



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

**MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
Wednesday, January 10, 2024 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 Covington opened the meeting at 6:03 p.m.*

Pledge of Allegiance was led by President Covington.

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, Slawson, Williams
Directors absent:	Ramirez
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 Human Resources Manager Ren Berioso Finance Manager Bill Clayton Management Analyst II Erica Gonzales Water Utility Superintendent Julian Herrera Engineering Assistant Evan Ward Executive Assistant Lynda Kerney
Legal Counsel	James Markman

Members of the public who registered attendance: Kevin Walton and Larry Smith of the San Geronio Pass Water Agency, Brian Hall, Reinhard Stenzel, and Blaine Wilmer.

Public Comment: None.

1. Adjustments to the Agenda: None.

2. Reports / Presentations / Information Items

The Board received and filed the following reports:

- a. *Townsend Public Affairs, Inc. Monthly Update*
- b. *Legislative Action and Issues Report*
- c. *California Water Supply Conditions*
- d. *2024 Adopted Meeting Schedule*
- e. *Board Officers and President's Appointees for Calendar Year 2024*
- f. *Update: Revenues and Expenses Related to District Residences*
- g. *Grant Activity Quarterly Update*

by the following roll-call vote:

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

3. Consent Calendar

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

- a. *Review of the November 2023 Budget Variance Reports*
- b. *Review of the November 30, 2023 Cash/Investment Balance Report*
- c. *Review of Check Register for the Month of December 2023*
- d. *Review of December 2023 Invoices Pending Approval*
- e. *Minutes of the Regular Meeting of November 16, 2023*
- f. *Minutes of the Regular Meeting of December 13, 2023*
- g. *Status of Declared Local Emergencies Related to Fires*
 - i. *Impact of the Apple Fire pursuant to Resolution 2020-17*
 - ii. *Impact of the El Dorado Fire pursuant to Resolution 2020-20*
- h. *Receive and File 2024 Annual List of Preapproved Events*
- i. *Resolution 2023-32: Amending the District's Policies and Procedures Manual adding Policy 3235 - Military Leave*
- j. *Resolution 2023-31: Amending the District's Policies and Procedures Manual Revising Section 29 to add Policy 3110 Jury and Witness Duty*

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

4. Request for Will-Serve Letter for Riverside County Assessor's Parcel No. (APN) 415-210-003, located west of Cherry Avenue and north of 11th Street

Director of Engineering Mark Swanson introduced the single-family residence project at 1175 Cherry Avenue. There is no District facility from which the residence could take service, so the project would require a 300-ft., 8-in. mainline

extension at the developer's cost. An improvement plan has been submitted, and plan check will begin if the Board approves the WSL. This will be a single connection, likely a one-inch meter.

Mr. Swanson identified the conditions of approval in the staff report and said he spoke with the applicant, who was present in the Board room. He reminded that the District had done some work on Antonell Court within the last couple of years, and noted that line could be extended by property owners as time moves forward.

President Covington pointed to the facilities on the map exhibit and asked about the blue line to the east. Mr. Swanson noted that is a 24-inch transmission main but service is not available off that line.

In response to Director Slawson, Mr. Swanson detailed the 12-in. line in the Master Plan and 8-in. requirement in lieu of extending the 12-in. line. There is not a lot of demand north of this lot, he explained. It would be preferred not to do a dead end, he noted.

In response to Director Hoffman, Swanson noted that the applicant will have to obtain fire or hydrant requirements from the fire department. Mr. Jagers posited that the extension will likely include a hydrant requirement.

President Covington invited public comment. There was none.

The Board approved the request for Will-Serve Letter for the property located at APN 415-210-003 (1175 Cherry Avenue) within the City of Beaumont, subject to payment of all deposits and fees to the District and securing all approvals from the City of Beaumont by the following roll-call vote:

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

5. Request for Will-Serve Letter and Approval of Annexation for Lilac Logistics Center Building (Riverside County Assessor's Parcel No. 424-010-019) in the City of Beaumont

Director of Engineering Mark Swanson described the project location at the extension of 4th Street west of Potrero Boulevard in the area of the warehouse developments. The project is within the District's sphere of influence and requires annexation, he explained. The proposed building is a 158,112 square-foot industrial building. The property is set back from 4th Street.

Staff completed the exercise to determine the water consumption and estimated 3.3 EDUs of potable and 15.9 EDUs for nonpotable, Swanson explained. The project will need a Plan of Service but not a Water Supply Assessment. Fire flow

requirements will likely be greater than standard baseline and will trigger an additional capacity charge component for storage, he advised.

General Manager Jagers explained that channelized flow is taking a lot of rainfall out of the Beaumont area that used to replenish the groundwater basins, and moving it toward these areas. As a result, the District is looking for sites in this area for small extraction wells, and staff would be looking for that with this developer during the Plan of Service phase. Mr. Swanson added that the developer has offered the contact information for the owner of the parcel to the south where there may be an existing well. President Covington asked if the extraction well would be domestic or nonpotable, and Mr. Jagers said he suspected it would probably be a nonpotable well.

President Covington commented on the use of irrigation water for this type of project, and pointed to the irrigation standards of the City and County. He reminded that there is potable water in the District's nonpotable system, and in the absence of recycled water becoming available, it is difficult to embrace these projects. The inaction on recycled water gives pause on these projects that have potable or non-potable demand, he stated. WSLs continue to be approved but what about when the Basin storage account runs dry, he asked. He called for balance and said the Board must be realistic. Recycled water has been discussed for the nine years he has served on the Board, and it is not yet available, which makes it challenging.

Director Williams asked about access to the freeway via Potrero Boulevard. Project representative Brian Hall explained this is a City matter: access is being negotiated as the parcel's access was cut off with the Potrero interchange development. The plan is to gain access via 4th Street.

Mr. Hall said the property has been in his family for 40 years and it was the Lilac Farm. He noted that the well is in the area between 4th Street and the family's parcel. It provided the water used for the mass grading for the nearby large project.

Director Williams asked about piecemeal annexation, and Mr. Swanson discussed surrounding projects, parcels, and terrain. Jagers pointed to other annexations and those in process to fill the holes without leaving remainder parcels. If there is no project on a parcel, the District cannot request LAFCO bring it in, there must be a project requiring demand.

Director Hoffman agreed with President Covington with ongoing concern over continued development. The unusual rain and snow this past year tend to erase the shortfall years in the past, but the District has been trying to recover and store as much water as possible. Based on current circumstances, there is no grounds for denial on this, he noted. He said he hopes that recycled water will move forward to bring relief and will be gladly received, but it will take work to accomplish. The District must be fair to everyone, he added.

President Covington invited public comment. Mr. Hall added this parcel is the last developable piece north of Potrero. The family does not intend to develop, just to entitle it.

Mr. Swanson indicated that by the time the process is concluded, this WSL will likely come back for extension. Mr. Jagers added that the Riverside County Transportation Commission (RCTC) has taken over the design of the Potrero

interchange and Swanson provided some further detail. Jagers noted that the City rezoned the area from housing to industrial in approximately 2020, and the truck traffic had not been anticipated in the District's water design plan. The facilities would have been deeper, he stated.

The Board approved the request for water service and annexation for the Lilac Logistics Center Building, a 158,112 square-foot (sf) warehouse building located south of the Route 60 Freeway and west of Potrero Boulevard in the City of Beaumont (Riverside County Assessor's Parcel No. [APN] 424-010-019) subject to payment of all fees to the District and securing all approvals from the City/County by the following roll-call vote:

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

6. Request for Will-Serve Letter for Tentative Tract Map No. 38879 (existing Assessor's Parcel No. 415-200-031) located at the northwest corner of 11th Street and Pennsylvania Avenue in the City of Beaumont

Director of Engineering Mark Swanson described the project location, an old orchard site which has been split into several parcels. There is an existing meter / service located in the northeast corner of the property which at one time had consumption, and staff looked at historic use to apply the credit it to this project, Swanson stated.

The TTM proposes 10 large (approximately 9,300 square feet) single family residential lots, Swanson continued. Using the existing credit of 3.3 EDUs, and applying the 10 EDUs estimated consumption, the net differential / total increased water consumption is 6.7 EDUs, he explained.

There are existing facilities in Pennsylvania Avenue, and in 11th Street, Swanson continued. Front footage fees would be applicable, but staff does not envision at this time the need for an upgrade to facilities unless there is an increased fire flow requirement. A mid-block fire hydrant may be dictated by the Fire Department, he noted.

The existing service will be used, and the other nine lots will need to be installed at the developer's cost, Swanson stated. He again noted the lot size and reminded that the City's ordinance would disallow front yard turf but does not address backyards.

General Manager Jagers explained that as part of the mainline extension agreement, the condition of the main will need to be assessed. Leaks are common on old mains and Pennsylvania is a bit of a leaker. As the particulars of the improvements are determined, this may be an area that has some additional work that will be required, he advised.

President Covington invited public comment. Project representative and civil engineer Blaine Wilmer introduced himself.

Director Slawson noted that Lot 1 on 11th Street will still make use of the existing service. Mr. Swanson indicated that it would be Lot 10 at the far north end where the existing meter is located. Although the map shows a service at 11th Street, staff will remove that from the map as nothing has been found at that location.

Director Hoffman expressed concern and requested additional feedback on the existing pipeline condition to assure the facility will not be further burdened and the crews making additional repairs as time goes forward.

The Board approved the request for Will-Serve Letter for domestic water service for Tentative Tract Map (TTM) 38879, a single-family residential tract project (existing Assessor's Parcel No. [APN] 415-200-031) located at the northwest corner of 11th Street and Pennsylvania Avenue in the City of Beaumont by the following roll-call vote:

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

7. Resolution 2024-01: Amendment to the Fiscal Year 2023 Operating Budget for Electricity – Wells

Assistant Director of Finance and Administration Sylvia Molina explained budgeting based on average expenditures for the previous year. Trends showed that this item had sufficient funds to the end of the year, however in comparison during the last quarter, the funds spent in October-November almost matched the previous three months, she noted, resulting in a budget shortfall for the December amount.

Staff has estimated a cost of \$185,000 for December and there is \$49,000 currently available in the expense account for wells / pumping, Molina said. She requested an amendment to the budget of \$136,000.

The Fiscal Year 2024 budget includes an estimate for 2023, Molina continued, and it is understood those estimates are below what is now expected. Staff will more closely scrutinize the bills at mid-year, she noted.

General Manager Jagers added that staff is working to ensure the District is operating as efficiently as possible. There are additional wells being drilled and will come online next year, and the hope is to equip at least one of them to continue to maximize off-peak pumping and minimize any encroachments into peak periods.

Jagers noted that the District is adversely affected by public safety power shutoffs (PSPS) and a conservative approach has been taken to filling all reservoirs when those may occur. There are some costs to that which show up as unanticipated

bills due to peak pumping, he advised. Efficient use of electricity is a continuing issue, and staff is learning the new system and change of peak use which affects historic operations.

President Covington invited public comment. There was none.

President Covington noted this is a large expense for the District, and this was not the first increase adopted this year for power. He asked if analysis had been done to determine if costs were contributed by Southern California Edison (SCE) rate increases and demand fees or other impact out of the District's control.

In response to questions and concerns voiced by Director Williams and President Covington, Ms. Molina and Mr. Jagers discussed the analysis of operational activities and noted there were several factors contributing to pumping costs. Budget transfers will be made to this item from other accounts where there had been savings, Molina noted.

Director Hoffman noted the account is running 7 percent short of what was budgeted and acknowledged the variables including the sporadic rain in November and requirement for more water. He recommended vigilance regarding the FY 2024 budget and bringing adjustments to the Board for further discussion. Ms. Molina acknowledged the increasing SCE rates and noted that a more prudent budgeting approach may be based on higher amounts rather than averages.

The Board adopted Resolution 2024-01 Amending the Fiscal Year 2023 Operating Budget for Electricity - Wells in the amount of \$136,000 by the following roll-call vote:

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

8. BCVWD Fiscal Year 2023 Preliminary Operating Budget Carryovers

Ms. Molina explained that the intention each year is to complete Board-approved contracts within the year. Services approved in the 2023 operating budget but not completed by the end of the year are:

- Capacity Charge Study with Raftelis
- CV Strategies – video production for \$5,550

The total would be amendments to the budget and listed separately when totaling out the budget for the end of the year, Molina noted.

President Covington asked if the carryover would be moved to the same accounts; Ms. Molina said it would.

President Covington invited public comment. There was none.

The Board approved the Fiscal Year 2023 Preliminary Operating Budget Carryovers by the following roll-call vote:

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

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

Directors indicated interest in the following events:

- Beaumont Chamber of Commerce Breakfast on Feb. 9 – Hoffman, Slawson, Williams
- California Special Districts Association (CSDA) webinar: Form 700 filers – A Guide to SEI Disclosure – Hoffman, Slawson, Williams
- CSDA webinar: Keeping up with the Brown Act – Hoffman, Slawson, Ramirez, Williams
- CSDA virtual workshop: Board Member Best Practices – Slawson, Ramirez, Williams

10. Revision of Schedule of Miscellaneous Fees (Administrative Cost Recoveries) and Setting of Date for Public Hearing

Finance Manager Bill Clayton indicated this would be Board authorization to set a public hearing for February 22, 2024 to review and discuss proposed updates to the Miscellaneous Fees. Previous updates were adopted by Resolution 2022-38 and staff proposes to make this an annual exercise if updates are warranted.

President Covington reminded that these are fees for shut offs / turn ons and others. Mr. Clayton noted that there may not be as many proposed revisions as one year ago, as the previous revision had been quite a long time before.

President Covington requested staff provide further information on the fees for potential modifications prior to setting a public hearing. The Board would then decide if it would be worthwhile to hold a public hearing. He indicated it would have been helpful for the staff report to include what needs to be modified.

Director Williams agreed and requested a basic list. She asked if there was a timeline for review, and Mr. Clayton explained staff has reviewed all fees over the past year.

Clayton indicated that staff will be proposing only non-customer facing fees, such as developer deposits, backflow, or meter installations. Mr. Jagers reminded that these represent actual cost recoveries and would reflect increases in costs such as for materials.

Director Slawson asked if the fees had been reviewed by a consultant. Mr. Clayton said the consultant last year had provided a model to look at the fees comprehensively and update the figures.

Director Slawson acknowledged the transparency and said he was certain the numbers were close, but said he would not mind seeing some more information.

Director Hoffman agreed and requested more detail.

President Covington tabled the item to a future meeting.

11. Reports For Discussion and Possible Action

a. Ad Hoc Committees:

Communications Committee: Director Williams reported the Committee has not met.

Sites Reservoir Committee: Mr. Jagers said it is worth dialogue with the SGPWA and working with the General Manager to add ad hoc committee members in order to get onto the same page.

Bogart Park: Mr. Jagers said he had discussion with retiring Beaumont-Cherry Valley Recreation and Park District General Manager Duane Burk who is available for consultation on the Bogart Park activity.

Water Re-Use 3x2: Mr. Jagers said he expected a meeting with the City last month. City Manager Elizabeth Gibbs indicated that their consultant has been ready to meet but has been impacted by jury service. In the next week or two, Ms. Gibbs would like to have a staff level meeting with the consultant and then will set a future meeting. A statement was made that the adaptive management plan request is being submitted on January 31, which is part of the change of use permit. It is believed that is a three- to four-year process. The City is making some movement forward, he noted. In the next couple of weeks, it is hoped to set up an electeds meeting.

b. Directors' Reports:

Directors provided reports on the following meetings and events:

- Riverside County Water Task Force Annual Year End Forum and Diamond Valley Lake Tour December 15, 2023 (Slawson)
- San Geronio Pass Water Agency meeting on January 8 (Slawson)

c. Directors' General Comments: None.

d. General Manager's Report:

Mr. Jagers reported:

- Met with City Manager Gibbs regarding ongoing pavement repair concerns and made positive progress with a concept agreement at staff level. May provide some relief from the large patch work

- SGPWA recharged 20,350 acre-feet of imported water supply, a record for the area
- SGPWA noted it is an El Nino year and the modeling at the State level shows the rainfall pattern later in the year (April)
- Drier than average so far this year
- Deposited funds with the SGPWA several years ago for the Noble Creek turnout upgrade including \$60,000 for the Department of Water Resources plan check review and inspection. Due to the efforts of Finance and Administration staff and SGPWA, this week received \$36,000 in recovered deposit
- In the last rain cycle, operated the stormwater recharge system and caught at least a pond's worth of clean and clear water. This also lessened the stormwater impacts at Brookside, east of Cherry. In response to Covington, Jagers said it is not currently metered but a metering system will be installed
- The Beaumont Basin Watermaster will be looking at updating Rules and Regulations to account for recovery of these waters. President Covington indicated that the Watermaster will seek specifics and asked when the meter would be installed to legitimately be able to claim that water, and whether there is a policy for stormwater recharge to be credited back to the District's storage account. Jagers said it is identified in the judgment.
- Nearing completion of 5th Street pipeline improvements. The City will put the paving of 5th out to bid with their next paving cycle.

e. Legal Counsel Report: No report.

12. 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
- Policy 5095 – District Residences and Facility Emergency Policy
- Revision of policies related to expenses and travel
- SCE rates and impact on pumping costs

13. Announcements

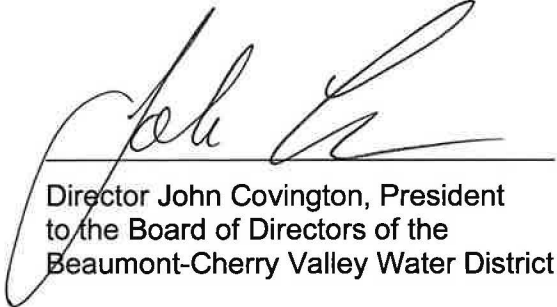
President Covington pointed out the announcements:

- Beaumont Basin Watermaster Committee: Wednesday, Jan. 10 at 11 a.m.
- District Offices closed Monday, Jan. 15 in observance of Martin Luther King Jr. Day
- Personnel Committee: Tuesday, Jan. 16 at 5:30 p.m.
- Collaborative Agencies meeting: Wednesday, Jan. 17 at 5 p.m.
- San Geronio Pass Regional Water Alliance: Wednesday, Jan. 24 at 5 p.m.
- Engineering Workshop: Thursday, Jan. 25 at 6 p.m.
- Finance & Audit Committee meeting: Thursday, Feb. 1 at 3 p.m.
- Regular Board Meeting: Wednesday, Feb. 14 at 6 p.m.

President Covington advised that he will not attend the January 25 Engineering Workshop and requested Vice Chair Slawson preside. Director Hoffman will not be attending on January 25.


14. Adjournment

President Covington adjourned the meeting at 7:45 p.m.



Director John Covington, President
to the Board of Directors of the
Beaumont-Cherry Valley Water District

ATTEST:



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