

MINUTES OF A REGULAR BOARD MEETING
CITY OF BIG BEAR LAKE,
DEPARTMENT OF WATER AND POWER
BOARD OF WATER AND POWER COMMISSIONERS
March 25, 2025

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 March 25, 2025, by Chair Bob Tarras.

BOARD MEMBERS

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

None.

INTRODUCTION

Jason Hall introduced Ben Berge as DWP's new Water Production Supervisor.
Kim Hauer introduced Caitlin Kent as DWP's new Accountant I.

1. CONSENT CALENDAR

1.1 Approve Minutes of the Regular Board Meeting Dated February 25, 2025

Agenda item 1.2 was removed from the Consent Calendar.

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

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES:

ABSTAIN:

2. ITEMS REMOVED FROM CONSENT CALENDAR

2.1 Approve Minutes of the Special Board Meeting Dated March 4, 2025

Commissioner Cylwik requested a correction to the March 4, 2025 Special Board Meeting minutes. Commissioner Cylwik requested that the minutes be revised to reflect the conversation that was had during the meeting, regarding DWP's rate increase as it pertained to the Garstin Water Operations Facility Project.

Motion made by Vice-Chair Willey, seconded by Commissioner Smith, and carried 5-0 to approve the minutes of the March 4, 2025 Special Board Meeting as corrected.

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES:

ABSTAIN:

3. DISCUSSION/ACTION ITEMS

3.1 Authenticate Check Register 02/01/2025 to 02/28/2025

Commissioner Smith asked about Check Number 19825 paid to Execucom. CFO Nathan Statham explained that this is for DWP's afterhours answering service and it is billed monthly. Commissioner Smith inquired about Check Number 19865 paid

to Environmental Systems Research Institute. Nathan explained that this is our annual GIS Agreement fee. Commissioner Cylwik asked about Draft Number DFT0000419 to Verizon Wireless and why the amounts vary for each service line. Nathan explained that the amounts are allocated to the department that uses it but the amount per service line does not change.

Motion made by Treasurer Hjorth, seconded by Commissioner Cylwik, and carried 5-0 to authenticate the Check Register for February 2025.

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES:

ABSTAIN:

3.2 Replacement Backup Generator

Nathan gave an update on the Replacement Backup Generator. Chair Tarras inquired about installing batteries instead of generators. Commissioner Cylwik commented that batteries would be a very expensive option. Chair Tarras asked what backup power equipment other local agencies use, and Commissioner Cylwik stated that City Hall and BBARWA use generators. General Manager Reggie Lamson explained that staff has gathered information to bring to the Board and is now looking for direction from the Board regarding the Replacement Backup Generator. Treasurer Hjorth and Vice-Chair Willey both commented in favor of the larger model 400 generator as the first replacement purchase instead of the previously discussed model 150. Treasurer Hjorth asked if there would be any trade in value for DWP's current generators. Water Superintendent Jason Hall responded that when he was gathering quotes for the new generators, there was no interest in trading in the current generators due to their age and subsequent AQMD air pollutant regulations. Nathan remarked that we still need the current generators to be used as addition backups. Commissioner Cylwik commended staff for maintaining the generators so well, for so long. Commissioner Cylwik asked for clarification on the fuel tank capacity of the different generators and trailers which Jason clarified that staff do not want the generators or trailers to hold large amounts of fuel that could potentially sit in the units for an extended period and start to gel up. Commissioner Cylwik asked if the Backup Electrical Generation Contingency Plan and Supplemental 1 will be separated from the Generator Report to be adopted. Nathan clarified that DWP will not be adopting the Contingency Plan, it is informational only and will remain a reference document. Chair Tarras asked if there are any other scenarios where the generators are utilized. Jason explained that DWP lends the generators to other utilities and entities in the valley when needed. Chair Tarras commented that generators can be finicky pieces of equipment and asked if the quoted brands have been proven to perform well. Jason explained that portable generators do not have the same AQMD requirements as stationary generators. Commissioner Cylwik asked about purchasing an extended warranty or having a maintenance agreement for the new generator. Nathan explained that with the low hours the DWP operates the generators, it would not financially make sense to purchase either of those things. Jason explained that DWP's current generators are maintained yearly by an outside company that comes up to test and service them.

3.3 Garstin Operations Facility Financing Update

Nathan gave an overview on the updates for the Garstin Water Operations Facility Financing. Reggie explained how this loan through USDA is different than the previous loans, in that there is no grant component and that interim financing requirements have been waived for previous loans. Commissioner Smith asked about getting bids for the Project prior to having funding. Nathan explained that funding for the Project will be finalized once the bid has been received, but the USDA Letter of Conditions is seen as a sufficient guarantee to move forward. Vice-Chair Willey asked Nathan how he found the company for interim financing. Nathan explained that the company information was provided by USDA. Reggie confirmed that the company has been very helpful and responsive.

3.4 Discuss and Review Bids and Consider Award for the Wolf Booster Station Replacement Project

District Engineer Daniel Baguyo gave an overview of the bids for the Wolf Booster Station Replacement Project. Reggie clarified that the bids do not include the fencing component as it was removed from scope of work. Daniel explained that the apparent low bidder was RE Chaffey (REC), but their bid was considered non-responsive because it was signed by REC's Board Secretary who, according to the provided documentation, at the time of the Board meeting, was not authorized to act on behalf of the corporation. Daniel explained that DWP's consulting engineering staff from WSC and legal counsel reviewed the next lowest bid, which was Tennyson Pipeline Co., and their bid did meet all DWP requirements. Daniel went on to say that, based on the provided documentation, WSC and staff recommend rejecting the bid from REC (as being nonresponsive) and awarding the contract to the next lowest bidder, Tennyson. Chair Tarras asked if REC had been notified of their bid being rejected. Reggie

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Regular Meeting Minutes

March 25, 2025

Page 3 of 3

and Daniel explained that staff were waiting to notify REC based on the Board's decision. Treasurer Hjorth and Commissioner Cylwik expressed concern with rejecting the REC bid based on a "technicality". Commissioner Cylwik talked through the options the Board could take by either awarding the contract to Tennyson and rejecting REC's bid, or table the item until a subsequent meeting for Board consideration of award of the contract. Chair Tarras asked about the Project being over Budget. Reggie, Daniel and Nathan explained that this Project has been ongoing for the last three years and construction costs and materials have increased, and the scope of work has changed as the Project has progressed. Treasurer Hjorth suggested that staff notify REC of the issue with their bid and table this item until the next Board meeting. Commissioner Smith suggested that it would be better to reject the bid from REC. Commissioner Cylwik advised that staff should have had more direct communication with REC. Commissioner Smith stated that staff should not have direct contact with a low bidder until a contract has been awarded, unless clarification to the bid documentation is needed. Nathan and Daniel explained that WSC contacted REC on behalf of DWP and requested documentation to confirm the signatory authority of REC's Board Secretary, and that REC provided documentation showing only the President of the company was authorized to sign the contract or bid bonds. The Board Secretary who signed the bid form and bid bonds was not authorized per the documents provided. Reggie explained that based on the documentation provided, the bid bond was unenforceable. Vice-Chair Willey asked about the handwritten items on page seventy-eight of Tennyson's bid regarding Build-America-Buy-America requirements. Daniel explained that the contractor would be required to adhere to BABA requirements as stated in the bid documents.

Motion made by Commissioner Cylwik, seconded by Commissioner Smith, and carried 5-0 to reject the bid of RE Chaffee Construction, Inc. as non-responsive for the Wolf Booster Replacement Project, award a contract with Tennyson Pipeline Co. for the Wolf Booster Station Replacement Project for \$1,738,000, and budget internally \$86,900 for a 5% contingency for a total amount of \$1,824,900.

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES:

ABSTAIN:

3.5 Division Well No. 2 Rehabilitation and Pump Motor Replacements

Jason gave an overview of the Project. Commissioner Smith, Treasurer Hjorth and Commissioner Cylwik inquired as to why DWP recommended Tri County Pump without obtaining additional quotes to meet competitive procurement requirements. Nathan, Reggie and Jason explained that the process of pulling the pump, evaluating the well casing and designing a workable solution relied on expertise from Tri County and DWP staff making this a negotiated contract which is exempt from competitive procurement under DWP's purchasing policy. Further, Tri-County Pump already performed a significant amount of work without compensation, so DWP would need to establish a separate service agreement for those services to develop project specifications to be able to competitively advertise the project which is why it is treated as a negotiated contract. It was also noted that Tri County Pump is familiar with this well, having removed and replaced the pumping units the previous two times that had failed. Tri County Pump also handled a similar situation with RV Park Well No. 1 and staff were pleased with those results. When the Division Well No. 2 pumping unit failed recently, Tri County Pump was called out to diagnose the failure to determine if it was a warranty issue. It was determined that the well casing had failed and needs to be re-sleeved and the pumping unit replaced. Commissioner Smith asked if the pump is under warranty. Reggie stated that it is not under warranty and that the pumping unit will need to be redesigned, once the well is re-sleeved. Vice-Chair Willey asked about the financial components of this report. Nathan explained that DWP budgets for 2 well pump replacements annually, however none were completed last year, and four pumps have failed this year. Jason Hall explained that Lake Plant Wells No. 5 and No. 6 are simpler replacements than Division Well No. 2, which is why they are expected to be less expensive. Commissioner Smith asked if the well casing failure could have been avoided through additional maintenance and what maintenance is done on the wells. Jason explained that the Production Department staff perform routine maintenance when they visit the well sites each week and that the Division Well No. 2 is DWP's oldest well and has been problematic for years but is worth repairing due to its production volume and the newness of its housing facility.

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Motion made by Vice-Chair Willey, seconded by Treasurer Hjorth and carried 5-0 to approve a contract with Tri County Pump for the repair services to rehabilitate Division Well No. 2 for \$135,846 budgeting \$13,585 internally for a 10% contingency for a total not to exceed project amount of \$149,431 and appropriate sufficient additional funds to complete replacement for all four inoperable well pumps.

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES:

ABSTAIN:

3.6 Management Reports

DWP staff and Board Members spent a few minutes observing the new EV Backhoe that was delivered to DWP on March 20th.

Vice-Chair Willey commented on the Conservation Department's involvement in the Read-A-Thon at the local elementary schools. Conservation Supervisor Bennett Rossell said it was a great experience for him and Conservation Specialist Steve Tokeshi and there was great participation by the kids.

Commissioner Cylwik asked how many Hersey meters are still in the system. Reggie estimated about 600 are left to be replaced. Treasurer Hjorth asked why DWP is replacing the entire meter and not just the battery. Reggie explained that you cannot replace only the battery because it is all sealed as one unit to be water tight, so the whole unit must be replaced.

Commissioner Smith asked if the Pontell Hydropneumatic Tank Project schedule has been affected by the delay in the tank fabrication. Reggie and Daniel explained that yes, it has affected the schedule. Commissioner Smith and Commissioner Cylwik asked about the tank delivery date in the contract and what can be done regarding the delayed delivery, and if it is holding up ongoing work for the Project. Reggie and Daniel explained that the tank fabrication began at the beginning of March and is about thirty percent complete but is not currently holding up work for the rest of the Project due to inclement weather. Daniel applied for the time extension on the USBR grant financing part of the Pontell Hydropneumatic Tank Project and it was approved. Commissioner Smith asked if the new deadline will be met, and Daniel confirmed that it seems likely now that the tank is actually in production. Treasurer Hjorth asked if work can continue on the Pontell Project without the tank. Daniel and Reggie confirmed that a lot of the block work can be done easier without the tank being installed. Commissioner Smith asked if the Garstin Water Operations Building Project is in plan check. Daniel confirmed that the plans are being reviewed by the city, and that comments are expected to be minor. Daniel stated that the project should go out to bid by April 30th. Reggie commented that USDA who is financing the project will review the bid package before it goes out to bid. Commissioner Cylwik asked if WSC is still maintaining the Hydraulic Model for DWP. Daniel explained that he has been exploring software that would allow him to maintain the Hydraulic Model and has found one. Commissioner Smith asked if DWP is maintaining standard drawings and specifications in-house. Daniel confirmed that he had already done an update of the standard drawings recently and will be updating the standard specifications going forward.

Treasurer Hjorth asked if there have been any issues with the Garstin building designs. Reggie said that there has not. Commissioner Smith requested that The Friday Report provided by architectural firm PBK be more detailed.

3.7 Board Member Reports

Vice-Chair Willey commented on Danny Ent's well attended retirement party. Vice-Chair Willey and Commissioner Cylwik will not be available to attend the April 22, 2025 DWP Regular Board Meeting.

4. BOARD FOLLOW-UP ITEMS

None.

5. ADJOURNMENT

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Regular Meeting Minutes

March 25, 2025

Page 5 of 3

No additional business came before the Board. At 11:20 a.m., Chair Tarras adjourned the meeting.

Sam Armstrong

Sam Armstrong, Board Secretary, DWP Board of Commissioners

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