



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

**MINUTES OF REGULAR MEETING – ENGINEERING WORKSHOP
OF THE BOARD OF DIRECTORS**
Thursday, October 24, 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: *President Covington opened the meeting at 6:05 p.m.
Pledge of Allegiance was led by Director Hoffman.
Invocation was given by Director Ramirez.*

Announcement and Verification of Remote Meeting Participation
At 6:07 p.m., the Board approved by consensus the attendance of Director Ramirez via teleconference under the AB 2449 Just Cause provision.

Roll Call:

Directors present:	Covington, Hoffman, Ramirez, Slawson, Williams
Directors absent:	None
Staff present:	General Manager Dan Jagers Director of Information Technology Robert Rasha Director of Operations James Bean Assistant Director of Finance and Administration Sylvia Molina Engineering Assistant Evan Ward Engineering Assistant Khalid Sebai Development Services Technician Lilian Tienda Water Utility Superintendent Julian Herrera Executive Assistant Lynda Kerney
Legal Counsel	James Markman

Members of the public who registered their attendance: Jacob Montagne, Joyce McIntire of Yucaipa Valley Water District, and Mickey Valdivia of the San Geronio Pass Water Agency.

Public Comment: None.

- 1. Adjustments to the Agenda:** None.
- 2. Elm Avenue Replacement Pipeline Project Cost Update**

Engineering Assistant Evan Ward reported that the Elm Avenue pipeline project, consisting of 733 linear feet of 8-inch ductile iron pipe and two service line relocations was complete. The project had been expedited to stay ahead of the City of Beaumont's (City) road repaving project and was coordinated with the installation of a nearby battery storage facility. The final cost was \$192,373.78 which was under budget due

to District staff performing the work in-house. General Manager Dan Jagers reminded that this was a priority project for the Board.

Director Hoffman commented that he was pleased to see the project completed efficiently, saving taxpayer money. President Covington noted it was a great and successful project for staff to take on and was an improvement for the neighborhood. He recalled the previous public comment and requests by Elm Avenue residents.

The Board received and filed the Project Cost Update for the Elm Avenue Replacement Pipeline Project (P-2750-0091) by the following roll-call vote:

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

Items 3, 4, and 5 were discussed together.

- 3. Request for “Will Serve Letter” for Riverside County Assessor’s Parcel No. 415-171-034 located on the Southwest Corner of Orange Avenue and 12th Street in the City of Beaumont**
- 4. Request for Continuation of Service for Riverside County Assessor’s Parcel No. 415-171-035 located on the Southwest Corner of Orange Avenue and 12th Street in the City of Beaumont**
- 5. Request for “Will Serve Letter” for Riverside County Assessor’s Parcel No. 415-171-036 located on the Southwest Corner of Orange Avenue and 12th Street in the City of Beaumont**

Engineering Assistant Evan Ward explained parcels 034, 035, and 036 are all adjacent and were previously one parcel with an existing single-family residence constructed in the 1950s. The parcels were subdivided in 2008. The applicant plans to demolish the existing home and construct three new single-family residences and an accessory dwelling unit (ADU). Per State law, the ADU would be exempt from added capacity charges.

There is an existing 24-inch ductile iron pipe (transmission main) in 12th Street which serves homes on that street, and can serve the parcels, Ward continued.

Director Williams asked about access to the properties, and Mr. Ward explained the site plan and access from 12th Street adjacent to Orange.

The Board approved the request for water service “Will Serve Letter” for a property located at Riverside County Assessor’s Parcel No. (APN) 415-171-034 within the City of Beaumont, subject to payment of all fees to the District and securing all approvals from the City of Beaumont by the following roll-call vote:

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

Mr. Ward indicated this is a Continuation of Service as the original home is located on this parcel, and the intent is to use the existing meter. President Covington pointed out the form used is a Request for Will-Serve Letter (WSL). He encouraged clarification. Mr. Jagers indicated the form could be revised.

Director Slawson asked about the City's requirements for WSLs, and Jagers explained the process and required payment of capacity charges for additional service.

The Board approved the continuation of water service for a property located at Riverside County Assessor's Parcel No. (APN) 415-171-035 within the City of Beaumont, subject to payment of all fees to the District and securing all approvals from the City of Beaumont by the following roll-call vote:

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

Mr. Ward indicated this is a request for WSL for a new single-family residence on the southeastern parcel taking frontage off Orange Avenue. There is a 6-inch main in Orange Avenue from which service can be taken.

The Board approved the request for water service "Will Serve Letter" for a property located at Riverside County Assessor's Parcel No. (APN) 415-171-036 within the City of Beaumont, subject to payment of all fees to the District and securing all approvals from the City of Beaumont by the following roll-call vote:

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

6. Authorize the General Manager to Execute a Contract with Legacy Excavating, Inc. for the B Line Replacement Pipeline Project and Authorize the Expenditure of Additional Funds for Current and Future Soft Costs Associated with the B Line Replacement Pipeline Project

Engineering Assistant Evan Ward presented staff's request for authorization for the General Manager to execute a contract with Legacy Excavating, Inc. for the B-Line Replacement Pipeline Project in Edgar Canyon. The project involves replacing approximately 2,800 linear feet of pipeline and includes a total funding request of \$992,000, accounting for construction and future soft costs.

Five competitive bids were received, with the lowest two separated by \$3,100. American Rescue Plan Act (ARPA) grant funding of up to \$1.3 million was awarded, with \$895,000 anticipated to be used for the construction component. Soft costs of \$173,000 include field inspections, engineering support, geotechnical services, and survey staking.

The District's estimated fiscal impact is \$251,671 for design and other non-construction-related expenses. Additional ARPA funds are being negotiated for reallocation to the Noble Pipeline Project to fully utilize the \$2.58 million available for both projects.

President Covington asked for clarification on whether ARPA funding covers design costs. Mr. Ward explained ARPA funding is limited to construction costs; design costs will impact the district's budget.

President Covington commented on the reasonable cost for the project considering the rocky canyon conditions and the lack of paving or traffic control requirements. Mr. Jagers pointed out that savings are gained as there is no paving to be done, and no traffic control needed.

The board reviewed the request and clarified the funding details before considering the motion to approve the contract and associated contingencies.

The Board:

1. *Authorized the General Manager to execute a contract with Legacy Excavating, Inc. to provide all materials, labor, equipment, and testing necessary to complete construction of the B Line Replacement Pipeline Project in the amount of \$744,238.05 and authorized \$74,761.95 (~10% contingencies) for a total not to exceed amount of \$819,000.00; and*
2. *Authorized the General Manager to expend additional funds for current and future anticipated soft costs associated with the Project in an amount not to exceed \$173,000.00*

by the following roll-call vote:

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

7. Authorize Additional Funds for the Rehabilitation of the Operations Department building at 12th and Palm

Staff updated the Board on the project's progress and funding needs. Initially approved for \$87,100, the project required an additional \$27,900 due to unforeseen labor costs and expanded work, bringing the total to \$215,000. Director of Operations James Bean explained that issues like glued drywall plus additional enhancements, including a second restroom, a break room, and a new outdoor gazebo with refurbished benches, contributed to the increased scope. Despite these adjustments, the project was nearing completion, with furniture delivery and minor installations pending.

General Manager Jagers emphasized the cost-effectiveness of the project compared to alternative solutions, which had been estimated at more than \$250,000. He highlighted the value of leveraging in-house labor for both cost savings and skill-building among staff. Mr. Bean added that the project had transformed the facility from its previous dilapidated state into a functional and modern workspace.

President Covington praised the project as a success story, noting that building in-house not only saved significant costs but allowed for tailored solutions. He supported the additional funding request and suggested showcasing the results at a future engineering session with photos.

Director Slawson pointed out that even the General Manager had contributed labor. Mr. Bean confirmed the collaborative effort across various teams, describing it as a positive team-building experience. The board commended staff's efforts to complete the project effectively and within budget constraints.

The Board authorized the General Manager to expend an additional \$27,900.00 for the rehabilitation and restoration work in progress at the District-owned building at 12th and Palm for labor costs above the estimated amount 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. Receive and File: Twelve-month Renewal of Lease Agreement with A-1 Properties for Engineering Office located at 851 E. 6th Street, Beaumont

President Covington tabled Item 8 at the request of staff.

9. Review of Water Supply Assessment for Water Service for the Proposed 14201 California Avenue Industrial Project located south of 1st Street and west of Interstate Highway 79

The Board reviewed a draft Water Supply Assessment (WSA) for the proposed 14201 California Avenue industrial project, which spans approximately 129 acres and includes 2.5 million square feet of industrial warehouse space. Staff explained that the project's estimated water demand is 63 acre-feet per year, equivalent to 115 Equivalent Dwelling Units (EDUs). Engineering Assistant Evan Ward noted that sufficient water supply is available for the project but emphasized that significant infrastructure upgrades would be required. These upgrades, including mainline extensions, could be partially reimbursed to the developer under agreements similar to past projects. Additionally, some parcels require annexation and approval from the

Local Agency Formation Commission (LAFCO), including a plan of service addressing infrastructure needs.

The discussion also referenced the project's alignment with the City of Beaumont's General Plan. General Manager Jagers highlighted that the City had reclassified parts of the area from residential to industrial use in its 2020 General Plan update, significantly reducing projected water demand compared to residential development. He emphasized that the District's Urban Water Management Plan (UWMP) incorporates such updates to ensure alignment with local and state water use planning, including conservation mandates. However, Board President John Covington raised concerns about the long-term sustainability of water resources, noting the need to avoid over-allocating supplies amidst ongoing regulatory and environmental pressures.

Recycled water use was also discussed as a key feature of the project. The project's irrigation demand of 64 EDUs exceeds its domestic water demand of 51 EDUs, highlighting the potential for recycled water to play a significant role. Jagers explained that industrial developments like this often reuse internal water for irrigation, which could help balance water needs over time. Covington, while acknowledging the innovative approach, expressed concerns about reliance on external water agencies, such as the Sites Reservoir project and the San Gorgonio Pass Water Agency, for future resource stability.

The Board also addressed infrastructure details, including fire flow requirements and the integration of existing residential properties into the development. Director Williams asked about the impact on local homeowners, with staff confirming that affected properties are either included in the project or will be redeveloped. The discussion concluded with plans to refine the WSA and revisit it for final approval at a future meeting.

10. Reports for Discussion and Possible Action

a. Directors' Reports:

The following reports were provided:

- i. San Gorgonio Pass Water Agency meeting on October 7, 2024 (Slawson)
- ii. Beaumont Chamber of Commerce Good Morning Breakfast on October 11, 2024 (Covington, Hoffman, Slawson)

b. Directors' General Comments:

Director Hoffman reported that the Finance & Audit Committee thoroughly reviewed the draft Fiscal Year 2025 Budget and found it accurate, comprehensive, and complete.

c. General Manager's Report:

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

- Budget and Rate Study: The District is heavily focused on preparing the FY 2025 budget and conducting a rate study, which includes strategic planning for future operations. Rising costs due to inflation, labor expenses, and unfunded state and federal mandates are driving potential rate increases.

- **Cost Challenges:** Significant increases in expenses, such as imported water and electricity, represent major budget components. Rising costs are influenced by broader economic trends, including minimum wage increases affecting entry-level staff wages.
- **Water Production:** Despite a wet year leading to reduced water production requirements, 1,000 to 2,000 acre-feet of ordered water will likely go into storage, creating cost savings. Improved local water supply from Edgar Canyon has reduced energy and replenishment costs.
- **Infrastructure Projects:** Progress continues on projects like the 12th and Palm area, Elm Avenue, and designs for well buildings. Additionally, the District is working on siting new wells to mitigate the presence of Chromium-6.
- **Lead and Copper Inventory:** Significant efforts were made to compile and submit a lead and copper inventory per state requirements. This project consumed extensive staff time and resources, highlighting the burden of unfunded mandates.
- **Remote Meeting Rules:** The District is reviewing new rules on remote meeting participation (AB 2302) and will ask legal counsel to prepare a detailed report for discussion in November. President Covington requested this information as a written document.

James Bean added:

- The Lead and Copper Inventory Project involved identifying service line materials across the district, with most lines physically inspected and others analyzed using engineering records. This comprehensive inventory was submitted to the state by the October deadline and is awaiting review.
 - Emphasized the unfunded mandate, with significant time and expense required to complete the inventory. Although grants are available for certain water systems, no funding was identified for compiling the inventory itself.
 - The inventory's findings may lead to grant-funded replacement projects in the future, but currently, no financial support was provided for the investigative phase.
- d. **Legal Counsel Report:** Mr. Markman provided an update on AB 2302, which is related to teleconferencing rules for public meetings starting next year. Under the new law, districts can hold up to five virtual meetings annually without needing to list physical addresses or provide public access to those locations, streamlining the process. However, this provision is temporary and applies for one year, leaving its extension or modification subject to future legislative action.

11. Topic List for Future Meetings

	Item requested	Date of request	Requester
A	Update / presentation on the AMR / AMI project	12/14/22	
B	Presentation on the San Bernardino Valley Resource Conservation District	7/13/22	
C	Presentation on solar power opportunities	12/14/22	Ramirez
D	Sites Reservoir update	2/23/23	
E	Operations Center update with photos	10/24/24	Williams
F	Primer on AB 2302 (Markman)	10/24/24	Covington

12. Announcements

President Covington called attention to the following announcements:

- Collaborative Agencies Committee meeting: Wednesday, Nov. 6 at 5 p.m.
- Finance & Audit Committee meeting: Thursday, Nov. 7 at 3 p.m.
- District offices will be closed on Monday, Nov. 11 in observation of Veterans Day
- Regular Board meeting: Wednesday, Nov. 13 at 6 p.m.
- Personnel Committee meeting: Tuesday, Nov. 19 at 5:30 p.m.
- Engineering Workshop: Thursday, Nov. 21 at 6 p.m. (note date change due to holiday)
- District offices will be closed Thursday, Nov. 28 in observation of Thanksgiving Day
- Beaumont Basin Watermaster Committee: Wednesday, Dec. 4 at 11 a.m.

13. Recess to Closed Session: 7:32 p.m.

President Covington announced the following Closed Session items.

- 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 Jagers, General Manager
Under Negotiation: Price and terms of payment
- b. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Pursuant to Government Code Section 54947
Title: General Manager
- c. CONFERENCE WITH LABOR NEGOTIATOR
Pursuant to Government Code Section 54957.6
District designated representatives: Dan Jagers, General Manager
Employee Organization: BCVWD Employee Association and Contract Positions

Reconvene in Open Session: 8:50 p.m.

14. Report on Action Taken During Closed Session

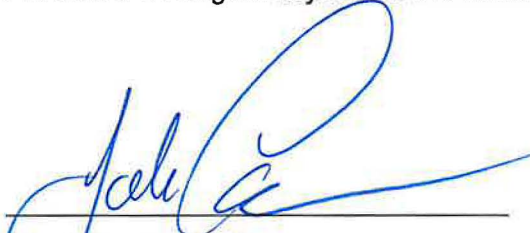
President Covington stated there was no reportable action taken.

15. Consideration and Possible Action Regarding Proposed Changes to Contract, Salary, and / or Fringe Benefits of General Manager

No action.


16. Adjournment

President Covington adjourned the meeting at 8:50 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