



Phelan Piñon Hills Community Services District

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**PHELAN PIÑON HILLS COMMUNITY SERVICES DISTRICT
REGULAR BOARD MEETING
May 18, 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 7:02 p.m. and the Pledge of Allegiance was conducted.

Roll Call

All Board Members were present.

1. Approval of Agenda

Mr. Bartz stated he had no changes to the Agenda other than the Closed Session was canceled. Director Johnson moved to approve the Agenda. Director Anderson seconded the motion. All were in favor.

2. Public Comment

None

3. Consent Items

Director Anderson motioned to approve the Consent Items. Director Johnson 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 Interpretation of Regulations Requiring the Number of Meters Required for Residences with Multi-Structures

Mr. Bartz stated this item was before the Board on April 6, 2011. Mr. Bartz stated staff was given direction to evaluate the cost. Mr. Bartz stated after review of the fees, he stated he did not feel comfortable making a decision on this item. President Fahrlander stated the provision does permit a waiver. He stated they will consider Mr. Whalen's correspondence his request for a waiver. Mr. Bartz

briefed the Board on the cost breakdown. Director Johnson stated his issue with this is that Mr. Whalen stated at the last meeting that he had done a project in the District before; therefore, he should be aware of the procedures. Director Anderson asked Mr. Bartz to clarify staff's recommendation. Mr. Bartz stated the policy calls for a meter for each residence. Mr. Bartz stated they could install a two inch meter; however, they need to pay the facility charge for each facility. President Fahrlender asked Mr. Kennedy if the Board can make their own variance. Mr. Kennedy stated the Board has discretion to make a variance if they chose. He noted there is a potential for this to set precedence further down the road and felt the Board should consider that. Vice President Roberts stated the district would lose approximately \$55.00 every two months if it allows a two inch meter to be installed. Director Anderson felt the Board cannot justify eliminating the fees because they were set that way to pay for the costs of the infrastructure. Mr. Kennedy asked how this would affect the tenants if the owner doesn't pay the bill. Director Johnson spoke about the District setting precedence by making a change and the issues that may come from it. A discussion took place regarding the verbiage in the policy regarding the structure and how it's interpreted. President Fahrlender stated the City of Victorville revisited this item at their meeting last night. Director Morrisette mentioned that Mr. Whalen has a budget and County fees have eaten a lot of his budget. He stated the case is that there are four different dwellings on the property and the Board needs to make a determination on how the charges should be applied. Director Anderson felt the facility fee should apply to every dwelling. Mr. Bartz briefed the Board on the costs of putting the infrastructure in place and expressed how making a change in the fees charged in this circumstance can affect the District. Director Johnson asked how many fees they are paying for the school district. Mr. Whalen stated he is paying one fee that is based on the square footage. Director Anderson motioned that the Board accept staff's recommendation of a two inch meter and all the facility fees at the cost of approximately \$27,500. There was no second to the motion, so the motion failed. Director Anderson motioned to accept staff's recommendation that three meters are installed with the appropriate facility charges. Director Johnson seconded the motion and all were in favor.

The Board agreed to move items 6e and 6f to be addressed next.

- e. **Discussion and Possible Action Regarding Senior Lunch Program for Phelan and Piñon Hills Seniors**
 Jeri Plager addressed the Board as the President of the Piñon Hills Seniors. She stated they are really concerned about having the lunch program continue and expressed the need for the nutrition and socialization for the seniors. Director Morrisette stated the cost of the program included the County's overhead. He stated he has not seen where the costs come from. He also stated Mr. Bartz has had conversations with Supervisor Mitzelfelt regarding continuing the program. Director Johnson stated it is his understanding that this was funded through a Community Block Grant. He stated he asked for a budget and was never able to receive one but was told approximately \$1,000 per luncheon. Director Johnson stated from a procedural standpoint, he would like to continue the program and bid out the cost. Vice President Roberts stated he would need the true costs and an outline of the program, like a proposal, to make a decision. Director Anderson stated there is no way the program wouldn't have an overhead cost. He stated he struggles with adding new programs without financial ways of supporting them. President Fahrlender felt the District needs to further research the costs and engage Supervisor Mitzelfelt for support of the program. He suggested tabling this item. Director Johnson stated the funds for this program would have to come out of the Governmental Funds. Director Johnson motioned to table this item and direct staff to research the costs and bring it back at the next meeting. Mr. Bartz clarified staff would be directed to contact Supervisor Mitzelfelt's Office for additional funds. Director Johnson agreed. There was consensus among the Board to move forward with Director Johnson's motion.
- f. **Discussion and Possible Action Regarding Bus for District Use**
 Jeri Plager stated the seniors have a need for transportation in order to plan trips and outings. She explained to the Board how they used to use the bus in the past. Mr. Bartz gave the Board a brief summary about the bus. Mr. Bartz stated there is no-one on staff at this point that has a class B driver's license so someone would have to go to class to obtain it. He explained insurance would not allow someone other than staff to drive the bus. Mr. Bartz asked the seniors what costs they would be willing to pay for the bus. They agreed \$25 per person would be acceptable. Mr. Bartz explained staff inspected the bus and it appears to have been maintained and in good condition. Director Johnson felt this bus could be used for youth programs and the Community at large as well. President Fahrlender stated weight fees for the vehicle registration and tire replacement costs were

not considered in the costs and should be kept in mind. Director Anderson stated it might be a more viable option to rent a bus. A discussion took place with the seniors regarding the comfort of the bus and the seniors expressed that the bus is very uncomfortable. Vice President Roberts suggested the District put its efforts towards organizing trips with a chartered bus. Director Johnson stated this item was not placed in the budget. With no motion to acquire the bus, this item failed.

b. Discussion and Possible Action Regarding the 2011/2012 Budget

Mr. Bartz briefed the Board regarding the assumptions that were made for the budget. Ms. Lowrance briefed the Board on the exhibits provided to the Board in the meeting packet and then reviewed the line items and the assumptions used for the budget. Ms. Lowrance stated she is seeking any recommended assumption changes they would like for the budget. She also recommends the Board direct staff for a rate feasibility study if they wish to have a rate increase. She noted it would take approximately six months before the rates could be increased. Mr. Kennedy concurred with Ms. Lowrance that a rate feasibility study be performed. Mr. Bartz stated CRWA will do the rate study for a lower cost. Mr. Kennedy stated the Proposition 218 process is expensive in itself.

ACTION ITEM: The Board asked staff to obtain information from CRWA for a rate study.

Ms. Lowrance asked the Board to decide which assumptions she should use for the budget. She stated the hearing date needs to be scheduled for the budget hearing tonight as well. She stated it cannot be any sooner than June 15, 2011. Ms. Lowrance stated if the Board wishes to have another workshop, she recommends having it before the Board Meeting on June 1, 2011.

Director Johnson recommended a rate increase of 3% starting January 1st. President Fahrlender stated he preferred to do the rate study first. Both recommended option 1. Vice President Roberts recommended going with a 1% rate increase, 1% salary increase and 1.5% expense increase. Director Morrisette recommended option 2. Director Johnson recommended option 1 with a 3% rate increase. President Fahrlender recommended option 1. The consensus of the Board was for the merit and expenses to be at 1% and 1.5% respectively. The Board members were asked to give Ms. Lowrance their choice on the rate increase tomorrow. The Board agreed to schedule the Budget Workshop at 5:00 p.m. on June 1st and the Regular Board Meeting will be at 7:00 p.m. The Budget Hearing will be on June 15, 2011.

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

Mr. Bartz requested a change in his contract from three years to five years. Director Morrisette spoke about Item 3(g) in the contract and suggested striking the part regarding receiving prior approval from this item. Director Johnson suggested the Board receive a list of those items he would like to join or attend annually. Mr. Kennedy concurred with keeping this item in the contract. Director Morrisette motioned to add a sentence that stated annually on contract renewal, Mr. Bartz to give the Board a list of the things he wants to join and attend and change the effective date to August 15, 2011. Vice President Roberts seconded the motion and all were in favor.

d. Discussion and Possible Action Regarding Proposition 84 Grants

Mr. Bartz stated the Legislative & Grant Committee and the Parks, Recreation & Street Lighting Committee recommend the Board approve resubmitting the Proposition 84 grant for the park that was done last year with a few modifications. Director Morrisette suggested also submitting a second grant with several park improvements such as a recreation center. Director Morrisette motioned to move staff's recommendation. Director Johnson seconded the motion. Director Anderson stated he agrees with the first one, but not the second. The motion was not passed. Director Morrisette motioned to resubmit the first grant. Director Johnson seconded the motion. All were in favor. The Board agreed to do a drawing and a narrative for the second grant for the June 1st Board meeting.

The Board agreed to table the remaining items for the next Board Meeting.

7. Review of April Disbursements

8. Review of Action Items

9. **Committee Reports**

- a. **Engineering Committee (Standing)**
- b. **Parks, Recreation & Street Lighting Committee (Standing)**
- c. **Finance Committee (Standing)**
- d. **Building Committee (Standing)**
- e. **Adjudication Committee (Ad Hoc)**
- f. **Solid Waste Powers (Ad Hoc)**
- g. **Legislative & Grant Committee (Standing)**

10. **General Manager’s Report**

11. **Reports**

- a. **Director’s Report**
Morrisette
Johnson
Roberts
Anderson

- b. **President’s Report**

12. **Correspondence/Information**

Set Agenda for Next Meeting –

- Computers for the Board Members
- General Manager’s Contract
- Approval of the Master Plan
- Discussion and Possible Action Regarding Senior Lunch Program for Phelan and Piñon Hills Seniors
- Discussion and Possible Action Regarding Proposition 84 Grants

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 11:04 p.m.

Board approved the above Minutes on June 1, 2011:

Joe Fahrlander, President	Date
Debbie Bishop, Board Secretary	Date