



**RECORD OF THE MINUTES
OF THE
REGULAR MEETING OF THE
BOARD OF DIRECTORS
560 Magnolia Avenue, Beaumont, CA 92223
Wednesday, July 11th, 2012**

Call to Order, President Ball

President Ball called the meeting to order at 7:05 p.m.

Pledge of Allegiance, President Ball

President Ball led the pledge.

Invocation, Director Woll

Director Woll led the invocation.

Roll Call

Present at this meeting were President Ball, Directors Guldseth, Halliwill, Woll and Ross, Legal Counsel James Markman, General Manager Eric Fraser, Assistant General Manager Tony Lara, Director of Engineering, Dan Jagers. Additional District staff present at the meeting: Melissa Bender and Dawn Jorge.

Public that registered their attendance were: Minnie Birchard, Betty Beckman, Lee Birchard, Patsy Reeley, Barbara Brown, John Jeter, Bill Dickson, James Krausz, MaryAnn Melleby, Robert Delart, Pat Doherty, Marcia Mason, David Fenn, Misty Fenn, Ted Haring, Sterling Fenn, Kasden Fenn, Dawson Fenn, Ron Duncan and Barbara Voight.

Public Input

Director Ross invited one member, James Krausz, of the public to address the Board regarding an item not on the agenda. Mr. Krausz resides in Edgar Canyon near a tank that made noise. Previous management didn't respond to his request to resolve the issue. He commended District staff for work performed by presenting framed certificates of appreciation to James Bean, Dan Jagers and Tony Pou.

ACTION ITEMS

1. Adoption of the Agenda

General Manager Fraser recommended item 2f should be addressed as a separate discussion item. Motion by Director Halliwill to approve the agenda, seconded by Director Guldseth, approved 5-0.

2. Consent Calendar: All matters listed under the Consent Calendar are considered by the Board of Directors to be routine and will be enacted in one motion. There will be no discussion of these items prior to the time the Board

considers the motion unless members of the Board, the administrative staff, or the public request specific items to be discussed and/or removed from the Consent Calendar.

- a. May 2012 Budget Variance Report Review** (pages 4-10)
- b. May 31st, 2012 Cash/Investment Balance Report** (page 11)
- c. June 2012 Cheque Register Review** (pages 12-28)
- d. June 2012 Invoices Pending Approval** (pages 29-37)
- e. Minutes of the Regular Meeting of June 13th, 2012** (pages 38-41)
- f. Oral Report-Mid Year Budget Update

Motion to approve 2a-e by Director Woll, seconded by Director Ross, approved 5-0. Regarding item 2f, Director of Finance and Administrative Services, Melissa Bender stated a separate budget workshop will be held in August to discuss the mid year budget update. Ms. Bender stated we are finishing projections and the budget is tracking within the projections. Ms. Bender to poll the Directors to determine the workshop date.

3. Discussion regarding the Transfer of Surplus Water in Storage from the City of Beaumont to the Beaumont-Cherry Valley Water District (pages 42-47)**

Ms. Ryan addressed the Board specifically asking why the Board is discussing before the water is recognized by Watermaster? After discussion by General Manager Fraser and expression of concern from all of the Board members, Director Woll made a motion to table pending Watermaster clarification, seconded by Director Ross, approved 5-0.

4. Discussion regarding the Allocation of Water from the San Gorgonio Pass Water Agency to the Retail Water Agencies as well as the San Gorgonio Pass Water Agency Capacity Fee (pages 48-69)**

Director Halliwill would like to hear from the Pass Agency regarding this issue noting there was a special meeting this week regarding options; it seemed that the Pass Agency was seeking additional input and possibly revisions.

Mr. Davis from the Pass Agency stated that Director Halliwill characterized the workshop well stating no final decisions have been made yet. Mr. Davis has been directed to meet with General Manager Eric Fraser. Bill Dickson with SGPWA stated their main concern is to get together and work together.

Members of the public Luwana Ryan and Patsy Reeley expressed concerns on the progress being made. After Board discussion, Director Ross motioned to approve the allocation plan as a draft, seconded by Director Guldseth, passed 4-1 with Halliwill voting no.

5. Discussion regarding Public Recreational Use of District Facilities (page 70)**

Director of Finance & Administrative Services, Ms. Bender stated ACWA/JPIA liked the idea of permits and stated there is current legislation that would indemnify the District should they allow recreational use of the trails. After Board discussion, two members of the public addressed the Board regarding the issue. Patsy Reeley stated her concerns regarding public use of District facilities noting that District staff has enough to do, District facilities are too

valuable and it's easier to deny access. James Krausz stated he is in favor because it helps himself; he wants access for residents immediately adjacent to canyon. Based on the discussion by the Board, Legal Counsel Markman stated he can draft a short policy with criteria as noted by the Board discussion. Further stating the item can be brought back at a future meeting for Board consideration.

6. Reports For Discussion

a. Ad Hoc Committees

No reports were presented by the Committees.

b. General Manager

General Manager Fraser stated he has met with Flood Control and is working collaboratively for future projects. Further, he is working with the District Engineer to develop the Capital Plan which will be discussed at the upcoming budget workshop. Bids for Well 1 repairs have come in; lowest responsive bidder was \$72,000 which was within the Board authorized amount of \$75,000. District staff will proceed with the well 1 repairs.

c. Directors Reports

No reports were presented by the Directors.

d. Legal Counsel Report

No reports were presented by Legal Counsel.

7. Announcements

- Beaumont Basin Watermaster meeting, July 18th, 2012 at 10:00 a.m.
- Beaumont Basin Watermaster meeting, August 1st, 2012 at 10:00 a.m.
- Finance & Audit Committee meeting, August 2nd, 2012 at 3:00 p.m.
- Regular Board meeting, August 8th, 2012 at 7:00 p.m.

President Ball made the announcements above.

8. Action List for Future Meetings

- a. Arrange future presentation by General Manager Davis of the Pass Agency
- b. Policy and permit for recreational use

9. Closed Session

The Board adjourned to closed session at 8:02 p.m. President Ball reconvened the meeting at 9:40 p.m. District Legal Counsel Markman advised that there was no reportable action on either closed session item.

10. Adjournment

President Ball adjourned the meeting at 9:41 p.m.

Attest:

Dr. Blair Ball

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

Kenneth Ross

Kenneth Ross, Secretary to the
Board of Directors of the
Beaumont-Cherry Valley Water District