

A G E N D A
BIG BEAR MUNICIPAL WATER DISTRICT

BOARD OF DIRECTORS
Regular Meeting
November 7, 2013

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

Next Resolution Number: 2013-12

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 17, 2013
 - B. Minutes of a Special Meeting Workshop of October 31, 2013
 - C. Warrant List dated October 28, 2013 for \$47,132.41
- 6. BUSINESS**
 - A. Consider approval of a proposal for a real property appraisal to establish the market value of the three parcels comprising the District's Trout Pond holdings.
 - B. Consider renewal of Shorezone Alteration Permit for Marina Point
 - C. Review and discuss proposed amendment to the 1996 In-Lieu Agreement
- 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, November 21, 2013
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 A REGULAR MEETING OF
BIG BEAR MUNICIPAL WATER DISTRICT
HELD ON THURSDAY, OCTOBER 17, 2013***

CALL TO ORDER

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

DISCUSSION AND ACTION ON CLOSED SESSION ITEMS

President Smith reported that there was no reportable action at the closed session on October 3rd.

REPORTS

General Manager Scott Heule reported we received word this past Tuesday that CalPERS approved our request to hire retired annuitant David Henderson for the Lake Operations Supervisor position. He explained that we had understood that the process would take several weeks but evidently because of the completeness of the application that David sent them they were able to process and approve the request in record time. He added that we look forward to his service here at the District. Mr. Heule reported that the Watermaster Committee had a rare opportunity to tour the Bear Creek diversion at the Santa Ana confluence Tuesday. He explained that all of the District's communications and collaboration with our down the hill partners seems to make more sense after having stood on and touched the concrete and steel structures that capture and transmit water released from the Dam to either Mutual, Valley District, or the Conservation District. He stated that those water pioneers in the mid to late 1800's were able to develop and execute this water conveyance that is a remarkable legacy of their long range planning. He added that for those of us who are willing to walk a bit, we could drive to Bear Creek and he could point out and explain the important features of the diversion and river confluence. It was suggested by several Directors that we schedule a tour and it was agreed that we would. Mr. Heule commented that he thinks everyone enjoyed themselves at the District barbeque a couple weeks ago adding that hopefully next year we will be able to have the event before the weather gets cold. He stated that the Lake Improvement Committee asked that Staff secure bids for repairing erosion at the East Ramp Fishing Dock. He explained that requests for bids have been made but none have been returned yet.

Lake Manager Mike Stephenson reported that he had responses for bids on materials for the walkway deck platform adding that Butchers Block won and was awarded the job for a bid of \$3,000. He added that the materials will be here tomorrow. He reported that the buoys are out and the hazards are coming out now leaving a few in the more dangerous areas. He reported that we had some complaints throughout the season regarding the buoys at the dam explaining that cables snapped. He added that we had gone from using chain to using cable and will probably be going back to chain in the spring. President Smith asked about the use of rope. Mr. Stephenson explained that rope tends to wear out adding that they have not had much success with rope.

President Smith stated that he has a spool of very large rope that he is willing to donate to the District. Mr. Stephenson stated that large rope is very expensive and he thanked President Smith adding that they could use it. Mr. Stephenson reported that Fish & Wildlife reported on our Lake water sample reporting that Big Bear Lake is Quagga free. Director Lewis asked how long the District has been testing the water for the Quagga mussel. Mr. Stephenson explained we began testing in 2009. Mr. Heule added that the boat inspection program began in 2008. Director Eminger commented that we have the best Quagga program in the state. Mr. Stephenson reported that we had an inspector from County Agriculture come today regarding our use of herbicide. He explained that they were very pleased with our program adding that the only thing we were “dinged” for was that we don’t have doctor’s approvals for employees to wear a respirator. He stated that we passed with flying colors. Mr. Heule stated that “okay to wear respirators” will probably be added to physicals from now on.

APPROVAL OF CONSENT CALENDAR

Mr. Heule reported that the Consent Calendar will need to be split due to a minor error in the Warrant List.

Upon a motion by Director Lewis, seconded by Director Eminger, the following consent item was unanimously approved:

- Minutes of a Regular Meeting of October 3, 2013

Mr. Heule reported that on page 3 of the Warrant List in the Agenda Package, a check to Eadie & Payne went to the wrong account. He explained that a corrected Warrant List is provided (see attached) displaying the account correction.

Upon a motion by Director Murphy, seconded by Director Suhay, the following consent item was unanimously approved:

- Corrected Warrant List dated October 10, 2013 for \$326,190.40

IN-LIEU WATER AGREEMENT AMENDMENT DISCUSSIN AND UPDATE

Mr. Heule reported on a meeting with Valley District on Monday, October 14, with Doug Headrick, Sam Fuller, Bob Tincher, Don Evenson, and himself. He explained the discussion during the meeting as follows:

1. Edison could not divert the water at Bear Creek during the release because they needed Bear Creek water to cool Santa Ana River flows for their fishery requirements before it was diverted to Power House #3.
2. Valley estimated that they had put about 60% of the released water to beneficial use. Don Evenson had estimated the number was closer to 70%. Two reasons for these small numbers.
 - a. Vegetation transpiration along the stream course, maybe as high as 10%.
 - b. Seepage into unsaturated alluvium during the very dry early fall.
3. With the exception of the transpiration, Valley anticipates they will recover most all of the rest of the water over time as it is forced to surface at Seven Oaks Dam.
4. Additional analysis will be performed over the next several days.
5. Valley’s modeler is developing several operational scenarios to analyze benefits of the proposed amendment.
6. A copy of the Lake bathymetry GIS data has been forwarded to Valley.

- a. Bob Tincher indicated he would like his GIS staff to prepare some graphics showing impacts of the amendment on the Lake.
- b. Would be used to visually show Board members during joint workshop.
7. Term sheet indicates District would forward emergency water if Valley's storage was empty.
 - a. If District lake account was empty, Mutual advised during the Watermaster meeting that they would have to approve.
 - b. Mutual signed a similar provision for snowmaking water in 1998.
8. Fishery releases not taken into account in the 1996 agreement.
 - a. Should be a modification in the in-lieu payment amount.
 - b. Probably a few tens of acre feet reduction in in-lieu requirement.
9. Discussed concerns by Board members about Operational releases and public perception issues.
10. September 5 Board meeting
 - a. Asked if there would be any interest on Valley's part for emergency storage only. Conversation did not get very far at the staff level.
 - b. Asked how many times in the past would have required emergency release based on 25,000 AF allocation. DWR's 2011 reliability report indicates about 3 times in the 84 year period of analysis from 1922 to 2003, or 4% of the time. Under future conditions, increases to 6 times in 84 year modeled period, or once every 14 years.
 - c. Modeling for future years based on 2031 levels of development, no improvements in conveyance, climate change.
11. Our workshop on October 31st would be good time to advise Staff concerning
 - a. Adjustments if any to proposed storage amounts/types
 - b. Interest in extending 2012 MOU
 - c. Items to include in agenda for 1:30 PM November 6th combined workshop

Director Lewis asked if there was any way to get a copy of the PowerPoint presentation to review ahead of time for the workshop scheduled for October 31st. Mr. Heule stated that he will make sure it is available prior to the meeting. President Smith asked if the Snow Making Water Supply Agreement would carry over to the new owner if Snow Summit is sold. District Counsel Wayne Lemieux explained that if it is sold and the stock is sold the new owners assume responsibility. Mr. Heule reported that he will schedule a trip to Bear Creek and will have the PowerPoint presentation available prior to the workshop. President Smith asked if we could consider approval of the in-lieu amendment for the November 7th meeting. Mr. Heule explained that it could be discussed but he feels that is somewhat optimistic adding that he will ask Don Evenson to write up an extension of the MOU for discussion only.

PUBLIC FORUM

No comments were made

ANNOUNCEMENTS

Mr. Heule reported that he will be leaving for their family cabin in Utah after the meeting today and will be returning to the office on Tuesday next week. He announced that the next Board Meeting will be on November 7, 2013.

DIRECTOR COMMENTS

Director Lewis thanked the Heule's for hosting the barbeque. Director Murphy asked if the early snow means we will have an early winter. Mr. Stephenson commented that it probably had nothing to do with anything.

ADJOURNMENT TO CLOSED SESSION

The meeting was adjourned to Closed Session at 1:50 P.M under Government Code Section 54956.8 Conference with Real Property Negotiator, Scott Heule General Manager, concerning 440 Catalina, Big Bear Lake, California, APN #2328-202-15, #2328-202-08, #2328-291-27

RECONVENE TO OPEN SESSION

The meeting was reconvened to Open Session at 2:21 P.M.
No reportable action.

ADJOURNMENT

There being no further business, the meeting was adjourned at 2:22 P.M.

NEXT MEETING

Open Session at 1:00 P.M.
Thursday, November 7, 2013
Big Bear Municipal Water District
40524 Lakeview Drive, Big Bear Lake, CA

Vicki Sheppard
Secretary to the Board
Big Bear Municipal Water District

(SEAL)

12:35 PM

10/18/13

Big Bear MWD
Warrant List Detail
 September 25 through October 10, 2013

Num	Type	Date	Name	Account	Paid Amount
151797	Liability Check	10/10/2013	MID AMERICA APPLE PLAN	1001-01 · General Checking Account	
				2100-21 · Apple Plan - Company Pay	-505.42
				2100-20 · Apple Plan - Employee Pay	-505.42
TOTAL					-1,010.84
151798	Liability Check	10/10/2013	LINCOLN NATIONAL	1001-01 · General Checking Account	
				2101-01 · Deferred Compensation	-1,525.00
TOTAL					-1,525.00
151799	Liability Check	10/10/2013	COLONIAL LIFE	1001-01 · General Checking Account	
				2100-17 · Colonial Life - Insure Payable	-77.22
				2100-18 · Colonial Life- Post Tax Payable	-39.02
				2100-19 · Colonial - Pre Tax Payable	-147.06
TOTAL					-263.30
151800	Check	10/10/2013	LAKE ARROWHEAD FLEET 434	1001-01 · General Checking Account	
351	Credit Memo	10/1/2013		2800-02 · Special Event Deposits	-100.00
TOTAL					-100.00
151801	Check	10/10/2013	BRAND TAMMY	1001-01 · General Checking Account	
2474	Credit Memo	10/4/2013		4600-06 · REV OPS - Rec Vehicle Revenue	-40.00
				4600-12 · REV OPS- Utility Fee RV Revenue	-9.80
TOTAL					-49.80
151802	Liability Check	10/10/2013	EMPLOYMENT DEVELOPMEN...	1001-01 · General Checking Account	
				2101-03 · State Unemployment Tax	-2,637.43
TOTAL					-2,637.43
151803	Bill Pmt -Check	10/10/2013	ACWA HEALTH INSURANCE	1001-01 · General Checking Account	
A00019...	Bill	10/1/2013		5020-10 · ADMIN-Health Insurance	-4,834.42
				5020-20 · WATER-Health Insurance	-1,214.11
				5020-30 · MAINT-Health Insurance	-2,984.56
				5020-40 · OPS-Health Insurance	-2,070.65
				5021-10 · ADMIN-Dental Insurance	-305.11
				5021-20 · WATER-Dental Insurance	-71.18
				5021-30 · MAINT-Dental Insurance	-200.99
				5021-40 · OPS-Dental Insurance	-138.74
				5022-10 · ADMIN-Life Insurance	-198.14
				5022-20 · WATER-Life Insurance	-75.08
				5022-30 · MAINT-Life Insurance	-73.80
				5022-40 · OPS-Life Insurance	-56.38
				5550-01 · ADMIN-Director Group Insurance	-6,138.98
TOTAL					-18,362.14
151804	Bill Pmt -Check	10/10/2013	BAUMGARTNER	1001-01 · General Checking Account	
110894	Bill	10/4/2013		5570-42 · OPS-OSHA-Vaccinations	-60.00
TOTAL					-60.00
151805	Bill Pmt -Check	10/10/2013	BBLM	1001-01 · General Checking Account	
24	Bill	9/17/2013		5590-41 · OPS-Petroleum-VESSELS	-626.96
TOTAL					-626.96

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10/18/13

Big Bear MWD
Warrant List Detail
 September 25 through October 10, 2013

Num	Type	Date	Name	Account	Paid Amount
151806	Bill Pmt -Check	10/10/2013	BIG BEAR DISPOSAL	1001-01 · General Checking Account	
2726	Bill	10/1/2013		5507-41 · OPS-Utilities-Main Office	-313.47
TOTAL					-313.47
151807	Bill Pmt -Check	10/10/2013	BUTCHER'S BLOCK AND BUIL...	1001-01 · General Checking Account	
242444	Bill	9/20/2013		5640-02 · WATER-Dam Maintenance	-19.44
242418	Bill	9/20/2013		5640-02 · WATER-Dam Maintenance	-45.38
242492	Bill	9/20/2013		5640-02 · WATER-Dam Maintenance	-43.84
243156	Bill	9/24/2013		5630-31 · MAINT-Bldg/Facil Maint/Rep-Shop	-16.65
244899	Bill	9/30/2013		5630-31 · MAINT-Bldg/Facil Maint/Rep-Shop	-13.93
245066	Bill	10/1/2013		5580-41 · OPS-Boat Maintenance-Patrol	-41.89
246370	Bill	10/4/2013		5543-30 · MAINT-Small Tools/Tool Supplies	-44.05
247957	Bill	10/10/2013		5630-41 · OPS-Bldg/Fac Mtn/Rep-RV PARK	-358.40
247866	Bill	10/10/2013		5630-31 · MAINT-Bldg/Facil Maint/Rep-Shop	-6.42
TOTAL					-590.00
151808	Bill Pmt -Check	10/10/2013	BVE	1001-01 · General Checking Account	
092520...	Bill	9/25/2013		5507-43 · OPS-Utilities-Ramps	-203.90
092720...	Bill	9/27/2013		5507-43 · OPS-Utilities-Ramps	-137.59
092820...	Bill	9/27/2013		5507-22 · WATER-Utilities-Dam	-70.52
093020...	Bill	9/30/2013		5507-21 · WATER-Utilities-Aerator	-1,434.52
093020...	Bill	9/30/2013		5507-22 · WATER-Utilities-Dam	-156.85
093020...	Bill	9/30/2013		5507-22 · WATER-Utilities-Dam	-11.58
093020...	Bill	9/30/2013		5507-41 · OPS-Utilities-Main Office	-12.21
TOTAL					-2,027.17
151809	Bill Pmt -Check	10/10/2013	BVPRINTING	1001-01 · General Checking Account	
84330	Bill	9/17/2013		5502-01 · ADMIN-Printing	-82.38
84367	Bill	9/25/2013		5502-01 · ADMIN-Printing	-183.60
84444	Bill	10/10/2013		5510-09 · ADMIN-Public Info - General	-54.00
TOTAL					-319.98
151810	Bill Pmt -Check	10/10/2013	CHEM-PAK	1001-01 · General Checking Account	
83592	Bill	9/27/2013		5504-41 · OPS-Janitorial Supplies-Ramps	-158.41
TOTAL					-158.41
151811	Bill Pmt -Check	10/10/2013	CITY OF BIG BEAR LAKE	1001-01 · General Checking Account	
2718	Bill	10/8/2013		5507-41 · OPS-Utilities-Main Office	-2,972.69
				5507-42 · OPS-Utilities-RV Park	-1,698.68
TOTAL					-4,671.37
151812	Bill Pmt -Check	10/10/2013	COMPUTER VILLAGE	1001-01 · General Checking Account	
129532	Bill	9/24/2013		5620-12 · ADMIN-Computer Maint/Repair	-135.00
TOTAL					-135.00
151813	Bill Pmt -Check	10/10/2013	COMSERCO	1001-01 · General Checking Account	
66626	Bill	9/30/2013		5506-41 · OPS-Radio Service Contract	-260.00
TOTAL					-260.00
151814	Bill Pmt -Check	10/10/2013	DIRECTV INC	1001-01 · General Checking Account	
214150...	Bill	10/12/2013		5507-42 · OPS-Utilities-RV Park	-192.71
TOTAL					-192.71

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Big Bear MWD
Warrant List Detail
 September 25 through October 10, 2013

Num	Type	Date	Name	Account	Paid Amount
151815	Bill Pmt -Check	10/10/2013	DISH NETWORK	1001-01 · General Checking Account	
100420...	Bill	10/4/2013		5507-41 · OPS-Utilities-Main Office	-70.00
TOTAL					-70.00
151816	Bill Pmt -Check	10/10/2013	DWP	1001-01 · General Checking Account	
092620...	Bill	9/26/2013		5507-41 · OPS-Utilities-Main Office	-15.14
092620...	Bill	9/26/2013		5507-42 · OPS-Utilities-RV Park	-166.91
092620...	Bill	9/26/2013		5507-43 · OPS-Utilities-Ramps	-248.63
092620...	Bill	9/26/2013		5507-43 · OPS-Utilities-Ramps	-20.19
092620...	Bill	9/26/2013		5507-41 · OPS-Utilities-Main Office	-49.90
092620...	Bill	9/26/2013		5507-44 · OPS-Utilities-Trout Pond	-83.19
TOTAL					-583.96
151817	Bill Pmt -Check	10/10/2013	EADIE & PAYNE	1001-01 · General Checking Account	
122206	Bill	9/11/2013		5530-01 · ADMIN-Prof&Spec-Eadie&Payne	-995.00
TOTAL					-995.00
151818	Bill Pmt -Check	10/10/2013	HAUPT RALPH	1001-01 · General Checking Account	
1900	Bill	9/30/2013		5590-42 · OPS-Petroleum-VEHICLES	-306.31
TOTAL					-306.31
151819	Bill Pmt -Check	10/10/2013	LEMIEUX & O'NEILL	1001-01 · General Checking Account	
20-888...	Bill	9/30/2013		5520-01 · ADMIN-District Counsel Retainer	-3,500.00
TOTAL					-3,500.00
151820	Bill Pmt -Check	10/10/2013	LEOCO	1001-01 · General Checking Account	
8385	Bill	10/8/2013		5650-02 · WATER-Watershed Mgt Equip&...	-1,209.00
TOTAL					-1,209.00
151821	Bill Pmt -Check	10/10/2013	MASTERCARD	1001-01 · General Checking Account	
093020...	Bill	9/30/2013		5570-02 · ADMIN-Training/Seminars-Mgmt	-650.00
				5560-22 · WATER-Watermaster Meetings	-53.43
				5502-01 · ADMIN-Printing	-246.83
				5510-07 · ADMIN-Empl Recognition-Winter	-56.12
				5630-33 · MAINT-Bldg/Fac Mtn/Rep-Trout Pd	-37.20
				5510-07 · ADMIN-Empl Recognition-Winter	-30.88
TOTAL					-1,074.46
151822	Bill Pmt -Check	10/10/2013	MCMASTER-CARR	1001-01 · General Checking Account	
604372...	Bill	9/20/2013		5640-02 · WATER-Dam Maintenance	-51.84
607726...	Bill	9/25/2013		5600-33 · MAINT-Vehicle Maint-HARVESTER	-59.61
614741...	Bill	10/4/2013		5630-31 · MAINT-Bldg/Facil Maint/Rep-Shop	-222.62
TOTAL					-334.07
151823	Bill Pmt -Check	10/10/2013	MOUNTAIN WATER COMPANY	1001-01 · General Checking Account	
23023	Bill	9/28/2013		5507-43 · OPS-Utilities-Ramps	-70.00
23046	Bill	10/7/2013		5507-43 · OPS-Utilities-Ramps	-120.00
TOTAL					-190.00

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Big Bear MWD
Warrant List Detail
 September 25 through October 10, 2013

<u>Num</u>	<u>Type</u>	<u>Date</u>	<u>Name</u>	<u>Account</u>	<u>Paid Amount</u>
151824	Bill Pmt -Check	10/10/2013	MT LASSEN TROUT FARMS INC	1001-01 · General Checking Account	
19264	Bill	10/3/2013		2810-01 · Fish Plant Funds	-9,557.00
TOTAL					-9,557.00
151825	Bill Pmt -Check	10/10/2013	NAPA AUTO PARTS	1001-01 · General Checking Account	
157297	Bill	9/25/2013		5580-41 · OPS-Boat Maintenance-Patrol	-98.31
157393	Bill	9/26/2013		5580-41 · OPS-Boat Maintenance-Patrol	-32.84
158646	Bill	10/3/2013		5650-02 · WATER-Watershed Mgt Equip&...	-12.11
159433	Bill	10/8/2013		5580-41 · OPS-Boat Maintenance-Patrol	-59.79
TOTAL					-203.05
151826	Bill Pmt -Check	10/10/2013	NO CONTRACT VOIP	1001-01 · General Checking Account	
6469	Bill	10/5/2013		5505-01 · ADMIN-Phones Local/Hardware/...	-144.18
TOTAL					-144.18
151827	Bill Pmt -Check	10/10/2013	ORION RADIOLOGY	1001-01 · General Checking Account	
4374 1...	Bill	9/30/2013		5570-44 · OPS-OSHA-First Aid Expense (W...	-34.00
TOTAL					-34.00
151828	Bill Pmt -Check	10/10/2013	ROTARY	1001-01 · General Checking Account	
093020...	Bill	9/30/2013		5509-08 · ADMIN-Member/Subs/Permit-Rot...	-92.00
TOTAL					-92.00
151829	Bill Pmt -Check	10/10/2013	SCS ENGINEERS	1001-01 · General Checking Account	
0218332	Bill	8/31/2013		5650-02 · WATER-Watershed Mgt Equip&...	-1,617.00
TOTAL					-1,617.00
151830	Bill Pmt -Check	10/10/2013	SQUEEGEE CLEAN WINDOW ...	1001-01 · General Checking Account	
100320...	Bill	10/3/2013		5630-10 · ADMIN-Bldg/Facility Maint/Rep	-50.00
TOTAL					-50.00
151831	Bill Pmt -Check	10/10/2013	SUPERMEDIA	1001-01 · General Checking Account	
091920...	Bill	9/19/2013		5505-07 · ADMIN-Phone Office Web/Email	-29.95
100120...	Bill	10/1/2013		5505-01 · ADMIN-Phones Local/Hardware/...	-67.50
TOTAL					-97.45
151832	Bill Pmt -Check	10/10/2013	UPS	1001-01 · General Checking Account	
F33Y11...	Bill	9/28/2013		5631-01 · OPS-Quagga Mussel Prevention	-87.74
TOTAL					-87.74
151833	Bill Pmt -Check	10/10/2013	US BANK	1001-01 · General Checking Account	
946576...	Bill	9/11/2013		5760-02 · COP-2003 Interest	-119,482.50
				2950-01 · 2003 COP Bond Issue	-150,000.00
TOTAL					-269,482.50

12:35 PM

10/18/13

Big Bear MWD
Warrant List Detail
 September 25 through October 10, 2013

Num	Type	Date	Name	Account	Paid Amount
151834	Bill Pmt -Check	10/10/2013	VERIZON CALIFORNIA	1001-01 · General Checking Account	
092520...	Bill	9/25/2013		5505-05 · ADMIN-Phone Weather Station	-45.25
092820...	Bill	9/28/2013		5505-04 · ADMIN-Phone At the Dam	-47.39
100120...	Bill	10/1/2013		5505-02 · ADMIN-Phones Ramps Local Svc	-55.50
100120...	Bill	10/1/2013		5505-03 · ADMIN-Phones Long Distance	-43.34
				5505-01 · ADMIN-Phones Local/Hardware/...	-378.69
100120...	Bill	10/1/2013		5505-02 · ADMIN-Phones Ramps Local Svc	-61.21
100120...	Bill	10/1/2013		5505-02 · ADMIN-Phones Ramps Local Svc	-51.18
TOTAL					-682.56
151835	Bill Pmt -Check	10/10/2013	VERIZON WIRELESS	1001-01 · General Checking Account	
971263...	Bill	10/3/2013		5505-11 · ADMIN-Phones Ramp Aircards	-62.42
				5505-11 · ADMIN-Phones Ramp Aircards	-62.42
				5505-06 · ADMIN-Phone Cell Phones	-76.02
TOTAL					-200.86
151836	Bill Pmt -Check	10/10/2013	XEROX	1001-01 · General Checking Account	
070399...	Bill	10/1/2013		2950-03 · Copier Lease	-469.50
				5620-13 · ADMIN-Copier Maint/Repair	-88.46
TOTAL					-557.96
151838	Bill Pmt -Check	10/10/2013	BBLM	1001-01 · General Checking Account	
25	Bill	9/24/2013		5590-41 · OPS-Petroleum-VESSELS	-514.17
TOTAL					-514.17
151839	Bill Pmt -Check	10/10/2013	COMPUTER VILLAGE	1001-01 · General Checking Account	
129633	Bill	10/2/2013		5530-02 · ADMIN-Prof&Spec-ComputerCon...	-600.00
TOTAL					-600.00
151840	Bill Pmt -Check	10/10/2013	MASTERCARD	1001-01 · General Checking Account	
093020...	Bill	9/30/2013		5570-01 · ADMIN-Training/Seminars-GM	-7.00
				5570-01 · ADMIN-Training/Seminars-GM	-7.00
				5570-01 · ADMIN-Training/Seminars-GM	-25.02
				5570-01 · ADMIN-Training/Seminars-GM	-7.00
				5570-01 · ADMIN-Training/Seminars-GM	-35.12
				5570-01 · ADMIN-Training/Seminars-GM	-2.25
				5590-42 · OPS-Petroleum-VEHICLES	-63.50
				5570-01 · ADMIN-Training/Seminars-GM	-431.66
				5509-12 · ADMIN-Member/Subs-Software	-125.00
TOTAL					-703.55

**MINUTES OF A SPECIAL MEETING WORKSHOP OF
BIG BEAR MUNICIPAL WATER DISTRICT
HELD ON WEDNESDAY, OCTOBER 31, 2013**

The Open Session workshop began at 10:30 AM. Those in attendance included President Smith, Director Murphy, Director Lewis, Director Suhay, Director Eminger, General Manager Scott Heule, Water Management Engineer Don Evenson, and Board Secretary Vicki Sheppard.

Big Bear Municipal Water District Workshop to discuss the Proposed In-Lieu Water Agreement Amendment

Mr. Heule reported that next week Wednesday, November 6th, there will be a joint workshop with San Bernardino Valley Municipal Water District to discuss the proposed In-lieu Water Agreement Amendment explaining that the reason for today's workshop is to go over the proposal and to answer questions before next week's meeting.

Mr. Evenson made a PowerPoint presentation (copy attached).

Many questions were asked and answered but it was determined that two issues need to be clarified for next week's meeting:

1. What constitutes an emergency
2. Emergency versus Operational accounts

Mr. Evenson explained that the draft term sheet presented here is a first attempt to put something on paper to discuss at the upcoming workshop.

Discussion only – no action.

ADJOURNMENT

There being no further business, the workshop was adjourned at 12:27 PM.

Vicki Sheppard
Secretary to the Board
Big Bear Municipal Water District

(SEAL)

In-Lieu Water Agreement with San Bernardino Valley MWD 1996 - 2013

Big Bear MWD Board Workshop
October 31, 2013

1

1996 In-Lieu Agreement

- 1996 – Big Bear and Valley District entered into an In-Lieu Agreement for Valley District to deliver In-lieu water to Mutual beginning in FY 1996-97 following the 1987 Mutual Lake Release Policy.
- The “base cost” of the In-Lieu Agreement was \$834,000 a year for the first ten fiscal years.
- Beginning in FY 2006-07 the “base cost” was adjusted for changes in AV relative to FY 2004-05
- The annual In-Lieu cost reached a maximum in FY 2009-10 at \$1,281,000

2

1996 In-Lieu Agreement

- The current (FY 2013-14) annual In-Lieu cost is \$1,220,000.
- Beginning in FY 2017-18 there will be an increase in the “base cost” from \$834,000 to \$895,000 that could increase the annual In-Lieu cost an additional \$80,000 to \$100,000 per year depending on the AV at the time.
- The 1996 In-Lieu Agreement has been modified four times
 - 1999 for repairs to the Greenspot Pipeline
 - 2006 for impacts of Big Bear’s Flood Control Drawdown Policy
 - 2006 for Big Bear’s revised Snowmaking water sales contract
 - 2012 for connections to the SWP East Branch Extension and to evaluate alternative in-lieu storage concepts.

3

1999 Memorandum of Understanding

- 1999 – Big Bear and Valley District entered into a Memorandum of Understanding that modified the In-Lieu Agreement for two years to provide assurances that Valley District could meet their high elevation In-Lieu obligations while their Greenspot Pipeline was under repair.
- 2001 – The MOU was extended for two years, until the end of 2002.

4

1999 Memorandum of Understanding

- In 1999 Valley District delivered an extra 3,501 AF of In-Lieu water to Mutual, which increased lake levels about 1.2 feet.
- During the four years of the MOU, Valley District did not need any of the water stored in the lake for “high elevation” In-Lieu requirements.
- Increased evaporation from the lake over the four years of the MOU was estimated to be 893 AF.
- Big Bear got the balance of 2,608 AF at the end of 2002 and the MOU was terminated.

5

2003-04 In-Lieu Studies

- To better analyze in-lieu needs, Big Bear, Valley District and Mutual jointly conducted a Lake Management Study.
- They agreed to use water years and a 53-year period between October 1945 and September 1998 that included three wet and dry cycles with the lake full at the beginning and end of the 53-year period.
- During this 53-year period, the average annual in-lieu deliveries was estimated to be **2,815 AF/year** assuming the Mutual Lake Release Policy was followed.

6

2006 Flood Control Release Policy

- 2006 – Big Bear adopted a flood control release policy to maintain lake levels one foot below full between December 31 and March 31.
- Estimated long-term average In-Lieu Deliveries increased from 2,815 to **2,895 AF/year, an increase of 80 AF/year.**
- The cost of In-Lieu Water was priced at \$150/AF.
- The increase in the “base cost” of the In-lieu Agreement was \$12,000 per year.
- Adjusted for changes in AV this increase is now about **\$17,000 per year.**

7

2006 Snowmaking Water Sales

- 2006 –Big Bear entered into an agreement to increase the annual snowmaking withdrawal to up to 11,000 AF in any ten-year period, not to exceed 1,300 AF in any single water year.
- Estimated long-term average In-Lieu Deliveries increased from 2,895 to **2,914 AF/year, an increase of 19 AF/year.**
- The cost of In-Lieu Water was priced at \$150/AF.
- The increase in the “base cost” of the In-lieu Agreement was \$2,850 per year.
- This increase after adjusting for AV changes is now about **\$4,000 per year.**

8

2010 In-Lieu Concept Discussions

- Big Bear and Valley District held further discussions to determine if the In-Lieu Agreement could be modified to:
 - Increase water levels in Big Bear Lake during the summer recreation season (between Memorial Day and Labor Day), and
 - Provide Valley District water in storage in Big Bear Lake for “emergency” purposes.
- The goal was an operational plan that would be beneficial to both agencies and would not change the existing cost of the In-Lieu Agreement.
- The discussions were put on hold before any detailed discussions or evaluations on the limitations of storage and releases were held.

9

2012 Discussions/Concepts

- Valley District expressed interest in resuming the 2010 discussions on the In-Lieu Agreement.
- Valley District has an interest in water storage in Big Bear Lake, improving on the 1999 MOU experience.
- A concept that would eliminate summer lake releases for Mutual, better manage fall deliveries to Valley District, provide storage opportunities for Valley District and reduce In-Lieu costs would be developed and evaluated.

10

July 2012 In-Lieu MOU

- Big Bear and Valley District entered into an In-Lieu MOU effective July 1, 2012 **through December 31, 2013.**
- Valley District informed Big Bear that due to construction of the East Branch Extension of the SWP, elements of Valley District's water delivery system would be out of service in 2013 and they may not be able to deliver In-Lieu Water to Mutual during a portion of the year.
- Valley District agreed to deliver In-Lieu water to Mutual during times when Big Bear would normally make lake releases for Mutual and Big Bear agreed to give them storage credit in the Lake for these supplemental In-Lieu deliveries.

11

July 2012 In-Lieu MOU

- Additional evaporation resulting from the higher lake levels would be deducted from Valley District's lake storage account.
- Big Bear agreed to release water from Valley District's lake storage account as needed to meet Mutual's In-Lieu needs.
- Big Bear and Valley District agreed to examine changes to the 1996 In-Lieu Agreement that would **create additional benefits for each party.**

12

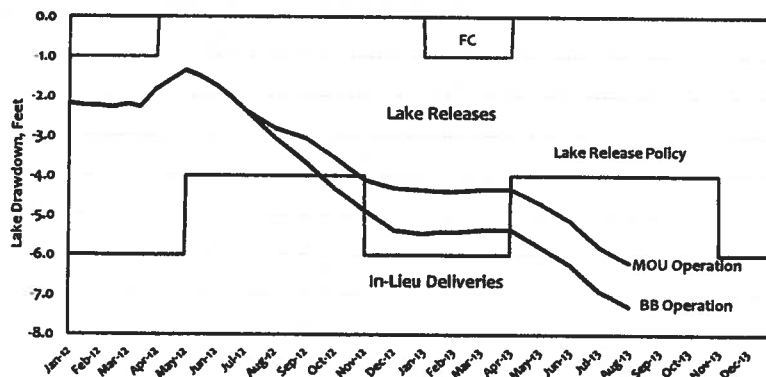
Status of July 2012 In-Lieu MOU

- Status as of **September 30, 2013**
- **Valley District has delivered 3,291 AF of supplemental In-Lieu water** to Mutual when Big Bear normally would have made lake releases for Mutual.
- Additional evaporation from the higher lake levels has been 270 AF.
- Big Bear released 605 AF for Valley District in the Test Release Program in September.
- **Big Bear Lake is 0.94 feet higher** than it would have been if the Lake Release Policy had been followed.
- **Valley District has 2,416 AF of water** in their lake account.

13

Lake Levels Under MOU and Big Bear Lake Release Policy

Big Bear Lake Levels 2012 and 2013



14

Status of July 2012 In-Lieu MOU

- A test release plan has been conducted to evaluate the capability to control, measure and capture lake releases that would occur under the conditions of the draft term sheet.
- An estimate of the decrease in In-Lieu delivery requirements and costs as a result of SWRCB Order No. 95-4 has been completed.
- A draft “term sheet” for an amendment to the 1996 In-Lieu agreement has been developed for discussion purposes.

15

Test Release Plan

- A “test release plan” has been conducted to evaluate the capability to control future Valley District releases, to accurately measure the releases, and to determine how much of the releases will reach a point where Valley District can divert the flow.
- The releases were made through the 14-inch sluice gate on the Outlet Works of Bear Valley Dam.
- Releases were measured by the 36-inch electromagnetic flow meter in the Outlet Works.
- Downstream flow measurements were made at Station A on Bear Creek and at SCE SAR AVM to estimate losses between Bear Valley Dam and SCE PH#1.

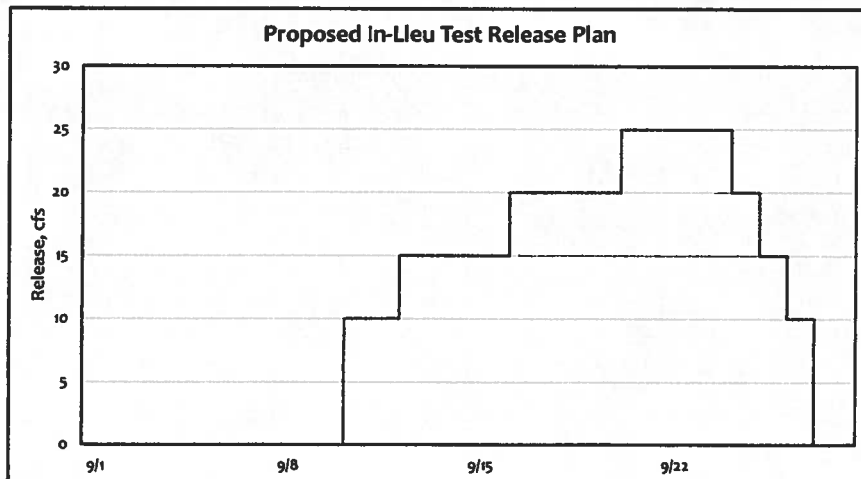
16

Test Release Plan

- The release rates covered the expected range of “emergency” releases when Valley District would not be able to deliver In-Lieu water to Mutual; this flow range is estimated to be 15 to 25 cfs.
- The test release plan began Tuesday September 10 and ended on Friday September 27; a duration of 18 days.
- Approximately 605 AF of water was scheduled to be released.
- The lake level was estimated to drop about 3 inches.

17

Test Release Plan



18

Results of Test Release Plan

- Big Bear successfully implemented the Test Release Plan and **605 AF of water was released** from Valley District's Lake Storage Account.
- The Test **Releases lowered the lake level about 2 ¾ inches.**
- The releases placed some stress on the 14-inch sluice gate due to the high pressure and low discharge rates; increasing the size of the Bypass Pipeline from 6 inches to 10 inches is under evaluation to avoid using the 14 inch sluice for flows under 25 cfs.

19

Results of Test Release Plan

- Measurement problems were experienced at Station A, which is about 1 mile below Bear Valley Dam; approximately 60 % of the releases were measured at Station A. The data indicate that the weir measurements at Station A may result in calculated flows that are low.
- Based on data from the Daily Flow Reports, Big Bear estimated that 70% of the releases reached PH#1, which is 10 miles downstream of Station A.

20

Results of Test Release Plan

- Valley District estimated that about 60% of the flow reached SCE SAR AVM and was diverted at PH #1 for beneficial use by Mutual, PH #1 is about 11 miles below Bear Valley Dam.
- Valley District and Big Bear will review the data and estimate how much of the releases went into temporary storage in the riverbed and how much was consumptively lost.
- To minimize consumptive losses and temporary riverbed storage, November to May appear to be preferable months for Operational Releases.

21

Revised Fishery Requirements

- In 1995, SWRCB Order No. 95-4 directed Big Bear and Mutual to release enough water from Big Bear Lake to maintain a minimum daily average flow of 0.3 cfs at a location 300 feet downstream of Bear Valley Dam. This location is referred to as Station B.
- SWRCB Order 95-4 also required sufficient releases to maintain a minimum 7-day average flow of 1.2 cfs and a minimum daily average flow of 1.0 cfs no more than 500 feet downstream of the confluence with West Cub Creek. This location is referred to as Station A. Station A is 1 mile downstream of Bear Valley Dam.

22

Revised Fishery Requirements

- The 1996 In-Lieu Agreement with Valley District estimated future in-lieu deliveries assuming the following releases would meet the requirements of SWRCB Order 95-4:

- | | |
|-------------------|----------|
| ▪ January – May | 0.40 cfs |
| ▪ June – November | 0.80 cfs |
| ▪ December | 0.40 cfs |

These release rates resulted in annual fishery lake release of **428 AF/year**.

23

Revised Fishery Releases

- Between 2004 and 2006, Big Bear, Valley District and Mutual conducted joint studies of alternative In-Lieu operations and revised the monthly Fishery Releases to vary by hydrologic (lake inflow) year type; the resulting releases varied between 0.40 and 0.80 cfs, and the resulting average annual fishery lake releases was **334 AF/year**.
- In 2006, Valley District and Big Bear adopted two Amendments to the In-Lieu Agreement using these fishery releases to increase the In-Lieu Costs.

24

Revised Fishery Requirements

- In January 2009, the SWRCB adopted an Amendment to Order No. 95-4 that established flow requirements at Station B to achieve compliance with the requirements at Station A. The flow requirements were based on YTD precipitation at Bear Valley Dam and ranged between 0.30 and 1.25 cfs. The average annual release under these requirements are estimated to be **528 AF/year**.
- Recent data have shown that these requirements are not sufficient to meet the Station A requirements.

25

Revised Fishery Requirements

- Big Bear has evaluated the data and developed revised flows at Station B that should keep Station A in compliance. The revised flows range from 0.30 cfs to 1.50 cfs depending on the precipitation at Bear Valley Dam and average **646 AF/year**.
- The increased fishery releases would reduce the projected average annual In-lieu deliveries and an Amendment to the 1996 Agreement would reduce the in-lieu costs.
- The following table shows the history of the in-lieu cost changes.

26

History of In-Lieu Cost Changes

Situation	Average Fishery Release AF/Year	Average In-lieu Deliveries AF/Year	Base In-Lieu Cost Changes @ \$150/AF	FY 2012-13 In-Lieu Cost Changes @ 1.40
2004 Joint In-lieu Studies	334	2,815	\$834,000	\$ 1,166,881
2006 FC Release Amendment	334	+80 2,895	\$ 12,000 \$846,000	\$ 16,790 \$1,183,670
2006 Snowmaking Amendment	334	+19 2,914	\$ 2,850 \$848,850	\$ 3,988 1,187,658
2013 Proposed Fishery Release Amendment	646	-84 2,830	\$ (12,600) \$836,250	\$ (17,629) 1,170,029

27

Draft Term Sheet

- Big Bear would allow Valley District to store water in Big Bear Lake for
 - Emergency Purposes (**2,800 AF**)
 - Operational Purposes (**2,800 AF**)
- Valley District would meet all of Mutual's needs for lake water between Memorial Day and Labor Day regardless of lake level and would get credit in their storage account for deliveries made when Big Bear would normally make lake releases for Mutual. Credits would go first to their Emergency Account, and when full would go to their Operational Account.

28

Draft Term Sheet

- After Labor Day and before Memorial Day Valley District would have the option to also deliver In-Lieu water to Mutual during periods when lake releases would normally be made; storage credits would go to their Operational Storage Account.
- Spills and Flood Control Releases from Big Bear Lake would first come from Valley District's Operational Storage Account; when it is depleted, they would come from their Emergency Storage Account until it is depleted, then they would come from Big Bear's lake account.

29

Draft Term Sheet

- Increased lake evaporation resulting from higher lake levels would be
 - Deducted from Valley District's storage accounts between Labor Day and Memorial Day, and
 - Shared 50-50 between Valley District and Big Bear between Memorial Day and Labor Day to reflect the benefits gained by each agency during the summer recreation season.
- Releases from Valley District's Emergency Storage Account could be made when
 - The **SWP Allocation to Valley District is less than 25,000 AF**, or
 - Operational problems would prevent Valley District from delivering In-lieu water to Mutual.

30

Draft Term Sheet

- Releases from Valley District's Operational Storage Account could be made after Labor Day and before Memorial Day providing
 - **the lake level is within 8 feet of full**, and
 - Emergency Releases are not occurring.
- In the event of an "emergency" when Valley District's Emergency Storage Account is not full, Big Bear would make an "**advance for emergency purposes**" to ensure the full emergency amount (2,800 AF) is available; Valley District would repay the emergency advance with future supplemental In-Lieu deliveries.

31

Draft Term Sheet

- To reflect the benefits of these changes in In-Lieu Policy
 - Valley District would waive the In-Lieu Cost increase scheduled for FY 2017-18; the estimated cost increase is \$80,000 to \$100,000 per year depending on AV at the time of the increase,
 - Valley District would reduce the In-Lieu costs by \$50,000 per year for FY 2014-15, FY2015-16, and FY 2016-17 while the amendment is being implemented and the storage accounts are being filled, and
 - Valley District and Big Bear would evaluate and adjust the In-Lieu requirements and costs resulting from changes in lake releases for fishery protection under SWRCB Order 95-4 as amended on January 8, 2009.

32

Possible Next Steps

- Adopt Amendment for Revised Fishery Releases
- Prepare operational concepts to be evaluated.
- Complete evaluation of Test Release Plan
- Evaluate benefits and impacts of alternative operational concepts.
- Conduct additional Board Workshop(s)
- Select preferred concept
- Determine CEQA requirements
- Finalize draft term sheet
- Prepare Amendment to 1996 In-Lieu Agreement

8:26 AM

10/29/13

Big Bear MWD
Warrant List Detail
 October 11 - 28, 2013

Num	Type	Date	Name	Account	Paid Amount
151837	Bill Pmt -Check	10/11/2013	EXCEL MICRO	1001-01 · General Checking Account	
0236185	Bill	10/8/2013		5509-12 · ADMIN-Member/Subs-Software	-288.00
TOTAL					-288.00
151841	Bill Pmt -Check	10/11/2013	ALL PROTECTION ALARM	1001-01 · General Checking Account	
464646	Bill	10/4/2013		5630-10 · ADMIN-Bldg/Facility Maint/Rep	-41.96
464650	Bill	10/4/2013		5640-02 · WATER-Dam Maintenance	-146.28
464489	Bill	10/4/2013		5630-31 · MAINT-Bldg/Facil Maint/Rep-Shop	-90.00
465012	Bill	10/4/2013		5630-10 · ADMIN-Bldg/Facility Maint/Rep	-198.45
464886	Bill	10/4/2013		5630-10 · ADMIN-Bldg/Facility Maint/Rep	-37.10
464820	Bill	10/4/2013		5630-10 · ADMIN-Bldg/Facility Maint/Rep	-165.72
TOTAL					-679.51
151842	Bill Pmt -Check	10/11/2013	BVE	1001-01 · General Checking Account	
100720...	Bill	10/7/2013		5507-41 · OPS-Utilities-Main Office	-10.08
100720...	Bill	10/7/2013		5507-42 · OPS-Utilities-RV Park	-1,072.11
100720...	Bill	10/7/2013		5507-41 · OPS-Utilities-Main Office	-26.45
TOTAL					-1,108.64
151843	Bill Pmt -Check	10/11/2013	RADIOSHACK CORPORATION	1001-01 · General Checking Account	
037600	Bill	9/27/2013		5530-23 · WATER-Bear Creek Petition/Maint	-18.33
TOTAL					-18.33
151844	Liability Check	10/24/2013	LINCOLN NATIONAL	1001-01 · General Checking Account	
				2101-01 · Deferred Compensation	-1,525.00
TOTAL					-1,525.00
151845	Check	10/24/2013	PAPER CLIP STATIONERS	1001-01 · General Checking Account	
2478	Credit Memo	10/16/2013		2800-01 · Board Room Deposits	-50.00
				2800-01 · Board Room Deposits	-5.00
TOTAL					-55.00
151846	Liability Check	10/24/2013	MID AMERICA APPLE PLAN	1001-01 · General Checking Account	
				2100-21 · Apple Plan - Company Pay	-551.47
				2100-20 · Apple Plan - Employee Pay	-551.47
TOTAL					-1,102.94
151847	Liability Check	10/24/2013	INFINITY TRUST	1001-01 · General Checking Account	
				5509-03 · ADMIN-Memberships-Subscriptions	-10.00
				2100-09 · PR VSP Vision	-127.42
TOTAL					-137.42
151848	Check	10/24/2013	LAGONITA LODGE	1001-01 · General Checking Account	
2479	Credit Memo	10/22/2013		2800-01 · Board Room Deposits	-50.00
				2800-01 · Board Room Deposits	-5.00
TOTAL					-55.00
151849	Liability Check	10/24/2013	AFLAC	1001-01 · General Checking Account	
				2100-08 · AFLAC Payable	-284.18
TOTAL					-284.18

8:26 AM

10/29/13

Big Bear MWD
Warrant List Detail
 October 11 - 28, 2013

Num	Type	Date	Name	Account	Paid Amount
151850	Bill Pmt -Check	10/24/2013	BBLM	1001-01 · General Checking Account	
26	Bill	10/1/2013		5590-41 · OPS-Petroleum-VESSELS	-658.47
27	Bill	10/10/2013		5590-41 · OPS-Petroleum-VESSELS	-833.85
TOTAL					-1,492.32
151851	Bill Pmt -Check	10/24/2013	BUTCHER'S BLOCK AND BUIL...	1001-01 · General Checking Account	
379454	Bill	10/9/2013		5630-40 · OPS-Bldg/Fac Mtn/Rep	-3,014.38
249733	Bill	10/17/2013		5630-42 · OPS-Bldg/Fac Mtn/Rep-EAST RA...	-38.77
TOTAL					-3,053.15
151852	Bill Pmt -Check	10/24/2013	BVE	1001-01 · General Checking Account	
100920...	Bill	10/9/2013		5507-44 · OPS-Utilities-Trout Pond	-37.35
TOTAL					-37.35
151853	Bill Pmt -Check	10/24/2013	CHARTER COMMUNICATIONS	1001-01 · General Checking Account	
101620...	Bill	10/16/2013		5505-08 · ADMIN- Phone Office DSL	-274.99
TOTAL					-274.99
151854	Bill Pmt -Check	10/24/2013	CSB SOLID WASTE MANAGEM...	1001-01 · General Checking Account	
022714	Bill	10/11/2013		5630-30 · MAINT-Bldg/Facility Maint/Rep	-271.95
TOTAL					-271.95
151855	Bill Pmt -Check	10/24/2013	EVENSON DON (REIMBURSE)	1001-01 · General Checking Account	
101320...	Bill	10/13/2013		5560-23 · WATER-Watermaster Travel Exp...	-686.67
TOTAL					-686.67
151856	Bill Pmt -Check	10/24/2013	EXCEL MICRO	1001-01 · General Checking Account	
023618...	Bill	10/8/2013		5509-12 · ADMIN-Member/Subs-Software	-14.40
TOTAL					-14.40
151857	Bill Pmt -Check	10/24/2013	MERCO	1001-01 · General Checking Account	
80351	Bill	10/8/2013		5630-40 · OPS-Bldg/Fac Mtn/Rep	-573.50
TOTAL					-573.50
151858	Bill Pmt -Check	10/24/2013	NAPA AUTO PARTS	1001-01 · General Checking Account	
159794	Bill	10/10/2013		5580-41 · OPS-Boat Maintenance-Patrol	-145.13
159851	Bill	10/10/2013		5631-02 · OPS-Quagga Prevention Equip	-8.02
159910	Bill	10/11/2013		5600-31 · MAINT-Vehicle Maint-ON ROAD	-37.20
160455	Bill	10/15/2013		5632-01 · MAINT-SS Reliefs/Portables	-24.37
TOTAL					-214.72
151859	Bill Pmt -Check	10/24/2013	QUILL	1001-01 · General Checking Account	
6398772	Bill	10/14/2013		5502-01 · ADMIN-Printing	-136.35
6399677	Bill	10/15/2013		5503-01 · ADMIN-Office Supplies-Office	-36.92
TOTAL					-173.27

8:26 AM
10/29/13

Big Bear MWD
Warrant List Detail
October 11 - 28, 2013

<u>Num</u>	<u>Type</u>	<u>Date</u>	<u>Name</u>	<u>Account</u>	<u>Paid Amount</u>
151860	Bill Pmt -Check	10/24/2013	ROMANS CONSTRUCTION	1001-01 · General Checking Account	
5024	Bill	9/24/2013		7000-02 · Rathbun Creek Fund Expenses	-34,000.00
TOTAL					-34,000.00
151861	Bill Pmt -Check	10/24/2013	SHRED IT	1001-01 · General Checking Account	
940264...	Bill	10/9/2013		5630-10 · ADMIN-Bldg/Facility Maint/Rep	-739.20
TOTAL					-739.20
151862	Bill Pmt -Check	10/24/2013	SOUTHWEST GAS CORPORAT...	1001-01 · General Checking Account	
101520...	Bill	10/15/2013		5507-42 · OPS-Utilities-RV Park	-26.27
101520...	Bill	10/15/2013		5507-41 · OPS-Utilities-Main Office	-97.18
101620...	Bill	10/16/2013		5507-44 · OPS-Utilities-Trout Pond	-8.54
TOTAL					-131.99
151863	Bill Pmt -Check	10/24/2013	UPS	1001-01 · General Checking Account	
F33Y11...	Bill	10/19/2013		5631-01 · OPS-Quagga Mussel Prevention	-20.33
TOTAL					-20.33
151864	Bill Pmt -Check	10/24/2013	VERIZON CALIFORNIA	1001-01 · General Checking Account	
101320...	Bill	10/13/2013		5505-01 · ADMIN-Phones Local/Hardware/...	-53.15
TOTAL					-53.15
151865	Bill Pmt -Check	10/24/2013	VERIZON WIRELESS	1001-01 · General Checking Account	
971295...	Bill	10/9/2013		5505-06 · ADMIN-Phone Cell Phones	-141.40
TOTAL					-141.40

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

MEETING DATE: *November 7, 2013*

AGENDA ITEM: *6A*

SUBJECT:

CONSIDER APPROVAL OF A PROPOSAL FOR A REAL PROPERTY APPRAISAL TO ESTABLISH THE MARKET VALUE OF THE THREE PARCELS COMPRISING THE DISTRICT'S TROUT POND HOLDINGS

RECOMMENDATION:

The General Manager and the Administrative Committee (Directors Smith & Murphy) recommend approval of Steve Fontes, Mission Property Advisors to complete an appraisal of the Trout Pond property.

DISCUSSION/FINDINGS:

Although the District worked closely with the City of Big Bear Lake and the Inland Empire Resources Conservation District to secure the Trout Pond property for environmental mitigation purposes, financing of the arrangement could not be worked out at this time. The objective of securing an appraisal now is to determine market value for purposes of listing the property for sale to the public. After the appraisal is returned the District will interview and select a real estate agent based on marketing strategy and fees.

The two principal objectives the District originally had for purchasing the property have been achieved. First the District has eliminated the ongoing liability of an unfavorable agreement signed by the District and then owner of the Trout Pond Robert Ewing in 1982 and secondly excavating the nutrient laden sediment from the pond bottom to keep it from entering the Lake.

On October 24, 2013 the Administrative Committee interviewed the following three commercial appraisers by phone who estimated the work could be accomplished for between \$4500 and \$6000.

- a. Steve Fontes – Mission Property Advisors (951) 656-6036
- b. Mike Frauenthall – (949) 496-1676
- c. Len Perdue – (951) 686-6470

Based on the interviews the Administrative Committee selected Steve Fontes to recommend to the Board for approval. Mr. Fontes advises that it would probably be best to value the two westerly parcels (Trout Pond parcel and parcel abutting on the west) together and the easterly parcel separately. He thought that the easterly flood plain parcel might generate the interest of abutting property owners. He suggested that based on the current commercial zoning and the adjacent residential zoning the best and highest use might be a high end residential estate type use. Mr. Fontes submitted the attached \$5000 proposal for valuation services that could be completed within three weeks after receiving a signed contract for the work. In addition to the

signed contract, the District will need to provide the following documentation that was prepared for or made available prior to the District purchase in 2010.

- Title report
- Purchase agreement and closing statement
- Phase I environmental assessment report
- Known or suspected unusual easements or encroachments

OHER AGENCY INVOLVEMENT: None

FINANCING: Funding for this work would come from restricted reserves in the Rathbun Creek designated fund.

Submitted by: Scott Heule, General Manager

CONTRACT FOR PROFESSIONAL VALUATION SERVICES

SERVICE TYPE Appraisal Assignment

DATE OF AGREEMENT October 25, 2013

PARTIES TO AGREEMENT

Client Scott Heule, General Manager
Client Company Big Bear Municipal Water District
Address 40524 Lakeview Drive
City, State, Zip Big Bear Lake, CA 92315
Phone (909) 866-5796
Fax (909) 866-6485
Email sheule@bbmwd.net

Appraiser Steven R. Fontes, MAI, CCIM
Appraiser Company Mission Property Advisors, Inc.
Address 8570 Cory Court
City, State, Zip Riverside, CA 92508
Phone (951) 656-1100
Mobile (951) 640-5616
eFax (951) 848-9300
E-mail Steven@MissionPropertyAdvisors.com

Client hereby engages Appraiser to complete an appraisal assignment as follows:

SUBJECT PROPERTY IDENTIFICATION

San Bernardino County Assessor Parcel Numbers 2328-202-08, 2328-202-15 & 2328-281-27

PROPERTY TYPE

The subject property consists of three land parcel, one zoned commercially with a small house.

INTEREST TO BE VALUED

Fee Simple

INTENDED USERS¹

Client

INTENDED USE

The appraisal has been ordered to assist in an establishing the market value for a potential sale.

¹ No other users are intended by the Appraiser. The Appraiser will consider the intended users when determining the level of detail to be provided in the Appraisal Report.

TYPE OF VALUE

Market Value

DATE OF VALUE

Current

HYPOTHETICAL CONDITIONS²

None anticipated

EXTRAORDINARY ASSUMPTIONS³

The property will be appraised assuming it is not impacted by hazardous materials or conditions.

APPLICABLE REQUIREMENTS

The Code of Professional Ethics of the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice (USPAP) of © The Appraisal Foundation.

ANTICIPATED SCOPE OF WORK

Site visit

Exterior observation, interior inspection of house if access is provided

Valuation approaches

Appraiser will use all applicable approaches necessary to develop a credible opinion of value. These include the Sales Comparison Approach, The Cost Approach and the Income Capitalization Approach. Only applicable approaches to value will be employed.

APPRAISAL REPORT

Report option and format

A Summary appraisal report will be provided in a narrative format.

CONTACT FOR PROPERTY ACCESS, IF APPLICABLE

Client shall provide this information to Appraiser within 5 business days. Failure to do so may result in a delay of report delivery.

DELIVERY DATE

The appraisal report will be delivered within 3 weeks from the date I receive a signed contract.

² **HYPOTHETICAL CONDITION:** a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. - USPAP 2014-2015 Edition, page U-3, The Appraisal Foundation.

³ **EXTRAORDINARY ASSUMPTION:** an assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions. - USPAP 2014-2015 Edition, page U-3, The Appraisal Foundation.

DELIVERY METHOD

The appraisal report will likely be delivered using an overnight service, however, Appraiser reserves the right to deliver via some other method so long as the report is delivered by the agreed due date.

REPORT COPIES

Appraiser will provide Client with two (2) original copies of the appraisal report.

ADDITIONAL REPORT COPIES

Additional requested copies of the appraisal report will be available at a cost of \$300 per copy. Client shall specify the delivery addresses for such additional copies by written notice to Appraiser.

PAYMENT TO APPRAISER

\$5,000.

PAYMENT DUE DATE

Appraiser shall invoice Client for services rendered pursuant to this Agreement based upon the fees specified in this Agreement. Appraiser's invoices are considered due upon receipt by Client and shall be deemed delinquent if not paid within 30 days of the date of Appraiser's invoice. Client shall be assessed a late charge of 10% of the unpaid balance per month until paid in full. Additional late charges shall be assessed each additional month thereafter that an invoice remains unpaid in whole or in part. In the event Appraiser pursues collection efforts to recover unpaid balances owed by Client, Client shall pay Appraiser's costs of collection, including attorneys' fees at trial or on appeal.

OWNERSHIP OF WORK PRODUCT

The possession of the Appraisal Report, or any copy or portion thereof, by Client or any third party does not include or confer any rights of publication or redistribution of the Appraisal Report other than to such persons or entities identified in this Agreement who shall be advised in writing of Appraiser's rights under this Agreement prior to their receipt of the Appraisal Report. All rights, title and interest in (1) any data gathered by Appraiser in the course of preparing the Appraisal Report (excluding any data furnished by or on behalf of Client) and (2) the content of the Appraisal Report prepared pursuant to this Agreement shall be vested in Appraiser. Subject to the foregoing, Client shall have the right to possess a copy of the Appraisal Report and to disclose the report to Client's attorneys, accountants or other professional advisors in the course of Client's business affairs relating to the property that is the object of the Appraisal Report, provided that such attorneys, accountants or advisors are advised in writing of Appraiser's rights under this Agreement prior to receipt of such Appraisal Report.

CLIENT'S REPRESENTATIONS AND WARRANTIES

Client represents and warrants to Appraiser that (1) Client has all right, power and authority to enter into this Agreement; (2) Client's duties and obligations under this Agreement do not conflict with any other duties or obligations assumed by Client under any agreement between Client and any other party; and (3) Client has not engaged Appraiser, nor will Client use

Appraiser's appraisal report, for any purposes that violate any federal, state or local law, regulation or ordinance, or common law.

DOCUMENTATION REQUESTED BY APPRAISER, as applicable and/or available

1. Title report
2. Copy of historical purchase agreement and closing statement
3. Copy of all environmental assessment reports (such a Phase I, II, III)
4. Any known or suspected unusual easements or encroachments

CONFIDENTIALITY

Appraiser shall not provide a copy of the written Appraisal Report to, or disclose the results of the appraisal prepared in accordance with this Agreement with any party other than Client, unless Client authorizes, except as stipulated in the Confidentiality Section of the ETHICS RULE of the Uniform Standards of Professional Appraisal Practice (USPAP).

CHANGES TO AGREEMENT

Any changes to the assignment as outlined in this Agreement shall necessitate a new Agreement. The identity of Client, intended users, or intended use; the date of value; type of value; or property appraised cannot be changed without a new Agreement.

CANCELLATION

Client may cancel this Agreement at any time prior to Appraiser's delivery of the Appraisal Report upon written notification to Appraiser. Client shall pay Appraiser for work completed on assignment prior to Appraiser's receipt of written cancellation notice, unless otherwise agreed upon by Appraiser and Client in writing. At the point of cancellation, Appraiser will estimate the percentage complete and bill Client accordingly (which will not be less than the retainer amount). Payment must be made to Appraiser within 30 calendar days of Client's receipt of the invoice (either by email or US mail, whichever is earlier).

NO THIRD PARTY BENEFICIARIES

Nothing in this Agreement shall create a contractual relationship between Appraiser or Client and any third party, or any cause of action in favor of any third party. This Agreement shall not be construed to render any person or entity a third party beneficiary of this Agreement, including, but not limited to, any third parties identified herein.

USE OF EMPLOYEES OR INDEPENDENT CONTRACTORS

Appraiser may use employees or independent contractors at Appraiser's discretion to complete the assignment, unless otherwise agreed by the parties. Notwithstanding, Appraiser shall sign the written Appraisal Report and take full responsibility for the services provided as a result of this Agreement.

TESTIMONY AT COURT OR OTHER PROCEEDINGS

Appraiser's assignment pursuant to this Agreement shall include Appraiser's participation in or preparation for, whether voluntarily or pursuant to subpoena, any oral or written discovery, sworn testimony in a judicial, arbitration or administrative proceeding, or attendance at any judicial, arbitration, or administrative proceeding relating to this assignment.

In the event that Appraiser is subpoenaed to testify as either a percipient witness or an expert witness, Client shall be responsible for payment to Appraiser for testimony time, including preparation and travel to and from the place of testimony. Appraiser's hourly rate for these additional services are \$375 per hour per the terms outlined on the attached Rate Sheet, which is incorporated by reference into this contract.

APPRAISER LIABILITY

Appraiser will provide professional valuation services pursuant to the terms and conditions of this contract for the agreed upon fee as noted. Unless Appraiser is found by a court of law to be 1) professionally negligent or 2) to have committed fraud relating to the services outlined in this contract, Appraiser's liability to Client for any *actual* financial loss or *claim* of financial loss arising from Appraiser performing the duties outlined in this contract shall be limited to the total fee collected by Appraiser from Client.

APPRAISER INDEPENDENCE

Appraiser cannot agree to provide a value opinion that is contingent on a predetermined amount. Appraiser cannot guarantee the outcome of the assignment in advance. Appraiser cannot insure that the opinion of value developed as a result of this Assignment will serve to facilitate any specific objective by Client or others or advance any particular cause. Appraiser's opinion of value will be developed competently and with independence, impartiality and objectivity.

EXPIRATION OF AGREEMENT

This Agreement is valid only if signed by both Appraiser and Client within 2 business days of the Date of Agreement specified.

SERVICES PERFORMED WITHIN PRIOR THREE YEARS

I have not performed any services regarding the subject property within the prior three (3) years as an Appraiser or in any other capacity.

GOVERNING LAW AND JURISDICTION

The interpretation and enforcement of this Agreement shall be governed by the laws of the State of California in which Appraiser's principal place of business is located, exclusive of any choice of law rules.

By Appraiser:



(Signature)

Steven R. Fontes, MAI, CCIM
(Printed name)

October 25, 2013
(date)

By Client:

(Signature)

(Printed name)

(date)

Aerial (Subject parcels identified in red)



MISSION



MISSION PROPERTY ADVISORS, INC.
8570 CORY COURT
RIVERSIDE, CA 92508

PH: 951.656.1100
FX: 951.848.9300

Rate Sheet As of October 18, 2013

Reasonable & Customary Hourly Fee For Expert Witness Testimony of:	Steven R. Fontes, MAI, CCIM, \$375 per hour, billed in 15 minute increments
Reasonable & Customary Daily Fee For Expert Witness Testimony of:	Steven R. Fontes, MAI, CCIM, \$3,000 Daily Fee¹
Reasonable & Customary Hourly Fee For Expert Witness Testimony of:	Senior Associate Appraisers, \$300 per hour, billed in 15 minute increments
Reasonable & Customary Daily Fee For Expert Witness Testimony of:	Senior Associate Appraisers, \$2,400 Daily Fee
Reasonable & Customary Hourly Fee For Expert Witness Testimony Provided by:	Associate Appraisers, \$250 per hour, billed in 15 minute increments
Reasonable & Customary Daily Fee For Expert Witness Testimony Provided by:	Associate Appraisers, \$2,000 Daily Fee
Testimony Policy	It is the policy of Mission Property Advisors, Inc. that Steven R. Fontes, MAI, CCIM will always be the testifying expert unless the report was co-signed by an Associate or Senior Associate Appraiser and Mr. Fontes is either unavailable or other testimony arrangements are made in writing at the time of engagement.
Appraisal Fees	Quoted separately in the Agreement for Professional Valuation Services at a flat fee
Administrative Rate	\$100 per hour, billed in 15 minute increments
Validity of Fees, Charges & Rates	All fees, charges and rates will remain in effect for a period of 1 year from the date of engagement (defined as the date the client signed the appraisal contract), but are subject to change if called to testify at deposition or trial or hearing beyond one year. In this instance, rates and policies outlined in the Rate Sheet in effect on the date of testimony will apply.
Preparing for a Deposition	As noted in the California Code of Civil Procedure § 2034.440 The party designating an expert is responsible for any fee charged by the expert for preparing for a deposition and for traveling to the place of the deposition, as well as for any travel expenses of the expert. If a subpoena to testify at deposition is received by Steven R. Fontes and/or an Associate or Senior Associate Appraiser, the expert will take the necessary time to

¹ Please refer to additional language noted later in the Daily Fee section of this Rate Sheet.

review the appraisal report and the appraisal file in advance of providing testimony at deposition. The client or the party responsible for payment will be billed at the applicable expert's reasonable and customary hourly fee. A 1 hour minimum will apply to deposition preparation.

Traveling to the Place of the Deposition

Commuting in Expert's Vehicle All time driving to and from a pre-trial meeting, deposition, trial or airport will be billed at the meeting attendees reasonable and customary hourly fee. Hourly minimums do not apply to commute time, and all time will be rounded to the nearest 15 minute increment.

Airfare When a pre-trial meeting, deposition or trial testimony requires a flight due either to a written request of the client or when such a meeting is to occur at a location that is more than a 3 hour drive (as measured by Google Maps ® or a similar service) from the expert's residence, the client or the party responsible for payment will be billed for the cost of a non-stop round trip flight in Business Class (or its equivalent) accommodations.

All time driving to and from the airport, plus all airport related travel time, including layovers, will be billed at the meeting attendees reasonable and customary hourly fee, with a maximum per travel day charge of 5 hours, including drive time. All time charged will be rounded to the nearest 15 minute increment. A receipt will be provided in support of this expense.

Car Rental When a flight is taken for the purpose of arriving at a pre-trial meeting, deposition or trial, the client or the party responsible for payment may be billed for the cost of a rental car, plus the cost for additional liability and collision insurance, and all taxes and fees, not to exceed \$100 per day (before additional liability and collision insurance, taxes and fees are added). A receipt will be provided in support of this expense.

Taxis When a flight is taken for the purpose of arriving at a pre-trial meeting, deposition or trial, the client or the party responsible for payment may be billed for the cost of a taxi, if, at the sole discretion of the expert, such form of transportation is either more convenient or less expensive than the cost of a rental car. A receipt will be provided in support of this expense.

Subway, Bus or MetroLink If the expert travels to a pre-trial meeting, deposition, trial or airport by subway, bus or MetroLink, the client or the party responsible for payment will be billed at the meeting attendees reasonable and customary hourly fee. Hourly minimums do not apply to commute time, and all time will be rounded to the nearest 15 minute increment. A receipt will be provided in support of this expense.

Travel Expenses of the Expert

Meals When testimony requires an overnight stay due either to a written request of the client or the client's attorney, or when testimony is to occur at a location more than 50 miles distance (as measured by Google Maps ® or a similar service) from the expert's residence, or when a flight is involved, then the client or the party responsible for payment will be billed a flat \$75 per day for meals, including day(s) of travel to and from the pre-trial meeting location, deposition location or trial location.

Lodging When testimony requires an overnight stay due either to a written request of the client or the client's attorney, or when testimony is to occur at a location that cannot be driven to in 3 hours or less, then the client or the party responsible for payment will be billed for the cost of lodging, not to exceed \$200 per night, inclusive of all taxes and hotel fees. A receipt will be provided in support of this expense.

Toll Road Usage If toll roads are used to travel to or from a pre-trial meeting, deposition, trial or airport, the client will be billed a flat \$20 per day of travel on a toll road.

Parking Fees If non-validated parking costs or fees are incurred, actual costs incurred are subject to reimbursement by the client or the party responsible for payment. A receipt will be provided in support of this expense.

Tips & Gratuities If the expert chooses to tip or apply a gratuity to any of the travel related expenses noted above, these costs will **not** be passed onto the client or the party responsible for payment.

Deposition Testimony

As noted in the California Code of Civil Procedure § 2034.430 (b)

A party desiring to depose an expert witness described in subdivision (a) shall pay the expert's reasonable and customary hourly or daily fee for any time spent at the deposition from the time noticed in the deposition subpoena, or from the time of the arrival of the expert witness should that time be later than the time noticed in the deposition subpoena, until the time the expert witness is dismissed from the deposition, regardless of whether the expert is actually deposed by any party attending the deposition.

The party deposing the expert is responsible for payment for time spent at the deposition, as defined above. A 4 hour per day minimum applies to all depositions. If the deposition is less than 4 hours, and if the deposing party does not pay the expert for a full 4 hours (which is at their discretion), then the client or the party responsible for payment will be billed for the difference between 4 hours and the actual time paid for deposition testimony.

As noted in the California Code of Civil Procedure § 2034.430 (c)

If any counsel representing the expert or a non-noticing party is late to the deposition, the expert's reasonable and customary hourly or daily fee for the time period determined from the time noticed in the deposition subpoena until the counsel's late arrival, shall be paid by that tardy counsel.

As noted in the California Code of Civil Procedure § 2034.430 (d)

Notwithstanding subdivision (c), the hourly or daily fee charged to the tardy counsel shall not exceed the fee charged to the party who retained the expert, except where the expert donated services to a charitable or other nonprofit organization.

In this instance, the client or the party responsible for payment will be billed for the delay, only if such time is not paid by the deposing party on the date of the deposition, subject to § 2034.430(d) of the California Code of Civil Procedure as noted above.

Daily Fee

As noted in the California Code of Civil Procedure § 2034.430 (e)

A daily fee shall only be charged for a full day of attendance at a deposition or where the expert was required by the deposing party to be available for a full day and the expert necessarily had to forgo all business that the request that the expert be available all day for the scheduled deposition.

For purposes of this engagement, a "full day" or "all day" shall be interpreted to mean approximately 8 hours of the expert's time in attendance at a deposition (measured as the time noticed in the deposition subpoena, or from the time of the arrival of the expert witness should that time be later than the time noticed in the deposition subpoena, until the time the expert witness is dismissed from the deposition, including the lunch hour and any other breaks taken throughout the day). If the deposing party keeps the expert longer than 8 hours, the client or party responsible for payment will be billed at the expert's reasonable and customary hourly fee, unless the deposing party pays for the time in attendance beyond 8 hours, which will be at the deposing parties discretion.

Review of Deposition Transcripts

All time spent reviewing and/or making corrections to the expert's deposition transcript will be billed at the reviewing expert's reasonable and customary hourly fee. A 1 hour minimum will apply.

If the expert is requested in writing by the client or the employing attorney to review another expert's deposition transcript, time will be billed at the reviewing expert's reasonable and customary hourly fee. A 1 hour minimum will apply.

Review of Documents

All time spent reviewing any documents that the client or the employing attorney request in writing to be reviewed will be billed at the reviewing expert's reasonable and customary hourly fee. A 1 hour minimum will apply.

In Person Meetings**Pre-Deposition,
Pre-Trial or Pre-Hearing**

A 4 hour per day minimum at the expert's reasonable and customary hourly rate applies for all in person pre-deposition, pre-trial or pre-hearing meetings, which shall include round trip drive time.

Telephonic or Virtual Meetings

A 1 hour per day minimum applies for all telephonic conferences or meetings, including virtual on-line meetings that are intended to prepare, update or inform the expert of details specifically relating to an upcoming deposition, trial or hearing.

Shipping Costs

The cost of shipping appraisal reports with the original appraisal order is implicit in the appraisal fee.

If paper copies of any additional materials are requested, actual shipping costs incurred will be billed to the client or the party responsible for payment. A receipt will be provided in support of this expense.

The client or the party responsible for payment always has the option of supplying our office with a pre-paid shipping label to avoid being billed for shipping costs. Such a request must be received in writing or via email (Steven@MissionPropertyAdvisors.com) no later than the day said items are scheduled to be shipped to avoid these charges. Mission Property Advisors, Inc. also recommends that a phone call be placed (951-656-1100) to alert our office of said intent to avoid any confusion or miscommunication.

Additional Report Copies

\$300 per hard paper copy, shipping costs are included
\$100 for a PDF copy sent on a CD, plus shipping costs if *not* sent via US Mail
PDF copies sent via email are FREE to all clients.

Reproduction Costs

Billed on a time and materials basis at the Administrative Rate noted previously.
Receipts will be provided in support of all material costs incurred if reproduced offsite.

If reproduction occurs onsite at our office, black and white pages are billed at \$0.20 per page and color pages are billed at a cost of \$0.60 per page. These costs are inclusive of binding materials, if bound onsite. Electronic media copied to CD's, DVD's, memory stick's or any other form of static electronic media will be billed at \$35 per separate media format.

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

MEETING DATE: *November 7, 2013*

AGENDA ITEM: *6B*

SUBJECT:

CONSIDER RENEWAL OF SHOREZONE ALTERATION PERMIT FOR MARINA POINT

RECOMMENDATION:

The General Manager and the Lake Improvement Committee (Directors Eminger & Lewis) recommend that the request for an extension be approved subject to confirmation of a current valid performance bond.

DISCUSSION/FINDINGS:

The Marina Point Shorezone Alteration Permit No. S2011-01 extension expires after November 30, 2013. The project applicant, Marina Point Development Associates, has asked that it be extended for an additional year (copy attached). The permit from Fish and Wildlife is also expiring. The Army Corps of Engineers permit expires in February 2017 and the Regional Water Quality Control Board permit remains in effect until the work is completed and any delays simply obligate the permit holder to abide by their most current requirements. When the District issued a permit in 2003 the applicant included a performance bond in the amount of \$409,000. The Committee recommends that the request for an extension of Shorezone Alteration Permit No. 2011-01 be extended for an additional year providing the applicant can document that a valid performance bond naming the Big Bear Municipal Water District is in place.

OTHER AGENCY INVOLVEMENT: None

FINANCING: None

Submitted by: Scott Heule, General Manager

MARINA POINT DEVELOPMENT ASSOCIATES

PO BOX 577 • DEL MAR • CALIFORNIA 92014 • (619) 417-4416 • FAX (858) 755-5820

October 10 2012

Scott Heule
Big Bear Municipal Water District
40524 Lakeview Drive
Big Bear Lake, CA 92315

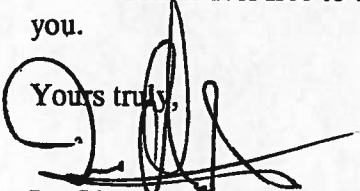
Re: Extension Marina Point Shorezone Alteration Permit No. S2011-01

Dear Mr. Heule:

Please be advised that the shorezone work described in the above referenced permit will not be completed by the November 30, 2013 expiration date. Accordingly, this letter requests the District to grant a one-year extension of the permit to allow for completion of the balance of work.

Please feel free to contact me with any questions or require additional information. Thank you.

Yours truly,



Irv Okovita
Marina Point Development Associates

Encls:

Cc: Ken Discenza, Site Design Associates
Ken Polin, JonesDay