

PHELAN PIÑON HILLS COMMUNITY SERVICES DISTRICT

REGULAR MEETING – August 27, 2008

**Phelan Community Center
9463 Sheep Creek Road, Phelan**

MINUTES

Board Members Present: Mark Roberts, President
Charlie Johnson, Vice President
Mike Adams
Al Morrissette
Ken Anderson

Board Members Absent: None

1. Called to Order

President Roberts called the meeting to order at approximately 7:09 p.m. and the Pledge of Allegiance was conducted.

2. Roll Call

All Board members were present.

3. Approval of Agenda

Director Anderson moved to approve the agenda with the following correction under the Consent Items:

- August 27, 2008 minutes are actually August 13, 2008 minutes.

Director Morrissette seconded and all were in favor.

4. Public Comments

None

5. – 6. Consent Calendar

The following changes were made to the August 6, 2008 minutes:

- Page 2, last paragraph, second sentence should read “Director Morrissette (not Anderson) seconded and all were in favor.”

The following changes were made to the August 13, 2008 minutes:

- Page 1, item 2 should state President Roberts was absent (not excused).
- Page 4, item 14, last sentence under Parks, Recreation & Street Lighting Committee should read “Vice President Johnson stated it will cost approximately \$4,000 (not \$400,000) to do the lot adjustments, etc.”

Mr. Anderson stated it is difficult for the Board to review the PPHCSD expenses when items are added at the last minute. The Board asked Mr. Bartz to come up with a procedure for a cut-off date for the expenses and report back in his Managers Report.

ACTION ITEM: Mr. Bartz to come up with a procedure for a cut-off date for the expenses and report back in his Managers Report.

Mr. Anderson questioned the amount of the gas bill for the Piñon Hills Community Center. Mr. Bartz was asked to check into the bill.

ACTION ITEM: Mr. Bartz to check into the bill for the gas at the Piñon Hills Community Center.

Director Morrissette moved to approve the Consent Items with the above changes. Director Anderson seconded the motion and all were in favor.

7. Potential Park Property

Director Anderson summarized the Letter of Intent that was distributed to the Board members.

Director Adams asked how the intent would work with the 80 acres of property. Director Anderson explained the PPHCSD would be purchasing 30 acres at \$25,000 an acre for a total of \$750,000 with the intent of the remainder of the acres to be re-zoned to 2.5 acre lots. Director Anderson stated he explained to them that the District could only pay appraised value or below. As a public entity, the PPHCSD cannot pay above the appraised value.

Director Morrissette suggested this item be taken as an offer and suggested the PPHCSD should also be looking at other properties. He suggested proceeding with a Realtor to compare properties.

Mr. Kennedy suggested this be agendaized for a closed session since there is a confidentiality clause in the Letter of Intent.

Director Johnson agreed with Director Morrissette that this is only one option and suggested moving forward with engaging one or more Realtors. President Roberts asked for Board consensus. Director Anderson moved allowing the Parks, Recreation & Street Lighting Committee to openly solicit offers and use multiple Real Estate Agents to come up with options to be presented to the committee. The committee will narrow the search down to the top five choices to bring to the Board. Director Adams seconded the motion and all were in favor.

Mr. Bartz stated the Parks, Recreation & Street Lighting Committee could work on this at the next meeting. Director Morrissette suggested putting this out to the community right away. Mr. Johnson suggested Mr. Bartz draw-up requirements for the property for the Parks, Recreation & Street Lighting Committee review.

ACTION ITEM: Mr. Bartz to draw-up requirements for review by the Parks, Recreation & Street Lighting Committee.

Director Anderson also suggested advertising in the local paper to give local individuals a chance to participate.

Director Roberts suggested the requirements for the properties to not be in the FEMA Flood Zone.

8. SCADA System Upgrade

Mr. Bartz briefed the Board on the proposed SCADA System upgrade and the costs. The Engineering Committee recommended upgrading the existing system, software, firmware and hardware for an amount not to exceed \$65,000 with ATSI. Mr. Bartz recommended moving forward with this upgrade sooner rather than later.

Director Morrissette asked what has been spent on the system at this point. Mr. Sandwick stated approximately \$4,500. Director Morrissette asked if the County staff were able to access the software from home. Mr. Sandwick stated they were able to access it via phone line; however, they can now access the system from anywhere. Mr. Sandwick explained the system is behind five to six software upgrades.

Vice President Johnson asked if ATSI's proposal included upgrading the radio system and new computer. Mr. Bartz stated the new computer was not included; however, they believe they can get that included.

Vice President Johnson stated he was comfortable with the proposal.

Director Anderson asked Mr. Kennedy how they know they are in compliance with obtaining the bids. Mr. Kennedy stated this does not fit in the Public Contracts Code. He stated the policy the Board approved states Board purchases over \$25,000 need Board approval and should be advertised.

Mr. Bartz stated these are basically the only two companies that work in the High Desert. This could be advertised in outside papers but it will delay the improvements on the system.

President Roberts asked about emergency procedures. Mr. Kennedy stated the Board is bound by its own policy but they have full discretion to modify the policy or make an exception to the policy.

Director Anderson proposed approving this expenditure with ATSI, without changing the Boards policy, to include a new computer and move forward. Vice President Johnson seconded and all were in favor.

9. Committee Reports

Engineering Committee – Director Anderson briefed the Board on the topics the committee discussed including bringing forward the SCADA System upgrade. The committee would like to bring forward to agendize the cost for a study on the transition line as well as agendize sending out an RFQ for a Master Plan. Mr. Johnson stated both a Master Plan and an Urban Management Water Plan are needed. The Board discussed the possibility of finding someone to do both plans simultaneously.

Parks, Recreation & Street Lighting Committee – Director Morrissette asked if Mr. Bartz had obtained an appraisal on the Piñon Hills Park property. Mr. Johnson expressed the need for this to be done soon. Mr. Bartz stated it would be completed by the next meeting on September 10, 2008.

ACTION ITEM: Mr. Bartz to obtain an appraisal of the Piñon Hills Park property.

Director Morrissette brought to the Board an issue regarding a program being run at the community center by a Christian based organization; however, religion is not the focus of the meeting. He asked how the PPHCSD deals with this type of situation. He feels the PPHCSD needs to come up with guidelines so that certain lines are not crossed.

Vice President Johnson stated he is comfortable with this as long as it's open to the public. He asked to refer to counsel for the legal aspects. Mr. Kennedy stated you cannot discriminate by allowing some people to attend and not others. He feels Director Morrissette is really bringing up the issue of allowing the use of public facilities for establishing religion. He stated the general rule is if a facility is being used for non-religious purposes, it would be ok. He is concerned about discrimination of religion taking place

which could establish a violation of the First Amendment as would excessive entanglement. Mr. Kennedy recommended the Board adopt guidelines.

Director Morrisette suggested placing this item on a future agenda. President Roberts suggested drawing up a policy. Director Anderson would like to see the community centers available for churches. Vice President Johnson suggested Mr. Kennedy draft a policy. Director Anderson asked if Board had consensus to allow churches to use the community centers. The Board agreed.

Nancy Cosgrove stated she didn't have a problem with this situation. Director Morrisette stated his concern was that policies were not in place.

Director Morrisette stated the Board needs to discuss rates, etc for the community centers as well. Vice President Johnson stated staff has prepared a fee schedule that needs to be placed on the agenda for the Parks, Recreation & Street Lighting Committee.

Mr. Bartz asked what kind of time he would need to put the policy together. Mr. Kennedy stated it would be necessary for approximately four to six hours of work to create the policy.

Finance Committee – Vice President Johnson briefed the Board regarding a letter he received in regards to the CIEDB Loan. He stated the letter indicated the loan has been completed in its entirety and the CSD is now fully responsible for the loan.

Vice President Johnson indicated the staff handed out a document regarding the account balances on his direction. He expressed that he was troubled that Mr. Waller went to the County to get the information. Vice President Johnson stated he was told that staff should be able to access the Treasury accounts without going through the County.

Vice President Johnson recommended two to two and a half million dollars of the PPHCSD's funds should be set aside for operation funds. He also recommended the Finance Committee, in conjunction with staff, should establish a policy for the remainder of the thirteen million as to how much money will be placed into an expansion fund, construction fund, project fund, etc.

Vice President Johnson expressed concern that Mr. Waller re-agendized his proposal to the PPHCSD which was scheduled for tonight. He stated his concern about things being delayed and suggested the Board look at alternative financial support.

In regards to the equipment transfers, Vice President Johnson suggested making a request for the \$200,000 from the County and the equipment desired so staff can purchase the additional equipment needed. He also spoke about the necessity for staff to negotiate water shares to save the PPHCSD water mitigation costs. Mr. Bartz stated staff will take care of it.

President Roberts suggested the Finance Committee come up with a policy for distributing its funds. Director Anderson asked that the committee come back to the Board with a recommendation.

10. General Manager's Report

Mr. Bartz provided the Board with a written report which he then summarized for the Board.

A presentation on the proposal to switch to a chlorine tab system will take place at the next meeting.

Mr. Bartz gave the Board a PowerPoint presentation regarding the site clean-up that needs to be performed.

Mr. Bartz stated the PPHCSD will need to look into a larger facility soon. He suggested a standing committee be started to address the purchase of land for new office space and to determine building requirements and design. He noted there are grant monies available if the PPHCSD considered combining the facility with other agencies such as an Emergency Operations Center, the Police Department or a Library. Director Anderson asked if this could be an Ad Hoc Committee item. Mr. Bartz stated it could be if it was for just the land purchase. Director Morrissette suggested having the Realtors looking for land for the PPHCSD building along with the park property.

Mr. Bartz addressed the option for bee removal. Currently, Shamrock charges \$65.00 to exterminate the bees. Vector Control charges \$245.00 to remove the bees; however, Mrs. Bishop reported there is no guarantee they can remove the bees. If they have been there too long, they have to exterminate them anyway. Mr. Bartz stated it is more cost effective to contact Shamrock.

Mr. Bartz briefed the Board on the status of the equipment transfers. The Board agreed it is time for Mr. Bartz to move forward with the equipment transfer from the County. Mr. Bartz briefed the Board on the types of equipment they are looking to purchase. Director Anderson stated he has a personal contact with Dodge and asked Mr. Bartz to look at Victorville Motors to compare prices.

ACTION ITEM: Mr. Bartz to contact Victorville Motors for a quote on Trucks

Mr. Bartz then summarized the Transition plan from High Desert Underground (HDU) to PPHCSD which was provided to the Board members. Director Anderson questioned the need for a full time person performing Human Resources. Mr. Bartz stated that person would have additional duties as well. He stated the positions can change around a bit depending on the staff they are able to acquire.

11. Reports

President's Reports – President Roberts read a letter from a customer requesting special agriculture rates. Mr. Bartz stated it would be taken into consideration.

President Roberts stated he received a call regarding the ballot the PPHCSD's faxed to CSDA. He stated the ballot needed to be mailed in. Mrs. Bishop explained that she had called and was told to fax it.

Directors –

Johnson – Vice President Johnson stated the PPHCSD needs an Emergency Response Plan as well as a plan for the community centers. Mr. Bartz stated one had already been done for the Health Department and the District is working on a full plan.

Vice President Johnson stated there is an MWA Survey that needs to be completed. He turned the information over to Mr. Bartz

12. Set Agenda for Next Meeting

Regular Meeting Agenda for September 10, 2008 Agenda

- Master Plan/Urban Management Water Plan
- Final Budget
- Presentation by Phil Waller of Rogers, Anderson, Malody & Scott, LLP
- Chlorine Presentation

Mr. Kennedy stated he has a conflict for the next meeting. He stated he is scheduled for a conference in Napa for ACWA's 2008 Continuing Legal Education for Water Law Professionals that he has attended the last ten years. Mr. Bartz stated he is comfortable with him missing the meeting if he is available by phone.

Mr. Sandwick stated he'd like to take pictures of the Board members for the office at the next meeting.

13. Adjourn

With no further business, the meeting was adjourned at approximately 10:45 p.m.