

**RECORD OF THE MINUTES OF THE  
JOINT MEETING  
BETWEEN THE  
SAN GORGONIO PASS WATER AGENCY  
AND  
BEAUMONT CHERRY VALLEY WATER DISTRICT  
AND  
REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE  
BEAUMONT CHERRY VALLEY WATER DISTRICT**

**August 11, 2010**

**JOINT MEETING**

Joint Session will begin at 6:00 p. m.

**CALL TO ORDER, PRESIDENT BALL**

Beaumont Cherry Valley Water District Board President Ball called the meeting to order at 6:00 p.m., 560 Magnolia Avenue, Beaumont, California.

**ROLL CALL, BLANCA MARIN**

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

**CALL TO ORDER, PRESIDENT JETER**

San Gorgonio Pass Water Agency Board President Jeter called the meeting to order at 7:03 p.m., 560 Magnolia Avenue, Beaumont, California.

**ROLL CALL, CHERYLE RASMUSSEN**

Those responding to roll call were President Jeter and Directors Haring, Voigt, Morris, Dysart, Dickson and Workman. Also present at this meeting were General Manager, Jeff Davis and Executive Assistant Cheryle Rasmussen.

**PLEDGE OF ALLEGIANCE**

Director Halliwill led the Pledge.

**PUBLIC INPUT**

President Ball invited Luwana Ryan to address the Board on an item not on the agenda. Ms. Ryan requested that both boards inform the rate payers as to what savings, benefits or what kind of impact this joint meeting will have on the rate payers.

**ACTION ITEMS**

**1. ADOPTION OF THE JOINT MEETING AGENDA**

Director Parks moved to adopt the Joint Meeting Agenda. Director Morris seconded. The motion passed unanimously.

**2. NEW BUSINESS (DISCUSSION AND POSSIBLE ACTION)**

- Potential Partnership for Recharge Facility

Boards met to discuss the possibility of joint use of the District's Recharge Facility.

Interim General Manager Lara answered questions from both boards related to the size and capacity of the ponds. Lara explained that in his opinion and the opinion of the District's Engineer, is that if the allotment was to be at a 100%, the ponds could easily take the whole 17,300 acre feet of water.

Discussion followed regarding different possibilities of other agencies renting/leasing space, a joint powers agreement, and a possible partnership with other agencies. It was also suggested that the boards invite other agencies to join this venture, such as South Mesa Water Company and Yucaipa Valley Water District. The Boards further discussed the possibility of forming ad hoc committees to discuss and come back to the respective boards with basic ideas.

President Jeter invited Jennifer Ares representing the Yucaipa Valley Water District to share some information regarding her role at Yucaipa water District. She informed the boards and public that she is the Resources Sustainability Manager and that she is currently working on completing the Yucaipa Valley Water District's Urban Water Management Plan.

Boards agreed that this meeting was to open up discussions between the District and the Pass Agency and those other agencies will be invited to join at a later time. The Board directed Interim General Manager Anthony Lara to research with other agencies currently operating recharge facilities similar to the District's and use those agencies as a model. Board agreed that other agencies currently planning to build recharge facilities could benefit from the use of the District's facilities and therefore save the taxpayers money.

Boards directed Lara to be the lead on this project, research out what are available, get recommendations and bring back to the boards next month meeting rather than forming ad hoc committees at this point. The Board also directed Lara to contact any other agencies that might have an interest in discussing possibility of working with the District.

President Ball invited Duane Burke to address the boards on this item. Mr. Burke indicated that this is a very unprecedented time as agencies are working together. He thanked the Boards for the opportunity to work together.

Luwana Ryan recommended that the Boards don't make this project complicated at this time by doing a joint powers agreement.

### **3. ADJOURNMENT OF JOINT MEETING**

President Ball adjourned the joint meeting at 6:34 p.m.

#### **REGULAR SESSION**

Regular Session will begin at 7:00 p.m.

#### **CALL TO ORDER, PRESIDENT BALL**

President Ball called the meeting to order at 7:01 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, BLANCA MARIN**

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

**PUBLIC INPUT**

Secretary Woll invited Sandra Wells to address the Board on an item not on the agenda. Ms. Wells indicated that about two months ago, the District changed the meter from her sister's house on 10034 Noble. She indicated that bills went from about \$30 to \$200. She indicated that she requested that staff at the District verify the meter for accuracy. She requested that an explanation to her be provided as to why the meter was changed and why the change was made without notifying her sister. She further suggested that the District look into assistance programs for low-income people as her sister lives on a fixed income.

President Ball requested that Ms. Wells meet with the Interim General Manager Anthony Lara to try to resolve this issue.

**ACTION ITEMS**

**1. ADOPTION OF THE AGENDA**

Vice President Parks moved to adopt the agenda. Director Woll seconded. The motion passed unanimously.

**2. OPENING OF BIDS FOR THE SURPLUS EQUIPMENT**

Interim General Manager indicated that at the last board meeting, the board declared surplus seven pieces of equipment. Those seven pieces of equipment were put to bid and the facilities were open for the public to view the equipment. Lara recommended that the Board award the equipment to the highest bidder and that staff dispose of the remainder of the equipment.

President Ball moved to approve. Director Ross seconded. The motion passed unanimously.

**3. FINANCIAL REPORTS**

**a. Bills for Consideration\*\***

Board Action  
July 2010

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

President Ball thanked Director Parks for attending the meeting on his behalf.

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

**b. Invoices Pending Approval\*\***

Board Action  
July 2010

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 pending invoices. Director Halliwill seconded. The motion passed unanimously.

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

Board Action  
June 2010

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

Director Ross moved to accept and file the Month End Financial Statements. Director Woll seconded.

**4. APPROVAL OF THE MINUTES**

**A. Minutes of the Special Board Meeting of June 30, 2010\*\***

Director Ross moved to table this item until next month and send back for revision as he found several discrepancies. Director Halliwill seconded. The motion passed unanimously.

**B. Minutes of the Regular Board Meeting of July 14, 2010\*\***

Luwana Ryan requested that the minutes be corrected to show the correct figures under her statement made on page 31 of the agenda as she read those figures directly from a memorandum written by Mr. Butcher.

Director Ross requested that a typo be fixed on page 31, Item 5 under his request to read "word" instead of "work".

Director Ross moved to approve with corrections. Vice President Parks seconded. The motion failed with Halliwill, Ross, Woll and Ball opposing.

Director Ross moved to table the Minutes of July 14, 2010 to make corrections. Vice President Parks seconded. The motion passed unanimously.

**5. APPROVAL OF INTENTION TO AMEND APPENDIX TO CONFLICT OF INTEREST (DESIGNATED POSITIONS) AND SET A PUBLIC HEARING FOR SAME (OCTOBER 13, 2010\*\***

Interim General Manager Anthony Lara reported that an amendment to the District's Conflict of Interest is necessary as there have been some changes in staff positions due to the re-organization in staff.

Director Ross moved to approve. Director Woll seconded. The motion passed unanimously.

**6. REQUEST FOR EMERGENCY WATER SERVICE FROM MICHAEL C. JOSEPH TO HIS PROPERTY LOCATED ADJACENT TO DISTRICT'S WELL 24, 11020 UNION STREET, CHERRY VALLEY\*\***

Secretary Woll invited Mr. Joseph to report on this item. Mr. Joseph indicated that due to the District's well which is adjacent to his property, his well is going dry. He requested that the Board approve an emergency connection to serve his property. He mentioned that in a meeting in 2004, Mr. Butcher made the following statement "Mr. Butcher followed by saying that shallow wells located at the top end of the water table could indeed be sucked dry if the District decided to pursue its plans, the remedy would be that the Water District pay for the system to serve the affected homes at a reduced price so long as the consumption was for beneficial use" He requested that the District provide at least water service temporarily.

Interim General Manager Anthony Lara recommended that the Board approve service to Mr. Joseph's property as an "Outside Service" which means that the customer will be paying outside water rates. He further reported that Mr. Joseph currently has a connection and he would just need to pay for the meter.

Director Parks moved to approve emergency service to Mr. Joseph's property. Director Woll seconded.

Director Parks amended her motion to add that the District provides emergency water service to Mr. Joseph's property as long as needed.

After discussion, Director Parks amended her motion, to approve emergency water service to Mr. Joseph's property for a period of six months and to revisit this service in six months. Director Woll seconded. The motion passed unanimously.

**7. REQUEST FOR EMERGENCY SERVICE CONNECTION AT 37980 BROOKSIDE AVENUE\*\***

Interim General Manager Anthony Lara reported that he was notified by the property owner's lawyer that the property owner was in the hospital recovering from surgery and that he could not be released from the hospital without running water on his property. They needed to see what the requirements were to have an emergency service installed to his property. Lara stated that the property owner paid the appropriate fees and District already had installed the service. Lara further requested that the board approve the temporary service for a period of six months.

Vice President Parks moved to approve the emergency water service request for the period of six months to the property. Director Ross seconded. The motion passed unanimously.

**8. DISCUSSION AND POSSIBLE ACTION AUTHORIZING INTERIM GENERAL MANAGER TO INITIATE A PUBLIC OUTREACH PROGRAM IN RESPONSE TO WRITTEN PROTEST RECEIVED AT THE RATE HEARING ON JUNE 30<sup>TH</sup>, 2010**

Interim General Manager Anthony Lara requested that the Board have a discussion and to provide any input should there be any specific items that they want him to address in his letter to the Fairway Canyon Association. He indicated that he has already been given direction by the Board to draft and send the letter. He further indicated that the letter will be addressed to the four HOA Representatives who signed the protest letter.

Discussion followed as to whether the same letter would need to be sent to all those people who protested the rate increase and the possibility that staff or Board members provide a presentation at the HOA locations to educate the public as to the need of the rate increase.

Patsy Reeley commented that the Board needs to write the letter to those four people who signed the letter and just end the discussions regarding this issue as none of those people have attended the meetings and the only reason they attended the meeting was because they were misinformed.

Director Woll moved for Mr. Lara to draft the letter and that the letter be very informative, but neutral and that it be sent to the four directors inviting them to contact the District should they have any questions. Vice President Parks seconded. The motion passed unanimously.

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

**(a) Ad hoc Committees -None**

**(b) General Manager**

▪ **Policies and Procedures Manual update-** Patsy Reeley questioned the Board as to whether or not there is an item in the Policies and Procedures Manual as to when reorganization of the Board is required to occur. Interim General Manager Anthony Lara reported that it is in the Policies and Procedures Manual as a requirement to reorganize the board each year in December. It is also required that the Board review and revisit the Policies and Procedures Manual each year to amend as needed. He further requested that any input from Board members to be included in the Policies and Procedures be forwarded to staff by September 1, 2010.

- **Correspondence from JPIA regarding Risk Assessment Visit on June 29, 2010\*\***- Lara reported that the correspondence included in the agenda from JPIA was for information purposes. A presentation has been scheduled from JPIA representatives to inform the District as to what kind of services JPIA provides to its members. Presentation has been scheduled for October's regular board meeting.
- **Winter Wish Food Drive**-Lara reported that he was contacted by the Beaumont Chamber of Commerce requesting that the District includes a flyer with the water bills to invite the public to donate can goods. Other agencies that donate to this cause are the City of Beaumont and the Post Office. The District contributed last year in this program. He further requested that the District be allowed to participate this year and there will be no extra cost to participate. Board unanimously approved for the District to participate in this program.
- **Correspondence received from South Mesa Water Company dated July 21, 2010, informing the STWMA Commission of its decision to withdraw from the Commission\*\***Lara reported that the actual effective date of withdrawal from the STWMA Commission will be March 21, 2011 as the STWMA JPA states that the withdraw would not take effect until 240 days after notice has been given. He further indicated that by South Mesa Water Company withdrawing from the STWMA Commission, there will be only two members and one associate member left.
- **Beaumont Basin Watermaster scheduled for September 14, 2010**- Lara reported that the meeting will probably be scheduled for 10am. Items that might be considered include a draft budget and a letter from Pass Water Agency regarding their interest in a storage account with the Watermaster.
- **Update on Water Supply Assessments/Will Serve Letters**- Lara reported that Staff is reviewing all development files and reconciling all accounts/reviewing all agreements. Staff had a meeting yesterday regarding Will Serve Letters and staff is putting together a sustainability document. At the same meeting, discussion took place as to how to best deal with the development and water supply assessments issues and to develop a new Will Serve Letter Template.
- **Riverside County Grand Jury**- Lara reported that he had been contacted by the Grand Jury. Requests have been made related to financial information, minutes and the rate study. He will meet with the Grand Jury next week.

#### **(c) Directors**

- **Dr. Blair Ball**- Ball indicated that he attended a few meetings related to the Joint Meeting at 6pm already discussed.
- **John Halliwill**- Halliwill reported that he attended some of the same meetings that Director Parks and Mr. Lara attended.
- **Stella Parks**- Parks reported that she attended several meetings at the Pass Agency related to the Watermaster. On another issue she reported that the bond for the tunnel for the peripheral canal has been put on hold.
- **Ken Ross**- Ross questioned Mr. Lara as to what the results were on the CSDA Election as the District selected Ms. Shafter. Lara indicated that he will call CSDA tomorrow to ask for election results.
- **Ryan Woll**- None

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

General Counsel Gil Granito complimented Staff for its plans for developing a uniform approach on the subject of issuing Will Serve Letters, Water Supply Assessment Reports and written verification reports. Mr. Granito reminded the Board and Staff that sections in the District's manual covered the subject with which he had drafted which serve as a good point of reference.

**10. ANNOUNCEMENTS**

- A) Finance & Audit Committee Meeting, September 2, 2010 at 4:00 p.m.**
- B) District will be closed on September 6, 2010 in observance of Labor Day**
- C) Regular Board Meeting September 8, 2010 at 7:00 p.m.**

**ACTION LIST**

- Lara- Draft a letter to be mailed to South Mesa Water Company regarding date of withdrawal from STWMA
- Lara- Draft a letter to Fairway Canyon Home Owners Association in response to their protest to the rate increase letter.
- Board- Provide comments/input to Staff regarding the Policies and Procedures by September 1, 2010
- Lara- Obtain vote count by the CSDA and call director Ross to report


**11. ADJOURNMENT**

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



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

Attest:

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