



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

**MINUTES OF REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
Wednesday, July 14, 2021 at 6:00 p.m.**

***Meeting held via teleconference pursuant to  
California Government Code Section 54950 et. seq. and  
Governor's Executive Orders N-29-20, N-33-20, and N-08-21***

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**Call to Order:** *Vice President Williams opened the meeting at 6:04 p.m.*

**Pledge of Allegiance:** *Led by Vice President Williams*

**Invocation:** *Given by Director Hoffman*

**Announcement of Teleconference Participation**

Acting Director of Finance and Administrative Services William Clayton clarified that this meeting is conducted via teleconference pursuant to California Government Code Section 54953, and under Executive Orders N-29-20, N-33-20 and N-08-21 of the Governor of California.

The teleconference capabilities of this meeting have been identified in the Notice and Agenda, pursuant to the Brown Act and the Governor's Executive Order. Under the Governor's Executive Order 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, Williams
Directors absent:	Slawson
Staff present:	General Manager Dan Jagers Senior Engineer Mark Swanson Assistant Director of Operations James Bean Acting Director of Finance and Administrative Services William Clayton Human Resources Coordinator Sabrina Foley Civil Engineering Assistant Evan Ward Transmission and Distribution Supervisor Julian Herrera Accounting Technician Erica Gonzales

	Administrative Assistant Lynda Kerney
Legal Counsel	James Markman

Members of the public who registered attendance: San Geronio Pass Water Agency Board member Blair Ball and General Manager Lance Eckhart, and Ms. Fran Flanders.

Acting Director of Finance and Administrative Services William Clayton verified that all present 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. Review of the May 2021 Budget Variance Reports
- b. Review of the May 31, 2021 Cash/Investment Balance Report
- c. Review of Check Register for the Month of June 2021
- d. Review of June 2021 Invoices Pending Approval
- e. Minutes of the Regular Meeting of May 27, 2021
- f. Minutes of the Regular Meeting of June 9, 2021

MOVED: Covington	SECONDED: Hoffman	APPROVED 4-0
AYES:	Covington, Hoffman, Ramirez, Williams	
NOES:	None	
ABSTAIN:	None	
ABSENT:	Slawson	

Item g was pulled and voted separately:

g. Minutes of the Regular Meeting of June 24, 2021

MOVED: Hoffman	SECONDED: Covington	APPROVED 3-0-1
AYES:	Covington, Hoffman, Ramirez	
NOES:	None	
ABSTAIN:	Williams	
ABSENT:	Slawson	

**3. Consideration of Attendance at the California Special Districts Association Annual Conference in Monterey, CA August 30 – September 2, 2021**

No present directors would be able to attend. This item was tabled to the July 22, 2021 meeting.

**4. Resolution 2021-\_\_ : Amending the District Residences and Facility Emergency Policy – NOT ADOPTED**

General Manager Jagers advised that this policy had been discussed at length at the Personnel Committee level. It concerns the four residences owned by the District located in and around Edgar Canyon or the Little San Geronio Creek watershed and addresses concerns that the existing policy was outdated, he said.

Director Ramirez pointed to the research on maintenance costs and noted that the goal is to be fair and balanced with how the District is saving for future and ongoing costs for the residences.

Director Covington noted that the original policy left loopholes and provided for only a miniscule amount of funds which are supposed to be returned to the houses for repairs and maintenance. Only five to ten percent was spent, he posited, resulting in the houses appearing to be lacking normal maintenance. He described the process of the Personnel Committee (Committee) and said the Committee believes it important to update the policy and the housing agreement.

Covington advised that the residences were the subject of a Grand Jury investigation in 2008 and some findings were rectified by the policy adopted in 2009. The Personnel Committee has directed staff to have the four residences inspected to provide a baseline understanding of the status of the houses as funds are collected to make repairs, Covington said.

Covington noted that the Occupancy Agreements will come back to the Board for approval as individuals sign on.

Mr. Jagers explained the action items for the Board and noted the goal is for employees to have a fair and detailed understanding of their opportunities. The proposed policy clarifies current needs, protections, and activities and provides an opportunity for the employee-occupants to participate in operations activities.

The intent of the monthly maintenance fee is to recover costs related to repair and maintenance of the residences, Jagers explained. He detailed the calculations and noted the annual adjustments.

The Personnel Committee also revised rules and included a charge for 8 units of water use, Jagers explained, and he pointed to the sample Employment and Occupancy Agreement. The agreement term would be two years with available extension, he noted. He reviewed the sample scope of work.

The Personnel Committee recommended the policy become effective 90 days after Board approval, Jagers advised.

Director Covington emphasized this is a complete revision of the policy. He referenced Personnel Committee discussion on details such as limiting residents to the employee and immediate family, maximum occupancy, limits

on guests, pets and animals, vehicles and RVs, access, and termination, and legal considerations. Director Williams asked about allowable dog breeds.

Mr. Jagers added that the policy allows some flexibility for unusual circumstances to be considered.

Mr. Jagers responded to questions from Director Hoffman about the ongoing maintenance of the septic system and administration of the houses including reports, tracking of funds, and related activities. He advised the Board that staff is seeking a contractor or home inspector to assess the residences. Hoffman said he felt the action was moving in the right direction.

Vice President Williams asked about the reimbursement for utilities and possible payroll deduction for electric and propane; Mr. Jagers explained that the District pays the bill and obtains reimbursement. The amounts are not payroll deductions, he noted.

Mr. Jagers responded to questions from Vice President Williams regarding items on the Scope of Work, and in the Agreement. Unless there is a reason, extensions of the Employment-Occupancy Agreement would not come back to the Board once approved, Jagers responded. The policy would come back to the Board if it were discovered that too much or too little funding is being collected, he explained. Proof of renters insurance will be required, Jagers acknowledged, and Covington added that the District must be covered under the liability policy.

Vice President Williams asked about coverage when an Employee-Occupant goes on vacation. Mr. Jagers explained that even with the small staff, there is good communication and coverage.

In response to Vice President Williams, Mr. Jagers explained the collection of the monthly maintenance fee aggregated over time to apply to maintenance costs, and assured there are currently reserves available to apply to the repair work. The maintenance of the residence is not part of the employee's annual evaluation, he noted, but is subject to termination of the Agreement.

Mr. Jagers pointed out that current employee-occupants responded during the recent fires. He advised that there are some existing conditions and those employees may want to continue their occupancy under the new agreement, and his intent would be to work with the current occupants where there are discrepancies and provide some allowances for existing conditions that are not in compliance with the new policy.

Director Hoffman asked about the responsibility of the District in case a residence becomes uninhabitable. Jagers noted that the District would offer support in good faith.

Hoffman suggested some additional items to add to the inspection list. Director Ramirez indicated all items suggested are valid.

Vice President Williams invited public comment. There was none. Vice President Williams tabled the item and directed staff to bring back the policy with requested information to the next meeting. Staff recommended returning to the Personnel Committee to review the new information and assure clear intent.

**5. Resolution 2021-11 Amending the District Policies and Procedures Manual Part II Adding Policy 4100: Electronic Communications and Data Devices at Dais**

General Manager Jagers pointed out the new audio-visual and electronic equipment installed in the Board Room. The proposed policy sets the stage for understanding the use of email and the like on personal devices and confirms the Board's commitment to doing good work in a transparent manner as the District re-opens with a new Board Room environment, he explained. In addition, the setup offers opportunity for remote meeting participation as well as computers with access to electronic agendas available to each Board member, he said.

New policy 4100 identifies electronic communications at the dais and sets the stage for the Board to have rules and activities to follow for transparency and public service, Jagers noted.

Vice President Williams invited public comment. There was none.

Director Covington inquired about the laws referenced. Legal Counsel Jim Markman explained the relationship of the Brown Act and gave examples. This is aimed to tell the Board that the devices are useful, but the activity should be limited to avoid violation of the Brown Act and so as not to erode the public's confidence.

Director Ramirez pointed out that all devices should be turned off during closed session and wondered about a call that needs to be made to a spouse or child. Mr. Markman noted that would not be a Brown Act issue and it would be expected to take care of a family emergency.

Mr. Jagers also pointed to the Public Records Act.

*The Board adopted Resolution 2021-11 Amending the District Policies and Procedures Manual Part II Adding Policy 4100: Electronic Communications and Data Devices at Dais by the following roll-call vote:*

MOVED: Covington	SECONDED: Hoffman	APPROVED 4-0
AYES:	Covington, Hoffman, Ramirez, Williams	
NOES:	None	
ABSTAIN:	None	
ABSENT:	Slawson	

**6. Resolution 2021-12: Amending the District Policies and Procedures Manual Part II, Section 12 – Training, Education and Conferences and Section 13 – Remuneration / Per Diem Fees**

General Manager Jagers advised the Board of discussion at the Ad Hoc Communications Committee and the Personnel Committee indicating interest in assuring that Board members have the opportunity to participate in activities of interest. The existing policy was vetted and adopted within the last two years, but with changing interests, it is the intent to obtain comment from the Board for

policy revision, he explained. He highlighted the changes, primarily moving the list of pre-approved activities from the policy to a list to be adopted annually.

Vice President Williams invited public comment. There was none.

Director Covington pointed to the list of pre-approved meetings and reminded the Board of prior discussion. A separate list of pre-approved meetings, and other activities that would require separate Board approval simplifies the process for changes to be made without having to adopt a new policy resolution, he explained. The current list of pre-approved meetings is very limited and gives directors very little flexibility to attend meetings of certain value, he noted. It is good to free up what directors can or cannot attend but at the same time, there must be responsibility and bookends to what the directors can be compensated to attend, he pointed out. These have been addressed in the policy, Covington concluded.

Director Covington pointed to the section related to travel within Riverside and San Bernardino counties and requested modification that a compensable travel day should not be limited. Mr. Jagers noted that that provision is in the existing policy. Human Resources Coordinator Sabrina Foley pointed out that the local area travel day is not compensable, not necessarily attendance at a meeting. Mr. Markman opined that travel days should be compensable.

Director Ramirez requested the specific inclusion of webinars. Mr. Markman clarified that any activity related to District business constitutes a compensable day, regardless of location.

*The Board adopted Resolution 2021-11 Amending the District Policies and Procedures Manual Part II Section 12 – Training, Education and Conferences and Section 13 – Remuneration / Per Diem Fees as amended by the Board removing reference to travel days from Section 4065.4-5 by the following roll-call vote:*

MOVED: Hoffman	SECONDED: Covington	APPROVED 4-0
AYES:	Covington, Hoffman, Ramirez, Williams	
NOES:	None	
ABSTAIN:	None	
ABSENT:	Slawson	

**7. Adopt Annual List of BCVWD Pre-Approved Events and Director Appointments**

General Manager Jagers presented a draft of the List for consideration.

Vice President Williams invited public comment. There was none.

After substantial discussion, the Board provided direction to staff and requested the item come back to the Board after revision.

**Public Comment**

Vice President Williams allowed comment from a member of the public on an item not on the agenda.

Ms. Mary Ambrosi advised the Board of a problem with her water bill. General Manager Jagers indicated that staff would follow up with her the next day.

**8. Appointment of Member of the Finance & Audit Committee for Calendar Year 2021**

Director Covington advised of his resignation as a primary member of Finance & Audit Committee. He recommended that he be appointed alternate and Vice President Williams consider appointment as a primary member. Williams indicated willingness to serve.

Counsel Markman advised that the Board can take action followed by ratification on the Consent Calendar of the next meeting.

No action was taken.

**9. Authorize the General Manager to execute agreement for a Compensation Study for an amount not to exceed \$25,420**

Human Resources Coordinator Sabrina Foley reminded the Board that the District is in negotiations for the Employee Memorandum of Understanding which includes a condition to conduct a compensation study prior to the expiration of the MOU on December 31, 2021. Currently, there is a classification study in progress by Koff and Associates, she noted.

Foley explained the request for proposal process. Koff and Associates submitted the only response and staff vetted the proposal. She pointed out the comparable agencies previously agreed upon by the Board and indicated that if the same comparators are used, it provides a savings of \$1,550. Koff is able to work on the studies concurrently to save time, she noted.

Mr. Jagers further explained the option to use the same comparator agencies or identify new ones. Staff recommends moving forward with Koff and Associates, he said.

Director Covington asked about the original budget for the studies. Ms. Foley listed the three potential studies, and Mr. Jagers indicated the original budget was approximately \$50,000 for two studies and Ms. Foley assured that there is sufficient funding in the budget line item to cover the studies.

Ms. Foley noted that if the report is contested by employees or the Association, response from Koff is not included in the proposal. In response to Vice President Williams, Foley provided more detail.

Director Hoffman recommended moving the project forward; Director Ramirez concurred.

The Board directed staff to use the same 10 comparators.

*The Board authorized the General Manager to execute an agreement with Koff & Associates for a compensation study for an amount of \$25,420 plus 10 percent contingency for a total of \$27,962 by the following roll-call vote:*

MOVED: Ramirez	SECONDED: Hoffman	APPROVED 4-0
AYES:	Covington, Hoffman, Ramirez, Williams	
NOES:	None	
ABSTAIN:	None	
ABSENT:	Slawson	

***Vice President Williams called a five-minute recess at 8:55 p.m.  
The meeting was reconvened at 9:05 p.m.***

**10. MDP Authorization for Additional Funding for the MDP Line 16 Storm Drain Project in an Amount Not to Exceed \$379,325**

Senior Engineer Mark Swanson reminded the Board about prior discussion and briefly described the project and location along Grand Avenue from the Phase II recharge facility easterly toward Bellflower.

The lowest bid received was \$7.55 million, in excess of the engineer’s estimate of \$6.5 million, which was stated in the cooperative agreement with Riverside County Flood Control and Water Conservation District (Flood Control) as a not-to-exceed \$6.8 million, Swanson reported. Flood Control has indicated willingness to continue with the project, he advised.

The cooperative agreement stipulates that in the event of an increase in costs, the agencies would mutually try to agree to an addendum to move forward, and this action forwards that, Swanson explained. He said he hopes to have the addendum prepared for the August Board meeting and the contractor would begin work in September.

Swanson explained that if the project moves forward timely, it can still meet the 2022 deadline for the grant funding of \$1.22 million. He discussed costs and noted that Flood Control has stated they will handle contingencies / costs above and beyond. He reviewed the estimated cost share and explained the budget request for 50 percent of the differential between the estimate and the construction costs.

General Manager Jagers acknowledged the cost increases over time and said staff believes it is a good project and accomplishes some items of importance to the District as well as services Flood Control and recommends moving forward. He noted that other District projects parallel this work.

Vice President Williams invited public comment. There was none.

Director Ramirez asked if staff had seen preliminary plans that would address the force of water and potential erosion in the District’s recharge basins. Mr. Jagers indicated staff has performed plan checks and noted that the water is conveyed below ground and empties into the recharge facility and said there is not an opportunity to slow the velocity. It will be handled as it enters the basin, Jagers said, and Swanson provided detail.

Director Covington asked about the grant funding. Mr. Swanson said that Flood Control believes they can still meet the deadline. Mr. Jagers reminded that due to the fires, an extension was requested, and there may be the possibility to request another extension.



Covington asked about provisions in the agreement related to delays and who is responsible, given potential cost increases. Jaggars indicated that District costs are limited to the contract.

In response to Director Hoffman, Mr. Jaggars advised that the District expects to recover a maximum amount of 500 acre-feet of water. He explained additional benefits and Mr. Swanson added that the project is part of the 2020 Urban Water Management Plan and contains a lower estimate.

Vice President Williams asked about the availability of the addendum, and staff explained it is expected in August. Mr. Jaggars noted that if the approval requires it, there may be a special meeting of the Board.

Director Ramirez cautioned about the potential for erosion.

*The Board authorized additional funding for the Master Drainage Plan (MDP) Line 16 Storm Drain Project in an amount not to exceed \$379,325 by the following roll-call vote:*

MOVED: Hoffman	SECONDED: Ramirez	APPROVED 4-0
AYES:	Covington, Hoffman, Ramirez, Williams	
NOES:	None	
ABSTAIN:	None	
ABSENT:	Slawson	

## **11. Recycled Water Program with the City of Beaumont: Discussion**

General Manager Jaggars reported that he met last week with City of Beaumont (City) Manager Todd Parton who said the City expects to have its updated National Pollutant Discharge Elimination System (NPDES) permit in September. Until it is in hand, the City is hesitant to finalize an agreement, he said. Meetings are moving forward, and action is picking up, Jaggars advised. He said the Ad Hoc Water Re-Use 2x2 Committee will be reactivated in the near future.

## **12. Options to Address Unfunded Pension and Other Post-Employment Benefits (OPEB) Liabilities**

Mr. Jaggars advised the Board of discussion at the Finance & Audit Committee about ongoing pension liabilities above and beyond what CalPERS projects can be funded with contributions, and Post-Employee funding strategies to limit the liabilities shown on the District's financial statements.

Acting Director of Finance and Administrative Services William Clayton requested Board direction related to unfunded pension liabilities and unfunded Other Post-Employment Benefits (OPEB) liabilities for retiree health care. This is a look at an option for where unrestricted funds are located in a way to capitalize on some other interest-earning vehicles, he explained.

The Board had previously approved setting aside of approximately \$150,000 for the next four years via the rate study, Clayton noted. He explained current practice and earnings. Additional discretionary payments may be made to CalPERS, he

explained, saving interest, costs. Clayton discussed two alternatives for additional pension funding and advised of current balances set aside.

Two years ago, Urban Futures Inc. presented information to the Board but there was no decision to move forward, Clayton noted. The consultant had advised that, "Any amount of money is better than none, and starting sooner is better than waiting," Clayton reminded, and encouraged a long-term view. Using the District's current pay-as-you-go method is more expensive in the long term, he noted.

Management fees on the Section 115 trust would total 10 basis points, Clayton noted. Jagers pointed to the various options and recommended the Board move toward establishing a Section 115 trust. A policy and documents to establish the trust would come back to the Board, he stated.

Director Covington requested all options be presented in a matrix. Director Hoffman indicated he would need additional information and time to review. Mr. Clayton offered the possibility of a presentation from a CalPERS representative.

Director Ramirez concurred. By consensus, the Board directed staff to set up the presentation for a meeting in August.

**13. Continued Review of Anticipated California Drought Conditions, District Urban Water Management Plan Drought Restrictions and BCVWD Resolution 2014-05 Regarding Issuance of Will-Serve Letters and Other Drought Response**

General Manager pointed to information in the staff report and advised that Governor Gavin Newsom has asked all Californians to reduce their household water use voluntarily by 15 percent compared to last year. Just because water supplies are healthy because of the District's water banking does not mean there is no concern, Jagers emphasized. He suggested text for the website encouraging water use in conjunction with the Governor's recommendations and recommended social media messaging.

All but eight counties in California are in a drought emergency, Jagers noted, but Riverside County is not among them.

Director Covington concurred with the recommendation. Director Ramirez recommended caution in messaging, being calculated, and avoiding "pendulum swinging."

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

General Manager Jagers advised that the office is open four days a week and noted this is the first hybrid live Board Room – Zoom meeting. He acknowledged a bump up on COVID case rates in Riverside County.

**15. 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 noted this is the beginning of the monsoon season and said he would update the Board if there were any significant rain events in the burn scar area that create a debris movement activity.

## 16. Reports For Discussion

### a. Ad Hoc Committees:

Communications Committee: Director Ramirez reported that the Committee is getting closer to providing some op-eds to local papers for outreach and there is a progressive plan to assure that social media messaging continues to improve and assure directors all have an opportunity to communicate on items of importance to them. He noted there are not many negative comments online and said things are moving in the right direction.

Sites Reservoir Committee: No report.

Water Re-Use 2x2: No report.

### b. Directors' Reports:

Director Ramirez: Stated that he has attended various workshops from the Association of California Water Agencies (ACWA). The main focus is how aquifers are being recharged and a new concept is the opportunity to capture irrigation runoff. Some see stormwater capture as needing treatment, but the majority at ACWA indicate it is some of the cleanest available.

### c. Directors' General Comments:

Vice President Williams related a positive comment from a customer.

### d. General Manager's Report:

Mr. Jagers acknowledged the presence of Civil Engineering Assistant Evan Ward at the meeting. He announced the promotion of James Bean to Director of Operations.

Jagers requested feedback from the Board on the new audio-visual equipment in the Board Room.

Well 29 is back in service, he reported. Maintenance activity is ongoing on Well 24 and will begin to be reinstalled the week after next.

The Urban Water Management Plan has been published on the website and the public hearing is planned for July 22.

The recharge facility will receive water again in August.

### e. Legal Counsel Report: None.

## 17. Announcements

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

- Personnel Committee Meeting: Monday, Jul. 19, 2021 at 5:30 p.m.  
*The Personnel Committee meeting was postponed to July 20.*
- Engineering Workshop: Thursday, Jul. 22, 2021 at 6 p.m.
- Beaumont Basin Watermaster Committee: Wednesday, Aug. 4, 2021 at 10 a.m.
- Finance and Audit Committee Meeting: Thursday, Aug. 5, 2021 at 3 p.m.
- Regular Board Meeting: Wednesday, Aug. 11, 2021 at 6 p.m.
- District Offices will be closed Monday, Sep. 6, 2021 in observance of Labor Day

## 18. Action List for Future Meetings:

- Water supply for BGVWD and the region
- Matrix for delivery of recycled water
- Update on the Delta Conveyance Project
- Legal perspective on the Delta Conveyance
- Legal Counsel report on changes in Proposition 218
- Legal update on drought conditions in the west
- Maintenance costs at 800-hp well sites
- Report on Inventory / critical resources of well parts
- Policy on rotation of Board President

## 19. Convened in Closed Session: 10:08 p.m.

Director Covington recused himself from item 16a and remained in the Board Room while the rest of the Board and pertinent staff convened in the Conference Room.

- a. CONFERENCE WITH LEGAL COUNSEL – Existing Litigation  
Significant exposure to litigation  
Pursuant to Government Code Section 54956.9(d)(1)  
San Timoteo Watershed Authority v. City of Banning, et. al., Riverside County Superior Court Case No. RIC389197
- b. PUBLIC EMPLOYEE PERFORMANCE EVALUATION  
Pursuant to Government Code Section 54947  
Title: General Manager

Reconvened in Open Session: 10:55 p.m.

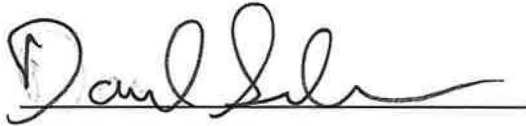
## 20. Report on Closed Session

Vice President Williams announced there was no reportable action taken.

**21. Adjournment**

*Vice President Williams adjourned the meeting at 10:56 p.m.*

ATTEST:



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



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