



Phelan Piñon Hills Community Services District

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**PHELAN PIÑON HILLS COMMUNITY SERVICES DISTRICT
REGULAR BOARD MEETING
March 16, 2011 – 7:00 p.m.
Phelan Community Center
4128 Warbler Road, Phelan, CA 92371**

MINUTES

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

Board Member Absent: None

Staff Present: Don Bartz, General Manager
Debbie Bishop, Board Secretary
Chris Bishop, Operations Manager
Lori Lowrance, Administrative Services Manager

Call to Order

President Fahrlander called the meeting to order at 7:11 p.m. and the Pledge of Allegiance was conducted.

Roll Call

All Board Members were present.

Announcement of Reportable Action from Closed Session

President Fahrlander noted there were no reportable actions from the Closed Sessions.

1. Approval of Agenda

Director Anderson moved to approve the Agenda. Vice President Roberts seconded the motion. All were in favor.

2. Public Comment

None

3. Consent Items

Director Anderson motioned to approve the Consent Items. Director Morrissette seconded the motion. All were in favor.

4. Matters Removed from Consent Items

None

5. Presentations/Appointments

a. Presentation by Val Christensen of Victor Valley College regarding Solar Energy

Mr. Bartz stated he invited Mr. Christensen to talk to the Board regarding Solar Energy and noted the District uses approximately 8 mega watts of energy a year.

Mr. Christensen stated he consults with SolFocus. He briefed the Board on the project he worked on with Victor Valley College. He stated they will save \$1M in costs for power this year and will have

their investment of \$4.7M back in approximately four years. He stated they had the project up and running in two months.

Mr. Christensen gave the Board a package and reviewed it with them. He stated the panels do not use water like most of them do. He stated they track to the sun all day long and they absorb as much heat as they can for the power.

Mr. Christensen stated if this is something the District wants to pursue, then there are questions that need to be answered. For instance, does the District have an Edison meter on the property where the project is being built? Does the District have property of 20 or more acres for the project? Is the property close to an Edison interconnect? How will the District pay for the project?

Mr. Bartz asked what happens if you generate extra power? Mr. Christensen stated the District can negotiate with Edison.

Mr. Bartz asked who is responsible for the permitting. Mr. Christensen stated plans need to be made and submitted to County Planning. Mr. Christensen felt it will take the District approximately six months to do the project.

Mr. Bartz asked the life expectancy of the panels. Mr. Christensen said they guarantee it for 20 years. Vice President Roberts stated the handout stated 25 years.

A discussion took place regarding the maintenance of the panels. Mr. Christensen stated the District could maintain them or it could contract with Sol Focus.

A discussion took place regarding the use of the remaining land that the panels are on. Mr. Christensen stated his understanding the remaining land could be used to put a house on, a park, etc.

Mr. Christensen recommended the Board take a tour of Victor Valley College's project.

President Fahlender asked if the District would only be able to get a guarantee on the panels productivity if the District contracted with SolFocus for the maintenance of the panels. Mr. Christensen didn't believe SolFocus was that way.

Mr. Bartz asked if it would be possible to obtain a copy of the Victor Valley College's proposal. He stated he didn't think that would be a problem and stated it might even be on the internet.

Mr. Christensen stated it would also be good for him and Mr. Bartz to look at the Districts properties to see what would work for the project.

Mr. Bartz asked if SolFocus would put together a full package for the District. Mr. Christensen stated they would do a bid package like other companies would so the District can compare them to other companies.

6. Continued/New Agenda Items – Action Items

a. Discussion and Possible Approval of Emergency Plugs at Four Additional Sites

Mr. Bartz explained the District realized the generator the District owns would not plug into the Districts sites. He explained five sites currently have the ability to plug in the generator. The District would like the ability to plug in the generators throughout the District; therefore, staff recommends approving the contract with Ewing Electric.

Vice President Roberts asked for the necessity of using this. Director Johnson stated the District almost had this problem in Zone G. Mr. Bartz explained that there was a fire in Zone G and the District almost needed the generator because it was expected that the power would be out because of the fire. Vice President Roberts asked how long it takes to run down the storage of water. Mr. Bartz stated just recently there was a line break that drained two tanks in a short time. Director

Johnson stated he had a recollection of another instance when there wasn't power in an area and the District came down to five feet of being out of water.

Director Anderson asked why the locations were chosen. Mr. Bishop explained they are the sites with the million gallon tanks and the water can be pumped up the lane to the other tanks.

President Fahrlander stated he would like to see what it would cost to put in a fixed generator at each site. Director Johnson motioned to table this item until those costs could be provided to the Board. The Board agreed.

b. Discussion and Possible Action Regarding General Manager's Contract

Director Johnson stated the committee met with Mr. Bartz and reviewed Mr. Bartz's contract. The only change the Committee is recommending at this time is to change the contract to a five year contract and to change the salary on the contract to reflect Mr. Bartz's current salary.

Director Anderson stated there is no real reason to make a change to the contract other than the changes Mr. Bartz requested because the contract renews itself.

Director Anderson asked Mr. Kennedy about Item 2c and what any other business would mean. Mr. Kennedy stated the key is that it does not interfere or conflict with the District.

Director Anderson asked about getting some kind of time accountability list on how much time Mr. Bartz is spending working in particular areas. Director Johnson stated he didn't think that had anything to do with the contract and felt that would go along with his goals.

Vice President Roberts stated he would like to think about this because he is not comfortable with the five years and noted that the Board changes.

The Board agreed to table this item at this time and readdress it at a later date.

Vice President Roberts asked if the contract would need to be brought back to the Board if the District has an address change. Mr. Kennedy stated there is language in the contract that deals with the change of address so it would not need to be brought back.

Mr. Bartz stated he would prefer not to wait until the final 60 days. President Fahrlander clarified that Mr. Bartz would like to see a proactive renewal and not wait until the last minute.

Director Anderson suggested bringing this item back at the first meeting in May. The Board agreed.

c. Annual Review of Resolution 2009-05; Adopting a Conflict of Interest Code

Mr. Kennedy stated the Board is required under the Political Reform Act to review this item annually and stated all changes to the act are automatically applicable to the code. Mr. Kennedy had no recommended changes.

Director Morrisette stated he writes articles for the Mountaineer about the District and asked if it is a conflict of interest. Mr. Kennedy stated if he was asked to take an action as a member of the Board affecting the newspaper, then he would be required to expose the conflict of interest and recuse himself from the Board. He didn't feel simply receiving compensation from the newspaper and the newspaper reporting on his actions on the Board was a conflict. He recommended contacting the FPC and getting an opinion on this topic.

Director Anderson asked if the fact that he gets paid to attend a meeting as well as for the article he writes about the meeting is a conflict. Mr. Kennedy stated that was not a conflict.

Director Johnson wondered how there could be objectivity when the writer works for the District that it is writing about.

The Board agreed there were no changes to be made to this Resolution.

- d. **Annual Review of Resolution 2009-09; Setting Compensation for the Board of Directors**
Mr. Kennedy stated this is the Resolution that establishes the Board member compensation. He reviewed that the Board has elected to have compensation of \$100 per meeting for up to six meetings a month.

The Board agreed there were no changes to be made to this Resolution.

- e. **Annual Review of Resolution 2010-14: Establishing Policies for its Compensation, Reimbursement and Ethics Training**
In regards to section 2.3.4, Director Johnson stated he has heard it is difficult to get breakfast for the current rate in the Resolution. President Fahrlender stated he agreed that the amounts for meals are not realistic for some of the locations the Board members are traveling to. Mr. Kennedy stated the Districts reimbursement rate is low for what is tolerable. Director Johnson suggested a dollar amount per day such as not to exceed \$100 a day. Director Anderson suggested added \$10.00 to each meal and note not to exceed \$100.00.

A discussion took place regarding Section 2.4 and the maximum amount of District-paid expenses that each member may annually incur without Board approval of \$3,000.00 each fiscal year. Mr. Kennedy felt best practice would be to have Board approval noted in the minutes. Director Johnson stated the Board should be careful about this.

Director Morrissette stated he didn't mind the \$3,000.00 limit when it's something the Board member wants to do; however, when its District business he felt it should be separate. Mr. Kennedy felt that was a valid distinction and stated it was up to the Board if they wanted to add that verbiage to section 2.4.

Vice President Roberts suggested the Board approve the business trips.

The Board agreed to leave the verbiage for Section 2.4 as it is with the understanding that the Board will give official approval of the business trips at a Board meeting. A discussion took place regarding items that are approved by the Board not being included in the \$3,000.00 limit.

Director Anderson motioned to change the verbiage, in Section 2.3.4, for the meals not to exceed \$100.00 a day for meals. Director Johnson seconded the motion and all were in favor.

- f. **Discussion and Possible Action Regarding Changing the Check Signature Policy to Better Fit Technology**
Mr. Bartz briefed the Board on the Districts Check Signature Policy and how the new software works with secure signatures. He stated the Finance Committee reviewed this item and recommend approving Resolution 2011-03.

Director Johnson briefed the Board on how the checks and balances work with the new software.

President Fahrlender asked if the documentation would be available for the checks. Director Johnson stated it was.

Mr. Kennedy stated there were some administrative changes that needed to be made if the Board wished to adopt this Resolution.

Director Johnson moved approval of the item. Vice President Roberts seconded the item and all were in favor.

7. **Review of February Disbursements**

Director Johnson stated this list has been reviewed by the Finance Committee. There were no further questions.

8. **Review of Action Items**

Mr. Bartz stated he is still working on the purchase of additional water rights for next year to stay ahead of the game.

Mr. Bartz stated the Hydrant Valve map has been provided to the Board at previous meetings and stated the progress has been slow.

Mr. Bartz asked if there was additional information that the Board would like to see regarding the software for the Board. Director Johnson stated Mr. Bartz reports on the first two Action Items in his Managers Report and felt those items could be removed. Director Johnson recommended the proposal of providing assets to the Board be changed to investigation of providing the capability of providing a secure place on the website where the Board Members can log on from the District office or home.

President Fahlender stated he thought the Board gave staff direction and asked that staff look back at the previous minutes.

Director Anderson agreed with Director Johnson regarding the first two items.

9. Committee Reports

- a. **Engineering Committee (Standing)** – Vice President Roberts stated they met and discussed the Master Plan and CIPs for 2012. Mr. Bartz stated there were a couple of items that weren't addressed adequately and they are finishing up on those. Director Johnson clarified that staff was asked to re-prioritize the CIP list.
- b. **Parks, Recreation & Street Lighting Committee (Standing)** – Director Morrisette stated they have not met since last reported. The next meeting will be in April.
- c. **Finance Committee (Standing)** – Director Johnson stated they have not met since the last report to the Board.
- d. **Building Committee (Standing)** – Director Anderson stated they have not met since the last report to the Board.
- e. **Adjudication Committee (Ad Hoc)** – Vice President Roberts stated the safe yield trial is ongoing and will last another two to three weeks. They are monitoring that situation.
- f. **Solid Waste Powers (Ad Hoc)** – President Fahlender stated they have not met since the Board Approved the Application to LAFCO.
- g. **Legislative & Grant Committee (Standing)** – Director Morrisette stated he received an e-mail from Mark Harmsen regarding meeting with the Committee.

10. General Manager's Report

Mr. Bartz asked Mr. Bishop to report on the Tank Maintenance Contract. He stated they will be starting on Monday.

Mr. Bishop stated Well 2 is back online; however, the stainless steel line that was put in was bad. This is a warrantee item and they will be back out to fix this item.

Mr. Bartz updated the Board on the new meters that were installed and the ones that have been failing and been replaced at no cost to the District. A discussion took place regarding staff keeping track of the meters and providing this information to the Board. Mr. Bartz stated there is a new generation of the part that is failing and they are color coating the gears to keep track of them.

Director Johnson asked for an update on the modular building. Mr. Bartz stated they should be able to start on the foundation next week. Mr. Bartz stated the fees to get the plans through the County exceeded 10% of the cost of the building.

11. Reports

a. Director's Report

Morrisette – Director Morrisette stated he just returned from the ACWA Legislative Symposium today. He stated they had three panels. The first dealt with the outlook of the Delta and how it

affects us. The second dealt with the situation in Bell. The last one dealt with ways to develop fees to charge District and purveyors and using those fees to build infrastructure.

The other comment he had was that the Board had given him direction to come up with information regarding alternative energy and was asked to hold off on giving his presentation. He felt the Board was given a sales presentation tonight and the Board was not ready for that.

Johnson – Director Johnson stated many of the departments of the County have gone to a fee based approach. He stated he understands why they did that, but there needs to be some sanity.

Roberts – Vice President Roberts stated he provided the information he spoke to the Board about at the last Board Meeting regarding Recharge Dilemmas.

Anderson – Director Anderson asked to have a review of the purchasing policy on a future agenda. He also noted he worked with someone else regarding the issues of working with the County to get items through planning. He assured that he is trying to do what he can to streamline it.

- b. **President’s Report** – President Fahrlander thanked everyone being at the meeting tonight and understands Director Morrissette’s sentiment. He felt the Board needs to take a step back and take a look at the different technologies.

12. Correspondence/Information

A discussion took place regarding the notices the District puts in the newspapers and how staff determines which paper to publish the notices in. Mr. Bartz stated it really depends on the timeframe in which the notice needs to be published and which paper can accommodate that.

Set Agenda for Next Meeting – April 6, 2011

- Discussion and Possible Action regarding CalPERS for Future Staff
- Review of Purchasing Policy
- Discussion of Board Technology

Future Board Meeting

- **First Meeting in May** - Discussion and Possible Action Regarding General Manager’s Contract
- Discussion regarding the three tiered rate structure

Adjourn

With no further business, the meeting was adjourned at 9:31 p.m.

Board approved the above Minutes on April 6, 2011:

Joe Fahrlander, President	Date
Debbie Bishop, Board Secretary	Date