

FRAZIER PARK PUBLIC UTILITY DISTRICT
4020 Park Drive, P.O. Box 1525, Frazier Park, CA. 93225
MINUTES FOR THURSDAY, OCTOBER 12, 2017
6:00 PM
Schoenberg/Gipson 4/0/0 - Director Neyman Absent
Minutes Approved on November 9, 2017

1. Call to Order: 6:00pm.

a. Pledge to the Flag.

b. Roll Call of Directors: Garcia, Gipson, Kelling, and Schoenberg.
Director Neyman present as the chairperson.
Also present: Jonnie Allison, Linda Sheldon, and Tiffany Matte.

2. Discussion/Vote/Adjust Agenda if Necessary - No Change.

3. Public Comments - None.

4. Report of Officers:

President: No report.

Vice-President: No report.

Secretary: No report.

Treasurer: The USDA loan annual principal and interest payments are due for the month of October. Bookkeeper Linda Sheldon provided a list of the monthly automatic transfers that need to be made for the upcoming year. Director Schoenberg reported she will set that up in the next day or two.

Member at Large: No report.

5. Board Member Initiatives- None.

6. Manager's Report.

General Manager (GM) Jonnie Allison reported the FPPUD is still in the trial phase for recording and live streaming Board Meetings. This will allow residents who can't make the meetings to view them.

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The District has been wanting to begin mainline repairs around town. Roughly 600 feet of 6" pipeline, and fittings and valves to go with it, was ordered since it was also needed for emergency repairs. The total cost was about \$13,000. GM Allison mentioned some of the areas in town that are most urgent, including upgrading the line that runs down the west end of Park Drive, just outside the company office. Doing that stretch first would give the crew a good opportunity to learn, and it wouldn't require renting of additional equipment. The Board agreed to begin at this location. An update will be given at the next Regular Meeting in November.

GM Allison asked Antonio Ybarra from the USDA if it would be possible to use the Replacement Fund to pay for upgrading the District's SCADA system. He gave approval, but just needed a letter with the account information. The FPPUD can now move forward with modernizing and upgrading the system telemetry, and obtaining a backup generator for the office.

A claim was submitted to JPIA by a customer who claimed to have his septic system flooded by the leak that ran down Summit and Pico Trails. There was also trench damage to the hillside, and his gravel driveway was washed out. JPIA and GM Allison are working with the resident to get the situation fixed.

140 work orders were accomplished in September and there was one after hours call out.

a. Discussion/Vote on the Status of the Leak Truck and Quotes to Repair it.

The older truck that carries the tools and equipment needed to do water line repairs has been leaking a lot of oil, and has a turbo system that is not working correctly. The truck was taken to the Ford dealership, who indicated it would cost over \$7,000 to repair. To put a new motor in, it's expected to cost about \$16,000. The District's dump truck is also in need of repairs. To fix the brakes, which is needed to drive it to the repair shop and get a full diagnostic, is estimated to cost \$2,500. GM Allison explained, the two trucks can be repaired separately, or the Board can direct him to look into the cost of putting a two yard dump bed onto the leak truck. The Board offered to help with the research on the cost of different options, and a report can be given at the next Regular Meeting.

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b. Discussion/Vote on Payment Plan for New Service Connections.

A customer came to the office and paid the \$200 deposit for a Will Serve letter. He was interested in a new service connection but asked if he could make monthly payments toward the \$8,000 fee. He wanted to pay \$200 a month, but that would take over three years to pay off. GM Allison recommended against allowing payments because of the difficulty in tracking, and because a Will Serve letter is only valid for six months. The Board agreed with the General Manager's recommendation.

Patric Hedlund asked to revisit Agenda Item #3 in order to address the Board.

3. Public Comments.

Ms. Hedlund wanted to make the Board aware of a presentation on SGMA, at the Lebec Community Church, Friday night at 7:00pm. Up for discussion is the Joint Powers Agreement that will be formed between Lebec County Water District, Tejon-Castac, and Kern County. This agreement will be the basis for the formation of their Groundwater Sustainability Agency (GSA).

6. Manager's Report.

b. Administrative Assistant's Report.

Tiffany Matte informed the Board she will be attending (as previously approved) the CSDA Clerk Conference which starts October 22nd.

7. Ad Hoc Committee Reports: SGMA, Budget, Depreciation of Assets.

SGMA - The members of the ad hoc plan on attending the meeting in Lebec regarding the Joint Powers Agreement, and forming a GSA.

Budget - The final corrections from the auditors need to be received so they can be updated in the proposed budget. Bookkeeper Linda Sheldon will be updating the figures for the USDA loan payments and transfers.

Depreciation of Assets - No Report.

8. Discussion/Vote on an Ad Hoc Committee for Review of the Lake of the Woods Transfer Agreement.

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Motion: Move to allow Director Schoenberg and Director Neyman to be on the ad hoc committee for review of the Lake of the Woods Transfer Agreement. Kelling/Garcia 3/0/2, Motion Passed - Directors Neyman and Schoenberg abstain.

9. Discussion/Vote on Fees and Policy for Service Lock Off and Reconnection.

The previously approved delinquency notice and policy were sent to FPPUD attorney Ernest Conant for review. He read the documents and added his corrections. Director Schoenberg recommended adding verbiage explaining that when service is locked off, there is a \$100 charge to reconnect.

Motion: Move that we approve the policy and letter for service lock off and reconnection with the amendment for the \$100 reconnect fee. Schoenberg/Kelling 5/0/0, Motion Passed.

10. Discussion/Vote on Bylaws and Rules and Regulations.

The lock off and late fee policies will need to be added to the Bylaws. This item will carry over, along with approval to have the Bylaws reviewed by an attorney, to the next meeting agenda in November.

11. Discussion/Vote on List of Rates and Fees.

The Board discussed the clarity of the Rates and Fees and noted the line item for turning on/off water was confusing. The words "convenience fee" will be added to the normal business hours and after hours fees. This item will carry over to the next Regular Meeting in November.

12. Accounts Payable and Financial Information.

Bookkeeper Linda Sheldon reported the total cash balance in all accounts is \$963,628.54. Checks were cut for the regularly occurring invoices as well as the annual property tax assessments.

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The Operating balance was \$179,653.97 as of September 30th. The USDA principal and interest payment needs to be made on Monday, in the amount of \$105,499.99. After paying the invoices due, as well as the loan payment, there will be money left in the Operating Account without the need to borrow funds.

Linda included a worksheet in the financials that outlines the amounts due, as well as the monthly transfers into the Reserve and Replacement accounts for the next year.

Motion: Move to take a 10 minute break at 7:31pm.

Kelling/Gipson 5/0/0, Motion Passed.

Return from break: 7:42pm.

Motion: Move that we pay our bills.

Schoenberg/Garcia 5/0/0, Motion Passed.

13. Discussion/Signing of Bank Signature Cards for New Accounts.

The signature cards for the two new accounts needed to be resigned because of a change in paperwork by the bank.

14. Discussion/Review/Vote on Proposed Budget for Fiscal Year 2017-2018.

Linda Sheldon provided the updated figures for the Proposed Budget for the line items that apply to the USDA loans. The Budget will be approved once final figures are received from the auditors.

15. Discussion/Vote on Resolution FP-20171012-01: Authorizing Resolution for a Financial Assistance Application.

This Resolution was requested by Lawrence Sanchez as part of the Planning Application. The District passed a previous Resolution on this matter but the State needed it in their exact format. The Board noted a couple of typos, but also asked:

- The title be changed to describe the Resolution.
- The header be changed into the standard format used by the District.
- Clarification as to whether or not to include Lake of the Woods Mobile Village.
- An additional paragraph revoking any previous Resolutions on this matter.

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Motion: Move that we approve, in essence, this Resolution FP-20171012-01 with the changes and corrections given, if allowed.
Schoenberg/Kelling 5/0/0, Motion Passed.

Oral Announcement Prior to Closed Session (54957.7(a)): A representative of the legislative body to orally announce the items to be discussed in closed session prior to any closed session meeting.

(54954.5(e)) Public Employee Performance Evaluation.
Title: Senior Operator, Field Worker 2, Operator 2, and Administrative Assistant/Clerk of the Board.

- 16. CLOSED SESSION pursuant to Gov't Code Section (54957).**
(54954.5(e)) Public Employee Performance Evaluation.
Title: Senior Operator, Field Worker 2, Operator 2, and Administrative Assistant/Clerk of the Board.

Director Neyman announced closed session at 8:13pm.
Returned from closed session at 8:22pm.

Actions in Closed Session (54957.1(a)) 54957.7(b)):
Director Neyman announced that in closed session there were no motions. GM Allison was directed to give the appropriate increases.

- 17. Review and Approve Meeting Minutes for 09/14/2017, and 09/28/2017.**

Motion: Move that we approve the minutes for Thursday, September 14, 2017, with the amendments stated, and the possibility for additional amendments for typos, or other errors that may need to be corrected.
Schoenberg/Gipson 4/0/1, Motion Passed - Director Garcia abstain.

Motion: Move that we approve the minutes for Thursday, September 28, 2017, with the amendments stated, and the possibility for additional amendments for typos, or other errors that may need to be corrected.
Schoenberg/Kelling 4/0/1, Motion Passed - Director Garcia abstain.

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18. Discussion/Vote on Future Agenda Items.

Regular Planning Meeting October 26, 2017:

- Carryover the discussion/vote on repair or replacement of the leak and dump trucks.

Regular Meeting November 9, 2017:

- An agenda item for further discussion of mainline replacement.
- Carry over discussion/vote on bylaws and rules and regulations, and add approval for the attorney to review it.
- Carry over the List of Rates and Fees.
- Add an agenda item to approve a policy for late fees.

19. Adjournment.

Motion: Move that we adjourn.

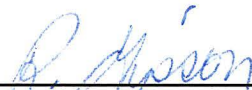
Gipson/Kelling 5/0/0, Motion Passed.

Meeting Adjourned: 8:28pm.

At every regular meeting, the legislative body shall provide the public with an opportunity to directly address the body on any item of interest to the public before or during the legislative body's consideration of the item that is within the subject matter jurisdiction of the legislative body. (Brown Act Code Sec 54954.3(a)).



Tiffany Matte, Clerk of the Board



Attest: Rebecca Gipson, Secretary

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