



**MISSION HILLS COMMUNITY SERVICES
DISTRICT**

Regular Meeting Minutes

4:30 pm Wednesday, October 14, 2020

The Regular Meeting of the Board of Directors of the Mission Hills Community Services District was called to order at 4:37 pm on Wednesday, October 14, 2020, at the District Meeting Room, 1550 East Burton Mesa Boulevard, Lompoc, California.

DIRECTORS PRESENT:

By roll call: Bruce Nix, Myron Heavin, Karina Naughton, Steve Dietrich, and Walt Fasold

DIRECTORS ABSENT:

None

STAFF PRESENT:

Loch Dreizler, Carol Reynolds, and Kayla Marie Barker

OTHERS PRESENT:

None

1. Call to Order and Pledge of Allegiance

2. Roll Call

3. Adjourn to Closed Session

A. Conference with Legal Counsel – Existing Litigation under Government Code Section §54956.9(d)(4), Plaintiff is the City of Lompoc, Defendant is Mission Hills CSD.

B. Open to Public from Closed Session with the Closed Session adjourned at 4:35 pm.

C. Open Session began at 4:37 pm with no actionable items reported out of Closed Session.

4. Regular meeting at 4:37 pm

Due to General Manager, Loch Dreizler submitting his resignation, the Mission Hills staff presented a Proclamation commending General Manager Loch Dreizler for his time spent at the district. Mission Hills CSD Accountant, Carol Reynolds also expressed her appreciation by presenting a sincere speech to Mr. Dreizler.

The Board of Directors individually thanked Mr. Dreizler for his efforts and value the progress he has contributed to the Mission Hills CSD.

5. **Public Comment:** No public comments

6. **Presentations:** No presentation

7. **Consent Items:**

A. Approval of Minutes from:

- i) September 11, 2020, Special Meeting – GM Recruitment Minutes
- ii) September 16, 2020, Regular Meeting Minutes

B. Activity Reports for August:

- i) Administration
- ii) Water & Wastewater
- iii) Water Distribution Graph
- iv) Wastewater Treatment Plant Performance Graphs

C. Financial Reports:

- i) Profit and Loss
- ii) Disbursements Journal
- iii) Variation from Projected Income
- iv) Bank Account Summary
- v) Budget to Actual

Approved Consent Items:

Motion made by Director Heavin and second by Director Naughton, to accept the consent calendar as presented.

AYES: 5 - 0

NOES: 0

Abstain: 0

Absent: 0

8. **Discussion Items:**

Discussion Item 8A. Committee Updates

Recommendation to review previous committee meetings and proposed meeting dates.

Wastewater - General Manager submitted a draft letter to the district regulator, Howard Kolb (and the wastewater committee) to revise. The next phase after the draft is revised is to have the Regional Water Board Supervisor review the recommendation to consider reporting composite samples from pond 2 as opposed to collecting from ponds 3, 4, 5, and 6. Mr. Kolb is considering retiring soon and it is Mission Hills' goal to receive the revised letter before his departure.

Director Fasold mentioned the data in terms of the new aerator's performance has been encouraging. Electric usage is currently lower as to what the district was consuming before the new aerators installation. The district is more efficient getting better results and moving in the right direction.

Director Fasold mentioned the committee's main priorities are to stay compliant with low Nitrogen numbers, proving to be within limits during winter months, and optimization.

Director Heavin suggested asking PG&E to run a free analysis on what terra scheduling the district should be running under to save on the district electric bill.

Water – Cannon Engineering came out to visit the District water operators to talk about locating the surge tank with the existing equipment. The next step is to review the 50% complete water pressure model plans. Cannon is scheduled to have the plans available sometime at the beginning of November.

Energy – Committee met with Centrica and was underwhelmed with their solar presentation. They came up with a potential project where the District would start seeing pay off after 14 years. The Committee asked if Centrica could come back with a different approach to see if it's worth it for the District. They came up with an approach that's funded by a bond with no cost to the District if the District doesn't go through with the project. If the District decided to go with the project, then the cost will go against the project including installing the system. The board currently doesn't have enough information to see if they are interested in committing until Centrica comes back with more detailed information.

REC was another potential consultant the committee met with, but Mission Hills CSD was too small of an establishment for them to partner with. REC recommended Efficient Energy. The Committee will meet with Efficient Energy and report back to the board.

Proposed Committee Meeting Dates:

- Finance Committee is scheduled for Wednesday, December 9 at 8:15 AM.
- Water Committee scheduled Wednesday, October 21, 2020, from 2:15 PM to 4:00 PM.
- Next Development Agreement Committee TBD.
- Wastewater Committee TBD.
- Personnel Committee scheduled Wednesday, October 28, 2020, from 9:30 AM to 11:00 AM.
- Energy Committee TBD.
- Western Management Area Committee for Groundwater Sustainability is scheduled for November 18, 2020, at 10:00 am.

District Goals

Recommendation for the District Board of Directors to review the "top five outstanding issues."

The district's top five goals will be reviewed at the Regular Board Meetings each month. The top five outstanding issues are the following:

1. Wastewater N2 and NaCl reduction plan and results to meet WDR requirements (not TSO but final WDR), including sewer cleaning and inspection.
 - 8 of 16 tasks from the Time Scheduled Order (TSO). The next task is: Collect samples and identify chloride sources before October 31, 2021.

- Sewer cleaning and inspection is part of this fiscal year's capital improvement project and is a continuation of last year's capital projects.
2. Lawsuit defense against the City of Lompoc
 - Legal Counsel continues to move forward with the Board's unanimous decision to defend against the lawsuit filed by the City of Lompoc.
 - Walt Fasold was determined to be the point of contact until a new General Manager can be brought up to speed.
 - The last closed session was scheduled for October 14, 2020
 3. Water pressure surge control – Design/Build of the surge tank near the water treatment plant.
 - Cannon Engineers is developing a schematic drawing used to contract the work to install the surge tank.
 - Cannon performed a site visit on October 6, 2020, to begin the drawings.
 - The next meeting with Cannon will be at 50% completion for the staff and Water Committee to review.
 - Stephen Burfeint, Lead Water Operator, is the current point of contact.
 4. Cost Reduction – Energy usage (solar) and other applicable initiatives
 - Staff and Directors are working with solar consultants to determine district viability.
 - The next step will be for the Board to approve an "Investment Grade Audit" or an RFP.
 5. Public Outreach – Implement regular information to the community.
 - There is no committee associated with this goal, a draft of a newsletter has been developed, and the two most proactive directors to date have been Directors Heavin and Fasold. The staff recommendation is to defer until the next General Manager is hired.

Discussion Item 8B- General Manager Agreement

Recommendation to review and discuss. A Motion to be determined if necessary during the meeting.

Loch Dreizler's last official day on-site was October 9, 2020, in the letter of resignation submitted on September 8, 2020.

Mr. Dreizler wrote a check for \$14,668 to pay the district back for his tuition stated in the GM Agreement. The check has been processed and cleared.

Mr. Dreizler is amenable to work hourly at \$75.00/hr plus travel and mileage through the end of this year with mutual consideration and defined expectations. If requested, the district can extend the relationship in 2021 with a more formal agreement.

Mr. Dreizler worked on October 10, 12, and 13. He also attended the October 14 personnel committee meeting along with the October 14 Board meeting totaling approximately 20 hours.

According to the GM Agreement, Mr. Dreizler should pay \$100 per working day if he doesn't work 45 calendar days after resigning. His final day on payroll being October 9, 2020, he will be nine working/weekdays short of 45 days, or an additional \$900 owed to the District. The Board President and Mr. Dreizler discussed the other days worked to offset the \$900. No Board members objected. No funds will be exchanged.

9. Communications:

A. Directors Comments – Director Fasold reiterated his appreciation towards Loch Dreizler and wished him well in his future endeavors.

Director Naughton mentioned The District has not received any applications for the permanent General Manager position. Mr. Dreizler referred Bradley Hagemann as a potential Interim GM for the District until a permanent General Manager is hired. The personnel committee is recommending an interim be hired. The Board agreed and a special meeting will be coordinated to meet Mr. Hagemann.

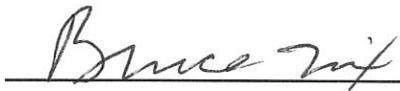
The District Accountant/ Carol Reynolds, presented the recommended communication protocol going forward without a GM present to the Board.

B. Public Comment - No public comments.

ADJOURNMENT:

With no further business to come before the Board, the meeting adjourned at 7:26 pm.

Respectfully Submitted,



Bruce Nix, President



Kayla Marie Barker, Board Secretary

