

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

DATE: August 24, 2021
TIME: 5:30 p.m.
PLACE: Via Teleconference
<https://global.gotomeeting.com/join/534226749>
(408) 650-3123 and enter the access code 534-226-749

LACSD Board Room
27307 State Hwy. 189, Suite 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
Joseph Byrne, General Counsel
Mike Blackwood, Field Operations Manager
Matt Brooks, Operations Manager
Kathleen Field, Board Secretary
Natalie Potter, Human Resources Manager
Members of the Public – One
Mary-Justin Lanyon, The Alpine Mountaineer

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.

AGENDA POSTING CERTIFICATION

Board Secretary Field certified the proper posting of the agenda and called the roll.

APPROVAL OF AGENDA

The Board, by general consensus, approved the August 24, 2021, Regular Board Meeting agenda as presented.

PUBLIC COMMENT

No written or oral public comments were received.

CONSENT CALENDAR

Ms. Field informed the Board that there was a technical non-substantial amendment to the July 27, 2021, draft meeting minutes to include the physical location of the meeting. The July 27th meeting was held as a hybrid meeting. However, the draft meeting minutes reflected the teleconference information but should also have included the physical location of the meeting.

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

1. Approval of Meeting Minutes.

July 27, 2021 Regular Board Meeting Minutes

2. Consider Receiving and Filing of the Fiscal Year 2020-21 Annual Board and Employee Expense Report.

Director Keefe **MOVED** and Vice President Boydston **SECONDED** to approve the July 27, 2021, regular Board meeting minutes as amended and to approve consent calendar item 2 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

3. Departmental Reports.

a. Update on the District Corporate Yard, Project No. 177

Ms. Cerri stated that the District was still waiting for the Corporate Yard Project to get through the County permitting process and that steel prices have declined slightly.

b. Finance Manager's Report – Financial Statements and Cash and Investment Report for The Quarter Ended June 30, 2021

Mr. O'Brien reported that the District is currently underway with its annual financial statement audit. The preliminary financial statements for the fiscal year 2020-21 were presented. Overall revenue was up 5% over the Board approved budget, and expenses were 10% under budget. End of year cash position was flat year over year despite \$5.2 million capital improvement spending. In short, the District had another great year. While revenue functions are often out of the District's direct control, expenses are managed by staff and they've done a great job. The auditors will present their findings in October.

Field Operations Manager's Second Quarter 2021 Report

There were no questions or comments regarding the Field Operations Manager's report distributed in the agenda packet.

c. Operations Manager's Report

Mr. Brooks reported water delivered was up 3.6% year-to-date, and earlier this year, the month-to-month consumption was up approximately 12%; however, the consumption has leveled out. Lake Draw and Wells to System were similar to last year. CLAWA purchase compared to last year was up but will level out. Recycled water delivered was 20 acre-feet less than last year.

4. Update on the Watershed Sanitary Survey 2020 Update Completed by LACSD Staff.

Mr. Brooks stated that the Watershed Sanitary Survey (WSS) 2020 update was completed early and in-house for the first time. The WSS is ongoing and should be updated as needed or at a minimum of every five years. In 2001, the District completed its first WSS, and updates to the survey were made in 2009, 2015, and now 2020. He stated that drinking water utilities that use surface water are required to conduct a WSS for that source under the California Surface Water Treatment Rule. He highlighted the following; overall, Lake Arrowhead provides excellent water quality, and the raw water is treated to meet all primary drinking water standards. He pointed out that there was only one spill reported in the last five years into the Lake compared to the prior six-year report which documented thirteen sanitary overflows into the Lake. He praised the Field Operations staff for their hard work completing preventive maintenance.

5. General Manager’s Report.

Ms. Cerri gave an update on the Blue Jay Well Project, stating that the contractor has reached a depth of 350 feet, encountered two fractures, and has 150 feet more to go. She remarked that if the project stopped at this point, the well would produce 35 gallons per minute which is equivalent to Groundwater Well #6. Ms. Cerri responded to questions. She informed the Board that next month would be the last hybrid Board meeting. If Board members wanted to attend via teleconference, the agenda would require their physical location. Regarding the Hillside Ponds, she reported that the U.S. Bureau Reclamation completed the last field study and are preparing a report. Ms. Cerri said that the District has contracted with a demographer to help with the redistricting and that it appeared that the deadline will be pushed to spring 2022.

ACTION ITEMS

6. Consider Awarding Contract for the Antler Wildrose Waterline Replacement Project No. 192.

Immediately following the announcement of action item 6, Vice President Boydston announced that he was recusing himself from the item and departed the meeting at 5:52 p.m. Ms. Cerri reported this contract award was for a waterline replacement on Antler Drive and Wildrose Circle. The lowest bid of \$496,378.00 was from Altmeyer, Inc. In response to a Board member question, she responded that the District Engineer had reviewed the bid and confirmed with Mr. Altmeyer that the prices would hold. A Board member expressed concern regarding the substantial gaps in price from the five bids received. Ms. Cerri responded that all the bids were based on the same specifications. Altmeyer, Inc. was low on the pipeline and the asphalt; they own all their own equipment, they are not using subcontractors, and will only use their own employees. She remarked that Mr. Altmeyer commented that maybe the other contractors were concerned about rocks in that area. However, he was not concerned, but perhaps that is why the other contractors’ bids were higher.

Director Morris **MOVED** and Director Keefe **SECONDED** to award the contract for construction of Antler Wildrose Waterline Replacement Project No. 192 to Altmeyer, Inc. for their low responsive and responsible bid of \$496,378.00, and authorize the General Manager to execute the contract and to approve change orders for the project as required in the field during contract time for an amount not to exceed 15% of the original contract amount.

Ms. Field took a roll call vote as follows:

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

RECUSE: Boydston

BOARD MEMBER MEETINGS

No Board members requested to attend any meetings.

BOARD MEMBER COMMENTS

There were no Board member comments.

CLOSED SESSION

The Board, Ms. Cerri, Mr. Byrne, and Ms. Field went into the Closed Session to discuss item 1 at 5:59 p.m.

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. CIVIDS2019176

OPEN SESSION

The Board came out of Closed Session at approximately 6:01 p.m. President Wurm announced that there were no reportable actions taken in Closed Session pursuant to the Brown Act.

ADJOURNMENT

Director Keefe **MOVED** and Director Morris **SECONDED** to adjourn the meeting. The meeting was adjourned at approximately 6:02 p.m.

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

Kathleen Field, Board Secretary