

A G E N D A
BIG BEAR MUNICIPAL WATER DISTRICT

BOARD OF DIRECTORS
Regular Meeting
September 6, 2012

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

Next Resolution Number: 2012-15

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 an Adjourned Regular Meeting of August 23, 2012
 - B. Minutes of a Special Meeting of August 27, 2012
 - C. Warrant List Dated August 30, 2012 for \$29, 338.85
 - D. Consider approval of a Special Event Permit for North Shore Elementary School Rubber Ducky race
- 6. BUSINESS**
 - A. Administer Oath of Office to Mary Ann Lewis, Division 2
 - B. Consider approval of paying off the outstanding balance of the Calpers Retirement Side Fund
 - B. Consider approval of a Second Tier Retirement Formula
- 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**

NEXT MEETING: Open Session at 1:00 P.M.
Thursday, September 20, 2012
Big Bear Municipal Water District
40524 Lakeview Drive, Big Bear Lake, CA

PLEASE 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.

Agenda related writings or documents provided to the Board of Directors are available for public inspection at www.bbmwd.org or in the District office during business hours, 8:00 am – 4:30 pm Monday – Friday.

Big Bear Municipal Water District wishes to make all of its public meetings accessible to the public. If you need special assistance to participate in this meeting, please contact the Board Secretary. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting

***MINUTES OF AN ADJOURNED REGULAR MEETING OF
BIG BEAR MUNICIPAL WATER DISTRICT
HELD ON THURSDAY, AUGUST 23, 2012***

CALL TO ORDER

President Eminger called the Open Session to order at 1:00 PM. Those in attendance included Director Murphy, Director Suhay, Director Smith, District Counsel Wayne Lemieux (via Skype), General Manager Scott Heule, Lake Manager Mike Stephenson, and Board Secretary Vicki Sheppard.

REPORTS

General Manager, Scott Heule reported on the flooding at the Trout Pond after the last big rainfall commenting that he has some pretty graphic photos showing the flooding and erosion. He added that some water got into the basement of the house. He explained that there will need to be some remedial action taken to prevent further erosion in a couple locations prior to the upcoming wet weather. He commented that he also walked upstream on District property explaining that although in a couple places the water spread out to a width of maybe 75 to 100 feet, the water never threatened adjacent buildings. Mr. Heule reported that two September events have been occupying a lot of senior staff time. He explained that the Summer BBQ scheduled for the afternoon of September 9th is coming together nicely. He reported that we have some new games planned that will be unique because we will be at the Trout Pond. He also commented on the planning for the Bear Valley Dam 100 year anniversary celebration scheduled for Sunday September 16th adding that it is also occupying lots of time. He added that we have not had much response to invitations for reserved tickets explaining that we might have more to sell than we anticipated.

Lake Manager, Mike Stephenson reported that Kool Kids had 52 students on Tuesday and 124 on Wednesday for a total of 176 children. He thanked the Directors for their participation and hard work. President Eminger added that Channel 7 was going to come up and report on Kool Kids but because of the fire in Temecula, that didn't happen.

APPROVAL OF CONSENT CALENDAR

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

- Minutes of a Regular Meeting of August 2, 2012
- Warrant List Dated August 17, 2012 for \$89,519.91
- Consider approval of a Special Event Permit for the Antique and Classic Boat Show to be held August 23rd – 26th

PUBLIC FORUM

Mr. Jack Williams, valley resident, commented on flooding at the sediment ponds at the bottom of Rathbun Creek adding that he has a video of the flooding. Mr. Heule explained that we will get in there when the lake drops.

Mr. Joseph Kelly introduced himself as a candidate for MWD Division 5 running against Director Vince Smith.

CANDIDATE INTERVIEWS FOR BBMWD DIVISION 2 APPOINTMENT

Mr. Heule explained that based on the prioritized lists from the four Directors the top three candidates unanimously selected included Michael Beverage, Maryann Lewis and Les Milton and each of these three candidates were interviewed separately during this meeting in this order:

Michael Beveridge

Mary Ann Lewis

Les Melton

District Counsel Wayne Lemieux advised that no discussion can be made regarding the candidates outside of a public meeting and it will have to come to a vote at the next regular meeting scheduled for September 6th. Director Suhay asked if it could go back to the Administrative Committee for discussion and recommendation. Mr. Lemieux advised that it could not go back to Committee explaining that no "secret ballots" are allowed.

ANNOUNCEMENTS

No announcements were made

DIRECTOR COMMENTS

Director Murphy commented that he thinks Mr. Heule should suggest to some of the other General Managers in the valley that they do an educational event similar to Kool Kids to educate students (possibly older students) regarding what other valley agencies do.

ADJOURNMENT

There being no further business, the meeting was adjourned at 1:35 P.M.

NEXT MEETING

Open Session at 1:00 P.M.
Thursday, September 6, 2012
Big Bear Municipal Water District
40524 Lakeview Drive, Big Bear Lake, CA

Vicki Sheppard
Secretary to the Board
Big Bear Municipal Water District

(SEAL)

**MINUTES OF A SPECIAL MEETING OF
BIG BEAR MUNICIPAL WATER DISTRICT
HELD ON MONDAY, AUGUST 27, 2012**

CALL TO ORDER

President Eminger called the Open Session to order at 9:36 AM. Those in attendance included Director Smith, Director Suhay, Director Murphy (via conference call), General Manager Scott Heule, and Board Secretary Vicki Sheppard.

CONSIDER APPOINTING A REPLACEMENT BOARD MEMBER TO FILL THE UNEXPIRED DIVISION 2 TERM ENDING DECEMBER 31, 2014

President Eminger called for nominations.

Director Suhay made a motion nominating Les Melton. There were no seconds.

Director Smith made a motion nominating Mary Ann Lewis, Director Murphy seconded the motion.

Director Suhay expressed his concern that in the interview process Ms. Lewis stated that she was out of town (to her home in the desert) 4 to 5 days a week. Director Smith reported that he asked her about being available for more than 2 meetings a month explaining to her that there were additional committee meetings and up to 6 total meetings a month and she stated that she could adjust her schedule to accommodate any meetings. President Eminger added that she would know her meetings schedule in advance. Director Murphy stated that it was obvious to him that she had done her research regarding the mission and direction of the District. Director Smith commented that he believed that either Les Melton or Mary Ann Lewis could do a good job.

Director Eminger called for a vote on the nomination of Mary Ann Lewis to fill the unexpired Division 2 term ending December 31, 2014 and she was unanimously approved.

PUBLIC FORUM

No comments were made

Mr. Heule stated that he had a discussion with President Eminger and President Eminger will be adjusting the Committee assignments in the near future to reflect the availability of the new Board member.

ADJOURNMENT

There being no further business, the meeting was adjourned at 9:44 AM

NEXT MEETING

Open Session at 1:00 P.M.
Thursday, September 6, 2012
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, 08/18/12 to 08/29/12
 Account 10010-00-001, Sessions 000000 to 002750**

Check	Payment / Vendor Information	Ck Date	Prty	Invoice	Session	Reference	Amount
Checking Account: 10010-00-001							
150678	AFLAC / AFLAC	08/24/12	2	957399	002747	PREMIUM	284.18
AFLAC Subtotal :							284.18
150679	ALIBER / Nick Aliberti	08/24/12	2	3134	002747	PUBLICINFO	525.00
ALIBER Subtotal :							525.00
150680	ALLPRO / All Protection Alarm Co.	08/24/12	2	312944	002747	FACILMAINT	38.85
150680		08/24/12	2	313226	002747	FACILMAINT	34.35
150680		08/24/12	2	313375	002747	FACILMAINT	183.75
150680		08/24/12	2	313473	002747	EASTMAINT	116.55
ALLPRO Subtotal :							373.50
150681	ALTITU / ALTITUDE FINANCIAL PLANNING	08/24/12	2	1488	002747		468.75
ALTITU Subtotal :							468.75
150682	BBPROD / BIG BEAR PRODUCTIONS	08/24/12	2	08012012	002747	PUBLICINFO	8800.00
BBPROD Subtotal :							8800.00
150683	BMARIN / Big Bear Marina	08/24/12	2	10311177	002747	PETROBOAT	1428.56
BMARIN Subtotal :							1428.56
150684		08/24/12	2	10311178	002747	PETROBOAT	1663.02
BMARIN Subtotal :							1663.02
150685	BREG / Breg International	08/24/12	2	29459	002747	PETROWASTE	62.83
BREG Subtotal :							62.83
150686	BUTCHR / Butcher's Block & Building Materi	08/24/12	2	148321	002747	FACILMAINT	75.04
BUTCHR Subtotal :							75.04
150687		08/24/12	2	147094	002747	TROUTPROP	18.64
150687		08/24/12	2	148036	002747	TROUTPROP	20.11
BUTCHR Subtotal :							38.75
150688	BVELEC / Bear Valley Electric	08/24/12	2	08062012A	002747	UTIL-RV	1900.40
150688		08/24/12	2	08062012B	002747	UTIL-MAIN	84.22
150688		08/24/12	2	08062012C	002747	UTIL-MAIN	10.44
150688		08/24/12	2	08092012	002747	UTIL-TROUT	4.25
BVELEC Subtotal :							1999.31
150689	BVPRIN / Bear Valley Printing	08/24/12	2	13044	002747	MAPPRINT	1616.25
150689		08/24/12	2	82481	002747	ADMINPRINT	61.99
BVPRIN Subtotal :							1678.24

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Check	Payment / Vendor Information	Ck Date	Prty	Invoice	Session	Reference	Amount
150690	BVUSD / Bear Valley Unified School Distri	08/24/12	2	13001	002747	KOOL	207.00
						BVUSD Subtotal :	207.00
150691	CALJUN / Cal-June Incorporated	08/24/12	2	0443737	002747	SHOPMAINT	235.60
						CALJUN Subtotal :	235.60
150692	CHARTE / CHARTER COMMUNICATIONS	08/24/12	2	08162012	002747	PHONE-WEB	274.99
						CHARTE Subtotal :	274.99
150693	CHEMPA / CHEM PAK PRODUCTS	08/24/12	2	78432	002747	JANITSUPPL	102.77
						CHEMPA Subtotal :	102.77
150694	COMPVI / COMPUTER VILLAGE	08/24/12	2	125837	002747	DOMAINSUBS	84.95
						COMPVI Subtotal :	84.95
150695		08/24/12	2	125660	002747	COMPCONSLT	600.00
						COMPVI Subtotal :	600.00
150696	COMSER / ComSerCo	08/24/12	2	61794	002747	RADIOHAND	958.98
						COMSER Subtotal :	958.98
150697	CONNEY / Conney Safety Products	08/24/12	2	04244208	002747	JANITSUPPL	119.38
						CONNEY Subtotal :	119.38
150698	DISH / Dish Network	08/24/12	2	08042012	002747	UTIL-MAIN	64.99
						DISH Subtotal :	64.99
150699	ETSPUW / Education & Training Services Pub	08/24/12	2	WILLIAMS12	002747	TRAINING	549.00
						ETSPUW Subtotal :	549.00
150700	IDEARC / SUPERMEDIA LLC	08/24/12	2	08192012	002747	EMAILORG	29.95
						IDEARC Subtotal :	29.95
150701	INFINI / INFINITY TRUST	08/24/12	2	38200	002747	PREMIUMS	128.88
						INFINI Subtotal :	128.88
150702	LINCON / Lincoln Financial Group	08/24/12	2	08162012	002747	DEFRDCOMP	1345.00
						LINCON Subtotal :	1345.00
150703	MCMSTR / McMaster-Carr Supply Co.	08/24/12	2	33625705	002747		76.67
150703		08/24/12	2	33794916	002747	KOOL	18.20
						MCMSTR Subtotal :	94.87

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Check	Payment / Vendor Information	Ck Date	Prty	Invoice	Session	Reference	Amount
150704	MNTROP / Mountain Trophy & Awards	08/24/12	2	20120154	002747	PUBLICINFO	12.93
						MNTROP Subtotal :	12.93
150705	NALMS / N.AMERICAN LAKE MANAGEMENT SOCIET	08/24/12	2	INSU190	002747	MEMBERSHIP	55.00
						NALMS Subtotal :	55.00
150706	ORION / Orion Radiology	08/24/12	2	64394761	002747	PHYSICAL	34.00
						ORION Subtotal :	34.00
150707	PITNY / PITNEY BOWES (RENTAL)	08/24/12	2	AUG2012	002747	POSTAGE	121.00
						PITNY Subtotal :	121.00
150708	RDIOSH / RadioShack Corporation	08/24/12	2	030056	002747	FACILMAINT	40.40
150708		08/24/12	2	041065	002747	EQUIPMAINT	21.54
						RDIOSH Subtotal :	61.94
150709	SBCFIR / SAN BERNARDINO COUNTY FIRE	08/24/12	2	IN0083054	002747	PERMITHZMT	1054.00
						SBCFIR Subtotal :	1054.00
150710	SBCNTY / Auditor/Controller	08/24/12	2	4138	002747	LAFCO	1653.74
						SBCNTY Subtotal :	1653.74
150711	STEGMA / Stegmann Service	08/24/12	2	129804	002747	FACIL-RV	141.04
						STEGMA Subtotal :	141.04
150712	SUHAY / Skip Suhay	08/24/12	2	TRAV2012	002747		253.77
						SUHAY Subtotal :	253.77
150713	SUN / THE SUN	08/24/12	2	08202012	002747	SUBSCRIPT	208.80
						SUN Subtotal :	208.80
150714	SWSTGS / Southwest Gas Corp	08/24/12	2	08152012A	002747	UTIL-MAIN	11.99
150714		08/24/12	2	08152012B	002747	UTIL-RV	18.96
						SWSTGS Subtotal :	30.95
150715	TANKLS / ALVIN TANKSLEY	08/24/12	2	14070	002747	RVDEPOS	40.00
						TANKLS Subtotal :	40.00
150716	TUTTLE / JOHN TUTTLE	08/24/12	2	08072012	002747	PHONE-CELL	26.67
						TUTTLE Subtotal :	26.67
150717	VALERO / Valero Marketing and Supply Co.	08/24/12	2	08212012	002747	PETROAUTO	1861.64
						VALERO Subtotal :	1861.64
150718	VERIZO / Verizon California	08/24/12	2	08012012A	002747	PHONEMAIN	434.16

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Check	Payment / Vendor Information	Ck Date	Prty	Invoice	Session	Reference	Amount
150718		08/24/12	2	08012012B	002747	PHONERAMP	60.72
150718		08/24/12	2	08012012C	002747	PHONE-RAMP	46.50
150718		08/24/12	2	08012012D	002747	PHONERAMP	63.60
150718		08/24/12	2	08132012	002747	PHONEMAIN	49.50
						VERIZO Subtotal :	654.48
150719	VERWIR / VERIZON WIRELESS	08/24/12	2	1109174492	002747	PHONE-CELL	174.06
						VERWIR Subtotal :	174.06
150720		08/24/12	2	1107217758	002747	PHONE-CELL	217.01
						VERWIR Subtotal :	217.01
150721	WASTE / SOLID WASTE MANAGEMENT DIVISION	08/24/12	2	010356	002747	FACILMAINT	357.72
						WASTE Subtotal :	357.72
150722	WEBER / JAMES WEBER	08/24/12	2	08062012	002747	PHONECELL	50.00
						WEBER Subtotal :	50.00
150723	WILLS / RICH WILLIAMSON	08/24/12	2	08072012	002749	QUAGGA	136.56
						WILLS Subtotal :	136.56
						Total For Check Account: 10010-00-001	29338.85
						Check Register Total :	29338.85

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

MEETING DATE: *September 6, 2012*

AGENDA ITEM: *5D*

SUBJECT:

**CONSIDER APPROVAL OF A SPECIAL EVENT PERMIT FOR NORTH SHORE
ELEMENTARY SCHOOL RUBBER DUCKY RACE**

RECOMMENDATION:

The General Manager and the Operations Committee (Directors Murphy & alternate Suhay) recommend approval of this event.

DISCUSSION/FINDINGS:

North Shore Elementary School has requested a special event permit for a rubber ducky race at the East Launch Ramp. The event would be held on Wednesday, September 12, 2012. They propose walking the children to the ramp from the school with each grade level watching one of seven race starts. They propose launching the ducks from the easterly dock next to the ramp and using the adjacent beach area. The Committee recommends approval of this event subject to the following special conditions:

1. All children will remain on the shoreline.
2. Adults only will be allowed on the dock.
3. All activity must remain on the easterly dock and the beach area immediately east of the east dock.
4. A method to contain the ducks within the race area will be used such as a boat/kayak/canoe with a fish net to capture errant ducks and prevent them from floating away.

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

SPECIAL EVENT PERMIT FOR BIG BEAR LAKE

As of Big Bear Municipal Water District (hereinafter "District") grants a Special Event Permit to as follows:

Section 1. Event Described

Permittee may conduct only the event described on Exhibit "A", attached hereto and hereby incorporated by this reference. Permittee shall comply with laws, rules and regulations applicable to the event.

Section 2. Fees and Deposits

Within 30 days before the event: the Permittee shall pay the District \$100.00 to cover the cost of processing this Permit, and the Permittee shall deposit \$500.00 with the District to cover the cost of clean-up and other added expenses incurred by the District if Permittee fails to comply with this Permit. The part of the deposit, if any, not used by the District shall be refunded to the Permittee within 30 days after the event. The attached Fee Schedule (Exhibit "B") details rates for special services.

Section 3. Indemnification

A. Permittee shall indemnify and hold harmless and defend District, its officers, agents, employees and volunteers from and against: cost, liability and damages, including attorney's fees and litigation costs, arising out of any act or omission to, including any negligent act, or omission to act, by Permittee, its officers, agents, employees or volunteers arising out of activities permitted herein.

B. Permittee shall reimburse District and its directors, officers, employees, agents and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided.

Section 4. Insurance

A. Permittee shall cause the District, its officers, agents and employees to be named as an additional or co-insurance under policies of commercial general liability insurance as broad as the following:

1. General Liability - one million dollars (\$1,000,000) per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the project/location (with the ISO CG 2501 or insurer's equivalent endorsement provided to the District) or the general aggregate limit shall be twice the required occurrence limit.

2. The coverage shall contain no special limitations on the scope of protection afforded to the District, its officers, employees, agents and volunteers.
 3. The permittee's insurance shall be primary insurance as respects the District, its officers, employees, agents and volunteers. Any insurance, pooled coverage or self-insurance maintained by the District, its officers, employees, agents and volunteers shall not contribute to it.
 4. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage.
 5. The permittee's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
 6. Such liability insurance shall indemnify the permittee against loss from liability imposed by law upon, or assumed under contract by, the permittee for damages on account of such bodily injury (including death), property damage, personal injury and completed operations and products liability.
 7. Such insurance shall be provided on a policy form written by underwriters through an agency satisfactory to the District which includes a cross-liability clause, and covers bodily injury and property damage liability, blanket contractual liability and completed operations liability.
 8. Any deductible or self-insured retention must be declared to and approved by the District. At the option of the District, either the insurer shall reduce or eliminate such deductibles or self-insured retentions.
 9. The insurer shall have a current A.M. Best's rating of no less than A-VII or equivalent.
- B. If applicable, the permittee shall cover or insure under the applicable laws relating to:
1. Workers' compensation insurance, all of their employees working on or about the event, regardless of whether such coverage or insurance is mandatory or merely elective under the law, and the permittee shall defend, protect and save harmless the District, its officers, employees, agents and volunteers from and against all claims, suits, and actions arising from any failure of the permittee to maintain such insurance. Before beginning work, permittee shall furnish to the District satisfactory proof that he has taken out for the period covered by the event, full compensation insurance for all persons employed directly by him in the event contemplated under this contract, has been obtained in accordance with the "Workers' Compensation and Insurance Act".
 2. The permittee shall provide employer's liability insurance in the amount of, at least, \$1,000,000 per accident for bodily injury and disease.
- C. Prior to execution of the contract, the permittee shall file with the District evidence of insurance from an insurer or insurers certifying to the coverage of insurance required herein. Such evidence shall include original copies of the ISO CG 2010 (endorsement form or insurer's equivalent) signed by the insurer's representative and certificate of insurance (Accord Form 25-S or equivalent). If such proof is not received 30 days prior to the event, the event may be canceled by the District's General Manager. All evidence of insurance shall be certified by a properly authorized officer, agent or qualified representative of the insurer and shall certify the names of the insured, any additional primary insurers, where appropriate, the type and amount of the insurance, the location and operations to which the insurance applies, the expiration date. The insurer will give by certified mail, written notice to the District at least thirty (30) days prior to the effective date of any cancellation, lapse or material change in the policy.

Section 5. Safety Regulations

The Permittee shall conduct the event with due care for the safety and welfare of participants and spectators, and in compliance with all laws, rules and regulations of federal, state, county or local agencies asserting jurisdiction. The Permittee shall attend two meetings with District representatives prior to the event described as follows:

A. Permit compliance meeting: Permittee shall demonstrate that all permit conditions have been met.

B. Skipper's and/or Safety meeting: Event organizers and participants shall meet with District representatives to have any questions answered and to receive an update of current Lake conditions which may affect event activities.

Section 6. Conditions

The Permittee shall comply with the conditions set forth on Exhibit C attached hereto and hereby incorporated by this reference.

Accepted by:

8-20-12
Date

J Hollenkaugh
Permittee

Date

General Manager

EXHIBIT A

DESCRIPTION OF EVENT

1. Name of Event: North Shore Elementary School Rubber Duck Race
2. Location: East Boat Ramp
3. Date(s): September 12th 2012
4. Describe Event: students at the school will purchase ducks, then we will go to the Boat Ramp and have a race from the left side of the dock to the beach
5. Estimated Number of Participants:
6. Estimated Number of Spectators: We will have each grade level come over and watch about 90-100 people each race, but we will have 7 different starts.
7. Method of Limiting Attendance:
8. Method of Trash Collection and Disposal:
9. Proposed First-Aid Services: N/A
10. Proposed Security Services: N/A
11. Proposed Fire Protection Services: N/A
12. Proposed Sanitation Facilities: N/A
13. Parking Arrangements: We will all be walking from the school
14. Name, Address and Telephone Number of Person Available Before and During Event with authority to Control Event: Jennifer Hollenbaugh P.O. Box 4622 BBL, (909) 659-6071
15. Perimeter control, if applicable:

For District use only:	
(601) <input type="checkbox"/>	Deposit \$ _____
	Date _____ Ck # _____
(511) <input type="checkbox"/>	Fee \$ _____
	Date _____ Ck # _____

EXHIBIT B

FEE SCHEDULE

1. APPROVED SPECIAL EVENTS (except filming/photos):

Lake usage fee: Non-commercial	-0-
Commercial	\$200/event (or 5% of gross, whichever is greater)

*Lake Patrol or work boat services (one hour minimum):

Boat with operator	\$115/hour
Each additional staff person	\$ 30/hour

Other services: actual cost

*These fees will be deducted from the deposit where it is determined that additional Lake Patrol, weed harvesting or similar services will be necessary in the interest of health and safety.

2. GROUP SPECIAL EVENT PERMITS

A discounted boat permit fee for approved special events will be available at prevailing fees for the term of the event to those entrants not already having a boat permit. Any entrant participating for less than the full term of the event shall pay the normal daily permit fees. A minimum number of twenty-five special event boat permits shall be issued for the approved event to qualify for this special group rate. A group special event permit shall not be issued for major holidays or holiday weekends. Permittee shall be responsible for the sale of the special event boat permits. Proper remittance from the sale of these permits must be delivered to the District within three (3) days of the conclusion of the special event. Permittee shall be responsible for all permits including any missing permits. All other special event permit processing fees shall apply. Participants may upgrade the special event discounted boat permit to an annual boat permit by paying the difference between the special event permit fee and the annual permit fee. Upgrades to annual permits shall be handled at the District Administration office only.

**EXHIBIT C
SPECIAL CONDITIONS**

NORTH SHORE ELEMENTARY SCHOOL RUBBER DUCKY RACE

1. All children will remain on the shoreline
2. Adults only will be allowed on the dock
3. All activity must remain on the easterly dock and the beach area immediately east of the east dock
4. A method to contain the ducks within the race area will be used such as a boat/kayak/canoe with a fish net to capture errant ducks and prevent them from floating away

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

MEETING DATE: AUGUST 6, 2012

AGENDA ITEM: 6A

SUBJECT:

ADMINISTER OATH OF OFFICE TO MARY ANN LEWIS, DIVISION 2

RECOMMENDATION:

It is recommended that the District's Secretary, Vicki Sheppard, administer the oath of office to Mary Ann Lewis, Division 2.

DISCUSSION/FINDINGS:

Mary Ann Lewis was chosen as the replacement Board member to fill the unexpired Division 2 term ending December 31, 2014. Once she takes the oath of office, she will take her place at the dais.

OTHER AGENCY INVOLVEMENT: None

FINANCING: None

Submitted by: Scott Heule, General Manager

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

MEETING DATE: *September 6, 2012*

AGENDA ITEM: *6B*

SUBJECT:

CONSIDER APPROVAL OF PAYING OFF THE OUTSTANDING BALANCE OF THE CALPERS RETIREMENT SIDE FUND

RECOMMENDATION:

The General Manager and the Budget and Finance Committee (Directors Murphy & Smith) recommend approval of this action.

DISCUSSION/FINDINGS:

Back in the mid 1990's the District switched Calpers retirement formula from 2% at 60 years to 2% at 55. This change created a deficit in the retirement contributions necessary to fund the more generous retirement formula. In order to pay for the increased benefit a side fund was created that would be amortized over several years at an interest rate equivalent to the actuarial investment return assumption of 7.75%. Payment on this side fund is about \$17,000 or 2.551% of payroll for fiscal year 2012-13 and the outstanding balance is \$130,000. If the District paid the outstanding balance of the side fund the Districts' employer contribution to Calpers would be reduced from 12.789% to 10.238%. The Committee believes that it will be many years before interest rates rise to a level near 7.75% and the fiscally responsible action to take at this time is to pay off the outstanding balance of the side fund now. Money would be taken from the general fund to pay the expense.

OTHER AGENCY INVOLVEMENT: None

FINANCING: General Fund

Submitted by: Scott Heule, General Manager

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

MEETING DATE: *September 6, 2012*

AGENDA ITEM: *6C*

SUBJECT:

CONSIDER APPROVAL OF A SECOND TIER RETIREMENT FORMULA

RECOMMENDATION:

The General Manager and the Budget and Finance Committee (Directors Murphy & Smith) recommend approval.

DISCUSSION/FINDINGS:

In order to create a second tier retirement formula the District must consider the findings of an actuarial study summarizing the cost of the new plan. Staff has received reports for two potential second tier formulas. The first is for a 2% at 60 years formula three year final compensation and the second is 2% at 60 one year final compensation. The savings for both of these options will not be realized until new year round employees are hired. The percentage savings will grow as more employees subscribe to the second tier plan. Ultimately the District would see its employer paid percentage, based on FY 2012-13 rates, decrease from 10.238% (assumes side fund is paid off) to 7.846% or 8.311% respectively. Although the District will not see a reduction in payroll immediately if a change is made the Committee recommends that the Board approves a second tier retirement formula for new hires of 2% at 60 one year final compensation (copy attached).

With the administration of contracts changing to electronic management systems at Calpers all resolutions to alter contracts between participating agencies and Calpers can only be prepared by Calpers. As a result the District will have to follow the schedule below in order to secure a second tier defined benefit pension contract.

- Calpers will prepare and provide the "Resolutions of Intention" by 9/14/2012
- The District will approve the "Resolutions of Intention" on 9/20/2012 (Board Meeting)
- The District will mail back a signed certified copy to Calpers
- Calpers will prepare and provide the "Final Resolution"
- The District will approve the "Final Resolution" on 10/18/2012 (Board Meeting)
- The new second tier Contract Amendment will be effective 11/1/2012

OTHER AGENCY INVOLVEMENT: None

FINANCING: General Fund

Submitted by: Scott Heule, General Manager



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July 19, 2012

CALPERS ID: 1851068137
 Employer Name: BIG BEAR MUNICIPAL WATER DISTRICT
 Rate Plan: MISCELLANEOUS PLAN

Re: New Second Tier Plan (Section 20475: Different Level of Benefits Provided for New Employees; Section 21353 2%@60 Supplemental Formula)

Dear Requestor:

In the table below, we show your 2012-2013 employer contribution rates before and after opening a second tier.

Of the five rate components, the first three are specific to the pool to which the plan belongs and the last two are specific to your agency. However, the Phase out of Normal Cost Difference will normally be 0% beginning with rates established for 2010-2011, so it has no impact from that time on.

The Side Fund will continue to be paid off by the first tier plan since all the past service on which it is based belongs to those current members who will continue in the first tier. The scheduled dollar amounts payable will continue as before. However, because newly hired members will be covered by the second tier, the number of members and payroll in the first tier will (after several years) gradually decline. The Amortization of Side Fund rate component is the dollars needed to pay off the side fund divided by the payroll. So as long as the Side Fund remains, **the first tier rate will increase as its payroll decreases**. The first tier side fund is scheduled to be paid off after 9 years from June 30, 2012.

Therefore, in determining the employer contributions savings, Amortization of Side Fund should be excluded. For your agency, the ultimate annual employer savings equals the difference between the Normal Cost and Surcharges rates times the second tier payroll. For 2012-2013 the Normal Cost and Surcharges percentage savings is $(7.720\% + 0.522\%) - (6.640\% + 0.465\%) = 1.137\%$. **The ultimate employer annual dollar savings is about 1.1% of the second tier fiscal year payroll.**

The Risk Pool's Payment on Amortization Bases is a temporary adjustment to the pool's contribution to "get the pool back on schedule". This temporary adjustment varies in amount and duration from pool to pool.

As of June 30, 2010	Existing Plan	New Second Tier Plan
	2%@55	2%@60 for newly hired members
2012-2013 Employer Contribution Rate:		
Risk Pool's Net Employer Normal Cost	7.720%	6.640%
Risk Pool's Payment on Amortization Bases	1.996%	1.206%
One-Year Final Compensation	0.522%	0.465%
Phase out of Normal Cost Difference	0.000%	0.000%
Amortization of Side Fund	2.551%	0.000%
Total Employer Contribution Rate	12.789%	8.311%
2012-2013 Employee Contribution Rate	7.000%	7.000%

To initiate an amendment to the contract, please follow the Contract Amendment Report process on MyCalPERS with our Retirement Contract Services Unit, indicating your wish to contract for Section 20475 (Different Level of Benefits) and identifying the group(s) to which the benefit reduction applies.

The information is based on the June 30, 2010 annual valuation and is good until June 30, 2013. Note, however, that your rate after June 30, 2013 could change substantially. If your agency has not taken action to amend its contract by June 30, 2013, **you must contact the Retirement Contract Services Unit for an updated cost analysis.**

In sections 20463 (b) and (c), the California Public Employees' Retirement Law requires the governing body of a public agency within five days of receipt of the contract amendment cost analysis, to provide each employee organization with a copy of the analysis. If this cost analysis was requested by an employee organization, the employee organization is also required within five days of receipt of the analysis, to provide a copy of the analysis to the public agency.

The June 30, 2010 Section 2 Risk Pool actuarial valuation report applicable to your new second tier plan can be viewed on the following website:

<http://www.calpers.ca.gov/index.jsp?bc=/employer/actuarial-gasb/risk-pooling/valuation-reports.xml>

If you have questions, please call (888) CalPERS (225-7377).



KERRY J. WORGAN, MAAA, FSA, FCIA
Senior Pension Actuary, CalPERS