

# MINUTES

Thursday, August 23, 2018  
Mammoth Community Water District  
Regular Board Meeting

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*The Board of Directors convened in session at the hour of 5:41 p.m. A brief recess was taken and the meeting was adjourned at 9:40 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, August 23, 2018 at 5:41 p.m.

### A. ROLL CALL

#### Board Present

Director: Tom Cage  
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  
Michael Youril (special counsel, *via telephone for closed session Items H-3 and H-4 only*)

#### Guests Present

Betty Hylton, MCWD Staff member

### B. PUBLIC FORUM

*President Smith opened the public forum at 5:41 p.m.*

*No one addressed the Board.*

*President Smith closed the public forum at 5:41 p.m.*

### PUBLIC HEARING

*President Smith opened the public hearing to receive comments concerning the filing of reports on delinquent water and sewer charges as of June 30, 2018 at 5:42 p.m.*

*No one addressed the Board.*

*President Smith closed the public hearing at 5:42 p.m.*

### C. CONSENT AGENDA

**C-1 Approval of July 2018 Check Disbursements (Springbrook #'s 54835 – 54958)**

**C-2 Approval of Minutes from the Regular Board Meeting held July 19, 2018**

**C-3 Changing the Date of the October Regular Board Meeting from October 18, 2018 to October 25, 2018**

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

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

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

### D. CURRENT BUSINESS

**D-1 Discussion and Possible Adoption of Resolution No. 08-23-18-19 Confirming Collection and Requesting Inclusion of Delinquent Rates, Charges and Penalties for Water and Sewer Service on the Mono County Tax Roll for the Forthcoming Fiscal Year in the Same Manner as the District's General Taxes**

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

**BOARD ACTION – To adopt Resolution No. 08-23-18-19 confirming collection and requesting inclusion of delinquent rates, charges and penalties for water and sewer service on the Mono County tax roll for the forthcoming fiscal year in the same manner as the District's general taxes**

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

**D-2 Discussion and Possible Adoption of Resolution No. 08-23-18-20 Authorizing Submission of a Grant Application to the Sierra Nevada Conservancy for Lakes Basin Hazardous Fuel Reduction Project**

*Irene Yamashita provided a brief history of the project and answered a few questions.*

*Director Creasy made a motion.*

**BOARD ACTION – To adopt Resolution No. 08-23-18-20 authorizing submission of a grant application to the Sierra Nevada Conservancy for Lakes Basin Hazardous Fuels Reduction Project**

MOVED BY: Director Creasy  
SECONDED BY: Director Kaufman

AYES: Directors Cage, Creasy, Domaille, Kaufman, and Smith  
NAYS: None  
ABSENT: None

**D-3 Appointment of District Negotiator(s) to Negotiate Offer to Sell Real Property to be discussed under Item H-5**

*Following a brief discussion and questions answered by Jeff Beatty and Ms. Hylton, President Smith appointed Vice President Cage and Director Kaufman to be the District Negotiators for Closed Session item H-5.*

**BOARD ACTION – 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**

*Director Creasy complimented the Maintenance and Construction crews working under Mark Busby for the volume of projects that are successfully accomplished each month.*

*President Smith called for a motion.*

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

**Meetings Held During the Month**

Investment Committee – *August 22, 2018*

Tom Cage  
Robert Creasy

Finance Committee – *August 22, 2018*

Tom Cage  
Robert Creasy

Technical Services Committee – *August 22, 2018*

Dennis Domaille  
Eric Kaufman

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Investment Committee:

Director Cage reported that Jeff Beatty presented the Investment committee with various options to consider for managing the District's portfolio with the goal of reducing costs and fees by as much as 75%.

Mr. Beatty has been directed to issue a Request for Proposal ("RFP") to find a non-discretionary investment advisor. Additionally, because of Mr. Beatty's expertise, he will play a more active role in the management of the District's investment portfolio, including authorizing transactions. The committee plans to choose an advisor along with a third-party custodian by November and will then report back to the Board.

Additionally, Mr. Beatty and the committee will review the Investment Policy and make revisions that will better align with the District's investment goals. The revised Investment Policy will likely be presented to the Board for adoption at the September Board meeting.

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Finance Committee:

Director Cage reported that the only item of note from the District's financial perspective is that it is likely that two capital projects scheduled for this year will now be rescheduled for the following fiscal year, which is reflected in a higher than normal fund balance on the District's balance sheet.

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Technical Services Committee:

Director Domaille reported that a routine roof replacement was being done at the Lake Mary Water Treatment Plant when staff observed the structure supporting the roof was in dire need of major repairs. Those emergency repairs are now being fast-tracked to get completed before winter sets in.

Director Domaille also noted that many of the water meters installed in 2014 are under-reporting, therefore staff are working on a solution with the vendor, Neptune.

Director Kaufman reported that the Mammoth Brewing Company's industrial waste makes up 10% of the District's wastewater flows. Additionally, due to upgrades in equipment the District's emergency back-up power is now oversized for its original purpose, therefore staff are re-evaluating electrical power requirements for all processes.

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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 dropped a few months ago is back before the Legislature as a "voluntary" payment with "opt out" option for customers. The proposal has significant legal flaws and, if passed, would be difficult and expensive for MCWD and other agencies to administer. Opposition to this latest version of the tax remains strong and it is unclear if it will pass in the remaining one week of the 2018 legislative session.

The Board members went into closed session at 6:33 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. Great Basin Unified Air Pollution Control District with ORNI 50, LLC as a Real Party in Interest – Mono County Superior Court

### **H-2 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; Director Cage, Director Domaille, Pat Hayes and John Pedersen, District Negotiators, negotiating with Representatives of The Ranch at Snowcreek Owners' Association and The Fairway Ranch 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-3 Public Employee Discipline/Dismissal/Release**

Pursuant to Government Code Section 54957(b)

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

Existing Litigation -- Pursuant to Government Code section 54956.9(a); International Union of Operating Engineers, Local 12 v. Mammoth Community Water District; Public Employment Relations Board

### **H-5 Conference with Real Property Negotiators**

Involving an offer to sell the housing unit at 1671 Forest Trail, Town of Mammoth Lakes; the District Negotiators (as appointed pursuant to Item D-3 on this agenda), will negotiate with owner Betty Hylton. 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.)

*The Board returned to open session at 9:39 p.m.*

*The Board reported that the District opted to not exercise its right of first refusal to purchase the Property located at 1671 Forest Trail, Mammoth Lakes.*

## **I. ADJOURNMENT**

*President Smith adjourned the meeting at 9:40 p.m.*