



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

**MINUTES OF REGULAR MEETING – ENGINEERING WORKSHOP  
OF THE BOARD OF DIRECTORS  
Thursday, January 28, 2021 at 6:00 p.m.**

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

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**Call to Order: President Slawson**

*President Slawson began the meeting at 6:03 p.m.*

*Pledge of Allegiance was led by Director Hoffman.*

*Invocation was given by President Slawson.*

**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 (6:08 p.m.), Slawson, Williams
Directors absent:	None.
Staff present:	General Manager Dan Jagers Director of Finance and Administrative Services and Recording Secretary Yolanda Rodriguez Assistant Director of Operations James Bean

	Administrative Assistant Brandy Llanes Administrative Assistant Erica Gonzales Civil Engineering Assistant Evan Ward
Legal Counsel	James Markman

Members of the public who registered their attendance: Larry Smith of the San Geronio Pass Water Agency.

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:**

General Manager Jagers introduced new hire Civil Engineering Assistant Evan Ward.

1. **Adjustments to the Agenda:** None.
2. **PUBLIC HEARING: Introduce, Waive Reading, and Consider Adoption of Ordinance 2021-01: Providing for Compensation of the Members of the Board of Directors of the Beaumont-Cherry Valley Water District and Superseding Ordinance 2007-01**

General Manager Jagers reminded the Board of previous discussion and advised this is the advertised public hearing to formalize an action. At the December 3, 2020 regular meeting and after due consideration, the Board voted to move forward with a raise in the per diem from \$200 to \$260, Jagers noted. President Slawson explained the public hearing procedure.

*The reading of the proposed Ordinance 2021-01 was waived by the following roll-call vote:*

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

President Slawson declared the Public Hearing open at 6:16 p.m. He presented the Secretary's Report: The Notice of Public Hearing was published in the Record-Gazette on Friday, January 15, 2021 and Friday, January 22, 2021. The Notice was also posted at the District office and on the District website as of January 14, 2021. Director of Finance and Administrative Services Yolanda Rodriguez confirmed that as of 6 p.m., no written protests have been received.

General Manager Jagers briefly reviewed the staff report. Director Covington concurred that this exercise has been ongoing since January of 2020 and has been

back to the Board four or five times, and considering the COVID-19 impact, was not adopted when brought forward at the May 28, 2020 meeting. As the year progressed, and District financials seem robust, it is time to bring this item back, Covington continued.

*The Board adopted Ordinance 2021-01 Providing for Compensation of the Members of the Beaumont-Cherry Valley Water District Board of Directors and Superseding Ordinance 2007-01 by the following roll-call vote:*

MOVED: Covington	SECONDED: Williams	APPROVED 4-1
AYES:	Covington, Ramirez, Slawson, Williams	
NOES:	Hoffman	
ABSTAIN:	None.	
ABSENT:	None.	

**3. Update regarding Potential Water Service to Merlin Properties Tentative Tract Map 37802 (APNs 413-290-041) located south of Desert Lawn Drive and east of Cherry Valley Boulevard in the City of Beaumont**

General Manager Jagers reminded the Board about background on the project and previous discussion (Regular Meetings of 4/23/2020, 5/13/2020, and 5/28/2020). Through interactions with the Riverside Local Agency Formation Commission (LAFCO), the property owners, and other utility partners the opportunity for service to the site appeared to be stranded due to a Yucaipa Valley Water District (YVWD) 2009 policy to bundle water, recycled water, and wastewater services within their service area boundary.

The City of Calimesa City Council took action to indicate support for the property owner's pursuit of sewer service from the City of Beaumont and it appears Beaumont may have an interest in providing sewer service, which would allow the project to proceed with BCVWD providing water service, Jagers explained.

BCVWD has already issued a Will-Serve Letter (WSL) and the project has overlying water rights in the Beaumont Basin, Jagers noted. Staff recommends that the Board support the developer's formal application for an updated WSL when it comes forward. He added that the District has put assets in the ground for this project and others in the area, and the water supply can be secured through the owners' water rights in accordance with the stipulated judgment for the Beaumont Basin.

Mr. Jagers pointed to a recent article in the Yucaipa-Calimesa News Mirror indicating that YVWD would be providing sewer only service to another project, suggesting that their bundling policy does not appear to be consistent. In the event of a stall at the City of Beaumont, he said he hopes that YVWD will honor the same approach here, Jagers noted. The developer is anxious to move forward, Jagers added.

Legal Counsel Markman reiterated that BCVWD has installed major facilities to serve the project and noted sufficient water rights to serve the project. He said it is a positive project to prevent stranding an asset – the water lines.

Director Covington acknowledged General Manager Jagers' early participation and transparency to research the project history and determine that the project is within the sphere of influence of BCVWD. YVWD went on to affirm their bundling policy,

Covington noted. He said he hoped for a better working relationship and transparency between the two agencies. He acknowledged Mr. Markman's firm position on the issue and said it was great to see the letter from the Vice President of DR Horton to obtain the support of the Calimesa City Council for sewer service by the City of Beaumont, and it is great to see that the City of Beaumont is willing to serve the area. He acknowledged the hard work to bring the issue to a close.

President Slawson invited public comment. There was none.

Slawson said he was glad to see resolution.

#### **4. Right of Entry and Temporary Construction Easement Agreement with Riverside County Flood Control and Water Conservation District for the Placement of a Camera in Edgar Canyon**

General Manager Jagers explained that Riverside County Flood Control and Water Conservation District ("Flood Control") approached BCVWD about mounting a camera at a District facility site to view the creek beds and reminded the Board about prior discussion. Flood Control proposed a location acceptable to the District and the camera is now in use.

Legal Counsel has suggested that the agreement be re-termed as Right of Entry and Temporary License Agreement, Jagers advised. The desire is to memorialize the informal agreement to get the camera mounted in advance of the storm which may occur as soon as tonight, he explained.

The attached draft was proposed by Flood Control and has been reviewed by legal counsel, Jagers noted. This is a five-year right to use the mounting location for the infrared and daytime cameras which can be accessed by the utility community who are watching the fire areas, he explained. At the end, Flood Control would remove the camera mounting pole or abandon it in place for future use. The District may have use for the pole including cameras or AMR/AMI meter reading antennas, so this seems to be a win-win, he said.

The agreement has not yet been finalized by Flood Control with the District's changes, Jagers noted. He proposed that the Board authorize the execution of the agreement unless the Board would like to see it for final approval.

In response to President Slawson, Mr. Jagers described the pole installation and location at the Well 5 facility. Director Covington asked if there would be a separate agreement for the Hannon tank site; Mr. Jagers said there would. Several Assessor Parcel Numbers are included because access to the site goes across several properties, Jagers explained.

Director Covington supported execution of the final agreement but said he would like to see the draft agreements come back to the Board as each has nuances, in order to reaffirm with the Board and to affirm the working relationship with Flood Control.

Director Williams concurred that she would like to see the executed agreement. Mr. Jagers confirmed that the Hannon tank agreement would come back to the Board prior to execution due to Board concerns about the location.

President Slawson invited public comment. There was none.

## **5. Update on Recycled Water Project**

General Manager Jagers reported that he has been working to be in contact with the City of Beaumont to get the Ad Hoc Water Re-Use 2x2 Committee moving again.

## **6. Sites Reservoir Status and Funding Strategies Update**

General Manager Jagers presented a PowerPoint and recommended appointment of an ad hoc committee to discuss funding strategies and approaches to bring to the Board.

Jagers reviewed the participation with the San Geronio Pass Water Agency (SGPWA) for 4,000 acre-feet of water. The total cost to date for BCVWD's contributions for Phase 1, Phase 2-2019, and Phase 2a and 2b is \$833,997, he noted. The funding comes from a "new water fee" collected from developers which is designed to secure new sources of supply.

Current project financing costs without federal Water Infrastructure Finance and Innovation Act (WIFIA) funding equate to about \$650 to \$710 per acre-foot, Jagers explained, which does not include costs to bring the water down to the area. With WIFIA and a low-cost loan, the cost is \$600 to \$660 per acre-foot, he noted. This means for BCVWD a \$2.4 to \$2.84 million per year cost, he said. The SGPWA will also need to find a way to fund their additional 10,000 acre-feet, he noted.

Jagers detailed some potential funding mechanisms and discussed project costs. He indicated that the District needs to understand and be prepared to make decisions in the near future. He presented the project timeline and goals, and suggested it is time to move more robustly.

President Slawson asked about meetings schedule. Mr. Jagers recommended monthly meetings for the next five or six months, then reducing to bi-monthly. Director Hoffman suggested the members of the Finance and Audit Committee be included. Directors Ramirez and Williams concurred.

President Slawson appointed Director Covington and Director Hoffman, with Director Williams as alternate to a new Sites Reservoir Participation and Funding Ad Hoc Committee.

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

Mr. Jagers noted that the COVID case numbers seem to be coming down a bit and the State opened things up to some degree, but the area is still in the purple tier. He advised that staff has been affected but people are now being vaccinated. He presented the Riverside County statistics and suggested holding the course and continuing to monitor with further discussion at the next Board meeting.

President Slawson asked what the City of Beaumont and City of Banning are doing. Mr. Jagers said he understood that both agencies are still closed to the public. Slawson agreed with Mr. Jagers' recommendation.

## **8. 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. Due to the moratorium on shutoffs and non-collection of fees, the District's revenue loss has been growing steadily and as of December 31, 2020 is \$230,928.

Efforts of the utility billing department have resulted in 51 payment plan requests for a total of \$81,860. She reminded the Board about SB 998 which went into effect in January and gave the customer an additional 60 days before being considered delinquent.

A total of 1,391 accounts would have been shut off for non-payment, she pointed out. Director Hoffman suggested considering reinstatement of the credit card processing fee once the COVID-19 situation improves so that the District will be able to recover those costs. Directors Slawson and Covington concurred. In response to President Slawson, Ms. Rodriguez said that credit card payment volume is high compared to paper checks, and the percentage is higher for payments on the internet.

In comparison, accounts with balances as of December 31, 2019 total \$1.3 million (896 accounts), and as of December 31, 2020 has grown to \$2.3 million (984 accounts), Rodriguez noted. She explained there is more water use due to customers being at home during the pandemic and the totals due are higher because of the rate increase. There are currently 5,599 accounts paid in full, compared to 8,025 in 2019, she noted. Mr. Jagers added that there was a reduction in water use due to a wet year in 2019, and in 2020 the District is more than 1,000 acre-feet in sales over 2019.

Ms. Rodriguez highlighted the cash flow report and pointed out that revenue is still higher in comparison to last year due to growth and the increased rates. Net cash is at \$1.9 million and total cash and investments total \$65.9 million, a better position than last year, she noted. The District is still in a good position, Rodriguez said, but revenues must be monitored closely moving forward.

## **9. Status of Declared Local Emergencies related to Fires**

- a. Impact of the Apple Fire pursuant to Resolution 2020-17
- b. Impact of the El Dorado Fire pursuant to Resolution 2020-20

Mr. Jagers reported that there is a storm coming in tonight with rain activity expected to be high intensity between 11 and midnight, and 3 to 4 a.m. Flood Control and the Riverside County Emergency Services group has installed K-rail and is shutting down streets, Jagers explained. Jagers shared a map and noted that an evacuation order has been enacted that includes local areas. He pointed to areas of possible concern but noted that Flood Control has mitigation measures in place. This "atmospheric river" is the first true test of the burn scar extending from Beaumont over to the Morongo Reservation above Cabazon, Jagers stated.

Jagers advised that he will be spending the night at the District and said staff has worked to understand risk points, developed a plan, and has reset trigger points on the reservoir to quickly identify line breaks and water loss.



He noted that two of the District residences are within the evacuation zone. Mitigation work has been done to protect the houses and employee-occupants have been sheltered at a hotel.

Jaggers detailed expectations of storm behavior and potential debris flows. In response to Director Covington, Mr. Jaggers gave an overview of the evacuation map and activities. Director Covington noted that this has been an ongoing issue since summer and there has been a great amount of resources expended by the County and public agencies including the City of Beaumont and the Morongo Band in the efforts to protect the community of Cherry Valley and Beaumont.

Assistant Director of Operations James Bean echoed the comments and noted that CHP, Flood Control, City of Beaumont staff and BCVWD staff are currently on site and working together to protect the community.

#### **10. Update: Legislative Action and Issues Affecting BCVWD**

General Manager Jaggers introduced the report. Ms. Rodriguez pointed to the California Special Districts Association announcement of potential funding for utility assistance and advised that BCVWD will try to access funding for ratepayers.

President Slawson asked about lawsuits related to the Delta Conveyance Project. Mr. Markman indicated he would request an agenda item for this matter.

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

Mr. Jaggers reported that less water was recharged this year. He explained the use of Earthtec treatment to maintain pond percolation rates and staff is satisfied with its performance. He noted that more is being spent on chemicals but there is savings in maintenance costs.

He advised that it is time to address the Form 700 Statement of Economic Interests and advised the Board to look for the emails.

Jaggers advised that there was leakage at the Cherry Valley Pump Station and repairs have been made. There is another leaky valve in the system that the SGPWA is working on, he noted, and water deliveries are expected to resume on February 8. It is still a 10 percent year for the State Water Project, Jaggers said.

Jaggers said he learned at an earlier meeting that the City of Beaumont has transportation available for evacuation purposes and noted that Riverside County Supervisor Jeff Hewitt attended to assure that the agencies have what County support is needed for the emergency.

#### **12. Topics for Future Meetings:**

- Water supply for BCVWD and the region
- Reinstatement of fees waived due to COVID-19
- Matrix for delivery of recycled water
- Update on the Delta Conveyance Project

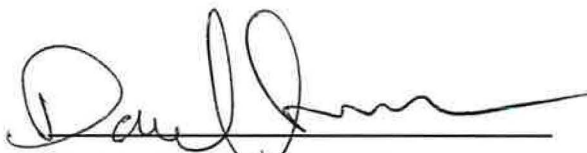
### 13. Announcements

*Pursuant to Governor's Executive Order N-33-20, all BCVWD Board and Committee meetings will be held via teleconference and/or video teleconference until further notice or unless otherwise indicated below. President Covington read the following announcements:*

- Finance and Audit Committee Meeting: Thursday, Feb. 4, 2021 at 3 p.m.
- Beaumont Basin Watermaster Committee: Wednesday, Feb. 3, 2021 at 10 a.m.
- Regular Board Meeting: Wednesday, Feb. 10, 2021 at 6 p.m.
- District Offices will be closed on Monday, Feb. 15, 2021 in observance of Presidents Day
- Personnel Committee Meeting: Monday, Feb. 22, 2021 at 6 p.m.
- Engineering Workshop: Thursday, Feb. 25, 2021 at 6 p.m.
- Collaborative Agencies Committee Meeting: Wednesday, Mar. 3, 2021 at 5 p.m. (*in-person meeting at Beaumont Library; also available via Zoom*)

### 14. Adjournment

*President Slawson adjourned the meeting at 7:36 p.m.*



Director Daniel Slawson, President  
to the Board of Directors of the  
Beaumont-Cherry Valley Water District

ATTEST:



Director Andy Ramirez, Secretary  
to the Board of Directors of the  
Beaumont-Cherry Valley Water District