

**RECORD OF THE MINUTES OF THE
REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
BEAUMONT CHERRY VALLEY WATER DISTRICT
November 10, 2010**

CALL TO ORDER, PRESIDENT BALL

President Ball called the meeting to order at 7:00 p.m., 560 Magnolia Avenue, Beaumont, California.

PLEDGE OF ALLEGIANCE, VICE PRESIDENT PARKS

Vice President Parks led the pledge.

INVOCATION, PRESIDENT BALL

President Ball recited an invocation.

ROLL CALL, BLANCA MARIN

Those responding to roll call were President Ball, Vice President Parks and Directors Halliwill, Ross and Woll. Also present at this meeting were legal counsel Gil Granito, Interim General Manager Anthony Lara, Controller Amelia Toledo and Executive Assistant Blanca Marin.

Others present:

Barbara Brown	Self
Niki Magee	Self
Minnie Birchard	Self
Judy Bingham	Self
Patsy Reeley	Self
Jim Earhart	Self
Knute Dahlstrom	BCVWD
Jeanie Ross	Self
Bernadette Toledo	Self
Harold Flanders	Self
Frances Flanders	Self
Luwana Ryan	Self
Sharon Hamilton	Self
Barbara Voigt	SGPWA
Mrs. Ball	Self
Dasil Clinton	Record Gazette

PUBLIC INPUT

No public input presented at this time.

ACTION ITEMS**1. ADOPTION OF THE AGENDA**

Director Ross moved to adopt the agenda as presented. Vice President Parks seconded. The motion passed unanimously.

2. CONSENT CALENDAR: Matters listed in the Consent Calendar are considered to be routine and will be approved by one motion as recommended. There will be no separate discussion unless Board or Staff Member request separate discussion prior to approval.

- a. October 2010 Bills for Consideration**
- b. October 2010 Invoices Pending Approval**
- c. September 2010 Month End Financial Statement**
- d. Minutes of the Regular Meeting of October 13, 2010**
- e. Minutes of the Special (Joint) Meeting of October 21, 2010**

Vice President Parks moved to accept the Consent Calendar with the addition as requested by Director Ross on page 25 of the agenda related to the Regular Board Meeting Minutes of October 13, 2010, Interim General Manager's Report, add "because of a faulty valve" at the end of the sentence regarding the cause of the diesel spill. Director Halliwill seconded. The motion passed unanimously.

3. ADOPTION OF THE DEPOSIT POLICY AND PROCEDURES**

Controller Toledo provided a brief report on this item indicating that a deposit will be implemented only on those applicants who will pose a financial risk to the District. She further answered questions from the Board.

Controller Toledo indicated that commercial customers will have its own policy and procedures in a near future.

Director Ross moved to adopt the Deposit Policy and Procedures. Vice President Parks seconded. The motion passed unanimously.

4. ANNUAL CONTRIBUTION/PARTICIPATION REQUEST FROM THE CALIFORNIA WATER AWARENESS CAMPAIGN IN THE AMOUNT OF \$1,514 FOR THE NICE SAVE PROGRAM**

After discussion Vice President Parks moved to approve the request by the California Water Awareness Campaign in the amount of \$1,514 for the Nice Save Program. Motion died for lack of a second.

5. REQUEST BY THE YORBA LINDA WATER DISTRICT FOR SUPPORT IN THE FORM OF FILING AN AMICUS LETTER IN SUPPORT OF THEIR APPEAL TO THE CALIFORNIA SUPREME COURT REGARDING THE FREEWAY FIRE LITIGATION**

General Counsel Gil Granito provided a brief report on this item indicating that the Amicus Curiae Letters by legal counsel and from other agencies in support of the Yorba Linda Water District's position will lead to a favorable ruling with the Supreme Court to forestall the extension of inverse condemnation liability which would trump the fire community statutes and therefore make the water suppliers liable for any losses due to fire damages.

Director Woll moved to approve the request by the Yorba Linda Water District. Vice President Parks seconded. The motion passed unanimously.

6. REQUEST FOR WILL SERVE LETTER FROM THE BEAUMONT UNIFIED SCHOOL DISTRICT-APN 405-240-003 AND 405-240-004**

Interim General Manager, Anthony Lara briefly reported on this item indicating that the same request will be acted upon at the City Council meeting next week. He further recommended approval.

After comments from the Board, Vice President Parks moved to approve the Will Serve Letter request from the Beaumont Unified School District. Director Ross seconded. The motion passed unanimously.

7. REPORTS FOR DISCUSSION AND POSSIBLE ACTION

(a) Ad hoc Committees - None

(b) General Manager

- Approval of Extension of the Furlough Program to January 1, 2011**

After Interim General Manager Anthony Lara's Report, the Board unanimously approved the extension of the Furlough Program to January 1, 2011

- Update on Recycled Water discussions- Lara reported that the cleaning of the site will start in two weeks and that the Remediation Plan was approved. He indicated that an update including total cost will be provided at the next meeting. He further reported that he also met with representatives of the City of Beaumont and that an offer was made for the District to take over some wells in San Timoteo.
- Update on diesel fuel spill incident-Lara reported that he met with Yucaipa Valley Water District representatives and that the next step is to work on an agreement.

(c) Directors

- Dr. Blair Ball- President Ball thanked Directors Parks and Halliwill for their time serving the Board. He further announced that Vice President Parks is the first female serving in the BCVWD Board. In another issue, he reported that one of his renters was turned off and that the right notification was given by District Staff.
- John Halliwill- Halliwill expressed his disappointment because he will no be able to meet with the Collaborative Committee as a district official. He further requested that a write-up be included in the water bills explaining the tier rates.
- Stella Parks- None
- Ken Ross- None
- Ryan Woll-None

(d) Legal Counsel

Legal Counsel, Granito commented regarding the costs associated to other firms for work done for the District indicating that those matters required a different level of expertise. He indicated that all those matters have been resolved therefore no other costs will be incurred.

8. ANNOUNCEMENTS

- A) District will be closed on November 11, 2010 for Veteran's Day**
- B) District will be closed on November 25 and 26 for the Thanksgiving Celebration**
- C) Finance & Audit Committee Meeting, December 2, 2010 at 4:00 p.m.**
- D) Regular Board Meeting, December 8, 2010 at 7:00 p.m.**
- E) Budget Workshop, December 18, 2010 at 9:00 a.m.**
- F) District will be Closed on December 24, 2010 for the Christmas Celebration**
- G) District will be closed on December 31, 2010 for the New Year's Celebration**

9. ACTION LIST UPDATES/RECOMMENDATIONS

- Amelia Toledo- Memorandum regarding education expenses being reported on employee's w-2 form**

Secretary Woll invited Luwana Ryan to address the Board on this item. Mrs. Ryan commented that the Education Expense issue has been brought up to the Board in previous years yet nothing has been done. She further requested that Staff investigate as to whether or not the District needs to go back and report on a former employee who received education assistance as well. She commented on a ruling in 2006 in regards to Fish & Game providing employee housing in properties Fish & Game owned and not reporting it as employee fringe benefits. She further questioned as to whether or not the District will be penalized for not reporting those fringe benefits in the past and how this will affect the ratepayers.

Secretary Woll invited Sharon Hamilton to address the Board on this item. Ms. Hamilton commented that she is glad that the District is taking action on this issue. She further commented that the District needs to go back and amend its reports even if there are penalties involved.

Controller Toledo reported on this item answering questions from the Board. The District will review the IRS codes to verify as to how far back the District needs to amend and report to the IRS on this issue.

- Amelia Toledo- Billing certification (requested by Director Halliwill)**

Controller Toledo briefly reported on this item answering questions from the board.

- Amelia Toledo- 2010 Calendar Year-End Financial Projections**

Controller Toledo reported on this item at length.

10. **ADJOURNMENT**

Vice President Parks moved to adjourn. Director Woll seconded. The motion passed unanimously.



Dr. Blair Ball, President of the
Board of Directors of the
Beaumont Cherry Valley Water District

Attest:



Ryan Woll, Secretary to the
Board of Directors of the
Beaumont Cherry Valley Water District