

**BIG BEAR AREA REGIONAL WASTEWATER AGENCY**

**Special Meeting of**

**December 5, 2018**

**At**

**5:00 p.m.**

**121 Palomino Drive**

**Big Bear City, California**

**1. Call to Order**

**2. Pledge of Allegiance**

**3. Presentations and Introduction**

- A. Justin Ploense – 5 Year Recognition
- B. Ryan Connelly – 1 Year Recognition
- C. Elizabeth Harris Ed.D. – Recognition of Service

**4. Approval of the Agenda**

**5. Consent Calendar – All matters listed on the Consent Calendar will be enacted by one motion at the appropriate time. There will be no separate discussion of these items. If detailed discussion is necessary, any Board Member may request that an item be removed from the Consent Calendar and considered separately.**

- A. Minutes of Regular Meeting on October 24, 2018 – Approve
- B. Monthly Expenses – Informational
- C. Governing Board Member Reimbursement – Approve
- D. Investment Report – Informational
- E. Operations and Connections Report– Informational
- F. First Quarter Report, Three Months Ended September 30, 2018– Informational
- G. Accept as Complete - Reconstruction of the North and South Horseshoe Ponds – Approve
- H. Personnel Policies & Procedures Manual Revisions – Approve

**6. Items Removed from the Consent Calendar**

**7. Public Forum Response – None**

**8. Public Forum – The Public Forum portion of the meeting is an opportunity for members of the public to directly address the Governing Board on matters within the jurisdiction of this Agency. Ordinance No. 57 limits individual public testimony to three minutes or less. The cumulative time that any individual may provide public testimony during a meeting is fifteen minutes and the public testimony shall be limited to thirty minutes for all speakers. Whenever a group of persons wishes to address the Board on the same item, the Chairman or the Board by majority vote may request a spokesperson be chosen for the group or limit the number of such persons addressing the Board. Since discussion of an item not on the posted agenda is not allowed, these concerns may be addressed in a future meeting under “Public Forum Response.”**

**9. Old Business – None**

**10. New Business**

- A. Transfer \$76,000 from the Belt Press Project to the Solids Separation Building Improvements – Discussion and Possible Action
- B. Schedule Budget Workshop – Discussion and Possible Action
- C. Appointment of Secretary Pro Tem – Discussion and Possible Action

**11. Closed Session**

- A. Public Employee Performance Evaluation  
Pursuant to Government Code Section 54957.6  
Title: General Manager

**12. Information/Committee Reports**

- A. General Manager Update on Emergency Work at the Lucerne Valley Reuse Facility

**13. Adjournment**

In compliance with the Americans with Disabilities Act and Government Code Section 54954.2, if you need special assistance to participate in an Agency meeting or other services offered by the Agency, please contact Kimberly Booth, Administrative Assistant at (909) 584-4018. Notification at least 48 hours prior to the meeting or time when services are needed will assist the Agency staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.

Copies of staff reports or other written documentation relating to each item of business referred to on this agenda are on file in the office of the Big Bear Area Regional Wastewater Agency and are available for public inspection during normal business hours.

Visit [www.bbarwa.org](http://www.bbarwa.org) to view and/or print the Agenda Package

**BIG BEAR AREA REGIONAL WASTEWATER AGENCY**  
**Regular Board Meeting**  
**Minutes**  
**October 24, 2018**

**1. Call to Order**

A regular meeting of the Governing Board of the Big Bear Area Regional Wastewater Agency was held on Wednesday, October 24, 2018 at 5:00 p.m. at 121 Palomino Drive, Big Bear City, California.

**Governing Board Members:**

**Present:** John Green, David Caretto, Liz Harris, Rick Herrick and Karyn Oxandaboure.

**Absent:** None

**Staff present:** David Lawrence, General Manager; Jennifer McCullar, Finance Manager; Jan Guy, Plant Manager; Sonja Kawa, Human Resource Coordinator/Accounting Technician; Troy Bemisdarfer, Plant Maintenance Supervisor; Nikki Crumpler, Laboratory Analyst; Kyle Burnett, Plant Operator; Ryan Connelly, Plant Operator.

**Others:** Mr. Scott Manno, Rogers, Anderson, Malody & Scott, LLP and Ms. Veronica Hernandez, Rogers, Anderson, Malody & Scott, LLP.

**2. Pledge of Allegiance**

Chairman Green called the meeting to order at 5:00 p.m. with Secretary Harris leading the Pledge of Allegiance.

**3. Presentations and Introduction**

A. Mr. Lawrence presented Ms. McCullar with her 10-year pin as well as thanked her for her service to the Agency. Each board member took this opportunity to commend her on the outstanding job she has done during in her time with the Agency and thank her for her service.

B. Ms. McCullar introduced Mr. Manno and Ms. Hernandez from the accounting firm of Rogers, Anderson, Malody & Scott, LLP. Mr. Manno presented the Agency with the audit report for fiscal year ended June 30, 2018. Ms. Hernandez followed with comments.

**4. Closed Session**

Entered closed session at 5:13 p.m. with one closed session item.

A. Conference with Labor Negotiators – Government Code Section 54957.6

Chairman Green reconvened open session at 5:48 p.m. - no reportable action

**5. Approval of the Agenda**

Upon motion by Director Herrick, seconded by Secretary Harris and carried, the Governing Board approved the agenda as presented.

Aye: Green, Caretto, Harris, Herrick, Oxandaboure  
Nay: None  
Absent: None  
Abstain: None

6. **Consent Calendar** – All matters listed on the Consent Calendar will be enacted by one motion at the appropriate time. There will be no separate discussion of these items. If detailed discussion is necessary, any Board Member may request that an item be removed from the Consent Calendar and considered separately.

- A. Minutes of the Special Meeting on September 26, 2018 – Approved
- B. Monthly Expenses – Informational
- C. Governing Board Member Reimbursement – Approved
- D. Investment Report – Informational
- E. Operations and Connections Report– Informational
- F. Annual Report, Twelve Months Ended June 30, 2018 – Informational

Upon motion by Secretary Harris, seconded by Director Herrick and carried, the Governing Board approved all matters listed on the Consent Calendar as presented.

Aye: Green, Caretto, Harris, Herrick, Oxandaboure  
Nay: None  
Absent: None  
Abstain: None

7. **Items Removed From the Consent Calendar** - None

8. **Public Forum Response** – None

9. **Public Forum** – The Public Forum portion of the meeting is an opportunity for members of the public to directly address the Governing Board on matters within the jurisdiction of this Agency. Ordinance No. 57 limits individual public testimony to three minutes or less. The cumulative time that any individual may provide public testimony during a meeting is fifteen minutes and the public testimony shall be limited to thirty minutes for all speakers. Whenever a group of persons wishes to address the Board on the same item, the Chairman or the Board by majority vote may request a spokesperson be chosen for the group or limit the number of such persons addressing the Board. Since discussion of an item not on the posted agenda is not allowed, these concerns may be addressed in a future meeting under “Public Forum Response.”

10. **Old Business**

A. Resolution No. R. 11-2018

Mr. Lawrence explained the board previously adopted a resolution of intention to amend

the CalPERS contract for 1959 Survivor Benefits. This is the final step in amending the contract. Staff makes the recommendation to authorize amendment and execution by the presiding officer. Upon motion by Vice Chairman Caretto, seconded by Director Oxandaboure and carried, the Governing Board approved Resolution No. R. 11-2018, A Resolution Authorizing an Amendment to the Contract between the Board of Administration of the California Public Employees' Retirement System and the Board of Directors of the Big Bear Area Regional Wastewater Agency.

Aye: Green, Caretto, Harris, Herrick, Oxandaboure  
Nay: None  
Absent: None  
Abstain: None

**B. Implementation Process to Amend OPEB for Future Hires**

Ms. McCullar explained this item is part of the implementation process to amend OPEB for future hires. Staff recommendation is to approve Resolution No. R. 12-2018 and Resolution No. R. 13-2018. Upon motion by Vice Chairman Caretto, seconded by Director Herrick and carried, the Governing Board approved:

- Resolution No. R. 12-20018, Fixing the Employer Contribution at an Equal Amount for Employees and Annuitants Under the Public Employees' Medical and Hospital Care Act; and
- Resolution No. R. 13-2018, A Resolution of the Governing Board of the Big Bear Area Regional Wastewater Agency Amending and Restating the Big Bear Area Regional Wastewater Agency Health Premium Reimbursement Plan.

Aye: Green, Caretto, Harris, Herrick, Oxandaboure  
Nay: None  
Absent: None  
Abstain: None

**11. New Business**

**A. Schedule a Special Meeting and adjourn the Regular November (28<sup>th</sup>) and December (26<sup>th</sup>) 2018 Meetings.**

Mr. Lawrence explained that it has been historical for the Agency to adjourn both November and December Governing Board meetings, due to the proximity of the holidays, and schedule a special meeting. Upon motion by Director Oxandaboure, seconded by Vice Chairman Caretto and carried, the Governing Board approved to adjourn the November and December 2018 Regular Board Meetings and scheduled a Special Meeting on December 5, 2018 at 5:00 p.m.

Aye: Green, Caretto, Harris, Herrick, Oxandaboure  
Nay: None

Absent: None  
Abstain: None

**B. Pay Schedule**

Mr. Lawrence presented the pay schedule and recommended approval effective October 24, 2018. Upon motion by Secretary Harris, seconded by Director Oxandaboure and carried, the Governing Board approved the Pay Schedule as presented.

Aye: Green, Caretto, Harris, Herrick, Oxandaboure  
Nay: None  
Absent: None  
Abstain: None

**C. Appropriate \$44,045 from the Capital and Replacement Fund to Complete the Reconstruction of the North and South Horseshoe Ponds**

Mr. Lawrence gave an update on this project and explained the additional work required to elevate the clay layer in the bottom of the North Pond. Discussion followed between the board and staff. Staff recommendation is to appropriate \$44,045 from the Capital and Replacement Fund to complete the Reconstruction of the North and South Horseshoe Ponds Project. Upon motion by Vice Chairman Caretto, seconded by Director Herrick and carried, the Governing Board approved the appropriation of \$44,045.

Aye: Green, Caretto, Harris, Herrick, Oxandaboure  
Nay: None  
Absent: None  
Abstain: None

**12. Information/Committee Reports**

- A. Mr. Lawrence gave an update on the emergency work at the Lucerne Valley Reuse Facility. Mr. Lawrence anticipates providing notice of completion at the next Board meeting.
- B. Secretary Harris commented on her appointment expiring with the County.

**13. Adjournment**

With no further business to come before the Governing Board, Chairman Green adjourned the meeting 6:14 p.m.

ATTEST: \_\_\_\_\_  
\_\_\_\_\_, Secretary of the Governing  
Board of the Big Bear Area Regional  
Wastewater Agency

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Kim Booth, Administrative Assistant  
Big Bear Area Regional Wastewater Agency




Big Bear Area Regional  
Wastewater Agency  
*John Green – Chairman*  
*David Caretto – Vice Chairman*  
*Vacant – Secretary*  
*Rick Herrick – Director*  
*Karyn Oxandaboure – Director*


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**AGENDA ITEM: 5.B**

**MEETING DATE:** December 5, 2018

**TO:** Governing Board of the Big Bear Area Regional Wastewater Agency

**FROM:** David Lawrence, P.E., General Manager 

**PREPARED BY:** Jennifer McCullar, Finance Manager 

**SUBJECT:** Monthly Expenses

**BACKGROUND:**

Attached is the Agency's October check register which reflects accounts paid during the period.

**FINANCIAL IMPACT:**

There is no financial impact. The funds have been previously appropriated.

**RECOMMENDATION:**

Informational

Moved: \_\_\_\_\_ Second: \_\_\_\_\_ Aye: \_\_\_\_\_ Nay: \_\_\_\_\_ Abstain/Absent: \_\_\_\_\_

Approved Date: \_\_\_\_\_ Witness: \_\_\_\_\_

Secretary of the Governing Board



**Big Bear Area Regional Wastewater Agency  
Check Register  
For the Period From Oct 1, 2018 to Oct 31, 2018**

Filter Criteria includes: 1) Accounts Payable only. Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
CASH 1969	10/1/18	LEGALSHIELD	1000-20	199.40
CASH 1970	10/1/18	AMERICAN FIDELITY ASSURANCE CO	1000-20	786.44
CASH 1971	10/2/18	CALPERS HEALTH	1000-20	30,371.70
CASH 1972	10/3/18	VISION SERVICE PLAN	1000-20	301.84
CASH 1973	10/3/18	LINCOLN NATIONAL LIFE INSURANCE CO.	1000-20	1,099.15
18797	10/9/18	ABB INC	1000-20	6,480.00
18798	10/9/18	ACCENT COMPUTER SOLUTIONS, INC.	1000-20	692.76
18799	10/9/18	AG TECH LLC	1000-20	49,594.69
18800	10/9/18	AMAZON CAPITAL SERVICES	1000-20	815.60
18801	10/9/18	ARAMARK UNIFORM SERVICES	1000-20	1,029.24
18802	10/9/18	BIG BEAR CITY COMMUNITY SERVICES DIST.	1000-20	511.04
18803	10/9/18	BEAR CITY GLASS	1000-20	165.00
18804	10/9/18	BIG BEAR BODYTEK	1000-20	630.00
18805	10/9/18	BUTCHER'S BLOCK & BUILDING	1000-20	819.48
18806	10/9/18	BEAR VALLEY ELECTRIC	1000-20	7,272.42
18807	10/9/18	C & W IRRIGATION, INC.	1000-20	5,260.69
18808	10/9/18	CAR QUEST OF BIG BEAR	1000-20	29.29
18809	10/9/18	UNDERGROUND SERVICE ALERT	1000-20	102.40
18810	10/9/18	DIRECT TV	1000-20	45.99
18811	10/9/18	DEPARTMENT OF WATER & POWER	1000-20	54.01
18812	10/9/18	JUDITH C. HENRI-FARRY	1000-20	700.00
18813	10/9/18	FEDEX	1000-20	98.73
18814	10/9/18	FLYERS ENERGY	1000-20	1,068.86
18815	10/9/18	FRONTIER COMMUNICATIONS	1000-20	681.54
18816	10/9/18	GEIGER SUPPLY, INC	1000-20	44.12
18817	10/9/18	GOVERNMENT FINANCE OFFICERS ASSN	1000-20	160.00
18818	10/9/18	GOLDEN BELL PRODUCTS INC	1000-20	1,257.86

Check #	Date	Payee	Cash Account	Amount
18819	10/9/18	GRAINGER	1000-20	3,247.59
18820	10/9/18	THE GRIZZLY	1000-20	292.00
18821	10/9/18	HUGHESNET	1000-20	69.99
18822	10/9/18	LYNN MERRILL & ASSOCIATES, INC.	1000-20	1,004.64
18823	10/9/18	NAPA AUTO PARTS	1000-20	361.58
18824	10/9/18	NATIVESCAPES INC	1000-20	82.00
18825	10/9/18	NEW PIG CORPORATION	1000-20	195.51
18826	10/9/18	CONSTANCE M. ALVARADO	1000-20	55.00
18827	10/9/18	POLYDYNE INC	1000-20	3,320.86
18828	10/9/18	JESSEE MCCLELLAN	1000-20	900.00
18829	10/9/18	SAM'S ENTERPRISES	1000-20	275.40
18830	10/9/18	SDRMA	1000-20	794.91
18831	10/9/18	SPECTRUM BUSINESS	1000-20	269.94
18832	10/9/18	NANCY R. BOHL, INC.	1000-20	300.00
18833	10/9/18	U.S. POSTAL SERVICE	1000-20	214.00
18834	10/9/18	WINZER CORP	1000-20	70.87
18835	10/9/18	KIMBERLY BOOTH	1000-20	714.48
18836	10/9/18	SONJA KAWA	1000-20	91.38
18837	10/9/18	JENNIFER MCCULLAR	1000-20	91.38
18838	10/9/18	JANICE M. DRAKE-GUY	1000-20	50.00
18839	10/9/18	DAVID LAWRENCE	1000-20	50.00
18840	10/9/18	JENNIFER MCCULLAR	1000-20	50.00
18841	10/9/18	DAVID A. CARETTO	1000-20	450.00
18842	10/9/18	JOHN GREEN	1000-20	450.00
18843	10/9/18	RICHARD T. HERRICK	1000-20	300.00
18844	10/9/18	KARYN K. OXANDABOURE	1000-20	300.00
CASH 1974	10/9/18	AMERICAN FIDELITY ASSURANCE CO	1000-20	593.72
CASH 1975	10/9/18	CALPERS RETIREMENT	1000-20	1,898.71
CASH 1976	10/9/18	CA PERS 457 PROGRAM	1000-20	2,684.13

Check #	Date	Payee	Cash Account	Amount
CASH 1977	10/9/18	THE LINCOLN NAT'L LIFE INS CO	1000-20	2,836.13
CASH 1978	10/9/18	INTERNAL REVENUE SERVICE	1000-20	5,712.67
CASH 1979	10/9/18	CALPERS RETIREMENT	1000-20	6,622.81
CASH 1980	10/10/18	EMPLOYMENT DEVELOPMENT DEPARTMENT	1000-20	1,706.84
CASH 1981	10/15/18	CALPERS CERBT	1000-20	18,573.33
CASH 1982	10/22/18	AMERICAN FIDELITY ASSURANCE CO	1000-20	593.72
CASH 1983	10/22/18	CALPERS RETIREMENT	1000-20	1,898.71
CASH 1984	10/22/18	CA PERS 457 PROGRAM	1000-20	2,684.13
CASH 1985	10/22/18	THE LINCOLN NAT'L LIFE INS CO	1000-20	2,948.32
CASH 1986	10/22/18	CALPERS RETIREMENT	1000-20	6,582.08
CASH 1987	10/23/18	EMPLOYMENT DEVELOPMENT DEPARTMENT	1000-20	1,748.52
CASH 1988	10/23/18	INTERNAL REVENUE SERVICE	1000-20	5,748.27
18845	10/25/18	ACCENT COMPUTER SOLUTIONS, INC.	1000-20	2,413.58
18846	10/25/18	ALLISON MECHANICAL, INC.	1000-20	949.16
18847	10/25/18	AMAZON CAPITAL SERVICES	1000-20	682.49
18848	10/25/18	ARROWHEAD	1000-20	203.53
18849	10/25/18	BIG BEAR CITY COMMUNITY SERVICES DIST.	1000-20	162.76
18850	10/25/18	BEAR LAKE PROFESSIONALS, INC	1000-20	290.00
18851	10/25/18	BDP INDUSTRIES, INC.	1000-20	374,849.25
18852	10/25/18	BUSINESS CARD	1000-20	3,461.63
18853	10/25/18	BRITHNEE ELECTRIC	1000-20	5,268.64
18854	10/25/18	BEAR VALLEY PAVING, INC.	1000-20	61,681.80
18855	10/25/18	SAN BERNARDINO COUNTY FIRE DEPT	1000-20	321.60
18856	10/25/18	CLINICAL LAB OF SAN BERNARDINO	1000-20	1,535.00
18857	10/25/18	COUNTY OF SAN BERNARDINO SOLID WASTI	1000-20	3,350.16
18858	10/25/18	CUMMINS CAL PACIFIC HOLDING, LLC	1000-20	5,842.75
18859	10/25/18	DADDY'S PEST CONTROL	1000-20	150.00
18860	10/25/18	TIMOTHY HOLLAND	1000-20	3,319.57
18861	10/25/18	DIY HOME CENTER-BIG BEAR	1000-20	50.85

Check #	Date	Payee	Cash Account	Amount
18862	10/25/18	ENVIRONMENTAL EXPRESS, INC	1000-20	293.17
18863	10/25/18	EVANTEC CORPORATION	1000-20	568.45
18864	10/25/18	FEDEX	1000-20	12.91
18865	10/25/18	NAVY MEN, LLC	1000-20	946.67
18866	10/25/18	GRAINGER	1000-20	516.41
18867	10/25/18	HAZ MAT TRANS, INC.	1000-20	5,051.72
18868	10/25/18	HEEMSTRA SIGNS	1000-20	30.00
18869	10/25/18	HOUSTON & HARRIS PCS, INC	1000-20	1,512.50
18870	10/25/18	J.G. TUCKER & SON, INC.	1000-20	220.04
18871	10/25/18	JUST ENERGY SOLUTIONS INC.	1000-20	14,362.19
18872	10/25/18	DAVID LAWRENCE	1000-20	102.35
18873	10/25/18	MICHAEL D. MCCONNELL	1000-20	1,400.00
18874	10/25/18	RANDY J. SPITZ	1000-20	136.06
18875	10/25/18	PATTEN SYSTEMS, INC.	1000-20	4,416.84
18876	10/25/18	PHENOVA	1000-20	407.30
18877	10/25/18	PURE EFFECT, INC	1000-20	1,452.60
18878	10/25/18	QUILL	1000-20	392.81
18879	10/25/18	ROGERS, ANDERSON, MALODY & SCOTT, LLI	1000-20	10,500.00
18880	10/25/18	SBC TAX COLLECTOR	1000-20	3,502.37
18881	10/25/18	SOUTHERN CALIFORNIA EDISON	1000-20	58.50
18882	10/25/18	SERVICEMASTER 360 PREMIER CLEANING	1000-20	649.53
18883	10/25/18	SPECTRUM BUSINESS	1000-20	1,266.92
18884	10/25/18	SOUTHWEST GAS CORP	1000-20	8,587.54
18885	10/25/18	SOUTHWEST GAS	1000-20	299.58
18886	10/25/18	NANCY R. BOHL, INC.	1000-20	180.00
18887	10/25/18	VERIZON WIRELESS	1000-20	491.66
18888	10/25/18	KEN WILLIS CONSTRUCTION	1000-20	960.07
18889	10/25/18	WATER SYSTEMS CONSULTING, INC.	1000-20	113,088.56
18890	10/25/18	DAVID A. CARETTO	1000-20	150.00

<b>Check #</b>	<b>Date</b>	<b>Payee</b>	<b>Cash Account</b>	<b>Amount</b>
18891	10/25/18	JOHN GREEN	1000-20	150.00
18892	10/25/18	RICHARD T. HERRICK	1000-20	150.00
18893	10/25/18	KARYN K. OXANDABOURE	1000-20	<u>150.00</u>
<b>Total</b>				<b><u><u>823,645.39</u></u></b>



Big Bear Area Regional  
Wastewater Agency  
*John Green – Chairman*  
*David Caretto – Vice Chairman*  
*Vacant – Secretary*  
*Rick Herrick – Director*  
*Karyn Oxandaboure – Director*

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**AGENDA ITEM: 5.C**

**MEETING DATE:** December 5, 2018

**TO:** Governing Board of the Big Bear Area Regional Wastewater Agency

**FROM:** David Lawrence, P.E., General Manager *DL*

**PREPARED BY:** Jennifer McCullar, Finance Manager *JM*

**SUBJECT:** Governing Board Member Reimbursement

**BACKGROUND:**

Attached are the October and November 2018 meeting records for each Governing Board Member and represent eligible compensation at a rate of \$150 per regular or special meeting pursuant to the Agency's Administrative and Personnel Policy, Board Member Reimbursement.

**FINANCIAL IMPACT:**

There is no financial impact. The funds have been previously appropriated.

**RECOMMENDATION:**

Approve

BIG BEAR AREA REGIONAL WASTEWATER AGENCY

REPORT OF MEETINGS ATTENDED

Governing Board Member: Rick Herrick

Date Submitted: October 24, 2018

Month Covered: October

BBARWA Regular Meeting Attended: Date: 10-24-18 Compensation \$150.00

PURPOSE

BBARWA Special Meeting Attended: Date: \$

BBARWA Special Meeting Attended: Date: \$

BBARWA Special Meeting Attended: Date: \$

PURPOSE

BBARWA Committee Meeting Attended: Date: \$

BBARWA Committee Meeting Attended: Date: \$

BBARWA Committee Meeting Attended: Date: \$

PURPOSE

Other Governing Board Approved Meetings:

Date: \$

Date: \$

TOTAL ENTITLED MONTHLY STIPEND (limited to 6 days per calendar month) \$

Other Governing Board Approved Expenses (Governing Board Approved)

Mileage: Date: \$

Lodging: Date: \$

Registration: Date: \$

Tuition: Date: \$

Meals: Date: \$

Note: Other Governing Board approved expenses receipts must be accompanied with the travel expense form "EXHIBIT B" and forwarded to Finance Manager or designee for reimbursement

TOTAL OTHER EXPENSE REIMBURSEMENT: \$

Uncompensated Meetings Attended:

PURPOSE

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Board Member Signature: [Signature] Total Amount Paid \$ 150.00

Table with 3 columns: RATES & CALCS, CODING, AMOUNT. Rows include OPER. REVIEW, EXPEN. APP., and FIN. REVIEW.

BIG BEAR AREA REGIONAL WASTEWATER AGENCY

REPORT OF MEETINGS ATTENDED

Governing Board Member: David Caretto

Date Submitted: October 24, 2018

Month Covered: October

BBARWA Regular Meeting Attended: Date: 10/24/18 Compensation \$150.00

PURPOSE

BBARWA Special Meeting Attended: Date: \$

BBARWA Special Meeting Attended: Date: \$

BBARWA Special Meeting Attended: Date: \$

PURPOSE

BBARWA Committee Meeting Attended: Date: \$

BBARWA Committee Meeting Attended: Date: \$

BBARWA Committee Meeting Attended: Date: \$

PURPOSE

Other Governing Board Approved Meetings:

Date: \$

Date: \$

TOTAL ENTITLED MONTHLY STIPEND (limited to 6 days per calendar month) \$

Other Governing Board Approved Expenses (Governing Board Approved)

Mileage: Date: \$

Lodging: Date: \$

Registration: Date: \$

Tuition: Date: \$

Meals: Date: \$

Note: Other Governing Board approved expenses receipts must be accompanied with the travel expense form "EXHIBIT B" and forwarded to Finance Manager or designee for reimbursement

TOTAL OTHER EXPENSE REIMBURSEMENT: \$150.00

Uncompensated Meetings Attended:

PURPOSE

Date: \$

Date: \$

Board Member Signature: David Caretto Total Amount Paid \$150.00

Table with 3 columns: RATES & CALCS, CODING, AMOUNT. Rows include OPER. REVIEW, EXPEN. APP., FIN. REVIEW.



**BIG BEAR AREA REGIONAL WASTEWATER AGENCY**

**REPORT OF MEETINGS ATTENDED**

Governing Board Member: John Green  
Date Submitted: October 24, 2018  
Month Covered: October

BBARWA Regular Meeting Attended: \_\_\_\_\_ Date: 10/24/18 Compensation \$ 150

**PURPOSE**

BBARWA Special Meeting Attended: \_\_\_\_\_ Date: \_\_\_\_\_ \$ \_\_\_\_\_

BBARWA Special Meeting Attended: \_\_\_\_\_ Date: \_\_\_\_\_ \$ \_\_\_\_\_

BBARWA Special Meeting Attended: \_\_\_\_\_ Date: \_\_\_\_\_ \$ \_\_\_\_\_

**PURPOSE**

BBARWA Committee Meeting Attended: \_\_\_\_\_ Date: \_\_\_\_\_ \$ \_\_\_\_\_

BBARWA Committee Meeting Attended: \_\_\_\_\_ Date: \_\_\_\_\_ \$ \_\_\_\_\_

BBARWA Committee Meeting Attended: \_\_\_\_\_ Date: \_\_\_\_\_ \$ \_\_\_\_\_

**PURPOSE**

Other Governing Board Approved Meetings:  
\_\_\_\_\_  
Date: \_\_\_\_\_ \$ \_\_\_\_\_  
\_\_\_\_\_  
Date: \_\_\_\_\_ \$ \_\_\_\_\_

**TOTAL ENTITLED MONTHLY STIPEND (limited to 6 days per calendar month)** \$ \_\_\_\_\_

**Other Governing Board Approved Expenses (Governing Board Approved)**

Mileage: \_\_\_\_\_ Date: \_\_\_\_\_ \$ \_\_\_\_\_  
Lodging: \_\_\_\_\_ Date: \_\_\_\_\_ \$ \_\_\_\_\_  
Registration: \_\_\_\_\_ Date: \_\_\_\_\_ \$ \_\_\_\_\_  
Tuition: \_\_\_\_\_ Date: \_\_\_\_\_ \$ \_\_\_\_\_  
Meals: \_\_\_\_\_ Date: \_\_\_\_\_ \$ \_\_\_\_\_

Note: Other Governing Board approved expenses receipts must be accompanied with the travel expense form "EXHIBIT B" and forwarded to Finance Manager or designee for reimbursement

**TOTAL OTHER EXPENSE REIMBURSEMENT:** \$ \_\_\_\_\_

**Uncompensated Meetings Attended:**

**PURPOSE**

\_\_\_\_\_  
Date: \_\_\_\_\_  
\_\_\_\_\_  
Date: \_\_\_\_\_

Board Member Signature:  Total Amount Paid \$ 150

RATES & CALCS	_____	CODING	AMOUNT
OPER. REVIEW	_____		
EXPEN. APP.	_____	_____	_____
FIN. REVIEW	_____	_____	_____

BIG BEAR AREA REGIONAL WASTEWATER AGENCY

REPORT OF MEETINGS ATTENDED

Governing Board Member: Karyn Oxandaboure

Date Submitted: October 24, 2018

Month Covered: October

BBARWA Regular Meeting Attended: \_\_\_\_\_ Date: 10-24-18 Compensation \$ 150<sup>00</sup>

PURPOSE

BBARWA Special Meeting Attended: \_\_\_\_\_ Date: \_\_\_\_\_ \$ \_\_\_\_\_

BBARWA Special Meeting Attended: \_\_\_\_\_ Date: \_\_\_\_\_ \$ \_\_\_\_\_

BBARWA Special Meeting Attended: \_\_\_\_\_ Date: \_\_\_\_\_ \$ \_\_\_\_\_

PURPOSE

BBARWA Committee Meeting Attended: \_\_\_\_\_ Date: \_\_\_\_\_ \$ \_\_\_\_\_

BBARWA Committee Meeting Attended: \_\_\_\_\_ Date: \_\_\_\_\_ \$ \_\_\_\_\_

BBARWA Committee Meeting Attended: \_\_\_\_\_ Date: \_\_\_\_\_ \$ \_\_\_\_\_

PURPOSE

Other Governing Board Approved Meetings:

\_\_\_\_\_ Date: \_\_\_\_\_ \$ \_\_\_\_\_

\_\_\_\_\_ Date: \_\_\_\_\_ \$ \_\_\_\_\_

**TOTAL ENTITLED MONTHLY STIPEND (limited to 6 days per calendar month)** \$ \_\_\_\_\_

Other Governing Board Approved Expenses (Governing Board Approved)

Mileage: \_\_\_\_\_ Date: \_\_\_\_\_ \$ \_\_\_\_\_

Lodging: \_\_\_\_\_ Date: \_\_\_\_\_ \$ \_\_\_\_\_

Registration: \_\_\_\_\_ Date: \_\_\_\_\_ \$ \_\_\_\_\_

Tuition: \_\_\_\_\_ Date: \_\_\_\_\_ \$ \_\_\_\_\_

Meals: \_\_\_\_\_ Date: \_\_\_\_\_ \$ \_\_\_\_\_

Note: Other Governing Board approved expenses receipts must be accompanied with the travel expense form "EXHIBIT B" and forwarded to Finance Manager or designee for reimbursement

**TOTAL OTHER EXPENSE REIMBURSEMENT:** \$ \_\_\_\_\_

Uncompensated Meetings Attended:

PURPOSE

\_\_\_\_\_ Date: \_\_\_\_\_

\_\_\_\_\_ Date: \_\_\_\_\_

Board Member Signature: Karyn Oxandaboure Total Amount Paid \$ 150<sup>00</sup>

RATES & CALCS	CODING	AMOUNT
OPER. REVIEW	_____	_____
EXPEN. APP.	_____	_____
FIN. REVIEW	_____	_____



Big Bear Area Regional  
Wastewater Agency  
*John Green – Chairman*  
*David Caretto – Vice Chairman*  
*Vacant – Secretary*  
*Rick Herrick – Director*  
*Karyn Oxandaboure – Director*

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**AGENDA ITEM: 5.D**

**MEETING DATE:** December 5, 2018

**TO:** Governing Board of the Big Bear Area Regional Wastewater Agency

**FROM:** David Lawrence, P.E., General Manager *DL*

**PREPARED BY:** Jennifer McCullar, Finance Manager *JM*

**SUBJECT:** Investment Report

**BACKGROUND:**

Attached is the October Monthly Investment Report pursuant to the Agency's Investment Policy.

**FINANCIAL IMPACT:**

No financial impact.

**RECOMMENDATION:**

Approve

Moved: \_\_\_\_\_ Second: \_\_\_\_\_ Aye: \_\_\_\_\_ Nay: \_\_\_\_\_ Abstain/Absent: \_\_\_\_\_

Approved Date: \_\_\_\_\_ Witness: \_\_\_\_\_

Secretary of the Governing Board

BBARWA  
 Monthly Investment Report  
 October 2018

<u>INVESTMENT TYPE</u>	<u>COST</u>	<u>FAIR MARKET VALUE (1)</u>	<u>YEAR TO DATE INTEREST(2)</u>	<u>INTEREST RATE</u>	<u>MATURITY DATE</u>
LOCAL AGENCY INVESTMENT FUND	\$ 5,486,568	\$ 5,474,675	57,828	2.144%	DAILY
TOTAL	\$ 5,486,568	\$ 5,474,675	57,828		

The Investment Portfolio of the Big Bear Area Regional Wastewater Agency is in compliance with the investment policy approved in August 2018. The Agency will be able to meet its expenditure requirements for the next six months.

(1) LOCAL AGENCY INVESTMENT FUND (LAIF) IS A STATE-RUN INVESTMENT POOL PROVIDED FOR PUBLIC AGENCIES. THE LAIF MARKET VALUE SHOWN ON THIS TREASURER'S REPORT REPRESENTS BBARWA'S SHARE OF THE **LIQUID VALUE** OF LAIF'S PORTFOLIO IF IT WAS LIQUIDATED AS OF THE END OF THE REPORTED MONTH. THIS NUMBER SERVES AS AN INDICATOR OF WHETHER OR NOT THE **MARKET VALUE** OF LAIF'S INVESTMENTS IS ABOVE OR BELOW THE **COST** OF THOSE INVESTMENTS.

(2) Interest paid quarterly on LAIF investment. Amount reflects interest income received at the reporting date for FY 2019 and excludes accrued interest.

**Local Agency Investment Fund**  
**P.O. Box 942809**  
**Sacramento, CA 94209-0001**  
**(916) 653-3001**

[www.treasurer.ca.gov/pmia-laif/laif.asp](http://www.treasurer.ca.gov/pmia-laif/laif.asp)  
 November 27,  
 2018

BIG BEAR AREA REGIONAL WASTEWATER AGENCY

FINANCE MANAGER  
 P.O. BOX 517  
 BIG BEAR CITY, CA 92314

PMIA Average Monthly Yields

**Account Number:**

Tran Type Definitions

October 2018 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
10/11/2018	10/11/2018	RD	1585508	JENNIFER MCCULLAR	1,700,000.00
10/15/2018	10/12/2018	QRD	1587686	SYSTEM	29,188.91
10/26/2018	10/25/2018	RW	1588909	JENNIFER MCCULLAR	-800,000.00

Account Summary

Total Deposit:	1,729,188.91	Beginning Balance:	4,557,378.80
Total Withdrawal:	-800,000.00	Ending Balance:	5,486,567.71



Big Bear Area Regional  
Wastewater Agency  
John Green – Chairman  
David Caretto – Vice Chairman  
Vacant – Secretary  
Rick Herrick – Director  
Karyn Oxandaboure – Director

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**AGENDA ITEM: 5.E**

**MEETING DATE:** December 5, 2018

**TO:** The Governing Board of the Big Bear Area Regional Wastewater Agency

**FROM:** David Lawrence, P.E. General Manager

**PREPARED BY:** Jan Guy, Plant Manager, and Jennifer McCullar, Finance Manager

**REVIEWED BY:** Kim Booth, Administrative Assistant

**SUBJECT:** Operations and Connections Report

**OPERATIONS:**

**2018 Treatment Plant Data**

	July	August	September	October
Total Influent Flow (MG)	54.83	51.08	46.16	42.92
Average Daily Infuent Flow (MGD)	1.77	1.65	1.54	1.38
City of Big Bear Lake	50.1%	48.3%	44.5%	45.3%
Big Bear City CSD	45.0%	47.1%	48.5%	50.4%
County of San Bernardino	4.9%	4.6%	4.4%	4.3%
Average Influent BOD (mg/L)	267	281	308	259
Average Effluent BOD (mg/L)	9	5	7	8
BOD Removal Efficiency (%)	96.6%	98.2%	97.7%	96.9%
Precipitation (inch)	2.58	0.76	0.00	1.18

Moved: \_\_\_\_\_ Second: \_\_\_\_\_ Aye: \_\_\_\_\_ Nay: \_\_\_\_\_ Abstain/Absent: \_\_\_\_\_

Approved Date: \_\_\_\_\_ Witness: \_\_\_\_\_

Secretary of the Governing Board

The plant influent flow decreased compared to the previous quarterly influent flow. There was 1.18 inches of rain recorded at the treatment facility during the month of October. The treatment plant continued to operate at a high BOD and TSS efficiency rate.

During the month of October, Oxidation Ditch 3 remained out of service due to low influent flow; the ditch will be placed in service and utilized during peak flow periods. During September, Clarifier 3 was removed from service for the annual tank cleaning and preventive maintenance tasks. During the tank draining, the staff discovered one of the scrapper arms was missing and there was damage to the other scrapper arm. The staff is obtaining bids for the parts and repair of the scrapper arms.

**CONNECTIONS:**

MONTH	FYE 6/30/2019							CITY-BBL	CSD	CSA-53B
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019			
July	0	4	4	8	3	4	3	1	2	0
August	1	4	6	5	12	6	9	1	8	0
September	5	4	5	6	4	6	3	3	0	0
October	4	6	14	10	9	8	3	2	1	0
November	3	13	8	6	5	11	0	0	0	0
December	0	0	23	8	4	2	0	0	0	0
January	0	2	3	1	0	0	0	0	0	0
February	0	2	1	0	1	0	0	0	0	0
March	4	2	2	3	2	0	0	0	0	0
April	2	5	1	10	3	0	0	0	0	0
May	1	2	5	10	4	0	0	0	0	0
June	10	1	12	2	16	0	0	0	0	0
<b>TOTAL</b>	<b>30</b>	<b>45</b>	<b>84</b>	<b>69</b>	<b>63</b>	<b>37</b>	<b>18</b>	<b>7</b>	<b>11</b>	<b>0</b>

**FINANCIAL IMPACT:**

No financial impact.

**RECOMMENDATION:**

Informational



Big Bear Area Regional  
Wastewater Agency  
*John Green – Chairman*  
*David Caretto – Vice Chairman*  
*Vacant – Secretary*  
*Rick Herrick – Director*  
*Karyn Oxandaboure – Director*

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**AGENDA ITEM: 5.F**

**MEETING DATE:** December 5, 2018

**TO:** Governing Board of the Big Bear Area Regional Wastewater Agency

**FROM:** David Lawrence, P.E., General Manager *DL*

**PREPARED BY:** Jennifer McCullar, Finance Manager *JM*

**SUBJECT:** First Quarter Report, Three Months Ended September 30, 2018

**BACKGROUND:**

Please find attached the 1st Quarter Report which discusses the most recent quarter's financial performance compared to the budget.

The Agency performed slightly under the budget for the first quarter with operating expenses falling below the budget by approximately \$38,280 or 4%. The below-budget performance was driven by 1) lower salaries and benefits expense due to a vacant position during the period and 2) timing across multiple line items (expenses that were budgeted during the first quarter but not incurred and which are expected to be incurred in subsequent quarters).

**FINANCIAL IMPACT:**

No financial impact.

**RECOMMENDATION:**

Informational

Moved: \_\_\_\_\_ Second: \_\_\_\_\_ Aye: \_\_\_\_\_ Nay: \_\_\_\_\_ Abstain/Absent: \_\_\_\_\_

Approved Date: \_\_\_\_\_ Witness: \_\_\_\_\_

Secretary of the Governing Board



Big Bear Area Regional Wastewater Agency

# 1st Quarter Report

Three Months ended September 30, 2018



**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**

	<b>Q1 9/30/18 Actual</b>	<b>YTD Actual</b>	<b>YTD Budget</b>	<b>YTD Actual vs Budget \$</b>	<b>YTD Actual vs Budget %</b>
<b>Operating revenues:</b>					
Annual charges	0	0	0	0	nm (b)
Waste disposal fees	6,189	6,189	5,785	404	7%
Rental income	8,728	8,728	8,733	(5)	0%
Standby fees	0	0	0	0	nm (b)
Other operating revenue	0	0	0	0	nm (b)
Total operating revenues	14,917	14,917	14,518	399	3%
<b>Operating expenses:</b>					
Salaries and benefits	507,586	507,586	540,848	(33,262)	-6%
Power	87,935	87,935	94,869	(6,934)	-7%
Sludge removal	80,882	80,882	81,728	(846)	-1%
Chemicals	12,315	12,315	15,035	(2,720)	-18%
Materials and supplies	44,110	44,110	47,703	(3,593)	-8%
Repairs and replacements	87,667	87,667	53,013	34,654	65%
Equipment rental	0	0	0	0	nm (b)
Utilities expense	2,168	2,168	6,065	(3,897)	-64%
Communications expense	7,228	7,228	11,313	(4,085)	-36%
Contractual services - other	19,028	19,028	27,055	(8,027)	-30%
Contractual services - prof	41,108	41,108	48,458	(7,350)	-15%
Permits and fees	11,563	11,563	11,166	397	4%
Property tax expense	0	0	0	0	nm
Insurance expense	100,048	100,048	103,132	(3,084)	-3%
Other operating expense	12,431	12,431	11,964	467	4%
Depreciation expense (a)	0	0	0	0	nm (b)
Total operating expenses	1,014,069	1,014,069	1,052,349	(38,280)	-4%
<b>Operating Income</b>	<b>(999,152)</b>	<b>(999,152)</b>	<b>(1,037,831)</b>	<b>38,679</b>	<b>-4% (c)</b>
<b>Nonoperating income (expense):</b>					
Nonoperating income	11,293	11,293	11,292	1	0%
Nonoperating expense	0	0	(25,000)	25,000	nm (b)
Total nonoperating income (exp)	11,293	11,293	(13,708)	25,001	+ (c)
<b>Income before capital contribution</b>	<b>(987,860)</b>	<b>(987,860)</b>	<b>(1,051,539)</b>	<b>63,679</b>	<b>+ (c)</b>
<b>Capital contrib - conn fees</b>	<b>66,880</b>	<b>66,880</b>	<b>69,730</b>	<b>(2,850)</b>	<b>-4%</b>
<b>Change in Net Position</b>	<b>(920,980)</b>	<b>(920,980)</b>	<b>(981,809)</b>	<b>60,829</b>	<b>+ (c)</b>

(a) Currently, the Agency depreciates its assets at the end of the year. Therefore, depreciation expense is presented as \$0.00 on an interim basis.

(b) nm = not meaningful and is the result when dividing by 0.

(c) Percent change is not provided if either of the comparison periods contains a loss or negative number. If the actual performance is improved when compared to the budget a "+" is given. If the actual performance is worse when compared to the budget, a "-" is given.



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**STATEMENT OF CASH FLOW****Q1**  
**9/30/2018****Cash flows from operating activities:**

Cash received from customers and other sources	23,885
Cash payments to suppliers for goods and services	-891,995
Cash payments to employees	<u>-514,745</u>
Net cash provided by operating activities	-1,382,855

**Cash flows from capital and related financing activities**

Interagency Expense	0
Purchases of property, plant and equipment	-174,260
Sale, Disposal of property, plant and equipment	0
Capital contributions	71,670
Proceeds from debt issuance	1,731,500
Prepayment premiums and issuance costs	0
Principal payments on long-term debt	0
Interest paid on long-term debt	<u>0</u>
Net cash used for capital and related financing activities	1,628,910

**Cash flows from investing activities:**

Investment income received	<u>39,932</u>
Net cash provided by investing activities	39,932

Net change in cash equivalents 285,987

Cash equivalents, beginning of period	6,719,539
Cash equivalents, end of period	<u>7,005,526</u>
	<u>285,987</u>

**CASH AND FUND BALANCES**

	<b>Q1</b>
	<b><u>9/30/2018</u></b>
<b>BEGINNING BALANCE:</b>	
Cash Balance	6,719,539
Designated Fund Balances:	
Capital and Replacement Fund	
Current Year	3,577,766
Future Year	<u>-873,496</u>
Total C&R	2,704,270
Debt Service Fund	576,084
Liquidity Fund	2,201,068
Contingency Fund:	
Emergency	500,000
Operating	<u>738,118</u>
Total Contingency	<u>1,238,118</u>
Total Beginning Designated Fund Balances	6,719,539
Restricted Funds:	
Connection Fees	0
<b>ACTIVITY DURING PERIOD:</b>	
Designated Fund Balances:	
Capital and Replacement Fund	
Current Year	-174,260
Future Year	1,731,500
Debt Service Fund	0
Liquidity Fund	-1,342,923
Contingency Fund:	
Emergency Fund	0
Operating	<u>0</u>
Total	0
Restricted Funds:	
Connection Fees	<u>71,670</u>
Total Activity During the Period	<u>285,987</u>
<b>ENDING BALANCE:</b>	
Cash Balance	7,005,526
Designated Fund Balances:	
Capital and Replacement Fund	
Current Year	3,403,506
Future Year	<u>858,004</u>
Total C&R	4,261,510
Debt Service Fund	576,084
Liquidity Fund	858,145
Contingency Fund:	
Emergency	500,000
Operating	<u>738,118</u>
Total	1,238,118
Restricted Funds:	
Connection Fees	71,670
Total Ending Designated & Restricted Funds	7,005,526



## Discussion and Analysis

### Operating Revenues

Operating revenues were slightly ahead of the budget by \$399 or 3% due to higher waste disposal fees.

	Q1 9/30/2018 Actual	YTD Actual	YTD Budget	YTD Actual vs Budget \$	YTD Actual vs Budget %
<b>Operating revenues:</b>					
Annual charges	0	0	0	0	nm (a)
Waste disposal fees	6,189	6,189	5,785	404	7%
Rental income	8,728	8,728	8,733	-5	0%
Standby fees	0	0	0	0	nm (a)
Other operating revenue	0	0	0	0	nm (a)
Total operating revenues	14,917	14,917	14,518	399	3%

(a) nm = not meaningful and is the result when dividing by 0.

### Operating Expenses

Operating expenses were below the budget by \$38,280 or 4% largely due to lower salaries and benefits expense and timing. The largest contributors to the variance are highlighted below.

	Q1 9/30/2018 Actual	YTD Actual	YTD Budget	YTD Actual vs Budget \$	YTD Actual vs Budget %
<b>Operating expenses:</b>					
Salaries and benefits	507,586	507,586	540,848	(33,262)	-6%
Power	87,935	87,935	94,869	(6,934)	-7%
Sludge Removal	80,882	80,882	81,728	(846)	-1%
Chemicals	12,315	12,315	15,035	(2,720)	-18%
Materials and supplies	44,110	44,110	47,703	(3,593)	-8%
Repairs and Replacements	87,667	87,667	53,013	34,654	65%
Equipment rental	0	0	0	0	nm (a)
Utilities expense	2,168	2,168	6,065	(3,897)	-64%
Communications expense	7,228	7,228	11,313	(4,085)	-36%
Contractual services - other	19,028	19,028	27,055	(8,027)	-30%
Contractual services - prof	41,108	41,108	48,458	(7,350)	-15%
Permits and fees	11,563	11,563	11,166	397	4%
Property tax expense	0	0	0	0	nm (a)
Insurance expense	100,048	100,048	103,132	(3,084)	-3%
Other operating expense	12,431	12,431	11,964	467	4%
Depreciation expense (a)	0	0	0	0	nm (a)
Total operating expenses	1,014,069	1,014,069	1,052,349	(38,280)	-4%

(a) nm = not meaningful and is the result when dividing by 0.



An explanation of the major variances by line item is as follows.

**Salaries and benefits** expense was under the budget by \$33,262 or 6% primarily due to a vacant Plant Superintendent position during the period which resulted in lower salaries and wages and lower medical premium and pension expense.

**Repairs and Replacements** expense was over the budget by \$34,654 or 65% and was largely due to timing associated with the Lucerne Valley emergency repair work. The Agency budgeted these expenses in October and November, but approximately \$40,000 of the repair work occurred in August.

**Utilities** expense was under the budget by \$3,897 or 64% and reflects timing associated with scum removal.

**Communications** expense was under the budget by \$4,085 or 36% and reflects lower SCADA expense than budgeted.

**Contractual Services – Other** expense was under the budget by \$8,027 or 30% and is primarily due to timing associated with testing services and contracted labor.

**Contractual Services - Professional** expense was under the budget by \$7,350 or 15%. The lower expense is driven by lower general engineering expense than budgeted. The Agency incurred no engineering expenses during the first quarter.

**Non-Operating Income (Expense)**

Non-operating income was on budget and reflects an accounting adjustment for the Agency's LAIF investment. Non-operating expense was below the budget by \$25,000. The budgeted expense is related to the interagency costs associated with the Replenish Big Bear Project. There were no expenses billed for this project in the first quarter.

	Q1 9/30/18 Actual	YTD Actual	YTD Budget	YTD Actual vs. Budget \$	YTD Actual vs. Budget %
<b>Nonoperating income (expense):</b>					
Nonoperating income	11,293	11,293	11,292	1	0%
Nonoperating expense	0	0	(25,000)	25,000	nm (a)
Total nonoperating income (exp)	11,293	11,293	(13,708)	25,001	+ (b)

(a) nm = not meaningful and is the result when dividing by 0.

(b) Percent change is not provided if either of the comparison periods contains a loss or negative number. If the actual performance



**Capital Contributions - Connection Fees**

Income before capital contributions was ahead of the budget by \$63,679 for the period due to lower operating expenses than budgeted of \$38,280 and lower non-operating expense of \$25,000. Connection fees were mostly on target for the period.

	Q1 9/30/2018 Actual	YTD Actual	YTD Budget	YTD Actual vs Budget \$	YTD Actual vs Budget %
Income before capital contributions	-987,860	-987,860	-1,051,539	63,679	+ (a)
Capital contrib - conn fees	<u>66,880</u>	<u>66,880</u>	<u>69,730</u>	<u>-2,850</u>	<u>-4%</u>
Net Income, Change in net assets	-920,980	-920,980	-981,809	60,829	+ (a)

(a) Percent change is not provided if either of the comparison periods contains a loss or negative number. If the actual perform is improved when compared to the budget a "+" is given. If the actual performance is worse when compared to the budget, a "-" is given.

**Capital Expenditures (CAPEX)**

CAPEX for the period was \$174,260, below the budget by \$156,174 due to the timing of CAPEX associated with the completion of the Pond 1 and 2 Rehabilitation, the New Belt Press Project, SCADA parts replacement, and a plow purchase.

**Cash and Fund Balances**

The Agency experienced positive cash flow of approximately \$286,000 in the first quarter of FY 2019. The positive cash flow reflects approximately \$1.7 million in proceeds from new debt, approximately \$72,000 of connection fee revenue and approximately \$40,000 of interest income offset by approximately \$1.4 million in negative cash flow from operating activities.

	Beginning Balance	Activity During Period	Ending Balance
<b>Cash Balance</b>	6,719,539		7,005,526
<b>Designated Fund Balances:</b>			
Capital and Replacement Fund			
Current Year	3,577,766	-174,260	3,403,506
Future Year	<u>-873,496</u>	<u>1,731,500</u>	<u>858,004</u>
Total C&R	2,704,270	1,557,240	4,261,510
Debt Service Fund	576,084	0	576,084
Liquidity Fund	2,201,068	-1,342,923	858,145
Contingency Fund:			
Emergency	500,000	0	500,000
Operating	<u>738,118</u>	<u>0</u>	<u>738,118</u>
Total	1,238,118	0	1,238,118
<b>Restricted Funds:</b>			
Connection Fees	0	71,670	71,670
<b>Total Designated &amp; Restricted Funds</b>	6,719,539	285,987	7,005,526




Big Bear Area Regional  
Wastewater Agency  
*John Green – Chairman*  
*David Caretto – Vice Chairman*  
*Vacant – Secretary*  
*Rick Herrick – Director*  
*Karyn Oxandaboure – Director*


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**AGENDA ITEM: 5.G**

**MEETING DATE:** December 5, 2018

**TO:** Governing Board Big Bear Area Regional Wastewater Agency

**FROM:** David Lawrence, P.E., General Manager 

**REVIEWED BY:** Jennifer McCullar, Finance Manager 

**SUBJECT:** Accept as Complete - Reconstruction of the North and South Horseshoe Ponds

**BACKGROUND & DISCUSSION:**

During the yearly budget process, staff presented a project to reconstruct the North and South Horseshoe Ponds, which was approved by the Governing Board. The initial budget was \$1,128,883. On May 16, 2017, the project was advertised for construction and on June 27, 2017, four (4) bids were received. At the July 26, 2017 Regular Meeting, the Governing Board awarded a contract to Bear Valley Paving, the lowest responsive and responsible bidder. At the October 24<sup>th</sup>, 2018 Regular Meeting, the Governing Board approved an additional \$44,045 for Bear Valley Paving to place additional clay at the bottom of the North Pond bringing the total budget to \$1,172,928. Bear Valley Paving successfully completed the project on November 15, 2018, under the budget by approximately \$26,000.

Please find the attached Notice of Completion.

**FINANCIAL IMPACT:**

No financial impact. Funds previously appropriated.

Moved: \_\_\_\_\_ Second: \_\_\_\_\_ Aye: \_\_\_\_\_ Nay: \_\_\_\_\_ Abstain/Absent: \_\_\_\_\_

Approved Date: \_\_\_\_\_ Witness: \_\_\_\_\_

Secretary of the Governing Board



**RECOMMENDATION:**

1. Accept the Reconstruction of the North and South Horseshoe Ponds Project as complete; and
2. Authorize the General Manager to file the Notice of Completion with the County Recorder's Office.

RECORDING REQUESTED BY:

WHEN RECORDED, PLEASE MAIL TO:

Big Bear Area Regional Wastewater Agency  
PO Box 517  
Big Bear City, CA 92314

SPACE ABOVE THIS LINE FOR RECORDER'S USE

## NOTICE OF COMPLETION

NOTICE IS HEREBY GIVEN THAT:

1. The undersigned is OWNER or agent of the OWNER of the interest or estate state below in the property hereinafter described.
2. The FULL NAME of the OWNER is Big Bear Area Regional Wastewater Agency
3. The FULL ADDRESS OF THE owner is 122 Palomino Road, Big Bear City, CA 92314
4. The NATURE of the INTEREST or ESTATE of the undersigned is:

Agent and owner that constructed the improvements

5. The FULL NAMES and FULL ADDRESSES of ALL PERSONS, if any, WHO HOLD SUCH INTEREST OR ESTATE with the undersigned as JOINT TENANTS or as TENANTS IN COMMON are:

NAMES

ADDRESSES

6. The full name and full addresses of the predecessors in interest of the undersigned if the property was transferred subsequent to the commencement of the work of improvement herein referred to:

NAMES

ADDRESSES

7. A work of improvement on the property hereinafter described was completed on November 15, 2018
8. The work of improvement completed is described as follows: Reconstruction of the North and South Horseshoe Ponds
9. The NAME OF THE ORIGINAL CONTRACTORS, if any, for such work of improvement is Bear Valley Paving
10. The street address of said property is 122 Palomino Road, Big Bear City, CA 92314
11. The property on which said work of improvement was completed is in the County of San Bernardino, State of California.

Date: \_\_\_\_\_ Signature of Owner or agent of owner \_\_\_\_\_

Verification for INDIVIDUAL owner \_\_\_\_\_, I, the undersigned, declare under penalty of perjury under the laws of the State of California that I am the owner of the aforesaid interest or estate in the property described in the above notice that I have read said notice, that I know and understand the contents thereof, and that the facts stated there in are true and correct.

Date and Place

(Signature of owner named in paragraph 2)

Verification for NON-INDIVIDUAL owner I, the undersigned, declare under penalty of perjury under the laws of the State of California that I am the \_\_\_\_\_ of the aforesaid interest or estate in the property described in the above notice that I have read said notice, that I know and understand the contents thereof, and that the facts stated there in are true and correct.

Date and Place

(Signature of person signing on behalf of owner)



Big Bear Area Regional  
Wastewater Agency  
*John Green – Chairman*  
*David Caretto – Vice Chairman*  
*Vacant – Secretary*  
*Rick Herrick – Director*  
*Karyn Oxandaboure – Director*

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**AGENDA ITEM: 5.H**

**MEETING DATE:** December 5, 2018  
**TO:** Governing Board of the Big Bear Area Regional Wastewater Agency  
**FROM:** David Lawrence, P.E., General Manager *DL*  
**PREPARED BY:** Sonja Kawa, HR Coordinator/Accounting Technician  
**REVIEWED BY:** Jennifer McCullar, Finance Manager  
**SUBJECT:** Personnel Policies & Procedures Manual Revisions

**BACKGROUND:**

The Governing Board adopted resolutions on October 24, 2018 to amend the Agency's contract with CalPERS: 1) changing the level of 1959 Survivor Benefits for employees, and 2) modifying medical benefits in retirement (OPEB) for future hires. The attached revisions to the Big Bear Area Regional Wastewater Agency Personnel Policies and Procedures Manual incorporate these changes.

**FINANCIAL IMPACT:**

There is no financial impact for these administrative changes to the manual. The financial impact of the benefit changes have been previously presented to the Board.

**RECOMMENDATION:**

Approve the Personnel Policies and Procedures Manual revision of Sections 7.01 and 7.02

Military Service Credit	Yes	Yes
Prior Service Credit	Yes	Yes
Death Benefits:		
Pre-Retirement		
Optional Settlement 2W	Yes	Yes
1959 Survivor Benefit	Level <del>43</del>	Level <del>43</del>
Post Retirement		
Lump Sum	Yes	Yes
Survivor Allowance (PRSA)	Yes	Yes
Pensionable Compensation:		
Base Pay	Yes	Yes
Special Compensation		
Uniform Allowance	Yes	No
Longevity Pay	Yes	Yes
Holiday Pay	Yes	Yes
<i>Solids-Hauling Pay</i>	<i>Yes</i>	<i>Yes</i>

Employees who are enrolled in the California Public Employees' Retirement System (CalPERS) and are placed on approved leave of absence with Agency pay shall continue to accrue length of service credit for retirement purposes for the duration of the paid leave of absence.

Employees on approved leave of absence without Agency pay shall not accrue length of service credit for retirement purpose for the duration of the leave of absence unless otherwise required by the Public Employees Retirement System (PERS).

## 7.02 Health Benefit Plan

All Regular employees and their qualified dependents shall be eligible to participate in the health, dental, and vision plans offered by the Agency. The Agency will pay, in full, all premiums for employees and dependents for designated plans. Effective January 1, 2011, in the case of health premiums, the Agency will pay premiums in an amount equal to the highest cost HMO Family Plan provided for employees and dependents for designated plans.

1. Employees shall be required to complete all benefit selections within thirty (30) days from their in-service date.
2. Employees are required to participate in the Agency's medical insurance program or show proof of coverage by a comparable insurance program. Employees who fail to provide proof of medical coverage shall be required to enroll in a health plan provided by the Agency.
3. Any portion of benefit premiums not covered by application of Agency paid premiums shall be automatically deducted from the employee's paycheck.
4. The Agency shall continue employer contributions to the employee benefit plan for those Regular employees placed on leave of absence with Agency pay, including sick leave and vacation, for the duration of the paid leave of absence. Employee contributions to such programs shall be deducted from wage payments made to the employee during the paid leave of absence. Employees of the Agency placed on approved leave of absence without Agency pay may continue to participate in the Agency's benefit programs for the duration of the leave of absence at their own expense. Agency contributions to the benefit plan shall cease on the effective date of the leave of absence without Agency pay. Employees placed on approved leave of absence without Agency pay who want to continue participation in the benefit programs must advise Human Resources in writing of their intention to do so and shall submit a check for the cost of the applicable coverage to the accounting department no later than the 10th day of the month preceding the month for which coverage is effective.
5. Employees and dependents covered by the Agency's health plan may have the right to choose and pay for continuation coverage if they lose group health coverage for certain reasons. Qualifying events may include termination of employment, reduction in hours or leave of absence, divorce or legal separation of an employee, or a dependent child who no longer meets eligibility requirements. Questions concerning COBRA qualifying events and eligibility requirements should be directed to Human Resources.
6. Employees have health plan enrollment options available for medical benefits in retirement (OPEB) through CalPERS when retiring from the Agency. Those options are based on eligibility criteria which include years of service with the Agency, separation date, retirement date, and age. If the employee enrolls in a CalPers health plan upon CalPERS retirement from the Agency, the Agency will pay premiums for the retiree, retiree's spouse, and eligible dependents up to a maximum allowance as shown in the table below.

<u>Retiree Group</u>	<u>Allowance</u> <u>as of January 1, 2019</u>												
<u>Retired prior to January 1, 2011 and 5 years of CalPERS service credit</u>	<u>An amount up to the full cost of the premium for any HMO or PPO plan offered by CalPERS for the retiree, his or her Spouse, and eligible dependents.</u>												
<u>Hired before January 1, 2019 and retired on or after January 1, 2011 and 5 years of CalPERS service credit</u>	<u>An amount up to the highest HMO health plan rate published by CalPERS on January 1 of each year for the Los Angeles Area Region for the retiree plus two or more dependents ("HMO Family Plan").</u>												
<u>Hired on or after January 1, 2019 and 5 years of CalPERS service credit</u>	<p><u>An amount up to the result of the "applicable percentage" of 90% of the highest HMO health plan rate published by CalPERS on January 1 of each year for the Los Angeles Area Region for the HMO Family Plan. The "applicable percentage" shall be based on the retiree's years of service with the Agency as determined below:</u></p> <table border="0"> <thead> <tr> <th><u>Years of Service with the Agency</u></th> <th><u>Percentage of Benefit</u></th> </tr> </thead> <tbody> <tr> <td><u>Less than 5</u></td> <td><u>PEMHICA Minimum</u></td> </tr> <tr> <td><u>5 – 9</u></td> <td><u>25%</u></td> </tr> <tr> <td><u>10 – 14</u></td> <td><u>50%</u></td> </tr> <tr> <td><u>15 – 19</u></td> <td><u>75%</u></td> </tr> <tr> <td><u>20 or more</u></td> <td><u>100%</u></td> </tr> </tbody> </table> <p><u>Illustration: An individual hired on or after January 1, 2019 retires after accruing 12 years of service with the Agency. The highest HMO Family Plan is \$1,000 during her first year of retirement. The retiree's allowance will be \$450 during this year (50% x 90% x 1,000) = \$450.</u></p>	<u>Years of Service with the Agency</u>	<u>Percentage of Benefit</u>	<u>Less than 5</u>	<u>PEMHICA Minimum</u>	<u>5 – 9</u>	<u>25%</u>	<u>10 – 14</u>	<u>50%</u>	<u>15 – 19</u>	<u>75%</u>	<u>20 or more</u>	<u>100%</u>
<u>Years of Service with the Agency</u>	<u>Percentage of Benefit</u>												
<u>Less than 5</u>	<u>PEMHICA Minimum</u>												
<u>5 – 9</u>	<u>25%</u>												
<u>10 – 14</u>	<u>50%</u>												
<u>15 – 19</u>	<u>75%</u>												
<u>20 or more</u>	<u>100%</u>												

~~amount equal to the highest cost HMO Family Plan provided for employees and dependents for designated plans.~~ The retiree is responsible for any remaining premiums. When considering retirement, the employee should contact CalPERS to determine the best way to maintain health coverage. (12/05/2018)

### 7.03 Life Insurance

The Agency shall pay the premium for a \$50,000 minimum term life insurance policy for each Regular employee. The Governing Board will determine the benefit amount of the policy.



Big Bear Area Regional  
Wastewater Agency  
*John Green – Chairman*  
*David Caretto – Vice Chairman*  
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*Rick Herrick – Director*  
*Karyn Oxandaboure – Director*

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**AGENDA ITEM: 10.A**

**MEETING DATE:** December 5, 2018

**TO:** Governing Board of the Big Bear Area Regional Wastewater Agency

**FROM:** David Lawrence, P.E., General Manager *DL*

**REVIEWED BY:** Jennifer McCullar, Finance Manager *JM*

**SUBJECT:** Transfer \$76,000 from the Belt Press Project to the Solids Separation Building Improvements

**BACKGROUND:**

At the March 7, 2018 Special Meeting, the Governing Board authorized the General Manager to enter into contracts for the acquisition and installation of a BDP Industries Belt Press and Sludge Conveyor System for a total project budget of \$1,256,648.

At the July 25, 2018 Regular Meeting, the Governing Board authorized an increase of \$503,756 to the project budget due to the relocation of the belt press to the Solids Separation Building (SSB) and purchase of a hopper. The total revised project budget was approved for \$1,760,404.

**DISCUSSION:**

Several modifications to the SSB will be required in order to complete the project. The modifications include repair or improvement to garage doors, electric heater, indoor high-bay LED and emergency lighting, outdoor LED wall pack and perimeter lighting, lighted exit signs, and washable indoor siding and floor coating. These modifications require a portion of the appropriated budget to be allocated to building improvements rather than the belt press and related equipment.

**FINANCIAL IMPACT:**

There is no financial impact. The appropriated budget included \$114,244 for contingency. The Agency will transfer \$76,000 from this contingency to the SSB improvements.

Moved: \_\_\_\_\_ Second: \_\_\_\_\_ Aye: \_\_\_\_\_ Nay: \_\_\_\_\_ Abstain/Absent: \_\_\_\_\_

Approved Date: \_\_\_\_\_ Witness: \_\_\_\_\_

Secretary of the Governing Board

**RECOMMENDATION:**

Approve





Big Bear Area Regional  
Wastewater Agency  
*John Green – Chairman*  
*David Caretto – Vice Chairman*  
*Vacant – Secretary*  
*Rick Herrick – Director*  
*Karyn Oxandaboure – Director*

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**AGENDA ITEM: 10.B**

**MEETING DATE:** December 5, 2018

**TO:** Governing Board of the Big Bear Area Regional Wastewater Agency

**FROM:** David Lawrence, P.E. General Manager *DL*

**PREPARED BY:** Kim Booth, Administrative Assistant

**REVIEWED BY:** Bridgette Burton, Management Analyst *BB*

**SUBJECT:** Schedule Budget Workshop

**BACKGROUND:**

The Agency needs to schedule the Budget Workshop. The Budget Workshop may be scheduled for February 27<sup>th</sup>, the date for the regular meeting of the Board in February. The Budget Workshop is normally scheduled for 4 hours. A timeframe of 10:00 A.M. to 2:00 P.M is common.

**FINANCIAL IMPACT:**

No financial impact.

**RECOMMENDATION:**

Discuss and schedule Budget Workshop.

Moved: \_\_\_\_\_ Second: \_\_\_\_\_ Aye: \_\_\_\_\_ Nay: \_\_\_\_\_ Abstain/Absent: \_\_\_\_\_

Approved Date: \_\_\_\_\_ Witness: \_\_\_\_\_

Secretary of the Governing Board



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**AGENDA ITEM: 10.C**

**MEETING DATE:** December 5, 2018

**TO:** Governing Board of the Big Bear Area Regional Wastewater Agency

**FROM:** David Lawrence, P.E., General Manager 

**PREPARED BY:** Bridgette Burton, Management Analyst 

**SUBJECT:** Appoint Governing Board Secretary Pro Tem

**BACKGROUND:**

With the recent appointment expiration of Governing Board Member Elizabeth Harris, Ed.D, the Secretary position is vacant. It is necessary to appoint a Governing Board Member to serve in that position until the regular appointment process in February 2019.

**FINANCIAL IMPACT:**

There is no financial impact.

**RECOMMENDATION:**

Appoint a Secretary Pro Tem