

**RECORD OF THE MINUTES OF THE
SPECIAL MEETING OF THE
BOARD OF DIRECTORS OF THE
BEAUMONT CHERRY VALLEY WATER DISTRICT
August 24, 2011**

Call to Order, President Ball

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

Pledge of Allegiance, Director Guldseth

Director Guldseth led the pledge.

Invocation, Vice President Woll

Vice President Woll recited the invocation.

Roll Call

Present at this meeting were President Ball, Vice President Woll and Directors Ross and Guldseth. Also present were Legal Counsel Gil Granito, General Manager Eric Fraser and Executive Assistant Blanca Marin. Absent to this meeting was Director Earhart.

Members of the public that registered their attendance were: John Halliwill, Judy Bingham and Frances Flanders.

Public Input

Secretary Ross invited Niki Magee to address the Board on an item not on the agenda. Ms. Magee spoke about a comment made by Mr. Castaldo on a local newspaper regarding a meeting taking place between the City and the District regarding the breach of contract between South Mesa Water Company and the District. She further requested clarification as to why the District should be discussing this item with the City of Beaumont.

Secretary Ross invited Judy Bingham to address the Board on an item not on the agenda. Mrs. Bingham commented on information reported on Mr. DeForge's and Mr. Castaldo's 700 Forms.

Action Items

1. Adoption of the Agenda

General Manager Eric Fraser requested that the Board of Directors consider adding a late breaking item to the agenda regarding the formation of an ad hoc committee in conjunction with other agencies in the San Gorgonio Pass Water Agency service area to discuss the proposed capacity fee slated for adoption on September 7, 2011.

Vice President Woll moved to agree that the matter occurred after the agenda was posted and determined that because of the time frame, the item would need to be addressed at this meeting. He further moved to add the item to the agenda. Director Ross seconded. The motion passed unanimously with Director Earhart absent.

President Ball added the item as Item 1a.

A. Formation of Ad Hoc Committee to Meet with Other Water Agencies to Discuss San Gorgonio Pass Water Agency's coming Capacity Charge Increase

Secretary Ross invited Patsy Reeley to address the Board on this item. Mrs. Reeley commented that the District is not a "Collections Agency" for the San Gorgonio Pass Agency therefore the Pass Agency needs to figure out another way to collect their fees.

Secretary Ross called Frances Flanders to address the Board on this item. Mrs. Flanders requested clarification as to what was being decided tonight. President Ball clarified that it was the formation of an ad hoc committee to discuss the proposed capacity fee with other impacted agencies.

President Ball appointed himself and Director Ross to serve on this Committee.

2. **Acceptance of resignation of Director James Earhart from the Board of Directors of the Beaumont Cherry Valley Water District effective August 4, 2011 and determine whether to fill the vacancy by "Appointment" or by calling for an "Election" as provided in Government Code Section 1780**

Legal Counsel Gil Granito briefly reported on this item.

After discussion, Vice President Woll moved to accept Director Earhart's resignation and that the Board fills the vacancy by appointment. Director Guldseth seconded. The motion passed unanimously.

Board agreed to publish the Notice of Vacancy in the Record Gazette and the Press Enterprise and to further post it on conspicuous places as required by Government Code Section 1780. The Board also agreed to interview and to appoint a new director to fill the vacancy at the next board meeting scheduled for September 14, 2011.

Vice President Woll moved to make the appointment of the new director at the next regular meeting of September 14, 2011. Director Ross seconded. The motion passed unanimously.

3. **ADJOURNMENT**

President Ball adjourned the meeting at 7:32 p.m.



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