



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

**MINUTES OF REGULAR MEETING – ENGINEERING WORKSHOP
OF THE BOARD OF DIRECTORS**
Thursday, July 25, 2024 at 6:00 p.m.

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

Call to Order: *Vice President Slawson opened the meeting at 6:01 p.m.*

Pledge of Allegiance was led by Director Hoffman.

Invocation was given by Vice President Slawson.

Announcement and Verification of Remote Meeting Participation

Director Ramirez was in attendance via teleconference from a posted location

Roll Call:

Directors present:	Hoffman, Ramirez, Slawson, Williams (6:19 p.m.)
Directors absent:	Covington
Staff present:	General Manager Dan Jagers Assistant Director of Finance and Administration Sylvia Molina Director of Information Technology Robert Rasha Director of Engineering Mark Swanson Director of Operations James Bean Finance Manager William Clayton Engineering Assistant Evan Ward Engineering Assistant Khalid Sebai Development Services Technician Lilian Tienda Executive Assistant Lynda Kerney
Legal Counsel	Jim Markman

Members of the public who registered their attendance: Kevin Walton, Larry Smith, and Mickey Valdivia of the San Geronio Pass Water Agency, Maria Paren, Aldama family members, Gutierrez family members, and Crystal Wong

Public Comment: None

1. Adjustments to the Agenda:

Staff recommended tabling Item 16 Closed Session.

2. Will-Serve Letter for an Expansion to the Existing Beaumont Library Located on Riverside County Assessor's Parcel Numbers (APNs 418-081-002, 418-081-003, 418-081-004, and 418-081-016 on the Southeast Corner of 8th Street and California Avenue

Director of Engineering Mark Swanson introduced the proposed new building construction adjacent to the existing Library and additional water demands. He noted that one of the parcels has an existing residence with water service that will be demolished. Staff analyzed the current consumption and made estimates on proposed use, including credit for the house: 2.9 EDUs, a net zero change. To memorialize the service, it is considered a Continuation of Service, as Will Serve that may have existed back in the 1930s cannot be extended, Swanson explained.

Mr. Swanson noted the District reserves the right to perform a later water audit to assure that 2.9 EDUs is not exceeded. Director Hoffman asked if the District would instigate and oversee the audit; Mr. Swanson said staff would perform this function. Mr. Jagers indicated that a decision is typically made on each individual development. The Library will be scheduled for audit in about five years. Higher use developments are monitored more frequently, he added.

Mr. Swanson indicated that any requirements for fire flow would be addressed by the applicant.

Public Comment: Ms. Crystal Wong with TSK Architects indicated she was available for questions.

Mr. Jagers added that the Library is a public entity providing service to the community and staff is comfortable with the water demands as stated.

Vice President Slawson asked about the service configuration and dedicated irrigation lines, referencing the new Making Conservation a California Way of Life regulations. Mr. Swanson responded that there is a nonpotable line in 8th Street and a new, dedicated irrigation meter and line will be required.

The Board approved the Will-Serve Letter for the proposed expansion to the Beaumont Library located on Riverside County Assessor’s Parcel Numbers (APN) 418-081-002, 418-081-003, 418-081-004, and 418-081-016 subject to payment of all deposits and fees to the District and securing all approvals from the City of Beaumont and furnishing of a Continuation of Service Letter per conditions as enumerated by the following roll-call vote:

MOVED: Hoffman	SECONDED: Ramirez	APPROVED 3-0
AYES:	Hoffman, Ramirez, Slawson	
NOES:	None	
ABSTAIN:	None	
ABSENT:	Covington, Williams	

6:19 p.m. Director Williams joined the meeting in the Board Room.

3. Request for Extension of Will-Serve Letter for a Previously Approved Temporary Service Connection (APN 407-190-015) for a Property Located at 37325 Cherry Valley Boulevard

General Manager Jagers explained that agenda items 3, 4 and 5 are related to the previously Board-approved annexation and extension of permanent water service on

Cherry Valley Boulevard near the Sunny Cal Egg Ranch. These two parcels have overlier water rights in the Beaumont Basin adjudication. He reminded that the process had been delayed due to construction along Cherry Valley Boulevard (the Shopoff warehouse).

Mr. Swanson reminded that the Temporary Will-Service Letter (WSL) was issued on an emergency basis as there was no water at the property. The applicants now need to move forward with the LAFCO process which requires an active WSL for permanent service. Staff is providing assistance through the process.

Director Hoffman asked about disposition of the properties' water rights. Jagers stated that when the permanent service agreement is executed, the District will request water in-kind – a credit on the overlier right equal to what is provided to the properties. The original overlying party was Sunny Cal Egg Ranch, Hoffman recalled. In response to VP Slawson, Jagers added that the credit will be recognized by the Beaumont Basin Watermaster via submittal of a form.

VP Slawson offered the Aldama family an opportunity to address the Board. Ms. Maria Paren described the hardship of having no water and thanked the Board for providing water service.

The Board approved the extension of Will-Serve Letter for the proposed Service Connection located on Riverside County Assessor's Parcel Number (APN) 407-190-015 within the Community of Cherry Valley, subject to payment of all deposits and fees to the District for a term of one year by the following roll-call vote:

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

4. Request California Environmental Quality Act (CEQA) Notice of Exemption for the Service Connection Located at 37325 Cherry Valley Boulevard

General Manager Jagers noted that the properties of agenda items 4 and 5 are existing houses with their own well / water supply. It is a straightforward CEQA exemption. This action is to provide the same water the houses have had, but in a different way. Director of Engineering Mark Swanson explained the LAFCO requirement for addressing CEQA.

The Board accepted the findings of staff that the following Project is exempt from the California Environmental Quality Act and directed staff to file a Notice of Exemption from the Riverside County Clerk-Recorder:

Service Connection for the Property located at 37325 Cherry Valley Boulevard in the Community of Cherry Valley (Riverside County Assessor's Parcel No. 407-190-015)

by the following roll-call vote:

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

5. California Environmental Quality Act (CEQA) Notice of Exemption for the Service Connection Located at 37321 Cherry Valley Boulevard

Director of Engineering Mark Swanson explained this is the same CEQA process for the property two parcels to the east of the parcel in item 4 and will meet the LAFCO requirement.

The Board accepted the findings of staff that the following Project is exempt from the California Environmental Quality Act and directed staff to file a Notice of Exemption from the Riverside County Clerk-Recorder:

Service Connection for the Property located at 37321 Cherry Valley Boulevard in the Community of Cherry Valley (Riverside County Assessor's Parcel No. 407-190-013)

by the following roll-call vote:

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

6. Update: Cost of Services Study

Assistant Director of Finance and Administration Sylvia Molina advised that the project is on track with the scope of services and is going well. A presentation to the Board is anticipated toward the end of August or in September. Consultant Water Resources Economics (WRE) has made some recommendations. Of concern are the unknowns such as impact of Chromium 6, PFAS, and conservation regulations which can have major impacts to the District.

WRE has recommended options:

1. Continue to work with staff and base proposed rates on best estimates of those impacts. There would be an annual review of rates and WRE would identify any deficits. The Board would then have to decide whether to reopen the study, which would have additional cost, or wait until the end of the five-year period
2. Split the study into two phases:
 - Phase 1: Identify financial plan and have a set rate across the board to cover the plan and keep the District on track for known expenses for two to three years, and

- Phase 2: Longer term planning when more information on the impacts is available and to have time to collect information for budget-based rates to discuss with the Board

WRE recommends Option 2 which would still be included with the current contract at no additional cost but would entail more meetings and proactive communication to the public, Ms. Molina explained. Mr. Jaggars added that Option 2 makes sense due to the uncertainties in projections which have significant impacts. It offers the benefit of time to understand the true needs.

Rate increases are needed due to inflationary costs, prior low projections in labor costs, Southern California Edison power costs, and more, which can be met under Option 2 which offers a more pragmatic approach, Jaggars noted. As an example, he noted the recent two-year rate study performed by Eastern Municipal Water District.

Director Hoffman opined that Option 2 seems the best path, as the Chromium 6 regulation will make demands that the District will need some time to experience and determine what type of approach to mitigate and meet the requirements.

Director Ramirez acknowledged the unknowns and said he appreciated the feedback on EMWD but did not want to mimic their action as their methodology was different than his constituents would be comfortable with.

By consensus, the Board directed staff to bring back rate study project options for formal consideration.

7. 2023 External Audit and Annual Comprehensive Financial Report

Finance Manager William Clayton introduced a video presentation from the District's independent auditor, Rogers, Anderson, Malody & Scott, LLP (RAMS). The video presented the auditors' unmodified (clean) opinion on the District's financial statements for the year ended December 31, 2023, which is the highest level of assurance an audit firm can provide.

The results were reviewed in person with the Finance & Audit Committee, but RAMS representatives were unable to attend this meeting in person, Clayton noted. Director Hoffman reported that the Finance & Audit Committee was satisfied and felt it appropriate to bring this item to the full Board.

Director Ramirez said it was nice to see the continuous integrity placed on the District's accounting and thanked the Finance & Audit Committee.

Director Williams reiterated the review by the Finance & Audit Committee and VP Slawson acknowledged the work.

The Board received and filed the independent auditors' unmodified (clean) opinion on the Beaumont-Cherry Valley Water District's (District) financial statements for the year ended December 31, 2023, included in the December 31, 2023 Annual Comprehensive Financial Report (ACFR) by the following roll-call vote:

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

8. California Special Districts Association (CSDA) 2024 Board Elections: Vote to Elect a Representative to the CSDA Board of Directors in the Southern Network for Seat A

The Board cast a vote for Jo MacKenzie to the California Special District Association Board of Directors in the Southern Network for Seat A by the following roll-call vote:

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

9. Update: Presentation on BCVWD Capital Improvement Program

Director of Engineering Mark Swanson presented a thorough third quarter report to the Board on District activities. He and Mr. Jagers discussed recently completed projects and ongoing projects and responded to questions from the directors. Swanson updated the Board on several projects upcoming, and several planned for the future.

Projects include:

- 5th Street pipeline recently finished
- Noble 24" Pipeline (Cherry from Dutton to new tank site) to commence soon
- Wells 1A and 2A experiencing contractor delays; maximizing opportunity to limit potential future exposure to Chromium 6
- Potential relocation of Noble well to avoid Chromium 6
- Requested a well site from the San Geronio Pass Water Agency at their recharge site
- 2023 Replacement of three pipelines
- B Line Upper Edgar Canyon pipeline
- Well feasibility and siting study
- 2017 Replacement pipelines: 6th Street going to bid soon
- Noble Creek Recharge Phase 2 Grading
- 2020-2021 Replacement pipelines – trying to stay ahead of City paving projects
- Tank coating and rehabilitation
- Pressure zone booster stations
- Nonpotable pressure regulating station and
- Chromium 6 regulation implementation
- District Operations Center

Director Hoffman stated he would like to learn more about Chromium 6. Mr. Jagers briefly addressed the topic and said he would provide more information.

10. Award of Contract for Landscape Maintenance Services

Mr. Jagers noted this type of contract has been executed over the past few years and this is a new recommendation.

Director of Operations James Bean recommended award of a 12-month contract to Universal Green LLC with option of a one-year extension to be authorized by the general manager.

Mr. Bean explained that different opportunities had been pursued in the past few years. He advised this contract had gone out for public bid and responses were received from three landscapers. Staff recommends the mid-range contractor based on analysis of the bids and previous experience with the lowest bidder.

Director Hoffman commented on weed control and asked what would be handled by staff as opposed to what the landscape contractor would perform. Mr. Bean noted that the Request for Proposal had identified specific locations for the contractor's work, expected activities and frequency of work at the sites. Director Hoffman reminded staff about concerns of nearby property owners regarding weed control and Mr. Bean noted that CALFIRE crews had previously maintained those areas, but staff is now addressing the areas that can be safely reached.

Director Hoffman cautioned about the presence of rattlesnakes and emphasized the safety of staff.

The Board authorized the General Manager to execute a one (1) year contract for landscape maintenance services of \$60,480, with an optional General Manager-approved extension of one (1) year, and a contingency of approximately 10 percent for each year of \$6,050, for a total amount not to exceed \$66,600.00 (rounded) per year (12 months), with Universal Green, LLC by the following roll-call vote:

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

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

Directors indicated interest in the following events:

- Riverside County Water Task Force on Sept. 27 – Ramirez, Slawson, Williams
- Water Education Foundation Annual Water Summit on Oct. 30 – Slawson (maybe), Ramirez (maybe), Williams (maybe)

- Beaumont Chamber of Commerce Breakfast on Aug. 9 - Hoffman
- ACWA Region 9 event on Aug. 13 – Slawson, Williams
- CSDA Webinar: Demystifying LAFCOs – Covington, Hoffman, Ramirez
- Riverside County 5th District Supervisor Yxtian Gutierrez State of the 5th District on Aug. 14 – Slawson, Ramirez (maybe)
- Building Industry Association of Orange County on Aug. 20 – Ramirez
- Urban Water Institute Aug. 21 to 23 – Ramirez, Slawson, Williams
- CSDA Conference Sept. 9 to 12 – Slawson, Williams
- Beaumont Chamber of Commerce State of the City dinner on Sept. 19 – all Board members attending
- CSDA workshop: Board’s Role in Finance on Sept. 26 and 26 – Ramirez (maybe), Slawson (maybe), Williams (maybe)

The Board preapproved attendance of all directors at the following event for purposes of per diem and reimbursement of associated reasonable and necessary expenses per District policy:

- *California Public Information Officers (CAPIO) webinar – Strategic Evolution: Unlock Success with a Client-Centric Model for Your Communications Team on July 31, 2024*

by the following roll-call vote:

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

Due to conflict with the Urban Water Institute, the Regular Board meeting scheduled for August 22 will be postponed to August 29. The Sept. 11 Regular Board meeting will remain as scheduled.

12. Update: Making Conservation a California Way of Life (AB 1668 and SB 606)

General Manager Jagers reminded that the State adopted the regulations in July and advised that staff is working through the ramifications. Adverse impacts to the District are a couple of years away but will be considered in the second phase of the rate study. Mr. Swanson added that there will be a webinar on the topic.

13. Reports for Discussion and Possible Action

a. Directors’ Reports:

The following reports were provided:

- i. Clean Transportation Program-ZEV Workshop Training on June 25, 2024 (Ramirez)
- ii. EV Infrastructure & Incentives: Energize and SCE on June 26, 2024 (Ramirez)
- iii. San Geronio Pass Water Agency Meeting on July 8, 2024 (Slawson)
- iv. San Geronio Pass Regional Water Alliance on July 24 (Slawson)

- v. Beaumont Chamber Breakfast on July 12, 2024 (Slawson, Williams)
 - vi. ACWA webinar on Mastering the Op-Ed on July 18, 2024 (Ramirez)
- b. Directors' General Comments: None.

c. General Manager's Report:

In addition to the written report, Mr. Jaggars reported:

- Use of artificial intelligence in District day-to-day tasks
- The draft Cooperative Agreement with the City of Beaumont regarding pacing standards has been sent to legal for review and may go to the City Council on August 20
- Mold remediation is moving forward at the 12th and Palm facility
- Pond maintenance is in progress at the Noble Creek Recharge Facility
- Budget process is proceeding

d. Legal Counsel Report: None.

14. 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
- Operations Center

15. Announcements

Vice President Slawson called attention to the following announcements:

- Finance & Audit Committee meeting: Thursday, Aug. 1 at 3 p.m.
- Beaumont Basin Watermaster Committee: Wednesday, Aug. 7 at 11 a.m.
- Regular Board meeting: Wednesday, Aug. 14 at 6 p.m.
- Personnel Committee meeting: Tuesday, Aug. 20 at 5:30 p.m.
- Engineering Workshop: Thursday, Aug. 29 at 6 p.m. (note change of date due to scheduling conflict)
- District offices will be closed Monday, Sept. 2 in observance of Labor Day

16. Recess to Closed Session

Vice President Slawson tabled the following item. There was no discussion.

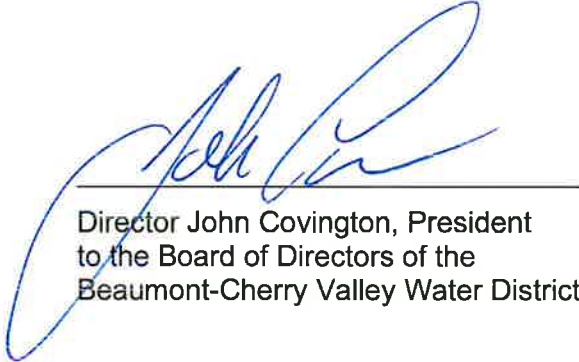
- a. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Pursuant to California Government Code Section 54956.8
Property: APNs 408-080-009, 408-080-010, 408-080,011, 480-080-012
Agency Negotiator: Dan Jaggars, General Manager
Under Negotiation: Price and terms of payment

17. Report on Action Taken During Closed Session

None. There was no closed session.


18. Adjournment

Vice President Slawson adjourned the meeting at 8:01 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