

MINUTES OF A REGULAR BOARD MEETING
CITY OF BIG BEAR LAKE,
DEPARTMENT OF WATER AND POWER
BOARD OF WATER AND POWER COMMISSIONERS
April 23, 2024

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 9:01 a.m. on April 23, 2024, by Vice-Chair Barbara Willey.

BOARD MEMBERS PRESENT

Barbara Willey, Vice-Chair
Joe Cylwik, Commissioner
Jim Smith, Commissioner

BOARD MEMBERS EXCUSED

Bob Tarras, Chair
Craig Hjorth, Treasurer

PLEDGE OF ALLEGIANCE

Vice-Chair Willey led the pledge of allegiance.

PUBLIC FORUM

None.

1. CONSENT CALENDAR

1.1 Approve Minutes of the Regular Board Meeting Dated March 27, 2024

Motion made by Commissioner Cylwik, seconded by Commissioner Smith, and carried 3-0 to approve the Consent Calendar.

AYES: Cylwik, Smith, Willey

NOES:

ABSTAIN:

2. ITEMS REMOVED FROM CONSENT CALENDAR

None.

3. DISCUSSION/ACTION ITEMS

3.1 Authenticate Check Register 03/01/2024 to 03/31/2024

Commissioner Smith inquired into draft number 63 paid to South West Pump & Drilling and asked if the payment was for retention. Nathan Statham, Chief Financial Officer, responded that the payment is for retention and the expense was charged to different General Ledger accounts. Commissioner Smith inquired into draft number 65 paid to Water Systems Consulting and asked why the charges were booked to the Capital Outlay – CIP account. Nathan responded that the engineering design and construction management costs are capitalized with the total project cost since the consulting services are required to construct the project. Commissioner Cylwik inquired into check number 18934 and specifically the expense for the Stanfield Roundabout Permit. Reggie Lamson, General Manager, responded that the permit is required by the US Forest Service to adjust three water valve cans that are in the roundabout right-of-way. Commissioner Cylwik inquired into the payments to Bear Valley Electric and specifically whether there are opportunities to reduce electric consumption. Reggie responded yes; and added that staff have been running the Division Wells to take advantage of the solar power. Commissioner Cylwik asked if the Bear Valley Electric allows a one for one swap with other DWP properties. Reggie responded only between adjacent properties.

Motion made by Commissioner Smith, seconded by Commissioner Cylwik, and carried 3-0 to authenticate the Check Register for March 2024.

AYES: Cylwik, Smith, Willey

NOES:

ABSTAIN:

3.2 Fiscal Year 2025 Water Standby Charges

Commissioner Cylwik asked if the Standby Charges were evaluated with the most recent rate structure. Nathan responded no; the procedures required today are more onerous than in 1991, therefore, the Standby Charges were not evaluated within the recent rate study.

Motion made by Commissioner Cylwik, seconded by Commissioner Smith, and carried 3-0 to recommend that the City Council adopt a resolution for Water Standby Charge of \$53 for Fiscal Year 2025 and authorize the charge to be placed on the tax rolls for collection, along with the general taxes.

AYES: Cylwik, Smith, Willey

NOES:

ABSTAIN:

3.3 Adopt an Initial Study and Mitigated Negative Declaration as the Appropriate CEQA Environmental Determination for the Wolf Reservoir and Booster Replacement Project

Commissioner Smith stated that the replacement of a small tree for a mature tree doesn't fully negate the impact. Commissioner Cylwik stated we can choose to replace more trees than required. Commissioner Cylwik stated that he reviewed the CEQA report photographs and found the site looked clean. Commissioner Cylwik inquired into the seven-foot chain linked fence. Reggie responded that the fence height may be modified to six feet because it is a residential neighborhood. Commissioner Cylwik responded that he recommends we keep the seven-foot fence height because of concerns from a neighbor regarding security. Commissioner Cylwik inquired into the height of the new reservoir tank. Reggie responded that the top of the new reservoir tank will be similar to the existing tank because the plan is to lower the property about 10-feet to accommodate the larger tank height. Reggie added the current tank is twenty-four feet high and the new tank will be thirty-two feet high at the high-water line.

Motion made by Commissioner Smith, seconded by Commissioner Cylwik, and carried 3-0 to adopt the Initial Study, Mitigated Negative Declaration, and the Mitigation Monitoring and Reporting Program in accordance with the requirements of CEQA and authorize the General Manager to file the Final Negative Declaration and Notice of Determination with the County of San Bernardino.

AYES: Cylwik, Smith, Willey

NOES:

ABSTAIN:

3.4 Fiscal Year 2024/25 Budget Presentation

Commissioner Smith asked why the FY 2025 proposed budget reflects a negative \$963,200. Reggie responded that because of grants obtained in the past few years, the cash reserve balance grew to exceed the recommended \$3.5 million, and the FY 2025 budget reflects spending down some of the excess cash reserves. Vice-Chair Willey asked if the projected cash reserve balance of three months of operating expenses is adequate. Nathan responded that according to the Government Finance Officers Association (GFOA), the guideline is to maintain a cash reserve balance of no less than two months and six months of unassigned reserve is generally considered too much. Commissioner Smith inquired into the 228% change in operating expenses for Field Services from FY 2024 expected to FY 2025 proposed. Nathan responded that the majority of the increase is for upcoming meter replacements. Commissioner Cylwik stated his understanding that it is better to capitalize assets. Nathan responded that for government accounting, there is no difference if we capitalize the asset or not. The net effect on unrestricted net position is the same regardless. Nathan added that the meter replacements for FY 2025 will not replace all the meter components. The previously recorded full meter costs will remain as capital assets.

The City of Big Bear Lake, Department of Water and Power strives to make all of its public meetings accessible to everyone. If you need any special assistance or disability-related accommodation in order to participate in this meeting, please contact the Board Secretary at (909) 866-5050. Notification 48 hours prior to the meeting will enable the DWP to make reasonable arrangements to ensure accessibility to this meeting.

We are an equal opportunity provider and employer.

Commissioner Cylwik inquired into the potential cost of the PFAS testing. Reggie responded that there is an increased sampling cost, that staff is on pace to complete the sample testing by June 30, 2024, and that the Environmental Protection Agency (EPA) has hired consultants to take PFAS water samples for water agencies. Vice-Chair Willey stated that she is not in favor of using drones for well site inspection if remote video surveillance equipment is a potential option. Nathan responded that while drones are ideal for surveillance in some instances, use is limited to line-of-sight flights without a Federal Aviation Administration (FAA) license. Commissioner Smith inquired into the accounting philosophy regarding the manner in planning for contingencies. Commissioner Cylwik responded that is the purpose of reserves. Nathan added that the budget is based on revenue and expenses that we can reasonably foresee. Commissioner Cylwik inquired into when the DWP Board will meet with City Council for the Joint Budget Workshop. Reggie responded that we are working to schedule the workshops in mid-May. Commissioner Cylwik questioned why the proposed increase to water rates is four percent for the proposed FY 2025 budget. Nathan responded that the personnel and operations budgets project a three percent inflation factor; and the three percent does not take into consideration capital improvement cost increases. Reggie added that we can consider the increase to water rates in a future closed session.

3.5 Investment Committee Meeting Update

Vice-Chair Willey asked why the initial investment in California CLASS was only \$100,000. Nathan responded that the initial investment was only a test to ensure there are no concerns. Commissioner Smith asked if the portfolios of CAMP and California CLASS are similar. Nathan responded yes.

3.6 Resolution No. DWP 2024-05 – Water Production Technician III Classification Specifications and Salary Range

Motion made by Commissioner Cylwik, seconded by Commissioner Smith, and carried 3-0 to adopt Resolution DWP No. 2024-05 approving the proposed Water Production Technician III Classification Specifications (Exhibit A) and the Salary Range 30 placement (Exhibit B).

AYES: Cylwik, Smith, Willey

NOES:

ABSTAIN:

3.7 Resolution No. DWP 2024-06 – Senior Utility Data Specialist Classification Specifications and Salary Range

Motion made by Commissioner Smith, seconded by Commissioner Cylwik, and carried 3-0 to adopt Resolution DWP No. 2024-06 approving the proposed Senior Utility Data Specialist Classification Specifications (Exhibit A) and the Salary Range 29 placement (Exhibit B).

AYES: Cylwik, Smith, Willey

NOES:

ABSTAIN:

3.8 Memorandum of Understanding with Rim Family Services for Education Regarding Proper Disposal of Pharmaceuticals

The Board is in agreement with staff recommendations as well as incorporating the education regarding proper disposal of pharmaceuticals in DWP's public service announcements.

3.9 Management Reports

Vice-Chair Willey stated that she was happy to hear the County of San Bernardino is helping to fund and provide land for a dog park in Fawnskin. Commissioner Cylwik added that the proposed dog park is easily accessible and has

The City of Big Bear Lake, Department of Water and Power strives to make all of its public meetings accessible to everyone. If you need any special assistance or disability-related accommodation in order to participate in this meeting, please contact the Board Secretary at (909) 866-5050. Notification 48 hours prior to the meeting will enable the DWP to make reasonable arrangements to ensure accessibility to this meeting.

We are an equal opportunity provider and employer.

parking unlike the Cline Miller reservoir and Booster site. Vice-Chair Willey stated that she was pleased to read the lake is 4'8" from full and asked if the Xeriscape Garden Tour will occur on Division Drive. Reggie responded yes and added that the Convention Center is allowing use of their parking lot for the Xeriscape Garden Tour. Commissioner Smith asked what the GIS upgrade project status is. Nathan stated he talked to the City about previous Board requests to explore the possibility of shared licensing costs for the upgrade to ArcGIS Enterprise and that because the DWP needs a customized solution and the City does not utilize ArcGIS Enterprise, such an arrangement is not feasible. Commissioner Cylwik asked if the City will have access to view our map data on the enterprise solution consistent with what is currently available to them. Reggie responded yes.

Commissioner Cylwik inquired into the inventory count. Nathan responded that noted inventory issues were primarily from inconsistencies with inventory checked out of the warehouse to work orders. Staff records warehouse transfers when they pull down inventory and put it on service trucks. In practice, the current process is not working to the level expected, and staff is revising procedures to only record inventory when it is used for a specific job. Vice-Chair Willey asked if Tyler is working better. Nathan responded that we have not transitioned to the Cloud yet and that eventually, we will have no choice but to do so. Commissioner Smith inquired into the updated schedule for the Garstin Water Operations Facilities. Reggie responded that PBK will provide a revised schedule in May. Commissioner Smith inquired into the large-scale drawings for the Garstin Water Operations Facilities. Reggie responded that he has requested PBK prepare large scale drawings and should have the drawings by the May Board meeting. Reggie added that a new PBK project manager has a meeting scheduled with the City Planning Department and will be bringing up the full-size drawings with him. Commissioner Cylwik suggested a workshop committee to meet the new project manager and discuss aesthetics. Reggie responded that he will schedule a workshop after receiving input from the City.

Commissioner Cylwik inquired into the Replenish Big Bear Project. Reggie responded that there have been several meetings, lots of opinions, and misinformation. Reggie added that there is a proposed workshop with all agencies in the GSA and the City to be scheduled sometime in June and a public workshop sometime toward the end of the year. Reggie stated that the piloting is done but that we will not know the results of the pilot testing until sometime in the Fall. Vice-Chair Willey mentioned the full-page advertisement in the Grizzly by the MWD and asked if the MWD signed the MOU. Reggie responded that MWD has been part of the project since the beginning.

3.10 Board Member Reports

Commissioner Cylwik stated he attended the April 4th BBARWA workshop and the April 9th SAWPA presentation and tour of the weather modification pilot program. Commissioner Cylwik added that he was surprised how small the footprint is for the cloud-seeding program. Vice-Chair Willey stated that she attended the April 3rd Active Shooter Training and found it enlightening.

4. FOLLOW-UP ITEMS

4.1 Board Follow-Up Items

None.

At 12:08 p.m., Vice-Chair Willey closed the Open Session.

At 12:20 p.m., Vice-Chair Willey opened the Closed Session.

5. CLOSED SESSION

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

Title: General Manager

The City of Big Bear Lake, Department of Water and Power strives to make all of its public meetings accessible to everyone. If you need any special assistance or disability-related accommodation in order to participate in this meeting, please contact the Board Secretary at (909) 866-5050. Notification 48 hours prior to the meeting will enable the DWP to make reasonable arrangements to ensure accessibility to this meeting.

We are an equal opportunity provider and employer.

5.2 Closed Session Pursuant to Section 54957(b)(1), Public Employee Performance Evaluation

Title: General Manager

At 1:05 p.m., Vice-Chair Willey closed the Closed Session.

At 1:06 p.m., Vice-Chair Willey opened the Open Session with one reportable action to extend fraud protection services for up to 48 individuals affected by the 2023 data breach for an additional year and using the services of Experian Premium.

ADJOURNMENT

No additional business came before the Board. At 1:07 p.m., Chair Tarras adjourned the meeting.



Leeanne Eagleson, Management Analyst/Board Secretary

The City of Big Bear Lake, Department of Water and Power strives to make all of its public meetings accessible to everyone. If you need any special assistance or disability-related accommodation in order to participate in this meeting, please contact the Board Secretary at (909) 866-5050. Notification 48 hours prior to the meeting will enable the DWP to make reasonable arrangements to ensure accessibility to this meeting.

We are an equal opportunity provider and employer.