



**BEAUMONT CHERRY VALLEY WATER DISTRICT  
AMENDED AGENDA  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
Wednesday, APRIL 14, 2010 at 7:00 PM  
560 Magnolia Avenue, Beaumont, CA 92223**

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**CALL TO ORDER, PRESIDENT BALL**

**PLEDGE OF ALLEGIANCE, VICE PRESIDENT PARKS**

**INVOCATION, PRESIDENT BALL**

**ROLL CALL, JULIE SALINAS**

**PUBLIC INPUT**

**PUBLIC COMMENT:** Anyone wishing to address the Board of Directors on any matter not on the agenda of this meeting may do so now. Anyone wishing to speak on an item on the agenda may do so at the time the Board considers that item. All persons wishing to speak must fill out a "Request to Speak" form and give it to the Secretary at the beginning of the meeting. The forms are available on the table at the back of the room. There is a three (3) minute limit on public comments. Sharing or passing time to another speaker is not permitted. Please do not repeat what was said by a previous speaker except to note agreement with that speaker. Thank you for your cooperation.

**ACTION ITEMS**

**1. ADOPTION OF THE AGENDA**

HALLIWILL	M	S	A	N
PARKS	M	S	A	N
ROSS	M	S	A	N
WOLL	M	S	A	N
BALL	M	S	A	N

**2. FINANCIAL REPORTS**

a. Bills for Consideration\*\*

Board Action  
March 2010

The Board will take action on the Bills for Consideration taking into account the recommendations of the Finance and Audit Committee.

HALLIWILL	M	S	A	N
PARKS	M	S	A	N
ROSS	M	S	A	N
WOLL	M	S	A	N
BALL	M	S	A	N

b. Invoices Pending Approval\*\*

Board Action

The Board will take action on the invoices for payment taking into account the recommendations of the Finance and Audit Committee.

HALLIWILL	M	S	A	N
PARKS	M	S	A	N
ROSS	M	S	A	N
WOLL	M	S	A	N
BALL	M	S	A	N

c. Month End Financial Statements  
March 2010\*\*

Board Action

The Board will take action to "accept and file" the Month End Financial Statements presented by staff.

HALLIWILL	M	S	A	N
PARKS	M	S	A	N
ROSS	M	S	A	N
WOLL	M	S	A	N
BALL	M	S	A	N

d. First Quarter Report\*\*

Board Action

The Board will take action to "accept and file" the First Quarter Report presented by staff.

HALLIWILL	M	S	A	N
PARKS	M	S	A	N
ROSS	M	S	A	N
WOLL	M	S	A	N
BALL	M	S	A	N

**3. APPROVAL OF THE MINUTES**

a. Minutes of the Special Meeting of March 3, 2010\*\*

HALLIWILL	M	S	A	N
PARKS	M	S	A	N
ROSS	M	S	A	N
WOLL	M	S	A	N
BALL	M	S	A	N

b. Minutes of the Special Meeting of March 17, 2010\*\*

HALLIWILL	M	S	A	N
PARKS	M	S	A	N
ROSS	M	S	A	N
WOLL	M	S	A	N
BALL	M	S	A	N

**4. REQUEST RECEIVED FROM NATALIE CUNNINGHAM TO DISCUSS  
WATER BILL FOR 39955 GRAND AVENUE\*\***

HALLIWILL	M	S	A	N
PARKS	M	S	A	N
ROSS	M	S	A	N
WOLL	M	S	A	N
BALL	M	S	A	N

**5. APPROVAL OF RESOLUTION 2010-07 AUTHORIZING DELEGATES  
TO VOTE ON BEHALF OF THE DISTRICT AT THE LAFCO SPECIAL  
DISTRICTS ELECTION (DIRECTOR ROSS)**

HALLIWILL	M	S	A	N
PARKS	M	S	A	N
ROSS	M	S	A	N
WOLL	M	S	A	N
BALL	M	S	A	N

## **6. REVIEW OF DRAFT WATER RATE STUDY**

HALLIWILL	M	S	A	N
PARKS	M	S	A	N
ROSS	M	S	A	N
WOLL	M	S	A	N
BALL	M	S	A	N

## **7. DISCUSSION AND POSSIBLE ACTION RE REDISTRICTING (ADJUSTING DIVISION BOUNDARIES)**

## **8. REPORTS FOR DISCUSSION AND POSSIBLE ACTION**

### **(a) Ad hoc Committees**

### **(b) General Manager**

- SWP Water Allotment
- Recycled Water Projects
- Cherry Valley Water Company

### **(c) Directors**

- Dr. Blair Ball
- John Halliwill
- Stella Parks
- Ken Ross
- Ryan Woll

### **(d) Legal Counsel**

## **9. ANNOUNCEMENTS**

### **ACTION LIST**

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## **10. CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL-**

**A. A Closed Session will be held pursuant to subdivision (a) of Government Code Section 54956 to confer with legal counsel on a pending litigation matter (Daniel Slawson and Arlene Slawson vs. Beaumont Cherry Valley Water District-Riverside County Superior Court, Case No. RIC 533149.**

**B. A Closed Session will also be held pursuant to Government Code Section 54957.6 to confer with the District's Labor Negotiators (Directors Stella Parks & Ken Ross and Interim General Manager, Tony Lara) re the Memorandum of Understanding with the District's represented employees.**

## **11. OPEN SESSION- REPORT ON CLOSED SESSION**

12. THE BOARD WILL CONSIDER APPROVING, RATIFYING AND CONFIRMING THE FURLOUGH PROGRAM (ONE DAY PER MONTH FOR ALL EMPLOYEES OF THE DISTRICT) IMPLEMENTED BY THE DISTRICT'S INTERIM GENERAL MANAGER ON MONDAY, APRIL 12, 2010 AND TERMINATING ON OCTOBER 31, 2010) AND AUTHORIZING THE DISTRICT'S INTERIM GENERAL MANAGER TO EXECUTE AN AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING WITH THE DISTRICT'S REPRESENTED EMPLOYEES WHICH SETS FORTH THE TERMS OF SAID FURLOUGH PROGRAM.

HALLIWILL	M	S	A	N
PARKS	M	S	A	N
ROSS	M	S	A	N
WOLL	M	S	A	N
BALL	M	S	A	N

13. ADJOURNMENT

HALLIWILL	M	S	A	N
PARKS	M	S	A	N
ROSS	M	S	A	N
WOLL	M	S	A	N
BALL	M	S	A	N

\*\* Information included in the agenda packet

**Assistance for the Disabled:** If you are disabled in any way and need accommodation to participate in the meeting, please call Julie Salinas, at (951) 845-9581 Ext. 21 for assistance so the necessary arrangements can be made.

The agenda material for this meeting is available to the public at the District's Administrative Office which is located at 560 Magnolia Avenue, Beaumont, CA 92223. If any additional material related to an open session agenda item is distributed to all or a majority of the board of directors after this agenda is posted, such material will be made available for immediate inspection at the same location.



## Check Register-Summary-Bank



AP5090

Page : 1

Date : Apr 09, 2010

Time : 9:44 am

Vendor : A&amp;A FENCE To ZETLMAIER

Cheque Dt. : 01-Mar-2010 To 31-Mar-2010

Bank : 7 - ACCOUNTS PAYABLE

Seq : Cheque No. Status : All

Medium : M=Manual C=Computer E=EFT-PA

Check #	Check Date	Vendor	Vendor Name	Status	Batch	Medium	Amount
40497	04-Mar-2010	AIRPROSERV	AIR PRO SERVICES	Cleared	130	C	1,893.00
40498	04-Mar-2010	AQMD	AQMD	Cleared	130	C	695.42
40499	04-Mar-2010	AVAYA	AVAYA INC	Cleared	130	C	120.38
40500	04-Mar-2010	B ACE HOME	BEAUMONT DO IT BEST HOME CENTER	Cleared	130	C	94.86
40501	04-Mar-2010	B76	BEAUMONT 76	Cleared	130	C	165.91
40502	04-Mar-2010	CLEANBYDES	CLEAN BY DESIGN INC.	Cleared	130	C	1,110.00
40503	04-Mar-2010	EDISON	SOUTHERN CALIFORNIA EDISON	Cleared	130	C	13,131.02
40504	04-Mar-2010	ESBABCOCK	ES BABCOCK	Cleared	130	C	600.00
40505	04-Mar-2010	HUDECS	HUDECS COMPUTER CONSULTING	Cleared	130	C	4,381.45
40506	04-Mar-2010	MCCALLSMET	MCCALLS METERS INC	Cleared	130	C	309.59
40507	04-Mar-2010	MCCROMETEI	MCCROMETER	Cleared	130	C	301.69
40508	04-Mar-2010	STAPLES	STAPLES BUSINESS ADVANTAGE	Cleared	130	C	115.04
40509	04-Mar-2010	STELLAPARK	PARKS, STELLA	Cleared	130	C	600.00
40510	04-Mar-2010	STMP000932	HILLCREST CONTRACTING	Cleared	130	C	842.15
40511	04-Mar-2010	STMP000933	CARTER JOHN (POWELL)	Cleared	130	C	707.42
40512	04-Mar-2010	STMP000934	STANDARD PACIFIC CORP	Issued	130	C	632.90
40513	04-Mar-2010	STMP000935	TODD OLSON TRUCKING	Cleared	130	C	728.71
40514	04-Mar-2010	STMP000936	LENNAR HOMES	Cleared	130	C	664.84
40515	04-Mar-2010	STMP000937	SYLVIA GREGORY (AGENT)	Cleared	130	C	60.88
40516	04-Mar-2010	WASTE MANA	RIVERSIDE COUNTY WASTE MANAGEMENT	Cleared	130	C	8.00
40517	04-Mar-2010	WOLLR000	WOLL, RYAN	Cleared	130	C	400.00
40518	11-Mar-2010	ACTIONTRUE	ACTION TRUE VALUE HARDWARE	Cleared	138	C	822.29
40519	11-Mar-2010	ACWAJPIA	ACWAJPIA	Cleared	138	C	23,996.00
40520	11-Mar-2010	AIR&HOSES0	AIR & HOSE SOURCE INC.	Cleared	138	C	61.25
40521	11-Mar-2010	ALSCO	ALSCO	Cleared	138	C	64.00
40522	11-Mar-2010	ARCO	ARCO GASPRO PLUS	Cleared	138	C	4,073.72
40523	11-Mar-2010	B ACE HOME	BEAUMONT DO IT BEST HOME CENTER	Cleared	138	C	166.13
40524	11-Mar-2010	CROWLEYCOI	CROWLEY COMPANY INC.	Cleared	138	C	2,749.77
40525	11-Mar-2010	EDISON	SOUTHERN CALIFORNIA EDISON	Cleared	138	C	43,664.99
40526	11-Mar-2010	ESBABCOCK	ES BABCOCK	Cleared	138	C	360.00
40527	11-Mar-2010	FREEMANOFF	FREEMAN OFFICE PRODUCTS	Cleared	138	C	731.83
40528	11-Mar-2010	GASCO	THE GAS COMPANY	Cleared	138	C	15.78
40529	11-Mar-2010	HASLE000	HASLER FINANCIAL SERVICES LLC	Cleared	138	C	4,510.17
40530	11-Mar-2010	HOMEDEPOT	HOME DEPOT CREDIT SERVICES	Cleared	138	C	226.27
40531	11-Mar-2010	HUDECS	HUDECS COMPUTER CONSULTING	Cleared	138	C	1,802.77
40532	11-Mar-2010	INLANDWATE	INLAND WATER WORKS	Cleared	138	C	5,311.27
40533	11-Mar-2010	JOHNSONMAC	JOHNSON MACHINERY	Cleared	138	C	395.54
40534	11-Mar-2010	MSTBACKFLO	MST BACKFLOW	Cleared	138	C	300.81
40535	11-Mar-2010	ONLINE INF	ONLINE INFORMATION SERVICES	Cleared	138	C	321.60
40537	11-Mar-2010	PRESTIGEMO	PRESTIGE MOBILE DETAIL	Cleared	138	C	432.00
40538	11-Mar-2010	RECORDGAZE	THE RECORD GAZETTE	Cleared	138	C	19.95
40539	11-Mar-2010	ROSSK000	ROSS, KEN	Cleared	138	C	400.00
40540	11-Mar-2010	STAPLES	STAPLES BUSINESS ADVANTAGE	Cleared	138	C	229.10
40541	11-Mar-2010	STMP000938	PATTON, DARNELL E.	Cleared	138	C	23.60
40542	11-Mar-2010	STMP000939	MOSES, DIRIK R & SHANNON	Cleared	138	C	89.19
40543	11-Mar-2010	STMP000940	STOERMANN, JASON	Cleared	138	C	132.69
40544	11-Mar-2010	STMP000941	ROBLES, HENRY	Cleared	138	C	44.00
40545	11-Mar-2010	STMP000942	VANARSDALL, RON	Issued	138	C	44.72
40546	11-Mar-2010	STMP000943	ESTEBAN, ENRIQUE E. GRANILLO	Issued	138	C	21.52
40547	11-Mar-2010	VERIZON	VERIZON	Cleared	138	C	134.67
40548	11-Mar-2010	VERIZON	VERIZON	Cleared	138	C	74.32
40549	11-Mar-2010	VERIZONBUS	VERIZON COMMUNICATION	Cleared	138	C	119.99
40550	11-Mar-2010	VERIZONIP1	VERIZON BUSINESS	Cleared	138	C	430.00
40551	11-Mar-2010	PRESSENTER	PRESS ENTERPRISE	Cleared	139	C	3,199.11
40552	18-Mar-2010	ADVANTAGE	ADVANTAGE SEPTIC SYSTEMS	Cleared	151	C	325.00
40553	18-Mar-2010	B ACE HOME	BEAUMONT DO IT BEST HOME CENTER	Cleared	151	C	269.17

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Check #	Check Date	Vendor	Vendor Name	Status	Batch	Medium	Amount
40554	18-Mar-2010	B76	BEAUMONT 76	Cleared	151	C	113.68
40555	18-Mar-2010	BANKOFSACR	BANK OF SACRAMENTO	Cleared	151	C	30,925.00
40556	18-Mar-2010	BERTHOWE	BERT HOWE & ASSOCIATES	Cleared	151	C	10,850.00
40557	18-Mar-2010	BURDICKRIC	BURDICK, RICHARD & BERNICE	Cleared	151	C	10,000.00
40558	18-Mar-2010	CR&RINCORP	CR&R INC	Cleared	151	C	225.15
40559	18-Mar-2010	CROWLEYCOI	CROWLEY COMPANY INC.	Cleared	151	C	620.01
40560	18-Mar-2010	CUSTOMTROF	CUSTOM TROPHIES	Cleared	151	C	14.14
40561	18-Mar-2010	DALEY&HEFT	DALEY & HEFT LLP	Cleared	151	C	6,652.66
40562	18-Mar-2010	ESBABCOCK	ES BABCOCK	Cleared	151	C	445.00
40563	18-Mar-2010	FEDEX	FEDEX	Cleared	151	C	14.09
40564	18-Mar-2010	HEMETVALLE	HEMET VALLEY TOOL & SUPPLY	Cleared	151	C	1,620.00
40565	18-Mar-2010	INLANDWATE	INLAND WATER WORKS	Cleared	151	C	8,248.03
40566	18-Mar-2010	MIKEMCGEOR	MIKE MCGEORGE GOPHER CONTROL	Cleared	151	C	250.00
40567	18-Mar-2010	NAPAAUTOPA	NAPA AUTO PARTS	Cleared	151	C	9.23
40568	18-Mar-2010	OAKVALLEYP	OAK VALLEY PHOTOGRAPHY	Cleared	151	C	296.76
40569	18-Mar-2010	PACIFICALA	PACIFIC ALARM	Cleared	151	C	202.00
40570	18-Mar-2010	PARSONS	PARSONS WATER & INFRASTRUCTURE INC.	Cleared	151	C	124,337.35
40571	18-Mar-2010	PASOROBLES	PASO ROBLES TANK INC.	Cleared	151	C	278,325.00
40572	18-Mar-2010	PITNEYBOWE	PITNEY BOWES INC	Cleared	151	C	2,734.02
40573	18-Mar-2010	REDWINE	REDWINE AND SHERRILL	Cleared	151	C	21,856.43
40574	18-Mar-2010	ROSSK000	ROSS, KEN	Cleared	151	C	600.00
40575	18-Mar-2010	STAPLES	STAPLES BUSINESS ADVANTAGE	Cleared	151	C	218.48
40576	18-Mar-2010	STELLAPARK	PARKS, STELLA	Cleared	151	C	400.00
40577	18-Mar-2010	STMP000944	BUCHELE, SCOTT	Issued	151	C	253.53
40578	18-Mar-2010	STMP000945	WHEELER, WARREN T.	Issued	151	C	15.27
40579	18-Mar-2010	STMP000946	RANNEY, CAROLE	Issued	151	C	89.94
40580	18-Mar-2010	STMP000947	KELLY WYATT (REALTOR)	Cleared	151	C	18.21
40581	18-Mar-2010	STMP000948	REMAX RESULTS - CASSIE BIRNIE	Issued	151	C	40.80
40582	18-Mar-2010	STMP000949	AMANDA SUTTON	Issued	151	C	45.84
40583	18-Mar-2010	STMP000950	KOEPSSELL, SALLY	Cleared	151	C	38.00
40584	18-Mar-2010	STMP000951	EWINS-HAMMON, YVONNE	Cleared	151	C	257.76
40585	18-Mar-2010	TERMINIX	TERMINIX	Cleared	151	C	49.00
40586	18-Mar-2010	TOMLARA	TOM LARA	Cleared	151	C	3,950.00
40587	18-Mar-2010	TRICOUNTYP	TRI COUNTY PUMP CO	Cleared	151	C	8,000.00
40588	18-Mar-2010	UNDERGROU	UNDERGROUND SERVICE ALERT	Cleared	151	C	91.50
40589	18-Mar-2010	VERIZON	VERIZON	Cleared	151	C	589.61
40590	18-Mar-2010	VERIZON	VERIZON	Cleared	151	C	553.05
40591	18-Mar-2010	VERIZONWIR	VERIZON WIRELESS	Cleared	151	C	424.82
40592	18-Mar-2010	WASTEMANA	WASTE MANAGEMENT	Cleared	151	C	237.36
40593	18-Mar-2010	WASTEMANA	WASTE MANAGEMENT	Cleared	151	C	118.95
40594	18-Mar-2010	WILLDAN	WILLDAN FINANCIAL SERVICE	Cleared	151	C	4,820.40
40595	18-Mar-2010	WOLLR000	WOLL, RYAN	Cleared	151	C	200.00
40596	18-Mar-2010	XEROX	XEROX CORPORATION	Cleared	151	C	1,166.19
40597	25-Mar-2010	ACPROPANE	AC PROPANE	Issued	161	C	2,103.52
40598	25-Mar-2010	ALSCO	ALSCO	Issued	161	C	64.00
40599	25-Mar-2010	AMERICANOF	AMERICAN OFFICE SOLUTION	Cleared	161	C	48.94
40600	25-Mar-2010	BLAWNMOWE	BEAUMONT LAWNMOWER	Cleared	161	C	367.52
40601	25-Mar-2010	BTIRE	BEAUMONT TIRE	Cleared	161	C	274.36
40602	25-Mar-2010	BUSDZOO1	BUSD - C/O BETSY SEARS	Issued	161	C	1,000.00
40603	25-Mar-2010	CALTOOL	CALIFORNIA TOOL & WELDING	Cleared	161	C	46.80
40604	25-Mar-2010	CITYOFB	CITY OF BEAUMONT	Cleared	161	C	47.54
40605	25-Mar-2010	CONTROLVAL	CONTROL VALVE SYSTEMS INC	Cleared	161	C	1,228.06
40606	25-Mar-2010	CROWLEYCOI	CROWLEY COMPANY INC.	Cleared	161	C	1,229.88
40607	25-Mar-2010	DPSI	DPSI	Cleared	161	C	1,000.00
40608	25-Mar-2010	EDISON	SOUTHERN CALIFORNIA EDISON	Cleared	161	C	1,287.45
40609	25-Mar-2010	ESBABCOCK	ES BABCOCK	Cleared	161	C	400.00

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Cheque Dt. : 01-Mar-2010 To 31-Mar-2010

Bank : 7 - ACCOUNTS PAYABLE

Seq : Cheque No.

Status : All

Medium : M=Manual C=Computer E=EFT-PA

Check #	Check Date	Vendor	Vendor Name	Status	Batch	Medium	Amount
40610	25-Mar-2010	FREEMANOFF	FREEMAN OFFICE PRODUCTS	Cleared	161	C	2,236.73
40611	25-Mar-2010	HASLER	TOTALFUNDS BY HASLER	Cleared	161	C	2,000.00
40612	25-Mar-2010	HIGHLANDSP	HIGHLAND SPRINGS EXPRESS LUBE	Issued	161	C	45.61
40613	25-Mar-2010	IDEARCMEDI	SUPERMEDIA LLC	Cleared	161	C	51.50
40614	25-Mar-2010	METROCALL	USA MOBILITY WIRELESS INC.	Cleared	161	C	24.64
40615	25-Mar-2010	PATSPOTS	PAT'S POTS	Issued	161	C	310.00
40616	25-Mar-2010	PITNEYBOW	EASYPERMIT POSTAGE	Cleared	161	C	1,587.90
40617	25-Mar-2010	POWERPLAN	POWERPLAN OIB	Cleared	161	C	113.33
40618	25-Mar-2010	PRESTIGEMO	PRESTIGE MOBILE DETAIL	Cleared	161	C	320.00
40619	25-Mar-2010	PRIORITYMA	PRIORITY MAILING SYSTEMS	Issued	161	C	48.00
40620	25-Mar-2010	STAPLES	STAPLES BUSINESS ADVANTAGE	Cleared	161	C	489.68
40621	25-Mar-2010	STMP000952	PETIT, GREGOIRE	Cleared	161	C	31.20
40622	25-Mar-2010	STMP000953	POWELL, WILLIAM B	Issued	161	C	28.84
40623	25-Mar-2010	STMP000954	VUE, XIONG PAO	Cleared	161	C	19.68
40624	25-Mar-2010	STMP000955	K. HOVNANIAN	Cleared	161	C	61.49
40625	25-Mar-2010	STMP000956	FAIRCLOTH, GLENN	Cleared	161	C	31.96
40626	25-Mar-2010	TIMEWARNER	TIME WARNER CABLE	Cleared	161	C	120.01
40627	25-Mar-2010	VERIZON	VERIZON	Cleared	161	C	649.23
40628	25-Mar-2010	VERIZON	VERIZON	Cleared	161	C	185.56
40629	25-Mar-2010	WEINHOFFDR	WEINHOFF DRUG TESTING	Issued	161	C	75.00
40630	31-Mar-2010	SBVMWD	SAN BERNARDINO VALLEY MWD	Issued	170	C	950.00
<b>Total Computer Paid :</b>		<b>661,522.17</b>	<b>Total EFT PAP :</b>	<b>0.00</b>	<b>Total Paid :</b>		<b>661,522.17</b>
<b>Total Manually Paid :</b>		<b>0.00</b>	<b>Total EFT File :</b>	<b>0.00</b>			

133 Total No. Of Cheque(s) ...

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## MEMORANDUM

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**Date:** April 5, 2010  
**From:** Anthony Lara, Interim General Manager  
**To:** Finance and Audit Committee  
**Subject:** Invoices Pending Payment

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Attached please find copies of the professional services invoices which are pending payment. Total amount pending approval is \$157,011.11

Name	Invoice #	Amount
Parsons Engineering Science	10030136	\$38,228.86
Fieldman Rolapp	19352	\$26,561.28
Parsons Engineering Science	10030137	\$65,690.12
Geoscience	15061-45	\$3,917
Redwine \$ Sherrill	310001	\$15,123.85
Charles Z. Fedak		\$7,490.00
		<b><u>\$157,011.11</u></b>

## MEMORANDUM

March 4, 2010

**HOLD INVOICE**  
**Board Approval Required**

**TO:** Tony Lara, Interim General Manager  
**FROM:** Steve Gratwick  
**SUBJECT:** Work During Billing Period: 1/30/10 through 2/26/10  
Invoice No. 10030136

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During this past billing period we performed the following tasks:

Task 01000 – General:

- Administration.....\$502.50
- Fire Flow Analysis / Water Supply Report- Calimesa Retail.....\$4,420.00

Task 10003 – 2800 Recycled Water Tank:

- Reviewing Contractor's RFIs & project billing and administration,  
Field inspection of tank, Prepare change order;.....\$5,996.25
- ODCs (Converse Consultants – On site soil technician & compaction testing, and  
laboratory testing).....\$1,318.95
- ODCs (Postage, Reproduction, & Travel).....\$132.22

Task 10018 – Ring Ranch Road Extension:

- Coordinating and preparing easement documents for property owners; Prepare  
letters for property owners; revise plans based on comments from Centerstone  
Development, review Contractor's submittals;.....\$5,762.50
- ODCs (Postage, Reproduction, & Travel).....\$63.50

Task 10020 – Desert Lawn Dr. Project:

- Reviewing contractor's change orders and RFIs & project billing and  
administration.....\$4,995.00
- ODCs (Converse Consultants - On site soil technician & compaction testing, and  
laboratory testing).....\$5,774.65

Task 10022 – Brookside Blvd Pipeline

- Reviewing contractor's submittals and RFIs & project billing and administration;  
Re-design of bore pit based on new relocation; Negotiate change order;.....\$4,520.00
- ODCs (Converse Consultants - On site soil technician & compaction testing, and  
laboratory testing).....\$4,693.35
- ODCs (Postage, Reproduction, & Travel).....\$49.94

# PARSONS

100 West Walnut Street • Pasadena, California 91124 • (626) 440-2000 • Fax: (626) 440-2630 • www.parsons.com

## I N V O I C E

NET 30 DAYS  
MARCH 02, 2010

CLIENT REF. : CONTRACT 8/31/81  
INVOICE NO. : 10030136  
PROJECT NO. : 723185-W  
CLIENT NO. : 72192

TO: BEAUMONT-CHERRY VALLEY WATER DISTRICT  
560 MAGNOLIA AVE.  
BEAUMONT, CA

92223-2037

ATTN: MR. ANTHONY LARA, INTERIM GEN. MGR.

PLEASE REMIT TO:  
PARSONS WATER & INFRASTRUCTURE  
P. O. BOX 601094  
PASADENA, CA

91189-1094

FOR: BEAUMONT-CHERRY VALLEY ENGINEER

BILLING PERIOD: 1/30/10 THROUGH 2/26/10

HOURS	CURRENT PERIOD THROUGH 2/26/10
-------	-----------------------------------

### PROFESSIONAL SERVICES

Labor Costs:	177.7	26,196.25
ODCS without markup:		12,032.61

SUBTOTAL:	38,228.86
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TOTAL THIS INVOICE:	38,228.86
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# INVOICE

Beaumont-Cherry Valley Water District  
560 Magnolia Avenue  
P.O. Box 2037  
Beaumont CA 92223  
Attn: Anthony Lara, General Manager  
Project No. 10115  
Re: Private Placement Financing

DATE	INVOICE #
4/1/2010	19352

Tax ID No. 95-2920834

For professional services rendered pursuant to agreement between Beaumont-Cherry Valley Water District and Fieldman, Rolapp & Associates, Inc.

	<u>Amount</u>
For professional services rendered	\$25,000.00
Additional Charges: Expenses	
6% net fee surcharge	1,500.00
Conference Call(s)	20.28
Mileage	41.00
Total Expense Charges	\$1,561.28
Total amount of this invoice	\$26,561.28

**HOLD INVOICE**  
Board Approval Required

## WIRE TRANSFER INSTRUCTIONS:

Please Wire the payment to:

1st Enterprise Bank  
17901 Von Karma Ave., Suite 450  
Irvine, CA 92614  
ABA # 122044300  
Account # 020102418  
Account Name: Fieldman, Rolapp & Associates

 **COPY**

 **COPY**

**MEMORANDUM**

January 5, 2010

**TO:** Tony Lara, Interim General Manager  
**FROM:** Steve Gratwick  
**SUBJECT:** Work During Billing Period: 11/28/09 through 12/25/09  
Invoice No. 10010137

**RECEIVED**  
APR 01 2010

BY: \_\_\_\_\_

Approved for Payment

VARIOUS ACCOUNTS  
41

During this past billing period we performed the following tasks:

Task 01000 – General: 1-5-5820-611 ES

- Administration.....\$795.00
- Beaumont Unified School District – Fire Flow Analysis.....\$2,870.00
- Review District Standard Specifications.....\$680.00

Task 10003 – 2800 Recycled Water Tank: 2-1-0809-7054

- Reviewing contractor's submittals and RFIs;  
Revised plans due to field changes; Field inspection of foundation  
Prepare change order.....\$13,403.75
- ODCs.....\$154.52

Task 10013 – CEQA Recycled Water Projects: 2-1-0304-7054

- Review CEQA documents for Corps of Engineers permit  
for Noble and Marshall Creek crossings.....\$850.00

Task 10018 – Ring Ranch Road Extension: 2-1-0813-7054

- Addressed comments from City of Beaumont plan review & updated spec & dwgs;  
Coordinating and preparing easement documents for property owners;  
Prepare letters for property owners.....\$13,350.16

Task 10020 – Desert Lawn Dr. Project: 2-1-0812-7053

- Coordination with City of Calimesa for construction of Desert Lawn Dr. project;  
Reviewing contractor's submittals and RFIs.....\$5,940.00
- ODCs.....\$34.40



# PARSONS

100 West Walnut Street • Pasadena, California 91124 • (626) 440-2000 • Fax: (626) 440-2630 • www.parsons.com

## I N V O I C E

NET 30 DAYS  
DECEMBER 30, 2009

CLIENT REF. : CONTRACT 8/31/81  
INVOICE NO. : 10010137  
PROJECT NO. : 723185-W  
CLIENT NO. : 72192

TO: BEAUMONT-CHERRY VALLEY WATER DISTRICT  
560 MAGNOLIA AVE.  
BEAUMONT, CA

92223-2037

ATTN: MR. ANTHONY LARA, INTERIM GEN. MGR.

PLEASE REMIT TO:  
PARSONS WATER & INFRASTRUCTURE  
P. O. BOX 601094  
PASADENA, CA

91189-1094

FOR: BEAUMONT-CHERRY VALLEY ENGINEER

BILLING PERIOD: 11/28/09 THROUGH 12/25/09

	HOURS	CURRENT PERIOD THROUGH 12/25/09
PROFESSIONAL SERVICES		
Labor Costs:	380.2	52,298.75
ODCS without markup:		13,391.37
		<hr/>
SUBTOTAL:		65,690.12
		<hr/>
TOTAL THIS INVOICE:		65,690.12
		=====



RECEIVED  
MAR 04 2010

BY: .....

March 2, 2010

Accounts Payable  
Beaumont Cherry Valley Water District  
560 Magnolia Ave.  
Beaumont, CA 92223-2258

**Re: Progress Billing Invoice for Geohydrologic Consulting – Noble Creek Artificial Recharge**

**Period of this Invoice: December 1, 2009 – February 26, 2010**

**Invoice #15061-45**

Accounts Payable:

This letter is an invoice for the above referenced project. Please note that as per Tony Lara all work has ceased on this project. This is the final bill for all work performed.

**Please Pay This Amount: \$3,917**

Payable to:

GEOSCIENCE Support Services, Inc.  
P.O. Box 220  
Claremont, CA 91711

Approved for Payment

1-5-5820-611 CB

3/5

INVOICE APPROVED  
BY: ANTHONY LARA  
DATE: 3/2/10

GEOSCIENCE SUPPORT SERVICES INCORPORATED

Ground Water Resources Development

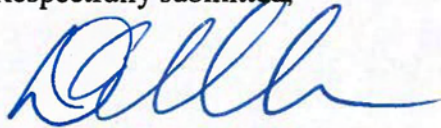
P.O. Box 220, Claremont, CA 91711

T: 909-451-6650

F: 909-451-6638

<b>Total Previous Invoices:</b>	<b>\$295,796</b>
<b>Total this Invoice:</b>	<b>\$3,917</b>
<b>Total Invoiced to Date:</b>	<b>\$299,713</b>

Respectfully submitted,



Dennis E. Williams, Ph.D.  
President

**Reimbursable Expenses for Beaumont Cherry Valley Water District**

**Monitoring Wells - MW3 S, MW3 D, MW4 S, MW4 D, MW4 S, MW5 D, MW5 S**

**Time Period: December 1, 2009 to February 26, 2010**

**GEOSCIENCE Invoice #15061-45**

<b>Date</b>	<b>Vendor</b>	<b>Description</b>	<b>Amount</b>
20-Dec-09	GEOSCIENCE	Field Work Per Diem - Download Data	\$125
Subtotal Reimbursable Expenses [Excluding Subcontractors]:			\$125
Subtotal Subcontractor:			\$0
5% Fee on Subcontractors:			\$0
Total Reimbursable:			\$125

LAW OFFICES  
**REDWINE AND SHERRILL**  
STATEMENT FOR PROFESSIONAL SERVICES

1950 MARKET STREET  
RIVERSIDE, CALIFORNIA 92501-1720  
TELEPHONE 951-684-2520  
ID # 95-1979627

March 30, 2010

Beaumont Cherry Valley Water District  
ATTN: Tony Lara  
P. O. Box 2037  
Beaumont, CA 92223

For Services Rendered During March 2010

Legal Fees due for Month	\$13,452.50
Costs Advanced for Month	\$ 1,671.35
<b>CURRENT AMOUNT DUE</b>	<b>\$15,123.85</b>

**HOLD INVOICE**  
**Board Approval Required**





Charles Z. Fedak, CPA, MBA  
Paul J. Kaymark, CPA

# Charles Z. Fedak & Company

Certified Public Accountants  
An Accountancy Corporation

6081 Orange Avenue  
Cypress, California 90630  
(714) 527-1818  
(562) 598-6565  
FAX (714) 527-9154  
EMAIL czfco@czfcpa.com

March 31, 2010

Ms. Julie Salinas, Business Manager  
Beaumont-Cherry Valley Water District  
560 Magnolia Avenue  
Beaumont, CA 92223



Professional services rendered during the month of March 2010:

Progress billing on audit of financial statements  
of the District for the year ended December 31,  
2009 related to planning preliminary work.

\$ 7,200.00

Out-of-pocket expenses incurred in connection  
with the above work performed.

290.00

**\$ 7,490.00**

**DUE AND PAYABLE UPON RECEIPT**

# M E M O R A N D U M

**Date:** April 5, 2010  
**From:** Julie J. Salinas, Business Manager  
**To:** Finance and Audit Committee  
**Subject:** Month End Financial Report

Bank Balances (total interest earned in March was \$1,400.20):

<b>G/L Acct</b>	<b>GL Description/Bank Account Name</b>	<b>G/L Bank Account Balance (as of 03/31/10)</b>	<b>Bank Balance Statement (as of 03/31/10)</b>
1-1-1116-150	General Funds - Bank of Hemet		172,085.74
1-1-1116-151	Accounts Payable - Bank of Hemet		8,055.10
1-1-1116-152	Payroll - Bank of Hemet		9,483.74
1-1-1116-153	LAIF		3,531.49
1-1-1116-159	Wells Fargo Commercial Checking		12,990.85
1-1-1116-160	Local Agency Money Market - BOH		6,319,956.23
			<b><u>6,526,103.15</u></b>

As requested by Director Ross:

<b>Operating Revenues</b>	<b>Current Month</b>	<b>Year to Date</b>
Monthly Service Charges	117,800	423,941
Water Sales	140,729	546,296
Penalties	16,280	52,050
Pass Thru Charges	70,646	291,782
Other	49,556	128,564
District Housing	4,204	12,359
	<b><u>399,216</u></b>	<b><u>1,454,993</u></b>

## Expenses

### Labor & Benefits

501 - Labor	110,499	321,908
503 - Sick Leave	5,690	20,440
504 - Vacation	2,257	9,852
505 - Holidays	6,773	26,860
243 - Retirement - CalPERS	32,716	97,421
237 - Health Insurance	27,198	81,861
507 - Life Insurance	825	2,501
	<b><u>185,957</u></b>	<b><u>560,843</u></b>

### Utilities

515 - Electric	60,375	153,395
580 - Telephone	3,306	8,991
581 - Sanitation	629	1,792
	<b><u>64,310</u></b>	<b><u>164,178</u></b>

**Beaumont Cherry Valley Water District**  
**Statement of Revenues and Expenses**  
**Month Ending March 31, 3010**

	March	Year to Date
Operating revenues:		
Monthly Service Charges*	117,800	423,941
Water sales	\$ 157,009	\$ 598,346
Total water sales	\$ 274,809	\$ 1,022,287
Water services:		
Pass thru charges	70,646	291,782
Service Connections	43,574	81,764
Development reimbursement	3,614	14,245
Other	<u>2,368</u>	<u>32,556</u>
Total water services	<u>120,202</u>	<u>420,347</u>
Total operating revenues	<u>395,011</u>	<u>1,442,634</u>
Operating expenses:		
Pumping Expenses	114,454	338,044
Transmission and distribution	64,494	202,768
Customer accounts	13,931	43,319
Administration	117,712	283,378
Maintenance & General Plant	25,356	62,345
Engineering (in-house)	8,151	29,424
Professional Services	40,053	45,117
Depreciation	<u>168,779</u>	<u>506,338</u>
Total operating expenses	<u>552,930</u>	<u>1,510,733</u>
Income (loss) from operations	<u>(157,919)</u>	<u>(68,099)</u>
Debt Service:		
Loan Payment	<u>-</u>	<u>-</u>
Total Debt Service	<u>-</u>	<u>-</u>
Nonoperating revenues (expenses):		
Rent & Utilities Reimbursement	3,101	6,067
Miscellaneous expense	(297)	(573)
Investment income	<u>1,400</u>	<u>6,864</u>
Total nonoperating revenues	<u>4,204</u>	<u>12,359</u>
Income before contributions	<u>(153,714)</u>	<u>(55,740)</u>
Capital contributions:		
Facilities charges	2,000	2,000
Front footage fees and other reimbursements	<u>-</u>	<u>-</u>
Total capital contributions	<u>2,000</u>	<u>2,000</u>
Changes in net assets	<u>(151,714)</u>	<u>(53,740)</u>

\*New GL Account set up 03/18/10



**Beaumont Cherry Valley Water District  
Month End Financial Statement - Detail  
March**

	March	Year to Date	2010 Adopted Budget	Budget Remaining	Percent to Budget
<b>Operating Revenue</b>					
1-4-4010-400 - MONTHLY SERVICE CHARGES*	117,800	423,941	1,863,415	1,439,474	23%
1-4-4010-401 - DOMESTIC WATER SALES	135,039	527,254	4,074,564	3,547,310	13%
1-4-4010-402 - IRRIGATION WATER SALES	1,449	2,713	30,000	27,287	9%
1-4-4010-403 - CONSTRUCTION WATER SALES	4,241	16,329	125,000	108,671	13%
1-4-4010-404 - INSTALLATION CHARGES	43,574	81,764	100,000	18,236	82%
1-4-4010-407 - REIMB. CUST. DAMAGES/UPGRADES	942	1,381	30,000	28,619	5%
1-4-4010-408 - BACKFLOW DEVICES	989	4,720	22,500	17,780	21%
1-4-4010-410 - RETURNED CHECK FEES	40	360	3,500	3,140	10%
1-4-4010-411 - MISCELLANEOUS INCOME	297	13,201	15,000	1,799	88%
1-4-4010-412 - RENTAL INCOME	100	300	1,200	900	25%
1-4-4010-413 - DEVELOPEMENT INCOME (DEPOSITS APF	3,614	14,245	60,000	45,755	24%
1-4-4010-414 - RECHARGE INCOME (CITY OF BANNING)	-	12,595	100,000	87,405	13%
1-4-4010-441 - TURN ONS	3,120	9,600	36,000	26,400	27%
1-4-4010-442 - THIRD NOTICE CHARGE	6,680	20,920	76,000	55,080	28%
1-4-4010-443 - PENALTIES	6,480	21,530	91,000	69,470	24%
1-4-4010-444 - SGPWA IMPORTATION CHARGE	30,501	129,440	996,851	867,411	13%
1-4-4010-445 - SCE POWER CHARGE	40,145	162,343	1,311,650	1,149,307	12%
	<b>395,011</b>	<b>1,442,634</b>	<b>8,936,680</b>	<b>7,494,046</b>	<b>16%</b>
<b>Pumping Expenses</b>					
1-5-5200-237 - HEALTH INSURANCE	3,875	11,943	55,000	43,057	22%
1-5-5200-243 - RETIREMENT/CALPERS	4,630	14,232	65,000	50,768	22%
1-5-5200-501 - LABOR	16,114	50,436	275,000	224,564	18%
1-5-5200-502 - BEREAVEMENT/SEMINAR/JURY DUTY	-	-	1,000	1,000	0%
1-5-5200-503 - SICK LEAVE	1,266	3,047	4,500	1,453	68%
1-5-5200-504 - VACATION	192	451	6,000	5,549	8%
1-5-5200-505 - HOLIDAYS	820	3,484	9,500	6,016	37%
1-5-5200-507 - LIFE INSURANCE	112	351	1,600	1,249	22%
1-5-5200-508 - UNIFORMS, EMPLOYEE BENEFITS	-	-	1,000	1,000	0%
1-5-5200-511 - TREATMENT & CHEMICALS	-	-	160,000	160,000	0%
1-5-5200-512 - LAB TESTING	2,435	6,524	45,000	38,476	14%
1-5-5200-513 - MAINTENANCE EQUIPMENT (PUMPING)	26,299	30,828	160,000	129,172	19%
1-5-5200-514 - UTILITIES - GAS	16	26	120	94	21%
1-5-5200-515 - UTILITIES - ELECTRIC	57,177	146,557	1,700,000	1,553,443	9%
1-5-5200-517 - TELEMETRY MAINTENANCE	-	34	6,000	5,966	1%
1-5-5200-518 - SEMINAR & TRAVEL EXPENSES	-	-	500	500	0%
1-5-5200-519 - EDUCATION EXPENSES	-	90	1,000	910	9%
1-5-5200-520 - WORKER'S COMPENSATION INSURANCE	1,517	4,739	10,000	5,261	47%
1-5-5200-620 - STATE PROJECT WATER PURCHASED	-	65,302	570,600	505,298	11%
	<b>114,454</b>	<b>338,044</b>	<b>3,071,820</b>	<b>2,733,776</b>	<b>11%</b>
<b>Transmission &amp; Distribution</b>					
1-5-5300-237 - HEALTH INSURANCE	9,970	29,339	115,000	85,661	26%
1-5-5300-243 - RETIREMENT/CALPERS	10,309	29,664	110,000	80,336	27%
1-5-5300-501 - LABOR	32,171	89,905	370,000	280,095	24%
1-5-5300-502 - BEREAVEMENT/SEMINAR/JURY DUTY	197	764	2,400	1,636	32%
1-5-5300-503 - SICK LEAVE	2,835	7,204	18,000	10,796	40%
1-5-5300-504 - VACATION	801	2,513	24,000	21,487	10%
1-5-5300-505 - HOLIDAYS	1,873	7,928	24,000	16,072	33%
1-5-5300-507 - LIFE INSURANCE	270	787	3,100	2,313	25%
1-5-5300-508 - UNIFORMS, EMPLOYEE BENEFITS	-	130	3,200	3,070	4%
1-5-5300-518 - SEMINAR & TRAVEL EXPENSES	-	-	1,000	1,000	0%
1-5-5300-519 - EDUCATION EXPENSES	-	55	2,000	1,945	3%
1-5-5300-520 - WORKER'S COMPENSATION INSURANCE	3,297	9,442	15,000	5,559	63%
1-5-5300-530 - MAINT PIPELINE/FIRE HYDRANT	233	7,133	95,000	87,867	8%
1-5-5300-531 - LINE LOCATES	105	376	3,500	3,124	11%
1-5-5300-534 - MAINT METERS & SERVICES	329	11,353	175,000	163,647	6%
1-5-5300-535 - BACKFLOW DEVICES	-	-	500	500	0%

**Beaumont Cherry Valley Water District**  
**Month End Financial Statement - Detail**  
**March**

	March	Year to Date	2010 Adopted Budget	Budget Remaining	Percent to Budget
1-5-5300-536 - MAINTENANCE RESERVOIRS/TANKS	-	-	10,000	10,000	0%
1-5-5300-537 - MAINTENANCE PRESSURE REGULATORS	-	-	12,000	12,000	0%
1-5-5300-538 - INSPECTIONS	2,105	6,174	35,000	28,826	18%
1-5-5300-540 - INVENTORY PURCHASE DISCOUNTS	-	-	(5,000)	(5,000)	0%
1-5-5300-541 - OBSOLETE OR DAMAGED INVENTORY	-	-	20,000	20,000	0%
	<b>64,494</b>	<b>202,768</b>	<b>1,033,700</b>	<b>830,932</b>	<b>20%</b>
<b>Customer Accounts</b>					
1-5-5400-237 - HEALTH INSURANCE	2,555	7,945	34,000	26,055	23%
1-5-5400-243 - RETIREMENT/CALPERS	2,276	6,998	31,000	24,002	23%
1-5-5400-501 - LABOR	6,943	20,638	99,000	78,362	21%
1-5-5400-502 - BEREAVEMENT/SEMINAR/JURY DUTY	-	-	1,000	1,000	0%
1-5-5400-503 - SICK LEAVE	21	504	3,000	2,496	17%
1-5-5400-504 - VACATION	687	2,608	4,000	1,392	65%
1-5-5400-505 - HOLIDAYS	703	2,298	6,500	4,202	35%
1-5-5400-507 - LIFE INSURANCE	57	179	800	621	22%
1-5-5400-508 - UNIFORMS, EMPLOYEE BENEFITS	-	-	800	800	0%
1-5-5400-519 - EDUCATION EXPENSES	-	-	1,000	1,000	0%
1-5-5400-520 - WORKER'S COMPENSATION	690	2,150	2,300	150	93%
	<b>13,931</b>	<b>43,319</b>	<b>183,400</b>	<b>140,081</b>	<b>24%</b>
<b>General &amp; Administrative</b>					
1-5-5500-237 - HEALTH INSURANCE	10,470	31,523	152,000.00	120,477	21%
1-5-5500-243 - RETIREMENT/CALPERS	14,554	43,324	221,000.00	177,676	20%
1-5-5500-501 - LABOR	49,341	141,149	810,000.00	668,851	17%
1-5-5500-502 - BEREAVEMENT/SEMINAR/JURY DUTY	-	-	2,500.00	2,500	0%
1-5-5500-503 - SICK LEAVE	1,568	9,685	20,000.00	10,315	48%
1-5-5500-504 - VACATION	266	3,969	38,000.00	34,031	10%
1-5-5500-505 - HOLIDAYS	3,128	12,154	39,000.00	26,846	31%
1-5-5500-507 - LIFE INSURANCE	360	1,096	5,600.00	4,504	20%
1-5-5500-518 - SEMINAR & TRAVEL EXPENSES	-	-	2,000.00	2,000	0%
1-5-5500-519 - EDUCATION EXPENSES	-	-	1,000.00	1,000	0%
1-5-5500-520 - WORKER'S COMPENSATION INSURANCE	1,658	4,927	8,000.00	3,073	62%
1-5-5500-522 - UNEMPLOYMENT INSURANCE	-	-	14,000.00	14,000	0%
1-5-5500-547 - EMPLOYER SHARE FOR RETIRED (CALPE	-	1,043	4,500.00	3,457	23%
1-5-5500-548 - ADMINISTRATIVE COSTS (CALPERS)	-	265	2,000.00	1,735	13%
1-5-5500-549 - BANK CHGS/MONEY MARKET/TRANS. FEE	-	3,990	20,000.00	16,010	20%
1-5-5500-555 - OFFICE SUPPLIES	7,793	12,851	47,500.00	34,649	27%
1-5-5500-556 - OFFICE EQUIPMENT/SERVICE AGREEMENT	(10,081)	1,574	85,000.00	83,426	2%
1-5-5500-557 - OFFICE MAINTENANCE	1,077	3,231	15,000.00	11,769	22%
1-5-5500-558 - MEMBERSHIP DUES	-	275	21,000.00	20,725	1%
1-5-5500-560 - OFFICE EQUIP.MAINT. & REPAIRS	-	-	2,000.00	2,000	0%
1-5-5500-561 - POSTAGE	3,588	10,367	40,000.00	29,633	26%
1-5-5500-562 - SUBSCRIPTIONS	373	618	1,600.00	982	39%
1-5-5500-563 - MISCELLANEOUS OPERATING SUPPLIES	1,210	2,373	15,000.00	12,627	16%
1-5-5500-564 - MISCELLANEOUS TOOLS/EQUIPMENT	649	808	10,000.00	9,192	8%
1-5-5500-567 - EMPLOYEE MEDICAL/FIRST AID	-	-	600.00	600	0%
1-5-5500-568 - RANDOM DRUG TESTING	75	75	500.00	425	15%
1-5-5500-570 - PROPERTY/AUTO/GEN LIABILITY INSURANCE	23,996	(19,762)	60,000.00	79,762	-33%
1-5-5500-572 - STATE MANDATES AND TARRIFFS	1,645	1,645	27,000.00	25,355	6%
1-5-5500-574 - PUBLIC EDUCATION	-	-	10,000.00	10,000	0%
1-5-5500-578 - IT SUPPORT/SOFTWARE SUPPORT	2,641	10,112	65,000.00	54,888	16%
1-5-5500-630 - ACCOUNTS RECEIVABLE	-	50	1,000.00	950	5%
1-5-5510-550 - BOARD OF DIRECTOR FEES	3,400	6,000	40,000.00	34,000	15%
1-5-5510-551 - SEMINAR & TRAVEL EXPENSES	-	-	3,500.00	3,500	0%
1-5-5510-552 - ELECTION EXPENSES	-	35	34,000.00	33,965	0%
	<b>117,712</b>	<b>283,378</b>	<b>1,818,300</b>	<b>1,534,922</b>	<b>16%</b>
<b>Maintenance/General Plant</b>					
1-5-5610-515 - ELECTRIC - 560 MAGNOLIA AVE	1,263	3,772	20,000.00	16,228	19%

**Beaumont Cherry Valley Water District  
Month End Financial Statement - Detail  
March**

			<b>2010</b>		
	<b>March</b>	<b>Year to Date</b>	<b>Adopted Budget</b>	<b>Budget Remaining</b>	<b>Percent to Budget</b>
1-5-5610-580 - TELEPHONE - 560 MAGNOLIA AVE	3,232	8,861	30,000.00	21,139	30%
1-5-5610-581 - SANITATION - 560 MAGNOLIA AVE	166	404	2,400.00	1,996	17%
1-5-5610-582 - MAINTENANCE - 560 MAGNOLIA AVE	2,484	2,645	3,000.00	355	88%
1-5-5615-515 - ELECTRIC - 12303 OAK GLEN ROAD	429	694	3,000.00	2,306	23%
1-5-5615-582 - MAINTENANCE/REPAIR - 12303 OAK GLEN	325	423	500.00	77	85%
1-5-5615-583 - PROPANE - 12303 OAK GLEN ROAD	-	-	2,000.00	2,000	0%
1-5-5620-515 - ELECTRIC - 13695 OAK GLEN ROAD	163	279	3,000.00	2,721	9%
1-5-5620-582 - MAINTENANCE/REPAIR - 13695 OAK GLEN	-	-	500.00	500	0%
1-5-5620-583 - PROPANE - 13695 OAK GLEN ROAD	499	499	2,000.00	1,501	25%
1-5-5625-515 - ELECTRIC - 13697 OAK GLEN ROAD	370	555	3,000.00	2,445	19%
1-5-5625-582 - MAINTENANCE/REPAIR - 13697 OAK GLEN	-	-	500.00	500	0%
1-5-5625-583 - PROPANE - 13697 OAK GLEN ROAD	481	481	2,000.00	1,519	24%
1-5-5630-515 - ELECTRIC - 9781 AVENIDA MIRAVILLA	111	236	3,000.00	2,764	8%
1-5-5630-582 - MAINTENANCE/REPAIR - 9781 AVENIDA M	-	-	500.00	500	0%
1-5-5630-583 - PROPANE - 9781 AVENIDA MIRAVILLA	259	259	2,000.00	1,741	13%
1-5-5635-515 - ELECTRIC - 815 E. 12TH STREET	862	1,302	7,000.00	5,698	19%
1-5-5635-580 - TELEPHONE - 815 E. 12TH STREET	74	130	1,000.00	870	13%
1-5-5635-581 - SANITATION - 815 E. 12TH STREET	237	712	3,000.00	2,288	24%
1-5-5635-582 - MAINTENANCE/REPAIR - 815 E. 12TH STR	301	915	4,000.00	3,085	23%
1-5-5640-581 - SANITATION - 11083 CHERRY AVE	225	675	3,000.00	2,325	23%
1-5-5700-589 - AUTO/FUEL	4,187	8,746	85,000.00	76,254	10%
1-5-5700-590 - SAFETY EQUIPMENT	-	-	3,000.00	3,000	0%
1-5-5700-591 - COMMUNICATION MAINTENANCE	-	-	1,000.00	1,000	0%
1-5-5700-592 - REPAIR & MAINT OF GEN EQUIPMENT	-	-	3,000.00	3,000	0%
1-5-5700-593 - REPAIR VEHICLES AND TOOLS	256	1,382	40,000.00	38,618	3%
1-5-5700-594 - LARGE EQUIPMENT MAINTENANCE	-	1,526	35,000.00	33,474	4%
1-5-5700-595 - EQUIP. PREVENTATIVE MAINTENANCE	-	-	1,000.00	1,000	0%
1-5-5700-596 - AUTO/EQUIPMENT OPERATION	1,563	6,579	40,000.00	33,421	16%
1-5-5700-597 - MAINT GENERAL PLANT (BUILDINGS)	-	1,192	10,000.00	8,808	12%
1-5-5700-598 - LANDSCAPE MAINTENANCE	3,950	14,670	50,000.00	35,330	29%
1-5-5700-601 - RECHARGE FAC, CANYON & POND MAINT	3,917	5,407	30,000.00	24,593	18%
	<b>25,356</b>	<b>62,345</b>	<b>393,400</b>	<b>331,055</b>	<b>16%</b>
1-5-5800-237 - HEALTH INSURANCE	328	1,111	4,000.00	2,889	28%
1-5-5800-243 - RETIREMENT/CALPERS	946	3,203	10,000.00	6,797	32%
1-5-5800-501 - LABOR	5,930	19,780	82,000.00	62,220	24%
1-5-5800-502 - BEREAVEMENT/SEMINAR/JURY DUTY	-	-	500.00	500	0%
1-5-5800-503 - SICK LEAVE	-	-	2,000.00	2,000	0%
1-5-5800-504 - VACATION	311	311	3,200.00	2,889	10%
1-5-5800-505 - HOLIDAY	249	995	3,200.00	2,205	31%
1-5-5800-507 - LIFE INSURANCE	26	89	312.00	223	29%
1-5-5800-518 - SEMINAR & TRAVEL EXPENSES	-	-	500.00	500	0%
1-5-5800-519 - EDUCATION EXPENSE	-	2,756	5,000.00	2,244	55%
1-5-5800-520 - WORKER'S COMPENSATION	360	1,180	1,300.00	120	91%
	<b>8,151</b>	<b>29,424</b>	<b>112,012</b>	<b>82,588</b>	<b>26%</b>
<b>Professional Services</b>					
1-5-5810-611 - GENERAL LEGAL	35,906	35,906	125,000	89,094	29%
1-5-5810-612 - DEVELOPMENT - REIMB. LEGAL	-	-	1,000	1,000	0%
1-5-5810-614 - AUDIT	-	-	19,000	19,000	0%
1-5-5810-616 - ACCOUNTING (NON AUDIT)	-	-	10,000	10,000	0%
1-5-5820-611 - GENERAL ENGINEERING	4,148	8,793	120,000	111,208	7%
1-5-5820-612 - DEVELOPMENT - REIMB. ENGINEERING	-	419	5,000	4,581	8%
1-5-5820-615 - ENGINEERING - PERMITTING (REC WATE)	-	-	10,000	10,000	0%
	<b>40,053</b>	<b>45,117</b>	<b>290,000</b>	<b>244,883</b>	<b>16%</b>
<b>Depreciation</b>					
1-5-5700-599 - SYSTEM DEPRECIATION	168,779	506,338	2,025,351	1,519,013	25%
	<b>168,779</b>	<b>506,338</b>	<b>2,025,351</b>	<b>1,519,013</b>	<b>25%</b>

**Beaumont Cherry Valley Water District  
Month End Financial Statement - Detail  
March**

	March	Year to Date	2010 Adopted Budget	Budget Remaining	Percent to Budget
<b>Debt Service</b>					
##-####-### - LOAN PAYMENT	-	-	500,000	500,000	0%
	-	-	<b>500,000</b>	<b>500,000</b>	<b>0%</b>

<b>Total Operating Revenue</b>	<b>395,011</b>	<b>1,442,634</b>	<b>8,936,680</b>	<b>7,494,046</b>	<b>16%</b>
<b>Total Operating Expenses</b>	<b>552,930</b>	<b>1,510,733</b>	<b>9,427,983</b>	<b>7,917,250</b>	<b>16%</b>
<b>Surplus/(Deficit)</b>	<b>(157,919)</b>	<b>(68,099)</b>	<b>(491,303)</b>		

**Nonoperating Revenues (Expenses)**

1-4-4011-412 - RENT - 12303 OAK GLEN RD	-	400	2,400	2,000	17%
1-4-4012-412 - RENT - 13695 OAK GLEN RD	-	600	2,400	1,800	25%
1-4-4013-412 - RENT - 13697 OAK GLEN RD	200	600	2,400	1,800	25%
1-4-4014-412 - RENT - 9781 AVENIDA MIRAVILLA	200	600	2,400	1,800	25%
1-4-4015-515 - ELECTRIC & PROPANE	233	694	5,000	4,306	14%
1-4-4016-515 - ELECTRIC & PROPANE	871	1,072	5,000	3,928	21%
1-4-4017-515 - ELECTRIC & PROPANE	971	1,350	5,000	3,650	27%
1-4-4018-515 - ELECTRIC & PROPANE	626	751	5,000	4,249	15%
1-5-5500-573 - MISCELLANEOUS EXPENSES	(297)	(573)	(3,000)	(2,427)	19%
1-4-4010-446 - BONITA VISTA REPAYMENT - INTEREST	-	2,191	15,000	12,809	15%
1-4-4020-435 - INTEREST INCOME	1,400	4,673	36,000	31,327	13%
	<b>4,204</b>	<b>12,359</b>	<b>77,600</b>	<b>65,241</b>	<b>16%</b>

**Facility Charges**

1-4-4020-422 - WELLS	383	383	-	(383)	0%
1-4-4020-423 - WATER RIGHTS (SWP)	242	242	191,969	191,727	0%
1-4-4020-424 - WATER TREATMENT PLANT	182	182	-	(182)	0%
1-4-4020-425 - FF - LOCAL WATER RESOURCES	96	96	80,433	80,337	0%
1-4-4020-426 - FF - RECYCLED WATER FACILITIES	278	278	-	(278)	0%
1-4-4020-427 - FF - TRANSMISSION	310	310	-	(310)	0%
1-4-4020-428 - FF - STORAGE	397	397	-	(397)	0%
1-4-4020-429 - FF - BOOSTER	27	27	-	(27)	0%
1-4-4020-430 - FACILITY FEES - PRESSURE REDUCING S	14	14	-	(14)	0%
1-4-4020-431 - FACILITY FEES - MISCELLANEOUS PROJE	12	12	-	(12)	0%
1-4-4020-432 - FACILITY FEES - FINANCING COSTS	60	60	-	(60)	0%
	<b>2,000</b>	<b>2,000</b>	<b>272,402</b>	<b>270,402</b>	<b>1%</b>

**Front Footage Fees & Other Reimb**

1-4-4020-421 - FRONT FOOTAGE & OTHER REIMB	-	-	-	-	0%
	-	-	-	-	<b>0%</b>

**Beaumont Cherry Valley Water District  
Month End Financial Statement  
Construction in Progress  
March**

<b>Project Name</b>	<b>March</b>	<b>Year To Date As of 03/31/2010</b>	<b>Total Since Inception of Project</b>	<b>2009 Adopted Budget</b>	<b>Budget Remaining</b>	<b>Percent to Budget</b>
2-1-0001 NEW SERVICE INSTALLATION	109	771	771	-	(771)	
2-1-0006 WATER MASTER PLAN UPDATE	-	-	10,726	35,000	24,274	31%
2-1-0304 RECYCLED WATER SYSTEM	2,048	5,783	25,771	-	(25,771)	
2-1-0700 SRF LOAN - RECYCLED WATER SYSTEM	-	-	162,866	-	(162,866)	
2-1-0809 2800 ZONE RECYCLED WATER TANK PH 1	338,516	338,516	1,878,558	2,200,000	321,442	85%
2-1-0810 24" RECYCLED MAIN BROOKSIDE PH 2	78,805	83,283	459,340	750,000	290,660	61%
2-1-0811 1 MG RESERVOIR/BOOSTER PH 3	-	-	63,456	1,300,000	1,236,544	5%
2-1-0812 24" RECYCLED MAIN WESTERLY LOOP PH 4B	183,024	563,904	959,380	1,000,000	40,620	96%
2-1-0813 REC MAIN RING RANCH/OAK VALLEY PH 5	29,702	29,702	177,988	1,700,000	1,522,012	10%
2-1-0816 STATE WATER PIPELINE - PERM CONNECTION	-	-	512,967	400,000	(112,967)	128%
2-1-0818 24" RECYCLED MAIN WESTERLY LOOP PH 4A	16,770	17,795	75,268	4,000,000	3,924,732	2%
2-1-0905 URBAN WATER MANAGEMENT PLAN UPDATE	-	-	-	30,000	30,000	0%
2-1-0906 GIS/GPS SOFTWARE PURCHASE	239	3,351	49,793	65,000	15,207	77%
	<b>649,213</b>	<b>1,043,105</b>	<b>4,376,884</b>	<b>11,480,000</b>	<b>7,103,116</b>	<b>38%</b>

**Beaumont Cherry Valley Water District**  
**Month End Financial Statement - Detail**  
**Recycled Water System - Breakdown by Project, by Category**  
**As of April 1, 2010**

<b>2-1-0809 2800 ZONE RECYCLED WATER TANK PH 1</b>		<b>Project Status</b>	<b>90%</b>
GENERAL	4,256	<b>Contract Total</b>	<b>2,030,000</b>
OUTSIDE LABOR	2,622	<b>Remaining Contract</b>	<b>399,001</b>
MATERIAL	45,098		
<b>CONTRACT</b>	<b>1,630,999</b>		
ENGINEERING	195,582		
	<u><b>1,878,558</b></u>		
<b>2-1-0810 24" RECYCLED MAIN BROOKSIDE PH 2</b>		<b>Project Status</b>	<b>98%</b>
GENERAL	10,359	<b>Contract Total</b>	<b>420,929</b>
LABOR	670	<b>Remaining Contract</b>	<b>96,309</b>
EQUIPMENT	1,001		
MATERIAL	1,447		
<b>CONTRACT</b>	<b>324,620</b>		
ENGINEERING	121,243		
	<u><b>459,340</b></u>		
<b>2-1-0811 1 MG RESERVOIR/BOOSTER PH 3</b>		<b>Project Status</b>	
LABOR	-	<b>Contract Total</b>	<b>-</b>
ENGINEERING	63,456	<b>Remaining Contract</b>	<b>-</b>
	<u><b>63,456</b></u>		
<b>2-1-0812 24" RECYCLED MAIN WESTERLY LOOP PH 4B</b>		<b>Project Status</b>	<b>100%</b>
GENERAL	1,730	<b>Contract Total</b>	<b>911,000</b>
LABOR	2,805	<b>Remaining Contract</b>	<b>75,414</b>
MATERIAL	225		
<b>CONTRACT</b>	<b>835,586</b>		
ENGINEERING	119,034		
	<u><b>959,380</b></u>		
<b>2-1-0813 REC MAIN RING RANCH/OAK VALLEY PH 5</b>		<b>Project Status</b>	
GENERAL	2,619	<b>Contract Total</b>	<b>430,000</b>
LABOR	20	<b>Remaining Contract</b>	<b>430,000</b>
ENGINEERING	175,349		
	<u><b>177,988</b></u>		
<b>2-1-0818 24" RECYCLED MAIN WESTERLY LOOP PH 4A</b>		<b>Project Status</b>	
GENERAL	3,353	<b>Contract Total</b>	<b>-</b>
LABOR	1,123	<b>Remaining Contract</b>	<b>-</b>
ENGINEERING	70,792		
	<u><b>75,268</b></u>		

**Beaumont Cherry Valley Water District**  
**Statement of Revenues and Expenses**  
**First Quarter (ending 03/31/10)**

	First Quarter
Operating revenues:	
Monthly Service Charges*	423,941
Water sales	\$ 598,346
Total water sales	\$ 1,022,287
Water services:	
Pass thru charges	291,782
Service Connections	81,764
Development reimbursement	14,245
Other	<u>32,556</u>
Total water services	<u>420,347</u>
Total operating revenues	<u>1,442,634</u>
Operating expenses:	
Pumping Expenses	338,044
Transmission and distribution	202,768
Customer accounts	43,319
Administration	283,378
Maintenance & General Plant	62,345
Engineering (in-house)	29,424
Professional Services	45,117
Depreciation	<u>506,338</u>
Total operating expenses	<u>1,510,733</u>
Income (loss) from operations	<u>(68,099)</u>
Debt Service:	
Loan Payment	<u>-</u>
Total Debt Service	<u>-</u>
Nonoperating revenues (expenses):	
Rent & Utilities Reimbursement	6,067
Miscellaneous expense	(573)
Investment income	<u>6,864</u>
Total nonoperating revenues	<u>12,359</u>
Income before contributions	<u>(55,740)</u>
Capital contributions:	
Facilities charges	2,000
Front footage fees and other reimbursements	<u>-</u>
Total capital contributions	<u>2,000</u>
Changes in net assets	<u>(53,740)</u>

\*New GL Account set up 03/18/10

**Beaumont Cherry Valley Water District  
First Quarter Report - Detail**

	January	February	March	First Quarter	2010 Adopted Budget	Budget Remaining	Percent to Budget
<b>Operating Revenue</b>							
1-4-4010-400 - MONTHLY SERVICE CHARGES*	139,823	166,318	117,800	423,941	1,863,415	1,439,474	23%
1-4-4010-401 - DOMESTIC WATER SALES	200,891	191,324	135,039	527,254	4,074,564	3,547,310	13%
1-4-4010-402 - IRRIGATION WATER SALES	1,234	30	1,449	2,713	30,000	27,287	9%
1-4-4010-403 - CONSTRUCTION WATER SALES	5,016	7,072	4,241	16,329	125,000	108,671	13%
1-4-4010-404 - INSTALLATION CHARGES	7,035	31,155	43,574	81,764	100,000	18,236	82%
1-4-4010-407 - REIMB. CUST. DAMAGES/UPGRADES	158	281	942	1,381	30,000	28,619	5%
1-4-4010-408 - BACKFLOW DEVICES	980	2,751	989	4,720	22,500	17,780	21%
1-4-4010-410 - RETURNED CHECK FEES	240	80	40	360	3,500	3,140	10%
1-4-4010-411 - MISCELLANEOUS INCOME	12,808	96	297	13,201	15,000	1,799	88%
1-4-4010-412 - RENTAL INCOME	100	100	100	300	1,200	900	25%
1-4-4010-413 - DEVELOPEMENT INCOME (DEPOSITS API	2,871	7,760	3,614	14,245	60,000	45,755	24%
1-4-4010-414 - RECHARGE INCOME (CITY OF BANNING)	-	12,595	-	12,595	100,000	87,405	13%
1-4-4010-441 - TURN ONS	4,320	2,160	3,120	9,600	36,000	26,400	27%
1-4-4010-442 - THIRD NOTICE CHARGE	10,380	3,860	6,680	20,920	76,000	55,080	28%
1-4-4010-443 - PENALTIES	8,590	6,460	6,480	21,530	91,000	69,470	24%
1-4-4010-444 - SGPWA IMPORTATION CHARGE	50,490	48,449	30,501	129,440	996,851	867,411	13%
1-4-4010-445 - SCE POWER CHARGE	62,639	59,558	40,145	162,343	1,311,650	1,149,307	12%
	<b>507,575</b>	<b>540,049</b>	<b>395,011</b>	<b>1,442,634</b>	<b>8,936,680</b>	<b>7,494,046</b>	<b>16%</b>
<b>Pumping Expenses</b>							
1-5-5200-237 - HEALTH INSURANCE	6,001	2,067	3,875	11,943	55,000	43,057	22%
1-5-5200-243 - RETIREMENT/CALPERS	7,177	2,425	4,630	14,232	65,000	50,768	22%
1-5-5200-501 - LABOR	25,995	8,326	16,114	50,436	275,000	224,564	18%
1-5-5200-502 - BEREAVEMENT/SEMINAR/JURY DUTY	-	-	-	-	1,000	1,000	0%
1-5-5200-503 - SICK LEAVE	624	1,156	1,266	3,047	4,500	1,453	68%
1-5-5200-504 - VACATION	259	-	192	451	6,000	5,549	8%
1-5-5200-505 - HOLIDAYS	2,472	192	820	3,484	9,500	6,016	37%
1-5-5200-507 - LIFE INSURANCE	180	59	112	351	1,600	1,249	22%
1-5-5200-508 - UNIFORMS, EMPLOYEE BENEFITS	-	-	-	-	1,000	1,000	0%
1-5-5200-511 - TREATMENT & CHEMICALS	-	-	-	-	160,000	160,000	0%
1-5-5200-512 - LAB TESTING	770	3,319	2,435	6,524	45,000	38,476	14%
1-5-5200-513 - MAINTENANCE EQUIPMENT (PUMPING)	2,147	2,382	26,299	30,828	160,000	129,172	19%
1-5-5200-514 - UTILITIES - GAS	-	10	16	26	120	94	21%
1-5-5200-515 - UTILITIES - ELECTRIC	28,270	61,111	57,177	146,557	1,700,000	1,553,443	9%
1-5-5200-517 - TELEMTRY MAINTENANCE	-	34	-	34	6,000	5,966	1%
1-5-5200-518 - SEMINAR & TRAVEL EXPENSES	-	-	-	-	500	500	0%
1-5-5200-519 - EDUCATION EXPENSES	90	-	-	90	1,000	910	9%
1-5-5200-520 - WORKER'S COMPENSATION INSURANCE	2,424	798	1,517	4,739	10,000	5,261	47%
1-5-5200-620 - STATE PROJECT WATER PURCHASED	-	65,302	-	65,302	570,600	505,298	11%

\*New GL Account set up 03/18/10



**Beaumont Cherry Valley Water District  
First Quarter Report - Detail**

	January	February	March	First Quarter	2010 Adopted Budget	Budget Remaining	Percent to Budget
	<b>76,409</b>	<b>147,182</b>	<b>114,454</b>	<b>338,044</b>	<b>3,071,820</b>	<b>2,733,776</b>	<b>11%</b>
<b>Transmission &amp; Distribution</b>							
1-5-5300-237 - HEALTH INSURANCE	14,935	4,435	9,970	29,339	115,000	85,661	26%
1-5-5300-243 - RETIREMENT/CALPERS	14,656	4,699	10,309	29,664	110,000	80,336	27%
1-5-5300-501 - LABOR	43,544	14,191	32,171	89,905	370,000	280,095	24%
1-5-5300-502 - BEREAVEMENT/SEMINAR/JURY DUTY	222	346	197	764	2,400	1,636	32%
1-5-5300-503 - SICK LEAVE	2,616	1,754	2,835	7,204	18,000	10,796	40%
1-5-5300-504 - VACATION	1,515	196	801	2,513	24,000	21,487	10%
1-5-5300-505 - HOLIDAYS	5,796	259	1,873	7,928	24,000	16,072	33%
1-5-5300-507 - LIFE INSURANCE	395	122	270	787	3,100	2,313	25%
1-5-5300-508 - UNIFORMS, EMPLOYEE BENEFITS	-	130	-	130	3,200	3,070	4%
1-5-5300-518 - SEMINAR & TRAVEL EXPENSES	-	-	-	-	1,000	1,000	0%
1-5-5300-519 - EDUCATION EXPENSES	-	55	-	55	2,000	1,945	3%
1-5-5300-520 - WORKER'S COMPENSATION INSURANCE	4,669	1,475	3,297	9,442	15,000	5,559	63%
1-5-5300-530 - MAINT PIPELINE/FIRE HYDRANT	1,835	5,066	233	7,133	95,000	87,867	8%
1-5-5300-531 - LINE LOCATES	-	271	105	376	3,500	3,124	11%
1-5-5300-534 - MAINT METERS & SERVICES	10,194	830	329	11,353	175,000	163,647	6%
1-5-5300-535 - BACKFLOW DEVICES	-	-	-	-	500	500	0%
1-5-5300-536 - MAINTENANCE RESERVOIRS/TANKS	-	-	-	-	10,000	10,000	0%
1-5-5300-537 - MAINTENANCE PRESSURE REGULATORS	-	-	-	-	12,000	12,000	0%
1-5-5300-538 - INSPECTIONS	2,947	1,122	2,105	6,174	35,000	28,826	18%
1-5-5300-540 - INVENTORY PURCHASE DISCOUNTS	-	-	-	-	(5,000)	(5,000)	0%
1-5-5300-541 - OBSOLETE OR DAMAGED INVENTORY	-	-	-	-	20,000	20,000	0%
	<b>103,323</b>	<b>34,951</b>	<b>64,494</b>	<b>202,768</b>	<b>1,033,700</b>	<b>830,932</b>	<b>20%</b>
<b>Customer Accounts</b>							
1-5-5400-237 - HEALTH INSURANCE	3,754	1,636	2,555	7,945	34,000	26,055	23%
1-5-5400-243 - RETIREMENT/CALPERS	3,291	1,431	2,276	6,998	31,000	24,002	23%
1-5-5400-501 - LABOR	8,642	5,054	6,943	20,638	99,000	78,362	21%
1-5-5400-502 - BEREAVEMENT/SEMINAR/JURY DUTY	-	-	-	-	1,000	1,000	0%
1-5-5400-503 - SICK LEAVE	172	311	21	504	3,000	2,496	17%
1-5-5400-504 - VACATION	1,921	-	687	2,608	4,000	1,392	65%
1-5-5400-505 - HOLIDAYS	1,595	-	703	2,298	6,500	4,202	35%
1-5-5400-507 - LIFE INSURANCE	85	37	57	179	800	621	22%
1-5-5400-508 - UNIFORMS, EMPLOYEE BENEFITS	-	-	-	-	800	800	0%
1-5-5400-519 - EDUCATION EXPENSES	-	-	-	-	1,000	1,000	0%
1-5-5400-520 - WORKER'S COMPENSATION	1,018	443	690	2,150	2,300	150	93%
	<b>20,477</b>	<b>8,911</b>	<b>13,931</b>	<b>43,319</b>	<b>183,400</b>	<b>140,081</b>	<b>24%</b>
<b>General &amp; Administrative</b>							
1-5-5500-237 - HEALTH INSURANCE	15,817	5,235	10,470	31,523	152,000.00	120,477	21%

**Beaumont Cherry Valley Water District  
First Quarter Report - Detail**

					2010 Adopted Budget	Budget Remaining	Percent to Budget
	January	February	March	First Quarter			
1-5-5500-243 - RETIREMENT/CALPERS	21,482	7,287	14,554	43,324	221,000.00	177,676	20%
1-5-5500-501 - LABOR	66,711	25,097	49,341	141,149	810,000.00	668,851	17%
1-5-5500-502 - BEREAVEMENT/SEMINAR/JURY DUTY	-	-	-	-	2,500.00	2,500	0%
1-5-5500-503 - SICK LEAVE	6,191	1,927	1,568	9,685	20,000.00	10,315	48%
1-5-5500-504 - VACATION	3,704	-	266	3,969	38,000.00	34,031	10%
1-5-5500-505 - HOLIDAYS	8,851	175	3,128	12,154	39,000.00	26,846	31%
1-5-5500-507 - LIFE INSURANCE	555	180	360	1,096	5,600.00	4,504	20%
1-5-5500-518 - SEMINAR & TRAVEL EXPENSES	-	-	-	-	2,000.00	2,000	0%
1-5-5500-519 - EDUCATION EXPENSES	-	-	-	-	1,000.00	1,000	0%
1-5-5500-520 - WORKER'S COMPENSATION INSURANCE	2,441	828	1,658	4,927	8,000.00	3,073	62%
1-5-5500-522 - UNEMPLOYMENT INSURANCE	-	-	-	-	14,000.00	14,000	0%
1-5-5500-547 - EMPLOYER SHARE FOR RETIRED (CALPE	521	521	-	1,043	4,500.00	3,457	23%
1-5-5500-548 - ADMINISTRATIVE COSTS (CALPERS)	135	130	-	265	2,000.00	1,735	13%
1-5-5500-549 - BANK CHGS/MONEY MARKET/TRANS. FEI	1,903	2,086	-	3,990	20,000.00	16,010	20%
1-5-5500-555 - OFFICE SUPPLIES	2,898	2,160	7,793	12,851	47,500.00	34,649	27%
1-5-5500-556 - OFFICE EQUIPMENT/SERVICE AGREEME	9,413	2,242	(10,081)	1,574	85,000.00	83,426	2%
1-5-5500-557 - OFFICE MAINTENANCE	1,077	1,077	1,077	3,231	15,000.00	11,769	22%
1-5-5500-558 - MEMBERSHIP DUES	275	-	-	275	21,000.00	20,725	1%
1-5-5500-560 - OFFICE EQUIP.MAINT. & REPAIRS	-	-	-	-	2,000.00	2,000	0%
1-5-5500-561 - POSTAGE	2,000	4,780	3,588	10,367	40,000.00	29,633	26%
1-5-5500-562 - SUBSCRIPTIONS	52	193	373	618	1,600.00	982	39%
1-5-5500-563 - MISCELLANEOUS OPERATING SUPPLIES	323	841	1,210	2,373	15,000.00	12,627	16%
1-5-5500-564 - MISCELLANEOUS TOOLS/EQUIPMENT	-	159	649	808	10,000.00	9,192	8%
1-5-5500-567 - EMPLOYEE MEDICAL/FIRST AID	-	-	-	-	600.00	600	0%
1-5-5500-568 - RANDOM DRUG TESTING	-	-	75	75	500.00	425	15%
1-5-5500-570 - PROPERTY/AUTO/GEN LIABILITY INSURA	-	(43,758)	23,996	(19,762)	60,000.00	79,762	-33%
1-5-5500-572 - STATE MANDATES AND TARRIFFS	-	-	1,645	1,645	27,000.00	25,355	6%
1-5-5500-574 - PUBLIC EDUCATION	-	-	-	-	10,000.00	10,000	0%
1-5-5500-578 - IT SUPPORT/SOFTWARE SUPPORT	3,579	3,892	2,641	10,112	65,000.00	54,888	16%
1-5-5500-630 - ACCOUNTS RECEIVABLE	46	5	-	50	1,000.00	950	5%
1-5-5510-550 - BOARD OF DIRECTOR FEES	1,200	1,400	3,400	6,000	40,000.00	34,000	15%
1-5-5510-551 - SEMINAR & TRAVEL EXPENSES	-	-	-	-	3,500.00	3,500	0%
1-5-5510-552 - ELECTION EXPENSES	35	-	-	35	34,000.00	33,965	0%
	<b>149,209</b>	<b>16,457</b>	<b>117,712</b>	<b>283,378</b>	<b>1,818,300</b>	<b>1,534,922</b>	<b>16%</b>
<b>Maintenance/General Plant</b>							
1-5-5610-515 - ELECTRIC - 560 MAGNOLIA AVE	1,295	1,214	1,263	3,772	20,000.00	16,228	19%
1-5-5610-580 - TELEPHONE - 560 MAGNOLIA AVE	1,938	3,691	3,232	8,861	30,000.00	21,139	30%
1-5-5610-581 - SANITATION - 560 MAGNOLIA AVE	119	119	166	404	2,400.00	1,996	17%
1-5-5610-582 - MAINTENANCE - 560 MAGNOLIA AVE	49	112	2,484	2,645	3,000.00	355	88%

**Beaumont Cherry Valley Water District  
First Quarter Report - Detail**

	January	February	March	First Quarter	2010 Adopted Budget	Budget Remaining	Percent to Budget
1-5-5615-515 - ELECTRIC - 12303 OAK GLEN ROAD	265	-	429	694	3,000.00	2,306	23%
1-5-5615-582 - MAINTENANCE/REPAIR - 12303 OAK GLEN	-	98	325	423	500.00	77	85%
1-5-5615-583 - PROPANE - 12303 OAK GLEN ROAD	-	-	-	-	2,000.00	2,000	0%
1-5-5620-515 - ELECTRIC - 13695 OAK GLEN ROAD	116	-	163	279	3,000.00	2,721	9%
1-5-5620-582 - MAINTENANCE/REPAIR - 13695 OAK GLEN	-	-	-	-	500.00	500	0%
1-5-5620-583 - PROPANE - 13695 OAK GLEN ROAD	-	-	499	499	2,000.00	1,501	25%
1-5-5625-515 - ELECTRIC - 13697 OAK GLEN ROAD	185	-	370	555	3,000.00	2,445	19%
1-5-5625-582 - MAINTENANCE/REPAIR - 13697 OAK GLEN	-	-	-	-	500.00	500	0%
1-5-5625-583 - PROPANE - 13697 OAK GLEN ROAD	-	-	481	481	2,000.00	1,519	24%
1-5-5630-515 - ELECTRIC - 9781 AVENIDA MIRAVILLA	-	125	111	236	3,000.00	2,764	8%
1-5-5630-582 - MAINTENANCE/REPAIR - 9781 AVENIDA M	-	-	-	-	500.00	500	0%
1-5-5630-583 - PROPANE - 9781 AVENIDA MIRAVILLA	-	-	259	259	2,000.00	1,741	13%
1-5-5635-515 - ELECTRIC - 815 E. 12TH STREET	440	-	862	1,302	7,000.00	5,698	19%
1-5-5635-580 - TELEPHONE - 815 E. 12TH STREET	-	56	74	130	1,000.00	870	13%
1-5-5635-581 - SANITATION - 815 E. 12TH STREET	237	237	237	712	3,000.00	2,288	24%
1-5-5635-582 - MAINTENANCE/REPAIR - 815 E. 12TH STR	271	343	301	915	4,000.00	3,085	23%
1-5-5640-581 - SANITATION - 11083 CHERRY AVE	225	225	225	675	3,000.00	2,325	23%
1-5-5700-589 - AUTO/FUEL	-	4,558	4,187	8,746	85,000.00	76,254	10%
1-5-5700-590 - SAFETY EQUIPMENT	-	-	-	-	3,000.00	3,000	0%
1-5-5700-591 - COMMUNICATION MAINTENANCE	-	-	-	-	1,000.00	1,000	0%
1-5-5700-592 - REPAIR & MAINT OF GEN EQUIPMENT	-	-	-	-	3,000.00	3,000	0%
1-5-5700-593 - REPAIR VEHICLES AND TOOLS	750	376	256	1,382	40,000.00	38,618	3%
1-5-5700-594 - LARGE EQUIPMENT MAINTENANCE	-	1,526	-	1,526	35,000.00	33,474	4%
1-5-5700-595 - EQUIP. PREVENTATIVE MAINTENANCE	-	-	-	-	1,000.00	1,000	0%
1-5-5700-596 - AUTO/EQUIPMENT OPERATION	2,525	2,490	1,563	6,579	40,000.00	33,421	16%
1-5-5700-597 - MAINT GENERAL PLANT (BUILDINGS)	377	815	-	1,192	10,000.00	8,808	12%
1-5-5700-598 - LANDSCAPE MAINTENANCE	6,770	3,950	3,950	14,670	50,000.00	35,330	29%
1-5-5700-601 - RECHARGE FAC, CANYON & POND MAIN	560	930	3,917	5,407	30,000.00	24,593	18%
	<b>16,123</b>	<b>20,866</b>	<b>25,356</b>	<b>62,345</b>	<b>393,400</b>	<b>331,055</b>	<b>16%</b>
1-5-5800-237 - HEALTH INSURANCE	603	179	328	1,111	4,000.00	2,889	28%
1-5-5800-243 - RETIREMENT/CALPERS	1,739	517	946	3,203	10,000.00	6,797	32%
1-5-5800-501 - LABOR	11,221	2,629	5,930	19,780	82,000.00	62,220	24%
1-5-5800-502 - BEREAVEMENT/SEMINAR/JURY DUTY	-	-	-	-	500.00	500	0%
1-5-5800-503 - SICK LEAVE	-	-	-	-	2,000.00	2,000	0%
1-5-5800-504 - VACATION	-	-	311	311	3,200.00	2,889	10%
1-5-5800-505 - HOLIDAY	746	-	249	995	3,200.00	2,205	31%
1-5-5800-507 - LIFE INSURANCE	48	14	26	89	312.00	223	29%
1-5-5800-518 - SEMINAR & TRAVEL EXPENSES	-	-	-	-	500.00	500	0%

**Beaumont Cherry Valley Water District  
First Quarter Report - Detail**

	January	February	March	First Quarter	2010 Adopted Budget	Budget Remaining	Percent to Budget
1-5-5800-519 - EDUCATION EXPENSE	2,756	-	-	2,756	5,000.00	2,244	55%
1-5-5800-520 - WORKER'S COMPENSATION	638	182	360	1,180	1,300.00	120	91%
	<b>17,751</b>	<b>3,522</b>	<b>8,151</b>	<b>29,424</b>	<b>112,012</b>	<b>82,588</b>	<b>26%</b>
<b>Professional Services</b>							
1-5-5810-611 - GENERAL LEGAL	-	-	35,906	35,906	125,000	89,094	29%
1-5-5810-612 - DEVELOPMENT - REIMB. LEGAL	-	-	-	-	1,000	1,000	0%
1-5-5810-614 - AUDIT	-	-	-	-	19,000	19,000	0%
1-5-5810-616 - ACCOUNTING (NON AUDIT)	-	-	-	-	10,000	10,000	0%
1-5-5820-611 - GENERAL ENGINEERING	-	4,645	4,148	8,793	120,000	111,208	7%
1-5-5820-612 - DEVELOPMENT - REIMB. ENGINEERING	239	179	-	419	5,000	4,581	8%
1-5-5820-615 - ENGINEERING - PERMITTING (REC WATE	-	-	-	-	10,000	10,000	0%
	<b>239</b>	<b>4,824</b>	<b>40,053</b>	<b>45,117</b>	<b>290,000</b>	<b>244,883</b>	<b>16%</b>
<b>Depreciation</b>							
1-5-5700-599 - SYSTEM DEPRECIATION	168,779	168,779	168,779	506,338	2,025,351	1,519,013	25%
	<b>168,779</b>	<b>168,779</b>	<b>168,779</b>	<b>506,338</b>	<b>2,025,351</b>	<b>1,519,013</b>	<b>25%</b>
<b>Debt Service</b>							
#-#-####-### - LOAN PAYMENT			-	-	500,000	500,000	0%
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>500,000</b>	<b>500,000</b>	<b>0%</b>

<b>Total Operating Revenue</b>	<b>507,575</b>	<b>540,049</b>	<b>395,011</b>	<b>1,442,634</b>	<b>8,936,680</b>	<b>7,494,046</b>	<b>16%</b>
<b>Total Operating Expenses</b>	<b>552,310</b>	<b>405,493</b>	<b>552,930</b>	<b>1,510,733</b>	<b>9,427,983</b>	<b>7,917,250</b>	<b>16%</b>
<b>Surplus/(Deficit)</b>	<b>(44,735)</b>	<b>134,556</b>	<b>(157,919)</b>	<b>(68,099)</b>	<b>(491,303)</b>	<b>(423,204)</b>	

**Beaumont Cherry Valley Water District  
First Quarter Report - Detail**

	January	February	March	First Quarter	2010 Adopted Budget	Budget Remaining	Percent to Budget
<b>Nonoperating Revenues (Expenses)</b>							
1-4-4011-412 - RENT - 12303 OAK GLEN RD	200	200	-	400	2,400	2,000	17%
1-4-4012-412 - RENT - 13695 OAK GLEN RD	200	400	-	600	2,400	1,800	25%
1-4-4013-412 - RENT - 13697 OAK GLEN RD	200	200	200	600	2,400	1,800	25%
1-4-4014-412 - RENT - 9781 AVENIDA MIRAVILLA	200	200	200	600	2,400	1,800	25%
1-4-4015-515 - ELECTRIC & PROPANE	265	197	233	694	5,000	4,306	14%
1-4-4016-515 - ELECTRIC & PROPANE	116	85	871	1,072	5,000	3,928	21%
1-4-4017-515 - ELECTRIC & PROPANE	185	193	971	1,350	5,000	3,650	27%
1-4-4018-515 - ELECTRIC & PROPANE	-	125	626	751	5,000	4,249	15%
1-5-5500-573 - MISCELLANEOUS EXPENSES	-	(276)	(297)	(573)	(3,000)	(2,427)	19%
1-4-4010-446 - BONITA VISTA REPAYMENT - INTEREST	-	2,191	-	2,191	15,000	12,809	15%
1-4-4020-435 - INTEREST INCOME	1,031	2,241	1,400	4,673	36,000	31,327	13%
	<b>2,398</b>	<b>5,757</b>	<b>4,204</b>	<b>12,359</b>	<b>77,600</b>	<b>65,241</b>	<b>16%</b>
<b>Facility Charges</b>							
1-4-4020-422 - WELLS	-	-	383	383	-	(383)	0%
1-4-4020-423 - WATER RIGHTS (SWP)	-	-	242	242	191,969	191,727	0%
1-4-4020-424 - WATER TREATMENT PLANT	-	-	182	182	-	(182)	0%
1-4-4020-425 - FF - LOCAL WATER RESOURCES	-	-	96	96	80,433	80,337	0%
1-4-4020-426 - FF - RECYCLED WATER FACILITIES	-	-	278	278	-	(278)	0%
1-4-4020-427 - FF - TRANSMISSION	-	-	310	310	-	(310)	0%
1-4-4020-428 - FF - STORAGE	-	-	397	397	-	(397)	0%
1-4-4020-429 - FF - BOOSTER	-	-	27	27	-	(27)	0%
1-4-4020-430 - FACILITY FEES - PRESSURE REDUCING S	-	-	14	14	-	(14)	0%
1-4-4020-431 - FACILITY FEES - MISCELLANEOUS PROJE	-	-	12	12	-	(12)	0%
1-4-4020-432 - FACILITY FEES - FINANCING COSTS	-	-	60	60	-	(60)	0%
	<b>-</b>	<b>-</b>	<b>2,000</b>	<b>2,000</b>	<b>272,402</b>	<b>270,402</b>	<b>1%</b>
<b>Front Footage Fees &amp; Other Reimb</b>							
1-4-4020-421 - FRONT FOOTAGE & OTHER REIMB	-	-	-	-	-	-	0%
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0%</b>

**Beaumont Cherry Valley Water District  
Month End Financial Statement  
Construction in Progress  
March**

<b>Project Name</b>	<b>March</b>	<b>Year To Date As of 03/31/2010</b>	<b>Total Since Inception of Project</b>	<b>2009 Adopted Budget</b>	<b>Budget Remaining</b>	<b>Percent to Budget</b>
2-1-0001 NEW SERVICE INSTALLATION	109	771	771	-	(771)	
2-1-0006 WATER MASTER PLAN UPDATE	-	-	10,726	35,000	24,274	31%
2-1-0304 RECYCLED WATER SYSTEM	2,048	5,783	25,771	-	(25,771)	
2-1-0700 SRF LOAN - RECYCLED WATER SYSTEM	-	-	162,866	-	(162,866)	
2-1-0809 2800 ZONE RECYCLED WATER TANK PH 1	338,516	338,516	1,878,558	2,200,000	321,442	85%
2-1-0810 24" RECYCLED MAIN BROOKSIDE PH 2	78,805	83,283	459,340	750,000	290,660	61%
2-1-0811 1 MG RESERVOIR/BOOSTER PH 3	-	-	63,456	1,300,000	1,236,544	5%
2-1-0812 24" RECYCLED MAIN WESTERLY LOOP PH 4B	183,024	563,904	959,380	1,000,000	40,620	96%
2-1-0813 REC MAIN RING RANCH/OAK VALLEY PH 5	29,702	29,702	177,988	1,700,000	1,522,012	10%
2-1-0816 STATE WATER PIPELINE - PERM CONNECTION	-	-	512,967	400,000	(112,967)	128%
2-1-0818 24" RECYCLED MAIN WESTERLY LOOP PH 4A	16,770	17,795	75,268	4,000,000	3,924,732	2%
2-1-0905 URBAN WATER MANAGEMENT PLAN UPDATE	-	-	-	30,000	30,000	0%
2-1-0906 GIS/GPS SOFTWARE PURCHASE	239	3,351	49,793	65,000	15,207	77%
	<b>649,213</b>	<b>1,043,105</b>	<b>4,376,884</b>	<b>11,480,000</b>	<b>7,103,116</b>	<b>38%</b>

**RECORD OF THE MINUTES OF THE  
SPECIAL MEETING OF THE  
BOARD OF DIRECTORS OF THE  
BEAUMONT CHERRY VALLEY WATER DISTRICT  
March 3, 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, DIRECTOR WOLL**

Director Woll led the pledge.

**INVOCATION, DIRECTOR ROSS**

Director Ross recited the invocation.

**ROLL CALL, JULIE SALINAS**

Those responding to roll call were President Ball, Vice President Parks and Directors Ross and Woll. Also present at this meeting were General Counsel Gil Granito, Interim General Manager Anthony Lara and Business Manager Julie Salinas.

**PUBLIC INPUT**

Secretary Woll invited Frances Flanders to address the Board on an item not on the agenda. Ms. Flanders reported that she had recently obtained an audio recording of the January 20<sup>th</sup> Board meeting. When listening to the recording she found that if an individual was not speaking directly into a microphone, they could not be heard. Ms. Flanders stated that she felt these recordings were an asset to the District and that members of the public should not be allowed to speak from their seat but rather should be directed to use the microphone. She suggested that the Board look into purchasing a portable microphone.

President Ball directed Interim General Manager Lara to look into the purchase of a portable microphone compatible with the current audio equipment.

Secretary Woll invited Luwana Ryan to address the Board on an item not on the agenda. Ms. Ryan stated that by placing the District's financials on the special meeting agenda the public could not review and scrutinize the District's financials as they have been doing in the Finance & Audit Committee meetings held monthly. In order for the public to inquire on vouchers, they would need to fill out a *Request to Speak* form (to be compliant with the Brown Act Rule). The District has been investigated several times by different parties regarding their financial records and the Board needs to understand that a special meeting is for a special circumstance and does not replace a regular meeting. Ms. Ryan expected more from this Board of Directors and suggested they evaluate themselves in close session.

**ACTION ITEMS**

**1. ADOPTION OF THE AGENDA**

President Ball stated that the special meeting was called due to the timeline to appoint a director to the vacant seat. As a cost saving measure, the Finance & Audit material was placed on the special meeting agenda. After reviewing the Finance & Audit reports, President Ball agrees with Luwana Ryan that it is not appropriate for this meeting. The check run doesn't match posting dates and there are just too many questions. President Ball recommended to the Board that item 4 be removed from the agenda and sent back to the Finance and Audit Committee for thorough review where the public will have greater access.

President Ball moved to adopt the agenda with the deletion of item 4. Interim General Manager Lara interjected that he had received a request from Ms. Cunningham to remove item 6 from this agenda and place it on the next agenda so that she may have the opportunity to represent herself.

President Ball amended his motion to delete items 4 and 6 and adopt the agenda as otherwise stated. Vice President Parks seconded. The motion passed unanimously.

## **2. APPOINTMENT OF NEW DIRECTOR**

**AT THIS TIME THE BOARD WILL INTERVIEW PROSPECTIVE CANDIDATES AND CONSIDER MAKING AN APPOINTMENT TO FILL THE VACANCY RESULTING FROM THE RESIGNATION OF NIKI MAGEE ON JANUARY 6, 2010. \*\***

The Board introduced the prospective candidates; James Earhart, John Halliwill, Randy Harris. Mr. Roger Thompson was not in attendance. The Board Members proceeded to interview each candidate that was present.

Legal Counsel Granito directed President Ball to call for nominations.

Vice President Parks nominated James Earhart. Director Ross seconded.

President Ball nominated John Halliwill. Director Woll seconded.

Vice President Parks moved to cease the nominations. Director Woll seconded. The motion passed unanimously.

President Ball called for a vote on Mr. Earhart.

Parks – Aye  
Ross – Aye  
Woll – Nay  
Ball – Nay

President Ball called for a vote on Mr. Halliwill.

Parks –Nay  
Ross – Aye  
Woll – Aye  
Ball – Aye

Secretary Woll administered the Oath of Office to newly appointed Director.

Legal Counsel reminded recording secretary Salinas that the District has 15 days to notify the Registrar of Voters regarding the appointment and that the newly appointed Director has 30 days to file a Form 700 (Conflict of Interest).

## **3. APPOINTMENT OF REPLACEMENT TO COLLABORATIVE AGENCY COMMITTEE**

President Ball appointed Director Halliwill to the Committee which meets on a bi-monthly basis. Interim General Manager Lara recommended appointing an alternate in the event one member cannot make it. The Committee meets on the 3<sup>rd</sup> Thursday of every other month at 5pm. President Ball appointed Vice President Parks as the alternate.

President Ball thanked Director Magee who served in this capacity as a Director for a period of time for her work on this Board.

## **4. FINANCIAL REPORTS**

This item was deleted from the Agenda.



**5. APPROVAL OF THE MINUTES**

- a. Minutes of the Regular Meeting of February 10, 2010\*\*

Director Ross moved to accept. Vice President Parks seconded. The motion passed unanimously.

**6. REQUEST RECEIVED FROM NATALIE CUNNINGHAM TO DISCUSS WATER BILL FOR 39955 GRAND AVENUE\*\***

This item was tabled.

**7. REQUEST RECEIVED FROM CHERRY VALLEY WATER COMPANY TO DIRECT LEGAL COUNSEL TO WORK TOWARD AN ANNEXATION AGREEMENT AND TO SUBMIT A PRE-APPLICATION FOR USDA LOAN.**

Secretary Woll invited Luwana Ryan to address the Board on this item. Ms. Ryan asked whose name would appear on the loan; that of the District or Cherry Valley Water Company? Interim General Manager Lara stated that item would be covered in his Staff report; however, he summarized that once Cherry Valley Water Company is annexed, the District will apply on their behalf and form an Assessment District to guarantee re-payment of the loan (loan would be in District's name).

Secretary Woll invited Doyle Murray to address the Board on this item. Mr. Murray stated that the reason for the loan right now is that there is money available. There is no cost to the District and no obligation to the District when filing a pre-application. This process gets their name (CVWC) on the list so that they have access to the money.

Interim General Manager Lara recommended that the District take this step by step starting with working toward an annexation agreement. Once both parties agree on the language of the agreement then move forward with the annexation process. Once the properties are annexed into the District, then create the Assessment District and move forward with the loan process.

There was a brief discussion regarding the anticipated timeline. Mr. Murray offered to have CVWC engineers assist District Staff with the pre-application. Mr. Lara clarified that the information requested in the application is specific to BCVWD, not CVWC. Since the loan will be in the name of the District, the information requested is regarding the District. Much of the information needed is not information readily available, therefore resulting in staff time compiling the data needed. There was then a brief discussion regarding a deposit up front to cover the costs incurred.

Director Woll moved to approve work toward an annexation agreement with the stipulation that all costs incurred be covered by Cherry Valley Water Company. Seconded by Director Ross. The motion passed unanimously.

**8. REVIEW AND SELECTION OF FIRM TO PERFORM PROFESSIONAL AUDITING SERVICES FOR THE CALENDAR YEAR ENDING DECEMBER 31, 2009\*\***

Interim General Manager Lara reported that all firms were equally qualified and experienced to complete the audits. At the last meeting, Mr. Lara had recommended continuing to retain the services of Mayer Hoffman McCann and felt that although the bid was higher than others, the process could be streamlined as Staff is familiar with requirements and process. Mr. Lara also added that with the addition of a Controller/Financial Officer, the familiarity of Mayer Hoffman McCann with Beaumont Cherry Valley Water District, its practices and methods, would give the newly appointed Controller/Financial Officer a head start or a leg up in learning about the District's practices.

Director Ross added that he had been speaking to people in the industry and among those he had spoken to, Mayer Hoffman McCann ranked the lowest and that Charles Z. Fedak ranked the highest.

Vice President Parks moved to continue with the firm of Mayer Hoffman McCann. The motion died for lack of a second.

Director Ross moved to award the contract to Charles Z. Fedak & Company. President Ball seconded. The motion passed with the following vote:

Halliwill:	Abstain
Parks:	Nay
Ross:	Aye
Woll:	Aye
Ball:	Aye

**9. APPROVAL OF RESOLUTION 2010-02, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BEAUMONT CHERRY VALLEY WATER DISTRICT CONCURRING IN NOMINATION TO THE EXECUTIVE COMMITTEE (ACWA/JPIA)**

Interim General Manager Lara reported that this was the only request received for a candidate to the Executive Committee. Mr. Lara recommended approval of the Resolution and that a copy be forwarded to ACWA/JPIA as well as the San Bernardino Conservation District.

President Ball moved to accept Melody McDonald. Seconded by Director Woll. The motion passed unanimously.

**10. APPROVAL OF RESOLUTION 2010-03, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BEAUMONT CHERRY VALLEY WATER DISTRICT CONCURRING IN NOMINATION TO THE OFFICE OF VICE PRESIDENT (ACWA/JPIA)**

Interim General Manager Lara reported that this was the only request received for the office of Vice President.

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

**11. APPROVAL OF RESOLUTION 2010-04, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BEAUMONT CHERRY VALLEY WATER DISTRICT CONCURRING IN NOMINATION TO THE OFFICE OF PRESIDENT (ACWA/JPIA)**

Interim General Manager Lara reported that this was the only request received for the office of President.

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

**12. ACCEPTANCE OF THE NOBLE CREEK ARTIFICIAL RECHARGE FACILITY GROUND WATER MONITORING REPORT (OCT 01 TO DEC 20, 2009) \*\***

Interim General Manager Lara reported that this would be the last report received from Geoscience. The service has been suspended indefinitely. The District has been receiving quarterly reports since 2006. As reported previously, District staff will continue to field monitor the water levels in the monitoring wells. Staff recommendation is to receive and file the report.

Vice President Parks moved to receive and file. Director Ross seconded. The motion passed unanimously.

**13. REPORTS FOR DISCUSSION AND POSSIBLE ACTION**

**(a) Ad hoc Committees**

**(b) General Manager**

▪ **Recycled Water System**

- 24" Desert Lawn recycled pipeline is complete. The line has been tested and fully charged. The District has not received the final invoice.

- Brookside Ave recycled pipeline is nearly complete with one more tie-in remaining. The District has not received the final invoice.
- 2800 zone recycled water tank is moving right along. The roof is on and coating and blasting should begin shortly.
- Ring Ranch recycled pipeline job will not start for another couple of months. The cost to finish the three projects currently underway along with the Ring Ranch Road pipeline is approximately 1.4 million dollars.
- **Financing Update** – The District could have a pre-approval as early as next week and should have loan documents available for review early next week.
- **Well 21** – The pump will need to be replaced. Equipment is currently being evaluated. Once the evaluation is complete, the District will be provided with a recommendation and proposal.
- **Board Workshop** – Presentation of 5-Year Capital Improvement Plan. The Interim General Manager and Engineer would like to present the 5-Year Capital Improvement Plan. It was suggested that the workshop be held on Wednesday, March 17, 2010 at 7pm.

**(c) Directors**

Dr. Blair Ball – No report.

Stella Parks – Vice President Parks reported that she had attended the Pass Agency meeting and was glad to report there was a good chance the District would receive 15% of their allotment. She also acknowledged the quick turn around by the Interim General Manager between receiving the authorization to advertise for the Controller and seeing the ad in the newspaper.

Ken Ross – No report.

Ryan Woll – No report.

**(d) Legal Counsel**

**14. ANNOUNCEMENTS**

- Regular meeting scheduled for March 10<sup>th</sup> cancelled.
- Special District Selection Committee – Thursday, April 15, 2010 at 7:45 p.m. at the PGA of Southern California Golf Club\*\* - President Ball reported that he would be unable to attend. The District can choose to send another Director in his place. The appointment must be done by Resolution and forwarded to Mr. George Spiliotis (LAFCO – Riverside).

Director Woll moved to have a resolution drafted to have Director Ross carry out the voting process in the absence of Director Ball. Seconded by President Ball. The motion passed unanimously.

- CSDA Board of Directors Call for Nominations (Seat B) – Deadline May 28, 2010\*\*

**ACTION LIST**

- Update on Rate Study Report – The District has been provided a copy of the model. The Staff met with the consultant last week. The model was adjusted and the consultant is now waiting for terms of the loan to update the model. President Ball requested the item be placed on the workshop agenda so that the Board may be given an update.
- Finance & Audit Committee Meeting – March 11<sup>th</sup> at 3pm.

**15. CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL-**

- A. Closed Session will be held to confer with legal counsel on three matters of potential litigation pursuant to subdivision (c) of Government Code section 54956.9-THREE MATTERS-Potential Litigation**

**B. Closed Session will also be held regarding a personnel manner pursuant to Government Code Section 54957- Interim General Manager-Performance Review.**

**16. OPEN SESSION- REPORT ON CLOSED SESSION**

President Ball reconvened to Open Session at approximately 9:37PM.

General Counsel Gil Granito reported that at approximately 8:40PM, the Board went into Closed Session to discuss the following items as reflected on tonight's agenda:

During the first phase of the Closed Session, the District's Interim General Manager, Tony Lara, and the District's General Counsel led a discussion on only one potential litigation matter (Item 15.A. of tonight's agenda) pursuant to subdivision (c) of Government Code Section 54956.9 and no further reportable action was taken.

During the second and last phase of the Closed Session, the Board continued their ongoing evaluation of the performance of the Interim General Manager (Item 15.B. of tonight's agenda) pursuant to Government Code Section 54957 and no further reportable action was taken. The Closed Session ended at approximately 9:35PM.

**17. ADJOURNMENT**

President Ball adjourned the meeting at approximately 9:38PM

**RECORD OF THE MINUTES OF THE  
SPECIAL MEETING OF THE  
BOARD OF DIRECTORS OF THE  
BEAUMONT CHERRY VALLEY WATER DISTRICT  
March 17, 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, DIRECTOR ROSS**

Director Ross led the pledge.

**INVOCATION, VICE PRESIDENT PARKS**

Vice President Parks recited the invocation.

**ROLL CALL, JULIE SALINAS**

Those responding to roll call were President Ball, Vice President Parks and Directors Halliwill, Ross and Woll. Also present at this meeting were General Counsel Gil Granito, Interim General Manager Anthony Lara and Business Manager Julie Salinas.

**PUBLIC INPUT**

Secretary Woll invited Judy Bingham to address the Board on an item not on the agenda. Ms. Bingham reported that she had attended the City Council meeting where the Department of Public Works presented a report on the San Timoteo Management Zone. It was reported that this was being done in lieu of recycled water. Ms. Bingham wanted to know if the District had an agreement with the City. Ms. Bingham also reported that Council Member Gall inquired on the purple pipe and was told "That's there problem." Ms. Bingham stated that she was just reporting what was being said.

President Ball agreed with Ms. Bingham that these pipes were part of a bigger project. The full name of the project is Non Potable Water Project and it carries more than just recycled water. President Ball shared that in 1993, there was an MOU between the City and the District that set things in motion. One of the stipulations of the agreement was that within 18 months there would be an MOU for recycled water. 17 years later, there is still no agreement between the two entities.

**ACTION ITEMS**

**1. ADOPTION OF THE AGENDA**

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

**2. FINANCIAL REPORTS**

- a. Bills for Consideration\*\*

Board Action  
February 2010

The Board will take action on the Bills for Consideration taking into account the recommendations of the Finance and Audit Committee.

Vice President Parks moved to approve the February 2010 Invoices. Director Woll seconded. The motion passed unanimously.

## b. Invoices Pending Approval\*\*

Board Action

The Board will take action on the invoices for payment taking into account the recommendations of the Finance and Audit Committee.

Director Ross moved to approve the invoices pending payment. Vice President Parks seconded. Director Halliwill requested to speak. Director Halliwill corrected the invoice total for the Redwine & Sherill invoice shown on the Memorandum from 10,283.50 to \$10,295.70. He further requested that Parsons Engineering Science included a total on their memorandums submitted along with invoices. Motion was amended to include the correction and suggestion by Director Halliwill. The motion passed unanimously.

## c. Month End Financial Statement

Secretary Woll invited Luwana Ryan to address the Board on item 2-C. Ms. Ryan expressed her concern that as of February 28<sup>th</sup>, the District had just a little over 2 million dollars in the bank and with the approval of the invoices for professional services the District has approximately 1.8 million dollars in the bank. Ms. Ryan noted this was dangerous territory.

Ms. Ryan also noted that the invoices pending approval included two legal billings and that these billings seem to be on the rise, possibly due to the regular attendance of Board meeting by Legal Counsel. Ms. Ryan suggested the Board cut some cost by running some meetings without having Legal Counsel in attendance.

Director Halliwill pointed out that on page 22 of 54, the budgeted amounts for rental income from District residences appears to be incorrect. With monthly rental charges set at \$200, the annual budget should be \$2,400, not \$1,200.

Board Action

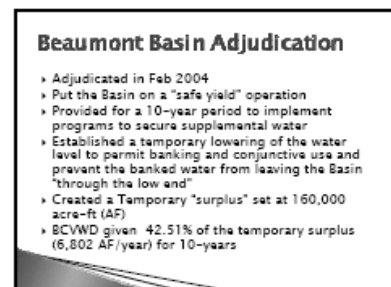
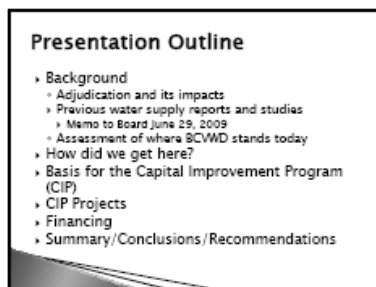
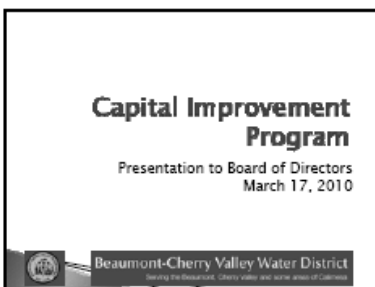
February 2010

The Board will take action to "accept and file" the Month End Financial Statements presented by staff.

Director Halliwill moved to accept the February 2010 Financial Statement with changes to 2010 proposed budget. Director Ross seconded. The motion passed unanimously.

**3. OPEN WORKSHOP**

## a. Presentation of the Five-Year Major Capital Expenditures Plan\*\*



**Adjudication Cont'd**

- Temporary Surplus will expire in Feb 2014
- All pumpers will have to pay Watermaster to purchase water if the pumper exceeds his/her pumping right
- The pumping right for all "appropriators" e.g. BCVWD is zero after Feb. 2014
- The District will need to find alternative sources for the 6,802 AF/year or pay Watermaster to replace it
- Cost -- \$320/AF± and rising

**Adjudication Cont'd**

- Re-allocation of unused Overlier Pumping Rights offsets some of the shortfall
  - Overliers in the Basin were assigned pumping rights
  - If they do not use them, the unused portion is allocated back to appropriators, e.g. BCVWD and others
  - In 2009 the re-allocation to the District was about 1,500 AF
  - It is likely this amount will continue and reduce the 6802 AF/yr shortfall to maybe 5,300 AF/yr
- Shortfall Will be an issue even if no new connections are added!

**June 2009 Memo to Board**

Current 2009 Conditions	
Water Demand	Acre-ft 13600
Water Sources	
Edgar Canyon	2296
Beaumont Basin Temporary Surplus	6802
State Water Project (Estimated)	3248
Transfer from South Mesa MWC	1500
Distribution of Unused Overlier Rights	1520
Recycled Water	
Total Water Supply	15366
Net to or from Storage	1766
<b>Total Water in Groundwater Storage</b>	<b>7386</b>

**2014 Conditions**

Water Demand	Acre-ft 13600
Water Sources	
Edgar Canyon	2296
Beaumont Basin Temporary Surplus	0
State Water Project (Estimated)	3248
Transfer from South Mesa MWC	0
Distribution of Unused Overlier Rights	1520
Recycled Water	785
Total Water Supply	7849
Net to or from Storage	-5751
<b>Total Water in Groundwater Storage</b>	<b>10269</b>

Assumes no more connections!

**Beyond 2014**

	2015	2016
Water Demand	13600	13600
Water Sources		
Edgar Canyon	2296	2296
Beaumont Basin Temporary Surplus	0	0
State Water Project (Estimated)	3248	3248
Transfer from South Mesa MWC	0	0
Distribution of Unused Overlier Rights	1520	1520
Recycled Water	785	785
Total Water Supply	7849	7849
Net to or from Storage	-5751	-5751
<b>Total Water in Groundwater Storage</b>	<b>4518</b>	<b>-1233</b>

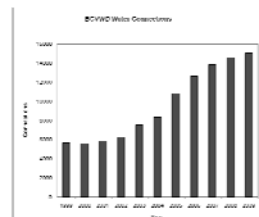
**Conservation**

- With Conservation we can extend the point where our storage goes negative to about 2017 or so
- Will provide a few more years to implement projects to secure more water

**Time for Action**

- We must act now to start implementing projects for water supply
  - Not for new growth
  - But for current rate payers!

How did we get here?

**Growth in Connections**

### A "Perfect Storm"

- Delay in implementation of Recycled Water Project
- Reduced State Water Project Deliveries due to Drought
- State Water Project Delivery reduction due to endangered species (Wanger Decision and the Delta Smelt)



All outside of the District's Control!

### By 2014 per the 2005 UWMP

- Imported Water
  - Assumed to start in 2006 (Actual 9/5/06) OK
  - 52,568 AF Assumed in UWMP (Actual Through 12/2009 = 15,959 AF)
  - Difference is enough for 3 year's demand!
  - Planned on 6,800 AF/yr; likely will get only about 3,200 AF/yr from now on (60% of '06 to '09)
- Recycled Water
  - Assumed to start 2006 (actual ???)
  - 48,017 AF Assumed in UWMP (actual = 0)
  - Also we lost 2,000 AF/yr (1.8 mgd) which must remain in Cooper's Creek for "habitat" maintenance

### Basis for 5-yr CIP

- Nominal Growth
  - 150 to 350 EDUs/yr from now to 2015
  - 1000 AF increase in demand by 2015
  - Conservation will and the economy might impact the demand increase
- Average Daily Demand over the next 5 years
  - 12.2 to 13.1 mgd
- Maximum Summer Day Demand for the next 5 years
  - 27.5 to 29.4 mgd

Yes, we pump over 27 million gallons a day during the summer!

### Well Supply

- With our largest well out of service (Well 29)
- Currently can pump 28.3 mgd
- Sufficient to 2013
- Need to add another well before 2013
- A new large well would increase pumping capability to 33 mgd with largest well out of service (2015 max day = 29.4 mgd)
- Good for a number of years into the future

### Reservoirs and Storage

- Currently have 22.5 MG of storage tank capacity
- Almost 2 days of storage at average demand
- 20 hours of storage at the maximum day demand
- Our large wells have generators for power outages
- We are OK for the foreseeable future

### Water Supply

- By 2015, based on the growth assumptions, BCVWD will be short 8,400 AF- Assumes
  - 800 AF recycled water from City of Beaumont
  - 1600 AF from State Water Project
  - 1500 AF of distributed Overlieer pumping rights
- Conservation will reduce this short fall but will not eliminate it

### New Water Supply Projects

Other Sources: (Rough Estimates)	Acre-ft/year
Singleton Basin new well	600
Bonita Vista/Cherry Valley Water Company Well rehabilitation and upgrade	500
RR-1 Well Rehabilitation	300
Lower Edgar Canyon Pollution Control Extraction to Recycled Water System	700
San Timoteo Wells and Pipeline to Recycled Water Supply	1,000
Stormwater capture in Little San Geronimo Creek	2,000
Sundance Stormwater Capture	500
Rubber Dam in Noble Creek	1,000
Purchase of State Project Water Rights or Secondary Recycled Water Connection with Yucaipa Valley WD	Purchase 2700 to net 1860
	1860 +

Total = 8,460 AF/year

### New Well in Singleton Basin

- Space allocated at 2650 Zone (Hannon) Tank site during tank design
- Included in CEQA for Hannon Tank
- Singleton Basin is not adjudicated
- Produce about 600 AF/yr

### Rehab Bonita Vista and Cherry Valley Mutual Wells

- Inspect and Rehab existing wells
- Install pipeline to connect to non-potable (recycled) water system
- Connect to non-potable pipe system at Well 16 site
- Produce 500 AF/yr



### BV and CV Mutual Wells and Pipeline



### RR-1 Well Rehab

- › District Well drilled at mouth of Edgar Canyon in the mid-80s
  - › Little water produced
  - › High nitrates
- › Inspect, swab, redevelop
- › Drill deeper?
- › Connect to non-potable (recycled) water system
- › Produce about 300 AF/yr

### RR-1 Well Rehab and Pipeline



### Pollution Control Project

- › Series of Extraction Wells at Mouth of Edgar Canyon to intercept high nitrate GW
- › Needs significant hydrogeologic work
- › USGS Reported\* 11.3 mg/L as N (50 mg/L as NO<sub>3</sub>) in well N/o spreading grounds in Edgar Canyon
- › Prevent intrusion into Beaumont Basin
- › Connect to non-potable (recycled) water system
- › Produce 700 AF/yr

\*SIR 2006-5026

### Pollution Control Project



### San Timoteo Wells & Pipeline

- › Very Conceptual
  - › Needs significant hydrogeologic work
- › Beaumont WWTP has and must continue to discharge into Cooper's Creek
- › Water Quality is questionable
- › Extracting it would improve WQ in downstream GW basins
- › Construct a series of extraction wells and pipeline connection to recycled water system
- › Produce 1000 AF/yr??

### San Timoteo Extraction Wells



### Complete Storm Water Capture in Little San Geronio Creek

- › Completion of BCVWD's Stormwater recharge and recovery program
- › Convert basins at mouth of Edgar Canyon to desilting basins and pipe desilted water to the GW recharge site
- › CEQA work is done; design almost done
- › Includes 2<sup>nd</sup> Phase of Recharge Ponds
- › Produce about 2000 AF/yr of water on a long term basis

### Do the Basins Really Work?

- › Emphatically Yes
- › BCVWD percolated 15,959 AF in 3 years
- › This is 5.2 Billion Gallons of Water
- › More than 1 year's worth of pumping
- › Shallow monitoring wells went up 94.4, 86.1 and 89.5 ft respectively
- › Deep monitoring wells went up 44.8, 10.9 and 78.3 ft respectively
- › Water is reaching the deep aquifer!

### Sundance Stormwater Capture

- › Existing detention pond(s) really do not percolate the water
- › Water must be pumped out; goes down Smith Creek to the desert
- › Development has increased runoff
- › Install a pump station and pipeline to BCVWD recharge site
- › Produce about 500 AF/yr

### Sundance Stormwater Capture



### Rubber Dam In Noble Creek

- › Install inflatable dam in Noble Creek adjacent to BCVWD's Recharge site
- › Divert stormflows into the ponds
- › Will require the construction of 2<sup>nd</sup> phase of the recharge ponds
- › Produce 1000 AF/yr



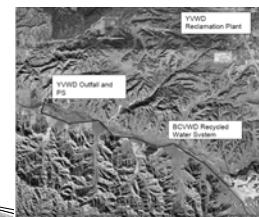
### Rubber Dam In Noble Creek



### Secondary Recycled Water Connection with Yucaipa VWD

- › Two alternatives
  - From YVWD outfall in San Timoteo Canyon and pipeline to Palmer Dr and San Timoteo Canyon Rd
  - Connection at I-10 and Cherry Valley Blvd
  - Small tank and booster pump at Well 29
  - 5000 ft long pipeline to recycled system
  - Banning may share in the facilities
- › Working with YVWD currently
- › Will be applying for State Planning Grant
- › Produce 2,000 AF/yr or more

### YVWD Recycled Water Alternative 1



### YVWD Recycled Water Alternative 2



### Other Agency Water Resource Project

- › Buy into other agency water resource projects and "swap" with imported water
  - GW desalters
  - Ocean Desalination
  - Contaminated groundwater treatment projects
  - Recycled water projects
  - Need to work with Pass Agency regarding "wheeling"
  - Very feasible
- › Not in the CIP but an alternative to purchase of more Table "A"

### Purchase of New Water Rights

- › Opportunities to purchase additional "Table A" from other SWP contractors
  - Reliability issues
    - Need to buy more due to 60 to 70% reliability
    - Takes a long time; CEQA etc.
- › Could also purchase unused Table A on a year to year basis from other State Water Contractors (SWC) who currently have surplus
  - Will require DWR and SWC approval
  - Need to work with Pass Agency on "Wheeling"
- › Not in CIP at this time, but an alternative

### Other Projects

- ▶ Highland Springs Reservoir Recoating
- ▶ GIS/GPS Equipment upgrade/replacement
  - Needed for asset management
  - Major technology breakthroughs makes current equipment somewhat out of date
- ▶ Distribution pipeline replacement
  - Replace old, leaky 4" and 6" pipelines
  - 24,000 linear feet
  - 20 projects
  - Reduce water loss, maintenance and improve fire protection
- ▶ New Operations and Maintenance Center
  - Not in CIP at present

### What will it cost?

### Costs Include

- ▶ Construction
- ▶ Land (where needed)
- ▶ Engineering/Legal/Inspection
- ▶ Permitting and CEQA
- ▶ 20% Contingencies

Project	Estimated Cost
Beaumont Basin Water Well	\$ 3,375,000
Singleton Basin Well	\$ 1,802,000
Bonita Vista/Cherry Valley WC Well Rehabilitation and Pipeline	\$ 1,579,000
RR-1 Well Rehabilitation and Pipeline	\$ 400,000
Pollution Control Project	\$ 5,140,000
San Timoteo Non-potable Wells and Pipeline	\$ 6,590,000
Completion of the Stormwater Project incl Phase 2 of the Recharge Facility	\$ 10,757,000
Sundance Stormwater Recovery	\$ 2,093,000
Noble Creek Rubber Dam	\$ 1,620,000
Secondary Recycled Water Connection	\$ 7,620,000
Highland Springs Reservoir Painting and Rehabilitation	\$ 177,000
Distribution and Transmission Pipeline Replacement	\$ 3,277,000
GIS Equipment	\$ 47,000
<b>Total All Projects</b>	<b>\$ 44,477,000</b>

Does not include O&M Center or Purchase of Trane Table A

### Where will the money come from?

- ▶ BCVWD will be looking for grants and low interest loans
  - US Bureau of Reclamation
    - Long arduous process and will involve many trips to Washington DC to "lobby" for inclusion on appropriations
    - Eastern, SAWPA, IEUA and others have been very successful, but takes time and money
  - BCVWD will need outside help to pursue
  - State Water Resources Control Board
    - Secondary Recycled Water Connections easily eligible
    - Pollution control and San Timoteo Extraction projects - Maybe eligible for some funding

### Money Sources Cont'd

- ▶ Pipeline Replacement from Depreciation Funds
- ▶ Developer "new water" fees
  - Impact fees will need revisiting

### What if we "Do Nothing"

- ▶ We could be short 6,000 to 8,400 AF by 2015 or so
- ▶ At \$350/AF for imported water, this is \$3 million/yr
  - Future cost of imported water???
- ▶ Over 20 years and assuming the cost of water does not increase, BCVWD will need \$37.4 million now assuming 5% interest
- ▶ If we assume a 2% increase in the cost of water per year, BCVWD will need about \$54 million over the next 20 years

### Conclusions

- ▶ The program is expensive -- \$45 million
- ▶ Future costs will be large if we "do nothing"
- ▶ We can't look back; the past is history; we need to look forward and move forward
- ▶ We need to look for a source of revenue for the program
  - Revenue bonds?
  - Special assessments?
  - Rate consultant needs to "weigh in"
  - Grants and Low interest Loans
- ▶ BCVWD cannot continue to stand back and watch things happen

### Recommendations

- ▶ Authorize staff to:
  - Seek out supplemental funding from Bureau of Reclamation, SWRCB and other sources
  - Retain outside consultants to help
  - Begin to initiate engineering and environmental studies to implement the CIP
- ▶ Staff will need help in implementing and managing this large program and seeking outside funding - Program Management Consultant?

**4. CONTINUANCE OF MEETING**

Interim General Manager Lara suggested two dates for a possible special Board meeting. Staff does not know the exact date when the loan paperwork will be ready to execute. There will likely be very little notice and the Board will need to act in a timely manner in order to secure the rates. Mr. Lara suggested the dates of March 24<sup>th</sup> or March 29<sup>th</sup>. No action needed.

**ACTION LIST**

- Contact Parsons Engineering Science and request the addition of an invoice total on the memorandum cover sheet.
  - Adjust budget to reflected corrected rental income budget of \$2,400
- 

**5. CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL-**

- A. Closed Session will be held to pursuant to subdivision (b)(1) of Government Code Section 54957 to consider the employment of a Controller/Chief Financial Officer.**

**6. OPEN SESSION- REPORT ON CLOSED SESSION**

President Ball reconvened to Open Session at approximately 11:18PM.

General Counsel Gil Granito reported that at approximately 9:20 PM the Board went into Closed Session pursuant to Government Code Section 54957( as reflected as Item 5.A. of tonight's agenda) to discuss the employment of a Controller/Chief Financial Officer. At the conclusion of the Closed Session the Board reaffirmed its intent to create and fill the position of Controller but no final action was taken. The Closed Session ended at approximately 11:16PM.

**7. ADJOURNMENT**

President Ball adjourned the meeting at approximately 11:18PM.

**Beaumont Cherry Valley Water District  
Regular Meeting of the Board of Directors  
Memorandum re Item 6**

**Date:** March 1, 2010

**Prepared by:** Julie J. Salinas, Business Manager

**Subject:** Water Bill for 39955 Grand Ave

**Recommendation:** That the Board extend a Special Payment Arrangement to bring the account current within a 12 month period.

---

**BACKGROUND:**

**05/06/2009** – Meter reader reported broken register. Meter read estimated and work order 90668 issued to have meter changed out.

**05/07/2009** - Field Rep removed Master meter serial no. 2540530 (5/8" originally installed 02/28/2000) and installed Performance meter serial no. 174540.

**07/08/2009** – Billing Clerk sends out Office Order 19020 to verify high read of 491.

**07/09/2009** – Customer Service Rep verifies read and confirms the read is correct, no leak and reports a read of 497.

**07/13/2009** – Billing Clerk issues Work Order 90952 to have meter pulled and tested in-house (at customer's request). Field Rep removed Performance meter serial no. 174540 (read 520) and installs Performance meter serial no. 174698 (read 0). Meter tested at 100% at all three flows (high, medium and low).

**07/16/2009** – At customer's request, staff scheduled to have meter tested by manufacturer. Appointment date scheduled for July 22, 2009.

**07/22/2009** – Meter tested by Hendey's Performance Meters in Banning. High Flow – 99%, Medium Flow – 101.5% and Low Flow – 101%.

**07/31/2009** – Field Rep is assigned to monitor daily water usage for 30 day period.

**09/14/2009** – Following completion of monitoring period, General Manager sends out letter with results and extends special payment arrangement offer.

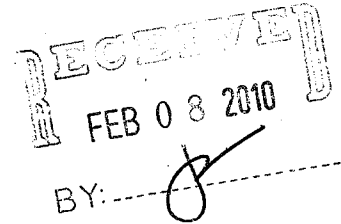
**10/14/2009** – Customer appears before the Board during the public input portion of the agenda. Customer is directed to put complaint in writing to appear before the Board as part of the Agenda.

**01/11/2010** – Staff sends out letter to remind customer that if she wishes to appear before the Board, to please put request in writing. Special Payment arrangement is again offered.

I would like to request a chance to speak at the next Water Board meeting.  
I have concerns about a water bill received after a new meter was put in and the bill was more than double what my bill has ever been, even in the hottest months. I have been at the same residence for over 12 years and have never had a problem with my bill before.

Thank you,  
Natalie Cunningham  
39955 Grand Ave  
Cherry Valley

*Natalie Cunningham*



**BEAUMONT-CHERRY VALLEY WATER DISTRICT**  
**Consumption (By Date Range)**

UB5610

Date : Feb 16, 2010

Page : 1

Time : 3:43 pm

**Report Options** Date Range

Account No. : From : [064-1440-000] To : [064-1440-000]

Parcel No. : ALL

Period Code : ALL

Service Type : All

Class Code : All

Date Range : [01-Sep-2005] To [16-Feb-2010]

Report Sequence : Account No.

Reading Sequence : Ascending Date

Service Status : All

Meter Type : All

Meter Size : All

Account No.	Name	Meter Number	Walk Seq.	Cat	Service Code
Parcel No.	Address	Meter Size	Service Status	Class	Period Code
064-1440-000	CUNNINGHAM, NATALIE	174698	144000	01	D1 DOMESTIC 5/8"
-	39955 GRAND AVE		Active Service	02	Valley

Reading Date	Previous	Current	Consumption	Billing Batch	Amount Billed
04-Sep-2009	0.00	268.00	268.00	2009091102	261.67
04-Nov-2009	268.00	516.00	248.00	2009111201	220.32
05-Jan-2010	516.00	576.00	60.00	2010011116	62.40

174540 144000 01 D1 DOMESTIC 5/8"  
Inactive Service 02 Valley

Reading Date	Previous	Current	Consumption	Billing Batch	Amount Billed
06-Jul-2009	0.00	491.00	491.00	2009070817	424.64
13-Jul-2009	491.00	520.00	29.00	2009091102	261.67

2540530 144000 01 D1 DOMESTIC 5/8"  
Inactive Service 02 Valley

Reading Date	Previous	Current	Consumption	Billing Batch	Amount Billed
22-Sep-2005	3,597.00	3,784.00	187.00	2005090101	0.00
17-Nov-2005	3,784.00	3,832.00	48.00	2005112206	50.96
20-Jan-2006	3,832.00	3,945.00	113.00	2006012301	101.01
21-Mar-2006	3,945.00	3,979.00	34.00	2006032801	39.81
19-May-2006	3,979.00	4,032.00	53.00	2006052313	55.77
14-Jul-2006	4,032.00	4,197.00	165.00	2006072002	169.85
14-Sep-2006	4,197.00	4,348.00	151.00	2006092102	138.09
14-Nov-2006	4,348.00	4,384.00	36.00	2006112003	41.49
18-Jan-2007	4,384.00	4,410.00	26.00	2007012206	33.09
22-Mar-2007	4,410.00	4,445.00	35.00	2007032302	40.65
18-May-2007	4,445.00	4,513.00	68.00	2007052102	68.63
23-Jul-2007	4,513.00	4,652.00	139.00	2007072505	128.76
21-Sep-2007	4,652.00	4,768.00	116.00	2007092404	109.44
20-Nov-2007	4,768.00	4,817.00	49.00	2007112102	53.16
18-Jan-2008	4,817.00	4,830.00	13.00	2008012501	22.92
19-Mar-2008	4,830.00	4,848.00	18.00	2008032102	27.12
21-May-2008	4,848.00	4,978.00	130.00	2008052307	121.20
03-Jul-2008	4,978.00	5,054.00	76.00	2008070902	75.84
04-Sep-2008	5,054.00	5,180.00	126.00	2008091103	117.84
05-Nov-2008	5,180.00	5,240.00	60.00	2008110704	62.40
07-Jan-2009	5,240.00	5,246.00	6.00	2009010818	17.04
04-Mar-2009	5,246.00	5,262.00	16.00	2009030902	25.44
06-May-2009	5,262.00	5,330.00	68.00	2009050701	69.12
07-May-2009	5,330.00	5,330.00	0.00	2009070817	424.64

Reset Form

Print Form

# BEAUMONT CHERRY VALLEY WATER DISTRICT WORK ORDER

Work Order No. 90668

Work Order Date: 05/06/2009

Account Number: 064-1440-000

Operator: CG

Consumer: NATALIE CUNNINGHAM

Service Address: 39955 GRAND AVE

Remarks: BROKEN REGISTER, PER READER

Bill To: \_\_\_\_\_

Invoice No. \_\_\_\_\_

Completed By: \_\_\_\_\_

Log No. &amp; Date: \_\_\_\_\_

*estimated Read*

## METER INFORMATION

		SIZE			:1000	:100	:10	:1
PRESENT	2540530	5/8"	:5	:2	:6	:2		
REMOVED	<i>2540530</i>	<i>5/8"</i>	<i>5</i>	<i>2</i>	<i>6</i>	<i>2</i>		
INSTALLED	<i>174540</i>	<i>5/8"</i>				<i>2</i>		

1431 Acct

☐ Capital Improvement☐ 2-1-0001 New Service Ir☐ 5200-513 Wells Minco☐ 5300-530 Pipeline☒ 5300-534 Meters & Syca☐ 5300-535 Backflow☐ 5300-537 Pressure Reg

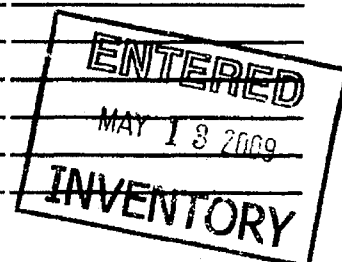
## FIELD COMMENTS

*Replaced broken meter with new Handy Radio Read meter*

Work Completed By	Date	From	To	Price Per Hour	Extended Price
<i>Julien</i>	<i>5-7-09</i>	<i>12:30</i>	<i>1:15</i>		

Equipment Used	Date	From	To	Price Per Hour	Extended Price
<i>unit #3</i>	<i>5-7-09</i>	<i>12:30</i>	<i>1:15</i>		

Material Installed	Quantity	Price (each)	Extended Price
<i>5/8" Handy Radio Read Meter</i>	<i>1</i>		

Field Supervisor's Approval: *[Signature]*



Form

Form

Work Order No. 90952

Work Order Date: 07/13/09  
Account Number: 084-1440-000  
Operator: KATHY DIAZ  
Consumer: NATALIE CUNNINGHAM  
Service Address: 38955 GRAND AVE

Bill To: \_\_\_\_\_  
Invoice No. \_\_\_\_\_  
Completed By: *[Signature]*  
Log No. & Date: *7/13/09*

Remarks: MTR EXCHANGED 5/7/09- BILLING READ 491- CUST IRATE - PLEASE CHECK MTR & CALL ME-THANKS

		SIZE			:1000	:100	:10	:1
PRESENT	174540	5/8		5	2	0		
REMOVED								
INSTALLED								

FIELD COMMENTS

*Tony Cove* *High Flow = 100%*  
*Med. Flow = 100%*  
*Low Flow = 100%*

Work Completed By	Date	From	To	Price Per Hour	Extended Price
<i>T. Cove</i>	<i>7.13.09</i>	<i>1:15</i>	<i>2:15</i>		

Equipment Used	Date	From	To	Price Per Hour	Extended Price
<i>MTR #15</i>	<i>7.13.09</i>	<i>1:15</i>	<i>2:15</i>		

Material Installed	Quantity	Price (each)	Extended Price
--------------------	----------	--------------	----------------

ENTERED  
JUL 16 2009  
INVENTORY

Field Supervisor's Approval: *[Signature]*

# BEAUMONT CHERRY VALLEY WATER DISTRICT WORK ORDER

Work Order No. **90952**

Work Order Date: 07-13-09  
 Account Number: 064-1440-000  
 Operator: Urb.  
 Consumer: D. Cunningham  
 Service Address: 39955 GRAND AVE.  
 Remarks: METER #174540 and S20

Bill To: \_\_\_\_\_  
 Invoice No. \_\_\_\_\_  
 Completed By: Urb.  
 Log No. & Date: 7/28

## METER INFORMATION

	SIZE			:1000	:100	:10	:1
PRESENT							
REMOVED	<u>174540</u>	<u>5/8</u>		<u>5</u>	<u>2</u>	<u>0</u>	
INSTALLED	<u>174698</u>	<u>5/8</u>				<u>0</u>	

1431 Acct.....: \_\_\_\_\_ 1113-123 NSI \_\_\_\_\_ 5300-534 Mtr & Svcs  
 \_\_\_\_\_ 5200-513 Wells Mince \_\_\_\_\_ 5300-535 Backflow  
 \_\_\_\_\_ Capital Improvement \_\_\_\_\_ 5300-530 Pipeline \_\_\_\_\_ 5300-537 Press Reg

## FIELD COMMENTS

Meter #174540 5/8 / Read S20 REMOVED FOR TESTING

Work Completed By	Date	From	To	Price Per Hour	Extended Price
<u>Chris</u>	<u>7-13-09</u>	<u>10:00</u>	<u>10:45</u>		

Equipment Used	Date	From	To	Price Per Hour	Extended Price
<u>#5</u>	<u>7-13-09</u>	<u>10:00</u>	<u>10:45</u>		

Material Installed	Quantity	Price (each)	Extended Price
<u>5/8 Heavy Radio Read Meter</u>	<u>1</u>		

**ENTERED**  
 JUL 14 2009  
**INVENTORY**

APPROVED  
[Signature]

# PML Performance<sup>®</sup> Meter Inc.

Performance Meter, Inc  
PO Box 427  
Beaumont, CA 92223-0427  
Corporate 800-872-2723  
Phone 951-922-2485  
Fax 951-922-2395

State of California  
Department of Weights & Measures  
Registration # 2921

## Certified Test

Customer:	Beaumont-Cherry Valley Water	Manufacturer:	Performance Meter, Inc.
Address:	560 Magnolia Ave	Model #:	PMN02CF
City:	Beaumont	Serial #:	174540
State:	CA Zip: 92223	Size #:	5/8 X 3/4"

High Flow:	20	GPM	99.0	%	Tested By:	LARRY
Med. Flow:	1	GPM	101.5	%	Tester #:	02045
Low Flow:	1/4	GPM	101.0	%		

Comments:

Signature:

Date:

7/22/09

[www.performancemeter.com](http://www.performancemeter.com)

[sales@performancemeter.com](mailto:sales@performancemeter.com)

# BEAUMONT CHERRY VALLEY WATER DISTRICT

## DIRECTORS

*Dr. Blair Ball*

President

*Stella Parks*

Vice President

*Niki Magee*

*Kenneth Ross*

*Ryan Woll*

**Anthony Lara**

**Interim General Manager**

560 Magnolia Avenue

Beaumont, California 92223-2258

Telephone 951-845-9581

Fax 951-845-0159

[www.bcvwd.org](http://www.bcvwd.org)

## OFFICERS

*Ryan Woll*

Secretary

*Kenneth Ross*

Treasurer

*Gil Granito*

General Counsel

Redwine & Sherrill

September 14, 2009

Natalie Cunningham  
39955 Grand Avenue  
Cherry Valley, CA 92223

Re: Account No. 064-1440-000  
39955 Grand Ave

Dear Ms. Cunningham:

Following our phone conversation, field representatives were instructed to monitor your meter and usage for a 30-day period. A copy of the field notes is included in this correspondence for your record.

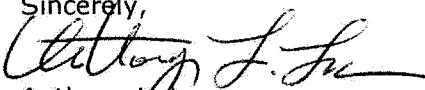
Following the two conclusive meter tests and a 30-day observation period, District staff is of the opinion that the meter in question was registering properly. The water, at one time or another, passed through the meter and you are responsible for payment of the water that traveled through the meter.

The district has and can set up for customers with high balances a special payment arrangement. In all cases the goal is the same and that is to bring the account current within a 12 month period. You can elect to:

1. Pay one half of the outstanding balance now and the second half within 15 days (standard special payment arrangement).
2. Pay one half of the outstanding balance now and have the second half divided into 6 equal payments to be made in addition to the regular billing.
3. Take the total outstanding balance and divide it into 6 equal payments to be made in addition to the regular billing.

To set up a special payment arrangement, simply contact the office at 951-845-9581 and one of our staff members will gladly assist you.

Sincerely,



Anthony Lara  
Interim General Manager

**RESOLUTION No. 2010-07**

**RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE BEAUMONT CHERRY VALLEY WATER DISTRICT  
AUTHORIZING DELEGATES TO VOTE ON BEHALF OF THE DISTRICT,  
AT THE LAFCO SPECIAL DISTRICTS ELECTION**

**WHEREAS**, the Local Agency Formation Commission (LAFCO) is a county-based planning agency responsible for coordinating logical and timely changes in local government boundaries; and,

**WHEREAS**, the Beaumont Cherry Valley Water District is a special district in Riverside County service by LAFCO; and

**WHEREAS**, special districts within Riverside County elect individuals from among their districts as their representative and alternate representative to the LAFCO Commission; and;

**WHEREAS**, LAFCO executive officer has called for the Special Districts Association of Riverside County to convene on April 15, 2010 for purposes of electing a LAFCO Special District Representative from the west end of Riverside County; and

**WHEREAS**, This election conducted under auspices of LAFCO and according to California statutes governing such elections under the Secretary of State requires the voting agencies to authorize by Board Resolution the succession of voting delegates in the event the Board President cannot participate in the election; and,

**NOW THEREFORE, BE IT RESOLVED** by the Board of Directors of Beaumont Cherry Valley Water District that the Beaumont Cherry Valley water District affirms Board President Blair Ball, Vice President Stella Parks, Director Ross, Director Woll and Director Halliwill, as respective successor voting delegates in the event the Board Present cannot participate in the election of the Special District Representative for Western Riverside County to LAFCO.

ADOPTED, SIGNED AND APPROVED, THIS 14<sup>th</sup> DAY OF APRIL, 2010 BY THE FOLLOWING VOTES:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

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

# Beaumont-Cherry Valley Water District California



## Draft Report **Water Rate Study**

April 9, 2010



27368 Via Industria, Suite 110  
Temecula, CA 92590  
T: 951.587.3500  
F: 951.587.3510

April 9, 2010

Mr. Tony Lara  
General Manager  
Beaumont-Cherry Valley Water District  
560 Magnolia Avenue  
Beaumont, CA 92223

Dear Mr. Lara,

Willdan Financial Services (Willdan) is pleased to present this report on the water rate study conducted for Beaumont-Cherry Valley Water District (District).

This report was undertaken as the District is facing several challenges to continuing its high-quality operations. The focus of this study is to ensure that the utility has sufficient revenues to meet its operational, capital and debt service obligations and that rates are set proportionate to the costs of providing utility service to each customer class. Our report outlines the approach, methodology, findings, and conclusions of this study.

This report has been prepared using generally accepted rate setting techniques. The District's utility accounting, budgeting, and billing records were the primary sources for the data contained within the report. Furthermore, Willdan has worked closely with District staff over the course of this project. The conclusions contained within this report provide the District with a set of recommendations to provide stable technically defensible funding for continued high-quality operations.

It was a pleasure working with you, and we also wish to express our thanks to other staff members at the District, for the support and cooperation extended throughout the study.

Sincerely,

Willdan Financial Services

Gregg Tobler  
Senior Project Analyst

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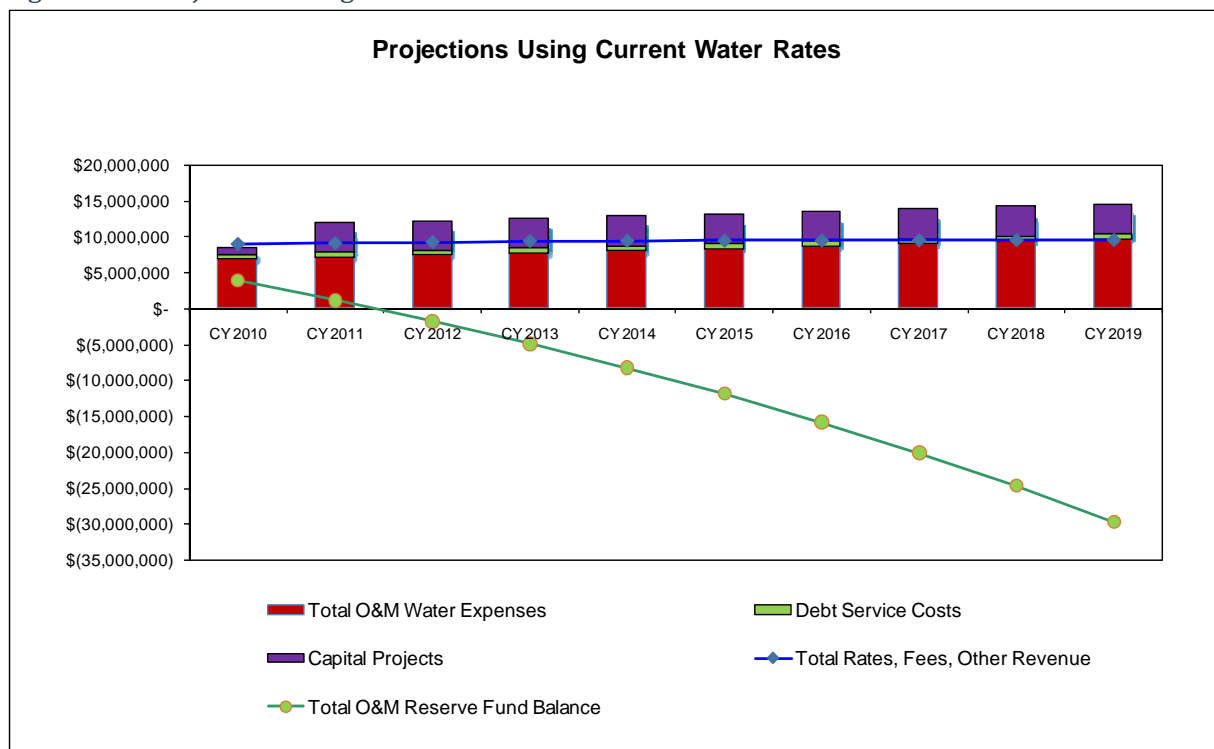
# Executive Summary

The District desires rates that fully fund operations, maintenance, and present and future capital costs for new wells, infrastructure rehabilitation, and enhancements. The District is facing several challenges to continuing its water utility operations, including inadequate annual water rate revenues to keep pace with increasing operational, maintenance and major capital costs; and the need to meet water conservation objectives while maintaining a self-funding water utility enterprise fund.

The District retained Willdan Financial Services (Willdan) to prepare a rate study for the water utility to ensure the utility has sufficient revenues to meet their operational, capital and debt service obligations and that rates are set proportionate to the costs of providing utility service to each customer class in compliance with Proposition 218. Therefore, the purpose of the proposed rate study is to provide recommendations on changes to the current utility rate structure to meet these challenges. As part of this rate study, Willdan facilitated dialogue with District staff during conference calls and meetings. During these discussions, the District made recommendations to incorporate into the study where appropriate. This report documents the findings, analyses and recommendations of the comprehensive rate study effort.

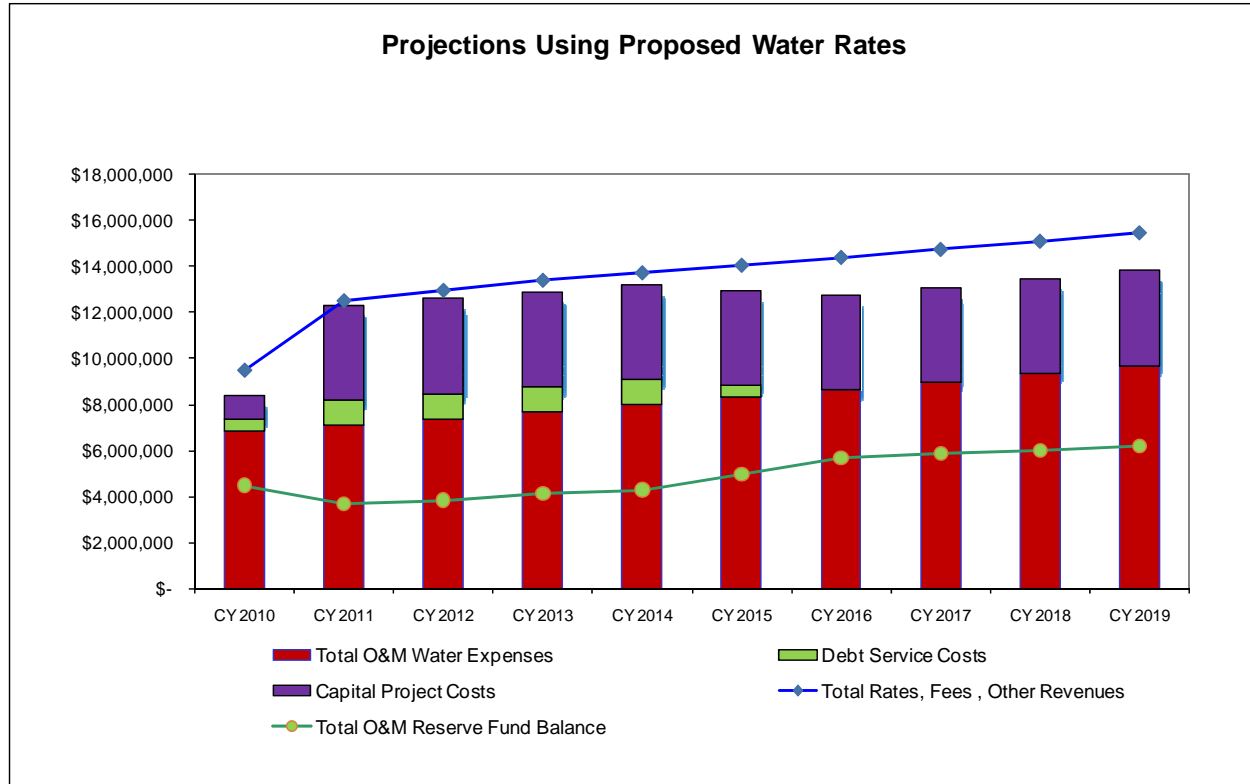
The graph (Figure E-1) below demonstrates the current and projected financial conditions of the water system absent a comprehensive rate restructuring and assuming no rate increases over the next 10 years. As the figure illustrates, holding rate structures and rates constant will result in depleted reserve funds, reduced quality of operations or services, and deferred capital projects that are urgently needed due to aging infrastructure.

Figure E-1: Projection Using Current Water Rates



The graph (Figure E-2) below demonstrates the projected financial condition of the water system assuming adoption of a comprehensive rate restructuring and recommended rate increases over the next 10 years. As the figures illustrate, the proposed rate structure and rate increases will enable the District to continue its operations, establish prudent reserve fund levels, and fund capital projects that are urgently needed through a bond financing.

Figure E-2: Projection Using Proposed Water Rates



The following report provides detail regarding the supporting rate analysis and recommendations.

# Project Background

---

Beaumont-Cherry Valley Water District owns and operates a water system for residents and businesses within Beaumont, Cherry Valley and parts of southeastern Calimesa. As of Calendar Year 2010, the water system provides service to approximately 15,000 residential and non-residential potable water customers. The District operates the water system as a self-supporting enterprise.

The District's responsibilities include water storage and delivery, water resource management, water policy development, and water conservation programs. The District maintains 10 active wells with a system production capacity of 34 million gallons per day. The District receives the majority of its water from groundwater supplies. The remainder of the water the District receives comes from State Water Purchase Program.

The District is currently implementing a major capital improvement program which includes new potable wells, well rehabilitation and pipeline, non-potable wells, completion of the recharge facility, a recycled water connection, reservoir painting and rehabilitation, and distribution & transmission pipeline replacement.

The District is facing several challenges to continuing its water utility operations. Utility revenues are not keeping pace with increasing operational and capital costs. In addition, customer account growth has slowed to a 2.5% annual rate and utility infrastructure is aging and must be replaced or repaired.

Due to the uniform water rate schedule, recent market conditions, and conservation objectives implemented by water purveyors, the current model does not accurately predict the revenue stream required for services provided. The District desires rates that fully fund operations, maintenance, present and future capital costs, and accounts for water conservation goals.

## Key Financial Plan Objectives

Several objectives were identified during the study to guide decisions regarding the proposed financial plans and rate structures. The major objectives of the study were:

- Utility rates and fees should generate sufficient revenues to meet operating costs, capital program requirements, debt service obligations, and maintain adequate reserves consistent with sound financial management practices
- Utility rates should be set proportionate to the cost of providing utility service to each customer class to promote fairness and equity and compliance with Proposition 218
- A financial plan that shifts a majority of future capital funding to a debt financing to mitigate the impact on rates that the District's customers pay.
- A financial plan that minimizes the need to continually update the water rate structure
- Conservation objectives of the District to encourage the efficient use of water

- Utility rate and fee structures should be supported by a financial model that is easy to update should costs and assumptions change in the future beyond what was projected at the time of this report

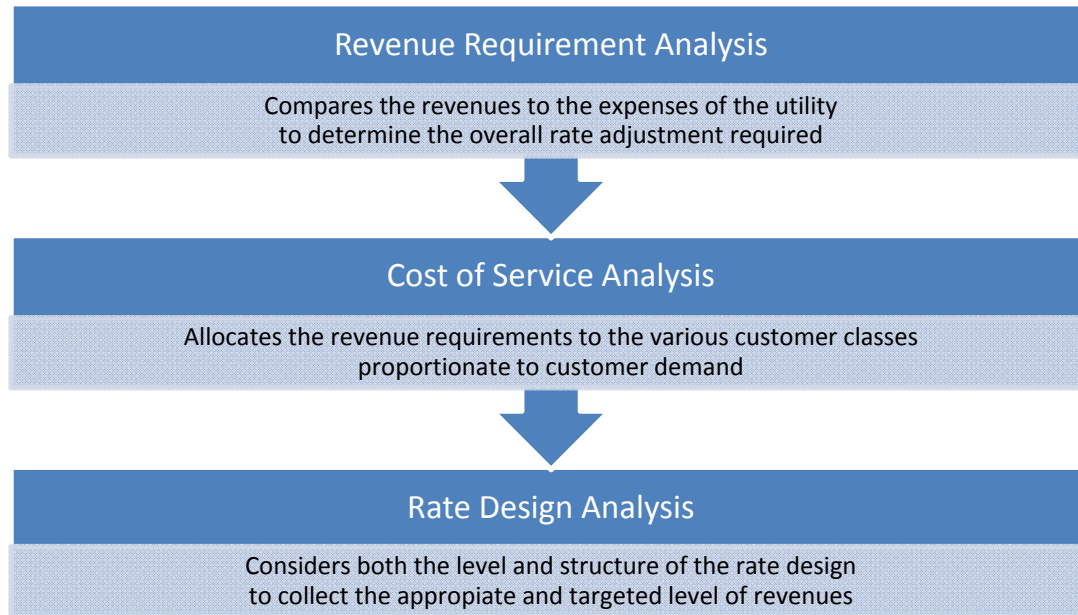
In reviewing the above objectives, it should be noted that the District has limited control over external forces such as growth, consumer behavior, the cost of purchasing water, and system usage. Recognizing these factors, we believe that the recommendations in this study provide a fair, reasonable, and balanced set of proposed rates and fees for the District that, to the extent possible, meets these key objectives.

## **Overview of the Rate Study Process**

The scope of this study included the development of cost-based water user charges through a comprehensive cost of service and rate design analysis. Utility rates must be set at a level where a utility's operating and capital expenses are met with the revenues received from customers. This is a significant point, as failure to achieve this level may lead to insufficient funds being available to appropriately maintain the system. A comprehensive rate study typically consists of following three interrelated analyses (Figure 1-1 provides an overview of these processes).

- Financial Planning/Revenue Requirement Analysis: Create a ten-year plan to support an orderly, efficient program of on-going maintenance and operating costs, capital improvement and replacement activities, and retirement of outstanding debt. In addition, the long-term plan should fund and maintain reserve balances to adequate levels based on industry standards and District fiscal policies.
- Cost of Service Analysis: Identifies and apportions annual revenue requirements to the different customer classes based on their demand on each utility system.
- Rate Design: Develops a fixed/variable schedule of rates for each customer class to proportionately recover the costs attributable to them. This is also, where other policy objectives can be achieved, such as discouraging wasteful water use. The policy objectives are balanced with the cost of service objectives to maintain the delicate balance between customer equity, financial stability and resource conservation goals.

Figure 1-1: Comprehensive Rate Study Interrelated Analysis



## Organization of the Report

This report is organized to provide an overview of utility rate setting principles, then a separate detailed review of the rate design process. The following sections comprise the water rate study report:

- Rate Setting Principles
- Water Rate Analysis

# Rate Setting Principles

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The primary objective of conducting a comprehensive rate study is to determine the adequacy of the existing rates (pricing and structure) and provide the basis for any necessary adjustments to meet the District's operating and capital needs as well as policy objectives, such as water conservation. The District desires rate structures that fully fund operations, maintenance, and present and future capital costs (plant expansions, distribution systems, and collection system rehabilitation, enhancements, or expansion). Furthermore, the District desired to maintain or possibly enhance its current conservation-based rate structure. A tiered rate structure encourages conservation by allocating each customer a consumption allotment based on average usage for which they are charged a base rate per hundred cubic foot (ccf). If an account's consumption exceeds its allotment, then the customer is charged an increased rate (block 2) per ccf for the consumption that falls above the allotment.

## Established Principles & Guidelines

Over the past years, many generally accepted principles or guidelines have been established to assist in developing utility rates. The purpose of this section of the report is to provide a general background of the methodology and guidelines used for setting cost based utility rates. This will provide the reader with a higher-level understanding of the general process detailed later in this report.

As a practical matter, there should be a general set of principles to develop rates. The American Water Works Association (AWWA) establishes these principles in the M1 Manual – *Principles of Water Rates, Fees and Charges*. These guiding principles help to ensure there is a consistent global approach that is employed by all utilities in the development of their rates (water and water-related utilities including sewer and reclaimed water).

Below is a summary listing the established guidelines, which public utilities should consider when setting their rates. These closely reflect the District's specified objectives.

- Rates should be cost-based and equitable, and set at a level such that they provide revenue sufficiency.
- Rates and process of allocating costs should conform to generally accepted rate setting techniques.
- Rates should provide reliable, stable and adequate revenue to meets the utility's financial, operation, and regulatory requirements.
- Rate levels should be stable from year to year (limit "rate shocks").
- Rates should be easy to understand and administer.

These guidelines, along with the District's objectives, have been utilized within this study to help develop utility rates that are cost-based and equitable.

## Revenue Requirements

The method used by most public utilities to establish their revenue requirements is called the “cash basis” approach of setting rates. As the name implies, a public utility combines its cash expenditures over a period of time to determine their required revenues from user rates and other forms of income. The figure below presents the “cash basis” methodology.

Figure 2-1: Overview of the “Cash Basis” Design

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+ Operation and Maintenance Expenses
+ Taxes/Transfers
+ Capital Additions Financed with Rate Revenue
+ Debt Service (Principal and Interest)
= Total Revenue Requirements

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To ensure existing ratepayers are not paying for growth-related capital projects, Willdan reviewed existing, approved/pending, and proposed Capital Improvement Projects (CIPs) with District staff to allocate projects between new (growth) and existing customers (operations and maintenance or “O&M”). Additionally, capital replacement expense is sometimes included to stabilize annual required revenue requirements by spreading the replacement costs of a depreciated asset over the expected life of the asset or through the term of bond issue, when municipal bond financing is used.

Based on the revenue requirement analysis, the utility can determine the overall level of rate adjustment needed in order for the utility to meet its overall expenditure needs.

## Financial Planning

In the development of the revenue requirements, many assumptions are utilized to project future expenditures, customer and consumption growth, and necessary revenue adjustments. The District’s budget documents are used as the initial starting point; however, assumptions play a necessary role in projecting future required revenue.

Conservative growth assumptions and prudent financial planning are fundamental to ensuring adequate rate revenue to promote financial stability. The financial model developed appropriately considers the District’s existing debt service coverage ratios and operating reserve balances. In addition, as part of the financial planning, municipal bond financing is incorporated into the model to fund repair and replacement cost of depreciated infrastructure and assets. This enables the District to mitigate future rate increases as money for repair and replacement is amortized over a bond term of 20 to 30 years. As debt is redeemed, new bond issues may be utilized to fund additional capital improvements required due to the aging infrastructure.



## Rate Design

The final element, the rate design process, applies the results from the revenue requirements to develop rates that achieve the general guidelines and objectives of the District. These objectives may include consideration of cost-based rates, but may also consider items such as ability to pay, continuity of past rate philosophy, conservation, encouragement of economic development, ease of administration, and legal requirements. While cost-based rates are an important objective, all objectives should be balanced appropriately.

While the general description of the utility rate setting process discussed in this section of the report is simplified and condensed, it does address the underlying fundamentals. One of the key principles for a comprehensive rate study is found in economic theory, which suggests the price of a commodity must roughly equal its cost or value if equity among customers is to be maintained – i.e. cost-based. For example, capacity-related costs are usually incurred by a water utility to meet peak use requirements. Consequently, the customers causing peak demands should properly pay for the demand-related facilities in proportion to their contribution to maximum demands. Through refinement of costing and pricing techniques, consumers of a product are given a more accurate price point of what the commodity costs to produce and deliver.

The above fundamentals have considerable foundation in economic literature. They also serve as primary guidelines for Proposition 218 compliance and rate design by most utility regulators and administrative agencies. This “price-equals-cost” theory provides the basis for much of the subsequent analysis and comment. This theory is particularly important as the proposed rate structure has been modified to encourage conservation while maintaining this economic principle.

## Rate Setting Principles Summary

This section of the report provides a brief introduction to the general principles, techniques, and economic theory used to set utility rates. These principles, techniques, and economic theory were the starting point for this rate study and the groundwork used to meet the District’s key objectives in analyzing and adjusting their utility rates. When setting utility rates in California we are required to follow the principles of Proposition 218. Below is a brief discussion of Prop 218.

In *Bighorn-Desert View Water Agency v. Verjil*, the California Supreme Court held water agency’s rates were subject to repeal by initiative pursuant to Section 3 of Article XIII C of the California Constitution. Because of the Bighorn decision, water rates in California are now considered property-related fees, therefore the substantive and procedural requirements of California Constitution Articles XIII C and XIII D (Proposition 218) apply to water rate setting. Section 6 of Article XIII D states:

*The amount of a fee or charge imposed upon any parcel or person as an incident of property ownership shall not exceed the proportional cost of the service attributable to the parcel.*

This utility rate study was performed to allocate the costs of providing service to users in order to ensure that rates are equitable and not unduly discriminatory, thereby satisfying the Proposition 218 requirements. The total cost of serving each customer class is determined by distributing each of the utility cost components among the user classes based upon the respective service requirements of each customer

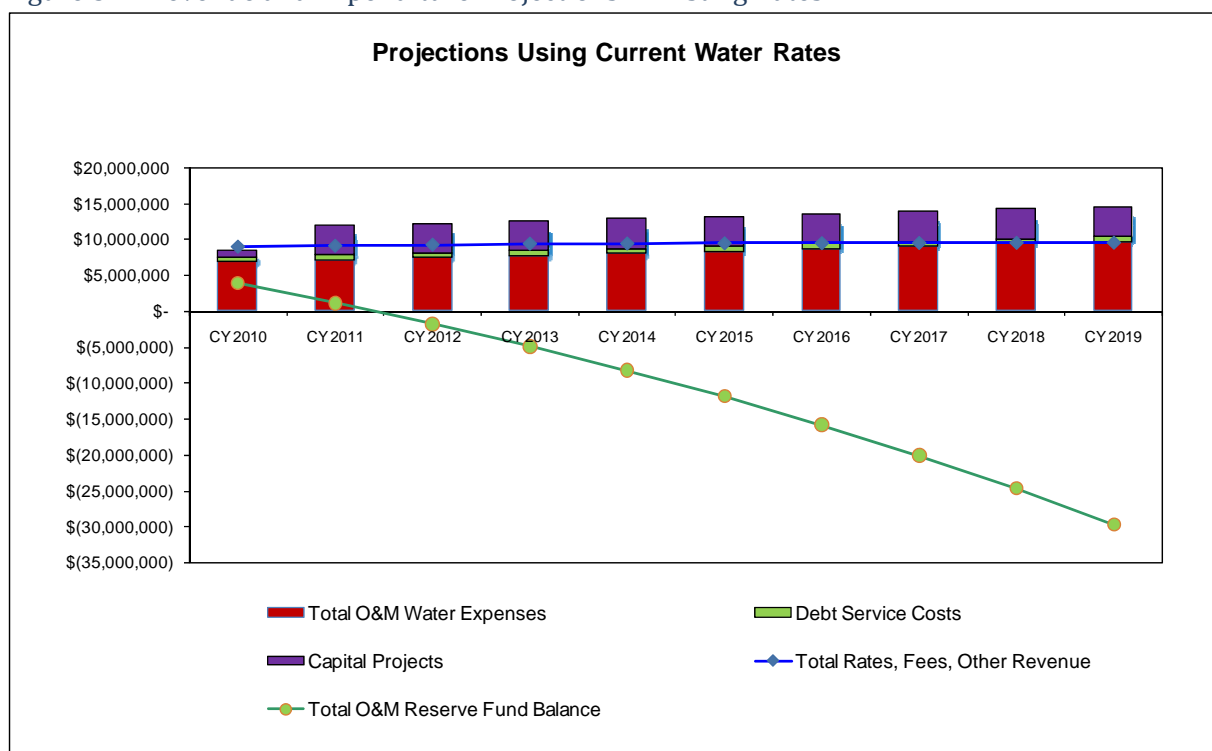
class. Therefore, a true cost of service rate study enables a water utility to adopt rates based on the true costs to each user class. The purposes of this water utility cost of service study include:

- ♦ Proportional allocation of the costs of service to users.
- ♦ Derivation of unit costs to support the development of water rates.

## Water Rate Analysis

The District is facing several challenges to continuing its high-quality operations. Utility revenues are not keeping pace with increasing operational and capital costs. In addition, customer account growth has slowed to a 2.5% rate and utility infrastructure is aging and must be replaced or repaired soon. Considering the above variables, Figure 3-1 projects the adequacy of existing rate revenue to support ongoing operations and maintenance.

Figure 3-1: Revenue and Expenditure Projections – Existing Rates



As the above figure indicates, revenue increases are necessary to operate and maintain the water system. This will be evident as details of the process, data, and methodology utilized in the rate study are presented in this section of the report. Summary figures, outlining much of the analysis are included in this section of the report as well.

## Customer Statistics

During the calendar Year 2009, the District provided water service to an estimated 15,000 customers, distributing roughly 5.27 million hundred cubic feet (~13,700 acre feet) of potable water. Figure 3-2 shows the District's projected water usage and number of accounts by customer class.

Figure 3-2: Accounts and Consumption

Description	Projected Water Consumption (ccf)									
	CY 2010	CY 2011	CY 2012	CY 2013	CY 2014	CY 2015	CY 2016	CY 2017	CY 2018	CY 2019
Domestic	3,524,727	3,612,846	3,703,167	3,795,746	3,890,640	3,987,906	4,087,603	4,189,793	4,294,538	4,401,902
Multiple Family	157,141	161,069	165,096	169,223	173,454	177,790	182,235	186,791	191,461	196,247
Commercial/Fire Service	424,669	435,285	446,168	457,322	468,755	480,474	492,486	504,798	517,418	530,353
Multiple Commercial	39,268	40,249	41,256	42,287	43,344	44,428	45,539	46,677	47,844	49,040
Landscape	980,886	1,005,408	1,030,543	1,056,307	1,082,715	1,109,783	1,137,527	1,165,965	1,195,114	1,224,992
Agriculture	54,957	56,331	57,740	59,183	60,663	62,179	63,734	65,327	66,960	68,634
Construction Water	<u>90,506</u>	<u>92,769</u>	<u>95,088</u>	<u>97,466</u>	<u>99,902</u>	<u>102,400</u>	<u>104,960</u>	<u>107,584</u>	<u>110,273</u>	<u>113,030</u>
Total Water Utility Consumption	5,272,155	5,403,959	5,539,057	5,677,534	5,819,472	5,964,959	6,114,083	6,266,935	6,423,608	6,584,199

Description	Percent of Total									
	CY 2010	CY 2011	CY 2012	CY 2013	CY 2014	CY 2015	CY 2016	CY 2017	CY 2018	CY 2019
Domestic	66.9%	66.9%	66.9%	66.9%	66.9%	66.9%	66.9%	66.9%	66.9%	66.9%
Multiple Family	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Commercial/Fire Service	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%
Multiple Commercial	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%
Landscape	18.6%	18.6%	18.6%	18.6%	18.6%	18.6%	18.6%	18.6%	18.6%	18.6%
Agriculture	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Construction Water	<u>1.7%</u>	<u>1.7%</u>	<u>1.7%</u>	<u>1.7%</u>	<u>1.7%</u>	<u>1.7%</u>	<u>1.7%</u>	<u>1.7%</u>	<u>1.7%</u>	<u>1.7%</u>
Total Water Utility Consumption	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Sources: Beaumont-Cherry Valley Water District.

A projection of customers, usage, and production requirements is necessary in the evaluation of the revenue requirements. This projection is critical for the determination of revenues from rates, escalation of production-related costs, and design of the rates.

Given the current economic climate and review of potential growth, Willdan in conjunction with District staff determined to use a conservative growth rate equal to 2.5%.

## Revenue Requirements Analysis

### Revenue from Existing Rates

The first step in developing the revenue requirements is to develop a projection of revenues from existing rates. The District expects to receive approximately \$6.1 million in water sales in Calendar Year 2010. By 2020, assuming the growth discussed above, water sales are projected to increase roughly 25% to \$7.6 million. In addition to water sales, the District has a projected average of non-operating revenues approximately equal to two hundred thousand dollars, consisting of interest income.

### Projections of Operation and Maintenance Expenses

To project Operating and Maintenance (O&M) expenses over the five-year planning horizon, two escalation factors were developed. The operations cost escalator, set at 4.00%, is applied to basic expenditures that the District incurs: labor, benefits, materials, utilities, etc. The Personnel cost escalator is set at 4.0%.

Additionally, the District, as part of its financial policies, has established a reserve policy to provide 50% (180 days) of its annual operating and maintenance expenses in a reserve account.

## Debt Service

The District does not currently have long-term debt. Figure 3-3 illustrates the amount of projected debt service for both the current capital projects and the major capital improvements. The District plans on paying for the current capital projects in the amount of five million by financing them via a five-year loan with a rate of 3.38%. The District plans on paying for major capital improvements in Figure 3-4 by issuing a bond at 5.50% interest, which would have annual payments of approximately \$3,139,000 for thirty years. Figure 3-3 provides a summary of the District's water related projected debt service.

Figure 3-3: Projected Debt Service

Description	CY 2010	CY 2011	CY 2012	CY 2013	CY 2014	CY 2015
<u>Debt Service</u>						
Proposed Loan Payment (Current CIP)	554,969	1,090,256	1,097,977	1,094,430	1,094,870	544,042
Proposed Bond Issue (Major CIP)	-	3,139,000	3,139,000	3,139,000	3,139,000	3,139,000
Total Debt Service	\$ 554,969	\$ 4,229,256	\$ 4,236,977	\$ 4,233,430	\$ 4,233,870	\$ 3,683,042

Sources: Beaumont-Cherry Valley Water District, Willdan Financial Services.

## Capital Improvement Projects

The District's Capital Improvement Program (CIP) needs for the water utility are summarized in Figure 3-4. Individually, each project was identified by District staff as growth-related, existing needs (O&M) or a percentage of both to determine the appropriate funding mechanism (bi-monthly rates or connection fee). The capital projects are required to meet the utilities projected growth and to maintain the existing quality of the system.

Figure 3-4: Water Capital Projects

Project Name/Description	Projected						Current 2010 -15
	2010	2011	2012	2013	2014	2015	
<b><u>Production/Conservation</u></b>							
Beaumont Basin New Water Well				3,375,000			3,375,000
Singleton Basin New Well					1,802,000		1,802,000
Bonita Vista/Cherry Valley Water Company Well Rehabilitation and Pipeline					1,579,000		1,579,000
RR1 Well Rehabilitation and Pipeline					400,000		400,000
Pollution Control Project					5,140,000		5,140,000
San Timoteo Non-potable Wells and Pipeline to Recycled Water System					6,590,000		6,590,000
Completion of the Stormwater Capture Project incl Phase 3 of the Recharge Facility					10,757,000		10,757,000
Sundance Stormwater Recovery Project					2,093,000		2,093,000
Noble Creek Rubber Dam Project					1,620,000		1,620,000
Secondary Recycled Water Connection					7,620,000		7,620,000
Highland Springs Reservoir Painting and Rehabilitation			177,000				177,000
Distribution and Transmission Pipeline Replacement						3,277,000	3,277,000
GIS and GPS Equipment Upgrades			47,000				47,000
<b>Total Cost in CY 2010 Dollars</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 224,000</b>	<b>\$ 3,375,000</b>	<b>\$ 37,601,000</b>	<b>\$ 3,277,000</b>	<b>44,477,000</b>
<b>Total Construction cost estimates escalated annually by PPI.</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 253,497</b>	<b>\$ 3,980,220</b>	<b>\$ 46,210,540</b>	<b>\$ 4,196,879</b>	<b>54,641,136</b>

*Notes:*

Construction cost estimates were escalated annually by a factor of 4.21% based on the average annual increase between 2004 and 2009 in Engineering News Record Construction Cost Index.

Sources: Beaumont-Cherry Valley Water District; Engineering News Record's Construction Cost Index; Willdan Financial Services.

## Summary of Revenue Requirements Analysis

The above components comprise the foundation of the revenue requirement analysis. During the discussions with the District, District staff made recommendations to assure the accuracy of financial and growth variables used in developing the revenue requirement analysis. Particular emphasis was placed on attempting to minimize rates, yet still encompass adequate funds to support the operational activities and capital projects throughout the study period.

The revenue requirements analysis figure, presented below, provides a basis for evaluating the timing and level of water revenue increases required to meet the projected required revenue for the study period. The percentages shown at the bottom of the figure show the recommended revenue adjustments.

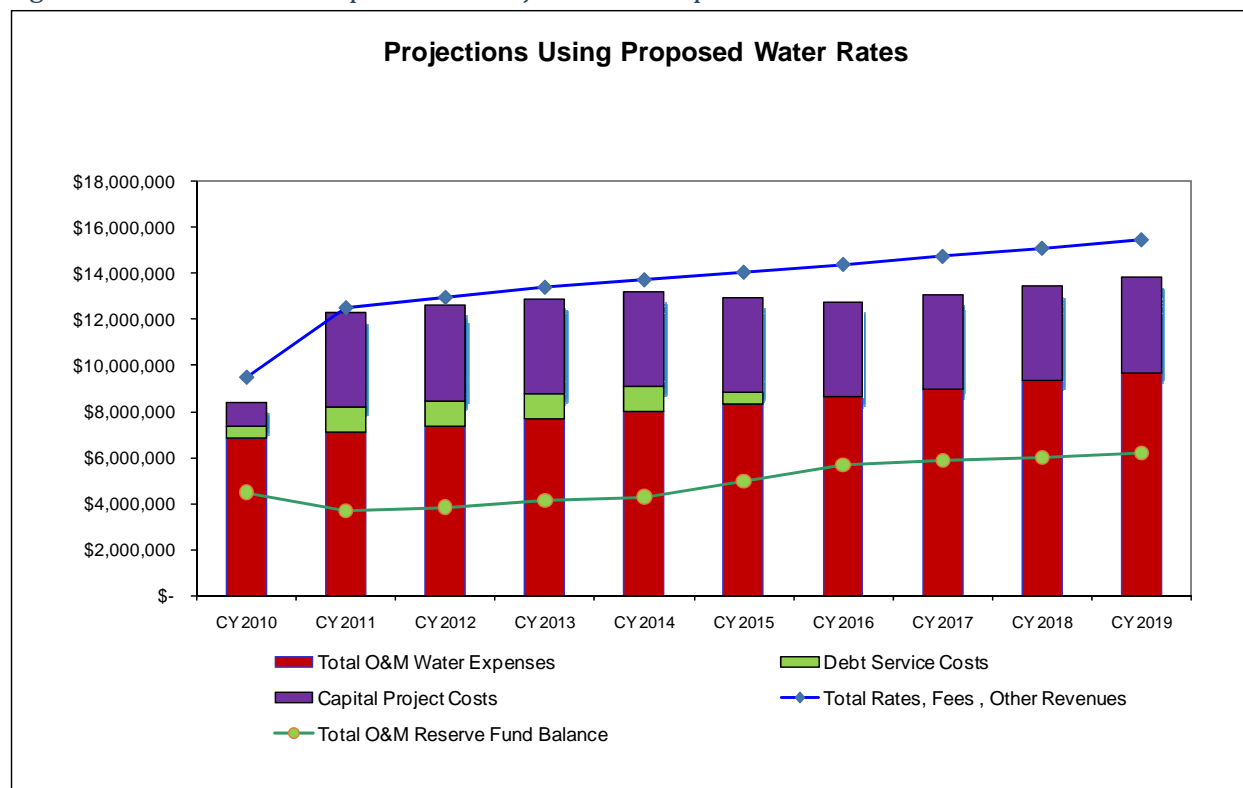
Figure 3-5: Revenue Requirements

Description				CY 2010	CY 2011	CY 2012	CY 2013	CY 2014	CY 2015
<b>Operating Revenue</b>									
1	Water Sales			\$ 6,092,979	\$ 6,245,303	\$ 6,401,436	\$ 6,561,472	\$ 6,725,509	\$ 6,893,646
2	Service Connections			2,635,501	2,701,389	2,768,923	2,838,146	2,909,100	2,981,827
3	Reimbursements (Development & Inspection)			60,000	61,500	63,038	64,613	66,229	67,884
4	Other			<u>148,200</u>	<u>151,905</u>	<u>155,703</u>	<u>159,595</u>	<u>163,585</u>	<u>167,675</u>
5	Total Operating Revenue			\$ 8,936,680	\$ 9,160,097	\$ 9,389,099	\$ 9,623,827	\$ 9,864,423	\$ 10,111,033
6	Additional Revenue Required								
7	Year	Revenue Increase	Months Effective						
8	CY 2010	15.00%	6	456,973	936,796	960,215	984,221	1,008,826	1,034,047
9	CY 2011	31.00%	12		2,226,451	2,282,112	2,339,165	2,397,644	2,457,585
10	CY 2012	0.00%	12	-	-	-	-	-	-
11	CY 2013	0.00%	12	-	-	-	-	-	-
12	CY 2014	0.00%	12	-	-	-	-	-	-
13	CY 2015	0.00%	12	-	-	-	-	-	-
14	CY 2016	0.00%	12	-	-	-	-	-	-
15	CY 2017	0.00%	12	-	-	-	-	-	-
16	CY 2018	0.00%	12	-	-	-	-	-	-
17	CY 2019	0.00%	12	-	-	-	-	-	-
18	Total Additional Operating Revenue			456,973	3,163,246	3,242,327	3,323,386	3,406,470	3,491,632
19	Total Required Revenue			\$ 9,393,653	\$ 12,323,343	\$ 12,631,427	\$ 12,947,212	\$ 13,270,893	\$ 13,602,665
20	Applications of Operating Funds								
21	Operating Expenses								
22	Source of Supply			\$ 3,071,820	\$ 3,194,693	\$ 3,322,481	\$ 3,455,380	\$ 3,593,595	\$ 3,737,339
23	Transmission & Distribution			938,700	976,248	1,015,298	1,055,910	1,098,146	1,142,072
24	Customer Service & Meter Reading			183,400	190,736	198,365	206,300	214,552	223,134
25	General Administration			1,818,300	1,891,032	1,966,673	2,045,340	2,127,154	2,212,240
26	Maintenance & General Plant			393,400	409,136	425,501	442,521	460,222	478,631
27	Engineering (In-House)			112,012	116,492	121,152	125,998	131,038	136,280
28	Professional Services			290,000	301,600	313,664	326,211	339,259	352,829
29	Total Operating Expenses			\$ 6,807,632	\$ 7,079,937	\$ 7,363,135	\$ 7,657,660	\$ 7,963,967	\$ 8,282,525
30	Net Operating Income (Loss)			\$ 2,586,021	\$ 5,243,406	\$ 5,268,292	\$ 5,289,552	\$ 5,306,926	\$ 5,320,140
31	Debt Service								
32	Proposed Loan Payment (Current CIP)			554,969	1,090,256	1,097,977	1,094,430	1,094,870	544,042
33	Proposed Bond Issue (Major CIP)			-	3,139,000	3,139,000	3,139,000	3,139,000	3,139,000
34	Total Debt Service			\$ 554,969	\$ 4,229,256	\$ 4,236,977	\$ 4,233,430	\$ 4,233,870	\$ 3,683,042
35	Coverage Ratio			4.84	1.28	1.29	1.30	1.31	1.52
36	Non-Operating Revenue (Expenses)								
37	Miscellaneous expense			\$ (8,182)	\$ (8,182)	\$ (8,182)	\$ (8,182)	\$ (8,182)	\$ (8,182)
38	Investment income			<u>98,891</u>	<u>179,850</u>	<u>183,264</u>	<u>214,761</u>	<u>247,498</u>	<u>295,534</u>
39	Total Non-Operating Revenue (Expenses)			\$ 90,709	\$ 171,668	\$ 175,082	\$ 206,579	\$ 239,316	\$ 287,352
40	Capital Project Expenses								
41	CIP Program			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
42	Repair & Replacement Reserve (Depreciation)			<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
43	Rate Funded Capital Projects			\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
44	Net Income (Loss)			\$ 1,121,761	\$ 185,818	\$ 206,397	\$ 262,702	\$ 312,373	\$ 924,450
45	Operating Reserve Fund Balance Met?			-	-	-	-	-	-
46	Fund Information								
47	Description								
48	Operating & Maintenance Fund								
49	Beginning Operating Fund Balance			\$ 3,386,403	\$ 3,491,476	\$ 3,491,476	\$ 3,631,135	\$ 3,776,380	\$ 3,927,436
50	Deposit (Withdrawals)			<u>1,121,761</u>	<u>185,818</u>	<u>206,397</u>	<u>262,702</u>	<u>312,373</u>	<u>924,450</u>
51	Subtotal O&M Fund Balance			\$ 4,508,163	\$ 3,677,294	\$ 3,697,873	\$ 3,893,837	\$ 4,088,753	\$ 4,851,886
52	Fund Balance Days of O&M			180	180	180	180	180	180
53	Recommended Reserve Balance			3,357,188	3,491,476	3,631,135	3,776,380	3,927,436	4,084,533
54	Excess O&M			<u>1,016,688</u>	<u>185,818</u>	<u>66,738</u>	<u>117,456</u>	<u>161,318</u>	<u>767,353</u>
55	Total O&M Fund Balance			\$ 3,491,476	\$ 3,491,476	\$ 3,631,135	\$ 3,776,380	\$ 3,927,436	\$ 4,084,533
56	Repair and Replacement Reserve Fund								
57	Beginning Operating Fund Balance			\$ -	\$ 2,016,688	\$ 3,202,506	\$ 4,269,244	\$ 5,386,700	\$ 6,548,018
58	Deposit (Withdrawals)			<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
59	Excess O&M			<u>1,016,688</u>	<u>185,818</u>	<u>66,738</u>	<u>117,456</u>	<u>161,318</u>	<u>767,353</u>
60	Total R&R Fund Balance			\$ 2,016,688	\$ 3,202,506	\$ 4,269,244	\$ 5,386,700	\$ 6,548,018	\$ 8,315,370

Sources: Beaumont-Cherry Valley Water District, Willdan Financial Services.

Based upon the revenue requirement analysis, the District will need to adjust the rates to increase revenue by 15% for the remaining six months of calendar year 2010, followed by a 31% increase in revenues in calendar year 2011. This approach will result in a 51% revenue increase over the next ten years. Figure 3-6 expands upon the earlier figure (Figure 3-1), to illustrate the positive impact of the revenue increase on the utility's financial condition.

Figure 3-6: Revenue and Expenditure Projections – Proposed Rates



## Cost of Service Analysis

The cost of service analysis is a systematic process by which revenue requirements are used to generate a classification of fair and equitable costs in proportion to the service received for each user class.

## Cost Allocation by Function

The cost of service allocation conducted in this study is established on the base-extra capacity method endorsed by the AWWA. Under the base-extra capacity method, revenue requirements are allocated to the different user classes proportionate to their use on the water system. Allocations are based on average day (base) usage, maximum day (peak) usage, meters and services, billing and collection, and fire protection. Use of this methodology results in an AWWA-accepted cost distribution among customer classes and a means of calculating and designing rates to proportionately recover those costs.

Figure 3-7 classifies the major functions of the water system and allocates those related costs to the demand factors average day (base), maximum day (peak) usage, meters and services, and customer accounts.

Figure 3-7: Classification of Water Expenses by Function

	<u>Extra Capacity</u>				<u>Customer Costs</u>		
<u>Description</u>	<u>Total Revenue Requirement</u>	<u>Base</u>	<u>Max Day</u>	<u>Customer Billing</u>	<u>Meters &amp; Services</u>	<u>Basis of Classification</u>	
<b>SOURCE OF SUPPLY</b>							
Labor and Admin Source of Supply	\$ 961,809	\$ 961,809	\$ -	\$ -	\$ -	100% Base	
Water and Utility Cost - Source of Supply	<u>\$ 2,726,251</u>	<u>\$ 1,817,501</u>	<u>\$ 908,750</u>	<u>\$ -</u>	<u>\$ -</u>	Avg/Max Day	
Total Source of Supply	\$ 3,688,060	\$ 2,779,310	\$ 908,750	\$ -	\$ -		
<b>MAINTENANCE &amp; GENERAL PLANT</b>							
Maintenance & General Plant	<u>\$ 472,320</u>	<u>\$ 472,320</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	100% Base	
Total Maintenance & General Plant	\$ 472,320	\$ 472,320	\$ -	\$ -	\$ -		
<b>TRANSMISSION &amp; DISTRIBUTION</b>							
Transmission & Distribution	<u>\$ 1,127,013</u>	<u>\$ 375,671</u>	<u>\$ 375,671</u>	<u>-</u>	<u>375,671</u>	33% Base/Max/Meters	
Total Transmission & Distribution	\$ 1,127,013	\$ 375,671	\$ 375,671	\$ -	\$ 375,671		
<b>CUSTOMER COSTS</b>							
Customer Service & Meter Reading	<u>\$ 220,192</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 110,096</u>	<u>\$ 110,096</u>	50% fixed	
Total Customer Costs	\$ 220,192	\$ -	\$ -	\$ 110,096	\$ 110,096		
Total O & M (\$)	\$ 5,507,586	\$ 3,627,301	\$ 1,284,421	\$ 110,096	\$ 485,767		
Total O & M (%)	100.00%	65.86%	23.32%	2.00%	8.82%		
<b>GENERAL &amp; ADMINISTRATIVE</b>							
General Administration	\$ 2,183,070	\$ 545,768	\$ 545,768	\$ 545,768	\$ 545,768	25% across	
Engineering (In-House)	134,483	33,621	33,621	33,621	33,621	25% across	
Professional Services	348,177	87,044	87,044	87,044	87,044	25% across	
Total General and Administrative	<u>\$ 2,665,730</u>	<u>\$ 666,433</u>	<u>\$ 666,433</u>	<u>\$ 666,433</u>	<u>\$ 666,433</u>		
<b>REVENUE-FUNDED CAPITAL PROGRAMS</b>							
Rate Funded Capital Projects	<u>\$ 4,139,000</u>	<u>\$ 1,379,667</u>	<u>\$ 1,379,667</u>	<u>\$ -</u>	<u>\$ 1,379,667</u>	33% Base/Max/Meters	
Total Capital Project Costs	\$ 4,139,000	\$ 1,379,667	\$ 1,379,667	\$ -	\$ 1,379,667		
<b>DEBT SERVICE</b>							
Loan Payment	<u>547,654</u>	<u>\$ 136,914</u>	<u>\$ 136,914</u>	<u>136,914</u>	<u>136,914</u>	25% across	
Total Debt Service	\$ 547,654	\$ 136,914	\$ 136,914	\$ 136,914	\$ 136,914		
<b>TOTAL FUNCTIONALIZED COSTS</b>	<b><u>\$ 12,859,970</u></b>	<b><u>\$ 5,810,314</u></b>	<b><u>\$ 3,467,434</u></b>	<b><u>\$ 913,442</u></b>	<b><u>\$ 2,668,780</u></b>		
<b>FUNCTIONALIZATION FACTOR</b>	<b>100.00%</b>	<b>45.18%</b>	<b>26.96%</b>	<b>7.10%</b>	<b>20.75%</b>		

Sources: Beaumont-Cherry Valley Water District

The resulting functionalization factors that appear at the bottom of Figure 3-7 are utilized to allocate system operating and capital costs to each customer class based on the each class' demand on the system.

## Rate Design Balance

There is some flexibility in the design of the rate structure to meet the District's rate setting objectives while being consistent with cost of service principles and conservation objectives. There are positives and negatives associated with the decrease in fixed revenue. Typically, a larger percentage of fixed rate revenue results in greater revenue stability since a greater percentage of total revenues are not influenced by fluctuations in consumption due to the weather, household density, and abusive water use. At the same time, the decrease in fixed revenue will improve equitability concerning cost recovery and the impact of



conservation measures while reducing revenue stability, as users have greater control over their consumption and ultimately their bill. The fixed portion of the proposed water rates generates an estimated 28% of total rate revenue.

## **Rate Design Analysis**

The final step of the rate study is the design of the water rates to collect the desired level of revenue determined in the revenue requirement analysis, while encouraging the efficient use of water. During this analysis, consideration is given to both the level of rates and the structure of the rates. This section reviews the proposed water rate design for the District. The District requested Willdan develop two rate structures one of which incorporates the costs of State Project Water Costs and SCE Power costs into the consumption rate. The second rate structure resembles the District's current rate structure which includes a separate SCE Power Charge and State Project Water Cost Charge.

## **Criteria and Considerations**

In determining the appropriate rate level and structure, Willdan, in conjunction with District staff, analyzed various generated financial scenarios concerning the proposed adjustments and the implications attributed to those decisions.

A simplified list of some of the design considerations that were reviewed is listed:

- Consideration of the customer's ability to pay
- Clear and understandable rates
- Easily administered
- Conservation measures
- Revenue stability (month to month and year to year)
- Efficient allocation of resources
- Capital Improvement Financing (improving the existing system)
- Fair and equitable (cost-based) rates

Every consideration has merit and plays an important role in a comprehensive rate study. When developing the District's proposed rates all of the aforementioned criteria were taken into consideration. Determining the appropriate balance is crucial, as some of the criteria sometime conflict with one another, i.e. the customers ability to pay and cost-based. In designing rates, there will always be a balance between the various objectives; however, we attempt to ensure the proposed rates meet all of the leading objectives of the District.

## Overview of Existing Rate Structure

The District has an uniform consumption rate structure, a separate SCE Power Charge and a State Project Water Costs Charge. The District's Existing water rate structure, shown in Figure 3-8 currently employs an uniform rate structure as outlined in Figure 3-8. Figure 3-9 details the SCE Power Charge and State Project Water Costs Charge. All customer classes are charged a fixed bi-monthly fee based on meter size as shown in Figure 3-10.

Figure 3-8: Existing Rate Structure for all Customer Classes

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<u>Description (Customer Class)</u>	<u>Current Rates</u>
Domestic Rate	.84 per ccf
Scheduled Irrigation Rate	.47 per ccf
Multiple Family Rate	.84 per ccf
Commercial Rate	.84 per ccf
Multiple Commercial Rate	.84 per ccf
Outside Service Rate	1.68 per ccf
Construction Water Rate	1.61 per ccf

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Sources: Beaumont-Cherry Valley Water District.

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Figure 3-9: Existing SCE Power Charge and State Project Water Costs Charge

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**SCE Power Charge** - Not to exceed \$0.25 per ccf.

**State Project Water Cost Charge** - Not to exceed \$0.24 per ccf.

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Sources: Beaumont-Cherry Valley Water District.

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Figure 3-10: Existing Bi-Monthly Fixed Meter Charge

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<b>Description (Meter Size)</b>	<b>Current Rates</b>
5/8"	\$ 12.00
3/4"	17.25
1"	28.00
1-1/2"	54.00
2"	85.00
3"	158.00
4"	262.00
6"	5,522.00
8"	834.00
10"	1,198.00
12"	2,238.00

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Sources: Beaumont-Cherry Valley Water District.

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## Proposed Rate Adjustments

### *Conservation*

In addition to a cost-based approach, a secondary objective of the District is to encourage water conservation through design and implementation of the new rate and structure. Beyond the revenue adjustments established in the required revenue analysis and the allocation of cost determined in the cost of service analysis, Willdan and the District discussed changes to the rate structure (tiers) and consumption levels of the blocks (tiers). The proposed consumption blocks, tiers, enable the District to encourage conservation, while reducing the burden on those already conserving. By matching the consumption blocks to consumption levels, The District should be able to achieve their conservation goals.

Figure 3-10 and Figure 3-11, below, outlines the proposed changes to the existing water rate structure, which includes State Project Water Costs. Figure 3-12, Figure 3-13, and Figure 3-14, below, outlines the proposed changes to the existing water rate structure in which the State Project Water Costs and SCE Power Costs will be recovered through direct surcharges.

Figure 3-10: Domestic Tier Changes (State Project Water Costs Included)

Description	CY 2010	CY 2011	CY 2012	CY 2013	CY 2014	CY 2015
Allocated Share of Total Base Water Costs	\$ 2,837,472	\$ 3,722,422	\$ 3,815,482	\$ 3,910,869	\$ 4,008,641	\$ 4,108,857
Total Base Consumption (ccf)	<u>2,349,818</u>	<u>2,408,564</u>	<u>2,468,778</u>	<u>2,530,497</u>	<u>2,593,760</u>	<u>2,658,604</u>
Rate per ccf	\$ 1.21	\$ 1.55	\$ 1.55	\$ 1.55	\$ 1.55	\$ 1.55
Allocated Share of Peaking Costs	\$ 1,551,122	\$ 2,034,885	\$ 2,085,758	\$ 2,137,901	\$ 2,191,349	\$ 2,246,133
Total Consumption (ccf)	<u>1,174,909</u>	<u>1,204,282</u>	<u>1,234,389</u>	<u>1,265,249</u>	<u>1,296,880</u>	<u>1,329,302</u>
Cost per ccf	\$ 1.32	\$ 1.69	\$ 1.69	\$ 1.69	\$ 1.69	\$ 1.69
<b>Block 1 Rate per ccf (0-44 ccf)</b>	\$ 1.21	\$ 1.55	\$ 1.55	\$ 1.55	\$ 1.55	\$ 1.55
<b>Block 2 Rate per ccf (45+ ccf)</b>	\$ 1.32	\$ 1.69	\$ 1.69	\$ 1.69	\$ 1.69	\$ 1.69

Sources: Beaumont-Cherry Valley Water District.

Figure 3-11: Multi-Family Residential Tier Changes (State Project Water Costs Included)

Description	CY 2010	CY 2011	CY 2012	CY 2013	CY 2014	CY 2015
Allocated Share of Total Base Water Costs	\$ 126,501	\$ 165,954	\$ 170,103	\$ 174,356	\$ 178,715	\$ 183,183
Total Consumption (ccf)	<u>\$ 104,760</u>	<u>\$ 107,379</u>	<u>\$ 110,064</u>	<u>\$ 112,816</u>	<u>\$ 115,636</u>	<u>\$ 118,527</u>
Rate per ccf	\$ 1.21	\$ 1.55	\$ 1.55	\$ 1.55	\$ 1.55	\$ 1.55
Allocated Share of Peaking Costs	\$ 64,355	\$ 84,426	\$ 86,537	\$ 88,700	\$ 90,918	\$ 93,191
Total Consumption (ccf)	<u>52,380</u>	<u>53,690</u>	<u>55,032</u>	<u>56,408</u>	<u>57,818</u>	<u>59,263</u>
Cost per ccf	\$ 1.23	\$ 1.57	\$ 1.57	\$ 1.57	\$ 1.57	\$ 1.57
<b>Block 1 Rate per ccf (0-35 ccf per unit)</b>	\$ 1.21	\$ 1.55	\$ 1.55	\$ 1.55	\$ 1.55	\$ 1.55
<b>Block 2 Rate per ccf (36+ ccf per unit)</b>	\$ 1.23	\$ 1.57	\$ 1.57	\$ 1.57	\$ 1.57	\$ 1.57

Sources: Beaumont-Cherry Valley Water District.

Figure 3-12: Domestic Tier Changes (State Project Water Costs Not Included)

Description	CY 2010	CY 2011	CY 2012	CY 2013	CY 2014	CY 2015
Allocated Share of Total Base Water Costs	\$ 1,834,189	\$ 2,589,926	\$ 2,654,674	\$ 2,721,041	\$ 2,789,067	\$ 2,858,793
Total Base Consumption (ccf)	<u>2,349,818</u>	<u>2,408,564</u>	<u>2,468,778</u>	<u>2,530,497</u>	<u>2,593,760</u>	<u>2,658,604</u>
Rate per ccf	\$ 0.78	\$ 1.08	\$ 1.08	\$ 1.08	\$ 1.08	\$ 1.08
Allocated Share of Peaking Costs	\$ 1,076,676	\$ 1,520,297	\$ 1,558,304	\$ 1,597,262	\$ 1,637,193	\$ 1,678,123
Total Consumption (ccf)	<u>1,174,909</u>	<u>1,204,282</u>	<u>1,234,389</u>	<u>1,265,249</u>	<u>1,296,880</u>	<u>1,329,302</u>
Cost per ccf	\$ 0.92	\$ 1.26	\$ 1.26	\$ 1.26	\$ 1.26	\$ 1.26
<b>Block 1 Rate per ccf (0-44 ccf)</b>	\$ 0.78	\$ 1.08	\$ 1.08	\$ 1.08	\$ 1.08	\$ 1.08
<b>Block 2 Rate per ccf (45+ ccf)</b>	\$ 0.92	\$ 1.26	\$ 1.26	\$ 1.26	\$ 1.26	\$ 1.26

Sources: Beaumont-Cherry Valley Water District.

Figure 3-13: Multi-Family Residential Bi-Monthly Tier Changes (State Project Water Costs Not Included)

Description	CY 2010	CY 2011	CY 2012	CY 2013	CY 2014	CY 2015
Allocated Share of Total Base Water Costs	\$ 81,772	\$ 115,465	\$ 118,352	\$ 121,310	\$ 124,343	\$ 127,452
Total Consumption (ccf)	104,760	107,379	110,064	112,816	115,636	118,527
<b>Rate per ccf</b>	<b>\$ 0.78</b>	<b>\$ 1.08</b>	<b>\$ 1.08</b>	<b>\$ 1.08</b>	<b>\$ 1.08</b>	<b>\$ 1.08</b>
Allocated Share of Peaking Costs	\$ 44,671	\$ 63,076	\$ 64,653	\$ 66,269	\$ 67,926	\$ 69,624
Total Consumption (ccf)	52,380	53,690	55,032	56,408	57,818	59,263
<b>Cost per ccf</b>	<b>\$ 0.85</b>	<b>\$ 1.17</b>	<b>\$ 1.17</b>	<b>\$ 1.17</b>	<b>\$ 1.17</b>	<b>\$ 1.17</b>
<b>Block 1 Rate per ccf (0-35 ccf per unit)</b>	<b>\$ 0.78</b>	<b>\$ 1.08</b>	<b>\$ 1.08</b>	<b>\$ 1.08</b>	<b>\$ 1.08</b>	<b>\$ 1.08</b>
<b>Block 2 Rate per ccf (36+ ccf per unit)</b>	<b>\$ 0.85</b>	<b>\$ 1.17</b>	<b>\$ 1.17</b>	<b>\$ 1.17</b>	<b>\$ 1.17</b>	<b>\$ 1.17</b>

Sources: Beaumont-Cherry Valley Water District.

Figure 3-14: Proposed State Project Water and SCE Power Charges

	CY 2010	CY 2011	CY 2012	CY 2013	CY 2014	CY 2015
<u>PASS THROUGH SURCHARGES</u>						
Electric Power Costs	\$ 1,700,000	\$ 1,768,000	\$ 1,838,720	\$ 1,912,269	\$ 1,988,760	\$ 2,068,310
Total Water Utility Consumption	5,272,155	5,403,959	5,539,057	5,677,534	5,819,472	5,964,959
<b>SCE Power Charge per ccf</b>	<b>\$ 0.32</b>	<b>\$ 0.33</b>	<b>\$ 0.33</b>	<b>\$ 0.34</b>	<b>\$ 0.34</b>	<b>\$ 0.35</b>
State Project Water Costs	\$ 570,600	\$ 593,424	\$ 617,161	\$ 641,847	\$ 667,521	\$ 694,222
Total Water Utility Consumption (ccf)	5,272,155	5,403,959	5,539,057	5,677,534	5,819,472	5,964,959
<b>State Project Water Costs per ccf</b>	<b>\$ 0.11</b>	<b>\$ 0.11</b>	<b>\$ 0.11</b>	<b>\$ 0.11</b>	<b>\$ 0.11</b>	<b>\$ 0.12</b>

Sources: Beaumont-Cherry Valley Water District.

### Summary of Water Rate Study

Throughout the process of the water rate study, many renditions and scenarios were considered. Presented below is the culmination of numerous analyses and discussions. Figures 3-15 and 3-16 recap the proposed bi-monthly fixed base charge rate for each rate structure and Figure 3-17 & Figure 3-18 summarizes the variable charges for each rate structure by customer class as designed in this study.

Figure 3-15: Bi-Monthly Fixed Water Charge Rates (State Project Water Costs Included)

		CY 2010	CY 2011	CY 2012	CY 2013	CY 2014	CY 2015
<u>BI-MONTHLY METER CHARGE</u>							
Meter Size	Equivalent Meter Factor	Bi-Monthly Meter Charge					
5/8"	1.00	15.83	20.25	20.25	20.25	20.25	20.25
3/4"	1.50	23.74	30.38	30.38	30.38	30.38	30.38
1"	2.50	39.56	50.64	50.64	50.64	50.63	50.64
1 1/2"	5.00	79.13	101.27	101.27	101.27	101.25	101.27
2"	8.00	126.60	162.03	162.03	162.03	162.00	162.03
3"	16.00	253.20	324.06	324.06	324.06	324.00	324.06
4"	25.00	395.63	506.35	506.35	506.35	506.25	506.35
6"	50.00	791.25	1,012.70	1,012.70	1,012.70	1,012.50	1,012.70
8"	80.00	1,266.00	1,620.32	1,620.32	1,620.32	1,620.00	1,620.32
10"	115.00	1,819.88	2,329.21	2,329.21	2,329.21	2,328.75	2,329.21
12"	155.00	2,452.88	3,139.37	3,139.37	3,139.37	3,138.75	3,139.37

Sources: Beaumont-Cherry Valley Water District.

Figure 3-16: Bi-Monthly Fixed Water Charge Rates (State Project Water Costs Not Included)

		CY 2010	CY 2011	CY 2012	CY 2013	CY 2014	CY 2015
<u>BI-MONTHLY METER CHARGE</u>							
Meter Size	Equivalent Meter Factor	Bi-Monthly Meter Charge					
5/8"	1.00	14.89	20.51	20.51	20.51	20.50	20.51
3/4"	1.50	22.33	30.76	30.76	30.76	30.75	30.76
1"	2.50	37.22	51.27	51.27	51.27	51.25	51.27
1 1/2"	5.00	74.43	102.53	102.53	102.53	102.50	102.53
2"	8.00	119.09	164.05	164.05	164.05	164.00	164.05
3"	16.00	238.18	328.10	328.10	328.10	328.00	328.10
4"	25.00	372.15	512.65	512.65	512.65	512.50	512.65
6"	50.00	744.30	1,025.30	1,025.30	1,025.30	1,025.00	1,025.30
8"	80.00	1,190.88	1,640.48	1,640.48	1,640.48	1,640.00	1,640.48
10"	115.00	1,711.89	2,358.19	2,358.19	2,358.19	2,357.50	2,358.19
12"	155.00	2,307.33	3,178.43	3,178.43	3,178.43	3,177.50	3,178.43

Sources: Beaumont-Cherry Valley Water District.

Figure 3-17: Proposed Commodity Charges (State Project Water Costs Included)

Description	CY 2010		CY 2011		CY 2012		CY 2013		CY 2014		CY 2015	
Domestic												
Block 1 Rate per ccf (0-44 ccf)	\$	1.21	\$	1.55	\$	1.55	\$	1.55	\$	1.55	\$	1.55
Block 2 Rate per ccf (45+ ccf)		1.32		1.69		1.69		1.69		1.69		1.69
Multi-Family Residential												
Block 1 Rate per ccf (0-35 ccf per unit)		1.21		1.55		1.55		1.55		1.55		1.55
Block 2 Rate per ccf (36+ ccf per unit)		1.23		1.57		1.57		1.57		1.57		1.57
Commercial/Fire Service		1.25		1.59		1.59		1.59		1.59		1.59
Multiple Commercial		1.25		1.59		1.59		1.59		1.59		1.59
Landscape		1.45		1.85		1.85		1.85		1.85		1.85
Agriculture		1.28		1.63		1.63		1.63		1.63		1.63
Construction		1.45		1.86		1.86		1.86		1.86		1.86

Sources: Beaumont-Cherry Valley Water District.

Figure 3-18: Proposed Commodity Charges (State Project Water Costs Not Included)

Description	CY 2010		CY 2011		CY 2012		CY 2013		CY 2014		CY 2015	
Domestic												
Block 1 Rate per ccf (0-44 ccf)	\$	0.78	\$	1.08	\$	1.08	\$	1.08	\$	1.08	\$	1.08
Block 2 Rate per ccf (45+ ccf)		0.92		1.26		1.26		1.26		1.26		1.26
Multi-Family Residential												
Block 1 Rate per ccf (0-35 ccf per unit)		0.78		1.08		1.08		1.08		1.08		1.08
Block 2 Rate per ccf (36+ ccf per unit)		0.85		1.17		1.17		1.17		1.17		1.17
Commercial/Fire Service		0.83		1.14		1.14		1.14		1.14		1.14
Multiple Commercial		0.83		1.14		1.14		1.14		1.14		1.14
Landscape		0.97		1.33		1.33		1.33		1.33		1.33
Agriculture		0.85		1.17		1.17		1.17		1.17		1.17
Construction		0.97		1.33		1.33		1.33		1.33		1.33

Sources: Beaumont-Cherry Valley Water District.

### Impact of Revenue Increase

In Calendar Year 2011, the proposed 31% increase in required revenue does not directly correlate to a 31% increase in rates. The cost of service analysis and, in Domestic's case, the restructuring of the consumption blocks dictate the actual adjustments to the rates.

Figure 3-19 details a comparison of the District's existing rates with the proposed domestic rates (rate increase effective January 2011). Based on the District's Master Plan, the average gallons per day (gpd) for a domestic residence is 580 gallons per day. Given the household density of 2.79, this calculates to be a bi-monthly consumption of 44 ccf for an average domestic residence. As revealed in the comparison, those who burden the system the greatest, over 55 ccf, see a larger increase in their bi-monthly bill.

Figure 3-19: Bi-Monthly Comparative Water Bills - Domestic

<hr/>												
2011 Proposed Block 1 Consumption Rate per ccf					(0-44 ccf)	\$		1.08				
2011 Proposed Block 2 Consumption Rate per ccf					(45+ ccf)	\$		1.26				
<hr/>												
Bi-Monthly Usage	Current Bi-Monthly Meter Rates	Current Rates Consumption Charge	Current Rates Power & State PW Charges	Total Current Charge	Proposed Bi-Monthly Meter Charge	Proposed Block 1 Consumption Charge	Proposed Block 2 Consumption Charge	Proposed Power & State PW Charges	Total Proposed Charge	Increase/ (Decrease)		
35	\$ 12.00	\$ 29.40	\$ 17.15	\$ 58.55	\$ 14.89	37.64	\$ -	\$ 15.07	\$ 67.60	\$	9.05	
44	12.00	36.96	\$ 21.56	70.52	14.89	47.31	-	18.95	81.15		10.63	
50	12.00	42.00	\$ 24.50	78.50	14.89	47.31	7.57	21.53	91.31		12.81	
55	12.00	46.20	\$ 26.95	85.15	14.89	47.31	13.89	23.69	99.77		14.62	
<hr/>												
Sources: Beaumont-Cherry Valley Water District.												
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# BEAUMONT CHERRY VALLEY WATER DISTRICT

560 Magnolia Avenue

Beaumont, CA 92223

(951)-845-9581

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## MEMORANDUM

March 17, 2010

TO: Tony Lara  
Interim General Manager

FROM: J. Reichenberger  
District Engineer

SUBJECT: Redistricting – Adjusting Division Boundaries

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### Introduction

Redistricting is the term used to indicate the adjustment of agency division boundaries to create a balance in the number of people represented by each director. In 2006 the District Engineer completed a redistricting study which was approved by the Board. In the 2006 study a number of assumptions had to be made relative to the number of people within a given area; housing construction was occurring at a rapid pace. In 2008, the District Engineer studied the Division Boundaries based on the growth in the service area particularly Sun Cal, Pardee Sundance, KHov, Seneca Springs, etc. However, the work was never presented to the Board as we were not able to meet the timing requirements of the Registrar of Voters relative to the submittal of boundary changes. Since 2008, we have seen the housing market decline and the number of people moving in to the District has dropped off considerably.

One of the recommendations in the 2006 study was to re-visit the division boundaries prior to the 2008 election, but as stated above, this was never completed. In November 2010 there will be another election for 3 Board seats, (Divisions 3 through 5) and it is appropriate to review the division boundaries to ensure balanced representation or as close to it as possible. It is important to look at the division boundaries from time to time to ensure there is equal representation – at least to the extent practical and possible.

This memo reports on the evaluation of the existing division representation and develops alternative division boundaries for Board consideration. The Board will need to make the final decision as to the option selected and direct staff to send the revised map to LAFCO and the Registrar of Voters. There is a time-line on this and the work must be submitted to LAFCO and the Registrar in time to meet the November, 2010 election cycle.

The current Divisions and Directors are:

Division 1 -- Ryan Woll

Division 2 Ken Ross

Division 3 John Halliwill

Division 4 Stella Parks

Division 5 Blair Ball

## Data Sources

Population data is really only available every 10 year with the census. The most recent census (2000) is too out of date to be of much value for the District due to the development that has occurred in the area and the data from the 2010 census will not be available in time to be of use for this study. The next best data source is the voter registration which is kept current and is available by precinct from the Riverside County Registrar of Voters. The District Engineer contacted the Registrar and obtained the registered voter list as of 02/03/2010. There were 13,712 registered voters in the District as of that date.

## Current Division Boundaries

A map entitled "Current Division Boundary Map" shows the current division boundaries, the precinct boundaries and the number of registered voters within each division are included on the map. The number of registered voters in each division are summarized in Table 1.

Table 1  
Current Registered Voters in Each Division Current Boundaries

Division	Director	Registered Voters	Difference from Average
1	Ryan Woll	2777	35
2	Ken Ross	2623	-119
3	John Halliwill	3746	1004
4	S. Parks	1954	-788
5	B. Ball	2612	-130
		13,712	Division Average 2742

As can be seen in Table 1, there is a significant disparity in the number of voters from division to division under the current division boundaries. For example, Division 3 has over 1000 voters more than the division average; division 4 is almost 800 voters below average. Realignment of the division boundaries is recommended to try to achieve better representation.

## Proposed Division Boundaries

In establishing the proposed division boundaries the following criteria were used:

- Try to achieve a balance of registered voters in each division as closely as possible

- Try not to split a precinct so the registrar of voters does not have to re-establish precinct boundaries
- Use readily recognizable boundaries, e.g., street centerlines, creeks, SCE easements, etc.

The engineering staff has developed ten options for the Board to consider.

## Recommendation

Staff recommends Option 10 as it appears to offer the best balance.

Table 2  
Current Registered Voters in Each Division Option 10

Division	Director	Registered Voters	Difference from Average
1	Ryan Woll	2628	-114
2	Ken Ross	2623	-119
3	John Halliwill	2987	+245
4	S. Parks	2566	-176
5	B. Ball	2908	+166
		13712	Division Average 2742

Although still not perfectly balanced, it is much better than what currently exists.

Where an existing street is shown as the boundary of a division, it is the intent that the street centerline is the boundary.







BCVWD Board should very carefully review the options presented and determine which option best meets the Board's requirements.

Map Attachments

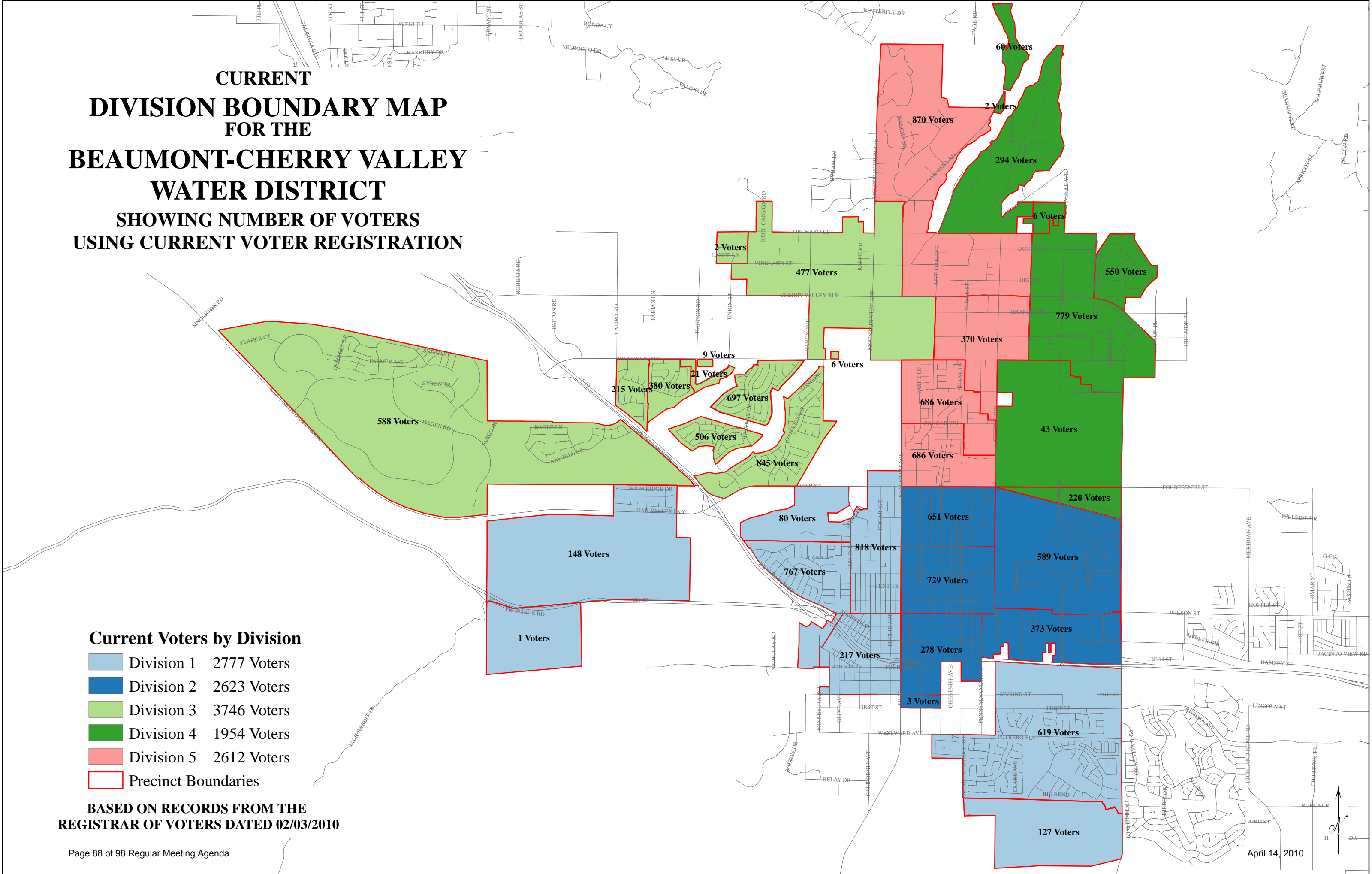
CC: Gill Granito (Redwine and Sherrill)

**CURRENT  
DIVISION BOUNDARY MAP  
FOR THE  
BEAUMONT-CHERRY VALLEY  
WATER DISTRICT  
SHOWING NUMBER OF VOTERS  
USING CURRENT VOTER REGISTRATION**

**Current Voters by Division**







	Division 1	2777 Voters
	Division 2	2623 Voters
	Division 3	3746 Voters
	Division 4	1954 Voters
	Division 5	2612 Voters
	Precinct Boundaries	

**BASED ON RECORDS FROM THE  
REGISTRAR OF VOTERS DATED 02/03/2010**

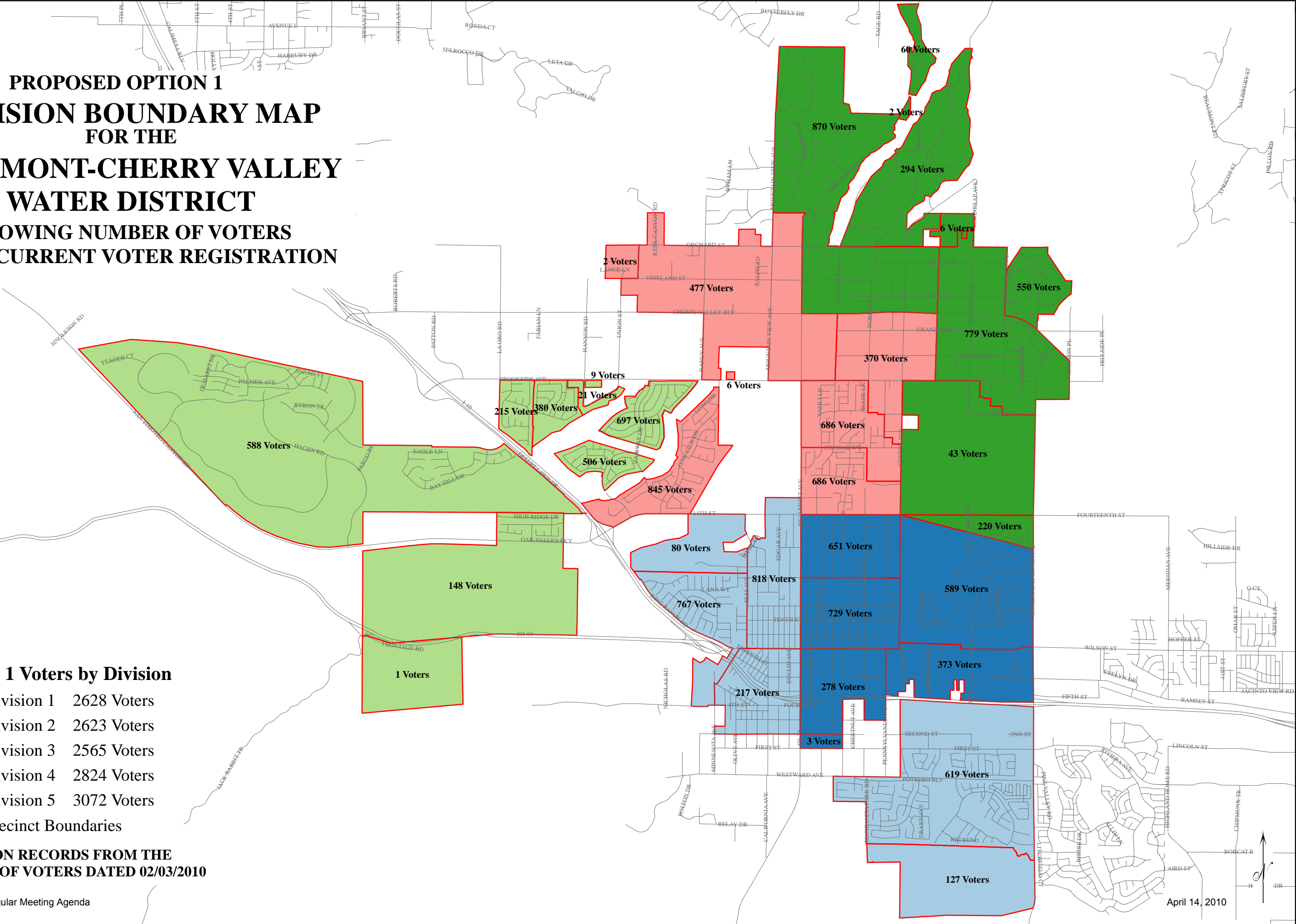


**PROPOSED OPTION 1**  
**DIVISION BOUNDARY MAP**  
**FOR THE**  
**BEAUMONT-CHERRY VALLEY**  
**WATER DISTRICT**  
**SHOWING NUMBER OF VOTERS**  
**USING CURRENT VOTER REGISTRATION**

**Option 1 Voters by Division**

	Division 1	2628 Voters
	Division 2	2623 Voters
	Division 3	2565 Voters
	Division 4	2824 Voters
	Division 5	3072 Voters
	Precinct Boundaries	







**BASED ON RECORDS FROM THE**  
**REGISTRAR OF VOTERS DATED 02/03/2010**



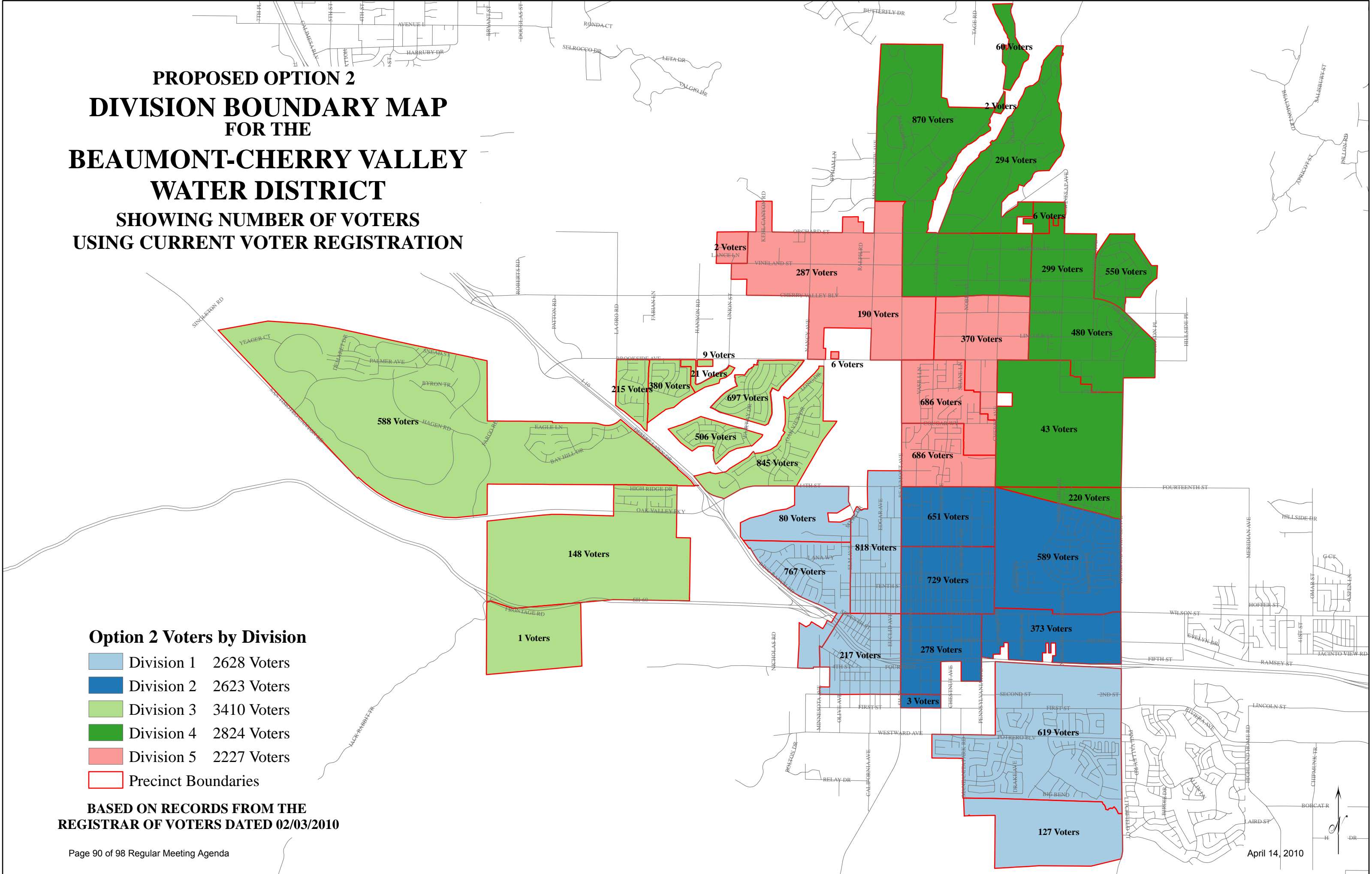


**PROPOSED OPTION 2**  
**DIVISION BOUNDARY MAP**  
**FOR THE**  
**BEAUMONT-CHERRY VALLEY**  
**WATER DISTRICT**  
**SHOWING NUMBER OF VOTERS**  
**USING CURRENT VOTER REGISTRATION**

**Option 2 Voters by Division**







	Division 1	2628 Voters
	Division 2	2623 Voters
	Division 3	3410 Voters
	Division 4	2824 Voters
	Division 5	2227 Voters
	Precinct Boundaries	

**BASED ON RECORDS FROM THE**  
**REGISTRAR OF VOTERS DATED 02/03/2010**

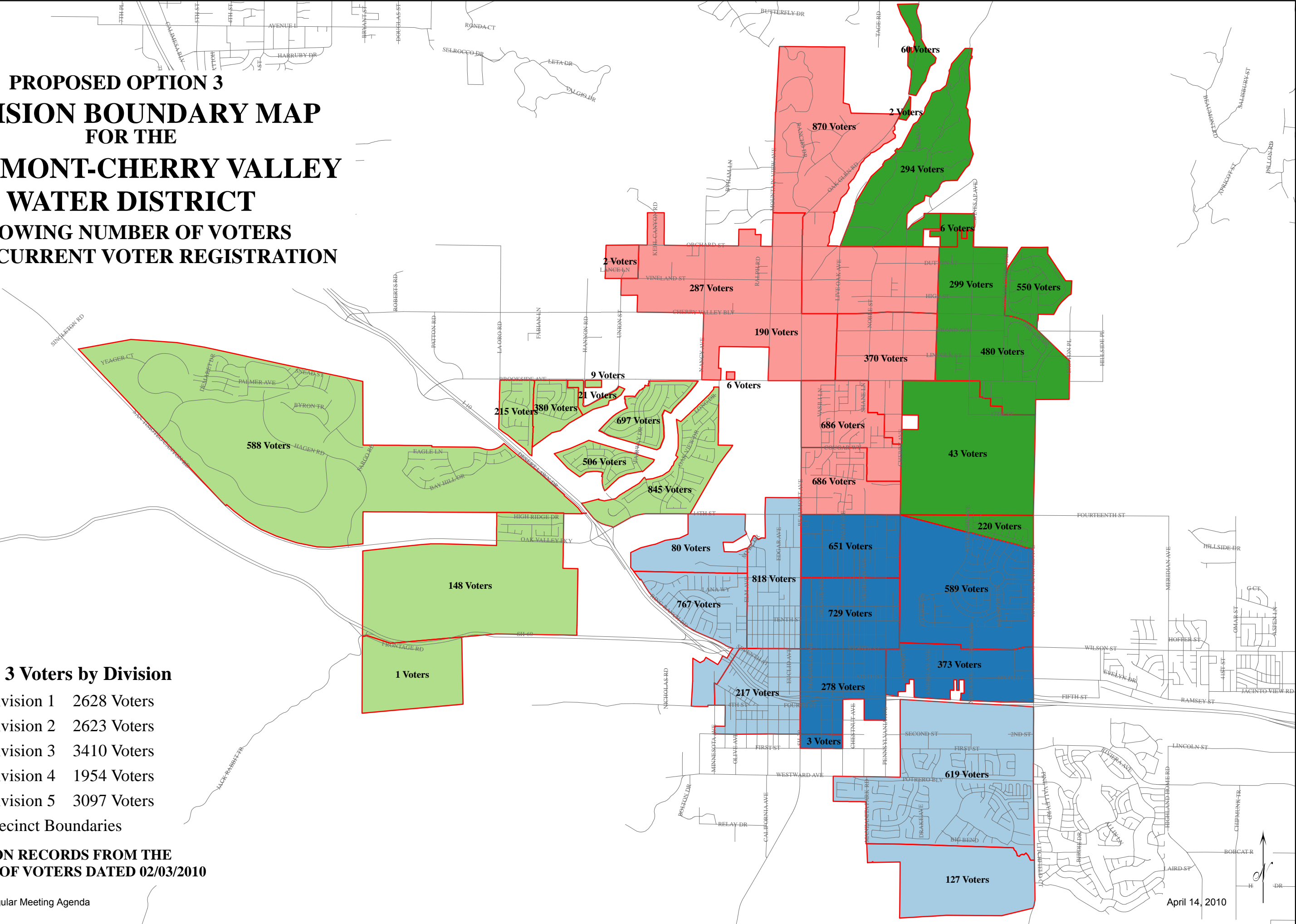


**PROPOSED OPTION 3**  
**DIVISION BOUNDARY MAP**  
**FOR THE**  
**BEAUMONT-CHERRY VALLEY**  
**WATER DISTRICT**  
**SHOWING NUMBER OF VOTERS**  
**USING CURRENT VOTER REGISTRATION**

**Option 3 Voters by Division**







	Division 1	2628 Voters
	Division 2	2623 Voters
	Division 3	3410 Voters
	Division 4	1954 Voters
	Division 5	3097 Voters
	Precinct Boundaries	

**BASED ON RECORDS FROM THE**  
**REGISTRAR OF VOTERS DATED 02/03/2010**

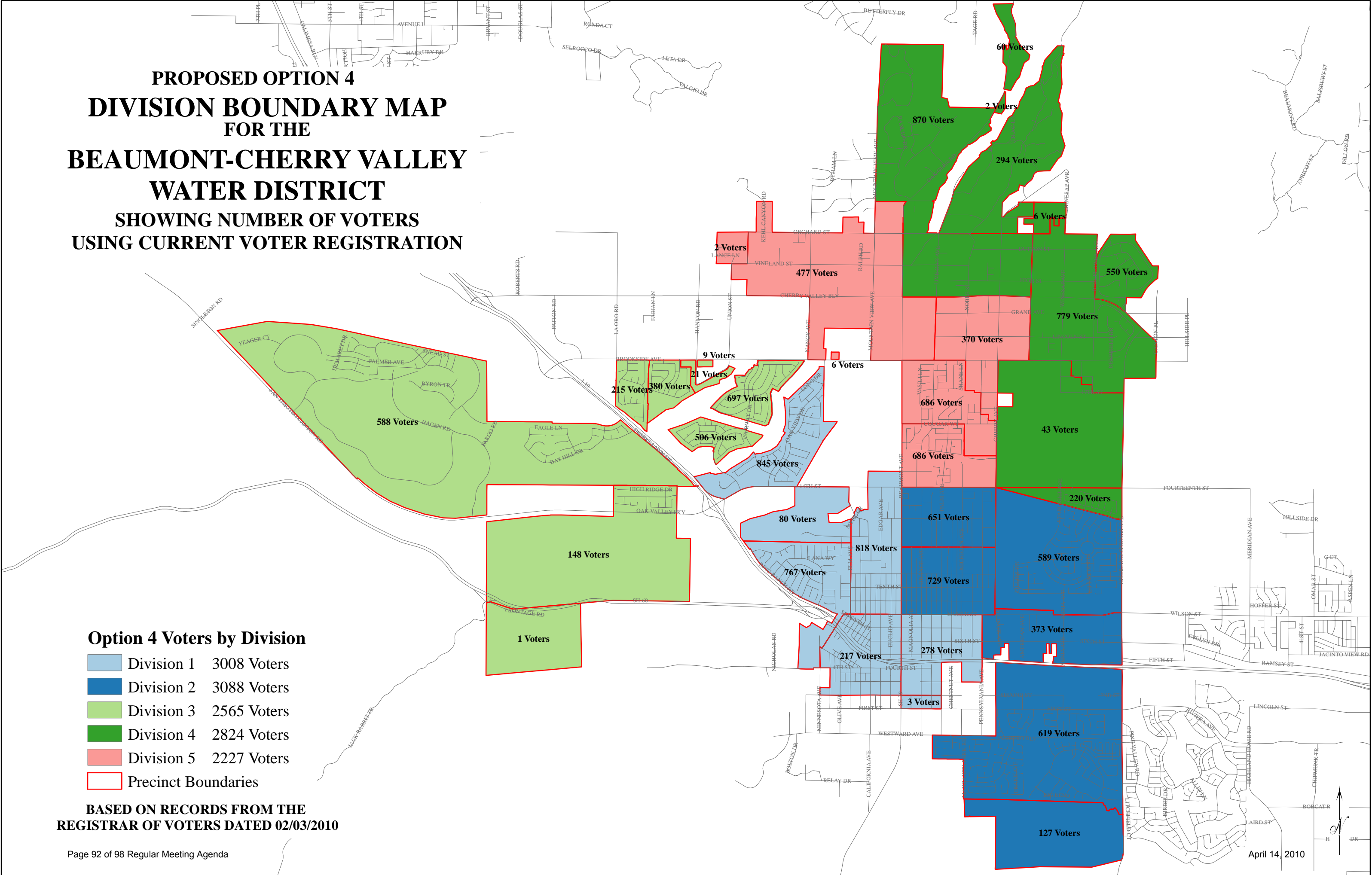


**PROPOSED OPTION 4**  
**DIVISION BOUNDARY MAP**  
**FOR THE**  
**BEAUMONT-CHERRY VALLEY**  
**WATER DISTRICT**  
**SHOWING NUMBER OF VOTERS**  
**USING CURRENT VOTER REGISTRATION**

**Option 4 Voters by Division**

	Division 1	3008 Voters
	Division 2	3088 Voters
	Division 3	2565 Voters
	Division 4	2824 Voters
	Division 5	2227 Voters
	Precinct Boundaries	

**BASED ON RECORDS FROM THE**  
**REGISTRAR OF VOTERS DATED 02/03/2010**



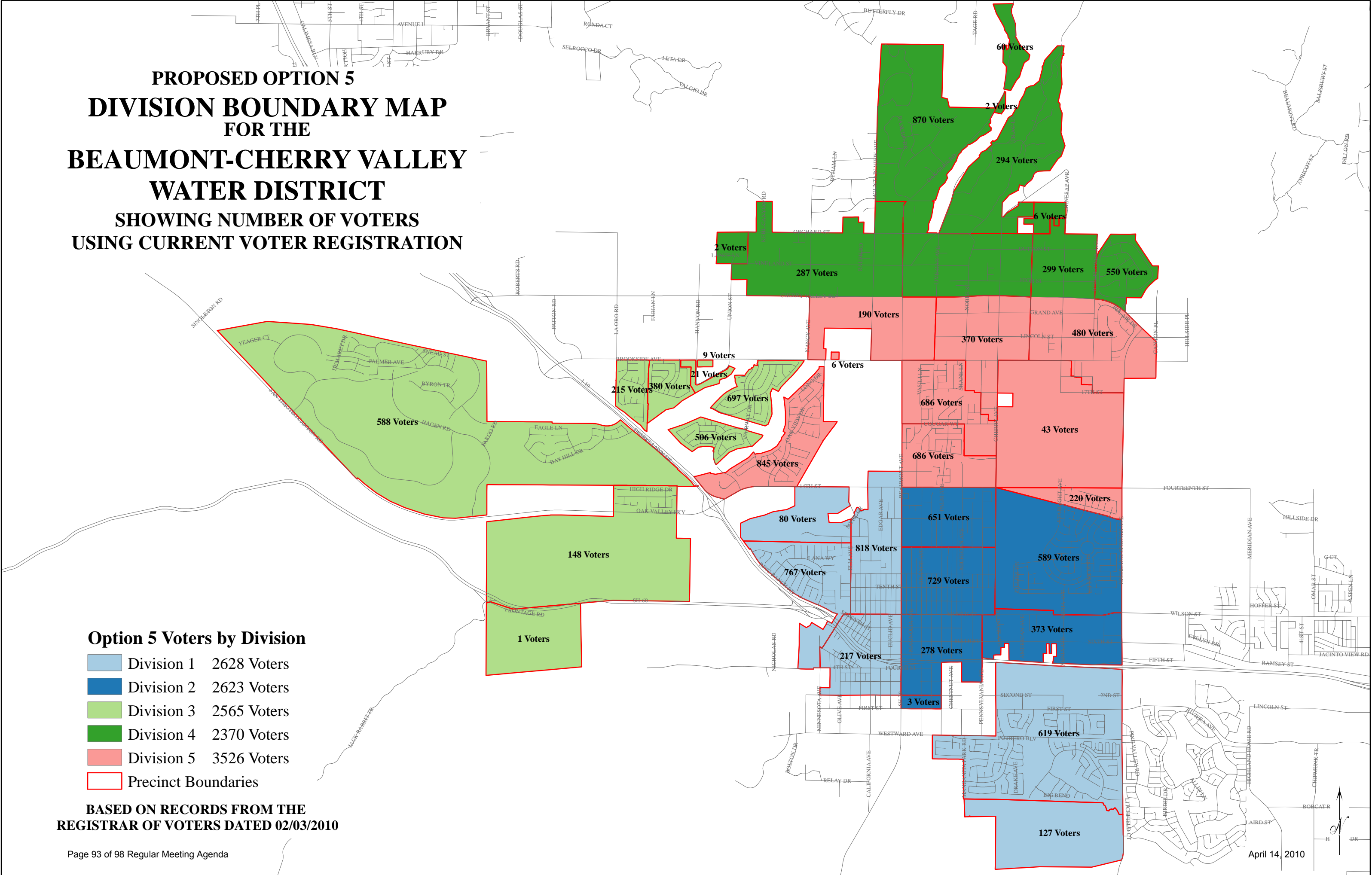


# **PROPOSED OPTION 5** **DIVISION BOUNDARY MAP** **FOR THE** **BEAUMONT-CHERRY VALLEY** **WATER DISTRICT** **SHOWING NUMBER OF VOTERS** **USING CURRENT VOTER REGISTRATION**

## **Option 5 Voters by Division**







<div></div>	Division 1	2628 Voters
<div></div>	Division 2	2623 Voters
<div></div>	Division 3	2565 Voters
<div></div>	Division 4	2370 Voters
<div></div>	Division 5	3526 Voters
<div></div>	Precinct Boundaries	

**BASED ON RECORDS FROM THE REGISTRAR OF VOTERS DATED 02/03/2010**

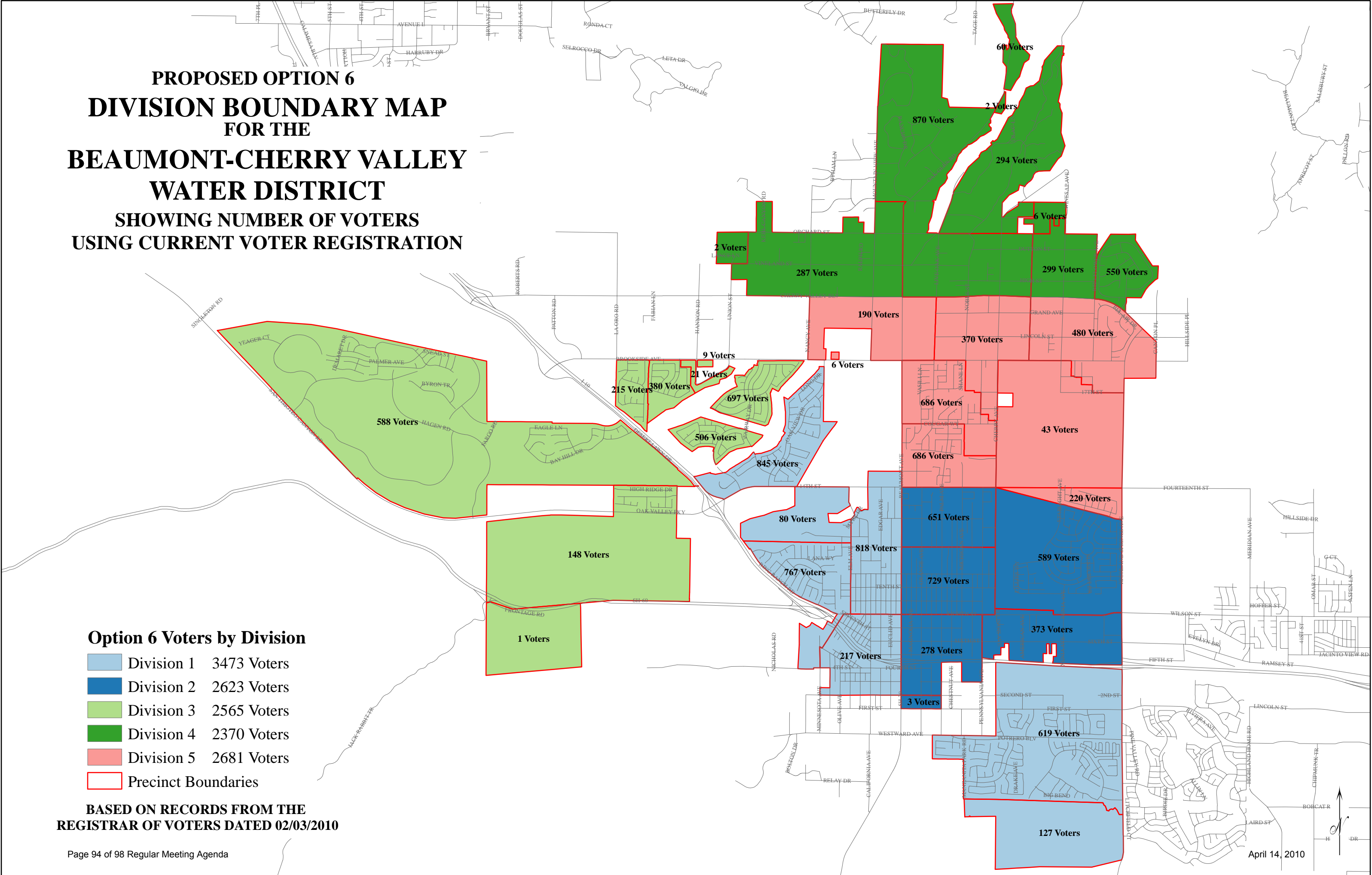


**PROPOSED OPTION 6**  
**DIVISION BOUNDARY MAP**  
**FOR THE**  
**BEAUMONT-CHERRY VALLEY**  
**WATER DISTRICT**  
**SHOWING NUMBER OF VOTERS**  
**USING CURRENT VOTER REGISTRATION**

**Option 6 Voters by Division**







	Division 1	3473 Voters
	Division 2	2623 Voters
	Division 3	2565 Voters
	Division 4	2370 Voters
	Division 5	2681 Voters
	Precinct Boundaries	

**BASED ON RECORDS FROM THE**  
**REGISTRAR OF VOTERS DATED 02/03/2010**

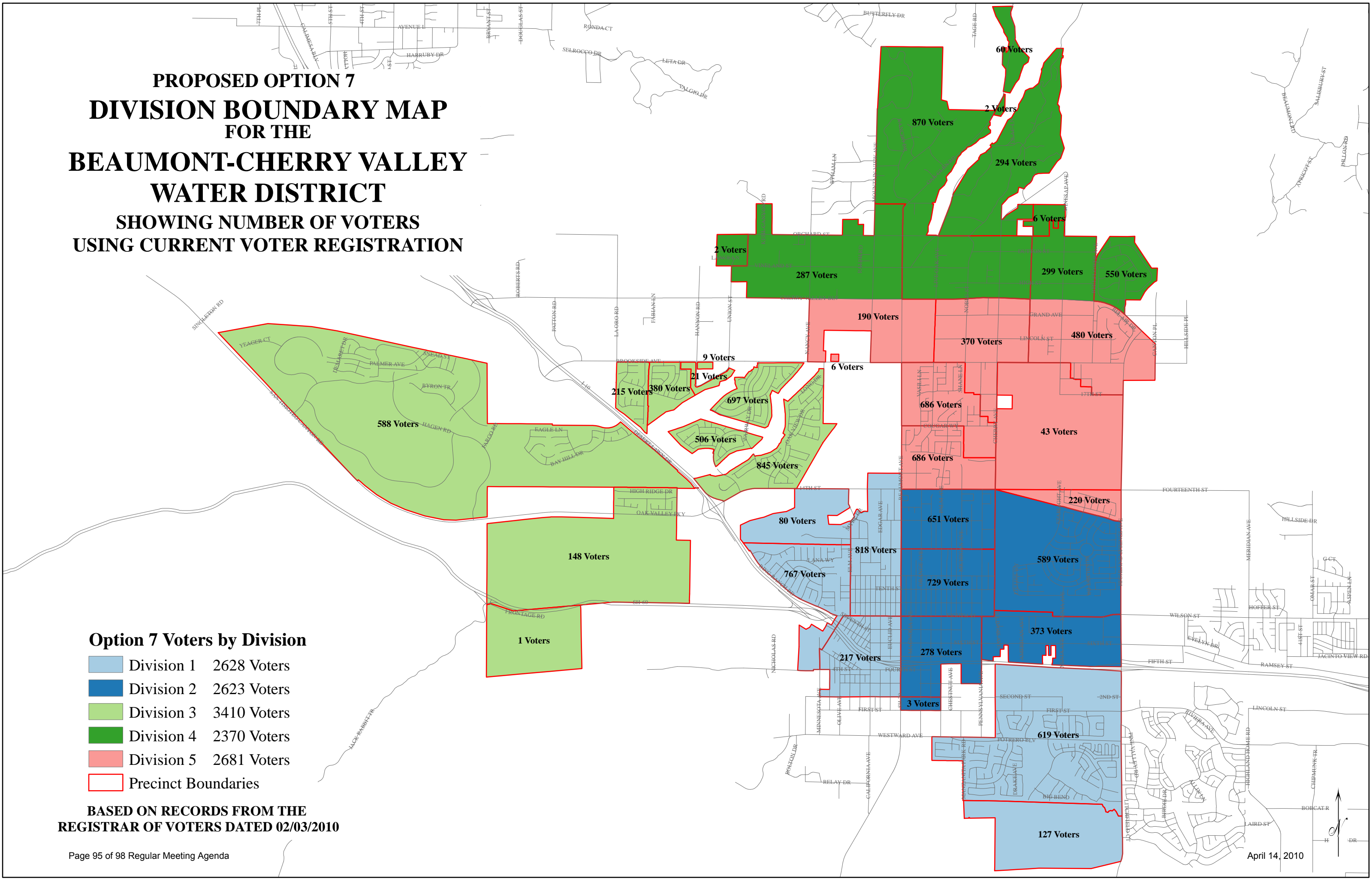


# **PROPOSED OPTION 7** **DIVISION BOUNDARY MAP** **FOR THE** **BEAUMONT-CHERRY VALLEY** **WATER DISTRICT** **SHOWING NUMBER OF VOTERS** **USING CURRENT VOTER REGISTRATION**

## **Option 7 Voters by Division**

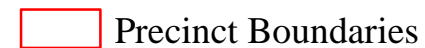
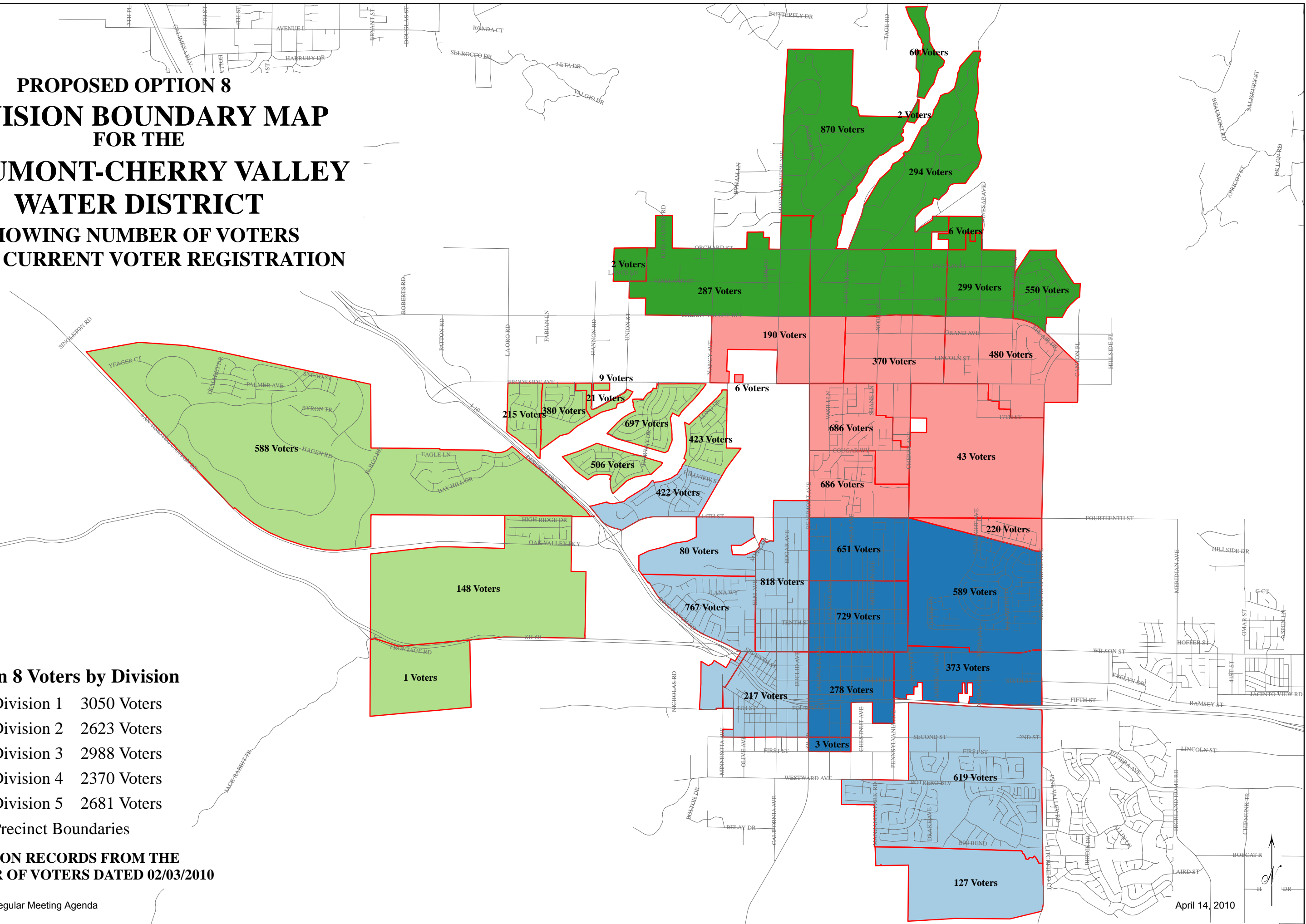
	Division 1	2628 Voters
	Division 2	2623 Voters
	Division 3	3410 Voters
	Division 4	2370 Voters
	Division 5	2681 Voters
	Precinct Boundaries	

**BASED ON RECORDS FROM THE  
REGISTRAR OF VOTERS DATED 02/03/2010**











## USING CURRENT VOTER REGISTRATION

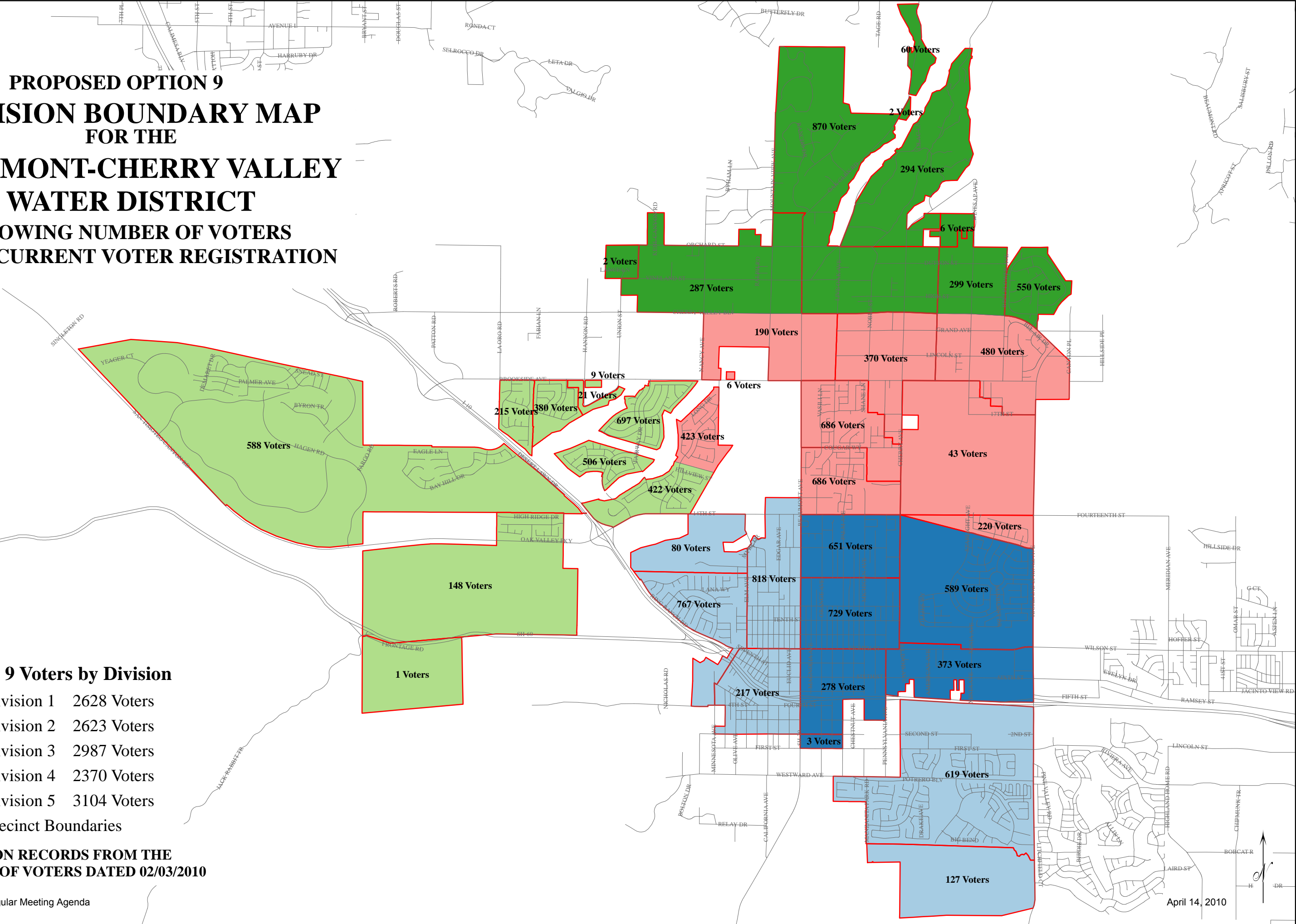
**REGISTRAR OF VOTERS DATED 02/03/2010**

**PROPOSED OPTION 9  
DIVISION BOUNDARY MAP  
FOR THE  
BEAUMONT-CHERRY VALLEY  
WATER DISTRICT  
SHOWING NUMBER OF VOTERS  
USING CURRENT VOTER REGISTRATION**

**Option 9 Voters by Division**

	Division 1	2628 Voters
	Division 2	2623 Voters
	Division 3	2987 Voters
	Division 4	2370 Voters
	Division 5	3104 Voters
	Precinct Boundaries	

**BASED ON RECORDS FROM THE  
REGISTRAR OF VOTERS DATED 02/03/2010**



# PROPOSED OPTION 10 DIVISION BOUNDARY MAP FOR THE BEAUMONT-CHERRY VALLEY WATER DISTRICT SHOWING NUMBER OF VOTERS USING CURRENT VOTER REGISTRATION

## Option 10 Voters by Division

<div></div>	Division 1	2628 Voters
<div></div>	Division 2	2623 Voters
<div></div>	Division 3	2987 Voters
<div></div>	Division 4	2566 Voters
<div></div>	Division 5	2908 Voters
<div></div>	Precinct Boundaries	

BASED ON RECORDS FROM THE  
 REGISTRAR OF VOTERS DATED 02/03/2010

