



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

**MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS**
Wednesday, October 14, 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: *President Covington began the meeting at 6:10 p.m.*

Pledge of Allegiance: *Led by Director Slawson*

Invocation: *Given by Director Hoffman*

Announcement of Teleconference Participation

Director of Finance and Administrative Services 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, and Williams (Williams at 6:13 p.m.)
Directors absent:	None
Staff present:	General Manager Dan Jagers Director of Finance and Administrative Services Yolanda Rodriguez Senior Engineer Mark Swanson Assistant Director of Operations James Bean

	Senior Finance and Administrative Analyst William Clayton Human Resources Coordinator Sabrina Foley Administrative Assistant Brandy Llanes
Legal Counsel	James Markman

Members of the public who registered attendance: None.

Director of Finance and Administrative Services 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: None.

2. Consent Calendar:

The following Consent Calendar items were approved with one motion:

- a. August 2020 Budget Variance Report
- b. August 2020 Cash/Investment Balance Report
- c. September 2020 Check Register
- d. September 2020 Invoices Pending Approval
- e. Minutes of the Regular Meeting of August 27, 2020
- f. Minutes of the Regular Meeting of September 9, 2020

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

3. Resolution 2020-21: Proposed Changes to the District's Conflict of Interest Code

Director of Finance and Administrative Services Yolanda Rodriguez explained the background of this action. This is a routine addition of the position of Human Resources Coordinator and the item has been reviewed by legal counsel, she reported.

In response to President Covington, Ms. Rodriguez indicated that the Code is filed bi-annually.

President Covington invited public comment. There was none.

The Board adopted Resolution 2020-21 amending the Beaumont-Cherry Valley Water District's Conflict of Interest Code 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.	

4. City of Beaumont Wastewater Treatment Plant Upgrade Status, and Planned Recycled Water Facilities, and Implementation Progress Update

General Manager Jagers explained that Director Hoffman had requested an update. The City is moving forward with their wastewater treatment plant upgrade and is in the process of testing, Jagers reported. The District is working toward having available recycled water, and Jagers said he hopes the Ad Hoc Water Re-Use Committee will be active again shortly. Setbacks due to COVID-19 conditions followed by the fires and debris preparation has stalled the project a bit, he explained.

Staff expects to return to working on this item at the end of October or beginning of November, Jagers said.

President Covington invited public comment. There was none.

Director Hoffman asked about timing for beginning work on the booster station. Mr. Jagers noted that there was a holdup over the summer regarding a site. District staff moved forward with preliminary layouts and specifications on a site adjacent to the wastewater treatment plant, Jagers said.

In response to Director Hoffman, Mr. Jagers explained that funding for the booster station will come from the \$30 million in restricted funds for facilities related to new development.

President Covington requested a project schedule at the next meeting. Mr. Jagers reminded the Board there is still no agreement and that the design work is being done in house to avoid use of a consultant. He acknowledged there is a time deficit and said he anticipated the building of the booster station in fall 2021 and delivery of recycled water in the spring of 2022.

President Covington asked about use of recycled water. Mr. Jagers explained there are projects outlined in the master plan, but he expects lower demand in the winter. Excess may be returned to the San Timoteo basin, he explained.

Mr. Jagers assured the Board that staff has worked diligently with the City to find solutions.

5. Resolution 2020-22: Adjustment to the BCVWD Fiscal Year 2020 Operating Budget for Additional Water Supply Purchase

General Manager Jagers reminded the Board about the past practice for purchasing extra available water, funded out of reserves. He advised there is additional water available this year and recommended a withdrawal from reserves not to exceed \$1.2 million to make an additional water purchase of 3,000 acre-feet (AF) in 2020 for sale in future years.

Jaggers explained this year is a La Nina year, meaning a trend across California that there is less water available resulting in less water from the State Water Project. The San Geronio Pass Water Agency (SGPWA) carried over water that was not delivered in 2019, Jaggers continued. He also noted that there will be potential mud and debris flows that may adversely affect recharge in the spring of 2021.

President Covington acknowledged that if the District has the money, and the water is available, the Board has been proactive in obtaining most water supplies that are available.

President Covington invited public comment. Dr. Blair Ball, Director of the SGPWA, stated the agency would be willing to help the BCVWD serve their customers.

Director Ramirez said it sounds like a move in the right direction. Director Hoffman indicated it seems to be a good move. Director Slawson concurred.

The Board adopted Resolution 2020-22 authorizing a mid-year adjustment to the Fiscal Year 2020 Operating Budget for State Water Project additional water purchases in an amount not to exceed \$1,200,000 by the following roll call vote:

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

6. Resolution 2020-23: Acceptance of Temporary Construction Easement for Oak Valley Parkway Interconnect Relocation east of Highland Springs Avenue at Discovery Way in the City of Banning

Senior Engineer Mark Swanson said this easement is for a temporary connection to the City of Banning in the area of the new Pardee Atwell development. BCVWD co-owns Wells 24, 25 and 26 with the City of Banning, he reminded. The City is providing water to facilitate the grading needs of the developer, he explained, and BCVWD is delivering the water.

Swanson pointed to a map of the existing 2018 connection at Oak Valley Parkway and Highland Springs and indicated there is a significant amount of grading plus widening of Highland Springs. The existing connection is in the way of the widening work, he noted, and the request was made by Banning to relocate the connection further north. He explained the proposed location on Pardee property resulting in the need for an easement for access to maintain and operate the facility.

General Manager Jaggers added that the procedure for acceptance of easements will be via resolution in order to memorialize it in the minutes.

Director Hoffman asked about the facilities and water use. Mr. Swanson confirmed there will be a backflow device and a meter, and that the water use is between the City of Banning (requestor) and Pardee.

Director Hoffman asked about responsibility for the expense of the facilities; Mr. Swanson said the District has requested that it be borne by the City and Pardee, not BCVWD.

Director Williams commented it seems straightforward; President Covington concurred and stated this is the right path forward.

The Board adopted Resolution 2020-23 approving and authorizing the General Manager to execute the Acceptance of a Temporary Construction Easement for public utility purposes located east of Highland Springs Avenue at Discovery Way in Banning, CA by the following roll call vote:

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

7. Consideration of a Request for Update of “Will Serve Letter” for Previously Approved Development – Tract 29267 (Riverside County Assessor’s Parcel No. 400-250-008 – a portion of Noble Creek Vistas Specific Plan) located in the City of Beaumont

Senior Engineer Swanson explained the location of the tract, southwest of the SGPWA’s ponds. The project has been around for several years, he said and has been part of a larger project. The last renewal was in November 2019 and this now comes back to the Board for consideration, he said.

There are plans in plan check, Swanson reported, and they are in the queue to be reviewed by staff. The Noble Creek Specific Plan dates back to 1999, he noted, and the District issued a “Will-Serve Letter” (WSL) in 1999. He explained the reduction in number of residential lots: one tract will no longer be developed, as it is now the site of the SGPWA ponds. This project renewal is for 274 units, he stated.

In response to President Covington, Mr. Swanson confirmed that of the estimated 572 homes, 240 will be built on this 93-acre parcel.

President Covington invited public comment. There was none.

Mr. Swanson confirmed for Director Williams the location of the proposed 274 homes. President Covington asked about the remaining 293 homes, noting that the identified parcel does not look big enough. Mr. Swanson will research, and this will be handled at the time of their WSL renewal.

Director Ramirez asked if there were any concerns for the future or anything additional that might need to be requested. Mr. Jagers pointed out that this development was subject to an Environmental Impact Report (EIR) challenge which, in the settlement, provided some acreage in the creek bottom for future recharge under ownership of the City of Beaumont and the District’s ability to use it. This project also provides a recycled water fee which will help get recycled water to Noble Creek Park, he said.

The Board approved the request for update of "Will Serve Letter" for an existing ongoing development located between Oak Valley Parkway and Brookside Avenue and west of Beaumont Avenue, identified as Tract 29267 (Riverside County Assessor's Parcel No. 400-250-008) (Noble Creek Vistas Specific Plan) within the City of Beaumont, subject to payment of all fees to the District and securing all approvals from the City of Beaumont 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.	

8. Noble Creek Recharge Facility – Phase I Fencing Project – Notice of Completion

Mr. Swanson provided background on the contract with Red Hawk Services for \$84,150 and the change order in the amount of \$7,021. The contractors have performed their part, he said, and on September 21, staff performed a field walk and created a short punch list, Swanson continued. This is the Notice of Completion with acknowledges, from the District's side, that the project is complete and allows the retention amount to be paid, Swanson explained.

The total fiscal impact was \$91,171.97, Swanson reported.

Mr. Jagers clarified the change order for addition of some line poles, a man-gate and realignment of a portion of the fence.

President Covington invited public comment. There was none.

Director Ramirez commented that some contractors bid low in anticipation of adding change orders, but he is confident that under the leadership of Mr. Jagers that this was not the case here.

Director Hoffman noted that the workmanship and materials look good and the District received its money's worth. Director Slawson added that it looks like a nice, completed project.

The Board accepted the Notice of Completion for the Noble Creek Recharge Facility Phase I fencing project by the following roll call vote:

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

9. Consideration of Vote for Regular Alternate Member for the Riverside Local Agency Formation Commission

Mr. Jagers pointed out that Director Hoffman’s name is not on the ballot although the Board did vote to nominate him. He apologized on behalf of staff for omitting to transmit the form to the Riverside Local Agency Formation Commission (LAFCO). He introduced the ballot.

President Covington noted the nine candidates. Mr. Markman indicated it takes three votes to support somebody and opined it is next to impossible to rank the candidates as requested. Mr. Jagers reviewed the ballot.

The Board approved a vote for the following ranking as identified by Director Hoffman:

1. Szabadi
2. Skerbelis
3. Shorr
4. Bissell
5. Pastor
6. Canero
7. Hoetger
8. Alexander
9. Gin

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.	

10. Resolution 2020-24: Amendment to the Beaumont-Cherry Valley Water District Organizational Chart and 2020 Salary Schedule

General Manager Jagers advised that this was included in the adopted FY 2020 budget and requested the Board make the change. President Covington reported that this item was discussed at the September 28, 2020 meeting of the Personnel Committee.

After robust discussion, the Personnel Committee recommended a title of Director of Information Technology (IT) which is more commensurate with the current duties of the IT Manager, Covington explained. The Committee believed that Chief Technology Officer was too advanced based on the District’s current staffing levels, he said.

Director Williams commented that it is good to get employee titles aligned with their tasks and pay. The District has a great staff, and they should be compensated accordingly, she noted.

Director Ramirez said he appreciated the great summary of the Personnel Committee discussion.

The Board adopted Resolution 2020-24 revising the Beaumont-Cherry Valley Water District 2020 Salary Schedule and Organizational Chart to change the title of Information Systems Manager to Director of Information Technology 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.	

11. Review of District Staffing Activities and Cash Flows as related to the ongoing COVID-19 Local State of Emergency

Director of Finance and Administrative Services Yolanda Rodriguez reviewed the report. She pointed to a total of \$111,374 in fees written off as of September 29, 2020 and a total of 51 payment plans requested.

A total of 356 accounts would have been shut off if not for the Governor’s moratorium on shut offs, Rodriguez explained. The number of accounts with balances as of September 29 is not much different than those of last year, she noted.

The total number of District accounts is currently 19,710, she noted. As of September 29, 8,815 of those are paid in full. Mr. Jagers added that the number is at half due to the bi-monthly billing cycle.

Director Ramirez commended Yolanda for providing the information and advised that he was signing off from the meeting.

Director Ramirez left the meeting at 7:25 p.m.

Ms. Rodriguez continued with the comparison of cash flow from 2019 to 2020. She noted an increase of \$1.3 million in customer receipts. She explained that the revenue loss is minimal compared to what is being received and reminded the Board of the rate increase. She reiterated the explanations for the large expenditures including imported water purchases.

Under capital-related activities, Rodriguez noted expenditures of \$1.2 million mostly related to the AMR/AMI metering project, and deposits of \$3 million due to increased development activity.

As of September 24, 2020, total cash and investments is \$64.9 million in 2020 compared to September 30, 2019 at \$60 million.

Restricted cash for capital commitments has increased \$4.4 million over 2019, she noted. Unrestricted cash and investments show good reserves in place, Rodriguez explained. The District is still in good standing despite the recession and the COVID-19 situation, she assured.

President Covington asked about the Total Revenue Loss figures and Ms. Rodriguez indicated they are cumulative from January.

President Covington asked about current prohibitions on collecting the credit card processing fee. Mr. Markman indicated the Board can charge the fee. Covington suggested a future Board discussion on reinstating the fee, as it has been 7 months without collecting.

The inactivation fee and the late notification fee are also being waived; Covington noted. Ms. Rodriguez indicated there is no inactivation fee because customers cannot be shut off, and the late notification fee is also being waived. In response to President Covington, Ms. Rodriguez confirmed that these fees can be tabulated on the customers' bills when they will have to resume payment. Director Hoffman added that in addition to the \$1.75 credit card processing fee, the vendor also usually charges a 2 to 2.5 % fee and that money is out of the pocket of the District unless recouped. Ms. Rodriguez explained the \$1.75 is what the District is charged by the bank. She reported that staff believes this is being undercharged and is part of the Miscellaneous Fees study in progress.

President Covington agreed this is good information and indicated he may ask to see a condensed version on a three-month or six-month basis.

12. Status of Local Emergency regarding the Impact of the Respiratory Illness Pandemic COVID-19 pursuant to Resolution 2020-07 and Discussion of Lobby Access to Public

General Manager Jagers acknowledged the interest of the Board in providing public access to the lobby. He noted the County's color code tier system and said that at the state level it is encouraged to work remotely. As a public service activity, he continued, what is enough for public service is to be balanced with keeping people safe and moving forward.

Mr. Jagers asked for Board direction regarding public access.

President Covington noted that a lot has been learned over the last several months and other public agencies are opening lobbies with reduced or staggered staff and reduced hours. He said he would like to see the lobby open to some degree to bring back customers with safeguards in place.

Director Slawson said he had wanted to wait until others re-opened first and would like to see what the City of Beaumont is doing. He pointed out that Eastern Municipal Water District (EMWD) has been open for a while with limited number of people in the building and said he is now willing to consider a re-opening.

Director Hoffman concurred with President Covington. He said he believes the District should be able to have its Board meetings in the Board Room where there is opportunity for social distancing.

Director Williams suggested that part-time a couple of days a week may be a good start for opening. She pointed out that some office personnel may have childcare issues. She suggested rotating staff.

In response to President Covington, Counsel Markman explained that open Board meetings are allowed. Mr. Jagers added that there is social distancing criteria and said that if it is a desire of the Board, staff can move forward. President Covington suggested that attendance would be left up to the individual Board members whether in person or virtual. He directed staff to focus on the Board meetings in

the meeting room and work on an approach to re-opening the lobby and asked for a report back.

Mr. Jagers suggested a soft opening of a couple of days a week with limited hours to evaluate situations before fully opening. He noted concerns due to limited staff due to the size of the organization and avoiding unintended consequences such as staff members utilizing sick time or taking leave due to childcare challenges. He indicated staff will work on a plan.

13. Status of Local Emergency regarding the Impact of the Apple Fire pursuant to Resolution 2020-17

Mr. Jagers pointed out that each of the emergencies affect each other and the response is combined.

Jagers said staff continues to bolster the eastern side of the District in anticipation of activity running out of Noble Creek. He reminded the Board about previously discussed Riverside County Flood Control proposed flood protection activities on District property south of the Bogart Park entrance and advised that a right of entry is moving forward. Comments from District Counsel were delivered back to Flood Control, and they concur, he advised.

14. Status of Local Emergency regarding the Impact of the El Dorado Fire pursuant to Resolution 2020-20

Mr. Jagers reported that a local area grading contractor was hired, and earthen berms were created to better convey debris flows in areas of risk. There is additional work to be done by BCVWD crews, he added.

Staff is working with Flood Control and the San Geronio Pass Water Agency, Jagers stated. He described additional work.

15. Reports For Discussion

a. Ad Hoc Committees:

Director Williams reported that the Ad Hoc Communications Committee meeting was postponed.

b. General Manager

Mr. Jagers presented a PowerPoint and reviewed the District's recent activities including the Bogart Park plaque dedication.

He noted that the Riverside County has identified significant numbers of evacuation areas encompassing quite a bit of Cherry Valley. Problems are anticipated and the District will most likely be affected, Jagers advised. He detailed additional work and stressed the partnership with Flood Control.

Staff is also working on the 2021 budget, the AMR/AMI project, capacity charges (facilities fees) study and miscellaneous fee study, developer support, and the CIP projects, Jagers advised.

Jagers noted the need to drill wells 1A and 2A as soon as possible. The intent is to bring back a bid in the near future, he said.

Temporary staff members are working out well and the hiring of additional staff is moving forward, Jagers reported, including for support for the AMR/AMI project. Hiring had been stalled due to funding concerns, he noted.

Jagers advised that as much water is being recharged as possible before it starts raining and indicated he was glad the purchase of additional water was approved.

The State Water Project east branch is scheduled to be shut down in January 2021 for maintenance, he reported.

Jagers presented the recharge activity report. Currently, about 8,176.5 AF has been added to date, he said.

Jagers told the Board that extractions from the Beaumont Basin in 2020 are more than in 2018 and 2019. He noted that the District has been feeding water to the City of Banning on an emergency basis due to power outages; they are entitled to it, he explained. Production is not out of line given people staying at home and using more water, Jagers noted. From Edgar Canyon, he continued, production is running a little above average. Staff is monitoring.

Jagers reported damage to the new Noble Creek fence by a falling tree limb and that a couple of locks were cut. President Covington suggested "no trespassing" signs. Mr. Jagers said anti-cut locks were also considered but a concern of field staff is that if something cannot be cut, the fence may be cut instead resulting in a larger repair.

c. Directors' Reports:

Director Williams and President Covington commented on the Bogart Park plaque dedication and their history with the Park.

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, October 22, 2020 at 6:00 p.m.
- Collaborative Agencies Committee Meeting: Wednesday, November 4, 2020 at 5:00 p.m. (*in-person meeting at Beaumont Library; also available via Zoom*)
- Regular Board Meeting: Wednesday, November 4, 2020 at 6 p.m. (*Note date change due to holiday*)
- Finance and Audit Committee Meeting: Thursday, November 5, 2020 at 3:00 p.m.

- District Offices will be closed on Wednesday, Nov. 11 in observance of Veterans Day
- Engineering Workshop: Thursday, November 19, 2020 at 6:00 p.m. (*Note date change due to holiday*)
- Association of California Water Agencies Virtual Fall Conference: Dec. 2-3

17. Action List for Future Meetings:

Water Supply for the region
Reinstatement of fees waived due to COVID-19
Matrix for delivery of recycled water

18. Convened in Closed Session: 8:13 p.m.

- a. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Pursuant to Government Code Section 54947
Title: General Manager

Reconvened in Open Session: 8:37 p.m.

Director Hoffman left the meeting at 8:37 p.m.

19. Report on Closed Session

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


20. Adjournment

President Covington adjourned the meeting at 8:38 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