



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

MINUTES OF THE FINANCE AND AUDIT COMMITTEE MEETING
Thursday, August 6, 2020 at 3:00 p.m.

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

CALL TO ORDER

Chair Hoffman called the meeting to order at 3:03 p.m. via teleconference.

Announcement of Teleconference Participation

Senior Finance and Administrative Analyst Bill Clayton clarified that this meeting is conducted via teleconference pursuant to California Government Code Section 54953, and under Executive Order N-29-20 and N-33-20 of the Governor of California.

The teleconference capabilities of this meeting have been identified in the Notice and Agenda for this meeting, pursuant to the Brown Act and the Governor's Executive Order. Under the Governor's Executive Order and the Gathering Guidelines of the California Department of Health due to the danger of COVID-19, the teleconference locations are not publicly accessible. The public's right to comment and participate in the meeting is being assured via teleconference capabilities.

The Beaumont-Cherry Valley Water District (BCVWD) will use sound discretion and make reasonable efforts to adhere as closely as reasonably possible to the provisions of the Brown Act, and other applicable local laws regulating the conduct of public meetings, in order to maximize transparency and provide the public access to meetings.

Attendance

Directors present:	Director Hoffman and Director Slawson
Directors absent:	None.
Staff present:	General Manager Dan Jagers Senior Engineer Mark Swanson Senior Finance and Administrative Analyst Bill Clayton Accountant III Lorena Lopez Administrative Assistant Erica Gonzales
Members of the public who registered:	None

Senior Finance and Administrative Analyst Bill Clayton verified that all members of the Finance and Audit Committee and staff have indicated that they are able to hear the other members clearly on the teleconference. No committee members or staff expressed any

Chair Hoffman asked about the grant consultant. Mr. Jagers explained the District is paying a flat fee of approximately \$4,000 per month to Townsend Associates to assist with the grant applications. The Board authorized continuing the service for this year, Jagers reminded. A grant application for emergency generators has also been made, he stated.

Chair Hoffman pointed to an expenditure for Advanced Diving Services for tank inspection and asked if it was budgeted. Mr. Jagers confirmed it was approved by the Board.

Chair Hoffman questioned an expense of the Beaumont Basin Watermaster for a task order related to pipeline losses. Mr. Jagers explained that the Watermaster manages the Beaumont Groundwater Basin and is an entity in which the District participates. Some studies are being done on losses from pipelines that overlie the Basin, and on return flow methods to understand the health of the Basin, Jagers advised. Each member entity pays a portion of the cost of the studies, he noted.

Chair Hoffman asked if these would be anything to report to the Board. Mr. Jagers pointed to the state-required water loss audit and explained water loss. He noted there may be discussion at the Board level and Watermaster level regarding need to recharge the Basin or to speed up the pipeline replacement projects to account for the losses.

Director Slawson asked about printing and postage expenses to CV Strategies. Mr. Jagers explained the expense was for the Consumer Confidence Report (CCR) which is required annually.

After review and discussion, the Committee recommended presenting the Financial Reports to the Board for approval.

5. Analysis of Statement of Cash Flows (unaudited) for the Seven Months Ended July 31, 2020 and July 31, 2019

Senior Finance and Administrative Analyst Clayton introduced the report.

6. Analysis: Year-to-Date Analysis of Electric Cost to Pump Groundwater

Mr. Clayton pointed to the summarized comparison. Mr. Jagers explained the section and suggested review at the end of the year.

7. San Geronio Pass Water Agency (SGPWA) and Sites Project Authority Phase 2 Participation Agreement and Associated Costs

Chair Hoffman pointed out that the Participation Agreement has not yet been signed. General Manager Jagers reminded the Committee about the draft presented at the Board meeting. He explained that the agreement commits BCVWD to move into Phase 2 with the SGPWA for a 4,000 acre-foot share for potentially \$400,000. If there is a loss of subscription, he warned, there could be an adjustment to those numbers as the cost is divided between the project participants.

Mr. Jagers pointed to the additional language regarding a go-forward for BCVWD in the event the SGPWA opted out, as had been requested by President Covington. He noted

break where a Cal FIRE bulldozer drove across, and the staffers in the District residences together with the on-call crew got it fixed and maintained service to the area.

All crews were fully on the scene and committed, Jagers explained, and noted that having staff in those houses is a tremendous benefit. Jagers detailed the activities of staff in response to the fire and described the burn area. He noted that BCVWD water was used for firefighting and throughout the weekend, staff was fixing the broken lines that fed those efforts. Customers never lost pressure, Jagers reported.

9. Action List for Future Meetings:

- Update on Water Supply Conditions
- Capacity charges (facilities fees)

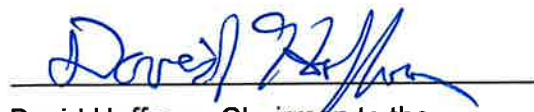
ANNOUNCEMENTS – Pursuant to Governor's Executive Order N-33-20, all BCVWD Board and Committee meetings will be held via Teleconference until further notice.

Director Hoffman read the following announcements:

- Regular Board Meeting: Wednesday, August 12, 2020 at 6:00 p.m.
- Engineering Workshop: Thursday, August 27, 2020 at 6:00 p.m.
- Collaborative Agencies Committee Meeting: Wednesday, September 2, 2020 at 5:00 p.m. (teleconference pending)
- Finance and Audit Committee Meeting: Thursday, September 3, 2020 at 3:00 p.m.
- District offices will be closed on Monday, September 7, 2020 in observance of Labor Day
- Personnel Committee Meeting: Monday, September 28, 2020 at 5:30 p.m.
- Beaumont Basin Watermaster Committee Meeting: Wednesday, October 7, 2020 at 10 a.m.

ADJOURNMENT

Director Hoffman adjourned the meeting at 3:56 p.m.



David Hoffman, Chairman to the
Finance and Audit Committee of the Beaumont-Cherry Valley Water District