

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

DATE: December 14, 2021

TIME: 5:30 p.m.

PLACE: Via Teleconference
<https://global.gotomeeting.com/join/994297829>
+1 (669) 224-3412 Access Code: 994-297-829

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
Ryan Guiboa, Special Counsel
Mike Blackwood, Field Operations Manager
Matt Brooks, Operations Manager
Kathleen Field, Board Secretary
John O'Brien, Finance Manager
Mark Lippert, Public Programs Supervisor
Natalie Potter, Human Resources Manager
Scott Schroder, Engineering Manager
Ichiko Kido, Robert D. Niehaus, Inc.
Anthony Elowsky, Robert D. Niehaus, Inc.
Zachary VanDinther, Robert D. Niehaus, Inc.
Members of the Public – None

The Meeting was called to Order at 5:00 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 December 14, 2021, Regular Board Meeting agenda as presented.

PUBLIC COMMENT

No written or oral public comments were received.

SPECIAL RECOGNITION OF RETIRING EMPLOYEE MARC LIPPERT

Ms. Cerri and Mr. O'Brien thanked Mr. Lippert for 32 years of dedicated service to the district, commented on his great work ethic, and wished him the best. Mr. Lippert expressed appreciation for his time and positions with the district.

CONSENT CALENDAR

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

1. **Consider Reaffirming Resolution No. 2021-11 and Authorizing Virtual Board and Committee Meetings Pursuant to AB 361.**
2. **Approval of Meeting Minutes.
November 9, 2021 Regular Board Meeting Minutes**
3. **Consider Adopting Resolution No. 2021-13 Setting Forth the Regular Board Meeting Schedule for 2022.**

Director Keefe **MOVED** and Director Gross **SECONDED** to approve consent calendar items 1-3 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

4. Departmental Reports.

a. Update on District Corporation Yard Project No. 177.

Ms. Cerri reported that steel prices continued to drop. Still waiting on the County's final approval for the grading permit; noting that the grading permit was needed to get the building permit. Once the building permit was approved, the steel prices could be locked in.

b. Operations Manager's Report.

Mr. Brooks reported on the fire at the District's Willow Creek Satellite Treatment Plant. A staff member located the fire doing a routine check of the building. The lab block building might be a complete loss; however, the situation could have been worse. It appeared that the fire might have started in the generator room, but he did not have specifics on how the fire started. The generator was lost, but the Vac-Con truck stored onsite was not damaged. Staff brought over a towable generator and built a temporary shelter to get temporary power to the top of the plant during the rainstorm, which was critical for the preliminary treatment to keep the wastewater flowing to the ponds. In addition to the fire, there was a ragged pump at Smithport # 7 station, and two pumps failed at the Grass Valley Treatment Plant; however, there were no spills or discharges. The insurance company had been contacted to start the claim process. Long-term power at Willow Creek Treatment Plant will be challenging. A Board member acknowledged and thanked staff for a fantastic job during the fire, system issues, and rainstorm. Mr. Brooks reported that water delivered to the distribution system through the first 11 months is similar to last year. Lake draw was down about 125-acre feet less compared to the previous year. He projected that the lake draw would be 400-450 acre-feet below the 1566 water allotment based on typical December demand and CLAWA purchases.

5. Water and Sewer Rate Study Presentation.

Mr. O'Brien mentioned the Board's past approval of the contract with Robert D. Nehaus, Inc. (RDN) to conduct a rate study for all four of the District's enterprises. He stated that the District periodically performs rate studies conducted by third-party consultants to ensure that the District is charging rates that are sufficient and that costs are fairly allocated amongst ratepayers. RDN had completed its analysis and will be presenting the updated proposed rates. He informed the Board that the consultants would be requesting feedback from the Board before submitting the cost of service analysis to legal for review and preparation of the Proposition 218 notice for mailing to all customers. RDN staff presentation on the District's 2022 Rate Study for all Enterprises included key assumptions, financial plans, cost of service analysis, and proposed rates. The consultants responded to questions from Board members. Mr. O'Brien and Ms. Cerri went over the next steps for adopting the proposed rates.

6. Update on the Cease and Desist Order (CDO) R6V-2013-0022.

Mr. Blackwood referred to the memorandum on the Cease and Desist Order (CDO) provided in the agenda packet, which contained the most recent annual report. He stated that one thing learned through this process while looking for Inflow and Infiltration (I&I) there was no one particular location; it was districtwide. To illustrate the positive, I&I reduction efforts, he referred to the flow monitoring study section of the report. He pointed out that after a sewer replacement in the Palisades area, which had been previously monitored and with a storm event last year, the re-monitoring of the sewer rehabilitation area showed the wet to dry weather ratio was 3.3 in March 2018, in February 2021, it was 1. He further reported that the interim standards set forth in the CDO were met, and the focus will be on the older sections of the sewer collection system.

7. General Manager’s Report.

Ms. Cerri reported that the recent rain received might put the lake level over the ALA MOU stated goal of Lake level of 5100-acre feet. She received notification from CLAWA that the district would probably not be able to purchase water from CLAWA in 2022 due to the State Water Project allocation at zero unless something changed.

ACTION ITEMS

8. 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 this was the annual election of Board officers. President Wurm opened the election for the Board Vice President and President positions.

President Wurm **NOMINATED** Steve Boydston for the office of Vice President, and Director Morris **SECONDED** the nomination to elect Steve Boydston as Vice President to the Lake Arrowhead Community Services Board of Directors.

Director Morris **NOMINATED** John Wurm for the office of President, and Director Keefe **SECONDED** the nomination to elect John Wurm as President to the Lake Arrowhead Community Services Board of Directors.

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

9. 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 this item was to designate two representatives, one alternate, and General Manager to the Arrowhead Lake Association and Lake Arrowhead Community Service District Interface Committee. She commented, typically, the Board President and Vice President are the two representatives, and the current alternate was Robert Morris.

Following Board consideration, President Wurm **MOVED** and Director Keefe **SECONDED** to continue with the present representatives John Wurm and Steve Boydston, and Robert Morris as the alternate and the General Manager to the Arrowhead Lake Association and Lake Arrowhead Community Services District Interface Committee.

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

10. Consider Approving Procurement Contract for Maple Waterline Replacement Project No. 219.

Mr. Schroder explained that the reason for the next three items on the agenda for the purchase of pipe and pipeline appurtenances was to secure the materials prior to construction due to a long lead time for manufacturing and shipping instead of going out to bid and having the contract delayed due to procurement. He provided the background information for the project and presented the recommendation to award a Procurement Contract for Maple Waterline Replacement Project No. 219 for the purchase of pipe and pipeline appurtenances to Western Water Works Supply Company for their low responsive and responsible bid of \$54,259.34 and authorize the General Manager to execute the contract.

Following Board consideration, Director Gross **MOVED** and Director Keefe **SECONDED** to award a Procurement Contract for Maple Waterline Replacement Project No. 219 for the purchase of pipe and pipeline appurtenances to Western Water Works Supply Company for their low responsive and responsible bid of \$54,259.34 and authorize the General Manager to execute the contract.

Ms. Field took a roll call vote as follows:

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

11. Consider Approving Procurement Contract for the 12-inch Waterline Relocation State Hwy. 173 Project No. 186.

Mr. Schroder commented that this item was like the previous agenda item and presented the recommendation to award a contract for the provision of the 12-inch Waterline Relocation State Hwy. 173 Project No. 186 for the purchase of pipe and pipeline appurtenances to Western Water Works Supply Company for their low responsive and responsible bid of \$47,947.02 and authorize the General Manager to execute the contract.

Following Board consideration, Director Gross **MOVED** and Vice President Boydston **SECONDED** to award a contract for the provision of the 12-inch Waterline Relocation State Hwy. 173 Project No. 186 for the purchase of pipe and pipeline appurtenances to Western Water Works Supply Company for their low responsive and responsible bid of \$47,947.02 and authorize the General Manager to execute the contract.

Ms. Field took a roll call vote as follows:

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

12. Consider Approving Procurement Contract for the Edgewater to Village Cove Waterline Replacement Project No. 230.

Mr. Schroder presented staff recommendation to award a contract for the Edgewater to Village Cove Waterline Replacement Project No. 230 to purchase pipe and pipeline appurtenances to Western Water Works Supply Company for their low responsive and responsible bid of \$43,791.76, and authorize the General Manager to execute the contract.

Following Board consideration, Director Gross **MOVED** and Vice President Boydston **SECONDED** to award a contract for the Edgewater to Village Cove Waterline Replacement Project No. 230 for the purchase of pipe and pipeline appurtenances to Western Water Works Supply Company for their low responsive and responsible bid of \$43,791.76, and authorize the General Manager to execute the contract.

Ms. Field took a roll call vote as follows:

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

BOARD MEMBER MEETINGS

No Board members requested to attend any meetings.

BOARD MEMBER COMMENTS

There were no Board member comments.

CLOSED SESSION

Immediately following the announcement of the Closed Session, President Wurm announced that he would be recusing himself from item 3, stating that he has represented Arrowhead Woods Architectural Committee, Inc. The Board, Ms. Cerri, Ms. Field and Mr. Guiboa went into the Closed Session to discuss items 1-3 at approximately 6:39 p.m.

Ms. Field departed the closed session at 6:40 p.m.

- 1. Conference with Labor Negotiators.**
Pursuant to Government Section 54957.6
Agency Designated Representatives: Catherine Cerri, General Manager, and Joseph Byrne, General Counsel
Managers, Supervisors, Confidential Employee Unit

- 2. 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

Ms. Field returned to the Closed Session at 7:00 p.m., and President Wurm departed the Closed Session at 7:00 p.m.

- 3. Conference with Real Property Negotiators.**
Property: Groundwater in Connection with Properties in Arrowhead Woods
Agency Negotiators: Catherine Cerri, General Manager
Negotiating Parties: Arrowhead Woods Architectural Committee, Inc.
Under Negotiation: Price and terms of payment

OPEN SESSION

The Board came out of Closed Session at approximately 7:14 p.m. Mr. Guiboa announced that no reportable actions were taken in Closed Session pursuant to the Brown Act.

ACTION ITEM

13. Consider Approving a Contract to Conduct a Compensation Study.

No action was taken on the approval of a contract to conduct a compensation study.

ADJOURNMENT

Vice President Boydston **MOVED** and Director Keefe **SECONDED** to adjourn the meeting. The meeting adjourned at approximately 7:15 p.m.

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

Kathleen Field, Board Secretary