

MINUTES OF A REGULAR MEETING OF BIG BEAR MUNICIPAL WATER DISTRICT HELD ON THURSDAY, OCTOBER 1, 2009

CALL TO ORDER

President Murphy called the Open Session to order at 1:00 PM. Those in attendance included Director Eminger, Director Suhay, Director Smith, Director Fashempour, General Manager Scott Heule, Lake Manager Mike Stephenson, and Board Secretary Vicki Sheppard.

REPORTS

General Manager, Scott Heule reported that he attended the CSDA (California Special Districts Association) Conference last week commenting that it was a valuable educational experience. He explained that the programs and presentations were more educationally related to various District management and operations than an ACWA (Association of California Water Agencies) Conference. He highlighted some of the topics covered at the conference:

1. A presentation by Brent Ives on good governance and emphasis on five "Tools" used to create an agency that is efficient and effective. He stated that copies of the PowerPoint presentation was placed in the Directors boxes for review. He commented that Mr. Ives concluded his presentation with a quote "If you do what you've always done you will get what you always got."
2. Special District board members made a presentation that emphasized the value of annual General Manger evaluations and provided examples for Boards to use. Mr. Heule stated that a copy of presentation materials was given to President Murphy.
3. An address by Jeff Noel of the Disney Institute regarding when and why an organization should change and the role of the leader in shaping a positive sustainable change. All organizations are either desperate, cruising or coasting along, or at the top of their form. He suggested that "if you are coasting you are going downhill."
4. Address by gubernatorial candidate Tom Campbell describing the smoke and mirrors used by Sacramento to balance the budget. He suggested that agencies spend their money on capital items/projects so the State cannot come after their cash
5. Presentation by California Communities regarding Prop. 1A Securitization reporting that the interest the State will pay is 2%.
6. CSDA Board voted to support a new coalition that would work to provide iron clad protections for local government revenues from the state taking.

Mr. Heule commented on an e-mail that he received from Walter Yep advising that the House and Senate Conference Committee funding for the ACOE Big Bear Lake Restoration Project was cut from \$800,000 to \$577,000. He reported that we were not the only agency that got cut but it appears this will be the final number for us. Mr. Heule reported that he spoke with our Project Manager, Eldon Kraft, who suggested that we plan on another face to face probably in November adding that ACOE is hoping to get a signature from the President in a couple weeks. He reported that the District has made arrangements with Walgreens to provide walk in flu shots for District Employees adding that most year-round employees have gotten the seasonal flu vaccine. He commented on a thank you letter from Joel Dickson at the DWP for letting them use the Board room for their Town Hall meeting. He reported on a letter received from LAFCO advising that, based on their FY 2008-09 expenses, a refund is due to all agencies. He explained that for the \$10,000 we paid to LAFCO, we will be receiving a refund of \$75.18.

Lake Manager, Mike Stephenson reported on lake water quality commenting that the algae bloom this year is relatively small and water quality is good. He stated that the District spent approximately \$180,000 on Eurasian Milfoil treatment last year and that treatment contributed to the favorable conditions we are experiencing this year. He explained that other lakes had major problems with numerous trout dying and Big Bear Lake did not. He commented that we did have a small number of newly planted trout die, but no problems with larger or native trout. Mr. Stephenson reported that we had a good bass spawn this season. Director Suhay asked if we could capture baby bass and raise them in our cages. Mr. Stephenson stated that since the bass are doing well on their own he hasn't considered raising them in the cages. Mr. Stephenson reported that blue gill still seem to be a problem commenting that over 100,000 were planted in the last few years and they just don't seem to be doing well. He advised that he will continue to look at the blue gill program. He reported that due to our carp program, carp numbers are way down. Mr. Stephenson reported on the upcoming Troutfest commenting that many trout were planted from Mount Lassen Trout Farm as well as released from the MWD growing cages. He explained that Troutfest is sold out and that all the arrangements are in place such as parking, restrooms, and hand sinks. He commented that District staff is prepared to sell numerous boat permits and to do many decontaminations and tagging/banding of boats. Director Fashempour asked if the decontaminations and banding are going to be done at the District office. Mr. Stephenson stated that they are set up to do that. Mr. Stephenson complimented Alan Sharp, Big Bear Marina, for the great job he did in coordinating the Coastal Cleanup program. He reported that over 800 pounds of trash was collected. Director Suhay discussed the recent debate regarding record fish sizes. He questioned that if the District were to purchase a record size trout, plant it, and it was caught the next day, should it be recognized as the largest fish or should we make a rule that this is not okay. Mr. Stephenson stated that he is all for making a rule that it should not be counted but he explained that the CA Department of Fish & Game recognized a "record largest fish" in another California lake that was caught 2 days after it was planted. Mr. Heule stated that he is uncertain what makes a fish a native fish versus a newly planted fish (how long does it have to be in the lake to make it a native fish?) Director Smith agreed but added that just the fact that a record size fish was caught in Big Bear Lake would be very good publicity for the area. Director Smith inquired that if the dissolved oxygen numbers were so good why did we run the aerator systems. Mr. Stephenson responded explaining that other local lakes lost many fish because of lack of oxygen so we turned on both aerator systems for a three week period preventing fish kills. Director Fashempour asked if it is possible to have too much oxygen. Mr. Stephenson responded no explaining that it is virtually impossible to get too much dissolved oxygen in the water because the excess will convert back to gas and bubble out of the water. Mr. Stephenson commented that he had received several calls from fishermen complaining that they weren't catching many fish. He explained that he had spoken to Fish & Game regarding the stocking of trout and they reported that stocking is governed by the number of fishing licenses that are sold (fewer licenses purchased, fewer fish stocked). Director Eminger asked when the seasonal employees would be laid off. Mr. Stephenson explained that several of them are already off for the season and after Troutfest several more will be let go. Director Smith asked if Directors were needed to help during Troutfest. Mr. Stephenson responded that Directors should come to the awards ceremony to be honored.

APPROVAL OF CONSENT CALENDAR

Upon a motion by Director Suhay, seconded by Director Fashempour, the following consent items were unanimously approved:

- Minutes of a Regular Meeting of September 17, 2009

- Warrant List Dated September 28, 2009 for \$97,096.09

CONSIDER APPROVAL OF A PROPOSAL FROM TOM DODSON & ASSOCIATES TO PROVIDE ON-CALL CEQA/NEPA CONSULTING

Mr. Heule reported that the District has received several requests for information about dredge and shoreline alteration projects over the past several weeks. He added that proponents of some of the projects are serious enough to have prepared engineering drawings and environmental documents. He stated that the District must be the lead agency on any project impacting the lake and as such must pass judgment on the adequacy of any CEQA documents used for these projects. Mr. Heule explained that this also means the District must defend the documents if they are challenged therefore staff has asked Tom Dodson and Associates (TDA's) to provide a proposal to review and advise the District concerning CEQA documents prepared for private party projects. He added that the District could rely on TDA's years of experience and expertise in evaluation and preparation of CEQA documents to be assured that the appropriate environmental document has been prepared and that it supports the proposed project. Mr. Heule explained that each CEQA review and comment letter to the District would be billed to the District but paid for by the project proponent and all work under this proposal would be funded by project proponents and not the District. He added that the Watershed/Lake Improvement Committee recommends that the District authorize Tom Dodson and Associates to provide CEQA advisory consulting services on a reimbursable basis and not to exceed \$5,000 over the life of the agreement. Director Suhay asked that when an applicant comes to the counter with a project inquiry how would staff give them a price for the project they propose to complete? Mr. Heule explained that the cost would be project specific and would depend on which environmental documents would be required. He explained that this process would require the applicant to do his homework, but after he has determined the specifics of his project it would be just a matter of a day or so to get him a cost for the environmental documents for his project. Director Smith asked what would be the end date (life of the agreement). Mr. Heule explained that the life of the agreement would be our fiscal year ending June 30, 2010.

Director Fashempour moved approval of a proposal from Tom Dodson & Associates to provide on-call CEQA/NEPA consulting for a cost not to exceed \$5,000. Director Suhay seconded the motion and it was unanimously approved.

PROP 1A SECURITIZATION PROGRAM – DISCUSSION ONLY NO ACTION

Mr. Heule reported that from their website, the California Statewide Communities Development Authority (CSCDA or California Communities®) is a joint powers authority sponsored by the California State Association of Counties and the League of California Cities. He added that the California Communities® mission is to provide local governments and private entities access to low-cost, tax-exempt financing for projects that provide a tangible public benefit, contribute to social and economic growth and improve the overall quality of life in local communities throughout California. He commented that the Proposition 1A Securitization Program was instituted by California Communities to enable Local Agencies to sell their respective Proposition 1A Receivables to California Communities. Mr. Heule added that California Communities will in turn issue "Prop. 1A Bonds" at 2% tax free. Mr. Heule quoted a paragraph from the Purchase and Sale Agreement of the program: "The Purchaser acknowledges that the Proposition 1A Receivable is not a debt or liability of the Seller, and that the Proposition 1A Receivable is payable solely by the State from the funds of the State provided therefore. Consequently, neither the taxing power of the Seller, nor the full faith and credit thereof is pledged to the payment of the Proposition 1A Receivable. No representation is made by the

Seller concerning the obligation or ability of the State to make any payment of the Proposition 1A Receivable pursuant to Section 100.06 of the Revenue and Taxation Code and Section 25.5 of Article XIII of the California Constitution, nor is any representation made with respect to the ability of the State to enact any change in the law applicable to the Transaction Documents (including without limitation Section 100.06 of the Revenue and Taxation Code or Section 6588.6 of the Government Code). The Purchaser acknowledges that the Seller has no obligation with respect to any offering document or disclosure related to the Bonds.” Mr. Heule explained that the District receives 100% of the money the State borrows in two payments and is fully relieved of any obligation adding that the Board will consider taking action at the October 15 Board meeting. Director Suhay stated that he can’t see any way the District could lose. President Murphy and Director Smith agreed. Director Suhay asked if District Counsel Wayne Lemieux has been consulted regarding this. Mr. Heule explained that Mr. Lemieux is reviewing it. Director Suhay asked about the group CSDA. Mr. Heule explained that the agency is California Statewide Communities Development Authority and gave an explanation regarding their purpose.

Mr. Heule reported that on October 15th (right after the Board of Directors meeting) there would be a workshop to discuss the use of District Lake Permits for commercial purposes and conducting marina business activities at a location other than a commercial marina. He commented that the Big Bear Grizzly has been conducting some public opinion surveys regarding this issue. Mr. Heule reported that he, President Murphy, and Director Fashempour would be attending the California Water Solutions Workshop and tour in Lake Elsinore next week, Thursday and Friday.

PUBLIC FORUM

No comments were made

ANNOUNCEMENTS

No announcements were made

DIRECTOR COMMENTS

No comments were made

ADJOURNMENT

There being no further business, the meeting was adjourned at 1:53 P.M.

NEXT MEETING

Open Session at 1:00 P.M.
Thursday, October 15, 2009
Big Bear Municipal Water District
40524 Lakeview Drive, Big Bear Lake, CA



Vicki Sheppard
Secretary to the Board
Big Bear Municipal Water District

(SEAL)