

**BIG BEAR AREA REGIONAL WASTEWATER AGENCY**  
**Special Meeting**  
**March 12, 2008**

**1. Call to Order**

A special Governing Board Budget Workshop of the Big Bear Area Regional Wastewater Agency was held on Wednesday, March 12, 2008 at 9:00 a.m. at 121 Palomino Drive, Big Bear City, California.

**Governing Board Members present:** John Day, Dr. Don Eads, Liz Harris, Rick Herrick, and Rick Ollila

**Governing Board Members absent:** None

**Others present:** Bob Colven, Big Bear City Community Services District and Chris Hildebrandt, TV6

**Staff present:** Nancy Laughlin, Finance Manager; Joe Hanford, Plant Superintendent, and Steven C. Schindler, General Manager

**2. Pledge of Allegiance**

Chair Harris called the meeting to order at 9:05 a.m., with Vice-Chair Eads leading the Pledge of Allegiance.

**3. Presentations and Introductions**

A. Discussion of Proposed Operating and Capital Project Budget for Fiscal Year Ending June 30, 2009.

Chair-Harris commented on the retirement of the Finance Manager, which was included in the proposed Operating and Capital Project Budget documentation.

Ms. Laughlin responded that she was planning to retire in January 2009 and this decision was not an easy decision and had been on her mind for approximately a year and half. Ms. Laughlin indicated that there were many factors for this decision and the main reason for the retirement was due her husband having a kidney transplant 12 years ago and the drugs he is taking had aged him more quickly and she wanted to spend time with him.

Mr. Schindler began the discussion of the proposed budget, by thanking the Finance Manager and Plant Superintendent for their contributions in compiling the proposed budget. Mr. Schindler indicated that the Operating Expenses portion of the proposed budget only increased 0.41% from the previous year, staff started with a sharp pencil.

Chair-Harris recommended that the Governing Board review each page of the proposed budget to ensure each Governing Board could comment.

Chair Harris moved forward to the Operating Budget of the Document.

Vice-Chair Eads inquired if the solids handling line item was a conservative estimate.

Mr. Hanford indicated that the solids handling was a conservative estimate, as the Cannibal Solids Reduction System was not fully implemented, therefore a conservative approach was taken.

Secretary Day questioned the age of the plant and is any I & I a result of our lines?

Mr. Schindler responded that the collection system was approximately 30 years old and that our Agency's maintenance program was aggressive. Mr. Schindler felt that any I & I would be very minimal. Approximately 12 miles of pipeline and 98 manholes are inspected annually.

Chair-Harris moved forward to the Revenue Detail page of the documentation.

Secretary Day questioned how the EDU count was compiled.

Ms. Laughlin indicated that the actual EDU inventory was supplied by the Member Agencies during the month of January each year, they are hard numbers.

Chair-Harris moved forward to the Debt Service chart and requested a brief explanation.

Ms. Laughlin responded that the chart provides an overview of all debt issuance held by the Agency and the maturities dates of each debt issuance. Ms. Laughlin indicated that the Revenue Bond 1998 is scheduled to mature in 2010.

Chair-Harris questioned how the money will be used after the maturity of the bond?

Ms. Laughlin indicated that at this time the dollars would be used for capital projects, due to the five-year budget forecast.

Chair-Harris moved forward to the Revenues and Expenses Percent Changes page.

Chair-Harris questioned the Disposal and Industrial Waste Fees and if the proposed increases were used in compiling this line-item.

Mr. Schindler indicated that this line-item was compiled using the current rates, the proposed increase would require Governing Board approval and it is anticipated that this would be on the agenda in April or May.

Secretary Day questioned the increase of 40% the Tertiary Water Revenue from the previous year.

Mr. Hanford indicated that the projection for this line-item is based on communication with previous contractors of the water for dust control. The contractors specified the projected number of gallons they would require for the upcoming year. Matich indicated that a large project at the airport is scheduled.

Chair-Harris moved forward to the Sources and Uses of Funds.

Ms. Laughlin briefly explained the calculations for this table and the impacts of the Operation and Capital Budget for Fiscal Year Ending June 30, 2009 on each of the Agency Funds. Ms. Laughlin also indicated that the budget estimate forecasts for Fiscal Years Ending June 30, 2011 and 2012 Capital and Replacement Fund would not meet the current thresholds. Ms. Laughlin suggested that during the next budget workshop the Governing Board begin strategic planning for the scheduled Balancing Chamber and Lake Pump Station projects, based on final recommendations and costs estimates from the Agency's engineers that is scheduled for Fiscal Year Ending June 30, 2009.

Chair-Harris moved forward to the Five-Year Proposed Capital Project Forecast page.

Many questions arose from the Governing Board pertaining to the Balancing Chambers. Mr. Schindler suggested that the Governing Board view the Balancing Chambers when they are drained for cleaning to observe the weaknesses in the chambers.

Many questions arose from the Governing Board pertaining to the Lake Pump Station. Mr. Hanford indicated that the study would determine the wet well strength, by excavating, bore holes and radar and a report of final recommendations, which is scheduled for Fiscal Year Ending June 30, 2009.

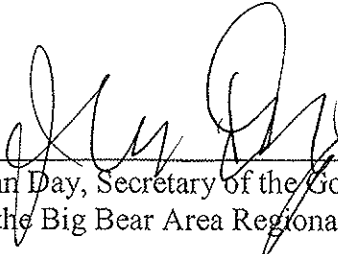
Chair-Harris questioned the need to roof the Administration Building Patio.

Mr. Hanford replied that the original specifications for the roof included lattice work. Due to the snow, the lattice was not completed it was felt that the lattice would not be adequate for the snow load. Many suggestions were posed by the Governing Board to remedy the wind driven snow.

After a consensus from the Governing Board it was suggested to begin with a snow fence to see if it aids in alleviating the wind driven snow. This project will require prior Governing Board approval before commencing with the project.

#### 4. Adjournment

With no further business to come before the Governing Board, Chair Harris adjourned the meeting at approximately 9:50 a.m.

  
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John Day, Secretary of the Governing Board  
of the Big Bear Area Regional Wastewater Agency