

MINUTES

Thursday, February 15, 2018
Mammoth Community Water District
Regular Board Meeting

The Board of Directors convened in session at the hour of 5:45 p.m. No recess was taken and the meeting was adjourned at 8:55 p.m.

Prepared by:



Stephanie Hake
Executive Assistant

ATTEST:



Patrick A. Hayes
Board Secretary

THE REGULAR MEETING of the Board of Directors of the Mammoth Community Water District held on Thursday, February 15, 2018 at 5:45 p.m.

A. ROLL CALL

Board Present

Director: Tom Cage
Director: Eric Kaufman
Director: Tom Smith
Director: Robert Creasy
Director: Dennis Domaille

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
Information Services Manager: Justin Mulbay
Human Resources Manager: Kay Hartman
Executive Assistant: Stephanie Hake
District Counsel: Joshua Horowitz (*via telephone*)

Guests Present

Rob Motley, MCWD staff member
Camille Miller
Brant Miller
Thomas Keller

Some items were taken out of order to facilitate the meeting

B. PUBLIC FORUM

President Smith opened the public forum at 5:45 p.m.

Brant Miller, Camille Miller, and Thomas Keller each addressed the Board regarding sewer service that the District provides to their vacation cabins near Lake Mary in the Lakes Basin.

President Smith thanked each for their taking time to address the Board and noted that they would be notified of future discussions.

Clay Murray announced to the Board that staff member Rob Motley had been voted on by his peers to be CWEA's (California Water Environment Association) Electrical Instrumentation Technician of the year.

Patrick Hayes noted that staff member Clay Murray was profiled in ACWA's January 2018 industry newsletter.

President Smith closed the public forum at 6:00 p.m.

C. CONSENT AGENDA

C-1 Approval of January 2018 Check Disbursements (Springbrook #'s 54155 – 54280)

C-2 Approval of Minutes from the Special Board Workshop Held January 11, 2018

C-3 Approval of Minutes from the Continued Special Board Workshop Held January 18, 2018

C-4 Approval of Minutes from the Regular Board Meeting Held January 18, 2018

C-5 Approval of Minutes from the Special Board Meeting Held January 23, 2018

President Smith called for a motion.

BOARD ACTION – To approve the Consent Agenda items C-1, C-2, C-3, C-4, and C-5

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

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 requested legal counsel, Joshua Horowitz to explore the parameters for potentially establishing a recurring annual increase to Director Compensation when the item is brought up for discussion in 2019.

BOARD ACTION – For Director Compensation to remain the same for the coming year

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

D-2 Discussion and Possible Adoption of Resolution No. 02-15-18-02 Declaring a Threatened Existence of Water Shortage

Patrick Hayes described that if adopted, the resolution is the simply the first step in allowing the Board to set conservation levels later in the season when demand for irrigation water is high.

Following a brief discussion, Director Creasy made a motion.

BOARD ACTION – Adopt Resolution No. 02-15-18-02 Declaring a Threatened Existence of Water Shortage

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

D-3 Presentation and Discussion of Draft FY 2019 Capital and Operating Budget

Jeff Beatty engaged the Directors in a detailed review of the draft Fiscal Year 2019 (FY19) budget document, highlighting the significant milestone of the District being debt free as of January 2018. The final payment was made clearing the USDA bond taken out in 1978 for the construction of Well No. 1.

Mr. Beatty and staff responded to several questions regarding specifics of the Capital Projects portion of the proposed budget. However, the discussion focused on the potential for water restrictions being implemented in the coming months and the impact that will have on the District's revenue.

Director Cage commented that the Finance Committee's recommendation is for the final budget to reflect a 20% reduction in water sales revenue for the coming fiscal year.

The Board directed Mr. Beatty to bring back the budget with requested changes for further discussion and possible adoption at the March meeting.

President Smith thanked Mr. Beatty and staff for all the effort that went into the preparation of the Budget.

BOARD ACTION – None, information only

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

Meetings Held During the Month

Finance Committee – *February 14, 2018*

Tom Cage
Robert Creasy

Technical Services Committee – *February 15, 2018*

Eric Kaufman
Dennis Domaille

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Finance Committee: Directors Cage and Creasy did not have anything to report from the committee meeting other than what was discussed under Item D-3 concerning the draft FY 2019 budget.

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Technical Services Committee: Director Domaille reported that the only item of note from the Technical Services Committee meeting was that the District's Laboratory is being faced with increased regulations from its regulating agencies and that the District may need to hire an additional employee to cope with the increased burden.

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There were no other committee meetings held during the month.

H. ATTORNEY REPORT

Attorney Horowitz reported that the proposed water tax that was introduced in last year's legislative session In Senate Bill 623 will likely be put into a budget trailer bill in the 2018 session. The current discussion is that the charge would likely be based on meter size and local agencies would be responsible for including the tax in the regular water bill. There are concerns among the water community about the legality of the proposal. ACWA and other associations are actively lobbying to defeat the tax on behalf of water agencies.

Attorney Horowitz reported that the other topic of note at the State level is the subject of long-term conservation, particularly proposed SB 606. There has been no action to date, but a new declaration could come as soon as late March depending on how much precipitation occurs in the next month.

Patrick Hayes commented that the District added its name to a joint ACWA letter regarding the proposed water tax bill, SB 623; the letter stating oppose unless amended.

The Board members went into closed session at 7:12 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 Real Property Negotiators

Involving the Acquisition of Easements on Ranch Road, Woodcrest Trail and Adjacent Common Areas Adjacent to the Site of Proposed District Well 32, Town of Mammoth Lakes; Pat Hayes and John Pedersen, District Negotiators, will negotiate with Representatives of The Ranch at Snowcreek Owners' Association. Instructions by the Board to the District's Negotiators may include Price, Terms of Payment, or both. (See Government Code sections 54954.5(b) and 54956.8.)

H-4 Conference with Legal Counsel

Concerning the Assessment of the Security Vulnerability of Public Facilities under Government Code sections 54954.5(e) and 54957(a)

The Board returned to open session at 8:55 p.m. and there was nothing to report out.

I. ADJOURNMENT

President Smith adjourned the meeting at 8:55 p.m.