

MINUTES

Thursday, May 21, 2020
Mammoth Community Water District
Regular Board Meeting

The Board of Directors convened in session at the hour of 5:31 p.m. No recess was taken and the meeting was adjourned at 6:42 p.m.

Prepared by:



Stephanie Hake
Executive Assistant

ATTEST:



Mark Busby
Board Secretary

THE REGULAR MEETING of the Board of Directors of the Mammoth Community Water District held on Thursday, May 21, 2020 at 5:31 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: Mark Busby
District Engineer: John Pedersen
Operations Superintendent: Clay Murray
Maintenance Superintendent: Jerry Baker
Information Services Manager: Justin Mulbay
Finance Manager: Jeff Beatty
Administrative Analyst: Betty Hylton
Administrative Analyst: Chris Weibert
Executive Assistant: Stephanie Hake
District Counsel: Joshua Horowitz

Guests Present *

Brooke Bien – Mammoth Unified School District

**** As a result of the threat of COVID-19, the Governor issued Executive Order N-25-20 dated March 12, 2020 allowing for Directors, staff, and members of the public to attend this public meeting via teleconference without strict compliance with the Brown Act's teleconferencing requirements. To maximize public participation, comply with Brown Act requirements, and provide a clear record of the meeting, public comment was made available for each agenda item and all action items were voted on by roll call.***

PUBLIC FORUM

President Smith opened the public forum at 5:32 p.m.

Brooke Bien addressed the Board on behalf of the Mammoth Unified School District (MUSD) to request that the MCWD Board consider waiving the required plan check and connection fees associated with the upcoming remodel/improvement project at the Mammoth Elementary School.

Board members asked a few questions of Ms. Bien. Joshua Horowitz, MCWD's legal counsel, indicated that there are limitations on MCWD's ability to provide financial relief for connection fees. He suggested that staff could research the details of the project to see if there is a possible nexus between the project and any financial relief that could be granted by MCWD which would provide water service related benefits for the community as a whole.

President Smith directed staff to issue the connection permit (prior to receiving payment) and in the meantime, staff and legal counsel should work on options that might allow for MCWD to provide financial relief for connection fees and bring back the item for discussion at a later meeting.

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

CONSENT AGENDA A

A-1 Approval of April 2020 Check Disbursements (Springbrook #'s 57526 – 57647)

A-2 Approval of Minutes from the Regular Board Meeting held April 16, 2020

A-3 Approval of Minutes from the Special Board Meeting held April 16, 2020

There was no discussion and Director Domaille made a motion.

BOARD ACTION – To approve Consent Agenda A

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

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

Director Creasy made a motion.

BOARD ACTION – To approve Consent Agenda B

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

CURRENT BUSINESS

C-1 Discussion and Possible Approval of a Reduction of the Amount Charged to All Customers for both Water and Wastewater Base Rates for an Interim Period

Mark Busby described that due to the financial impacts to many of the District's ratepayers from COVID-19, Director Cage requested that the Board have a discussion regarding options for financial relief to the ratepayers. Mr. Busby said that staff's recommendation was to consider a 25% reduction in the base rates for both Water and Wastewater for the months of May, June, and July 2020. If the proposed reduction were approved the impact to the budget would be approximately \$300,000 over the three (3) months.

President Smith noted that the Town of Mammoth Lakes had submitted a letter of support for the reduction in rates. There were a couple of comments by Board members and Director Domaille made a motion.

BOARD ACTION – To approve a 25% reduction of the Water and Wastewater base rates charged to all District customers for the months of May, June, and July 2020

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

C-2 Presentation of the MCWD 2019/20 Annual Report on Key Projects, Programs, and System Improvements

Mark Busby noted that the first annual report was a collaboration of all departments, but that Betty Hylton was the lead person in producing the report. He noted that the report will be made available on the District's website as well as available for handout at the front reception desk in the Administration Building.

President Smith expressed the Board's appreciation to everyone that contributed in creating the report and the professional presentation that resulted.

Director Cage agreed with President Smith's praise to staff and suggested that the report be reduced to one page that could be used as a full-page ad in the local newspaper.

BOARD ACTION – None, informational only

C-3 Presentation and Discussion of Teaman, Ramirez, and Smith, Inc. SAS (Statement of Auditing Standards) 114 Planning Letter for Auditing Services

Jeff Beatty briefly explained that, as part of the annual financial audit, the auditing firm is required to communicate to the Board via an "Audit Planning Letter" (SAS 114 Letter) the auditor's responsibilities and what the Board can expect of the process. Mr. Beatty noted that by having this item on the agenda, it fulfilled the obligation of presenting the SAS 114 letter to the Board.

There was no discussion.

BOARD ACTION – None, informational only

C-4 Discussion and Possible Approval of Fiscal Year 2020 Engagement Letters with Teaman, Ramirez, and Smith, Inc.

- a) Audit of Financial Statements for Fiscal Year ending March 31, 2020**
- b) Appropriations Limit Agreed Upon Procedures**
- c) Preparation of Annual Financial Transactions Report (State Controller's Report)**

Jeff Beatty briefly described the differences in the three engagement letters provided by the District's financial auditors, Teaman, Ramirez, and Smith, Inc.; noting that each of the letters pertain to separate but related functions of the annual audit. He commented that the letters are required to be presented and approved by the Board of Directors prior to the annual audit being conducted.

There was no discussion and Director Creasy made a motion.

BOARD ACTION – To approve the three (3) Fiscal Year 2020 Engagement Letters with Teaman, Ramirez, and Smith

- a) Audit of Financial Statements for Fiscal Year ending March 31, 2020**
- b) Appropriations Limit Agreed Upon Procedures**
- c) Preparation of Annual Financial Transactions Report (State Controller's Report)**

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

Committee Meetings Held During the Month

Technical Services Committee – May 20, 2020

Dennis Domaille
Gary Thompson

Finance Committee – May 20, 2020

Tom Cage
Robert Creasy

Technical Services Committee:

Directors Domaille and Thompson reported that information discussed at the meeting was routine. Mark Busby mentioned that the committee briefly discussed that staff had attended the recent GMRP (Groundwater Monitoring and Response Plan) meeting and the BLM announced its development plan for new monitoring wells; two behind the Shady Rest Campground and the other off of Center Street. BLM also noted that they had identified some additional funds to cover a larger portion of the development plan.

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Finance Committee:

Director Cage reported that the property tax payment from Mono County was 9% above projection, and that there was a shortfall in water use in the month of April. Director Creasy added that the interest income from the investments is higher than expected, therefore making up for some of the loss in water revenue. The committee requested that Mr. Beatty adjust the table used for reporting monthly revenue to insert a subtotal line so that interest income is separated from other revenue sources.

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There were no other committee meetings held during the month.

DIRECTOR COMMENTS, REQUESTS, AND REPORTS

Director Domaille queried Attorney Horowitz about practices the District possibly should have in place to protect its reserve funds.

Director Cage expressed appreciation to John Pedersen for his dedicated service to the District for the past 33 years; noting that his expertise and institutional knowledge will be missed.

ATTORNEY REPORT

Attorney Horowitz reported that due to the COVID-19 pandemic the state legislature has been moving very slowly with the only discussions occurring being related to the budget. Otherwise there was nothing to report.

The Board members went into closed session at 6:28 p.m.

CLOSED SESSION

D-1 Conference with Legal Counsel

Existing Litigation – Pursuant to Government Code section 54956 (a); International Union of Operating Engineers, Local 12 v. Mammoth Community Water District; Public Employment Relations Board

ADJOURNMENT

The meeting adjourned out of closed session at 6:42 p.m.

There was nothing to report from closed session.

President Smith adjourned the meeting at 6:42 p.m.