



**BEAUMONT-CHERRY VALLEY WATER DISTRICT
MINUTES OF THE
REGULAR MEETING OF THE BOARD OF DIRECTORS
560 Magnolia Avenue, Beaumont, CA 92223
Wednesday, July 10th, 2013**

Call to Order, President Woll

President Woll began the meeting at 7:08 p.m.

Pledge of Allegiance, Director Slawson

Director Slawson led the pledge.

Invocation, Director Ball

Director Ross led the invocation in Director Ball's absence.

Roll Call

Present at the meeting were President Woll, Directors Guldseth, Ross, and Slawson. Legal Counsel: James Markman. District Staff: General Manager: Eric Fraser, Director of Engineering: Dan Jagers, Director of Finance and Administrative Services: Melissa Bender, and Senior Finance and Administrative Analyst: Dawn Jorge. Public that registered their attendance were: Ted Haring, Fran Flanders, Betty Beckman, Lloyd White, Pasty Reeley, Minnie Birchard, Barbara H. Brown, Ken Falls, May Ann Melleby, Pam Lindgren, and Carl Kymila.

Director Ball was absent.

Public Comment

Patsy Reeley thanked General Manager Eric Fraser for speaking to the Cherry Valley Acres Neighbors Group.

Pam Lindgren asked the Board to find a way to address a problem with May flies which are attracted to the water in the ponds that are a nuisance to the neighborhood, and she requested the Board to open the area around the Noble Creek Recharge Facilities-Phase II project to the public.

ACTION ITEMS

1. Adoption of the Agenda (pages 1-3)

General Manager Eric Fraser advised the Board that there were no changes to the Agenda.

<p>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</p>

request specific items to be discussed and/or removed from the Consent Calendar.

- a. May 2013 Budget Variance Report Review** (pages 4-12)
- b. May 31st, 2013 Cash/Investment Balance Report** (page 13)
- c. June 2013 Check Register Review** (pages 14-26)
- d. June 2013 Invoices Pending Approval** (pages 27-30)
- e. Minutes of the Regular Meeting of June 12th, 2013** (pages 31-34)
- f. Denial of Claim presented by the City of Beaumont Related to Replacement of Pipeline During the Construction of the Brookside Bridge** (pages 35-52)

Director Guldseth requested item f to be pulled for discussion. Director Ross motioned to approve the items a through e of the consent calendar. Director Slawson seconded the motion. The motion passed 4-0, with Director Ball absent.

General Manager Fraser provided an overview of the claim from the City of Beaumont. Legal counsel concurred with staff recommendation to deny the claim. After discussion, Director Guldseth motioned to deny the claim. The motion was seconded by Director Ross. The motion passed 4-0, with Director Ball absent.

3. Consideration of 2012 Audit by Vavrinek, Trine, Day & Co., LLP (pages 53-108)**

Roger Alfaro, partner with Vavrinek, Trine, Day & Co. (VTD) provided an overview of the audit performed by the firm. After discussion, President Woll motioned to receive and accept the audit. The motion was seconded by Director Guldseth. The motion passed 4-0, with Director Ball absent.

4. Public Hearing and Consideration of Adoption of the District's 2013 Urban Water Management Plan Update (pages 109-113)**

- a. Open the Public Hearing for consideration of the 2013 Urban Water Management Plan Update;

President Woll opened the public hearing at 7:35 p.m.

- b. Consider the final draft 2013 Urban Water Management Plan Update and any related public comments thereon;

No public comment was received.

- c. Close the public hearing; and

President Woll closed the public hearing at 7:36 p.m.

- d. Consider the resolution of the Board of Directors of the Beaumont Cherry Valley Water District Adopting the 2013 Urban Water Management Plan Update and associated staff actions.

General Manager Fraser provided an overview of the 2013 Urban Water Management Plan Update. Director Guldseth motioned to approve the resolution adopting the 2013 Urban Water Management Plan Update. Director Slawson seconded the motion. The motion passed 4-0, with Director Ball absent.

5. Consider Retirement of Bank of America Recycled Water Facilities Loan (page 114)**

General Manager Fraser provided an overview on the early retirement of the Bank of America construction loan. After discussion, Director Ross motioned to approve the retirement of the loan. The motion was seconded by Director Guldseth. The motion passed 4-0, with Director Ball absent.

6. Reports For Discussion

a. Ad Hoc Committees

No reports were made.

b. General Manager

General Manager Fraser updated the Board on the Noble Creek Recharge Facilities-Phase II project, the EBX 2 project, and the Crafton Hills Reservoir project.

c. Directors Reports

No reports were made.

d. Legal Counsel Report

No report was made.

7. Announcements

- Finance & Audit Committee meeting, August 1st, 2013 at 3:00 p.m.
- Beaumont Basin Watermaster meeting, August 7th, 2013 at 10:00 a.m.
- Regular Board meeting, August 14th, 2013 at 7:00 p.m.
- District offices will be closed Monday September 2nd, 2013 in observation of Labor Day

President Woll made the announcements above.

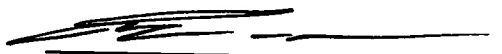
8. Action List for Future Meetings

- Schedule a workshop to discuss the landscape for the Noble Creek Recharge Phase II Project with the public.
- Consideration of Annexation of Parcels for Hidden Canyon II Development tabled in the December 2012 meeting.

9. Adjournment

President Woll adjourned the meeting at 7:49 p.m.

Attest:



Director Ryan Woll, President of the
Board of Directors of the
Beaumont-Cherry Valley Water District



Director Blair Ball, Secretary to the
Board of Directors of the
Beaumont-Cherry Valley Water District

** Information included in the agenda packet