

MINUTES

Thursday, March 17, 2022
Mammoth Community Water District
Regular Board Meeting

The Board of Directors convened in session at the hour of 5:33 p.m. There was no recess taken and the meeting was adjourned at 7:42 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, March 17, 2022 at 5:33 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: Garrett Higerd
Operations Superintendent: Clay Murray
Finance Manager: Jeff Beatty
Information Services Manager: Justin Mulbay
Human Resources Manager: Chris Weibert
Plant Maintenance Supervisor: Rob Motley
Senior Administrative Analyst: Betty Hylton
Executive Assistant: Stephanie Hake
District Counsel: Joshua Horowitz

Guests Present *

Leanna Block – MCWD Staff	Wesley Hawks
Kevin Kostiuik – Raftelis Consultants, Inc.	Derek Johnson
Marc and Lou Marguiles	Brian Moore
Molly Attell	Dennis Deibert
Demetrius Pohl and Christine Carlson	Jim and Kristi Byers
Ralph Lockhart	

**** 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 if the Board complies with the requirements of AB 361. 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.***

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

PUBLIC FORUM

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

No one addressed the Board and President Smith closed the public forum at 5:34 p.m.

CONSENT AGENDA A

A-1 Consider finding by a majority vote under Gov. Code, section 54953, subd. (e)(1)(B) that, as a result of the COVID-19 emergency: (i) meeting in person would present imminent risks to the health or safety of attendees: and (ii) the meeting is authorized to be held by teleconference pursuant to Gov. Code, section 54953, subd. (e)(1)(C)

A-2 Approval of February 2022 Check Disbursements (Incode #'s 2111-2235)

A-3 Approval of Minutes from the Regular Board Workshop held February 17, 2022

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
ABSENT: 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
ABSENT: None

CURRENT BUSINESS

C-1 Public Hearing on Proposed new District Water and Wastewater Rate Structure

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- **The Board will receive a staff presentation and then public comment on the proposed new water and wastewater rates. After the hearing is closed, staff will provide the Board with a tabulation of valid written protests filed against the new rate structure.**

President Smith opened the Public Hearing at 5:35pm.

Stephanie Hake described the Zoom teleconferencing protocol and functionality for members of the public and the Board to follow to ensure everyone wanting to address the Board understood how to participate in the meeting.

General Manager Mark Busby provided a brief overview of the rate study/implementation process. Finance Manager Jeff Beatty then generally described the proposed changes to the rate structure and methodology for calculating the changes. He noted the customer classes most impacted by the proposed changes. Mr. Beatty said that the change in methodology was to align each customer's wastewater charge with the volume of water used during the winter months. Because there is not a meter to calculate wastewater volume, this was the most equitable method of calculating the amount of wastewater produced by a property.

President Smith then asked for members of the public interested in making a comment, to raise their hand virtually and they would be called on to speak. Several members of the public took turns addressing the Board with their questions and concerns of the proposed changes to the water and wastewater rates.

Many of the comments were from customers who are Out-of-District (OOD) and receive only wastewater service by agreement. Directors Cage and Creasy commented on the high cost of maintaining the OOD sewer system year-round and that the rest of the community should not have to subsidize this expense. Other comments from in-District customers pertained to impacts on commercial enterprises from a significant increase in wastewater rates due to the change in methodology for calculating the rates.

Following a lengthy discussion, Stephanie Hake provided the tabulation of valid protests, stating that the District had received two valid written protest letters and 16 comment letters during the 45-day comment period leading up to the hearing.

President Smith expressed appreciation for the input from members of the public and closed the public hearing at 6:27pm.

BOARD ACTION – None

C-2 Discuss and Consider Enacting Ordinance No. 03-17-22-02 Amending Chapter 11 and Chapter 12 of the MCWD Code

Mark Busby briefly described that the amendments being proposed to Chapters 11 and 12 were part of the bigger project of rewriting the MCWD Code and structuring it to be a separate Water Code, Sewer Code, and associated policies and procedures. The proposed ordinance removes all references to rates, fees, and charges imposed or authorized by the Code and instead refers to Appendix A, the annually adopted MCWD Master Fee Schedule, which the Board will consider under business item C-4.

Mr. Busby added that the other notable amendment was to repeal Division XII of Chapter 12. This division has governed water conservation standards and supporting regulations. Language was added in place of the division that points to the District's Water Shortage Contingency Plan adopted by resolution of the Board in May 2021.

BOARD ACTION – To enact Ordinance No. 03-17-22-02 amending Chapter 11 and Chapter 12 of the MCWD Code

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

C-3 Discuss and Consider Adopting Resolution No. 03-17-22-03 Concerning New Water and Wastewater Rates

Jeff Beatty noted that there was a single printing error in the Proposition 218 notice that was mailed to all owners of record in January 2022. The error is in the Current and Proposed Wastewater Service Charges table. The Residential Rate proposed to be implemented April 1, 2026 was intended to be \$22.27, but was mistakenly printed as \$21.27. Mr. Beatty noted there were a few options to correct the error before the possible implementation in April 2026.

Attorney Horowitz reminded the Board that the rates being proposed for adoption are maximum rates and there is the option in out-years to evaluate cost-of-service and the need to increase the rates the full amount shown on the rate schedules, and then make the changes accordingly.

The Board directed staff to wait until 2025 to conduct a review of the entire study to determine if a public hearing should be noticed and held to correct the error and allow the rate study recommended amount of \$22.27 to be implemented or if a new rate study should be initiated for years 2026 through 2031.

BOARD ACTION – To adopt Resolution No. 03-17-22-03 concerning new water and wastewater rates as presented

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

C-4 Discuss and Consider Adopting Resolution No. 03-17-22-04 Establishing the Fiscal Year 2022-2023 MCWD Master Fee Schedule

Jeff Beatty introduced the item. He stated that this year's Master Fee Schedule (MFS) was much more comprehensive than past years. The MFS now includes all the rates and fees assessed for all services provided by MCWD for the coming fiscal year. He reminded the Board that this document will now be an appendix to the MCWD Code containing all the rates, fees, and charges that previously resided within the Code.

Following a brief discussion, President Smith called for a motion.

BOARD ACTION – To adopt Resolution No. 03-17-22-04 establishing the Fiscal Year 2022-2023 MCWD Master Fee Schedule

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

C-5 Discuss and Consider Adopting Resolution No. 03-17-22-05 Approving the Fiscal Year 2022-2023 Capital and Operating Budget

Jeff Beatty described the few changes that had been made to the proposed FY23 operating and capital budget and the related impact to the reserve funds since the draft presentation at the February 17 Board meeting. Mr. Beatty pointed out a minor clerical error on the last page of the Reserve Fund Targets document.

Board members expressed their appreciation for the hard work by staff that went into the final budget presentation.

BOARD ACTION – To adopt Resolution No. 03-17-22-05 approving the Fiscal Year 2022-2023 Capital and Operating Budget with the clerical error noted in the Reserve Fund Targets corrected

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

C-6 Discuss and Consider Adopting Resolution No. 03-17-22-06 Establishing an Initial Appropriations Limitation for the Fiscal Year 2022-2023

Jeff Beatty provided a brief overview of the annual process for adopting an appropriations limit. He noted that the MCWD budget process requires an initial limit be estimated until the actual limit for the year is calculated when the State of California closes its fiscal year in June.

There was no discussion and Director Domaille made a motion.

BOARD ACTION – To adopt Resolution No. 03-17-22-06 establishing an initial Appropriations Limitation for Fiscal Year 2022-2023

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

C-7 Discuss and Consider Adopting Resolution No. 03-17-22-07 Approving the Fiscal Year 2022-2023 Salary and Authorized Positions (SAPR)

Chris Weibert briefly described the minor changes reflected in the FY23 Salary and Authorized Positions resolution from the previous year's SAPR.

There was no discussion and Director Cage made a motion.

BOARD ACTION – To adopt Resolution No. 03-17-22-07 approving the Fiscal Year 2022-2023 Salary and Authorized Positions (SAPR)

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

C-8 Review and Authorize Staff to Prepare and Implement a Turf Replacement Rebate Program

Betty Hylton provided a summary of the proposed criteria to be included in a rebate program for turf replacement. Board members asked several clarifying questions regarding artificial turf and smart controllers. The Board also discussed if the \$2.00 per square foot rebate amount might be too low to incentivize property owners to use the program.

Following the discussion, the Board approved the budgeted amount for the rebate program of \$125,000k for FY23 to allow for turf replacement in addition to the other rebate offers. The Board gave direction for staff to amend the proposed terms for the program to allow for the use of artificial turf and to not require smart controllers if an automated irrigation system is used. Additionally, the rebate amount was approved at \$2.00 per square foot with an annual cap of \$4,000 per single-family residence and \$10,000 for multi-family residences. The Board agreed that the rebate amount should be reviewed after the first year to determine if it is too low to encourage significant program participation.

BOARD ACTION – To approve a turf replacement rebate program that includes a square foot rebate amount of \$2.00 with an annual cap of \$4,000 per single-family residence and \$10,000 for multi-family residences; approval for the use of artificial turf and smart controllers are not required.

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

C-9 Discuss and Consider Approving a Notice of Exemption (NOE) for the 2022 Water System Improvements Project

Garrett Higerd provided a summary of the system improvement projects planned for the upcoming construction season.

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

BOARD ACTION – To approve the Notice of Exemption for the 2022 Water System Improvements Project

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

C-10 Update on the Alterra/Mammoth Mountain Ski Area Main Lodge Redevelopment Project

Garrett Higerd said that MCWD staff recently met with Alterra/MMSA staff and were updated on the status of the proposed redevelopment project. He described the highlights of that meeting, noting that the first major step for the project is to initiate the CEQA/NEPA environmental review process. This review will likely take two years to complete. He also noted that Alterra/MMSA are reviewing two alternatives for addressing their needs for wastewater processing. One is to install a package treatment plant system, their preferred option. The other is to tie into the MCWD sewer system. Results of the CEQA/NEPA study may influence the direction for which wastewater treatment process Alterra/MMSA selects.

A brief discussion followed with board members asking questions.

BOARD ACTION – None, informational only

Committee Meetings Held During the Month

Technical Services Committee – March 16, 2022

Dennis Domaille

Gary Thompson

Finance Committee – March 16, 2022

Tom Cage

Robert Creasy

Technical Services Committee:

Director Domaille reported that business discussed at the Tech Services meeting was routine. He noted that MCWD Engineer Jake Trauscht provided the committee with a very thorough and easy to understand report on the status of the District's groundwater. He suggested that Mr. Trauscht give the same presentation to the entire Board at the April 21 regular board meeting.

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Finance Committee:

Director Cage said that the committee discussed most of the topics covered by the meeting this evening. He congratulated staff members Leanna Block and Chris Weibert on their recent promotions.

Director Creasy had nothing more to add.

DIRECTOR COMMENTS, REQUESTS, AND REPORTS

Director Domaille suggested that MCWD take the lead for Mono County public agencies and move away from virtual meetings beginning in April. Directors Cage and Thompson echoed Director Domaille's comment and the

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Board agreed to hold all April board related meetings in-person in the MCWD Boardroom with an option for members of the public and District's legal counsel to attend via Zoom.

ATTORNEY REPORT

Attorney Horowitz said that several of his public agency clients are beginning to resume some form of in-person meetings, but still maintaining a Zoom platform to allow for public access. Currently, the Governor has not given any indication of lifting his COVID emergency declaration allowing for virtual public meetings under AB 361.

Attorney Horowitz also reported that the water supply situation in California is looking grim and to expect mandated state-wide conservation measures this coming summer.

ADJOURNMENT

Director Domaille made a motion to adjourn the meeting.

BOARD ACTION – To adjourn the Regular Board meeting

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

President Smith adjourned the meeting at 7:42 p.m.