



**BEAUMONT-CHERRY VALLEY WATER DISTRICT
AGENDA
REGULAR MEETING OF THE BOARD OF DIRECTORS
560 Magnolia Avenue, Beaumont, CA 92223
Wednesday, July 9th, 2014
Regular Session 7:00 p.m.**

Call to Order, President Woll

President Woll began the meeting at 7:00 p.m.

Pledge of Allegiance, Director Woll

Director Woll led the pledge.

Invocation, Director Slawson

Director Ball led the invocation.

Roll Call

Present at the meeting were President Woll, Directors Ball, Guldseth and Ross. Director Slawson was absent. Legal Counsel: James Markman. District Staff: General Manager: Eric Fraser, Director of Operations: Tony Lara, Director of Engineering: Dan Jagers, and Accountant III: Deborah Steinbrink and Sylvia Molina. Public that registered their attendance were: John Jeter, Fran Flanders, Patsy Reeley, Barbara Brown, Vicky Elisalda, Ray Morris, Bill Dickson and MaryAnn Melleby.

Public Comment

No public comment was received at this time.

ACTION ITEMS

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

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

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 2014 Budget Variance Report Review** (pages 4-7)
- b. May 31st, 2014 Cash/Investment Balance Report** (page 8)
- c. June 2014 Check Register Review** (pages 9-21)
- d. June 2014 Invoices Pending Approval** (pages 22-26)
- e. Minutes of the Special Meeting June 11th, 2014** (page 27)
- f. Minutes of the Regular Meeting June 11th, 2014** (pages 28-33)

g. Minutes of the Special Meeting June 26th, 2014** (page 34)

Director Ball requested item 2g be pulled for discussion.

Director Ross motioned to approve items 2a through f of the consent calendar. The motion was second by Director Ball and passed 4-0 with Director Slawson absent.

President Woll mentioned he would abstain from voting on 2g since he was not present. After discussion, Director Ball motioned to approve item 2g of the consent calendar. The motion was seconded by Director Ross and passed 3-0, with President Woll abstaining as he was not present at the meeting and with Director Slawson absent

3. Consideration of Receipt and Acceptance of the 2013 Audit by Vavrinek, Trine, Day & Co., LLP (pages 35-95)**

On behalf of Vavrinek, Trine, Day & Co., LLP, external auditor Phillip White presented the clean, unmodified opinion for the audit of the 2013 Financial Report. Items pointed out to the board included: there were no difficulties in collecting information from management; realistic estimates were used in valuing dedicated capital assets; prior period adjustments; and internal controls.

Director Woll requested clarification regarding the provision for uncollectible accounts from developers. Staff is working on collection of these account. A final decision on writing these accounts off would be made by the end of the current calendar year.

Public comment on item:

Judy Bingham questioned why Dr. Husing's Quarterly Economic Report was referenced in the local economy section of the introduction as well as who paid for the information to be used by the District. General Manager Fraser responded that there are limited numbers of economists doing work in the region and Dr. Husing's information is readily available. He further stated the District did not incur additional costs generating the report.

After discussion, President Woll motioned to accept and receive the 2013 audit. The motion was second by Director Guldseth and passed 4-0 with Director Slawson absent.

4. Consideration of Regular Member, Western Area, for the Special District Member of the Local Agency Formation Commission (LAFCO) Discussion Regarding the Board's Responsibility in Regards to Land Planning (pages 96-102)**

After discussion, President Woll motioned to issue a vote for Phil Williams. The motion was second by Director Guldseth and passed 4-0 with Director Slawson absent.

5. Consider Authorization of General Manager to Execute Contract for Pressure Zone 2650 to Pressure Zone 2750 Inter-Connection Piping Materials, Valve, and Appurtenances Acquisition and Installation ** (pages 103-105)

General Manager Fraser provided an overview of the request for a system improvement to intertie different pressure zones to facilitate water movement from one zone to another should a need arise. After discussion, Director Guldseth motioned to approve the request. The motion was second by Director Ross and passed 4-0 with Director Slawson absent.

6. Reports For Discussion

a. Ad Hoc Committees

No Reports were made.

b. General Manager

General Manager Fraser made a brief presentation to the Board addressing several items including: the California regulation effective July 1st, 2014 regarding Chromium 6 standards; master plan update; and projects involving the Grand Avenue Storm Water Project. General Manager Fraser noted that we had received a \$250,000 settlement payment from Performance Meter as a result of the bankruptcy hearings. Mr. Fraser then recognized the loss of Melissa Bender.

c. Directors Reports

President Woll thanked staff for their efforts and especially Melissa Bender in all her efforts and hard work, which can be seen in the clean and unmodified opinion from the auditors.

Director Ball echoed the sentiments. Director Ball attended the Pass Agency to submit District input regarding capacity fees. Director Ball also attended the Alliance meeting for storm water capture. Director Ball will be presenting an overview of the district facilities at the next meeting.

Director Guldseth expressed his gratitude to Melissa Bender for her thoughtfulness. Additionally, Director Guldseth requested collaboration and planning with the Pass Agency in the future.

Director Ross echoed the sentiments. Director Ross attended the Water Transportation Economic Summit with Director Slawson in Perris and relayed notes regarding county growth, chromium 6 standards, and collaboration between agencies.

d. Legal Counsel Report

Mr. Markman advised the Board on legislation on ground water management and adjudication issues.

7. Announcements

- *Beaumont Basin Watermaster meeting, August 6th, 2014 at 10:00 a.m.*
- *Finance & Audit Committee meeting, August 7th, 2014 at 3:00 p.m.*
- *Regular Board meeting, August 13th, 2014 at 7:00 p.m.*

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
- Update the Board on Infosend after one year
- Solar System Update

President Woll requested the Storm Water Capture project be added to the action list.

9. Recess to Closed Session

- a. Conference with Labor Negotiators pursuant to Government Code 54957.6:
Agency Negotiator: Eric Fraser
Represented Employees: BCVWD Employee Association

Item 9 was pulled from the agenda per President Woll.

10. Adjournment

President Woll adjourned the meeting at 8:25 p.m.

Attest:

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

Director Daniel Slawson, Secretary to the
Board of Directors of the
Beaumont-Cherry Valley Water District

** Information included in the agenda packet