

NOTE: If you wish to address the MWD Board of Directors during discussion of an agenda item, or during the PUBLIC FORUM, please complete a Speaker Request card (blue in color) and give it to the Board Secretary. Unless a detailed presentation of an agenda item is required by the Board of Directors, it is requested that each speaker limit comments to FIVE MINUTES. All testimony given before the Board of Directors is tape recorded.

A G E N D A
BIG BEAR MUNICIPAL WATER DISTRICT

BOARD OF DIRECTORS
Regular Meeting
November 4, 2010

PLACE: Big Bear Municipal Water District
40524 Lakeview Drive, Big Bear Lake, CA 92315

Next Resolution Number: 2010- 07

OPEN SESSION: 1:00 P.M.

- 1. CALL TO ORDER**
- 2. PLEDGE OF ALLEGIANCE**
- 3. DISCUSSION AND ACTION ON CLOSED SESSION ITEMS**
- 4. REPORTS**
 - A. General Manager
 - B. Lake Manager
 - C. Legal
 - D. Committee
 - E. Other
- 5. CONSENT CALENDAR**
 - A. Minutes of a Regular Meeting of October 21, 2010
 - B. Warrant List Dated October 29, 2010 for \$47,486.70
 - C. Consider approval for the General Manager to cast a vote for ACWA Health Benefits Authority according to the Districts Direction
- 6. BUSINESS**
 - A. Troutfest discussion and possible action
 - B. Consider a CPI increase in Marina compensation for Big Bear Marina, Pine Knot Marina, Holloways Marina, and Dana's Point Landing
 - C. Consider Approval of Consultant Agreement for Simon Wong Engineers to prepare Plans, Specifications, and Cost Estimate for the replacement Dam Service Bridge Construction Project
 - D. Discussion and possible action on formation of MWD Non-profit Foundation

7. **PUBLIC FORUM**
(The Board will receive comments from the public on items not on the agenda; no action is permitted on these items. Time set aside not to exceed 30 minutes total by all participants)
8. **ANNOUNCEMENTS**
9. **DIRECTOR COMMENTS**
10. **ADJOURNMENT TO CLOSED SESSION**
11. **CLOSED SESSION**
 - A. Confer with real property negotiator re: APN NO 2328-202-15, 2328-202-08
District Negotiator - Scott Heule
12. **ADJOURNMENT**

NEXT MEETING: Open Session at 1:00 P.M.
Thursday, November 18, 2010
Big Bear Municipal Water District
40524 Lakeview Drive, Big Bear Lake, CA

***MINUTES OF A REGULAR MEETING OF
BIG BEAR MUNICIPAL WATER DISTRICT
HELD ON THURSDAY, OCTOBER 21, 2010***

CALL TO ORDER

President Fashempour called the Open Session to order at 1:00 PM. Those in attendance included Director Suhay, Director Smith, Director Murphy, District Counsel Wayne Lemieux, General Manager Scott Heule and Board Secretary Vicki Sheppard.

REPORTS

General Manager, Scott Heule reported that Mike Stephenson and Travis Carroll are in Sacramento to lend their expertise on a Quagga summit. He explained that they were invited to attend by the California Department of Fish and game to lend their expertise in the formulation of statewide standards. He added that in fact, the schedule for the event was adjusted to accommodate Mr. Stephenson's calendar, which demonstrates the value that Fish & Game places on our Districts' Quagga program. Mr. Heule reported that a group of engineers from the Japan Dam Engineering Center were hosted by the District on Monday October 18. He explained that the group was formed by the Japanese government after the 1995 Kobe earthquake when they realized the need to learn more about how to strengthen existing dams to prevent failure during strong earthquakes. He added that Mike Rogers and Jim Lindell of MWH provided a detailed "seminar" on the strengthening of the arches and backfill of the bays. Mr. Heule reported that on Wednesday he attended the Big Bear Lake TMDL Task Force meeting. He explained that the report on the 2010 Lake Management Operations that he gave to the Directors this afternoon was also presented to the task force yesterday. Director Suhay asked a question regarding the Lake Management Operations Summary report asking at what point the weeds were weighed. Mr. Heule reported that they were wet when they were weighed and staff took an average weight of several loads and multiplied them by the number of loads taken. He commented that Fish & Game reported that our carp program has had very positive results on the fish population in the lake. Director Murphy asked if the Management Operations Report was the District's weed plan for 2011. Mr. Heule explained that this is just a summary report of 2010 activities adding that the District may be going back to the former herbicide or possibly two different methods of weed control for 2011. Mr. Heule reported that he has a meeting scheduled with Ray Wolfe at Caltrans for November 2nd explaining that Directors Murphy and Smith and a representative from Supervisor Dutton's office will also be attending the meeting. He explained that he also has made contact with Supervisor Derry's office and the Division of Safety of Dams. Mr. Heule reported on a meeting he attended at the Chamber of Commerce this morning explaining that they are very supportive of our efforts in dealing with Caltrans.

President Fashempour declared that item 6D, Discussion and possible action on formation of MWD Non-profit Foundation, should be tabled until the next meeting when all Directors are present.

APPROVAL OF CONSENT CALENDAR

Upon a motion by Director Murphy, seconded by Director Suhay, the following consent items were unanimously approved:

- Minutes of a Regular Meeting of October 7, 2010
- Warrant List Dated October 18, 2010 for \$72,579.68

CONSIDER CLAIM BY BIG BEAR DOCK SYSTEMS IN THE AMOUNT OF \$4,490 AGAINST THE DISTRICT

Mr. Heule reported that a letter was received dated October 4, 2010 from Larry Cooke of Big Bear Dock Systems claiming the District owed him \$4,490 for ordering a dock to be "demolished and removed from Big Bear Lake". He explained that District personnel made no order to demolish a dock adding that directives were given only to remove the dock from the lake. He continued that on July 22, 2010 Lake Patrol Officer Bill Evans inspected dock number 380, owned by David and Gudrun Mason, and issued a notice to correct because the dock had trip hazards, loose boards and was not stable. He added that in the comments section of the notice to correct it was noted that the dock was "broken in half and falling apart". Mr. Heule reported that the dock was re-inspected on August 26, 2010 and no repairs had been made and during a telephone conversation with the Masons, they informed Staff that a new dock was being constructed to replace the old dock. He stated that on September 20, 2010 the new dock was in place. Mr. Heule reported that the Lake Operations Supervisor was informed by the dock builder Larry Cooke that the old dock had been towed to Captain Johns Marina and in an email of the same date the Masons were informed that when their failed dock was "properly removed from the Lake and not just repositioned to Grout Bay to deteriorate" they would be issued their dock license. He added that they were also informed that if they chose to repair the dock they had 30 days to do it. Mr. Heule reported that on September 21, 2010 he (the General Manager), via email, informed the Masons that the District understood Big Bear Dock Systems had an arrangement with Captain Johns Marina but that no written confirmation from the marina was provided to show that a deal existed for the "storage, refurbishment or destruction and removal of the old dock". He commented that it goes on to say "Mr. Cooke must either repair the dock or remove it from the lake within 30 days because it does not meet District dock standards". He reported that on September 28, 2010 the Lake Operations Supervisor received an email from John Saunders indicating that they dismantled old dock number 380. Mr. Heule reported that at no time did District personnel order the destruction of the dock explaining that the District did advise that the dock must be removed from the Lake because it had failed to meet the standards for dock performance established by District resolution. He advised that Mr. Cooke does not have a basis to make a claim against the District.

Mr. Larry Cooke explained that he had correspondence that was not included in the staff report and he handed out copies of the letters. He stated that he wanted to make it clear that he was not in town at the time this was taking place. He commented that the permit process failed explaining that the permit process does not have the proper conditions. He commented that an overzealous District employee was the cause of his dock being destroyed when it easily could have been removed from the lake and repaired. He explained that dock ownership had been transferred to Big Bear Dock systems from the Masons adding that he had surveyed the dock and found it to have good flotation and strong and stable fingerways. He reported that he had lost money and the Mason's had been harassed and Captain John's employee had been harassed by District staff. Director Suhay asked who pulled the dock out of the water. Mr. Cooke stated that he had pulled it over to Capt. Johns Marina. Director Smith asked how he was going to fix it without pulling it up out of the water. Mr. Cooke stated that he could have lifted up a portion of the dock and repaired it without taking it completely out of the water and could also do fabrication in the water. Director Suhay stated that it looks like the District did their job in trying to clean up the lake and before they could issue a new dock license this problem needed to be corrected. Mr. Heule commented that the District gave the Masons ample time to correct the problem and did not harass anyone explaining that they were originally given 30 days to correct the problem and then again given an additional 30 days to remove the dock from the lake. He explained that no

repairs were ever made. Mr. Cooke stated that this was not a derelict dock. Director Smith asked why the Masons agreed to pay \$30,000 to \$40,000 for a new dock if this dock could be repaired. Mr. Cooke explained that the Masons have the money and wanted to have a nice new dock. President Fashempour asked if the agreement with the Mason's was that Mr. Cooke would remove the old dock and get them a new dock. Mr. Cooke said that was the agreement. Director Suhay reported that he understood the District wanted the dock repaired or removed. District Counsel Lemieux asked what Mr. Cooke's claim was. Mr. Cooke stated that the Mason's wanted something nice and new and he wanted to take the old dock and do something with it and when it was destroyed he could not repair it and he lost money. Mr. Heule explained that by Resolution the District has the right to have the derelict dock repaired or removed and while the District was trying to remedy the problem, Captain John's destroyed the dock and the District should not be held liable. Director Suhay commented that the District does not have control over other entities employees. President Fashempour stated that she would like to understand the dock resolution better and would like to meet with Mr. Heule to go over this issue. Director Murphy commented that apparently the Masons thought they owned the dock and paid Captain Johns Marina to destroy it.

Director Suhay made a motion to deny the claim by Big Bear Dock Systems in the amount of \$4,490 against the District. Director Murphy seconded the motion and it was unanimously approved.

CONSIDER AWARD OF CONTRACT FOR BIG BEAR MARINA REMEDIATION TRENCH CONSTRUCTION PROJECT

Mr. Heule reported that the District has been working for several years to remediate the gasoline contaminated soil and ground water from a leaking gas line prior to the purchase of the property. He added that attempts at remediation using wells and bioremediation techniques have not been effective. He stated that during meetings with the Santa Ana River Regional Water Quality Control Board (Regional Board) another remediation method was identified explaining that a 12 to 14 feet deep trench will be dug and backfilled with gravel to collect and drain groundwater into a manhole. He stated that a pump in the manhole will pump the collected water to the surface and into the sanitary sewer in Paine Court providing concentrations of hydrocarbons are sufficiently low. Mr. Heule reported that the construction design was approved by the Regional Board and the District had plans and specifications for the work prepared by Transtech Mapco, and the bid packages were mailed or hand delivered to 14 contractors including two interested local contractors. Mr. Heule added that a mandatory pre-bid meeting was held onsite on Monday October 11 and was attended by two bidders. He stated that the bid documents specify the work to be completed by December 1, 2010 explaining that although the District must first pay for this work, it will be refunded by the California Leaking Underground Storage Tank fund. He reported that two bids were opened on Friday October 15, 2010 and bids were received from the contractors as follows:

Warren Duncan Contracting	\$187,911
Bear Valley Paving	\$206,430

Mr. Heule stated that he and Mr. Stephenson went over the bids and they recommend awarding the contract for the Big Bear Marina Remediation Trench Project to Warren Duncan Contracting. Director Suhay asked who is responsible for monitoring the project for compliance. Mr. Heule explained that our consultant, Kendall Adams Group, would be on site to check on compliance. Director Smith asked what city the contractor was from. Mr. Heule explained that they are headquartered near San Bernardino. Director Smith asked when the soil is taken to the disposal site, who is it linked to. Mr. Heule explained that would be Warren Duncan Contracting and the

District. Director Murphy asked why the price for “mobilization, demobilization and site specific health and safety plan” was so different between the two bidders. Mr. Heule explained that Warren Duncan was questioned on this and they are very comfortable with their bid. Director Murphy asked when the project would be completed. Mr. Heule stated that the completion date is within 30 calendar days after the date of the Notice to Proceed, and not later than December 1, 2010, however the District will be fair and depending on the weather.

Director Suhay moved approval of awarding the contract for Big Bear Marina Remediation Trench Construction Project to Warren Duncan Contracting in the amount of \$187,911. Director Smith seconded the motion and it was unanimously approved.

CONSIDER APPROVAL OF CONSULTANT AGREEMENT FOR SIMON WONG ENGINEERS TO PREPARE PLANS, SPECIFICATIONS, AND COST ESTIMATE FOR THE REPLACEMENT DAM SERVICE BRIDGE CONSTRUCTION PROJECT

Mr. Heule stated that the District has still not received a commitment from Caltrans so this item can't be approved at this time. President Fashempour tabled this item until the meeting of November 4, 2010.

PUBLIC FORUM

No comments were made

ANNOUNCEMENTS

No announcements were made

DIRECTOR COMMENTS

No comments were made

ADJOURNMENT TO CLOSED SESSION

The meeting was adjourned to Closed Session at 1:56 P.M to:
Confer with real property negotiator re: APN NO.2328-202-15, 2328-202-08
District Negotiator - Scott Heule

RECONVENE TO OPEN SESSION

The meeting was reconvened to Open Session at 3:19 P.M.
No reportable action.

ADJOURNMENT

There being no further business, the meeting was adjourned at 3:20 P.M.

NEXT MEETING

Open Session at 1:00 P.M.
Thursday, November 4, 2010
Big Bear Municipal Water District
40524 Lakeview Drive, Big Bear Lake, CA

Vicki Sheppard
Secretary to the Board
Big Bear Municipal Water District

(SEAL)

**Big Bear Municipal Water District
 Computer & Manual Check Register
 Current and History Files, After 10/26/10
 Account 10010-00-001, Session 002101**

<u>Check</u>	<u>Payment / Vendor Information</u>	<u>Ck Date</u>	<u>Prty</u>	<u>Invoice</u>	<u>Session</u>	<u>Reference</u>	<u>Amount</u>
Checking Account: 10010-00-001							
148743	AAUW / American Assoc. of Univercity Wom	10/26/10	2	9142010	002101		55.00
						AAUW Subtotal :	55.00
148744	ACWA2 / Association of California	10/26/10	2	2011	002101		5430.18
						ACWA2 Subtotal :	5430.18
148745	ALLPRO / All Protection Alarm Co.	10/26/10	2	65777	002101		35.00
148745		10/26/10	2	65786	002101		120.00
148745		10/26/10	2	66019	002101		135.00
148745		10/26/10	2	66104	002101	BUILDFACIT	30.00
148745		10/26/10	2	66174	002101	BUILDFACIT	60.00
148745		10/26/10	2	66300	002101		175.00
						ALLPRO Subtotal :	555.00
148746	ATT785 / AT&T	10/26/10	2	2917111310	002101		29.73
						ATT785 Subtotal :	29.73
148747	BCGLAS / Bear City Glass	10/26/10	2	19317	002101	VEHCLMAINT	118.28
						BCGLAS Subtotal :	118.28
148748	BMARIN / Big Bear Marina	10/26/10	2	10311124	002101	PETROLEUM	839.17
						BMARIN Subtotal :	839.17
148749	BUTCHR / Butcher's Block & Building Materi	10/26/10	2	36104	002101	BUILDFACIT	41.30
148749		10/26/10	2	37959	002101	PHONCOMM	3.36
148749		10/26/10	2	38432	002101	BUILDFACIT	9.23
148749		10/26/10	2	39066	002101	BUILDFACIT	15.44
148749		10/26/10	2	39077	002101	BUILDFACIT	19.44
148749		10/26/10	2	39113	002101	BUILDFACIT	15.23
148749		10/26/10	2	39457	002101	SMTTOOLS	13.02
148749		10/26/10	2	39475	002101	BOATMAINT	14.77
						BUTCHR Subtotal :	131.79
148750	BVELEC / Bear Valley Electric	10/26/10	2	16-8102010	002101	UTILITYWR	378.88
148750		10/26/10	2	49-9102010	002101	UTILITYDAM	67.05
						BVELEC Subtotal :	445.93
148751	BVFABR / Bear Valley Fabricators	10/26/10	2	153267	002101		91.11
						BVFABR Subtotal :	91.11
148752	BYRDIN / Byrd Industrial	10/26/10	2	1003-10	002101		778.92

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 Account 10010-00-001, Session 002101**

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	Electronics						
						BYRDIN Subtotal :	778.92
148753	CCONNE / CONNELLY PUMPING SERVICES	10/26/10	2	10009	002101	PORTABLES	510.67
148753		10/26/10	2	10015	002101	PORTABLES	440.00
148753		10/26/10	2	10016	002101	PORTABLES	290.28
148753		10/26/10	2	10017	002101	PORTABLES	580.55
148753		10/26/10	2	10019	002101	PORTABLES	580.55
148753		10/26/10	2	9992	002101	PUMPINGWR	82.50
						CCONNE Subtotal :	2484.55
148754	CHARTE / CHARTER COMMUNICATIONS	10/26/10	2	10162010	002101	DSL MAINOF	274.99
						CHARTE Subtotal :	274.99
148755	COLONI / COLONIAL LIFE	10/26/10	2	1014104	002101		77.22
						COLONI Subtotal :	77.22
148756	COMPVI / Computer Village	10/26/10	2	119432	002101	DAMCOMPMAI	772.19
148756		10/26/10	2	119486	002101	DAMCOMPMAI	550.00
148756		10/26/10	2	119487	002101	SUBSCRIPTIO	437.90
						COMPVI Subtotal :	1760.09
148757	CONTAI / Container Storage Solutions	10/26/10	2	1 10242010	002101	QUAGGA	67.97
148757		10/26/10	2	1 11072010	002101		108.75
148757		10/26/10	2	2 10242010	002101	QUAGGA	67.97
						CONTAI Subtotal :	244.69
148758	DIRCTV / DIRECTV	10/26/10	2	1369523649	002101	UTILITYRV	150.24
						DIRCTV Subtotal :	150.24
148759	DISH / Dish Network	10/26/10	2	1042010	002101	UTILITYOFF	50.98
						DISH Subtotal :	50.98
148760	DIVERS / Diversified Products, Inc.	10/26/10	2	10546821	002101	QUAGGA	98.88
						DIVERS Subtotal :	98.88
148761	FAIRFI / Fairfield Line, Inc.	10/26/10	2	1089	002101	OSHAEQ	1131.59
						FAIRFI Subtotal :	1131.59
148762	FEDRAL / Federal Express, Corp.	10/26/10	2	725224949	002101	SHIPPING	16.37
						FEDRAL Subtotal :	16.37
148763	GEI / GEI Consultants, Inc	10/26/10	2	503031	002101	WTRTESTING	10054.02

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 Account 10010-00-001, Session 002101**

<u>Check</u>	<u>Payment / Vendor Information</u>	<u>Ck Date</u>	<u>Prity</u>	<u>Invoice</u>	<u>Session</u>	<u>Reference</u>	<u>Amount</u>
						GEI Subtotal :	10054.02
148764	LAGONI / Lagonita Lodge	10/26/10	2	10232010	002101	RMDEPOSIT	55.00
						LAGONI Subtotal :	55.00
148765	MCMSTR / McMaster-Carr Supply Co.	10/26/10	2	67167384	002101	BUILDFACIT	89.55
148765		10/26/10	2	67687816	002101	PHONE OFFI	180.77
148765		10/26/10	2	68136360	002101	EQMAINT	118.18
						MCMSTR Subtotal :	388.50
148766	MWH / MWH America, Inc.	10/26/10	2	1359978	002101	DAM REPAIR	1751.89
						MWH Subtotal :	1751.89
148767	MWH / MWH America, Inc.	10/26/10	2	1360058	002101	TMDL	1400.89
						MWH Subtotal :	1400.89
148768		10/26/10	2	1360057	002101	BBMARINADR	8956.33
						MWH Subtotal :	8956.33
148769	NOCONT / NO CONTRACT VOIP	10/26/10	2	1317	002101	PHONCOMM	129.11
148769		10/26/10	2	1322	002101	EQMAINT	326.66
148769		10/26/10	2	143	002101	PHONCOMM	7.78
						NOCONT Subtotal :	463.55
148770	NOS / NOS Communications, Inc.	10/26/10	2	10182010	002101	PHONCOMM	326.60
						NOS Subtotal :	326.60
148771	PHYSIS / PHYSIS	10/26/10	2	1009003-01	002101		248.00
						PHYSIS Subtotal :	248.00
148772	PITINC / Pitney Bowes, Inc	10/26/10	2	OT10	002101	POSTAGE	242.00
						PITINC Subtotal :	242.00
148773	QUILL / Quill Corporation	10/26/10	2	22549	002101	OFFSUPLY	38.16
148773		10/26/10	2	22550	002101	PRINTING	344.51
						QUILL Subtotal :	382.67
148774	RIFFEN / Riffenburgh Lumber Co.	10/26/10	2	10252010	002101	TROUTFEST	160.83
						RIFFEN Subtotal :	160.83
148775	SIMONW / Simon Wong Engineering	10/26/10	2	12615-2378	002101	PEDSTBRIDG	1080.00
						SIMONW Subtotal :	1080.00
148776	SPARLI / Sparling Instruments Co.,Inc.	10/26/10	2	13486-1	002101	DAM MAINT	1618.00

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Check	Payment / Vendor Information	Ck Date	Prty	Invoice	Session	Reference	Amount
						SPARLI Subtotal :	1618.00
148777	SUN / San Bernardino County Sun	10/26/10	2	10-2010	002101	SUBSCRIPTIO	201.80
						SUN Subtotal :	201.80
148778	SWSTGS / Southwest Gas Corp	10/26/10	2	021-101410	002101	UTILITYRV	21.73
148778		10/26/10	2	023-101410	002101	UTILITOFF	21.73
						SWSTGS Subtotal :	43.46
148779	TERMIN / TERMINIX INTERNATIONAL	10/26/10	2	389125 5	002101	BUILDFACIT	477.24
148779		10/26/10	2	7110508	002101	BUILDFACIT	570.36
						TERMIN Subtotal :	1047.60
148780	TOMDOD / Tom Dodson & Associates	10/26/10	2	BB-145-1	002101		210.00
						TOMDOD Subtotal :	210.00
148781	UPS / UPS	10/26/10	2	11420	002101	WTRTESTING	434.75
						UPS Subtotal :	434.75
148782	USARC / USARC	10/26/10	2	102010	002101	REFUNDDEPO	500.00
						USARC Subtotal :	500.00
148783	VALERO / Valero Marketing and Supply Co.	10/26/10	2	10202010	002101	PETROLEUM	1117.51
						VALERO Subtotal :	1117.51
148784	VERIZO / Verizon California	10/26/10	2	1996 10201	002101	PHONCOMM	43.70
148784		10/26/10	2	2265 10201	002101	PHONCOMM	47.92
148784		10/26/10	2	2301 10201	002101	PHONCOMM	53.52
148784		10/26/10	2	2917 10201	002101	PHONCOMM	46.18
148784		10/26/10	2	3461 10201	002101	DSL MAINOF	159.95
148784		10/26/10	2	5200 10201	002101	PHONCOMM	42.72
148784		10/26/10	2	5594 10201	002101	DSL CREEK	89.99
148784		10/26/10	2	5796102010	002101	PHONCOMM	597.81
						VERIZO Subtotal :	1081.79
148785	VERWIR / VERIZON WIRELESS	10/26/10	2	0911468263	002101	CELL PHONE	250.42
148785		10/26/10	2	0913406663	002101	CELL PHONE	525.34
						VERWIR Subtotal :	775.76
148786	WASTE / Solid Waste Management	10/26/10	2	001825	002101	BUILDFACIT	181.04
						WASTE Subtotal :	181.04

Big Bear Municipal Water District
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<u>Check</u>	<u>Payment / Vendor Information</u>	<u>Ck Date</u>	<u>Prty</u>	<u>Invoice</u>	<u>Session</u>	<u>Reference</u>	<u>Amount</u>
Total For Check Account: 10010-00-001							47486.70
Check Register Total :							47486.70

**BIG BEAR MUNICIPAL WATER DISTRICT
REPORT TO BOARD OF DIRECTORS**

MEETING DATE: November 4, 2010

AGENDA ITEM: 5C

SUBJECT:

CONSIDER APPROVAL FOR THE GENERAL MANAGER TO CAST A VOTE FOR ACWA HEALTH BENEFITS AUTHORITY ACCORDING TO THE DISTRICTS DIRECTION

RECOMMENDATION:

The General Manager and the Administrative Committee (Directors Fashempour & Suhay) recommend approval of this proposal.

DISCUSSION/FINDINGS:

The Health Benefits Authority is working on filling their Directors representatives. Nominations for both Northern Region general and small agencies and Southern Regions general include only the minimum number of positions available. The Southern region general has two openings and four nominees. The ballot is attached for reference. The Committee recommends the District appoint the General Manager to complete the ballot according to the Districts direction by voting for the nominees in both Northern general and small agencies and Southern general. Also they recommend that the Board vote for Merle Aleshire of Valley Center MWD and Robert Moore, of South Coast WD to the Southern region general.

OTHER AGENCY INVOLVEMENT: None

FINANCING: None

Submitted by: Scott Heule, General Manager

ASSOCIATION OF CALIFORNIA WATER AGENCIES
HEALTH BENEFITS AUTHORITY

BALLOT - PAGE A

This Ballot is to vote on the selection of the HBA Board of Directors as provided in Article III, Section 8 of the HBA Bylaws Amended and Restated as of June 1, 2010. For this election to be valid, the HBA Inspectors of Election must receive properly completed Ballots during the Balloting Period from no less than 20% of the HBA Membership.

This entire Ballot is comprised of two separate pages, Page A and Page B. **Please follow the instructions below to ensure that your Ballot is properly cast and valid.**

1. **Ballot Page A - fill in the information block indicating your Agency name and address.**
2. **Ballot Page A - must be signed by the designated Agency Representative (the General Manager or other person that was appointed by the Agency).**
3. **Ballot Page B - mark your selection for Directors according to each geographical area. Do not place your signature or Agency name on Ballot Page B.**
4. **Place the entire Ballot comprised of both Ballot Page A and Ballot Page B in the envelope provided. The entire Ballot must be received by the HBA's Inspector of Election during the Balloting Period which begins on **October 25, 2010**, and ends at **5:00 P.M. on November 23, 2010**. The sealed envelope containing the entire Ballot may be mailed or hand-delivered to:**

Bruce McLaughlin, HBA Inspector of Election
Braun Blaising McLaughlin, P.C.
915 L Street, Suite 1270
Sacramento, CA 95814

This information block must be completed in order for this Ballot to be valid.	
Agency name	
Agency address	
Agency representative (printed)	
Agency representative (signature)	

The Ballots shall be counted publicly by the Inspectors of Election at 10:00 A.M. on December 9, 2010 at:

Braun Blaising McLaughlin, P.C.
915 L Street, Suite 1270
Sacramento, CA 95814

ASSOCIATION OF CALIFORNIA WATER AGENCIES
HEALTH BENEFITS AUTHORITY

BALLOT - PAGE B

Mark your selection for Directors according to each geographical area. Do not place your signature or Agency name on this Ballot Page B.

Northern region - Agency with less than 20 participating employees

Vote for no more than 1 nominee

Rick Gilmore, Byron-Bethany Irrigation District

Northern region – general

Vote for no more than 2 nominees

E.G. "Jerry" Gladbach, ACWA JPIA (bio included)

Bette Boatman, Contra Costa WD (bio included)

Southern - Agency with less than 20 participating employees

Vote for no more than 1 nominee

Robert Wilson, La Habra Heights CWD (bio included)

Southern region – general

Vote for no more than 2 nominees

Merle Aleshire, Valley Center MWD (bio included)

Robert Moore, South Coast WD

Randall Reed, Cucamonga Valley WD

Howard Williams, Vista ID (bio included)

E.G. "Jerry" Gladbach

27491 Hillcrest Place / Valencia, CA 91354
Phone: (661) 297-2200 / Email: ejglad@aol.com

EXPERIENCE / COMMITMENT / DEDICATION

PROFESSIONAL / COMMUNITY EXPERIENCE

ACWA – Joint Powers Insurance Authority

<i>Executive Committee</i>	2006 – present
	2002 – 2003
<i>Chair, Building and Property Ad Hoc Committee</i>	2008 – present
<i>Chair, Liability Sub-Committee</i>	2007 – present
<i>Board of Directors</i>	2002 – present

Association of California Water Agencies (ACWA)

<i>President</i>	2004 – 2005
<i>Vice President</i>	2002 – 2003
<i>Chair, Region 8</i>	1998 – 2001
<i>Board of Directors</i>	1998 – present
<i>Chair, Energy Committee</i>	1982 – 1989
	2006 – 2007

Castaic Lake Water Agency

<i>Board of Directors</i>	1985 – present
<i>President</i>	1987 – 1990
<i>Chair, Water Resources Committee</i>	2003 – present
<i>Chair, Finance, Administration, PR Committee</i>	1991 – 2002

LAFCO – Los Angeles

<i>Chair</i>	2006 – present
<i>First Vice-Chair</i>	2005 – 2006
<i>Commissioner</i>	2002 – present
<i>Alternate Commissioner</i>	2001 – 2002

California Association of LAFCOs

<i>Treasurer</i>	2008 – present
<i>Member, Board of Directors</i>	2005 – present

Water Education Foundation, Board of Directors 1987 – 2009

Los Angeles Department of Water and Power

Leadership in Engineering, Management, Environmental Planning / retired after 35 years

Past Member, United States EPA Groundwater Task Force

Past Advisor to U.S. Commission on Water Quality

Past Member, Advisory Committee, California Polytechnic State University,

San Luis Obispo, Civil and Environmental Engineering

Professional Engineer, Registered in California

Life Member, American Society of Civil Engineers

Master of Science Degree in Civil Engineering / Water Resources

PERSONAL

Married with 3 children, and 6 grandchildren, I have lived in the Santa Clarita Valley over 40 years and have been devoted to community service for that entire period.



Bette Boatmun, Director, Division 4

Bette Boatmun was elected to the Contra Costa Water District Board of Directors in 1974, representing Pittsburg, Antioch, and the northeast portion of Concord. She served as president of the Board of Directors from 1990 to 1992, and vice president from 1981 to 1989. She is the former executive director of the YWCA of Contra Costa County, and continues to be active in a number of community organizations, including the Concord American Association of University Women, Sons of Italy, and Soroptomist International. She is a member of the Board of Directors for the Kennedy King Scholarship Foundation and Gallery Concord. In 2002 and 2003, she was president of the Association of California Water Agencies (ACWA), a statewide organization that represents approximately 90 percent of the water delivered in California, and is past chair of ACWA Region 5. She currently holds chair positions on the Governing Board of East County Water Management Association and the Contra Costa Special Districts' Association and is past chair of the Sanitation & Water Agencies of Contra Costa County. In March 2001, Ms. Boatmun was honored as the California State Assembly's "Woman of the Year" for the 11th Assembly District.

Ms. Boatmun has a Bachelor of Science degree from Russell Sage College, Troy, New York, and a Master of Education from Holy Names College, Oakland, California. She was a teacher in public schools in California and New York and a consultant for the Job Corps.



ROBERT C. WILSON

CANDIDATE FOR DIRECTOR TO THE BOARD OF A.C.W.A. HEALTH BENEFIT
AUTHORITY

I would like to introduce myself. My Name is Robert C. Wilson. I have lived in California for over the past sixty years and my wife Cheryl and I have lived in La Habra Heights for the past 35 years. I have been a Director on the board of the La Habra Heights County Water District for the past 12 years.

In my professional career I worked for the Santa Fe Springs Fire Department for over 35 years, The last eight years as Fire Chief. As Fire Chief I was responsible for a department of over 100 employees in 6 divisions. As Fire Chief I was also responsible for a 12 million dollar budget. I also hold A California teaching credential and was on the faculty of Rio Hondo Collage in Whittier California.

With over 40 years of municipal government experience I feel that experieccc will be helpful as a board member.

Thanking you in advance for your support.

CANDIDATE STATEMENT: ACWA-HBA Board of Directors

Merle J. Aleshire, Ph.D.

My background has required me to develop skills that I believe can help guide the new ACWA-Health Benefits Authority. The ACWA-HBA is a joint powers risk sharing pool that will face significant challenges with the new federal health care program. My goal will be to help provide comprehensive health care options for all of our agencies at the most affordable cost.



I currently serve on the Board of Directors for the Valley Center Municipal Water District. I am past Chairman of Region 10 for the Association of California Water Agencies (ACWA) that includes agencies throughout San Diego and Orange Counties. As the Region Chair, I also served on the Board of Directors for ACWA.

Most recently, I served for six years on the Executive Committee for the ACWA-Joint Powers Insurance Authority (JPIA). ACWA-JPIA is also a risk sharing pool that provides property, liability and workers compensation insurance to nearly 300 water agencies and irrigation districts throughout California. This prior service with the ACWA-JPIA risk sharing pool provides me with directly related experience to serve the ACWA-Health Benefits Authority.

I am a retired aerospace executive after 33 years in research, development and senior management positions for the General Dynamics Corporation. I conducted various studies for the Department of Defense and published numerous papers on weapon systems and space vehicles. I was an original developer of the Tomahawk Cruise Missile.

My civic duties have included; President of the Escondido Union School District Board of Education, President of the Boys & Girls Club, Board of Directors for the March of Dimes, Vice Chairman of the Palomar Council of the Boy Scouts of America, President of the Association of Resident Owners in Hidden Meadows and a founding member of the Hidden Meadows Community Foundation.

I have degrees in electrical engineering, mathematics, digital processes & control systems, leadership and human behavior. I own and operate a grain farm in Illinois. I am also a private pilot with hobbies of hunting, fishing, golfing and outdoor activities.

My technical education and many years in research & development required me to develop skills required to solve difficult problems. These skills plus my previous experience with risk sharing pools is the expertise I offer to ACWA-HBA. I believe that will be most important as we work through the many complexities in implementing the new federal health care legislation.

I am asking for your support.

Merle Aleshire



HOWARD WILLIAMS BIO

Howard Williams has served on the Vista Irrigation District Board of Directors since July 31, 1991. He is currently serving his fourth term as Board President. In addition to serving as Board President, Mr. Williams has been VID's representative to the San Diego County Water Authority since 1994. He serves as chair of the District's Warner Ranch Committee and is also a member of the Fiscal Policy Committee.

From 1983 to 1989, Mr. Williams served as Vice-President of Communications of the Southern California Physicians Insurance Exchange, a physician-owned medical malpractice insurance company. Mr. Williams has a degree in journalism from the University of Southern California, and is an award-winning trailblazer in television editorials. He worked for 25 years in United Press International, television and newspapers and won an Emmy for his on-air editorials at Channel 2 in Los Angeles. Williams is also a member of the Palomar Airport Advisory Committee.





**ACWA
Health Benefits
Authority**

IT'S TIME TO VOTE!



**ACWA Health Benefits Authority
Board of Directors**

ELECTION FORMS ENCLOSED

Please take a moment to cast your vote

**Ballots to be received during the period of
October 25, 2010 to November 23, 2010**

**Please use the enclosed envelope
and do not return them to the ACWA HBA office**

***Thank you for your continuing participation
and engagement in the ACWA HBA plans***

CANDIDATE STATEMENT: ACWA-HBA Board of Directors

Merle J. Aleshire, Ph.D.

My background has required me to develop skills that I believe can help guide the new ACWA-Health Benefits Authority. The ACWA-HBA is a joint powers risk sharing pool that will face significant challenges with the new federal health care program. My goal will be to help provide comprehensive health care options for all of our agencies at the most affordable cost.



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I have degrees in electrical engineering, mathematics, digital processes & control systems, leadership and human behavior. I own and operate a grain farm in Illinois. I am also a private pilot with hobbies of hunting, fishing, golfing and outdoor activities.

My technical education and many years in research & development required me to develop skills required to solve difficult problems. These skills plus my previous experience with risk sharing pools is the expertise I offer to ACWA-HBA. I believe that will be most important as we work through the many complexities in implementing the new federal health care legislation.

I am asking for your support.

Merle Aleshire



VALLEY CENTER WATER DISTRICT

A Public Agency Organized July 12, 1954

Board of Directors
Gary A. Broomell
President
Robert A. Polito
Vice President
Merle J. Aleshire
Director
Charles W. Stone, Jr.
Director
Randy D. Haskell
Director

AN OPEN LETTER TO ACWA HBA MEMBERS IN SUPPORT OF ELECTING

Merle Aleshire, HBA Board of Directors

Valley Center Municipal Water District is proud to support and endorse the election of **Dr. Merle J. Aleshire** to the newly forming ACWA Health Benefits Authority Board of Directors.


This endorsement is made with the confidence that Merle will bring a wealth of local water agency, ACWA, ACWA - JPIA and real-world private sector experience to the new ACWA HBA Board.

In his 13 years on the VCMWD Board, Merle has been an active leader and contributor to our issues and initiatives. Beyond his local role, Merle has served as ACWA Region 10 Chair and Vice Chair, member of the ACWA Board of Directors, and most recently as a member of the ACWA – JPIA Executive Committee.

Prior to coming to the water world, Merle worked for over 33 years as an aerospace executive and was very active in civic affairs, including the local elementary school board, Boys and Girls Club, March of Dimes and Boy Scouts.

As is born out by his attached candidate statement, Merle understands water, ACWA, business and giving back to the community. Most critically for the issue at hand, Merle understands the principles and keys to operating insurance risk pools which is now a central part of the ACWA HBA operation and responsibility.

Hopefully as an ACWA HBA member, you will see the wisdom of putting Merle's experience and directly related expertise to work helping the new ACWA HBA deal with the future health care challenges for ACWA and its member agencies.


Gary A. Broomell
President, Board of Directors


Gary Arant
General Manager

**BIG BEAR MUNICIPAL WATER DISTRICT
REPORT TO BOARD OF DIRECTORS**

MEETING DATE: *November 4, 2010*

AGENDA ITEM: *6A*

SUBJECT:

TROUTFEST DISCUSSION AND POSSIBLE ACTION

RECOMMENDATION:

The General Manager and the Budget & Finance Committee (Directors Fashempour & Murphy) recommended that the continued sponsorship of this event be discussed.

DISCUSSION/FINDINGS:

The Big Bear Municipal Water District and Western Outdoor News recently completed the Sixth Annual October Troutfest. By all accounts it was a successful event and brought nearly 1000 anglers and their families to Big Bear from throughout Southern California and the western states. The marinas and local merchants, restaurateurs and inn keepers certainly realized an increase in their business during this "shoulder" season in Big Bear. From the District's perspective the event stirs interest in our beautiful Lake, results in the stocking of some trophy sized trout and assists in the District's trout rearing program. The District expends nearly 450 man hours to co-sponsor the event and this year expenses exceeded income by about \$9,000. The District Budget and Finance Committee has recommended that the Board of Directors consider dropping District sponsorship in favor of another organization whose purpose is more closely aligned with for profit activities on the Lake or in the valley or who can staff the event with volunteer labor. Just like other Government agencies reliant on declining property tax revenue the District is re-evaluating how best to spend the public's money in light of the District's mission to "stabilize the level of the Big Bear Lake for recreation and wildlife." Notices concerning the District's concerns regarding ongoing sponsorship of this event were sent to the Resort Association, Chamber of Commerce, marinas, City of Big Bear Lake, Village business owners, Western Outdoor News and B's Backyard Barbeque (see attached memo).

OTHER AGENCY INVOLVEMENT: None

FINANCING: None

Submitted by: Scott Heule, General Manager



Big Bear Municipal Water District

Lake Management

Board of Directors

Todd Murphy - Division 1
Paula Fashempour - Division 2
Skip Suhay - Division 3
John Eminger - Division 4
Vince Smith - Division 5

October 25, 2010

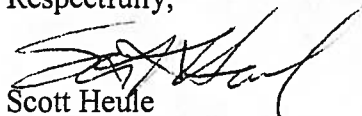
Dear interested party,

The Big Bear Municipal Water District and Western Outdoors News recently completed the Sixth Annual October Troutfest. By all accounts it was a successful event and brought nearly 1000 anglers and their families to Big Bear from throughout Southern California and the western states. We trust that the marinas and local merchants, restaurateurs and inn keepers appreciated an increase in their business during this "shoulder" season in Big Bear. From the Districts' perspective the event stirs interest in our beautiful Lake, results in the stocking of some trophy sized trout and assists in the Districts' trout rearing program.

The District expends nearly 450 man hours to co-sponsor the event and expenses exceed income about \$9,000. The District Budget and Finance Committee has recommended that the Board of Directors consider dropping District sponsorship in favor of another organization whose purpose is more closely aligned with for profit activities on the Lake or in the valley or who can staff the event with volunteer labor. Just like other Government agencies reliant on declining property tax revenue the District is re-evaluating how best to spend the public's money in light of the Districts mission to "stabilize the level of the Big Bear Lake for recreation and wildlife."

At the meeting on November 4, 2010 the Board of Directors will discuss the Districts' continued Troutfest sponsorship and solicits your comments and suggestions either in person or in writing. The meeting begins in the District Board room at 1:00 PM. Written comments should be received no later than 9:00 AM on Monday November 1, 2010 to be included in the agenda package for the meeting. Comment letters can be mailed to the attention of the General Manager at the address below or sent via email to sheule@bbmwd.org.

Respectfully,


Scott Heule
General Manager

**BIG BEAR MUNICIPAL WATER DISTRICT
REPORT TO BOARD OF DIRECTORS**

MEETING DATE: *November 4, 2010*

AGENDA ITEM: *6B*

SUBJECT:

CONSIDER APPROVAL OF A CPI INCREASE IN MARINA COMPENSATION FOR BIG BEAR MARINA, PINE KNOT MARINA, HOLLOWAYS MARINA, AND DANA'S POINT LANDING

RECOMMENDATION:

The General Manager and the Administrative Committee (Directors Fashempour & Suhay) recommend approval of a 1.1% increase.

DISCUSSION/FINDINGS:

At the Administrative Committee meeting of October 18, 2010, Marina representatives included Loren Hafen (Holloways), Alan Sharp (Big Bear Marina), Leo McCarthy and Steve Pontell (Pine Knot Marina), John Saunders and Reese Troublefield (Dana's Point Marina). According to the most recent addendum to the marina permits, compensation is adjusted every five years by the average annual one year cost of living increase. Using this calculation compensation should increase by 2.2%. Loren Hafen requested that, in light of the difficult economy, no increase be made and to wait another five years before a change is made. He said he owns properties in the village and has not raised rental rates for several years commenting that now is not the time to increase fees. Alan Sharp added that they have been spending more money in order to staff the ramp to meet requirements for Quagga inspections. Steve Pontell wants to step back farther and meet and discuss a strategic plan for the Lake that identifies what the District and Marinas expect of each other and collaborate on Lake imaging, messaging, and communication to the public. He also says that just because the District can raise rates does not mean they should. The economy has taken a toll on business. John Saunders says that his expenses have gone up and yet his income has gone down. He said that the District was formed to provide recreation. Steve Pontell reiterated the importance of working on a strategic plan for recreation on the Lake. If a 2.2% increase were applied to the \$75,000 compensation income budgeted it would raise an additional \$1,650. The committee recommends that the District should consider the economic situation and the cost of providing services to the marinas and only recommends raising compensation by 1.1%. The Committee also concluded that because Pleasure Point had been assessed a 2% increase last year, their compensation should be adjusted to reflect any agreement made as a result of Board action on this recommendation. The Committee also would like Staff to add an agenda item on the Marina Task Force meeting agenda that includes initiating a discussion on a Lake strategic plan.

OTHER AGENCY INVOLVEMENT: None

FINANCING: Minor increase in marina compensation revenue.

Submitted by: Scott Heule, General Manager

**BIG BEAR MUNICIPAL WATER DISTRICT
REPORT TO BOARD OF DIRECTORS**

MEETING DATE: November 4, 2010

AGENDA ITEM: 6C

SUBJECT:

CONSIDER APPROVAL OF CONSULTANT AGREEMENT FOR SIMON WONG ENGINEERS TO PREPARE PLANS, SPECIFICATIONS, AND COST ESTIMATE FOR THE REPLACEMENT DAM SERVICE BRIDGE CONSTRUCTION PROJECT

RECOMMENDATION:

Caltrans has been asked to prepare a written commitment to fund the construction of a replacement service bridge on the dam. The General Manager recommends that the Board authorize Simon Wong Engineers to prepare plans, specifications and cost estimate for the bridge providing a funding commitment from Caltrans is received prior to the Board meeting.

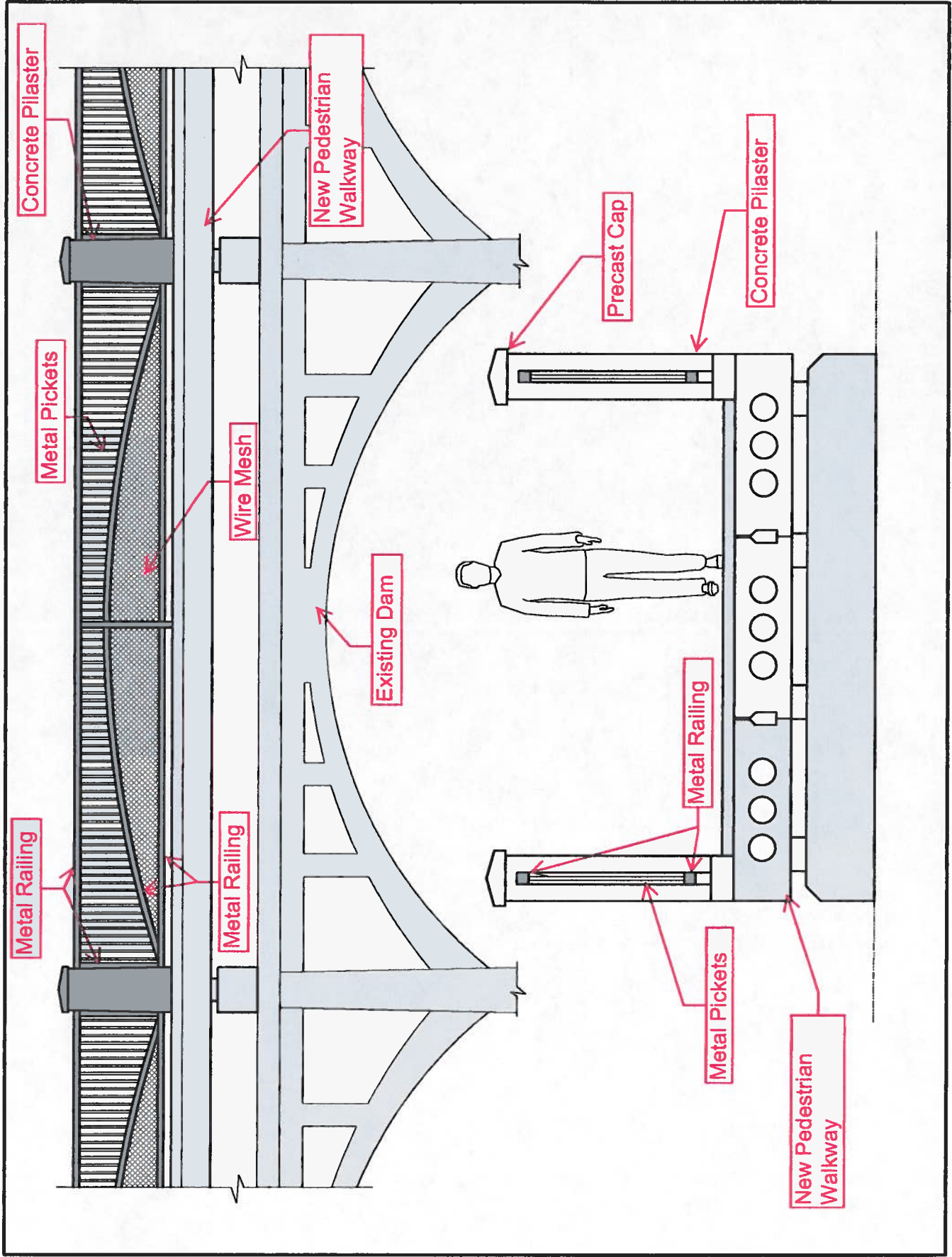
DISCUSSION/FINDINGS:

The District has been in negotiations with Caltrans for several years to secure an agreement that describes their commitment to funding the cost of a replacement service bridge on the dam after the old highway bridge is removed. In anticipation of an agreement the District has already completed preliminary engineering design work to identify the basic construction type and has evaluated possible railing designs. The basic service bridge design will include a 12-foot wide pre-stressed pre-cast concrete deck. An architectural railing design already approved by Caltrans, includes concrete pilasters above each dam buttress and wire mesh and vertical steel pickets between (see attached). Caltrans has reviewed and cleared the replacement bridge construction for the appropriate State and Federal environmental regulations. In response to requests by Staff Simon Wong Engineers has prepared the attached proposal in the amount of \$138,000 (excluding \$4,500 for additional railing alternatives that has already been completed), for detailed engineering design services, including preparing plans, specifications and a cost estimate that will satisfy Caltrans requirements. The proposed scope of work includes construction support but not construction inspection. Simon Wong Engineers estimates they will need about 12 weeks to complete their work. At the 65% design drawing stage the plans will be discussed in person with Division of Safety of Dams engineers in Sacramento in hopes of expediting their review and approval process. Providing all schedules go well, the replacement service bridge could be under construction by February 2011.

OTHER AGENCY INVOLVEMENT: Caltrans, Division of Safety of Dams and US Forest Service

FINANCING: Funding for this work will come from the Dam Repair Fund. In Fiscal Year 2009-10 the District budgeted \$40,000 from the Dam Repair Fund for this work but only spent \$4,500. In the current Fiscal Year (2010-11) the District budgeted \$100,000 for this effort.

Submitted by: Scott Heule, General Manager



CONSULTANT AGREEMENT

As of November 4, 2010, the **Big Bear Municipal Water District**, hereinafter called "Big Bear," and Simon Wong Engineering, hereinafter called "Consultant," agree as follows:

Section 1. Purpose

Under this Agreement, the Consultant shall provide the Advanced Planning Studies for the pedestrian bridge that is to be supported on the existing Bear Valley Dam structure.

Section 2. Services

The Consultant shall, in good workmanlike and professional manner, furnish the technical, administrative, professional and other labor, supplies and materials, equipment, printing, vehicles, transportation, office space and facilities necessary to perform and complete the work and provide the services as set forth in Exhibit "A" of this Agreement.

Section 3. Consideration

(a) The District shall compensate Consultant on a fixed fee basis, contingent on satisfactory performance of the work. The aggregate payments under this Agreement shall not exceed \$138,000 (excludes \$4,500 for additional railing alternatives).

(b) The Consultant shall complete and submit an invoice showing date of work, description of work performed, amount of invoice and supporting documentation. The District shall pay the Consultant within thirty (30) days of invoice being submitted.

Section 4. Term

This Agreement shall commence on the date above written, and shall continue until completion of the services described above. Either party may terminate this Agreement on thirty (30) days' written notice.

Section 5. Ownership of Data, Reports, and Documents

The Consultant shall deliver to the District on demand or completion of the project, notes of surveys made, reports of tests made, studies, reports, plans, and other materials and documents which shall be the property of the District. If the District uses any of the data, reports, and documents furnished or prepared by the Consultant for projects other than the project shown on Exhibit "A," the Consultant shall be released from responsibility to third parties concerning the use of the data, reports, and documents. The Consultant may retain copies of the materials. The

District may use or reuse the materials prepared by Consultant without additional compensation to Consultant.

Section 6. Subcontracts

The Consultant shall not subcontract or assign responsibility for performance of any portion of this Agreement without the prior written consent of the District. Except as otherwise specifically approved by the District, the Consultant shall include appropriate provisions of this Agreement in subcontracts so rights conferred to the District by this Agreement shall not be affected or diminished by subcontract. There shall be no contractual relationship intended, implied or created between the District and any subcontractor with respect to services under this Agreement.

Section 7. Independent Contractor

The Consultant is an independent contractor, and not an employee of the District.

Section 8. Indemnification

Consultant shall defend, indemnify, and hold harmless the District, its officers, employees and agents, from and against loss, injury, liability, or damages arising from any act or omission to act, including any negligent act or omission to act by Consultant or Consultant's officers, employees, or agents.

Section 9. Insurance

(a) The Consultant shall procure and maintain, for the duration of this Agreement insurance against claims for injuries to persons or damages to property arising from or in connection with the performance of the work hereunder by the Consultant, officers, agents, employees, or volunteers.

(b) The Consultant shall provide the following coverages:

(1) Commercial general liability insurance written on an occurrence basis in the amount of \$1,000,000 combined single limit per occurrence for bodily injury, personal injury, and property damage. The insurance policy shall be amended to provide that the general aggregate limit shall apply separately to the work under this Agreement or the general aggregate shall be twice the required per occurrence limit.

(2) Business automobile liability insurance insuring all owned, non-owned and hired automobiles, in the amount of \$1,000,000 combined single limit per accident for bodily injury and property damage.

(3) Workers' Compensation insurance as required by the Labor Code of the State of California and Employers Liability Insurance with the statutory Workers' Compensation limits as required by the Labor Code of the State of California, and \$1,000,000 per accident for bodily injury and disease Employers Liability. The Consultant and all subcontractors shall cover or insure all of their employees working on or about the construction site regardless of whether such coverage or insurance is mandatory or merely elective under the law.

(c) The insurance policies required above shall contain or be endorsed to contain the following specific provisions:

(1) Commercial general liability and automobile liability:

(i) The District and its Board Members, officers, employees, agents and volunteers are added as insured;

(ii) The Consultant's insurance shall be primary insurance as respects the District, its Board Members, officers, employees, agents and volunteers and any insurance or self-insurance maintained by the District shall be excess of the Consultant's insurance and shall not contribute to it.

(iii) Any failure to comply with the claim reporting provisions of the policies or any breach of a policy warranty shall not affect coverage under the policy provided to the District, its Board Members, officers, employees, agents and volunteers.

(iv) The policies shall contain a waiver of transfer rights of recovery ("waiver of subrogation") against the District, its Board Members, officers, employees, agents and volunteers for any claims arising out of the work of the Consultant.

(v) The policies may provide coverage which contains deductible or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to the District under such policies. The Consultant shall be solely responsible for deductible and/or self-insured retention and the District, at its option, may require the Consultant to secure the payment of such deductible or self-insured retentions by a surety bond or an irrevocable and unconditional letter of credit. The insurance policies that contain deductibles or self-insured retentions in excess of \$25,000 per occurrence shall not be acceptable without the prior approval of the District.

(vi) Prior to start of work under this Agreement, the Consultant shall file with the District evidence of insurance as required above from an insurer or insurers

certifying to the required coverage. The coverage shall be evidenced on an ACCORD Certificate of Insurance form (latest version) and be signed by an authorized representative of the insurer(s). A copy of form ISO 2009 required in above shall be attached to the Certificate of Insurance at the time it is filed with the District. Should the required coverage be furnished under more than one policy of insurance, the Consultant may submit as many certificates of insurance as needed to provide the required amounts. In the event the Certificate furnished by the Consultant does not adequately verify the required coverage, the District has the right to require the Consultant to provide copies of the specific endorsements or policy provisions actually providing the required coverage. The District reserves the right to require certified complete copies of any insurance coverage required by this Agreement, but the receipt of such policy or policies shall not confer responsibility upon the District as to sufficiency of coverage.

(2) All Coverages: Each policy required in this section shall contain a policy cancellation clause that provides the policy shall not be canceled or otherwise terminated by the insurer or the Consultant or reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the District, Attention: Office Manager.

(d) All insurance required by this Agreement shall be placed with insurers licensed by the State of California to transact insurance business of the types required herein. Each insurer shall have a current Best Insurance Guide rating of not less than A: VII unless prior approval is secured from the District as to the use of such insurer.

(e) The Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein. The Consultant shall maintain evidence of compliance with the insurance requirements by the subcontractors at the job site and make them available for review by the District.

Section 10. **Integration**

This Agreement represents the entire understanding of District and Consultant as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing, signed by both parties.

Section 11. Governing Law

This Agreement shall be interpreted and construed under, and the rights of the parties will be governed by the laws of the State of California.

Section 12. Attorney Fees

The prevailing party in an action or proceeding arising from or related to this Agreement shall be entitled to recover actual attorney fees, expenses and costs incurred as part of the action or proceeding.

IN WITNESS WHEREOF, the parties hereby have caused this Agreement to be executed the date first above written.

APPROVED:
Big Bear Municipal Water District

APPROVED:
Simon Wong Engineering

By: _____
Scott Heule, General Manager

By: _____
James Frost, P.E., Vice President

Attest:

By: _____
Vicki Sheppard, Board Secretary

**BIG BEAR MUNICIPAL WATER DISTRICT
REPORT TO BOARD OF DIRECTORS**

MEETING DATE: November 4, 2010

AGENDA ITEM: 6D

SUBJECT: DISCUSSION AND POSSIBLE ACTION ON FORMATION OF MWD NON-PROFIT FOUNDATION

RECOMMENDATION:

The General Manager and the Foundation Ad-Hoc Committee recommend that the Board direct the Ad-Hoc Committee and District Counsel to begin preparing the Foundation paperwork

DISCUSSION/FINDINGS:

The Board reviewed a second draft white paper describing objectives, duties and operation of a future MWD Foundation at the meeting on September 16, 2010 (copy attached). Board members were asked to comment to the General Manager if they had additions or suggested changes to the paper. None have been received. The Committee indicates that the MWD Board should be looking to appoint Foundation Directors who are high caliber, quality people, who can and will bring their energy and expertise to support the programs and policies of the Big Bear Municipal Water District through volunteer work and fundraising. The Committee recommends that each Board member submit a prioritized list of three or four potential candidates from their Division who they believe would make good Foundation Directors to the General Manager. The lists would be compiled and then distributed to the full Board for their consideration. After the full Board approves a list of up to ten candidates, Board members will ask their nominees to become members of the Foundation Board. If the approach that the MWD Foundation Ad-Hoc Committee has proposed is acceptable they recommend authorizing District Council to draft Foundation By-Laws and 501(C) 3 Non-profit filing paperwork. Once the By-Laws have been prepared and conceptually approved by the MWD Board the Foundation Board would be asked to select a name and review and suggest any edits or modifications to the By-Laws for consideration by the MWD Board.

OTHER AGENCY INVOLVEMENT: None

FINANCING: None

Submitted by: Scott Heule, General Manager

MWD Foundation

Rough Draft 09-13-10

The Mission of the MWD Foundation is to support the policies and priorities of the Big Bear Municipal Water District through: public education, volunteer support, fundraising and development, and key project financial support.

1. The purpose of the MWD Foundation will be to:
 - a. Provide volunteers as needed for District special events such as Kool Kids, Shoreline Cleanup and Carp Roundup
 - b. Raise funds and write grant applications for MWD Board approved projects such as capital improvements, fisheries, invasive species control/protection
2. The MWD Foundation Board of Directors will be appointed by the MWD Board of Directors, two from each MWD Division (up to ten) for two year terms and will serve the interests of the MWD Board of Directors and MWD policies, priorities and regulations.
3. The Foundation Board meetings will be conducted transparently in accordance with the State of California Brown Act rules for meeting notices, agendas etc.
4. The Foundation Board will elect or appoint officers including but not limited to President, Vice President, Recording Secretary and Treasurer. Foundation Board can form subcommittees to accomplish certain tasks such as shoreline cleanup, Quagga inspections, launch ramp traffic control etc.
5. The Foundation Board is encouraged to develop selection criteria and recruit interested volunteers from the community to assist in carrying out the work of the Foundation.
6. The MWD Foundation will provide their own administrative support and will not rely on District office equipment or supplies or employees to carry out their mission.
7. Liaison with the MWD Board will be facilitated by one MWD Director appointed by the MWD Board President and the MWD General Manager who will attend monthly Foundation Board meetings. The assigned liaison MWD Board Member and the MWD General Manager will advise the Foundation Board regarding minimum qualifications and performance expectations for volunteers who may take part in District special events and activities.
8. The Foundation may reimburse Foundation members for direct expenses incurred as part of their approved activities on behalf of the Foundation. Valid receipts must accompany all reimbursement requests. No compensation, stipend, per diem or other remuneration for service on behalf of the Foundation will be given.
9. One of the first tasks for the Foundation Board will be to raise approximately \$2000 to pay the expenses associated with preparing and filing of a 501(c)-3 non-profit foundation incorporation paperwork.