

MINUTES OF A REGULAR BOARD MEETING
CITY OF BIG BEAR LAKE,
DEPARTMENT OF WATER AND POWER
BOARD OF WATER AND POWER COMMISSIONERS
April 25, 2023

OPEN SESSION

A regular Meeting of the City of Big Bear Lake, Department of Water and Power (DWP) Board of Commissioners was called to order at 9:00 a.m. on April 25, 2023, by Chair Bob Tarras.

BOARD MEMBERS PRESENT

Bob Tarras, Chair
Barbara Willey, Vice-Chair
Craig Hjorth, Treasurer
Joe Cylwik, Commissioner
Jim Smith, Commissioner

PLEDGE OF ALLEGIANCE

Chair Tarras led the pledge of allegiance.

PUBLIC FORUM

None.

INTRODUCTION

Reggie Lamson, General Manager, introduced DWP's new Chief Financial Officer, Natham Statham.

Dani McGee, Chief Financial Officer, introduced DWP's new Accounting Supervisor, Kimberly Hauer.

Kelle Barrette, Customer Service Supervisor, introduced DWP's new Temporary Clerical Assistant, Shina Barnett.

EMERGENCY AGENDA ITEM

According to California Government Code Section 54954.2(b)(2), the legislative body may take action on items of business not appearing on the posted agenda upon a determination by a two-thirds vote of the members of the legislative body present at the meeting, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a (1) a need to take immediate action and (2) that the need for action came to the attention of the local agency subsequent to the agenda being posted as required under the Ralph M. Brown Act.

After reviewing the Emergency Agenda Item, the Board agreed by unanimous vote that there is a need to take immediate action and the need for the action came to the attention of the staff subsequent to the agenda being posted on Friday, April 21, 2023. The Board agreed to discuss the Emergency Agenda item prior to Management Reports.

1. CONSENT CALENDAR

1.1 Approve Minutes of the Regular Board Meeting Dated March 28, 2023

1.2 Approve Minutes of the Special Board Meeting Dated April 11, 2023

Motion made by Vice-Chair Willey, seconded by Commissioner Cylwik, and carried 5-0 to approve the Consent Calendar.

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES:

ABSTAIN:

2. ITEMS REMOVED FROM CONSENT CALENDAR

None.

3. DISCUSSION/ACTION ITEMS

3.1 Authenticate Check Register 3/1/2023 to 3/31/2023

Treasurer Hjorth inquired into check number 17616 paid to Bear Valley Tree Care and asked why we are paying to remove a tree at the RV Park. Reggie Lamson responded that the tree was in the way of access to the well building. Treasurer Hjorth inquired into check number 17669 paid to Colleen Barrette for reimbursement for two shredders. Dani responded that our shredder was beyond maintenance, the two shredders are temporary and will be repurposed for the Human Resources and the Chief Financial Officer offices. Commissioner Smith inquired into check number 17698 paid to US Bank and specifically the payment to Licona's Towing. Danny Ent, Water Superintendent, responded that the payment was for the towing of a DWP vehicle, and the other vehicle involved in an accident. Treasurer Hjorth inquired into check number 17698 paid to US Bank and specifically the payment to Vons for the Hall and Fellman Service Awards. Dani responded that the payment was for gift cards for employees long time service with the DWP.

Motion made by Commissioner Smith, seconded by Treasurer Hjorth, and carried 5-0 to authenticate the Check Register for March 2023.

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES:

ABSTAIN:

3.2 Fiscal Year 2023/24 Water Standby Charges

Commissioner Cylwik asked if the Standby Charges only apply to properties in the City of Big Bear Lake. Dani responded no; the Standby Charges apply to all properties within the DWP service area.

Motion made by Vice-Chair Willey, seconded by Commissioner Smith, and carried 5-0 to recommend to the City Council that they adopt a resolution for the Water Standby Charge of \$53 for Fiscal Year 2023/24 and authorize the charge to be placed on the tax rolls for collection, along with the general taxes.

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES:

ABSTAIN:

3.3 Fiscal Year 2023/24 Budget Presentation

Treasurer Hjorth recommended removing the Revenues and Expenditures tables in the Fiscal Year 2023/24 Budget Presentation and rely solely on the Revenues and Expenditures pie charts. Dani recommended leaving in the Revenues and Expenditures tables because they include historical information to compare with the proposed budget. The Board agreed. Chair Tarras asked if we expect any issues with the drilling of Division Well No. 9. Reggie responded that because there are several good producing wells on the Division site, Division Well No. 9 should be successful. Treasurer Hjorth asked why we need a Caltrans permit for the drilling rig to come up the mountain. Reggie responded that the drilling rig is oversized (Permitted) which requires Caltrans' approval every time it is traveling on a Caltrans highway. Chair Tarras asked why Replenish Big Bear is listed in with Accomplishments because the Big Bear Area Regional Wastewater Agency is the lead agency for the project. Reggie responded that the DWP is highly involved with the planning and implementation of the project because we plan to percolate the treated water in the Sand Canyon aquifer, which will increase DWP's water supply.

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Commissioner Smith inquired if Total Revenue Inflows was projected to go up because of grants. Reggie responded yes. Chair Tarras inquired into the average number of new connections. Dani responded that typically there are approximately forty (40) new connections annually and this past year was an exception because of a new hotel in the Valley. Chair Tarras requested that interest rates be included with the Debt table. Treasurer Hjorth requested that grant funded projects be noted with Proposed System Rehabilitation Projects.

Commissioner Smith inquired into the Sustainability Expenditures. Reggie responded that the expense is DWP's contribution to the Bear Valley Basin Groundwater Sustainability Agency. Commissioner Smith asked why the Cost Sharing figure is zero. Dani responded that the line item refers to Carryforward Encumbrances and we do not know the amount to carryforward until July. Reggie stated that we can add a note to the presentation to reflect the purpose of the Cost Sharing reference.

3.4 Award Contract to Tennyson Pipeline Co. for the Division Well No. 6 Well Site Improvements Project

Commissioner Smith asked why the RE Chaffee Construction bid is so high. Reggie responded that contractors like Tennyson, Apple Valley Construction, and Borden have all done a number of projects in the Bear Valley and are familiar with the Valley which is why they typically bid responsively. Chair Tarras asked if staff performs a post bid evaluation to determine why some bids are high. Reggie responded that we talk to the contractors after the bid opening and informally discuss the bids. Reggie added that Tennyson has constructed almost all of DWP's pumping plants and they have low overhead because they use few subcontractors.

Motion made by Treasurer Hjorth, seconded by Commissioner Cylwik, and carried 5-0 to award a contract with Tennyson Pipeline Co. for the Division No. 6 Well Site Improvements Project for \$552,000, and budget internally \$27,600 for a 5% contingency for a total amount of \$579,600.

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES:

ABSTAIN:

3.5 Amendment No. 1 to WSC FY2022/23 On-Call Services Agreement – Garstin Water Operations Facilities Funding Application Assistance

Chair Tarras asked if this Amendment is after the fact. Reggie responded no; this Amendment is for WSC to assist the DWP with the preparation of low-interest rate loan and grant applications from the CEC, USDA, and USBR. Reggie stated the USDA loan application requires engineering and environmental reports performed. Commissioner Smith asked if the DWP has other engineering consultants on-call. Reggie responded no; in 2021, the DWP published a Request for Proposals from engineering firms for On-Call Engineering Services and Board awarded WSC a contract for these services for up to a 5-year period. Commissioner Cylwik stated that the Board approves the Budgets which include the planned Capital Improvement Projects, there are grant funding opportunities which come up, and Reggie brings the information to the Board for approval.

Motion made by Commissioner Cylwik, seconded by Vice-Chair Willey, and carried 5-0 to approve a budget adjustment, and approve a Purchase Order Amendment for \$71,300 to the FY 2022/23 On-Call Services Agreement for the Garstin Water Operations Facilities Funding Application Assistance.

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES:

ABSTAIN:

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3.6 Policy #2017-03 Purchasing Policy and Procedures - Local Preference Percentage

Chair Tarras asked if the DWP has assessed how many local contractors benefitted from the local preference percentage in the last three to four years. Reggie responded that based on his memory some local contractors have been in the three-percentage range, but none have benefitted from the local preference 1% percentage. Commissioner Cylwik stated that in his fourteen years with the City, the local preference percentage only occurred a couple of times. Commissioner Cylwik added that he is happy staff confirmed that DWP's local preference percentage is the same as the City of Big Bear Lake. Dani McGee stated that DWP's Purchasing Policy needs review and staff will be looking at this in the future. Board agreed to keep the Purchasing Policy as is.

3.7 Discuss Executive Order N-5-23 Which Removed the Requirement to Comply with Water Shortage Level 2 Requirements

Information report. No action required.

3.8 Adopt Statutory Exemption and File Notice of Exemption as the Appropriate CEQA Environmental Determination for the Wolf Pipeline Replacement Project

Treasurer Hjorth asked what DIP is. Reggie responded DIP is Ductile Iron Pipe.

Motion made by Treasurer Hjorth, seconded by Vice-Chair Willey, and carried 5-0 to adopt the recommended Statutory Exemption under the provisions of CEQA Section 15282(k) and authorize the General Manager to file the Notice of Exemption.

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES:

ABSTAIN:

3.9 Adopt Categorical Exemption and File Notice of Exemption as the Appropriate CEQA Environmental Determination for the Pontell Hydropneumatic System Project

Treasurer Hjorth asked why the tank is only 5,000 gallons. Reggie responded that it will serve a small portion of DWP's customers, and it may be a smaller tank.

Motion made by Vice-Chair Willey, seconded by Commissioner Smith, and carried 5-0 to adopt the recommended Categorical Exemption, Class 3 under the provisions of CEQA categorical exemption Section 15303 and authorize the General Manager to file the Notice of Exemption.

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES:

ABSTAIN:

3.10 Amendment No. 5 to WSC CIP Agreement for Design and Construction Management Services – Pontell Hydropneumatic System

Commissioner Smith asked if we have an agreement with WSC. Reggie responded yes; the agreement is for engineering services for the first five years of the 10-year Capital Improvement Plan (CIP). Commissioner Smith asked if there is a cap on the Agreement. Reggie responded no; the amount varies each year depending on the amount and type of Capital Improvement Projects planned and is limited by the Board approved budget appropriations. Commissioner Smith stated that he has an issue with the process. Commissioner Cylwik stated that a Request for Proposals (RFP) was published for engineering services for the first five years of the 10-year CIP. Chair Tarras asked if there was a back-up for engineering services if WSC is unavailable. Reggie responded no, and that we have not had issues with WSC. Commissioner Cylwik stated that when the Cityworks consultant

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could no longer perform according to the agreement, staff brought the issue back to the Board to award an agreement to another consultant. Commissioner Cylwik inquired into the two amounts stated in the table for July 27, 2021. Dani Responded the first amount was for the Division well No. 9 and Well Pumping Plant Project and the second amount was for the La Crescenta Well and Division Well No. 6 Well Building Replacements.

Motion made by Commissioner Cylwik, seconded by Treasurer Hjorth, and carried 4-0-1 to approve the budget adjustment and approve Amendment No.5 to WSC CIP Agreement for Design and Construction Management Services for the Pontell Hydropneumatic System Project.

AYES: Cylwik, Hjorth, Tarras, Willey

NOES:

ABSTAIN: Smith

3.10A Emergency Agenda Item - Vehicle Replacement Purchase

Commissioner Cylwik thanked the staff for contacting National Auto Fleet for a quote and asked if the second available vehicle was intended to replace the vehicle on order with Sunrise Ford. Danny responded no; not to replace the vehicle on order with Sunrise Ford but rather to replace a vehicle due to be replaced during Fiscal Year 2024/25 budget. Commissioner Cylwik stated his opinion that the Board should recommend purchasing both the trucks available at Victorville Motors because of the good value and immediate availability of the vehicles.

Motion made by Treasurer Hjorth, seconded by Commissioner Cylwik, and carried 5-0 to approve the budget adjustment and authorize the purchase of two RAM 1500 Quad cab 4X4 trucks in the amount of \$90,000.

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES:

ABSTAIN:

3.11 Management Reports

Treasurer Hjorth inquired into the accident and whether any employees were injured. Danny responded no; there was only property damage. Treasurer Hjorth inquired into the CPR training. Reggie responded that it went very well. Vice-Chair Willey asked where the DWP service area was on the California Drought Monitor. Bennett Rossell, Water Conservation & Communications Supervisor, responded the DWP service area is in D0 Abnormally Dry. Commissioner Cylwik inquired into the Earth Day event. Bennett responded the Earth Day event was well attended, that fourth graders were bussed to the event, and the general public also attended. Bennett added that the field workers were a great help. Treasurer Hjorth requested staff post photos of the Earth Day event on the DWP website.

Vice-Chair Willey stated that while she was walking her dog she noticed several broken meter boxes. Danny responded that the Meter Department is currently driving around inspecting meter boxes that may have been broken from the snow plows this past winter. Commissioner Cylwik stated that he likes the notion of American Flags being placed on the DWP trucks. Danny responded that the idea was presented by the field workers. Commissioner Smith inquired into the manual research required by staff for the eAR (Electronic Annual Report). Dani responded that the information requested for the eAR is not tracked by the DWP in the format needed to meet State requirements and that staff is going to meet to determine how best to pull the data on a regular basis. Treasurer Hjorth asked whether we are providing usage data from AMI meters to our customers

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and making the information available on our website via a portal. Dani responded that we brought the portal information to the Board recently and it was determined that it was not economically feasible at this time.

Treasurer Hjorth asked about the RFP for the Garstin Water Operations Facilities Project. Reggie responded that the RFP is being published in the Big Bear Grizzly and on DWP's website on Wednesday, April 26th. Reggie added we plan to post the RFP on the American Institute of Architects website and contact the consultants who proposed on the Master Space Plan RFP. Commissioner Smith suggested that we include LEED certification for the Architect as a requirement for the RFP for the Garstin Water Operations Facilities Project as well as, include a Zero Carbon Analysis for construction and operations of the Project. Chair Tarras asked what is reasonable and standard today for construction projects of this kind. Treasure Hjorth stated that LEED requirements have been required, at some level, for public buildings since 2004. Chair Tarras asked what our municipal requirements are. Commissioner Cylwik responded that as far as he knew, we do not have municipal requirements to reduce energy.

3.12 Board Member Reports

Treasurer Hjorth inquired into the timing of the pilot for the Replenish Big Bear Project. Reggie responded that he does not have a date yet and that he expects to have more information after a meeting later today. Commissioner Cylwik stated that he recently read that BBARWA is experiencing record storm water infiltration into the sewer collection systems. Chair Tarras inquired into the impact of the Replenish Big Bear Project on the agreement BBMWD has with Bear Valley Mutual. Reggie responded that the Replenish Team had a meeting with Bear Valley Mutual, and two of their wholesale water customers and their concerns were regarding the level of treatment BBARWA was proposing to provide. At this time, there is no need to revise the agreement between BBMWD and Bear Valley Mutual.

4. FOLLOW-UP ITEMS

4.1 Board Follow-Up Items

Treasurer Hjorth stated that he appreciates the Gantt charts. Commissioner Smith stated the Chili Cook-Off was great. Commissioner Cylwik asked who won the Chili Cook-Off. Danny responded that Kevin won the Chili Cook-Off.

ADJOURNMENT

No additional business came before the Board. At 11:29 a.m., Chair Tarras adjourned the meeting.



Leeanne Eagleson, Management Analyst/Board Secretary

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