



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

**MINUTES OF REGULAR MEETING – ENGINEERING WORKSHOP  
OF THE BOARD OF DIRECTORS  
Thursday, September 23, 2021 at 6:00 p.m.**

***Meeting held in person and via teleconference and video  
teleconference pursuant to California Government Code Section  
54950 et. seq. and California Governor's Executive Order N-08-21***

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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 Williams.*

*Invocation was given by Director Hoffman.*

**Announcement of Teleconference Participation**

Acting Director of Finance and Administrative Services William Clayton clarified that this meeting is conducted pursuant to California Government Code Section 54953, and under Executive Order 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 and at BCVWD Administrative Office Board Room.

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, Slawson, Williams
Directors absent:	Ramirez
Staff present:	General Manager Dan Jagers Senior Engineer Mark Swanson Director of Operations James Bean Acting Director of Finance and Administrative Services William Clayton

	Human Resources Coordinator Sabrina Foley Accounting Technician Erica Gonzales Administrative Assistant Lynda Kerney
Legal Counsel	James Markman

Members of the public who registered their attendance: San Geronio Pass Water Agency Director Larry Smith, and Rick Rush of Tri-Pointe Homes.

Acting Director of Finance and Administrative Services William Clayton 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. Request for Extension of Will-Serve Letter for Tentative Tract Map 31470**

Senior Engineer Mark Swanson explained that the overall Sundance Specific Plan project has been ongoing for 20 years or so. In 2018, this Will-Serve Letter (WSL) came to the Board for extension, Swanson continued, and based on policy procedure, then went to the General Manager for extension for one year.

The total development by Tri Pointe Homes (formerly Pardee Homes) is for 859 dwelling units consisting of six tracts, Swanson explained. Homes are continuing to be built, he said, and the four tracts remaining are the Altis active adult community with 704 units along Discovery Way. He noted the timeline for ongoing construction and plan approvals.

This extension is for 125 units of Tentative Tract Map 31470 for one more year, Swanson reported.

In response to Director Covington, Mr. Swanson said the original WSL was issued in 2016. General Manager Jagers added some historical detail of this former Pardee Homes development and Mr. Swanson reviewed the Board's WSL extension policy.

Director Hoffman asked if WSLs will be subject to conditions based on drought situation. Mr. Jagers said any restrictions might be on percentages of use, which might impact landscaping. He noted there is no definitive guidance from either the state or other agencies but there is an ordinance in place, however it does not apply to this development.

Mr. Swanson pointed out the project has been graded but a minor level of grading may be necessary, and grading water may be discussed.

President Slawson invited public comment. There was none.

*The Board approved the request for extension of Will Serve Letter for Tentative Tract Map 31470 related to the Sundance Specific Plan located in 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: Williams	SECONDED: Hoffman	APPROVED 4-0
AYES:	Covington, Hoffman, Slawson, Williams	
NOES:	None.	
ABSTAIN:	None.	
ABSENT:	Ramirez	

**3. Discussion regarding Sites Reservoir Project Phase 2, Amendment 3 inclusion on the San Gorgonio Pass Water Agency Statement of Charges**

General Manager Dan Jagers advised the Board that the San Gorgonio Pass Water Agency (SGPWA) will present the Phase 2, Amendment 3 at its meeting next week. There are cash calls involved: \$100 per share for 2022, Jagers began.

Director Covington stated it is \$400,000 for BCVWD for 2022. He noted that the agreement authorizes the Department of Water Resources (DWR) to include the SGPWA costs on the Statement of Charges in 2022, and asked what that would mean for the ratepayers of the SGPWA.

Mr. Jagers indicated there is a conundrum. The DWR has allowed the project design component to be placed on the State Water Project Statement of Charges. Moving forward, the design can be charged and paid for by ad valorem tax funds, he explained. The SGPWA expects BCVWD to reimburse its share (\$400,000) of the cost of its 4,000 acre-feet (af) in 2022, Jagers added.

Jagers said he will convene a meeting of the Sites Reservoir Ad Hoc Committee to discuss. Covington opined that placing this cost on the ad valorem spreads the cost among every property owner in the BCVWD service area. Putting it in the rate has a greater impact on BCVWD as it is the largest purchaser of water from SGPWA.

Mr. Jagers clarified that the SGPWA shares total \$1 million, and \$400,000 is BCVWD's shares. The \$1 million would be funded from the debt service taxes, and the \$400,000 is to be reimbursed from BCVWD.

Director Hoffman pointed out that the ad valorem taxes would pay for the SGPWA's costs, but the BCVWD share must come from ratepayers or builders. This must be budgeted, he stated. To date, this activity has been funded with collections for capacity charges (facilities fees) for new water supplies, Jagers stated. He said he suspects the District's tax base will constitute 60 percent of ad valorem tax contributions. He explained nuances of the tax base.

Director Covington pointed out that BCVWD is into the Sites project for approximately \$850,000 so far. Jagers advised that if paying for BCVWD's 4,000 af the total annual payment will be expected to be \$2.8 million for 400,000 af and reminded the Board that the Sites Reservoir is also providing the promise of future water for entities yet to develop. The idea is the new houses pay more to recover those rates, and undeveloped land pays a component.

But BCVWD is contributing to both halves through costs and tax-based contributions, Jagers concluded.

President Slawson asked about avenues to exit the program and potential loss of money invested in the project. Mr. Jagers explained that the contributions would be lost; however, there may be other entities which would want to pay to capture the District's component; in which case there can be reimbursement.

Director Covington reminded the Board that a provision was included in the latest agreement with SGPWA to assure that should their Board decide to exit the project, the BCVWD would not have to jump ship with them. Mr. Jagers further refreshed the memory of the Board on the intent of this provision.

President Slawson invited public comment. There was none.

**4. Discussion of California Governor's Executive Order N-29-20 and N-08-21 regarding Brown Act Requirement Suspensions and the Return to Pre-COVID Teleconferencing Procedures after September 30, 2021 and a review of AB 361**

Mr. Jagers explained that AB 361 pertains to continuing with hybrid in-person / teleconference meetings.

District Legal Counsel James Markman stated that BCVWD has already been complying with all the components of the legislation. AB 361 is effective October 1 and the District can continue to operate as is on two conditions: first, there must be a state of emergency declared by the Governor, and second, some state or local official has imposed or recommended measures to promote social distancing, or the District has determined that continuing this type of meeting is necessary due to health hazard.

Markman explained the nuances of teleconferencing under the Brown Act and contrasted the components of AB 361. He said the District has been complying with the requirements well. He cautioned that the District would have to make findings on a 30-day basis that the circumstances of the emergency have been reconsidered and the ability to meet safely is still impacted. He said he will prepare a resolution for adoption on the next consent calendar.

Markman also noted that the public must have an opportunity to comment in real time and the public comment period cannot be closed until everyone has had a chance to speak. If there are technical troubles, the Board cannot take an action on the item until glitches have been remedied so all can understand.

**5. 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 Jagers pointed out that it is not raining and there are a lot of fires. The State has been looking at water use in California and some local agencies have been identified as achieving only 1.8 percent in water savings instead of the 15 percent requested by the Governor. This suggested that people are not achieving the voluntary goals.

BCVWD has a little more water use per meter than last year, Jagers advised. The increase is to be expected, and use seems reasonable based on weather being significantly hotter than last year, he said. The State's analysis is not perfect related to reality and true savings.

Jagers said he expected to see some stronger activity come from the State about the seriousness of the drought situation. The BCVWD Water Shortage Contingency Plan (WSCP) as mandated by the State creates a situation for raising rates, but until it is mandated, there is risk in getting out in front, he cautioned. Jagers said he expects a State Water Project zero allocation year due to the severity of the drought. The State will create a program that will be mandated down to local agencies, Jagers said, and the best approach to the WSCP will be brought to the Board.

The District has reached out to the public to conserve, but until conservation is rolled out across the state, people may not take it as seriously. Something needs to be done in the near future, Jagers noted, and said he hopes the State identifies a path forward for consistent action across the state. Lessons were learned in 2015 when it was in dire shape, he noted.

Director Covington pointed out that drought condition has not yet been declared in seven counties.

General Manager Jagers shared a Water Conditions Update presentation from the SGPWA showing the status of their water supply. Precipitation is just above the record low and reservoirs are well below the norm, he noted.

Director Covington asked about typical water orders, and Jagers provided detail. Director Hoffman pointed out that the City of Banning has 200 acre-feet, but uses more than that. Jagers answered his question about the sources of supply and noted that water loss from the Beaumont Basin is unresolved but is being examined by the Watermaster.

Mr. Jagers summarized water supplies available in 2021. The SGPWA has 580 acre-feet in their storage account, and BCVWD has written a letter to inquire about purchase of that water at a cost presumed to be a little over \$200,000, he advised. Other sources are also being sought, he said.

In response to President Slawson, Jagers explained the 20-year Nickel water deal, a private water supply leased by SGPWA.

Director Covington commented that the District's typical water order for 2021 is 12,500 af but delivery may total only 2,290 af for the year. SGPWA is still working on strategy for next year, Jagers noted. He explained that starting October 1, recharge will begin with 743 af, for a total of approximately 2,453 af delivered in 2021, plus any agreement for the 508 af from SGPWA. Covington noted this is not even close to half the order for 2021. Jagers estimated that 8,000 af will be taken out of storage.

Jagers assured that he is having discussions with the SGPWA regrading next year, and said planning is ahead. Covington asked if there are conversations with other agencies such as South Mesa Water Company about purchasing water from agencies that have it in storage for 2021. Mr. Jagers said yes, and noted that there are some legal issues to be resolved, as it changed the landscape for some of those opportunities. Discussions have been ongoing, he assured the Board.

The City of Banning can use the revenue, Covington said, and noted that the Board has always supported going after deals that are sensible. He asked staff to identify any opportunities to get ahead of the curve; to avoid arrears in storage (as five years supply is preferred), "and if we can effectuate a deal, let's do it." Mr. Jagers stressed the importance of partnership and working together. Action will need to be taken as the drought continues. There is a likelihood of continued impacts next year and staff must understand it, Jagers stated.

President Slawson acknowledged the good information coming from the SGPWA.

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

General Manager Jagers reported that COVID-19 cases seem to be declining but people are being adversely affected. The current path seems to be successful for the District, he stated.

**7. 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

General Manager Jagers emphasized it is dry and there are local areas that can burn. Most of the remaining emergency is related to the potential for mud and debris flows. Staff pays attention to bulletins about monsoonal activities, he advised.

**8. Update: Legislative Action and Issues Affecting BCVWD**

Mr. Jagers provided highlights of the written report and assured the Board that application submittals were made to recover some arrearages.

Jagers explained the implications of the passage of SB 9 which mandates that accessory dwelling units can be served from the same meter as the main house. Director Covington voiced concern about water use in high density development areas and impact on conservation.

Legal Counsel Markman advised that this law removes from local control every discretionary land use for turning down any lot into a duplex or four-plex. No one has an answer as to where the water will come from, he noted. Director Covington pointed out that in Cherry Valley such development may be stymied by the restrictions on septic tanks.

Covington pointed to SB 914 and said it appears that this funding may not have trickled down to the states yet.

**9. Reports for Discussion**

- a. Directors' Reports: None
- c. Director General Comments:

Director Hoffman advised that someone has applied for a zone change for the Sunny Cal Egg Ranch.

d. General Manager's Report

Mr. Jagers advised that notification of the zone change was received to change from residential housing to warehousing and commercial space in order to parallel what is happening on the north side of Cherry Valley Boulevard. From a water perspective, this is acceptable, Jagers continued, and said it probably helps the region. But from aesthetic and traffic perspectives, it probably has impacts to the local community.

Director Hoffman noted there is a public hearing scheduled. Mr. Jagers advised that the comment period is until the end of October. If directors are interested, staff can make a copy of the application available. This is an overlier use activity in the Beaumont Basin, and will bring its own water supply. Anticipated development (unless high water use manufacturing) would likely be able to satisfy their usage with the overlier right.

Mr. Jagers reiterated that there will be SGPWA recharge at the Noble Creek Recharge Facility Phase I on the order of 24 af per day.

Mr. Jagers advised that the MDP Line 16 project is moving forward and is out to bid.

Staff is working on strategies to compact the banks and address some spillways at the Noble Creek Recharge facility Phase II, Jagers said. He explained that the project will be run in-house, with District staff operating rented equipment and performing the work. He will bring back a cost estimate.

Jagers reported that the new Director of Finance and Administrative Services, Dr. Kirene Manini, will begin work on Monday, and an offer has been made to an individual for the Administrative Assistant position. He thanked William Clayton for his service in the interim.

Jagers said he is meeting next week with the City of Beaumont and SGPWA regarding water reuse and recycling and obtaining grant funding.

e. Legal Counsel Report: None.

**10. Topics for Future Meetings:**

- Water supply for BCVWD and the region
- Matrix for delivery of recycled water
- Update and legal perspective on the Delta Conveyance Project
- Legal Counsel report on changes in Proposition 218
- Legal update on drought conditions in the west
- Maintenance costs at 800-hp well sites
- Policy on rotation of Board President
- Update on emergency well repairs

## 11. Announcements

- Beaumont Basin Watermaster Committee: Wednesday, Oct. 6, 2021 at 10 a.m.
- Finance and Audit Committee Meeting: Thursday, Oct. 7, 2021 at 3 p.m.
- Regular Board Meeting: Wednesday, Oct. 13, 2021 at 6 p.m.
- Personnel Committee Meeting: Monday, Oct. 18, 2021 at 5:30 p.m.
- Engineering Workshop: Thursday, Oct. 28, 2021 at 6:00 p.m.
- Collaborative Agencies Meeting: Wednesday, Nov. 3, 2021 at 5:30 p.m.

## 12. Closed session at 7:51 p.m.

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

**Reconvened in Open Session at 8:57 p.m.**

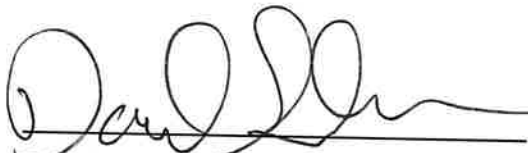

## 13. Report on Action Taken at Closed Session

President Slawson advised that no reportable action was taken.

## 14. Adjournment

*President Slawson adjourned the meeting at 8:57 p.m.*

ATTEST:

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