



**BEAUMONT CHERRY VALLEY WATER DISTRICT
AGENDA
REGULAR MEETING OF THE BOARD OF DIRECTORS
560 Magnolia Avenue, Beaumont, CA 92223
Wednesday, November 10, 2010 at 7:00 p.m.**

CALL TO ORDER, PRESIDENT BALL

PLEDGE OF ALLEGIANCE, VICE PRESIDENT PARKS

INVOCATION, PRESIDENT BALL

ROLL CALL, BLANCA MARIN

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. CONSENT CALENDAR: Matters listed in the Consent Calendar are considered to be routine and will be approved by one motion as recommended. There will be no separate discussion unless Board or Staff Member request separate discussion prior to approval.

- a. October 2010 Bills for Consideration**Page 4
- b. October 2010 Invoices Pending Approval** Page 7
- c. September 2010 Month End Financial Statement** Page 9
- d. Minutes of the Regular Meeting of October 13, 2010**Page 23
- e. Minutes of the Special (Joint) Meeting of October 21, 2010** Page 27

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. ADOPTION OF THE DEPOSIT POLICY AND PROCEDURESPage 29**

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. ANNUAL CONTRIBUTION/PARTICIPATION REQUEST FROM THE CALIFORNIA WATER AWARENESS CAMPAIGN IN THE AMOUNT OF \$1,514 FOR THE NICE SAVE PROGRAMPage 33**

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. REQUEST BY THE YORBA LINDA WATER DISTRICT FOR SUPPORT IN THE FORM OF FILING AN AMICUS LETTER IN SUPPORT OF THEIR APPEAL TO THE CALIFORNIA SUPREME COURT REGARDING THE FREEWAY FIRE LITIGATIONPage 36**

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. REQUEST FOR WILL SERVE LETTER FROM THE BEAUMONT UNIFIED SCHOOL DISTRICT-APN 405-240-003 AND 405-240-004 Page 39**

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. REPORTS FOR DISCUSSION AND POSSIBLE ACTION

(a) Ad hoc Committees

(b) General Manager

- Approval of Extension of the Furlough Program to January 1, 2011**Page 47
- Update on Recycled Water discussions
- Update on diesel fuel spill incident

(c) Directors

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

(d) Legal Counsel

8. ANNOUNCEMENTS

- A) District will be closed on November 11, 2010 for Veteran's Day
- B) District will be closed on November 25 and 26 for the Thanksgiving Celebration
- C) Finance & Audit Committee Meeting, December 2, 2010 at 4:00 p.m.
- D) Regular Board Meeting, December 8, 2010 at 7:00 p.m.
- E) Budget Workshop, December 18, 2010 at 9:00 a.m.
- F) District will be Closed on December 24, 2010 for the Christmas Celebration

G) District will be closed on December 31, 2010 for the New Year's Celebration

9. ACTION LIST UPDATES/RECOMMENDATIONS

- Amelia Toledo- Memorandum regarding education expenses being reported on employee's w-2 form**Page 49
- Amelia Toledo- Billing certification (requested by Director Halliwill)** Page 50
- Amelia Toledo- 2010 Calendar Year-End Financial Projections**Page 52

10. 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 Blanca Marin, at (951) 845-9581 Ext. 23 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.

BEAUMONT-CHERRY VALLEY WATER DISTRICT
Check Register-Summary-Bank



AP5090

Page : 1

Date : Oct 28, 2010

Time : 7:15 am

Vendor : A&A FENCE To ZETLMAIER
Cheque Dt. : 01-Oct-2010 To 28-Oct-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
41363	04-Oct-2010	CNTYOFRIV	COUNTY OF RIVERSIDE DEPT ENVIRONMEN	Issued	332	C	1,450.00
41364	07-Oct-2010	ALSCO	ALSCO	Issued	334	C	56.70
41365	07-Oct-2010	AMERICANOF	AMERICAN OFFICE SOLUTION	Issued	334	C	99.19
41366	07-Oct-2010	AQMD	SOUTH COAST AQMD	Issued	334	C	218.00
41367	07-Oct-2010	ASPEN	ASPEN PUBLISHERS INC	Issued	334	C	139.77
41368	07-Oct-2010	AUTOVALUE	STAR AUTO PARTS	Issued	334	C	53.79
41369	07-Oct-2010	B ACE HOME	BEAUMONT DO IT BEST HOME CENTER	Issued	334	C	578.27
41370	07-Oct-2010	B ACE HOME	BEAUMONT DO IT BEST HOME CENTER	Issued	334	C	98.84
41371	07-Oct-2010	CONVERSECC	CONVERSE CONSULTANTS	Issued	334	C	854.00
41372	07-Oct-2010	CVAUTO	CHERRY VALLEY AUTOMOTIVE	Issued	334	C	56.81
41373	07-Oct-2010	EDISON	SOUTHERN CALIFORNIA EDISON	Issued	334	C	146,691.55
41374	07-Oct-2010	ESBABCOCK	ES BABCOCK	Issued	334	C	1,750.00
41375	07-Oct-2010	FREEMANOFF	FREEMAN OFFICE PRODUCTS	Issued	334	C	1,055.35
41376	07-Oct-2010	HALLIWILLJ	HALLIWILL, JOHN	Issued	334	C	200.00
41377	07-Oct-2010	HOMEDEPOT	HOME DEPOT CREDIT SERVICES	Issued	334	C	340.86
41378	07-Oct-2010	INLANDWATE	INLAND WATER WORKS	Issued	334	C	71.52
41379	07-Oct-2010	MELFRED	MELFRED INDUSTRIAL SERVICES INC.	Issued	334	C	1,275.00
41380	07-Oct-2010	MIKEMCGEOR	MIKE MCGEORGE GOPHER CONTROL	Issued	334	C	250.00
41381	07-Oct-2010	NAPAAUTOPA	NAPA AUTO PARTS	Issued	334	C	18.54
41382	07-Oct-2010	PACIFICALA	PACIFIC ALARM	Issued	334	C	202.00
41383	07-Oct-2010	PERFORMANC	PERFORMANCE METER INC	Issued	334	C	326.25
41384	07-Oct-2010	PITNEYBOW	EASYPERMIT POSTAGE	Issued	334	C	1,901.08
41385	07-Oct-2010	PRESTIGEMO	PRESTIGE MOBILE DETAIL	Issued	334	C	416.00
41386	07-Oct-2010	SGPWA	SAN GORGONIO PASS WATER AGENCY	Issued	334	C	236,482.00
41396	07-Oct-2010	STAPLES	STAPLES ADVANTAGE	Issued	336	C	241.29
41397	07-Oct-2010	TERMINIX	TERMINIX	Issued	336	C	49.00
41398	07-Oct-2010	TOMLARA	TOM LARA	Issued	336	C	3,950.00
41399	07-Oct-2010	VADIM	VADIM	Issued	336	C	510.00
41400	07-Oct-2010	VERIZON	VERIZON	Issued	336	C	328.26
41401	07-Oct-2010	VERIZONIP	VERIZON BUSINESS	Issued	336	C	1,093.74
41402	07-Oct-2010	WASTEMANAC	WASTE MANAGEMENT	Issued	336	C	357.65
41403	21-Oct-2010	ACTIONTRUE	ACTION TRUE VALUE HARDWARE	Issued	341	C	627.00
41404	21-Oct-2010	AQMD	SOUTH COAST AQMD	Issued	341	C	586.42
41405	21-Oct-2010	ARCO	ARCO GASPRO PLUS	Issued	341	C	4,302.24
41406	21-Oct-2010	B ACE HOME	BEAUMONT DO IT BEST HOME CENTER	Issued	341	C	268.89
41407	21-Oct-2010	B BASIN WA	BEAUMONT BASIN WATERMASTER	Issued	341	C	6,000.00
41408	21-Oct-2010	B76	BEAUMONT 76	Issued	341	C	206.68
41409	21-Oct-2010	BCVWD	BCVWD PETTY CASH	Issued	341	C	397.95
41410	21-Oct-2010	BRITHINEE	BRITHINEE ELECTRIC	Issued	341	C	5,634.12
41411	21-Oct-2010	BTIRE	BEAUMONT TIRE	Issued	341	C	646.39
41412	21-Oct-2010	C&BCRUSHIN	C&B CRUSHING INC	Issued	341	C	200.00
41413	21-Oct-2010	CDPH-OCP	CA DEPT OF PUBLIC HEALTH	Issued	341	C	8,884.30
41414	21-Oct-2010	CR&RINCORP	CR&R INC	Issued	341	C	228.27
41415	21-Oct-2010	CUSTOMTROF	CUSTOM TROPHIES	Issued	341	C	14.14
41416	21-Oct-2010	CVAUTO	CHERRY VALLEY AUTOMOTIVE	Issued	341	C	43.76
41417	21-Oct-2010	DALEY&HEFT	DALEY & HEFT LLP	Issued	341	C	15,470.21
41418	21-Oct-2010	EDISON	SOUTHERN CALIFORNIA EDISON	Issued	341	C	2,026.57
41419	21-Oct-2010	ESBABCOCK	ES BABCOCK	Issued	341	C	485.00
41420	21-Oct-2010	FREEMANOFF	FREEMAN OFFICE PRODUCTS	Issued	341	C	44.88
41421	21-Oct-2010	GASCO	THE GAS COMPANY	Issued	341	C	15.78
41422	21-Oct-2010	HALLIWILLJ	HALLIWILL, JOHN	Issued	341	C	200.00
41423	21-Oct-2010	HASLE000	MAIL FINANCE	Issued	341	C	4,510.17
41424	21-Oct-2010	HASLER	TOTALFUNDS BY HASLER	Issued	341	C	1,000.00
41425	21-Oct-2010	HIGHLANDSP	HIGHLAND SPRINGS EXPRESS LUBE	Issued	341	C	1,311.15
41426	21-Oct-2010	HUDECS	HUDECS COMPUTER CONSULTING	Issued	341	C	5,819.16
41427	21-Oct-2010	INLANDWATE	INLAND WATER WORKS	Issued	341	C	1,679.18

BEAUMONT-CHERRY VALLEY WATER DISTRICT
Check Register-Summary-Bank



AP5090

Page : 2

Date : Oct 28, 2010

Time : 7:15 am

Vendor : A&A FENCE To ZETLMAIER
 Cheque Dt. : 01-Oct-2010 To 28-Oct-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
41428	21-Oct-2010	MACROCOMM	MACRO COMMUNICATIONS	Issued	341	C	150.00
41429	21-Oct-2010	MCCROMETEI	MCCROMETER	Issued	341	C	598.34
41430	21-Oct-2010	NAPAAUTOPA	NAPA AUTO PARTS	Issued	341	C	92.33
41431	21-Oct-2010	ONLINE INF	ONLINE INFORMATION SERVICES	Issued	341	C	335.10
41432	21-Oct-2010	PARSONS	PARSONS WATER & INFRASTRUCTURE INC.	Issued	341	C	18,968.97
41433	21-Oct-2010	PATSPOTS	PAT'S POTS	Issued	341	C	310.00
41434	21-Oct-2010	PITNEYGLOB	PITNEY BOWES GLOBAL FINANCIAL SERVI	Issued	341	C	4,707.79
41435	21-Oct-2010	POUANTHON\	POU, ANTHONY	Issued	341	C	47.31
41436	21-Oct-2010	PRESTIGEMO	PRESTIGE MOBILE DETAIL	Issued	341	C	272.00
41437	21-Oct-2010	RDOEQUIP	RDO EQUIPMENT CO.	Issued	341	C	211.15
41438	21-Oct-2010	REDWINE	REDWINE AND SHERRILL	Issued	341	C	7,019.00
41439	21-Oct-2010	RIVERSIDEC	RIVERSIDE COUNTY RECORDER	Issued	341	C	42.00
41440	21-Oct-2010	STAPLES	STAPLES ADVANTAGE	Issued	341	C	1,388.49
41441	21-Oct-2010	STELLAPARK	PARKS, STELLA	Issued	341	C	600.00
41442	21-Oct-2010	TALLEY	TALLEY	Issued	341	C	635.00
41443	21-Oct-2010	TRENCHSHOF	TRENCH SHORING	Issued	341	C	299.75
41444	21-Oct-2010	TRICOUNTYP	TRI COUNTY PUMP CO	Issued	341	C	7,262.71
41445	21-Oct-2010	UNDERGROUI	UNDERGROUND SERVICE ALERT	Issued	341	C	121.50
41446	21-Oct-2010	VERIZON	VERIZON	Issued	341	C	181.01
41447	21-Oct-2010	VERIZONCRE	VERIZON CREDIT INC.	Issued	341	C	139.29
41448	21-Oct-2010	VERIZONWIR	VERIZON WIRELESS	Issued	341	C	403.67
41449	21-Oct-2010	VISIONBLIN	VISION BLINDS	Issued	341	C	587.25
41450	21-Oct-2010	WELLSFARGC	WELLS FARGO REMITTANCE CENTER	Issued	341	C	770.50
41451	21-Oct-2010	WILLDAN	WILLDAN FINANCIAL SERVICE	Issued	341	C	2,620.00
41452	21-Oct-2010	WOLLR000	WOLL, RYAN	Issued	341	C	180.00
41453	21-Oct-2010	XEROX	XEROX CORPORATION	Issued	341	C	1,163.74
41454	26-Oct-2010	DEPTHEALTH	CA. DEPT OF PUBLIC HEALTH	Issued	343	C	90.00

Total Computer Paid :	510,914.62	Total EFT PAP :	0.00	Total Paid :	510,914.62
Total Manually Paid :	0.00	Total EFT File :	0.00		

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

BEAUMONT-CHERRY VALLEY WATER DISTRICT
Check Register-Summary-Bank



AP5090 **Page : 1**
Date : Oct 28, 2010 **Time :** 7:16 am

Vendor : A&A FENCE To ZETLMAIER
Cheque Dt. : 01-Oct-2010 To 28-Oct-2010
Bank : 10 - CUSTOMER REFUNDS

Seq : Cheque No. **Status :** All
Medium : M=Manual C=Computer E=EFT-PA

Check #	Check Date	Vendor	Vendor Name	Status	Batch	Medium	Amount
1001	07-Oct-2010	STMP001017	VICTOR VINCENT URSO	Issued	335	C	154.04
1002	07-Oct-2010	STMP001018	WOODWARD	Issued	335	C	235.96
1003	21-Oct-2010	STMP001019	VELARDE, MICHELLE	Issued	340	C	149.84
1004	21-Oct-2010	STMP001020	BARTON, DEAN	Issued	340	C	161.11
Total Computer Paid :		700.95	Total EFT PAP :	0.00	Total Paid :		700.95
Total Manually Paid :		0.00	Total EFT File :	0.00			

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

Memorandum

Date: November 10, 2010
From: Anthony Lara, Interim General Manager
To: Board of Directors
Subject: Invoice Pending Payment

Attached please find a copy of the professional services invoice which is pending payment. Total amount pending approval is \$ 7,757.50

Vendor Name	Invoice No.	Amount
Redwine & Sherrill	1010001	\$7,757.50

\$7,757.50

Recommendation: That the Board of Directors approve the attached invoice totaling \$7,757.50

LAW OFFICES
REDWINE AND SHERRILL
STATEMENT FOR PROFESSIONAL SERVICES

1950 MARKET STREET
RIVERSIDE, CALIFORNIA 92501-1720
TELEPHONE 951-684-2520
ID # 95-1979827

Invoice#1010001

October 28, 2010

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

For Services Rendered During October 2010

Legal Fees due for Month	\$ 7,417.00
Costs Advanced for Month	\$ 315.00
CURRENT AMOUNT DUE	\$ 7,757.50

Beaumont-Cherry Valley Water District
Statements of Revenues, Expenses, and Changes in Net Assets
Unaudited
Through September 30, 2010

	<u>Actual Current Month</u>	<u>Actual YTD</u>	<u>Adopted Budget</u>	<u>Budget Remaining</u>	<u>Percent to Budget</u>
Operating revenues:					
Water consumption sales	492,435	3,068,545	4,329,564	1,261,019	70.87%
Water service charges	164,153	1,330,965	1,863,415	532,450	71.43%
Water importation surcharges	137,163	713,916	996,851	282,935	71.62%
Water pumping power surcharges	187,014	937,620	1,311,650	374,030	71.48%
Development and installation charges	41,946	215,080	160,000	(55,080)	134.43%
Other charges for services	19,895	277,811	259,000	(18,811)	107.26%
Total operating revenues	<u>1,042,606</u>	<u>6,543,937</u>	<u>8,920,480</u>	<u>2,376,543</u>	<u>73.36%</u>
Operating expenses:					
Source of supply	442,296	2,318,058	3,071,820	753,762	75.46%
Transmission and distribution	67,408	687,528	1,033,700	346,172	66.51%
Customer accounts	17,173	137,063	183,400	46,337	74.73%
Maintenance & general plant	25,480	234,357	393,400	159,043	59.57%
In-House engineering	15,893	85,114	112,012	26,898	75.99%
Professional services	8,753	159,490	290,000	130,510	55.00%
Administrative	286,653	1,247,957	2,376,269	1,128,312	52.52%
Total operating expenses	<u>863,656</u>	<u>4,869,568</u>	<u>7,460,601</u>	<u>2,591,033</u>	<u>65.27%</u>
Operating income before depreciation	178,950	1,674,370	1,459,879	(214,491)	114.69%
Depreciation	(168,779)	(1,519,013)	(2,025,351)	(506,338)	75.00%
Operating income(loss)	<u>10,171</u>	<u>155,356</u>	<u>(565,472)</u>	<u>(720,828)</u>	
Non-operating revenue(expense):					
Interest earnings	1,956	28,393	51,000	22,607	55.67%
Rental income	2,274	17,751	30,800	13,049	57.63%
Other non-operating revenues	520	25,850	15,000	(10,850)	172.33%
Total non-operating revenues(expenses), net	<u>4,750</u>	<u>71,993</u>	<u>96,800</u>	<u>24,807</u>	<u>74.37%</u>
Net income(loss) before capital contributions	<u>14,921</u>	<u>227,349</u>	<u>(468,672)</u>	<u>(696,021)</u>	
Capital contributions:					
Facilities charges	0	644,388	272,402	371,986	236.56%
Front footage fees	0	0	0	0	0
Total capital contributions	<u>0</u>	<u>644,388</u>	<u>272,402</u>	<u>371,986</u>	
Change in net assets	<u>14,921</u>	<u>871,737</u>	<u>(196,270)</u>	<u>1,068,007</u>	

Beaumont-Cherry Valley Water District
Statements of Revenues, Expenses, and Changes in Net Assets
Detailed
Unaudited Through September 30, 2010

	<u>Current Month</u>	<u>Actual - YTD</u>	<u>Adopted Budget</u>	<u>Budget Remaining</u>	<u>Percent to Budget</u>
Operating revenues:					
Water consumption sales					
DOMESTIC WATER SALES	473,018	2,874,281	4,074,564	1,200,283	70.54%
IRRIGATION WATER SALES	12,990	24,881	30,000	5,119	82.94%
CONSTRUCTION WATER SALES	6,427	87,578	125,000	37,422	70.06%
RECHARGE INCOME (CITY OF BANNING)	-	81,805	100,000	18,195	81.81%
Water service charges (meter charge)					
SERVICE CHARGES	164,153	1,330,965	1,863,415	532,450	71.43%
Water importation surcharge	137,163	713,916	996,851	282,935	71.62%
Water pumping power surcharge	187,014	937,620	1,311,650	374,030	71.48%
Development and installation charges					
INSTALLATION CHARGES	-	137,134	100,000	(37,134)	137.13%
DEVELOPMENT INCOME	41,946	77,947	60,000	(17,947)	129.91%
Other charges for services					
REIMB. CUST. DAMAGES/UPGRADES/WELLS	1,575	108,085	30,000	(78,085)	360.28%
BACKFLOW DEVICES	1,040	21,224	22,500	1,276	94.33%
RETURNED CHECK FEES	180	1,280	3,500	2,220	36.57%
TURN ONS	3,680	26,200	36,000	9,800	72.78%
THIRD NOTICE CHARGE	7,830	58,960	76,000	17,040	77.58%
PENALTIES	5,590	62,062	91,000	28,938	68.20%
Total operating revenues	<u>1,042,606</u>	<u>6,543,937</u>	<u>8,920,480</u>	<u>2,376,543</u>	<u>73.36%</u>
Operating expenses:					
Source of supply					
STATE PROJECT WATER PURCHASED	243,773	960,193	570,600	(389,593)	168.28%
HEALTH INSURANCE	4,527	35,831	55,000	19,169	65.15%
RETIREMENT/CALPERS	6,911	44,438	65,000	20,562	68.37%
LABOR	28,398	157,950	275,000	117,050	57.44%
BEREAVEMENT/SEMINAR/JURY DUTY	-	379	1,000	621	37.86%
SICK LEAVE	400	4,614	4,500	(114)	102.54%
VACATION	642	4,405	6,000	1,595	73.42%
HOLIDAYS	1,183	5,933	9,500	3,567	62.45%
LIFE INSURANCE	118	990	1,600	610	61.89%
UNIFORMS, EMPLOYEE BENEFITS	-	557	1,000	443	55.71%
TREATMENT & CHEMICALS	5,776	28,811	160,000	131,189	18.01%
LAB TESTING	3,503	41,771	45,000	3,229	92.82%
MAINTENANCE EQUIPMENT (PUMPING) 81088	4,694	92,463	160,000	67,537	57.79%
UTILITIES - GAS	14	113	120	7	94.51%
UTILITIES - ELECTRIC	144,670	929,420	1,700,000	770,580	54.67%
TELEMETRY MAINTENANCE	-	621	6,000	5,379	10.34%
SEMINAR & TRAVEL EXPENSES	-	-	500	500	0.00%
EDUCATION EXPENSES	-	245	1,000	755	24.50%
WORKER'S COMPENSATION INSURANCE	(8,352)	3,285	10,000	6,715	32.85%
STATE MANDATE CLEAN UP	6,040	6,040	0	(6,040)	0.00%
Total Source of supply	<u>442,296</u>	<u>2,318,058</u>	<u>3,071,820</u>	<u>753,762</u>	<u>75.46%</u>
Transmission and distribution					
HEALTH INSURANCE	12,844	102,677	115,000	12,323	89.28%
RETIREMENT/CALPERS	12,275	94,700	110,000	15,300	86.09%
LABOR	32,012	276,553	370,000	93,447	74.74%
BEREAVEMENT/SEMINAR/JURY DUTY	-	2,015	2,400	385	83.95%

Beaumont-Cherry Valley Water District
Statements of Revenues, Expenses, and Changes in Net Assets
Detailed
Unaudited Through September 30, 2010

	<u>Current Month</u>	<u>Actual - YTD</u>	<u>Adopted Budget</u>	<u>Budget Remaining</u>	<u>Percent to Budget</u>
SICK LEAVE	1,541	17,628	18,000	372	97.93%
VACATION	1,586	10,168	24,000	13,832	42.37%
HOLIDAYS	1,873	12,540	24,000	11,460	52.25%
LIFE INSURANCE	223	2,308	3,100	792	74.46%
UNIFORMS, EMPLOYEE BENEFITS	-	2,362	3,200	838	73.82%
SEMINAR & TRAVEL EXPENSES	-	710	1,000	290	71.00%
EDUCATION EXPENSES	-	155	2,000	1,845	7.75%
WORKER'S COMPENSATION INSURANCE	(12,303)	12,556	15,000	2,444	83.71%
MAINT PIPELINE/FIRE HYDRANT	2,440	28,762	95,000	66,238	30.28%
LINE LOCATES	238	1,811	3,500	1,689	51.74%
MAINT METERS & SERVICES	12,618	99,893	175,000	75,107	57.08%
BACKFLOW DEVICES	-	-	500	500	0.00%
MAINTENANCE RESERVOIRS/TANKS	-	4,452	10,000	5,548	44.52%
MAINTENANCE PRESSURE REGULATORS	-	-	12,000	12,000	0.00%
INSPECTIONS	2,391	16,913	35,000	18,087	48.32%
INVENTORY ADJUSTMENT	-	-	0	0	-
INVENTORY PURCHASE DISCOUNTS	(378)	(1,997)	(5,000)	(3,003)	39.95%
OBSOLETE OR DAMAGED INVENTORY	-	65	20,000	19,935	0.32%
PROPERTY THEFT	48	3,258	0	(3,258)	-
Total transmission and distribution	<u>67,408</u>	<u>687,528</u>	<u>1,033,700</u>	<u>346,172</u>	<u>66.51%</u>
Customer accounts					
HEALTH INSURANCE	3,237	25,035	34,000	8,965	73.63%
RETIREMENT/CALPERS	3,401	23,608	31,000	7,392	76.15%
LABOR	10,606	70,033	99,000	28,967	70.74%
BEREAVEMENT/SEMINAR/JURY DUTY	-	195	1,000	805	19.54%
SICK LEAVE	1,216	4,333	3,000	(1,333)	144.42%
VACATION	189	5,067	4,000	(1,067)	126.68%
HOLIDAYS	586	3,785	6,500	2,715	58.24%
LIFE INSURANCE	65	569	800	231	71.14%
UNIFORMS, EMPLOYEE BENEFITS	-	587	800	213	73.34%
EDUCATION EXPENSES	-	-	1,000	1,000	0.00%
WORKER'S COMPENSATION	(2,126)	3,850	2,300	(1,550)	167.39%
Total customer accounts	<u>17,173</u>	<u>137,063</u>	<u>183,400</u>	<u>46,337</u>	<u>74.73%</u>
Maintenance & general plant					
UTILITIES - DISTRICT PROPERTIES	8,557	65,593	95,400	29,807	68.76%
AUTO/FUEL	6,361	52,361	85,000	32,639	61.60%
SAFETY EQUIPMENT	147	1,664	3,000	1,336	55.46%
COMMUNICATION MAINTENANCE	-	-	1,000	1,000	0.00%
REPAIR & MAINT OF GEN EQUIPMENT	255	3,582	3,000	(582)	119.41%
REPAIR VEHICLES AND TOOLS	2,578	6,879	40,000	33,121	17.20%
LARGE EQUIPMENT MAINTENANCE	430	17,025	35,000	17,975	48.64%
EQUIP. PREVENTATIVE MAINTENANCE	-	7	1,000	993	0.68%
AUTO/EQUIPMENT OPERATION	924	16,240	40,000	23,760	40.60%
MAINT GENERAL PLANT (BUILDINGS)	123	1,864	10,000	8,136	18.64%
LANDSCAPE MAINTENANCE	3,950	38,766	50,000	11,234	77.53%
RECHARGE FAC, CANYON & POND MAINTENA	2,154	30,377	30,000	(377)	101.26%
Total maintenance & general plant	<u>25,480</u>	<u>234,357</u>	<u>393,400</u>	<u>159,043</u>	<u>59.57%</u>
In-House engineering					
HEALTH INSURANCE	425	3,297	4,000	703	82.42%

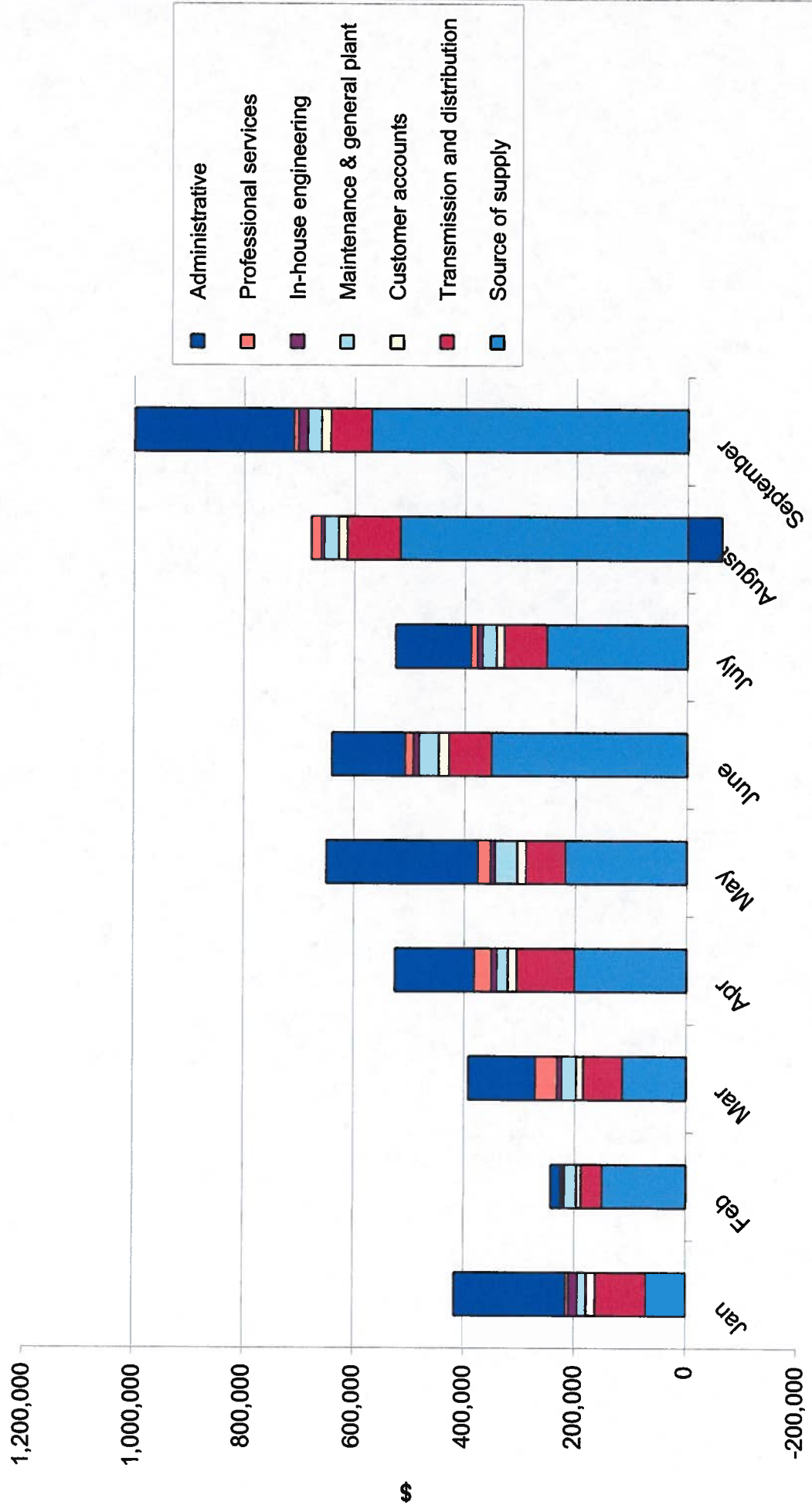
Beaumont-Cherry Valley Water District
Statements of Revenues, Expenses, and Changes in Net Assets
Detailed
Unaudited Through September 30, 2010

	<u>Current Month</u>	<u>Actual - YTD</u>	<u>Adopted Budget</u>	<u>Budget Remaining</u>	<u>Percent to Budget</u>
RETIREMENT/CALPERS	1,570	10,015	10,000	(15)	100.15%
LABOR	13,347	58,943	82,000	23,057	71.88%
BEREAVEMENT/SEMINAR/JURY DUTY	-	295	500	205	59.09%
SICK LEAVE	-	-	2,000	2,000	0.00%
VACATION	-	1,571	3,200	1,629	49.08%
HOLIDAY	295	1,946	3,200	1,254	60.81%
LIFE INSURANCE	34	264	312	48	84.71%
SEMINAR & TRAVEL EXPENSES	-	-	500	500	0.00%
EDUCATION EXPENSE	1,230	6,847	5,000	(1,847)	136.93%
WORKER'S COMPENSATION	(1,008)	1,937	1,300	(637)	149.02%
Total in-house engineering	<u>15,893</u>	<u>85,114</u>	<u>112,012</u>	<u>26,898</u>	<u>75.99%</u>
Professional services					
GENERAL LEGAL	7,264	109,065	125,000	15,935	87.25%
DEVELOPMENT - REIMB. LEGAL	-	-	1,000	1,000	0.00%
AUDIT	-	18,733	19,000	267	98.59%
ACCOUNTING (NON AUDIT)	-	-	10,000	10,000	0.00%
GENERAL ENGINEERING	1,070	29,837	120,000	90,163	24.86%
DEVELOPMENT - REIMB. ENGINEERING	419	1,855	5,000	3,145	37.10%
ENGINEERING - PERMITTING (REC WATER)	-	-	10,000	10,000	0.00%
Total professional services	<u>8,753</u>	<u>159,490</u>	<u>290,000</u>	<u>130,510</u>	<u>55.00%</u>
General and administrative					
HEALTH INSURANCE	12,243	105,311	152,000	46,689	69.28%
RETIREMENT/CALPERS	20,580	146,144	221,000	74,856	66.13%
LABOR	93,042	518,650	810,000	291,350	64.03%
BEREAVEMENT/SEMINAR/JURY DUTY	-	1,015	2,500	1,485	40.59%
SICK LEAVE	1,626	23,791	20,000	(3,791)	118.95%
VACATION	567	21,827	38,000	16,173	57.44%
HOLIDAYS	3,294	19,906	39,000	19,094	51.04%
LIFE INSURANCE	343	3,353	5,600	2,247	59.87%
SEMINAR & TRAVEL EXPENSES	194	1,051	5,500	4,449	19.11%
EDUCATION EXPENSES	-	420	1,000	580	42.00%
WORKER'S COMPENSATION INSURANCE	(7,691)	5,248	8,000	2,752	65.61%
UNEMPLOYMENT INSURANCE	313	3,751	14,000	10,249	26.79%
EMPLOYER SHARE FOR RETIRED (CALPERS)	521	4,171	4,500	329	92.69%
ADMINISTRATIVE COSTS (CALPERS)	141	1,133	2,000	867	56.64%
BANK CHGS/MONEY MARKET/TRANS. FEES	1,844	16,806	20,000	3,194	84.03%
OFFICE SUPPLIES	3,094	32,465	47,500	15,035	68.35%
OFFICE EQUIPMENT/SERVICE AGREEMENTS	3,227	35,011	85,000	49,989	41.19%
OFFICE MAINTENANCE	1,279	10,165	15,000	4,835	67.77%
MEMBERSHIP DUES	1,903	15,371	21,000	5,629	73.20%
OFFICE EQUIP.MAINT. & REPAIRS	-	65	2,000	1,935	3.26%
POSTAGE	2,901	31,782	40,000	8,218	79.46%
SUBSCRIPTIONS	410	3,918	1,600	(2,318)	244.86%
MISCELLANEOUS OPERATING SUPPLIES	-	4,447	15,000	10,553	29.64%
MISCELLANEOUS TOOLS/EQUIPMENT	-	1,929	10,000	8,071	19.29%
EMPLOYEE MEDICAL/FIRST AID	-	343	600	257	57.17%
RANDOM DRUG TESTING	-	75	500	425	15.00%
PROPERTY/AUTO/GEN LIABILITY INSURANCE	54,610	65,776	60,000	(5,776)	109.63%
STATE MANDATES AND TARIFFS	-	9,309	27,000	17,691	34.48%
MISCELLANEOUS EXPENSES	692	10,467	3,000	(7,467)	348.91%

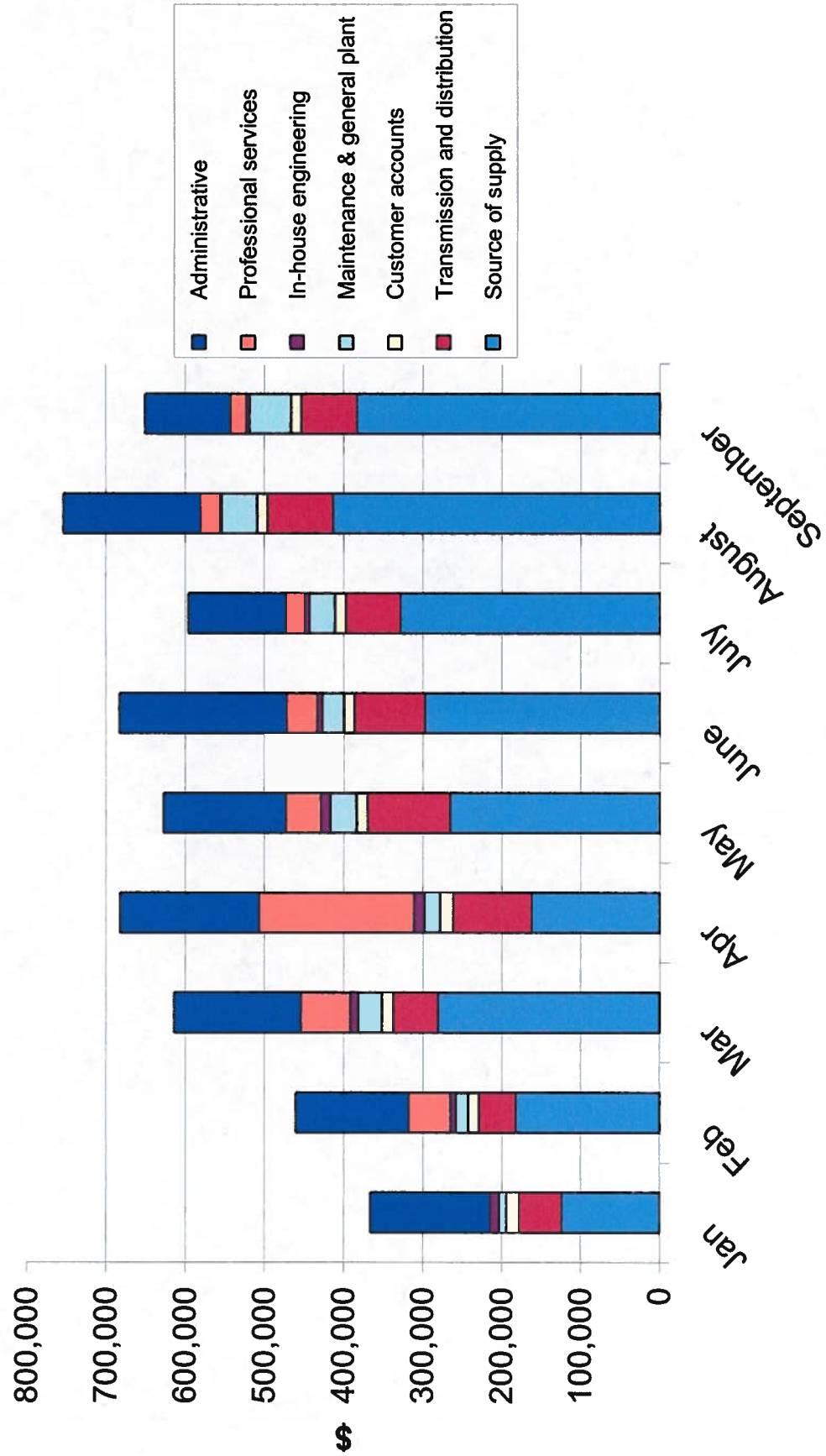
Beaumont-Cherry Valley Water District
Statements of Revenues, Expenses, and Changes in Net Assets
Detailed
Unaudited Through September 30, 2010

	<u>Current Month</u>	<u>Actual - YTD</u>	<u>Adopted Budget</u>	<u>Budget Remaining</u>	<u>Percent to Budget</u>
PUBLIC EDUCATION	-	8,353	10,000	1,647	83.53%
PROPERTY DAMAGE	1,584	1,848	0	(1,848)	-
IT SUPPORT/SOFTWARE SUPPORT	3,687	33,306	65,000	31,694	51.24%
PRINCIPAL PAYMENT	-	-	470,000	470,000	0.00%
INTEREST EXPENSE	84,969	84,969	84,969	(0)	100.00%
BAD DEBT EXPENSES	-	2,584	1,000	(1,584)	258.40%
NOTE COST OF ISSUANCE	-	4,581	0	(4,581)	-
BOARD OF DIRECTOR FEES	1,280	18,410	40,000	21,590	46.03%
ELECTION EXPENSES	-	205	34,000	33,795	0.60%
Total general and administrative	<u>286,653</u>	<u>1,247,957</u>	<u>2,376,269</u>	<u>1,128,312</u>	<u>52.52%</u>
Total operating expenses	<u>863,656</u>	<u>4,869,568</u>	<u>7,460,601</u>	<u>2,591,033</u>	<u>65.27%</u>
Operating income before depreciation	178,950	1,674,370	1,459,879	(214,491)	114.69%
Depreciation	<u>(168,779)</u>	<u>(1,519,013)</u>	<u>(2,025,351)</u>	<u>(506,338)</u>	<u>75.00%</u>
Operating income(loss)	<u>10,171</u>	<u>155,356</u>	<u>(565,472)</u>	<u>(720,828)</u>	<u>-27.47%</u>
Non-operating revenue(expense):					
Interest earnings	1,956	28,393	51,000	22,607	55.67%
Rental income	2,274	17,751	30,800	13,049	57.63%
Other non-operating revenues	520	25,850	15,000	(10,850)	172.33%
Total non-operating revenues(expenses), net	<u>4,750</u>	<u>71,993</u>	<u>96,800</u>	<u>24,807</u>	<u>74.37%</u>
Net income(loss) before capital contributions	<u>14,921</u>	<u>227,349</u>	<u>(468,672)</u>	<u>(696,021)</u>	
Capital contributions:					
Facilities charges	-	644,388	272,402	371,986	236.56%
Front footage fees	<u>-</u>	<u>-</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
Total capital contributions	<u>-</u>	<u>644,388</u>	<u>272,402</u>	<u>371,986</u>	<u>236.56%</u>
Change in net assets	<u>14,921</u>	<u>871,737</u>	<u>(196,270)</u>	<u>1,068,007</u>	<u>-444.15%</u>

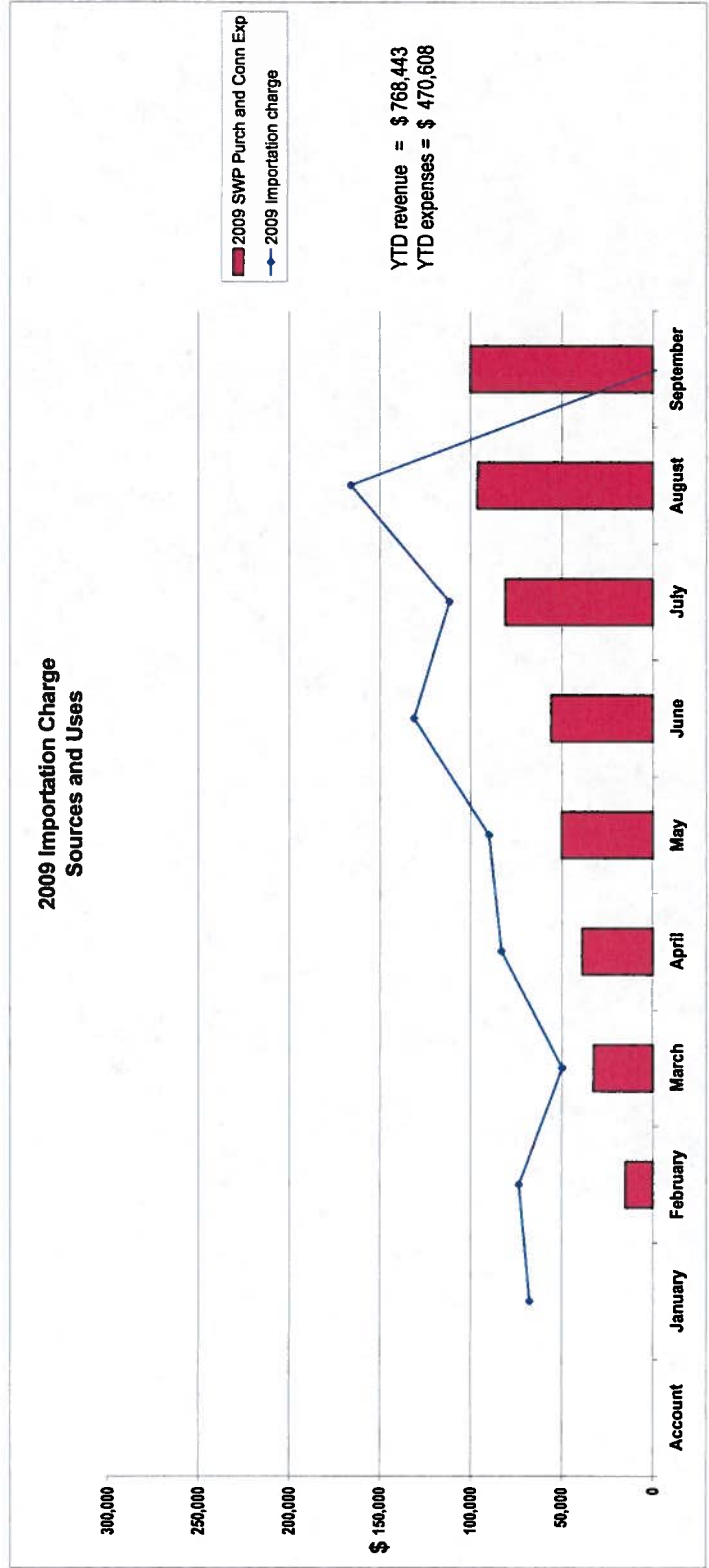
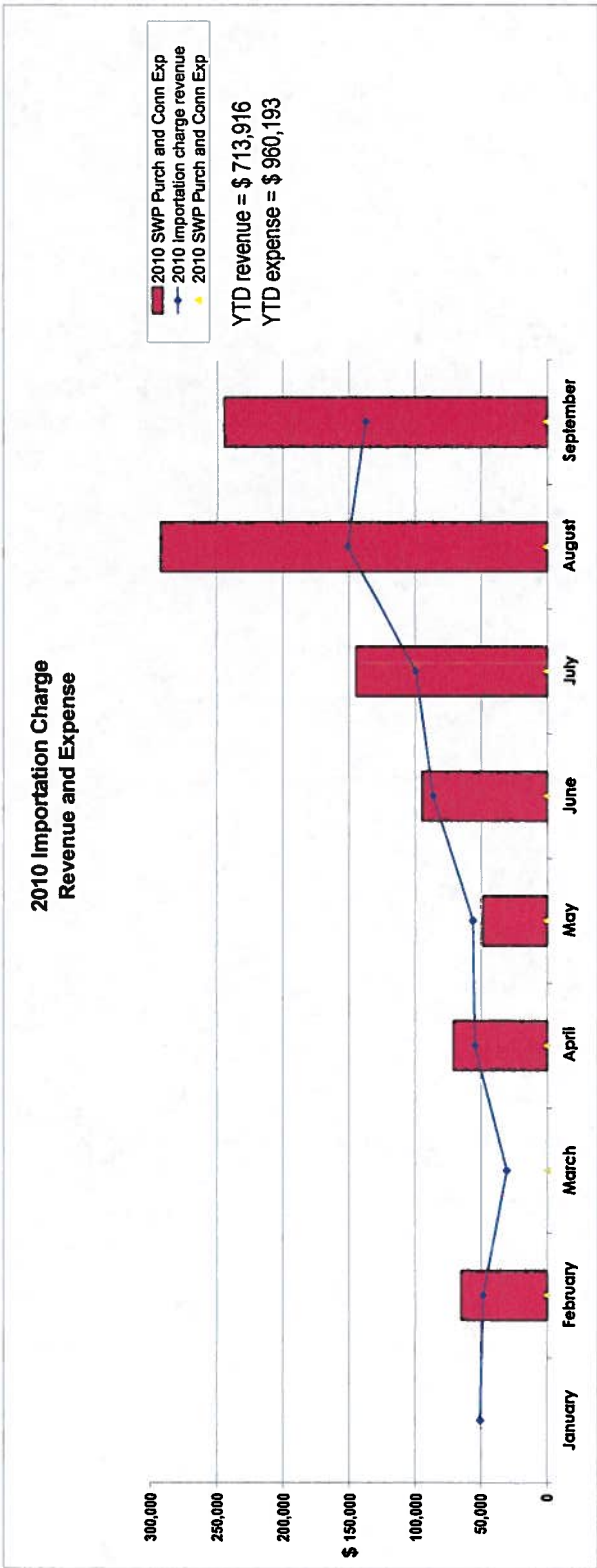
Operating Expenses by Activity - September 2010



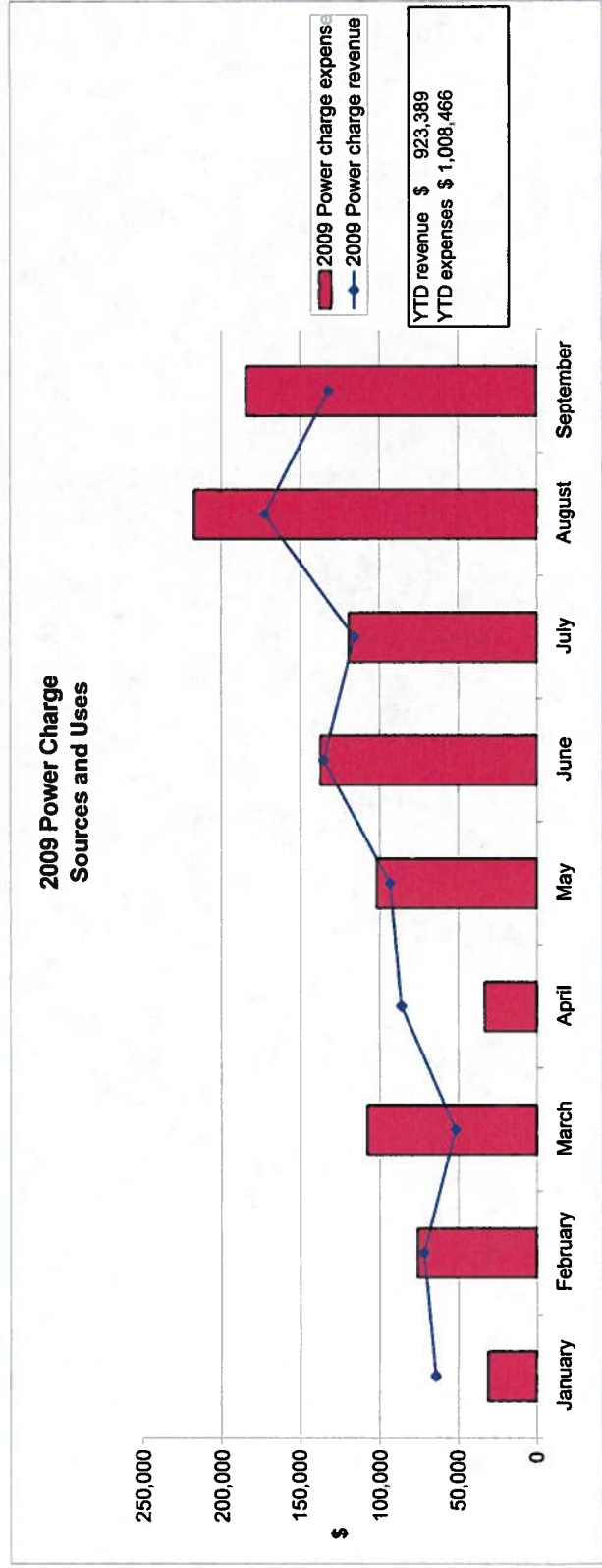
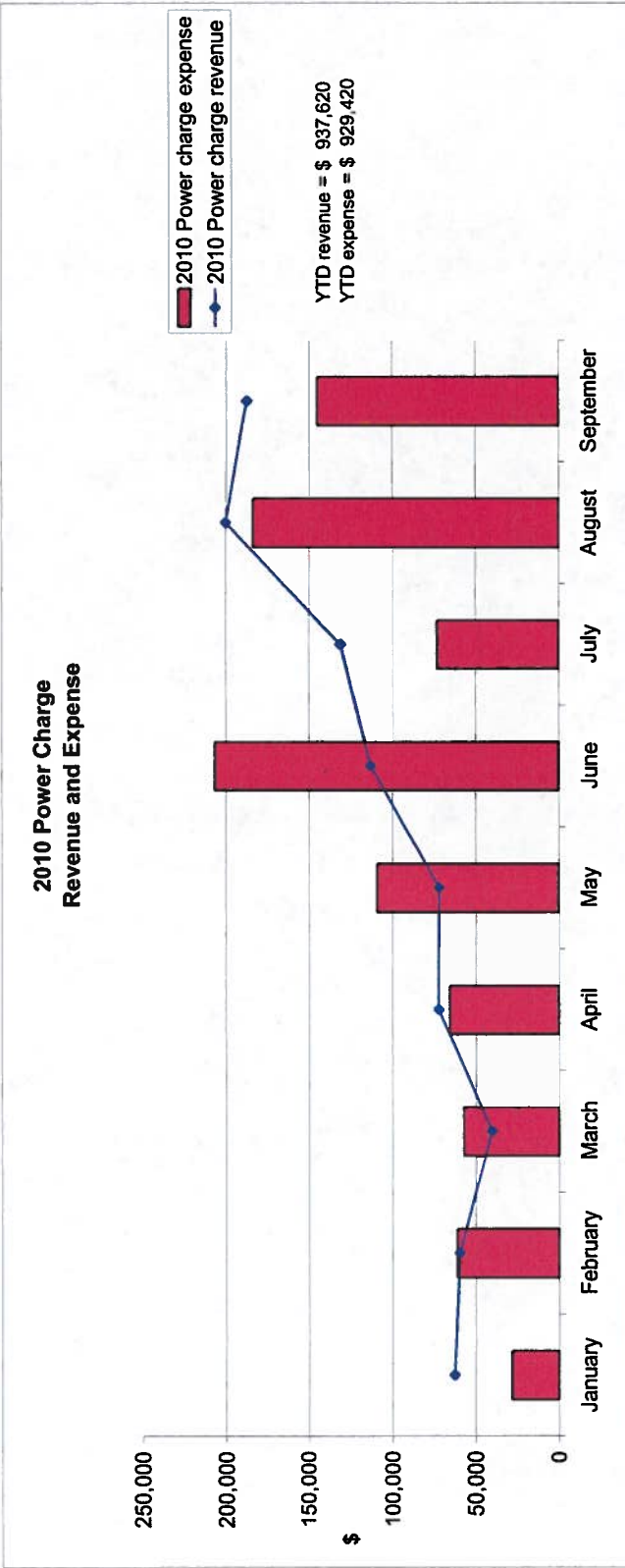
Operating Expenses by Activity - September 2009



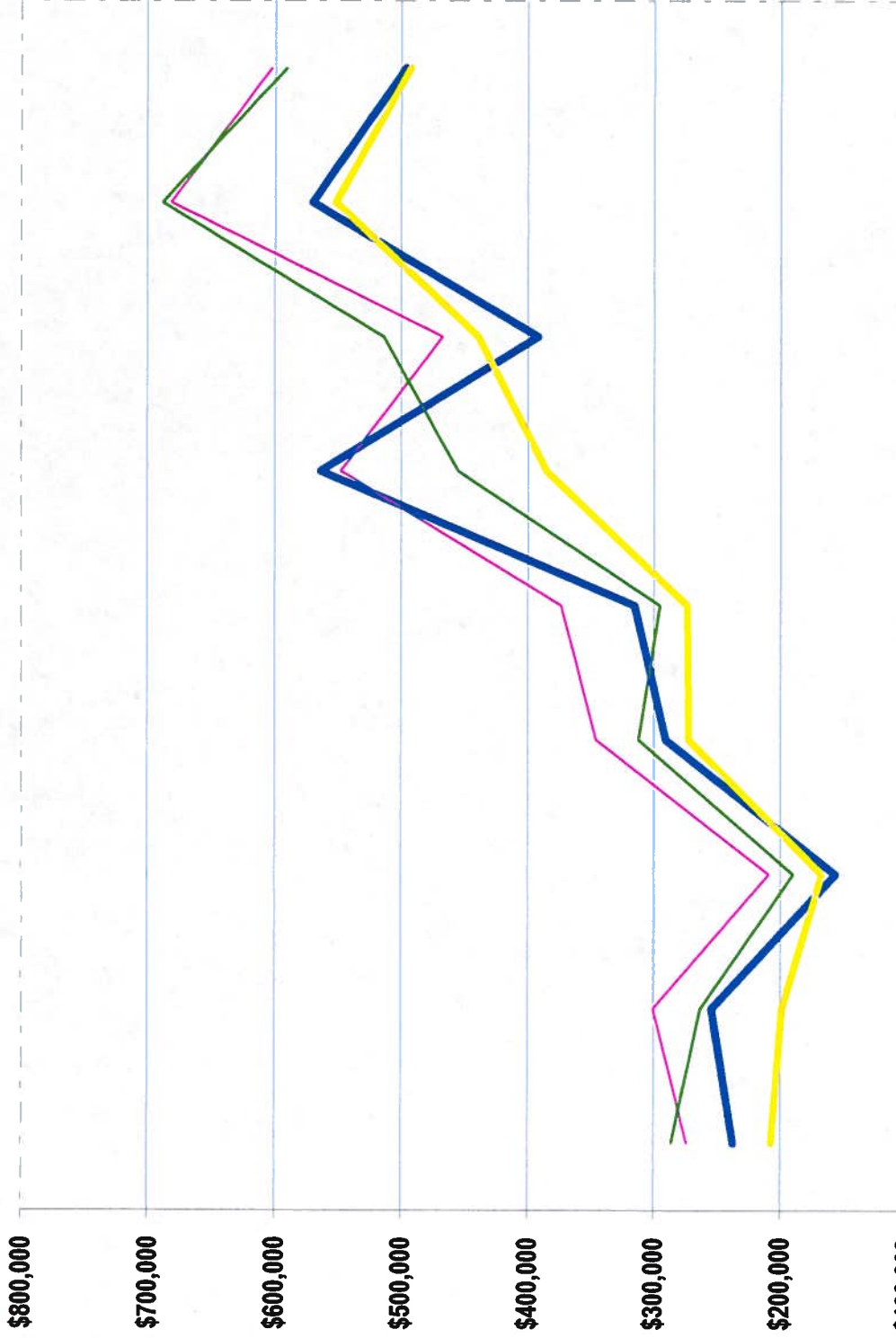
Beaumont Cherry Valley Water District
Importation Charges



Beaumont Cherry Valley Water District Power Charge



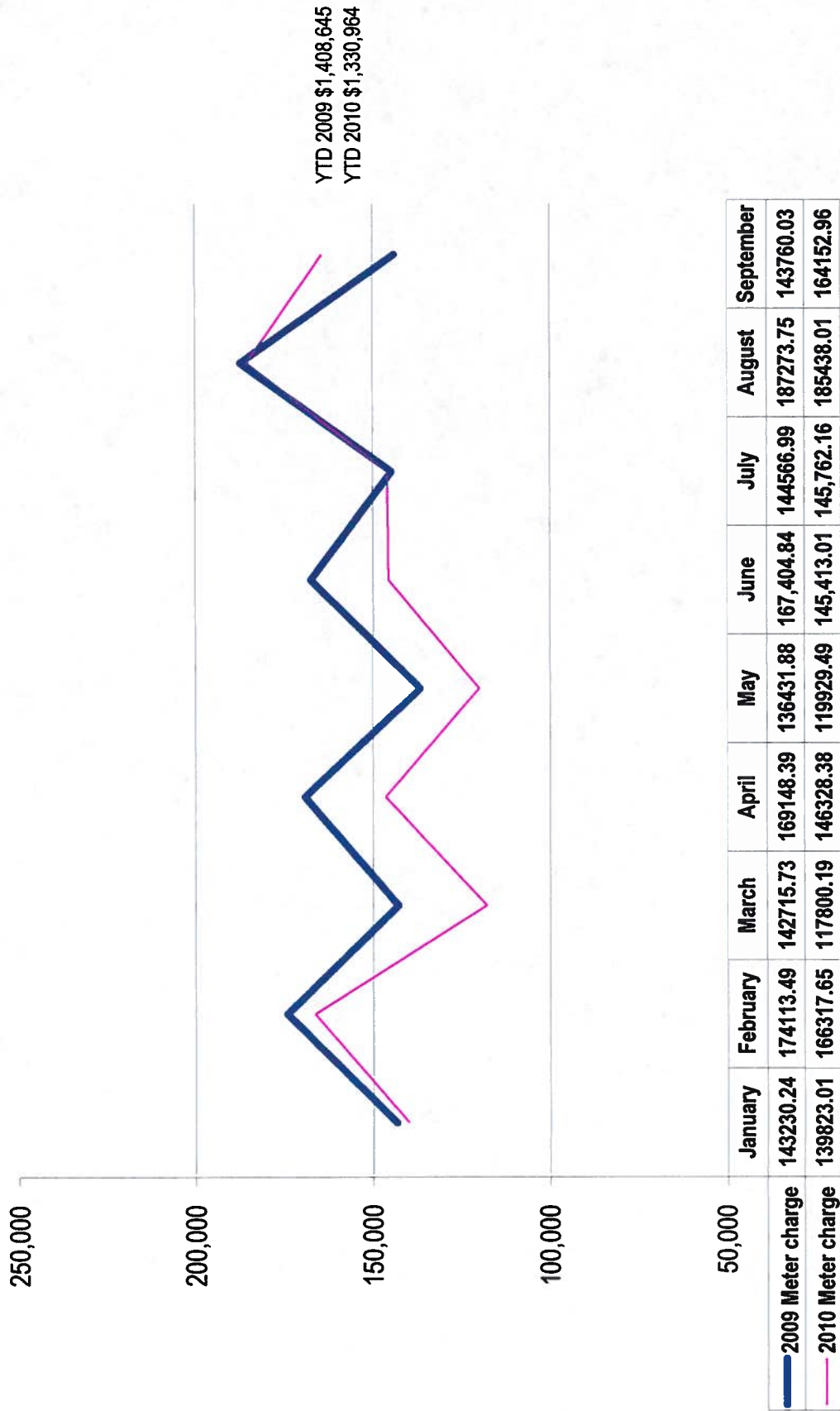
**Water Sales through September 2010
(Includes Domestic, Irrigation and Construction)**



YTD 2009 \$3,275,318
YTD 2010 \$2,986,740

	January	February	March	April	May	June	July	August	September
2009 Water Sales	\$237,096	\$254,377	\$156,457	\$290,514	\$315,088	\$563,788	\$391,872	\$569,972	\$496,153
2009 Consumption	273,769	300,390	209,083	345,681	373,554	547,837	467,401	681,372	601,891
2010 Water Sales	\$207,141	\$198,496	\$167,041	\$272,496	\$273,546	\$384,927	\$438,993	\$551,666	\$492,435
2010 Consumption	285,929	263,275	189,765	312,063	295,053	454,978	514,183	688,229	590,243

Meter Charge through September 2010



Beaumont-Cherry Valley Water District
Month-end Financial Statement
Cash and Investments (Unaudited)
As of September 30, 2010

Cash and cash equivalents	5,023,694
Restricted:	
Debt service	0
Construction	<u>60,045</u>
Total	<u><u>5,083,739</u></u>

Cash and cash equivalents consist of the following:

Petty cash	1,400
Deposits with financial institutions	<u>5,022,294</u>
Total cash and cash equivalents	<u><u>5,023,694</u></u>

**Beaumont-Cherry Valley Water District
Bank of America Note Reconciliation
30-Sep-10**

Funds received on March 31, 2010	\$4,965,000.00
Add: Interest earned	\$1,572.67
Less: reimbursement for costs incurred on capital projects	
2800 Zone Tank	\$2,342,517.86
24" Recycled - Brookside	\$608,451.29
1 MG Reservoir/Booster	\$63,715.61
24" Recycled - Westerly Loop Phase 4B	\$1,091,848.91
Ring Ranch Rd	\$708,071.36
24" Recycled - Westerly Loop Phase 4A	\$91,922.73
Total	<u>\$4,906,527.76</u>
Capital Project Fund balance	<u><u>\$60,044.91</u></u>

2-1-0809 2800 ZONE RECYCLED WATER TANK PHASE 1		Project Status	100%
GENERAL	4,328.50	Contract Total	2,030,000.00
OUTSIDE LABOR	2,622.27	Remaining Contract	(6,079.90)
MATERIAL	3,020.44		
CONTRACT	2,036,079.90		
ENGINEERING	292,929.75		
LEGAL	<u>3,537.00</u>		
PROJECT TOTAL	2,342,517.86		

2-1-0810 24 " RECYCLED MAIN BROOKSIDE PHASE 2		Project Status	100%
GENERAL	10,215.76	Contract Total	420,929.00
LABOR	670.10	Remaining Contract	(15,381.04)
EQUIPMENT	1,000.85		
MATERIAL	1,495.14		
CONTRACT	436,310.04		
ENGINEERING	<u>158,759.40</u>		
PROJECT TOTAL	608,451.29		

2-1-0811 1 MG RESERVOIR/BOOSTER STATION PHASE 3		Project Status	-
LABOR	259.96	Contract Total	-
ENGINEERING	<u>63,455.65</u>	Remaining Contract	-
PROJECT TOTAL	63,715.61		

2-1-0812 24" RECYCLED MAIN WESTERLY LOOP PH 4 B		Project Status	100%
GENERAL	1,729.71	Contract Total	911,000.00
LABOR	2,805.42	Remaining Contract	(17,429.31)
MATERIAL	1,622.25		
CONTRACT	928,429.31		
ENGINEERING	<u>157,262.22</u>		
PROJECT TOTAL	1,091,848.91		

2-1-0813 REC MAIN RING RANCH/OAK VALLEY P PHASE 5		Project Status	100%
GENERAL	4,637.84	Contract Total	430,000.00
LABOR	20.06	Remaining Contract	(8,867.53)
MATERIAL	1,963.80		
CONTRACT	438,867.53		
ENGINEERING	<u>262,582.13</u>		
PROJECT TOTAL	708,071.36		

2-1-0818 24" RECYCLED MAIN WESTERLY LOOP PH 4 A		Project Status	-
GENERAL	3,352.70	Contract Total	-
LABOR	1,123.29	Remaining Contract	-
ENGINEERING	<u>87,446.74</u>		
PROJECT TOTAL	91,922.73		

REPORT TOTAL 4,906,527.76

**RECORD OF THE MINUTES OF THE
REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE
BEAUMONT CHERRY VALLEY WATER DISTRICT
October 13, 2010**

CALL TO ORDER, PRESIDENT BALL

President Ball called the meeting to order at 7:00 pm, 560 Magnolia Avenue, Beaumont, California.

PLEDGE OF ALLEGIANCE, DIRECTOR HALLIWILL

Director Halliwill led the pledge.

INVOCATION, DIRECTOR ROSS

Director Ross recited an 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 Interim General Manager Anthony Lara, Controller Amelia Toledo and Executive Assistant Blanca Marin.

Public present at this meeting were:

Jeff Davis	SGPWA
Ray Morris,	SGPWA
Bill Dickson,	SGPWA
Steven Woldsoft	CDM
Dan Shore	CDM
Luwana Ryan	Self
Niki Magee	Self
Walter Andy Sells	JPIA
Melody McDonald	JPIA
W.D. "Bill" Knutson	JPIA
Peter Kutchinski	JPIA
Joseph Reichenberger	BCVWD
Knute Dahlstrom	BCVWD
Kathy Diaz	BCVWD
Minnie Birchard	Self

PUBLIC INPUT

Secretary Woll invited Niki Magee to address the Board on an item not on the agenda. Ms. Magee briefly spoke about an article related to Adjudicated Groundwater in California. She further provided copies of the article to the Board.

ACTION ITEMS

1. ADOPTION OF THE AGENDA

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

2. PRESENTATION BY REPRESENTATIVES OF CDM REGARDING THE PRELIMINARY URBAN WATER MANAGEMENT PLAN RESULTS

Mr. Steven Woldsoft and Dan Shore, CDM Representatives provided a slide show regarding the Preliminary Urban Water Management Plan Results. They further answered questions from the Board.

Mr. Davis, General Manager of the San Geronio Pass Water Agency also answered questions from the Board.

3. PRESENTATION BY REPRESENTATIVES OF THE JOINT POWERS INSURANCE AUTHORITY

Walter "Andy" Sells, Chief Financial & Operations Officer from the JPIA, provided a slide show about what the JPIA and what the District as member of this program benefits from. He further answered questions from the Board

4. CONSENT CALENDAR: Matters listed in the Consent Calendar are considered to be routine and will be approved by one motion as recommended. There will be no separate discussion unless Board or Staff Member request separate discussion prior to approval.

Interim General Manager Anthony Lara requested that the Board disregard invoice from the Beaumont Basin Watermaster included in Item b as this invoice will be addressed later in the meeting as a separate item.

- a. September 2010 Bills for Consideration**
- b. September 2010 Invoices Pending Approval**
- c. August 2010 Month End Financial Statement**
- d. Minutes of the Regular Meeting of September 8, 2010**

Director Halliwill moved to approve the Consent Calendar with the exception of Beaumont Basin Watermaster Invoice. Director Woll seconded. The motion passed unanimously.

5. PUBLIC HEARING TO ADOPT OR AMEND A CONFLICT OF INTEREST CODE PURSUANT TO GOVERNMENT CODE SECTION 87300 AND 87306**

Open Public Hearing 8:33 p.m.

Close Public Hearing 8:34 p.m.

6. ADOPTION OF AMENDMENT TO DISTRICT'S CONFLICT OF INTEREST CODE BY RESOLUTION 2010-12**

Director Woll moved to adopt amendment to District Conflict of Interest Code by approving Resolution 2010-12. Vice President Parks seconded. The motion passed unanimously.

7. ACCEPTANCE OF RING RANCH ROAD EASEMENT BY RESOLUTION 2010-13, A RESOLUTION APPROVING, AUTHORIZING AND DIRECTING ACCEPTANCE OF INTEREST IN REAL PROPERTY**

Vice President Parks moved to accept the Ring Ranch Road Easement by approving Resolution 2010-13. Director Ross seconded. The motion passed unanimously.

8. ACCEPTANCE OF TERMINATION OF THE FURLOUGH PROGRAM EFFECTIVE OCTOBER 31, 2010**

Interim General Manager Anthony Lara reported that District employees had agreed on the discontinuance of the Furlough Program effective October 31, 2010. He further reported that the District will continue closing on Fridays and employees would work on a 4-10 week schedule.

Controller Amelia Toledo answered questions from the Board regarding the financial situation of the District.

Director Ross would like to see what the financial situation at the end of the year is before making the decision of terminating the furloughs.

The Board further requested that Staff complete an analysis to verify as to whether or not the current rate increase will be enough to cover expenses.

Director Woll moved to table this item. Vice President Parks seconded. The motion passed unanimously.

9. APPROVAL OF INVOICE FOR THE AMOUNT OF \$6,000 FOR THE BEAUMONT BASIN WATERMASTER MEMBER CONTRIBUTION FOR THE FISCAL YEAR 2010-2011 AND DISCUSSION REGARDING FUTURE AGENDA ITEMS**

Interim General Manager Anthony Lara reported that at the last Beaumont Basin Watermaster Meeting the 2010-2011 Budget was approved. The recommendation was to approve option "a" which is a contribution of \$6,000 per agency.

After discussion the Board recommended and encouraged Staff to send out an RFP to recruit other candidates for the professional services portion of the budget.

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

10. APPROVAL OF PROPOSAL FROM WILDERMUTH ENVIRONMENTAL INC. TO PROVIDE SERVICES TO PREPARE AN UPDATED ANTIDegradation ANALYSIS AND ASSESSMENT OF SALT LIABILITIES IN THE BEAUMONT MANAGEMENT ZONE**

Interim General Manager Anthony Lara reported that the required Updated Anti-degradation Analysis and Assessment of Salt Liabilities in the Beaumont Management Zone Report is being required by the Regional Board. There is a time limit to complete this report and by contracting the services of WEI agencies the District will not only save the rate payers money but will complete this report in the time allotted.

Vice President Parks moved to approve the Proposal for Services from WEI. Director Halliwill seconded. The motion passed unanimously.

11. REPORTS FOR DISCUSSION AND POSSIBLE ACTION

(a) Ad hoc Committees

None

(b) General Manager

- Update on discussion with San Gorgonio Pass Water Agency regarding joint use of District's Recharge Facility- Lara reported that there will be a Joint Meeting on October 21, 2010 at 7pm to provide an update on the negotiations taking place.
- Water Service Request by Caltrans for the Rest-stop- Lara reported that representatives from Caltrans have requested water service at the Brookside Rest Stop. After discussion the Board recommended that Staff meet with Caltrans to work on the details of request.
- Diesel Spill- Lara reported that there was an 800 gallon diesel spill at one of the facilities. The District is working with the County and JPIA regarding the issue.

(c) Directors

- Dr. Blair Ball- Ball reported that he had met with President of the San Gorgonio Pass Water Agency regarding negotiations of Joint Use of Recharge Facility
- John Halliwill- Halliwill reported that the last Collaborative Meeting was cancelled. On another issue Director Halliwill requested that Staff at the District do a "quality

control check" on bills sent to District's customers to verify that the bills are in accordance with the Recent Rate Study.

- Stella Parks- Parks reported that she attended the SGPWA meeting.
- Ken Ross- None
- Ryan Woll- Woll requested that another line be added to the graph on page 22 of the agenda related to the Water Sales" reflecting volume of water sold.

(d) Legal Counsel

General Counsel Gil Granito recommended that because of the incident with the City of Bell, more records requests will be received requesting salary information from the District. His recommendation was to comply with the requests and to further inform Staff that this type of information is public information and that it may be released to the public.

12. ANNOUNCEMENTS

A) Finance & Audit Committee Meeting, November 4, 2010 at 4:00 p.m.

B) Regular Board Meeting, November 10, 2010 at 7:00 p.m.

C) District will be closed on November 11, 2010 for the Veteran's Day Celebration

D) Budget Workshop, December 18, 2010 at 9:00 a.m.

ACTION LIST

1. Anthony Lara: Negotiate with Caltrans the water service request
2. Amelia Toledo: Include additional line in graph related to water sales to reflect volume of water sold.
3. Amelia Toledo: Review of water bills to verify that the District is in compliance with the Rate Study.
4. Amelia Toledo: Complete an analysis to verify as to whether or not the current rate increase will be enough to cover expenses for the year

13. ADJOURNMENT

President Ball adjourned the meeting at 10:03 p.m.

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

**RECORD OF THE MINUTES OF THE
JOINT MEETING
BETWEEN
SAN GORGONIO PASS WATER AGENCY
AND
BEAUMONT CHERRY VALLEY WATER DISTRICT
October 21, 2010**

JOINT MEETING

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

CALL TO ORDER, PRESIDENT BALL

President Ball called the meeting to order at 7:07 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 Interim General Manager Anthony Lara and Executive Assistant Blanca Marin.

CALL TO ORDER, PRESIDENT JETER

President Jeter called the meeting to order and invited Cheryle Rasmussen to call the roll.

ROLL CALL, CHERYLE RASMUSSEN

Those responding to roll call were President Jeter, Vice President Haring and Directors Dickson and Dysart. Also present to this meeting were San Gorgonio Pass Agency's General Manager Jeff Davis and Executive Assistant Cheryle Rasmussen. Absent to this meeting were Directors Morris, Voigt and workman.

Public Present:

Luwana Ryan	Self
Amelia Toledo	BCVWD
Frances Flanders	Self
Duane Burk	City of Banning
Kenneth Falls	SGPWA

PLEDGE OF ALLEGIANCE

President Ball invited Duane Burk, Director of Public Works for the City of Banning to lead the pledge.

PUBLIC INPUT

No public input was presented at this time.

ACTION ITEMS

1. ADOPTION OF THE JOINT MEETING AGENDA

Vice president Parks moved to approve agenda as presented. President Jeter seconded. The motion passed with Directors Morris, Voigt and Workman absent.

2. NEW BUSINESS (DISCUSSION AND POSSIBLE ACTION)

- Update on Potential Partnership for Recharge Facility

Interim general manager, Anthony Lara reported that as requested at the last board meeting, staff was directed to meet with other agencies to research options as to how other agencies are working on cooperative agreements with projects similar to the Recharge Facility Project.

Three options were contemplated during these discussions:

- Option one being the possibility of direct purchase of a portion of the Capacity at the Recharge Facility. With this Option, the Pass Agency would own that portion of the Facility, being responsible of the maintenance and operations of that portion.
- Option two as discussed is the possibility that the Pass Agency use the Recharge Facility similarly as the City of Banning, were the Pass Agency would have to purchase the water and ask the District to recharge the water on its behalf at a per acre fee.
- Option three is the possibility that the San Gorgonio Pass Agency enter into a long term lease agreement were the Pass Agency will pay annually for capacity in the Recharge Facility. The District would operate and maintain the Facility and the cost would be included in the annually payment.

San Gorgonio Pass Agency's General Manager Jeff Davis and Beaumont Cherry Valley District's Interim General Manager Anthony Lara answered questions from both boards.

After discussion, the boards directed staff to move forward with Option three, meeting with interested agencies and to bring a preliminary document to the individual boards.

3. ADJOURNMENT OF JOINT MEETING

President Ball adjourned meeting at 7:33 pm.

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
Finance & Audit Committee
Meeting of November 4, 2010**

Agenda Matter:

Deposit Policy for Residential Service

Recommendation:

District Staff is recommending that the District adopt the proposed Deposit Policy for Residential Service.

Background:

In the past year, the Finance & Audit Committee discussed at length Aging Receivables and the need for the District to reduce its bad debt by developing stronger procedures and establishing policies.

During the Audit process, the Auditor strongly recommended requiring customers to pay a deposit as a condition for establishing water service. Legal Counsel supported the recommendation and advised Staff that the deposit had to be based on the applicant's credit worthiness.

Discussion:

The District is currently using Online Utility Exchange to screen customers as part of its Identity Theft Prevention Program (a.k.a. Red Flag Policy). The program will allow the District to establish criteria and based on credit worthiness, consistently adhere to the proposed policy and consistently screen customer's credit history and collect deposits as needed.

New-service applicants who pose no credit risk (Green Light returned on ONLINE Utility Exchange) will be charged no deposit. New-service applicants who pose minimal risk (Yellow Light returned on ONLINE Utility Exchange) will be charged a deposit equal to two times the average bi-monthly consumption of a domestic residence, \$150.00. New-service applicants who pose substantial credit risk (Red Light returned on ONLINE Utility Exchange) will be charged a deposit approximately three times the average bi-monthly consumption of a domestic residence, \$250.00.

Financial Impact:

Adopting and strictly adhering to the policy will assist the District in reducing bad debt and shift the financial risk of potential bad debt away from our non-delinquent customer to those who pose credit risk.

Deposit Policy – Residential Customers

- A. Purpose.** This deposit policy is designed to assess the credit risk associated with all applications for new or continued service. In accordance with Government Code Section 60375.5, the decision to collect a deposit from applicants requesting new service must be based on credit worthiness.

We acknowledge that it is not fair that the non-delinquent customers incur the financial burden of those who act irresponsibly and do not pay for their service as agreed. It is vital to our success that we adopt and strictly adhere to the policy of shifting the financial burden of potential bad debt away from our non-delinquent customers to those who pose credit risk. This policy is aimed at accomplishing that task.

It is important to note that most of our customers will not be charged a deposit, because they pose little credit risk. Likewise, those customers who have not established credit or pose substantial credit risk should bear the financial risk of providing service to them mitigated through a credit-based deposit policy that shifts the financial risk they may pose.

- B. Implementation.** This policy is based upon the use of a screening tool called ONLINE Utility Exchange and the District Municipal Billing Software I-City by Vadim.

- i. Deposit Criteria.** Beaumont Cherry Valley Water District shall consider the status of the applicant and act according to the following criteria:
- a. New-service applicants who pose no credit risk (Green Light returned on ONLINE Utility Exchange) will be charged no deposit.
 - b. New-service applicants who pose minimal risk (Yellow Light returned on ONLINE Utility Exchange) will be charged a deposit equal to one times the average bi-monthly consumption of a domestic residence, \$150.00
 - c. New-service applicants who pose substantial credit risk (Red Light returned on ONLINE Utility Exchange) will be charged a deposit equal to two times the average bi-monthly consumption of a domestic resident, \$250.00.
 - d. Bankruptcies – Since the applicant has declared bankruptcy, it indicates substantial credit risk and shall require a maximum deposit of \$250.00 of the individual who has a bankruptcy returned as part of their credit record.

Exchange Matches – An exchange match refers to an outstanding utility bill reported by a member agency of Online Utility Exchange database. The Online Utility Exchange maintains a database containing information from member agencies/districts.

Any applicant who has an Exchange Results returned indicating that they have a utility bill that remains unpaid and is returned as part of the Utility Exchange Report indicates significant credit risk and shall require a maximum deposit of \$250.00.

- e. A consumer, whose service has been delinquent twice in the preceding year, will be required to re-establish his credit by making a cash deposit to secure payment of its bills as requested by the District, or an amount equal to twice the estimated monthly bill for service or services desired, whichever may be greater.
 - f. A service applicant who provides a social security number that is returned as deceased, non-issued, belonging to a person under the age of 18, or belonging to a person other than the applicant, or is fraudulent, shall be required to provide a valid social security number as well as additional proof of identity i.e. valid drivers license, Social Security Card, etc. before service will be activated.
- ii. General.** Deposits are required to be paid prior to the time a connect order is issued.
- a. Deposits are not transferable from one service address to another.
 - b. Upon termination of service, the deposit will be applied against any unpaid bills of the customer. Any remaining balance will be returned to the consumer.
- iii. Screening Applicants.** ONLINE Utility Exchange is designed to screen service applicants to determine their credit risk based upon three criteria: 1) Social Security Number (SSN) verification; 2) Deposit decisions based upon credit risk; and 3) Payment experience with other utility providers. Each of these criteria reflects upon the credit risk associated with Beaumont Cherry Valley Water District providing service to the applicant.
- a. *Homeowners – If the applicant indicates that they own their home, or are in the process of purchasing their home, the homeowner/applicant must be screened to verify his/her identity and determine his/her credit risk. The District will screen the applicant(s) as shown on the new service application. In the event that there two applicants on one application, the District will screen the identity of both applicants and determine their credit risk. Our deposit decision shall reflect the decision on the applicant who poses the greater credit risk.*
 - b. *Renters – If the applicant indicates that they rent their home, the renter must be screened to verify his/her identity and to determine his/her credit risk. The District will screen the applicant(s) as shown on the new service application. In the event that there are two applicants on one application, the District will screen the identity of both applicants and determine their credit risk. Our deposit decision shall reflect the decision on the applicant who poses the greater credit risk.*
- This same policy shall also apply to student housing, except that any person under the age of 18 years of age shall obtain the guarantee of their parent or another adult as a co-signer. The parent or co-signer shall also be screened.*
- c. *Credit Reports/Credit References – Beaumont Cherry Valley Water District will not accept a credit report/credit reference in lieu of screening an applicant through ONLINE Utility Exchange. If a new-service applicant*

produces a credit report/reference, the document will be placed in their file. However, it is our policy to base our deposit decisions on ONLINE Utility Exchange reports and not their past history with other vendors.

- d. *Opting for Maximum Deposit – Beaumont Cherry Valley Water District will not allow a new-service applicant to opt to pay a maximum deposit of \$250.00 in lieu of having an ONLINE Utility Exchange report pulled.*
 - e. *Application Fee – In order to cover the credit investigation of the Applicant, the fee for applying for service shall be \$ 5.00 for each applicant. The application fee shall apply to all new service orders, as well as, all service reconnects.*
- iv.** Adverse Action Letters – An adverse action letter will be printed and given to each applicant who is denied service, or charged a deposit. The Federal Trade Commission and the Fair Credit Reporting Act (FCRA) mandate that a consumer who is charged a deposit based upon their credit information be given notification as to where that information was obtained and detailed procedures as to how they might dispute the information.

It is clearly adverse action to charge a higher deposit to those applicants whose credit scores indicate that their credit history indicates enough credit risk to warrant a deposit. Exchange matches are also considered adverse action.

Spanish-speaking applicants should be given the adverse action letter printed in Spanish.

- v. **Deposit Receipt.** A receipt of deposit shall be issued to each customer from whom a deposit is received.
- vi. **Methods of Payment.** It is required that Beaumont Cherry Valley Water District collect all monies owed (service charges and deposits) on the account after a deposit decision has been made and prior to the connection of service via either of these two payment methods: Coming in the office, or making payment over the phone by Master Card, Visa or Discover.

The deposit shall not relieve the customer of the obligation to pay the service bill when due, but where such deposit has been made and service has been disconnected because of nonpayment of account, then unless the customer shall, within 30 days after service has been disconnected, apply for reconnection of service and pay the account, the account may be discontinued. If the account is discontinued, the deposit of such customer will be applied toward the discharge of such account and shall refund to the customer any excess, if any. In the event that a balance remains on the account, Beaumont Cherry Valley Water District will begin collection activities in accordance to its Collection Policy.

- vii. **Unclaimed Deposits.** A record of each unclaimed deposit must be maintained for at least one year, during which Beaumont Cherry Valley Water District shall make a reasonable effort to return the deposit. Any unclaimed deposits, together with accrued interest, shall be process in accordance with the District's Unclaimed Funds Policy.



September 2010

Mr. Tony Lara
Beaumont-Cherry Valley WD
PO Box 2037
Beaumont, CA 92223

Mr. Lara

Now in its 22nd year, the California Water Awareness Campaign (CWAC) continues its mission of educating Californians about conserving water. One of the campaign's original mottoes, "Use Water Wisely", is still prominent on its new "Nice Save!" campaign materials developed in the past two years. Because of this message, in addition to the many other water conservation programs in California, a recent survey showed that the public is aware of the state's ongoing water shortage problems and considers water conservation an important practice in their daily lives. Funding from organizations like yours helps the CWAC in its continuing efforts to educate the public.

As you may know, two years ago the CWAC developed its Nice Save! campaign and has developed a variety of materials using the Nice Save! slogan. These materials include:

- Print ads
- Utility bill insert
- Transit ads
- Radio and television ads (also used as theater ads)
- Hotel and restaurant cards
- Vehicle signs
- Consumer conservation brochure
- Education video for elementary school

Spanish versions available in most components

Of course, all materials are camera-ready and available free of charge to water agencies to use locally.

This year, the CWAC ran theater ads in five metropolitan areas of California from June to July. The new 30-second ad features our animated characters from the school education video. The school education video was completed this year and is popular with elementary school teachers. It features Freddie the fire hydrant and April the poppy, animated characters developed by the Academy of Art in San Francisco, who teach kids about water in California. The other major public education effort this August was the placement of bus ads in San Francisco and Los Angeles and BART station ads in the Bay Area. (See enclosed flyer for details). The CWAC recorded a large amount of feedback from these transit ads, including Web site hits and emails to the campaign office. The ad used for this project was one of two new outdoor conservation ads produced this year, the "Trade Your Thirsty Plants for Thrifty Plants" ad.

We need your help to continue these important public education programs and you can help by giving your ongoing annual contribution and/or participating in expanding the Nice Save! program throughout the year. I hope you will support the CWAC this next year as we need to continue working together to provide Californians with the information they need to be water wise. Please visit our Web site, www.wateraware.org for more information.

Sincerely,

Rob Whipple
Elsinore Valley Municipal Water District
2010 President – California Water Awareness Campaign

910 K STREET • SUITE 340 • SACRAMENTO CA 95814-3577
(916) 444-2584 • FAX (916) 325-4849 • E-MAIL: CWAC@WATERAWARE.ORG
WWW.WATERAWARE.ORG

California Water Awareness Campaign –

A Partner in Educating Californians in 2010



Transit Ads Are a Hit!

The California Water Awareness Campaign (CWAC) added two new outdoor water conservation ads to its already established Nice Save! campaign and featured one of them in transit ads during the month of August. The “Trade Your Thirsty



BART station ad placement



San Francisco MUNI ad placement

Plants for Thrifty Plants” ad was displayed on 100 buses and 20 BART stations in the San Francisco Bay Area and on 90 buses in the Los Angeles area. Total four week gross impressions for the Bay Area was 24,277,842 and 12,564,243 for the Los Angeles area. The CWAC received a number of emails and 22,695 hits on its Web site for the month of August from people who saw these ads. Plans are in the works to continue these transit ads for 2011.

New Education Video Debuts in 2010

With animation development from students at the Academy of Art in San Francisco, the CWAC produced a 13-minute video for elementary school kids that features Freddie the fire hydrant and April the poppy. This entertaining video teaches kids about water in California and the important ways to use it wisely and has been well received by teachers and water agencies. It is available to water agencies and the public at low cost.

Theater Ads Are Popular Again!

Because they reach a large captive audience, the CWAC ran theater ads for the third year in June and July in five major metropolitan areas for a total of 79 screens: Ontario, Santa Monica, San Francisco, Sacramento, La Jolla and Visalia. We produced a new 30-second ad featuring the animated characters from our education video. Total impressions for the 5-week period was 540,766.

Along with these new additions to the Nice Save! campaign we still offer our series of five education books for upper elementary school kids and continue to feature our online store on our Web site. For more information on obtaining any of these materials and for more information on the campaign, visit our Web site at: www.wateraware.org.

Two New Ads Are Added to Nice Save!

To better inform Californians that the highest water use is outdoors, the CWAC added two outdoor conservation ads to its Nice Save! retinue. “Set Your Sprinklers to Save” and “Trade Your Thirsty Plants for Thrifty Plants” are the featured slogans on our new ads. As with the other Nice Save! ads, the two new ones are available in the following formats, including Spanish versions: print ads in three sizes, utility bill insert, transit ads, vehicle signs.

All Nice Save! materials can be viewed on the CWAC Web site and all camera-ready graphics are available to contributors free of charge and for a nominal fee to non-contributors.





STATEMENT

California Water Awareness Campaign

Fall 2010

589 A
Beaumont-Cherry Valley WD

MAKE CHECKS PAYABLE TO:

California Water Awareness Campaign
910 K Street, Suite 340
Sacramento, CA 95814

INVOICE

2011 California Water Awareness Campaign
Support Payment

1,514.00

Payment due by January 15, 2011

Please give us the name of the contact person in your office who should receive campaign materials if the name shown is not correct.

Name Mr. Tony Lara

Job Title _____

Phone _____

Email _____

Please return a copy of this invoice with your contribution
Your contribution is tax deductible
California Water Awareness Campaign Non-profit Tax ID# 04-3841250
Your contribution will be acknowledged via a return postcard
Thank you

REMITTANCE COPY



**Beaumont Cherry Valley Water District
Regular Board Meeting
Meeting of November 10, 2010**

ATTORNEY REPORT

OPEN SESSION

General Counsel will review and comment on the request by the Yorba Linda Water District for support in the form of filing an Amicus Letter in support of their appeal to the California Supreme Court re the Freeway Fire Litigation.

Action: The Board will discuss and consider authorizing the District's General Counsel and General Manager to prepare and file an Amicus Letter on behalf of the Beaumont Cherry Valley Water District in support of Yorba Linda Water District's Appeal to the California Supreme Court re *Yorba Linda Water District vs. Superior Court of the State of California for the County of Orange; California Court of Appeal Case No. G043854 (American Security Insurance Company, et al. v. Yorba Linda Water District, Orange County Superior Court No. 30-2009-00311353)*.

BEAUMONT CHERRY VALLEY WATER DISTRICT

DIRECTORS

Dr. Blair Ball

President

Stella Parks

Vice President

John M. Halliwill

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

OFFICERS

Ryan Woll

Secretary

Kenneth Ross

Treasurer

Gil Granito

General Counsel

Redwine & Sherrill

November 10, 2010

The Honorable Ronald M. George, Chief Justice of California
The Honorable Associate Justices
Supreme Court of the State of California
350 McAllister Street
San Francisco, CA 94102-4783

**Re: *Yorba Linda Water District v. Superior Court for the State of California for the County of Orange*, No. S187414
Amicus Curiae Letter in Support of Petition for Review**

Dear Chief Justice George and Associate Justices:

Beaumont-Cherry Valley Water District (BCVWD) submits this letter pursuant to Rule 8.500(g), Cal. Rules of Court, in support of the Petition for Review in *Yorba Linda Water District v. Superior Court for the State of California for the County of Orange*. BCVWD urges that review be granted to resolve important questions regarding the applicability of a claim for inverse condemnation to the supply of water for fighting fires.

Beaumont-Cherry Valley Water District provides water to 14,500 homes and businesses in its 28 square mile service area by operating recharge ponds, 23 groundwater wells, and 14 reservoirs with a total capacity of 24 million gallons. BCVWD serves Beaumont, Cherry Valley, and parts of southeast Calimesa in Riverside County. The District is concerned about potential liability for fires it did not cause, and the resulting financial burden on its ratepayers.

This case involves an inverse condemnation action alleging that a water supplier provided inadequate water service for fire suppression during a major fire storm. Fire storms occur on a regular basis throughout the state and water suppliers throughout the state, without having a duty to provide water, do provide water for such events. The question is whether inverse condemnation should be extended to the alleged failure of a water supplier to provide enough water for a given catastrophic firestorm where the water supplier did not cause the harm and had no duty to prevent it. Historically speaking, the Government Code's "firefighter's immunities" were enacted by the legislature to shield against such fire related liability.

The Supreme Court must forestall the extension of inverse condemnation liability to an instance wherein a water supplier did not cause damage to plaintiffs and instead allegedly did not supply enough water. Should plaintiffs be allowed to bring inverse condemnation claims against water suppliers because they allegedly did not build a system with enough water for any given fire, water suppliers will become the de facto insurers against fire damage.

Beaumont-Cherry Valley Water District supports Yorba Linda Water District's petition and urges the Court to grant review.

Respectfully submitted,

Anthony L. Lara
Beaumont-Cherry Valley Water District
Interim General Manager

Gilbert J. Granito
Redwine and Sherrill
General Counsel



**Beaumont Cherry Valley Water District
Regular Board Meeting
Meeting of November 10, 2010**

Agenda Matter:

Will Serve Letter Request from Beaumont Unified School District

Background:

The Beaumont Unified School District (BUSD) is currently constructing a new athletic complex and administrative building. The location of these new facilities is currently outside of the BCVWD (District) service area and must be annexed into the District prior to receiving service.

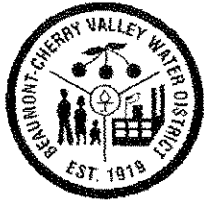
It is important to note that the District has been providing water service to the property for some time through an outside service agreement, first with the Riverside County Transportation Department and more recently with BUSD.

Section 8 B. of Part IV of the District Policy and Procedures states that "Before initiating Annexation Procedures, a property owner desiring to be annexed to the District must obtain a Will Serve Letter from the District in order to receive the District's acceptance of their annexation proposal."

The annexation of this property into the District can be completed concurrently with the annexation to the City of Beaumont that is underway.

Recommendation:

That the Board of Directors authorize Staff to issue a Will Serve Letter to the Beaumont Unified School District in order to begin the annexation process.



BEAUMONT CHERRY VALLEY WATER DISTRICT

560 Magnolia Avenue • PO Box 2037
Beaumont, CA 92223-2258
Phone (951) 845-9581
www.bcvwd.org

Will Serve Request **Water Supply Assessment (SB210)**

Applicant Name: Beaumont Unified School District	Contact Phone # 951-845-1631
Mailing Address: P.O. Box 187	Fax #: 951-845-4561
City: Beaumont CA	E-mail: mkakish@beaumontusd.k12.ca.us
State & Zip: California, 92223-0187	
Service Address: 38890 Brookside Avenue, Beaumont CA 92223	
Assessor's Parcel Number (APN), Tract Map No. Parcel Map No.: 405-240-003 & 405-240-004	
Project Type: <input type="checkbox"/> Single-Family <input type="checkbox"/> Multi-Family <input type="checkbox"/> Commercial/Industrial <input type="checkbox"/> Minor Subdivision (5 lots or less) <input type="checkbox"/> Major subdivision (6+ lots) <input checked="" type="checkbox"/> Other	
Site Map Attached: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

The letter should be delivered to:

Recipient: Beaumont Unified School District <hr/> P.O. Box 187 <hr/> Beaumont CA 92223-0187 <hr/>
PLEASE CHOOSE ONE: <input checked="" type="checkbox"/> Mail (above address) <input type="checkbox"/> E-mail <input type="checkbox"/> Fax <input type="checkbox"/> Will pick up

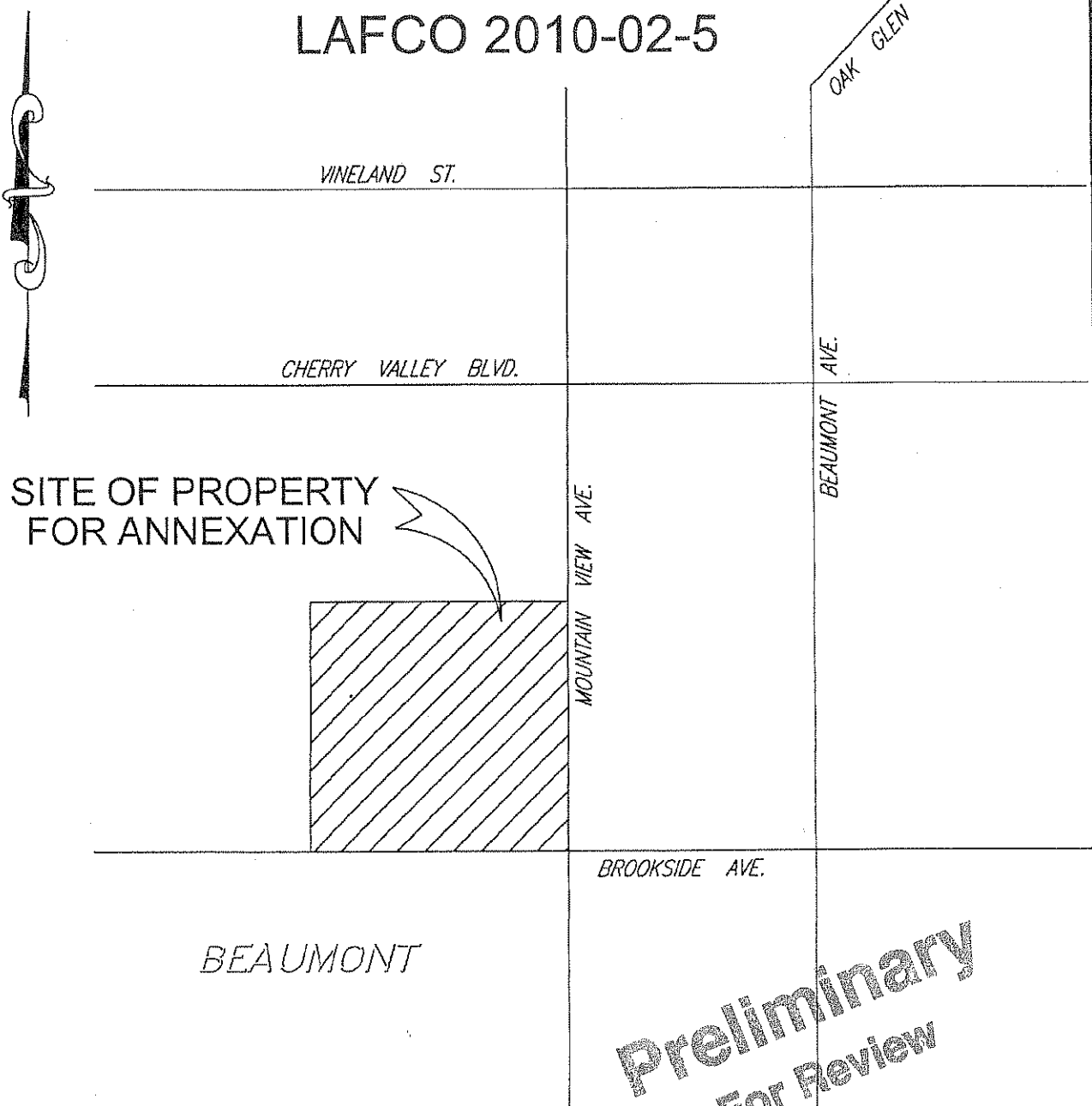
The District reserves the right to impose terms and conditions in Will Serve Letters and/or Water Supply Assessment Reports that take into account water availability issues, conservation issues and the District's existing facilities, all of which impact the District's ability to provide service to the subject property and maintain the District's ability to meet existing water demands.


Applicant's Signature

November 4, 2010
Date

EXHIBIT A
REORGANIZATION TO INCLUDE ANNEXATION 2 TO THE CITY OF BEAUMONT
AND CONCURRENT DETACHMENT FROM THE RIVERSIDE COUNTY WASTE
RESOURCES MANAGEMENT DISTRICT

LAFCO 2010-02-5



Preliminary
For Review

VICINITY MAP

NO SCALE
 THOMAS BROS. M.B. PG. 690, H5



Prepared by HILLWIG-GOODROW, INC.:
 31407 Outer Hwy. 10, Redlands, CA 92373
Alan C. Hillwig 8/26/10
 ALAN C. HILLWIG, PLS 5137 DATE
 LICENSE EXPIRES: 6-30-11 (888) 626-5137

SCALE: N.T.S.
 FILE NO.: 228-077
 DATE: AUG. 26, 2010
 SHEET 1 OF 2

EXHIBIT A

REORGANIZATION TO INCLUDE ANNEXATION 2 TO THE CITY OF BEAUMONT
AND CONCURRENT DETACHMENT FROM THE RIVERSIDE COUNTY WASTE
RESOURCES MANAGEMENT DISTRICT

LOT 2

LAFCO 2010-02-5

S89°46'11"E 1320.01'

LOT 1

R.S. 13/52

BLOCK 9

CHERRY VALLEY WEST ADDITION

MB 6/36

30'

N01°28'18"E 1322.10'



LOT 7

APN 405-240-003

N01°28'18"E

LOT 8

APN 405-240-004

N01°28'18"E 1321.90'

MOUNTAIN VIEW AVENUE

**Preliminary
For Review**

— ANNEXATION BOUNDARY
- - - EXISTING CITY BOUNDARY

BROOKSIDE AVENUE

30'

28

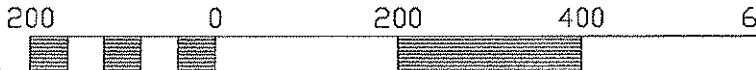
27
POB

N89°46'43"W 1320.01'

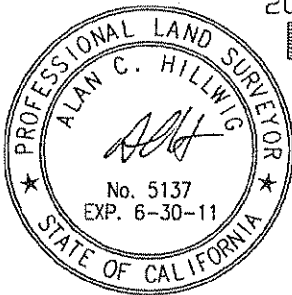
33

34

T. 2 S., R. 1 W.



Scale: 1" = 200'



Prepared by HILLWIG-GOODROW, INC.:
31407 Outer Hwy. 10, Redlands, CA 92373

Alan C. Hillwig 8/26/10
ALAN C. HILLWIG, PLS 5137 DATE
LICENSE EXPIRES: 6-30-11 (888) 626-5137

SCALE: 1" = 200'

FILE NO.: 228-077

DATE: AUG. 26, 2010

SHEET 2 OF 2

EXHIBIT A
REORGANIZATION TO INCLUDE ANNEXATION 2 TO THE CITY OF BEAUMONT
AND CONCURRENT DETACHMENT FROM THE RIVERSIDE COUNTY WASTE
RESOURCES MANAGEMENT DISTRICT

LAFCO 2010-02-5

A PORTION OF THE SOUTHEAST ONE-QUARTER OF THE SOUTHEAST ONE-QUARTER OF SECTION 28, TOWNSHIP 2 SOUTH, RANGE 1 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DESCRIBED MORE PARTICULARLY AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID SECTION 28, SAID CORNER BEING ON THE EXISTING BOUNDARY OF THE CITY OF BEAUMONT AND THE CENTERLINE INTERSECTION OF BROOKSIDE AVENUE AND MOUNTAIN VIEW AVENUE, AS SHOWN ON THE MAP OF THE CHERRY VALLEY WEST ADDITION, FILED IN MAP BOOK 6, PAGE 36, RECORDS OF SAID COUNTY;

THENCE NORTH 89°46'43" WEST ALONG THE CENTERLINE OF SAID BROOKSIDE AVENUE, A DISTANCE OF 1320.01 FEET, TO THE SOUTHERLY PROLONGATION OF THE WESTERLY LINE OF LOT 7, BLOCK 9, OF SAID CHERRY VALLEY WEST ADDITION;

THENCE NORTH 01°28'18" EAST ALONG THE SOUTHERLY PROLONGATION AND WESTERLY LINE OF SAID LOT 7, A DISTANCE OF 1322.10 FEET, TO THE NORTHWEST CORNER OF SAID LOT 7;

THENCE SOUTH 89°46'11" EAST ALONG THE NORTHERLY LINE OF SAID LOT 7 AND NORTHERLY LINE OF LOT 8, BLOCK 9, OF SAID CHERRY VALLEY WEST ADDITION, AND ALONG THE EASTERLY PROLONGATION OF THE NORTHERLY LINE OF SAID LOT 8, A DISTANCE OF 1320.01 FEET, TO THE CENTERLINE OF SAID MOUNTAIN VIEW AVENUE;

THENCE SOUTH 01°28'18" WEST ALONG THE CENTERLINE OF SAID MOUNTAIN VIEW AVENUE, A DISTANCE OF 1321.90 FEET, TO THE POINT OF BEGINNING.

AREA = 40.05 ACRES, MORE OR LESS

Preliminary
For Review



Prepared by HILLWIG-GOODROW, INC.: 31407 Outer Hwy. 10, Redlands, CA 92373	SCALE: N/A
<i>Alan C. Hillwig</i> 8/26/10	FILE NO.: 228-077
ALAN C. HILLWIG, PLS 5137 LICENSE EXPIRES: 6-30-11	DATE: AUG. 26, 2010
(888) 626-5137	SHEET <u>1</u> OF <u>1</u>

CERTIFICATION FOR BOUNDARY DESCRIPTIONS

THE ATTACHED LEGAL DESCRIPTION AND SUPPORTING MAP(S) TITLED:

REORGANIZATION TO INCLUDE ANNEXATION 2 TO THE CITY OF BEAUMONT AND CONCURRENT
DETACHMENT FROM THE RIVERSIDE COUNTY WASTE RESOURCES MANAGEMENT DISTRICT

ARE ACCURATE AND HAVE BEEN PREPARED IN COMPLIANCE WITH THE STANDARDS OF THE
RIVERSIDE LOCAL AGENCY FORMATION COMMISSION AND THE STATE BOARD OF EQUALIZATION (SBE).
IF ANY DEFECT IN THE ATTACHED IS FOUND WITHIN ONE YEAR OF FILING WITH THE STATE BOARD
OF EQUALIZATION (SBE), OR, WITHIN ONE YEAR OF LAFCO APPROVAL FOR PROPOSALS WHICH DO
NOT REQUIRE FILING WITH THE SBE, WE WILL MAKE ALL REQUIRED CORRECTIONS IN A TIMELY
MANNER AT OUR OWN COST.

HILLWIG-GOODROW, INC.
NAME OF FIRM

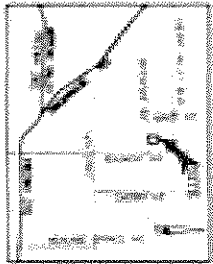
BY: Alan C. Hillwig
ALAN C. HILLWIG

PRESIDENT / CEO
TITLE

AUGUST 26, 2010
DATE



**Preliminary
For Review**



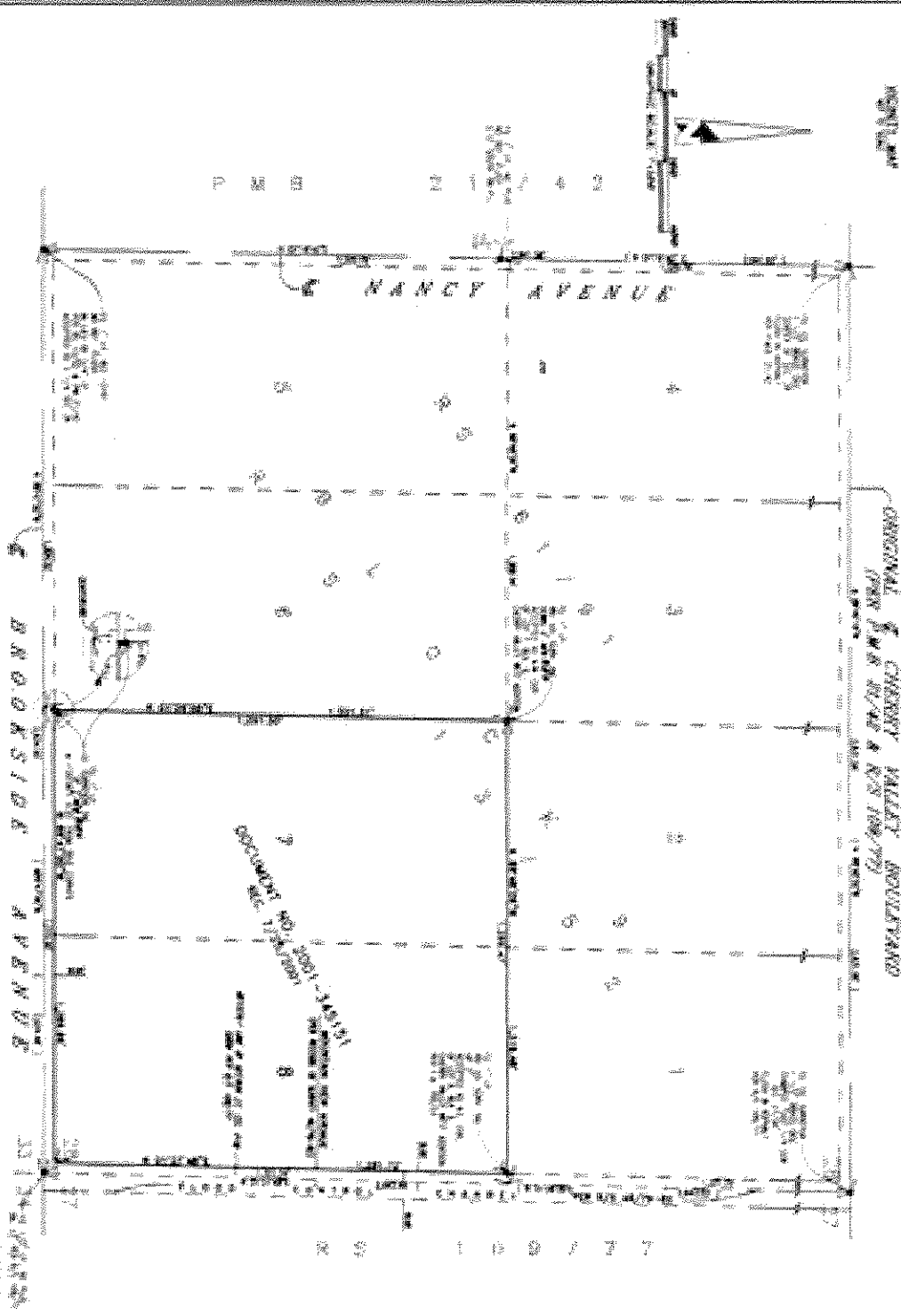
RECORD OF SURVEY

IN THE UNINCORPORATED TERRITORY, COUNTY OF BERKELEY, STATE OF CALIFORNIA

OF LOTS 7 AND 8, BLOCK 3 OF CHERRY VALLEY WEST ADDITION AS SHOWN ON MAP FILED IN MAP BOOK 6, PAGE 26 ON FILE, RECORDS OF BERKELEY COUNTY, STATE OF CALIFORNIA LITING IN SECTION 28, 123, 124, 125, 126, 127, 128

SCALE: AS SHOWN

DATE: 1911



RECORD OF SURVEY

BY W. H. BISHOP, JR. CIVIL ENGINEER

DATE: 1911

FILED IN MAP BOOK 6, PAGE 26

RECORDS OF BERKELEY COUNTY, STATE OF CALIFORNIA

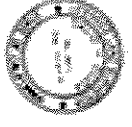
BERKELEY STATEMENT

I, the undersigned, being a duly qualified and licensed Surveyor in the State of California, do hereby certify that the foregoing is a true and correct copy of the original survey as shown on the map filed in Map Book 6, Page 26, Records of Berkeley County, State of California, and that the same is in accordance with the original survey as shown on the map filed in Map Book 6, Page 26, Records of Berkeley County, State of California.



COMPLETION STATEMENT

This survey was completed on the 15th day of August, 1911, at Berkeley, California.



INDEX OF REFERENCES

No. 1. Original Survey of the Addition of Cherry Valley West, as shown on Map filed in Map Book 6, Page 26, Records of Berkeley County, State of California.

- 1. Original Survey of the Addition of Cherry Valley West, as shown on Map filed in Map Book 6, Page 26, Records of Berkeley County, State of California.
- 2. Original Survey of the Addition of Cherry Valley West, as shown on Map filed in Map Book 6, Page 26, Records of Berkeley County, State of California.
- 3. Original Survey of the Addition of Cherry Valley West, as shown on Map filed in Map Book 6, Page 26, Records of Berkeley County, State of California.

PLATE NO. 111

2010-02-24-578
Original
3/1

DATE

CONTACT NAME
COMPANY NAME
ADDRESS
CITY, STATE, ZIP

Re: APN, TRACT or PROPERTY ADDRESS

Dear CONTACT NAME:

At the Regular Meeting of the Board of Directors held on DATE, the above referenced property was approved for annexation. Upon completion of the annexation process, the Beaumont Cherry Valley Water District will service the property assuming all obligations to provide service are met including, but not limited to, the Rules and Regulations Governing Water Service as amended by the Board of Directors from time to time.

We look forward to working with you in the coming months and please feel free to contact the office should you have any questions.

This letter will expire 12 months from the date of issue.

Sincerely,

NAME
TITLE

cc: File

**AGREEMENT
REGARDING FURLOUGH PROGRAM**

This Agreement is entered into effective Monday, April 1, 2010 by and between Beaumont Cherry Valley Water District, hereinafter referred to as the "District", and the Beaumont Cherry Valley Water District Employees Association, hereinafter referred to as the "Association".

RECITALS

Whereas, the District and the Association entered into a Memorandum of Understanding (hereafter "MOU") which sets forth a termination of December 31, 2008. A copy of the MOU is attached hereto marked Exhibit "A"; and

Whereas, the parties subsequently entered into an Agreement (hereafter "Extension Agreement") effective December 16, 2009 which extended the termination date to June 30, 2010. A copy of the Extension Agreement is attached hereto marked Exhibit "B";

NOW, THEREFORE, the parties agree to the following:

1. Effective April 12, 2010, and terminating October 31, 2010. The implementation of a Furlough Program is implemented is defined as follows.

Normal Work Day: The Normal Work day is nine and one half (9.5) hours of work plus an unpaid one half (0.5) hour lunch break followed by fourteen (14) hours of rest for all employees;

Overtime: Employees shall be compensated at the rate of time and one half their standard hourly rate for all hours worked in excess of forty (40) in a normal work week. Employees shall be compensated at their normal rate of pay for the first two (2) hours of overtime in a regular work week, which will equal forty (40) hours of straight time. Employees working more than twelve (12) consecutive hours shall be compensated at twice their normal rate of pay for all hours worked in excess of twelve (12) consecutive hours;

Paid Time Off: Vacation and Sick leave will be charged at the rate of nine and one half (9.5) hours per day unless stated otherwise on the employee time sheet.

2. Notwithstanding anything to the contrary in the MOU, the terms of this Agreement shall supersede the MOU.

BEAUMONT CHERRY VALLEY WATER DISTRICT:

By:

Dr. Blair Ball, President

Anthony Lara, Interim General Manager

BEAUMONT CHERRY VALLEY WATER DISTRICT EMPLOYEES ASSOCIATION:

By: EMPLOYEE REPRESENTATIVES:



**Beaumont Cherry Valley Water District
Finance & Audit Committee
Meeting of November 4, 2010**

Agenda Matter:

Educational Reimbursement Payments

Recommendation:

District Staff is recommending that the District report educational reimbursement payments in box 14 of employee's Form W-2. In the future, should any additional employees receive educational reimbursement payments, the District would report those payments as well.

Background:

On January 28th, 2008, the District's President of the Board of Directors and a District employee executed an agreement in which the District agreed to "pay seventy-five percent (75%) of tuition, book and necessary materials, up to a maximum of Five Thousand Dollars (\$5,000.00) per academic year, for engineering courses at a community college or university in which Employee is enrolled as a full time student and which has been approved by both parties."

At the October 13, 2010 Board of Directors meeting, following a Board member inquiry, staff was directed to research if such District employee's educational reimbursement payments are included in the employee's W-2.

Discussion:

Staff has completed its research. Since the execution of the contract, the employee's educational reimbursement payments have not been reported on the employee's W-2. In consultation with the District Legal Counsel, District staff will include the employee's educational reimbursement payments for calendar year 2010 in box 14 of the employee's W-2 Form.

The District will, from this point forward, report all education reimbursement payments on the employee's Form W-2. This practice will ensure that the District is in compliance with the IRS Code Section 127 and W-2 Instructions Form.

INTEROFFICE MEMORANDUM

TO: AMELIA A. TOLEDO, CONTROLLER
FROM: JULIE SALINAS, ADMINISTRATIVE ANALYST
SUBJECT: BILLING CERTIFICATION (HALLIWILL)
DATE: 11/1/2010
CC:

Background

Pursuant to your directives based on the request you received at the October 13th regular meeting of the Board of Directors from Halliwill to review 10 utility bills for accuracy, the following were performed: (1) review of rate study and Part 5 of the District's Rules and Regulations Governing Water Service, (2) review of rate maintenance records in Municipal Billing software and (3) review random sampling (10) of Utility Billing Statements for accuracy.

Methodology

The first phase of our review included a second review of the rate study and Part 5 of the District's Rules and Regulations Governing Water Service to ensure all updates had been recorded (originally performed prior to the June 30, 2010 Board adoption of the rate study)

The second phase of our review included reviewing the rate maintenance records in the Utility Billing System to ensure all new rates were correctly entered into the system. *It is important to note that this process was originally done on 07/01/10 and again on 08/16/10.* Once phases 1 and 2 were completed, we began phase 3 by randomly selecting 14 accounts. Our samplings included bills from several different routes, which included different service rate codes.

We printed a hard copy of each sample bill and began to review the billing statements line by line. The billing statements were compared against Part 5 and color coded by service code type: blue for Fixed Meter Charges, green for Commodity Charges, pink for Importation Charges and orange for Power Charges.

Conclusion

Both our review of the system and random billing statement samplings indicate that the system has been updated accurately and is generating accurate billing statements based on the rates adopted on June 30th, 2010.

Account No.	Investigation Results
001-2250-000	All rates correct. All calculations correct.
061-2475-004	All rates correct. All calculations correct.
063-1630-000	All rates correct. All calculations correct.
063-0950-001	All rates correct. All calculations correct.
065-1580-002	All rates correct. All calculations correct.
067-1582-002	All rates correct. All calculations correct.
069-1375-002	All rates correct. All calculations correct.
071-0134-001	All rates correct. All calculations correct.
073-0144-001	All rates correct. All calculations correct.
075-0043-001	All rates correct. All calculations correct.
079-0350-003	All rates correct. All calculations correct.
081-0260-001	All rates correct. All calculations correct.
086-0065-001	All rates correct. All calculations correct.
098-4281-008	All rates correct. All calculations correct.

Irrigation Accounts

Prior to receiving your directives to review billing records for accuracy, it was discovered that in September, 56 irrigation accounts were billed for the service period of July 2, 2010 through September 1, 2010 with the importation charge improperly calculating (total importation charge for the service period should have been \$3,363.84; and instead calculated as zero).

The rate maintenance was updated to reflect the current rate; individual customer accounts were manually adjusted, noted and supporting documentation scanned to the customer's account. Adjustment notifications were mailed out to the irrigators (10/29/10).

Update

During the month of October, the Billing Department underwent reorganization, as well as, procedural updates to increase the quality and accuracy of the billing statements generated by the District.



Beaumont Cherry Valley Water District Regular Board Meeting Meeting of November 10, 2010

Agenda Matter:

2010 Calendar year-end financial projections

Recommendation:

Based on the attached CY 2010 financial projections of revenues and expenses, the District will be able to cover operational expenses for the debt service payment for the remaining months of the calendar year 2010.

The projections for calendar year 2011 will be presented at the special Board meeting on Saturday, December 18, 2010, at 9:00 a.m.

Background:

Following discussions at the October 13, 2010 meeting of the Board of Directors, Staff was directed to project and analyze anticipated income for the remainder of calendar year 2010 and for calendar year 2011 to ensure that the income generated with the water rate increase is enough to cover operational expenses and the debt service payments.

Discussion:

In projecting for the calendar year-end revenues and expenses, the District is anticipating total operating revenues for Calendar Year 2010 to be \$9,485,137 and total operating expenses to be \$6,859,518 leaving the District with an operating income before depreciation of \$2,625,619. The anticipated income after depreciation is \$600,268. The anticipated net income before capital contributions is \$535,416.

The next loan payment is due April 1, 2011. The attached projections included the debt service payment accrual for the remaining three months in the amount of \$270,778.50, of which \$38,278.50 is interest and \$232,500 is principal.

Out of the \$535,416 anticipated net income before capital contributions, \$232,500 is earmarked for the debt service principal payment.

Financial Impact:

Based on the attached 2010 calendar year-end projections of revenues and expenses, the District will be able to cover operational expenses and cover the debt service payments for the remaining months of the calendar year 2010.

Beaumont-Cherry Valley Water District
2010 Calendar Year-end Revenue and Expense Projections
As of November 4, 2010

	October 2010 Estimated Actual	2010 Adopted Budget	2010 YTD Projections	Projected Increase in revenue and Expenses	%
Operating revenues:					
Water consumption sales	3,611,079	4,329,564	4,423,962	94,398	2.2%
Water service charges	1,451,980	1,863,415	1,866,048	2,633	0.1%
Water importation surcharges	866,874	996,851	1,174,580	177,729	17.8%
Water pumping power surcharges	1,137,079	1,311,650	1,467,007	155,357	11.8%
Development and installation charges	218,095	160,000	220,775	60,775	38.0%
Other charges for services	301,294	259,000	332,765	73,765	28.5%
Total operating revenues	7,586,403	8,920,480	9,485,137	564,657	6.3%
Operating expenses:					
Source of supply	2,749,596	3,071,820	3,436,995	365,175	11.9%
Transmission and distribution	741,094	1,033,700	926,368	(107,332)	-10.4%
Customer accounts	151,614	183,400	189,517	6,117	3.3%
Maintenance & general plant	252,524	393,400	315,655	(77,745)	-19.8%
In-House engineering	92,449	112,012	115,562	3,550	3.2%
Professional services	193,270	290,000	241,588	(48,413)	-16.7%
Administrative	1,307,067	2,376,269	1,633,834	(742,435)	-31.2%
Total operating expenses	5,487,614	7,460,601	6,859,518	(601,083)	-8.1%
Operating income before depreciation	2,098,789	1,459,879	2,625,619	1,165,740	79.9%
Depreciation	1,687,793	2,025,351	2,025,351	0	0.0%
Operating income(loss)	410,996	(565,472)	600,268	1,165,740	-206.2%
Non-operating revenue(expense):					
Interest earnings	31,051	51,000	37,292	(13,708)	-26.9%
Rental income	18,065	30,800	21,103	(9,697)	-31.5%
Other non-operating revenues	25,905	15,000	29,321	14,321	95.5%
Other non-operating expenses	84,969	0	123,248	123,248	0.0%
Total non-operating revenues(expenses), net	(35,854)	81,800	(64,852)	(146,652)	-179.3%
Net income(loss) before capital contributions	375,142	(483,672)	535,416	1,019,088	-210.7%
Capital contributions:					
Facilities charges	646,919	272,402	646,919	374,517	137.5%
Front footage fees	0	0	0	0	
Total capital contributions	646,919	272,402	646,919	(374,517)	-137.5%
Change in net assets	1,022,060	(211,270)	1,182,334	644,571	-305.1%
Note: Debt service accrual (principal - Oct, Nov, Dec)			232,500		