



Phelan Piñon Hills Community Services District

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**PHELAN PIÑON HILLS COMMUNITY SERVICES DISTRICT
REGULAR BOARD MEETING
April 20, 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 7:08 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 Johnson moved to approve the Agenda. Director Anderson seconded the motion. All were in favor.

2. Public Comment

Kevin Hawkins from the Phelan substation of the Sheriff's Department spoke to the Board and stated they are responding to approximately 1100 calls a month. He recommended people be careful when using their ATM cards at the gas stations, they have had a lot of issues with them. There have been 168 reports taken and 41 people arrested.

3. Consent Items

Vice President Roberts motioned to approve the Consent Items. Director Anderson seconded the motion. All were in favor.

4. Matters Removed from Consent Items

None

5. Presentations/Appointments

a. None

6. Continued/New Agenda Items – Action Items**a. Discussion and Possible Action Regarding Special Counsel Contract**

Mr. Bartz stated he negotiated the rates for Special Counsel as directed by the Board at the last Board Meeting. He stated staff recommends the Board approve the contract with the negotiated rates presented. Mr. Bartz stated Mr. Kennedy had no objections to the contract. Director Morrisette moved to approve the contract. Director Anderson seconded the motion. Wes Miliband thanked the Board for their consideration of the contract. All were in favor and the motion was approved.

b. Discussion and Possible Action Regarding Interpretation of Regulations Requiring the Number of Meters Required for Residences with Multi-Structures

Mr. Bartz briefed the Board that this item was placed on the agenda at the last Board Meeting per the request of Mr. Whalen. Staff's interpretation and legal concurs that each structure on the property creates a stress on the system. Staff recommends each unit have their own meter. Mr. Whalen asked for the Board to consider one meter and stated if the Board does not allow them to have one meter, then they will redo the project to put units together in one building.

Vice President Roberts asked if currently all multi-dwelling units have separate meters. Mr. Bartz stated there are some done 10 years ago that do not.

Vice President Roberts asked if there is a larger meter required for a multi-dwelling building. Mr. Bartz stated it would be a larger meter.

Director Anderson asked if they purchase a larger meter would there be larger facility charges than the smaller meter. Mr. Bartz stated it would be roughly \$4,000 to increase the current meter on the property to a larger meter.

Director Anderson asked if it would be possible to separate the cost of four separate meters and consolidate the cost of a larger meter. Mr. Bartz stated if the Board set the policy to that, the Board could do that. Mr. Bartz did not have the breakdown to go over the fees with the Board.

Director Morrisette stated he reviewed this extensively and interpreted that the way the project is right now, there are four different dwellings. He stated combining them by common walls; he still sees them as four separate dwellings. He stated if the Board wished to readdress the policy, the Board would have to do it soon to help Mr. Whalen.

Director Johnson agreed with Director Morrisette. He stated that is the Districts current policy; therefore, unless the Board changes the policy, he felt the Board had to follow the policy.

Mr. Bartz stated the Board needs to address the stress on the system if it decides to readdress the policy. He stated the infrastructure of the system rests on the current fee structure.

President Fahrlander stated he read the policy and interpreted that they could put them together and have one meter, but he does agree with the Board members that they are separate structures.

Vice President Roberts confirmed this item would have to be re-agendized if the Board wished to change the policy. The Board agreed.

Director Anderson asked why this would be any different than a commercial unit with different uses for the units. Mr. Bartz stated this policy was written by the County and legal counsel interpreted it the same as staff. He stated the question regarding commercial property was not addressed with the counsel.

Mr. Whalen provided the Board with a copy of the variances for the Regulations. President Fahrlander read the variance to the Board. The Board discussed the provision for the variance.

Director Anderson stated the consensus of the Board is that the policy is the way it is written. He stated Mr. Bartz has agreed to look at different options. The Board agreed if Mr. Bartz and Mr. Whalen come up with a compromise with the Board's concerns in mind, then this item does not need

to come back to the Board. Director Morrisette asked to see the results. Mr. Bartz stated the results will be in the next Board packet.

c. Discussion and Possible Action Regarding Monthly Billing

Mr. Bartz stated this item was brought back to the Board because they asked for additional time.

Mr. Bartz stated it is easier for staff to stay on the bi-monthly billing and doing the reads at one time.

A discussion took place regarding different payment options and programs for the customers.

There were no motions to move to monthly billing; therefore, this item was not approved.

d. Discussion and Possible Action Regarding Outsourcing Printing, Inserting & Mailing of Bills

Mr. Bartz stated there were questions brought to staff regarding this issue at the last meeting. He briefed the Board on the answers to their questions. Mr. Bartz stated there would be a savings to the District. He stated staff is not requesting the Board to pick a company; staff is looking for the Board's permission to proceed. Director Anderson asked that staff look into the cancellation clauses in the contracts. Mr. Bartz stated staff would research that and Mr. Kennedy would be involved in the contract.

President Fahlender asked the cost for additional inserts in the mailings. Mr. Bartz stated he did not have that information; however, he stated it is cheaper than the District can do. Mr. Brandon stated the cost in the handout was less than a penny a piece.

Vice President Roberts stated he is not comfortable moving forward because the District is getting new software, changing the reads, etc so the numbers presented might not be real.

President Fahlender stated this would not be in Mr. Bartz spending authority if he contracts for more than three years. Mr. Bartz stated staff can look at contracting for no more than three years.

Director Johnson suggested the Board let staff pursue the item and bring it back to the Board. The Board agreed.

7. Review of March Disbursements

There were no further questions.

8. Review of Action Items

Mr. Bartz stated the Edison Kilowatt Hours is progressing. He stated staff has received new reports and is working on the figures. He stated staff will be giving the Board a breakdown on the numbers.

President Fahlender asked Ms. Bishop to re-listen to the minutes. He thought the Board gave Mr. Bartz instructions to look at different devices.

Director Johnson stated with the new access on the network, the Board can access the information on their computer.

The Board agreed to agendaize the item for Computers for the Board members on the next agenda.

9. Committee Reports

a. Engineering Committee (Standing) – Vice President Roberts stated the Engineering Committee met and they received the latest copy of the Master Plan. He stated it will be placed on the second meeting in May for Board's approval. He stated most of the time was spent on the 10 year Capital Budget Plan and Matrix is available for the Board to review. Director Johnson asked for a copy of the latest version of the Master Plan.

b. Parks, Recreation & Street Lighting Committee (Standing) – Director Morrisette stated he made a report at the last meeting. He updated the Board that Steve Lowrance and Linda Smith have been quite diligent in finding people to teach the programs. Mr. Bartz briefed the Board on the programs staff is putting together.

- c. **Finance Committee (Standing)** – Director Johnson stated they met, but did not look at the financials because the Tyler system was not ready for printing the financial. Director Johnson briefed the Board on work staff is doing to put together an internship program.
- d. **Building Committee (Standing)** – Director Anderson stated they have not met since the last report.
- e. **Adjudication Committee (Ad Hoc)** – President Fahlender stated this item was addressed previously in the Closed Session.
- f. **Solid Waste Powers (Ad Hoc)** – President Fahlender stated they met with LAFCO and stated the sphere of influence for the District was due to be done shortly after the District was formed, but it wasn't. He stated this would need to be done as part of obtaining the Solid Waste Powers. Director Johnson stated there were no objections from County staff regarding the District obtaining Solid Waste Powers. He stated Tom Dodson also had no issues. Director Johnson stated Supervisor Mitzelfelt is representative asked if the District would be interested having conversations regarding assuming additional powers such as road rights. Director Johnson stated he would be interested in forming a committee. Director Johnson stated they would like a Committee formed to address this issue. President Fahlender stated he would like to form an Ad Hoc Committee. Director Morrisette expressed an interested in being on the committee. The Board asked Mr. Bartz to consult Mr. Kennedy regarding Director Anderson also being involved in his capacity of representing the County.

ACTION ITEM: Mr. Bartz to consult Mr. Kennedy regarding Director Anderson also being involved the Committee to discuss road powers in his capacity of representing the County.

- g. **Legislative & Grant Committee (Standing)** – Director Morrisette stated last week when he was in Sacramento for the CSDA Committee, they talked about a brochure to discuss the CSDA's highlights. He stated legislative action was in the brochure. He asked them how the CSDA works with the District with legislators. He stated they would work with the District on state legislation with the exception of grants and funding.
 - h. **General Manager Committee (Ad Hoc)** – This committee has been dissolved.
10. **General Manager's Report**
 Mr. Bartz stated the first tank has been completed with the tank rehabilitation program. He stated two holes were found and repaired. The tank should be online at the end of the week.
- Mr. Bartz stated the failing meters have been dropping off, but he felt there was still an unacceptable amount. Mr. Bartz sent Hershey Meters a letter. They agreed to replace all the registers in the District.
- Mr. Bartz reported Well #11 is down. The cable had worn against the casing. The motor will be replaced on warrantee.

11. Reports

a. Director's Report

Morrisette – Director Morrisette stated he attended the CSDA Education Committee Meeting. He said their Webinar program is working out very well for them. Director Morrisette stated all Committee Members were given the tasks to submit ideas for classes. They have chosen several of the Districts suggestions.

In regards to creating funds for the Parks District, Director Morrisette obtained information regarding property taxes McKinleyville is getting to support their Parks and Recreation Program. They are getting \$30.00 per parcel. Director Morrisette passed that information on to Mr. Bartz.

Johnson – Director Johnson stated he took his grandchild to the park yesterday. He stated there was a lot of activity at the park. He suggested having Mr. Lowrance look into replacing the safety instructions on the playground equipment and take care of items written in one of the tunnels.

ACTION ITEM: Mr. Bartz to ask Mr. Lowrance look into replacing the safety instructions on the playground equipment and take care of items written in one of the tunnels.

Roberts – Vice President Roberts stated he had nothing further to report.

Anderson – Director Anderson stated he had nothing further to report.

- b. **President’s Report** – President Fahrlander thanked everyone for the discussion concerning Mr. Whalen and his situation. He appreciated Mr. Whalen and Mr. Bartz coming and taking the time with the Board. He explained the District is trying to accommodate the Community.

12. Correspondence/Information

Set Agenda for Next Meeting – The May 4, 2011 Board Meeting will be canceled due to a lack of quorum. The next meeting will be May 18, 2011. The Board agreed to reschedule the Budget Workshop that was scheduled for May 4, 2011. The Board agreed to push the Budget Workshop to May 18, 2011 and if need be, a second workshop could be scheduled on May 25, 2011. The Board agreed to have a Special Board Meeting to address the Master Plan and the Matrix on May 11, 2011 at 6:00 p.m.

- Computers for the Board Members
- General Manager’s Contract
- Approval of the Master Plan

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 9:20 p.m.

Board approved the above Minutes on April 6, 2011:

Joe Fahrlander, President	Date
Debbie Bishop, Board Secretary	Date