

Mission Hills Community Services District

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Directors:

Steve Dietrich
Walter Fasold
Myron Heavin
James Mac Kenzie
Bruce Nix

M-I-N-U-T-E-S **Regular Meeting** **February 15, 2017**

The Regular Meeting of the Board of Directors of the Mission Hills Community Services District was called to order by President Fasold at 6:30 p.m. on Wednesday, February 15, 2017 at the District Meeting Room, 1550 East Burton Mesa Boulevard, Lompoc, California.

DIRECTORS PRESENT: By roll call: Steve Dietrich, Walter Fasold, Myron Heavin, James Mac Kenzie, and Bruce Nix

DIRECTORS ABSENT: None

STAFF PRESENT: Michael Riley, Melissa Crouthers, and Casey Fowler

OTHERS PRESENT: Bill Klepper and Ron Herbig

3. **PLEDGE OF ALLEGIANCE:** Pledge of Allegiance.

4. **SPECIAL PRESENTATION:** Bill Klepper from RNC Genter was here to discuss the current status of District Investments and answer any questions. He felt the District was doing very well with the current bonds even with the limitations we are governed by.

5. **AGENDA REVIEW:**

Agenda Item 5a. Motion by Director Mac Kenzie, second by Director Heavin that all resolutions and ordinances presented tonight be read in title only and all further readings be waived. Unanimous 5-0.

6. **COMMUNITY COMMENTS AND SUGGESTIONS:** None

7. CONSENT AGENDA:

Motion by Director Nix, second by Director Mac Kenzie to approve the Consent Agenda after review.

Agenda Item 7a. Consideration of Approval of Minutes.

Approved Minutes of the Board of Directors Regular Meeting of January 18, 2017. President Fasold noted that the minutes discussed the variations from projected income statement to be updated and he noticed it was not completed at this point. General Manager Riley stated that he had not had time to address this yet however it will be done by the next board meeting. Director Fasold also noted the comment of the additional fees paid to Granite Construction to raise the manholes. He requested that the next time we are asked to do this we look into the cost with different contractors and get a firm estimate.

Agenda Item 7b. Reports on Water, Wastewater and Street Sweeping.

Street Sweeping Report, Water Reports and Wastewater Reports were reviewed. It was asked again if we could provide an average water use and Average Influent flow instead of a high and a low for the month in both the water and wastewater report.

Agenda Item 7c. Consideration of the Manager's Project and Expenditure Reports.

January Profit and Loss Statement, Expenditures (year to date), Bank Account Summary, Disbursement Journal, Variation from Projected Income, Outstanding Issues in both Operational and Administrative, and the RNC Genter monthly statements were briefly reviewed and discussed. Director Fasold asked if we could do a quick calculation of our financial situation if the weather conditions were the same and we had no rate increase. Accountant Crouthers stated that she would be happy to provide 3 months' worth of data. Director Fasold stated again the importance of having the projected income sheet updated to have better accuracy of the districts per month projections. It was requested to add the new WDR limits, Burton Ranch, and the odor control issue on Calle Primera to the top 5 outstanding issues.

Vote to approve the Calendar of Consent was 5-0

8. CORRESPONDENCE: These items are placed on the agenda for informational purposes only. No action required.

Agenda Item 8a. Budget Discussion

This item was brought to the agenda to be able to discuss future plans and goals to occur over the next budget cycle. Director Fasold stated he had hoped this discussion would have occurred after the Board tour, which was canceled due to weather conditions. He went on to explain that his concern is that the rate structure allows a set percentage increase, he is going to be looking for evidence that we are not going to max out those increase without looking at every possible way to cut costs. Director Dietrich agreed that we need to cut costs everywhere we can. He also explained that we need to look at the long term, and that if we are behind where we should be, we need to figure out a way to catch back up. Director MacKenzie addressed his concern of the last power outage when our emergency generator didn't work and how we need to look at other items, like this during the budget cycle. Director Heavin questioned the efficiency of our equipment and would like to see how we are

Budget Discussion (continued)

operating, specifically run times on Well #6. It was decided this would be discussed further after the District Tour scheduled for February 24, 2017 beginning at 2:00 pm.

9. CONTINUED BUSINESS: none

10. NEW BUSINESS: none

11. GENERAL MANAGER ITEMS: It was noted the office will be closed on February 20th, 2017

12. BOARD MEMBER COMMUNICATIONS:

Director Heavin discussed the Alternative Energy Committee Meeting that he and Director Nix attended and believes this is a very positive direction for the District to move. He explained that there are two different companies that the District is working with for cost comparisons. Once more information comes available there will a presentation and discussion with the entire Board.

Director Nix stated that the Personnel Committee meet to discuss the possible retirement of the General Manager. Whether he decides to retire this next budget cycle or later the Board really needs to start looking into the cost and the timeline that is going to be associated with hiring a new General Manager as it is very costly and time consuming.

13. STAFF COMMUNICATIONS:

District Account Crouthers reminded the Board about the required training and stated that ACWA/JPIA offers these courses. She will need to download the course so let her know if anyone would like to come to the office to complete this.

14. ADJOURNMENT:

There being no further business to come before the Board the meeting was adjourned at 8:17 p.m. to the next Special Meeting to be held February 24, 2017 at the District office beginning at 2:00 pm.

Respectfully Submitted,

Casey Fowler
Secretary, Board of Directors

APPROVED AS TO FORM:

Walt Fasold
President, Board of Directors