

MINUTES OF A REGULAR BOARD MEETING
CITY OF BIG BEAR LAKE
DEPARTMENT OF WATER AND POWER
BOARD OF COMMISSIONERS
MAY 22, 2012

A Regular Meeting of the Board of Commissioners of the Department of Water and Power, City of Big Bear Lake, was called to order at 9:00 a.m., by Chair Foulkes, at the DWP Board Room, at 41972 Garstin Drive, Big Bear Lake, California 92315.

FLAG SALUTE: Bob Tarras, Treasurer

BOARD MEMBERS PRESENT: Steve Foulkes, Chair
Bill Giamarino, Vice Chair
Bob Tarras, Treasurer
Fred Miller, Commissioner
Don Smith, Commissioner

BOARD MEMBERS EXCUSED: None

PUBLIC FORUM

No one from the public commented during the public forum.

1. CONSENT CALENDAR

- 1.1 Approve Minutes of Regular Board Meeting Dated 4/24/12**
- 1.2 Notice of Completion for Arrastre Creek Test Hole, Boart Longyear Company**
- 1.3 Notice of Completion for Rine Hart Test Hole and Sawmill Canyon Well, Bakersfield Well and Pump Company**
- 1.4 Notice of Completion for 2010 USDA Pipeline Projects Contract 1, Pyramid Building & Engineering, Inc.**
- 1.5 Notice of Completion for 2010 USDA Well Equipping Projects Contract 3, Pyramid Building & Engineering, Inc.**

ITEMS REMOVED FROM THE CONSENT CALENDAR

Items 1.1, 1.2, 1.3, 1.4, and 1.5 were removed from the consent calendar for discussion.

Motion made by Commissioner Miller, seconded by Vice Chair Giamarino, and carried 5-0 to approve Consent Calendar Item 1.1 as amended, and items 1.2, 1.3, 1.4, and 1.5 as presented.

OPEN SESSION

2. DISCUSSION/ACTION ITEMS

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2.1 Check Register: 4/01/12 – 4/30/12

Motion made by Commissioner Smith, seconded by Commissioner Miller, and carried 5-0 to authenticate the check register as presented.

2.2 Financial Data – April 2012

Board reviewed and discussed April financial data with Administrative Manager McGee.

2.3 The Furman Group Contract

Board listened to Furman Group presentation by Sean Taylor and discussed outlook for the next six months. Board addressed public comments by Barbara Wiley, who supported a contract renewal. Board instructed staff to bring six-month contract renewal to the June Regular Board Meeting for consideration.

2.4 USDA Projects Update

Board received USDA Projects update from Water Resource Manager La Haye. Board instructed staff to clarify the 2013 application eligibility requirements.

2.5 Resolution No. DWP 2012-07 Adopting the Final Fiscal Year 2012/13 Budget

Motion made by Vice Chair Giamarino, seconded by Treasurer Tarras, and carried 5-0 to adopt Resolution No. DWP 2012-07, Adopting the DWP Budget for Fiscal Year 2012/13.

2.6 Award Contract to Lowest Responsive Bidder for the 2012 USDA Well Equipping Project 6B: Division Well No. 8 and Magnolia Well

Motion made by Commissioner Miller, seconded by Treasurer Tarras, and carried 5-0 to award the 2012 well equipping contract 6B to the lowest responsive bidder, Tennyson Pipeline Company, in the amount of \$1,024,296.74 as amended with a 5% contingency; subject to USDA approval.

2.7 Lehman Brothers Claim

Motion made by Treasurer Tarras, seconded by Commissioner Smith, and carried 5-0 to reject offer from Longacre Opportunity Fund, L.P. to monetize remaining claim against Lehman Brothers Special Financing.

2.8 Proposed Revision to Cash Management and Disbursement Policy

Motion made by Treasurer Tarras, seconded by Commissioner Smith, and carried 5-0 to adopt the revisions to Policy #2011-02 – Cash Management and Distribution Policy.

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2.9 Proposed Revision of Connection Policy

Chair Foulkes recused himself from the discussion of item #2.9 due to a conflict of interest. Chair Foulkes turned the meeting over to Vice Chair Giamarino.

Motion made by Commissioner Smith, seconded by Treasurer Tarras, and carried 4-0 to adopt the revisions to Policy #2006-02 – Connection Policy.

Chair Foulkes returned to the meeting after the adoption of the revised connection policy and Vice Chair Giamarino turned the meeting back over to Chair Foulkes.

2.10 Bear Valley Electric Service Rate Case

Board discussed Bear Valley Electric Service 2013 rate increase with staff. Board directed staff to determine deadline and cost for pursuing formal complaint.

2.11 Management Staff Reports

Board discussed Management Staff reports.

2.12 General Manager's Report

Board discussed General Manager's report.

2.13 Board Member Reports

There were no Board Member reports.

Chair Foulkes adjourned for recess at 11:05 a.m.

Chair Foulkes reconvened the meeting at 11:10 a.m.

3. CLOSED SESSION

Board went into closed session at 11:10 a.m.

3.1 Closed Session Pursuant to Government Code 54956.8

Conference with Real Property Negotiators

Property: Parcel #2350401020000, and #2350401030000

DWP Negotiator: General Manager

Negotiating Parties: DWP and Zimmerman

Under Negotiation: Price

3.2 Closed Session Pursuant to Government Code 54956.9

Conference with Legal Counsel – Anticipated Litigation

Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9:

One Potential Case

Board came out of closed session at 11:40 a.m.

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OPEN SESSION

No reportable action.

ADJOURNMENT

No additional business came before the Board. Chair Foulkes adjourned the meeting at 11:40AM.

Diego Chavez

Diego Chavez, PHR

Secretary to the Board of Commissioners

Approved at meeting dated: June 26, 2012