



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

**MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
Wednesday, June 10, 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***

Call to Order: *President Covington began the meeting at 6:04 p.m.*

Pledge of Allegiance: *Led by Director Slawson*

Invocation: *Given by Director Williams*

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 Yolanda Rodriguez Senior Engineer Mark Swanson Assistant Director of Operations James Bean |

| | |
|---------------|--|
| | Senior Finance and Administrative Analyst William Clayton Administrative Assistant Erica Gonzales |
| Legal Counsel | James Markman |

Members of the public who registered attendance: David Golkar, Hisam Baqai, Cheryl DeGano, Evelyn Morentin-Barcena, Jeff Davis, and Arthur Kidman were in attendance on the teleconference.

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. Convened in Closed Session: 6:13 p.m.

- a. CONFERENCE WITH LEGAL COUNSEL – Anticipated Litigation
Significant exposure to litigation
Pursuant to Government Code Section 54956.9(d)(2)
One Potential Case

Reconvened in Open Session: 6:56 p.m.

Report on Closed Session

President Covington announced there was no reportable action taken during Closed Session.

A second roll call was taken. All five Directors were present on the teleconference.

2. Adjustments to the Agenda: None.

Mr. Jagers advised that handout materials are available on the District's website.

3. Consent Calendar:

The following Consent Calendar items were approved with one motion:

- a. April 2020 Budget Variance Report
- b. April 2020 Cash/Investment Balance Report
- c. May 2020 Check Register
- d. May 2020 Invoices Pending Approval
- e. Minutes of the Regular Meeting of May 13, 2020
- f. Minutes of the Regular Meeting of May 28, 2020

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

4. San Geronio Pass Water Agency (SGPWA) and Sites Project Authority Phase 2 Participation Agreement, Associated Costs and Presentation by Jeff Davis, General Manager of SGPWA

President Covington invited public comment; there was none.

Mr. Davis was not present on the teleconference, so President Covington moved forward item 5.

Mr. Jeff Davis joined the teleconference and addressed the Board regarding the Sites Reservoir. He reminded the directors that he has spoken to the Board previously.

Sites Reservoir was identified by the California Department of Water Resources (DWR) as a potential off-stream storage reservoir in 1957. It came back to life in 2010 or 2011 with the legislature's creation of the Sites Reservoir Authority, Davis stated. The project has received \$816 million in Proposition 1 funding which requires certain milestones to be met, he explained.

Davis noted that Governor Newsom included the project in the Water Resiliency Portfolio. The SGPWA sees an advantage in that the Sites project is more likely to be built than other projects and it provides dry year yield, which the State Water Project does not. He listed current SGPWA sources to meet Beaumont's demand.

Numerous permits are required and there is a diverse group of investors, Davis pointed out. The project is now back on track with a new Executive Director, he said, and a value planning process has been completed which downsized the project, but it remains at 240,000 to 250,000 AF of yield at \$3 to \$3.3 billion. The next phase (Nov. 1, 2020 to the end of December 2021) will incorporate obtaining the permits from the state, which must be done by the end of 2021 per Proposition 1 rules, he explained. Water rights must also be transferred from the DWR to Sites, he said. To accomplish this, he advised, the Sites Reservoir Committee needs an investment of \$100 per AF (\$23 million). The SGPWA Board recently authorized the signing of the Phase 2 Agreement and committed \$1 million for its 10,000 AF, payable in two installments: \$60 per AF due Nov. 1, and \$40 per AF due by April 1, 2021, Davis said.

The SGPWA would like to know soon if the BCWVD wishes to continue its participation at 4,000 AF, as there will be some rebalancing needed by September, Davis indicated. In approximately October 2022, Davis warned, the SGPWA and BCWVD will be faced with a decision on whether to remain in the project for the next phase. If an investor chooses not to participate, they will not be able to re-join the project, he noted.

General Manager Jagers advised that legal counsel will need to review the Phase 2 Agreement prior to final decision, and this will be vetted one final time at an Engineering Workshop. Additional water supply for the region is needed and important, he noted.

President Covington indicated he understands the urgency to move this forward and noted the BCVWD expects to agendize this for the July 8 or July 23 meeting. Mr. Davis pointed out that it is only SGPWA that signs the Sites Participation Agreement, and he has asked SGPWA legal counsel to draft an Agreement similar to that done for Phase 1 between SGPWA and BCVWD to protect both parties.

President Covington requested staff agendize the Agreement for the July 8 meeting, or worst-case, for July 23.

President Covington acknowledged the upcoming retirement of Mr. Davis and extended gratitude for his service with the SGPWA and his assurance of imported water to the region.

President Covington invited public comment. There was none.

5. Resolution 2020-12: Adopting Regulations Regarding the Payment of the Cost of the Candidate's Statement for the November 2020 Consolidated Election

Director of Finance and Administration Yolanda Rodriguez explained the requirement and staff recommendation. The County of Riverside cost of the Candidates Statement is \$650, she noted. Historically, the District has required the candidates to pay for their own statements, she advised, and recommended the same practice. BCVWD Divisions 1 and 2 are on the ballot, she noted.

In response to President Covington, Counsel Markman indicated that if the Board chose to pay for the statements, it would be for all candidates, not just the incumbents. Director Slawson advocated to remain with the same process as in the past.

The Board adopted Resolution 2020-12 Adopting Regulations Regarding the Payment of the Cost of the Candidate's Statement for the November 2020 Consolidated Election by the following roll call vote:

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

6. Approval of the Notices of Election of 2020 for submission to the Registrars of Voters of the County of San Bernardino and the County of Riverside regarding the November 3, 2020 Consolidated Election

President Covington invited public comment. There was none.

Director of Finance and Administration Yolanda Rodriguez presented the Notices for submission to the Registrars of Voters. There are two four-year terms for election: Division 1 and 2, which expire December 3, 2020. Both divisions are located within Riverside County, but the District's boundaries extend into San Bernardino County, and directors are elected at large, she advised. The notices must be submitted by July 1.

For the 2020 election, the fiscal impact is estimated to be \$100,000, Rodriguez advised. In FY 2020, \$10,000 was budgeted, with the remaining \$90,000 expected to be invoiced in 2021.

The Board approved the Notices of Election of 2020 for submission to the Registrars of Voters of the County of San Bernardino and the County of Riverside regarding the November 3, 2020 Consolidated Election and directed the Recording Secretary to do all things necessary to facilitate the election by the following roll call vote:

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

7. 2019 External Audit and Comprehensive Annual Financial Report

Director of Finance and Administration Yolanda Rodriguez introduced the independent auditors' unmodified (clean) opinion on the District's financial statements for the year ended December 31, 2019 and the December 31, 2019 Comprehensive Annual Financial Report (CAFR).

Ms. Evelyn Morentin-Barcena of Rogers, Anderson, Malody & Scott, LLP (RAMS) noted that due to the coronavirus, the audit procedures were different, but staff was responsive and able to get all needed information to RAMS. She noted that the audit and CAFR had been shared with the Finance and Audit Committee, explained the role of the auditor and presented the unmodified opinion of the financial statements. She pointed out a subsequent event disclosure added in the current year related to the COVID-19 pandemic and its effect on the district.

Ms. Rodriguez summarized the content of the CAFR and shared highlights. Total assets as of December 31, 2019 were \$180.4 million, an increase of \$2.1 million over 2018, she advised. Total liabilities were \$8.8 million, which was an increase of \$.4 million over 2018. The District's total net position was at \$172.2 million, she continued. Ms. Rodriguez added that the District anticipates receiving an award from the Government Finance Officers Association (GFOA) for the 2019 CAFR.

Director Hoffman said he felt the audit was very clear and full of good information to keep and review. He pointed to pages 127 to 131, and to 175 and the last paragraph on 125 which he said stood out to him.

The Board received and filed the independent auditors' unmodified (clean) opinion on the Beaumont-Cherry Valley Water District's financial statements for the year ended December 31, 2019, included in the December 31, 2019 Comprehensive Annual Financial Report, and the Management Letter by the following vote:

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

8. Discussion of Cash Flows as related to the ongoing COVID-19 Local State of Emergency

President Covington invited public comment. There was none.

Yolanda Rodriguez pointed to the handout on UB statistics. She noted the aging report dated May 25, 2020 contrasted with May 25, 2019 and pointed to the 90+ day balance due for residential accounts. In 2020, she noted, there are 400 accounts at 90+ days for a total of \$67,630, compared to the 90+ days in 2019 which were nine (9) accounts for a total of \$1,858. This represents an emerging pattern with ratepayers, she advised. The total balances due, however, show \$1.091 million due in 2019, and \$1.032 million for 2020, so the situation is not yet detrimental for the District, she indicated.

President Covington requested a comparison between billing cycles for the next meeting. He indicated that the total amount due is a small concern at this time.

Ms. Rodriguez shared the impact of customers requesting payment plans and the loss of fee revenue for non-payment and inability to shut off service due to the COVID-19 situation. At the end of the period, only nine of the 138 non-shut off customers had failed to pay their bill, she pointed out.

Overall, the impact of the COVID-19 pandemic to the District from March 27 to May 25 including waiving of fees and purchase of supplies is approximately \$45,000, Rodriguez reported. She assured that staff is tracking cash flow closely and stated that receipts from customers as of May 28 totaled \$3,965,166 which was down only \$7,100 compared to May 31, 2019 and is not a big impact on the District.

In response to Covington, Jagers advised that the District bills residential customers bi-monthly. Meter readings in Beaumont and Cherry Valley are staggered, and commercial and large landscape customers are read monthly. There will be an opportunity to convert to monthly reads upon completion of the AMR / AMI project, Jagers said, but with more than 18,000 meters in the District, more staff would be needed to read them all on a monthly basis. Jagers pointed out some expenses on the Cash and Investment Balance Report and advised the Board about action to keep the District in a position to move forward and have a clear understanding.

9. Review of Allocation of Water Supply Credits for Riverside County Assessor's Parcel No. 401-071-039, located on Rancho Drive, north of Orchard Street and south of Bonita Drive in the community of Cherry Valley

Senior Engineer Mark Swanson advised the Board of the proposed single-family residence on a 2.3 acre parcel on Rancho Drive in Bonita Vista. Approximately 100 lots in the Bonita Vista subdivision were annexed into BCVWD in 2003 with terms and conditions, he explained, including purchase of water "shares," or Equivalent Dwelling Units (EDUs).

In addition to this parcel, Swanson explained, the applicant may have another to be developed in the future. Mr. Latham, the applicant, would be required to determine fire flow requirements and connect to District facilities, Swanson noted. Any fees related to the service would be paid pursuant to the Bonita Vista service agreement and/or the applicant, he said.

Mr. Jagers further explained that the District took over water service for the Bonita Vista Mutual Water Company and the agreement indicated that the District would provide service and install meters if those homeowners conveyed the existing facilities to the District and forfeited water rights in the area, and paid to have the facilities installed. This is a memorialization of the transfer of property rights, the ongoing Bonita Vista agreement and this particular property's payment for nine services in the original agreement, Jagers pointed out. There is no Board action required, Jagers said.

In response to President Covington, Jagers confirmed that BCVWD is serving all of the Bonita Vista customers.

President Covington invited public comment. There was none.

Due to technical difficulties, roll call was repeated. All five directors were present.

10. Update of Annexation request for Properties Associated with Parcel Map 28348 and Update and Extension of "Will Serve Letter" for Development located on Parcels 1 and 9 of Parcel Map 28348

President Covington invited public comment.

Ms. Cheryl DeGano of Albert A. Webb Associates representing the applicant indicated the applicant concurs with the staff recommendation.

Senior Engineer Mark Swanson explained the action requested of the Board. He described the parcel map and its location and noted prior Board approval in 2017 and renewal in 2019 of annexation and a Will-Serve Letter (WSL) for a project on the parcel. That is no longer a project, Swanson noted, and the staff recommendation is to rescind the approval of annexation for Parcel 9. Also approved previously were a WSL for Parcel 1, Swanson noted, but the area was never formally annexed. The recommendation now is for annexation of the entire Parcel Map, he said, rather than piecemeal annexation.

The objective is to update the WSL for Parcel 1 and to approve the request for amendment of annexation to include all 16 parcels in the District boundary, Swanson explained.

Parcel 1 has a truck and trailer parking lot, Swanson advised, Parcels 2, 3 and 4 are vacant; Parcels 5, 6, 7, 10, and 11 have been merged, he stated, and Parcel 5 has been taking service for a number of years. Parcel 8, 9 and 12 are vacant, and Parcel 13 is owned by the City and is part of the wastewater treatment plant. Parcels 14 and 15 are owned by Robertson's Ready Mix, Swanson noted, and 16 is vacant.

Swanson reviewed the anticipated water use for Parcel 1 of 2.1 EDUs of non-potable water for irrigation purposes.

Mr. Jagers reminded that there has been prior Board discussion regarding annexing the entire Parcel Map. It has been a significant effort to resolve issues due to the incomplete status of the project, he noted.

Jaggers told the Board that the parking lot on Parcel 1 has been constructed and landscape plans are required.

President Covington reiterated the requested Board action. Director Slawson asked for clarification on Parcel 9. Mr. Swanson explained that rescinding the original approval brings Parcel 9 back in to be annexed with the entire Parcel Map. A WSL must be tied to a project, but there is no longer a project on Parcel 9, Swanson added. When a developer decides in the future to build on Parcel 9, they will come to the District to request a new WSL based on the specific project.

The Board approved the following actions for Parcel Map 28348 located within the City of Beaumont, California at the southwest corner of the intersection of West 4th Street and Risco Circle:

- 1. Rescinded the Request of Approval for "Annexation and Will Serve Letter" for Parcel 9 (APN 417-220-009)*
- 2. Approved the request for update of "Will Serve Letter" for Parcel 1 (APN 417-220-042)*
- 3. Approved the request to amend the update of annexation of Parcel Map 28348 to include the entire map*

by the following roll call vote:

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

11. Resolution 2020-13 Amending Part 11 of the District's Rules and Regulations Governing Water Service Relating to Cross Connections *and*

Resolution 2020-14 Adopting a Cross-Connection Control Program

President Covington invited public comment. There was none.

Mr. Jaggers advised that legal counsel has reviewed the policy. The changes were requested as a result of requests for water service from the City of Beaumont for both the wastewater treatment plant and sewer lift stations, he said. This is an effort to support those requests.

Assistant Director of Operations James Bean explained the amendment. He recommended the Board also adopt the Cross-Control Connection Program. Discussions with the Department of Drinking Water began with the City's interest in additional water services, he noted. During those discussions, it became clear that an amendment to the Rules and Regulations was needed to identify some of the nuances of the District's policy. Staff believes the proposed program is clear and accurate and will be increasingly crucial as recycled water service moves forward, Bean explained.

The intent is to amend Part 11 of the Rules and Regulations Governing Water Service and to include the written Cross-Control Connection Program as part of the rules, Mr. Bean stated.

President Covington asked about enforceability. Mr. Bean detailed his discussion with the Department of Drinking Water and advised that some of the items they asked about were not included in the current District policy, which triggered this rewrite. The ability to enforce takes a resolution of the Board, he said.

The Board adopted Resolution 2020-13 Amending Part 11 of the District's Rules and Regulations Governing Water Service Relating to Cross Connections and adopted Resolution 2020-14 Adopting a Cross-Connection Control Program by the following roll call vote:

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

12. Resolution 2020-15 Approval of Water Supply Assessment for Legacy Highlands Development Project located south of Highway 60 and west of Beaumont Avenue (Highway 79) (Tentative Tract Map No. 31570)

President Covington invited public comment. There was none. Ms. Gonzales confirmed that project representatives David Golkar and Hisam Baqai were present on the teleconference. Mr. Jaggars noted that Mr. Kidman was not present on the teleconference.

Mr. Jaggars drew attention to the presentation materials available on the District's website.

Mr. Mark Swanson reminded the Board of previous discussions and pointed out the final draft of the Legacy Highlands Water Supply Assessment (WSA) dated June 2020. There were no substantive changes, he reported.

Mr. Swanson reviewed the project description of approximately 2,800 homes and 1.2 million square feet of commercial, a school site and several hundred acres of parks and open space. Under SB 220 and SB 610, a project of this magnitude requires a WSA, he explained.

Swanson briefly outlined the project history beginning in April 2019 and noted discussions regarding supplemental water supplies. He reviewed updates on water supply since April 2019 and reminded the Board of the earlier discussion on Sites Reservoir, which is the big project listed in the supply update.

Swanson also pointed to ongoing short-term water deals with Ventura and Casitas and noted that the SGPWA is seeking long term water deals. The SGPWA's recharge facility is operational, allowing opportunities to store water when the District is not able to, he said. He listed the recycled water MOU with the City but added that the Agreement is still not signed. Swanson pointed to the MDP Line 16

stormwater capture project and noted the Delta Conveyance project (formerly the California Water Fix) may provide an opportunity to subscribe to additional long-term supply. Swanson pointed out that the Delta Conveyance and Sites do not impact the District's portfolio until 2035 to 2040.

Swanson explained revisions in the BCVWD Water Supply Updates table which detail the summary of the SGPWA supplies and regional demand. With projects of the magnitude of Sites, there is some uncertainty, he acknowledged, but should those projects move forward they would bolster the District's water portfolio and when contrasted with the regional perspective allow supplies to open in 2035.

Swanson presented the Supply Summary for 6 Consecutive Dry Years; the "worst case." Over 2020 to 2040, water must be managed carefully, he advised, especially going into a drought.

The developer offered proposals to supplement water supply, Swanson explained. He listed the stormwater capture opportunity, but it is not a direct benefit to the project. The use of on-site wells to supplement domestic and non-potable needs would use the overlie rights, Swanson noted, and this is written into the WSA.

BCVWD's concerns include WSAs under review for two other projects, Swanson continued. Also, on-site wells pumping excessively could cause issues with groundwater levels and must be managed, he noted. The recycled water agreement between the City of Beaumont and BCVWD is not complete and is an uncertainty of water supply, he pointed out. The Delta Conveyance and Sites Reservoir are large projects but are still uncertain, he pointed out. Lastly, the District is concerned about short-term exchanges converting to long-term water transfer opportunities.

Mr. Swanson noted that since the May 28, 2020 meeting, the developer provided a response to questions of the Board and it is included in the Board packet.

Mr. Swanson pointed out that the project does have a large demand on the District's system and water supply: 1,343 AF per year for potable, and 178.2 AF in non-potable, although the developer is proposing to supply the non-potable with their own on-site wells. Approval of the WSA is before the Board tonight, he stated.

General Manager Jagers added that the project did have a WSL and support of annexation back in the 2000s, and went through an Environmental Impact Report (EIR) process and was challenged. Through that challenge, it was found that the District's previous plan of service, which addressed water supply, was insufficient to accurately cast the demands for planned activities over the next 20 years, he noted. This WSA casts a fair and conservative approach for this project which parallels work done by District staff over the past few years including white papers to assess regional activities and opportunities as well as identify projections, Jagers stated.

Certain activities like the Sites Reservoir and losses across the Delta represent the conservative bookends of the WSA, he noted. Jagers reminded that the Sites Reservoir had been downsized but yield will remain the same. He explained some detail considered in the WSA and indicated that staff has been conservative in estimates. He advised the Board this is the best information available and an accurate casting, and through discussions with the developer and legal counsel staff believes the WSA clearly identifies secured, planned and in-process water

supplies. The WSA will be used by the City of Beaumont as they work forward with the final entitlement, Jagers noted.

Legal Counsel Markman indicated that although unusual, this is reasonable and meets the legal requirements for a WSA for the 20-year period. He said he is comfortable as long as the City of Beaumont implements the non-potable water portion.

President Covington asked about the project timeline and next steps. Mr. Jagers estimated beginning in three to five years barring recession and posited that activities may start with commercial property or multi-family along 4th Street. Mr. Baqai said this is the first step in having the EIR certified and agreed with Mr. Jagers on three to five years.

President Covington recalled that a WSL and Plan of Service was previously issued and asked about an update to ensure the conditions imposed by the City as indicated in the letter from the City Manager are approved by the City Council and would therefore make the District in a more comfortable position. Jagers agreed. The existing Plan of Service will be reviewed and updated to accommodate those items as well as overall needs with the District's master plan, he said.

Mr. David Golkar thanked the Board and staff for working with the project for two years to prepare the WSA. The developer concurs with the staff recommendation and accepts the conditions of approval as set forth in the staff report and in the WSA, Golkar said, and requested Board approval.

The Board approved the "Draft" Water Supply Assessment for TTM 31570 – The Legacy Highlands and adopted Resolution 2020-15 Acknowledging the Review, Receipt and Acceptance of the Water Supply Assessment for TTM 31570 – The Legacy Highlands by the following roll call vote:

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

13. BCVWD Board Meeting Transition to Zoom Video based meetings in July provided the California Governor's Stay At Home Order is still in Place

General Manager Jagers requested Board input on holding meetings via Zoom video teleconferencing as other agencies are doing. Board consensus was to continue to meet via teleconference. Mr. Jagers suggested a hybrid solution if necessary, for some items.

It was noted that Director Ramirez had left the teleconference.

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

Mr. Jagers shared the current data from the County of Riverside and indicated the information is on the website. There is still a risk to staff in communication with

the public, Jagers advised. He said he is still uncertain about opening in July, but at this time there is an uptick in new COVID-19 cases which is now as high as its ever been. He will monitor and keep the Board informed, he said, but the primary goal is to keep staff safe and continue to provide water supply.

Reports from Customer Service indicate that the public is understanding about the office closure. Customers are still coming and using the drop box but are surprised the District is still closed, he said. Jagers suggested some extra communication on the website.

The recommendation is to remain status quo, Jagers said.

15. Reports For Discussion

a. Ad Hoc Committees:

Mr. Jagers reminded the Board that he had reported on the Ad Hoc Communications Committee. Director Williams said she had no additional report.

b. General Manager

Mr. Jagers explained landscaping at Well 22.

In December 2019, Jagers noted, the Board approved the 2020 meeting schedule including an observed holiday on July 2 for Independence Day, which would mean the office is closed. The other option is to provide a floating holiday, he noted. Directors concurred with the observed holiday.

In May, Jagers reported, the District delivered 560 AF to the Noble Creek facility at 10 cfs. Year to date, he continued, 3,678.9 AF has been recharged. Production in the Beaumont Basin has been 1,180.98 AF in May of 2020 and 150.87 AF from Edgar Canyon, Jagers noted, for a total of 1,331 AF. This was significantly more than the 807.85 AF produced May 2019, and the 1,144 AF from May 2018 he stated. He indicated that production was impacted by people at home due to COVID-19 plus two large grading projects underway which are using a fair amount of water. Year to date, he continued, production is under by 275 AF from 2018, but is up by 550 AF from 2019 due to a very wet spring.

Mr. Jagers shared an update regarding the Yucaipa Valley Water District (YVWD) encroachment into the BCWWD service area. At its June 2 meeting, the YVWD adopted a Resolution 2020-31 indicating that they would not provide sewer service only to areas within BCWWD's service area if they could not bundle activities. Mike Thornton of TKE Engineering, the city engineer for of the City of Calimesa attended that meeting and asked that they not pass the resolution but consider the activities on a case-by-case basis. The Resolution states that all new construction must have bundled water, wastewater and non-potable service, and that bundled services are a critical component in order for the District to make a firm and guaranteed commitment of water for at least two decades, Jagers shared. Since the Sunny Cal Egg Ranch property has 550 AF of overlie water rights and can self-guarantee

water supply, that portion of the YVWD resolution appears to be a non-issue and the bundling requirement seems to go away, Jagers posited. He said he expects continued discussions, and that YVWD continues to pursue properties within the BCVWD service area and duplication of service.

c. Directors' Reports:

President Covington reported that he attended the YVWD May 26 Board meeting and noted a revised policy for the Board members' reimbursement and compensation, and Board reorganization due to the retirement of Director Bruce Granlund who served on the Board for two decades.

d. Legal Counsel Report: None.

16. Announcements

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

- Engineering Workshop: Thursday, June 25, 2020 at 6:00 p.m.
- Finance and Audit Committee Meeting: Wednesday, July 1, 2020 at 3:00 p.m. (note date change due to holiday)
- Collaborative Agencies Committee Meeting: Wednesday, July 1 at 5:00 p.m. (teleconference pending)
- 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: Wednesday, August 5, 2020 at 10 a.m.

17. Action List for Future Meetings:

No new items were added.

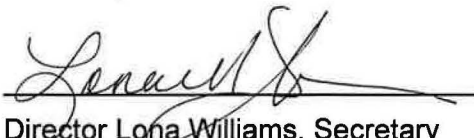
18. Adjournment

President Covington adjourned the meeting at 9:47 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

