



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

**MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
Wednesday, August 10, 2022 at 6:00 p.m.**

*Meeting held in person at 560 Magnolia Ave., Beaumont, CA
and via teleconference pursuant to
California Government Code Section 54950 et. seq. and under the
provisions of Assembly Bill 361 and BCVWD Resolution 2022-22*

Call to Order: *President Williams opened the meeting at 6:08 p.m.*

Pledge of Allegiance was led by President Williams.

Invocation was given by Director Hoffman.

Announcement of Teleconference Participation

Dr. Kirene Manini, Director of Finance and Administration, clarified that this meeting is conducted pursuant to California Government Code Section 54953 and AB 361.

The teleconference capabilities of this meeting have been identified in the Notice and Agenda. Due to the danger of COVID-19, the teleconference locations are not publicly accessible.

Dr. Manini verified that all directors were able to hear the other directors clearly. 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.

Roll Call:

Directors present:	Covington, Hoffman, Slawson, Williams
Directors absent:	Ramirez
Staff present:	General Manager Dan Jagers Director of Engineering Mark Swanson Director of Finance and Administration Kirene Manini, PhD Director of Operations James Bean Director of Information Technology Robert Rasha Senior Management Analyst Sylvia Molina Customer Service Supervisor Sandra Delgadillo Field Superintendent Knute Dahlstrom Administrative Assistant Cenica Smith Administrative Assistant Lynda Kerney
Legal Counsel	James Markman

Members of the public who registered attendance: Directors Ron Duncan and Kevin Walton of the San Gorgonio Pass Water Agency (SGPWA); Jayson Schmitt and Alayne Sampson of Chandler Asset Management; and Sean McReynolds of Townsend Public Affairs, Inc.

Public Comment:

Ms. Amalia Aldama of 37275 Cherry Valley Boulevard, Cherry Valley addressed the Board via Customer Service Supervisor Sandra Delgadillo, translating. The Aldamas own the subject property which had been receiving water from a well on a neighboring property for the last six years. Recently, the neighboring owners severed the connection to the well and the Aldamas have had no water since August 1. The property is within the District’s Sphere of Influence and the Aldamas are willing to go through the annexation process to establish permanent service. They requested a temporary emergency connection to District facilities for water service.

Mr. Kevin Walton Division 3 director of the San Gorgonio Pass Water Agency said that he attended the Yucaipa Valley Water District meeting on August 2 and advised that the Board took action on annexation in the Wildwood Canyon / Beaumont Avenue area.

1. Adjustments to the Agenda:

EMERGENCY ITEM: District Counsel James Markman advised the Board that an emergency item may be added to the agenda to discuss the temporary emergency connection as requested by Ms. Aldama. Pursuant to California Government Code Section 54954.2 (b), the Board may make a finding that there is need for immediate action and may vote to add the item to the agenda.

The Emergency Item was added to the Agenda by the following roll call vote:

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

2. Consent Calendar:

The following Consent Calendar items were approved with one motion:

- a. Review of the June 2022 Budget Variance Reports
- b. Review of the June 30, 2022 Cash/Investment Balance Report
- c. Review of Check Register for the Month of July 2022
- d. Review of July 2022 Invoices Pending Approval
- e. Minutes of the Regular Meeting of June 23, 2022
- f. Minutes of the Regular Meeting of July 13, 2022
- g. Resolution 2022-24 Authorizing Public Meetings to be Held via Teleconferencing Pursuant to Government Code Section 54953(e) and Making Findings and Determinations Regarding the Same
- h. Monthly Update from Townsend Public Affairs, Inc. (grant writing)

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

EMERGENCY ITEM

Temporary Emergency Connection for 37275 Cherry Valley Boulevard

General Manager Dan Jagers explained the property location, existing District facilities, and some challenges with providing temporary emergency service to the subject property including the need to cut into Cherry Valley Boulevard, low pressure issues, and backflow device requirement.

In response to Director Covington, Jagers indicated that the District does not provide service to the houses in the vicinity, but staff believes the properties are assigned overlier water rights via the Beaumont Basin Watermaster. Hoffman recalled a well being drilled on one of these properties within the last two years.

The property is not within the service area boundary, and would need to take emergency service from a transmission main, which is undesirable, Jagers continued. He responded to facilities and logistics questions from Directors Covington and Slawson, and noted that the property owner would need to provide a deposit for such costs as front footage fees, installation of the service across Cherry Valley Boulevard with traffic control and pavement repair, backflow device, annexation fees, and other costs.

Jagers noted that options for the property owner include the use of their existing 2,500-gallon tank and booster, or drilling of a well. Ms. Delgadillo noted that Ms. Aldama had priced well drilling and found the cost to be \$65,000. Ms. Delgadillo advised that a couple of years ago, Ms. Aldama had looked into drilling into the well that they have, but it is dry. They have also looked into water delivery, she noted.

Director Slawson asked about the overlier water rights. One of the conditions of service would be a transfer of the unit of service if those rights exist, Jagers confirmed. Director Covington asked about the possibility of connecting to the house to the west, and Jagers explained the lots appear to have private, shared wells. Delgadillo said the neighbors have declined to provide water.

The Board could authorize District staff to prepare an annexation and will-serve agreement, and bring back the agreement for Board consideration, or authorize the temporary service agreement, Jagers stated.

Director Slawson said he is in favor of providing the connection as long as the requestor is willing to pay all costs and understands that it will take time and a lot of money. It appears this is the only house that would be serviced if this work was done, he pointed out, and therefore is not to the benefit of the District at all, but Slawson indicated intent to help the residents.

Covington said he was in favor of helping the requestor and pointed to the statewide moratorium on well drilling. Jagers reminded about the overlying water right.

Covington recommended staff work with the property owner to identify short term and long-term costs and efforts to provide water. Hoffman concurred and added that more research should be done on what facilities are there and a more accurate cost breakdown produced for Board review at the August 31 Engineering Workshop. Slawson agreed.

Director Covington further mused about solutions including provision of a construction meter, or potable water delivery services and suggested staff bring back options to the August 31 Engineering Workshop. Hoffman also recommended the construction meter and water hauling solution.

Based on the costs of annexation, any solution now will be temporary, Covington noted.

The Board approved staff to work with the property owner located at 37275 Cherry Valley Boulevard for either a temporary service connection and / or annexation into the District, and to bring back the proposal to the August 31, 2022 Engineering Workshop by the following roll call vote:

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

3. Consideration of Proposed Changes to the District’s Conflict of Interest Code: Approval of Notice of Intent and 45-day Comment Period

Administrative Assistant Lynda Kerney presented the procedure for the update of the Conflict of Interest Code as required by the Fair Political Practices Commission (FPPC). The draft code was reviewed by legal counsel, and was sent to the FPPC for review, she reported. If there are no comments, the Code will come before the Board for adoption by resolution at the October 12, 2022 meeting.

President Williams invited public comment. There was none.

The Board approved the Notice of Intent and set a 45-day comment period from August 12 to September 26, 2022 regarding the proposed changes to the District’s Conflict of Interest Code by the following roll-call vote:

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

4. Grant Activity Quarterly Update

Director of Finance and Administration Kirene Manini, PhD, presented the summary of grant activity and detailed the following projects:

- The Bureau of Reclamation (BOR) WaterSMART: Water and Energy Efficiency Grant for Fiscal Years 2020 and 2021 for the Automatic Meter Read/Advanced Metering Infrastructure Deployment Program. Due to continued delays in receipt of materials, the District requested and received approval of an extension to December 2023. As of June 2022, 20,445 meters have been installed, and approximately 3,000 remain to finish the project. Total expenditures submitted toward the required 50 percent match are \$2,142,738. Reimbursement is requested quarterly.
- JPIA Risk Control Program Communication Upgrade Project, purchase of handheld radios, is complete.
- American Rescue Plan Act (ARPA) funding through the County of Riverside for a 24" 3040 Pressure Zone Cherry Avenue/International Park Road Transmission Pipeline awarded at \$1.28 million.
- ARPA funding through the County of Riverside for the "B" Line Upper Edgar Transmission Pipeline and Facilities Project awarded at \$1.3 million.
- Arrearages Program. The project is completed but the item will remain on the quarterly report, as there is potential for the program to continue.
- Lift to Rise Outstanding Utility Billing charges. The District was awarded \$15,586.46 which is dependent on tenants requesting the funding. The program is ongoing. The District responds to all requests within 48 hours and has seen 100 percent of the submitted requests funded within 30 days. Director Covington asked about funds that are not dispersed. Dr. Manini indicated that unused funds are sent back.
- County of Riverside: Low-Income Household Water Assistance Program Outstanding Utility Billing charges. The customer applies directly to the County for funds. The District has recently received two payments.

President Williams invited public comment. There was none.

5. Resolution 2022-25: Authorizing the General Manager to Submit an Application to the Bureau of Reclamation for a WaterSMART: Water and Energy Efficiency Grant for Fiscal Year 2023

Dr. Kirene Manini requested approval of the resolution to formalize the support of the Board for the grant application. The District's Supervisory Control and Data Acquisition and Automation (SCADA) project has opportunity for funding, and with 50 percent matching the District portion would be \$1.3 million of the total project cost of \$3.2 million. Funds are available in the 2022-2026 Capital Improvement Budget, Manini advised.

Mr. Jagers added that this project has been moving forward behind the scenes, and staff identified this opportunity to capture grant funding.

Director Covington asked about the timeline for notification of the grant award. Jagers said it would likely be in the fall, but the project will continue moving forward in parallel. Manini confirmed the application is for the full \$3.2 million.

Covington warned that the project would not be able to progress until the determination of award, as the funds are not typically paid in arrears.

President Williams invited public comment. There was none.

The Board adopted Resolution 2022-25 authorizing the General Manager to submit an Application to the Bureau of Reclamation (BOR) for a WaterSMART: Water and Energy Efficiency Grant (WEEG) for the Fiscal Year 2023 by the following roll-call vote:

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

6. Economic Update as of June 30, 2022

Dr. Kirene Manini reminded the Board about the agreement with Chandler Asset Management to provide investment management services and the Board's request for quarterly information.

Co-Chief Investment Officer Jayson Schmitt reported that the economy is slowing due to increased inflation and provided information on employment and interest rates.

Senior Portfolio Strategist Alayne Sampson discussed the Consumer Price Index which has moderated to 8.5 percent after reaching its new 40-year high at 9.1 percent last month but the federal rate came in higher than expected. She said that price and pressures will continue to be weighed on by the ongoing war between Russia and Ukraine. She discussed home sales and affordability and bond yields.

Mr. Schmitt reviewed the District's \$37.4 million portfolio and advised that it is fully invested. The portfolio balance will continue to increase in value over time, he noted.

Director Hoffman reported that the Finance and Audit Committee had recognized the return month over month and the increase in total assets.

President Williams invited public comment. There was none.

7. BCVWD 2023 Imported Water Order Quantity from the San Geronio Pass Water Agency

General Manager Jagers explained this is an annual action and pointed to the current drought uncertainty. Staff recommends an order of the baseline of 11,000 acre-feet of imported water, plus an additional 7,000 acre-feet (af) for replenishment of the storage account if available, he explained.

The District will have removed from its Beaumont Basin Watermaster storage account about 8,000 acre-feet in 2021, and 10,000 acre-feet in 2022, Jagers

advised. This 18,000 af will want to be replenished. He also noted the hydraulic constrains at the East Branch extension of the State Water Project and the need to balance potential rainfall with what might reasonably be delivered.

The order is due September 1, Jagers explained. Should water be available, another paragraph would be added to the letter indicating that the funds are available to make the purchase and there is desire to purchase up to 25,000 acre-feet presuming the water could get here hydraulically and be recharged. He noted that SGPWA General Manager Lance Eckhart had commented on the challenges of bringing water through the East Branch Extension in high volume water years.

Jagers reviewed production and the recommended water order totals. Based on production, approximately 11,000 af of replenishment is required, and additional replenishment will be requested, for a total of 18,000 af; a reasonable amount given potential hydraulic constraints. Staff will work with the SGPWA to pursue additional water supplies. He noted that the letter to the SGPWA will be brought back to the Board for approval at the August 31 meeting.

President Williams invited public comment. There was none.

The Board authorized the purchase up to 18,000 acre-feet of imported water from the San Geronio Pass Water Agency (SGPWA) for delivery to the Beaumont-Cherry Valley Water District for Calendar Year 2023 by the following roll-call vote:

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

8. Request for Extension of Will Serve Letter for Proposed Single-Family Residence for Riverside County Assessor's Parcel No. (APN) 402-200-020 (a parcel within Parcel Map 37080) located on the corner of Lincoln Street and Jonathan Avenue (further identified as 40246 Lincoln Street) in the Community of Cherry Valley

Director of Engineering Mark Swanson described the project location and advised that part of Parcel Map 37080 has been divided and sold to this new property owner / applicant who is proposing a single-family unit.

The property is a corner lot and is subject to front footage fees for both sides, as facilities are in the ground and help facilitate the entire loop of the system for the District's grid, Swanson explained. Covington commented that this policy seems unfair to the property owner, who should have to pay only for the side from which service is taken. He recommended re-examining this policy at a later time. Jagers noted that the front footage fees are being updated and the Board will have this opportunity within the next couple of months.

The property received a Will Serve Letter (WSL) in 2016 as part of the Parcel Map, Swanson continued. The applicant is not changing the original intent and the project as conditioned did not have any extensions or upsizing components, but it is slated to be a 12-inch line. Service will be taken from Lincoln Street, he stated.

General Manager Jagers reminded the Board that this was the property subdivided by Mr. William Lattin who attended several Board meetings. Some updates of WSLs were done, and at about the time the last update was due the property was transferred, and staff believes the property owner just missed the opportunity to continue extension of the WSL update.

Director Slawson indicated that the application seems straightforward and said he appreciated Director Covington's identification of the front footage fees issue for discussion at a later time.

President Williams invited public comment. There was none.

The Board approved the request for extension of water service (Will Serve Letter) for a property located at Riverside County Assessor's Parcel No. (APN) 402-200-020 within the community of Cherry Valley, subject to payment of all fees to the District and securing all approvals from the County of Riverside by the following roll-call vote:

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

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

General Manager Jagers advised that COVID-19 case numbers are up and the District continues to roll through staff members who are contracting the virus. The District is in reasonably good shape despite impacts to the agency and is being cautious. He noted that school beginning this week will increase the potential for contact.

10. 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

Jagers reported that updates from the regional task force continue to be received when there are monsoonal events. He said he reached out to the Riverside County Flood Control and Water Conservation Agency General Manager Jason Uhley after the recent San Geronio Pass Regional Water Alliance meeting and asked him to review the Noble Channel south of Noble Street where it crosses north of Vineland to see if additional work is needed.

In response to Director Covington, Jagers noted there was no debris flow in Edgar Canyon last week. Director of Operations James Bean confirmed there were no issues, but there was flooding in channels above in Oak Glen. Water Canyon (Camp Comfort) had significant mud and debris flow, he added.

11. Consideration of Attendance at Upcoming Events and Authorization of Reimbursement and Per Diem

Dr. Kirene Manini reviewed the listed events. Directors indicated interest in the following events:

- Riverside County Water Task Force – Aug. 26 - Slawson
- Association of California Water Agencies Fall Conference Nov. 29 to Dec. 1 – Williams, Slawson (tentative)
- Urban Water Institute annual Water Conference – Aug. 24-26 – Williams canceled her reservation
- Beaumont Chamber of Commerce State of the City dinner on Sept. 22 – Covington, Williams, Slawson, and Hoffman (tentative)

12. Continued Review of California Drought Conditions, District Urban Water Management Plan and Water Shortage Contingency Plan, BCVWD Resolution 2022-12 Implementing Water Use Restrictions, and Other Drought Response

General Manager Jagers said there may be some activity in August with the Bureau of Reclamation based on information received last week. He noted that links in the staff report have been updated.

On September 20, 2022, Jagers said he will provide an update to the Riverside County Board of Supervisors.

13. Reports For Discussion

a. Ad Hoc Committees:

Communications Committee: President Williams confirmed the next meeting date on August 17.

Sites Reservoir Committee: No report.

Water Re-Use 2x2: Mr. Jagers reported that the Committee will meet on August 15. Director Hoffman drew attention to the previous meeting's discussion and asked if there were things to review in preparation for the next meeting. Mr. Jagers said no, but indicated he had prepared a draft water purchase agreement, updated construction schedule, and a draft Request for Proposal for a meeting facilitator. He said he has a meeting tomorrow with SGPWA GM Eckhart and City Manager Gibbs and may know more at that time. The City seems to be looking at options. Hoffman requested a briefing prior to the Aug. 15 meeting.

b. Directors' Reports:

Director Slawson reported attending the following:

- San Geronio Pass Water Agency on August 8
- San Geronio Pass Water Agency meeting regarding turf removal on August 9

- c. Directors' General Comments: None.
- d. General Manager's Report:

Mr. Jagers reported the following:

- At the Yucaipa Valley Water District Board meeting last week the GM recommended continued discussions on the Hisam Baqai property but the Board acted to move forward with preparing a Resolution to the Local Agency Formation Commission.
- The Grand Avenue MDP Line 16 project continues to move along at a slow pace. Staff has been monitoring contractor activity around a sensitive pipeline. Staff has responded to the complaints of a local resident and District 5 Supervisor's Legislative Assistant Mickey Valdivia was included in conversation.

- e. Legal Counsel Report: None.

14. Action List for Future Meetings:

- Presentation on the San Bernardino Valley Resource Conservation District
- Water supply for BCVWD and the region
- Matrix for delivery of recycled water
- Maintenance costs at 800-hp well sites

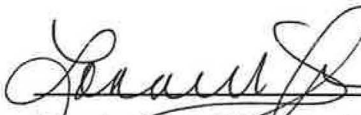
15. Announcements


President Williams read the following announcements:

- Personnel Committee Meeting: Tuesday, Aug. 16 at 5:30 p.m.
- Engineering Workshop: Wednesday, Aug. 31 at 6 p.m. (note change of date)
- Finance and Audit Committee Meeting: Thursday, Sept. 1 2022 at 3 p.m.
- District offices will be closed on Monday, Sept. 5 in observance of Labor Day
- Collaborative Agencies Committee: Wednesday, Sept. 7 at 5 p.m.
- Regular Board Meeting: Wednesday, Sept. 14 at 6 p.m.
- Note: September Engineering Workshop has been postponed to Sept. 29

16. Adjournment

President Williams adjourned the meeting at 8:21 p.m.


Director Lona Williams, President
to the Board of Directors of the
Beaumont-Cherry Valley Water District

ATTEST:

Director David Hoffman, Secretary
to the Board of Directors of the
Beaumont-Cherry Valley Water District