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12-28-05

Cherry Valley Pass Acres & Neighbors
P.O. Box **3257**
Beaumont, California 92223

December 28, 2005

Mr. Chuck Butcher
560 Magnolia
Beaumont, CA 92223

Re: Draft 2005 Urban Water Management Plan Update

Dear Mr. Butcher:

I am providing comments of Cherry Valley Pass Acres & Neighbors ("CVAN") on the Beaumont Cherry Valley Water District's ("the District") draft 2005 Urban Water Management Plan Update ("Draft Update").

As a preliminary matter we believe that the District has failed to comply with the requirements of Section 10642 of the California Water Code because it has not adequately included members of the public in the process of updating the Urban Water Management Plan. While the Draft Update notes that the District has consulted with "developers" it has clearly not involved other interested parties. The District is well aware the CVAN has been deeply involved in water supply issues in the Pass, yet CVAN was not provided with a copy of the Draft Update until December 14, 2005, just 14 days before the hearing. As a consequence, CVAN has not been afforded a meaningful opportunity to review and provide detailed technical comments on the Draft Update. CVAN requests that the District provide the public with at least an additional sixty (60) days in which to comment on the Draft Update.¹

¹ We note that the District's 2000 Update was not approved until 2002. We fail to understand how the District could have waited until the very last minute to circulate the Draft 2005 Update.

2 While CVAN has not had an adequate opportunity to obtain a thorough technical review of the Draft Update, CVAN has in the past retained a consultant to review water issues relating to the Beaumont Basin and the District's ability to meet projected demand. A copy of those comments, prepared by PES Environmental, is attached. These comments are relevant to the Draft Update and should be addressed by the District.

3 We also believe that the Draft Update is technically premature in light of the report on the Beaumont Basin that the United States Geological Survey ("USGS") is expected to issue in January 2006. This report will provide much needed information on the Beaumont Basin and we believe that the District should not approve a Draft Update until it has had an opportunity to review and incorporate these important technical findings.

We make the following additional and preliminary comments on the Draft Update:

4 Table 1-2. We believe that the District has understated the likely population growth in the City of Beaumont. The City has approved and/or is considering more than 27,000 additional dwelling units – and this is in addition to the roughly 6000 dwelling units that currently exist. Assuming 3.08 persons per dwelling unit, the projected population will exceed the estimated 90,290. Moreover, the Draft Update does not include any analysis or justification for its assumptions concerning the pace of the projected build out. This should be included. The Draft Update does not consider demands to the Beaumont Basin made by increases in growth in neighboring communities, namely Banning, which is in the process of approving a number of large projects. Finally, the Draft Update also makes projections concerning growth in Cherry Valley (a doubling of the population over the next 25 years) although there is no discussion of the basis of this assumption, or of the assumptions concerning rate of growth.

7 The Draft Update's discussion of Water Sources is woefully inadequate and does not provide adequate substantiation of the alleged "water sources." For instance, the Draft Update relies heavily on recycled water as a water source, but does not provide any detail on when recycled water will be available or used. Instead, the Draft Update states that the District "expects" to be distributing recycled water. When? Similarly, the District states that construction "is about to start" on a groundwater recharge project. When? When will it be finished? What tests have demonstrated the efficacy of the project? How long will it take for the groundwater basin to be recharged. These are all critical – and unanswered – questions. The failure to address these questions renders the Draft Update incomplete.

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9 The Draft Update also states at page 2-2 that a “pipeline has been designed to convey State Water Project Water” to an as now un-built recharge area. Presumably the District intends to purchase such State Water Project Water from the San Geronio Pass Water Agency (“Pass Agency”) to meet increasing demand. Yet the Draft Update does not describe how the Pass Agency can sell water to the District to meet increasing demand, given the Pass Agency’s legal mandate to utilize State Water Project water to first address and correct the historic overdraft of the Beaumont Basin. Moreover, the Draft Update does not discuss the reliability of State Water Project Water in general.

10 The Draft Update does not adequately and clearly discuss the extent to which the Beaumont Basin is in overdraft, although it certainly recognizes that the groundwater levels are substantially below the 1920 levels (p. 2-7). The Draft Update should discuss the impacts of such overdraft, and what steps are required to correct it, before it focuses on delivering water to projects that have not yet been constructed.

11 The Draft Update’s reliance on a stipulated adjudication of the groundwater basin – to which it was a party – is not appropriate, because this adjudication underwent no independent technical or environmental review. This is particularly the case with the “stipulated” “safe yield” and the decision by the parties to the adjudication that they would intentionally worsen the overdraft of the Beaumont Basin (which they pretend is a “surplus”) to meet projected demand from unbuilt but planned development. Table 2-8 demonstrates that the only way that the District can meet projected demand is through further degradation of the Beaumont Basin – by increasing the overdraft – to create the make believe “surplus.” Until 2014 the District plans to worsen the overdraft of the Beaumont Basin each and every year. Yet there is no analysis of the impacts of this action – or even whether it is legal. The Draft Update must address this uncertainty. Without these additional extractions through increasing the overdraft, Table 2-8 demonstrates that there is insufficient potable water to meet demand for every single year between now and 2030. Ultimately the District’s claim that water supply will satisfy demand for water is by playing an elaborate shell game that relies on the fictitious “temporary surplus” (i.e., exacerbated overdraft), combined with “banking” of unused portions of the make believe/temporary surplus, followed by some unarticulated “conversion” of users of potable water to users of non-potable water (i.e., treated sewage).² Moreover, a significant portion of the water is supposed to be State Water from the Pass Agency – which as noted above – is to be used first to address the overdraft. This does not look reliable to us.

² As the Draft Update concedes, there is no indication that the District’s customers will elect to use treated sewage (i.e., “non potable water”) rather than treated water, and should there be such resistance the projected demands for potable water are completely undermined. The Draft Update fails to address this uncertainty.

12 The Draft Update's discussion of recycled water as a meaningful source of water is particularly inadequate.³ As we previously have indicated, this source of water is "paper water" relying on "paper projects." The District provides no meaningful analysis of the actual amount of water that will be supplied and on what schedule. There is no proof that the proposed projects have the necessary permits or financing and, even if they did, what the schedule of implementation would be.⁴ For instance, the Draft Update suggests that the sewer plant in Beaumont will ultimately supply 8 million gallons per day of treated sewage that can be used as "non potable" water, or be recharged into the aquifer (and then consumed by the District's customers as "potable water"). However, the plant is currently close to its 2 million gallons per day of capacity, and there is no indication in the Draft Update when and how the plant's capacity will be increased.

13 The Draft Update's analysis of projected water usage is also inadequate. There is no clear rationale for the rate at which demand will increase, nor is there any realistic analysis of the difference between potable and non-potable demand – and whether that means anything.

14 The Draft Update's analysis of reliability is inadequate. First, it is based on two significant assumptions that are not supported in the Draft Update: the availability of "non potable water" and the ability to "convert" users to this water, and the ability to use this water to "recharge" the groundwater basin, resulting in an immediate 1:1 availability of additional water. The District should provide more substantiation of these assumptions.⁵

³ We are unaware of the District, or the City of Beaumont, having received the necessary permits to use recycled water. There is no discussion of this significant uncertainty.

⁴ The discussion in Section 2.2 demonstrates that the District's reliance on recycled water rests upon a very shaky foundation. The various bullet points reflect that there is no assurance that the recycled water will ever materialize, and rest on little more than a hope and a prayer. We note that the USGS has indicated that the proposed recharge ponds [REDACTED] will actually be diverted by the Cherry Valley fault and not reach the Beaumont Storage Unit.

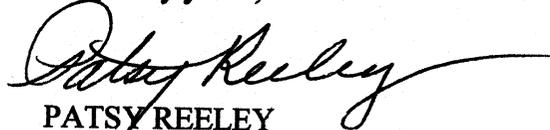
⁵ The recent USGS study of the Beaumont Storage Unit has raised a number of questions about the Draft Update's discussion of the Beaumont Storage Unit in Section 2.2.1.2. Among other things, the USGS study indicates that it will take 50 years for surface placement of water to result in any groundwater recharge.

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15 In sum, the Draft Update appears to have been hastily compiled and fails to comply with the law in a number of ways.⁶ The District has not provided the public with sufficient time to review and comment on it. And the District has not backed up its key assumptions with facts. We urge the District not to approve the Draft Update in its current form and that it instead provide a neutral analysis of water demand and supply that serves the interests of all residents of the Beaumont Cherry Valley Area.

Thank you.

Very truly yours,



PATSY REELEY
President

Enclosure

cc: Robert C. Goodman, Esq.

⁶ See *Friends of the Santa Clara River v. Castaic Lake Water Agency* (2004) 123 Cal.App. 4th 1.

CHERRY VALLEY PASS ACRES AND NEIGHBORS
P.O. Box 3257
Beaumont, California 92223

August 6, 2004

VIA HAND DELIVERY

Mr. Ernest Egger, AICP, REA
City of Beaumont
Director of Planning
550 East Sixth Street
Beaumont, CA 92223

RECEIVED
AUG 06 2004

CITY OF BEAUMONT
ENGINEERING DEPT

Re: Noble Creek Vistas Specific Plan Consolidated Environmental Impact Report - May 2004

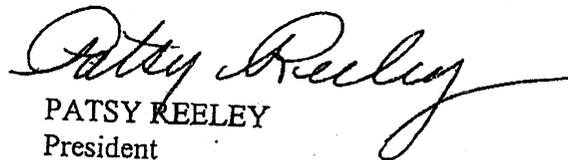
Dear Mr. Egger:

Enclosed please find a letter report from PES Environmental, Inc. dated August 4, 2004, setting forth its Review of the Water Supply Assessment Component of the Noble Creek Vistas Specific Plan Consolidated Environmental Impact Report May 2004. We are submitting these additional comments on behalf of Cherry Valley Pass Acres and Neighbors ("CVAN"), and incorporate them herein by this reference. These comments are in addition to, and supplement, the comments that CVAN submitted to you July 8, 2004.

We reserve our right to provide additional comments on the DEIR in writing and in testimony at public hearings, prior to final certification.

We appreciate your attention to these comments. Should you have any questions or need any additional information you should feel free to contact us.

Very truly yours,


PATSY REELEY
President

Enclosure (as stated)

cc: Robert C. Goodman, Esq.

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APPLIED PLANNING



August 4, 2004

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Ms. Patsy Reeley
President
Cherry Valley Pass Acres & Neighbors
P.O. Box 3257
Beaumont, California 92223

**Re: Review of Water Supply Assessment Component
Noble Creek Vistas Specific Plan
Consolidated Environmental Impact Report-May 2004**

Dear Ms. Reeley:

In response to your request, this letter has been prepared by PES Environmental, Inc. (PES) to summarize the results of our review of documents provided to or obtained by PES related to the Water Supply Assessment (Section 4.4) of the *Noble Creek Vistas Specific Plan, Consolidated Environmental Impact Report-May 2004* (EIR) and the *Plan of Services for Noble Creek Vistas* dated December 2003.

GENERAL COMMENTS

1. The following background information regarding pre-existing overdraft conditions and the current demand upon groundwater resources of the Beaumont Storage Unit (BSU) and Edgar Canyon Basin is not addressed in the EIR. The Beaumont-Cherry Valley Water District (BCVWD) states that it relies primarily on groundwater resources pumped from the BSU and Edgar Canyon Basin, which are in overdraft, to meet water demand (BCVWD, 2002). Based on information presented in the *San Geronio Pass Water Agency, Engineer's Report on Water Conditions, Reporting Period 2000-2001* (SGPWA, 2002), estimates of groundwater overdraft within the BSU during water years 1999, 2000, and 2001 were 3,827 acre-feet (af), 6,384 af, and 6,482 af, respectively. Groundwater overdraft within the Edgar Canyon Basin during water years 1999, 2000, and 2001 were estimated at approximately 2,680 af, 2,179 af, and 1,126 af, respectively (based on a safe yield of 1,800 acre-feet per year [af/y] as reported in the EIR and available groundwater production data [SGPWA, 2002]). Total groundwater extractions from both the BSU and Edgar Canyon Basin are reported to increase to approximately 27,700 af/y by the year 2025 (comprising approximately 15,000 af/y of groundwater required by the BCVWD to meet the projected demand

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component specified in the EIR and 12,700 af/y of current demand from other groundwater users (e.g., Cities of Banning and Yucaipa [SGPWA, 2002]). The EIR fails to address the nature of impacts that will occur due to further exacerbation of pre-existing overdraft conditions in the BSU and Edgar Canyon Basin.

2. Although it is speculated in the EIR that proposed future water recycling and proposed reclamation plans together with the import of State Water Project (SWP) water are anticipated to reduce the dependence on the groundwater resources of the BSU and Edgar Canyon Basin, the EIR does not address impacts (i.e., does not provide a comprehensive technical water budget) related to the reported increases in groundwater demand from the BSU and Edgar Canyon Basin (i.e., as reported by the SGPWA, 2002, cited above). Calculation of a water budget, which inventories and quantifies all sources of water supply and recharge (i.e., inflows) in comparison with all known discharges or extractions (i.e., outflows) to a specific groundwater basin, is typically performed to estimate the availability of water supplies for future development and to identify potential negative impacts upon groundwater resources. Contrary to assertions in the EIR, groundwater production from the BSU and Edgar Canyon Basin will continue to exceed the safe yield during both average and dry water years. As documented in the *Safe Yield Study, Beaumont Storage Unit* (Boyle, 1995) prepared for the SGPWA, annual groundwater extractions from the BSU of approximately 10,400 af/y (roughly equal to the average rate of pumping during the period 1989-1991) are predicted to cause widespread significant declines in groundwater levels at a magnitude that would continue to exacerbate current overdraft conditions. Moreover, many of the proposed sources of water to offset groundwater demand are from proposed projects that may, or may not be fully realized (i.e., represent paper projects). For example, at present there is no significant reuse of water within the San Geronio Pass Water Agency [SGPWA] service area and reclamation facilities have not been constructed.
3. The proposed water supply for the project as described in the EIR relies almost exclusively on future "entitlements" of SWP water from Northern California. Hence, the EIR should recognize that a significant difference exists between "entitlements" of water available to SWP contractors and the actual quantity of water delivered to SWP contractors, and discuss the impacts of that difference. According to *The State Water Project Delivery Reliability Report* prepared by the Department of Water Resources, the average "delivery value" to SWP contractors through 2021 is projected to be 75 percent (DWR, 2002). The variable factors that influence water delivery reliability include: (1) availability of water from the source (i.e., how much rain and snow there will be in any given year), (2) the ability to convey water from the source to its point of delivery, and (3) the level and pattern of water demand throughout the SWP. The difference between "entitlements" of water to SWP contractors and the actual amount of water delivered to SWP contractors is often referred to as "paper water". For example, during the year 2004, the SGPWA has an "entitlement" to 6,000 af of SWP water; however, based on recent Northern California hydrologic and water conditions, the

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DWR has stated that SWP water supplies are projected to meet only 65 percent of most SWP contractors' "entitlements" and only 3,900 af of SWP water can be delivered to the SGPWA during 2004 (refer to *Notice to State Water Project Contractors* provided as an Attachment [DWR, 2004]), although the actual amounts available are apparently further limited by financial considerations. Further, the DWR has estimated that SWP water deliveries during future drought years (single dry year to 6-year drought) will range from only 19 percent (during a single dry year) to 47 percent of SWP contractor "entitlements" (DWR, 2002). The EIR's analysis of the proposed water supply for the project relies on inflated estimates of water supply from the SWP to serve as a basis for the water supply component of the project because it fails to account for these variables. As presented in Comments to the *Monterey Amendment Environmental Impact Report*, local planners and public officials often mistakenly rely on inflated estimates of water supply from the SWP when considering the approval of new development.

4. The EIR contemplates that increases in groundwater production will be partially offset by a variety of proposed groundwater recharge projects, these projects represent proposed and/or planned projects (i.e., proposed paper projects). However, the actual project approval, construction, and amount of any resultant future water supplies available from these proposed recharge projects are uncertain and/or unknown. Hence, the actual amount of water to be made available to the project from such proposed plans is speculative at present, and should be treated as a variable in the water supply component of the EIR.

Specific Comments

1. Page 4.4-2, Paragraph 1: *The Beaumont Basin is a very large groundwater source that, based on a 1961 estimate, contains 1.1 million acre-feet of groundwater in storage at the 1000 foot Below Ground Surface (BGS) level.*

As identified in the EIR and other applicable documents, the Beaumont Basin (i.e., BSU) is presently in a state of overdraft (refer to General Comment No. 1, above) and the current amount of groundwater in storage is significantly lower than the 1961 estimate. Baseline data regarding the Beaumont Basin should be updated in the EIR to reflect current conditions.

2. The EIR relies on proposed and/or planned projects in calculating "available water supplies" presented on Page 4.4-6, *Table 4.4.3 BCVWD Current and Projected Available Water Supplies*

The majority of water sources identified in Table 4.4.3 come from proposed and/or planned projects for which the actual project construction and amount of any resultant future water supplies are uncertain and/or unknown (i.e., "SWP Water via Pass Agency", "Urban Runoff/Recharge", "Captured Infiltration", "Stormwater Capture/Recharge", "Recycled

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Water User Transfers”, and “Recycled Water Supply/Use”). Limitations and uncertainties regarding each of these water supply sources are summarized below.

SWP Water via Pass Agency: While the EIR contemplates the availability of 5,000 af/y of SWP water, the EIR notes that the SGPWA lacks funding to purchase more than 2,000 af/y of SWP water. Thus, it is not accurate to state that 5,000 af/y in SWP water is available. Section 4.4.3.2 of the EIR discusses a Water Supply Agreement between the City of Beaumont and the SGPWA which would require that the proposed project contribute funds for the purchase of an additional 772 af/y of SWP water (i.e., reported project demand of 617.6 af/y plus additional 154.4 af/y to replace a portion of the pre-existing overdraft), which is the subject of pending litigation. However, in the event that the Water Supply Agreement is not validated by the courts, funding for the purchase of this additional 772 af/y of SWP water will not be available. In addition to the variables described in General Comment No. 3 above, the reliability and availability of imported SWP water is further limited by the following:

- The delivery amounts of SWP water available to SWP contractors (including the SGPWA) are not guaranteed every year and are subject to seasonal hydrologic factors and environmental and infrastructure constraints. As stated in Section 2.2.6.1 of the *Final 2000 Urban Water Management Plan Update (UWMP)* prepared by the BCVWD (2002), “The inability to construct all of the SWP facilities, environmental concerns, and the need to provide more water through the Delta to maintain water quality for fish and wildlife, have all contributed to decreasing the long-term yield from the SWP”. For example, during 2004, the DWR has indicated that the SGPWA will receive only 65 percent (3,900 af) of the 6,000 af of “entitlement” SWP water (DWR, 2004). Using the methodology presented in the UWMP, only 37.8% (i.e., approximately 1,475 af) of this SWP water could be available to the BCVWD during 2004, which is significantly less than the 5,000 af contemplated in the EIR;
- Based on the pre-existing overdraft conditions of the BSU and in consideration of SGPWA Law (which states the “highest priority shall be given to eliminating groundwater overdraft conditions within any agency or district receiving the water”), the BCVWD would be required to use any SWP water made available to it to offset overdraft conditions within the BSU. Hence, the proposed water supply for the project as described in the EIR does not represent an available water supply that is intended to directly meet water demands, but rather represents a planned water supply project that may be available for use as recharge to the BSU; and
- Notwithstanding the aforementioned limitations on uses of the SWP water, BCVWD does not have a Water Treatment Facility to allow for direct delivery of SWP water to consumers (BCVWD, 2004).

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Urban/Runoff Recharge: The EIR assumes that between 400 af/y to 1,300 af/y of water will be available through the capture of urban runoff and the recharge of an unspecified aquifer. This "new" source of water is not clearly identified in either the UWMP or the *Plan of Services for Noble Creek Vistas* (Parsons, 2003). The rationale for including this as a "new" water source apparently relies on an assumption that developed properties will yield an increase in groundwater recharge relative to undeveloped properties (which is reportedly the focus of a current study by the San Timoteo Watershed Management Association). The UWMP further indicates that the availability of urban runoff will depend heavily on what runoff controls (e.g., capture ponds for recharge) are implemented for future developments. Hence, the feasibility of this water source relies on the uncertain results of a scientific study, which has not been completed to date, and the engineering designs of future private developments. Hence, the actual amount of water to be made available to the project through any Urban/Runoff Recharge programs is speculative at present, and should be treated as a variable in the water supply component of the EIR. Further, the proposed recharge project, which is currently in a planning stage, does not represent an available water supply that is intended to directly meet water demands, but rather represents a planned water supply project for recharge of the BSU and Edgar Canyon Basin. As described below, all water that is available for recharge is not necessarily available to directly meet water demands.

Captured Infiltration: The UWMP indicates that an existing BCVWD well captures underflow of "unknown origin" from the lower Edgar Canyon Basin and estimates that an additional 300 af/y will be available from this source. The UWMP identifies this "underflow of unknown origin" as a new water source (i.e., it has not been included the historical yield from the lower Edgar Canyon Basin based on historical pumping records maintained by the BCVWD). Given that the reported underflow is characterized as groundwater from the Edgar Canyon Basin and assuming that the BCVWD has plans to construct additional wells to capture this underflow, it appears more reasonable to add this amount to the projected groundwater production from the Edgar Canyon Basin rather than describe it as a "new water source".

Stormwater Capture/Recharge: The EIR assumes that 4,100 af/y of stormwater will be available for capture and subsequent groundwater recharge. However, this estimate, which comes from the UWMP, includes 800 af/y of water that is presently recovered as extracted groundwater from the Edgar Canyon Basin and utilized to meet current water demands, as identified in the UWMP. Thus, the 800 af/y of recovered water is accounted for twice in Table 4.4-4 and should be removed from either the Edgar Canyon Source or the Stormwater Capture/Recharge Source. Moreover, the proposed recharge project, which is currently in a planning stage, does not represent an available water supply that is intended to directly meet water demands, but rather represents a planned water supply project for recharge of the BSU and the Edgar Canyon Basin. Finally, as discussed below, all water that is available for recharge is not necessarily available to directly meet water demands.

Recycled Water Use (Transfers and Direct Use): The EIR assumes that between 1,000 af/y and 5,100 af/y of the available water supply will come from the delivery and direct use of

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planned recycled water supplies. For example, the Year 2025 projection assumes that approximately 25 percent (5,100 af/y) of the total water demand (20,400 af/y) will be met by future recycled water programs, which appears unrealistic. For comparison, in a recent planning document prepared on behalf of the SGPWA entitled *Technical Memorandum, Supply and Demand Forecast Summary, 2003 Update*, it is estimated that a maximum of 4 percent of the water demand (which would correspond to approximately 816 af/y) will be met through recycled water programs (Boyle, 2003). The ability for BCVWD to increase the amount of recycled water available is contingent on the implementation of numerous planned infrastructure improvements (i.e., construction of additional wastewater treatment facilities and transmission pipelines). In addition to the 5,100 af/y of recycled water identified as an available supply in the EIR, approximately 4,500 af/y of groundwater transfers (which represent approximately 88 percent of the recycled water supply) are also identified as an available water supply. In theory, the 4,500 af/y of groundwater transfers should represent an exchange of recycled water to offset the use of potable water in the BSU. However, the EIR also indicates that 4,500 af/y of water (from the groundwater transfers) will be available to meet future potable demands of the project. Hence, the quantity of groundwater produced from the BSU (necessary to meet the potable demand for the project) would continue at nearly the same rate, and would continue to contribute to the overdraft conditions of the BSU.

3. The EIR includes proposed and/or planned water supply projects that are intended to serve as sources of recharge to the currently overdrafted groundwater basins in calculating "available water supplies" presented on Page 4.4-6, Table 4.4.3 BCVWD Current and Projected Available Water Supplies

Table 4.4.3 indicates that from 2005 through 2025 (the "planning period") 15,380 af/y to 26,120 af/y of water will be available. However, the majority of the water sources identified in Table 4.4.3 do not represent an "available water supply" that is intended to directly meet project water demands, but rather represent proposed and/or planned water supply projects that may result in increasing available water for use as recharge to the BSU and/or the Edgar Canyon basin (i.e., "SWP Water via SGPWA [which is required to offset pre-existing groundwater overdraft conditions as described above in Specific Comment No. 2], Return Flows from Septic Systems, Urban Runoff/Recharge, and Stormwater Capture/Recharge"). These four sources of water constitute between 8,280 af/y to 11,220 af/y that are incorrectly categorized as an "available water supply" in the EIR. Hence, these values should be removed from the Total Available Water Supplies in Table 4.4.3. When they are removed, it is apparent that during the planning period (2005 through 2025) only 7,100 af/y to 14,900 af/y of the Total Water Supplies estimated in Table 4.4.3 represent an available water supply (i.e., potable water for "on demand" direct use and recycled water [assuming that production and utilization of the planned recycled water program will occur at 100 percent of the estimated values]). Comparison of this available water supply with the projected total demand estimated in Table 4.4-4 (assuming that the projected total demand estimates, which range from 9,800 af/y to 20,400 af/y throughout the planning period, are accurate) demonstrates that there is insufficient water available to meet demand. The only water source currently available to meet

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~~this demand would be through additional groundwater production from the Edgar Canyon Basin and/or the BSU. Hence, the BCVWD's demands for groundwater from the Edgar Canyon Basin and BSU will likely range from 8,800 af/y to 15,000 af/y throughout the planning period. Including groundwater production from other users within the BSU and Edgar Canyon Basin (estimated at approximately 12,700 af/y in 2001 [SGPWA, 2002]), total groundwater withdrawals from the two basins would range from approximately 21,500 af/y to 27,700 af/y (throughout the planning period). These values significantly exceed the cumulative safe yields for the Edgar Canyon Basin and BSU of 10,450 af/y (reported in the EIR as 1,800 af/y for the Edgar Canyon Basin and 8,650 af/y for the BSU).~~

The ability of the proposed and/or planned recharge projects to partially offset the increased groundwater withdrawals is contingent on a number of factors in addition to the inherent uncertainties described above. The potential for the effective recharge of 100 percent of the projected water available to the project does not consider factors that may reduce the actual amount of recharge to the basin (i.e., losses due to evaporation and subsurface barriers associated with the complex geology within the area such as the presence of perched aquifers, low permeability strata, and numerous fault zones).

For example, the BCVWD reports that of 2,600 af/y of captured stormwater, which is recharged into the Edgar Canyon Basin, only an estimated 800 af/y (i.e., 31 percent) is actually realized as well production (BCVWD, 2002). Consistent with the scientific principles of recharge, this information indicates that only a portion of water available for recharge from future planned projects would actually be realized to supplement the water supply component for new development (i.e., the amount of recharge does not equal water available from an aquifer [Fetter, Jr., C.W., 1980. *Applied Hydrogeology* (Section 11.3 Groundwater Budgets)]).

4. Page 4.4-6, Table 4.4.4 Supply/Demand Comparison

Due to the inaccuracies and uncertainties identified above, the Supply/Demand Comparison presented in Table 4.4-4 of the EIR overestimates the Total Supply and resultant claimed Surplus. A technical analysis of the potential impacts to the water budget of the BSU and the Edgar Canyon Basin would be a more appropriate method for assessing the available water supply for the project. As identified above, ongoing groundwater production from other users and future groundwater extractions from the BSU and Edgar Canyon Basin (by the BCVWD) required to meet the demands specified in the EIR will continue to exceed the cumulative safe yield of the two groundwater basins.

5. Plan of Service, Page 12-13, Supply Reliability and Demand Comparison

The Table on page 12 of the Plan of Service overstates the available supply of water for the reasons discussed in Specific Comments 2 and 3 above. In addition, the analysis of 2010 as a single dry year and 2001-2003 as the "the most critical three year period" underestimates potential water supply deficits during below normal water years. Analysis of 2023-2025 (i.e., time period when demands are projected to be more than double current demands) would be

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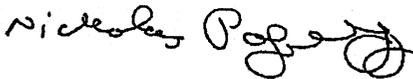
more representative of "the most critical three-year period" and indicate an annual deficit of approximately 5,000 af/y with a cumulative deficit of approximately 15,000 af (compared with annual deficits ranging from 1,190 af to 1,790 af and a cumulative deficit of approximately 4,340 af, as estimated in the UWMP). Analysis of 2025 as a single dry year (rather than 2010) indicates a deficit of approximately 5,000 af (in comparison to the 3,641 for 2010). Hence, the EIR underestimates the potential impact of dry water years to the available water supply. Moreover, if the recharge water is removed from the analysis (due to the aforementioned uncertainties), the deficit would be substantially higher, in the range of 13,280 af/y to 16,220 af/y.

Very truly yours,

PES ENVIRONMENTAL, INC.



Marcus A. Trotta, C.H.G.
Associate Hydrogeologist



Nicholas C. Pogoncheff
Principal Hydrogeologist

Attachments: Notice to State Water Project Contractors (DWR, 2004)
Curriculum Vitae for Authors

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REFERENCES

- Applied Planning, Inc., 2004. *Noble Creek Vistas Specific Plan, Consolidated Environmental Impact Report-May 2004.*
- Beaumont Cherry Valley Water District, 2002. *Final 2000 Urban Water Management Plan Update.* August.
- Boyle Engineering Corporation, 1995. *Safe Yield Study, Beaumont Storage Unit.* October 31.
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- California Department of Water Resources, 2004. *Notice to State Water Project Contractors, Number 04-04.* March 1.
- Fetter, Jr., C.W., 1980. *Applied Hydrogeology* (Section 11.3 Groundwater Budgets).
- Parsons Corporation, 2003. *Plan of Services for Noble Creek Vistas.*
- San Geronio Pass Water Agency, 2002. *Engineer's Report on Water Conditions, Reporting Period 2000-2001.*

560 Magnolia Avenue
Beaumont, CA 92223
Tel (909) 845-8581
Fax (909) 845-0159
Julie.Salinas@bcvwd.org

**Beaumont Cherry
Valley Water District**

Fax

To: Joe Reichenberger/Parsons	From: Julie Salinas
Fax: 626.440.6337	Pages: 13
Phone: 626.440.6071	Date: 8/23/2004
Re: Noble Creek Vistas	CC:

Urgent **For Review** **Please Comment** **Please Reply** **Please Recycle**

● **Comments:**

Second half to follow.

Urban Water Management Plan 2005 Update

Presentation

**Beaumont Cherry
Valley
Water District
December 28,
2005**



Presentation Overview

- Review of the UWMP Act
 - Presentation of Urban Water Management Plan 2005 Update
 - Summary
 - Take Questions & comments from Board and Public
-

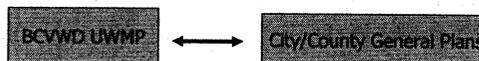
Urban Water Management Plan

- Required by Law* to be Updated every 5 years ending a "5" or "0"; Plan can be updated any time during the 5 year period
- Project Water Needs with Available Water Supply for next 20 years
- Look at drought periods as well
- Requires public review and comment prior to Board adoption
- Intended to be a dynamic document

*Calif. Water Code Sections 10610 - 10657

Recent Legislative Mandates

SB 610 (Costa) & SB 221 (Kuehl) became effective Jan. 1, 2002 to provide a link between water supply availability and certain land use decisions and are incorporated into the Water Code (Costa) and the Government Code (Kuehl)



Address Water Supply 20 years into the future

Intent of UWMP

Answer Basic Questions:

- Will there be enough, reliable water supply to meet the needs of our community, including projected growth for the next 20 years or more?
 - Have drought periods been considered in your plan?
-

Planning Principles

Maximize the use of local water resources

Minimize the dependence on imported water

Planning Basis

- City of Beaumont General Plan– Draft Jan 2005
- County of Riverside/Cherry Valley Community Plan
- Southern California Association of Governments (SCAG) forecast obtained from Western Riverside County of Governments (WRCOG)
- Developer requests for service and District estimated build-out rates

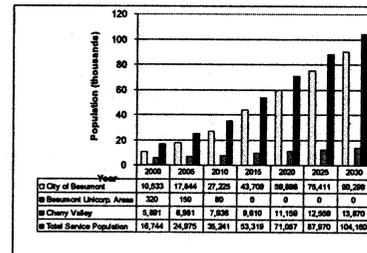
Planning Basis Cont'd

- The Beaumont Basin Adjudication RIC 389197
- STWMA data
- District records

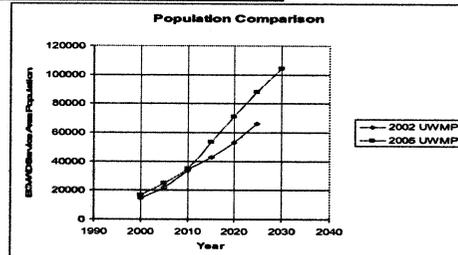
Planning Criteria

- Most of the growth will be in Beaumont
- Over the next 25 years population in Cherry Valley will double
- Sewering of Cherry Valley will begin in 2010
- Water demand is 0.61 acre-ft/yr/EDU
- Wastewater generated at 0.28 acre-ft/yr/EDU (250 gal/day/EDU)

Population Projections



Population Projection Comparison

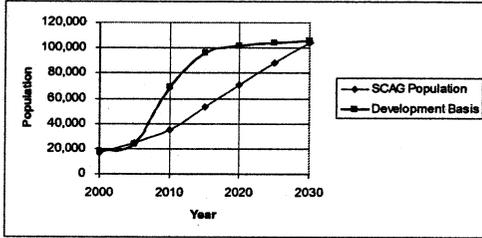


SCAG & WRCOG Data

Developer Build-out

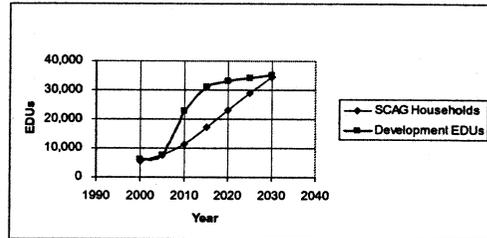
- Total EDUs provided by developers from service requests
- District included growth for Cherry Valley and provided additional units for unknown projects
- District spread the EDUs out over an estimated build-out period
- Based on the people/EDU a population estimate was made

Population Growth – Development Build-out Projections



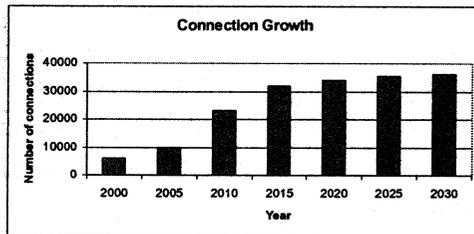
Growth rate much higher than SCAG initially

EDU Growth



Similar to Population Growth

Growth in Connections



Projected Water Demand by Use Sector

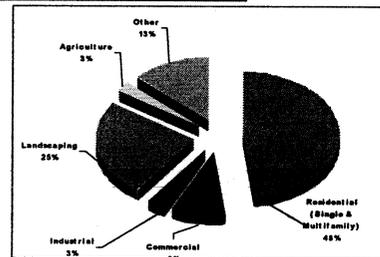
Water Use Sectors	1995	2000	2005	2010	2015	2020	2025	2030
Single & Multi-family residential	2,808	3,297	4,230	10,858	14,873	16,015	16,805	17,400
Commercial	503	630	797	2,515	3,473	3,889	3,809	3,905
Industrial	169	212	242	303	363	424	485	545
Landscape / Recycled Water Users	900	1,100	2,153	6,410	6,828	7,028	7,028	7,028
Agriculture	201	252	225	171	120	85	60	51
Other	652	817	1,140	2,229	2,231	2,090	1,800	1,523
Total	5,833	6,308	8,787	22,286	27,888	29,282	29,984	30,452

In 2002 update, 2025 demand = 20,400 AFY

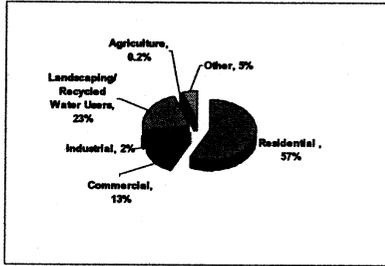
Projected Potable & Non-potable Water Demands

Water Use s	1995	2000	2005	2010	2015	2020	2025	2030
Potable, AFY			6,315	15,876	21,080	22,284	22,986	23,424
Non-Potable AFY ¹			2,153	6,410	6,828	7,028	7,028	7,028
Total, AFY	5,833	6,308	8,787	22,286	27,888	29,282	29,984	30,452
Potable, mgd			5.90	14.17	18.80	19.88	20.50	20.91
Non-Potable, mgd			1.92	5.72	6.10	6.27	6.27	6.27
Total, mgd	6.63	7.83	19.89	24.99	25.15	26.78	27.18	

2005 Water Use



2030 Water Use



Water Sources Available

- Groundwater
 - Beaumont Storage Unit
 - Edgar Canyon
- Stormwater Capture & Groundwater Recharge Project
- Recycled Water
- Urban Runoff Retention/Percolation Projects
- Imported Water
- Captured Infiltration

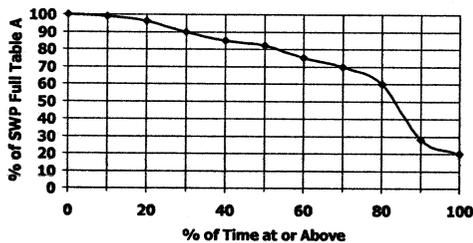
Water Sources & Timing

	2005	2010	2015	2020	2025	2030
Groundwater, Edgar Canyon	✓	✓	✓	✓	✓	✓
Groundwater, BBU	✓	✓	✓	✓	✓	✓
Storm Water Capture and Recharge		✓	✓	✓	✓	✓
Urban Runoff & Groundwater Recharge	✓	✓	✓	✓	✓	✓
Captured Infiltration from Edgar Canyon		✓	✓	✓	✓	✓
Recycled Water to Offset Existing Uses Currently on wells		✓	✓	✓	✓	✓
Conversion of Existing Potable Water Uses to Recycled Water and Replenishment of Groundwater Using Recycled Water		✓	✓	✓	✓	✓
Imported Water purchased through SGPWA	✓	✓	✓	✓	✓	✓

Water Sources

- State Project Water
 - Direct to supplement recycled water
 - Recharge
 - Pipeline to BCVWD recharge area ready to bid
 - DWR/Pass Agency initiated design of EBX turnout at Noble Creek
 - Amount varies from 3950 AFY in 2005 to 6872 AFY in 2030
 - BCVWD to purchase more Table A water than shown to account for SWP reliability

State Water Project Delivery Probability



Source: DWR Delivery Reliability Report, 2002

State Water Project Sources

- Existing SGPWA Table A
- Additional Table A purchased by SGPWA on behalf of BCVWD
- Turnback Pool Water – usually available
- Section 21 Water – available on short notice during wetter years

Water Sources Cont'd

- Recycled Water
 - Includes an allowance for environmental mitigation
 - Assumes Cherry Valley starts being sewerred in 2010
 - Assumes BCVWD can capture 95% of the recycled water on an annual basis
 - Already have 20 miles of recycled water mains in the ground (2005)
 - 2 MG storage tank to bid in 2006
 - Total available 1471 AFY in 2005 to 9199 AFY in 2030

Water Sources Cont'd

- Urban Runoff/Groundwater Recharge
 - Increases with urbanization
 - Retention/detention facilities at major developments
 - Varies from 379 AFY in 2005 to 1129 AFY in 2030
- Captured infiltration
 - Shallow groundwater from Edgar Canyon that passes Well 4A can be recovered
 - Estimated to be 300 AFY

Water Sources Cont'd

- Stormwater Capture and Recharge Project
 - Phase I construction has been awarded
 - Phase II recharge facilities will bid in spring 2006
 - 2600 AFY from Edgar Canyon
 - 1400 AFY from Noble Canyon

Groundwater Water Sources

- Edgar Canyon
 - Extractions reduced when Stormwater Capture Project comes on line
 - Varies from 2600 AFY in 2005 to 1800 AFY after 2008
 - STWMA estimated safe yield at 2600 AFY
 - BCVWD extractions 1983- 2004 averaged 2280 AFY with a maximum of 3738 AFY

Groundwater Sources Cont'd

- Beaumont Basin
 - Extractions limited by Adjudication to 6802 AFY to year 2014
 - Thereafter based on unused overlier rights distributed back to BCVWD
 - Production can be increased by supplying overlies with recycled water
 - Overlier rights transferred to BCVWD for potable water service (Sunny Cal Egg Ranch)

BSU Allowable Extractions are the Sum of the Following

- State Water Recharged
- Groundwater produced from Temporary Surplus (to 2014)
- Overlier rights distributed to BCVWD
- Potable water supplied to overlies
- Recycled water supplied to overlies
- Urban runoff/Groundwater recharge
- Captured infiltration from Edgar Canyon
- Stormwater captured and recharged

Groundwater in Storage

- Permitted by Adjudication
- If sum of the "Allowable Extractions" is greater than that actually pumped, then difference can be stored
- Basin storage account increases to 62,660 AF in 2013 then is gradually reduced to 31,655 AF in 2030
- Purpose is to maintain some water in storage for dry years

Refer to "Water Balance" Spreadsheet

Water Supply Reliability

- Critical single dry year
 - No State Project Water
 - Edgar Canyon reduced to 600 AFY - this is the minimum pumped 1983-2004. Statistically we pumped 900 AFY or more in 90% of those years.
 - Urban runoff reduced to 100 AFY
 - Captured infiltration reduced to 100 AFY
 - Stormwater Capture reduced to 500 AFY
 - Total supply = 7398 AFY (2015)
 - Total supply = 8219 AFY (2030)

Water Supply Reliability

- 3-year period of below average supply
 - State Project Water at 1000 AFY
 - Edgar Canyon reduced to 800 AFY -Statistically we pumped 900 AFY or more in 90% of years from 1983 -2004
 - Urban runoff reduced to 150 AFY
 - Captured infiltration reduced to 150 AFY
 - Stormwater Capture reduced to 750 AFY
 - Total supply = 8948 AFY (2015)
 - Total supply = 9769 AFY (2030)

Results of Critical Dry Year in 2030

- Potable water demand = 23,424 AFY
- Available potable water supply = 8,219 AFY
- Total volume in storage = 31,655 AF
- Take from storage = 15,205 AF
- Remaining in storage = 16,450 AF

Results of Multiple Dry Years 2028 - 2030

- Potable water demand.
 - 23,332 AFY average
 - Assume 10% reduction due to conservation = 21,000 AFY
- Available potable water supply = 9769 AFY
- Total volume in storage = 36,299 AF
 - Take from storage each year = 11,231 AF
 - Total taken from storage = 33,693 AF
- Remaining in storage = 2,536 AF
- Water in storage reflects average years; wet years will put more water in storage

Catastrophic Water Supply Interruptions

- State Water Project may be out of service due to earthquake
 - BCVWD to rely on banked water and groundwater during repair
- BCVWD facilities damaged by earthquake
 - Storage tanks have flexible connectors
 - Steel and concrete tanks are very reliable
 - Interties with City of Banning

Catastrophic Water Supply Interruptions Cont'd

- Storage
 - More is planned for the future
 - 24.25 MG (73.6 AF) of storage by end of 2006 (about 3 days of storage)
- Wells
 - Wells with standby power can supply 13,350 gpm (59.1 AF/day)
 - Does not include 2 wells under construction and 2 in design

Contamination

- BCVWD is seeing a gradual increase in nitrate concentrations in some critical wells
- Nitrate is very expensive to remove
- Very likely due to septic tanks

Water Shortage Stages of Action

- Stage 1 - 10% Reduction in Supply
 - Voluntary water conservation
 - Increased awareness and education
- Stage 2 - 10% Mandatory/20% voluntary
 - Water conservation awareness committee
- Stage 3 - 20% Mandatory/30% voluntary
 - 4 consecutive dry years
 - Specific prohibitions
 - Rate adjustment with financial incentives
- Stage 4 -- 20% Mandatory/30% voluntary
 - Stiff penalties for improper use
 - Flow restrictors

Demand Management Measures

Measure	BMP	Description	Status
A	Water Survey Audits for Single-Family and Multi-Family Residential Customers	Survey residential customers in person to check for leaks, ULFT use, irrigation schedule etc.	N
B	Residential Plumbing Retrofits	Retrofit residential units constructed prior to 1982 with low flow shower heads toilet displacement devices, etc	N
C	Distribution System Water Audits	Audit water distribution system on a regular basis and repair identified leaks	Y
D	Metering with Commodity Rates	Install meters, bill by commodity rates, assess feasibility of installing dedicated landscape meters	Y

Demand Management Measures Cont'd

E	Large Landscapes Conservation Programs and Incentives	Prepare water budgets for commercial, institutional & industrial accounts with dedicated landscape meters; provide survey forms to metered customers	N
F	High-Efficiency Washing Machine Rebate	Provide cost incentives (rebates) to encourage purchase of washing machines that use 40% less water per load	N
G	Public Information Programs	Provide active public information programs to educate customers about water conservation program	Y
H	School Education Programs	Provide active school education programs to educate students about water conservation program	Y
I	Conservation Programs for Commercial, Institutional and Industrial Users	Provide an in-person survey of facilities and identify retrofit and conservation opportunities	N

Demand Management Measures Cont'd

J	Wholesale Agency Assistance	Provide financial incentives to water agencies and cities to implement conservation programs	NA
K	Conservation Pricing	Adopt pricing structures e.g. uniform rates, inclining block rates and other financial incentives to reduce water use	Y
L	Conservation Coordinator	Designate a staff member as water conservation coordinator to manage the water conservation programs	N
M	Water Waste Prohibitions	Adopt water waste ordinances to prohibit gutter flooding, single pass cooling systems, non-recirculating systems in car washes, commercial laundries & fountains	Y
N	Residential Ultra-Low-Flush Toilet Replacement Program	Replace older toilets for residential customers	N

Demand Management Recommendations

- Single/multi-family water surveys – recommend in future
- Residential plumbing retrofits – consider
- High Efficiency Wash Machine Rebates – not recommended
- Public Information Program – on-going but expand

Demand Management Recommendations Cont'd

- School Education Programs – On-going but expand particularly with recycled water systems
- CII Conservation Programs – Consider a pilot program
- Conservation pricing – not recommended at this time

Demand Management Recommendations Cont'd

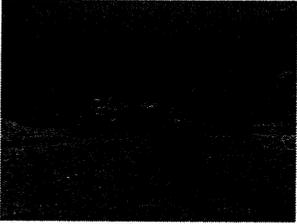
- Conservation Coordinator – not recommended at this time; possible sharing with other agencies
- Residential ULFT Program – consider implementing a pilot program

Desalination Potential

- Required by the statute to discuss desalination potential
- Unlikely to ever need to do this in Beaumont Basin in the near future
- Beaumont will need to provide desalination as part of "maximum benefit water quality objectives" if salt concentration increases
- BCVWD may want to consider participating in a desalination project (groundwater or sea water) with another agency in exchange for State Project Water

The Next Steps

- Take and respond to comments on the UWMP
- Modify the UWMP as needed
- Board to Adopt a Resolution accepting the UWMP
- Send UWMP with adoption resolution and Appendices to Department of Water Resources within 30 days



Questions?

Comments

SUMMARY OF COMMENTS RECEIVED

**BEAUMONTCHERRY VALLEY WATER DISTRICT
BOARD OF DIRECTORS MEETING
DECEMBER 28, 2005**

Summary and Response to Comments Provided by:

Ms. Patsy Reeley, President, Cherry Valley Acres and Neighbors (CVAN) December 28, 2005

Ms. Reeley provided a letter of comments on the Draft UWMP. The letter of comments is included in this Appendix; the numbers below reference specific items noted in the margins of the letter.

1. The District recognizes that the meeting for adoption was not properly noticed due to a clerical error. Nevertheless, the meeting was a regular Board Meeting of the District. At the prior Board Meeting (December 14, 2005) the draft UWMP was handed out to the Board and the public. CVAN had representatives at the meeting and obtained a copy. In deference to CVAN, the District will hold the draft document open for comments until January 28, 2006 at which time it will be considered for adoption. This provides for 6 weeks of review time. The District considers 6 weeks ample time.

Section 10642 of the Water Code only states that the "urban water supplier shall encourage the involvement of ... the population within the service prior to and during the preparation of the plan." CVAN has been present at a number of workshops and meetings where the concepts and principles of the District's UWMP were presented. In late 2003, the District held a workshop on water management in Pass Area which included the District Engineer, STWMA and Watermaster representatives. In late 2004, the District General Manager and District Engineer and the District's Hydrogeologic consultant made a formal presentation to the City of Beaumont Planning Commission on the 2002 Urban Water Management Plan and water management planning in the City. CVAN was present. On February 15, 2005, the same presentation was given to the City of Beaumont City Council. A court recorder transcribed the presentation; it has since been entered into evidence in court case. CVAN was present. The District believes that the public has had ample opportunity to understand the UWMP. The principles and philosophy from the 2002 Update have not changed; only the projections.

2. The comments referred to are in a letter dated August 6, 2004 and specifically addressed the Noble Creek Vistas Specific Plan Environmental Impact Report. These comments are not specific to the UWMP and so will not be addressed.
3. The UWMP Update is a water management planning study, not a compendium of hydrologic and geologic information. The USGS Report referenced relates to modeling studies the USGS has been doing on the Beaumont Basin. The study relates to operating scenarios for the basin, not urban water management. The District is not sure how much new information, if any, will be provided by the USGS report.

4. The District used the population projections provided by SCAG and the buildout rates anticipated by developers. The buildout rate caused a more rapid population increase in the early and middle years of the planning period (next 25 to 30 years), but at 2030, the developer buildout equivalent population closely matched the population provided by SCAG. (See Section of the UWMP Update.) The District is reluctant to use a population that is not generally in agreement with SCAG for fear the District's plan might be considered growth inducing.

The pace of buildout was developed by the District Engineer and the General Manager based on the development plans and meetings with developers leading up to the preparation of the UWMP Update. Data on each known development, i.e., number of units, start date, years to buildout, etc. are contained in Table 1-4 of the UWMP Update.

5. The District's UWMP Update is only required to address the District's needs; it is not a regional plan. The City of Banning is preparing its own UWMP Update.
6. The growth in the Cherry Valley population was based on the SCAG projections for the unincorporated areas of West Riverside County. In other words, Cherry Valley was assumed to have the same growth rate as other unincorporated areas of West Riverside County. This is stated in the UWMP Update, page 1-11. Since Cherry Valley is not incorporated, there are no population projections specifically for the area available.
7. The District has installed 18 to 20 miles of recycled water transmission main over the last year or so. This does not include the miles of distribution pipelines that the individual developers have installed. The new high school, for example, has already been plumbed for recycled water. Recycled water lines have been installed through the Sundance Project, Seneca Springs, K-Hov, Tournament Hills, Fairway Canyon, Three Rings Ranch, and Oak Valley Greens just to name a few projects. Recycled water will be distributed to customers in late 2006 or early 2007.

The bids for the Groundwater Recharge Project were opened in the 4th quarter of 2005 and notice to proceed was given to the contractor in December 2005.

8. The District spent well over a million dollars on a hydrogeologic investigation which included 5 bore holes, 1 piezometer, 5 single ring infiltrometers, 3 monitoring wells and a deep well that is now District Well No. 23, pumping 3000 gallons per minute. The study work included constructing a pilot percolation basin and the installation of soil moisture sensors in monitoring wells to detect the movement of the "wetting front" as it progressed downward. The pilot program ran for 2 summers. The study has documented the feasibility of recharging on the site the District owns. Travel time to reach the water table is the range of 9 months or so based on the moisture probes.

As stated above in the response to comment 3, this is an Urban Water Management Plan. It has referenced the work of the District's hydrogeologic consultants. This is sufficient. It is not necessary to include that work as an appendix.

9. The District has an approved order to purchase 3950 acre-ft of State Project Water from the San Geronio Pass Water Agency to offset overdraft as written

on the authorization. A paragraph on the reliability of the State Project Water has been added to Section 6.

10. The fact the basin water levels are below 1920 levels does not mean it is in overdraft; it is just being managed at a lower operating level to maximize opportunities for conjunctive use. The basin water levels have not changed much in recent years. The Basin is now adjudicated so it will operate on a regulated “fill and draw” basis. During wet years it will begin to fill; dry years it will draw down similar to a surface water reservoir.
11. The Urban Water Management Planning Act allows a water purveyor to rely on an adjudication in preparing the UWMP. See §10631(b)(2). It is not necessary for an adjudication to go through an environmental review process. A decision was made in the adjudication to lower the operating level in the basin as a groundwater basin management decision to provide more opportunities for conjunctive use and avoid the loss of stored water into San Timoteo Creek. In order to accomplish this management decision, 160,000 acre-ft will be extracted out of the basin over a 10 year period (ending in 2014). This is termed the “temporary surplus.” After 2014, the Watermaster will manage the basin on a “put and take” basis, i.e, it will be in balance.

The adjudication allows for the banking of recharged water and any unused extraction rights.

The District has made a management decision to build up the storage account during the first 10 years or so, then to gradually reduce the storage account. This decision is made to keep costs to the rate payers to a minimum. This is the reason the “supply” does not equal the “demand” in all years.

If an overlier uses recycled water, the adjudication allows the water supplier to pump an equivalent amount of potable water in exchange. In addition there are a number of District customers (schools, Caltrans, parks, cemeteries, landscaping etc) that are currently on potable water. These will be converted over which will free up an equivalent amount of water.

The issue of State Project Water reliability was addressed in a previous comment (response 10)

12. The permits for the use of recycled water on parks, playgrounds and schoolyards is in process. The effluent from the City of Beaumont’s treatment plant already meets the requirements for unrestricted use. Getting the permit is a mere formality. The City of Beaumont has an Ordinance requiring the use of recycled water if available and if it meets the state requirement (Appendix M). The state has a law that requires the use of recycled water if available and if economically feasible. The District will ensure that it is economically feasible. The District already had 18 to 20 miles of recycled water transmission mains in the ground. This does not include the distribution pipelines that developers have installed as a condition of water service. New projects are plumbed to receive recycled water. See the purple backflow preventor installation on the cover of this UWMP Update.

The City has recently expanded the treatment plant to 4 mgd and it is on line. The plant capacity will be increased as necessary to keep pace with development. The Regional Water Quality Control Board typically requires a discharger to file a

report on how the plant capacity will be increased whenever the daily flow rate reaches 75% of the rated capacity of the plant. Failure to do this will result in a moratorium for new connections. Of course, should a moratorium exist, that will mean no new connections and no need for water supply either.

It is true the City's treatment will need to be expanded to well over 8 mgd to meet the capacity needs of service area.

13. The projected water use is based on the water use of an "equivalent residential unit", EDU. The developer buildout rate, in terms of EDUs, is the basis for the projections to the year 2030. The projections, when indexed to population, match closely to the SCAG population projections.

The non-potable water demands were based on the available landscaped areas and golf courses and the water use by grass. Currently there are about 2150 acre-ft of potable water used by the District to irrigate landscaping. This will be converted over to recycled water.

14. Recycled water will be available. It is one of the most reliable supplies. The District has the financing in place and is collecting fees from all new developments to purchase additional Table A water to supplement it as needed since the demand for non-potable water actually exceeds the supply in some years and some seasons. In the process of purchasing Table A water, the District is purchasing more that theoretically needed to offset any reliability concerns relative to the State Project Water.

The requirement for landscape and other potable water users to switch to recycled water was discussed in comment 12.

In a footnote reference is made to the USGS report indicating that it will take "50 years for the surface placement of water to result in any groundwater recharge." This is blatantly in error. First the District installed sensors beneath the pilot recharge area to monitor the movement of water from the surface to the water table. The measurements showed the time was more like 9 months or so. The District has actual data to validate the movement. If it were really true that it takes 50 years for the water to reach the groundwater table, then water level fluctuations we see today from wet to dry years are the result of wet and dry cycles 50 years ago. This is not logical.

15. The District does not agree with the comment that the UWMP fails to comply with the law. First this UWMP is a mere update of the 2002 Update which met all of the requirements per the Department of Water Resources. The District has a letter on file indicated that it met the requirements. Secondly the case referenced in the footnotes refers to the fact that Castaic Lake Water Agency's UWMP Update was invalid due to the presence of perchlorate contamination of the groundwater. The Court stated that although there was a plan to provide treatment, there was no plan to provide water while the treatment process was being implemented. This case is not relevant to BCVWD. The District's water supply is not contaminated. Granted the District is seeing increases in nitrate concentration and is taking steps to mitigate this before it becomes a contamination problem, i.e., sewerage of Cherry Valley. This is part of the UWMP Update.

In terms of "facts," the UWMP Update stands on its own merit. The assumptions and data have been clearly laid out in the report. The assumptions, when needed, are based on sound engineering judgment.

**RECORD OF THE MINUTES OF THE
REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE
BEAUMONT CHERRY VALLEY WATER DISTRICT**

December 14, 2005

1. Call to Order, Pledge of Allegiance and Roll Call – President Brey

President Brey called the meeting to order at 7:00 pm and proceeded with the *Pledge of Allegiance*. All Directors were present.

2. Adoption and Adjustment of Agenda (additions and/or deletions)

General Manager, Chuck Butcher, reported that item number 8 and 11 were related and suggested moving current item number 11 to item number 9, changing the current item numbers 9 and 10 to item numbers 10 and 11.

Motion by Vice President Lash, second by Director Ball, and by unanimous vote:

Moved to approve the agenda with changes.

3. Public Input

No public input was received.

4. Adoption of Minutes of November 9, 2005

President Brey opened the floor for comments and corrections. No corrections were made to the Minutes of November 9, 2005.

Motion by Director Parks, second by Director Chatigny, and by unanimous vote:

Moved to approve the Minutes as presented.

5. Finance and Audit Committee Report

Committee Chairperson Parks reported the committee met on December 7th to review invoices for the month of November. All questions were addressed at the time of the meeting and all invoices were found to be in order.

a. Approval and payment of invoices for the month of November 2005

Motion by Director Parks, second by Vice President Lash, and by unanimous vote:

Moved to approve payment of vendor invoices for the month of November 2005

b. Acceptance of November 2005 Financial Statement

General Manager Butcher requested that the item be tabled to the January Board meeting as the statement submitted in the agenda was incorrect and in need of revision. Revisions were made but staff was unable to print and distribute a revised statement in time for review and approval.

6. Discussion and Possible Action Regarding Request for Service Received by Cherry Valley Mutual Water Company (A California Non-Profit Corporation) Received 12/08/05.

General Manager Butcher reported that he had met with representatives from the Cherry Valley Mutual Water Company ("CVMWC") last week. CVMWC has a similar situation to that of Bonita Vista Mutual Water Company, high nitrate levels. The EPA maximum contaminant level is 45, and the CVMWC nitrate level is 40.

CVMWC does not wish to annex into the District, however, Mr. Butcher suggested that an extra-territorial agreement with LAFCO, for a period of five years, be entered into by both agencies. The five year period would allow CVMWC the time to explore financial options to either annex into the District (finance water system installation) or purchase a nitrate filtration system.

The District would install a 2" connection off of the Mountain View Avenue pipeline and run it to the CVMWC well located generally on Mountain View Avenue. Mr. Butcher went on to review the specifics of the temporary connection. Mr. Butcher further suggested that CVMWC purchase State Project water from SGPWA through the Beaumont Basin Watermaster and pay BCVWD the power cost, in which case CVMWC would be replacing the water extracted for the Beaumont Basin.

The Board of Directors briefly discussed the situation and the options presented by Mr. Butcher. It was the consensus of the Board to direct the General Manager to open up discussions with LAFCO in regards to an extra-territorial service agreement and put together cost estimate to install 2" service.

Cherry Valley resident, Luwana Ryan, inquired if the turning on and off of the 2" system would affect the pressure of the Mountain View Avenue services, to which Mr. Butcher replied the pipeline is adequately sized (8").

7. Discussion and Possible Action Regarding Annexation Request Received of Desert Lawn Funeral Home and Memorial Park.

Mr. Butcher explained that the District is set to start a new pipeline project in Desert Lawn Drive that includes two 24" transmission mains (recycled and potable). The pipeline project will loop the system in the SunCal development and will cross the front of the cemetery property.

Desert Lawn Funeral Home and Memorial Park will take one meter, one recycled service and one fire hydrant. They will pay all standard fees. By taking recycled water,

the overdraft of the Beaumont Basin would be reduced. Mr. Butcher also mentioned that Desert Lawn Funeral Home and Memorial Park is part of the adjudication.

Motion by Director Chatigny, second by Vice President Lash, and by unanimous vote:

Move to approve annexation request.

8. Discussion and Possible Action Regarding Architectural and Engineering Consultants Services' Proposal for the Renovation and Additions to Administration Facilities located at 560 Magnolia Avenue, Beaumont, CA.

Mr. Butcher introduced architect Ray Martinez. President Brey opened the floor for questions and comments. Directors asked questions ranging from the private bathroom in the Manager's office (relocation of door) to the landscaping and safety features of the parking lot. The employee and visitor parking lots as well as storage space were topics also discussed.

Mr. Butcher stated that with the remodel there will be at least twelve workstations in the front office (excluding professional offices) and that the remodel and addition should be adequate for at least 20 years of service.

The relocation of all utilities is included in the cost estimate; the construction of the warehouse is not. The Board briefly discussed the cost estimate presented by Ray Martinez and Associates.

Motion by Director Parks, second by Vice President Lash, and by unanimous vote:

Moved to approve Phase I and Phase II retainer (\$37,500) to commence work.

9. Relocation Plan for the Beaumont Cherry Valley Water District Headquarters Expansion Project (Discussion only – Public Hearing to be set for January 28th meeting).

Mr. Butcher reported that the building being acquired by the District is occupied by a renter. The District is responsible for relocating the renters. There are laws that the District must abide by. Mr. Butcher reported that the first draft of the relocation plan was in need of some revision and while some were made, Mr. Butcher remained unsatisfied with the Relocation Plan.

Director Ball announced that after placing an advertisement in the newspaper, he had been contacted by the renters. Mr. Butcher announced to the Board that he had spoken with Legal Counsel in regards to this matter and that the Legal Counsel had stated there was no conflict of interest, however, it was suggested that Director Ball make a public announcement and abstain from voting.

10. Discussion and Possible Action Regarding Resolution 2005-11, Certificate of Corporate Resolution, re Beaumont Cherry Valley Water District Money Purchase Pension Plan Compliance with New Rules Regarding Mandatory Distributions.

Following a brief discussion, motion was made by Vice President Lash, second by Director Chatigny and by unanimous vote:

Moved to adopt Resolution 2005-11.

11. Discussion and Possible Action Regarding Resolution 2005-12, Resolution Authorizing an Amendment to the Contract (PERS).

Adoption of Resolution 2005-12 will amend the current contract to reflect the current MOU recently adopted by the Board of Directors.

Motion by Director Parks, second by Director Ball, and by unanimous vote:

Moved to adopt Resolution 2005-12.

12. Discussion and Possible Action Regarding Draft Water Rate Study, Setting Special Board Meeting on January 28th at 9am for Public Hearing and Adoption.

An announcement was made that the Draft Water Rate Study was available for review and would be reviewed and adopted at the January 28th, 2006 meeting of the Board of Directors.

13. General Manager's Report

General Manager Butcher gave a brief summary of the on-going capital improvement project.

14. Announcements

- Special Meeting to be held on December 28th at 7:00 p.m. at the District Headquarters, Public Hearing and Adoption of Urban Water Management Plan.
 - Postponement of Regular January Board Meeting (01/11/06) to Saturday, January 28th, 2006 at 9 a.m. (to include Budget Workshop and Public Hearing and Adoption of Water Rate Study).
- 

15. Executive Session Pursuant to Government Code Section 54957

Motion by Director Parks, second by Director Chatigny, and by unanimous vote:

Moved to approve a 2.5% merit increase for Mike Morales, Jason Craghead, Aaron Couch, Joseph Haggin, Dwan Lee and James Bean.

Motion by Director Parks, second by Director Chatigny, and by unanimous vote:

Moved to approve salary increases for Anthony Lara, Knute Dahlstrom and Julie Salinas. Increase to be given in three increments, beginning with January 1, 2006, followed by July 1, 2006 and January 1, 2007.

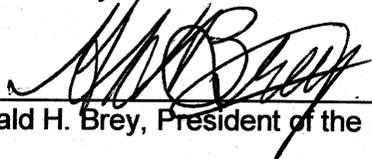
Motion by Director Parks, second by Director Chatigny, and by unanimous vote:

Moved to approve 10% salary increase for the General Manager.

16. Adjournment

President Brey adjourned the meeting at 8:46 p.m.

Approved by:



Gerald H. Brey, President of the Board of Directors

Attested by:



C.J. Butcher, Secretary to the Board of Directors

**RECORD OF THE MINUTES OF THE
SPECIAL MEETING OF THE
BOARD OF DIRECTORS OF THE
BEAUMONT CHERRY VALLEY WATER DISTRICT**

DECEMBER 28, 2005

1. Call to Order, Pledge of Allegiance and Roll Call – President Brey

President Brey called the meeting to order at 7:00 pm and proceeded with the *Pledge of Allegiance*.

All Directors were present

2. Adoption and Adjustment of Agenda (additions and/or deletions)

President Brey asked if there were any additions or deletions. Mr. Butcher asked to have items 5 and 6, both Public Hearings regarding acceptance and adoption of the 2005 Urban Water Management Plan Update, removed from the agenda and placed on the January 28, 2006 Special Meeting. Mr. Butcher asked that a new item 5 be added to the agenda with a presentation by J.C. Reichenberger, District Engineer, of the Urban Water Management Plan Draft for review and consideration.

Motion to remove items 5 and 6 from the agenda by Vice President Lash, second by Director Ball, and by unanimous vote:

Moved to delete items 5, and 6 from the agenda.

Motion to add a new item 5, with Mr. Reichenberger's presentation by Vice President Lash, second by Director Ball and by unanimous vote:

Moved to add a new item 5 with presentation.

Motion to adopt the agenda as amended by Director Parks, second by Director Chatigny and by unanimous vote:

Moved to adopt the agenda with changes.

3. Public Input

None was received

4. Finance and Audit Committee Report

a. Approval and payment of vendor invoices for the month of November 2005.

No action required on the vendor invoices.

b. Acceptance of November 2005 Financial Statement.

Mr. Butcher explained this was merely a revised Month End Financial Statement from the previous statement in the December 14, 2005 agendas.

Motion to accept the revised November 2005 Financial Statement by Director parks, second by Vice President Lash and by unanimous vote:

Moved to accept the Revised November 2005 Financial Statement.

5. Power Point Presentation of the 2005 Urban Water Management Plan Update by District Engineer, J.C. Reichenberger of Parsons Corporation.

Mr. Reichenberger began the presentation by telling the Board and audience that the last update to the Urban Water Management Plan was in 2002 for the year 2000 and the last covered projection was until 2025 as a 20 year projection is required. The Plan also requires a drought period review, and public review and comment prior to Board adoption. Mr. Reichenberger further stated that the Urban Water Management Plan is intended to be a "Dynamic" document.

Mr. Reichenberger's presentation included projections including; the Cherry Valley population doubling in the next 25 years, proposed sewerage in Cherry Valley to begin in 2010, water and waste water demand increasing significantly. Other areas presented were; available water sources, contamination in the water due to gradual increases in nitrate levels, industrial and commercial water customers and their consumptions.

Director Ball asked a question concerning the possible damage to the Beaumont Basin because the adjudication allows water levels to be drawn down until 2014. Mr. Reichenberger explained that the extensive review, currently ongoing by USGS, STWMA, and the Water Master will monitor the effects of continued draw down. Mr. Butcher commented that the District has also contacted WEI (Wildermuth Environmental Inc.) to develop a computer model of the Beaumont Storage Unit to give the District the tools it needs to project impacts and benefits from the upcoming recharge project. Mr. Butcher also indicated WEI is preparing applications for the recycled water system permits and the recharge permits to coincide with the 2006 construction of the recharge facility.

Mr. Reichenberger then addressed a letter received on December 28, 2005 by Patsy Reeley, President of the Cherry Valley Pass Acres & Neighbors. Mrs. Reeley mentioned a number of concerns to the Urban Water Management Plan Draft Update, and their perception of the failure to comply with certain requirements, codes and adequate review time for the document. Mr. Reichenberger addressed each written issue separately, reminding the Board and audience this Update is a draft copy and will be presented for adoption, following a public noticed hearing at the January 28, 2006 Special Meeting of the Board of Directors.

Open to public comment: 9:34 p.m.

President Brey asked if there were any questions.

Walt Beckman said he was confused on the Aquifers, and asked if we're losing water if it's leaking at both ends. Mr. Butcher replied yes. Mr. Beckman asked if that was the reason we're going to overdraft, so that we could limit losing that water out both ends by lowering the Aquifer. Again, Mr. Butcher replied yes. Mr. Beckman then wondered, if we decided to store water for the others, are we going to be losing money out of the aquifer again? Mr. Butcher implied, not necessarily, if there are recovery wells located at the proper point in the basin, you run those

wells first. Mr. Beckman asked whose water would be leaking out when we water, would it technically be ours or theirs? Mr. Butcher responded, "if you did a conjunctive use program, it would be theirs. Mr. Reichenberger stated the Water Master has rules on such matters.

Dick Reeley, a consumer asked if any other member of the public had asked any other questions on this issue? President Brey asked Mr. Butcher if any other questions had been received. Mr. Butcher indicated a letter had been received on December 28th from CVAN.

Mrs. Riddell asked if State Water is brought into the Oda property does it become the District's, and shouldn't Banning and Cabazon maybe bring in theirs too, and how do they get their share? Mr. Butcher informed her that the District is buying what we can buy and if they want water, they need to determine how they can best take delivery, we can do it by construction of the Recharge Facility. Banning hasn't planned that far ahead and hasn't chosen to do anything to date. Banning has asked us to recharge their water and the pumping to jointly owned wells we construct and then deliver to Banning through the inter-tie.

The question was asked if the District is looking favorably on this idea.

Mr. Butcher informed the audience that Banning is putting water into the Basin and is an Agency included in the adjudication, they have storage rights. The District currently has an agreement with the City of Banning on 3 wells with 50/50 ownership in water maintenance costs. The Water Master has approached the Board and requested the BCWWD to recharge any water the Water master may purchase into Beaumont Basin, the Board has looked with favor and Staff is developing such an agreement now.

Stan Riddell asked if there had been any thought at this time about a Water Treatment Plant and a well injection project? Mr. Butcher indicated no to the well injection but yes to the Water Treatment Plant. Mr. Butcher further indicated that the District has purchased 26.5 acres near the State Water Pipeline Project, on the upstream side of the Cherry Valley Booster Station.

Another concern coming from the audience was that with all the allocations per entity, what happens if the State decides to cut down, who gets the water, since every year is different? Mr. Reichenberger stated that the Pass Agency makes the decision at that point. The question following indicated that our graph indicated the purchase of 3,000 acre foot of water per year, what if we can't buy that amount each year? Mr. Butcher said that the intent is to build up the water in the basin to avoid that situation from arising, creating an overdraft offset. Another question was when Banning and Cabazon get their allocations what happens with them being at the end of the line?

Mr. Butcher stated that along with the current entitlement, the District will buy water rights to move additional water through the State Project Water System. Then the question asked was if Title 21 water comes through there too? Mr. Butcher said yes.

Luwana Ryan said she had about 3 questions, mostly on recycled. Ms. Ryan began by asking if the availability of recycled water depends on the City of Beaumont plans and expansion to give all the district needs, what guarantee is there that they're ability to make sure the urban Water Management Plan projection? Mr. Butcher said the Santa Ana Water Quality Control Board has the responsibility to watch Beaumont and make sure their effluent is full Title 22 standard. Mr. Butcher and Mr. Reichenberger both related the repercussions of failure to comply with mandatory reports and future plans upon exceeding permitted limits.

Ms. Ryan said the District's figures indicate the City is delivering water to the District. Mr. Reichenberger said that's true, if they don't have sewage capacity, they won't be building houses. Ms. Ryan asked is there is any cost on the water that comes from the City to the District. Mr. Butcher told her no. Ms. Ryan asked if the District gets 100% of the City's water.

Mr. Butcher told her yes, 100% of available supply. Ms. Ryan asked if it would then be put into the Basin or wherever the District is going to put it, because of the Water Master and the adjudication, the water coming from Beaumont that might be distributed into the Basin, is that all the District's water? Mr. Butcher asked Ms. Ryan what she meant by "Might be"? Ms. Ryan said, after the water is used on the golf courses before getting to the Basin, anything unused, would it go into the Basin and would it be 100% the Districts. Mr. Butcher said that according to a City Ordinance, they "have to" use it, using the golf courses as an example. Ms. Ryan replied, "they have their own wells!". Mr. Butcher reminded Ms. Ryan that when recycled water is available, they have to use it, that's City ordinance. Ms. Ryan replied, "they're overliyers!" Mr. Butcher said again, the city Ordinance says they *must* take it, even State law says if it's economically feasible, the have to take it. When recycled water goes on the grass, the user stops pumping. As long as it's less expensive to buy recycled water than to pump groundwater, it's economically feasible. When water is no longer being pumped from the basin, the District can use it. Mr. Butcher stated that there are about 2,000 acre feet now of irrigation demands for schools, greenbelt areas, parks, cemeteries, library's and the city hall, all large greenbelt areas are plumbed for recycled water, and should be ready for State Project water at the completion of phase one in the summer. When this happens, the offset will occur and overflow will go to the ponds, at the Recharge Facility.

Ms. Ryan asked if this would become the District's water. Mr. Butcher said yes. Ms. Ryan asked if the District pays anything to get that water. Mr. Butcher said no, not the reclaimed water, just for the cost of moving it. A question came from the audience if the District could charge them anymore than they're paying now. Mr. Butcher again stated "Only when it's economically feasible, whatever the pumping costs are. Another question asked was at the cost of \$100 per acre foot, for example, who do they pay. Mr. Butcher replied the District.

Another question was how to track the progress of the Treatment Plant. Mr. Reichenberger said all information is available on line, through the Regional Water Quality Control Board site or by visiting the building in Riverside.

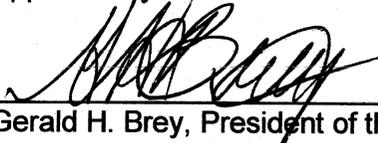
President Brey asked if there were anymore questions, and with none asked, closed the public comment portion of the meeting.

Closed public comment period: 9:55 p.m.

6. Adjournment

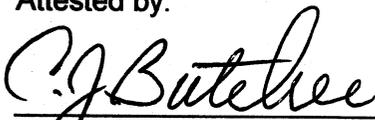
President Brey adjourned the meeting at 9:56 p.m.

Approved by:



Gerald H. Brey, President of the Board of Directors

Attested by:



C. J. Butcher, Secretary to the Board of Directors

THE PRESS- ENTERPRISE	CLASSIFIED RECEIPT ADVERTISING	3512 Fourteenth St. Riverside, CA 92501-3878 1-800-514-7253 951-684-1200 951-368-9006 Fax
Printed by: Wilkins, Kim at 12:44 pm on: Wednesday, Feb 15, 2006		Ad #: 7382382

Date	Payment #	Type	Card Holder	Exp.	Approval	Amount
						Total payments: \$ 0.00

Note: Advertising may be subject to credit approval.

Account Information:

Phone #: (951) 845-9581
 Name: BEAUMONT-CHERRY VALLEY WATER DIS
 Address: P O BOX 2037
 ATTN: JULIE AUDET
 BEAUMONT, CA 92223

Acct #: 069466
 Client:
 Placed by: Desiree Espinoza
 Fax #: (951) 845-0159

Gross price: \$ 390.00
 Net price: \$ 390.00
 Total payments: \$ 0.00

Amount Due: \$390.00

Ad Information:

Classification: Legals
 Publications: Press-Enterprise

Start date: 12-31-05
 Stop date: 01-24-06
 Insertions: 6

Rate code: LE-Open
 Ad type: Ad Liner
 Taken by: Wilkins, Kim

Size: 1x50.000
 Bill size: 50.00x 5.14 agate lines

Ad Copy:

Notice of Availability, Public Hearing, and Approval Urban Water Management Plan

In accordance with Division 6, Part 2.4, Chapter 3, Article 3, Section 10442 of the Water Code, the Beaumont Cherry Valley Water District (District) has prepared an Urban Water Management Plan that will be available for public inspection. The Plan identifies projects and programs that may be undertaken to meet local projected water use in the District service area and sphere of influence. To review findings of the Urban Water Management Plan, the District will be holding a Public Hearing of a Special Meeting on:

Saturday, January 28th, 2006
 @ 9:00 am
 Beaumont Cherry Valley Water District
 540 Magnolia Avenue
 Beaumont, CA 92223

The Plan will be available at the District office (see above address) after 12/31/05. If you are unable to attend the Public Hearing and/or wish to submit written comments, please send them to Mr. C.J. Butcher at the above address or via fax at (951) 845-0159. Please submit comments by 4 p.m. Thursday, January 26, 2006. For questions, please call the District office at (951) 845-9581.
 12/31/05 14:19:24

**RECORD OF THE MINUTES OF THE
SPECIAL MEETING OF THE
BOARD OF DIRECTORS OF THE
BEAUMONT CHERRY VALLEY WATER DISTRICT**

JANUARY 28, 2006

1. Call to Order, Pledge of Allegiance and Roll Call – President Brey

President Brey called the meeting to order at 9:00 am and proceeded with the Pledge of Allegiance. All Directors were present.

2. Adoption and Adjustment of Agenda (additions and/or deletions)

No additions and/or deletions made to the Agenda.

Motion by Director Ball, seconded by Vice President Lash, and by unanimous vote:

Moved to adopt the Agenda

3. Public Input

Mr. Butcher and the Board of Directors agreed to incorporate this section with the Public Hearing in item #5.

4. Discussion and Possible Action Regarding Resolution 2006-01, Resolution of the Board of Directors of The Beaumont Cherry Valley Water District Authorizing Investment of Monies in the Local Agency Investment Fund.

Mr. Butcher explained that this Resolution is required for the LAIF account. General Manager, Chuck Butcher, explained the benefits of the agency, stating the District has been depositing money into the Agency since the 1980's, LAIF yields a higher interest rate than a bank, and a 24 hours recall on the money without penalty. Mr. Butcher recommended the adoption of Resolution 2006-01.

Motion by Director Parks, seconded by Director Chatigny, and by unanimous vote:

Moved to adopt Resolution 2006-01

5. PUBLIC HEARING: Public Hearing for the Purpose of Taking Public Input Concerning the November 2005 Water Rate Study by Raftelis Financial Consultants, Inc.

The Board of Directors elected to have the Presentation of November 2005, Water Rate Study by Sudhir Pardiwala, Project Manager of Raftelis Financial Consultants, Inc. before opening up the floor to public input/questions.

Mr. Pardiwala began his presentation by announcing that the last rate increase was in 2003. This rate study has been requested due to growth and purchase of State water. The recommended rates prove to be fair and equitable to all existing customer and charges to new customers to help maintain added water demand and quality.

OPEN PUBLIC HEARING: 9:56 a.m.

Pressure Reducing Stations	\$ 71
Miscellaneous Projects	\$ 60
Total:	\$8,675
Financing Costs	\$ 269
Total with financing costs	\$8,944

OPEN: 10:23 am

No public input/questions.

CLOSE: 10:25 am

8. Discussion and Possible Action Regarding Resolution 2006-03, Resolution of the Board of Directors of the Beaumont-Cherry Valley Water District Financing the Upgrade of the Existing Source of Supply to Meet Future Growth Demand.

Motion by Director Chatigny, seconded by Director Parks, and by unanimous vote:

Moved to adopt Resolution 2006-03

9. PUBLIC HEARING: Public Hearing for the Purpose of Taking Public Input Concerning the 2005 Urban Water Management Plan Update.

District Engineer, Joseph Reichenberger, reported that a draft copy of the 2005 Urban Water Management Plan Update was made available at the December 14th Regular Meeting of the Board of Directors. A workshop was held on December 28th where both oral and written comments were received. Comments have been incorporated into the appendices of the current draft and with the adoption of Resolution 2006-04 to be included in appendix B, the 2005 Urban Water Management Plan Update would be ready to send to the State. No CEQA is required as the UWMP is statutorially exempt.

OPEN: 10:32 a.m.

Luwana Ryan: In the Draft, section 8-2, at the bottom of the page, in Appendix, it states the City is responsible for water usage and invoicing for recycled water, is that true?

Mr. Butcher: Good catch Luwana, the City is *not* responsible, it will be the District's responsibility. We need to include in the MOU with the City, that the City will be giving the system back to the District.

Mr. Reichenberger: Leave the MOU from 1993 to newest addendum, making new UWMP the final draft and approve with changes.

President Brey asked if there were any further questions, and with none, closed the Public Hearing.

CLOSE: 10:39 am

Dick Reeley: If the comparison is being made to the City of Beaumont's low base consumption, why isn't Cherry Valley's made with consideration to acreage and orchard's and so on?

Mr. Butcher: Not all acres use more water for more land, if it's not irrigated. Of course, some people have gardens and a lot of grass to keep green. Average is typically still the same.

Patsy Reeley: I've never objected to my water bill, I view it as a necessity.

Director Ball: On the State Water charge, will it be passed through to the commercial users as well as private users and irrigators?

Mr. Butcher: Yes. There are approximately 1,700 acre feet of irrigation demand, including the greenbelt areas.

Luwana Ryan: Will the cost of the State Water Project water be for the water actually delivered to the Basin?

Mr. Butcher: Yes.

President Brey asked if there were any more questions. With no questions asked, the public hearing was closed.

CLOSE: 10:00 am

6. **Discussion and Possible Action Regarding Resolution 2006-02, Resolution of the Board of Directors of the Beaumont Cherry Valley Water District Setting Service Charges and Water Commodity Charges for Service in the Beaumont Cherry Valley Water District.**

Motion by Director Parks, seconded by Director Chatigny, and by unanimous vote:

Moved to adopt Resolution 2006-02

President Brey adjourned to a mid-morning break at 10:06 am

President Brey resumed the meeting at 10:18 am

7. **PUBLIC HEARING: Public Hearing for the Purpose of Taking Public Input Concerning the November 2005 Update of System Development Fees Report by Raffelis Financial Consultants, Inc.**

District Consultant Pardiwala reported that a lengthy study was conducted in July 2004. Some of the changes to have taken place since July 2004 include the increase in the cost of steel, concrete and construction. District users are consuming more water, for example the average single family use has increased from 0.61 ac-ft/yr to 0.66 ac-ft/yr. The one time cost of acquiring State Water Project water rights have also increased. The current fee is \$7,059. The proposed upgraded fee is \$8,944.

Proposed Updated Development Fee (Facility Fee)

Supply	\$5,305
Transmission	\$1,364
Storage	\$1,737
Booster	\$ 139

10. Discussion and Possible Action Regarding Resolution 2006-04, Resolution of the Board of Directors of the Beaumont-Cherry Valley Water District to Adopt the 2005 Urban Water Management Plan Update.

Motion by Director Parks, seconded by Vice President Lash, and by unanimous vote:

Moved to adopt Resolution 2006-04 with changes to Final Draft.

11. Discussion and Possible Action Regarding 2650 Pressure Zone Tank Bid Recommendation (Parsons Engineering Science).

Bids were opened on December 22, 2005. Pacific Hydrotech was the apparent low bidder at \$6,146,333. Pacific Hydrotech has been awarded a project with Yucaipa Valley Water District. District Engineer Reichenberger recommended the award of the project to the low bidder, Pacific Hydrotech.

Motion by Director Chatigny, seconded by Vice President Lash, and by unanimous vote:

Moved to accept the Engineer's Recommendation.

12. Discussion and Possible Action Regarding Cherry Tank No. 3 Bid Recommendation (Parsons Engineering Science).

General Manager Butcher reported that a notice to proceed has been given to begin the project (apparent low bidder was Superior Tank Co. at \$1,291,000) as the two existing tanks (2) must be retrofitted and will be out of service (along with well 22 and booster stations). This will ensure that all facilities are up and running by the high pumping season (summer). Materials have already been ordered and delivered to a bullpen located across from the project.

District Engineer Reichenberger noted that the price per gallon is \$.65/.66 (lower than the concrete tank) and recommended the award of the project to the low bidder, Superior Tank.

Motion by Vice President Lash, seconded by Director Ball, and by unanimous vote:

Moved to accept the Engineer's Recommendation.

13. Discussion and Possible Action Regarding the 2005 Year-End Report, Five Year Comparison and Projected 2006 Budget.

Operating and Capital Expense – General Manager gave an overview related to the Operating and Capital Expenses for calendar year 2005, including potable, non potable, storm capture and recycled water.

Non-Operating Income - General Manager Butcher reported that the Front Footage Fees are currently being reviewed by Staff to determine if the fee should be upgraded and how much.

Source of Supply - Power costs have increased in larger increments than the actual water being pumped, reinforcing the need for the pass through charges (SCE power charge and State Project Water Overdraft Offset Charge).

Maintenance of Equipment - With the age of the equipment and the increase in system demands, the cost of Maintenance of Equipment has gone up considerably (rehabilitation of wells).

Mr. Butcher reviewed the 2005 Year End Report and 2006 Projected Budget line by line.

President Brey adjourned the meeting for lunch break at 12:00 pm.

President Brey called the meeting back to order at 12:40 pm

Motion by Director Parks, seconded by Director Chatigny, and by unanimous vote:

Moved to approve the Operations and Maintenance Budget as presented.

14. Discussion and Possible Action Regarding the 2005 Capital Improvement Expense Report and 2006 Capital Improvement Budget.

Mr. Butcher briefly reviewed the 2005 Capital Improvement Expense Report and presented project by project, the 2006 Capital Improvement Budget. It was noted that several of the projects were carry overs from 2004 and 2005.

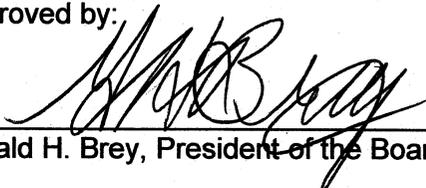
Motion by Director Parks, seconded by Vice President Lash, and by unanimous vote:

Moved to Approve the 2005 Capital Improvement Expense Report and 2006 Capital Improvement Budget.

15. Adjournment

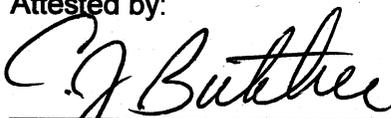
President Brey adjourned the meeting at 1:25 p.m.

Approved by:



Gerald H. Brey, President of the Board of Directors

Attested by:



C.J. Butcher, Secretary to the Board of Directors