



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

**MINUTES OF REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
Wednesday, September 13, 2023 at 6:00 p.m.**

*Meeting held in person at 560 Magnolia Ave., Beaumont, CA  
pursuant to California Government Code Section 54950 et. seq.*

**Call to Order:** *President Hoffman opened the meeting at 6:09 p.m.*

*Pledge of Allegiance was led by Director Ramirez.*

*Invocation was given by Director Williams.*

**Announcement and Verification of Remote Meeting Participation Pursuant to  
AB 2449 or GC 54953(b)**

*No Board members were attending via teleconference.*

**Roll Call:**

Directors present:	Covington, Hoffman, Ramirez, Slawson, Williams
Directors absent:	None
Staff present:	General Manager Dan Jagers Director of Engineering Mark Swanson Director of Information Technology Robert Rasha Assistant Director of Finance and Administration Sylvia Molina Senior Management Analyst Lorena Gonzales Civil Engineering Assistant Inmar Shihab Civil Engineering Assistant Evan Ward Field Superintendent Julian Herrera Water Utility Worker I Joshua Rogers Executive Assistant Lynda Kerney
Legal Counsel	James Markman

Members of the public who registered attendance: Sean McReynolds of Townsend Public Affairs, James Cox, Jake Herbert, and James Krausz.

**Public Comment:** Mr. James Krausz, representing the homeowners of Appletree Lane, presented a Certificate of Appreciation to the District.

**1. Adjustments to the Agenda**

Mr. Jagers pointed out revised attachments for Item 5 are handouts and are available on the website.

## 2. Reports / Presentations / Information Items

*The Board received and filed the following reports:*

- a. *Townsend Public Affairs, Inc. Monthly Update*
- b. *Chandler Quarterly Report*
- c. *Grant Activity Quarterly Update*
- d. *Electric Cost Analysis Quarterly Update*
- e. *Vendor Contracts Quarterly Update*
- f. *California Water Supply Report*
- g. *Legislative Action and Issues Report*

*by the following roll-call vote:*

MOVED: Williams	SECONDED: Slawson	APPROVED 5-0
AYES:	Covington, Hoffman, Ramirez, Slawson, Williams	
NOES:	None	
ABSTAIN:	None	
ABSENT:	None	

## 3. Consent Calendar:

*Consent Calendar items 3a through 3g were approved with one motion by the following roll-call vote:*

- a. Review of the July 2023 Budget Variance Reports
- b. Review of the July 31, 2023 Cash/Investment Balance Report
- c. Review of Check Register for the Month of August 2023
- d. Review of August 2023 Invoices Pending Approval
- e. Approval of Minutes of the Regular Meeting of July 27, 2023
- f. Approval of Minutes of the Regular Meeting of August 9, 2023
- g. Resolution 2023-23 Amending the District's Policies and Procedures Manual to add Policy 5047: Pension Funding, and  
Resolution 2023-24 Electing to Participate in the California Employers' Pension Prefunding Trust Program, Adopting the Agreement and Election to Prefund Employer Contributions to a Defined Benefit Pension Plan, and Authorization for Execution of Related Documents

MOVED: Covington	SECONDED: Williams	APPROVED 5-0
AYES:	Covington, Hoffman, Ramirez, Slawson, Williams	
NOES:	None	
ABSTAIN:	None	
ABSENT:	None	

President Hoffman called Items 4 and 5 to be discussed together.

- 4. PUBLIC HEARING: Resolution 2023-25: California Environmental Quality Act and Adopting Initial Study Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for the 2020-2021 Replacement Pipelines Project**
- 5. PUBLIC HEARING: Resolution 2023-26: California Environmental Quality Act and National Environmental Policy Act Draft Initial Study Mitigated Negative Declaration / Environmental Assessment and Finding of No. Significant Impact for the B Line Replacement Pipeline Project**

President Hoffman introduced the public hearing and provided direction on the process. Legal Counsel Markman said he had no added comments. Director of Engineering Mark Swanson provided the Secretary's Report for items 4 and 5:

*The District prepared a joint California Environmental Quality Act (CEQA) Initial Study (IS) and National Environmental Policy Act (NEPA) Environmental Assessment (EA) for the Project. The findings concluded that the Project will not have a significant effect on the environment with the incorporation of proposed mitigation measures, therefore, has prepared a Mitigated Negative Declaration/Finding of No Significant Impact (MND/FONSI). The District published the MND/FONSI on its website and made the document available for Public Review from July 13, 2023 to August 14, 2023. Notice was advertised with the Record Gazette on July 14, 21, 28, and August 4, 2023.*

*The District prepared a California Environmental Quality Act (CEQA) Initial Study (IS) for the Project. The findings concluded that the Project will not have a significant effect on the environment with the incorporation of proposed mitigation measures, therefore, has prepared a Mitigated Negative Declaration (MND). The District published the MND on its website and made the document available for Public Review from June 16, 2023 to July 17, 2023. Notice was advertised with the Record Gazette on June 16, 23, 30, and July 7, 2023.*

Mr. Swanson reviewed the environmental work done on the projects. He noted there were no public comments received for Item 4. The Mitigated Negative Declaration needs to be filed, he explained.

President Hoffman opened the public hearing for Item 4 at 6:25 p.m. There were no requests to speak. The public hearing was declared closed at 6:26 p.m.

Mr. Jaggars noted that the CEQA consultant, Andy Minor, was present to answer any questions.

President Hoffman comment. There was none.

*The Board adopted Resolution 2023-25: Adopting an Initial Study Mitigated Negative Declaration (MND) and Mitigation Monitoring and Reporting Program for the 2020-2021 Replacement Pipelines Project by the following roll-call vote:*

MOVED: Covington	SECONDED: Williams	APPROVED 5-0
AYES:	Covington, Hoffman, Ramirez, Slawson, Williams	
NOES:	None	
ABSTAIN:	None	
ABSENT:	None	

Mr. Swanson reviewed the B Line Replacement Pipeline Project: replacement of an existing 10-inch line in Edgar Canyon with a 12-inch pipe. The project has received American Rescue Plan Act (ARPA) grant funding and requires addressing NEPA. He noted that staff reached out to the local tribes and consulted with a tribe to address their provided comments and come to a successful conclusion. He pointed to the amendments which satisfied the tribe.

Director Ramirez asked for clarification. Mr. Swanson explained that staff reached out to multiple tribes. In response to their requests, staff revised a couple of mitigation measures for clarity.

Director Williams pointed to the requirement to relinquish any found items and asked if the project would be put on hold due to any findings. Mr. Minor explained that work would need to cease in the area immediately surrounding the found item until the tribe and their representative were satisfied that everything was removed and appropriately handled.

President Hoffman opened the public hearing for Item 5 at 6:31 p.m. There were no requests to speak. The public hearing was declared closed at 6:32 p.m.

Director Williams asked about required mitigation for replacement of an existing pipeline. Mr. Swanson noted that the existing pipeline is being abandoned in place and the line is being re-routed in the middle of the access road. He pointed to studies for nesting birds and the burrowing owl, among others, to verify that young have left the nest before continuing work. He said it was not anticipated to disturb much area other than the middle of the road.

Director Slawson asked for assurance that the tribe was satisfied; Mr. Swanson confirmed they were.

*The Board adopted Resolution 2023-26: Adopting the Initial Study Mitigated Negative Declaration / Environmental Assessment and Finding of No Significant Impact for the B Line Replacement Pipeline Project by the following roll-call vote:*

MOVED: Slawson	SECONDED: Williams	APPROVED 5-0
AYES:	Covington, Hoffman, Ramirez, Slawson, Williams	
NOES:	None	
ABSTAIN:	None	
ABSENT:	None	

**6. Beaumont Master Drainage Plan Line 16 Replacement Pipelines 1-6 Project Cost Update and Notice of Completion** (tabled from the 7/27/2023 meeting)

Director of Engineering Mark Swanson reminded the Board of prior discussion surrounding this project and reported the total project cost of \$723,100. The project came in under budget, he noted.

Director Ramirez stated he was pleased with the progress, and Director Williams reported that the street looks better than it ever has. Director Covington expressed appreciation for the work of the staff.

General Manager Jagers commended the field crew and noted the project is winning awards.

*The Board Authorize the General Manager to file the Notice of Completion for the Beaumont Master Drainage Plan Line 16 Replacement Pipelines 1 - 6 Project with the Riverside County Assessor – County Clerk – Recorder by the following roll-call vote:*

MOVED: Williams	SECONDED: Slawson	APPROVED 5-0
AYES:	Covington, Hoffman, Ramirez, Slawson, Williams	
NOES:	None	
ABSTAIN:	None	
ABSENT:	None	

**7. Request for Will Serve Letter and Approval of Annexation for Beaumont Energy Storage Project, Riverside County Assessor's Parcel No. 417-110-012, 417-130-012, and 417-130-005 (248 Veile Avenue, City of Beaumont)**

Director of Engineering Mark Swanson introduced the battery storage project on three parcels south of the Southern California Edison (SCE) substation, one of which requires annexation. Domestic demand is one EDU, and 2 EDUs for irrigation of the required landscaping.

The project was brought to the District in January 2023, but stalled, Swanson explained, and the original applicant was replaced.

There is an existing 24-inch potable pipeline in Velie Avenue, and two fire hydrants will need to be installed per the Fire Department, Swanson continued. Front footage fees will be required, and if the fire flow requirement is exceeded, the applicant will pay the typical pro rata. The project will also be conditioned to work with the District related to the work anticipated on Elm Avenue.

General Manager Dan Jagers said he appreciated the developer coordinating with the District on the Elm Avenue work, noting the District was not notified of the paving project by City staff. The developer has been conditioned by the City to pave the west side of Elm, south of the City's project to the end of the cul de sac.

Director Ramirez indicated some concern for the Beaumont Basin and asked if there were any concerns regarding potential runoff issues from the battery storage facility. Mr. Swanson indicated that runoff issues and any mitigation measures would be under the jurisdiction of the City. The applicant, Mr. James Cox, assured

there are two retention basins on site to store runoff and properly perform the required filtration. He noted that hydrology studies and required environmental permitting were done to ensure there is no discharge in violation of any State requirements. The facility does not use any kind of fuel or chemicals; it is components that sit there and operate, and get serviced periodically, he said.

Director Willaims asked about the purpose of the seven acres of batteries. Mr. Cox explained the lithium ion cells charge during times when the grid is at high capacity and will help shave peak demand from the SCE distribution grid and discharging in times of peak power to help alleviate congestion and power demands on the grid. The cells are approximately 3 megawatts each and are connected to the SCE substation, he stated.

Director Slawson indicated similar concern about the environment and pollution. He said he hopes the array stays safe. Mr. Cox acknowledged the concern and said the development company prides itself on being an industry leader. He provided some assurances about safety, and noted collaboration with the City.

In response to Director Williams, Mr. Cox described measures in the case of fire ("thermal events") and the design criteria for the project. Director Williams asked about disposal of batteries, and Mr. Cox indicated he would later provide the information. The battery array is outdoors, but is the same height as the perimeter concrete / masonry wall, he added.

Director Covington asked about water demand for processes at the facility, and facility capacity. Mr. Cox stated the 100 megawatt system itself does not use water, but there will be periodic operations and maintenance uses for domestic, and irrigation will use non-potable.

The developer is conditioned by the District to cooperate on the paving requirements for west Elm Street, Covington continued. The Board would hope that cooperation is full circle, as it will benefit the project development as well as the water district, he stated.

*The Board approved the annexation of APN 417-130-005 to the District, and approved the request for water service Will Serve Letter for the Beaumont Energy Storage Project, a 6.9-acre battery energy storage facility located along Veile Avenue south of 4th Street in the City of Beaumont (Riverside County Assessor's Parcel No. (APN) 417-110-012, 417-130-012, and 417-130-005), subject to payment of all fees to the District and securing all approvals from the City by the following roll-call vote:*

MOVED: Williams	SECONDED: Slawson	APPROVED 5-0
AYES:	Covington, Hoffman, Ramirez, Slawson, Williams	
NOES:	None	
ABSTAIN:	None	
ABSENT:	None	



## **8. Review of Policy 5095 District Residences and Facility Emergency policy**

General Manager Dan Jagers introduced the annual review of this policy and noted that one of the residences is currently vacant. The Personnel Committee members are discussing a tour of the residences.

Vice President Covington stated that with the vacation of the upper residence and the recent inspections performed, there is concern with the age of the houses. He said he wanted to make sure the District is meeting its obligations of the policy. He requested the inspection reports come to the Board for discussion.

This item is to look back at the policy regarding what is or is not working, Covington continued. He reminded that the policy revision took about a year and a half.

Vice President Covington presented the following for discussion:

- Clarification on the meaning of a "Condition of Employment" to move into a District residence
- Revisit the annual escalator to the monthly maintenance fee

General Manager Jagers discussed the concept of "Fair Market Value" contrasted to the monthly maintenance fee. The intent was that if an employee is receiving a rate to occupy the District residence, there are requirements which are outlined in the Employee-Occupancy Agreement such as response to security breaches, vandalism, power failures and other emergencies. It is not necessarily a benefit, there are requirements based on skill sets and performance is expected.

Jagers noted that the annual Consumer Price Index (CPI) prior to the anomaly of the last three years had been averaging 1.9 percent. Today's published CPI (August to August) is 3.7 percent, he noted. Last year, the CPI was closer to 8 percent but there is a cap of 5 percent on the employee MOU. He suggested the escalator could instead be based on a running average of the CPI and suggested discussion at the Personnel Committee.

The intent of an escalator is to keep up with the cost of operations and maintenance, whether it is an office, well site or a residence, Covington stated. The budget for the residences looked slim, and collections must be fair market value with an escalator commensurate with the market, he said, and noted he did not think that was being captured with the policy as currently written. It could go to the Personnel Committee or the Board, he indicated. There must be a funding mechanism that provides a fair amount of revenue to maintain the facilities, he continued. What is being collected on an annual basis, is not getting where it needs to be, he advised.

In addition, Covington continued, a fair market analysis should be done every two to three years of the cost to occupy the residences, and reported to the Board for discussion and potential direction to staff. The policy cannot be relied on for a decade, then determined that there is no funding to maintain the four District houses because the Board of Directors did not keep up on the policy as approved, he stated.

Mr. Jagers explained a recent update to landscaping at one of the residences. The employee-occupant provided labor, and the District provided materials.

Mr. Jagers recommended further addressing at the Personnel Committee.

Director Covington acknowledged individual situations at the residences and said he liked that model rather than establishing policy. He expressed concern about the big items for these facilities: an employee would not be asked to spend \$25,000 to, for example, replace a septic tank. The roof on one house was just replaced and that leaves two more, he noted. He noted that employees, whether on or off the clock, add to the value of the residences and it is very important to have a funding mechanism to cover the core elements of the home.

Director Covington requested an update on the occupancy rules and asked whether the employee-occupants are abiding by the rules and the policy, i.e., two people per bedroom, or guest limitations. Mr. Jagers stated that to the best of his knowledge the rules and policies were being followed.

President Hoffman pointed to the inspection reports, and Mr. Jagers confirmed the report content. Hoffman stated his primary concern was safety of the occupants, and secondly, maintaining the integrity of the house to save money in the long run. Jagers pointed out that this is an operational function and assured that a number of items had been completed, and that a plan was in development to continue to address the report items.

Director Ramirez recommended this item return to the Personnel Committee to work with the General Manager on a study session. Jagers suggested review in closed session. Director Covington concurred with agendaizing a closed session with the full Board.

Covington reminded that the policy requires the District to carry full insurance and the employee-occupant carry their own liability insurance, and said he wants to make sure that has been going on since the policy was adopted. Mr. Jagers assured that this is a mechanical acidity; when rental agreements were executed the documentation was collected.

President Hoffman asked Vice President Covington if this was to be a continued agenda item; Covington said no.

Mr. Jagers recommended initial discussion at the Personnel Committee to discuss policy nuances and obtain further direction. Director Covington requested the inspection reports sooner than later, but noted the remaining items can wait until after January.

#### **9. Grand Avenue Pavement Repair Project Cost Update and Notice of Completion**

Director of Engineering Mark Swanson explained this project was the pavement grind and overlay cap on the disturbed area on the south side of the road as part of the pipeline project. He reviewed the project costs totaling \$283,469.

President Hoffman invited public comment. There was none.



*The Board authorized the General Manager to file the Notice of Completion for the Grand Avenue Pavement Repair Project with the Riverside County Assessor – County Clerk – Recorder by the following roll-call vote:*

MOVED: Covington	SECONDED: Slawson	APPROVED 5-0
AYES:	Covington, Hoffman, Ramirez, Slawson, Williams	
NOES:	None	
ABSTAIN:	None	
ABSENT:	None	

#### **10. Second Amendment to HR Dynamics & Performance Management Consulting Agreement for 2023**

Assistant Director of Finance and Administration Sylvia Molina described the contract and noted that the HR Manager position has been vacant since March 2023 and in previous meetings, staff has brought a request to the Board for services to maintain the human resources responsibilities. An HR Manager may be on Board at the beginning of October, but in the meantime, funding has run out and an extension to continue services with HR Dynamics is requested.

HR Dynamics has been working on policies, and staff would like to continue that work through the rest of the year, Ms. Molina noted. She reviewed the fiscal impact and requested an additional \$37,200 for the contract, noting that savings from maintaining the open HR Manager position will total \$37,289, so there is no real budget impact.

General Manager Jagers emphasized the need to maintain continuity and said HR Dynamics has helped bridge the gap and will provide as-needed support to bring the new position up to speed.

The contract request is a maximum amount, and there will be savings if the continued weekly on site visits are unneeded once the new HR Manager begins, Ms. Molina explained.

Director Covington asked about the status of the new hire, and Ms. Molina indicated the HR Manager contract is being finalized with October 3 as the target start date. Director Ramirez noted that the title of the previous position was HR Administrator.

*The Board authorized the General Manager to execute a second amendment to the existing 2023 professional services agreement with HR Dynamics & Performance Management for an addition to the Scope of Services in a revised total contract amount not to exceed \$95,600 by the following roll-call vote:*

MOVED: Williams	SECONDED: Ramirez	APPROVED 5-0
AYES:	Covington, Hoffman, Ramirez, Slawson, Williams	
NOES:	None	
ABSTAIN:	None	
ABSENT:	None	

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

Directors indicated interest in the following events:

- ACWA Continuing Legal Education Virtual Workshops on Sept. 20 and 27 – Ramirez
- American Society of Civil Engineers awards event on September 30 – Williams, Ramirez
- California Special Districts Association (CSDA) Virtual workshop: Organizational Development - Ramirez, Slawson, Williams (tentative)
- California Special Districts Association (CSDA) webinar: Best Practices for Board / Staff Roles and Communication - Hoffman, Ramirez, Slawson, Williams
- Beaumont Chamber of Commerce Breakfast on Oct. 13 – Hoffman, Slawson
- Water Education Foundation Annual Water Summit in Sacramento on Oct. 25 – Covington
- CSDA 2023 Special District Leadership Academy in Santa Rosa from Oct. 22 to 25 – Williams, Ramirez (tentative), Slawson

*The Board pre-approved attendance of all directors at the following events for purposes of per diem and reimbursement of associated reasonable and necessary expenses per District policy:*

- *American Society of Civil Engineers awards event on September 30 by the following roll-call vote:*

MOVED: Williams	SECONDED: Covington	APPROVED 5-0
AYES:	Covington, Hoffman, Ramirez, Slawson, Williams	
NOES:	None	
ABSTAIN:	None	
ABSENT:	None	

## 12. Reports For Discussion and Possible Action

### a. Ad Hoc Committees:

Communications Committee: Director Williams and Director Ramirez reported:

- No meeting in September; will schedule a meeting for October

Sites Reservoir Committee: Mr. Jagers advised he will be meeting with SGPWA General Manager Lance Eckhart regarding next steps on the project.

Water Re-Use 3x2: Mr. Jagers reported that there have been staff level meetings with the City and a draft purchase agreement was reviewed with City Manager Gibbs. The City is expected to provide comments, but with the departure of the City's public works director, Ms. Gibbs has indicated that may be around mid-December.

b. Directors' Reports:

Directors provided reports on the following meetings and events:

- Urban Water Institute 29th Annual Water Conference on August 23-25, 2023 (Ramirez and Slawson)
- Collaborative Agencies Committee Meeting on September 6, 2023 (Ramirez)
- Ribbon Cutting Event MDP Line 16 on September 7, 2023 (Covington, Hoffman, Ramirez, Slawson and Williams)
- Beaumont Chamber of Commerce Breakfast on September 8, 2023 (Covington, Hoffman, Slawson and Williams)
- San Geronio Pass Water Agency Board meeting on September 11 (Slawson)

c. Directors' General Comments: None.

d. General Manager's Report:

Mr. Jagers reported:

- Staff participated in the MDP Line 16 ribbon cutting
- Maintenance activities on ponds and recharge at BCVWD and the SGPWA
- Wells 1A and 2A drilling project was posted last Friday and bids are due October 3
- Bids were received today from consultants on a booster station project
- Moving capital improvement program forward
- Assessing damage to canyon roads and doing cleanup of debris flows from Tropical Storm Hilary. Funds are being expended with the contractor as part of the emergency
- The Dozer is still at the repair shop
- A facilities tour was provided for Director Williams and offered to all Board members
- Personnel Committee tour needs to be scheduled
- The 5<sup>th</sup> Street pipeline project and the last of the 6<sup>th</sup> Street service line replacement contract are nearly complete

e. Legal Counsel Report: No report.

**13. Topic List for Future Meetings:**

- Update / Presentation on the AMR/AMI project
- Presentation on the San Bernardino Valley Resource Conservation District
- Presentation on solar power opportunities
- Sites Reservoir update

Director Covington requested Legal Counsel Markman bring information to the Board on items from the Fair Political Practices Commission to assure the Board is in alignment. Mr. Markman acknowledged.

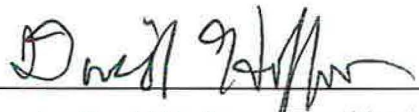
#### 14. Announcements


*President Hoffman pointed out the announcements:*

- Personnel Committee Meeting: Tuesday, Sept. 19 at 5:30 p.m.
- Engineering Workshop: Special Meeting Tuesday, Sept. 26 at 6 p.m. (Director Covington noted he cannot attend)
- San Geronio Pass Regional Water Alliance: Wednesday, Sept. 27 at 5 p.m.
- Engineering Workshop: Thursday, Sept. 28 – CANCELED (See Sept. 26)
- Beaumont Basin Watermaster Committee: Wednesday, Oct. 4 at 11 a.m.
- Finance & Audit Committee meeting: Thursday, Oct. 5 at 3 p.m.
- Regular Board Meeting: Wednesday, Oct. 11 at 6 p.m.

#### 15. Adjournment

*President Hoffman adjourned the meeting at 8:19 p.m.*

  
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Director David Hoffman/President  
to the Board of Directors of the  
Beaumont-Cherry Valley Water District

ATTEST:  
  
\_\_\_\_\_  
Director Daniel Slawson, Secretary  
to the Board of Directors of the  
Beaumont-Cherry Valley Water District