

LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT
MINUTES OF REGULAR MEETING OF THE BOARD OF
DIRECTORS

DATE: July 12, 2016
TIME: 5:30 p.m.
PLACE: Blue Jay Board Room
27307 St. Hwy. 189, Ste. 104
Blue Jay, CA 92317

ATTENDANCE: **Board Members Present:**
Ryan Gross, Director
Steve Keefe, Director
Bill Thompson, President
John Wurm, Vice President

Board Members Absent:
Steve Boydston, Director

Others Present:
Catherine Cerri, Acting General Manager
Scott Campbell, General Counsel
Mike Blackwood, Field Operations Manager
Matt Brooks, Operations Manager
Kathleen Field, Board Secretary
Aida Hercules-Dodaro, District Engineer
Natalie Potter, Human Resources Manager
Howard Golds, Best Best & Krieger, LLP
Alpenhorn News
Mountain News
Members of the Public - 2

The Meeting was called to Order at 5:30 p.m. by Bill Thompson, President, who led those present in the Pledge of Allegiance to the Flag of the United States of America. Board Secretary Field certified the proper posting of the Agenda and called the roll.

APPROVAL OF AGENDA

The Board by general consensus approved the July 12, 2016 Regular Board meeting agenda as presented.

PUBLIC COMMENT

Hugh Bialecki asked for permission to use Lake Arrowhead Community Services District Blue Jay Center lower parking lot for staging the Tour de Lake Arrowhead event on August 27, 2016, from 6:00 a.m. – 4:00 p.m. The Board by general consensus agreed and referred the matter to staff asking that the proper insurance be obtained, medical care was on site and clean up after the event was done. Gail Fry addressed the Board regarding an email received from Ms. Cerri asking to speak with Ms. Fry regarding her attempt to access a District facility. Ms. Fry expressed concern about the written statement. Ms. Fry stated that she was at the facility to take pictures and gave her account of the incident at the facility. Ms. Fry asked the Board to take this matter seriously.

CONSENT CALENDAR

Listed on the Consent Calendar were the following items for approval:

1. Approval of Meeting Minutes.

June 14, 2016 Regular Board Meeting Minutes

June 17, 2016 Special Board Meeting Minutes

2. Consider Accepting the Cedar Glen Water Treatment Facility Control System Upgrade, Project 148.

President Thompson **MOVED** and Director Keefe **SECONDED** to approve Consent Calendar items 1-2 as presented.

<u>CARRIED:</u>	AYES:	Gross, Keefe, Thompson, and Wurm
	NOES:	None
	ABSTAIN:	None
	ABSENT:	Boydston

INFORMATION AND DISCUSSION ITEMS

3. Departmental Reports.

- a. District Engineer's Report - Second Quarter Capital Improvement Program Update**
- b. Human Resources Manager's Second Quarter Report**
- c. Operations Manager's Report**

Mr. Brooks reported that the fourth of July weekend went well. There was one minor incident at Wastewater Pumping Station 5A in Orchard Bay. The pumping station lost a variable frequency drive, but the problem was resolved. There was an increase in water demand and wastewater flows as expected. Mr. Brooks informed the Board that the large

tank at Bernina was inspected by a diver in May 2016 and the interior of the tank needed to be recoated. He was anticipating that the item would be brought to the Board for their consideration in September 2016, noting that this project was not a budgeted item. Mr. Brooks and Ms. Hercules-Dodaro responded to questions.

4. Acting General Manager’s Report.

Ms. Cerri commended Mr. Blackwood, Mr. Brooks, and all staff for getting the District through the fourth of July without event. Ms. Cerri advised the Board that the District’s new billing system went live. Ms. Cerri asked the Board if they heard from any customers regarding their account billing to encourage them to contact the District. The 2015 Urban Water Management Plan had been filed accordingly, Ms. Hercules-Dodaro and Engineering Staff were working on the Watershed Sanitary Survey and the Cease and Desist Order reporting.

ACTION ITEMS

5. Consider Approving Purchasing Policy.

Ms. Cerri reported that the District’s Purchasing Policy had not be revised since 2005. Recent changes to the Public Contract Code were incorporated into the policy to ensure that the policy was in compliance with regulatory requirements.

Following Board consideration, Vice President Wurm **MOVED** and Director Keefe **SECONDED** to approve the Purchasing Policy as currently stated with the updates.

CARRIED: **AYES:** **Gross, Keefe, Thompson, and Wurm**
 NOES: **None**
 ABSTAIN: **None**
 ABSENT: **Boydston**

6. Consider Voting to Elect a Representative to the California Special Districts Association (CSDA) Board of Directors Seat B.

Ms. Cerri asked the Board to consider voting to elect a representative to the California Special District Association Board of Directors Seat B.

Following Board consideration, Director Gross **MOVED** and Director Keefe **SECONDED** to vote for Ronald Coates to the California Special Districts Association Board of Directors Seat B.

CARRIED: **AYES:** **Gross, Keefe, Thompson, and Wurm**
 NOES: **None**
 ABSTAIN: **None**
 ABSENT: **Boydston**

7. Consider Proposal for Employee Benefits Plan Year October 1, 2016 – January 1, 2018, Medical, Dental and Vision Plans.

Ms. Potter presented the recommendation to authorize staff to accept the proposal from Blue Shield California to PACE Anthem CA to provide medical insurance services. Ms. Potter presented a PowerPoint presentation that included; strategic planning to meet health care reform, benefits philosophy, and medical cost comparisons. Ms. Potter responded to questions.

Following Board consideration, Director Gross **MOVED** and Director Keefe **SECONDED** to authorize staff to accept the proposal from PACE Anthem CA to provide medical insurance services, and renew dental and voluntary vision plan.

CARRIED: **AYES:** **Gross, Keefe, Thompson, and Wurm**
NOES: **None**
ABSTAIN: **None**
ABSENT: **Boydston**

8. Consider Authorizing the Purchase of (2) Two New Bio-Solids Disposal Bins.

Mr. Brooks presented the recommendation to authorize District staff to purchase (2) two new bio-solids disposal bins, based on the quote of \$33,577.04. Mr. Brooks responded to questions. Director Gross stated pictures are helpful and asked that in the future, pictures be included with the board memorandum.

Public comment was heard from Mary-Justine Lanyon.

Following Board consideration, Director Gross **MOVED** and Vice President Wurm **SECONDED** to authorize District staff to purchase two new bio-solids disposal bins, for \$33,577.04.

CARRIED: **AYES:** **Gross, Keefe, Thompson, and Wurm**
NOES: **None**
ABSTAIN: **None**
ABSENT: **Boydston**

9. Consider Authorizing the Purchase of (1) One New Thickened Sludge Pump and (1) One New Primary Sludge Pump.

Mr. Brooks presented the recommendation to authorize District staff to purchase (1) one new 15HP double stage Thickened sludge pump from Cortech Engineering and (1) one hew 7.5Hp single stage pump from Cortech Engineering based upon their low bid of \$34,904.52.

Following Board consideration, President Thompson **MOVED** and Director Gross **SECONDED** to authorize District staff to purchase one new 15Hp double stage

Thickened sludge pump from Cortech Engineering and one new 7.5HP single pump from Cortch Engineering for \$34,904.52.

CARRIED: **AYES:** **Gross, Keefe, Thompson, and Wurm**
 NOES: **None**
 ABSTAIN: **None**
 ABSENT: **Boydston**

10. Consider Authorizing the Repair/Rebuild of (2) Two Booster Pumps for the Polar Water Pump Station.

Mr. Brooks presented the recommendation to repair/rebuild (2) two booster pumps for the Polar Water Pump Station for the cost of \$27,112.64. Mr. Books reported that the pumps would be put into service to fill Kodiak Reservoir from Polar Reservoir; which will help mitigate a water quality issue at the Polar Reservoir. Mr. Brooks informed the Board that there would be some additional costs involved but were within the General Managers authority, and the work would be performed by the District's Mechanical Maintenance Staff.

Following Board consideration, President Thompson **MOVED** and Vice President Wurm **SECONDED** to approve the repair/rebuild of the two booster pumps for the Polar Water Pump Station.

CARRIED: **AYES:** **Gross, Keefe, Thompson, and Wurm**
 NOES: **None**
 ABSTAIN: **None**
 ABSENT: **Boydston**

BOARD MEMBER MEETINGS

No Board member requested approval for attendance at any meetings of other organizations, seminars, conferences and other meetings.

BOARD MEMBER COMMENTS

Director Keefe made comments acknowledging the passing of Ed Huber, who had held a position on the Lake Arrowhead Community Services Board of Directors.

CLOSED SESSION

The Board, Ms. Cerri, Mr. Campbell, and Mr. Golds went into Closed Session at 6:16 p.m. to discuss items 1-7. President Thompson recused himself from Closed Session item 7 due to a personal relationship to avoid the appearance of impermissible bias.

- 1. Conference with Legal Counsel - Existing Litigation.**
(Paragraph (1) of subdivision (d) of Section 54956.9)

Name of case: The City of Hesperia v. Lake Arrowhead Community Services District, et al., Case No. CIVDS1602017

2. **Conference with Real Property Negotiators.**
Property: APN 0345-144-27-0000
Agency negotiator: Catherine Cerri, Acting General Manager
Negotiating parties: Gerald Eldan
Under negotiation: Price and terms of payment
3. **Public Employee Appointment.**
Title: General Manager
4. **Conference with Labor Negotiators.**
Agency Designated Representatives: Scott Campbell, General Counsel and the Board of Directors
Unrepresented Employee: General Manager
5. **Conference with Legal Counsel – Anticipated Litigation.**
Significant exposure to litigation paragraph (2) of subdivision (d) of Section 54956.9
Number of potential cases: One
6. **Conference with Labor Negotiators.**
Pursuant to Government Section 54957.6
Agency Designated Representatives: Catherine Cerri, Acting General Manager, Natalie Potter, Human Resources Manager, and Scott Campbell, General Counsel
Employee Organization: Utility Workers' Union of America, Local 557
7. **Conference with Legal Counsel – Existing Litigation.**
(Paragraph (1) of subdivision (d) of Section 94956.9)
Name of Case: Darlene Butler v. LACSD et al., Case No. CIVDS1403019

Mr. Golds departed the Closed Session at approximately 6:36 p.m. Ms. Potter went into Closed Session at approximately 7:08 p.m.

OPEN SESSION

The Board came out of Closed Session at 7:28 p.m. Mr. Campbell announced that the Board unanimously appointed Catherine Cerri as the Interim General Manager at the interim salary of \$175,000 a year.

ACTION ITEM

1. **Consider Approving Purchase and Sale Agreement for APN 0345-144-27-0000.**

President Thompson presented the action item for the Purchase and Sale Agreement for APN 0345-144-27-0000.

Following Board consideration, Director Keef **MOVED** and Vice President Wurm **SECONDED** to sell the property as identified in the Board agenda that is in Deer Lodge Park.

<u>CARRIED:</u>	AYES:	Gross, Keefe, Thompson, and Wurm
	NOES:	None
	ABSTAIN:	None
	ABSENT:	Boydston

ADJOURNMENT

President Thompson **MOVED** and Vice President Wurm **SECONDED** to Adjourn the meeting. The meeting Adjourned at approximately 7:31 p.m.

Kathleen Field, Board Secretary