

**PHELAN PIÑON HILLS COMMUNITY SERVICES DISTRICT  
SPECIAL MEETING – August 6, 2008  
Piñon Hills Community Center  
10433 Mountain Road, Piñon Hills  
MINUTES**

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

**Board Members Absent:** None

**1. Call to Order and Flag Salute**

President Roberts called the meeting to order at 7:20 p.m.

**2. Roll Call**

All Board members were present.

**3. Public Comment**

None

**4. Adoption of Resolution to Collect Delinquent Water User Charges on the Tax Roll**

Mr. Kennedy briefed the Board regarding the Resolution to Collect Delinquent Water User Charges on the Tax Roll. Mr. Kennedy stated staff published the notice of this public hearing in the local newspaper two times in the last two weeks and they have also mailed a notice to the affected customers. Mr. Kennedy noted staff attached a report of the effected properties to the handouts. He also pointed out to the Board that staff only included those properties that already have a lien placed on the property.

Vice President Johnson asked how delinquent the bills are before they are placed on the Tax Roll. Mrs. Beran stated they are 60+ days delinquent. A discussion then took place regarding the lien procedures.

Vice President Johnson asked if policy is to shut off water to customers who do not pay and he asked why the fees continue to accrue. Mrs. Beran stated they are either closed, in foreclosure, in tenant status or the water is off. She stated the current charges reflect current facility charges.

Mr. Kennedy recommended the floor be opened to public hearing. President Roberts then opened the floor to a public hearing.

A public attendee asked for clarification as to whether this is actually tacked on to the customer's tax bill. Mrs. Beran stated that is correct. They have to pay the fees with their tax bill.

With no further comments or questions, Mr. Roberts closed the floor to public hearing.

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

**5. Adoption of Resolution Establishing Stand-by and Availability Fees for 2008/2009**

Mr. Kennedy briefed the Board regarding the Resolution Establishing Stand-by and Availability Fees for 2008/2009.

Director Morrisette clarified that if there is a change on the Resolution then it needs to go to Proposition 218. Mr. Kennedy explained that if the amount sought was changed or if there was a change in methodology that was used to establish the stand-by charge originally, then the PPHCSD would have to go through Proposition 218.

Director Adams asked if exemptions could be made in certain situations for the stand-by fees. Mr. Kennedy stated the Board could make exemptions even if this Resolution is approved. Director Anderson noted he felt this would need to be something that was addressed through the budgetary process because of how the changes in policy could affect the District's budget. Discussions then took place regarding the affects of charging or not charging stand-by and/or changing the methodology.

**ACTION ITEM: Vice President Johnson asked staff to create a document explaining what a stand-by charge is for the customers.**

Director Anderson asked what the ramifications would be if the Board decided to no longer collect the Stand-by fees. Mr. Kennedy stated the ramifications would be financial and also should the Board decide to collect the Stand-by fees at a later date, they it would have to go through the process with Proposition 218 to be able to do so. Director Anderson asked if there are any legal ramifications. Mr. Kennedy stated there were not. Director Anderson asked if they could change the fees. Mr. Kennedy stated they could lower the fees; however, if they raise the fees, they would have to go through Proposition 218 procedures in order to do so.

President Roberts declared the public hearing open.

A public attendee suggested making exceptions on a case by case basis. He also suggested using the stand-by fees a customer has paid towards putting in a main line extension.

Michael Palecki asked for clarification on the amount of stand-by fees charges being charged. Mrs. Beran clarified the fees are \$20.00 for a full acre in a parcel and \$10.00 for a portion of an acre per year. Mr. Kennedy clarified the stand-by fees will generate approximately \$290,000 per year. Mrs. Beran reminded the Board that these are preliminary figures.

With no further comments or questions, President Roberts declared the public hearing closed.

Mr. Kennedy asked that it be stated for the record that both items were noticed in the paper at the Phelan Community Center, 9463 Sheep Creek Road. The meeting location was changed to the Piñon Hills Community Center at 10433 Mountain Road and the change was posted at all posting locations. The meeting was started late to allow ample time for public to attend.

Director Anderson motioned to adopt the above Resolution as written. Director Morrisette seconded and all were in favor.

**6. General Manager Contract**

Vice President Johnson stated the Finance Committee worked with Mr. Bartz to come up with the agreement that was presented to the Board.

Director Anderson asked how they came to the settled amount for the salary. Vice President Johnson explained the PPHCSD had published a job description with the salary range of \$100,000 to \$130,000. During the course of the discussions, the three of them went back and forth with numbers and this is the number they agreed on based on Mr. Bartz experience and interview. Vice President Johnson also explained the research that was done on salaries the local water companies pay their General Managers.

Director Anderson asked about the 20 days vacation that was agreed to and Mr. Bartz. Mr. Adams explained that Mr. Bartz had these benefits on his previous jobs. Vice President Johnson also stated Mr. Bartz indicated he wouldn't take it all at once. After discussion, the Board agreed the contract would indicate Mr. Bartz could not be on vacation any more than 10 working days without Board approval and he would need to notify the Board if he will be on vacation in excess of five (5) days or more.

Vice President Johnson suggested that under section 3(f) the word "compensatory" be changed to "administrative." The Board agreed.

Mr. Bartz stated policies will be put in place before the PPHCSD starts to hire employees. He stated they will be coming to the Board in a short period of time.

Vice President Johnson moved to approve the General Manager's Agreement with the changes discussed. Director Adams seconded the motion.

A public attendee stated he didn't see the compensation amount as being unreasonable and congratulated Mr. Bartz.

The Board voted and all were in favor.

Mr. Kennedy briefed the Board about the need for the Board to appoint a Treasurer at a future meeting for the alternate Depository. He suggested perhaps appointing Mr. Bartz. The Board agreed to put this on the agenda for the August 13, 2008 Board Meeting.

Mr. Bartz thanked the Board for the opportunity to work with the District.

**7. Adjourn**

The meeting was adjourned at approximately 8:20 p.m.