

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** **May 17, 2017**

The Regular Meeting of the Board of Directors of the Mission Hills Community Services District was called to order by President Fasold at 6:36 p.m. on Wednesday, May 17, 2017 at the District Meeting Room, 1550 East Burton Mesa Boulevard, Lompoc, California.

DIRECTORS PRESENT: By roll call: Steve Dietrich (left at 8:40), Walter Fasold, Myron Heavin, Bruce Nix, and James Mac Kenzie

DIRECTORS ABSENT: None

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

OTHERS PRESENT: Tim Naughton and Michael Donahue

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

4. **SPECIAL PRESENTATION:** None

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:** Director Fasold wanted to comment that Mr. Donahue was here as a community member not as a vendor. Mr. Naughton stated that he is very interested in the solar project and glad that the District is looking into proposals. He explained that he has not seen any of the proposals but would be happy to join the Ad-Hoc Committee and help anyway that he can. Director Fasold expressed his gratitude for his assistance and is happy to have the additional support. Director Heavin stated that a lot of what he had learned came from Mr. Naughton and he would also like to use his assistance. Director Dietrich stated that we can always use the help from the community especially with an engineering background. Mr. Naughton stated that he will come into the office before his vacation to gather the documents for review.

7. **CONSENT AGENDA:**

Motion by Director Mac Kenzie, second by Director Heavin 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 April 19, 2017, Special Meeting of May 3, 2017 and Special Meeting of May 10, 2017.

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

Agenda Item 7c. Consideration of the Manager's Project and Financial Reports.
April 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 Center monthly statements were briefly reviewed and discussed. It was suggested that we include a monthly statement for the Pond #1 project describing the entire project.

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. Report of Operations Standing Committee and the Burton Ranch Ad-Hoc Committee.

Recommended Action: No action needed.

The Standing Committee gave a the Board a brief understanding of what is involved in the operations side of the contract and what the district still needs, however it was noted that there is still a lot of fine tuning to be done.

Ad-Hoc Committee stated that they had a meeting with Jon Martin and Don Jensen, it was noted that there should not be any delay with the development with the passing of Mr. Towbes. The developers are continuing to work with the City of Lompoc in the development of a "Community Facilities District." The conclusion of the meeting was the understanding that the Development Agreement is very old and in need of updates. Director Fasold stated that the District needs to clearly understand the impact of 400+ additional homes. He went on to say that the Boards number one focus is the concept of "do no harm to the existing customer," and this should be the primary focus.

9. **CONTINUED BUSINESS:**

Agenda Item 9a. Continue Emergency Resolution to Repair Pond #1.

Recommended Action: District Board of Directors review the emergency action taken at its February 24, 2017 Special Board meeting and find that there is a continuing emergency requiring the immediate expenditure of funds in order to repair Pond #1.

Motion by Director Fasold, second by Director Heavin that the emergency condition still exists, requiring immediate expenditure of funds to repair pond #1. Unanimous vote

Agenda Item 9b. Public Reading and Adoption of the Final Budget for FY 2017-2018, in accordance with Government Code Section 61110.

Recommended Action: District Board of Directors perform the Public Reading then review, discuss and adopt the Final Budget for FY 2017-2018 totaling \$1,847,892. President Fasold opened the Public Comment period at 7:22 pm. No public comments were made and it was noted that there were no public comments made in the office. President Fasold closed Public Comment period at 7:24 pm. **Motion by Director Fasold, second by Director Mac Kenzie to approve the FY 2017-2018 District budget in the amount of \$1,847,892. Unanimous by roll call vote.**

Agenda Item 9c. Discussion of Solar Panel Project and Direction.

Recommended Action: District Board of Directors discuss the solar proposals and determine if the District should continue with the idea of solar installation. If the Board would like to move forward, decide which contracting company to continue working with and direct the General Manager. Director Fasold asked for each of the Board Members thoughts and opinions about this project. Director Mackenzie felt the District should move forward with the solar project. Director Heavin is for solar and believes this will be a good move in cost savings for the District. Director Fasold is in favor of exploring this project further. He has concerns on the rate structures presented and if any restrictions are placed. He feels that the District has a lot of other issues right now that are very urgent but would like to keep this project alive and do more research. Director Nix is in favor of the project. Director Dietrich stated that he was nervous when the presentations didn't match what was being said. He also felt like a lot of the questions couldn't be answered by either of the companies. He would also like to get some of these other project done before we take on another big project. He agrees that this would be a good time to get a better understanding of the overall project and better answers to the questions that were never answered.

Motion by Director Dietrich, second by Director Nix to continue to study the solar project while respecting staffs time and list of priorities; and to include Tim Naughton on the Ad-Hoc Committee to assist in further exploration of the entire project and come back in 4 months with better comparative information. Amended motion by Director Fasold, second by Director Dietrich to optimize the energy costs as part of the project. Unanimous 5-0.

Agenda Item 9d. Updated Legal Agreement from Carmel & Naccasha, LLP

(Director Dietrich left the meeting at 8:40, before discussion of this agenda item began)

Recommended Action: District Board of Directors review, discuss, and approve Staff's recommendation to accept the updated service agreement.

Motion by Director Mac Kenzie, second by Director Nix to approve the updated legal agreement with Carmel and Naccasha. Unanimous vote.

10. NEW BUSINESS: None

11. GENERAL MANAGER ITEMS:

- The Joint Meeting with Vandenberg Village CSD has been postponed to June 21, 2017 beginning at 4:00 pm.
 - Directors Fasold and Heavin will both be out of town during that time. The District will try to re-schedule.

12. BOARD MEMBER COMMUNICATIONS:

13. STAFF COMMUNICATIONS:

14. ADJOURNMENT:

There being no further business to come before the Board the meeting was adjourned at 8:40 p.m. to the next Special Meeting to be held May 24, 2017 at the District office beginning at 6:00 pm.

Respectfully Submitted,

Casey Fowler
Secretary, Board of Directors

APPROVED AS TO FORM:

Walt Fasold
President, Board of Directors