



Phelan Piñon Hills Community Services District

4176 Warbler Road • P. O. Box 294049 • Phelan, CA 92329-4049 • (760) 868-1212 Fax (760) 868-2323

REGULAR BOARD MEETING
June 6, 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: Lori Lowrance, Administrative Services Manager
George Cardenas, Engineering Manager
Kim Ward, HR Manager/Executive Secretary
Sean Wright, Water Operations Manager

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

Mr. Bartz request to add Agenda Item 6d; Adoption of Resolution No. 2018-08; Initiating Procedures to Fix, Levy, and Collect Water Standby and Availability Fees for 2018/2019. Director Pace moved to approve the Agenda as amended. Vice President Brandon seconded the motion. Motion passed unanimously.

2. Public Comment

a. General Public - None

b. Community Reports

- Fire – Chief Wetzel provided the call statistics for the month of May.
- Sheriff – Deputy Fox provided the call statistics for the month of May.

3. Consent Items

Director Whalen moved to approve the Consent Items. Director Pace 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. Public Hearing on 2018/2019 Budget for Fiscal Year Ending June 30, 2019

President Roberts declared the Public Hearing open at 6:11 pm.

1) Secretary's Report

Ms. Lowrance reported the District received zero written protests, objections, or comments on the proposed adoption of the Final Budget for 2018/2019.

2) Attorney's Report

Mr. Kennedy reported the notice of public hearing was published in the Daily Press on Monday, May 21st, 2018, and in the Mountaineer Progress on May 31st, 2018. The notice of public hearing was posted in the District office and on the District website on May 18th, 2018. Copies of the 2018/2019 Budget have been made available in the District office and on the District website in accordance with applicable law. Compliance with all legal requirements for this hearing were within the manner and time specified in the Government Code.

3) Staff's Report

Ms. Lowrance stated the finances of the District were discussed at special workshop meetings on February 28, March 7, and April 18. At the Board meeting on March 7, 2018, the Board directed staff to utilize certain assumptions for the budget. The assumptions include a 1.6% revenue increase, a 3% salary increase and a 1.5% expense increase, except where changes are known, such as an increase in Edison rates of 5% and 10% increase in insurance.

The preliminary budget was prepared and presented to the Board at a special workshop meeting on May 16, 2018. The Hearing Notice was advertised, as required by law. A copy of the Budget was provided to the Directors and made available in the District office and online for public review.

The budget reflects the changes made as directed at the various meetings. The results of the budget, after the changes, are as follows:

Net Income Water Operations = \$343,069
Net Income Government Funds budget = \$430,388
Net Income total budget = \$773,456
Projects & Capital Purchases = \$653,100
Debt Service = \$536,477
Repayment to reserves = \$203,909

4) Public Comments, Protests, and Objections

There were no public comments, protests, or objections.

Director Paced moved to close the Public Hearing. Director Whalen seconded the motion. Motion passed unanimously and President Roberts declared the Public Hearing closed at 6:15pm

b. Discussion & Possible Adoption of Resolution No. 2018-07; Adopting the Annual Budget for the Fiscal Year Ending June 30, 2019

Staff Recommendation: For the Board to adopt Resolution 2018-07; Adopting the Annual Budget for the Fiscal Year Ending June 30, 2019.

Ms. Lowrance introduced this item.

Director Morrissette moved to approve staff's recommendation. Director Whalen seconded the motion. Motion passed 4-1 with Director Pace opposed.

c. Discussion & Possible Action Regarding Sheep Creek Mutual Water Company Water Transfer & Mutual Agreement

Staff Recommendation: For the Board to approve the Water Exchange Agreement between Sheep Creek Mutual Water Company and the Phelan Piñon Hills Community Services District.

Mr. Bartz introduced this item.

After much discussion and amendments to the Agreement, Director Pace moved to approve the Agreement as amended. Director Morrissette seconded the motion. Motion passed unanimously.

d. Discussion & Possible Action Regarding Resolution No. 2018-08; Initiating Procedures to Fix, Levy, and Collect Water Standby and Availability Fees for 2018/2019

Staff Recommendation: For the Board to adopt Resolution No. 2018-08; Initiating Procedures to Fix, Levy, and Collect Water Standby Availability Fees for 2018/2019.

Mr. Bartz introduced this item.

After some discussion, Director Pace moved to approve staff's recommendation. Director Whalen seconded the motion. Motion passed unanimously.

7. Committee Reports & Comments

- a. **Engineering Committee (Standing)** – The Committee has been working on the Sheep Creek agreement.
- b. **Parks, Recreation & Street Lighting Committee (Standing)** – The AV Mobile Vietnam Memorial Wall went very well. Moving forward with the community garden.
- c. **Finance Committee (Standing)** – Will meet next week.
- d. **Legislative Committee (Standing)** – None
- e. **Waste & Recycling Committee (Standing)** – None
- f. **Conservation Committee (Ad Hoc)** – Will be busy soon.
- g. **Adjudication Committee (Ad Hoc)** – Has not met.
- h. **Property Management Committee (Standing)** – Will meet next week.

8. Staff and General Manager's Report

Mr. Bartz commented on the 55 gallon per capita per day indoor water usage; discussion. He thanked staff for their efforts on the AV Wall.

9. Reports

a. Director's Report

Brandon – Noted that the purposeful decision by the board to double water rights is now saving about \$400,000 in replacement water obligations per year even after debt service. He provided a written report on his attendance at CSDA's Legislative Days

(attached to minutes). He was the guest speaker at the VFW post at the same time the AV Wall Memorial Ceremony was happening. Stated he already let staff know his thoughts on the AV Wall event.

Morrisette – Complimented Dan Whalen on how he emceed the event and for his time spent setting up and volunteering and thanked staff for going above and beyond the call of duty. Attended a LAFCO wastewater meeting in Victorville; stated the District is a “hotspot” for future wastewater issues. He received a lot of positive feedback on the AV Wall but he did get a negative comment about the person who campaigned and leafletted cars during the event and he agrees that it was inappropriate.

Pace – Thought the AV Wall memorial was very moving and was impressed with Dan and Staff.

Whalen – Noted his experience emceeding the AV Wall event. Thanked everyone for the comments and for the work of staff.

c. **President’s Report** – Thanked staff for their efforts on the wall.

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

11. **Review of Action Items**

- a. **Previous Meeting** – None
- b. **Current Meeting** – Update Sheep Creek Agreement, as amended by the Board.

12. **Set Agenda for Next Meeting** – June 20, 2018

- Set the Delinquent Water User Hearing Date
- School District Water Service Project
- Adopting the Appropriations Limit
- Community Garden

NOTE: July 4th Board Meeting will be cancelled.

13. **Adjournment**

With no further business before the Board, the meeting adjourned at 7:12 p.m.

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



Mark Roberts, President

7-17-18

Date



Kim Ward, HR Manager/Executive Secretary

7/17/18

Date