

**RECORD OF THE MINUTES OF THE
REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE
BEAUMONT CHERRY VALLEY WATER DISTRICT
February 9, 2011**

CALL TO ORDER, PRESIDENT BALL

CLOSED SESSION

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

The Closed Session will be held to confer with Legal Counsel on an 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.)

REPORT ON CLOSED SESSION BY LEGAL COUNSEL

Legal Counsel reported that the Board went into Closed Session at approximately 7:01 p.m., pursuant to Government Code Section 54956.9 (a) as amended in tonight's agenda to consult with legal counsel on a matter of pending litigation. Joseph R. Scott has sued the District for an amount in excess of three million dollars. The District denies any liability. The Closed Session ended at approximately 7:04 p.m., there were no other reportable actions on this matter.

SECOND CALL TO ORDER, PRESIDENT BALL

President Ball called the meeting to order at 7:04 p.m., 560 Magnolia Avenue, Beaumont, California.

PLEDGE OF ALLEGIANCE, DIRECTOR ROSS

Director Ross led the pledge.

INVOCATION, DIRECTOR GULDSETH

Director Guldseth recited an invocation.

ROLL CALL, BLANCA MARIN

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

Others Present:

John Jeter	Hal Flanders	David Castaldo
John Halliwill	Dave Dysart	Niki Magee
Minnie Birchard	Ray Morris	
Barbara Brown	Betty Beckman	
Fran Flanders	Basin Clinton	
Bill Dickson	Patsy Reeley	
Luwana Ryan	Ken Falls	

PUBLIC INPUT

Secretary Ross invited Patsy Reeley to address the Board on an item not on the agenda. Ms. Reeley suggested that the Board schedule the Closed Session meetings at 6:00 p.m.

Secretary Ross invited Luwana Ryan to address the Board on an item not on the agenda. Ms. Ryan suggested that the Board schedule the Closed Session meetings at the end of the meeting.

Secretary Ross invited John Halliwill to address the Board on an item not on the agenda. Mr. Halliwill requested the following:

- That the Board revisit the temporary service provided to customers outside the District area
- Asked for consideration of re-opening a rate study and review some sections, like the irrigation
- Spoke about the map provided at the beginning of the meeting regarding Item 3, Will Serve Request

Secretary Ross invited Patsy Reeley to address the Board on an item on the agenda related to Wildermuth's invoice. Ms. Reeley indicated that the City of Beaumont, South Mesa or the Pass Agency should not have an account in the basin.

Secretary Ross invited David Castaldo to address the Board on an item not on the agenda. Mr. Castaldo extended the Counsel's greetings. He further indicated that he looks forward into continuing working with the District.

Secretary Ross invited Frances Flanders to address the Board on an item not on the agenda. Ms. Flanders requested consideration on the action made a few months ago regarding the storage of fuel. She recommended that the District reconsider its decision. on another issue, she requested that the Board make a decision and consider making Anthony Lara the General Manager.

ACTION ITEMS

1. ADOPTION OF THE AGENDA

Director Woll moved to adopt the agenda as presented. Director Earhart 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. January 2011 Bills for Consideration**
- b. January 2011 Invoices Pending Approval**
- c. December 2010 Month End Financial Statement**
- d. Minutes of the Regular Meeting of January 12, 2011**

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

3. WILL SERVE LETTER REQUEST FROM MARINO INVESTMENTS, PARCEL NUMBER 421-020003-2**

Secretary Ross invited Patsy Reeley to address the Board on this item. Ms. Reeley indicated that the request does not indicate the exact location of the project. She also indicated that there is also no estimate as to what the impacts on the water system are going to be.

Secretary Ross invited Luwana Ryan to address the Board on this item. Ms. Ryan indicated that the request does not indicate what kind of industry will be put in. She further requested that a water assessment be made prior to accepting this request as there is no information as to what amount of water will be required for this project.

Interim General Manager Anthony Lara provided a brief report on this item. He indicated that the attached request is only the first step in order to annex the property to the District's service area.

Director Ross moved to table this item until the District's Policies and Procedures related to this topic be reviewed. Director Earhart seconded. The motion passed unanimously.

4. REPORTS FOR DISCUSSION AND POSSIBLE ACTION

(a) Ad hoc Committees – Director Ross reported that Director Ball and he met with representatives of the City of Beaumont.

(b) General Manager

- Discussion of Points for Lease of Capacity in BCVWD Recharge Facilities to San Geronio Pass Water Agency**- Lara reported on this item and requested that the Board review and provide written comments regarding this Lease Agreement by February 23, 2011.

Ms. Ryan commented on page 43 regarding, Item 13 indicating that there needs to be a separation as to what agency is giving approvals and who is making decisions on behalf of the community.

- Correspondence from JPIA regarding premium refund check to receive and file**- Lara reported that a representative from JPIA will stop by the office and drop off a check in the amount of \$33,000
- Request from the University of California Riverside to access the District's Groundwater Wells for a Water Quality Study**-

Secretary Ross invited Patsy Reeley to address the Board on this item. Ms. Reeley inquired as to who will pay for the costs of District's staff to fulfill the request.

Secretary Ross invited Luwana Ryan to address the Board on this item. Ms. Ryan inquired as to whether or not the District is requesting a report and that maybe this report needs to be compared to other prior reports on these wells.

Lara indicated that he presented this request as requested by Director Ross. He said that there is no action required at this time as there are some issues that need to be worked out with the Regional Board and the Blue Ribbon Committee.

- 2011 Budget Revision update

Interim General Manager Anthony Lara indicated that the 2011 Budget will be presented at the March 2011 meeting.

(c) Directors

- Dr. Blair Ball- Attended the same meeting as Director Ross
- James Earhart- None
- John Guldseth- None
- Ken Ross- None
- Ryan Woll- He indicated that he attended the Beaumont Chamber of Commerce Meeting

(d) Legal Counsel

Legal Counsel Gil Granito provided an update on the Yorba Linda Water District appeal.

5. ANNOUNCEMENTS

- A) District will be closed on February 21, 2011 in observance of President's Day**
- B) Finance & Audit Meeting, March 3, 2011 at 4:00 p.m.**
- C) Regular Board Meeting, March 9, 2011 at 7:00 p.m.**

6. ACTION LIST

- **Lara-** to respond to Halliwill request regarding customers receiving water service out of the district area. Need to bring the item for another six month review
- **Lara-** policy manual review scheduled for next month
- **Lara-** to present adjusted 2011 Budget at the March's board meeting
- **Board-** comments need to be submitted to Anthony Lara to be included in the lease agreement with the San Geronio Pass Water Agency

7. CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL-

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

President Ball adjourned to Closed Session at 8:01 p.m.

8. OPEN SESSION- REPORT ON CLOSED SESSION

President Ball reconvened the meeting to open session at 9:20 p.m.

Legal Counsel Gil Granito reported that the Board adjourned to Closed Session at approximately 8:01 as agendized on tonight's agenda and resumed its ongoing evaluation of the Interim General Manager and that there was no reportable action taken.

9. ADJOURNMENT

Director Earhart moved to adjourn. Director Ross seconded. The motion passed unanimously.



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

Attest:



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