

# MINUTES

Thursday, February 16, 2017  
Mammoth Community Water District  
Regular Board Meeting

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*The Board of Directors convened in session at the hour of 5:34 p.m. A brief recess was taken and the meeting was adjourned at 8:00 p.m.*

Prepared by:



Stephanie Hake  
Executive Assistant

ATTEST:



Patrick A. Hayes  
General Manager

**THE REGULAR MEETING** of the Board of Directors of the Mammoth Community Water District held on Thursday, February 16, 2017 at 5:34 p.m.

### **A. ROLL CALL**

#### **Board Present**

Director: Tom Cage (*arrived at 5:45*)  
Director: Robert Creasy  
Director: Dennis Domaille  
Director: Eric Kaufman  
Director: Tom Smith

#### **Board Absent**

None

#### **Staff Present**

General Manager: Pat Hayes  
District Engineer: John Pedersen  
Operations Superintendent: Clay Murray  
Maintenance Superintendent: Mark Busby  
Finance Manager: Jeff Beatty  
Public Relations / Environmental Specialist Manager: Irene Yamashita  
Information Services Manager: Justin Mulbay  
Human Resources Manager: Kay Hartman  
Executive Assistant: Stephanie Hake  
District Counsel: Joshua Horowitz (*via telephone*)

#### **Guests Present**

Melissa Ness: MCWD Staff  
Cliff Hake

### **B. PUBLIC FORUM**

*President Smith opened the public forum at 5:34 p.m.*

*No one addressed the Board.*

*President Smith closed the public forum at 5:34 p.m.*

### **C. CONSENT AGENDA**

**C-1 Approval of January 2017 Check Disbursements (Springbrook #'s 52633 – 52741)**

**C-2 Approval of Minutes from the Special Board Workshop Held January 19, 2017**

*It was noted that Director Kaufman was not yet seated on the Board when the Special Board Workshop was held; therefore he would abstain from voting for the minutes of the workshop, item C-2.*

**BOARD ACTION – To approve the Consent Agenda item C-1**

MOVED BY: Director Creasy  
SECONDED BY: Director Domaille  
AYES: Directors Creasy, Domaille, Kaufman, and Smith  
NAYS: None  
ABSENT: Director Cage

**BOARD ACTION – To approve the Consent Agenda item C-2**

MOVED BY: Director Creasy  
SECONDED BY: Director Domaille  
AYES: Directors Creasy, Domaille, and Smith  
NAYS: None  
ABSTAIN: Director Kaufman  
ABSENT: Director Cage

**D. CURRENT BUSINESS**

**D-1 Discussion and Possible Direction to Staff Concerning Changes to Director Compensation for Meeting Attendance**

*Following a brief discussion, President Smith called for a motion.*

**BOARD ACTION – To direct Staff to proceed with the necessary posting and publication of a Notice of Public Hearing and agenda preparation with the intent to possibly approve a 2.5 percent increase in the Director compensation at the March 16, 2017 Board meeting**

MOVED BY: Director Creasy  
SECONDED BY: Director Kaufman  
AYES: Directors Creasy, Domaille, Kaufman, and Smith  
NAYS: None  
ABSENT: Director Cage

**D-2 Monthly Water Supply Update**

*Clay Murray reported that the current water supply was sufficient for the next 90 days.*

*A brief discussion followed regarding the rate of recharge of the District's groundwater wells.*

**BOARD ACTION – None**

### **D-3 Discussion and Possible Change or Removal of the Water Shortage Surcharge**

*Jeff Beatty provided a brief background of the Water Shortage Surcharge (WSS).*

*Director Cage commented that the WSS was discussed at length during the Finance Committee meeting. The committee supports the removal of the WSS, but stressed the importance of continuing the conservation message to the District's customers.*

*President Smith requested a Water Conservation Level discussion be scheduled for the April Board meeting following the end of the hydrology water year on March 31.*

*Following a brief discussion, President Smith called for a vote.*

#### **BOARD ACTION – To remove the Water Shortage Surcharge effective with the March 1, 2017 billing**

MOVED BY: Director Cage  
SECONDED BY: Director Creasy  
AYES: Directors Cage, Creasy, Domaille, Kaufman, and Smith  
NAYS: None  
ABSENT: None

### **D-4 Presentation and Discussion of Draft FY 2018 Capital and Operating Budget**

*Jeff Beatty engaged the Directors in a detailed review of the proposed Fiscal Year 2018 (FY18) budget document.*

*Discussion primarily focused on the individual fund balances and proposed capital projects scheduled for the upcoming year, with the Board suggesting certain changes and adjustments. The Board directed Mr. Beatty to bring back the budget with requested changes for further discussion and possible action at the March meeting.*

*In closing, Director Cage thanked Mr. Beatty and staff for all the effort that went into the preparation of the Budget and noted that it was well prepared and easily understood.*

#### **BOARD ACTION – None**

### **D-5 Discussion and Direction to Staff Regarding Possible Home Loan Assistance to Staff Member, Stephanie Hake**

*Pat Hayes outlined the background of the Employee Down Payment Assistance/Home Loan Policy and the history of the Hakes' participation in the program. He described that following the complete destruction of their home by the Round Fire on February 6, 2015, the Hakes are seeking financial assistance through the MCWD Employee Home Loan Assistance Policy to rebuild their home; noting that the Hakes would expend their total funds prior to the District providing its portion of the funding.*

*Director Cage reported that the item was discussed during the Finance committee meeting and the Finance committee supported the request. Upon completion of the construction, the Hakes would either refinance the entire amount of the District's loan to repay the MCWD or pay down the loan amount to equal 35 percent of the project cost to conform to the current Employee Home Loan Assistance Policy and a new agreement entered*

*consistent with that policy. During construction the MCWD would be named on all appropriate insurance and title policies.*

*Following a brief discussion, Director Creasy made a motion.*

**BOARD ACTION – To authorize the General Manager to negotiate a contract with Stephanie and Cliff Hake for an amount not to exceed 39 percent of the construction budget for rebuilding their Swall Meadows home. Following the Certificate of Occupancy, the loan amount would be lowered to 35 percent to conform to the current MCWD Employee Home Loan Assistance Policy**

MOVED BY: Director Creasy  
SECONDED BY: Director Kaufman  
AYES: Directors Cage, Creasy, Domaille, Kaufman, and Smith  
NAYS: None  
ABSENT: None

### **E. CONSENT AGENDA NO. 2 – MANAGEMENT REPORTS**

- E-1 Operations Superintendent's Report**
- E-2 Maintenance Superintendent's Report**
- E-3 Finance Manager's Report**
- E-4 District Engineer's Report**
- E-5 Information Services Manager's Report**
- E-6 Human Resources Manager's Report**
- E-7 Public Relations / Environmental Specialist's Report**
- E-8 General Manager's Report**

*There was no discussion. President Smith called for a motion.*

**BOARD ACTION – To approve the Consent Agenda No. 2**

MOVED BY: Director Cage  
SECONDED BY: Director Domaille  
AYES: Directors Cage, Creasy, Domaille, Kaufman, and Smith  
NAYS: None  
ABSENT: None

### **F. BOARD MEMBERS' COMMITTEE REPORTS**

#### **Meetings Held During the Month**

Finance Committee – February 15, 2017

Tom Cage  
Robert Creasy

*Director Cage reported that the Finance Committee met and the discussions were focused on the agenda items discussed earlier in the Board meeting, the Water Shortage Surcharge, the Draft FY 18 Budget and the Hakes' request for Home Loan Assistance.*

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*There were no other committee meetings held during the month.*

#### **G. ATTORNEY REPORT**

*Attorney Horowitz reported that the State Water Resources Control Board made a unanimous decision to extend the emergency regulations for water conservation until May 1, 2017.*

*Attorney Horowitz also reported that there is a senate constitutional amendment being proposed to amend Proposition 218. The proposed changes would allow local agencies to create low-income rates that would be subsidized through regular rate revenues. It would also allow more flexibility with agencies setting of tiered rates to drive conservation efforts.*

*The Board members went into closed session at 7:13 p.m.*

#### **H. CLOSED SESSION**

##### **H-1 Conference with Legal Counsel**

Existing Litigation – Pursuant to Government Code Section 54956.9 (a) Case: Mammoth Community Water District vs. United States Department of Interior, Bureau of Land Management; Mammoth Community Water District v. United States Department of Agriculture, Forest Service

##### **H-2 Conference with Legal Counsel**

Existing Litigation – Pursuant to Government Code Section 54956.9 (a) Case: Mammoth Community Water District vs. Great Basin Unified Air Pollution Control District with ORNI 50, LLC as a Real Party in Interest – Mono County Superior Court

##### **H-3 Conference with Legal Counsel**

Existing Litigation – Pursuant to Government Code Sections 54954.5 (c) and 54956.9 (a) and (d)(1); Case: Mammoth Community Water District vs. Ronald L. Yates, Jr.– Mono County Superior Court Case No. CV 150088

##### **H-4 Conference with Legal Counsel**

Existing Litigation – Pursuant to Government Code sections 54954.5 (c) and 54956.9 (a) and (d)(1); Case: Ronald L. Yates, Jr. vs. Mammoth Community Water District – Mono County Superior Court Case No. CV 150059

##### **H-5 Conference with Legal Counsel**

Existing Litigation – Pursuant to Government Code Sections 54954.5 (c) and 54956.9 (a) and (d)(1); Case: Mammoth Community Water District vs. Ronald L. Yates, Jr.– Mono County Superior Court Case No. CV 150088

**H-6 Conference with Labor Negotiator**

Pursuant to Government Code Section 54957.6

District Employee Relations Officer: Patrick Hayes

Employee Organizations: International Union of Operating Engineers, Local Union No. 12, Unrepresented Employees; Management, Supervisory and Confidential

*The Board returned to open session at 8:00 p.m.*

*There was no report from closed session.*

**I. ADJOURNMENT**

*President Smith adjourned the meeting at 8:00 p.m.*