MINUTES OF AN ADJOURNED REGULAR BOARD MEETING
CITY OF BIG BEAR LAKE,
DEPARTMENT OF WATER AND POWER
BOARD OF WATER AND POWER COMMISSIONERS
September 29, 2026

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 9:00am on September 29, 2026, by Chair Bob Tarras.

BOARD MEMBERS PRESENT	BOARD MEMBERS REMOTE ATTENDANCE	BOARD MEMBERS ABSENT
Bob Tarras, Chair	Barbara Willey, Vice-Chair	Joe Cylwik, Commissioner
Craig Hjorth, Treasurer		
Matt Scriven, Commissioner		

PLEDGE OF ALLEGIANCE

Chair Tarras led the pledge of allegiance.

ACKNOWLEDGEMENTS

Water Superintendent Jason Hall acknowledged Jr Garcia on his promotion to Water Operations Technician II. Jason also acknowledged Dave Emig, Senior Water Operations Technician for his 20 years of service to the DWP.

PUBLIC FORUM

Daniel Gulbranson spoke during the public forum.
Keeley Taylor and Kolman Lecroy spoke during the public forum.

1. CONSENT CALENDAR

1.1 Approve the Minutes of the Regular Board Meeting Dated August 25, 2026

Motion made by Treasurer Hjorth, seconded by Commissioner Scriven, and carried 4-0 to approve the consent calendar.

AYES: Tarras, Hjorth, Willey, Scriven

NOES:

ABSTAIN:

2. ITEMS REMOVED FROM THE CONSENT CALENDAR

None.

3. DISCUSSION/ACTION ITEMS

3.1 Authenticate Check Register 08/01/2026 to 08/31/2026

Treasurer Hjorth inquired about Check Number 31019 paid to Alvin Lao. Human Resources Administrator Rachel Franklin explained that this was a claim paid for dirty water. Vice Chair Willey asked about Check Number 31029 paid to Roxann Abrahamson for travel. Rachel explained that Roxann and two other employees attended off-site training.

Motion made by Treasurer Hjorth, seconded by Vice Chair Willey, and carried 4-0 to authenticate the Check Register for August 2026.

AYES: Tarras, Hjorth, Willey, Scriven

NOES:

ABSTAIN:

3.2 Review of 9-9-26 City Council Meeting, Item 2.1

Chair Tarras asked about any interactions the City has had with DWP, noting when the Assistant City Manager came to a DWP Board meeting to speak during public comment on the approval of the Garstin Water Operations Facility Project. General Manager Reggie Lamson expanded further detailing how he and DWP's CFO met with the Assistant City Manager and Finance Director from the City to go over the DWP budget earlier this year.

Reggie read the agenda report in its entirety.

Chair Tarras inquired if the City's financial liabilities and debts could expose DWP's assets to risk. DWP Legal Counsel Mike Riddell clarified that while DWP cannot access City funds directly, City Council could theoretically take actions at a broader organizational level that could affect DWP assets. Such situations like a major legal judgment or bankruptcy against the City could theoretically expose all City assets, including DWP's assets. Because DWP operates as an independent enterprise activity, it is expected to adjust its own rates to cover its unique financial exposures or debts rather than relying on City resources. These risks remain even though DWP funds are legaly restricted to water purveyance related expenditures. Mike then summarized section 809 of the Charter, stating that even if the City wanted to access DWP funds, the Board would have to approve it.

Reggie asked if incorporating DWP's budget into the City's overall budget places any financial responsibility on the City. Mike stated it does not, noting that under the Charter, DWP is legally obligated to adjust its own rates to cover its own expenses.

Reggie asked Mike how long he had been doing work for DWP. Mike said he has worked with DWP for approximately 35 years. Reggie asked Mike, in the time he worked with DWP, is he was aware of any time that the City had paid for a DWP legal problem. Mike stated that he was not aware of any such occurrence. Mike then read item 4 of Section 808 of the charter clarifying that DWP does not have the power to incur an indebtedness or liability that exceeds its revenue.

Reggie asked Mike if he recalled any time the City had to pay a DWP debt payment. Mike stated that he did not recall that ever happening. Mike clarified that Water revenues are strictly governed by the California Constitution under Proposition 218, which mandates that rates cannot exceed the reasonable cost of providing water service. Consequently, utilizing water revenues for unrelated municipal expenses, such as road maintenance, would directly violate the state constitution by unlawfully burdening water customers with extraneous costs.

Reggie asked Mike if DWP could be managed like every other department in the City? Mike explained that no it cannot, because according to the Charter, responsibilities have been delegated to the DWP Board.

Chair Tarras noted that while the City is not legally required to approve the DWP budget, the Board has proactively chosen to hold workshops and meet with City Council members to ensure transparency and open communication. Chair Tarras commended Reggie for effectively addressing Councilmember Hicks concerns and observed that these issues could have been resolved sooner had the Council communicated directly with the DWP characterizing the situation as a failure to communicate on the part of the City.

Commissioner Scriven read a statement that he prepared in response to item 2.1 from the September 9, 2026, City Council meeting. His statement spoke to the responsibility to fully understand DWP's operations and practices before criticizing and demanding changes. He extended an invitation to all the City Council members to come to DWP to meet with staff, to ask questions, and learn about DWP.

Vice Chair Willey spoke on the many accomplishments of DWP in the time that she has served on the Board.

Daniel Gulbranson spoke during the public comment.

3.3 Reject Bids – Division Well No. 9 Equipping Project

District Engineer Daniel Baguyo gave an overview of this item. Treasurer Hjorth asked whether staff were aware of the project's scope of work and estimated costs prior to the bidding process. Daniel confirmed that staff used DWP's consulting engineer's estimate to develop the project budget. However, during the bidding period and pre-bid meetings, contractors indicated that actual bids would likely exceed that estimate. Treasurer Hjorth asked why the project was not pulled and rescoped before finalizing the bids. Reggie explained that it is common to hear such comments from contractors in the bid submission process and still see bids come in under the engineer's estimate so, staff proceeded with the existing scope. For this project, bid process discussions proved to be an accurate indicator of bid prices but based on prior experience bid process discussions are not sufficiently accurate indicators of ultimate bid prices to preemptively stop a bid process.

Commissioner Scriven inquired which items were being removed from the project scope to lower costs. Daniel stated that staff are working with WSC to remove items from the scope of work, but are still evaluating the effect of the changes on the construction cost. Specific cuts include removing the site paving, concrete sidewalk, and surrounding block wall, as well as reducing the overall building footprint. Reggie further detailed the decision to modify the design from a vertical turbine pumping unit to a submersible pumping unit. Noting that while vertical turbine pumps offer higher long-term efficiency and a 30-year life expectancy, the construction bid costs prompted the switch to the more cost-effective submersible pump.

Chair Tarras asked whether a re-bid would delay the project. Reggie clarified that the re-bid and contract award are anticipated for November. Submittals will be processed during the winter, keeping the project on track for its originally intended completion in the fall of 2027.

Daniel Gulbranson spoke during the public comment.

Motion made by Treasurer Hjorth, seconded by Vice Chair Willey, and carried 4-0 to reject all bids received for the Division Well No. 9 Equipping Project.

AYES: Tarras, Hjorth, Willey, Scriven

NOES:

ABSTAIN:

3.4 Garstin Inspection – Verdantas, Inc. On-Call Agreement Amendment

Daniel provided an overview of this item. Reggie noted that the proposed revised budget amount of $238,515 is for inspections for the entire construction period, which will continue for another year and a half. Reggie emphasized that extensive inspections are necessary given the project's nature as a public facility.

Treasurer Hjorth expressed disappointment that project managers failed to identify these extensive inspection needs beforehand. When Commissioner Scriven questioned who prepared the initial estimate, Daniel clarified it was handled internally but the estimate was in line with the proposal provided by Verdantas. Commissioner Scriven asked for reassurance that this new budget would cover the remainder of the project. Daniel confirmed that Verdantas projected these final costs based on their work to date.

Daniel Gulbranson spoke during the public comment.

Motion made by Vice Chair Willey, seconded by Commissioner Scriven, and carried 4-0 to authorize an additional budget amount of $68,600 for Verdantas, Inc. Professional Services Agreement for Geotechnical and Special Inspection, and Materials Testing Services for the Garstin Water Operations Facility Project.

AYES: Tarras, Hjorth, Willey, Scriven

NOES:

ABSTAIN:

3.5 Management Reports

Vice Chair Willey asked how many employees are enrolled in HealthNet. Rachel estimated approximately 40% are enrolled, noting that HealthNet has chosen to no longer provide group health insurance for several plans, not just Big Bear. Treasurer Hjorth asked if there were any changes to Kaiser, to which Rachel clarified there were none. Treasurer Hjorth asked if there would be any change in costs. Rachel explained that DWP's insurance broker is contacting insurance providers and comparing options.

Treasurer Hjorth asked Water Superintendent Jason Hall how things are going with reporting from the new meters DWP is installing. Jason reported that the project is going well, and they are currently replacing batteries on the oldest meters. The new Ally meters allow staff to check temperatures and remotely turn services on and off. Due to costs, the new meters will

not cover 100% of the valley. Instead, they are being strategically placed in high-frequency locations that staff visit multiple times a month. The deployment was optimized by a promotional deal from Sensus. By ordering a pallet of Ally meters, DWP received a bundled pressure program for free, a software package that was unaffordable when quoted at $100,000 two years ago.

Treasurer Hjorth requested an update on the status of the smart meter customer portal. CFO Nathan Statham clarified that the portal is currently live and available to the public online but has not yet been publicized as it is still being optimized by staff.

3.6 Board Member Reports
None.

4. BOARD FOLLOW-UP ITEMS
None.

5. ADJOURNMENT

No additional business came before the Board. At 10:40 a.m., Chair Tarras adjourned the meeting.

Sam Armstrong
Sam Armstrong, Board Secretary, DWP Board of Commissioners