



**BEAUMONT-CHERRY VALLEY WATER DISTRICT
MINUTES OF THE
REGULAR MEETING OF THE BOARD OF DIRECTORS
560 Magnolia Avenue, Beaumont, CA 92223
Wednesday, March 13, 2013**

Call to Order, President Woll

President Woll began the meeting at 7:01 p.m.

Pledge of Allegiance, Director Guldseth

Director Guldseth led the pledge.

Invocation, Director Woll

Director Woll led the invocation.

Roll Call

Present at the meeting were President Woll, Directors Ball, Guldseth, Ross, and Slawson. Legal Counsel: James Markman. District Staff: General Manager: Eric Fraser, Director of Finance and Administrative Services: Melissa Bender, and Dawn Jorge, Senior Finance and Administrative Analyst. Public that registered their attendance were: John M. Halliwill, Minnie Birchard, Barbara H. Brown, Fran Flanders and Mary Ann Melleby.

Public Comment

No public comment was received.

ACTION ITEMS

1. Adoption of the Agenda (pages 1-2)

General Manager Eric Fraser noted that there are no changes or adjustments to the agenda.

2. Consent Calendar: All matters listed under the Consent Calendar are considered by the Board of Directors to be routine and will be enacted in one motion. There will be no discussion of these items prior to the time the Board considers the motion unless members of the Board, the administrative staff, or the public request specific items to be discussed and/or removed from the Consent Calendar.

- a. January 2013 Budget Variance Report Review** (pages 3-11)
- b. January 31st, 2013 Cash/Investment Balance Report**(page 12)
- c. February 2013 Cheque Register Review** (pages 13-29)
- d. February 2013 Invoices Pending Approval** (pages 30-37)
- e. Minutes of the Regular Meeting of February 13th, 2013** (pages 38-40)

There were no requests for pulling of items from the consent calendar by the public, directors, nor staff. Director Guldseth motioned to approve the consent calendar items; Director Ross seconded the motion; the motion passed 5-0.

3. Consideration of Audit Firm for External Financial Services ** (page 41)

Director of Finance and Administrative Services, Melissa Bender, provided an overview of the audit firm selection process, and presented the Board with Staff's

recommendation of Vavrinek, Trine, Day & Co., LLP (VTD). Kevin Pulliam, a partner with VTD, was present and responded to questions of the Board.

After discussion, Director Ball motioned to accept the agreement with VTD for audit services; Director Ross seconded the motion; the motion passed 5-0.

**4. Consideration of Request for Water Service for Oak Glen Road APN 401-030-007
** (pages 42-44)**

General Manager Fraser provided an overview of the request for water service.

After discussion, Director Ross motioned to approve the request; Director Guldseth seconded the motion; the motion passed 5-0.

5. Reports For Discussion

a. Ad Hoc Committees

No reports were made.

b. General Manager

General Manager Fraser provided the Board with a progress report on the Noble Creek Recharge Facility Phase II Project currently under construction. Mr. Fraser advised the Board that Staff has begun the financial software implementation project, while also preparing for the 2012 audit. A brief overview of the implementation process was provided. In addition, General Manager Fraser updated the Board on the 2010 Urban Water Management Plan.

c. Directors Reports

Director Ball was in attendance on February 19th for the San Geronio Pass Water Agency (SGPWA) Regular Board meeting. The SGPWA Board approved an increase in board pay equivalent to increases being received by staff. They also committed to work with the USGS that does not seem to overlap work being done by the Beaumont Basin Watermaster. At the February 25th SGPWA Finance & Audit Committee meeting, they discussed finance options for the EBX2 project. SGPWA did not discuss a fund that was in question at their previous meeting as was requested by this Board. On March 7th, Dr. Ball attended the Regional Water Resource Alliance meeting at the Yucaipa Valley Water District where they discussed getting State Project Water from Northern California. Also discussed was a Senate Bill amending the endangered species act in an effort to make it a more open and public process. Director Ball also discussed an upcoming tour of the EBX2 project through the San Bernardino Municipal Water District on Friday, April 19th. Dr. Ball also attended the City of Beaumont Council Meeting last week where they decided to increase sewer rates by \$10 per month and his concern of the increase meeting Prop 218 requirements. Director Ball also stated that the District's Urban Water Management Plan should take into account the City's rescinding of all agreements with the District.

Public comment:

John Halliwill stated that the City told him the meeting they held last week was intended to be a 218 hearing.

d. Legal Counsel Report

Mr. Markman reported that the City of Beaumont has filed a motion in the Beaumont Basin Adjudication lawsuit case that will be heard on April 19th, at 8:30 a.m., Department 2 in Riverside, whereby the City is trying to recharacterize the allocation of costs approved by the Watermaster for the new safe yield study. Mr. Markman also noted that the Supreme Court has denied the petition for review of

the State Court of Appeals decision on the Santa Maria groundwater adjudication case, so we now have a final opinion.

6. Announcements

- Finance & Audit Committee meeting, April 4th, 2013 at 3:00 p.m.
- Beaumont Basin Watermaster meeting, April 10th, 2013 at 10:00 a.m.
- Regular Board meeting, April 10th, 2013 at 7:00 p.m.

President Woll made the announcements above.

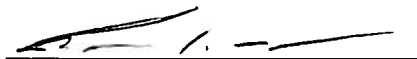
7. Action List for Future Meetings

- *Schedule a workshop to discuss the landscape for the Noble Creek Recharge Phase II Project with the public.*
- *Add to the agenda for the next meeting a discussion item to allow volunteers to work for the District.*
- *Legal counsel presentation on the Santa Maria groundwater adjudication case.*


8. Adjournment

President Woll adjourned the meeting at 7:50 p.m.

Attest:



Director Ryan Woll, President of the
Board of Directors of the
Beaumont-Cherry Valley Water District



Director Blair Ball, Secretary to the
Board of Directors of the
Beaumont-Cherry Valley Water District

**** Information included in the agenda packet**