

MINUTES OF A REGULAR BOARD MEETING
CITY OF BIG BEAR LAKE,
DEPARTMENT OF WATER AND POWER
BOARD OF WATER AND POWER COMMISSIONERS
October 26, 2021

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 October 26, 2021, 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

Bob Tarras, Chair

PUBLIC FORUM

None

1. CONSENT CALENDAR

1.1 Approve Minutes of the Regular Board Meeting Dated September 28, 2021

1.2 Notice of Completion – 2018 USDA Pipeline Replacement Project, Phase III Package A

Motion made by Commissioner Cylwik, seconded by Treasurer Hjorth, 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 9/1/2021 to 9/30/2021

Treasurer Hjorth inquired into check number 15567 paid to Complete Paperless Solutions and requested the status of the Laserfiche Project. Reggie Lamson, General Manager, responded the DWP staff will provide an update on the Laserfiche Project to present to the Board at the November Board meeting. Treasurer Hjorth also inquired into check number 15623 paid to Dalia Car Company (Diamond Chevrolet) for motor repair and specifically asked if DWP staff researches the existing value of vehicles prior to authorizing significant repairs. Danny Ent, Water Superintendent, responded that in this case the motor issue was unforeseen and the mileage on this vehicle was significantly less than when we typically replace a vehicle. Commissioner Smith inquired into the fleet replacement plan for older vehicles. Danny responded we have a vehicle replacement program that we will be updating in the near future and that we were experiencing long lead times to acquire new vehicles due to supply issues. Commissioner Smith requested the DWP look into future vehicle replacement for next year now and also consider electric vehicles when practical. Treasurer Hjorth inquired into check number 15635 paid to Mission Linen & Uniform Service. Danny responded the expense is to replace worn out uniforms. The credit balance is because Mission Linen sent the incorrect uniforms. Treasurer Hjorth inquired into check number 15636 paid to Nativescapes and specifically asked what the annual cost is to maintain the Sunrise Garden. Dani McGee, Chief Financial Officer, responded that she will research and provide the cost to maintain the Sunrise Garden to the Board. Treasurer Hjorth requested a bid process next Spring for the maintenance of the garden. Commissioner Smith inquired into check number

15561 paid to Borden Excavating and check number 15570 paid to Apple Valley Construction and specifically what was remaining on the 2018 USDA Pipeline Replacement Project. Reggie responded that Borden Excavating completed their portion of the Project and Apple Valley Construction will return in Spring 2022 to complete two segments. Commissioner Smith inquired into check number 15627 paid to Hach Company. Reggie responded the expense was for calibrating our Hach equipment. Commissioner Smith asked if we have a service agreement with Hach. Reggie responded that he will research this and let the Board know. Commissioner Smith inquired into the refund paid to Antoine Elhajjar. Dani responded that she believed the refund was for fees related to adding fixture units to a homeowner's property, where subsequently the homeowner cancelled the construction permit. These refunds require approval of the General Manager. Dani agreed to confirm that this was the case.

Motion made by Treasurer Hjorth, seconded by Commissioner Smith, and carried 5-0 to authenticate the Check Register for September 2021.

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES: -

ABSTAIN: -

3.2 June 30, 2021 Financial Analysis Unaudited

Treasurer Hjorth inquired into Customer Accounts and specifically, the merchant bank fees. Dani responded there are two fees; one for Tyler which is fixed fee for each transaction and that was established in the software contract and one for the merchant bank. Dani further stated that staff had recently renegotiated fees with the merchant bank and secured a reduction based upon the DWP's transaction volume.. Treasurer Hjorth stated that he would like to know if the fees are reasonable compared to other merchants. Dani stated that there is only one merchant bank that is compatible with the current software and that she would provide additional answers related to the merchant bank rates. Commissioner Smith inquired into the capitalized of DWP personnel costs for the USDA Pipeline Projects. Reggie responded that the DWP uses in-house labor for construction observation & management and these costs are added to the total project costs. Reggie further added that soft costs for construction in California range between 28-32%. For the past few years, DWP's soft costs are approximately 15% and using DWP staff has contributed towards these lower soft costs. Commissioner Smith inquired into how the capitalized labor cost is budgeted. Reggie responded that an assumption is made on what the capitalized labor will be for the fiscal year. Chair Tarras inquired into whether the use of a contractor to perform construction observation would be reimbursable. Dani responded that it would be and added the grant is a flat amount. The DWP prefers to install more replacement pipe with grant funds, than pay a consultant additional soft costs.

3.3 Adopt Categorical Exemption and File Notice of Exemption as the Appropriate CEQA Environmental Determination for the Division Well No. 9 Project

Motion made by Treasurer Hjorth, seconded by Vice-Chair Willey, and carried 5-0 to adopt the recommended Categorical Exemption, Class 2 under the provisions of the CEQA categorical exemption Section 15300 and authorize the General Manager to file the Notice of Exemption.

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES: -

ABSTAIN: -

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We are an equal opportunity provider and employer.

3.4 Well Pumping Unit Replacements for the Seminole, Onyx, Middle School, and McAlister Wells

Treasurer Hjorth inquired into whether it is typical for contractors to communicate they will not be submitting a bid. Commissioner Cylwik responded that that is not a requirement of contractors. Chair Tarras stated that considering the supply chain issues, maybe it would be prudent to have critical parts in our inventory. Reggie responded that the complication is that every well pumping unit is unique and that we would lose efficiency if we tried to use one well pumping unit for all of our different well pumping conditions. Additionally, Reggie stated that Tri County Pump has a good working relationship with suppliers and is usually able to get materials in a timely fashion. Treasurer Hjorth stated that when we installed the well pumping unit at the Sawmill Well, it was defective and if the pumping unit had sat on a shelf for a year, the warranty would have expired.

Motion made by Vice-Chair Willey, seconded by Commissioner Cylwik, and carried 5-0 to award the well pumping unit replacements for the Seminole, Onyx, Middle School, and McAlister wells to Tri-County Pump Company for a total of \$79,703.49 and budget internally for a \$3,985.17 contingency, for a total amount of \$83,688.66.

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES: -

ABSTAIN: -

3.5 Contact Congress Regarding Water Infrastructure Legislation

Commissioner Cylwik requested the letter focus on water infrastructure and specifically mention the Replenish Big Bear Project. Commissioner Smith inquired into whether the DWP has any lead pipe. Reggie responded that DWP does not.

3.6 Temporary Staffing - Accounting

Commissioner Cylwik suggested we fund the temporary accounting position until the end of the fiscal year. Commissioner Smith inquired into the source of Accountemps employees. Dani thanked Commissioner Cylwik stating she did not think it necessary and responded the temporary employees will be sourced locally. Dani added the position should be easier to fill because it is primarily clerical.

Motion made by Vice-Chair Willey, seconded by Commissioner Cylwik, and carried 5-0 to authorize temporary staffing for an accounting clerk and authorize the budget adjustment of \$42,000.

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES: -

ABSTAIN: -

3.7 Moonridge Pipeline Relocation Project-Change Order No. 1 and File Notice of Completion

Commissioner Smith stated that he has an issue with approving change orders that the work has already been completed. Dani asked Commissioner Smith if he would prefer to hold Special Board Meetings to review change orders timely. Commissioner Cylwik shared his belief that we authorize staff to execute projects and we trust the staff to properly review change orders. Reggie shared that he has brought change orders to the Board's attention and the Board would ratify the General Manager's decision to approval of the change orders. Commissioner Smith responded that he would be more comfortable with the language "ratify" rather than approve. Reggie suggested a process in which he emails the Board to give them notice of change orders which will be agenzized for ratification at future Board meeting.

Motion made by Commissioner Cylwik, seconded by Commissioner Smith, and carried 5-0 to approve Change Order No. 1 for \$17, 228.04 for the Moonridge Relocation Project and authorize staff to file a Notice of Completion.

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES: -

ABSTAIN: -

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3.8 Management Reports

Rachel shared the DWP Holiday Party will be held on Friday, December 17th at Nottinghams. Treasurer Hjorth stated that the Board will miss Sierra Orr, Water Conservation & Communication Supervisor. Commissioner Cylwik wished Sierra well. Commissioner Smith inquired into Sierra's replacement. Rachel responded that we have posted the positions and have four interviews scheduled for the second week in November. Treasurer Hjorth inquired into Hersey meters. Danny responded that we are replacing the Hershey meters with Sensus meters and that all the meters are radio read. Reggie added the Hershey interface is not as good. Treasurer Hjorth inquired if we have radio read technology on all DWP wells. Danny responded that we do. Commissioner Cylwik stated that he found the paving on Big Bear Boulevard better than that in Fawnskin. Commissioner Smith stated that he found the Workshop on the Bear Valley Basin Groundwater Sustainability Plan informative. Treasurer Hjorth inquired into the avenues to recover past due payments due to COVID. Dani responded the County has a COVID relief program that the DWP enrolled in. Customers have been notified of the County program through the website.

3.9 Board Member Reports

Treasurer Hjorth stated there is a great deal of interest in the Replenish Big Bear Project. Vice-Chair Willey stated that she is sorry to see Sierra leave the DWP and wished her the best. Commissioner Smith stated there are questions regarding Replenish Big Bear especially, how it will be funded. Additionally, Commissioner Smith request and update on fleet management. Commissioner Cylwik again stated he wished Sierra well and said he will miss the radio advertisements. Chair Tarras stated that we will all miss Sierra.

At 10:28 a.m., Chair Tarras closed open session.

At 10:40 a.m., Chair Tarras opened closed session.

At 1:04 p.m., the Board returned to open session with no reportable items.

ADJOURNMENT

No additional business came before the Board. At 1:05 p.m. Chair Tarras adjourned the meeting.



Leeanne Eagleson, Secretary to the Board of Commissioners
DWP Board of Commissioners

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