

FRAZIER PARK PUBLIC UTILITY DISTRICT
4020 Park Drive - Frazier Park, CA 93225
MINUTES FOR THURSDAY, FEBRUARY 9, 2017. 6:00pm
Schoenberg/Gipson 5/0/0
Minutes Approved on March 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, Tiffany Matte, and Linda Sheldon.

2. Discussion/Vote/Adjust Agenda if Necessary.

Motion: Move to adjust the Agenda so #11 - Discussion with California Bank & Trust, happens around 7:00pm; Included with that is Item #13, and Item #18. Schoenberg/Garcia 5/0/0, Motion Passed.

3. Public Comments. Present: Bill Hopper, Tommy Hastings, Dave Gillman, and Tonya Engelbrecht.

The public was given the opportunity to address the Board. Each comment was limited to five minutes.

4. Report of Officers:

President: Director Neyman reported that he attended Lebec Water Board's meeting this last month. Lebec reported that they sounded their well, and water levels have risen close to three feet.

Vice-President: None.

Secretary: None.

Treasurer: Director Schoenberg reported she transferred all the monies needed for the USDA Reserve and Replacement Funds. A transfer still needs to be made from the Pre-Planning Account for Claim #7, for reimbursement to the FPPUD, for Directors' fees, postage, and the Park Recreation Building rental. The check for Pre-Planning Claims #10, #11, and #12 just came in. A transfer will be made to reimburse the FPPUD for payments made to Stanley Hoffman & Associates for these claims.

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The approved Resolution for the Change in District Authorized Banking was turned into the bank.

Member at Large: None

5. Board Member Initiatives - None.

6. Manager's Report.

The Manager's Report was in a different format because of a technical issue with the computer report, when the billing system changed from gallons to cubic feet. There was a water leak from two different pipes on East End. One of the lines was directly underneath a concrete covered rock wall, which was consequently washed out. Initially, GM Allison wanted to have it fixed, so he called out someone who does block work, for an estimate. The contractor was unable to do the work because the wall was constructed about eight feet past the property line, and he wouldn't be able to get a permit. The issue was then turned over to the District's insurance, through a claim form. The insurance denied the claim because the wall was not constructed correctly, and it was built into the road easement. If the District were to fix it, it would be contributing toward an illegal structure.

The County has changed its requirements for the offset of a leach field, from the water mains. It was 10 feet, now it is 25 feet. Most of the properties in Frazier Park don't have that availability for distance. This issue came to the surface when Red Dot needed to put in a new leach line. They did not have the required offset available. As a District, the FPPUD can give a variance for that. GM Allison told the contractors he didn't have a problem with the 10 feet, in order to allow the business to stay open. This new change in the code could cause problems for customers, going forward.

GM Allison has been researching how to increase the capacity for storage of security camera footage. A cloud based system is not feasible because of the slow upload speed. Larger storage drives are available, but very expensive.

Also being researched, is an alarm system for the office building. GM Allison offered, what he believed, was a good solution. It is called Simply Safe. It is a wireless system that comes with door and motion sensors, smoke, CO3 and water sensors. The purchase price is \$540 plus tax, the FPPUD would install the hardware, and monitoring would cost about \$15 a month.

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The system includes a panic button that can be used if the person at the front desk were to feel threatened. GM Allison will continue to look into other options.

The FPPUD attorney was contacted to see what legal avenues the District could take, if people are harassing the Board and employees. He responded, there were things that could be done, but to wait and see if the situation improves, or gets worse.

The Mountain Enterprise printed an article addressing customer concerns, that included the rate increase and new pickup trucks.

a. Discussion/Vote on Application for Water Service Installation.

A request for water service was made from a gentleman who wanted to sell his empty lot. Before selling, he wanted to confirm that water service could be put in. The letter would only be valid for six months. The location is 3428 Illinois Trail. GM Allison confirmed that the District could provide service.

Motion: Move that we approve water service for [Larry] Campbell at 3428 Illinois Trail, lot 27 and 28, block 45, track 1, for a residential development, parcel 260-095-25, for a ¾" meter.

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

b. Discussion/Vote on Replacing a Wall, Damaged from a Water Leak.

Discussed earlier. There was no vote to replace the wall because it can't be rebuilt as it was.

c. Administrative Assistant's Report - None.

11. Discussion/Vote with California Bank & Trust Regarding Financial Protection of District Accounts. (Moved per adjustment of the Agenda)

Sherri Timm, Branch Manager of California Bank & Trust, came to talk to the Board about how FDIC coverage works for public entities, like the FPPUD. She passed out a pamphlet that defined FDIC coverage, and explained it covers up to \$250,000. Also allowed, is the collateralization of funds in excess of \$250,000.

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This means that California Bank & Trust backs up deposits that are over the FDIC limit, with investments/bank assets. She provided the Board a copy of the Contract of Monies between the FPPUD and the bank, dated October 22, 2014.

Mrs. Timm also gave information about a credit card that might benefit the District. It is designed for companies that have at least \$1.5 million of annual spend. It is designed to streamline the accounts payable process. There could be a higher rebate than the current card, depending on the amount being charged.

Lastly, She reported the bank has refunded \$40 in audit fees, charged to District accounts in error.

13. Discussion/Vote on Customer Fees for Credit Card Transactions.

The average fee per transaction, for credit cards used in the month of January, was \$1.27. The Board wanted to keep the fee as is, and track the cost for the next six months, to see how it is impacted by the rate increase. This item will be carried over to the August Agenda.

18. Discussion/Vote on Options of Paying Water Bills Online.

Tiffany Matte reported she is still working on options for customers to pay their water bill online. She spoke with Julie from California Bank and Trust, who will work with Mike from RVS, on looking into the possibility of integration.

RVS will charge the District a one time fee to integrate with a payment company. For full integration, the cost would be between \$750 to \$825. Advantages of full integration would be real time access to account information, and the ability to implement account restrictions. For simple integration, the one time fee would be \$100 to \$250. Simple integration would require a daily update, and would not show updates for payments that occur when the office is closed.

This item will be carried over as more information is available.

7. Ad Hoc Committee Report.

The SGMA committee has not met since last meeting, however, they would like to move forward with having someone come to a meeting, and talk with the Board. Director Schoenberg would like to find out more about whether the local area is divided into subbasins, or actual basins.

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8. Discussion/Vote on AB 1661 Harassment Training.

Tiffany Matte reminded the Board to complete their harassment training.

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

This item will be carried over to the next Regular Meeting.

10. Accounts Payable and Financial Information.

Current cash balances total \$716,913.64. Including the checks that were signed at this meeting, the Revenue Account has a balance of \$53,492.26. Bookkeeper Linda Sheldon recommended waiting to transfer the \$25,000 back into the General Fund, because \$50,499.99 is needed for the interest payments on USDA loans, due by April 15th.

Linda Sheldon has received back the accountant's copy of the financials from the auditors, so the balance sheet now includes all the adjustments, as of June 30, 2015. She will be sending them the financial file for the audit ending 2016, so they can continue to work on that audit.

There was a bulk sale reported in the amount of \$10.47. GM Allison will look into that charge to see if it was accurate, or input in error.

The check came in from the State for Pre-Planning Claims #11, #12, and #13, and was deposited into the account.

Motion: Move that we pay our bills.

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

12. Discussion/Vote on Reimbursement of General Fund from the Revenue Fund for Truck Purchases.

Director Schoenberg recommended that reimbursement for the trucks purchased, be completed by June 30th, so it is kept in the same fiscal year for accounting purposes. The total purchase amount was divided into five transfers, that would equal about \$15,300 per month. Director Schoenberg will set up the payments as automatic bank transfers.

Motion: Move that we take a 10 minute break at 8:05pm.

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

Return from break: 8:22pm.

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14. Discussion/Vote/Review of Depreciation of District Assets.

This item will be handled by the Ad Hoc Committee that originally reviewed the assets for the Rate Study. Directors Neyman and Schoenberg will meet, and report back at the next Regular Meeting.

15. Filling Out/Filing Form 700.

The Board took home their 700 forms to fill out. The forms will be returned by the next meeting on the 23rd.

16. Review/Vote on Revised List of Rates and Fees.

Since the water rates have gone up, GM Allison suggested reexamining the fee for posting the 48 hour notice, and for reconnecting service after lockoff. The Board agreed to accept the current list of rates and fees, and revisit this item in two months, after seeing the financial figures with the new rates.

Motion: Move that we pass these rates as current and applicable, as written.
Garcia/Kelling 5/0/0, Motion Passed.

17. Discussion/Possible Vote/Review of New District Website.

Tiffany Matte asked if the Board could help clarify what documents or information they would like to see added to the website. Documents that are commonly asked for, District financial information, General Manager information, and training certificates will be added to the website.

19. Discussion/Vote on How to Improve the Process of Board Meetings.

The Board discussed ideas for improving the meeting process. They concluded that any items for discussion at a meeting, should be reviewed by the Board prior to the meeting, if possible. Directors can also come to the meetings early, to look over information as well. Doing these things can shorten the time needed for discussion during meetings, freeing time that is needed for topics that need extra attention.

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Motion: Move to extend the meeting to finish business.

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

Meeting extended at 8:58pm.

20. Review and Approve Meeting Transcripts for 10/15/16, 11/10/16, and 12/8/16 and Minutes for 1/12/2017, 01/19/2017, and 1/26/2017.

Motion: Move that we approve the transcript for 10/15/16 with the amendments that were given, and with the possibility for amendments for typos, or other errors that need to be corrected.

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

Motion: Move that we approve the transcript for 11/10/16 with the amendments already given, and with the possibility for amendments for typos, or other errors that need to be corrected.

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

Motion: Move that we pass the minutes for Thursday, January 12, 2017 with amendments given, and with the possibility for amendments for typos, or other errors that need to be corrected.

Schoenberg/Kelling 4/0/1, Motion Passed - Director Gipson abstain.

Motion: Move that we pass the minutes for Thursday, January 19, 2017 with the possibility for amendments for typos, or other errors that need to be corrected.

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

Motion: Move that we pass the minutes for Thursday, January 26, 2017 with the amendments given, and with the possibility for amendments for typos, or other errors that need to be corrected.

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

The transcript for 12/8/16 will be carried over to the next Regular Meeting, because the document has not yet been completed.

21. Discussion/Vote on Future Agenda Items.

Regular Pre-Planning Meeting February 23, 2017.

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Regular Meeting March 9, 2017:

- Continue the discussion/vote on the Bylaws and Rules and Regulations.
- A new Agenda item for the Ad Hoc Committee report on the depreciation of assets.
- A vote on the meeting transcript for 12/8/16.

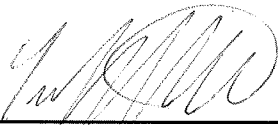
22. Adjournment.

Motion: Move that we adjourn.

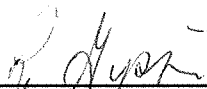
Gipson/Kelling 5/0/0, Motion Passed.

Meeting adjourned: 9:11pm.

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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