



Phelan Piñon Hills Community Services District

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**PHELAN PIÑON HILLS COMMUNITY SERVICES DISTRICT
REGULAR BOARD MEETING
January 6, 2010 – 7:00 p.m.
Phelan Community Center
4128 Warbler Road, Phelan, CA 92371**

MINUTES

Board Members Present: Al Morrissette, President
Joe Fahrlander, Director
Charlie Johnson, Director
Mark Roberts, Director
Ken Anderson, Vice President

Board Member Absent: None

Staff Present: Don Bartz, General Manager
Debbie Bishop, Board Secretary

Call to Order

President Morrissette called the meeting to order at 7:00 p.m. and the Pledge of Allegiance was conducted.

Roll Call

All Board Members were present.

1. Approval of Agenda

Mr. Bartz removed the Closed Session for the Antelope Valley Groundwater Adjudication and the Closed Session for the Conference with Real Property Negotiators regarding APN's 3098-081-01 & 3098-071-05 and APN 3098-321-01. Vice President Anderson moved approval of the Agenda as modified. Director Roberts seconded the motion. All were in favor.

2. Public Comment

None

3. Consent Items

Ms. Bishop reported there are a couple of typos in the minutes of the December 16, 2009 Regular Board Meeting. On page 3 under Item b; Claims against the District and Resolution, it should state President Morrissette, not Vice President Morrissette. On Page 4 under Item h; Solid Waste Management, Mr. Spears should be spelled Mr. Speers. The Board agreed to move the minutes to Item 4 for discussion. Vice President Anderson asked for clarification on the Asset Sheet in regards to improvements at the parks. Ms. Lowrance stated that line item includes all improvements at the parks. Director Johnson moved to approve the remaining Consent Items. Director Roberts seconded the motion. All were in favor.

4. Matters Removed from Consent Items

Director Roberts asked for clarification on the statement in the minutes regarding the need for reconstructing 50% of the Tanks. As requested by the Board, Ms. Bishop listened to the tape

and the statement was corrected to state, “Mr. Bartz stated that 50% of the District tanks will need some sort of work.” Director Roberts also noted there was an error in the minutes on page 4 under Item h; Solid Waste Powers where the sentence “It was stated that the District may make...” The word “make” should be omitted. Director Roberts motioned to approve the item. Director Johnson seconded the motion. All were in favor except Director Anderson who abstained.

5. **Presentations/Appointments – None**

6. **Continued/New Agenda Items – Action Items**

a. **Discussion and Possible Approval of High Desert Underground (HDU) Invoices for Valve & Hydrant Maintenance Crew**

Mr. Bartz reported that there was an error made in the calculations at the October 29, 2009 Board Meeting. He stated the figures have been recalculated at 20% of the contract amount rather than at 30%. Mr. Bartz stated Mr. Sandwick of HDU will be at the next Board Meeting to give the Board a proposal for finishing the PRV Project. Director Johnson moved approval of the report. Vice President Anderson seconded the motion. All were in favor except Director Roberts

b. **Discussion and Possible Approval of Proposal for Federal Representation Services from Ball Janik, LLP**

Mr. Bartz stated this Item was brought back from the last meeting for Board discussion and possible approval. Director Roberts stated he would be in favor of supporting this item for two years. President Morrissette stated this proposal is for one year and he felt the District should stay with the proposal presented. Director Johnson asked if the \$3,000 was or was including the expenses. Is there an additional 10% in expenses? Mr. Kennedy stated the last sentence may be intended to include expenses that were not specifically stated. Mr. Bartz noted there is clarification regarding the intent of the expenses in the minutes of the last meeting. Mr. Kennedy stated if there was a conflict between the retainer agreement and the proposal, then the retainer agreement would supersede. He also pointed out that Section 7 there is a dispute resolution situation for the District of Columbia which is binding arbitration in the District of Columbia. He stated this would not be something that he recommends.

A discussion took place regarding the procedures that would take place in choosing the grants that the District would apply for. Director Anderson inquired on whether the District will be consulted as to whether it would like to do earmarks. Director Fahrlander stated the District will have a say; however, he stated that Mr. Packard did state that earmarks is where 90% of the funds are obtained.

Director Fahrlander stated he is extremely dissatisfied to have to pay someone to have access to our elected officials.

Director Johnson clarified that the press reported Director Johnson wrote letters to the District representatives; however, he stated staff had written and sent letters. He also noted that the District either needs to have staff to pursue these revenue sources or hire someone to represent the District.

Vice President Anderson stated he still sees the District putting the cart before the horse and that the District is not quite ready for this at this time.

President Morrisette stated he understands how the political process works and stated this is the best process to get success for the District. He stated the District does need to form relationships with its representatives; however, it can be forming those relationships and work with the service at the same time.

Mr. Bartz stated Mr. Packard had stated that he has never had a client that he has not brought a substantial amount of funds back to.

Director Johnson noted this Board wouldn't spend the funds to put into a parks and recreation program; however, it's now considering this option. He stated he wonders what the best use of the funds would be.

Director Roberts motioned to move forward with this process for one year. President Morrisette seconded. Director Roberts and President Morrisette voted for the item. Vice President Anderson and Directors Johnson and Fahrlender were against the item. The item was not passed.

c. Introduction and Discussion of Park Ordinance

Mr. Bartz stated the Park Ordinances were drafted by Mr. Kennedy. Mr. Bartz stated this Item is being brought to the Board tonight for Board comments. He stated If the Board wishes to approve the item, it will be brought back to the next Board Meeting.

Director Johnson stated there is a typo on page 1 item (b) where the word missed should be mixed. Mr. Kennedy briefed the Board on an additional typo as well as some clean up items he would like to do to the Ordinance before it is approved.

A discussion took place regarding the Ordinances. Vice President Anderson asked who would give the fines. Mr. Kennedy stated the District would give the fines and it would most likely fall upon the District to prosecute if it chooses. Further discussions took place regarding the fines and collecting the fees.

Mr. Dan Wilson asked if the Ordinance could protect the District against lawsuits. Mr. Kennedy stated it would make a good argument in court that the District has an Ordinance against the specific activity.

A discussion took place regarding the need for posting the Ordinance at the parks. Mr. Kennedy stated the District could post either the citation for the Ordinance or the full Ordinance.

After discussion regarding Item A (d); to smoke or consume any tobacco or tobacco products, the Board agreed to designate areas for smoking and the use of tobacco which will be determined by the General Manager.

Mr. Kennedy stated this item will be brought back at the next Board meeting for adoption. Staff would have to publish the Ordinance in the paper within 15 days. The Ordinance would become affective 30 days after it is adopted.

d. Discussion and Possible Approval of Resolution #2010-01 Establishing the Statement of Investment Policy for Fiscal Year 2009-2010

Mr. Bartz briefed the Board on Resolution #2010-1. Mr. Bartz briefed the Board regarding the request to update the policy to include the language regarding the checking account and the response from Mr. Waller. Director Johnson moved the approval of the policy. Vice President Anderson seconded the motion. All were in favor.

e. **Discussion and Possible Approval of Purchase of Meter Boxes**

Mr. Bartz briefed the Board on the purchase of the meter boxes. A spreadsheet was distributed to the Board regarding the status of the meter exchange program. Mr. Bartz stated staff grossly underestimated the number of meter boxes that would need to be replaced. If the District replaces the meter boxes as requested, the District's expenses for the meter replacement program will be at \$1.87 million dollars. Director Fahrlander asked if there are compatible meter boxes out there for the vendors to bid on. Mr. Bartz stated the local vendors all carry the boxes the District is using. A discussion took place regarding the difference in timeframes to receive the meter boxes from the vendors. Mr. Bishop stated the vendors were bidding the job at supplying the entire 4,000 meter boxes at one time. Director Johnson moved recommendation of the proposal. Director Johnson seconded the motion. All were in favor.

f. **Discussion and Possible Action for Annual Board Elections**

The Board agreed to allow the Board Members to state if they would like to be nominated as a candidate as well as allow Directors to nominate each others.

Director Roberts nominated Director Johnson as a candidate for President. Director Anderson motioned to close the nominations. Director Roberts seconded the motion. All were in favor. The Board took a voted for Charlie Johnson to be President of the Board and all were in favor.

Vice President Anderson nominated Joe Fahrlander as a candidate for Vice President. Director Roberts motioned to close the nominations. Director Morrisette seconded the motion and all were in favor. The Board voted for Director Fahrlander to be Vice President and all were in favor.

7. **Review of Action Items**

Mr. Bartz reviewed the Action Items with the Board. A discussion took place regarding presenting Mr. Sandwick with a Resolution the same night as considering a contract with HDU. The Board agreed to do them both on the same night.

8. **Citizens' Advisory Committee for parks, Recreation and Street Lighting**

a. **Update by Steve Lowrance**

Mr. Lowrance distributed one of the four ideas on park plans from the Citizen's Advisory Committee to the Board Members. He stated he will have the other plans at the next Committee Meeting. Mr. Lowrance stated they will vote to narrow the Committee's choice in plans down to one at that meeting. Mr. Lowrance stated the Committee's goal is to try to obtain five million dollars for the parks.

Directors Anderson and Roberts stated they would like to see the other three maps. Mr. Lowrance stated the other maps will be available for next Monday's Committee meeting.

A discussion took place regarding the group decision that will be made regarding which park and which park layout will be submit for the grant funds.

President Johnson thanked Mr. Lowrance for all the work he has done with the Committee.

A discussion took place regarding meeting the request of the seniors and the children. Director Anderson stated he hoped the Committee is keeping in mind that there will be a need for

additional funding if there is any grass or anything that needs to be kept up. Mr. Lowrance stated they have had discussions regarding this and will be addressing it.

b. Agenda's, Minutes, Etc.

There were no Agenda's and Minutes available to present to the Board at this time.

10. Committee Reports

- a. Engineering Committee (Standing) – Director Roberts stated the last meeting was canceled. The next meeting is in two weeks.
- b. Parks, Recreation & Street Lighting Committee (Standing) – Director Morrisette stated the Committee met this week and they talked about the expansion of the Piñon Hills Park. Mr. Bartz stated Mr. Kennedy was just supplied with the information regarding a new fee schedule for the Parks and Community Centers. Mr. Kennedy stated he is concerned regarding adopting a fee schedule with different costs unless it can show there are different costs related to the different uses. A discussion took place regarding Residential versus non Residential use of the facilities. Director Morrisette stated the Committee also talked about implementing some different Community Programs.
- c. Finance Committee (Standing) – Ms. Lowrance stated the next meeting is a week from tonight.
- d. Building Committee (Standing) – President Johnson stated this Committee is meeting next week as well.
- e. Adjudication Committee (Ad Hoc) – Director Fahrlander stated the principal meeting continue and it is progressing.
- f. General Manager Review Committee (Ad Hoc) – President Johnson stated a report has been distributed to the Board regarding the General Manager Review. He stated any suggestions for changes, additions, etc. should be given to Mrs. Bishop. Mr. Kennedy stated this item should be placed on the next Board agenda for approval.
- g. Solid Waste Powers (Ad Hoc) – Vice President Fahrlander stated a meeting took place with Kathleen Rawlings-McDonald regarding the Solid Waste Powers. He briefed the Board on the meeting and the Districts inability to separate the Solid Waste Powers.

Director Morrisette asked if a Legislative and Grant Committee should be formed. Director Fahrlander volunteered to be on the Committee. The Board agreed to form the Committee as a Standing Committee with Directors Morrisette and Fahrlander.

11. General Manager's Report

Mr. Bartz provided a written report in the meeting packet.

Mr. Bartz recommended the District get acquainted with its representatives and stated the ACWA DC Conference might be a good opportunity.

Mr. Bartz stated an OESTE Subarea Committee Meeting took place last month and feels the District has great representation on this Committee. He stated the Committee is full of very active members and the Committee working with Mohave Water Agency to get better monitoring of Wells in the OESTE Subarea.

Mr. Bartz stated there is a hole in the casing of Well #3. Work on the casing is scheduled to take place at the end of this week.

Staff met today with Superior Tank to work on a program to repair the tanks under warranty. They will also come up with a plan to do all the repair work needed on the District Wells for free.

Director Anderson stated Mr. Bartz report was great and he really appreciated it.

12. Reports

a. Director's Report

Anderson – Director Anderson stated he had some calls from the Districts customers who are losing their home. They stated the District would not turn off the water and continue to bill the customer. Mr. Bartz asked Director Anderson to have the customer contact him so he can review this problem. Ms. Lowrance stated the water follows the property. Even though they are not using the water it remains in the customer's name until the District can verify with the County that the property has gone into the name of a bank. At that time the account is switched over to the banks name. Director Anderson asked the Board to think about the Districts policy on this issue.

Director Anderson stated he also heard a complaint regarding a leak on a property with a \$2,000 water bill. He asked the Board if there is some consideration the District can have for these situations. Mr. Bartz explained issues the District is running into with these issues. The Board agreed to have Mr. Bartz bring the existing District policies on these issues to the Board with any recommendations he may have.

ACTION ITEM: Mr. Bartz will present the existing District policies regarding customer issues to the Board with any recommendations he may have.

Fahrlender – Director Fahrlender thanked Board and staff for putting up with him in the last year.

Roberts – Director Roberts stated he received an e-mail regarding an opening for a General Manager position in West Kern. He noted part of the package was CalPERS 2.0 at 60.

b. **President's Report** – President Johnson thanked the Board for their confidence in him.

13. Correspondence/Information

Director Morrissette stated he would be interested in attending the ACWA DC Conference.

Set Agenda for Next Meeting – January 20, 2010

- Contract for Valve & Hydrant Maintenance and Water Operations Support
- Resolution #2010-02; Employer Paid Member Contributions
- Update of Master Plan – ID Modeling - Presentation
- Review of Mid-Year Budget
- Discussion and Possible Approval of GM Goals
- Introduction and Discussion of Park Ordinance
- Discussion of 5-year Forecast Model

The Board agreed to form an Ad Hoc Committee for the Mission and Vision Statements. Directors Roberts and Morrissette will serve on the Committee.

Future Board Meeting

- Board Policy for District Committee’s

Adjourn

The meeting was adjourned at 9:50 p.m. for the Closed Sessions.

Closed Session – Conference with Legal Counsel/Anticipated Litigation
Significant Exposure to Litigation pursuant to government code 54956.9(b)
One potential case

Closed Session – Conference with Real Property Negotiators
(Government Code §54956.8)
Properties: APN#3066-331-26/APN #3066-441-05, 06 & 07/APN #3066-221-29 & 33/
APN#3066-221-25
District Negotiators: Mr. Bartz/Mr. Kennedy
Negotiating Parties: Lee & Associates/Kevin Anderson/Harry Marinelli/Zimbro Realty
Under Negotiation: Price and terms of payment

Announcements of Any Reportable Closed Session Actions

There was no reportable action in the Closed Sessions.

Adjourn

With no further business, the meeting was adjourned at 10:30 p.m.

Board approved the above Minutes on January 20, 2010:

Charlie Johnson, President

Date

Debbie Bishop, Board Secretary

Date