

**FRAZIER PARK PUBLIC UTILITY DISTRICT**  
**4020 Park Drive, P.O. Box 1525, Frazier Park, CA. 93225**  
**MINUTES FOR THURSDAY, DECEMBER 14, 2017**  
**6:00 PM**

Gipson/Neyman 5/0/0  
Minutes Approved on January 11, 2018

**1. Call to Order: 6:02pm.**

**a. Pledge to the Flag.**

**b. Roll Call of Directors:** Gipson, Kelling and Schoenberg. Director Garcia absent.  
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. Present: Patric Hedlund.**

**4. Report of Officers:**

**President:** No report.

**Vice-President:** No report.

**Secretary:** No report.

**Treasurer:** Director Schoenberg reported she changed the names of the bank accounts online, after the last meeting.

**Member at Large:** Absent.

**5. Board Member Initiatives.**

Director Schoenberg indicated she would still like to discuss the process of testing and maintaining fire hydrants. General Manager (GM) Jonnie Allison responded that he will be covering this issue under his report.

**6. Manager's Report.**

GM Allison explained, the District does hydrant flushing, but not systematically. The reason is, the Kern County Fire Department does this maintenance, and to date, a hydrant has never failed. They are checked annually and any repairs needed are done at that time.

**FRAZIER PARK PUBLIC UTILITY DISTRICT**  
**4020 Park Drive, P.O. Box 1525, Frazier Park, CA. 93225**  
**MINUTES FOR THURSDAY, DECEMBER 14, 2017**  
**6:00 PM**

Gipson/Neyman 5/0/0  
Minutes Approved on January 11, 2018

After a previous discussion on this matter at a Board Meeting, the FPPUD did flush a hydrant, but received complaints for two weeks that residents were getting rust in their water. When this process is done too often, rust breaks loose, flows into houses, and plugs aerators. Anyone with questions regarding fire hydrants are referred to the local Fire Department to address their concerns.

**Director Garcia arrived at 6:08pm.**

An update was given for an insurance claim, filed by a resident on Pico Trail. He claimed to have property damage resulting from a water main break. JPIA has asked repeatedly for the customer to submit reports and quotes on repairs, but he still has not done so. They are now recommending the District deny the claim, until he is willing to work with the adjustor.

There was a water leak behind Lion's Daycare resulting from a tree root grabbing onto a pipe and causing it to break. In order to fix the leak, the crew had to take down a fence, and dig into the backyard. The tree was unstabilized, so the District paid \$1,000.00 to have it removed to prevent it from falling and potentially causing injury.

The District received a "President's Special Recognition Award from JPIA for achieving a low ratio of 'Paid claims and Case Reserves' to 'Deposit Premiums' in the Property Program for the period 04/01/2013 - 03/31/2016 announced at the Board of Directors' Meeting in Anaheim".

GM Allison received a certificate for attending and participating in the, "Year Long Process of Self-Assessment, Personal Growth, and Professional Development for Leaders.", through JPIA.

**Per public request, the Board returned to address Agenda Item #3 - Public Comments.**

**3. Public Comments.**

Patric Hedlund reported she was approached by a member of another water company, who was interested in seeing The Mountain Enterprise institute a rotating column about water company news in the mountain communities. Ms. Hedlund will be collecting input in order to make a decision about the best format this could take. This topic will be put on the next Regular Meeting Agenda in January for further discussion.

**FRAZIER PARK PUBLIC UTILITY DISTRICT**  
4020 Park Drive, P.O. Box 1525, Frazier Park, CA. 93225  
**MINUTES FOR THURSDAY, DECEMBER 14, 2017**  
**6:00 PM**  
Gipson/Neyman 5/0/0  
Minutes Approved on January 11, 2018

**6. Manager's Report.**

**a. Discussion/Vote on New Water Service Applications.**

There were two new service applications. The first was for a lot on the corner of Alcot and Elm Trails. The District can provide water to this location. The second application was for a 20+ acre parcel, the location of which is not certain. The owners will need to walk the property with the GM to know for certain, but it is unlikely the District will be able to supply water.

**Motion: Move we approve the water service at APN 260-067-07-00-4.  
Schoenberg/Garcia 5/0/0, Motion Passed.**

**b. Administrative Assistant's Report.**

Tiffany Matte explained to the Board that she has been unable to live stream Board Meetings because of the slow internet speeds at the office. The meetings are still being recorded on video, and can be placed online for viewing through the District's website. This topic will be added to the next Regular Meeting Agenda in January for approval.

**7. Ad Hoc Committee Reports:**

**SGMA:** No update.

**Budget:** No update. Still waiting on the auditors for year end information.

**Depreciation of Assets:** No update.

**Lake of the Woods Transfer Agreement:** Still waiting to hear from the attorneys involved for updated information.

**8. Discussion/Vote on Updated Quote for Upgrading the Telemetry.**

GM Allison reminded the Board of the need for an upgrade to the District Telemetry. The auto-dialer has been failing, and the computers and software are seriously outdated.

**FRAZIER PARK PUBLIC UTILITY DISTRICT**  
**4020 Park Drive, P.O. Box 1525, Frazier Park, CA. 93225**  
**MINUTES FOR THURSDAY, DECEMBER 14, 2017**  
**6:00 PM**  
Gipson/Neyman 5/0/0  
Minutes Approved on January 11, 2018

One of the technicians, Ness, who originally worked on the system, said he could upgrade the computers to Windows 10, add dual hard drives, obtain a new or upgraded SCADA software service, and get the whole system running again the way it should. The estimated cost is \$15,187.00. GM Allison asked the Board to approve \$20,000.00 in order to, at the same time, get extra needed programming, batteries, upgraded solar, and anything else needed to get the system running the way it should. The USDA has already been contacted, and approved using funds from the USDA Replacement Account. Director Schoenberg asked that approval from the USDA be obtained in writing.

**Motion: Move that we go ahead and approve up to \$20,000.00 to deal with the telemetry, the software, the computer, and the auto-dialer. In addition, I would like to take it out of the Replacement Fund, if we can secure in writing an okay from the USDA. If that is not secured, or it's taking a long time, I would like to take it out of the Pipeline/System Reserve, and if and when the USDA gives us something in writing, to transfer money back into the Pipeline/System Reserve, if we're able to take it out of the Replacement Fund.**  
**Schoenberg/Garcia 5/0/0, Motion Passed.**

**9. Discussion/Vote on Rate Increase Scheduled for January 2018.**

Tiffany Matte clarified for the Board that the 10% rate increase, according to the Prop 218 Rate Study and approved Resolution, is scheduled to begin January of 2018. The Board was very concerned about moving forward with the scheduled increase and discussed it in length. Wanting more information about the current financial status of the District, they agreed to move on to Agenda Item #10, and return to the discussion afterward.

**10. Accounts Payable and Financial Information.**

Bookkeeper Linda Sheldon reported the total cash balance in all accounts is \$922,032.40. As of November 30th, the Revenue/Operating Account had a balance of \$146,545.80. Checks were cut for the regularly occurring invoices. There was a check to reimburse the petty cash so that the total in the cash drawer will equal \$300.00. That balance will be maintained daily. Any cash disbursements will be taken from the register, with a backup receipt left in the drawer. Once a month GM Allison or Tiffany Matte will count and verify the drawer.

**FRAZIER PARK PUBLIC UTILITY DISTRICT**  
**4020 Park Drive, P.O. Box 1525, Frazier Park, CA. 93225**  
**MINUTES FOR THURSDAY, DECEMBER 14, 2017**  
**6:00 PM**

Gipson/Neyman 5/0/0  
Minutes Approved on January 11, 2018

A monthly statement was received from Young Wooldridge that included a balance due from four invoices. Two of the invoices were current and checks were cut for those. The other two were previous amounts showing as unpaid, but invoices were not included. Linda Sheldon was unable to determine if those invoices had been paid, but will get the information from the attorney to resolve the issue.

Eight of the District accounts do not have the correct names on the bank statements. Those will need to be fixed. Once the new bank Resolution has been passed, it will be taken to the bank, and the accounts can be corrected then.

Five of the accounts incurred an Audit Fee, but may be the result of work being done for the 2017 audit.

At the last meeting, the Board requested that Linda find out the average monthly disbursements from the Revenue/Operating Fund. This was so she could recommend how much, and how frequently, money can be transferred into the newly established Emergency Reserve Account. She determined the monthly disbursements, averaged over a 12 month period, to be \$93,000.00. It was Linda's recommendation that funds over \$100,000.00 be transferred into the Emergency Reserve twice a year, in November and May, after USDA loan and interest payments are made.

**Motion: Move that we transfer \$46,000.00 from the Revenue/Operating Fund ...1961, to the Emergency Reserve ...0895.**  
**Schoenberg/Garcia 5/0/0, Motion Passed.**

**Motion: Move that we pay our bills.**  
**Schoenberg/Gipson 5/0/0, Motion Passed.**

**Motion: Move at this time that we revisit #9 - Discussion/Vote on the Rate Increase.**  
**Schoenberg/Gipson 5/0/0, Motion Passed.**

**9. Discussion/Vote on Rate Increase Scheduled for January 2018.**

The Board continued to discuss the increase at length, but determined that the best decision for the financial health of the District, is to continue with the increase as scheduled.

**Motion: Move that we follow through with the rate increase scheduled for January 2018, at the Prop 218 rate.**  
**Garcia/Kelling 5/0/0, Motion Passed.**

**FRAZIER PARK PUBLIC UTILITY DISTRICT**  
**4020 Park Drive, P.O. Box 1525, Frazier Park, CA. 93225**  
**MINUTES FOR THURSDAY, DECEMBER 14, 2017**  
**6:00 PM**  
Gipson/Neyman 5/0/0  
Minutes Approved on January 11, 2018

District staff recommended a mailing be sent to remind the residents of the scheduled increase. Information will also be sent to Patric Hedlund at The Mountain Enterprise.

**Motion: Move that we take a 10 minute break at 7:33pm.**  
**Gipson/Kelling 5/0/0, Motion Passed.**  
**Return from break: 7:47pm.**

**11. Discussion/Vote on District Financial Policy for Technical, Managerial, and Financial (TMF) Assessment.**

As part of the meter replacement grant application, a TMF Assessment was required, which asked for a District Financial Policy. Tiffany Matte drafted this document based on the description in the assessment. The Board read the draft policy out loud and noted any corrections.

**Motion: Move that we approve the District Financial Policy for the Technical, Managerial, and Financial Assessment with amendments as discussed.**  
**Gipson/Garcia 4/0/1, Motion Passed - Director Schoenberg abstain.**  
Director Schoenberg abstained because she hadn't finished reading through the entire document.

**12. Discussion/Vote on Resolution FP-20171214-01 - In the Matter of FPPUD Financial Accounts Held at California Bank & Trust and Rotating Board Positions.**

**Motion: Move that we adopt this Resolution with the following changes that I'm going to make, and after we resolve the position changes.**  
**Schoenberg/Garcia 5/0/0, Motion Passed.**

The Board read aloud the draft Resolution and noted any amendments. Following the procedures outlined in Resolution #500, the Board rotated officers and recorded the position changes in Resolution FP-20171214-01.

**FRAZIER PARK PUBLIC UTILITY DISTRICT**  
**4020 Park Drive, P.O. Box 1525, Frazier Park, CA. 93225**  
**MINUTES FOR THURSDAY, DECEMBER 14, 2017**  
**6:00 PM**  
Gipson/Neyman 5/0/0  
Minutes Approved on January 11, 2018

**13. Review and Approve Meeting Minutes for 11/09/2017, and 11/30/2017.**

**Motion: Move that we approve the minutes for Thursday, November 9, 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 Neyman abstain.**

**Motion: Move that we approve the minutes for 11/30/2017, with the amendments stated, and the possibility for additional amendments for typos, or other errors that may need to be corrected.**

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

**14. Discussion/Vote on Future Agenda Items.**

Special Meeting December 15, 2017.

Regular Planning Meeting December 28, 2017.

Regular Meeting January 11, 2018:

- An agenda item for discussing a column for water companies in The Mountain Enterprise.
- An agenda item for a discussion/vote on posting meeting videos and live streams online.
- An agenda item for discussing moving some District money into another bank for extra security.

**15. Adjournment.**

**Motion: Move that we adjourn.**

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

**Meeting Adjourned: 8:51pm.**

**FRAZIER PARK PUBLIC UTILITY DISTRICT**  
4020 Park Drive, P.O. Box 1525, Frazier Park, CA. 93225  
**MINUTES FOR THURSDAY, DECEMBER 14, 2017**  
**6:00 PM**  
Gipson/Neyman 5/0/0  
Minutes Approved on January 11, 2018

**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: Lisa Schoenberg, Secretary**

seal