

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

DATE: December 10, 2019

TIME: 5:30 p.m.

PLACE: LACSD Blue Jay Board Room
27307 St. Hwy. 189, Ste. 104
Blue Jay, CA 92317

ATTENDANCE: ***Board Members Present:***
Steve Boydston, Vice President
Ryan Gross, Director
Steve Keefe, Director
Robert Morris, Director
John Wurm, President

Board Members Absent:
None

Others Present:
Catherine Cerri, General Manager
Scott Campbell, General Counsel
Mike Blackwood, Field Operations Manager
Matt Brooks, Operations Manager
Kathleen Field, Board Secretary
Scott Schroder, Engineering Technician
Aida Hercules-Dodaro, District Engineer
Marc Lippert, Customer Service Supervisor
Natalie Potter, Human Resources Manager
Members of the Public
Wayne Austin, ALA General Manager

The Meeting was called to Order at 5:30 p.m. by John Wurm, 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 December 10, 2019 Regular Board Meeting agenda as presented.

PUBLIC COMMENT

There was no Public Comment.

CONSENT CALENDAR

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

1. Approval of Meeting Minutes.

November 12, 2019 Regular Board Meeting Minutes

- 2. Consider Approving a Revised 2020 Utility Workers Union of America, Local 557 Salary Schedule.**
- 3. Consider Approving a Revised 2020 Managers, Supervisors, Confidential Employee Unit (MSCEU) Salary Schedule.**
- 4. Consider Approving Investment Transactions for November 2019.**
- 5. Consider Adopting Resolution 2019-07 Amending Board Policies Manual Section 3.0.**
- 6. Consider Adopting Resolution 2019-08 Setting Forth the Regular Board Meeting Schedule For 2020.**
- 7. Consider Accepting Palisades Sewer Rehabilitation/Replacement Phase 2, Project No. 163A as Complete.**
- 8. Consider Accepting Cottage Grove Emergency Sewer Repair Project 199 as Complete.**
- 9. Consider Accepting Inflow & Infiltration Manhole Rehabilitation 2019 Project No. 204 as Complete.**

Director Gross **MOVED** and Director Keefe **SECONDED** to approve Consent Calendar Items 1- 9 as presented.

Ms. Field took a roll call vote as follows:

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

INFORMATION AND DISCUSSION ITEMS

10. Departmental Reports.

- a. District Engineer’s Update on the District Corporation Yard Project No. 177**
- b. Finance Manager’s Report – 2020 Rate Review**
- c. Operations Manager’s Report**

The Department Managers responded to questions regarding the departmental reports distributed in the agenda packet. Mr. Brooks gave an update on the storm event noting that the District did well, did not have to store water, saw an uptick in flow, there were multiple power outages, and there were issues with communications due to the power outages. Employees worked around the clock moving portable generators and never lost pressures in any of the systems and kept communications established.

11. General Manager’s Report.

Ms. Cerri reported that the tracer dye was injected into Lake Arrowhead, explained the movement of the dye tracer plume and that the data compiled will be brought back to the Board. An analysis of the capacity of the District’s outfall pipeline was completed, and the analysis showed that the current capacity of the pipeline was lower than its permitted maximum capacity rating. The information was provided to Lahontan; however, there were two projects identified that could increase the capacity up to the 4.0 MGD rating but will need to look at other options for the outfall pipeline. The next board meeting was scheduled for January 28, 2020.

ACTION ITEMS

- 12. Consider Election of Officers for the Positions of President and Vice President to the Lake Arrowhead Community Services District Board of Directors.**

Ms. Cerri stated that this was an annual election for the Board President and Vice President, and these positions serve on the Executive Committee.

Vice President Wurm opened the election for the positions of the President and Vice President to the Lake Arrowhead Community Services Board of Directors.

Director Keefe **NOMINATED** John Wurm for President and Director Morris **SECONDED** the nomination.

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

Director Keefe **NOMINATED** Steve Boydston for Vice President and Director Morris **SECONDED** the nomination.

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

13. Consider Designation of Two Representatives, One Alternate and the General Manager to the Arrowhead Lake Association and Lake Arrowhead Community Services District Interface Committee.

Ms. Cerri stated that usually the President and Vice President serve on the Arrowhead Lake Association Interface Committee, and mentioned that it was not a requirement. Ms. Cerri added that there is an Alternate designated to the Committee if there is a scheduling conflict with the representatives.

Following Board consideration, Director Gross **MOVED** and Director Keefe **SECONDED** that the President and Vice President serve on the Arrowhead Lake Association and Lake Arrowhead Community Services District Interface Committee.

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

Director Keefe **NOMINATED** Robert Morris as the alternate member and Director Gross **SECONDED** the nomination.

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

ABSENT: None

14. Consider Rejecting Bids for the Lake Arrowhead Community Services District Corporate Yard Project No. 177.

Ms. Hercules-Dodaro presented the recommendation to reject all bids for the Lake Arrowhead Community Services District Corporate Yard, Project No. 177, noting that all bids were significantly above the Engineer’s cost estimate. Ms. Hercules-Dodaro referred to the memorandum and reviewed the same. Ms. Hercules-Dodaro, Ms. Cerri, and Mr. Campbell responded to a series of questions on the bids received, rejecting the bids, design fee costs, ownership of the design, the total cost of the project and allowable structures. Board members expressed concerns regarding the design architect engineer overstating what the District wanted and acknowledged the importance of getting the project completed.

Following Board consideration, Director Keefe **MOVED** and Vice President Boydston **SECONDED** to reject all bids for the Lake Arrowhead Community Services District Corporate Yard, Project No. 177.

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

15. Consider Adopting Resolution No. 2019-09 Adopting a Policy for Senate Bill No. 998 New Restrictions on Discontinuation of Residential Water Service.

Mr. O’Brien reported that Senate Bill No. 998 Water Shutoff Protection Act was signed into law on September 28, 2018 with an effective date of February 1, 2020. The Senate Bill offers opportunities for payment arrangements, provisions for low-income customers, and very specified conditions under which a water supplier will be prohibited from discontinuing water service for nonpayment. With the passage of the Senate Bill, it was necessary for the District to adopt a Discontinuation of Residential Water Service for Nonpayment Policy to incorporate the required provision of the Senate Bill. Mr. O’Brien presented the recommendation to adopt Resolution No. 2019-09 adopting the District’s policy related to the discontinuation of residential water service for nonpayment.

Following Board consideration, Director Morris **MOVED** and Director Keefe **SECONDED** to adopt resolution No. 2019-09 adopting the Discontinuation of Residential Water Service for Nonpayment Policy.

Ms. Field took a roll call vote as follows:

CARRIED: **AYES:** **Boydston, Gross, Keefe, Morris, and Wurm**
NOES: **None**

ABSTAIN: None
ABSENT: None

16. Introduction and First Reading of Ordinance No. 82 Adopting Amended Rules and Regulations for Water and Wastewater Service and Rescinding Ordinances No. 47 and No. 73 to Incorporate Senate Bill No. 998 New Restrictions on Discontinuation of Residential Water Service.

Mr. O'Brien stated that Senate Bill 998 placed certain requirements on the District related to the discontinuation of water service and this was the corresponding ordinance incorporating the requirements into the District's rules and regulations and to correct inconsistencies. Mr. O'Brien presented the recommendation to introduce Ordinance No. 82 adopting an amended Rules and Regulations for Water and Wastewater Service and rescind Ordinances No. 47 and 73, waiving the first reading and directing District staff to publish the pre-adoption publication summary of Ordinance No. 82.

Following Board consideration, President Wurm **MOVED** and Director Keefe **SECONDED** to introduce Ordinance No. 82 an ordinance of the Board of Directors of the Lake Arrowhead Community Services District, County of San Bernardino, State of California, adopting amended Rules and Regulations for Water and Wastewater Service and rescinding Ordinances No. 47 and 73, waiving the reading and directing District staff to publish the pre-adoption summary of Ordinance No. 82.

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

17. Consider Arrowhead Lake Association Request to Waive Connection Fees.

Ms. Cerri stated that Arrowhead Lake Association (ALA) submitted a request to reduce fees related to a new bathroom built near Palisades Point. The reasoning for the request was that ALA did not feel it would add new capacity to the system, the new bathroom would redistribute usage away from other nearby restrooms. Ms. Cerri commented that she asked Best Best & Krieger for recommendations and there was a concern with use of public funds, unless there was some public benefit or District benefit. Mr. Austin, General Manager of ALA addressed the Board, stating that he felt the capacity argument was valid because only members would be utilizing the restroom; very few outside individuals use that section of the trail due to being hilly. It would be a single stall, one sink bathroom. Mr. Austin responded to a series of questions posed by Board members. Mr. Campbell stated that the restrooms are not public; they are for private use for ALA members and the gift of public funds analysis was complicated by the fact that the restroom is not for public use. Best Best & Krieger's concern was that the District subjects itself to the argument that the District was giving a public benefit away for private use. Board members posed a series of

questions and expressed their concerns. Options provided were to reject the request and look at what are the appropriate fees, decide what fees are waived, ask for a study that showed that lake quality was improved by the installation of the bathroom and request to look at years of usage and if there was no increase in capacity to the system consider refunding. The Board requested that ALA provide a map showing the proximity of the other bathrooms and provide information justifying the request. The Board took no action on this item.

BOARD MEMBER MEETINGS

No Board members requested to attend any meeting.

BOARD MEMBER COMMENTS

There were no Board Member comments.

CLOSED SESSION

The Board, Mr. Campbell, and Ms. Cerri went into Closed Session at 5:47 p.m. to discuss item 1.

1. Conference with Legal Counsel – Anticipated Litigation.

Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Government Code section 54956.9: (Two cases)

OPEN SESSION

The Board came out of Closed Session at approximately 6:56 p.m. President Wurm announced that there were no reportable actions taken in the Closed Session.

ADJOURNMENT

Director Keefe **MOVED** and Director Gross **SECONDED** to adjourn the meeting. The meeting adjourned at approximately 6:57 p.m.

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

Kathleen Field, Board Secretary

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