



# Phelan Piñon Hills Community Services District

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**SPECIAL & REGULAR BOARD MEETING**  
**March 7, 2018**  
**Phelan Community Center**  
**4128 Warbler Road, Phelan, CA 92371**

## MINUTES

**Board Members Present:** Mark Roberts, President  
Alex Brandon, Vice President  
Al Morrissette, Director  
Cathy Pace, Director  
Dan Whalen, Director

**Board Members Absent:** None

**Staff Present:** Don Bartz, General Manager  
Lori Lowrance, Administrative Services Manager  
George Cardenas, Engineering Manager  
Kim Ward, HR Manager/Executive Secretary  
Sean Wright, Water Operations Manager  
Steve Lowrance, Parks Supervisor  
David Noland, Accountant  
Ernesto Araiza, Water Operations Supervisor  
Mike Lewis, Water System Operator III  
Oscar Dubon, Water System Operator II  
Eric Barnes, Water Quality Technician  
Matt Johnson, Water System Operator I  
Sam Shank, Water System Operator I  
Chris Gualco, Water System Operator I

### BOARD WORKSHOP – 4:00 p.m.

#### Call to Order

President Roberts called the Meeting to order at 4:00 p.m.

#### Roll Call

All Directors were present at Roll Call.

#### 1. Approval of Agenda

Director Whalen moved to approve the Agenda as amended. Director Morrissette seconded the motion. Motion passed unanimously.

#### 2. Public Comment – None

#### 3. Workshop Regarding 2018/2019 Budget

- a. Review of Capital Budget & Long Range Plans
- b. Discussion Regarding Budget Assumptions

Paul Mihalik, a District employee, read a statement (see last page)

c. Discussion Regrading 2018/2019 District Goals

4. Closed Session

Note: This item was removed from the agenda; there was no closed session.

5. Adjournment

With no further business before the Board, the meeting adjourned at 5:15 p.m.

**REGULAR BOARD MEETING – 6:00 p.m.**

**Call to Order**

President Roberts called the Meeting to order at 6:00 p.m.

**Roll Call**

All Directors were present at Roll Call.

1. Approval of Agenda

Vice President Brandon moved to approve the Agenda as amended. Director Whalen seconded the motion. Motion passed unanimously.

2. Public Comment

a. General Public – None

b. Community Reports

- County Supervisor – Susan Drake, Field Representative for Supervisor Lovingood, noted the upcoming 5<sup>th</sup> Annual Veterans Resources Event. She also noted the manufacturing event and the neighborhood watch meetings, stating they were successful. A neighborhood watch meeting will be scheduled for June.
- Sheriff – Sergeant Vaccari reported on the February call statistics and gave crime preventions tips.
- Fire – Fire Engineer Travis Aguirre provided the call statistics for February. He noted the public education programs and stated that burn permits are available.

3. Consent Items

Director Whalen moved to approve the Consent Items. Director Morrissette seconded the motion. Motion passed unanimously.

4. Matters Removed from Consent Items

None

5. Presentations/Appointments

None

6. Continued/New Agenda Items – Action Items

a. Discussion & Possible Action Regarding Budget Assumptions for the 2018/2019 Budget

Staff Recommendation: For the Board to consider and approve budget assumptions for the 2108/2019 budget.

Ms. Lowrance introduced this item.

Director Whalen moved to utilize the following assumptions: increase of 1.6% average for water meter and consumption revenue; 2% increase for expenses unless otherwise known; 3% salary increase. Director Pace seconded the motion. Motion passed unanimously.

- b. Discussion & Possible Action Regarding Well 9B Pump & Motor Replacement**  
Staff Recommendation: For the Board to approve Well 9B pump and motor replacement by Layne Christensen in an amount not to exceed \$43,891.35.

Mr. Bartz introduced this item.

Director Morrisette moved to approve staff recommendation. Director Whalen seconded the motion. Motion passed unanimously.

- c. Discussion & Possible Action Regarding Entering into a Professional Services Agreement with TRLS Engineering & Design Services for the Phelan Community & Senior Center, District Office, and Phelan Park Parking Lot Rehabilitation & Improvements Project**  
Staff Recommendation: For the Board to enter into a PSA with TRLS Engineering for design plans and engineering services.

Mr. Bartz introduced this item.

Vice President Brandon moved to approve staff recommendation. Director Whalen seconded the motion. Motion passed unanimously.

- d. Update on Out of District Service Policy**  
Staff Recommendation: None

Mr. Kennedy and Ms. Ward provided an update on this item; it will be on the next Board agenda.

No action taken.

**7. Committee Reports & Comments**

- a. **Engineering Committee (Standing)** – Nothing further to report.
- b. **Parks, Recreation & Street Lighting Committee (Standing)** – Nothing further to report.
- c. **Finance Committee (Standing)** – Nothing further to report.
- d. **Legislative Committee (Standing)** – Nothing further to report.
- e. **Waste & Recycling Committee (Standing)** – Nothing further to report.
- f. **Conservation Committee (Ad Hoc)** – None
- g. **Adjudication Committee (Ad Hoc)** – Potential upcoming closed session.
- h. **Property Management Committee (Standing)** – Nothing to report.

**8. Staff and General Manager's Report**

Mr. Bartz updated the Board on the Underground Service Alert location demands being placed on the District by RACE Communications and the cost to the District; discussion.

**9. Reports**

**a. Director's Report**

**Brandon** – Reminded everyone of the Senior Health Fair next week.

**Morrisette** – Met with Mr. Bartz regarding an issue that happened that dealt with one of the Directors and one of the employees. He thinks the process utilized was handled well and stated it was a lesson learned for everyone. He stated the District lost some money as a result of the investigation. Wished everyone a happy birthday.

Pace – Reported on a meeting she attended concerning the E220 Corridor.  
Whalen – Nothing to report.

c. **President’s Report** – Nothing to report.

10. **Correspondence/Information** – The items in the packet were noted.

11. **Review of Action Items**

- a. **Previous Meeting** – None
- b. **Current Meeting** – Update CIP/Long Range Plans

12. **Set Agenda for Next Meeting** – March 21, 2018

- Presentation on ESFR Fees
- Out of District Service Policy

13. **Adjournment**

With no further business before the Board, the meeting was adjourned at 6:56 p.m.

**Link to Agenda Materials and Handouts:** <http://www.pphcsd.org>

  
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 Mark Roberts, President

3-21-18  
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 Date

  
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 Kim Ward, HR Manager/Executive Secretary

3/21/2018  
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 Date

**Paul Mihalik Statement:**

My name is Paul and I am the Customer Service Lead for water operations. I am up here tonight speaking on behalf of District employees. We are here tonight because you are considering our salary increases. As you can imagine, this is important to all of us and our families. We have worked hard to establish the district, to modernize operations, and to get all district facilities into good condition. We all strive to provide excellent customer service. And we have worked through the tough times and have been grateful for our jobs. As we work towards completing our 10<sup>th</sup> year as a district, we are asking that you take time to consider us and our hard work.

The average salary increase over the last 10 years has been 1.4% but the cost of living has increased by 13.8% during that time. We are also earning closer towards the minimum wage as it has increased over 30% in the last 10 years. Additionally, our healthcare costs have increased more than anyone could have ever imagined or anticipated.

At our District, there is no guarantee of an automatic step increase, COLA, or movement within the salary range beyond the merit increase the board determines each year. And some years this was only 1% or even 0%. We understand the board's reasoning at the time, and realized everyone was struggling during some of those years.

We are by no means unappreciative of what the board has done for us. We are very thankful for the healthcare contribution increase last year. But, as you are aware, healthcare costs continue to climb and we are still losing income year-to-year as a result. We realize the board is not responsible for the increased healthcare costs or the increase in the gas prices and everything else that impacts the cost of living in our state. But, you have the power to ease our burden and make us feel valued.

It can be disheartening to know that even though we are working hard, increasing our skills, our knowledge of district operations, and we are increasing efficiencies, we as employees are not gaining. The merit increases have not covered the cost of living increases, and merit increases should be a reward – not just to keep up with the inflation.

We work hard and we are dedicated to the District. Almost half of us, including myself, live in the District and the rest are in neighboring communities. We provide excellent customer service and reliable, safe water to the community. We look for innovative ways to save the district money and are frugal in all of our dealings. We work hard to make this the best district we can. This year, we are asking that you consider a salary increase for the upcoming year so that we can not only keep up with inflation, but can also receive a true merit increase for those employees who are so deserving. Thank you.