

MINUTES OF A REGULAR BOARD MEETING
CITY OF BIG BEAR LAKE,
DEPARTMENT OF WATER AND POWER
BOARD OF WATER AND POWER COMMISSIONERS
October 22, 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 9:00am on October 22, 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.

ACKNOWLEDGEMENT

Danny Ent, Water Superintendent, acknowledged Bruce Fellman's retirement after 26 years of service to the DWP.

INTRODUCTION

Danny introduced the new Utility Data Specialist, Amy Kawa.

Reggie introduced the new Management Analyst/Board Secretary, Sam Armstrong.

1. CONSENT CALENDAR

1.1 Approve Minutes of the Regular Board Meeting Dated September 24, 2024

Motion made by Vice-Chair Willey, seconded by Commissioner Cylwik, 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 09/01/2024 to 09/30/2024

Treasurer Hjorth stated that check number 19464 payable to PricewaterhouseCoopers LLP should not be included in the check register for September as the check was not actually paid and was voided. Commissioner Smith inquired into check number 19481 paid to Brickley Environmental and asked what the payment was for. Danny responded that the payment was for the disposal of asbestos pipes that have been removed from DWP's water system. Commissioner Smith inquired into check number 19488 paid to Infosend and asked what services Infosend provides. Nathan Statham, CFO, responded that Infosend handles all DWP utility bill printing and mailing. Commissioner Smith inquired into draft number 224 paid to Water Systems Consulting and asked if the payment was part of the on-call agreement. Nathan responded that the payment is part of the First 5-year of the 10-year Capital Improvement Plan agreement. Commissioner Smith asked if the agreement will be renewed with WSC once the first five years are up. Reggie responded that another Request for Proposal will go out once the five years is up with WSC.

Commissioner Cylwik stated that he will be abstaining from authenticating the specific check number 19453 since the check is made payable to him, but that he will authenticate all other checks for September.

Motion made by Treasurer Hjorth, seconded by Vice-Chair Willey, and carried 5-0 to authenticate the Check Register for September 2024.

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES:

ABSTAIN:

3.2 Authorize Purchase of Case 580EV Backhoe

Danny stated that the field demonstration of the backhoe attended by himself, and the T&D Supervisor went well and the electric backhoe performed similarly to DWP's gas powered backhoes. Commissioner Cylwik asked if there was a plan to offset the unplanned purchase of the electric backhoe by not making a planned equipment purchase in the future. Reggie responded that a backhoe purchase originally planned for in fiscal year 2029 will no longer be purchased, which will offset the electric backhoe purchase. Reggie added that the first round of funding for the California Core rebate has been exhausted, but that a second round of funding is in the works and should be available in January. Reggie further elaborated that DWP could still receive the rebate sooner rather than later if another agency chooses not to use the rebate.

Motion made by Vice-Chair Willey, seconded by Commissioner Smith, and carried 5-0 to authorize the purchase of Case 580EV Backhoe.

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES:

ABSTAIN:

3.3 Motive Solar and Backup Generator Proposal

Treasurer Hjorth asked why a natural gas generator wasn't selected. Reggie responded that DWP's previous generators have been diesel, and that the generator will be acting as a back-up, so it won't be running often. Treasurer Hjorth stated that issues with the Air Quality Management District could arise in the future if diesel generators are purchased, and that he would like the option of purchasing a natural gas generator explored. Danny responded that he would investigate purchasing a natural gas generator as an alternative to diesel.

Treasurer Hjorth stated that he was concerned about a lack of microinverters on the solar panels for the Garstin Facilities. Reggie responded that the new Garstin Facilities will have microinverters, and that the Division solar field already has them. Commissioner Cylwik asked if the design-build work that Motive is doing for the solar panels and backup generator at the new Garstin Facilities is separate from the design contract with PBK. Commissioner Smith also asked if funds are being taken out of PBK's contract to pay for the agreement with Motive. Reggie responded that he would check the contract with PBK and added that he wasn't sure if any solar system design was included in the original contract with PBK. Commissioner Cylwik asked if PBK or Motive will integrate the electric backhoe with the new Garstin Facilities. Reggie responded that PBK has started design drawings, and that Motive will iron out the details. Commissioner Cylwik asked what the total cost for the project would be. Reggie responded that the total net cost of the project will be \$1,292,565. Commissioner Smith asked who will get the rebate if the project qualifies for it. Reggie responded that DWP would receive the rebate, not the contractor. Commissioner Smith asked if Motive was handling both design and construction of the project. Reggie responded yes. Treasurer Hjorth stated he was concerned with the split between PBK and Motive for the Garstin Facilities having expected it to be overseen and managed by PBK. Commissioner Smith asked why Motive can't be a sub-consultant under PBK so that DWP doesn't have to coordinate between two design contractors. Reggie responded that DWP would have to pay sub-consultant fees if Motive is added as a sub-consultant for PBK. Treasurer Hjorth asked why other firms weren't evaluated for the project. Reggie responded that the Division Solar Field Project went through a competitive bid process and Motive was awarded the

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.

contract and now Motive provides maintenance services for both of DWP's solar facilities. Treasurer Hjorth stated that he would like clarification in the future on which firms are evaluated for upcoming projects. Chair Tarras stated that the agreement with Motive will be brought back to the Board at a future meeting.

3.4 DWP Resolution No. 2024-18 – Appointment of Board Secretary

Chair Tarras asked if Reggie will oversee the Management Analyst duties of the position while the Board would primarily oversee the Board Secretary duties of the position. Reggie stated that was correct.

Motion made by Vice-Chair Willey, seconded by Commissioner Smith, and carried 5-0 to approve DWP Resolution No. 2024-18 – Appointment of Board Secretary.

AYES: Cylwik, Hjorth, Smith, Tarras, Willey

NOES:

ABSTAIN:

3.5 June 30, 2024, Financial Analysis (Unaudited)

Chair Tarras asked why there was such a large variance between the budget and actual expenses. Nathan responded that a large part of the variance was due to personnel expenses. Nathan added that he was not familiar with the projections and calculations used to generate the personnel budget on previous budgets. Nathan added that the FY 2026 Budget will better aligned with the new budget model adopted in 2025.

3.6 Management Reports

Commissioner Smith asked how many ongoing liability claims there are currently. Rachel Franklin, HR and Risk Management, responded that there are five ongoing claims. Vice-Chair Willey commended Conservation for receiving another WaterSense award. Commissioner Smith asked who performs maintenance on the DWP Xeriscape Garden. Bennett responded that the Conservation department and the Meter department share maintenance duties, but that Steve Tokeshi, Conservation Technician, has been handling most of the maintenance recently. Commissioner Cylwik asked where the material from the excavation for the Wolf Reservoir project was going. Reggie responded that Bear Mountain was using the material. Commissioner Smith asked if the record-drawing process for projects was coordinated. Reggie explained that both the contractor and observer have their own sets of drawings and then combine them when the project is completed. The combined drawings would be given to Dave Emig, Senior Water Operations Technician, who then puts the drawings into ArcGIS. Chair Tarras asked how progress was going for renewing the Forest Service Utility permit. Reggie responded that DWP staff have been trying to renew the permit since 2017, but staff turnover at the Forest Service has been high and has caused the permit renew process to take longer than expected. DWP continues to pay the annual renewal fee, so the expired permit is still valid. Reggie emphasized that the Forest Service is aware that challenges on their end have led to renewal delays and DWP plans on resubmitting a renewal permit application by December.

Commissioner Cylwik asked when the last reservoir inspection was completed. Danny responded that some reservoirs were inspected a few years ago, but that a comprehensive inspection of all reservoirs has not been done in quite some time. Commissioner Cylwik requested that RFPs in the future should be posted to E-Bid Board, an online bid board for contracts. Daniel Baguyo, District Engineer, responded that he is exploring available options with Planet Bids, another online bid board.

Chair Tarras inquired into how much fees will cost for E-check payments. Nathan responded that the fee is \$1.95 per transaction, and that DWP is absorbing the cost. Treasurer Hjorth asked if there were processing fees for Zelle payments. Nathan responded that DWP does not currently accept Zelle payments but discussions with DWP's financial software vendor to accept Zelle are planned after the ongoing cloud conversion of DWP's financial system is completed. Commissioner Cylwik asked which vehicles were included in the off-road diesel fleet list. Daniel responded that the off-road diesel fleet list contains all the vehicles that are not street legal. Commissioner Smith asked about the status of

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.

Replenish Big Bear. Reggie responded that interest will most likely pick up in the project after the election. Reggie added that the reluctance to approve the Environmental Impact Report is a bump in the road and that a revised EIR may be considered in the future.

Commissioner Cylwik asked if the USDA interest rate drop will affect DWP. Reggie responded that DWP will take advantage of the rate drop and the USDA loan that DWP has applied for has a rate of 3.125% currently. Chair Tarras asked who will be coordinating project schedules. Reggie responded that the Board Secretary used to track project schedules, but that project tracking will be handled by the District Engineer moving forward. Treasurer Hjorth asked how the analysis for moving to monthly billing was progressing. Nathan responded that there are a lot of moving pieces to consider but that staff is continuing to work through it.

4. BOARD FOLLOW-UP ITEMS

4.1 Board Follow-Up Items

None.

At 10:53 a.m., Chair Tarras closed the Open Session.

At 11:04 a.m., Chair Tarras opened Closed Session.

5. CLOSED SESSION

5.1 Closed Session Pursuant to Section 54956.9(d)(2) Conference with Legal Counsel – Potential Initiation of Litigation One Case

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

Title: General Manager

At 11:55 a.m., Chair Tarras closed the Closed Session and opened the Open Session with no reportable action.

ADJOURNMENT

At 11:56am, Chair Tarras adjourned the meeting to November 5, 2024, at 10:00am.

Sam Armstrong

Sam Armstrong, Board Secretary, DWP Board of Commissioners

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.