

**BOARD OF BEAR VALLEY BASIN  
GROUNDWATER SUSTAINABILITY AGENCY**  
**MEETING MINUTES**  
**November 13, 2023**

**OPEN SESSION**

A meeting of the Bear Valley Basin Groundwater Sustainability Agency Board of Directors was called to order at 9:00 a.m. on November 13, 2023, by Vice-Chair Miller at 41972 Garstin Drive, Big Bear Lake, CA 92315.

**BOARD MEMBERS PRESENT:**

Jim Miller, Vice-Chair  
Craig Hjorth, Treasurer  
Steve Ludecke, Secretary  
John Russo, Director

**PLEDGE OF ALLEGIANCE**

Reggie Lamson, Administrator BVBGSA, General Manager DWP

**PUBLIC FORUM:**

No comments from the public.

**1. CONSENT CALENDAR**

**1.1 Approve Minutes of Board Meeting Dated June 20, 2023**

*Motion made by Treasurer Hjorth, seconded by Secretary Ludecke, and carried 4-0 to approve the Consent Calendar.*

*AYES: Hjorth, Ludecke, Miller, Russo*

*NOES: -*

*ABSTAIN: -*

**2. ITEMS REMOVED FROM CONSENT CALENDAR**

None

**3. DISCUSSION/ACTION ITEMS**

**3.1 Agreement with Thomas Harder & Co. to Prepare the Groundwater Sustainability Plan 2022/23 Annual Report**

Secretary Ludecke inquired into the prior year cost to prepare the GSP Annual Report. Reggie Lamson responded that it cost around \$40,000 to prepare the GSP 2021/22 Annual Report. Vice-Chair Miller asked if the Board considered hiring another consulting firm, would the cost, more than likely, be higher. Reggie responded yes, because Tom Harder has set up the monitoring stations, groundwater model, and can prepare the Annual Report efficiently.

*Motion made by Secretary Ludecke, seconded by Treasurer Hjorth, and carried 4-0 to approve an agreement with Tom Harder to prepare the GSP 2022/23 Annual Report contingent upon concurrence of approval by the member agencies that will be responsible for reimbursing the BVBGSA.*

*AYES: Hjorth, Ludecke, Miller, Russo*

*NOES: -*

*ABSTAIN: -*

### **3.2 Appointment of Officers**

*Motion made by Treasurer Hjorth, seconded by Vice-Chair Miller, and carried 4-0 to appoint Board Officers as follows: Jim Miller as Chair; Steve Ludecke as Vice-Chair; Craig Hjorth as Treasurer; and John Russo as Secretary.*  
AYES: Hjorth, Ludecke, Miller, Russo  
NOES: -  
ABSTAIN: -

### **3.3 Approval of Claims Payments**

Vice-Chair Ludecke inquired into why the bank fees were so high. Nathan Statham, DWP's Chief Financial Officer, responded the bank fees are based on a flat fee for public funds.

*Motion made by Treasurer Hjorth, seconded by Vice-Chair Ludecke, and carried 4-0 to authenticate the claims payments from June 17, 2023 through November 13, 2023.*  
AYES: Hjorth, Ludecke, Miller, Russo  
NOES: -  
ABSTAIN: -

### **3.4 Financial Statement Audit 2023**

*Motion made by Vice-Chair Ludecke, seconded by Treasurer Hjorth, and carried 4-0 to receive and file BVBGSA's 2023 audited financial statements and related auditor reports and communications.*  
AYES: Hjorth, Ludecke, Miller, Russo  
NOES: -  
ABSTAIN: -

### **3.5 Resolution No. 2023-02 - Member Cash Balance Funding Realignment**

Treasurer Hjorth asked if the Board needs to address this because of the low dollar amount. Nathan responded that it is not a requirement, but the Board is recommended to address it because of the perception to readers of the financial statements relative to the size of the BVBGSA organization. Treasurer Hjorth stated his understanding that we are proposing to realign funds now to prepare for the future. Nathan responded yes. Chair Miller clarified his understanding that as a Joint Venture, each agency should have an equal share. Nathan responded yes; and the issue is that the DWP appears to have more influence over the BVBGSA activities because of work performed by DWP staff on behalf of the BVBGSA. David Lawrence, General Manager of BBARWA, asked if the BVBGSA has a separate bank account. Nathan responded yes, and separate Board. Nathan added that the BVBGSA is not considered a component of the DWP.

Vice-Chair Ludecke asked if the DWP is paid to perform work on behalf of the BVBGSA. Nathan responded no; and that he is proposing an agreement between the BVBGSA and the DWP with a modest dollar amount for the role DWP is performing on behalf of the BVBGSA. Treasurer Hjorth inquired if this matter has been discussed with BB&K. Nathan responded no; waiting for Board direction on the matter. Chair Miller asked if the DWP should assess the fully burdened rate for the work performed by the DWP and charge that rate to the member agencies. Nathan responded that we could calculate a cost basis and create an agreement. Chair Miller stated his understanding that the matter before the Board today is the realignment of funds and the agreement for DWP performed work will be brought back to the Board at a subsequent meeting. Nathan responded yes. Vice-Chair Ludecke asked if the DWP pays for the legal analysis. Nathan responded that legal fees are billed to the BVBGSA.

*Motion made by Treasurer Hjorth, seconded by Vice-Chair Ludecke, and carried 4-0 to adopt Resolution No. 2023-02, assessing member contributions equal to \$1,000 and repay DWP excess lent funds in the amount of \$2,000.*

*AYES: Hjorth, Ludecke, Miller, Russo*

*NOES: -*

*ABSTAIN: -*

### **3.6 Replenish Big Bear Update**

David provided Replenish Big Bear Status Update to the Board. Treasurer Hjorth asked if the Bear Mountain Resorts are using their own pipelines to pump water from the lake to the golf course. David responded yes. Brittany Lamson, Interim General Manager MWD, stated that back in 2018, the Bear Mountain Resorts were allowed to pump water from the lake to water the golf course, but the current agreement does not include this option. Vice-Chair Ludecke asked if there is no organization locally to test the brine being sent to Israel. David responded no; there is a unit in Chili but the cost to bring to unit to the BBARWA facilities is \$750,000 and the unit is not the right size or UL graded. It will cost an additional \$250,000 to upgrade the testing equipment to obtain a UL rating. David added that BBARWA is looking at an alternative brine process.

Vice-Chair Ludecke inquired into the WIFIA modified agreement. David responded that the purpose of the modified agreement is to ensure the public agencies including CSD, City of Big Bear Lake, and the County of San Bernardino, do not leave the BBARWA JPA until the WIFIA loan is paid off. Vice-Chair Ludecke asked how long the debt service lasts. David responded up to 40 years. Chair Miller stated his understanding that the water being discharged into the lake is better water quality than the water in the lake. David responded no that the lake water quality is so good that the Replenish product water will be above drinking water quality, not lake water quality. David added that the goal is not to add nutrients to the lake water. Vice-Chair Ludecke asked if BBARWA has responded to all public comments received on the EIR. David responded yes. Chair Miller asked that once the Environmental Report is approved, will that open to door to more grant opportunities. David responded yes.

Treasurer Hjorth stated that the rate structure is open to misunderstanding and requested BBARWA get the message out regarding the additional rates. Chair Miller recommended the presentation be updated to add "annual rate adjustment" to the title of the slide.

### **3.7 Management and Board Members Discussion**

None.

### **ADJOURN**

No additional business came before the Board. At 10:26 a.m., Chair Miller adjourned the meeting.

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John Russo, Secretary to the Board