



Phelan Piñon Hills Community Services District

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**PHELAN PIÑON HILLS COMMUNITY SERVICES DISTRICT
REGULAR BOARD MEETING
June 16, 2010 – 7:00 p.m.
Phelan Community Center
4128 Warbler Road, Phelan, CA 92371**

MINUTES

Board Members Present: Charlie Johnson, President
Joe Fahlender, Vice President
Ken Anderson, Director
Mark Roberts, Director

Board Member Absent: Al Morrissette, Director

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

Call to Order

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

Roll Call

All Board Members were present except Al Morrissette.

1. Approval of Agenda

Mr. Bartz asked to remove the Closed Sessions and Agenda Item 6f. Director Anderson moved to approve the Agenda as amended. Director Roberts seconded the motion. All were in favor.

2. Public Comment

Steve Higgins, Captain from the Sheriff's Department, introduced himself to the Board; he has recently been assigned to the local area. He also introduced Mike Stanzel and Lon Jacobs to the Board.

Lon Jacobs reported to the Board that there were 815 calls for service resulting in 84 reports and a couple of follow-up arrests.

3. Consent Items

Director Anderson asked to move Agenda Item 3c to Agenda Item 4. Director Anderson motioned to approve Consent Items 3a, 3b and 3d. Director Roberts seconded the motion. All were in favor.

4. Matters Removed from Consent Items

A discussion took place regarding MWA asking for a Resolution for their 50th Anniversary from the District. President Johnson moved to approve the item. Vice President Fahlender seconded the motion. All were in favor.

5. Presentations/Appointments

None

6. Continued/New Agenda Items – Action Items**a. Public Hearing for the Proposed Adoption of Water Standby and Availability Fees for 2010/2011**

President Johnson declared the public hearing on Water Standby Assessments open at approximately 7:15 p.m.

1) Secretary's report on written protests, objections, and comments

At this time, Mrs. Bishop reported report that the District received zero written protests on the water standby assessments

2) Attorney's report on action taken prior to this hearing

Mr. Brunick reported that the Notice of Hearing was published in legal section of Daily Press Newspaper on June 2nd and June 9th of 2010. He stated compliance with all legal requirements for this hearing has been completed within the manner and time specified in the Government Code.

3) Staff's Report

Mr. Bartz reported that the preliminary water standby assessment report was filed with the Secretary on June 10, 2010 and details 3,818 parcels amounting to 15,837 billable acres of land for a total assessment of \$316,748. The final report will be filed by the August 15, 2010 deadline.

He stated the water standby report reflects: each parcel of land within the District's boundaries; for acreage within 660 feet of a water line.

4) Public Comments, Protests, and Objections:**a. Any person may address the Board on the Water Standby and Availability Fees**

None

b. Responses to comments, protests, and objections from staff

None

Director Anderson motioned to close the Public Hearing. Vice President Fahrlander seconded the motion and the Public Hearing was closed.

b. Discussion and Possible Approval of Resolution 2010-19; Establishing Water Standby and Availability Fees for 2010-2011

Mr. Bartz noted the following corrections to be made to Resolution 2010-19:

1. Page 2, the last whereas, the year of the date needs to be changed to 2010.
2. Page 3, Section E, the year of the date needs to be changed to 2010.
3. Section D, needs to be removed. The District does not have sewers. Section E would then become Section D.

Director Roberts asked if these values were carried over from the County for future growth for the District. Mr. Bartz explained that was correct. Director Roberts asked if there was any inflationary numbers built in. Mr. Bartz stated to his knowledge there were not. He also stated this would become a Proposition 218 issue if those values were to be changed. Mr. Brunick stated the District could have an Engineer look at the Districts fees as a whole to justify impact fees. A discussion took place regarding tying the fees to an index.

President Johnson stated this Resolution talks about properties 660 feet away. He stated there are approximately 330,000 acres that are outside of the 660 feet. He stated the District works for them as well and at some time they are going to come to the District for services. He suggested thinking about the cost of those properties for the Master Plan.

Vice President Fahrlander approved the motion as amended. Director Anderson seconded the motion. All were in favor.

c. **Discussion, Direction and Possible Action regarding Enterprise Resource Management System**

Mr. Bartz briefed the Board on the background for the Enterprise Resource Management System.

Director Anderson stated there are options the Board can take. He explained the options to the Board. He stated the Committee would like to limit a couple of the options tonight if the Board chooses to do so.

President Johnson briefed the Board further on the options and explained why the Committee asked staff to come up with the options.

Director Roberts stated he reviewed the information and he felt the recommendation for options 2a and 2b seemed logical.

Vice President Fahrlander asked if those two companies would be giving presentations to the Board. President Johnson explained that each company would do a 30 minute presentation starting at 5:30 p.m. The Regular Board Meeting would start at 7:00 p.m. and staff would be asked to do a presentation on the current process.

Vice President Fahrlander asked how many of the items on the list that is the District currently not doing. He stated he would like to establish a need for those functions as well as a timeline of man hours to do them. Mrs. Lowrance stated the functions are currently being done, but some of them are being done through Excel spreadsheets.

Vice President Fahrlander asked if efficiencies would be seen with staff if the District stayed with DataStream. Ms. Lowrance stated there is not enough time in the day for the one staff member the District has to do all these functions that is why an outside staff person is brought in.

Vice President Fahrlander clarified DataStream will still work with the District. Ms. Lowrance stated the District is having interruptions in service because it is being done over the internet. Mr. Bartz stated another issue with DataStream is that the company is owned by a husband and wife and the District has not seen an exit strategy for when the couple retires. The District is looking at a long term working strategy.

Ms. Lowrance stated the next step is to take staff to companies that are using the software's. Ms. Lowrance stated several local agencies have recently gone to Tyler products.

President Johnson stated all the Committee's documentation is available for the Board Members to review if they wish.

Ms. Lowrance explained that this is a partnership the District is looking into and she invited the Board to come in and meet with staff because it is important that the Board has a comfort level with this decision. Ms. Lowrance also stated the Auditors recommended the District move away from the QuickBooks Software and she noted it is likely that the recommendation will be noted as a material weakness which could affect future credit issues for the District in the future.

Board consensus was to eliminating options 2C through 2E.

d. **Discussion and Possible Approval of Resolution 2010-20; Approving the Application for Statewide Program Grant Funds for the Smithson Springs Nature Reserve**

Mr. Bartz stated Mr. Kennedy was directed to review the guide and report back to the Board. Mr. Kennedy provided the Board with a letter of opinion which was provided to the Board prior to the Board Meeting.

A discussion took place regarding these grants being the same as the last grant applied for by the District. Mr. Brunick stated the language in these grants are not the same.

The Board discussed the ability of backing out of the grant if it chooses. The consensus was that, if the District is offered the grant, it will have the option to choose not to accept the funds. Mr. Brunick stated that was correct.

President Johnson moved approval of this item. Director Roberts seconded the motion. Director Anderson stated he is still very concerned about the District taking on the additional function of the Parks, but for the sake of proceeding he will keep his mind open. President Johnson agreed with Director Anderson's comments and said at some point the District may have to go to the Community and ask for their interest in supporting the parks. All were in favor.

e. **Discussion and Possible Approval of Resolution 2010-21; Approving the Application for Statewide Program Grant Funds for the Serrano Nature Education Center**

Vice President Fahlender motioned to approve the item. Director Roberts seconded the motion. Director Anderson noted his comments were the same as the item above. All were in favor.

7. **Review of May Disbursement List**

A discussion took place regarding the restocking fee paid for the District and whether it could be used for another Well. The part could not be used as it was on another Well.

8. **Review of Action Items**

Mr. Bartz reviewed the Action Items with the Board.

A discussion took place regarding the Hydrant/Valve Maintenance. President Johnson noted the District still doesn't know of all the hydrant and valves it has. A discussion took place regarding self containing set-ups for a one man crew.

Mr. Bartz stated staff has made great progress on the Edison Kilowatt hours and fees; however, it is still looking at formulas to back into the numbers for the wells.

Mrs. Lowrance is still waiting for information from the County regarding the Property Transfers.

Mr. Bartz stated Ms. Bishop has placed the first Board Meeting Packet in the new format on the website. President Johnson pointed out that the Board Members will not be able to do any highlighting, commenting, etc. if they do not have the full version off the Adobe Software.

Mr. Bartz stated Ms. Bishop reviewed the past minutes and could not find anything on the use of funds for the park properties. Vice President Fahlender felt those were closed session conversations.

9. **Committee Reports**

- a. **Engineering Committee (Standing)** – Director Roberts stated the Engineering Committee did not meet in June. The Committee is working on a tank matrix to have a work analysis on the existing tanks and reviewing the buster stations. It is waiting for the Master Plan to be completed so the ideas from that can be processed through the Committee.
- b. **Parks, Recreation & Street Lighting Committee (Standing)** – President Johnson stated the Committee has not met since the last meeting.
- c. **Finance Committee (Standing)** – President Johnson stated their agenda has become somewhat routine where they look at the monthly financials.
- d. **Building Committee (Standing)** – Director Anderson stated the Building Committee has not met since the last meeting.
- e. **Adjudication Committee (Ad Hoc)** – Director Roberts stated they continue to meet. President Johnson asked if the funds being paid for the Principals Meeting is being added to the Adjudication line item.
- f. **Solid Waste Powers (Ad Hoc)** – Vice President Fahlender stated a meeting with Kathleen McDonald was taking place today.

- g. **Legislative & Grant Committee (Standing)** – Vice President Fahrlander stated there was nothing further to report.
- h. **Mission & Vision Statement Committee (Ad Hoc)** – The Board agreed this item can be removed.

10. General Manager’s Report

Mr. Bartz stated the Districts Consumer Reports will be going out shortly and the Districts Mission and Vision statements are on the first page.

Mr. Fahrlander confirmed the District did receive the check from the County before the District began work on the Duncan Road Project.

11. Reports

a. **Director’s Report**

Anderson – Director Anderson had nothing further to report.

Fahrlander – Vice President Fahrlander stated he liked the Consumer Report. He asked that staff considered letters to the Customers. Mr. Bartz stated staff just discussed the issue and a number of letters will be going out to the Customers.

Roberts – Director Roberts had nothing further to report.

- b. **President’s Report** – President Johnson noted he met with Mr. Bishop last Friday and toured the District. He explained that it was very eye opening and he stated how much he appreciated how hard staff works for the District.

President Johnson stated he received a letter regarding Senate Bill 972 where they are asking for support from the District. He asked staff to look into it and decide if the District should respond.

12. Correspondence/Information

None

Set Agenda for Next Meeting – July 7, 2010

- Discussion and Possible Action Regarding the Proposal for the Amphitheater for the Phelan Park
- Discussion and Possible Action Regarding the Board of Directors using Laptops for Meetings
- Discussion and Possible Action Regarding the Enterprise Management System.
- Ballots for CSDA

Future Board Meeting

- Discussion regarding the three tiered rate structure
- Discussion of Reformation of the Citizen’s Advisory Committee
- District Rules and Regulations

Adjourn

With no further business, the meeting was adjourned at 8:29 p.m.

Board approved the above Minutes on June 16, 2010:

Charlie Johnson, President	Date
Debbie Bishop, Board Secretary	Date