



**BEAUMONT-CHERRY VALLEY WATER DISTRICT  
MINUTES OF THE  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
560 Magnolia Avenue, Beaumont, CA 92223  
Wednesday, June 12<sup>th</sup>, 2013**

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**Call to Order, President Woll**

*President Woll began the meeting at 7:00 p.m.*

**Pledge of Allegiance, Director Ross**

*Director Ross led the pledge.*

**Invocation, Director Guldseth**

*Director Guldseth 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 Operations: Tony Lara, Director of Engineering: Dan Jagers, and Director of Finance and Administrative Services: Melissa Bender. Public that registered their attendance were: John M. Halliwill, Patsy Reeley, Minnie Birchard, Fran Flanders, Barbara Brown, Jorge Ruiz, Mary Ann Melleby, Lloyd White and Barbara Voigt.*

**Public Comment**

*John Halliwill wanted to bring to the Board's attention that there is a consumer confidence report posted in the lobby for 2012 that has a July 2013 date on it.*

*General Manager Eric Fraser stated that due to a change in the law the report is no longer required to be mailed but is made available upon request and is available on the District's website resulting in a cost savings of approximately \$10,000 annually.*

**ACTION ITEMS**

**1. Adoption of the Agenda (pages 1-3)**

*General Manager Eric Fraser advised the Board that there were no changes 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. April 2013 Budget Variance Report Review\*\* (pages 4-19)
- b. April 30<sup>th</sup>, 2013 Cash/Investment Balance Report\*\* (page 20)
- c. May 2013 Cheque Register Review\*\* (pages 21-34)
- d. May 2013 Invoices Pending Approval\*\* (pages 35-39)
- e. Minutes of the Regular Meeting of May 8<sup>th</sup>, 2013\*\* (pages 40-42)

*Director Guldseth motioned to approve the items of the consent calendar. Director Ross seconded the motion. The motion passed 5-0.*

**3. Consideration of Resolution 2013-03: A Resolution of the Board of Directors of the Beaumont-Cherry Valley Water District Establishing Authorized Agents to Act on Behalf of the District for Cost Recovery from the 2013 Summit Fire\*\*(pages 43-46)**

*General Manager Eric Fraser provided an overview of the resolution in order to seek cost reimbursement related to the 2013 Summit Fire.*

**Public Comment on Item:** *John Halliwill wishes for it to be clarified that we are seeking cost recovery for the total charges incurred by the District.*

*Director of Finance and Administrative Services Melissa Bender advised the Board that the cost was revised after the last meeting when the amount of water actually used was verified and found to be less than previously reported.*

*General Manager Eric Fraser stated that full reimbursement was to be pursued.*

*President Woll motioned to authorize the General Manager to act of behalf of the District for cost recovery for the 2013 Summit Fire in the amount of the actual costs; the motion was seconded by Director Ball and passed 5-0.*

**4. Consider a One-Time Deviation from District Policy Regarding Service Credit for a Previously Employed Staff Member\*\*(page 47)**

**Public Comment on Item:** *John Halliwill inquired as to how increasing funding into the retirement system with no contribution could have no direct financial impact considering the unfunded liability of the retirement benefits.*

*General Manager Fraser explained that this is for leave accrual only prior to the District's participation in PERS. This consideration is to formally approve a practice that was put in place from a verbal approval given by the prior general manager at the time but never placed in writing.*

*After discussion, Director Ball motioned to approve the additional service credit. The motion was seconded by Director Guldseth and passed 5-0.*

**5. Discussion of Topics to Be Addressed by Supervisor Marion Ashley's Water Task Force**

*Director Ball provided an overview of the Water Task Force formed by Supervisor Marion Ashley, including who was involved and tasks requested of the participants. The Task Force will meet the 3<sup>rd</sup> Monday of each month in Banning at the City Hall. The Board discussed topics that they would like to be discussed by the Water Task Force.*

**6. Discussion and Possible Action Regarding the Application for Groundwater Storage Agreement from the Morongo Band of Mission Indians with the Beaumont Basin Watermaster\*\*(pages 48-51)**

**Public Comment on Item:** *Judy Bingham inquired as to whether the District could go to the Court on the decision that had been made. John Halliwill asked whether the Morongo Band of Mission Indians acquired water rights when they purchased the land from Oak Valley Partners, and how if they own the water and are an appropriator, how can they be defined as a non-appropriator.*

*General Manager Fraser explained the difference between an overlyer and an appropriator, as defined by the judgment for the Beaumont Basin. General Manager Fraser gave a recap of what happened at the Watermaster meeting.*

*After discussion, Director Ball motioned to allow General Manager Eric Fraser to take the action necessary to address the needs of the District and the ratepayers and to support the requirements of Watermaster Resolution 2005-01. The motion was seconded by Director Ross and passed 5-0.*

**7. Consider an Agreement with the City of Banning and the Yucaipa Valley Water District for the Joint Utilization of the Noble Creek Recharge Facility\*\* (pages 52-55)**

*General Manager Fraser provided an overview of the Agreement presented to the Board for consideration. After discussion, Director Ball motioned to approve the agreement. The motion was seconded by Director Ross and passed 5-0.*

**8. Reports For Discussion**

a. Ad Hoc Committees

*No reports were made.*

b. General Manager

*General Manager Fraser advised the Board that the District has been working on water conservation efforts. Mr. Lara then provided the Board with an overview of some of the water conservation events that the District has participated in. General Manger Fraser then advised the Board on progress of the Noble Creek Recharge Phase II Project. Mr. Fraser then advised the Board of some Pass Agency activities and their possible impact on rates. General Manager Fraser then advised the Board of the status of the GIS project and the software conversion.*

c. Directors Reports

*Director Ross reported that he attended the State of the City meeting and provided a description of some of items that were discussed at the meeting. Director Ross also attended the Regional Water Alliance meeting where they discussed an update of the North San Diego Water Project.*

*Director Guldseth noted his attendance to both meetings previously mentioned by Director Ross and then proceeded to thank the staff for their work.*

*Director Ball reported that he also attended the State of the City meeting and reported on the goals of the City of Beaumont. Director Ball then thanked Director Slawson for putting together the tour of the EMWD Water Reclamation Plant. Director Ball also attended several Pass Agency meetings and expanded on the Pass Agency information provided by General Manager Fraser and reported on a reserve fund that they have established. Director Ball also reported the draft EIR is now available for review and comment.*

*Director Slawson reported that he also attended the State of the City. Director Slawson also reported on the tour of the EMWD Water Reclamation Plant. In addition, Director Slawson also attended the Regional Water Alliance meeting and reported the successful use of a lobbyist for the joint efforts of the North San Diego Water Project.*

*President Woll then expressed his concern with the Pass Agency's meeting times, and some of the other agencies, as they are not easily accessible for the public when they are held during the day.*

d. Legal Counsel Report

*Mr. Markman wished to comment on the closed session items. The potential litigation involves the City of Beaumont and the Beaumont High School bridge (Brookside) and water lines project. The existing litigation is in regards to Performance Meter Inc. and their bankruptcy hearing.*

**9. Announcements**

- Finance & Audit Committee meeting, July 3<sup>rd</sup>, 2013 at 3:00 p.m.
- District offices will be closed Thursday July 4<sup>th</sup>, 2013 in observation of 4<sup>th</sup> of July
- Regular Board meeting, July 10<sup>th</sup>, 2013 at 7:00 p.m.

*President Woll made the announcements above.*

#### **10. Action List for Future Meetings**

- Schedule a workshop to discuss the landscape for the Noble Creek Recharge Phase II Project with the public.
- Consideration of Annexation of Parcels for Hidden Canyon II Development tabled in the December 2012 meeting.

***Public Comment on Item:** Judy Bingham inquired if the annexation item would be considered at the July 10<sup>th</sup> meeting.*

*General Manager Fraser stated that the Board has not yet decided and this is a rolling list of items for future consideration by the Board.*

#### **11. Recess to Closed Session**


- a. Conference with legal counsel regarding potential litigation (1 case) pursuant to Government Code 54956.9(c).
- b. Conference with legal counsel regarding existing litigation (1 case) pursuant to Government Code 54956.9.
- c. General Manager performance review pursuant to Government Code 54957(b).


*The Board recessed to closed session at 9:00 p.m. No reportable action was taken.*

#### **12. Adjournment**

*President Woll adjourned the meeting at 11:05 p.m.*

Attest:

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

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

\*\* Information included in the agenda packet