

MINUTES

Thursday, August 18, 2022
Mammoth Community Water District
Regular Board Meeting

The Board of Directors convened in session at the hour of 5:32 p.m. There was no recess taken and the meeting was adjourned at 8:02 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, August 18, 2022 at 5:32 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
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 (*via Zoom*)

Guests Present

Jennifer Burrows – Mono County	Lorinda Beatty
Emily Janoff – Mono County	Gordon Madison
Tyler Nelson – MCWD	Matthew Filson
Cecil Bundesen – MCWD	Gaylon Teslaa
	Mr. Guthrie

PUBLIC HEARING

President Smith opened the public hearing at 5:33 p.m. to receive comments concerning the filing of reports on delinquent water and sewer charges as of May 31, 2022.

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

PUBLIC FORUM

President Smith opened the public forum at 5:34 p.m.

Betty Hylton of MCWD's Regulatory Support Services (RSSD) addressed the Board to introduce the new staff member in her division, Cecil Bundesen. On behalf of the Board, President Smith welcomed Mr. Bundesen.

No one else addressed the Board and President Smith closed the public forum at 5:35 p.m.

CONSENT AGENDA A

A-1 Approve the June 2022 Check Disbursements (InCode #'s 2596 – 2726)

A-2 Approve the July 2022 Check Disbursements (InCode #'s 2727 – 2825)

A-3 Approve the Minutes from the Regular Board Meeting held June 16, 2022

Director Cage said he would abstain from approving A-3, the minutes from the June 16 regular board meeting.

Director Creasy made a motion.

BOARD ACTION – To approve Consent Agenda A, items A-1 and A-2

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

BOARD ACTION – To approve Consent Agenda A, item A-3

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

CONSENT AGENDA B – DEPARTMENT 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 Cage made a motion.

BOARD ACTION – To approve Consent Agenda B

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

CURRENT BUSINESS

C-1 Discuss and Consider Adopting Resolution No. 08-18-22-13 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

Jeff Beatty confirmed that there were no changes to the list of delinquent accounts since the board packet had been distributed on August 12. There was no discussion and Director Domaille made a motion.

BOARD ACTION – To adopt Resolution No. 08-18-22-13 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, Smith, and Thompson
NAYS: None

C-2 Discuss and Provide Direction to Staff Regarding a Request by Mono County Department of Public Health to Enter into a Memorandum of Understanding with the District for Wastewater Sampling and Analysis for Detecting COVID Virus and Other Communicable Diseases

Mark Busby provided the Board with a brief introduction for the item then turned the presentation over to Mono County staff member Jennifer Burrows. Ms. Burrows provided an overview of how wastewater surveillance is being used to monitor for communicable diseases.

Emily Janoff of Mono County Public Health then provided a PowerPoint presentation describing the type of information that wastewater sampling and analysis might provide to Mono County Health officials.

Following the presentation from Mono County staff, four members of the public addressed the Board expressing their thoughts about wastewater surveillance.

After the presentation from Mono County and comments from the public, board members asked several questions of Ms. Burrows and Ms. Janoff.

Director Creasy then made a motion in favor of entering into a Memorandum of Understanding with Mono County. No one seconded the motion, therefore the motion failed.

BOARD ACTION – None, the motion failed.

C-3 Consider Offer Under First Right of Refusal for the Sale of Employee Home Purchased Under Employee Home Purchase Assistance Program and Provide Direction to General Manager for Responding to Offer Subject Property: 1751 Old Mammoth Road, #2, Mammoth Lakes

Jeff Beatty said that, under the Employee Home Purchase Assistance Policy (EHPAP), when a participant in the program wants to sell their property, a first right of refusal is required to be offered to MCWD. Mr. Beatty described the financial details of the proposed sale and noted that there might be other employees interested in purchasing the property with the assistance of the EHPAP.

Board members asked a few clarifying questions about options for keeping the property in the EHPAP program preferably for purchase by another employee. Attorney Horowitz pointed out that because this program is a Board policy, the language can be modified to accommodate the situation. Alternatively, he suggested that if the current property owner were willing to extend first right of refusal pending negotiations with another employee, this could be simply documented by an email between the General Manager and the employee.

The Board directed staff to exercise the first right of refusal unless another employee was interested in purchasing the property.

BOARD ACTION – None, direction only

C-4 Discuss and Consider Adopting a Revised MCWD Statement of Investment Policy

Jeff Beatty described the District's obligation to make a large payment due in 40 to 50 years under the settlement agreement with LADWP. He said that California law allows the Board to authorize investments in securities with maturities longer than 5 years to increase the rate of return on funds set aside for particular purposes. The LADWP settlement fund could be invested in securities with maturities of up to 10 years to earn a better rate of return.

Mr. Beatty said the proposed investment strategy is to make a one-time fund transfer to increase the LADWP fund from the current balance of \$500,000 to \$1,000,000 in order to better diversify this fund's investment portfolio and therefore maximize potential interest income. He added that if the Board were to adopt the revised policy, there would be a three-month waiting period before the change can take place.

Director Cage noted that the Investment committee discussed this proposal and said the change in policy made good sense.

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

BOARD ACTION – To adopt the revised Statement of Investment Policy

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

C-5 Discuss and Consider Adopting Resolution No. 08-18-22-14 Amending the MCWD Conflict of Interest Code

Stephanie Hake said that per the Political Reform Act staff and legal counsel had conducted the required biennial review of the District's Conflict of Interest Code (code). Ms. Hake said that the recommended changes to the code were to add a designated position to the list of staff positions required to disclose financial interests and to change the disclosure category for an existing position. Ms. Hake added that following MCWD Board adoption of the amended code, it would be forwarded to the Mono County Board of Supervisors, the District's code reviewing body, for final approval. The amended code would become effective once approved by the Board of Supervisors.

There were no questions and Director Domaille made a motion.

BOARD ACTION – To adopt Resolution No. 08-18-22-14 amending the MCWD Conflict of Interest Code

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

C-6 Quarterly Water Supply Update

In Clay Murray's absence, Betty Hylton provided the Board with a brief review of the update; noting that staff are not recommending a change to the current water conservation level. Board members asked a couple of questions.

There was no further discussion.

BOARD ACTION – None, information only

C-7 Discuss and Possibly Approve a Lease Extension with the USGS for Use of Office and Equipment Space

Mark Busby provided the Board with a brief history of how the USGS has leased a small office space at MCWD for many years. He described that the proposed lease extension is for two years giving the two parties time to work out the details of the more permanent, 20-year lease.

There was no discussion. Director Domaille made a motion.

BOARD ACTION – To approve a two-year lease extension with the USGS for use of office and equipment space

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

C-8 Discuss and Provide Direction to Staff Regarding Contracting with a Financial Auditing Firm for the Next Three to Five Year Period

Jeff Beatty said that the contract with the current audit firm will end when this year's audit is complete. He described the options available to the Board for audit services over the next three to five years. Director Cage stated that the Finance Committee discussed the topic and noted that the committee and Board have been satisfied with the services of Teaman, Ramirez & Smith (TRS) for several years. The committee feels that there is value in the familiarity the audit firm has with the District's operations and staff and to change firms would unnecessarily burden staff for little gain.

Following a brief discussion, the Board directed staff to negotiate a contract with TRS for the next three to five fiscal years.

BOARD ACTION – None, direction only

COMMITTEE MEETINGS HELD DURING THE MONTH

Mono County LAFCO – *June 13, 2022*

Tom Cage

Money Purchase Pension Planning Committee – *August 16, 2022*

Tom Cage

Technical Services Committee – *August 17, 2022*

Dennis Domaille

Gary Thompson

Investment Committee – *August 17, 2022*

Tom Cage

Robert Creasy

Finance Committee – *August 17, 2022*

Tom Cage

Robert Creasy

Employee Housing Committee – *August 18, 2022*

Gary Thompson

Robert Creasy

Mono County LAFCO:

Director Cage reported that when the commission met in June, he, Tom Cage, was voted in as the Commission Chair and that Paul McFarland of Lee Vining Volunteer Fire Department is the newly elected member. He said that Mono County staff is in the process of rewriting the Mono County LAFCO handbook and the commission reviewed the progress. He also reported that the issue with the Snowcreek property tax allocation to MCWD is still being worked on by Mono County staff. Garrett Higerd briefly elaborated on the progress with the tax allocation topic.

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Pension Committee:

Director Cage reported that staff are frequently encouraged to meet regularly with the advisors. He added that with the increasing interest rates and volatile stock market, the message is being conveyed to staff that it is currently a good time to put more money into one's retirement plan.

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Technical Services Committee:

Director Domaille reported that most topics discussed at the committee meeting were routine. He complimented the Water Operations division for doing an excellent job of managing and maximizing the use of surface water during the past two months. Director Thompson noted that there was a brief presentation from the District's security committee. Mark Busby added that the Wastewater Operations staff are on track for another record-breaking year with recycled water production.

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Investment Committee:

Director Cage reported that the committee is exploring the possibility of using longer-term investments for some funds that aren't anticipated to be used for a few years. He also said that some of the interest rates currently being realized in the portfolio are better than expected.

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Finance Committee:

Director Cage said there was nothing more to report than what had already been talked about earlier in this meeting.

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Employee Housing Committee:

Director Creasy reported that the committee was updated on the offer of first right of refusal discussed under Current Business, Item C-3. He also said that the committee discussed a request from an employee wanting to take advantage of the shared-value option of the housing purchase assistance program.

Lastly, he reported that the committee was approached by staff with the idea of possibly purchasing a couple of "tiny homes" to set up on the District's existing recreational vehicle (RV) pads and use them as a short-term housing solution for new employees trying to settle into the area. He said that the committee directed staff to further investigate the viability of the idea and report back when more details were known.

DIRECTOR COMMENTS, REQUESTS, AND REPORTS

Director Creasy acknowledged his "lame-duckedness" to the Board that he didn't intend to miss the deadline to file a declaration of candidacy for the open MCWD director seat in the upcoming November election. He went on to congratulate Betty Hylton and Dennis Domaille on their anticipated appointment by the Mono County Board of Supervisors in-lieu of election for the two open seats.

ATTORNEY REPORT

Attorney Horowitz said there was nothing to report.

No recess was taken, and the Board went into closed session at 7:41 p.m.

CLOSED SESSION

D-1 Conference with Real Property Negotiators

Pursuant to Government Code Sections 54954.5(e) and 54956.8

Property Description: Mono County APNs – 033-148-005-000 and 033-148-006-000

Under Negotiation: Price and Terms of Payment

MCWD Negotiators: Mark Busby and Garrett Higerd

Property Owner Negotiator: Greg Eckert

REPORT OUT AND ADJOURNMENT

The Board adjourned out of closed session at 8:02 p.m.

There was nothing to report from closed session.

President Smith adjourned the meeting at 8:02 p.m.