

***MINUTES OF A REGULAR MEETING OF
BIG BEAR MUNICIPAL WATER DISTRICT
HELD ON THURSDAY, FEBRUARY 5, 2009***

CALL TO ORDER

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

REPORTS

Mr. Heule reported on a meeting that he had last Friday with Randy Van Gelder, San Bernardino Valley Municipal Water District, to discuss in-lieu water demands. He explained that Muni feels they can meet our demands for water. He also reported that he and Directors Eminger and Smith met with ACOE last week to discuss the ongoing desire of the Department to complete the feasibility study. He stated that this week the District sent out an Appropriations Request to the office of Senator Dianne Feinstein requesting \$800,000 for the Santa Ana River and Tributaries project. He added that next week the same request will go to Senator Barbara Boxer's office. Director Smith remarked that he felt the meeting with ACOE was more personal than the one in Washington DC. Director Eminger added that he feels that it is important to contact the Senator's offices because he they may not be as familiar with Big Bear Lake as they are with the Tahoe area. Mr. Heule reported on letters that he wrote to California State Assemblyman Paul Cook and California Senator Robert Dutton regarding a proposal to eliminate the Department of Boating and Waterways in an effort to balance the State budget. He explained that he urged them to keep the Department of Boating and Waterways from being absorbed and weakened in its important role of assuring a safe boating experience for Californians.

Mr. Heule reported that Lake Manager Mike Stephenson, and Lake Operations Supervisor Travis Carroll, are at the University of Riverside taking a Quagga Mussel update course today. He further reported that the District will be preparing a Notice Inviting Sealed Bids for the East Ramp office building project.

District Counsel Wayne Lemieux reported that the Conroy vs BBMWD Writ of Mandate case was dismissed by the court.

APPROVAL OF CONSENT CALENDAR

Upon a motion by Director Eminger, seconded by Director Fashempour, the following consent items were unanimously approved:

- Minutes of a Regular Meeting of January 15, 2009
- Warrant List Dated January 29, 2009 for \$246,927.20
- Approval of a Resolution of the Board of Directors of Big Bear Municipal Water District as it relates to Shorezone Projects
- Approval of a Resolution of the Board of Directors of Big Bear Municipal Water District establishing General Dock Classifications and Standards

CONSIDER APPROVAL OF BALLOT FOR REGULAR SPECIAL DISTRICT MEMBER FOR THE LOCAL AGENCY FORMATION COMMISSION

Mr. Heule reported that as in previous years, it has been determined that a mailed ballot is the best way in which to handle election of the special district representatives on the LAFCO Board. He explained that the process requires a roll call vote and the ballot must be submitted by February 13, 2009. He stated that earlier in the week the Administrative Committee met and they are recommending that James Curatalo (Member of the Board of Directors of Cucamonga Valley Water District) be approved.

Director Smith moved approval of James Curatalo for Regular Special District Member for the Local Agency Formation Commission. Director Eminger seconded the motion and it was unanimously approved.

CONSIDER APPROVAL OF A RESOLUTION OF THE BOARD OF DIRECTORS OF BIG BEAR MUNICIPAL WATER DISTRICT ADOPTING LAUNCH RAMP MANAGEMENT REGULATIONS

Mr. Heule reported that after careful evaluation of protective measures taken in 2008 against the Quagga Mussel, Staff and the Quagga Initiative Committee concluded that additional protective measures are necessary at launch ramps not controlled by the District. He explained that the District mailed informational letters to all marinas, homeowners associations (HOA) and property owners with ramps in mid-December 2008. He stated that the letter described the concern that the District has regarding oversight of launch ramp activities and the risk to the lake these relatively unprotected ramps pose. He added that the launch ramp owners were asked to submit comments to the District via e-mail, regular mail, and personal testimony at the District Board meeting on January 15, 2009. Mr. Heule reported that written comments were received from commercial marinas, both HOA's and one individual who owns a private launch ramp. He explained that a special meeting on January 14, 2008 was called to solicit additional comments and suggestions from marina and HOA ramp owners. Mr. Heule reported that testimony from the commercial marina operators was favorable when considering more stringent regulation of both commercial and private launch ramps. He explained that the HOA's indicated that they would be willing to consider closing their ramps altogether rather than obligating themselves to keeping an inspector at the ramp whenever it was going to be used. He added that as a result of the testimony from marina owners and HOA launch ramp owners and discussions during the Public Hearing and Committee meetings the Quagga Initiative Committee is recommending that the Board approve a resolution that places restrictions on launch ramp operations and imposes strict penalties for violators including forced closure of the launch ramp. He reported that in summary the regulations include:

1. Commercial and HOA launch ramps must have a District approved Quagga Inspector on the ramp whenever it is in use.
2. Both Commercial/HOA and private launch ramps must be secured and locked when an inspector is not physically on the ramp.
3. Private launch ramp owners must meet in person with a District employee who will inspect the ramp and educate the owner concerning the threat of the Quagga Mussel. The owner will be informed that only his/her registered vessel is permitted to be launched from the ramp and the ramp must be secured with a locking chain attached to steel posts cemented into the ground above the high water line not later than May 22, 2009.

4. Violations of these regulations will result in the loss of use of the launch ramp and possible fines in accordance with State law (\$500 to \$10,000).
5. Dock license renewal for owners of private launch ramps will only be completed after the ramps have been inspected.

Valley resident, Chuck Gormley asked what the District was going to do with boaters who wanted to launch after the ramps closed for the day. Mr. Heule stated that there would be spike strips at both public ramps this year and if they had their vehicle in the parking area before the ramp closed they could exit at any time. Dave Younkin, Dock Master at Eagles Knolls Estates, expressed his concern with the unmonitored launching of canoes and kayaks from shore. Mr. Heule explained that the District has considered this issue and it is almost impossible to control it with so many points of access. Director Smith said the only upside is that the Quagga threat is not as great with these types of boats. Valley resident Larry Cooke expressed his opinion that he believes it is impossible to prevent the influx of the mussel and believes they will gain entry to the lake from either double hulled boats or tubular trailers. Director Smith asked Mr. Cooke if most of the trailers were black in color and therefore retaining more heat and killing the mussel while crossing the desert and before entering the lake. Mr. Cooke stated that most of the trailers he was referring to are white and would be traveling during the spring and fall when the weather is not hot, but mild. Director Smith commented that the District does decontaminate the trailers along with suspect boats.

Director Smith moved approval of a Resolution of the Board of Directors of Big Bear Municipal Water District adopting Launch Ramp Management Regulations. Director Eminger seconded the motion and it was unanimously approved.

REVIEW AND DISCUSS A PROPOSED RESOLUTION OF THE BOARD OF DIRECTORS OF BIG BEAR MUNICIPAL WATER DISTRICT AS IT RELATES TO FEES - NO ACTION

Mr. Heule reported that District rates and fees are evaluated annually in order to balance program or operational expenses with income. He explained that Staff has identified a disparity between the cost of providing services for recreation on the lake and operational income from boat permit sales, dock licenses, marina revenue, RV park rent and boat storage rent. He commented that the Quagga Mussel Initiative has created an additional financial burden on the District that the current rate and fee schedule does not address. He explained that under the current pricing structure, taxpayer income must subsidize recreation on the lake and the Board of Directors desires to balance income from recreation with their associated expenses. Mr. Heule stated that during the upcoming season expenses associated with responding to the Quagga Mussel threat is estimated to be \$55,800 and assuming that boat permit sales during 2009 will be similar to 2008, a surcharge for Quagga Mussel related expenses is being proposed. He reported that the surcharge will be \$5.00 on seasonal permits and daily permits for boats and sailboards and \$2.00 for float tubes. He explained that this will fund additional hours of operation at the two public launch ramps above what was provided during 2008. Mr. Heule stated that this Quagga Mussel surcharge will be collected as long as the threat exists. He explained that analysis of costs and income for other recreational activities on the lake has shown that expenses of \$788,600 exceed income of \$689,500 by \$99,100 annually and assuming that boat permit sales during 2009 will be similar to 2008, an increase in boat permit costs is being proposed. Mr. Heule reported that the increase would be \$10 on an annual permit and \$5 on a daily permit and this will assure that the

District can continue to provide services such as free boat launching and parking, free boat towing, public restroom facilities on the lake, public restrooms at each public launch ramp, boating safety patrol officers, trash services and picnic areas. President Murphy asked how these fees relate to other lakes. Mr. Heule explained that Staff did a survey and found that most other recreational and fishing lakes are still \$15 to \$20 higher than this proposal and so Big Bear Lake is still a bargain. Chuck Gormley asked if residents would be getting a locals reduction. Mr. Heule responded that a reduction would be unfair to residents who don't have boats. Mr. Cooke asked how many boats were registered last year. Mr. Heule reported that approximately 10,000 boats were registered last year; 4,600 annual and 4,600 daily. Mr. Cooke asked how many of those were local residents and how many were residents other than Big Bear. Mr. Heule said he did not have those figures with him but we have the ability to break them down by zip codes. Director Smith commented that the Committee looked at it with the belief that any person who uses the lake (fishermen or boaters) is still getting a bargain for access to the lake for 7 months and the District does not charge additional for towing or holidays like other lakes do. Mr. Heule added that he received a phone call from a dock owner, Jerry Fulmer, who has a private ramp and 5 boats that never leave Big Bear. Mr. Fulmer feels that Big Bear resident fees should not be raised but that daily fees should. Mr. John Riedl, Eagle Knolls, asked when the inspector training would be held. Mr. Heule stated that the training would be March 31st and Lake Operations Supervisor, Travis Carroll, would be providing details shortly.

PUBLIC FORUM

No comments were made

ANNOUNCEMENTS

Mr. Heule announced that he received an e-mail from Caltrans announcing the ground breaking ceremony for the new bridge on March 5th at 11:00 am commenting that all Directors are invited.

DIRECTOR COMMENTS

No comments were made

ADJOURNMENT TO CLOSED SESSION

The meeting was adjourned to Closed Session at 1:56 P.M to:
Conference with Legal Counsel

1. Pending litigation: Conroy v. BBMWD
2. Potential litigation: CWIN v. DWR

RECONVENE TO OPEN SESSION

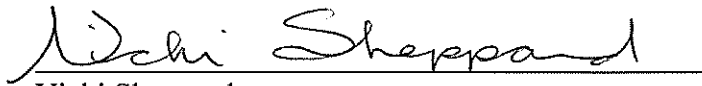
The meeting was reconvened to Open Session at 2:30 P.M.
No reportable action.

ADJOURNMENT

There being no further business, the meeting was adjourned at 2:31 P.M.

NEXT MEETING

Open Session at 1:00 P.M.
Thursday, February 19, 2008
Big Bear Municipal Water District
40524 Lakeview Drive, Big Bear Lake, CA

A handwritten signature in cursive script, reading "Vicki Sheppard", written over a horizontal line.

Vicki Sheppard
Secretary to the Board
Big Bear Municipal Water District

(SEAL)