Beaumont Cherry Valley Water District
Agenda
MEETING OF THE BOARD OF DIRECTORS
Wednesday, August 22, 2007 – 7:00 P.M.
1210 Beaumont Avenue

BEAUMONT CHERRY VALLEY WATER DISTRICT

AGENDA
REGULAR MEETING OF THE BOARD OF DIRECTORS
WEDNESDAY, August 22, 2007 – 7:00PM
1210 Beaumont Avenue, Beaumont CA 92223

Assistance for the Disabled: If you are disabled in any way and need accommodation to participate in the meeting, please call Blanca Marin Administrative Assistant, at (951) 845-9581 Ext. 23 for assistance so the necessary arrangements can be made.

1. Call to Order, Pledge of Allegiance, Invocation and Roll Call – President Parks

2. Adoption and Adjustment of Agenda (additions and/or deletions)

   Recommendation: *Move to adopt the Agenda*

BALL	M	S	A	N
CHATIGNY	M	S	A	N
DOPP	M	S	A	N
LASH	M	S	A	N
PARKS	M	S	A	N

3. Presentation by District's Engineer, Joe Reichenberger Regarding the San Gorgonio Pass Agency Potential Increase in Table A Amount for 2008 and Potential Rate Impacts.

4. Presentation by Dennis Williams from Geoscience Regarding Niki Magee's Letter Report.

5. Closed Session

   a) Closed Session with Legal Counsel Pursuant to Government Code Section 54956.9 - Discussion and Possible Action Regarding Hal Hays vs. Beaumont Cherry Valley Water District- 1 Case Riverside County Superior Court No. RIC 468800

6. Staff Presentation Regarding Actual Replenishment vs. Estimates in the Urban Water Management Plan (Presentation by Joe Reichenberger)

7. Action Items

   a) Discussion and Possible Action Regarding Action by the Board to establish a Study Budget of $25,000 to Pursue U.S. Bureau of Reclamation Funding for Beaumont Basin Pollution Control Project (Presentation by Joe Reichenberger).

BALL	M	S	A	N
CHATIGNY	M	S	A	N
DOPP	M	S	A	N
LASH	M	S	A	N
PARKS	M	S	A	N

b) Vice-President Ball's Request dated May 30, 2007 Relative to Recharge Project Costs.

BALL	M	S	A	N
CHATIGNY	M	S	A	N
DOPP	M	S	A	N
LASH	M	S	A	N
PARKS	M	S	A	N

8. Public Input

Anyone wishing to address the Board on any item that is not set for public hearing, or any topic within the Board's jurisdiction that is not on the agenda, may do so at this time. This is not a time for Board Member comment or action, but the Board may ask questions for clarification or make a referral to staff for factual information to be reported back to the Board at a later meeting. When called upon, please step forward, state your name and address for the record, who you represent and any statement you wish to make. Presentations are limited to three minutes.

9. Adoption of Minutes

- Minutes of the Regular Meeting July 11th, 2007

BALL	M	S	A	N
CHATIGNY	M	S	A	N
DOPP	M	S	A	N
LASH	M	S	A	N
PARKS	M	S	A	N

- Minutes of the Special Meeting July 24th , 2007

BALL	M	S	A	N
CHATIGNY	M	S	A	N
DOPP	M	S	A	N
LASH	M	S	A	N
PARKS	M	S	A	N

10. General Manager's Report

a) Office Remodel

b) Vineland III Tank

c) Wells, 25,26 & 29

d) Letter Response to Cherry Valley Grace Brethren Church

11. Finance and Audit Committee Report

a) Approval and payment of vendor invoices for the month of July 2007.

BALL	M	S	A	N
CHATIGNY	M	S	A	N
DOPP	M	S	A	N
LASH	M	S	A	N
PARKS	M	S	A	N

b) Acceptance of July 2007 Financial Statement

BALL	M	S	A	N
CHATIGNY	M	S	A	N
DOPP	M	S	A	N
LASH	M	S	A	N
PARKS	M	S	A	N

12. Announcement.

a) The Regional Coordination Conference of Water Officials Serving Pass Area Communities, Thursday, September 20th from 7:30am to 9:00am.

a) Town Hall Meetings; August 23rd and August 30th at 7:00pm.

b) The District will be closed on Observance of Labor Day, September 3, 2007.

13. Adjournment.

Item 3

MEMORANDUM

August 13, 2007

To: Chuck Butcher
General Manager

From: J. C. Reichenberger
District Engineer

Subject: SGPWA Memorandum, Aug 6, 2007
Potential Increase in Table A Amount for 2008

Chuck, at your request, I reviewed the Pass Agency memo (from J. Davis to the Pass Agency Board) referenced above relative to a possible increase in the Table A amount for 2008.

Background

At the District's last Board Meeting, I made a presentation on the State Water Project status and the Pass Agency actions relative to imported water for recharge. As you know a large part of my presentation was based on two sources: Comments made by J. Davis to the Watermaster Board and to me personally and the Report put out annually by the Department of Water Resources on the management of the State Water Project. In that presentation I raised a question about why the Pass Agency did not ask for their full Table A (17,300 acre-ft) now that the financial commitment has been made with San Bernardino Municipal Water District (Muni). I believed this was particularly important since the State Water Project Contractors were cut back this year and there is uncertainty about next year. We need to "bank" as much water as possible to be ready for 2014 when the management "surplus" ends.

The Pass Agency has responded in the August 6 memo referenced above.

Summary of the Memo

- The memo states the existing infrastructure will allow the Pass Agency to pump a maximum of 13,000 acre-ft per year into their service area. This is based on all 3 pumps in the Cherry Valley Pump Station pumping 16 hours per day and 8 hours per day on weekends and holidays. It also assumes one day off per month for maintenance.
- The Pass Agency's plan through 2011 envisioned gradually increasing the amounts of Table A water from 8650 acre-ft currently to 12,000 in 2008, 14,000 in 2009, 16,000 in 2010 and 17,300 in 2011. This was done, according to the memo, to parallel the gradually increasing tax revenues.
- The Pass Agency memo states that a number of conditions have changed and that Pass Agency staff recommends increasing the Table A in 2008 to the full 17,300 acre-ft.
- The Pass Agency memo states that if there are "wet years" in the future, and the Agency were able to get full Table A, they would not be able to pump that into the service area due to the restriction of 13,000 acre-ft per year in the existing infrastructure.

- If the Pass Agency Board decides to take such action (raise the ordered Table A from 12,000 to 17,300 acre-ft), it would have to decide how to pay for the additional $1.6 million in costs associated with the increase in the Table A amount.
- The memo states that the increased costs could be paid for by either ad valorem tax or through water sales by increasing the rate charged to the Pass Agency's customers.
- If paid for through ad valorem taxes and the Pass Board maintains the current $0.17 tax rate, the Pass Agency will dip into its debt service reserves by approximately $1.4 million.
- The memo states that staff would recommend a water rate that is $46 per acre-ft more then the $204 or $211 per acre-ft currently charged – a 23% increase.

BCVWD Comments

1. BCVWD commends the Pass Agency for considering an increase in Table A to 17,300 acre-ft in 2008. This is essential, since we were cut back in 2007 and we will need to "catch up" from previous years and build up our "storage account."
2. We believe that it is possible to pump more than 13,000 acre-ft per year, by adding another shift of operators during the week. BCVWD recognizes this would be additional cost and if the Pass Agency were able to get full Table A as a result of a wet year, it would be my recommendation that the additional costs be passed on to those customers that want the water. It is my belief that the BCVWD needs to get as much water into the storage account as possible by 2014.

Review of the Rate Calculations

Reference is made to "page 74, revised, replacement page" in the August 6 memo and the backup tables in the memo. There is a comparison between 12,000 acre-ft and 17,300 acre-ft Table A amounts and the costs are based on a 65% allocation – same as this year. This results in an actual delivery of 7,800 and 11,245 acre-ft respectively.

1. The Fixed DWR costs are different depending on the Table A amount. I don't understand this. Fixed costs are based on full Table A regardless of the amount ordered. But in the comparison of the two amounts, there is not much difference. I do believe that the two figures should be the same however.
2. The tax revenue is based on $0.17 per $100 of assessed valuation – the current Pass Agency tax rate and assumes a 10% delinquency rate. I believe the delinquency rate is high; furthermore some of this delinquent tax is eventually paid and becomes "revenue windfall." This is not included in the calculations.
3. The analysis shows Revenue less Expenses of $1.124 million and $0.605 million for 12,000 acre-ft and 17,300 acre-ft respectively. In other words, even with the conservative assumptions, revenues exceed expenses. This means that those respective amounts, $1.124 million and $0.605 million, would go into reserves or somewhere.

4. The calculations fail to include the revenue generated from water sales. The current rate is $204 per acre-ft or $211 per acre-ft depending on where the water is delivered. If the water sales are included, the additional revenue generated is $2.3 million for the 17,300 acre-ft option (11,245 acre-ft actually delivered because of the reduced allocation assumed) and $1.6 million for the 12,000 acre-ft option (7,800 acre-ft actually delivered)
5. If these respective revenues are added to figures in "3" above, the resulting "surplus" amounts are $2.9 million for the 17,300 acre-ft option and $2.7 million for the 12,000 acre-ft option. The conclusion is that more total revenue will be generated with 17,300 acre-ft order versus the 12,000 acre-ft order. So based on economics alone, full Table A of 17,300 acre-ft should be ordered.
6. The water sales revenue and the current tax rate combine to generate a $2.7 to $2.9 million excess. According to the last audit (September 2006), the Agency's general operating expenses (salaries, benefits, director fees, depreciation, etc) was $1.8 million. They also had $0.4 million in interest revenue to offset some of these expenses. Based on this, BCVWD does not understand why a rate increase is needed just to go from 12,000 to 17,300 acre-ft Table A order.

MEMORANDUM

TO: Board of Directors

FROM: General Manager

RE: Potential Increase in Table A Amount for 2008

DATE: August 6, 2007

Summary
Until the East Branch Extension, Phase 2 (EBX 2) is completed in 2011 or 2012, the Agency will have to meet our customers' needs with existing infrastructure, plus spare pumps scheduled for installation at Greenspot, Crafton Hills, and Cherry Valley Pump Stations this Fall. This existing infrastructure, including the spare pumps, will allow the Agency to pump a maximum of approximately 13,000 acre-feet per year to deliver to our service area.

In July 2006, I developed a plan to meet our customers' needs through 2011 using Table A water, Article 21 water, and water purchased from the San Bernardino Valley Municipal Water District. We are currently negotiating an agreement to purchase such water from Muni.

The plan included gradually increasing amounts of Table A water, to accompany our gradually increasing tax revenues, and was based on supply and demand projections made in the 2006 Report on Water Supply Conditions in the San Gorgonio Pass Region (LAFCO letter).

Since I began implementation of the plan in July of last year, a number of conditions have changed. Because of these changed conditions, I believe it is prudent to consider revising the plan by increasing our Table A allocation to 17,300 acre-feet in 2008, instead of waiting until 2012 to do so. If the Board wishes to take such an action, it would have to decide how to pay for the additional $1.6 million in costs that would be associated with increasing our Table A amount next year.

The increased costs could be paid for through our ad valorem tax rate or through water sales, by increasing the rate charged to our customers. If the increased costs are paid for through the tax rate, and if the Board keeps the same 0.17 tax rate as this year, the Agency will dip into its debt service reserves by approximately $1.4 million.

Details

Table 1 shows the current plan for meeting retailers' demands through 2011. The water supply and demand numbers in the table are based on Table 7 of the LAFCO letter (included as an appendix to this report). This table indicates that the Agency plans to use Table A water, Article 21 water, and water purchased from Muni to meet demands over the next four years. Assuming the Agency can get a reasonable amount of Article 21 water and water from Muni, the demands shown in the LAFCO letter should be able to be met, except in the case of an extremely dry year.

Table 1 shows a range of supply numbers, from a low of 50% of the Table A water (a 50% allocation year) and no Article 21 water or water from Muni, ranging up to a high of 100% of allocation plus 2000 acre-feet of Article 21 water and 5000 acre-feet of water from Muni. These numbers increase to 24,000 acre-feet in 2011.

The Table also indicates that the most water that the Agency can pump after installation of the spare pumps is approximately 13,000 acre-feet per year. This assumes all three pumps in Cherry Valley Pump Station pumping 16 hours per work day, eight hours on weekends and holidays, and one day off per month for scheduled maintenance. This is an exceptionally aggressive assumption; the actual amount of water pumped could be much less.

Since I developed this plan, a number of conditions have changed:

- The numbers in Table 7 showing the SWP water demands are wrong; they add up to less than the demand numbers in Tables 2,3, and 6 of the LAFCO letter.
- Recent issues in the Delta could cause exports to be reduced for the next several years due to steep declines in the Delta Smelt population. This could cause, say, a 70% allocation year to be reduced to a 50% year.
- Demands in Calimesa and Beaumont are increasing faster than projected in the LAFCO letter.
- The availability of recycled water is much less than projected in the LAFCO letter, thus decreasing overall water supplies and increasing the need for SWP water.
- Retailers appear to be ordering more water than they need to meet current demands in order to increase their storage accounts in the Beaumont Basin. This was not projected in the LAFCO letter.

Table 2 presents revised demand numbers, and represents total water demands on SWP water that are equal to the sum of demands for the Yucaipa Valley Water District, the Beaumont Cherry Valley Water District, and the City of Banning. This table shows that, with increased demands and major recycled water projects not coming on line for several more years, the chances of meeting projected demands under the current plan will be less.

If several of the next four years (2008-2011) are wet, say 80% or more allocation, the Agency should be easily able to meet those demands under the current plan. If one or more of the next four years are very dry (allocation of less than 50%), the Agency may have a difficult time meeting the projected needs in those years unless a lot of Muni water or Article 21 water were available.

In order to increase the possibility of meeting retailers' demands over the next four years, the Agency could increase its Table A amount to 17,300 starting in 2008 instead of waiting until 2012, when EBX 2 is expected to go online. If the Agency were to do this, and several of the next four years are wet, we would be paying for capacity that we could not use, since we can only pump approximately 13,000 acre-feet in a year. However, if several of the next four years are very dry, the Agency would be able to get more water and pump it into our service area for our customers.

Fiscal Impact

Increasing our Table A amount to 17,300 starting next year instead of gradually ramping up to that number in 2012 would cost the Agency more money in fixed and variable costs. Table 3 shows what the impact would be in 2008. This table assumes that we would get 65% of the Table A amount that we order, including Table A water, Article 21 water, and Muni water. If that amount were greater or less, both columns would change proportionally, and the total difference would not change a lot. The minimum difference, if no water were purchased, would be small. This cost is due to the fixed costs associated with increasing our allocation.

If the Board were to vote to increase our Table A amount next year, thus incurring the additional expense of approximately $520,000, the Agency could pay for it in one of two ways. First, the Board could pay for it out of our ad valorem tax rate. This would mean increased costs of approximately $520,000 but we would still be able to add to our reserves at our current tax rate.

Second, the Board could increase the water rate for water sales after January 1, 2008, to a rate that would augment the general fund by approximately $520,000. This would enable the Agency to increase our Table A amount, thus increasing reliability for our customers, while maintaining the same tax rate and not impacting our debt service reserves. This would be the first time that the Agency has ever budgeted to pay for debt service costs from general fund revenues. If the Board were to take this action, staff would bring a recommended water rate to the Board in the near future that would go into effect in January 2008. This would be approximately $46 higher than the current rate of $204 upstream of Cherry Valley Pump Station and $211 downstream of Cherry Valley Pump Station, or an increase of about 23%.

We cannot predict what will happen over the next four years, either hydrologically or politically. While some meteorologists are saying that 2008 will likely be a dry year, no one can say for sure if this will be true, or what will happen in the next three years. Likewise, we cannot predict what will happen in the Delta, though we would be wise to assume that exports will likely decrease in the next few years.

The Agency needs to be flexible to meet changing conditions. The five changed conditions mentioned above justify a revision in the plans made a year ago in order to best meet the increasing water demands in our service area. **I recommend that the Board increase our Table A contract amount to 17,300 starting in 2008.**

Regarding funding, the Board has a number of options as mentioned above. Both options presented above are feasible. The first alternative, using our tax rate to pay for the increased costs, would mean that our debt service reserves would increase less next year by approximately $520,000.

The second alternative requires those who purchase the water and directly benefit from it to pay for the increased reliability of increasing the Table A amount. This increase would likely mean that future increases would be smaller, as the impact of increased costs will be greater in 2008 than in subsequent years (increasing Table A from 12,000 to 17,300 is a 44% increase, while in 2009 the increase from 14,000 to 17,300 would be only a 24% increase, and this would likely be spread over more acre-feet sold). Based on estimates of the water that the Agency would sell in 2008, the rate increase would be approximately $46 per acre-foot (this would be in addition to our existing rate of $204 upstream of Cherry Valley Pump Station and $211 downstream of Cherry Valley Pump Station). This would be an increase of approximately 23%. This does not take into consideration additional costs imposed by Muni for use of its capacity in the EBX. Those costs are unknown at this time, as we have not yet completed negotiations on an agreement.

Table 1

	2005	2006	2007	2008	2009	2010	2011
Total Demands (per Table 7)	23,200	27,700	31,700	35,500	39,600	45,200	47,800
SWP Water Req'd (per Table 7)	700	4500	6000	6000	6000	6000	14,000
Planned SGPWA Supplies							
SGPWA Table A Contract	6500	7000	8650	12,000	14,000	16,000	17,300
Possible Article 21	0	0	0-2000	0-2000	0-2000	0-2000	0-2000
Possible Muni water	0	0	0	0-5000	0-5000	0-5000	0-5000
Total (50%-100%)	3250-6500	3500-7000	5190 (60%)	6,000-19,000	7,000-21,000	8,000-23,000	8,650-24,300
Max Pumping Capacity	8650	8650	8650	13,000	13,000	13,000	13,000

Table 2

	2007	2008	2009	2010	2011
Total Demands	31,700	35,500	39,600	45,200	47,800
Total SWP Water (Per table)	6000	6000	6000	6000	14,000
SWP Water (Corrected)	6151	6938	8601	10492	11,242
BCVWD SWP Water	4000	4200	5000	6000	6500
Banning SWP Water	1600	2400	3200	4000	4000
YVWD SWP Water	551	338	401	492	742
Total Recycled	3479	5148	6220	7734	8398
BCVWD Recycled	2879	3910	4619	5770	6290
Proposed SGPWA Supplies					
SGPWA Table A Contract	8650	12,000	14,000	16,000	17,300
Possible Article 21	0	0-2000	0-2000	0-2000	0-2000
Possible Muni water	0	0-5000	0-5000	0-5000	0-5000
Total (50%-100%)	5190 (60%)	6,000-19,000	7,000-21,000	8,000-23,000	8,650-24,300
Max Pumping Capacity	8650	13,000	13,000	13,000	13,000
	0				

Table 3

		12,000 AF	17,300 AF
	Fixed DWR costs	$ 8,096,010	$ 8,270,689
	Water purchases*	$ 1,140,000	$ 1,484,400
	Related costs	$ 269,500	$ 269,500
		$ 9,505,510	$ 10,024,589
	Difference		**$ 519,079**
	*Assumes 7800 AF purchased for 12,000 AF ordered,		
	11,245 AF purchased for 17,300 ordered (65%).		
		Property Tax Revenue at $0.17	
		10,630,436	
		Expenses at 12,000	**Expenses at 17,300**
		$ 9,505,510	$ 10,024,589
	Difference	1,124,926	605,847

Table 3

		12,000 AF	17,300 AF
	Fixed DWR costs	$ 8,096,010	$ 8,270,590
	Related costs	$ 269,500	$ 269,500
	Water purchases*	$ 1,140,000	$ 1,484,400
		$ 9,505,510	$ 10,024,490
	Difference		**$ 518,980**
	*Assumes 7800 AF purchased for 12,000 AF ordered, 11,245 AF purchased for 17,300 ordered (65%).		
		Property Tax Revenue at $0.17	
		11,221,996	
		Expenses at 12,000	**Expenses at 17,300**
		$ 9,505,510	$ 10,024,490
	Difference	1,716,486	1,197,506

RESOLUTION NO. 2007-13

RESOLUTION OF THE BOARD OF DIRECTORS OF SAN GORGONIO PASS WATER AGENCY DETERMINING THE AMOUNT OF MONEY NEEDED TO MAKE ANNUAL PAYMENT FOR THE INTEREST AND PRINCIPAL ON GENERAL OBLIGATION BONDS FOR OTHER INDEBTEDNESS APPROVED BY THE VOTERS PRIOR TO JULY 1, 1978, AND/OR FOR WHICH A TAX LEVY IS REQUIRED UNDER ARTICLE 1, SECTION 10 OF THE UNITED STATES CONSTITUTION AND MAKING A TAX LEVY THEREOF.

WHEREAS, the Attorney General of the State of California has ruled in his opinion No. CV 78/90 that property taxes levied by local water districts necessary to provide for payments to the state under the state water supply contract fall within Section 1 (b) of Article XIIIA of the California Constitution: now therefore,

BE IT RESOLVED by the Board of Directors of the San Gorgonio Pass Water Agency, as follows:

1. That said Board of Directors has determined that the amount of money needed to make annual payment during the fiscal year beginning July 1, 2007, and ending June 30, 2008. for the interest and principal on general obligation bonds and other indebtedness approved by the voters prior to July 1, 1978, and/or required by Article 1, Section 10 of the United States Constitution is **$ 10,024,490.00** for payments on the Contract between the State of California Department of Water Resources and San Gorgonio Pass Water Agency for a water supply dated November 16, 1962, and hereby fixesthe rate of tax which will raise the amount of money required by said Agency at the following amounts per hundred dollars of assessed valuation of taxable property within said Agency:

   $ 0.17 State Water Contract

2. That the Board of Directors of San Gorgonio Pass Water Agency does hereby certify the rate so fixed, and as herein before set forth, to the Board of Supervisors of the County of Riverside, State of California. and to the County Auditor of said County.

3. That pursuant to California Water Code - Appendix Section 101-27 the determination of the amount necessary to be raised by taxation for such purpose during the fiscal year and the order fixing the rate of tax made herein shall constitute a valid assessment of the property within the Agency and a valid levy of the taxes so fixed. Said levy is permitted by California Revenue and Taxation Code Section 93 and/or required by Article 1, Section 10 of the United States Constitution.

4. That a certified copy of this resolution be transmitted to the County Auditor of said County, and that when so transmitted, said certified copy shall constitute the certification required in Section 101-27 of the California Water Code - Appendix.

5. That funds received by the San Gorgonio Pass Water Agency pursuant to the aforesaid tax levy shall be placed in a separate fund identified for such indebtedness set forth above and shall be disbursed only for lawful payments on such indebtedness.

Said Resolution was adopted by roll call vote as follows:

AYES:
NOES:
ABSTAIN:
ABSENT:

I certify that the foregoing is a true and correct copy of Resolution #2007-13, adopted by the Board of Directors of San Gorgonio Pass Water Agency at its regular meeting held on August 6, 2007.

_____

Jeffrey W. Davis, Secretary to the Board

SAN GORGONIO PASS WATER AGENCY
DEBT SERVICE EXPENSE REQUIREMENTS
FOR THE FISCAL YEAR 2007-08

****DRAFT****

For Board Approval

DEPARTMENT OF WATER RESOURCES - STATEMENT OF CHARGES

INVOICE NUMBER	FOR THE PERIOD JUL - DEC 07	FOR THE PERIOD JAN - JUN 08
06-022-T - ATTACHMENT 1	975,423	1,357,599
06-005-DCC - ATTACHMENT 1A	83,679	90,214
06-002-X - ATTACHMENT 1-5	3,436,983	2,040,069
INVOICE 06-012-TAB - ATTACHMENT 1-6	946	950
DWR FIXED CHARGES	4,497,031	3,488,832
BASED ON 17,300 AF DELIVERY		7,985,863
ESTIMATED DWR ADJUSTMENT		700,000
VARIABLE O.M.P.R. COMPONENT		
1,800 AF FOR 07, 5,622 AF FOR 08 11,245 AF Actual Water Delivered	360,000	1,124,400
		1,484,400
OFF-AQUEDUCT FACILITY CHARGE		
1,800 AF FOR 07, 5,622 AF FOR 08 11,245 AF Actual Water Delivered	308,592	676,234
		984,826
TOTAL DIRECT DWR CHARGES		11,155,089
LESS: ESTIMATE DWR REFUNDS RECEIVED		
BOND COVER REFUNDS		(1,000,000)
DWR ~ ALLOCATION OF INTEREST EARNINGS		(400,000)
		9,755,089
ADDITIONAL EXPENSES PAID ON BEHALF OF DWR		
SGPWA ADMINISTRATIVE FEE		55,000
U.S.G.S CONTRACT:		95,000
UTILITIES PAID ON BEHALF OF DWR		5,000
P & D MITIGATION MONITORING		2,500
STATE WATER CONTRACT AUDIT		5,000
SWC CONTRACTOR DUES		17,000
CONTRACT OPERATIONS AND MAINTENANCE		60,000
TAX COLLECTION CHARGES		30,000
TOTAL ESTIMATED DEBT SERVICE EXPENSES FOR FY 07-08		**10,024,589**

12,000

17,300

SAN GORGONIO PASS WATER AGENCY		
DEBT SERVICE EXPENSE REQUIREMENTS		
FOR THE FISCAL YEAR 2007-08		
DRAFT		
For Board Approval		
PROPERTY TAX REVENUE		
	ASSESSED VALUES	
UNSECURED TAX ASSESSED VALUES	341,858,866	
PRIOR YEAR SECURED RATE: 0.170		
X TAX RATE	581,160	
LESS 10.0 % DELINQUENCY RATE	X 90.0%	523,044
SBE - UNITARY TAXES - 8% INCREASE OVER PRIOR YEAR		950,365
	ASSESSED VALUES	
SECURED TAX ASSESSED VALUES	7,126,783,136	
LESS: RDA INCREMENT	(1,141,798,013)	
NET ASSESSED VALUES	5,984,985,123	
PRIOR YEAR SECURED RATE: 0.170		
X TAX RATE	10,174,475	
LESS 10.0 % DELINQUENCY RATE	X 90.0%	9,157,027
TOTAL ESTIMATED TAX REVENUE FY 07-08		**10,630,436**
TOTAL ESTIMATED NET REVENUE FY 07-08		**605,847**

SAN GORGONIO PASS WATER AGENCY
DEBT SERVICE EXPENSE REQUIREMENTS
FOR THE FISCAL YEAR 2007-08

DRAFT

For Board Approval

DEPARTMENT OF WATER RESOURCES - STATEMENT OF CHARGES

INVOICE NUMBER	FOR THE PERIOD JUL - DEC 07	FOR THE PERIOD JAN - JUN 08
06-022-T - ATTACHMENT 1	975,423	1,283,808
06-005-DCC - ATTACHMENT 1A	83,679	90,214
06-002-X - ATTACHMENT 1-5	3,436,983	2,040,069
INVOICE 06-012-TAB - ATTACHMENT 1-6	946	950
DWR FIXED CHARGES	4,497,031	3,415,041
BASED ON 12,000 AF DELIVERY		7,912,072
ESTIMATED DWR ADJUSTMENT		700,000
VARIABLE O.M.P.R. COMPONENT		
1,800 AF FOR 07, 3,400 AF FOR 08 7,800 AF Actual Water Delivered	360,000	780,000
		1,140,000
OFF-AQUEDUCT FACILITY CHARGE		
1,800 AF FOR 07, 3,400 AF FOR 08 7,800 AF Actual Water Delivered	308,592	575,346
		883,938
TOTAL DIRECT DWR CHARGES		10,636,010
LESS: ESTIMATE DWR REFUNDS RECEIVED		
BOND COVER REFUNDS		(1,000,000)
DWR ~ ALLOCATION OF INTEREST EARNINGS		(400,000)
		9,236,010
ADDITIONAL EXPENSES PAID ON BEHALF OF DWR		
SGPWA ADMINISTRATIVE FEE		55,000
U.S.G.S CONTRACT:		95,000
UTILITIES PAID ON BEHALF OF DWR		5,000
P & D MITIGATION MONITORING		2,500
STATE WATER CONTRACT AUDIT		5,000
SWC CONTRACTOR DUES		17,000
CONTRACT OPERATIONS AND MAINTENANCE		60,000
TAX COLLECTION CHARGES		30,000
TOTAL ESTIMATED DEBT SERVICE EXPENSES FOR FY 07-08		**9,505,510**

SAN GORGONIO PASS WATER AGENCY
DEBT SERVICE EXPENSE REQUIREMENTS
FOR THE FISCAL YEAR 2007-08

****DRAFT****

For Board Approval

DEPARTMENT OF WATER RESOURCES - STATEMENT OF CHARGES

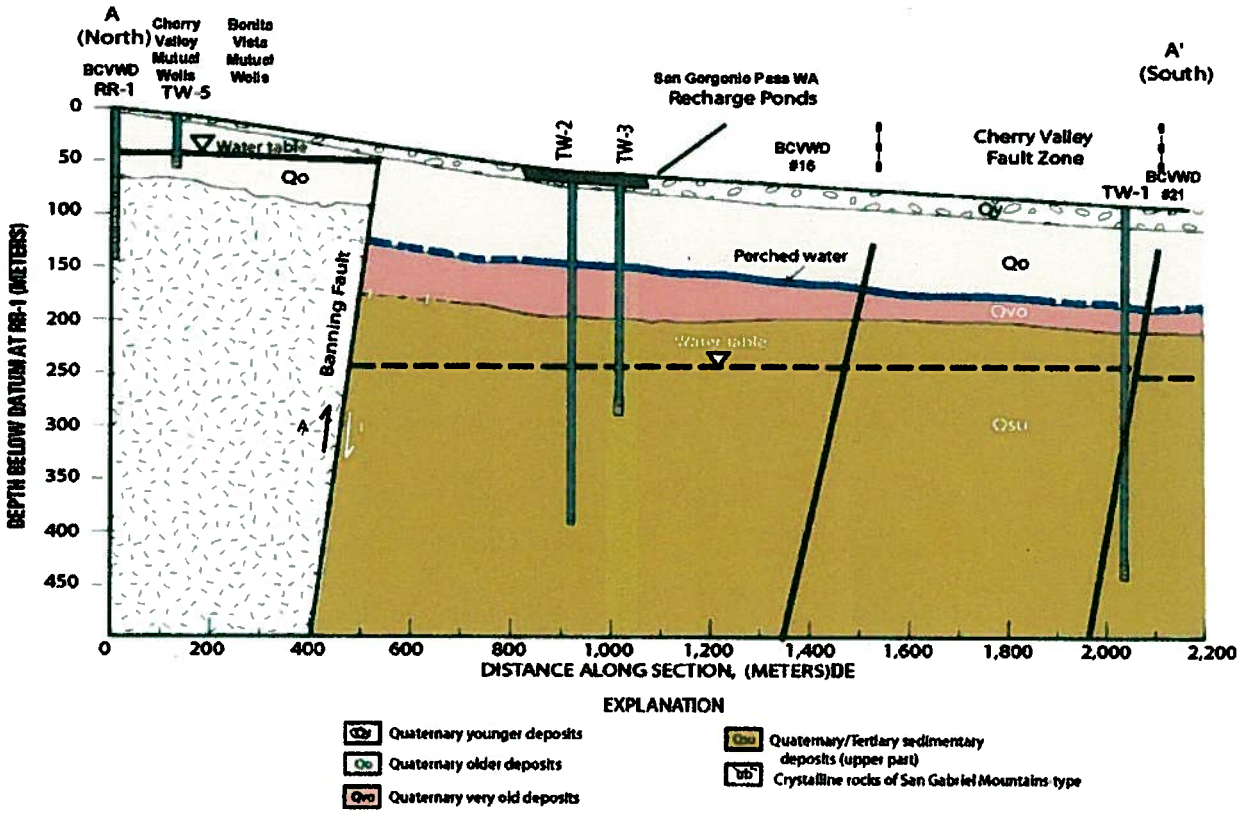
PROPERTY TAX REVENUE		
	ASSESSED VALUES	
UNSECURED TAX ASSESSED VALUES	341,858,866	
PRIOR YEAR SECURED RATE: 0.170		
X TAX RATE	581,160	
LESS 10.0 % DELINQUENCY RATE	X 90.0%	523,044
SBE - UNITARY TAXES - 8% INCREASE OVER PRIOR YEAR		950,365
	ASSESSED VALUES	
SECURED TAX ASSESSED VALUES	7,126,783,136	
LESS: RDA INCREMENT	(1,141,798,013)	
NET ASSESSED VALUES	5,984,985,123	
PRIOR YEAR SECURED RATE: 0.170		
X TAX RATE	10,174,475	
LESS 10.0 % DELINQUENCY RATE	X 90.0%	9,157,027
TOTAL ESTIMATED TAX REVENUE FY 07-08		**10,630,436**
TOTAL ESTIMATED NET REVENUE FY 07-08		**1,124,926**

Item 4

SUBJECT: **Introduction and Adoption of Ordinance No. 871, an Ordinance of the County of Riverside Prohibiting the Installation of Specified Septic Tank Systems in Cherry Valley**

There is no action pending by the Santa Ana Regional Quality Control Board simply because there is no problem with the groundwater in Cherry Valley.

"The Role of the Unsaturated Zone in Artificial Recharge at San Gorgonio Pass, California" (attached) by Flint and Ellett, Water Resources Division, USGS, was published in August, 2004, in the Vadose Zone Journal. The following slice created from tested core samples has been edited:



Wells BCVWD RR-1, Bonita Vista Mutual and Cherry Valley Mutual were shut down due to high nitrate levels and equipment failure. They are not part of the Beaumont Basin and "the (Banning) fault is a barrier to groundwater flow" to that basin.

The report describes a perched water layer above a low-permeability layer. "Data from other boreholes in this area indicate that this perched layer is areally extensive." BCVWD has approximately 27 wells, most are old and shallow; and, only three are capable of reaching the water table. BCVWD persists in testing, pumping from, and recharging to the perching layer. Only the perching layer could be degraded by septic systems.

A simple, universal solution for perching layers is to drill boreholes through the impermeable layer and allow the perched water to pass through the unsaturated zone where the nitrates are filtered out. This solution is certainly more cost effective than $35,000,000 to sewer Cherry Valley.

Niki Magee
38455 Vineland St
Cherry Valley

The Role of the Unsaturated Zone in Artificial Recharge at San Gorgonio Pass, California

Alan L. Flint* and Kevin M. Ellett

ABSTRACT

The hydrogeology of the unsaturated zone plays a critical role in determining the suitability of a site for artificial recharge. Optimally, a suitable site has highly permeable soils, a capacity for horizontal flow at the aquifer boundary, a lack of impeding layers, and a thick unsaturated zone. The suitability of a site is often determined by field and laboratory measurements of soil properties, field experiments, and numerical modeling. An artificial recharge site in the San Gorgonio Pass area in southern California, USA was studied to better understand the role of the unsaturated zone in artificial recharge by surface spreading. Field measurements and observations were used to characterize the site and to develop a conceptual model of the unsaturated zone. A numerical model was developed based on the conceptual model and calibrated using data from a 50-d artificial recharge experiment conducted in 1991 and borehole data collected between 1997 and 2002. Results indicate that an impeding layer exists 70 m below land surface that will cause lateral diversion of artificially recharged water, which would spread out and delay recharge to the water table 185 m below land surface.

ARTIFICIAL RECHARGE using water from the California State Water Project by surface spreading is being considered in the San Gorgonio Pass area of southern California, which is about 137 km east of Los Angeles (Fig. 1). Artificially recharged water must first move through a thick unsaturated zone (≈185 m) before it reaches the underlying regional groundwater system. The suitability of an artificial recharge site is best determined by field and laboratory measurements of soil properties, field experiments, and numerical modeling.

The hydrologic properties of an unsaturated zone, such as porosity, permeability, and water retention characteristics, help determine the suitability of a particular site for artificial recharge. Optimally, areas used for artificial recharge should have highly permeable soils, the capacity for horizontal movement of water in the unsaturated zone and in the receiving aquifer, a lack of impeding layers, and a thick unsaturated zone. Under optimal conditions, water should reach the top of the saturated zone and spread laterally rather than building up a column of water toward the surface, which could greatly reduce recharge (Freeze and Cherry, 1979, p. 367–370). The available storage volume can also be reduced if recharged water is held tightly in the soil or if it drains slowly. For the most part, the unsaturated zone provides the underground storage space for recharge, although the amount of storage is dependent on the natural recharge occurring at the site. The greater the natural recharge at a site, the greater the pore space that is occupied by antecedent water moving through the unsaturated zone, which results in a smaller amount of available space for the artificially recharged water.

We present the methods and the field and laboratory data used to characterize the unsaturated zone beneath the Little San Gorgonio Creek spreading basins in San Gorgonio Pass. We will also present a conceptual and numerical model of the unsaturated zone that incorporates field and laboratory data collected at the site. The numerical model has been developed using TOUGH2, an integrated finite-difference numerical code (Pruess et al., 1999). The model will be used to help analyze the data collected at the site and to evaluate future artificial recharge at the site.

SITE ANALYSIS

The hydrogeology of the area has been described in previous studies by Bloyd (1971) and Boyle Engineering Corporation (1990, 1992, 1993a, 1993b). In 1991, the San Gorgonio Pass Water Agency (SGPWA) evaluated the feasibility of artificial recharge at the Little San Gorgonio Creek spreading basins (Fig. 1, inset) (Boyle Engineering Corporation, 1992; Shaikh et al., 1995). In 1997, the USGS, in cooperation with the SGPWA, began a study to evaluate the suitability of the unsaturated zone for artificial recharge at the spreading basins and to develop models of the unsaturated and the saturated zones of the San Gorgonio Pass area. Although well-defined guidelines are available for developing recharge spreading basins (Environmental and Water Resources Institute, 2001), spreading basins at this site were established in the 1960s before full analysis of subsurface hydrogeologic conditions and properties. Hydrogeologic data are essential in siting recharge spreading basins, particularly in alluvial basins where soils are highly stratified and contain continuous and discontinuous clay layers interbedded with sands and gravels (Flanigan et al., 1995).

The alluvial deposits that comprise the unsaturated zone underlying the spreading basins include younger surficial deposits (Qy), older surficial deposits (Qo), very old surficial deposits (Qvo), and the upper member of the San Timoteo beds (Qsu) (Fig. 2). In general, the surficial sedimentary materials (Qy, Qo, and Qvo) within the study area consist of interlayered sand and gravel deposits, with intermittent layers of clay, silt, and fine sand that become more compacted with depth. Unit Qsu consists of sand and gravel layers that are locally cemented into beds of sandstone and conglomerate.

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Abbreviations: SGPWA, San Gorgonio Pass Water Agency.

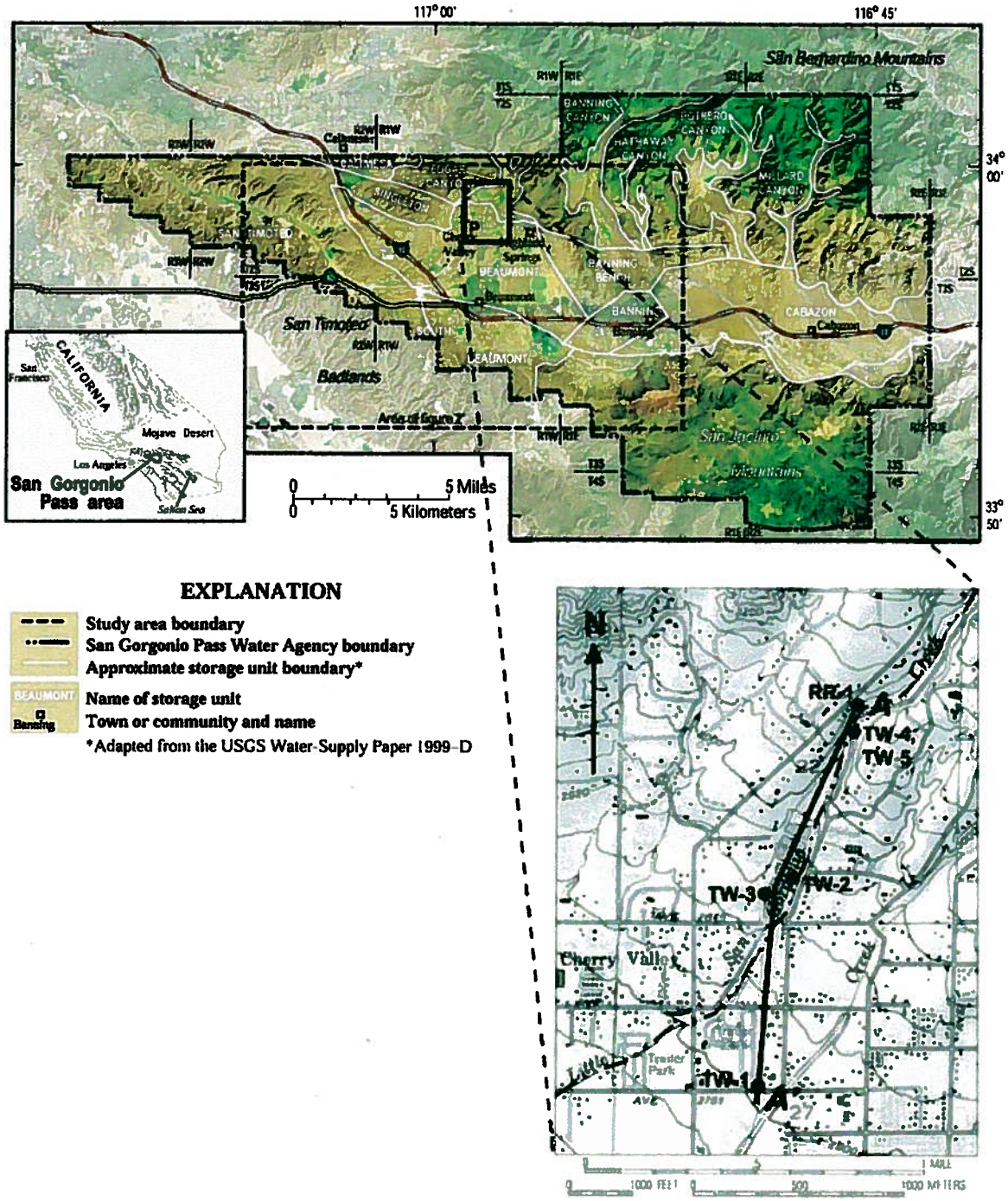

Fig. 1. Landsat image of the San Gorgonio Pass Water Agency boundary area. Delineations of ground water storage units are defined by Bloyd (1971). The area proposed for artificial recharge (shown in inset) lies along the northern boundary of the Beaumont storage unit near Edgar Canyon.

As part of the USGS evaluation, several test wells were constructed in the unsaturated zone near the spreading basins and instrumented with deep tensiometers, heat-dissipation matric-potential sensors, temperature sensors, and suction-cup lysimeters (Ellett, 2002). Core samples and drill cuttings collected during the drilling of the test wells were analyzed in the USGS laboratory, in Sacramento, CA to determine particle-size distribution, water content, permeability, and lithology (Ellett, 2002). An interpretation of these data indicates that there are several alternating high- and low-permeability layers between the ground surface and the water table (≈185 m deep). A perched water table is present above a low-permeability layer present at the contact between

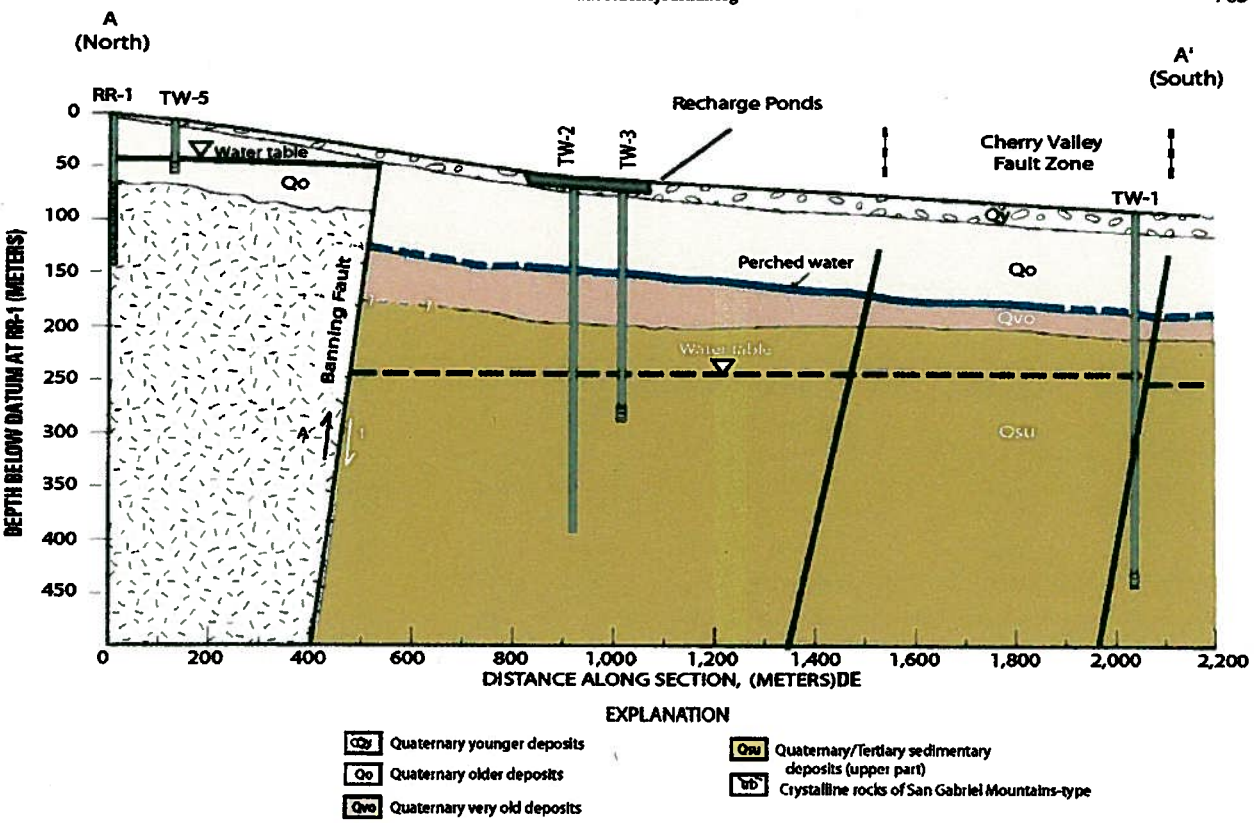

Fig. 2. Conceptual cross section of the layered stratigraphy, a fault, and the relative location of the cross-section (A–A', Fig. 1) and near-surface recharge ponds to features of the San Gorgonio Pass area, California.

geologic units Qo and Qvo, at about 70 m below land surface (Fig. 2). Data from other boreholes in the area indicate that this perched layer is areally extensive.

The combination of lithologic and geophysical logs from boreholes, surface-seismic reflection and refraction profiles, gravity measurements, and surface-resistivity measurements (Catchings et al., 1999; Christensen, 2000; Ellett, 2002) were used to develop a conceptual model of the layering and faulting in the area (Fig. 2). The Banning Fault forms the northern boundary of the study area, where it juxtaposes crystalline rocks against late Cenozoic sedimentary deposits. Water levels on the north side of the fault are more than 200 m higher than water levels on the south side of the fault, indicating that the fault is a barrier to groundwater flow (Fig. 2). Numerous faults were identified on the seismic profiles north of TW-1 (Catchings et al., 1999). These interpreted faults cumulatively offset the sedimentary deposits by as much as 50 m, with up-on-the-north displacement. For the purposes of this report, these faults are referred to as the Cherry Valley Fault zone. Water levels in Well TW-1 on the south side of the fault zone are about 10 m lower than water levels on the north side of the fault zone, indicating that the fault zone is a partial barrier to groundwater flow.

NUMERICAL MODELING

Model Development

The conceptual model of the unsaturated zone at San Gorgonio Pass was used to develop a numerical model to further analyze existing data, to help confirm the conceptual model, and to evaluate future artificial recharge at the site. TOUGH2, an integrated finite-difference numerical code (Pruess et al., 1999), was used to develop the three-dimensional numerical model using the equation of state module EWASG (Battistelli et al., 1997). This code simulates the flow of heat, air, water, and dissolved component (defined here to be NO_3 associated with septic tank leach fields in the area) in three dimensions under saturated and unsaturated conditions. The geometry of the site requires a three-dimensional model because of downdip migration of recharged water through the alluvial deposits (north to south), as well as lateral flow of natural recharge (generally east to west) from the nearby stream. The modeling domain is approximately 2.5 km (east to west) by 1.3 km by 185 m deep and contains more than 50 000 grid elements. Vertically the model was divided into seven layers (Table 1). Layer 1 represents Qy, Layers 2 through 4 represent Qo, Layer 5 represents the perching layer at the contact of Qo and Qvo, Layers 5 and 6 represent Qvo, and Layer 7 represents the bottom of Qvo and the top of Qsu (Table 1). The lateral model boundaries are the Banning Fault on the north, the southern extent of the Cherry Valley Fault zone on the south, and the edges of the alluvial basin where they encounter the mountain block on the east and west. The bottom boundary is the water table and the upper boundary is represented as a specified flux. The specified flux is temporally and spatially variable depending on the artificial recharge scenario and on the location and amount of recharge from precipitation, streamflow, and septic tank return flow.

Table 1. Model layer hydraulic properties used in the three-dimensional simulation.

Alluvial deposit†	Model layer	Depth interval	Porosity	Saturated hydraulic conductivity	van Genuchten parameters	
					m	α
		m		m d^{-1}		1 Pa^{-1}
Qy	1	0–24	0.345	1.01E+02	0.270	1.84E−04
Qo	2	24–36	0.278	1.63E+02	0.367	1.84E−04
Qo	3	36–39	0.278	9.83E+01	0.245	1.84E−04
Qo	4	39–71	0.278	2.33E+02	0.440	1.84E−04
Qvo	5	71–73	0.350	9.57E−04	0.130	1.03E−04
Qvo	6	73–106	0.350	6.78E+01	0.398	1.69E−04
Qvo–Qsu	7	106–198	0.304	5.93E+00	0.301	1.63E−04

† See Fig. 2.

Model Calibration

The model initially was developed using the hydrologic properties measured or estimated from the laboratory data (Ellett, 2002) and was then simplified by assuming isotropic permeability and homogeneous layers. Hydraulic conductivity was measured in the laboratory using cores collected in situ in a few intervals and cores that were repacked from the cuttings collected during drilling in other intervals. The temperature profile collected from Borehole TW-3 near the spreading basins was then used to estimate the vertical hydraulic conductivity of the perching layer (Layer 5).

Borehole temperature data collected from Boreholes TW-2 and TW-3 (Fig. 1) indicate that the coldest water temperature occurs at the perched water body in Borehole TW-2 and TW-3 (Fig. 3). The lower temperature in the perched water body was used with the temperature profile for water beneath the perched water body to estimate the vertical hydraulic conductivity of the perching layer using inverse modeling of convective heat transport. The calibration process involved changing the hydraulic conductivity of the perching layer (Layer 5) until the simulated temperature profile matched the measured profile below the perching layer. We assumed that the hydraulic conductivity values for the other layers remained the same as estimated from laboratory data. The thermal conductivity (Kt) of all layers was assumed to be 1.64 W m^{-1} °C^{-1}, the water table in the perching layer was held constant at 72 m, and water temperature of the perching zone was held constant at 15.4°C. The hydraulic conductivity of the perching layer was estimated to be approximately 9.57×10^{-4} or 0.35 m yr^{-1} under these assumptions (Fig. 4a). Because there is a unit hydraulic gradient in the perching layer, the hydraulic conductivity of the perching layer is equal to the volumetric flux of water moving through the perching layer.

The estimate of vertical hydraulic conductivity is relatively insensitive to the Kt of the unsaturated zone. A sensitivity analysis was done by varying the Kt of the unsaturated zone from the values based on laboratory measurements of similar alluvial samples. The best-fit vertical hydraulic conductivity value (0.35 m yr^{-1}) was used, and Kt was varied between a high and low estimate of 2.14 and 1.64 W m^{-1} °C^{-1}, respectively. The undefined thermal conductivity, Kt = Undefined (Fig. 4b), is a simulated temperature profile for any conductivity under a no-flow boundary condition (no recharge). The coupled effects of hydraulic conductivity and thermal conductivity on the temperature profile provide a nonunique solution and introduce uncertainty in both values.

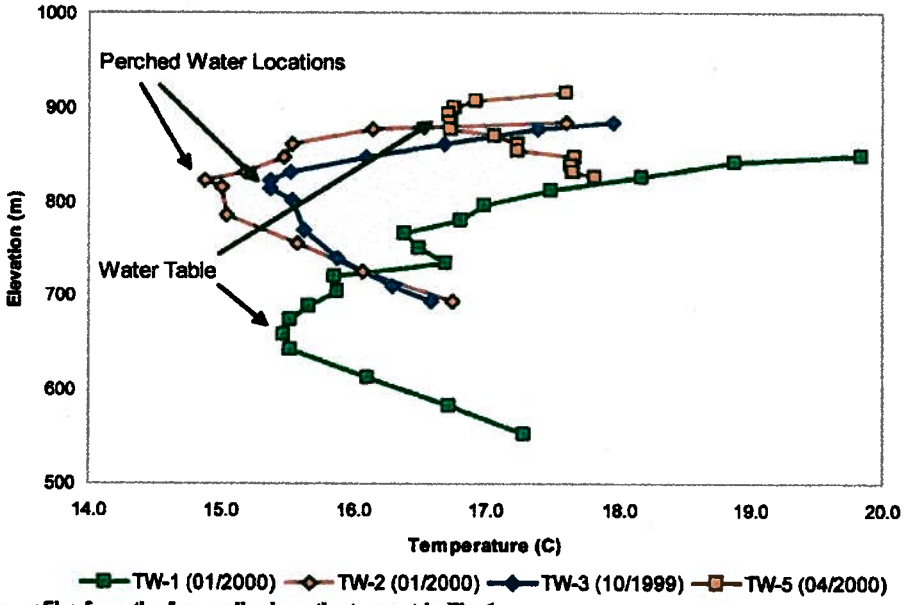

Fig. 3. Temperature profiles from the four wells along the transect in Fig. 1.

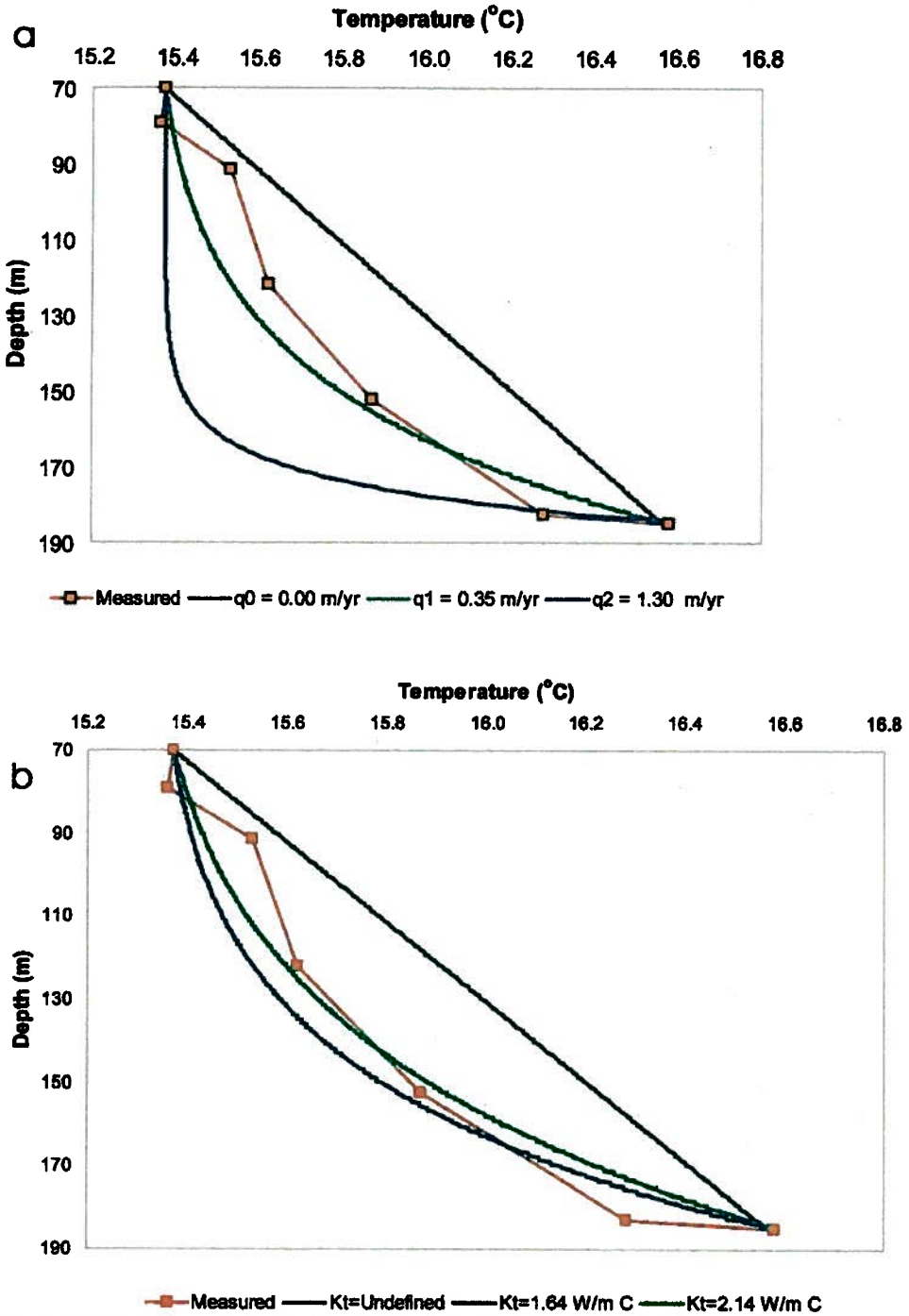

Fig. 4. Results from inverse modeling of convective heat transport, which show (a) the sensitivity to water flux of the measured temperatures at TW-3, which were best approximated by a flux value of 0.35 m yr^{-1}, and (b) the sensitivity of modeling results to thermal conductivity using a flux value of 0.35 m yr^{-1}. The undefined thermal conductivity (Kt = Undefined) would be the profile for any conductivity under a no-flow boundary condition.

Once the vertical hydraulic conductivity of the perching layer was determined, the other model layer parameters could be calibrated (Table 1). Textural data were used to estimate porosity and the water retention function using pedotransfer functions and the van Genuchten equations (Schaap et al., 1998; van Genuchten, 1980). The model was calibrated by adjusting the vertical hydraulic conductivity value for the different layers until simulated results matched measured borehole temperature data, matric potential data, and the occurrence of

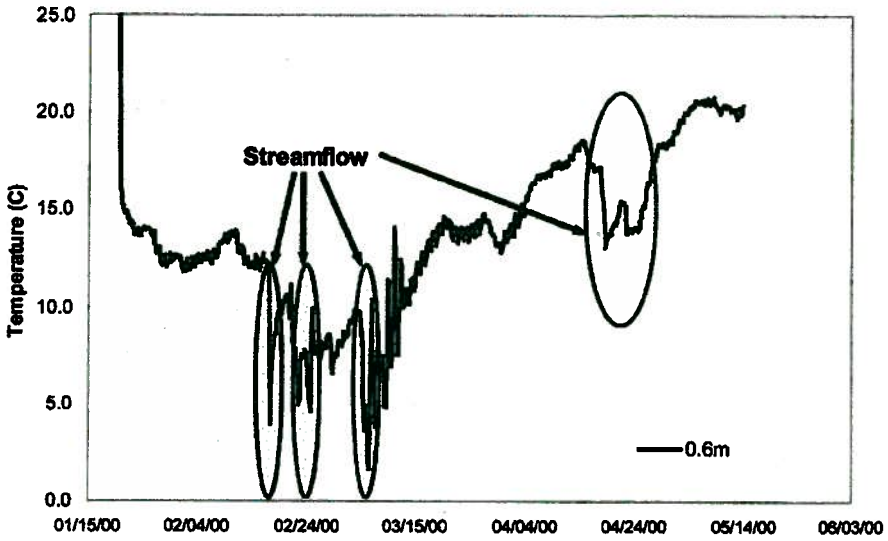

Fig. 5. Stream bed temperature time series suggests the possible source for cold water in the perched zone is from low temperature stream-flow events that infiltrated into the stream channel.

perched water. The model was calibrated under steady-state conditions assuming natural recharge from precipitation of about 37 mm yr^{-1} over the modeling domain (≈120 250 m^3 yr^{-1}) and from streamflow of about 2000 mm yr^{-1} over the width of the stream channels (≈32 070 m^3 yr^{-1}). The estimates of recharge are based on preliminary results of a groundwater flow model being developed for the study area (D. Rewis, USGS, personal communication, 2003). The recharge temperatures of precipitation and streamflow were assumed to be 18 and 5°C; respectively. The streamflow temperature was estimated from data collected during streamflow events along Little San Gorgonio Creek (Fig. 5). The underlying groundwater temperature was held constant at 16.4°C.

A comparison of the simulated and measured matric potential is presented in Fig. 6. As shown on the figure, the calibrated model closely matches the measured data. The simulated temperatures also are in good agreement with measured temperatures at TW-2 and TW-3. A two-dimensional cross section of the simulated temperature profile was taken for visualization from the three-dimensional model (Fig. 7). The simulated temperature profiles are in good agreement with the measured temperature profiles at TW-3 (Fig. 8). The simulated values in Boreholes TW-2 and TW-3 show a decrease in temperature from the ground surface to the perched water body, then a gradual increase toward the water table (Fig. 7 and 8). The simulated temperature at TW-3 is warmer than TW-2 because TW-3 is farther from the stream than TW-2, which is consistent with the measured temperature profiles (Fig. 7 and 8).

Model Applications

The calibrated model was used to evaluate future artificial recharge scenarios. The model was run under transient conditions to simulate the period 1960 to 2005. These model simulations assumed that natural recharge conditions were the same as used for the steady-state model. Septic tanks are the only source of sewage dis-

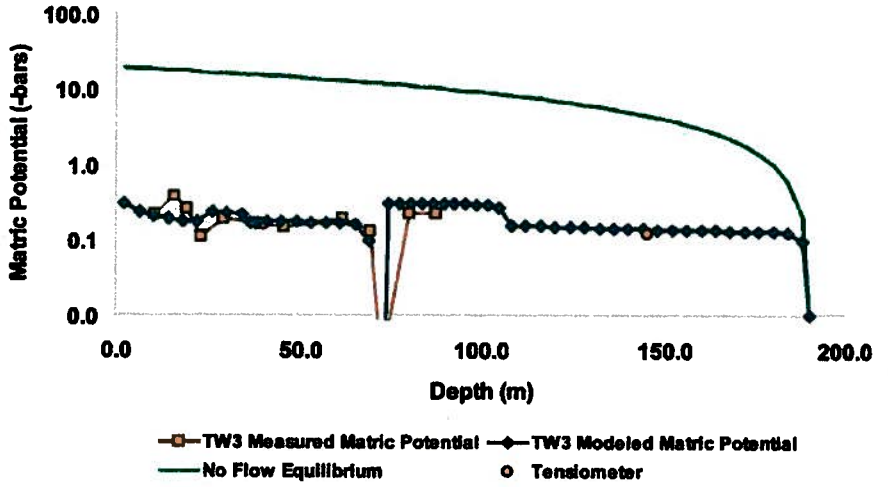

Fig. 6. Measured and simulated borehole matric potential generated from the three-dimensional model results in Fig. 12.

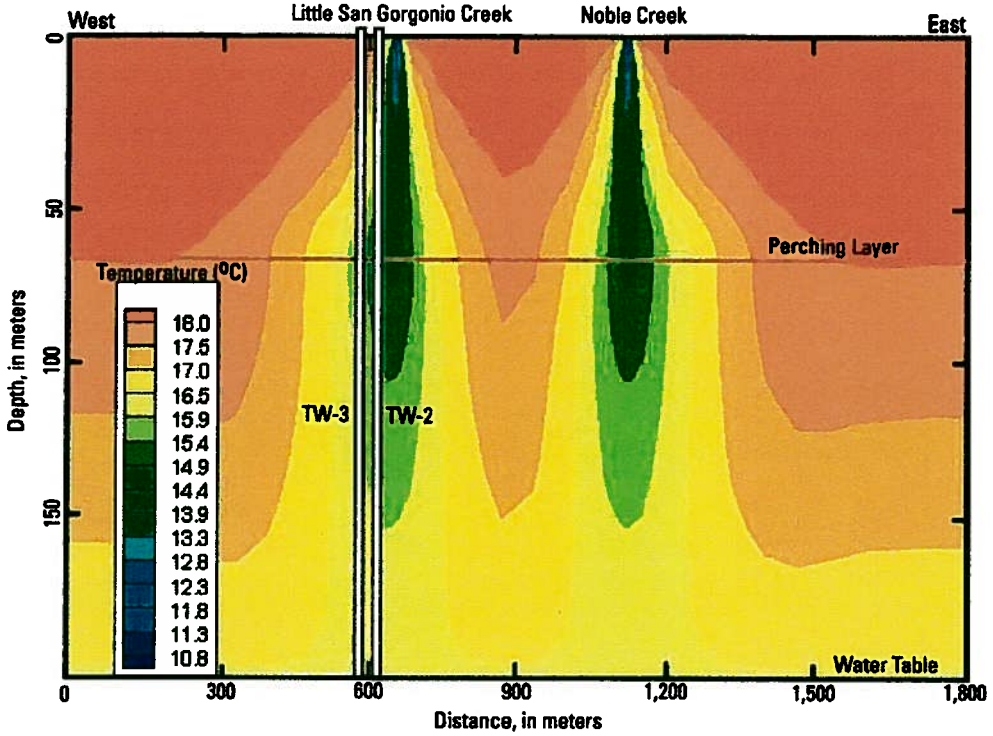

Fig. 7. Simulated temperature profiles under two parallel streams show the decrease in temperature in Boreholes TW-2 and TW-3, reaching a minimum at the perching layer with a gradual increase toward the water table that matches the response in TW-3 in Fig. 8.

posal in the modeling domain and are generally considered as point sources of recharge. However, because of the large modeling domain and relatively large grid cells recharge from septic-tank return flows were distributed uniformly over the modeling domain at about 54 mm yr^{-1} (about 175 500 m^3 yr^{-1}). Artificial recharge was assumed to occur at the spreading basins from 2001 through 2005. A total of 1.23 million cubic meters of artificial recharge were applied during 50 d at the beginning of each year.

The simulated water content after the first 50 d of water application is shown in Fig. 9. In the simulation, the application of water is discontinued for the remainder of the year except for that representing natural recharge and septic-tank return flow. Figure 10 shows the results 5 d into the second year of artificial recharge. By this time, the simulation indicates that the initial application had reached the perched water body and moved downdip, backing up against the Cherry Valley Fault (a no-flow boundary). By the end of the fifth year of simulation, which included three more 50-d applications

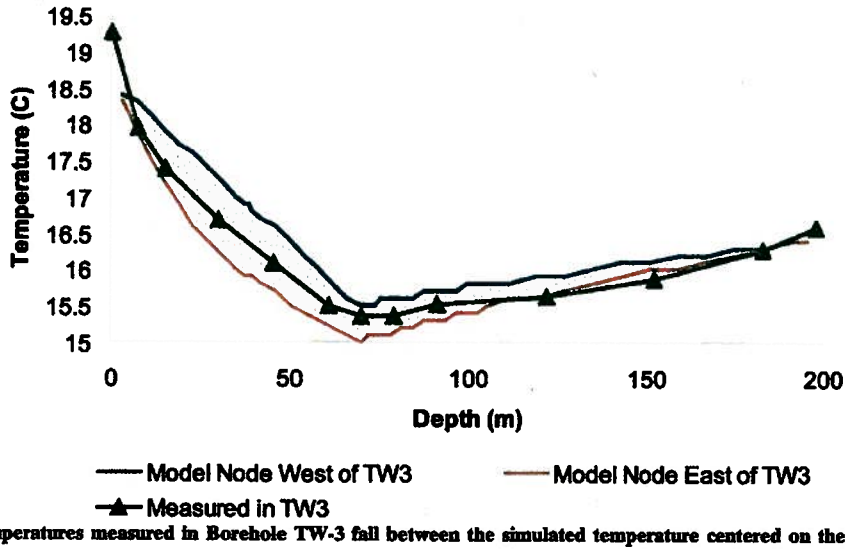

Fig. 8. Subsurface temperatures measured in Borehole TW-3 fall between the simulated temperature centered on the model nodes on either side of TW-3.

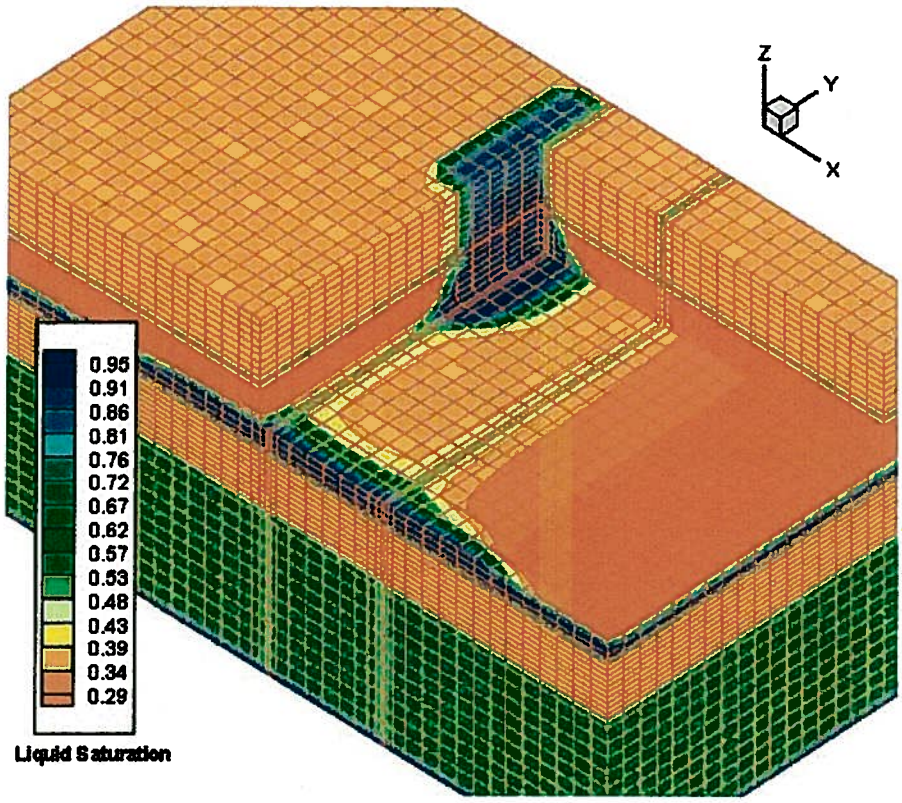

Fig. 9. Simulated water content after 50 d of application of water at spreading basins during the first year of simulation.

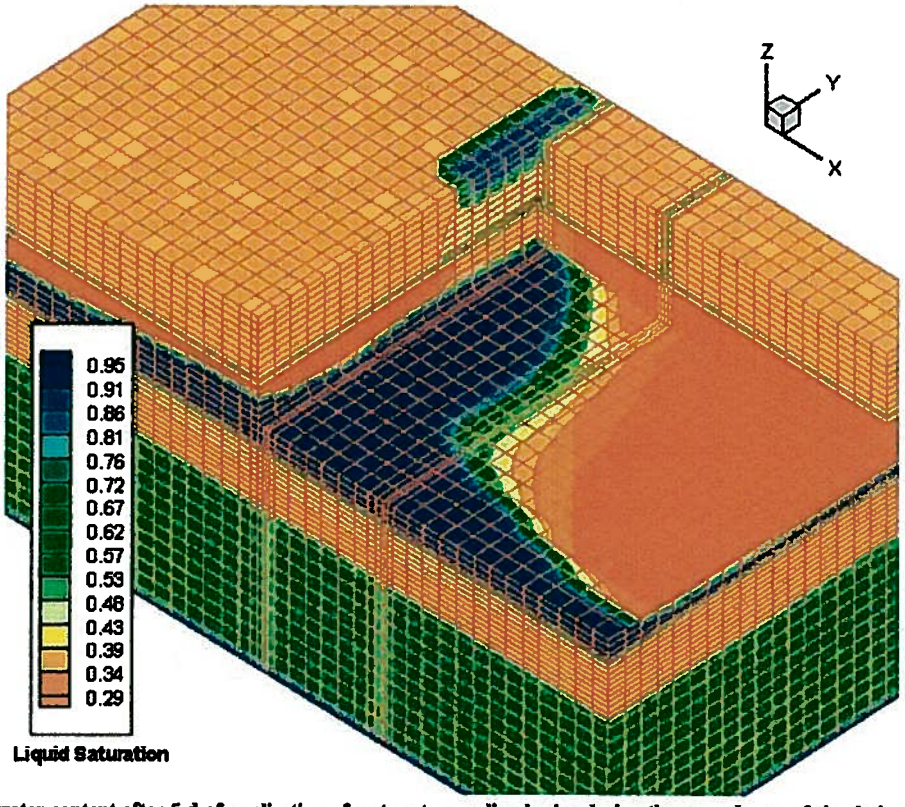

Fig. 10. Simulated water content after 5 d of application of water at spreading basins during the second year of simulation.

to the spreading basins, a considerable amount of water had accumulated against the fault (Fig. 11). Matric potential, temperature, and pressure after the fifth year of application are shown in Fig. 12, 13, and 14, respectively. The thickening of the perched water body, indicated in Fig. 12 as nearly 0 MPa, indicates an increased head at the no-flow fault boundary condition representing the Cherry Valley Fault of approximately 0.55 MPa (or 45 m of water height assuming an atmospheric pressure of 0.10 MPa) (Fig. 14). The increase of water levels (pressure) in the perched water body (Fig. 14) results in increased percolation through the perching layers and increased saturation below the perching layer (Fig. 11).

One of the concerns near the spreading basins is the potential for artificial recharge to entrain septic-tank effluent as it moves through the unsaturated zone, and subsequently contaminate the regional aquifer. In another artificial recharge program in a nearby desert basin, rising groundwater levels resulting from the artificial recharge entrained high-nitrate septage stored in the unsaturated zone, resulting in NO_3–N concentrations in excess of the drinking water standard (10 mg L^{-1} as NO_3–N) (Nishikawa et al., 2003). Because all the homes in the area use septic systems, many of which have been in use for more than 40 yr, the possibility for contamination from the entrainment of septic-tank effluent was addressed by this study. Septic tank return flow was assumed to average 54 mm yr^{-1} for the entire model domain with an average NO_3–N concentration (NO_3 reported as N) of 80 mg L^{-1} (P. Martin, USGS, personal communication, 2003).

The model simulated 40 yr of septic tank return flows before the artificial recharge scenarios were started. The artificially recharged water entrained some of the septic tank return flows and moved it below the perched water body after 5 yr (Fig. 15); however, NO_3–N concentrations remained below the drinking-water standard as the artificially recharged water migrated to the regional water table. The artificial recharge water, which was assumed to have no NO_3, diluted the NO_3–containing soil moisture in the unsaturated zone beneath the spreading basins.

Before the application of artificial recharge, the simulated travel time from the ground surface to the water table was approximately 50 yr for locations directly beneath the stream and more than 250 yr for locations away from the stream. The simulated artificial recharge from 2001 to 2005 decreased the travel time in the unsaturated zone to <10 yr directly beneath the spreading basins. The velocity of the recharge water beneath the perching layer in the vicinity of the spreading basins was <2 m yr^{-1} at the end of 5 yr of artificial recharge. During the simulation period most of the artificially recharged water mounded above the perching layer at 70 m below land surface. The simulated mound extends from the spreading basins to the Cherry Valley Fault (no-flow boundary) located about 1200 m south of the spreading basins.

The model results are sensitive to the location and permeability of the Cherry Valley Fault. If the fault is closer to the spreading basins the mounding would be greater and if the fault is at a greater distance the mounding would be less. Note that the fault was assumed to be a no-flow boundary. If the fault is not a complete barrier to flow, water would migrate laterally across the fault and the mounding would be reduced and recharge in the spreading basins would be reduced. Microgravity station transects will be used in conjunction with water-level measurements from the perched and regional water tables in future artificial recharge experiments to track the lateral migration of water. If the fault is a barrier, then water will collect against the fault as indicated by model simulations (Fig. 11). The location and degree of mounding could be used in the model to estimate the location and permeability of the fault. There are several management options, depending on the degree with which the fault acts as a permeability barrier. Production wells can be installed directly into the perched water body at some optimal location, or multiple wells can be drilled through the perching layer to perforate it and increase its effective permeability, which would allow gradual infiltration from the perched water to the unsaturated zone below and eventually to the water table. Another option is drilling wells through the perching layer for direct injection into the unsaturated zone. These options can be included in modeling scenarios using the existing model to determine the number of dry wells required for increasing the permeability of the perching layer or the optimal location of production wells. As more data become available, the model can be refined and recalibrated, providing a flexible tool for enhancing research and management decisions.

SUMMARY AND CONCLUSIONS

Generally, artificial recharge projects apply water in surface and near-surface spreading basins, pits, and trenches, using the unsaturated zone to transport and store water. The hydrogeology of the unsaturated zone plays a critical role in transporting and storing artificially recharged water. Evaluating this zone will determine if the area is suitable for artificial recharge and will help to identify the most effective methods of surface or subsurface application of water. Field and laboratory data and field experiments were used to develop a conceptual and a numerical model of the unsaturated zone at San Gorgonio Pass in southern California. Calibration exercises indicate good matches to matric potential and temperature measurements. The results of the model simulations were used to refine the conceptual model and to test scenarios for artificial recharge. Results of the numerical model simulations of this site indicate that little recharge will reach the regional aquifer beneath the spreading basins during the 5-yr simulation period. The simulations indicate that most of the water will remain above a perching layer at 70 m below land surface, mounding along the assumed no-flow fault boundary located about 1200 m south of the spreading basins. The simulations indicate that the perching layer will delay recharge to the water table 185 m below land surface. Although the recharged water intercepts NO_3–rich round water from septic tank leach fields as it spreads laterally and vertically through the unsaturated zone, the simu-

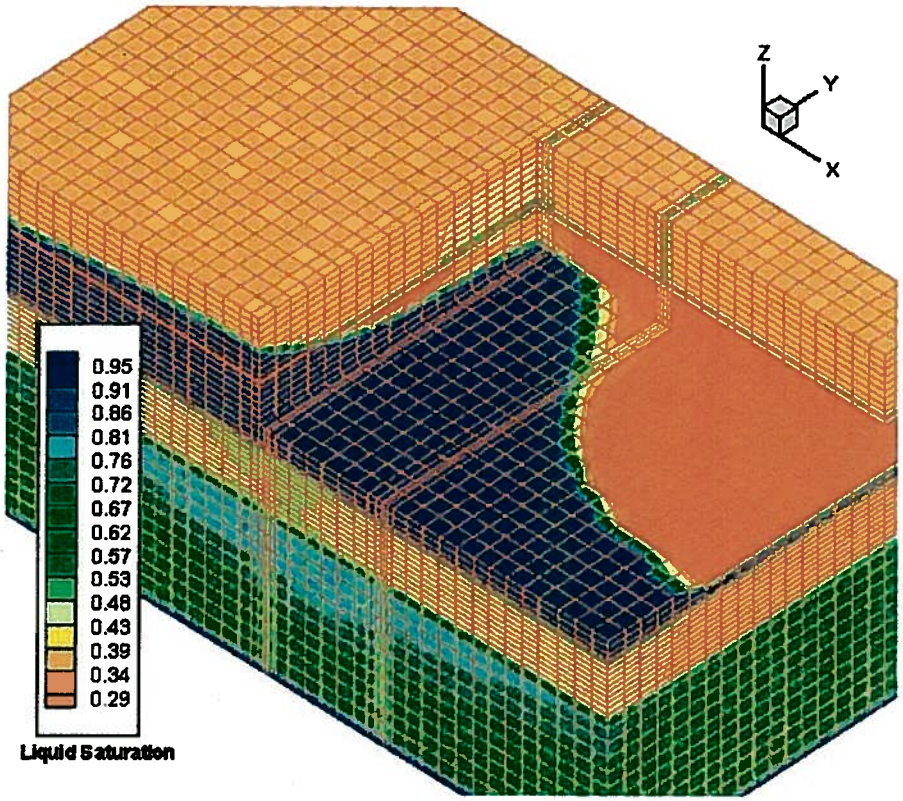

Fig. 11. Simulated water content after the fifth year of application of water at spreading basins.

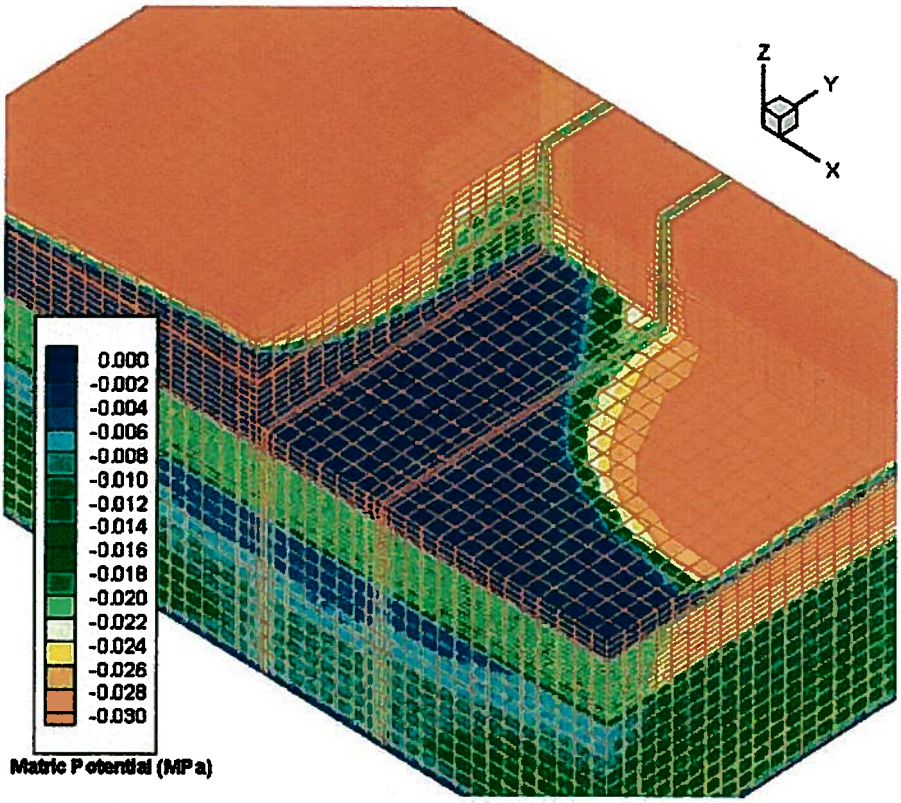

Fig. 12. Simulated matric potential after the fifth year of application of water at spreading basins.

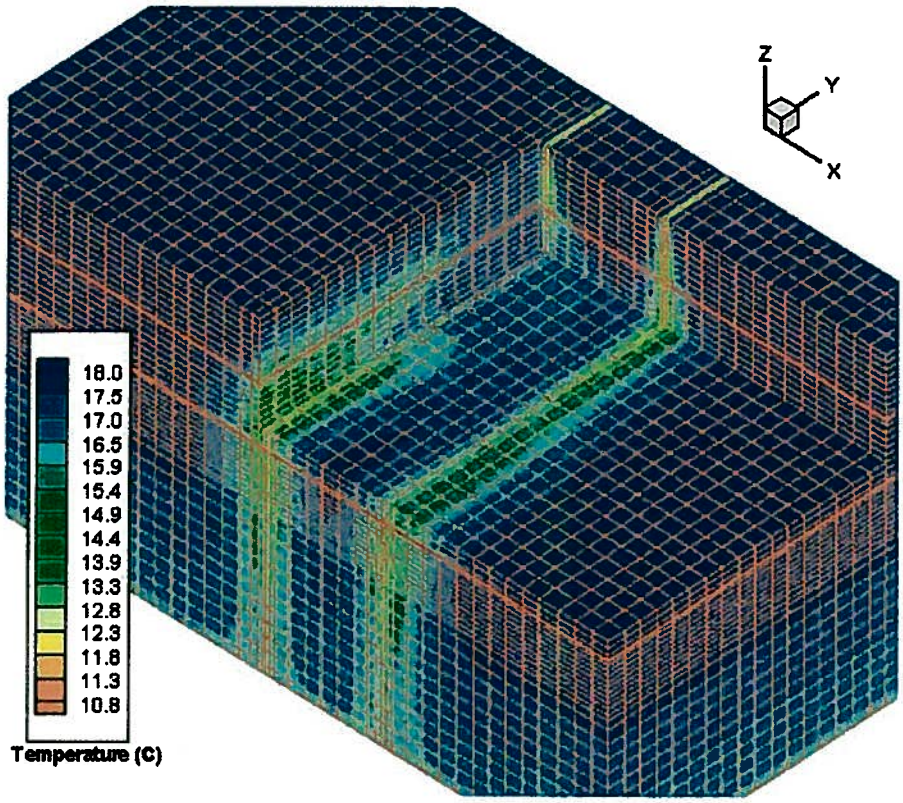

Fig. 13. Simulated temperature after the fifth year of application of water at spreading basins.

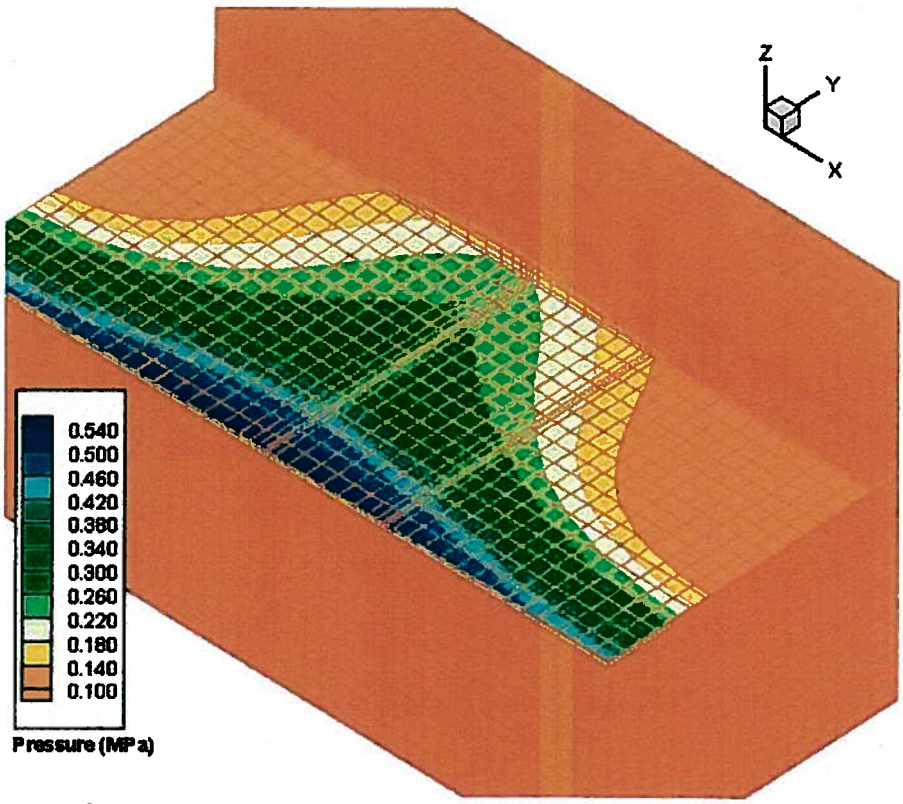

Fig. 14. Simulated pressure after the fifth year of application of water at spreading basins.

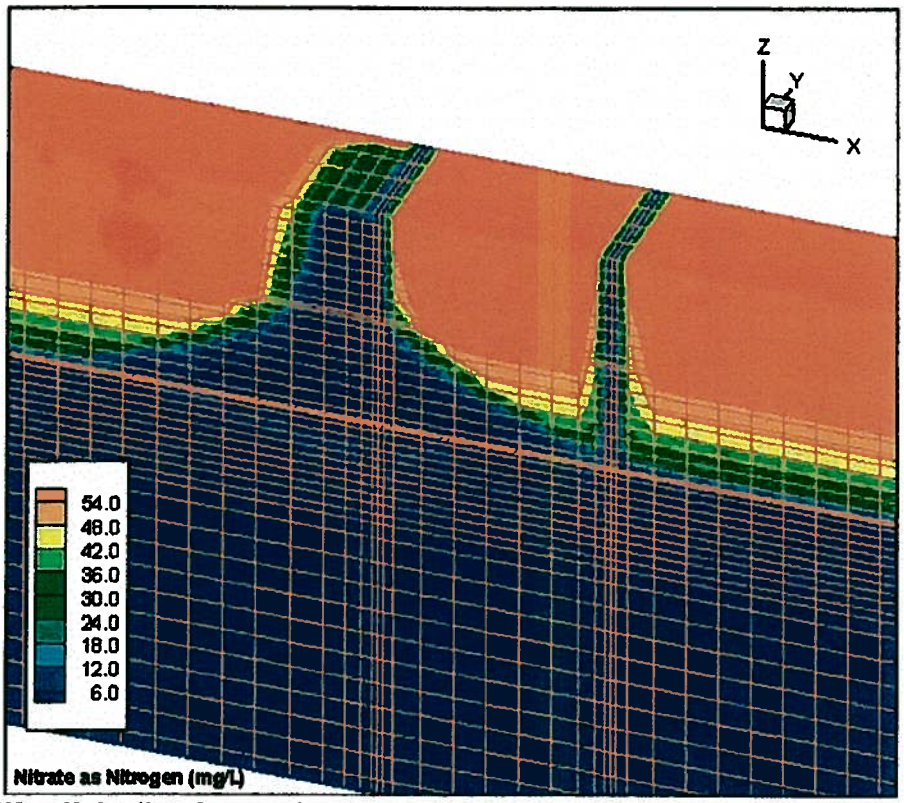

Fig. 15. Simulated NO_3 as N after 40 yr of accumulation under septic leach fields, followed by 5 yr of artificial recharge.

lated NO_3–N concentration of water in the perched water layer is <10 mg L^{-1}, the maximum level set as a drinking-water standard. Further work on the characteristics of the fault and extension of the modeling domain farther downgradient of the fault are required to provide more conclusive results for the characterization of the site for the application of artificial recharge.

ACKNOWLEDGMENTS

The San Gorgonio Pass Water Agency and Stephen Stockton, General Manager and Chief Engineer, supported this work.

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BEAUMONT CHERRY VALLEY WATER DISTRICT

560 Magnolia Avenue

Beaumont, CA 92223

(951)-845-9581

August 16, 2007

MEMORANDUM

TO: Board of Directors, BCVWD

FROM: J. Reichenberger
District Engineer

SUBJECT: Status of Groundwater Storage Account

Background

At the last Board meeting I made a presentation on the State Water Project shutdown and how it affected our ability to bank water in the Beaumont Basin. A comment was made by one of the Directors that an update on how the District's storage account status compares with that projected in the 2005 Urban Water Management Plan (UWMP) update. As you recall at the end of 2005 the District updated its UWMP as required by law. This required making projections of water demand and supply for the next 20 years and to evaluate the water supply system under different drought scenarios.

In the UWMP (Table 2-9) the District projected demands and water needs and estimated banked water in the Beaumont Basin. This memo provides an update as to where we stand relative to our planning estimates.

Analysis

The attached spreadsheet takes a look at the period from 2004 through 2015. Data for the years 2004, 2005 and 2006 are based on actual records. From 2007 on, we can only make estimates.

In 2005 our demands were very close to the UWMP estimates. The year 2006 had significantly higher demand than the UWMP projected. Obviously this is due to the large increase in housing units coming on line, but also the large amounts of water used to establish landscaping and supply construction water. There has been a slowdown in the development this year compared to last year. But in spite of that, we estimate the demands will increase over 2006.

In 2006 the District initiated the recharge of imported water; 4100 acre-ft were spread by the District in 2006. We spread about 2500 acre-ft this year (2007) so far. It is not known if anymore water will be available. We understand from the Pass Agency, there is about 1800 acre-ft or so of Table A water which is yet to be delivered. If the District can

get some of this water and spread it, it will increase the amount and help our storage account.

In 2007 the District purchased water from South Mesa Water Company (SMWC) on two occasions for a total of 2500 acre-ft. In future years, according a tentative agreement with SMWC, I have estimated 1000 acre-ft would be purchased. The actual amount could be more than that depending on how much SMWC needs.

At the end of 2006, the spreadsheet shows the District's storage account is essentially "empty." (It is actually 28 acre-ft negative.). At the end of 2007, the balance should be at least 273 acre-ft positive. However, this is far below the 17, 639 acre-ft projected in the UWMP.

It is also important to note that beginning in 2009, the Watermaster will begin to redistribute unused overlier rights. In the Judgment, each overlier was given a share of the safe yield. If, over a 5-year period, the overliers did not pump their allocation, the difference between what they pumped and what they were allocated would be redistributed to the appropriators (like the District). The spreadsheet shows this amount will be about 1600 acre-ft, beginning in 2009.

The spreadsheet shows a larger amount of imported water needed than projected in the UWMP. This is done to "catch up." (The UWMP projected about 6800 acre-ft per of imported water.)

Recycled water will start in 2009 and increase over the study period as wastewater flow increases.

If the District follows the plan in the spreadsheet, we should be up to 21, 400 acre-ft in storage by 2015. Even this is not enough. We really should have more in the account to provide flexibility.

One of the principal reasons we are short in the storage account is the fact that recycled water was assumed to start in 2006. This did not happen and will not happen until 2009. So this is about 10,000 acre-ft of water which we have not used. Being cut back in State Project Water this year is impacting the storage account also.

Approval by the State of the grant/loan to complete the recycled water project looks very good. According to the State the revised application we submitted in May/June addressed all of their issues. We have had just a few questions this week from the environmental group at the State which required some clarification. The project should move forward as scheduled and be ready by late 2009.

Recommendations

1. BCVWD must aggressively pursue getting as much imported water into the storage account as possible. If there is water available for purchase, the District should take advantage of this to build up the account.
2. Pass Agency needs to order Article 21 water and look to purchase Turnback Pool Water at any opportunity if it is available. They must also order their full Table A amount in 2008 and beyond.

3. The Pass Agency's current Table A amount of 17,300 acre-ft needs to be increased substantially and the Agency needs to take steps to acquire additional supplies. I recommend the District stand ready to offer assistance in this pursuit. It takes time to do this and involves CEQA documentation and State Water Contractor and probably DWR approvals.

Beaumont Cherry Valley Water District

Current and Projected Status of Groundwater Storage Account

Managed Storage (Temp Surplus)	160,000 ac-ft
BCVWD Adjudicated Share of Managed Storage (Temporary Surplus)	42.51%

	2005 UWMP Demands	Actual and Projected Demand, ac-ft	Edgar Canyon Extractions, ac-ft	Non-potable or Recycled Water to Overlyers, ac-ft	Recycled Water to Offset Existing Demand, ac-ft	Beaumont Basin Extractions, ac-ft	Managed Storage (Temp Surplus), ac-ft	Purchased Imported Water Spread, ac-ft	Purchased from SMWC, ac-ft	Recycled Water Recharged, ac-ft	Unused overlier Rights Redistributed to Appropriators, ac-ft	Net Water to/from Storage, ac-ft	Accumulated Water in Storage Account, ac-ft	2005 UWMP Storage, ac-ft
2004		8565	1306			7259	6802					-457	-457	
2005	8767	8848	1464			7384	6802					-582	-1040	3294
2006	10708	12439	2549			9890	6802	4100				1012	-28	10604
2007	12689	14000	2500			11500	6802	2500	2500			302	273	17639
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2010	18029	18030	2600		2500	12930	6802	8000	1000		1600	4472	9878	41599
2011	19421	19420	2600		3000	13820	6802	8000	1000		1600	3582	13460	49382
2012	20814	20810	2600		3500	14710	6802	9000	1000		1600	3692	17151	56349
2013	21923	21920	2600		3500	15820	6802	9000	1000		1600	2582	19733	62660
2014	22781	22780	2600		3500	16680	6802	9000	1000		1600	1722	21455	61771
2015	23213	23210	2600		3800	16810	0	9000			1600	-6210	15245	60707

Notes:

1. 2004, 2005, and 2006 based on actual records. 2007 and beyond are estimates.
2. Imported water needs are increased to make up for late start of recycled water and stormwater capture project and reduced SPW deliveries in 2007.
3. SMWC purchases in 2007 were 1500 ac-ft in January and 1000 ac-ft later in the year. Beyond 2007 are only estimates and will continue on until 2014 per tentative agreement.
4. Amounts do no include transfer of overlyer rights resulting from development of overlyer's property.
5. Redistribution of unused overlyer rights will begin in 2009 after first 5-yr averaging period. Amount is estimated.

Item 6

BEAUMONT CHERRY VALLEY WATER DISTRICT

560 Magnolia Avenue

Beaumont, CA 92223

(951)-845-9581

August 16, 2007

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District Engineer

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Item 7a

BEAUMONT CHERRY VALLEY WATER DISTRICT

560 Magnolia Avenue

Beaumont, CA 92223

(951)-845-9581

August 16, 2007

MEMORANDUM

TO: Chuck Butcher, General Manager

FROM: J. Reichenberger
District Engineer

SUBJECT: Beaumont Basin Pollution Control Project

The recent USGS report put out in cooperation with the Pass Agency stated that nitrate concentrations in wells in the study ranged from 1.0 to 11.3 mg/L as Nitrogen (MCL = 10 mg/L). The highest concentration (11.3 mg/L) was in well 2S/1W-22G4, located in Edgar Canyon which is located just upstream of the existing canyon spreading grounds. The report goes on to state that it is from anthropogenic sources (agriculture or septic tanks). In the Bonita Vista area wells were taken out of service with high nitrates.

If groundwater carrying nitrates is moving into the Beaumont Basin from the areas around Edgar Canyon, Cherry Oaks and Bonita Vista, it would be prudent to try to intercept this flow, treat it and reuse it beneficially.

One such method would be to install a series of wells that will create an extraction barrier just upstream of the Banning Fault – just below the Edgar Canyon Spreading Grounds. This string of wells would extract the nitrate-rich groundwater. The water could be taken to artificial wetland treatment systems in Bogart Park and Noble Creek where natural systems would reduce the nitrate concentrations to the point where it can be recharged. Another alternative is to introduce the nitrate-rich water into the recycled water system where it would be applied to landscaping. The landscaping would take up the nitrogen.

The project envisions some stream restoration along Noble Creek and the construction of debris/desilting basins to capture stormwater for spreading in the District's recharge site on the Oda Property.

The project would prevent any nitrate groundwater from entering the Beaumont Basin from the area above the Banning Fault and worsening the situation in the Beaumont Basin.

We have presented this concept to the U.S. Bureau of Reclamation in Boulder NV and Temecula. They have funded a wide variety of water resource projects in Southern California in the past. They were quite interested in the concept. But they needed more details.

I would like to propose a "seed" budget of $25,000 to do the following:

- Investigate the hydrogeology further, based on existing data and reports, to determine the technical feasibility of the extraction barrier and the depth and approximate spacing of the extraction wells.
- Develop a conceptual layout and cost estimate for construction and implementation
- Prepare a concept level report and work with the Bureau of Reclamation and perhaps other agencies to seek funding.

Item 7b

Chuck, 05/30/2007

For the upcoming board meeting on June 13, 2007 I would like a staff report and an accounting of monies spent for the recharge ponds at Beaumont Avenue and Cherry Valley Boulevard. I would like to see any and all monies spent for the project including purchase price, litigation fees, engineering fees, construction costs (Hays construction and others), fencing, road bed material, landscaping plants, landscape labor, picnic equipment, signage, architectural fees, algae screens, chlorinators, tanks, piping, retrofit costs, erosion control matting , dedication party, pond cleaning equipment, and any and all other costs associated with this project.

Next to the dollar amount of each of the above categories, please indicate if this came from developer fees or, if from another source, the origin of that source.

Also, please provide the board with an estimate of the annual cost to maintain this phase of the project as to landscape maintenance, pond maintenance and any other costs to keep this project in good working order and indicate by category where the funds will come from to pay the above maintenance costs.

This is a large project and I do not believe the board has a good grasp on its construction cost , or projected maintenance costs.

Thanks,

Blair

Blair Ball
Vice President,
Beaumont-Cherry Valley Water District

MEMORADUM

Date: July 1, 2007

From: C.J. Butcher, General Manager

To: Board of Directors

Subject: Director Ball's request for complete accounting of the District's recharge project.

Attached is a request by Director Ball to have staff compile and report all expenditures for the recharge and recreation project since its inception 7 years ago. While this request is quit unusual since all invoices paid have been previously reviewed and approved by the Board of Directors and each project expense is accumulated and reported semiannually in total my staff can complete this task but not in a few days as requested by Director Ball. Because of the cost of this request I thought it best to seek the full Board of Directors input and direction before I redirect employees from the other duties and authorize the expenditures necessary to undertake this task.

Because of the 7 year time period that has past and because I have never received a similar request since all invoices and costs have been previously approved a large portion of the past invoices and financial records related to this project were archived and would normally have remained so until the new headquarters is constructed. Because of the current status of the District's permanent headquarters to complete this task I believe it will take a minimum of 4 employees not including supervision between 1 and 2 months to find the invoices and time sheets that are in off-site storage and compile the information requested before the Board can review their past actions and approvals.

Two of the employees necessary are field employees needed to lift, move and open storage boxes so that Mary Martin and a helper can go through the invoices to find those associated with the project. I should also note that there is a possibility that stored furniture and other items in storage my need to be moved to get to some of the file cartons. Additional staff time will be required to research time sheets and trip reports to determine labor and benefit expense associated with the project. This task will also cause the District to be required to remove and replace the shrink wrap protection from the storage boxes to find the records.

Since there is no place to work in the temporary headquarters or the storage area the District will also be required to rent additional off-site office space for the employees to work in. Once the invoice files for a given period are located they will be trucked to the

rented office space where we will research the invoices pulling those associated with the project. These located invoices will then be moved to the commercial office to be copied then returned to the file boxes at the rented office for replacement in the appropriate file. After the open storage files have the shrink wrap replaced to protect the files within from the weather they will be returned to the archive storage. Generally the same process will be followed with time sheets, trip reports and benefit invoices. Once all invoices and time sheets are located senior staff must then go through the material and compile the report as requested with individual portions of the project totaled in individual categories as requested.

The Board may also remember that prior to 2005 the District had a partially inoperable computer system as it relates to accounting and payables so all of these related duties were accomplished by hand. Filing of invoices paid, labor expenses time sheets and benefit costs were done in groups by month not by project or vendor. Time sheets and benefit invoices are also not filed together. This fact suggests that staff will be required to review all invoices paid for the 5 year period between 2000 and the end of 2004. For the period 2005 through the end of May 2007 are available via the computer program installed in 2004 and made operational in January 2005.

While this process is taking place the commercial office staff will be reduced by two employees which means that the District must slow its normal work process in billing customer service and payables or temporary employees will need to be hired and trained before we can begin the search to fulfill Director Ball's request. The use of field employees will require one maintenance crew to be dedicated to this project until it is complete. This will also have an effect on the District's ability to respond to water system maintenance projects because of the temporary reduction in the field labor force.

An example of the additional work also included in this task beyond locating invoices and time sheets can be seen in Director Ball's request as he has asked that the cost of the "Hays" contract be reduced to individual components. The small tank, the matting and piping were included in the original Hays contract. This portion of the request requires that senior staff reduce the Hays contract too individual tasks to accomplish what Director Ball wants as progress payments were made based on percentage of completion of the contract not necessarily of the various tasks.

While I normally don't believe it is necessarily my place to question a director's request in this case I must because of the expense of verifying the total cost of the project which has been repeatedly reported to the Board throughout the project's development and construction. The task described above will cost between 10 and 20 thousand dollars as a minimum including associated work related to the task, rental of office space and employment of temporary staff. As stated above the total cost of capital project(s) are reported semiannually as well as annually in the year end financial reports. All capital expenditures are reported at each Board meeting and totaled in the year end financial report. All invoices that pertain to the project as well as all other invoices related to the overall District operations and capital projects are presented to the Audit and Finance Committee for review and approval every month (the committee has included Director

Ball for the more than 4 years). To the best of my knowledge I do not recall individual Board members requesting to revisit previous Board actions as they relate to a project of this any size and especially one that spans 7 years.

The original approval of the project by the Board of Directors seven years ago included an engineering estimate at the time of 20 million dollars. Currently the project total expense to date (the end of May 2007) stands at $15.9 million dollars. Total cost of the finished project will probably exceed the estimate as the original estimate did not for see litigation and other project associated expenses. The original estimate also did not include changing construction and material costs or inflation or the necessary basin computer model needed to permit the project as a recharge location for groundwater recharge of imported supplies, surplus recycled water and storm capture.

In an effort to reduce cost the District has undertaken portions of the project in house or by hiring temporary employees to undertake certain tasks. For example the engineer's estimate did not include the demonstration gardens and drought tolerant landscaping. The District like our transmission main construction contracts over the past several years has contracted with Lara Landscape Maintenance to provide labor and equipment to undertake and complete the landscaping on Phase I. This contract sets and holds the hourly rate that the District pays for each landscape laborer as well as equipment operators and equipment used in the landscaping portion of the project. The savings in undertaking the project this way is that we did not have to have the expense of engineering and architectural design for the landscaping. The District also pays no benefit cost or Workmen Compensation for these workers. There is no contractor profit in construction materials as the District purchases those items. The District also had a majority of the rock material screened on site at no cost in exchange for the sand that was generated. Additional material hauled in from other District property was completed at a greatly reduced cost for the many tons rock and gravel used in the project because the District acted as its own contractor.

While the project is expensive it is not as expensive as comparable projects that are contracted for completion. It has been very well received both locally, in the water industry and within Riverside County. It also conforms to the District's required water conservation program discussed in the 2005 Urban Water Master Plan update. When finished the project will include signs and displays showing how home owners can landscape there property with low water use landscaping. Each plant and tree will have a sign indicating the botanical and common name of the plant all of which are drought tolerant and natural to the area. Most of the plants will only need to be water twice a year once root systems have been established which takes about 2 years.

The irrigation systems are all drip irrigation systems that will use recycled water (when available). There will be signs periodically located throughout the project that will explain how the irrigation system is constructed including solar power operated valves and timers. Water rate payers will be able to view the gardens and use the technology on display at the project on their own property. This will have a long term positive effect on the District's overall water demand which in turn will reduce the demand for imported

water including purchase of new water rights and the associated delivery costs. In other words the investment now will save the District's rate payers for many decades yet to come.

When Phase I is complete I intend to mail out Requests For Proposals (RFP) for landscape maintenance. Once the RFPs are returned to the District I will be better able to discuss with the Board the cost of landscape maintenance. Maintenance of the recharge basins will be accomplished by the District employees. The equipment has been purchased over the last two years (as approved by the Board) and is now in use. Below is the cost of the equipment by unit that was originally approved by the Board:

2006 Cat D5N Dozer	$178,981
Cat 938 Loader	$160,065
Dump Truck & Trailer	$183,884

I should note that this equipment is also used for maintenance in the District water canyon which cost the District approximately $120,000 in equipment rentals the last two years (2005-06) alone. Because of the purchase of the new equipment staff has projected the cost of the canyon and recharge basin maintenance in 2007 will only increase by $19,000 even though more than 50% more recharge basin capacity was added with the construction of Phase I.

In Director Ball's request he again asks where the funds to pay for the project come from. This question has at public been asked and answered at public meetings numerous times in the past. It has been asked both by the citizen group CVAN as well as Director Ball. As previously stated the capital cost is paid for with Facility Fees. As clearly as I can state it this fee is a fee that is paid by new development on an Equivalent Dwelling Unit (EDU) basis for capital projects to offset water demands. Capital projects include but are not limited to the recharge project, tanks, wells, transmission mains, recycled system components etc. Since the project began in 2000 the District has added approximately 7,000 Equivalent Dwelling Units (EDU) each paying the Facility Fee. The fee currently stands at $8,944.00 per EDU.

The maintenance cost is and will be paid for from water rates. Recharge maintenance costs are grouped with general maintenance costs associated with other recharge facilities in the canyon. These costs are reported in the financial statement presented to the Board and public at each regular meeting. Please refer to G.L. account number 1-5-5700-597 in your Board agenda package financial statement to confirm staff actually does regularly report these costs to the Board and the public. This financial report also includes the total expense year to date and the total budgeted for the year for this expense and all other operating expenses.

Although expensive the importance of the project recharge portion is necessary to reduce the overdraft in the Beaumont Basin and to build a storage account to maximize the District's water service reliability which will pay the District rate payers dividends for years to come by allowing the District to purchase imported water at lower costs and

when it is available at current day price than what would otherwise be required by the Watermaster. When the water demands require pumping of the stored supply the District will receive a substantial savings in not having to purchase SP water at the ever escalating rate.

The landscape portion of the project will illustrate to the public that they can have beautiful well manicured yards and landscaped areas without using (and paying for) large amounts of water (between 50 and 60% of water delivered to a consumer is used outside the home). The District's demonstration gardens and irrigation systems set in a park like atmosphere with picnic tables, park benches and barbeques will help draw the community to the project where they will be able to see the value of the project and use it for their enjoyment while learning how they can save on the cost of water through conservation. They will also be able to better understand what it takes to import water to the community as well as the hydrology of the area.

Unapproved Minutes July 11, 2007

**RECORD OF THE MINUTES OF THE
MEETING OF THE
BOARD OF DIRECTORS OF THE
BEAUMONT CHERRY VALLEY WATER DISTRICT**

July 11, 2007

1. **Call to Order, Pledge of Allegiance, Invocation and Roll Call - President Parks**

President Parks called the meeting to order at 7:00pm and led everybody in the Pledge of Allegiance and asked to remain standing as Vice-President Ball recited an invocation. All were present.

2. **Adoption and Adjustment of Agenda (additions and/or deletions)**

President Parks asked for a motion to approve the Agenda as presented.
Motion made by Vice-President Ball, second by Director Chatigny, **Motion Carried 5-0**

3. **Engineering Report**

District Engineer, Joe Reichenberger provided a slide presentation and a brief explanation on the Delta Smelt. He reported that the fish is 2-3 inches in long, considered an endangered species, live in salinity and also sensitive to temperature. He showed a map of the San Francisco and San Joaquin Deltas. He explained the rivers and reservoirs. He provided a brief explanation of how the fish screens at Clifton Court work. He explained that the fish are retained in holding tanks and later released back into the Delta. Mr. Reichenberger explained that Beaumont Cherry Valley Water District ordered 4,300 acre feet of water from the Pass Agency and 5,000 acre feet of Article 21 water.

Mr. Reichenberger stated that 2006-2007 has been the driest year on record. He explained that the DWR is only allowing 60% of the orders' allocation per year. He stated that in order to obtain Article 21 water DWR has to be notified. He informed the public that in 2007 more requests for water were received than any other years. He spoke regarding the 1996 agreement between Muni, San Gorgonio Pass Agency and DWR which limits the Pass agency from requesting SWP water of more than 8650 acre feet until construction of EBX2. He gave recent events in the Pass Agency like the adding of pumps at Greenspot and Crafton Hills, Pass Agency modifying the agreement by memorializing the fact Article 21 & Turn Back Pool in water could be transported in the pipeline not subject to the 8650 acre water requirement, Pass committed to adding another pump to the Cherry Pump Station, Pass agency Board committed to construct EBX2 all of these in 2006 and 2007 Pass Agency modified their order for deliveries. Mr. Reichenberger stated that when he questioned the Pass Agency about why they are not getting the full amount of table A water available, the answer was because the Pass Agency saves money.

He explained the five DWR charges. He explained the cost components of 2008 based on table A. Mr. Reichenberger recommended that the Pass ask for full table A water and should file and request Article 21 water and maximize water importation as is available.

Vice President Ball requested a copy of the presentation to be included in the minutes. A brief discussion went on regarding the failure to request water.

Mr. Butcher stated that the District did not miss the deadline to request water and that he will work with the Pass Agency about Article 21 water and to guarantee delivery. He explained that the storage account has approximately 14,000 acre feet of water and he stated that it would be good that the District look into a 2-5 year study on the estimate of water.

Update on the Nitrate Levels

Presentation to Board of Directors
July 11, 2007

Background

- Wildermuth Environmental Report in Feb 2007 showed a correlation between recharge by SGPWA at Edgar Canyon Ponds and nitrate increases (and decreases) in Wells 16 and 23
- Nitrates increase shortly after recharge begins and decrease when recharge is stopped
- This trend has continued
- Since recharge stopped on June 5, nitrate levels have decreased significantly

Background Cont'd

- The District's legal counsel wrote a letter to SGPWA to stop recharging but offered to recharge water for them at the District's Oda Ponds
- SGPWA wrote a letter back to the District requesting an extensive amount of information
- The General Manager asked if I could look at the list and see if Parsons had any of this information since virtually all of the District's material is in storage.

Requested Information

- Almost all of the requested information was in SGPWA's files at one time
- Parsons has copies of a wide variety of information prepared by SGPWA in their files

Parsons' SGPWA Information

- Data Base Binders
  - All well location, depth, perforation, logs, water quality data
  - Used as a basis for their studies of safe yield etc.
- Pumping Records
  - Available from Div. of Water Rights and used by SGPWA to prepare their mandated annual reports of water conditions

Well Production Data

Hydrogeologic Data

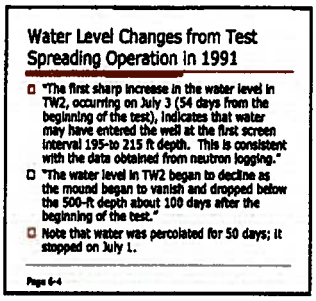
Parsons' File Contained a Very Interesting Report

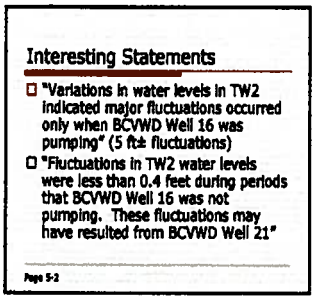
"Water Importation Program
Beaumont Cabezon Groundwater Storage Project
Artificial Recharge Feasibility Investigation
Phase I
Feasibility of Surface Spreading"
April, 1992
Prepared by Boyle Engineering for SGPWA

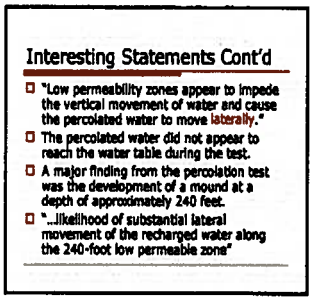
Validates Existence of a Data Base

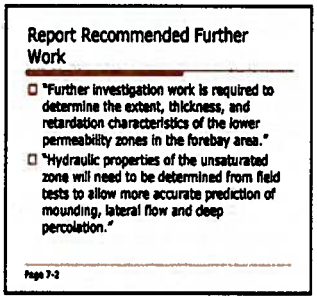
- "... 2) preparation and maintenance of a comprehensive water data base for use in groundwater evaluation and water importation planning"
- "...4) conducting basin-wide hydrogeology investigations to gain a working knowledge of the geology of the basin, its boundaries and hydraulic properties"

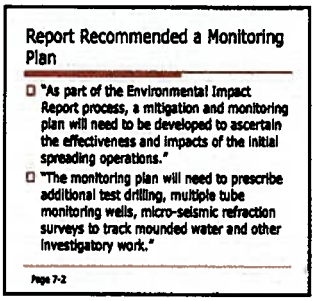
Page 1-2

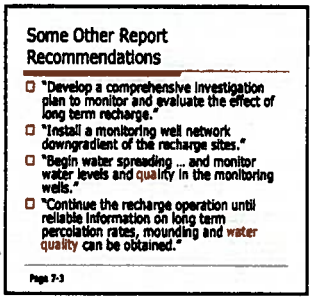

Water Level Changes from Test Spreading Operation in 1991
"The first sharp increase in the water level in TW2, occurring on July 3 (54 days from the beginning of the test), indicates that water may have entered the well at the first screen interval 195-to 215 ft depth. This is consistent with the data obtained from neutron logging."
"The water level in TW2 began to decline as the mound began to vanish and dropped below the 500-ft depth about 100 days after the beginning of the test."
Note that water was percolated for 50 days; it stopped on July 1.
Page 6-4


Interesting Statements
"Variations in water levels in TW2 indicated major fluctuations occurred only when BCVWD Well 16 was pumping" (5 ft± fluctuations)
"Fluctuations in TW2 water levels were less than 0.4 feet during periods that BCVWD Well 16 was not pumping. These fluctuations may have resulted from BCVWD Well 21"
Page 5-2


Interesting Statements Cont'd
"Low permeability zones appear to impede the vertical movement of water and cause the percolated water to move laterally."
The percolated water did not appear to reach the water table during the test.
A major finding from the percolation test was the development of a mound at a depth of approximately 240 feet.
"...likelihood of substantial lateral movement of the recharged water along the 240-foot low permeable zone"


Report Recommended Further Work
"Further investigation work is required to determine the extent, thickness, and retardation characteristics of the lower permeability zones in the forebay area."
"Hydraulic properties of the unsaturated zone will need to be determined from field tests to allow more accurate prediction of mounding, lateral flow and deep percolation."
Page 7-2


Report Recommended a Monitoring Plan
"As part of the Environmental Impact Report process, a mitigation and monitoring plan will need to be developed to ascertain the effectiveness and impacts of the initial spreading operations."
"The monitoring plan will need to prescribe additional test drilling, multiple tube monitoring wells, micro-seismic refraction surveys to track mounded water and other investigatory work."
Page 7-2


Some Other Report Recommendations
"Develop a comprehensive investigation plan to monitor and evaluate the effect of long term recharge."
"Install a monitoring well network downgradient of the recharge sites."
"Begin water spreading ... and monitor water levels and quality in the monitoring wells."
"Continue the recharge operation until reliable information on long term percolation rates, mounding and water quality can be obtained."
Page 7-3

Imported Water Update

Presentation to Board of Directors
Beaumont Cherry Valley Water District
July 11, 2007
by
J.C Reichenberger PE, District Engineer

Recent Events

- Letter from the SGPWA to BCVWD
  - Department of Water Resources shut down the pumps at Banks Pumping Plant on May 31 to protect Delta smelt
  - SGPWA still has 1500 ac-ft of water that has not been delivered for 2007
  - Water is reserved for other customers of the Agency
  - BCVWD may not get any more imported water in 2007
- BCVWD recharge operations have been shut down since June 5, 2007

Recent Events Cont'd

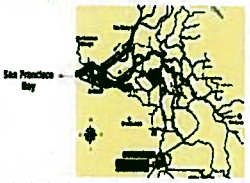
- DWR has increased deliveries to meet demands in the Bay Area and Central and Southern California beginning June 17
- Most likely no further deliveries to BCVWD from Pass Agency for 2007

An Overview of the Problem

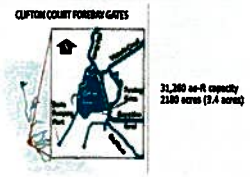
The Delta Smelt

Approximate Size 2 to 3 inches in length
Migrate to spawn in fresh water in winter and spring
Live in brackish water 2 to 14 ppt salinity
Federal and State Threatened Species
Sensitive to temperature

The Sacramento/San Joaquin Delta



Location of the Forebay Gates



Clifton Court Forebay

Clifton Court Forebay Gates

Where Do We Stand?

- SGPWA can only get 5190 ac-ft this year based on 60% of 8650 ac-ft
- BCVWD Recharged ≈ 4200 ac-ft thru June 5 or about 93% of the Table A ordered from SGPWA
- But what about Article 21 Water?

Article 21 Water for 2007

- SGPWA notified DWR of its intention to take Article 21 Water – filled out a form[1]
- Article 21 Water was available in Jan, Feb, and March 2007
- Total available was 341,000 ac-ft
- SGPWA never requested any!
- There were more requests than water available in 2007 so DWR allocated it based on Table A water ordered
- SGPWA probably could have gotten an additional 1000 ac-ft & if it had requested Article 21 Water

[1] Personal communication SWPAO 6/8/07

Where do we go from here?

SGPWA Contractual Requirements

- 1996 Agreement DWR, Muni and SGPWA
  - Limits SGPWA from requesting DWR or Muni for more than 8650 ac-ft/yr until construction of EBX-2
  - Muni interprets this as a written commitment from SGPWA to financially participate in EBX-2
  - It is silent on Article 21 water
  - Can SGPWA deliver any Article 21 water?

Recent Events

- July 2005– SGPWA commits to added pumps at Greenspot and Crafton Hills as standby units
- June 2006 –memorializes Article 21 Water and Turnback Pool water in Pipeline
- Nov 2006 – SGPWA commits to added pump at Cherry Valley PS as standby unit
- Dec 2006 – SGPWA Board commits to constructing & financing EBX-2
  - This now opens up pipeline to full 17300 ac-ft

Current Status of EXB-2

- Apr 2006 – DWR issues NOP for EIR for EBX-2
- EIR is proceeding
- Apr 2008 – EIR Anticipated Completion ??
- EBX-2 still needs to be designed by DWR – timing unknown
- Construction of Facilities – several years at least[1]
- Time is running out
- 2014 temporary surplus deadline looms

[1] J. Davis estimates 2011-2012 time frame

Recent Events Cont'd

- Jan 2007 – SGPWA Table A Orders

Year	Was	Changed to
2007	7,500	8,650
2008	17,300	12,000
2009	17,300	14,000
2010	17,300	16,000
2011	17,300	17,300

All values in ac-ft

Why not ask for full Table A?

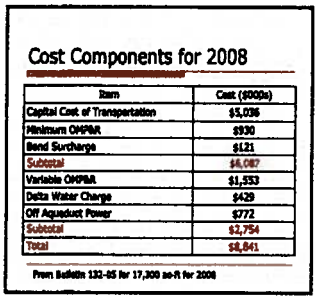
- Reason: SGPWA can save lots of money[1]
- But we can use (and need) all of it and more!
- If we get cutback again next year is it not better to get 60% of 17,300 ac-ft rather than 60% of 12,000 ac-ft?
- Same rationale holds true for future years

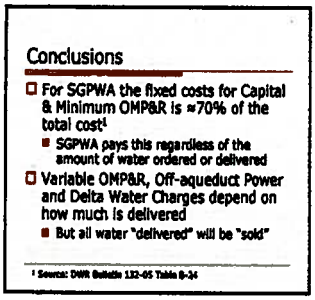
[1]Personal communication J. Davis to JCR 6/19/07

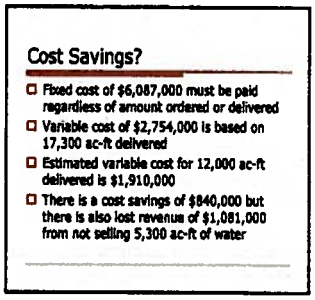
DWR Charges for SPW

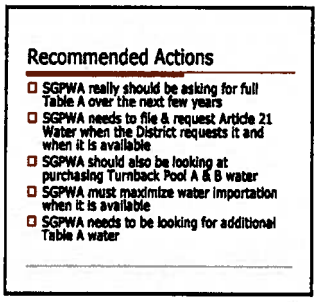
Cost Item	Based on Contract Table A (17,300 ac-ft)	Based on Water Delivered
Capital Cost & Bond Cost	√	
Minimum OMP&R[1]	√	
Off-Aqueduct Power		√
Variable OMP&R		√
Delta Water Charge		√

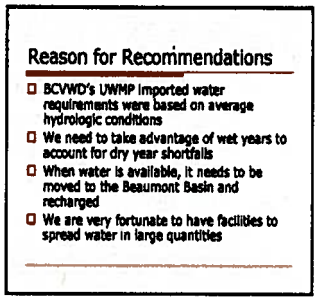
[1] Operation, Maintenance, Power & Replacement











Joe Reichenberger provided a presentation and a hard copy of the 1992 Boyle Report to the public. He stated that the Wildermuth report of February 2007 shows a correlation between the recharge by the Pass in Wells 16 and 21 shows increase and decrease of nitrates. He stated that recharge stopped in June 5th and nitrate levels decreased. He mentioned that the District Legal Counsel sent a letter to the Pass Agency to offer to recharge at another location. He stated that the Pass responded with a letter requesting an extensive amount of information from the District. He explained that the information is stored in binders and he asked Mr. Gratwick to look for files and he came out with the Boyle Report.

4. Action Items

A) Approve of Fact Sheet regarding the Water Quality/Sewer System Including District Wide Mailer.

President Parks asked Patsy Reeley, resident of Cherry Valley to speak on this item since she submitted a form to speak.

Mrs. Reeley stated that the Fact sheet was not in the packet and that the public was not given the opportunity to read it before the meeting and that the District is violating the Brown Act. She mentioned that she had filed a complaint with the Attorney General's Office.

President Parks requested Frances Flanders, a resident of Cherry Valley to speak on this item since she submitted a request to speak before the Board.

Mrs. Flanders asked that the Board not vote on this item since the public was not given a 72 hours notice and she stated that the District is violating the Brown Act.

Legal Counsel, Gil Granito read the Fact Sheet regarding the Water Quality/Sewer System. Mr. Granito briefly explained the map provided as part of the Fact Sheet and stated that the areas that were high lighted blue were the areas covered by the sewer project.

Mr. Butcher explained to the Board and the public that the District is arranging two different meetings in the month of August to inform the public about the cost of the project and Water Quality. Mr. Butcher explained the estimated cost and the breakdown of the charges that will be passed onto the consumers affected by this project.

There was a lengthy discussion between the public and the Board members regarding the estimated monthly fees and the difficulties that consumers will face to be able to pay on a monthly basis. Board members discussed the different estimates as stated in previous meetings. Discussion went on regarding the estimated cost and the nine other alternatives to complete this project. Public discussed other options that other cities are implementing on their consumers and that consumers are not paying back for sewer service. Legal Counsel, Shoaf, members of the public and Board members had a discussion regarding the area where the Beaumont Cherry Valley Water District will service. Mr. Butcher explained in detail that the BCVWD will only serve the areas where sewer service currently is not provided and he reminded the public that they are only voting to enable the District to apply to LAFCO to enable its Latent Sewer Authority. Public requested that the Board add names of the streets to the map provided to the public.

President Parks requested a motion to table this item for a special meeting to be held on July 24th, 2007,
Motion made by Vice President Ball, second by President Parks, **Motion carried 4-1**

B) Approve the 2007 Update of System Development Fees Report.

Mr. Butcher explained to the Board and the Public the Black & Veatch 2004 report and informed the public that Mr. Pardiwala, the District's Financial Consultant recommended the increase of Facility Fees based on the 2007 study to update and raise the fees.

There was a brief discussion regarding the Financing Costs and the cost per EDU. Mr. Butcher explained to the Board and the public that the EDU'S and the Connections are different. He explained that the connections are the number of service lateral and that there is no set number of EDU's per service lateral. Mr. Butcher stated that it is important for the District to have a large storage account and have water in reserve to serve the demands of the population. Mr. Butcher recommended the Board to approve the plan as presented and suggested to do another report in one year and readjust the fees if necessary.

President Parks asked for a motion to approve the 2007 Update of System Development Fees Report as presented and to take effect on September 15th.
Motion made by Director Lash, second by Director Chatigny, **Motion carried 5-0**

C) Replacement of Matting in Recharge Basins

President Parks requested Luwana Ryan, a resident of Cherry Valley, to speak on this item as she presented a request at the beginning on the meeting.

Mrs. Ryan stated that there are no cost figures presented for this item. She stated her main concern was that Mr. Lara is contracting the labor and that the District is already paying Mr. Lara an average of $1,900,000.00 per year. She believes that this would be a very costly experiment and suggested that the Board reconsider this project.

Brief discussion went on regarding the amount of baskets needed, the cost of labor and material for this project. Mr. Butcher explained that the District is experiencing an algae problem in its ponds. He explained that the rock baskets will be the less costly solution to the algae problem. He explained that other agencies are chlorinating their ponds as a method or using weeds to hold algae but, these methods require more labor to maintain. Mr. Butcher suggested installing the baskets in two trains and alternating them back and forth.

President Parks requested a motion to test this project with only two trains.
Motion made by Director Lash, second by Director Dopp, **Motion carried 4-1**

President Parks adjourned meeting to a five meeting break at 9:25pm
President Parks reconvened meeting at 9:38pm

D) Reschedule August 8th Board Meeting to August 22nd.

President Parks requested a motion to approve the rescheduling of the August 8th meeting to August 22nd.
Motion made by Vice President Ball, second by Director Dopp, **Motion carried 5-0**

5. <u>Discussion Regarding Recharge Facilities Project.</u>

a) Vice-President Ball's Request dated May 30, 2007.

Vice- President Ball requested to table this item to the next Board Meeting on August 22nd, 2007.
President Parks requested a motion to table this item to the next meeting scheduled for August 22nd, 2007.

Motion made by Vice-President Ball, second by Director Dopp, **Motion Carried 5-0**

Items b and c were cancelled as these items were addressed in previous items.

6. **Discussion and Possible Action Regarding Annexation request for APN 419-170-012-7.**

President Parks requested motion to approve the annexation of APN 419-170-012-7

Motion made by Director Chatigny, second by Director Dopp, **Motion Carried 5-0**

7. **Discussion and Possible Action Regarding Authorization to Change Scope of Work for the Governance Contract.**

President Parks called on Cherry Valley resident and rate payer Frances Flanders to speak, as she submitted a request to speak before the Board prior to the start of the meeting.

Mrs. Flanders stated that there needs to be a workshop to give the public the opportunity to participate and added that she was hoping to attend the workshops to find out about job descriptions of the Board members.

District Legal Counsel, Gerald Shoaf, explained that Annette Hubbell and Jay Malinowski will interview the Board to find the alternatives to inform the public. Mr. Shoaf stated that the two alternatives that will be presented to the Board is a handbook and workshops and that it will be up to the Board to decide.

President Parks called on Cherry Valley resident and rate payer Patsy Reeley to comment on this item. Mrs. Reeley read the last paragraph of page one on this item which talks about the accountability of the Board and the management and how they can be charged if making the wrong decisions and the wrong votes.

President Parks requested a motion to authorize the change

Motion made by Director Dopp, second by Director Lash, **Motion carried 5-0**

8. **Discussion and Possible Action Regarding Variance to Policy Request for 40372 Grand Ave.**

Mr. Butcher briefly explained that the owner of the property as the time the property was split into two; both meters remained on one side of the property.
President Parks requested a motion to grant variance.
Motion made by Director Lash, second by, Director Chatigny, **Motion carried 5-0**

9. **Public Input**

President Parks requested Frances Flanders, a resident of Cherry Valley to speak on items not in the agenda as she submitted a request to speak.

Mrs. Flanders requested an update on the 2004 Audit and she wanted to know if the people that were being served by another water company and now served by the BCVWD were going to be able to vote. She also pointed out that the numbers on the financial report did not match.

Mr. Butcher stated that Mr. Branchflower is still working on the 2004 Audit and that all people in the District will be qualified to vote. Mr. Butcher asked Mrs. Flanders to wait for the Financial Section to get an answer to her financial question.

10. **Adoption of Minutes**

- **Minutes of the Regular Meeting of June 13, 2007**

President Parks requested Patsy Reeley, a resident of Cherry Valley to speak as she submitted a request at the beginning of the meeting.
Patsy Reeley stated that on last meeting minutes she had requested an answer on some items and that she did not get an answer to any.
Mr. Butcher asked Mrs. Reeley to re submit her questions in writing and he would send her a written response.

President Parks requested Luwana Ryan, a resident of Cherry Valley to speak as she submitted a request to speak.

Luwana Ryan asked the Board for some corrections to be made the second and fourth paragraph of page three of the minutes. She also commented that there has not been a good audio copy of the minutes available to the public for the last three months. She requested that the minutes have more accuracy due to the fact that the minutes are Brown Act protected meetings.

President Parks and Mr. Butcher explained to the public that the District does not have its own board room and meetings have to be held at different locations. Mr. Butcher requested the public to be patient until the Beaumont Cherry Valley Water District has its own building.

Vice- President Ball questioned section two of minutes which talks about the AB1234 and talks about the Board member duties and requested the Board table discussion of AB1234 until the next Board Meeting.

President Parks requested a motion to adopt the minutes with changes.
Motion made by Director Chatigny, second by Director Lash, **Motion carried 5-0**

11. General Manager's Report

a) **Office Remodeling** – Mr. Butcher stated that the first load of lumber was dropped

b) **Status of Well 16 Sampling Program** – The samples are continuing to drop

c) **Well 23 and 24 Failures** – Check informed that Wells 23 and 24 failed due to heat related problems and that they are back up and running. He added that Well 26 will be done by the end of December and wells 25 and 29 will be on-line by the next summer.

12. Finance and Audit Committee Report

a. Approval and payment of vendor invoices for the month of June 2007.

President Parks asked for a motion to approve the Vendor Invoices for the month of June 2007 as presented.
Motion made by Director Chatigny, second by President Parks, **Motion carried 5-0**

b. Acceptance of June 2007 Financial Statement

President Parks requested a motion to approve the June 2007 Financial Statement with changes.
Motion made by Vice-President Ball, second by Director Lash, **Motion carried 5-0**

c. Acceptance of Second Quarter Financial Statement

President Parks requested that the General Manager, Chuck Butcher provide a salary analysis report or a Payroll Report. Mr. Butcher stated that he will contact the District's Legal Counsel regarding this request.

President Parks requested a motion to approve the Second Quarter Financial Report as presented.
Motion made by Director Dopp, second by Director Lash, **Motion Carried 5-0**

13. Adjournment

President Parks adjourned the meeting at 10:42pm

Unapproved Minutes July 24, 2007

RECORD OF THE MINUTES OF THE
MEETING OF THE
BOARD OF DIRECTORS OF THE
BEAUMONT CHERRY VALLEY WATER DISTRICT
July 24, 2007

1. **Call Meeting to Order, Pledge of Allegiance, Invocation and Roll Call – President Parks**

President Parks called the meeting to order at 7:00pm and asked Director Dopp to lead the Pledge of Allegiance and asked to remain standing as Vice-President Ball recited an invocation.
All were present.

2. **Adoption and Adjustment of Agenda (additions and/or deletions)**

President Parks asked for a motion to approve the agenda as presented.

Motion made by Director Lash, second by Director Dopp. **Motion carried 5-0**

3. **Public Comments.**

President Parks requested Sharon Hamilton, a resident of Cherry Valley to address the Board as she submitted a request to speak prior to the start of the meeting.

Mrs. Hamilton stated she attended the meeting to learn more about the election and also to find out some answers to her questions. She asked about the cost of this election, how much people will pay, how many people are still in septic tanks, why should Cherry Valley be responsible to pay for this, and why is the City of Beaumont voting on this. She also stated that she found an article on the internet that showed more efficient septic systems than the ones currently in use in Cherry Valley.

Mr. Butcher stated that the District did research and compare other septic systems like Advantex.

President Parks requested Judy Bingham, 1440 E. 6th Street, Beaumont and a representative of the Beaumont Citizens for Responsible Growth, to address the Board as she submitted a request to speak at the beginning of the meeting.

Mrs. Bingham stated that she submitted a Records Request form on October 20th, 2006 to the Beaumont Cherry Valley Water District associated with the Project Committee No 1 regarding the following: Report from the U.C. Davis Lab, Report from the Livermoore Lab and the Report from the Woods Hall Massachusetts Lab that state that the water is being contaminated by the nitrates and the supporting evidence. She stated that she believes that corruption is going on to help the Urban Logics services

because the consultants have not run the water waste plant and there is corruption going on in Beaumont.

Mr. Butcher stated that the District was not the author of the reports. Mr. Butcher stated that the reports from the labs were already sent to her according to Kristal Davis at Wildermuth Environmental Inc. He also recommended that another request be submitted to the San Timoteo Watershed Management Authority.

President Parks requested Luwana Ryan, a resident of Cherry Valley to address the Board as she submitted a request to speak form at the beginning of the meeting.

Mrs. Ryan stated that when Mr. Granito from Redwine and Sherrill read the Information Sheet at the last meeting, he repeated several times that the people were not voting for sewers. She mentioned that newspaper articles were published by the local newspapers stating the wrong information to the public. She recommended that as the Board is reading through the Information Sheet to make sure that people understand what they are voting for.

President Parks requested Luwana Ryan, a resident of Cherry Valley, to address the Board as she submitted a request to speak form at the beginning of the meeting.

Mrs. Ryan stated that the notice of the Town Hall Meeting states that the Environmental Report will be discussed and as far as she knows the report is not available. She also wanted to know if the public will be allowed to ask questions without restriction at the Town Hall Meeting.

Mr. Butcher assured the public that there will be a question and answer segment at the Town Hall Meeting.

4. Action Items

a) Beaumont Water Quality Improvement Program Information Sheet.

Mr. Butcher read the Information Sheet to the public and he welcomed the Board to suggest changes to be made. He stated that there were some corrections.

There was a lengthy discussion by the Board Members and the public regarding the wording of the Information Sheet. It was suggested to change the "on-site disposal systems" and replaced with "septic tank systems and cess pools". Board members, Legal Counsel, Gerald Shoaf and the public agreed that changes need to be made before the Information Sheets goes out to the public. District's Legal Counsel suggested the Board and the public agree on the changes and that the Information sheet would be updated.

Mr. Butcher explained to the public the difference of prices and quality on the different septic tanks in the market. He also explained to the public the percentages shown in the pie chart and agreed to delete it as no agreement was

reached in the explanation. Mr. Butcher explained to the public that the reason the loan is for 20 years is because the State does not offer 40 year loans.

President Parks requested a motion to approve the Water Quality Improvement Program Information Sheet with changes suggested.

BEAUMONT WATER QUALITY IMPROVEMENT PROGRAM

INFORMATION SHEET
Mail-in Ballot for Sewering Authority

All registered voters living in the Beaumont Cherry Valley Water District ("District") within Riverside County will be receiving a ballot by mail from the Registrar of Voters and asked to vote "**yes**" or "**no**" to authorize the District to make application to Local Agency Formation Commission (LAFCO) of Riverside County to exercise the District Latent (dormant) Sewer authority within the County of Riverside within the District service area. This will be on the ballot as Measure "B." Voting will be through a "**MAIL-IN BALLOT**"; there will be **NO VOTING AT POLLING PLACES.** Voters should mark the ballot and return it via mail to the Registrar of Voters so that it is received by 8:00 P.M. local time on September 25, 2007 in order to be counted The District selected the Mail-in Ballot to save the rate payers from the more costly process of voting at a polling place. This election is required by state statutes.

Measure "B"

Passage of Measure "B" subject to the approval of Local Agency Formation Commission (LAFCO) would allow the District to provide sewer service within its boundaries. Sewer service could include construction of sewers; oversight, approval and management of on-site waste disposal systems; or other sewage systems that are deemed necessary to protect water quality.

YOU ARE NOT VOTING FOR SEWERS; you are only voting to authorize the District to make application to LAFCO to activate its dormant sewer powers as needed to protect groundwater quality. Any approval for sewer installations by the District will require separate approval of the Board of Directors of the District.

The issue of whether sewers will be installed in Cherry Valley or other alternative measures is being evaluated through the District's Facilities Planning Process and the Environmental Review (CEQA) process. These documents are nearing completion and will be available for State and public review by early Fall. The Facilities Plan will identify the most cost effective methods of protecting your drinking water quality. The Environmental Review Process will identify the most environmentally acceptable methods and determine the appropriate mitigation measures that will be necessary to implement the best alternatives.

The Water Quality Problem Affects Everyone in the District

A study conducted by Wildermuth Environmental, Inc. (WEI), a consultant, identified septic tank systems with and cess pools in Cherry Valley as polluting the District's groundwater supply with nitrates and other trace contaminants. Nitrate concentrations in some of the District's water supply wells have approached the State and Federal limit. Excessive nitrate in drinking water can cause "blue-baby syndrome" in infants. If septic tanks are allowed to continue, the WEI report indicates the District's entire groundwater supply will eventually become polluted. The Riverside County Board of Supervisors concurred with this fact and established Ordinance 871 "to prevent this potential public health hazard from becoming a public health emergency."

Because this is a groundwater quality problem that **AFFECTS EVERYONE IN THE DISTRICT**, **ALL QUALIFIED REGISTERED VOTERS OF THE DISTRICT ARE BEING ASKED TO VOTE ON THIS MEASURE.**

What Can Be Done to Protect My Water Quality?

Based on the Facilities Planning work done to date and an extensive evaluation of alternatives, the most cost effective way of stopping the pollution is to provide sewers and eliminate the conventional septic

tanks and cess pools. To keep costs to a minimum, sewers are proposed only in a portion of Cherry Valley Community of Interest (COI) at this time. See the attached map.

If you live in Cherry Valley outside of the area shown on the map, initial plans call for allowing you to keep your current on site disposal system. However, the District could require that you upgrade your on site disposal system to reduce the pollution it contributes.

As new homes are constructed, they would be required to connect to the sewer system or install more costly advanced on-site waste disposal systems depending on the individual location.

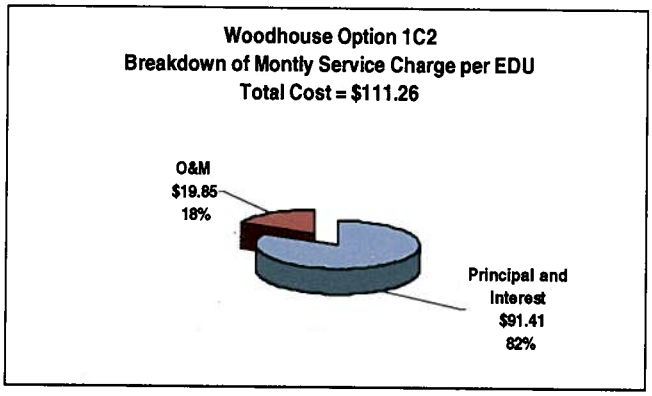
Who Will Pay?

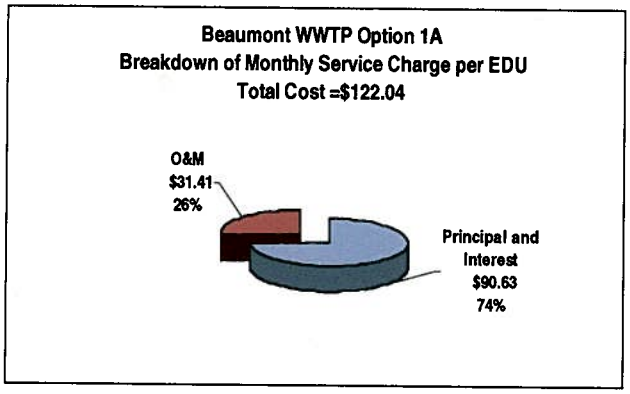
Initial plans provide that those occupied parcels located within the designated area of Cherry Valley COI shown on the map will be paying for the new sewer service. **IF YOU ALREADY HAVE SEWER SERVICE FROM THE CITY OF BEAUMONT YOU WILL NOT BE PAYING AGAIN** for sewers. If you are in Cherry Valley COI, but outside of the designated area to be sewered as shown on the attached map, you will not have to pay for sewers but you may be required to upgrade your septic tank to minimize its pollution impact.

The District has applied for a low interest loan from the State of California to fund the construction of the sewers in order to reduce the financial burden on the affected homeowners as much as possible.

How Much Will It Cost Me?

Initial plans provide that if you are in the designated area in Cherry Valley Community of Interest to be sewered, you will be charged for sewer service on your regular water bill. Occupied parcels will pay approximately $90 to $95 dollars per month for twenty years which will cover the cost of the sewer and waste water treatment plant construction and between $19.00 and $35.00 per month for operation and maintenance of the collection and treatment system depending on the alternative selected. Parcels with more than one dwelling will pay more. This cost may go down over time as more parcels are connected inside and outside of the current designated area charge. Nine options for treatment were studied; the two least expensive options are shown in the charts below. The District's Staff's recommended preferred option is the Woodhouse Option 1C2, with the Beaumont WWTP Option 1A as a fallback.





What Will Happen To My Septic Tank/Cess Pool?

Initial plans provide that when construction of the sewers and treatment system is complete fully tested and operational the District's contractor will be going to each occupied parcel and install a pipe from your house to the sewer in the street. Your septic tank or cess pool will then be pumped out, filled with

earth material and abandoned. In the alternative, you may have this work done at your own expense. The cost for this is included in the monthly charge shown above. **NO ADDITIONAL FEES OR CONNECTION CHARGES WILL BE REQUIRED TO BE PAID.**

Are There Any Alternatives?

The District's engineering consultants evaluated 9 alternatives including alternatives which would use advanced on-site systems and small diameter septic tank effluent sewer systems. The two least costly alternatives are for the District to install sewers and either constructs its own treatment plant or contract with the City of Beaumont for treatment.

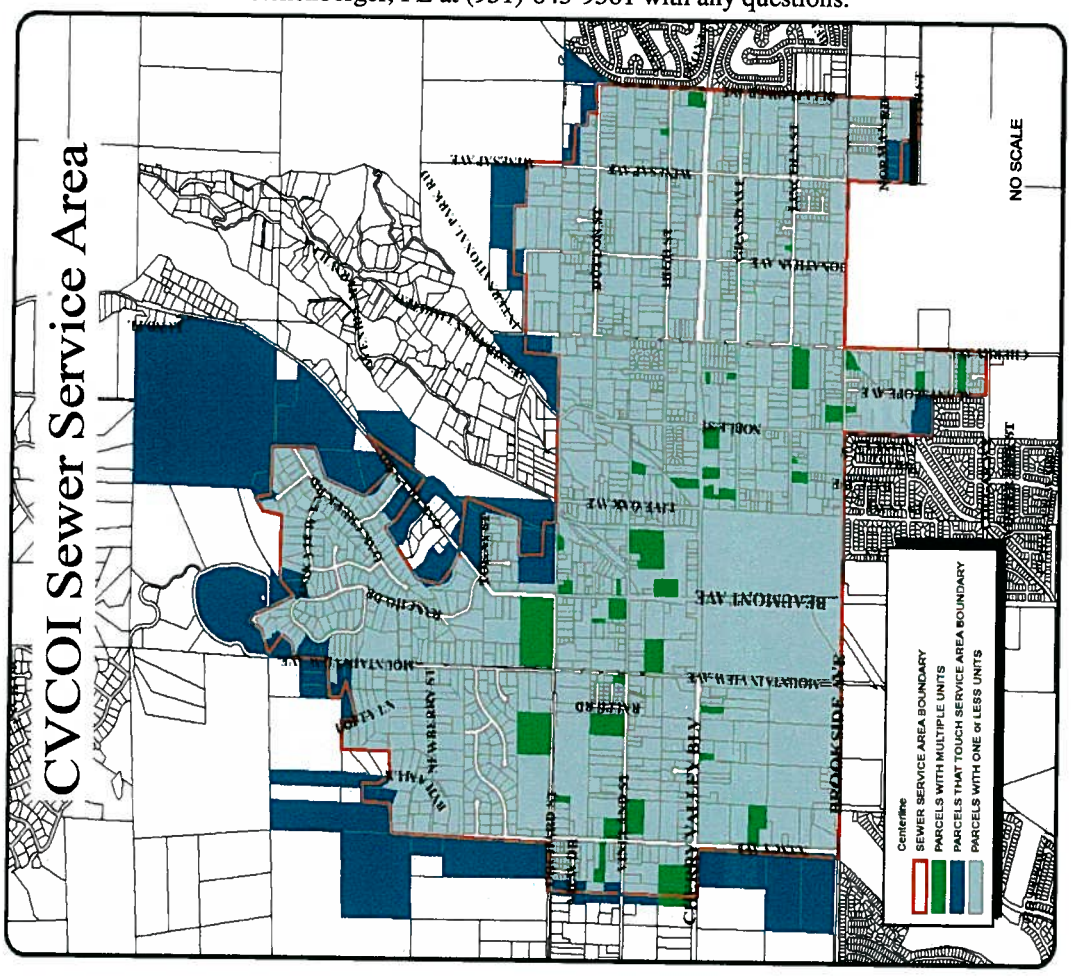
NO SEWER PROJECT ALTERNATIVE

If nothing were done, all of the groundwater would be polluted and would require expensive treatment at each well (wellhead treatment). This would be very expensive as specialized treatment is needed along with some means of disposing of the brine. Everyone in the District would be paying for this. Furthermore, the regulatory agencies would not allow the groundwater to be polluted.

Where Can I get More Information?

Information is available at the District Offices which includes a Facilities Plan and an Environmental Impact Report. The District anticipates placing this material on the District's web site: www.bcvwd.org.

Customers can contact the General Manager, Mr. C. J. Butcher or the District Engineer, Mr. J. C. Reichenberger, PE at (951)-845-9581 with any questions.



Prepared by Beaumont Cherry Valley Water District – 560 Magnolia Avenue, Beaumont, CA 92223

Motion made by Vice President Ball, second by President Parks, **Motion carried 3-2**

b) Notice of Town Hall Meeting

No action requested at this time.

c) Policy Statement

President Parks requested a motion to recognize, receive and implement AB1234 Policy Statement.

Motion made by Vice President Ball, second by Director Lash. **Motion carried 5-0**

President Parks requested Frances Flanders, a resident of Cherry Valley to address the Board as she submitted a request to speak late after the start of the meeting.

Mrs. Flanders stated that the District is violating the Brown Act by not posting the agenda on the website or posting it outside of the District's building.

Mr. Butcher stated that sometimes the public takes all the agendas from the box located outside of the building. He also informed the public that the District's website is still in progress.

5. Adjournment

President Parks adjourned the meeting at 8:28pm

Item 10d

Cherry Valley Grace Brethren Church

Beaumont & Vineland Avenues
www.CVGBCOnline.org
(951) 845-1821

10257 Beaumont Ave
Cherry Valley, CA 92223
Roy L. Polman, Pastor

August 9, 2007

Mr. C. J. Butcher, General Manager
Beaumont Cherry Valley Water District
560 Magnolia Avenue
Beaumont, CA 92223

Dear Mr. Butcher,

This is with respect to the recent notice regarding the question of authorizing the Beaumont Cherry Valley Water District to activate its latent powers to provide sewer service and call for a district wide election on whether to extend sewer service to the Cherry Valley area. The Fact Sheet which accompanied the notice of public meetings indicated that properties in Cherry Valley would likely be assessed a monthly amount of $95 for 20 years to pay for the sewer connection.

As pastor of Cherry Valley Brethren Church and Schools, we have a few questions as to how this proposal might affect our property, particularly with respect to the monthly assessment. The property is located at the corner of Beaumont Avenue and Vineland Street. The property is a little over four acres consisting of three parcels with multiple buildings, including a church, school classrooms and a preschool. The buildings are currently serviced by multiple septic tanks.

Questions:

1) Would our existing septic tanks each require an individual connection or could they all be tied together for a single connection to the main sewer line?
2) If work is required on site to rework the existing connections, would this be included as part of the sewer project, or would individual property owners be responsible for such work?
3) Given that we currently have multiple parcels and multiple septic tanks would the $95 per month assessment apply to our situation?
4) Might we be required to pay an assessment of $95 per parcel or per connection?
5) Assuming a decision is made to move ahead with the sewer project for Cherry Valley, how long would it be before construction actually begins and when would property owners begin payment of the assessments?

We are quite concerned that the assessment could pose a significant financial hardship for our congregation. We would like to be able to inform them as soon as possible regarding potential financial ramifications which this proposal may have for us.

We await your response and thank you in advance for your consideration.

Sincerely yours,

Roy L. Polman

Roy L. Polman, Pastor

BEAUMONT CHERRY VALLEY WATER DISTRICT

560 Magnolia Avenue
Beaumont, California 92223-2258
Telephone 951-845-9581
Fax 951-845-0159

August 15, 2007

Roy L. Polman, Pastor
Cherry Valley Grace Brethren Church
10257 Beaumont Avenue
Cherry Valley, CA 92223

Re: Your letter to C. Butcher dated Aug 9, 2007 on Sewering

Dear Pastor Polman:

This letter is written to respond to your letter to the District relative to the impact of sewering Cherry Valley on the Church Property. We understand your concerns and trust our responses will address your concerns.

In your letter you use the term "assessments." First I would like to explain that the charges are not really "assessments;" they are fees that will be on the water bill. We are not going to "lien" or assess your properties. The fees will cover the payments on the low interest loan which the District is requesting from the State of California to construct the system (including the work on your property to connect to the system). This will continue for 20 years – the loan period. This is the $95 per month you refer to in the letter. In addition you will be paying the cost for operation and maintenance of the sewers and treatment works. This is a service charge and would be on-going. We estimate this will be about $20 per month initially. These are the only fees you will pay.

You should be aware that the $95 and $20 are for a single family residence and, in your case; these would be adjusted depending on the amount of sewage generated on your site. We have not determined this amount yet. We will need more information to do this.

Answering your questions specifically:

1) *Would our existing septic tanks each require an individual connection or could they all be tied together for a single connection to the main sewer line?*

It all depends on where your individual sewers are. Ideally we would like to combine them and have only one connection point. But this would depend on your site layout and the location of our sewer mains. This will be worked out during the design phase. At this point in time, we have only completed preliminary engineering work.

2) *If work is required on site to rework the existing connections, would this be included as part of the sewer project, or would the individual property owners be responsible for such work?*

This will be included with the sewer project; no separate payment will be required. The charge on the water bill will cover this.

3) *Given that we currently have multiple parcels and multiple septic tanks, would the $95 per month assessment apply to our situation?*

No. The figures we have worked out so far and presented in our Fact Sheet are based on a single family residence on a single lot. In your case where you have multiple buildings with multiple purposes and occupancies, we will prorate the monthly service charge on the basis of the amount of sewage generated by your occupancy. We have not worked out the exact fee schedule for situations like yours yet.

4) *Might we be required to pay an assessment of $95 per parcel or per connection?*

The $95 will be prorated as stated in the response to 3) above. Since you have multiple parcels under a single ownership, we would likely only consider this a single connection. However, the amount that you would pay would depend on the amount of sewage generated. But if at some time in the future, those parcels were sold off, for whatever reason and the property developed differently that it is now, the sewer fees would have to be revisited.

5) *Assuming a decision is made to move ahead with the sewer project for Cherry Valley, how long would it be before construction actually begins and when would property owners begin payment of assessments?*

Assuming the election of September 25 results in a "yes" vote; the District will then be applying to LAFCO for sewering authority. At the same time we will be finalizing the EIR on the sewer system and submitting our facilities planning study to the State for loan approval. We estimate the State will approve the loan by first quarter 2008. Detailed design will start on the sewers which will be completed by the end of 2008. Construction could start in early 2009 with completion by mid-2010. Fees would not start to be collected until the individual were connected and receiving service – which looks like mid-2010 or so.

Please be aware that the Board of Directors of the Beaumont Cherry Valley Water District will need to take separate actions to approve the loan application, certify the EIR, and award construction contracts among other items.

Pastor Polman, if you have any more questions, please do not hesitate to contact the District.

Very truly yours,

Beaumont Cherry Valley Water District

J. C. Reichenberger PE
District Engineer

Invoices July 2007

Vendor : A&A FENCE To ZETLMAIER
Cheque Dt. 01-Jul-2007 To 31-Jul-2007
Bank : 1 - GENERAL CHECKING

Seq : Cheque No. Status : Issued
Medium : M=Manual C=Computer

Check #	Check Date	Vendor	Vendor Name	Status	Batch	Medium	Amount
34779	02-Jul-2007	SOUTHMESA	SOUTH MESA WATER COMPANY	Issued	198	C	75,000.00
34780	05-Jul-2007	ACTIONTRUE	ACTION TRUE VALUE HARDWARE	Issued	202	C	743.03
34781	05-Jul-2007	ALLPURPOSE	ALL PURPOSE RENTALS	Issued	202	C	60.50
34782	05-Jul-2007	ARCIAGA, S	STEVE ARCIAGA / INSPECTIONS	Issued	202	C	2,510.00
34783	05-Jul-2007	B ACE HOME	BEAUMONT ACE HOME CENTER	Issued	202	C	59.82
34784	05-Jul-2007	BASICCHEMI	BASIC CHEMICAL SOLUTIONS LLC	Issued	202	C	2,308.76
34785	05-Jul-2007	BDLALARMS	BDL ALARMS	Issued	202	C	38.00
34786	05-Jul-2007	BROOK	BROOK FURNITURE RENTAL	Issued	202	C	2,488.56
34787	05-Jul-2007	DEFORGECOI	BRIAN DEFORGE CONSTRUCTION	Issued	202	C	5,000.00
34788	05-Jul-2007	DUSTCONTRC	DUST CONTROL INC	Issued	202	C	510.00
34789	05-Jul-2007	EDISON	SOUTHERN CALIFORNIA EDISON	Issued	202	C	72,549.70
34790	05-Jul-2007	ELFIZ001	E.L. FISHER (WELLS FARGO)	Issued	202	C	632.49
34791	05-Jul-2007	EMPIREDISP	EMPIRE DISPOSAL	Issued	202	C	46.86
34792	05-Jul-2007	ESBABCOCK	ES BABCOCK	Issued	202	C	831.00
34793	05-Jul-2007	HEMETOIL	HEMET OIL CO	Issued	202	C	1,094.35
34794	05-Jul-2007	HOMEDEPOT	HOME DEPOT CREDIT SERVICES	Issued	202	C	118.31
34795	05-Jul-2007	HOMERSJANI	HOMER'S JANITORIAL SERVICE	Issued	202	C	392.00
34796	05-Jul-2007	HUDECS	HUDEC'S COMPUTER CONSULTING	Issued	202	C	3,079.28
34797	05-Jul-2007	JMCAPELLIN	J-CAP MATERIALS INC.	Issued	202	C	5,867.50
34798	05-Jul-2007	MARTYSMOBI	MARTY'S MOBILE CAR WASH	Issued	202	C	48.00
34799	05-Jul-2007	MATICH	MATICH CORP	Issued	202	C	909.88
34800	05-Jul-2007	PAIGETRUCK	PAIGE TRUCKING	Issued	202	C	2,516.25
34801	05-Jul-2007	PASSD001	PASS DEVELOPERS INC.	Issued	202	C	628.12
34802	05-Jul-2007	RAINFORREN	RAIN FOR RENT	Issued	202	C	7,032.89
34803	05-Jul-2007	RAYMARTINE	RAY MARTINEZ & ASSOCIATES ARCHITECT:	Issued	202	C	13,510.73
34804	05-Jul-2007	REDWINE	REDWINE AND SHERRILL	Issued	202	C	17,502.50
34805	05-Jul-2007	RFC	RAFTELIS FINANCIAL CONSTULTANTS INC	Issued	202	C	3,245.95
34806	05-Jul-2007	RICHL	RICHLAND NURSERY	Issued	202	C	856.61
34807	05-Jul-2007	SCHLANGEJA	SCHLANGE, J. ANDREW	Issued	202	C	4,317.35
34808	05-Jul-2007	SCHLANGEJA	SCHLANGE, J. ANDREW	Issued	202	C	1,950.00
34809	05-Jul-2007	SGPWA	SAN GORGONIO PASS WATER AGENCY	Issued	202	C	23,595.00
34810	05-Jul-2007	SOCALPUMP	SOCAL PUMP & WELL	Issued	202	C	13,866.95
34811	05-Jul-2007	STAPLES	STAPLES BUSINESS ADVANTAGE	Issued	202	C	169.90
34812	05-Jul-2007	STMP000354	GUIAO MERVIN B &, JENNIFER G UMALI	Issued	202	C	11.20
34813	05-Jul-2007	TOMLARA	TOM LARA	Issued	202	C	40,239.11
34814	05-Jul-2007	TRAFFICSPE	TRAFFIC SPECIALTIES INC	Issued	202	C	1,737.45
34815	05-Jul-2007	UNITEDRENT	UNITED RENTALS NORTHWEST INC	Issued	202	C	2,560.01
34816	05-Jul-2007	VERIZON	VERIZON	Issued	202	C	72.81
34817	05-Jul-2007	WASTEMANA(	WASTE MANAGEMENT	Issued	202	C	349.47
34818	05-Jul-2007	BENDEFORGE	DEFORGE, BEN	Issued	204	C	257.19
34819	10-Jul-2007	USPOSTAL	US POSTAL SERVICE	Issued	206	C	4,421.77
34820	10-Jul-2007	Z&LPAVING	Z&L PAVING	Issued	210	C	55,268.30
34821	12-Jul-2007	AIR&HOSESO	AIR & HOSE SOURCE INC.	Issued	213	C	180.79
34822	12-Jul-2007	ALLPURPOSE	ALL PURPOSE RENTALS	Issued	213	C	180.40
34823	12-Jul-2007	AMAENTERPF	AMA ENTERPRISES	Issued	213	C	340.49
34824	12-Jul-2007	AQMD	AQMD	Issued	213	C	683.00
34825	12-Jul-2007	B ACE HOME	BEAUMONT ACE HOME CENTER	Issued	213	C	520.82
34826	12-Jul-2007	B76	BEAUMONT 76	Issued	213	C	1,616.24
34827	12-Jul-2007	BRINKS INC	BRINK'S INC	Issued	213	C	381.94
34828	12-Jul-2007	BSTATIONER	BEAUMONT STATIONERS	Issued	213	C	8.89
34829	12-Jul-2007	BTIRE	BEAUMONT TIRE	Issued	213	C	15.00
34830	12-Jul-2007	CADETUNIFO	CADET UNIFORM SERVICE	Issued	213	C	66.77
34831	12-Jul-2007	CAL-STATE	CAL-STATE RENT A FENCE INC	Issued	213	C	590.00
34832	12-Jul-2007	CALTOOL	CALIFORNIA TOOL & WELDING	Issued	213	C	46.80
34833	12-Jul-2007	CITYOFB	CITY OF BEAUMONT	Issued	213	C	47.54

Vendor : A&A FENCE To ZETLMAIER
Cheque Dt. 01-Jul-2007 To 31-Jul-2007
Bank : 1 - GENERAL CHECKING

Seq : Cheque No. **Status :** Issued
Medium : M=Manual C=Computer

Check #	Check Date	Vendor	Vendor Name	Status	Batch	Medium	Amount
34834	12-Jul-2007	COFRIVASSE	COUNTY OF RIVERSIDE ASSESSOR COUNT	Issued	213	C	3.00
34835	12-Jul-2007	CVAUTO	CHERRY VALLEY AUTOMOTIVE	Issued	213	C	365.21
34836	12-Jul-2007	DAVINCI	DA VINCI PRINTING & BLUEPRINTS	Issued	213	C	5,240.96
34837	12-Jul-2007	DESIGNSPAC	DESIGN SPACE MODULAR BUILDINGS INC.	Issued	213	C	2,968.28
34838	12-Jul-2007	DHS-OCP	DHS-OCP CERTIFICATION UNIT MS #7417	Issued	213	C	70.00
34839	12-Jul-2007	EMANUELSAL	SALINAS, EMANUEL	Issued	213	C	1,615.19
34840	12-Jul-2007	FARMERBROS	FARMER BROS	Issued	213	C	73.39
34841	12-Jul-2007	FEDEX	FEDEX	Issued	213	C	29.62
34842	12-Jul-2007	GASCO	THE GAS COMPANY	Issued	213	C	9.53
34843	12-Jul-2007	GENESIS	GENESIS CONSTRUCTION	Issued	213	C	70,917.30
34844	12-Jul-2007	GENESIS	GENESIS CONSTRUCTION	Issued	213	C	70,917.30
34845	12-Jul-2007	INLANDWATE	INLAND WATER WORKS	Issued	213	C	12,208.81
34846	12-Jul-2007	INLANDWATE	INLAND WATER WORKS	Issued	213	C	25,613.48
34847	12-Jul-2007	J&NFIRE	J & N FIRE EXTINGUISHER CO.	Issued	213	C	842.19
34848	12-Jul-2007	JMCAPELLIN	J-CAP MATERIALS INC.	Issued	213	C	1,381.25
34849	12-Jul-2007	LORGEOTECH	LOR GEOTECHNICAL GROUP INC	Issued	213	C	708.00
34850	12-Jul-2007	MARTYSMOBI	MARTY'S MOBILE CAR WASH	Issued	213	C	156.00
34851	12-Jul-2007	MATICH	MATICH CORP	Issued	213	C	5,035.90
34852	12-Jul-2007	MISSIONOAK	MISSION OAKS NATIONAL BANK	Issued	213	C	15,759.40
34853	12-Jul-2007	NAPAAUTOPA	NAPA AUTO PARTS	Issued	213	C	31.23
34854	12-Jul-2007	PAIGETRUCK	PAIGE TRUCKING	Issued	213	C	8,985.00
34855	12-Jul-2007	PAIGETRUCK	PAIGE TRUCKING	Issued	213	C	701.25
34856	12-Jul-2007	PATSPOTS	PAT'S POTS	Issued	213	C	80.00
34857	12-Jul-2007	PERFORMANC	PERFORMANCE METER INC	Issued	213	C	14,330.11
34858	12-Jul-2007	PITNEYGLOB	PITTNEY BOWES GLOBAL FINANCIAL SERVI	Issued	213	C	4,664.50
34859	12-Jul-2007	RAINFORREN	RAIN FOR RENT	Issued	213	C	8,719.02
34860	12-Jul-2007	SMITHPIPE	SMITH PIPE & SUPPLY INC	Issued	213	C	3,141.11
34861	12-Jul-2007	STAPLES	STAPLES BUSINESS ADVANTAGE	Issued	213	C	303.43
34862	12-Jul-2007	STMP000355	MARATHON GENERAL INC.	Issued	213	C	750.00
34863	12-Jul-2007	STMP000356	GOULD, GEORGIA	Issued	213	C	24.79
34864	12-Jul-2007	STMP000357	JENNINGS, JOHN	Issued	213	C	7.43
34865	12-Jul-2007	STMP000358	STEESY, RILEY	Issued	213	C	9.02
34866	12-Jul-2007	STMP000359	S.E. PIPELINE	Issued	213	C	750.00
34867	12-Jul-2007	TOMLARA	TOM LARA	Issued	213	C	32,505.00
34868	12-Jul-2007	UNDERGROUI	UNDERGROUND SERVICE ALERT	Issued	213	C	192.00
34869	12-Jul-2007	UNITEDRENT	UNITED RENTALS NORTHWEST INC	Issued	213	C	4,114.74
34870	12-Jul-2007	UNITEDSITE	UNITED SITE SERVICES OF CA	Issued	213	C	175.76
34871	12-Jul-2007	VERIZON	VERIZON	Issued	213	C	89.65
34872	12-Jul-2007	WASTE MANA	RIVERSIDE COUNTY WASTE MANAGEMENT	Issued	213	C	2,685.22
34873	12-Jul-2007	WASTEMANA(	WASTE MANAGEMENT	Issued	213	C	33.01
34874	12-Jul-2007	WAUSUTILE	WAUSU TILE	Issued	213	C	16,893.63
34875	12-Jul-2007	ALBERTCHAT	CHATIGNY, ALBERT	Issued	214	C	200.00
34876	12-Jul-2007	AMAENTERPF	AMA ENTERPRISES	Issued	214	C	242.44
34877	12-Jul-2007	BLAIRBALL	BALL, BLAIR	Issued	214	C	400.00
34878	12-Jul-2007	DOPPMARQUI	MARQUEL DOPP	Issued	214	C	800.00
34879	12-Jul-2007	STELLAPARK	PARKS, STELLA	Issued	214	C	1,000.00
34880	12-Jul-2007	WILLLAS	LASH, WILL	Issued	214	C	400.00
34881	19-Jul-2007	ACTIONTRUE	ACTION TRUE VALUE HARDWARE	Issued	217	C	728.60
34882	19-Jul-2007	AQUABACKFL	AQUA BACKFLOW AND CHLORINATION INC	Issued	217	C	885.44
34883	19-Jul-2007	AVAYA	AVAYA	Issued	217	C	130.73
34884	19-Jul-2007	AWTSYSTEMS	AWT SYSTEMS	Issued	217	C	42,852.10
34885	19-Jul-2007	B ACE HOME	BEAUMONT ACE HOME CENTER	Issued	217	C	35.18
34886	19-Jul-2007	BALDI003	BALDI BROS.	Issued	217	C	544.98
34887	19-Jul-2007	BESTBUY	BEST BUY	Issued	217	C	3,546.91
34888	19-Jul-2007	BSTATIONER	BEAUMONT STATIONERS	Issued	217	C	7.08

Vendor : A&A FENCE To ZETLMAIER
Cheque Dt. 01-Jul-2007 To 31-Jul-2007
Bank : 1 - GENERAL CHECKING

Seq : Cheque No. Status : Issued
Medium : M=Manual C=Computer

Check #	Check Date	Vendor	Vendor Name	Status	Batch	Medium	Amount
34889	19-Jul-2007	BTIRE	BEAUMONT TIRE	Issued	217	C	763.97
34890	19-Jul-2007	BYRDINDELE	BYRD INC ELECTRONICS	Issued	217	C	1,613.02
34891	19-Jul-2007	C&BCRUSHIN	C&B CRUSHING INC	Issued	217	C	50.00
34892	19-Jul-2007	CAMGUARD	CAM GUARD SYSTEMS INC.	Issued	217	C	950.00
34893	19-Jul-2007	CINGULARWI	CINGULAR WIRELESS	Issued	217	C	152.00
34894	19-Jul-2007	CONSM001	MOORE CONSTRUCTION	Issued	217	C	679.03
34895	19-Jul-2007	COUNTYOFRA	COUNTY OF RIVERSIDE AUDITOR-CONTROL	Issued	217	C	4,314.88
34896	19-Jul-2007	CR&RINCORP	CR&R INC	Issued	217	C	210.62
34897	19-Jul-2007	CVAUTO	CHERRY VALLEY AUTOMOTIVE	Issued	217	C	2,763.29
34898	19-Jul-2007	DAVINCI	DA VINCI PRINTING & BLUEPRINTS	Issued	217	C	99.40
34899	19-Jul-2007	DEFORGECOI	BRIAN DEFORGE CONSTRUCTION	Issued	217	C	12,000.00
34900	19-Jul-2007	EDISON	SOUTHERN CALIFORNIA EDISON	Issued	217	C	1,023.14
34901	19-Jul-2007	ESBABCOCK	ES BABCOCK	Issued	217	C	280.00
34902	19-Jul-2007	FEDEX	FEDEX	Issued	217	C	17.77
34903	19-Jul-2007	FELLOW	FELLOWSHIP IN THE PASS	Issued	217	C	4,173.57
34904	19-Jul-2007	GOLDENWES	GOLDEN WEST OIL INC	Issued	217	C	10,400.00
34905	19-Jul-2007	HEILZ002	HEIL CONSTRUCTION	Issued	217	C	557.65
34906	19-Jul-2007	HEMETOIL	HEMET OIL CO	Issued	217	C	5,293.83
34907	19-Jul-2007	HIGHLANDSP	HIGHLAND SPRINGS EXPRESS LUBE	Issued	217	C	2,060.40
34908	19-Jul-2007	INLANDWATE	INLAND WATER WORKS	Issued	217	C	21,372.96
34909	19-Jul-2007	JMCAPELLIN	J-CAP MATERIALS INC.	Issued	217	C	1,181.25
34910	19-Jul-2007	JOHNSONMA(	JOHNSON MACHINERY	Issued	217	C	1,613.42
34911	19-Jul-2007	KHOVN001	K. HOVNANIAN	Issued	217	C	18,090.00
34912	19-Jul-2007	MARTYSMOBI	MARTY'S MOBILE CAR WASH	Issued	217	C	312.00
34913	19-Jul-2007	MATICH	MATICH CORP	Issued	217	C	2,858.97
34914	19-Jul-2007	NAPAAUTOPA	NAPA AUTO PARTS	Issued	217	C	254.23
34915	19-Jul-2007	NOBLE001	NOBLE CREEK VILLAGE LLC	Issued	217	C	550.93
34916	19-Jul-2007	PACIF003	PACIFIC COMMUNITIES	Issued	217	C	108.72
34917	19-Jul-2007	PACIFICALA	PACIFIC ALARM	Issued	217	C	47.50
34918	19-Jul-2007	PAIGETRUCK	PAIGE TRUCKING	Issued	217	C	7,133.75
34919	19-Jul-2007	PERFORMAN(	PERFORMANCE METER INC	Issued	217	C	81,519.17
34920	19-Jul-2007	PETTY CASH	PETTY CASH - MARY MARTIN	Issued	217	C	765.40
34921	19-Jul-2007	RANCHOREAI	RANCHO READY MIX INC.	Issued	217	C	420.23
34922	19-Jul-2007	ROTO-ROOTE	ROTO-ROOTER PLUMBERS	Issued	217	C	180.00
34923	19-Jul-2007	SOUTHLANDE	SOUTHLAND ENGINEERING	Issued	217	C	10,550.00
34924	19-Jul-2007	STAPLES	STAPLES BUSINESS ADVANTAGE	Issued	217	C	2,073.71
34925	19-Jul-2007	STMP000360	KROLL, CHERYL.	Issued	217	C	159.97
34926	19-Jul-2007	TCCONSTRUC	TC CONSTRUCTION COMPANY	Issued	217	C	5,113.50
34927	19-Jul-2007	TOMDODSON	TOM DODSON & ASSOCIATES	Issued	217	C	2,837.50
34928	19-Jul-2007	TOMLARA	TOM LARA	Issued	217	C	60,449.25
34929	19-Jul-2007	UNITEDRENT	UNITED RENTALS NORTHWEST INC	Issued	217	C	2,074.00
34930	19-Jul-2007	VERIZON	VERIZON	Issued	217	C	1,109.68
34931	19-Jul-2007	VERIZONWIR	VERIZON WIRELESS	Issued	217	C	436.94
34932	19-Jul-2007	OAKVALLEYP	OAK VALLEY PHOTOGRAPHY	Issued	219	C	259.69
34933	26-Jul-2007	ACTIONTRUE	ACTION TRUE VALUE HARDWARE	Issued	221	C	1,493.05
34934	26-Jul-2007	ALBERTCHAT	CHATIGNY, ALBERT	Issued	221	C	200.00
34935	26-Jul-2007	ALLPURPOSE	ALL PURPOSE RENTALS	Issued	221	C	310.20
34936	26-Jul-2007	B ACE HOME	BEAUMONT ACE HOME CENTER	Issued	221	C	328.57
34937	26-Jul-2007	B76	BEAUMONT 76	Issued	221	C	1,546.10
34938	26-Jul-2007	BASICCHEMI	BASIC CHEMICAL SOLUTIONS LLC	Issued	221	C	1,476.70
34939	26-Jul-2007	BLAIRBALL	BALL, BLAIR	Issued	221	C	200.00
34940	26-Jul-2007	BREYCONTRT	BREY CONTRACTING COMPANY	Issued	221	C	125.00
34941	26-Jul-2007	BSTATIONER	BEAUMONT STATIONERS	Issued	221	C	43.10
34942	26-Jul-2007	CADETUNIFO	CADET UNIFORM SERVICE	Issued	221	C	66.77
34943	26-Jul-2007	CINGULARWI	CINGULAR WIRELESS	Issued	221	C	89.15

Vendor : A&A FENCE To ZETLMAIER
Cheque Dt. 01-Jul-2007 To 31-Jul-2007
Bank : 1 - GENERAL CHECKING

Seq : Cheque No. **Status :** Issued
Medium : M=Manual C=Computer

Check #	Check Date	Vendor	Vendor Name	Status	Batch	Medium	Amount
34944	26-Jul-2007	COMTRONIX	COMTRONIX OF HEMET	Issued	221	C	80.00
34945	26-Jul-2007	CVAUTO	CHERRY VALLEY AUTOMOTIVE	Issued	221	C	615.11
34946	26-Jul-2007	DEFORGECOI	BRIAN DEFORGE CONSTRUCTION	Issued	221	C	12,000.00
34947	26-Jul-2007	DOPPMARQUI	MARQUEL DOPP	Issued	221	C	600.00
34948	26-Jul-2007	DUSTCONTRC	DUST CONTROL INC	Issued	221	C	1,860.00
34949	26-Jul-2007	EDISON	SOUTHERN CALIFORNIA EDISON	Issued	221	C	91,343.56
34950	26-Jul-2007	ESBABCOCK	ES BABCOCK	Issued	221	C	319.00
34951	26-Jul-2007	FEDEX	FEDEX	Issued	221	C	14.81
34952	26-Jul-2007	GASSCO	GAS ARC STEEL SUPPLY CO	Issued	221	C	17.24
34953	26-Jul-2007	HEMETOIL	HEMET OIL CO	Issued	221	C	4,999.92
34954	26-Jul-2007	HUDECS	HUDEC'S COMPUTER CONSULTING	Issued	221	C	1,728.18
34955	26-Jul-2007	INLANDWATE	INLAND WATER WORKS	Issued	221	C	7,309.76
34956	26-Jul-2007	JMCAPELLIN	J-CAP MATERIALS INC.	Issued	221	C	6,717.50
34957	26-Jul-2007	JOSEPHSCOT	JOSEPH R. SCOTT INC.	Issued	221	C	14,766.63
34958	26-Jul-2007	MARTYSMOBI	MARTY'S MOBILE CAR WASH	Issued	221	C	204.00
34959	26-Jul-2007	MCCROMETEI	MCCROMETER	Issued	221	C	365.65
34960	26-Jul-2007	NAPAAUTOPA	NAPA AUTO PARTS	Issued	221	C	180.31
34961	26-Jul-2007	PAIGETRUCK	PAIGE TRUCKING	Issued	221	C	2,145.00
34962	26-Jul-2007	PARSONS	PARSONS	Issued	221	C	190,867.27
34963	26-Jul-2007	PERFORMANC	PERFORMANCE METER INC	Issued	221	C	52,582.00
34964	26-Jul-2007	QUALITYCON	QUALITY CONSTRUCTION MANAGEMENT	Issued	221	C	139,976.86
34965	26-Jul-2007	RAINFORREN	RAIN FOR RENT	Issued	221	C	2,441.32
34966	26-Jul-2007	STAPLES	STAPLES BUSINESS ADVANTAGE	Issued	221	C	54.89
34967	26-Jul-2007	STELLAPARK	PARKS, STELLA	Issued	221	C	1,000.00
34968	26-Jul-2007	STMP000361	PUNZALAN, EDUARDO	Issued	221	C	8.35
34969	26-Jul-2007	SUPERIORTA	SUPERIOR TANK COMPANY INC	Issued	221	C	44,209.44
34970	26-Jul-2007	TIMEWARNER	TIME WARNER CABLE	Issued	221	C	180.55
34971	26-Jul-2007	TOMLARA	TOM LARA	Issued	221	C	31,345.00
34972	26-Jul-2007	TRENCHPLAT	TRENCH PLATE RENTAL CO.	Issued	221	C	2,234.10
34973	26-Jul-2007	UNITEDRENT	UNITED RENTALS NORTHWEST INC	Issued	221	C	1,235.08
34974	26-Jul-2007	VERIZON	VERIZON	Issued	221	C	466.75
34975	26-Jul-2007	WAUSUTILE	WAUSU TILE	Issued	221	C	2,780.31
34976	26-Jul-2007	WILDERMUTH	WILDERMUTH ENVIRONMENTAL INC	Issued	221	C	16,480.44
34977	26-Jul-2007	WILLLAS	LASH, WILL	Issued	221	C	200.00
34978	26-Jul-2007	XEROX	XEROX CORPORATION	Issued	221	C	1,100.94
34979	26-Jul-2007	YANKEESELF	YANKEE SELF STORAGE	Issued	221	C	652.00
34980	26-Jul-2007	Z&LPAVING	Z&L PAVING	Issued	221	C	96,416.20
34981	26-Jul-2007	SCHLANGEJA	SCHLANGE, J. ANDREW	Issued	222	C	1,950.00
34982	26-Jul-2007	SCHLANGEJA	SCHLANGE, J. ANDREW	Issued	222	C	4,555.28

Total Computer Paid :	**1,748,707.88**	**Total EFT PAP :**	**0.00**	**Total Paid :**	**1,748,707.88**
Total Manually Paid :	**0.00**	**Total EFT File :**	**0.00**		

204 Total No. Of Cheque(s) ...

End of the Month Financial Statement July 2007

Beaumont Cherry Valley Water District

July 2007

Month End Financial Statement

OPERATING REVENUE		July	Year to Date	2007 Budget
1-1-1230-171	Water Sales	$ 497,258.74	2,332,768.35	**4,013,250.00**
1-1-1230-171	Service Charges	$ 241,260.00	1,133,982.49	**1,895,000.00**
1-1-1230-177	Importation Charge	$ 144,756.00	562,202.17	**1,255,500.00**
1-1-1230-178	SCE Power Charge	$ 69,482.88	494,694.59	**1,732,500.00**
1-4-4010-404	Installation Charges	$ 194,532.50	1,292,958.52	**1,450,656.00**
1-4-4010-405	Construction Meter Rental Deposit	$ 6,750.00	39,760.00	**45,000.00**
1-4-4010-407	Reimbursement - Customers	$ 12,282.36	40,798.37	**50,000.00**
1-4-4010-408	Backflow Devices		-	**250.00**
1-4-4010-409	Reimbursement - Insurance		-	-
1-4-4010-410	Returned Check Fees		-	-
1-4-4010-411	Miscellaneous Income	$ 568.01	31,107.89	**15,000.00**
1-4-4010-412	Rental Income	$ 100.00	600.00	**1,200.00**
1-4-4010-413	Development Reimbursement	$ 5,000.00	203,362.09	**180,000.00**
1-4-4010-440	Engineering/Inspection Fees	$ -	304,625.00	**1,300,000.00**
			-	
TOTAL OPERATING REVENUE AND WAT		**$ 1,171,990.49**	**6,436,859.47**	**11,938,356.00**
NON-OPERATING REVENUE		**July**	-	**2007 Budget**
1-4-4020-421	*Front Footage Fees & Other Reimb		244,804.97	-
1-4-4020-422	Facilitiy Fees - Wells		614,512.57	-
1-4-4020-423	Facility Fees - Water Rights (SWP)		527,313.16	-
1-4-4020-424	Facility Fees - Water Treatment Plant		324,097.37	-
1-4-4020-425	Facility Fees - Local Water Resources		167,288.14	-
1-4-4020-426	Facility Fees - Recycled Water Fac.		351,791.60	-
1-4-4020-427	Facility Fees - Transmission		514,299.67	-
1-4-4020-428	Facility Fees - Storage		650,059.97	-
1-4-4020-429	Facility Fees - Booster		52,020.25	-
1-4-4020-430	Facility Fees - Pressure Reducing Sta		26,571.50	-
1-4-4020-431	Facility Fees - Misc. Projects		22,454.78	-
1-4-4020-432	Facility Fees - Financing Costs		100,672.27	-
1-4-4020-433	Bonita Vista System	$ -	-	-
1-4-4020-435	Interest	$ -	-	-
TOTAL NON OPERATING REVENUE		**$ -**	**$ 3,595,886.25**	-

Beaumont Cherry Valley Water District

July 2007

Month End Financial Statement

EXPENSES		July	-	2007 Budget	
Source of Supply & Water Treatment					
1-5-5200-237	HEALTH INSURANCE	$ 3,194.06	16,253.18	**35,000.00**	
1-5-5200-243	RETIREMENT/CALPERS	$ 7,917.18	31,619.49	**56,500.00**	
1-5-5200-501	LABOR	$ 30,884.45	135,676.91	**199,000.00**	
1-5-5200-502	BEREAVEMENT/SCHOOL/JURY DUTY	$ 175.81	540.81	**1,700.00**	
1-5-5200-503	SICK LEAVE		1,794.25	**5,800.00**	
1-5-5200-504	VACATION	$ 1,110.04	2,468.54	**14,000.00**	
1-5-5200-505	HOLIDAYS	$ 847.02	3,913.86	**9,100.00**	
1-5-5200-507	LIFE INSURANCE	$ 89.93	567.87	**825.00**	
1-5-5200-508	UNIFORMS, EMPLOYEE BENEFITS	$ 174.55	698.04	**650.00**	
1-5-5200-510	DIESEL FUEL FOR BACKUP GENERATORS	$ 10,293.75	20,483.29	-	
1-5-5200-511	TREATMENT & CHEMICALS	$ 44,341.71	58,436.63	**60,000.00**	
1-5-5200-512	LAB TESTING	$ 914.00	33,639.55	**35,000.00**	
1-5-5200-513	MAINTENANCE EQUIPMENT	$ 16,825.75	95,854.17	**60,000.00**	
1-5-5200-514	UTILITIES - GAS		10.85	**250.00**	
1-5-5200-515	UTILITIES - ELECTRIC	$ 166,182.11	705,237.29	**1,333,611.00**	
1-5-5200-517	TELEMETRYMAINTENANCE	$ 1,613.02	26,308.05	**9,500.00**	
1-5-5200-518	SEMINAR & TRAVEL EXPENSES		505.00	**500.00**	
1-5-5200-519	EDUCATION EXPENSES		74.50	**1,500.00**	
1-5-5200-520	WORKER'S COMPENSATION	$ 2,433.53	9,939.46	**16,000.00**	
1-5-5200-523	OIL FOR WELLS		1,844.25	-	
1-5-5200-620	Purchase State Project Water	$ 40,075.44	768,970.44	**1,650,000.00**	
1-5-5200-621	GROUNDWATER PURCHASE (SMWC)	$ -	210,000.00	**210,000.00**	
	Subtotal	**$ 327,072.35**	**$ 2,124,836.43**	**3,698,936.00**	
*One time purchase - GL Account active only for 2007					

Beaumont Cherry Valley Water District

July 2007

Month End Financial Statement

Transmission and Distribution		July	-	2007 Budget	
1-1-1113-123	COST OF INSTALLATIONS	$ 136,245.39	560,764.74	**956,000.00**	
1-5-5300-237	HEALTH INSURANCE	$ 5,777.36	32,659.36	**73,000.00**	
1-5-5300-243	RETIREMENT/CALPERS	$ 6,235.83	40,209.69	**116,000.00**	
1-5-5300-501	LABOR	$ 20,192.26	144,964.87	**470,000.00**	
1-5-5300-502	BEREAVEMENT/SCHOOL/JURY DUTY	$ 1,414.96	16,298.83	**1,700.00**	
1-5-5300-503	SICK LEAVE	$ 473.26	8,935.57	**27,000.00**	
1-5-5300-504	VACATION	$ 997.84	9,995.75	**23,000.00**	
1-5-5300-505	HOLIDAYS	$ 2,081.18	11,761.63	**23,000.00**	
1-5-5300-507	LIFE INSURANCE	$ 135.05	902.36	**1,050.00**	
1-5-5300-508	UNIFORMS, EMPLOYEE BENEFITS	$ 242.44	4,180.26	**600.00**	
1-5-5300-518	SEMINAR & TRAVEL EXPENSES		-	**500.00**	
1-5-5300-519	EDUCATION EXPENSES		620.00	**500.00**	
1-5-5300-520	WORKER'S COMPENSATION	$ 2,403.31	16,204.41	**39,000.00**	
1-5-5300-530	MAINTENANCE PIPELINE/FIRE HYDRANT	$ 626.42	3,391.92	**10,500.00**	
1-5-5300-531	LINE LOCATES	$ 211.38	1,764.34	**3,500.00**	
1-5-5300-532	BLACKTOP REPAIRS		-	**25,000.00**	
1-5-5300-534	MAINTENANCE METERS/SERVICES	$ 421.12	3,428.88	**350,000.00**	
1-5-5300-535	BACKFLOW DEVICES	$ 43.96	198.18	**1,200.00**	
1-5-5300-536	MAINTENANCE RESERVOIRS/TANKS		690.00	**1,000.00**	
1-5-5300-537	MAINTENANCE PRESSURE REGULATORS	$ 37.25	37.25	**5,000.00**	
1-5-5300-538	INSPECTIONS	$ 66,677.80	337,777.39	**350,000.00**	
	Subtotal	**$ 244,216.81**	**$ 1,194,785.43**	**2,477,550.00**	

Beaumont Cherry Valley Water District

July 2007

Month End Financial Statement

Meter Reading/Customer Service		July	-	2007 Budget	
1-5-5400-237	HEALTH INSURANCE	$ 2,478.70	11,481.09	**31,000.00**	
1-5-5400-243	RETIREMENT/CALPERS	$ 1,572.97	9,093.39	**23,000.00**	
1-5-5400-501	LABOR	$ 5,457.95	62,084.51	**102,000.00**	
1-5-5400-502	BEREAVEMENT/SCHOOL/JURY DUTY		-	**430.00**	
1-5-5400-503	SICK LEAVE	$ 65.93	549.79	**4,100.00**	
1-5-5400-504	VACATION	$ 878.57	1,762.41	**4,800.00**	
1-5-5400-505	HOLIDAYS	$ 175.84	1,674.83	**4,800.00**	
1-5-5400-507	LIFE INSURANCE	$ 28.70	186.89	**600.00**	
1-5-5400-508	UNIFORMS, EMPLOYEE BENEFITS		405.16	**2,850.00**	
1-5-5400-518	SEMINAR & TRAVEL EXPENSES		-	**400.00**	
1-5-5400-519	EDUCATION EXPENSES		-	**100.00**	
1-5-5400-520	WORKER'S COMPENSATION	$ 579.30	3,651.68	**9,000.00**	
	Subtotal	**$ 11,237.96**	**$ 90,889.75**	**183,080.00**	

Beaumont Cherry Valley Water District

July 2007

Month End Financial Statement

Expenses		July	-	2007 Budget	
1-5-5500-237	HEALTH INSURANCE	$ 7,576.00	58,410.76	86,000.00	
1-5-5500-241	MEDICARE	$ 2,020.26	13,245.98	43,200.00	
1-5-5500-243	RETIREMENT/CALPERS	$ 11,502.28	88,402.86	110,000.00	
1-5-5500-501	LABOR	$ 58,342.09	421,549.34	483,000.00	
1-5-5500-502	BEREAVEMENT/SCHOOL/JURY DUTY	$ 1,915.38	4,566.12	3,300.00	
1-5-5500-503	SICK LEAVE	$ 960.12	9,771.32	8,400.00	
1-5-5500-504	VACATION	$ 4,191.24	14,177.99	29,500.00	
1-5-5500-505	HOLIDAYS	$ 3,108.10	16,707.03	25,000.00	
1-5-5500-507	LIFE INSURANCE	$ 253.26	1,604.70	2,800.00	
1-5-5500-508	UNIFORMS, EMPLOYEE BENEFITS	$ 165.94	245.94	1,650.00	
1-5-5500-518	SEMINAR & TRAVEL EXPENSES	$ 881.87	5,979.35	18,500.00	
1-5-5500-519	EDUCATION EXPENSES		3,416.84	18,500.00	
1-5-5500-520	WORKER'S COMPENSATION	$ 1,916.72	12,393.30	13,000.00	
1-5-5500-521	SOCIAL SECURITY	$ 8,164.17	56,162.48	180,000.00	
1-5-5500-553	TEMPORARY LABOR		4,240.55	1,500.00	
1-5-5500-555	OFFICE SUPPLIES	$ 3,800.20	41,559.34	37,500.00	
1-5-5500-556	OFFICE EQUIPMENT/SERVICE AGREEMEN	$ 8,574.35	54,229.05	80,000.00	
1-5-5500-557	OFFICE MAINTENANCE	$ 787.97	24,082.27	35,000.00	
1-5-5500-558	MEMBERSHIP DUES	$ 4,314.88	8,127.88	18,500.00	
1-5-5500-559	ARMORED CAR	$ 381.94	2,679.04	5,500.00	
1-5-5500-560	OFFICE EQUIPMENT/MAINTENANCE & REP	$ 1,507.04	2,052.54	1,000.00	
1-5-5500-561	POSTAGE	$ 45.29	23,521.62	40,000.00	
1-5-5500-562	SUBSCRIPTION		175.76	3,600.00	
1-5-5500-563	MISCELLANEOUS OPERATING SUPPLIES	$ 11,677.43	22,943.71	25,000.00	
1-5-5500-564	MISCELLANEOUS TOOLS/EQUIPMENT	$ 930.78	10,821.42	15,000.00	
1-5-5500-567	EMPLOYEE FIRST AID/MEDICAL		240.00	800.00	
1-5-5500-570	PROPERTY INSURANCE		20,555.00	82,000.00	
1-5-5500-572	STATE MANDATES AND TARRIFFS	$ 683.00	10,358.26	18,500.00	
1-5-5500-573	MISCELLANEOUS EXPENSES	$ 263.24	3,040.80	9,000.00	
1-5-5500-574	PUBLIC EDUCATION	$ 9,918.65	9,918.65	6,500.00	
1-5-5510-550	BOARD OF DIRECTOR FEES	$ 5,000.00	33,600.00	38,000.00	
1-5-5510-551	SEMINAR & TRAVEL EXPENSES		724.00	1,500.00	
1-5-5510-552	ELECTION EXPENSES		24,085.00	20,000.00	
			-		
	Subtotal	**$ 148,882.20**	**$ 1,003,588.90**	**1,461,750.00**	

Beaumont Cherry Valley Water District

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Month End Financial Statement

Maintenance and General Plant		July	-	2007 Budget	
560 MAGNOLIA AVENUE - COMMERCIAL OFFICE					
1-5-5610-514	UTILITIES - GAS	$ 9.53	60.08	**600.00**	
1-5-5610-515	UTILITIES - ELECTRIC	$ 1,023.14	6,666.22	**16,621.00**	
1-5-5610-580	UTILITES - TELEPHONE	$ 5,842.33	41,239.78	**39,500.00**	
1-5-5610-581	UTILITIES - SANITATION	$ 640.64	4,687.86	**7,500.00**	
1-5-5610-582	MAINTENANCE/REPAIR	$ 392.00	754.63	**10,000.00**	
12030 OAK GLEN ROAD - DISTRICT RESIDENCE			-		
1-5-5615-515	UTILITIES - ELECTRIC	$ 284.91	1,767.78	**3,582.00**	
1-5-5615-582	MAINTENANCE/REPAIR	$ 180.00	3,288.32	**3,500.00**	
1-5-5615-583	UTILITIES - PROPANE		1,270.55	**2,265.00**	
13695 OAK GLEN ROAD - DISTRICT RESIDENCE			-		
1-5-5620-515	UTILITIES - ELECTRIC	$ 195.28	877.75	**1,740.00**	
1-5-5620-582	MAINTENANCE/REPAIR	$ 242.35	943.03	**2,200.00**	
1-5-5620-583	UTILITIES - PROPANE		1,500.35	**2,593.00**	
13697 OAK GLEN ROAD - DISTRICT RESIDENCE			-		
1-5-5625-515	UTILITIES - ELECTRIC	$ 258.80	1,315.62	**2,820.00**	
1-5-5625-582	MAINTENANCE/REPAIR	$ 124.13	1,184.18	**2,200.00**	
1-5-5625-583	UTILITIES - PROPANE		882.43	**2,700.00**	
9781 AVENIDA MIRAVILLA - DISTRICT RESIDENCE			-		
1-5-5630-515	UTILITIES - ELECTRIC	$ 379.39	1,070.40	**2,244.00**	
1-5-5630-582	MAINTENANCE/REPAIR	$ 149.97	2,652.30	**2,200.00**	
1-5-5630-583	UTILITIES - PROPANE		952.91	**2,460.00**	
1-5-5700-589	AUTO/FUEL	$ 3,162.34	54,716.12	**93,000.00**	
1-5-5700-590	SAFETY EQUIPMENT		2,220.39		
1-5-5700-591	COMMUNICATION MAINTENANCE		-	**1,000.00**	
1-5-5700-592	REPAIR MAINTENANCE & GENERAL EQUIPMENT		3,868.71	**9,500.00**	
1-5-5700-593	REPAIR VEHICLES AND TOOLS	$ 6,632.40	29,872.45	**17,200.00**	
1-5-5700-594	LARGE EQUIPMENT MAINTENANCE	$ 1,613.42	24,267.78	**21,000.00**	
1-5-5700-596	AUTO/EQUIPMENT OPERATION	$ 1,907.98	4,958.20	**40,000.00**	
1-5-5700-597	MAINT/GENERAL CYN & PONDS	$ 5,680.00	7,744.00	**85,000.00**	
1-5-5700-598	LANDSCAPE MAINTENANCE	$ 3,020.00	42,277.50	**125,000.00**	
1-5-5700-599	SYSTEM DEPRECIATION	$ 50,000.00	350,000.00	**600,000.00**	
1-5-5700-315	RESERVE FOR EMERGENCIES	$ 18,462.97	86,668.78	**147,706.00**	
1-5-5700-600	OPERATING RESERVE	$ 36,925.94	173,337.54	**195,412.00**	
			-		
	Subtotal	**$ 137,127.52**	**$ 851,045.66**	**1,439,543.00**	

Beaumont Cherry Valley Water District

July 2007

Month End Financial Statement

Professional Services		July	-	2007 Budget
1-5-5810-611	GENERAL (ATTORNEY)	$ 5,686.50	34,085.60	**30,000.00**
1-5-5810-612	DEVELOPMENT - REIMB. ENGINEERING		5,921.50	**15,000.00**
1-5-5820-611	GENERAL (ENGINEERING)	$ 5,598.73	59,812.69	**85,000.00**
1-5-5820-612	DEVELOPMENT - REIMB. ENGINEERING	$ 9,488.22	175,472.49	**350,000.00**
1-5-5820-613	STWMA BASIN MANAGEMENT EXPENSE		-	**300,000.00**
1-5-5820-614	STWMA - PROJECT COMMITTEE NO. 1	$ 3,900.00	59,790.41	**182,544.00**
1-5-5820-615	ENGINEERING REC WATER	$ 9,557.50	27,416.89	**25,000.00**
	Subtotal	**$ 34,230.95**	**$ 362,499.58**	**987,544.00**
GRAND TOTAL INCOME		**$ 1,171,990.49**	**$ 6,436,859.47**	**$ 11,938,356.00**
GRAND TOTAL EXPENSES		**$ 902,767.79**	**$ 5,627,645.75**	**$ 10,248,403.00**
SURPLUS (DEFICIT)		**$ 269,222.70**	**$ 809,213.72**	**$ 1,689,953.00**

Bank Balance	
Savings Account	$ 225,709.23
Checking Account	$ 720,588.84
Laif Account	$ 7,517,369.25
Total:	**$ 8,463,667.32**

Capital Expense Summary	
Capital Expense	$ 1,444,271.09
Total:	**$ 1,444,271.09**

Beaumont Cherry Valley Water District

July 2007

Month End Financial Statement

	Fund Balance			
	June	**July**		**Difference**
GENERAL	**4,052,944.50**	**3,978,332.95**		$ 194,611.15
DEPRECIATION	**(698,978.88)**	**(911,806.25)**		(212,827.37)
OPERATING RESERVE	**1,143,020.32**	**1,143,020.32**		-
EMERGENCY RESERVE	**354,591.35**	**354,591.35**		-
FRONT FOOTAGE	**1,389,621.73**	**1,389,621.73**		-
	-	-		
FACILITIES FEES POTABLE	-	-		-
WELLS & WELL UPGRD	**7,414,120.67**	**6,952,204.43**		(461,916.25)
TRANSMISSIONS MAINS	**(2,627,983.38)**	**(2,687,551.50)**		(59,568.12)
STORAGE	**(1,144,343.17)**	**(1,326,151.89)**		(181,808.72)
BOOSTER STATIONS	**1,147,465.81**	**1,147,465.81**		-
TREATMENT PLANTS	**9,332,884.90**	**9,332,884.90**		-
MISC. ENGIN	**520,042.31**	**520,042.31**		-
PRESSURE REDUCING STA.	**(277,247.04)**	**(277,247.04)**		-
MISC. PROJECTS	**176,021.14**	**176,021.14**		-
FINANCING COSTS	**1,297,470.10**	**1,297,470.10**		-
	-	-		
FACILITY FEES RECYCLED	**(2,506,333.96)**	**(2,690,538.25)**		(184,204.29)
REC STORAGE	**75,062.31**	**75,062.31**		-
	-	-		
WATER RIGHTS (SWP)	**5,420,046.53**	**5,420,046.53**		-
LOCAL WATER RESOURCE	**(7,139,935.51)**	**(7,334,091.68)**		(194,156.17)
	-	-		
DEVELOPER REIMBURSMENT	**(137,207.67)**	**(146,428.82)**		(9,221.15)
City of Banning - Well 25 & 26	**(18,372.72)**	**(34,330.20)**		(15,957.48)
	-	-		
Total	**17,772,889.35**	**16,378,618.26**		**(1,125,048.39)**
General Fund balance reflects a transfer of $50,0000.00 to the Depreciation Fund for the month of July 2007				
Actual Cash Balance does not reflect inventory purchased for capital improvement jobs in progress.				
******The difference in the deposit balance and the facility balance represents construction in progress******				

Conference

Regional Coordination Conference of Water Officials Serving Pass Area Communities

The water managers and staff members from several local water agencies routinely meet to discuss and coordinate water related issues. These regular meetings have greatly enhanced the level of communication, coordination and cooperation between the following water agencies:

Beaumont Cherry Valley Water District
Cabazon County Water District
City of Banning
San Bernardino Valley Municipal Water District
San Gorgonio Pass Water Agency
Yucaipa Valley Water District

To continue the cooperative spirit and open communication, a regional coordination conference has been scheduled to share water related issues with a broad audience of those interested in water issues.

Scheduled Presentation:

One Water – One Watershed

A Regional Approach to Watershed Planning

Celeste Cantú, General Manager, Santa Ana Watershed Project Authority

The breakfast conference will be conducted at The Elegant Affair on Thursday, September 20, 2007. The meeting will start promptly at 7:30 am and end by 9:00 am. For breakfast, the cost is $20 per person paid by Thursday, September 13, 2007, or $25 per person at the door. Early registration is appreciated.

Regional Coordination Breakfast Conference

Thursday, September 20th
7:30 am – 9:00 am

The Elegant Affair
182 W. Ramsey Street
Banning, California
(951) 849-2776

For reservations and additional information, please contact Karen Hall at (909) 797-5119.

This regional coordination meeting has been prepared by regional and local water providers working together to provide exceptional service to our community.

Regional Coordination Conference Reservations

Early conference reservations are strongly encouraged.

Agency Name: _____

Agency Address: _____

_____

Contact Person: _____

Contact Phone: _____

Please provide the name of the elected officials, managers, supervisors and key employees attending this conference.

First Name	Last Name	Title

The cost of the Regional Coordination Conference is $20 per participant if registered by Thursday, September 13, 2007.

Total Cost: _____

Complete this form and fax to Karen Hall at (909) 797-6381 by Thursday, September 13, 2007 to reserve your seating for this meeting. For additional information, contact Karen Hall directly at (909) 797-5119 or khall@yvwd.dst.ca.us.

Make checks payable to Yucaipa Valley Water District, Post Office Box 730, Yucaipa, California 92399-0730.

This regional coordination meeting has been prepared by regional and local water providers working together to provide exceptional service to our community.

Notice

BCVWD

Notice of Town Hall Meeting
of the Beaumont Cherry Valley Water District

Location:	Beaumont Civic Center	Cherry Valley Grange
Address:	550 E. 6th Street, Beaumont	10478 Beaumont Ave.
Date/Time:	Thurs., August 23rd, 2007 at 7pm	Thurs., August 30th, 2007 at 7pm

Purpose

The purpose of the Town Hall Meeting is to provide the opportunity for the Beaumont Cherry Valley Water District to disseminate information and receive comments relative to water quality issues being addressed by the District in its sphere of influence in the Pass Area.

Information to be shared with the District's consumers includes **findings of a Water Quality Report** by the District Consultant, Wildermuth Environmental Inc. (WEI) as related to water quality impacts from On Site Waste Disposal Systems in the Cherry Valley Community of Interest (CVCOI). **The review of alternative solutions to correct the water quality impacts** from such on site systems has concluded that installing sewers in a portion of the CVCOI is the least costly alternative to correct the groundwater pollution caused by the on – site disposal systems. **Estimated cost to residents living in the sewer project area** to connect to the proposed sewer system (See map on the attached fact sheet) will be discussed. **There will be additional presentations including a review of financing available** through a low interest California State Revolving Fund Loan, and the **findings of a Draft Environmental Impact Report** by the District's Environmental Consultant Tom Dodson Associates (TDA).

In addition, the District will provide information relative to Measure B scheduled for a vote September 25, 2007 to authorize the District to make an application to the Local Agency Commission to authorize its sewering authority.

For more information contact the Beaumont Cherry Valley Water District Board Secretary/ General Manager, Mr. C.J. Butcher at (951)845-9581.