



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

**MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
AND COMMUNITY FACILITIES DISTRICT NO. 2025-1**

Wednesday, August 12, 2026 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 Williams opened the meeting at 6:01 p.m.
Pledge of Allegiance was led by Director Covington.
Invocation was given by President Williams.*

Roll Call:

Directors present:	Covington, Hoffman, Slawson, Williams
Directors absent:	Ramirez
Staff present:	General Manager Dan Jagers Director of Finance and Administration Sylvia Molina Director of Engineering Mark Swanson Director of IT and Cybersecurity Robert Rasha Jr. Human Resources and Risk Manager Ren Berioso Associate Civil Engineer I Evan Ward Engineering Assistant Khalid Sebai Development Services Technician Lillian Medellin Tienda Executive Assistant Lynda Kerney
Legal Counsel	James Markman

Members of the public who registered attendance: Brad Armada, Noah Valdivia, Michael Miller, William Lash (at 7:52 p.m.), James Tickemyer, Dr. Blair Ball, and Sarah Wargo.

Public Comment: None.

1. Adjustments to the Agenda: None.

2. Reports / Presentations / Information Items

Director Covington requested staff provide reports on items a, c, d, e, and f.

a. Quarterly Report: Grant Activity Update

Director of Finance and Administration Sylvia Molina reported that staff reviews grant opportunities weekly and has two applications pending, which will be added to future reports at Director Covington's suggestion. Eligibility for special districts continues to limit some opportunities. General Manager Dan Jagers described regional grant efforts involving other Pass agencies. Molina noted that the 2026 Budget includes \$40,000 for outside grant writing assistance should the Board direct staff to retain such services again.

c. Year-To-Date Electric Cost to Pump Groundwater

Director Covington pointed to the significant increase in electrical costs, noting that approximately the same amount of water was pumped in 2022 and 2026 at a cost increase of more than \$300,000. Jagers discussed the effect of energy and other pass-through costs on water rates and described District efforts toward operating efficiency. Covington and Jagers also discussed the substantially greater energy required to pump Beaumont Basin groundwater compared with shallower canyon sources. Covington noted that the quarterly report illustrates the continuing impact of rising energy costs on the District's operating budget.

d. CFD No. 2025-1 Annual Administration Report

Molina explained that the report was provided for transparency on the District's first Community Facilities District (CFD), which serves the Beaumont Pointe development. The County had approved the levy for placement on the next tax roll. The CFD was structured so the industrial/commercial development would fund the operation, maintenance, and replacement of infrastructure serving the project rather than burdening the District's ratepayers. Molina advised that staff is establishing procedures for ongoing financial tracking and reporting. Director Covington requested continued attention to the quality of correspondence sent to other public agencies.

e. California Special Districts Association (CSDA) Committee Participation

Director Covington asked whether Board action was required for a director to seek appointment to a CSDA committee because District funding could be involved. Executive Assistant Lynda Kerney advised that all CSDA meetings are included on the Board's 2026 pre-approved events list.

f. Chandler Asset Management Quarterly Investment Report

Molina and Jagers reviewed the District's investment position and reported that funds were distributed among Local Agency Investment Fund (LAIF), California Investment Trust (CalTRUST), and Chandler Asset Management (Chandler), with Chandler currently providing the highest rate of return. Investment earnings were performing well relative to budget, and the District budgets such earnings conservatively. Director Hoffman noted that the District had already achieved its projected annual investment income at approximately the midpoint of the year. President Williams added that Chandler had taken opportunities to replace lower-yield investments with higher-yield, longer-term investments.

Jagers noted that investment earnings are particularly important as the District holds funds for significant capital expenditures that have been delayed. Director Covington requested quarterly discussion of the report on investment performance to the full Board.

The Board received and filed the following reports:

- a. *Quarterly Report: Grant Activity Update*
 - b. *Quarterly Report: Review of District Contract Expenditures in FY 2026*
 - c. *Year-To-Date Electric Cost to Pump Groundwater*
 - d. *Annual Special Tax Levy Summary for the 2026-27 County tax year, Acknowledging that the Levy has been calculated in accordance with the adopted Rate and Method of Apportionment and submitted to the County of Riverside for Placement on the Secured Tax Roll*
 - e. *California Special Districts Association Opportunities for Involvement: Committees and Expert Teams*
 - f. *Quarterly Investment Report: Chandler Asset Management*
- by the following roll-call vote:*

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

ABSTAIN:	None
ABSENT:	Ramirez

3. Consent Calendar

Director Covington requested that the monthly Cash and Investment Balance report include each investment fund's monthly gains or losses and aggregate balance, reconciled to the balance report.

The Board approved the Consent Calendar items with one motion:

- a. Review of the June 2026 Budget Variance Reports*
 - b. Review of the June 30, 2026 Cash and Investment Balance Report*
 - c. Review of Check Register for the Month of July 2026*
 - d. Review of July 2026 Invoices Pending Approval*
 - e. Minutes of the Regular Meeting of June 25, 2026*
 - f. Minutes of the Regular Meeting of July 8, 2026*
- by the following roll-call vote:*

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

6:44 p.m. – Director Hoffman recused himself from Item 4 due to nearby property ownership and left the room.

4. Consider Finding the Avenida Miravilla Pipeline Replacement Project Exempt from the California Environmental Quality Act (CEQA) and Direct Staff to File a Notice of Exemption (P-3620-0016 Pipeline Replacement Project)

Associate Civil Engineer I Evan Ward explained that the project would replace approximately 964 linear feet of existing four-inch steel pipeline with four-inch ductile iron pipe and associated appurtenances, including new service laterals for approximately four existing homes. Ward reported that staff had determined the project qualified for a Class 1 categorical exemption under State CEQA Guidelines Section 15301 because it involved replacement of an existing facility with no expansion of service area, system capacity, water supply, or water demand.

Director Covington questioned whether the District had complied with AB 52 requirements for consultation with local tribes before filing a Notice of Exemption. He expressed concern that the District should complete the applicable consultation process before making the CEQA determination. General Manager Jaggars indicated that staff would verify the requirements, consult with legal counsel, and complete any necessary steps.

President Williams continued this item to the next meeting.

6:51 p.m. – Director Hoffman returned to the meeting room.

5. Authorize Funding for the S-2750-0001 Service Replacements Project, Consider Finding the Project Exempt from the California Environmental Quality Act (CEQA), and Direct Staff to File a Notice of Exemption

Director of Engineering Mark Swanson presented the S-2750-0001 Service Replacements Project involving existing services in the Elm and Wellwood Avenue area. He explained that the project had previously been delayed when the City of Beaumont's planned sidewalk work was placed on hold, but anticipated City paving had renewed the need to proceed with the work. Staff proposed completing as much of the service replacement work as possible before the City's paving. Swanson reported that the requested construction authorization was \$218,800, including materials, labor, traffic control, permitting, and contingency, within the existing Capital Improvement Budget.

General Manager Jagers addressed the AB 52 issue raised during the preceding agenda item and stated his understanding that tribal consultation is not required for projects qualifying for a categorical exemption. Legal Counsel Markman concurred. Director Slawson supported proceeding with the funding, and CEQA exemption provided staff verified that the project was not subject to AB 52 consultation requirements. Director Covington supported the funding but requested that staff confirm compliance with AB 52 tribal cultural resources consultation requirements before proceeding with the CEQA determination. Swanson indicated staff would further review the matter and could consult an on-call consultant as necessary.

The Board authorized the General Manager to expend an amount not to exceed \$218,800.00 for construction of the S-2750-0001 Service Replacements Project by the following roll-call vote:

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

7:02 p.m. – President Williams called a recess.

7:07 p.m. – The meeting resumed.

6. 2026 Mid-Year Budget Review and Report on Administrative Budget Transfers

Director of Finance and Administration Sylvia Molina explained that staff conducted a mid-year review of actual and projected expenditures to identify accounts with anticipated savings or potential shortfalls. She reported that the General Manager is authorized to approve transfers of up to \$50,000 for a single line item and that the transfers presented had already been processed. Molina highlighted two \$20,000 transfers: one for potential GIS maintenance and consulting needs resulting from Riverside County adjustments, and one for fleet maintenance and repairs due to unexpected vehicle expenses.

General Manager Jagers described the report as a housekeeping and transparency measure intended to keep the Board informed of budget activity and the District's stewardship of public funds.

President Williams declared the Report received and filed.

7. 2027 Imported Water Order from the San Geronio Pass Water Agency

General Manager Jagers reviewed the District's water supply and Beaumont Basin storage position. He reported that the District's Watermaster storage account contained approximately 45,470 acre-feet at the end of 2025 and was projected to reach approximately 48,270 acre-feet with the anticipated purchase of an additional 2,800 acre-feet in 2026. Based on current production, he estimated that approximately 50,000 acre-feet in storage would represent about a five-year supply. Jagers noted that five years of stored water has been a longstanding District target and recommended continuing to build storage for drought protection.

For 2027, Jagers recommended ordering 11,200 acre-feet for replenishment and up to an additional 2,800 acre-feet for replacement of water previously withdrawn from storage and for drought-proofing, for a total potential order of 14,000 acre-feet, provided the water remains available and the price remains unchanged.

Director Covington supported maintaining at least five years of operating water in storage, noting how quickly reserves declined during the previous drought. Director Hoffman agreed that the proposed purchase was prudent, and President Williams supported continuing to increase stored supplies. Covington also recognized the San Geronio Pass Water Agency's efforts to secure, purchase, and bank water that made additional supplies available to the District.

The Board authorized a purchase of a total of 11,200 acre-feet plus an additional 2,800 acre-feet of imported water at \$399 per acre-foot from the San Geronio Pass Water Agency an amount not to exceed \$5,586,000 for Calendar Year 2027, and authorized the General Manager to execute the letter addressed to the SGPWA regarding the Supplemental Water Order for 2027 by the following roll-call vote:

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

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

The Board discussed the following events:

DAY	EVENT	Estimated Cost	Vote?	COVINGTON	HOFFMAN	RAMIREZ	SLAWSON	WILLIAMS
22-Sep	CSDA Webinar: Difficult Conversations	\$ -			YES	YES*	YES	YES
7-Oct	Beaumont Chamber Breakfast	\$ 25.00			YES		YES	YES
7-Oct	State of the City dinner	\$ 75.00						
14-Oct	ACWA Region 10: Navigating Uncertainty	\$ 1,519.00	REQ					
27-Oct	CSDA Webinar: Building Public Trust	\$ -			YES	YES*	YES	YES
29-Oct	WEF Water Summit in Sacramento	\$ 2,576.00						
17-Nov	CSDA webinar: Successful Performance Eval	\$ -				YES*		
19-Nov	CSDA webinar: Telling Your Story	\$ -				YES*		
12/1-3	ACWA Fall Conference (Anaheim)	\$ 3,543.00						

(APR = Approved by vote) (NOT = Not approved)

(REQ = Vote required for approval)

9. Reports For Discussion and Possible Action

a. Ad Hoc Committees

- i. Sites Reservoir: No report.
- ii. Bogart Park: GM Jagers advised the Committee will meet on August 17.
- iii. Water Re-Use 3x2: Jagers reported continued progress on the recycled water recharge opportunity for remaining water supplies and coordination with the City's consultant regarding the District's analysis of water costs per acre-foot, with a meeting anticipated the following week.

b. Standing Committees

- i. Finance & Audit Committee: No report.
- ii. Personnel Committee: Director Covington reported on the 2027 annual increase in CalPERS health premium rates, the employee benefit survey, and Great Place to Work results.

c. Directors' Reports

Reports were provided as follows:

- o CSDA Webinar: How Years of Federal Policy Shifts Have Impact Your Agencies to Borrow Money on July 21, 2026 (Hoffman, Slawson)
- o San Geronio Pass Water Alliance meeting on July 22, 2026 (Slawson)
- o Beaumont Chamber of Commerce Breakfast on August 5, 2026 (Hoffman, Slawson)
- o 41st Annual Tri-State Seminar on August 3-6, 2026 (Covington)
- o CSDA webinar: Bridging the Gap: Interim Financing Solutions (Williams)
- o CSDA webinar: AB 2561: New Requirements for Public Sector Employees (Williams)
- o CSDA webinar: Special District Planning (Williams)
- o CSDA webinar: Mastering Good Governance for a Better Board and Better District (Williams)
- o CSDA webinar: How to Build a Better Multi-Year Strategic Plan (Williams)

d. Directors' General Comments:

- President Williams reminded the Board of the upcoming District training intended to support respectful dialogue, collaboration, and a cohesive working relationship.
- Director Hoffman commented that portions of the white vinyl fencing at the Phase 1 Recharge Facility needed minor repairs and that a sagging chain-link gate should be adjusted.
- Director Covington commented on his and Director Hoffman's uncontested re-election bids, noting that both had secured another four-year term on the Board.

e. General Manager's Report. Mr. Jaggars:

- Reported that staff was evaluating the condition and service life of the more than 20-year-old vinyl fencing at the Noble Creek Recharge Facility Phase I and developing a plan for future Board discussion; staff would also inspect the chain-link gate noted by Director Hoffman.
- Noted numerous ongoing District activities, including MOU negotiations, recycled water implementation discussions with the City, the well redevelopment program, Chromium(VI) well activities, and pipeline replacement projects.
- Reported an upcoming meeting with Riverside County 5th District Supervisor Gutierrez regarding District sphere of influence activities.

f. Legal Counsel Report: Mr. Markman reported that he was preparing an update regarding recent litigation and appellate court decisions addressing the respective authority of the courts and the Department of Water Resources in groundwater basin adjudications and Substantiable Groundwater Management Act (SGMA) proceedings. He noted that the decisions raised questions regarding ultimate authority over technical matters such as basin safe yield and indicated that legislative clarification was needed. Markman anticipated presenting the report, with supporting written materials, at the August Engineering Workshop.

10. Topic List for Future Meetings:

	Item requested	Date of request	Requester
1	Legal Counsel update on ongoing SGMA cases	3/11/26	Williams
2	Quarterly Investment Reports: Chandler Asset Management	8/12/26	Covington

11. Announcements

President Williams pointed out the announcements:

- Personnel Committee: Tuesday, Aug. 18 at 4:30 p.m.
- Engineering Workshop: Thursday, Aug. 27 at 6:00 p.m.
- Finance & Audit Committee meeting: Thursday, Sept. 3 at 3:00 p.m.
- District offices will be closed on Monday, Sept. 7 in observance of Labor Day
- Regular Board Meeting: Wednesday, Sept. 9 at 6:00 p.m.

12. Recessed to Closed Session: 7:54 p.m.

President Williams announced the following Closed Session items:

- a. CONFERENCE WITH LABOR NEGOTIATORS
Government Code Section 54957.6
District designated representative: Dan Jaggars, General Manager
Employee organization: BCVWD Employee Association and Contract Positions
- b. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Pursuant to California Government Code Section 54956.8
Property: APNs 407-170-008 and 407-170-029
District Negotiator: Dan Jaggars, General Manager
Under Negotiation: Price and terms of payment

- c. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Pursuant to California Government Code Section 54956.8
Property: Recycled water generated by the City of Beaumont Wastewater Treatment Plant
District Negotiator: Dan Jagers, General Manager
Under Negotiation: Price and terms of payment
- d. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Pursuant to Government Code section 54956.8
Property: 635 Veile Avenue (Unit A, Unit B), Beaumont, CA
District Negotiators: Dan Jagers and Mark Swanson
Under Negotiation: Price and terms of payment

Reconvene in Open Session: 9:28 p.m.

13. Report on Action Taken During Closed Session

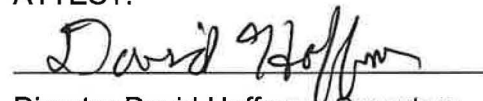
President Williams announced that no reportable action was taken in in Closed Session.

14. Adjournment: *President Williams adjourned the meeting at 9:28 p.m.*



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

ATTEST:



Director David Hoffman, Secretary
to the Board of Directors of the
Beaumont-Cherry Valley Water District