by \$7,800 in anticipation of this raise being approved, he noted. This item has been

posted openly and in public meetings for well over eight months, Covington stated, and directors have been working through this process for a long time.

Covington also compared other agencies which provide paid medical insurance for directors and their dependents. The average per diem is \$201, but that does not include the cost of medical insurance, which skews the numbers, he said.

#### Director comments

Director Williams thanked President Covington for the background information. She said her opinion is this is a period of uncertainty and with the rate increase going into effect ratepayers have not really had a chance to see their bills. There has been a cool period, and now the summer months are beginning. She said with the economy, she wanted to allow ratepayers to get their bills and see how things are going. Director Williams indicated she would be voting No. She said she felt the item can be revisited, and merited or not, she would be more comfortable looking at it again at the beginning of 2021 due to current external issues.

President Covington noted that whether the board takes action on this, the ratepayers will not be affected, as this has been budgeted. Director Williams said she believes customers may be more receptive at a later date.

Director Hoffman thanked the public for their participation and enlightening comments. He indicated that his position, given current circumstances, is to vote against. He said he does not think it is appropriate right now.

Director Slawson said he understands the emotion of it and believes that COVID-19 should not be part of the discussion. The Board has not raised the stipend in 13 years, and research was done to assure this is level with other boards, he noted. Director Slawson stated that thinking of these positions as a job is not a bad idea: the electeds should not be only wealthy people; everyone should be able to participate and without compensation some may not be able to. In the past, vacancies were difficult to fill, he pointed out. This raise would bring the stipend up to what it should be, he said. Waiting until October would be merely doing what should have been done in the first place, Slawson said.

President Covington opined that the Board should look at this every October and at a minimum, adjust for cost of living.

Director Ramirez said he believes there have been good points on both sides. He noted the increase to \$260 was factored into the current water rate. President Covington clarified that it was factored into the 2020 operating budget. This is set within what ratepayers are paying regardless, Ramirez added. He reiterated that similar agencies are receiving a smaller stipend but receiving more with medical coverage.

Director Ramirez said he respects public perception. He pointed out that the cost of groceries also increased which affects everyone. Ramirez suggested either cast the vote tonight or allow another 30 days to assess the conditions of COVID-19. There is positive movement happening in the economy, he noted.

President Covington reiterated that this has been included in the 2020 budget and explained that everything the District does is based on the water rates. He added that he believes the District has been financially strong since 2014. He noted that absent the COVID-19 crisis, the Board would be moving this forward and he said he

felt confident in doing so. He suggested that the public does not realize how much work goes into being an elected official and concurred with Director Slawson regarding candidates running for the Board based solely on receiving the stipend or medical benefits.

*A motion to waive the second reading and adopt Ordinance 2020-01 Providing for Compensation of the Members of the Beaumont-Cherry Valley Water District Board of Directors and Superseding Ordinance 2007-01 failed by the following roll call vote:*

MOVED: Slawson	SECONDED: Hoffman	<b>FAILED 2-2-1</b>
AYES:	Covington, Slawson	
NOES:	Hoffman, Williams	
ABSTAIN:	Ramirez	
ABSENT:	None.	

**3. Letter of Support for Assembly Bill 2182 (Rubio) Related to Nonvehicular Air Pollution**

Assistant Director of Operations James Bean explained this bill allows for essential public services such as water agencies to be exempt from current regulations that limit the yearly run time for standby generators. Currently, regulations of the Air Quality Management District (AQMD) restrict use to 200 total hours per year per site, which includes maintenance, actual emergencies, and exercising the generator.

California is experiencing Public Safety Power Shutoffs (PSPS) and the need to run generators has changed. The Association of California Water Agencies has urged its members to support this bill, Bean continued.

Directors Slawson and Hoffman expressed support.

*The Board approved the execution of the letter in support of Assembly Bill 2182 Related to Nonvehicular Air Pollution and directed staff to forward it to the California Assembly Committee on Natural Resources and designated elected officials by the following roll call vote:*

MOVED: Williams	SECONDED: Ramirez	<b>APPROVED 5-0</b>
AYES:	Covington, Hoffman, Ramirez, Slawson, Williams	
NOES:	None.	
ABSTAIN:	None.	
ABSENT:	None.	

**4. Award of Contract for Landscape Services to Urban Habitat Landscape Contractors for an Amount Not to Exceed \$67,900.00**

Assistant Director of Operations James Bean advised this item allows the general manager to enter into a one-year contract with the option for an additional one-year extension by the general manager. Urban Habitat was the lowest responsive bidder of three who responded, Bean explained, and was the contracted landscaper for the past year.

Mr. Bean noted that the contract was re-bid this year excluding the Noble Creek Recharge Facility and Edgar Canyon sites. The total cost includes a 10 percent contingency for unexpected issues and an increased weed abatement schedule, Bean said.

Director Ramirez asked if irrigation used is recycled water. Mr. Bean explained that a couple of facilities will be set up for recycled water as they are adjacent to existing non-potable mains.

Director Hoffman requested staff provide a six-month progress report and a one-year report prior to the general manager's renewal of the contract at his discretion.

President Covington confirmed this is the same contractor used last year. Mr. Bean affirmed and added that the contract was modified to address activities that needed to be increased, such as weed abatement, to make facilities more presentable.

President Covington invited public comment. There was none.

*The Board authorized the General Manager to execute a one (1) year contract, with an optional General Manager approved extension of one (1) year, for Landscape Maintenance Services in an amount not to exceed \$61,686.00 together with an approximate contingency of 10% for a total amount not to exceed \$67,900.00 per year, with Urban Habitat Landscape Contractors by the following roll call vote:*

MOVED: Slawson	SECONDED: Hoffman	APPROVED 5-0
AYES:	Covington, Hoffman, Slawson, Williams	
NOES:	None.	
ABSTAIN:	None.	
ABSENT:	Ramirez	

*Director Ramirez was not present on the teleconference call for the roll call vote. Director Ramirez re-joined the teleconference call directly after the vote and before the beginning of Item 5.*

**5. Beaumont Master Drainage Plan Line 16 Pipeline Relocation Project and Estimated Costs**

Senior Engineer Swanson updated the Board. Project plans at the 60 percent design level were approved by the Riverside County Flood Control and Water Conservation District (Flood Control) and BCVWD and are now moving to 90 percent design.

As the plans moved forward, Riverside County Transportation pointed to an alignment including catch basins in an inverted street. Swanson reminded the Board that President Covington had commented on the history of the street design. Staff brought this to the attention of Flood Control, and Transportation is now in agreement with leaving the road with a centerline flow line, Swanson advised.

This is important, Swanson continued, as the District would need significant infrastructure in those two streets as part of the Potable Master Plan.

Mr. Swanson detailed the recommended action and the estimated costs related to four existing segments of pipeline that appear to be in conflict with the plan or standards.

The projects would be funded using a combination of facilities fees (capacity charges) and capital replacement reserves, Swanson explained.

Swanson advised that Flood Control would like to have plans approved and everything ready to go in September, resulting in construction starting early next year. This means that the District will have to accelerate addressing these pipelines, Swanson said. The grant for the storm drain project has a sunset date in December 2021, so the District must move quickly to assure its pipelines are not impacted by the storm drain project, he explained. Staff has put together plans and will bid the pipeline project with the District supplying the materials and a contractor performing the labor and providing equipment, Swanson noted.

General Manager Jagers indicated that staff is trying to be proactive and keep the Board informed. Completion of the Memorandum of Understanding is being delayed by discussion regarding who will maintain the feeder pipe between Bellflower and Winesap, he advised. BCVWD has been asked to take on the maintenance but Jagers said he has not yet weighed in with high level staff or the general manager at Flood Control.

A conservative cost estimate has been done, and the District hopes to realize some savings through economies of scale by bundling projects, Jagers noted. This needs to continue moving forward, he stated, and said the intent is to discuss the options. He pointed out there is potential COVID-19-related short-term cash flow impact and offered two options: Option A is designed to conserve funds.

Jagers indicated that in the future, a more holistic cost approach will be shown to properly account for project costs.

President Covington invited public comment. There was none.

In response to Director Ramirez, Mr. Swanson assured that staff would work cooperatively with the County of Riverside on such things as the encroachment permit.

Mr. Swanson requested Board consideration of Option A or B and acknowledged the estimates are preliminary. He warned that this project will quickly gain momentum. President Covington asked about a secondary cooperative agreement regarding responsibilities of ownership, operation and maintenance upon project completion. He expressed concern about the agreement on which the Board provided comments in 2016 or 2017 and which is not yet complete despite a half million dollars in proposed pipeline work.

President Covington also pointed out the replacement of 3,245 linear feet with ductile iron pipe (DIP) and other segments along Grand Avenue and suggested this not be done in a piecemeal manner. He also noted potential California Environmental Quality Act (CEQA) necessities.

President Covington indicated he is not comfortable putting additional money on the table until there are signatures on the agreement and acknowledged that it is the County that is holding it up. He assured that he is otherwise in support of the project.

Mr. Swanson acknowledged that there are components of the Grand Avenue pipeline that are not for replacement where CEQA does come into play and will slow the progress. The sections of pipeline shown which are small components of the 3,245 feet, Swanson explained, are replacements which do not require CEQA.

District staff has had conversations with Flood Control on where the MOU stands, including funding mechanisms, payment, and inspections, Swanson continued. The maintenance component, he said, is also stated in the MOU and is the last piece to shake out. Flood Control has been amicable, Swanson said, and staff may have to figure out the maintenance situation and force the conversation to bring it forward and allow the Board to feel comfortable that this is a committed project.

Swanson explained that the 3,245 feet of pipeline is shown in the Capital Replacement spreadsheet in the 2020 budget, but it is a project the District will not be able to get done in time. The holdup is due to the County requirement that the District re-pave half the street, but with the storm drain line going in, it is not something that he believes can get through CEQA to complete the entire line.

General Manager Jagers added that BCVWD does not want to maintain the 24-inch feeder line down Bellflower. Although there is high quality water from the mobile home park north of the Grand / Bellflower intersection, Jagers explained, the concern of Flood Control and Transportation is the debris flows. A shut off gate has been built into the project, and the plan is to actuate that in the event of debris flows. Mr. Jagers said he has advised Flood Control and Transportation that it is not in the District's interest to take on the maintenance activity, but staff does want to know what the activity would look like. He said the District is not digging in its heels, but will not allow the other entities to drive a decision that may create more work for District staff. This is the last item of discussion, Jagers noted.

Jagers reminded the Board that there have already been cost increases in the storm drain project, and the pipelines are also things that need to be done. Some of the items are already-planned projects, he said. Staff's recommendation, Jagers said, is Option B.

President Covington indicated he supports the project and the funding, but not moving this far with nothing in writing. Mr. Jagers assured that staff agrees.

## **6. Update and Discussion on Sites Reservoir Progress to Date and Phase 2 Agreement**

President Covington invited public comment. There was none.

General Manager Jagers advised the Board that the Sites project has been value-engineered to provide a reasonable cost-effective solution for the participants who have indicated a desire to move forward, including the SGPWA and BCVWD. The current commitment of the SGPWA is 14,000 acre-feet (AF), he reminded the Board.

Some decisions need to be made, Jagers advised. Jeff Davis, General Manager of the SGPWA is retiring at the end of June, Jagers noted, with a contract to provide 400 hours of service through the end of the year.

Mr. Jagers reminded the Board that two payments will be coming due: \$60 per AF due September 1, 2020 (4,000 AF = \$240,000) and \$40 per AF due February 1, 2021



(4,000 AF = \$160,000). This may be requested should the District desire to move forward.

The project was ranging between 1.3 and 1.8 million AF, Jagers explained, and after value-engineering the reservoir cost can be reduced from \$5 billion to \$3.3 billion. Some entities still have some uncertainty about participation, he added, and some have indicated they are not interested, so the project was re-sized.

Jagers indicated he expects a participation agreement from the SGPWA and is concerned about assuring the Board is prepared. He directed attention to the draft final annual report on Sites and pointed out highlights. The water has the potential to cost between \$600 and \$710 per AF and still needs to be wheeled here, Jagers explained. It is still cheaper than the Table A water, he noted.

Costs will begin to be incurred in mid- to late 2020, he advised, and said he hoped the debt service obligation of the Pass area will be reduced as the East Branch Extension compacted bond payments fall off. Jagers gave an overview of the project timeline, with the project to be operational as soon as 2029 and water available in 2030-2031, which is earlier than previously estimated due to project design changes.

**7. Update regarding Attendance at the Association of California Water Agencies Annual Summer Conference in Monterey, CA (now July 29 - 30, 2020)**

President Covington invited public comment. There was none.

General Manager Jagers explained the conference has transitioned to a virtual format due to continued state mandates to limit the spread of the coronavirus. The dates have been changed to July 29 to 30, and the deadline to register is July 10. The original estimated cost per attendee was \$4,220 but with the transition to a virtual conference the cost should be greatly reduced, Jagers reported.

Directors Williams and Ramirez indicated they are still interested in attending. Director Slawson indicated interest in attending the virtual option.

**8. Continued Review of Water Supply Assessment for Legacy Highlands Development Project located south of Highway 60 and west of Beaumont Avenue (Highway 79)**

Public Comment: Mr. Arthur Kidman, legal counsel for Legacy Highlands indicated he is available to answer questions.

Public Comment: Mr. David Golkar advised of his presence.

General Manager Jagers explained that staff has prepared an updated Water Supply Assessment (WSA) and noted that it is published on the District's website, as is the presentation material.

Senior Engineer Mark Swanson reminded the Board that this project has been discussed multiple times, and reviewed the project components, boundary and location. The project size requires a WSA per SB 221 and SB 610, to demonstrate the means of total water supply, Swanson explained.

Mr. Swanson briefly reviewed the project history. At the January 23, 2020 meeting of the Board of Directors, staff reviewed the concepts provided in the Supplemental Report to WSA for Legacy Highlands submitted by the developer and significant discussion ensued. The developer has done further investigation and has now provided further information regarding water rights, pumping capabilities, and existing on-site supplies, which has been examined by staff, Swanson said.

The City of Beaumont also provided a letter identifying some conditional use of the existing on-site wells, Swanson explained.

Staff identified some changes since the April 2019 report, including BCVWD water supply updates, Swanson noted. He explained short-term water deals of the SGPWA, the Fiesta Recharge Facility, the recycled water MOU signed in 2019 (but no finalized agreement), MDP Line 16 storm drain, the Delta Conveyance Project (formerly the California Water Fix), and Sites Reservoir project.

Mr. Swanson compared the Regional Summary of SGPWA Imported Water Supply tables of April 2019 and May 2020. He reviewed the BCVWD Water Supply Summary and explained the importance of the imported water supply.

Legacy Highlands' proposals include discussion of stormwater capture and infiltration and recharge to the San Timoteo groundwater basin, and on-site wells for non-potable use until recycled water is available for delivery. Three of the five wells were tested, Swanson explained, and at project build-out the wells could supply the non-potable component. The City of Beaumont also provided a letter to the District indicating support of the interim solution for non-potable irrigation uses, with several conditions to be enforced by the City.

Mr. Swanson detailed substantive changes to the WSA. Uncertainties remain and BCVWD's concerns are still valid, Swanson explained. He advised that over the past few months, two additional WSAs for other projects have appeared and will be going through this process. Both are being written by consultants hired by the developers and will be reviewed by the District, he said.

Swanson explained concerns. If extractions from the on-site wells are excessive, he said, there could be a drop in groundwater level and the mechanism of who owns them and how they are operated has not yet been resolved, and this must be solidified to avoid over-pumping, Swanson stated.

The recycled water agreement between BCVWD and the City of Beaumont has not been completed, so this is still an unsecured source. The Delta Conveyance project is at state level over which the District has no control and is still uncertain, he pointed out. The Sites Reservoir project is being scaled to the right size for the right cost, he noted. Short term exchanges converting to long-term water transfer opportunities are being sought by the SGPWA, but they are not at the point where they can be secured, Swanson explained.

General Manager Jagers pointed to the discussion of potable and non-potable water supply and said the project proponent knows there are challenges and was looking for ways to increase the certainty of water supply. It is hoped that recycled water will come to fruition but there is no secured agreement, he said.

Project legal counsel and the developer believe they have an overlier water right to use on the property, Jagers said and a mutual water company was examined. An

interim solution for non-potable water using the overlie water rights or riparian water rights along Cooper's Creek in case recycled water is not available is presented in the WSA, Jagers said. The District's concern is that BCVWD's system would not be complete and recycled water would no longer be discharging in Cooper's Creek. Jagers also pointed out the on-site wells have iron and manganese which have adverse activities with clogging pipes and staining concrete.

The developer provided some well analysis and groundwater production information, Jagers noted, and staff updated the WSA for consideration by the Board. In the April 2019 WSA but not in the May 2020 analysis are the California Water Fix side deals of 3,500 AF that the SGPWA had been considering with other contractors that do not need their capacity. There may be an opportunity to purchase capacity in the Delta Conveyance Facility from entities that do not need to participate, Jagers noted. The District has taken a fairly conservative approach looking at additional Table A side deals, he said, and the Sites Reservoir is a worst-case scenario at 9,100 AF.

The District anticipates urban water management plans for BCVWD, Banning and Yucaipa may diminish the per dwelling unit demand, Jagers said. Usage is declining and conservation measures are required by the state, he said, but this is based on information available now, he advised.

Public Comment: Mr. Hisam Baqai, representing the project, offered his credentials and indicated he feels confident that the District said it has plenty of water for the project's potable water needs, and the project has non-potable water available to meet three to four times the needs of the project through its wells.

BCVWD legal counsel James Markman reiterated that until recycled water is available from the City, there is a gap to be filled. Mr. Markman advised that he and Mr. Kidman determined that to get this accomplished, it could be removed as an obligation of the District and asked the District to analyze only the potable water part on an interim basis. For this to be done, the City (lead agency) would have to guarantee the non-potable water supply would be there via conditions of approval. That way, the District could abstain from having to deal with it, as the City would have essentially regulated it, Markman explained. It appears they have done that, he stated, and said from his view, the developer has arrived at a point where this can be presented to the Board for approval.

Director Williams pointed out that the documents regarding the pump test results from Babcock Labs were unreadable. Mr. Baqai stated that the water quality is good enough for all irrigation purposes, but for drinking water purposes it would require treatment for removal of iron and manganese.

Director Ramirez asked about any foreseeable issues with neighboring water agencies, and if this would expand the District's jurisdiction over the aquifer.

General Manager Jagers explained that historically there was no holistic view of supply and demand and the District's projections are based on looking at historical data. Every agency is concerned about water supply, and there are facilities being built to bring water down, and there are facilities of the state that assure water supplies are secure and available, and there has been a loss of opportunity due to environmental findings in the Delta, he stated.

Other things need to be done across the state to make sure water supply is augmented, like the Delta Conveyance facility and the Sites Reservoir to help get back

to a better level of service, Jagers continued. The challenge is balancing the need with the opportunity to pay for it when the service area becomes large enough to do so, he said.

With the WSA process and the CEQA process, Jagers explained, staff believes a reasonable, conservative case has been presented and is defensible. Not in the projections is a potential recession and decline in building, he noted, as houses in the Beaumont area are still selling.

There is not really expansion of authority in the groundwater basin, Jagers explained. The District has brought before the Board opportunities to manage its small section of the San Timoteo groundwater basin including agreements authorized by the Board in the last few months. This is just one more activity in management, he said, that doesn't allow water to get away from this area.

Director Ramirez pointed to annexations by the City of Beaumont and cautioned that as the District moves to expand its boundaries, it must be wary of potential litigation. He said he hopes for protections as needed, as this is new territory. President Covington concurred.

Public Comment: Mr. David Golkar said the developer has been working with the District for two years and concluded that the District has allowed the City to claim water as part of the WSA and the timing was an issue. Even though the MOU was signed, the contract was not, he said. If interim non-potable water was able to be provided, there is no shortage of water and the WSA can move forward. The developer accepted the conditions and knows there are established overlying rights and riparian rights, Golkar stated.

Mr. Golkar indicated that the conditions in the WSA were acceptable. He said the developer recommends using its own reliable source of water that has been tested and this is a solid WSA that can move forward to be approved at the next Board meeting so the annexation process can be completed. COVID-19 has not impacted the project, he stated. This is a 20-year project, and the first phase needs to move on, he said. The project has all information to satisfy the WSA including technical and legal opinion. The District is not going to be sued, he stated. The City is the lead agency, he said, and the project will be moving forward through the Court. The only thing holding it up was the WSA that was done by the water district, he opined.

The project brings employment, opportunity and millions of dollars in fees to the District and the City, Golkar submitted.

President Covington asked about distribution of non-potable water for the first project phase. Mr. Golkar explained the well is already drilled, the developer will make sure that water quality standards are met, and the first phase is anticipated to have water tanks for non-potable use to city, county and water district standards. Treatment and costs have been discussed with Mr. Jagers and staff, and the developer is prepared to do this, Golkar stated. He reiterated water rights. If the District wants to operate the wells in the future for the beneficial use of the property, the developer is more than happy to dedicate that to the District, he said. He said he believes there is potential extraction of water without depleting the groundwater supply.

Golkar stated that the developer is willing to fill the supply gap and willing to pay the expenses to supply the water source and it is their legal right to do so. This will

complete the WSA so the District can approve it without any liabilities and with the support of the City, Golkar indicated.

Mr. Baqai added that there is a separate irrigation system dedicated to the project that will use its non-potable water for the time being until the City's recycled water is available going through the same system. In response to President Covington, Mr. Baqai confirmed that the project will be building a reservoir and installing piping for the non-potable system. Mr. Golkar assured that the project's water would not be mixed with the District's recycled water.

Covington noted the WSA was made available at 4 p.m. and will have to be read through more diligently. Mr. Jagers advised that information was received at noon on Thursday and staff worked through the weekend to prepare the WSA for this meeting.

#### **9. Update: Status of Local Emergency regarding the Impact of the Respiratory Illness Pandemic COVID-19 pursuant to Resolution 2020-07**

General Manager Jagers advised that staff continued to watch information coming from the County of Riverside and pay attention to the situation.

He reviewed current case information for Supervisorial District 5: 141 new cases as of May 24, with 56 total deaths. The infection doubling time is increased from 29.9 to 34.7 days, he noted and shared the COVID-19 trajectory given the County's relaxation of some public health orders. He noted an increase in infections with more person contact, but the doubling time is increasing. Staff is watching the data and utilizing it to determine a move-forward position.

Materials and supplies are being ordered for sanitation needs when the front office opens, he said, and a target date may be July 1. Office staff presence will be reduced as some can work from home but there is a desire from a community service perspective to come up with a solution that allows the front doors to be open and people to come in to interface with staff, Jagers said. The District wants to be healthy and conservative in moving that forward, he noted. Plans are being developed for employee safety, he added, and field staff has protocols in place.

President Covington said he believes a conservative move forward is warranted and he would like to see everyone back at work as soon as possible, safely, and the front office open to the public.

#### **10. Legislative Update**

President Covington acknowledged the Legislative Update. There were no questions.

#### **11. General Manager's Report**

General Manager Jagers reported that 10 cubic feet per second is being delivered to the Noble Creek facility and percolation rates are fine. There are no algae issues.

Jagers said he attended a conference call with Counsel Markman regarding the Merlin Property. The project engineers advised that it was an exorbitant cost to take service from BCVWD and asked if the District would support de-annexation from the BCVWD service area boundary. Mr. Jagers communicated that they would have to

dual-plumb their system. He told the developer that a cost analysis to show why BCVWD would abandon its facilities, and to determine the cost associated with the stranded assets compared to taking service from BCVWD would need to be done before bringing the item back to the Board.

In addition, Jagers reported, Mr. Markman said he would need to understand whether facilities were put in to make it more practical to take service for YVWD in the last few years after BCVWD put in facilities. Mr. Jagers also pointed out that he had not heard the developer ask YVWD to provide only sewer service. In 2008, the YVWD created a condition requiring a water, recycled water and sewer bundled service, Jagers explained. The property was annexed into the BCVWD service area before that condition was created. In addition, YVWD had indicated there were no other areas with partial service, but Mr. Jagers thought there was such activity in the South Mesa Water Company service area. He suggested YVWD ask its Board to relax the bundled service requirement.

The Ad Hoc Communications Committee met on Tuesday, Jagers reported. Public outreach has been done and there is about \$35,000 left in the budget. There is interest in developing a video at a cost of \$4,000 to walk customers through the water bill. Jagers said he thinks the idea has merit and it may be something to move forward on quickly.

## 12. Topics for Future Meetings:

*None added.*

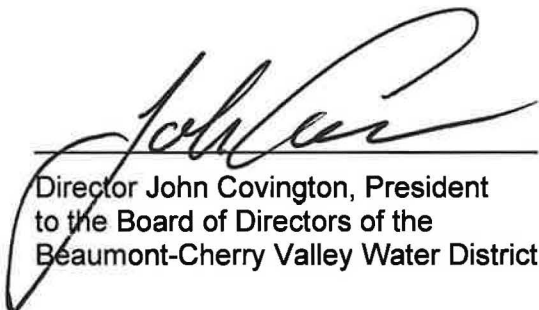
## 13. Announcements

*All the following meetings will be held via teleconference unless otherwise indicated. President Covington read the following announcements:*

- Personnel Committee Special Meeting: Monday, June 1 at 5:30 p.m.
- Beaumont Basin Watermaster Committee: Wednesday, June 3 at 10 a.m.  
(teleconference confirmed)
- Finance and Audit Committee Meeting: Thursday, June 4, 2020 at 3:00 p.m.
- Regular Board Meeting: Wednesday, June 10, 2020 at 6:00 p.m.
- Engineering Workshop: Thursday, June 25, 2020 at 6:00 p.m.
- Collaborative Agencies Committee Meeting: Wednesday, July 1 at 5:00 p.m.


## 14. Adjournment

*President Covington adjourned the meeting at 9:35 p.m.*



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

ATTEST:



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