

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

DATE: March 28, 2023

TIME: 5:30 p.m.

PLACE: Via Teleconference
<https://us02web.zoom.us/j/9093367117?pwd=eDh5Rng4aXc4MEp2V0NPcm5udlhMQT09>
+1 (669) 900-6833
Meeting ID: 909 336 7117 and Passcode: 7117

LACSD Board Room
27307 State Hwy. 189, Suite 104
Blue Jay, CA 92317

ATTENDANCE: ***Board Members Present:***
Steve Boydston, Vice President
Steve Keefe, Director
Robert Morris, Director
Bruce Reynolds, 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
John O'Brien, Finance Manager
Natalie Potter, Human Resources Manager
Scott Schroder, Engineering Manager
Members of the Public – 4

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 March 28, 2023, Regular Board Meeting agenda as presented.

PUBLIC COMMENT

A public member thanked District staff for their hard work dealing with the snow related issues.

CONSENT CALENDAR

Public members commented on the January 24, 2023, regular board meeting minutes regarding an AWAC meeting. Listed on the Consent Calendar were the following items for approval:

1. **Approval of Meeting Minutes.
January 24, 2023 Regular Board Meeting Minutes**
2. **Consider Approving the Temporary Transfer of 2021/2022 Carryover Right from the District's Free Production Allowance (FPA) in the Mojave Basin for Water Year Ending September 30, 2022.**

Director Keefe **MOVED** and Vice President Boydston **SECONDED** to approve Consent Calendar Items 1-2 as presented.

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

INFORMATION AND DISCUSSION ITEMS

3. **Departmental Reports.**
 - a. **District Corporation Yard Project No. 177 Update.**

Mr. Schroder reported that the Corporation Yard structure was structurally sound after the storm event, and work was delayed due to the weather. Twenty-five

percent of the site work was completed. H. E. Hammer completed forty-five percent of the building, noting that both contractors were off-site due to site conditions, and they are planning on returning on April 3, 2023, to start on the interior portion of the building.

b. Finance Manager's Fiscal Year 2022-23 Financial Statements and Cash and Investment Report for the Quarter Ended December 31, 2022

Mr. O'Brien reported that water operating revenue was down due to reduced water consumption compared to last year, investment income was up, property tax was coming in above the estimate, and operating costs continued to stay under budget resulting in the District's overall net position continuing to look great. He commented on the banking crisis stating that Signature Bank was temporarily taken over by the government, and the District has one CD with Signature Bank in the amount of \$250,000.00, which is FDIC insured. Mr. O'Brien responded to bond questions. He informed the Board that he might bring an item regarding catastrophic metered water losses due to the recent historic storm event to the next Board meeting. He provided information on current rules and regulations for extraordinary water losses, water losses caused by the storm, and recent data collected on the losses. He responded to a series of questions from Board members. Mr. O'Brien apprised the Board of future plans to replace water meter reader units with newer technology.

c. Operations Manager's Report.

Mr. Brooks reported that the water delivered numbers were similar to last year. He provided detailed information on the discharges from the Grass Valley Wastewater Treatment Plant due to the recent storm events, as provided in his staff report. The Board thanked and expressed gratitude to the staff for their efforts. President Wurm requested that the annual water report for 2021 also be provided at the next Board meeting for comparisons and include prior years annually thereafter.

4. General Manager's Report.

Ms. Cerri reported that the recent storm events strained the system, but did not see any new vulnerabilities in the system and did not anticipate any large expenditures for repairs. She referred to the General Manager's report, which provided detailed information on reasons the District was successful and plans on what can be done in the future to be more successful. She added that one of the major reasons the District was so successful was the District staff. She thanked Mr. Blackwood and Mr. Brooks, and their staff for their dedication. President Wurm requested placing an item on the next Board meeting agenda for staff commendation. He also commented that he had a client personally acknowledge Eric for his help after they slipped. Ms. Cerri mentioned that the District was in a declared water shortage level 3, and it

would be a good time to discuss changing from level 3 to level 2 at the next Board meeting. She responded to questions.

ACTION ITEMS

5. Consider Awarding a Contract for Lake Arrowhead Country Club Well #1 Study Rehabilitation Project No. J106 and Determine that the Project is Categorically Exempt from Environmental Review Under the California Environment Quality Act Under Title 14 of the California Code of Regulations, sections 15301 Existing Facilities (ClassI)

Director Keefe questioned if a recusal on action item 5 was needed. Mr. Byrne responded that this was only naming the well and the location. It was not an agreement between the District and the Lake Arrowhead Country Club and did not believe that a recusal was necessary. Mr. Schroder reported that this project was for groundwater Well #1, located on the Lake Arrowhead County Club. He went over the background information, the bids received, and the fiscal impact. He stated the recommendation was to award a construction contract for the Lake Arrowhead Country Club Well#1 Study-Rehabilitation Project No. J106 to L.O. Lynch Wells and Pumps for their low responsive and responsible bid of \$50,062.00, 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 and determine that the Project is Categorically Exempt from Environmental review under the California Environmental Quality Act (“CEQA”) under Title 14 of the California Code of Regulations, sections 15301 Existing Facilities (Class 1).

Following Board consideration, Director Keefe **MOVED** and Director Morris **SECONDED** to award a construction contract for the Lake Arrowhead Country Club Well#1 Study-Rehabilitation Project No. J106 to L.O. Lynch Wells and Pumps for their low responsive and responsible bid of \$50,062.00, 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 and determine that the Project is Categorically Exempt from Environmental review under the California Environmental Quality Act (“CEQA”) under Title 14 of the California Code of Regulations, sections 15301 Existing Facilities (Class 1).

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

6. Consider Awarding a Contract for Wastewater Pump Station #7 Diesel Bypass Procurement Project No. 237.

Mr. Schroder provided the project background information and noted that the District received one bid for the project. He then went over the fiscal impact noting that the installation of the new pump and appurtenances would be done in-house. The recommendation was to award a contract for the procurement of the Wastewater Pump Station #7 Diesel Bypass Pump Assembly Procurement Project No. 237 (“Project”) to Xylem for their low responsive and responsible bid of \$73,439.00 plus \$265.00 shipping for a total of \$73,704.00, and authorize the General Manager to execute the contract. Mr. Brooks responded to questions.

Following Board consideration, Director Morris **MOVED** and Vice President Boydston **SECONDED** to award a contract for the procurement of the Wastewater Pump Station #7 Diesel Bypass Pump Assembly Procurement Project No. 237 (“Project”) to Xylem for their low responsive and responsible bid of \$73,439.00 plus \$265.00 shipping for a total of \$73,704.00, and authorize the General Manager to execute the contract.

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

7. Consider Adopting Resolution No. 2023-01 Approving 2022-2023 and 2023-24 Budgeted Staffing Changes and Related Budget Adjustments.

Mr. O’Brien reported that the District currently utilized staff from the Mechanical Maintenance and Metering departments to service routine and lower-priority tasks such as housekeeping, and tenant requests. Currently, the District has a part-time position and would like to make it into a full-time position to handle the routine lower non-priority tasks. He stated they looked at an outside service; however, it was too expensive. The fiscal impact would result in additional staffing costs of approximately \$51,200.00 per year to be adjusted for appropriate cost of living adjustments in subsequent years. Mr. O’Brien presented the recommendation to adopt Resolution No. 2023-01 approving the 2022-23 and 2023-24 budgeted staffing changes and related budget adjustments. He responded to a series of questions from Board members.

Following Board consideration, Director Keefe **MOVED** and Director Reynolds **SECONDED** to adopt Resolution No. 2023-01 approving 2022-23 and 2023-24 budgeted staffing changes and related budget adjustments.

Ms. Field took a roll call vote as follows:

CARRIED: **AYES: Boydston, Keefe, Morris, Reynolds, and Wurm**

NOES: None
ABSTAIN: None
ABSENT: None

8. Consider Approving an At-Will Temporary Meter Technician.

Ms. Potter reported that there was a need for a Temporary At-Will Meter Technician. The position would be to fill the short-term needs for additional support in the Meter Technology Department. She added that this comes at a time to ensure accurate meter reads after the recent storms. She stated that this was not a budgeted position. Ms. Potter responded to questions.

Following Board consideration, Director Keefe **MOVED** and Director Reynolds **SECONDED** to approve an At-Will Temporary Meter Technician position in the Meter Technology Department.

CARRIED: **AYES: Boydston, Keefe, Morris, Reynolds, 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

The Board, and Mr. Byrne went into Closed Session at approximately 6:35 p.m. to discuss Closed Session items 1 and 3.

- 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
- 2. Public Employee Performance Evaluation**
Title: General Manager
- 3. Conference with Labor Negotiators**
District Designated representative: Joseph Byrne, General Counsel
Unrepresented Employee: General Manager

OPEN SESSION

The Board came out of the Closed Session at approximately 7:05 p.m. Mr. Byrne reported that there were no reportable actions taken during the Closed Session.

ACTION ITEM

1. Consider Amendment to General Manager Agreement.

Mr. Byrne stated that this was an opportunity for the Board to consider any changes that they would like to propose and adopt related to the General Managers Employment Agreement.

Following Board consideration, Director Keefe **MOVED** and Director Morris **SECONDED** to increase the General Manager’s salary by an amount of ten percent over and above the contracted amount of the five percent COLA included already in the contract. To be retroactive to January 1, 2023.

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

ADJOURNMENT

Director Keefe **MOVED** and Director Reynolds **SECONDED** to adjourn the meeting. The meeting adjourned at approximately 7:08 p.m.

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

Kathleen Field, Board Secretary