

MINUTES

Thursday, April 18, 2019
Mammoth Community Water District
Regular Board Meeting

The Board of Directors convened in session at the hour of 5:36 p.m. A brief recess was taken and the meeting was adjourned at 7:27 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, April 18, 2019 at 5:36 p.m.

ROLL CALL

Board Present

Director: Tom Cage
Director: Robert Creasy
Director: Dennis Domaille
Director: Tom Smith
Director: Gary Thompson

Board Absent

None

Staff Present

General Manager: Pat Hayes
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

Guests Present

Tyler Nelson: MCWD Staff
Tim Sanford
Greg Cook

PLEDGE OF ALLEGIANCE

President Smith led the Pledge of Allegiance at 5:36 p.m.

The Board members went into closed session at 5:37 p.m.

CLOSED SESSION

D-1 Conference with Legal Counsel

Anticipated Litigation – Pursuant to Government Code section 54956.9(a); consideration of initiation of litigation 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 from Snowcreek VI Condominium Owner's Association and The Ranch at Snowcreek Owners' Association

D-2 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

The Board members came out of closed session at 6:10 p.m. It was reported that direction was given to legal counsel.

Some items were taken out of order to facilitate the meeting

CONSENT AGENDA A

A-1 Approval of March 2019 Check Disbursements (Springbrook #'s 55852 – 55984)

A-2 Approval of Minutes from the Regular Board Meeting held March 21, 2019

CONSENT AGENDA B – STAFF REPORTS

B-1 Operations Department Report

B-2 Maintenance Department Report

B-3 Finance Department Report

B-4 Engineering Department Report

B-5 Information Services Report

B-6 Personnel Services Report

B-7 Regulatory Support Services Report

B-8 General Manager's Report

There was no discussion, and Director Creasy made a motion to approve both Consent Agendas A and B in one motion.

BOARD ACTION – To approve Consent Agendas A and B

MOVED BY: Director Creasy

SECONDED BY: Director Thompson

AYES: Directors Cage, Creasy, Domaille, Smith, and Thompson

NAYS: None

CURRENT BUSINESS

C-1 Public Hearing on Proposed Adoption of Ordinance No. 04-18-19-07 Amending Section 4.06 of Chapter 2 of the District Code Relating to Director Compensation; After Hearing is Closed, Board Will Discuss and Consider Enacting Ordinance No. 04-18-19-07

President Smith opened the Public Hearing at 6:43 p.m.; no one addressed the Board and the Public Hearing was closed.

There was no discussion. Director Domaille made a motion.

BOARD ACTION – To adopt Resolution No. 04-18-19-07 amending Section 4.06 of Chapter 2 of the District Code relating to Director Compensation

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

C-2 Discussion and Possible Adoption of Resolution No. 04-18-19-08 Adopting an Annual Statement of Investment Policy

Jeff Beatty described that the changes reflected in the draft policy were recommendations from Chandler Asset Management, the new investment advisors, and legal counsel. Mr. Beatty also noted that the policy had been amended to say that, moving forward, the committee's representative staff member will be appointed by the General Manager.

Mr. Beatty pointed out that the language on page 7 of the draft policy had been updated to reflect the Investment Committee's recommendation regarding the ratings of securities.

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

BOARD ACTION – To adopt Resolution No. 04-18-19-08 adopting the Statement of Investment Policy as amended

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

C-3 Quarterly Water Supply Update

Patrick Hayes reported that the snowpack in the Lakes Basin is well above normal; therefore the water supply is sufficient to meet demand for the next several months.

BOARD ACTION – NONE

C-4 Consider Offers Under First Right of Refusal for the Sale of Employee Homes Purchased Under Employee Down Payment Assistance Program and Provide Direction to General Manager for Responding to Offers Subject Properties: 212 Pinecrest Ave., Mammoth Lakes (Matt Jaroslowski) and 140 Sierra Park Road, Unit 140, Mammoth Lakes (Tyler Nelson)

Following a discussion led by Directors Cage and Creasy, the Board directed the General Manager to notify Mr. Jaroslowski that the MCWD is not interested in purchasing the housing unit located at 212 Pinecrest.

The Board determined that the townhouse (unit 140) at 140 Sierra Park Road would complement the inventory of rental housing units owned by MCWD. Direction was provided to the General Manager to pursue an appraisal of the unit and move forward with the intent to purchase the referenced housing unit from Mr. Nelson.

Director Cage noted that the Employee Down Payment Assistance Policy/Program (EeDPAP) should possibly be reviewed to ensure it is still aligned with the goals and needs of the District and staff.

President Smith appointed an ad hoc committee of Directors Cage and Creasy to review the details of the EeDPAP and report back to the Board any recommended changes to the policy/program at the next Board meeting.

BOARD ACTION – NONE

C-5 Discussion and Possible Adoption of Resolution No. 04-18-19-09 Declaring the Necessity for and Authorizing the Commencement of Eminent Domain Proceedings to Acquire Well 32 Easements on Real Property Owned by The Ranch at Snowcreek Owners Association

To accommodate members of the audience, President Smith requested that the discussion of this item be taken before other business on the agenda.

Patrick Hayes provided a brief overview of the negotiation process over the past few months. Mr. Hayes described the desire for negotiations to continue with a parallel track of initiating the eminent domain process.

Mr. Tim Sanford addressed the Board on behalf of The Ranch at Snowcreek Owners Association and made comments for the record concerning the proposed adoption of the resolution of necessity.

Following a discussion, Vice President Cage made a motion.

BOARD ACTION – To adopt Resolution No. 04-18-19-09 declaring the necessity for and authorizing the commencement of eminent domain proceedings to acquire Well 32 Easements on real property owned by The Ranch at Snowcreek Owners Association as long as there is no additional cost to the MCWD in legal fees, and only by motion of the Board allows the District the ability to move on eminent domain, if final negotiations fail

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

Meetings Held During the Month

Long-Range Planning Committee – April 16, 2019

Dennis Domaille

Robert Creasy

Technical Services Committee – April 17, 2019

Dennis Domaille (*absent*)

Gary Thompson

Investment Committee – April 17, 2019

Robert Creasy

Tom Cage

Finance Committee – April 17, 2019

Robert Creasy

Tom Cage

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Long-Range Planning Committee:

Director Creasy reported that the highlights of the Long-Range Planning meeting were:

- Options being considered by the District in anticipation of the closure of the Mono County Landfill, with hauling sludge to a landfill near Fallon, NV looking like the most cost effective option. Also, staff are working to improve the percentage of solids content of the sludge produced.
- The acquisition of future well sites.
- The need for acquiring a site in Zone 2B for a water storage tank to help with occasional fluctuating pressure issues.
- Preparing for potential rolling power outages by SCE during high wind events and the impacts on facilities, especially in the Lakes Basin.
- A brief update on the needs assessment being done on the Administration Building.

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Technical Services Committee:

Director Thompson said the discussion was relatively routine noting brief discussions about the new website and water supply among the topics talked about.

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Investment Committee:

Director Cage mentioned that the transition to the new investment advisors is going smoothly and the committee is comfortable with the guidance they are receiving.

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Finance Committee:

Director Cage reported that the Finance Committee mostly discussed the routine activities associated with transitioning from one fiscal year to the next.

Director Cage complimented staff for continually operating at an efficient and cost effective manner saving the District hundreds of thousands of dollars on capital projects in FY19.

Director Creasy noted that the reserve funds appear to be out of balance with targets due to adjusting the targets to the new fiscal year.

Director Cage additionally noted that the District has participation of \$2.6m with staff on 11 properties that have been purchased through the Employee Housing Down Payment Assistance Program.

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There were no other committee meetings held during the month.

ATTORNEY REPORT

Attorney Horowitz reported that the proposed water tax is still being talked about, otherwise there was nothing to report.

ADJOURNMENT

President Smith called for a motion to adjourn the meeting

BOARD ACTION – To adjourn the meeting

MOVED BY: Director Domaille

SECONDED BY: Director Cage

AYES: Directors Cage, Creasy, Domaille, Smith, and Thompson

NAYS: None

The meeting was adjourned at 7:27 p.m.