

# MINUTES

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

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*The Board of Directors convened in session at the hour of 5:31 p.m. A brief recess was taken and the meeting was adjourned at 8:10 p.m.*

Prepared by:



Stephanie Hake  
Executive Assistant

ATTEST:



Mark Busby  
Board Secretary (Interim)

**THE REGULAR MEETING** of the Board of Directors of the Mammoth Community Water District held on Thursday, July 18, 2019 at 5:31 p.m.

**ROLL CALL**

**Board Present**

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

**Board Absent**

Director: Gary Thompson

**Staff Present**

General Manager (Interim): Mark Busby  
Operations Superintendent: Clay Murray  
Finance Manager: Jeff Beatty  
Information Services Manager: Justin Mulbay  
Executive Assistant: Stephanie Hake  
District Counsel: Joshua Horowitz

**Guests Present**

Kevin Kostiuik – Raftelis Financial Inc.  
Tyler Nelson – MCWD Staff

*Some items were taken out of order to facilitate the meeting*

**PLEDGE OF ALLEGIANCE**

*President Smith led the Pledge of Allegiance at 5:32 p.m.*

**PUBLIC FORUM**

*President Smith opened the public forum at 5:33 p.m.*

*No one addressed the Board.*

*President Smith closed the public forum at 5:33 p.m.*

**CONSENT AGENDA A**

**A-1 Approval of June 2019 Check Disbursements (Springbrook #'s 56235 – 56364)**

**A-2 Adoption of Resolution No. 07-18-19-13 Setting a Public Hearing on the Report of Delinquent Water and Sewer Charges as of June 30, 2019**

*There was no discussion, and Director Cage made a motion to approve Consent Agenda A.*

**BOARD ACTION – To approve Consent Agenda A**

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

**CONSENT AGENDA B – STAFF REPORTS**

- B-1 July - Operations Department Report**
- B-2 July - Maintenance Department Report**
- B-3 July - Finance Department Report**
- B-4 July - Engineering Department Report**
- B-5 July - Information Services Report**
- B-6 July - Personnel Services Report**
- B-7 July - Regulatory Support Services Report**
- B-8 July - General Manager’s Report**

*There was no discussion, and Director Creasy made a motion to approve Consent Agenda B.*

**BOARD ACTION – To approve Consent Agenda B**

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

**CURRENT BUSINESS**

**C-1 Discussion and Possible Adoption of Ordinance No. 07-18-19-14 Amending MCWD Chapter 11, Sewer Code and Chapter 12, Water Code Pertaining to Connection Fees**

*Jeff Beatty described how staff has worked with Raftelis Financial Consulting for many months to produce the final report detailing the recommended changes to the District’s wastewater and water connection fees. Mr. Beatty noted that the proposed new combined water and wastewater fees are increasing only slightly for new residential connections to significantly decreasing for larger meter sizes.*

*Kevin Kostiuk of Raftelis Financial Consulting addressed the Board, explaining that the changes in the fee schedule are attributed to updating the methodology to a more universally accepted approach for calculating the fees in the report produced by his firm.*

*The Board had a brief discussion and asked Mr. Kostiuk a few questions. Director Cage complimented staff and the Raftelis team for a great report and made a motion.*

**BOARD ACTION – To adopt Ordinance No. 07-18-19-14 amending MCWD Chapter 11, Sewer Code and Chapter 12, Water Code pertaining to Connection Fees**

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

**C-2 Discussion and Possible Adoption of an Amended Master Fee Schedule**

*Jeff Beatty explained the reason for amending the Master Fee Schedule was to align with the changes made to the District's connection fees through the adoption of Ordinance No. 07-18-19-14.*

*There was no discussion and Director Creasy made a motion.*

**BOARD ACTION – To adopt an amended Master Fee Schedule**

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

**C-3 Discussion and Possible Approval of Draft Agreements Between the District and Employees Entering into the Amended Employee Housing Purchase Assistance Program**

*The discussion began with Director Creasy pointing out a minor discrepancy in language between the policy and the draft agreements. Director Cage requested clarification of the language referencing the shared equity loan.*

*After a brief discussion the Board approved the draft agreements as presented to enable Tyler Nelson to close escrow on a purchase of a home. Then direction was provided to staff and counsel to refine and simplify the agreements to better align with the recently adopted policy then bring it to the Employee Housing Committee for final approval.*

**BOARD ACTION – To approve the draft agreements between the District and Employees entering into the amended Employee Housing Purchase Assistance Program and direction for staff and counsel to refine the agreements to align with the policy language**

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

#### **C-4 Quarterly Water Supply Update**

*Clay Murray briefly described that the water supply is more than sufficient for the next few months.*

*There was no discussion.*

**BOARD ACTION – None, informational only**

#### **C-5 Discussion and Possible Direction to Staff Regarding the USGS Open-File Report Titled “Hydraulic, Geochemical and Thermal Monitoring of an Aquifer System in the Vicinity of Mammoth Lakes, Mono County, California”**

*John Pedersen provided a brief summary of the USGS report noting that it supports hydraulic connectivity between the shallow groundwater system and the deep geothermal system. He commented that the BLM is actively working to identify an alternate site for drilling the deep and shallow nested pair monitoring wells.*

*After a lengthy discussion, direction was given to staff to prepare comments to submit to the GBUAPCD on the draft “Authority to Construct” permits proposed to be issued to Ormat for two CD-IV production wells.*

**BOARD ACTION – None, direction only**

#### **C-6 Discussion of the Status of the Administration Building Needs Assessment and Possible Direction to Staff Regarding Continuation of that Study**

*Mark Busby described the background of the project, the work that has been completed to date, and the work outstanding to fulfill the contract.*

*Following a brief discussion there was agreement that there would be value in knowing the status of the existing building before making a determination to move forward with more work or not.*

*Director Creasy made a motion.*

**BOARD ACTION – To approve the spending of \$6,000 to complete the portion of the contract assessing the existing administration building**

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

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

LAFCO – June 26, 2019

Tom Cage

Ad Hoc Committee - Connection Fee Study – July 17, 2019

Tom Smith

Tom Cage

Technical Services Committee – July 17, 2019

Dennis Domaille  
Tom Smith (*alternate*)

Investment Committee – July 17, 2019

Robert Creasy  
Tom Cage

Finance Committee – July 17, 2019

Robert Creasy  
Tom Cage

LAFCO:

*Director Cage reported that the Mono County LAFCO met and that he requested the agency send an invoice to the MCWD Finance Manager for the District's portion of the LAFCO's annual funding.*

*He noted that the agency is still working to determine the distribution of property taxes for the Snowcreek development that was annexed to the MCWD service area in February 2018.*

*The next LAFCO meeting will be held in September 2019.*

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Ad Hoc Committee – Connection Fee Study:

*Director Cage reported that the discussion at the Connection Fee Study meeting resulted in the recommended changes being brought to the Board for adoption this evening.*

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Technical Services Committee:

*Director Smith noted that the discussions at the Technical Services Committee focused on details of the staff reports.*

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Investment Committee:

*Director Cage reported that the committee is pleased with the reporting and direction from Chandler Investment Management to date. Additionally, they feel that Jeff Beatty has a good understanding of the District's investment portfolio and is being proactive with any adjustments that might need to be made.*

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Finance Committee:

*Director Creasy reported that revenue from water rates was slightly down due to the slow start to the irrigation season, but that overall revenue was up due to an increase in interest from the District's investment portfolio.*

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

**ATTORNEY REPORT**

*Attorney Horowitz said there was nothing to report.*

*The Board members went into closed session at 7:10 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

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

Anticipated litigation; Government Code sections 54954.5(c) and 54956.9(a) and (d)(2) and (3); significant exposure to litigation involving one case

### **D-4 Public Employee Performance Evaluation – General Manager**

Pursuant to Government Code Section 54954.5(e) and 54957

## ADJOURNMENT

*The meeting adjourned out of closed session at 8:10 p.m. There was no reportable action from closed session.*

*President Smith adjourned the meeting at 8:10 p.m.*