

MINUTES OF A REGULAR BOARD MEETING
CITY OF BIG BEAR LAKE,
DEPARTMENT OF WATER AND POWER
BOARD OF WATER AND POWER COMMISSIONERS
October 24, 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 9:07 a.m. on October 26, 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.

ACKNOWLEDGEMENT

Reggie Lamson, General Manager, presented Leeanne Eagleson, Management Analyst/Board Secretary, with a 5-year Service Award.

1. CONSENT CALENDAR

1.1 Approve Minutes of the Regular Board Meeting Dated September 26, 2023

Motion made by Commissioner Cylwik, seconded by Vice-Chair Willey, 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 Proposed Lease with North Shore Improvement Association for the Cline Miller Reservoir and Booster Site in Fawnskin

Billy Van Vugt, North Shore Improvement Association (NSIA) Board Member and Honorary Mayor of Fawnskin, addressed the Board regarding a potential dog park at the Cline Miller Booster Site. Commissioner Smith asked if the plan is to separate big dogs from small dogs and the size of the site. Reggie responded that the site is approximately an acre. Commissioner Smith added that Meadow Park Dog Park has an area for big dogs and a separate area for small dogs. Chair Tarras inquired into liability insurance for use of the DWP site. Billy responded that he has not research insurance requirements yet. Chair Tarras inquired into parking at the site and whether they have talked to the neighbors. Billy responded that there is street parking and they have talked with some neighbors who appear to be positive about the idea. Chair Tarras inquired into the hours of operation. Billy responded that the hours of operation will be determined and placed on the signage for the dog park. Commissioner Smith recommended the hours be sun up to sun down.

Chair Tarras asked if we have talked to our attorney's yet about the proposed lease. Reggie responded that he was waiting until the Board determined if they were interested in pursuing the opportunity. Vice-Chair Willey agreed with Commissioner Smith that the NSIA should consider separating big dogs from small dogs and recommended they check with Meadow Park and the dog park in Sugarloaf regarding liability issues. Commissioner Cylwik asked if the DWP has a history of collecting rent from their existing properties. Reggie responded that we have a lease with Verizon for use of Lake Plant No. 6 for a cell tower. Commissioner Cylwik inquired into whether we should consider selling the site to the County. Reggie responded that we are not recommending selling the site because the site is flat and a good location if we need to construct another reservoir on the site. Chair Tarras asked staff to research the proposed lease with our attorneys.

3.2 Authenticate Check Register 09/01/2023 to 09/30/2023

Commissioner Cylwik inquired into check numbers 18296 and 18377 paid to DDH Apple Valley Construction and asked if we are waiting on the Notice of Completion to release the retention amounts. Reggie responded yes. Commissioner Smith inquired into check number 18304 paid to Nathan Statham for conservation rain barrels. Nathan Statham, Chief Financial Officer, responded that he purchased the needed rain barrels on his personal credit card because there was no department credit card available, but the new credit card policy has mitigated any future need for the use of personal credit cards.

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

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES:

ABSTAIN:

3.3 Resolution No. DWP 2023-15 – Outdoor Efficiency Rebates Program Extension

Commissioner Cylwik stated that he doesn't understand why grass is bad when grass generates oxygen. Chair Tarras added that grass is good for peoples' well-being. Commissioner Cylwik stated that since the SAWPA grant has run its course, we should return to the \$0.50 per square foot for grass removal. Bennett, Water Conservation & Communications Supervisor requested the Board consider keeping the \$1.00 per square foot for the removal of grass as a conservation measure. Nathan stated that this agenda item is to put the program into place and the Board can determine how they want to move forward with program funding during the budget process. Treasurer Hjorth recommended we maintain the \$1.00 per square foot.

Motion made by Treasurer Hjorth, seconded by Vice-Chair Willey and carried 4-1 to adopt Resolution No. DWP 2023-15 approving the continuance of the Outdoor Water Efficiency Rebate program for an additional 3 years.

AYES: Hjorth, Smith, Tarras, Willey

NOES: Cylwik

ABSTAIN:

3.4 Ratify Change Order Nos. 2 & 3 to the South West Pump & Drilling Contract for the Division Well No. 9 Drilling Project

Chair Tarras asked if the increased drilling located a new source of water supply. Reggie responded that the testing revealed a possible new water source that was encouraging, but unfortunately, it did not pan out. Chair Tarras asked if there is still potential for greater than expected water output. Reggie responded yes; the well has the potential to yield 250 gpm or greater. Chair Tarras asked if switching to a vertical turbine pumping unit means we can shut down two Division wells. Reggie responded that we could use the other wells as standby

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wells and operate them less. Chair Tarras asked about the impact on the Solar Field. Reggie responded hardly anything because the demand on power is less with vertical turbine pumps. Commissioner Smith inquired into the amount of the expected additional change order for contemplated well depth and diameter changes. Reggie responded that he does not have the cost per lineal foot yet. Commissioner Smith asked if the change order will fit into the contingency amount. Reggie responded that he would assume no. Chair Tarras stated that we can make a decision at the next Board meeting. Reggie requested a Special Board meeting. Commissioner Cylwik requested that staff reports for change orders include an excel table that reflects the contract amount, contingency, and change orders for ease of understanding impact on each project.

Motion made by Vice-Chair Willey, seconded by Commissioner Smith and carried 5-0 to ratify Change Order Nos. 2 & 3 to the South West Pump & Drilling Contract for the Division Well No 9 Drilling Project in the amount of \$9,781.42.

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES:

ABSTAIN:

3.5 Resolution No. DWP 2023-16 – Receive and File the 2023 Development Impact Fee Annual Report 2023 pursuant to the Mitigation Fee Act

Commissioner Cylwik inquired into the current development impact fee. Nathan responded \$11,496 per EDU. Commissioner Cylwik asked how the new fee amount currently being studied is calculated and how the report will affect it. Nathan responded that there is no effect on the updated fee calculation; the report just states what we collected. Nathan added the fee is composed of two components: (1) buy in component to refund existing rate payers for existing system capacity costs; and (2) future development component. Nathan stated that the development component is affected primarily by new pipeline projects.

Motion made by Vice-Chair Willey, seconded by Treasurer Hjorth and carried 5-0 adopt Resolution No. DWP 2023-16 to receive and file the DWP Development Impact Fee Annual Report 2023.

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES:

ABSTAIN:

3.6 Ratify Change Order No. 2 to the Apple Valley Construction Contract for the Wolf Pipeline Replacement Project

Commissioner Smith inquired into the contingency amount. Commissioner Cylwik stated that Change Order No. 1 will be paid for by the City. Reggie responded that the change to project cost is below the contingency of 5%.

Motion made by Commissioner Cylwik, seconded by Commissioner Smith to ratify Change Order No. 2 to the Apple Valley Construction Contract for the Wolf Pipeline Replacement Project in the amount of \$49,284.61.

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES:

ABSTAIN:

3.7 Notice of Completion for the Wolf Pipeline Replacement Project

Motion made by Commissioner Cylwik, seconded by Commissioner Smith to authorize staff to file with the San Bernardino County, a Notice of Completion for the Wolf Pipeline Replacement Project naming DDH Apple Valley Construction, Inc. as the Contractor.

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES:

ABSTAIN:

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3.8 Ratify Change Order No. 2 to the Borden Excavating Construction Contract for the 2022 Pipeline Replacement Project

Motion made by Treasurer Hjorth, seconded by Vice-Chair Willey to ratify Change Order No. 2 to the Borden Excavating, Inc. Contract for the 2022 Pipeline Replacement Project in the amount of \$49,341.97.

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES:

ABSTAIN:

3.9 Notice of Completion for the 2022 Pipeline Replacement Project

Motion made by Commissioner Cylwik, seconded by Vice-Chair Willey to authorize staff to file with the San Bernardino County, a Notice of Completion for the 2022 Pipeline Replacement Project naming Borden Excavating, Inc.. as the Contractor.

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES:

ABSTAIN:

3.10 Ratify Change Order No. 2 to the Borden Excavating Construction Contract for the 2023 Pipeline Replacement Project

Commissioner Smith inquired into Change Order No. 1 and whether we increased the budget for the project. Commissioner Cylwik responded that we revised the scope of work. Reggie stated that Change Order No. 2 is primarily because of poor record drawings as well as additional valves in Moonridge that could have been installed by our in-house staff but were contracted out due to heavy in-house workloads.

Motion made by Vice-Chair Willey, seconded by Commissioner Cylwik to ratify Change Order No. 2 to the Borden Excavating, Inc. Contract for the 2023 Pipeline Replacement Project in the amount of \$65,244.28.

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES:

ABSTAIN:

3.11 Notice of Completion for the 2023 Pipeline Replacement Project

Commissioner Cylwik stated that he has concern filing the Notice of Completion if we have not completed the project. Reggie responded the work is complete and the contractor has agreed to come back to make required grind and cap paving repairs. Commissioner Cylwik stated that according to the California Contract Code, all contractors must complete the job. Reggie suggested we table the Notice of Completion until he can speak with our attorneys.

3.12 Garstin Water Operations Facilities Project Update

Chair Tarras asked if we should consider requesting \$8,000,000 lending from the USDA. Reggie responded that is what we are considering. Commissioner Cylwik asked if the interest rates change based on the amount borrowed. Reggie responded no; but the grant portion of the loan agreement may go up. Nathan added the USDA is proposing a comprehensive funding package. Commissioner Cylwik stated that he appreciated the new layout and over all site plan. Reggie stated that he has a meeting with the architect and a civil engineer to discuss grading concerns. Commissioner Smith stated that he has issues with the process and the schedule because we are behind schedule, and he is not thrilled with the box design of the building. Chair Tarras responded that this is a substantial process, and we should expect delays. Reggie stated that until we had a floor plan, we should not discuss elevations.

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Commissioner Cylwik asked if we are considering the drawing the schematic design. Reggie responded that the drawing represent the conceptual design before details. Commissioner Cylwik asked if there was any consideration of moving the internal conference room and breakroom to an exterior wall of the building to obtain natural light. Reggie responded that we have discussed solar tubes in the interior rooms. Vice-Chair Willey asked if there is an outside area for the employees. Reggie responded yes; a covered patio.

3.13 Management Reports

Commissioner Smith commented on the career fair. Rachel Franklin, Human Resources Administrator, responded that the career fair was held at the local high school, and the students were required to ask questions which prompted more questions. Commissioner Cylwik asked about the opportunity to hire high school interns. Rachel responded that we have not had any success in the past with recruiting interns, but we could try again. Rachel added that she will add the topic of hiring interns to the HR Committee Meeting discussion. Commissioner Cylwik congratulated conservation on their fourth Water Sense award. Commissioner Smith asked if there was any new information gleaned from the conference. Bennett responded that last year was overwhelming because it was all new for him. Bennett added that he has learned the DWP is ahead of the game, because we have AMI meters. Commissioner Cylwik asked if the CSD has a water conservation program. Bennett responded that one CSD employee has stepped up and participated in the Xeriscape Garden Tour.

Commissioner Cylwik asked if the purpose of the large skylight at Division Well No. 6 is to pull out equipment. Danny Ent, Water Superintendent, responded yes. Treasurer Hjorth inquired into whether we have replaced all wooden meter boxes. Danny responded that we replace the boxes as needed. As long as the box is structurally sound, we wait to replace it. Reggie added that when we are replacing pipeline and wooden meter boxes are on the new pipeline segments, we replace the wooden boxes. Commissioner Cylwik inquired into the record digitization and the project end date of June 2024. Nathan responded that Customer Service is on target to complete the digitization prior to the project end date. Commissioner Cylwik requested a project chart for the digitization. Chair Tarras responded the project is targeted to be completed early 2024 and that project charts are typically for projects lasting longer than a year. Commissioner Smith inquired into the rate study. Nathan responded that the water rate study will likely be completed in December, and we have provided calculations to Raftelis for the miscellaneous fees.

Nathan stated that the DWP is beginning to experience supply chain issues that are complicating inventory stocking levels. Commissioner Cylwik asked what can be done. Reggie responded that we may need to stock more inventory. Nathan added that inventory is an asset and there are advantages to being heavy on inventory. Reggie stated that we are considering revising the lead time triggers in our inventory system. Nathan advised the Board that he is waiting on project invoices to present the September financial reports. Chair Tarras asked if accounting has had a meeting with the auditors. Nathan responded that the audit review is complete. Commissioner Cylwik inquired into the storm damage that occurred during the 2022/23 winter storms. Reggie responded that there was ice damage at the office building. Commissioner Cylwik asked if there was damage to the solar components. Reggie responded not from the winter storms but recently an inverter at the Division Solar Field failed. We are buying a replacement inverter and warranting another.

3.14 Board Member Reports

None.

4. FOLLOW-UP ITEMS

4.1 Board Follow-Up Items

Treasurer Hjorth inquired into the Cityworks Phase 2 implementation demonstration. Nathan responded that staff has been working on the Cityworks Phase 2 and revising priorities. Commissioner Smith inquired into the

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date for the HR Committee meeting. Rachel responded that the HR Committee is scheduled to meet on November 14th.

At 11:57 a.m., Chair Tarras closed the open session.

At 12:10 p.m., Chair Tarras open the closed session.

5. CLOSED SESSION

5.1 Closed Session Pursuant to Section 54957, Public Employee Performance Evaluation

Title: General Manager

At 1:27 p.m., Chair Tarras closed the closed session with no reportable action.

ADJOURNMENT

No additional business came before the Board. At 1:27 p.m., Chair Tarras adjourned the meeting.



Leeanne Eagleson, Management Analyst/Board Secretary

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