

Big Bear Area Regional Wastewater Agency

Special Board Meeting Minutes
December 3, 2024 at 5:00 p.m.
121 Palomino Drive, Big Bear City, CA 92314

1. Call to Order

A Special Meeting of the Governing Board of the Big Bear Area Regional Wastewater Agency was called to order by Chair Miller at 5:00 p.m. on December 3, 2024 at 121 Palomino Drive, Big Bear City, California.

Board Members Present: Jim Miller, Chair; Rick Herrick, Vice-Chair; John Russo, Director; Kendi Segovia, Director; and Larry Walsh, Director

Board Members Absent: None

Staff Members Present: David Lawrence, General Manager; Christine Bennett, Finance Manager; Bridgette Burton, Administrative Services Manager/Board Secretary; and Sonja Kawa, Human Resources Coordinator/Accounting Technician

Others: Jared Cheek, General Manager, Big Bear Municipal Water District; Glenn Jacklin, General Manager, Big Bear City Community Services District; Brittany Lamson, Assistant General Manager, Big Bear Municipal Water District; Reggie Lamson, General Manager, City of Big Bear Lake Department of Water and Power; Ward Simmons, Partner, Best Best & Krieger, LLP; and Sean Sullivan, Assistant City Manager, City of Big Bear Lake

Members of the public who signed in: Joyce Crist, Big Bear City; Patrice Duncan, Sugarloaf; Jess Madison, Big Bear City; Sierra Orr, Big Bear City; and Bob and Jo Rowe, Big Bear City

2. Pledge of Allegiance – Vice-Chair Herrick

3. Approval of Agenda

Upon motion by Vice-Chair Herrick, seconded by Director Segovia and carried, the Governing Board approved the agenda as presented.

Ayes: Herrick, Russo, Segovia, Walsh, Miller

Noes: None

Absent: None

Abstain: None

4. Public Forum

Daniel Gulbranson commented on business matters concerning the City of Big Bear Lake and its reorganization.

Joyce Crist congratulated Director Segovia on the election and thanked the Agency for the meeting material.

Tom Sitton commented on corporation law, the 1849 constitutional law, and debt.

5. Presentation and Introduction

a. John Russo 1-year recognition

The General Manager thanked Director Russo for his service.

b. District Transparency Certificate of Excellence by the Special District Leadership Foundation

The Governing Board congratulated the Administrative Services Manager.

6. Information/Committee Reports

a. General Manager's Report

The General Manager noted that the average flow received over the weekend was 2.5 million gallons per day.

The Governing Board asked how the flow translates to number of people.

7. Consent Calendar Approved Items

a. Meeting Minutes from the October 23, 2024 Regular Meeting

b. Monthly Disbursements Report for October

c. Investment Report Identifying Agency Investments and Reporting Interest Income for October

d. First Quarter Report, Three Months Ended September 30, 2024

Upon motion by Director Vice-Chair Herrick, seconded by Director Segovia and carried, the Governing Board approved the consent calendar as presented.

Ayes: Herrick, Russo, Segovia, Walsh, Miller

Noes: None

Absent: None

Abstain: None

8. Items Removed from the Consent Calendar

None

9. Old Business

None

10. New Business – Discussion/Action Items

a. OAC Roof Replacement Project Reject Lowest Bid and Award

The General Manager explained the lowest bidder did not have the required contractor license as detailed in the bid specifications.

Joyce Crist asked if the contractor was provided with an opportunity to obtain the required license.

Upon motion by Director Segovia, seconded by Chair Miller and carried, the Governing Board authorized the General Manager to award, negotiate, and execute the OAC Roof Replacement Contract with Rite-Way Roof Corporation, the responsive and responsible bidder meeting all required qualifications.

Ayes: Herrick, Russo, Segovia, Walsh, Miller

Noes: None

Absent: None

Abstain: None

b. Allocate \$50,000 to Support the Capital Improvement Development Plan from the Contingency Fund

The Administrative Services Manager presented the new methodology for planning and estimating capital projects.

The Governing Board inquired about the Force Main Project, what the process would be for unexpected repairs or replacements, the bidding process, adaptability, and if any other local agencies use this index.

Joyce Crist provided feedback on the presentation. The staff proposed meeting afterward to discuss the item further.

Upon motion by Chair Miller, seconded by Vice-Chair Herrick and carried, the Governing Board allocated \$50,000 to support the Capital Improvement Development Plan from the Contingency Fund.

Ayes: Herrick, Russo, Segovia, Miller

Noes: Walsh

Absent: None

Abstain: None

c. Appropriate \$49,784 for a Rate Study Update from the Contingency Fund

The Finance Manager explained the need for the Rate Study.

The Governing Board asked whether the rate study should be postponed until a decision is made regarding Replenish Big Bear.

The General Manager explained that if Replenish Big Bear does not proceed, several projects will be transferred back into the Capital Improvement Plan. If Replenish Big Bear does move forward, additional grant awards will be incorporated into the Replenish Big

Bear rate. The Agency budget and rate structure must be presented to Member Agencies by May 1, 2025. Should the Governing Board decide to delay the rate study, the General Manager recommended proceeding with the current rate structure.

Upon motion by Vice-Chair Herrick, seconded by Director Segovia and carried, the Governing Board tabled this item to a future Governing Board meeting.

Ayes: Herrick, Russo, Segovia, Walsh, Miller
Noes: None
Absent: None
Abstain: None

d. DISCUSSION ONLY - Replenish Big Bear Unwinding Process and Alternative Considerations

The General Manager presented three options for discussion: 1) unwind the Replenish Big Bear Program, 2) evaluate Program scope reductions and cost scenarios, or 3) update the Project Financing Plan for Governing Board consideration.

The Governing Board discussed the vote during the August meeting, correspondence with outside agencies, certification of the Program Environmental Impact Report (PEIR), estimated cost per agency if the grants must be paid back, grant deliverables, effect of cancellation, rates, and design costs and financing.

Patrice Duncan commented on Board representation, Board roles on respective councils, asked for the Project to be reconsidered, and if not, then demanded a refund of rates.

Joyce Crist stated the PEIR should not be certified because the Board voted against it, and it would have to be changed anyway.

Daniel Gulbranson commented on the August meeting, unknown costs of the Project, and planning ahead of time.

Kristina Nehls congratulated directors on the election, stated reasons for Project failure, and commented about a conflict of interest.

Theodore Trentman commented about the importance of investing in water infrastructure and expressed concern over lead in water pipes.

Director Russo left the meeting at 6:24 p.m. and returned at 6:26 p.m.

Tom Sitton commented about grants, national debt, and taxation.

Sandy Steers commented that certification of the PEIR without any changes does not serve the environment and requested changes be made.

Sierra Orr noted that if the project does not move forward, there is a possibility that the rate study could result in lower rates. She emphasized the importance of considering Option 3 and incorporating grant awards into the rates and recommended conducting a statistically valid community survey.

Further discussion amongst the Governing Board included upcoming meetings of each respective agency and discussions with finance departments.

The Governing Board directed staff to place this item on the January agenda for additional discussion.

11. Comments and Announcements

a. General Manager Comments

None


b. Governing Board Comments

The Governing Board commented on the Replenish Big Bear Program return on investment for constituents and the amount of water provided by the City of Big Bear Lake Department of Water and Power to Big Bear City Community Services District customers.

12. Adjournment

With no further business to come before the Governing Board, Chair Miller adjourned the meeting at 7:02 p.m.

Attest:



Bridgette Burton, Secretary to the Governing Board
Big Bear Area Regional Wastewater Agency