

**RECORD OF THE MINUTES OF THE
REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE
BEAUMONT CHERRY VALLEY WATER DISTRICT
January 12, 2011**

CALL TO ORDER, PRESIDENT BALL

President Ball called the meeting to order at 7:01 p.m., 560 Magnolia Avenue, Beaumont, California.

CLOSED SESSION

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

The Closed Session will be held to confer with Legal Counsel on existing litigation pursuant to subdivision (a) of Government Code Section 54956.9 (Re: Joseph R. Scott, Inc. vs. Beaumont Cherry Valley Water District, Superior Court of California, County of Riverside, Case No. RIC 10021518.)

President Ball adjourned the meeting to Closed Session at 7:02 p.m.

REPORT ON CLOSED SESSION BY LEGAL COUNSEL

President Ball reconvened to Open Session at 7:43 p.m.

General Counsel Gil Granito reported that the Board went into Closed Session at approximately 7:02 pm. The Closed Session was held to confer with Legal Counsel on an existing litigation pursuant to Subdivision (a) of Government Code Section 54956.9, Joseph R. Scott vs Beaumont Cherry Valley Water District. Granito reported that the District has been sued for an amount allegedly due. The District will defend the lawsuit and there are no other further reportable actions.

SECOND CALL TO ORDER, PRESIDENT BALL

President Ball called the meeting to order.

PLEDGE OF ALLEGIANCE, DIRECTOR EARHART

Director Earhart led the pledge

INVOCATION, DIRECTOR ROSS

Director Ross recited the invocation

ROLL CALL, BLANCA MARIN

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

Public present at this meeting were:

Judy Bingham	Frances Flanders
John Halliwill	Luwana Ryan

Niki Magee	David Castaldo
Knute Dahlstrom	Neal Meyers
Mr. Reeley	Patsy Reeley
Barbara Voigt	Basil Clinton
Len Leach	William Adams
Betty Beckman	

PUBLIC INPUT

Secretary Ross invited Judy Bingham to address the Board on an item not on the agenda. Ms. Bingham questioned the Board as to when the District will have a discussion on whether or not permission was granted to the UC Riverside to sample the District's Wells and to complete the study. She also indicated that the study on these wells is being paid for by the City of Beaumont. She further commented on the City of Beaumont's Sewage Spill fine that will be paid for by the tax payers.

Secretary Ross invited Len Leach to address to the Board on an item not on the agenda. Mr. Leach congratulated and thanked the new Board members.

Secretary Ross invited David Castaldo to address the Board on an item not on the agenda. Mr. Castaldo congratulated the new Board members. Mr. Castaldo indicated his interest in becoming involved in resolving the water issues and to open up communications with the Beaumont Cherry Valley Water District and the City of Beaumont. He further spoke briefly about his background.

ACTION ITEMS

1. ADOPTION OF THE AGENDA

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

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. December 2010 Bills for Consideration**
- b. December 2010 Invoices Pending Approval**
- c. November 2010 Month End Financial Statement**
- d. Minutes of the Regular Meeting of December 8, 2010**
- e. Minutes of the Special Meeting of December 18, 2010**

Director Ross moved to approve the Consent Calendar. Director Earhart seconded. The motion passed unanimously.

3. ACCEPTANCE AND AWARD OF THE CONTRACT TO MIDORI GARDENS LANDSCAPE COMPANY FOR THE LANDSCAPE MAINTENANCE SERVICES**

After a brief report, Interim General Manager Anthony Lara requested to amend the Staff's report to indicate that the Contract is a two year contract.

Director Ross moved to approve the Contract to Midori Gardens Landscape Company. Vice President Woll seconded. The motion passed unanimously.

4. REQUEST FROM AIM ALL STORAGE, MIKE GIURBINO OFFERING SETTLEMENT IN THE AMOUNT OF \$20,000 TO CLEAR THE DEBT OF INVOICE 7331 IN THE AMOUNT OF \$38,640.72**

After discussion Vice President Woll moved to deny the Settlement Request by Aim All Storage and that the District request payment of full amount. Director Earhart seconded. The motion passed unanimously.

5. APPROVAL OF THE EXTENSION OF THE FURLOUGH PROGRAM AGREEMENT UNTIL DECEMBER 31, 2011**

Interim General Manager recommended that the Furlough Program Agreement be extended until the end of the year however; Lara indicated that the Furlough Program will be reassessed as part of the Mid-Year Budget review.

Director Earhart recommended that Furlough Program be effective until June instead of December.

Director Ross moved to approve the Extension of the Furlough Program Agreement until December 31, 2011 as recommended by Interim General Manager Anthony Lara. Director Guldseth seconded. The motion passed with Director Earhart opposing.

6. RESOLUTION 2011-01, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BEAUMONT CHERRY VALLEY WATER DISTRICT COMMENDING STELLA PARKS FOR HER SERVICE AS A DIRECTOR**

Anthony Lara apologized on behalf of Ms. Parks as she could not attend this meeting and he further read the Resolution into minutes for the record as requested by President Ball:

"RESOLUTION 2011-01

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BEAUMONT CHERRY VALLEY WATER DISTRICT COMMENDING DIRECTOR PARKS FOR HER YEARS OF DEDICATED SERVICE AS A DIRECTOR

WHEREAS, the Beaumont Cherry Valley Water District is a public agency pursuant to the California State Water Code commencing at 20500, and

WHEREAS, the Board of Directors of the District are elected from the registered voters that reside in the District, and

WHEREAS, Directors of the Board are required to give considerable personal time to perform in the position of Director, and

WHEREAS, Stella Parks dedicated herself to service in the position of Director on the Board of Directors since 2002, and

WHEREAS, through Mrs. Parks' diligence and guidance in working with other Directors and employees of the Beaumont Cherry Valley Water District, the water system was upgraded to the benefit of the community, and

WHEREAS, the improvements made to the Beaumont Cherry Valley water system during Mrs. Parks. tenure will serve the community for many decades to come, and

WHEREAS, the Board of Directors wishes to commend Mrs. Parks for her years of dedicated service to the Beaumont Cherry Valley Water District and her dedication to the community in which she has served.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Beaumont Cherry Valley Water District desires by this Resolution to commend Mrs. Parks and does hereby pay tribute to her for her

dedicated service to the Board of Directors and employees of the Water District, as well as to the people of the Beaumont-Cherry Valley area. "

Vice President Woll moved to approve the Resolution 2011-01. Director Earhart seconded. The motion passed unanimously.

7. **RESOLUTION 2011-02, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BEAUMONT CHERRY VALLEY WATER DISTRICT COMMENDING JOHN HALLIWILL FOR HIS SERVICE AS A DIRECTOR****

Interim General Manager Anthony Lara read the Resolution 2011-02 into the minutes and for the record as requested by President Ball.

"RESOLUTION 2011-02

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BEAUMONT CHERRY VALLEY WATER DISTRICT COMMENDING DIRECTOR HALLIWILL FOR HIS TIME OF DEDICATED SERVICE AS A DIRECTOR

WHEREAS, the Beaumont Cherry Valley Water District is a public agency pursuant to the California State Water Code commencing at 20500, and

WHEREAS, the Board of Directors of the District are elected from the registered voters that reside in the District, and

WHEREAS, Directors of the Board are required to give considerable personal time to perform in the position of Director, and

WHEREAS, John Halliwill dedicated himself to service in the position of Director on the Board of Directors since March 2010, and

WHEREAS, through Mr. Halliwill diligence and guidance in working with other Directors and employees of the Beaumont Cherry Valley Water District, the water system was upgraded to the benefit of the community, and

WHEREAS, the improvements made to the Beaumont Cherry Valley water system during Mr. Halliwill's tenure will serve the community for many decades to come, and

WHEREAS, the Board of Directors wishes to commend Mr. Halliwill for his time of dedicated service to the Beaumont Cherry Valley Water District and his dedication to the community in which he has served.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Beaumont Cherry Valley Water District desires by this Resolution to commend Mr. Halliwill and does hereby pay tribute to him for his dedicated service to the Board of Directors and employees of the Water District, as well as to the people of the Beaumont-Cherry Valley area. "

Director Ross moved to approve Resolution 2011-02. Vice President Woll seconded. The motion passed unanimously.

8. **APPROVAL OF PLAN OF SERVICES FOR THE BEAUMONT UNIFIED SCHOOL DISTRICT****

Interim General Manager Anthony Lara briefly reported on this item.

Director Earhart moved to approve the Plan of Services for the Beaumont Unified School District. Director Ross seconded. The motion passed unanimously.

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

(a) Ad hoc Committees

None

(b) General Manager

- Update on diesel fuel spill incident- Lara reported that the District has received approval and been granted permission from the County to remove and dispose of the contaminated soil. He further indicated that the claim has been filed with the JPIA to cover some of the costs of the spill.
- Update on IRS Ruling on District houses- Lara Reported that according to the IRS there should be no income reported in the employees W-2. He further indicated that the Housing Contracts will be sent to the IRS and that he will be requesting an IRS Ruling in writing
- Report on Health Insurance costs CalPers vs JPIA- Lara reported that CalPers insurance cost is lower than JPIA.
- SGPWA Water Deliveries- Lara reported that the system will be shut down the entire month of February for maintenance on the East Branch Extension and that the system was also shut down in December. Due to possible damage to the system that may have been caused by the floods. Lara also reported that the District will have approximately 6800 acre feet of water available to purchase this year.
- Ethics Training- Lara announced that there will be an Ethics Training on January 27, 2011 at 6pm at Yucaipa Valley Water District
- Water Quality Committee- Lara addressed a question related to whether or not the District granted permission to UC Riverside to access the District's Wells. He further reported on the recent Water Quality Committee Meeting.

(c) Directors

- Dr. Blair Ball-President Ball recommended that the Budget meeting should be scheduled for the beginning of the year rather than December as the Financial Information would be more accurate.
- James Earhart-None
- John Guldseth- Director Guldseth requested information as to how to lower the irrigation water rates. He indicated that he was contacted and he was provided with some ideas as to how use other resources to help lower the cost the rate for irrigation customers. Legal Counsel Granito recommended that Director Guldseth recuse himself from talking about a matter on which he will be a direct beneficiary due to a potential conflict of interest.
- Ken Ross-Director Ross reported that he attended the Blue Ribbon Committee Meeting.
- Ryan Woll-None

(d) Legal Counsel

None

10. ANNOUNCEMENTS

- A) District will be closed on January 17, 2011 in observance of the Martin Luther King's Holiday**
- B) Finance & Audit Meeting, February 3, 2011 at 4:00 p.m.**

C) Regular Board Meeting, February 9, 2011 at 7:00 p.m.

11. ACTION LIST

- NONE

12. CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL-

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

President Ball adjourned to Closed Session at 8:47pm.

President Ball reconvened to Open Session at 11:43 p.m.

13. OPEN SESSION- REPORT ON CLOSED SESSION

General Counsel Gil Granito reported that at approximately 8:47 p.m., the board went into Closed Session pursuant to Government Code Section 54957 as reflected in tonight's agenda and resumed its ongoing evaluation of the District's Interim General Manager.

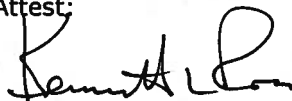
14. ADJOURNMENT

President Ball adjourned the meeting at 11:45 p.m.



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

Attest:



Kenneth Ross, Secretary to the
Board of Directors of the
Beaumont Cherry Valley Water District