

MINUTES OF A REGULAR BOARD MEETING
CITY OF BIG BEAR LAKE,
DEPARTMENT OF WATER AND POWER
BOARD OF WATER AND POWER COMMISSIONERS
May 28, 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 9:00 a.m. on May 28, 2024, 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.

ACKNOWLEDGEMENTS

Nathan Statham, Chief Financial Officer, acknowledged Diane Masterpol, Senior Customer Service Representative, for her five years of service to the DWP.

Danny Ent, Water Superintendent, acknowledged Sam Armstrong, Senior Data Specialist II, for her five years of service to the DWP.

PROJECT UPDATE

Reggie Lamson, General Manager, introduced Loren Smith, Senior Project Architect for PBK Architects. Commissioner Smith stated that he has concerns about the aesthetics of the proposed Garstin Water Operations Facilities. Loren responded that he is aware of the concerns. Commissioner Cylwik stated his understanding is that the concerns are regarding the façade of the building and not the interior plan. Chair Tarras stated that he would like to get an estimate of the additional cost before making a decision to change the Operations Building. Reggie suggested a special meeting in early June to discuss the suggested modifications and estimated cost for those modifications. Chair Tarras asked if the current cost estimate is reasonable. Loren responded that costs are going up but not skyrocketing. Vice-Chair Willey asked for a breakdown of the USDA loan amount and DWP's expected expense. Reggie responded that DWP staff recently applied for a Fiscal Year Appropriations Grant with Jay Obernolte's office for \$1,500,000 and plans to apply for a USDA loan for \$10,500,000. Reggie added the latest estimated project cost is \$14,600,000.

Chair Tarras requested a project update from Loren. Loren responded that he provided a Garstin Water Operations Facilities presentation to the City Planning Department and the Department was pleased with the revisions. Vice-Chair Willey asked if the Planning Commission was included in the presentation. Loren responded no; the presentation was delivered to City staff. Chair Tarras asked if there are any expected issues moving forward. Loren responded no; the next step, after Board approval of the design, will be to submit plans, obtain feedback, and obtain a permit for construction. Commissioner Smith asked if PBK has a landscape architect on staff. Loren responded yes; and the landscape architect will be brought in on the project during the final design phase. Commissioner Cylwik welcomed Loren to the team.

At 9:26 a.m., Chair Tarras closed the Open Session.

At 9:28 a.m., Chair Tarras opened the Closed Session.

1. CLOSED SESSION

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

At 10:06 a.m., Chair Tarras closed the Closed Session.

At 10:13 a.m., Chair Tarras opened the Open Session with two reportable actions.

The Board voted 5-0 to adopt Resolution No. DWP 2024-08 approving the District Engineer Classifications Specifications (Exhibit A) and the Salary Range 65 placement (Exhibit B).

The Board voted 4-1 to adopt Resolution No. DWP 2024-09 approving the Purchaser/Construction Observer Classifications Specifications (Exhibit A) and the Salary Range 29 placement (Exhibit B).

2. PUBLIC HEARING

2.1 Resolution No. DWP 2024-07 Adopting DWP’s FY 2025 Budget and Confirming Water Rates

At 10:15 a.m., Chair Tarras opened the Public Hearing.

At 10:15 a.m., Chair Tarras closed the Public Hearing.

Chair Tarras asked if given the Board approval of the District Engineer position, whether the FY 2025 Budget takes into consideration savings for engineering design currently awarded to Water Systems Consulting (WSC). Nathan responded no; it is difficult to estimate savings based on our current agreements with WSC and not knowing the eventual successful candidate’s experience.

Motion made by Commissioner Cylwik, seconded by Vice-Chair Willey, and carried 5-0 to adopt Resolution No. DWP 2024-07 adopting the DWP FY 2025 Budget and confirming the adjustments to water rates, fees and charges effective July 1, 2024.

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES:

ABSTAIN:

3. CONSENT CALENDAR

3.1 Approve Minutes of the Regular Board Meeting Dated April 23, 2024

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:

4. ITEMS REMOVED FROM CONSENT CALENDAR

None.

5. DISCUSSION/ACTION ITEMS

5.1 Authenticate Check Register 04/01/2024 to 04/30/2024

Commissioner Cylwik inquired into check number 18980 paid to Alex Pedroza. Rachel Franklin, Human Resources Administrator, responded that DWP has Policy #2018-01 Personal Computer Purchase Program Policy which enables employees to purchase personal computers through a loan repaid through regular payroll deductions. Rachel added that the program is intended to increase computer literacy and that loans are repaid on a biweekly basis over a 36-

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month period at the prior fiscal year's LAIF return rate. Commissioner Cylwik inquired into check number 18990 paid to E. H. Wachs. Danny responded that the description should state "Sight Glass..." and the purpose is to view the oil level on a vehicle. Commissioner Smith inquired into check number 18991 paid to Environmental Systems Research Institute, Inc. (ESRI). Nathan responded that the payment is for a licensing agreement for ArcGIS Desktop. Treasurer Hjorth asked if we will get credit for this licensing agreement when we implement the new web-based licensing agreement. Nathan responded that we will need to use both licensing agreements until we have transitioned to the ESRI Enterprise SAAS agreement.

Motion made by Treasurer Hjorth, seconded by Commissioner Smith, and carried 5-0 to authenticate the Check Register for April 2024.

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES:

ABSTAIN:

5.2 Award Contract with S Porter, Inc. for the Pontell Hydropneumatic Tank Installation Project

Chair Tarras inquired into the cost of the Pontell Tank. Reggie responded with less than \$40,000. Chair Tarras stated that the price of the building and installation seems like a lot given the price of the tank. Reggie responded that the building is necessary to protect the tank from freezing. Vice-Chair Willey asked why the contingency is ten percent. Reggie responded because of the low total project amount. Treasurer Hjorth inquired into the language "CME building." Reggie responded that language refers to block buildings like our other facilities buildings.

Motion made by Commissioner Cylwik, seconded by Commissioner Smith, and carried 5-0 to award a contract with S Porter, Inc. for the Installation Project for \$279,000.00, and budget internally \$27,900.00 for a 10% contingency for a total amount of \$306,900.00.

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES:

ABSTAIN:

5.3 March 31, 2024, Financial Analysis (Unaudited)

Chair Tarras stated that he does not see the value in providing the five-year average revenue number. Nathan responded that he will replace the five-year average with prior year. Commissioner Cylwik stated that he liked the explanations. Treasurer Hjorth stated that the financial analysis is easy to read.

5.4 Approve a One-Year Software as a Service (SaaS) Agreement with Tyler Technologies for Hosted Financial System Software

Chair Tarras inquired into the Tyler financial system. Nathan responded that Tyler is the industry leader for small utilities. Chair Tarras confirmed his understanding that this is a licensing agreement. Nathan responded yes. Commissioner Smith asked what SaaS is. Treasurer Hjorth responded that SaaS is IT terminology to refer to software that is handled in the Cloud similar to QuickBooks. Nathan added that SaaS is a subscription agreement and that there will be an overlap with the current Tyler agreement. Commissioner Smith asked if we will be double paying for Tyler software. Nathan responded only during transition and there will be a cost offset because the Tyler on-premise software requires server space and IT expenses to maintain software updates that the SaaS software will not require.

Treasurer Hjorth asked if we will be reducing the VC3 agreement for IT services. Nathan responded that we will go back out with a Request for Proposals for IT services. Commissioner Cylwik asked if we would be eliminating on-site

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servers. Nathan responded that Cityworks is on-site and reduced amounts of server space will still be necessary. Vice-Chair Willey asked if legal reviews the contracts. Nathan responded that the Tyler agreement is their standard service agreement, that he has taken these agreements to legal for review in the past, and that Tyler will not accept substantive modifications to their standard agreement. Commissioner Smith asked if Tyler has competitors. Nathan responded not that are specifically conducive to small utilities.

Motion made by Treasurer Hjorth, seconded by Vice-Chair Willey, and carried 5-0 to authorize the General Manager or designee to enter into a one-year Software as a Service agreement with Tyler Technologies for an annual subscription fee of \$60,400.00.

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES:

ABSTAIN:

5.5 Approve Amendment No. 7 to WSC CIP Agreement for Design and Construction Management Services for the Knickerbocker Hydropneumatic System Project

Commissioner Smith asked if the CIP agreement is an as need agreement. Reggie responded yes; that an RFP was published for engineering design and construction management services for five years of the Capital Improvement Plan and that WSC was the successful consultant awarded the agreement. Commissioner Smith asked if there is a maximum fee attached to the RFP. Reggie responded no; that the DWP has constructed \$20 million dollars in projects during this phase of CIP construction and the state average for project design services is thirty percent of construction cost, but the exact construction costs for the first five years of projects were not known when the consulting contract was awarded. Commissioner Smith asked why there is only one consultant selected. Reggie responded that the procurement was structured as “winner takes all” contract.

Motion made by Commissioner Cylwik, seconded by Treasurer Hjorth, and carried 5-0 to approve Amendment No.7 to WSC CIP Agreement for Design and Construction Management Services for the Knickerbocker Hydropneumatic System Project in the amount of \$129,826.00.

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES:

ABSTAIN:

5.6 Approve Amendment No. 2 to Tom Dodson & Associates Agreement for Environmental Services for the Wolf Reservoir & Booster Replacement Project

Commissioner Cylwik asked who the project manager is on the Wolf Reservoir & Booster Replacement Project. Reggie responded that WSC will perform construction management services such as analyzing the bids, submittal review such as Buy American requirements, and prevailing wages review. Reggie added that DWP staff perform the day-to-day observation of the project construction. Commissioner Cylwik asked why we do not hire construction manager for this project. Reggie responded that staff will be acting as the day-to-day construction manager. Reggie added that local contractors are performing some pre-construction work on the land such as removing trees and installing fencing. Reggie also added that we hired an environmental expert to perform the environmental monitoring.

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Motion made by Treasurer Hjorth, seconded by Vice-Chair Willey, and carried 5-0 to approve Amendment No. 2 to the Tom Dodson & Associates Agreement for environmental services for the Wolf Reservoir & Booster Replacement Project in the amount of \$20,000 .

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES:

ABSTAIN:

5.7 Management Reports

Commissioner Cylwik inquired into the background on the three liability claims mentioned in the Human Resource Management report. Rachel responded that two of the claims involve a mainline repair on Talmadge and the other claim is regarding a meter replacement that resulted in dirt entering a customer's water service. Commissioner Smith inquired into the Tri-State Water Conference. Rachel responded that Tri-State is an annual conference for water and sewer workers that the DWP sends staff to every year. The conference is the best way for staff to get continuing education units required for the Distribution and Treatment Certifications. Commissioner Smith inquired into the Summer Community Festival mentioned in the Water Conservation & Communications Supervisor report and confirmed that date is June 8th. Bennett, Water Conservation & Communications Supervisor, verified the date for the Summer Community Festival is June 8th. Commissioner Cylwik asked about the attendance at the Earth Day event. Bennett responded that primarily Fourth graders attended the event. Treasurer Hjorth asked how we get the message out that the DWP tap water is good to drink. Bennett responded that we use the radio advertisements to get the message out as well as the annual Consumer Confidence Reports.

Commissioner Smith asked about staff working on record drawings. Reggie responded that staff redlines the record drawings and sends them to WSC for digitization. Treasurer Hjorth asked why we do not digitize the drawings here. Reggie responded that staff scan the marked-up drawings but that we need WSC to digitize the drawings. Commissioner Cylwik asked about the possible utility relocations at Bear Mountain. Danny responded that we have multiple slant wells that may be impacted by the new lift construction. Commissioner Cylwik asked if Bear Mountain is responsible for the cost to relocate the slant wells. Reggie responded that we have a relationship with Bear Mountain such that we work together on projects. Reggie added that last year with the assistance of Bear Mountain we replaced the Goldmine Booster Station. Commissioner Smith inquired into the Enterprise ArcGIS progress. Nathan responded that we are in the process of determining the optimal setup configuration.

Chair Tarras requested an update on Replenish Big Bear. Reggie responded that there have been a lot of meetings and that last Wednesday, the BBARWA Board was considering the Environmental Impact Report (EIR) for the Project. Reggie added that the main issue is that some people were claiming that the EIR is not complete and the BBARWA Board postponed the adoption of the EIR until July. Chair Tarras asked what the next decision point for CSD is. Reggie responded that CSD approval of the Project is dependent on the adoption of the EIR. Reggie shared an update on the grant applications and stated that we are working on a grant application for meter upgrades. Chair Tarras asked what happens when the meter battery dies. Reggie responded that we have to manually read the meter. Chair Tarras asked how many meter batteries have died. Reggie responded that it is a very small number. Chair Tarras confirmed his understanding that Bear Mountain is no longer moving a snow line through the DWP property. Reggie responded that is correct and that Bear Mountain will be relining the current on-site snow line.

5.8 Board Member Reports

Commissioner Smith thanked Reggie for meeting with him regarding the Garstin Water Operations Facilities. Commissioner Smith also thanked Vice-Chair Willey and staff for the Human Resource Committee meetings.

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6. FOLLOW-UP ITEMS

6.1 Board Follow-Up Items

None.

ADJOURNMENT

No additional business came before the Board. At 11:54 a.m., Chair Tarras adjourned the meeting.



Leeanne Eagleson, Management Analyst/Board Secretary

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