



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

**MINUTES OF REGULAR MEETING – ENGINEERING WORKSHOP
OF THE BOARD OF DIRECTORS
Thursday, June 25, 2020 at 6:00 p.m.**

***Meeting held via teleconference pursuant to
California Government Code Section 54950 et. seq. and
California Governor’s Executive Orders N-29-20 and N-33-20***

Call to Order: Vice President Hoffman

Vice President Hoffman began the meeting at 6:01 p.m.

Pledge of Allegiance was led by Director Hoffman.

Invocation was given by Director Slawson.

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:	Hoffman, Ramirez, Slawson
Directors absent:	Covington, Williams
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
Legal Counsel	James Markman

Members of the public who registered their attendance: Dave Castaldo of the San Geronio Pass Water Agency.

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: None.

1. Adjustments to the Agenda:

General Manager Jagers advised the attendees about a handout for Item 8 which is available on the District's website. He clarified that the agenda was published on Thursday evening but was amended on Monday (6/22/20) prior to the 72-hour posting deadline. Emergency Item 2 regarding Well 24 was added.

2. Ratification of the General Manager's Declaration of a District Emergency regarding Necessary Immediate Repairs to Well 24

General Manager Jagers reported that on June 19, production staff identified a significant noise in conjunction with excessive shaft vibration at the Well 24 pumping unit. Jagers explained that President Covington concurred that this was an emergency due to the ongoing work on Well 21 which also provides significant pumping capacity in the zone. Mr. Jagers said he also briefed Vice President Hoffman in the absence of President Covington this week.

Well 24 is a high production well in the District's 2750 pressure zone, Jagers stated, and there has already been a reduction in capacity due to Well 21 under repair. With increasing demands due to the summer months and the potential for public safety power shutoffs plus the COVID-19 stay-at-home order, it was imperative to return Well 24 to service, Jagers posited.

Replacement of the 600 hp motor would be a cost of \$47,522 plus tax, and there is one motor available in the country, Jagers explained. He recommended the purchase and installation of the new motor and repairing the damaged Well 24 motor for service until the new motor can be installed.

Staff also recommends repair of the pumping unit which included replacement of 100 feet of column, tube and shaft, pulling and resetting the motor, repair of existing motor including new bearings and purchase of the new motor which should be available in seven to 10 days, Jagers explained.

Ratification of the General Manager's declaration of a District Emergency would acknowledge the necessity of immediate repairs of Well 24 and allow the GM to make up to \$250,000 in purchases. Jagers estimated the repairs to cost \$10,000 to \$20,000, repair of existing motor at \$11,430.34, and purchase of an additional motor for \$47,522.16 plus tax.

Director Slawson asked about the time frame for repair of the existing motor. Mr. Jagers indicated it was expected to be finished today and the well anticipated to return to service early next week. Director Slawson asked about the availability of replacement motors. Mr. Jagers confirmed that it had been discussed to purchase an 800 hp pumping unit, which are even more uncommon than a 600 hp. Typically, such a motor is built by a factory on order, he explained. This 600 hp motor will have a few things added to it to by the District's supplier in order to meet BCVWD specifications, he added. Normally, staff would anticipate 16 to 20 weeks to obtain a motor. During the cool season, the motors can be swapped which will provide redundancy, Jagers stated.

Vice President Hoffman asked about warranty on the new motor. Mr. Jagers said he expects it will come with a standard U.S. warranty; usually 12 months. Hoffman suggested that it would be advantageous to have the new motor working in order to take full advantage of the 12-month warranty and have the rebuilt motor as a spare. Mr. Jagers indicated that with Well 21 out of service, staff is uncomfortable waiting for preparation of the new motor.

In response to Vice President Hoffman, Mr. Jagers noted this is the District's only 600 hp motor. He advised that staff will be coming to the Board at some point for an additional 800 hp spare motor which would fit all three 800 hp pumping units.

Vice President Hoffman asked about staff procedures for checking for these issues. Mr. Jagers explained the testing procedures done every few weeks, and daily visits to well sites. He credited the experience of production staff, their attunement to abnormal sounds, and robust investigation.

Vice President Hoffman invited public comment. There was none.

The Board ratified the General Manager's Declaration of a District Emergency to address the emergency situation regarding necessary immediate repairs to Well 24 on Monday, June 22, 2020 by the following roll call vote:

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

3. WaterSMART: Water and Energy Efficiency Grant (WEEG) and Automatic Meter Read / Advanced Metering Infrastructure Deployment Project Update

General Manager Jagers explained staff has been working with the Bureau of Reclamation (BOR) regarding the \$1.5 million AMR / AMI grant. The District must accelerate its capital improvement program project related to this item, which was to have stretched over a five-year period but in order to meet the BOR deadlines, staff is proposing to hire four temporary staff members: two administrative help and two field staff to install meters.

Due to the COVID-19 activities and discussions about cash flow, he continued, the recommendation is to cover the cost of the labor components with both capital

replacement reserves and the grant funds. Staff believes it is more efficient and cost effective than hiring a contractor to perform the project. Jagers explained it takes about 5 minutes to swap a meter in the field, and 30 to 45 minutes of administrative work for each meter.

The District is holding the current staffing level but wants to assure clear and concise execution of the BOR's timeline requirements, Jagers stated. He said he expects to have the final contract from the BOR for execution shortly.

In response to Vice President Hoffman, Mr. Jagers indicated that temporary office staff would be supervised by Senior Finance and Administrative Analyst Bill Clayton and Director of Finance and Administrative Services Yolanda Rodriguez, and field staff would be supervised by Superintendent Knute Dahlstrom and Assistant Director of Operations James Bean as well as the Field Service III immediate supervisor. No need for additional vehicles is anticipated at this time, but a rental truck might be warranted based on the COVID-19 situation, Jagers answered.

Vice President Hoffman requested a regular report to the Board on installations. He invited public comment. There was none.

4. Request for "Will Serve Letter" related to the Fairway Canyon Master Plan development located in the City of Beaumont and further identified as Tract No. 37697 (a portion of Planning Area 25) south of Champions Drive and east of Tukwet Canyon Parkway

Senior Engineer Mark Swanson advised that a portion of Phase 4 is currently being graded. This tract and Tract 37698 (Item 5) are "sister tracts" situated next to each other within the same area, he explained. The builder, Woodside Homes, requires a WSL in order to complete the purchase of the property and move forward with the developer, Swanson continued.

Swanson drew attention to the site map and noted there is a pocket park and potential school site. He explained the development phases and pointed out there is still a substantial amount of area remaining to be constructed.

Director Ramirez asked if there were any water supply concerns and whether there were any long-term requests for the developer. Mr. Swanson explained that the original master plan for 3,300 units was included in the District's Urban Water Management Plan and the number of units has been reduced; all EDUs have been accounted for. Mr. Jagers reminded the Board of the Water Supply Assessment discussed at the last meeting and noted that this development was considered in that document. Planned water activities in conjunction with the San Gorgonio Pass Water Agency identifies that there is a reasonable and good plan to provide for supply, he explained. The District pays attention to changes, and there are some uncertainties, he noted, but staff believes that the ongoing activities meet the needs of all these projects.

Vice President Hoffman noted that the original WSL has not been located. Mr. Jagers confirmed that the annexation occurred, and facilities were built, and a development agreement was executed. All indications are that the District supported the full development of this project, he stated.

Vice President Hoffman invited public comment. There was none.

The Board approved the request for “Will Serve Letter” for domestic and recycled water service for Tract 37697, a single-family residential tract project, (a portion of Assessor’s Parcel Number 413-790-020) located south of Champions Drive and east of Tukwet Canyon Parkway in the City of Beaumont for 73 dwelling units for a term of one year by the following roll call vote:

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

5. Request for “Will Serve Letter” related to the Fairway Canyon Master Plan development located in the City of Beaumont and further identified as Tract No. 37698 (a portion of Planning Area 25) south of Champions Drive and east of Tukwet Canyon Parkway

Senior Engineer Mark Swanson advised this request is from the same applicant, Woodside Homes for 126 dwelling units.

Vice President Hoffman pointed out this WSL is also missing and the same concerns about water supply and variables exist as discussed in Item 4.

Vice President Hoffman invited public comment. There was none.

The Board approved the request for “Will Serve Letter” for domestic and recycled water service for Tract 37698, a single-family residential tract project, (a portion of Assessor’s Parcel Number 413-790-020) located south of Champions Drive and east of Tukwet Canyon Parkway in the City of Beaumont for 126 dwelling units for a term of one year by the following roll call vote:

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

6. 9th and 11th Street Pipeline Replacement Final Project Cost Update

Senior Engineer Mark Swanson reminded the Board that the reason for these projects was to get in front of the City of Beaumont’s paving project. In February, the Board authorized the General Manager to contract for \$112,688 with an additional \$217,479 authorized for the 9th and 11th Street component, Swanson advised. He pointed to the cost breakdown and final tally of \$201,719.67, which is \$15,759 under budget for the 9th and 11th street pipeline. The funds came from capital replacement reserves, he added.

Mr. Swanson explained that the alley component of the project totaled \$57,064.77 monies for which came from a maintenance funding mechanism in the Operations budget. A line was abandoned, and all services re-routed either from Beaumont Avenue, Magnolia, 9th or 10th street, he explained.

General Manager Jagers advised that this informational item is to memorialize the project and give the auditors a clear path regarding expenditures as well as to be transparent with the public regarding effective use of the ratepayers' monies and give the Board an understanding of how the District is approaching business and working creatively.

Director Slawson commended staff for coming in under budget; VP Hoffman concurred.

Vice President Hoffman invited public comment. There was none.

7. Review Annual Disclosure (California Government Code Section 66013(d)), Fiscal Year 2019 Capacity Charges

Director of Finance and Administration Yolanda Rodriguez explained that Government Code Section 66013 requires the District report on capacity charges collected by the District. The capacity charges (also known as facilities fees, or development impact fees) are paid by developers to fund the cost of impacts of their developments on the District's water supply. For transparency purposes, these must be disclosed to the Board and the public, she explained.

Rodriguez detailed the reports of balances of restricted cash for capacity fees currently on the District's books. At the beginning of 2019, the District had a balance of \$26,254,409 and during the year collected \$3.6 million including interest, Rodriguez stated. During the calendar year, \$356,701 was expended on ongoing projects for an ending balance of \$29,534,286 as of December 31, 2019.

Ms. Rodriguez detailed the projects on which the capacity charges were used, such as the Grand Avenue storm drain and the Noble Tank pipeline.

The 2020 Capital Budget is anticipated to be \$6.7 million, for 2021 is \$5.8 million, and for 2022 is \$3.6 million in projects for potable water infrastructure, she continued. For non-potable anticipated public improvements \$2.6 million is anticipated in 2020, in 2021 \$3.4 million, and in 2022 \$14.2 million.

In response to Vice President Hoffman, General Manager Jagers pointed out two large components of the 2022 budget of \$14.2 million: the non-potable booster station for the City of Beaumont's wastewater treatment plant, and a 3-million-gallon non-potable water tank in the 2600 zone. Since these are all developer-funded, staff has not discussed in depth with the Board, Jagers explained. The schedule is made in accordance with the Master Plan and is based on development projects moving forward but is also dependent on the economy as well as local area development activities. Staff has not yet assessed the impacts of COVID-19 and a recession on these projects, he said, but he expects these may be delayed.

These are not rate-funded or impacted activities, he clarified. Ms. Rodriguez reiterated this is restricted cash.

Vice President Hoffman invited public comment. There was none.

8. Well 22 Irrigation and Site Improvement Update

General Manager Jagers advised that Assistant Director of Operations James Bean is on vacation but had joined the teleconference earlier.

Jagers reminded the Board of prior discussion regarding landscaping at well sites. Staff took on some site improvements at Well 22 located at the northwest corner of Michigan Avenue and Oak Valley Parkway, Jagers explained. He directed attention to the handout of photos of the site. Staff sought a low cost, low maintenance activity and removed turf, installed a decomposed granite, made concrete improvements, and added landscape rocks.

Director Ramirez opined this is good progress.

Vice President Hoffman invited public comment. There was none.

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

General Manager Jagers indicated there has been a significant surge in COVID-19 cases in Riverside County. This is a continuing report as is required every 21 days, Jagers explained. The Riverside County daily infection rate moving average has been climbing daily, Jagers advised, and reached a peak yesterday of a little over 425 cases per day and is now just under 400.

District field staff is taking all precautions related to COVID-19 protection and office staff is still working remotely, he stated. Discussion was held regarding the opportunity for ratepayers to contact staff members, Jagers said, and the current concept is to maintain current operational activities and in mid-July see if the surge has settled down and the state's mask requirement has had positive effect.

The District's program is working pretty well but is lacking face contact with ratepayers Jagers noted. He said he has reached out to other public entities and found that all are doing things differently. Attractive to BCVWD is to open by appointment, as the lobby is narrow, and this would allow staff to control the point of entry into the building. Jagers suggested this can be discussed at the July 8 Board meeting. The current plan is status quo, he advised with the goals of keeping the public and employees safe and maintaining water service.

Vice President Hoffman invited public comment. There was none.

10. Legislative Update

Senior Engineer Mark Swanson indicated that with so much going on due to COVID-19, staff is monitoring items of importance to the District and the community as a whole. At the federal level, he pointed to the HEROES Act which includes provisions that are being counted on by the state.

Vice President Hoffman invited public comment. There was none.

11. General Manager's Report

General Manager Jagers reported that water is continuing to be delivered at the Noble Creek Recharge Facility. He advised that the new general manager of the SGPWA will begin on or around July 13, and information will be brought forth regarding the Sites Reservoir participation agreement at the July 8 Board meeting.

Jagers reported that the District is a bit short staffed for various reasons such as summer holidays, but there have been no significant emergencies and it is hoped to restore Well 24 to service early next week.

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:

- Collaborative Agencies Committee Meeting: Wednesday, July 1, 2020 at 5:00 p.m. (*teleconference pending*)
- Finance and Audit Committee Meeting: Wednesday, July 1, 2020 at 3:00 p.m.
- District offices will be closed on Thursday, July 2, 2020 in observance of Independence Day
- Regular Board Meeting: Wednesday, July 8, 2020 at 6:00 p.m.
- Engineering Workshop: Thursday, July 23, 2020 at 6:00 p.m.
- Personnel Committee Meeting: Monday, July 27, 2020 at 5:30 p.m.
- Beaumont Basin Watermaster Committee Meeting: Wednesday, Aug. 5, 2020 at 10 a.m.
- Finance and Audit Committee Meeting: Thursday, August 6, 2020 at 3:00 p.m.


14. Adjournment

President Covington adjourned the meeting at 7:30 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