

**Crestline Sanitation District
Board of Directors Regular Meeting
P.O. Box 3395
Crestline, CA 92325-3395
(909) 338- 1751**

Date/Time: January 14, 2016 – 3:00 p.m.
Place: Crestline Sanitation District Office
24516 Lake Drive
Crestline, CA 92325

Board of Directors Present:

Penny Shubnell, Vice Chairman
Sherri Fairbanks, Director
Jack Winsten, Director
Ken Nelsen, Director

Board of Directors Arrived Late:

Matthew Philippe, Chairman

Crestline Sanitation District Employees Present:

Mark Pattison, General Manager
Rick Dever, Operations Manager
Dawn Grantham, Accountant/Bookkeeper, Recording Secretary

Others Present:

Steve Kennedy, Legal Counsel; Brunick, McElhaney, & Kennedy
Phil Waller, Financial Consultant, R.A.M.S.
Brad Welebir, Financial Consultant, R.A.M.S.
Kendra Dockham, CPA, Smith Marion & Co., LLP
Richard Alonso, Associate, Smith Marion & Co., LLP

Call to Order

The meeting was called to order at 3:00 p.m. by Vice Chairman Shubnell and was proceeded by the Pledge of Allegiance.

Approval of Agenda

Director Fairbanks made the motion to approve the Agenda.
Director Nelsen seconded. The motion passed.

AYES: Vice Chairman Shubnell, Director Fairbanks,
Director Nelsen, Director Winsten

NOES: None

ABSENT: Chairman Philippe

ABSTAIN: None

Public Comment*

None

**Comments made by members of the public are representative of their views and opinions only. Claims and assertions made during Public Comment are accepted without regard to accuracy and are accepted in accordance with Public Comment rules as outlined in state law. Statements made by the public during Crestline Sanitation District Board of Directors meetings do not necessarily reflect the views or opinions of individual Board of Directors or the council as a whole*

Approval of Consent Calendar

Director Nelsen motioned to approve the consent calendar, with a second by Vice Chairman Shubnell.

AYES: Vice Chairman Shubnell, Director Fairbanks,
Director Winsten, Director Nelsen

NOES: None

ABSENT: Chairman Philippe

ABSTAIN: None

New Business

Item 3 - The District's fiscal year 2014/2015 audit was presented by Kendra Dockham and Richard Alonso of Smith Marion & Co., LLP. The auditors stated not much had changed from the prior year and change in cash value was positive. The only major change was the pension obligations due to GASB68. Chairman Philippe asked how the District compared to other districts; Dockham replied that CSD is very well managed. There were no findings or red flags during the audit. Director Nelsen motioned to approve and accept the fiscal year audit for 2014/2015, Vice Chairman Shubnell seconded the motion, passing 5-0.

AYES: Chairman Philippe, Vice Chairman Shubnell,
Director Fairbanks, Director Winsten, Director Nelsen

NOES: None

ABSENT: None

ABSTAIN: None

Old Business

Item 4 - Regarding Delinquent Sewer Use Fees Placed on the Property Tax Roll after the Sale of a Property, Legal Counsel Kennedy recalled what had been discussed at the December 10, 2015 meeting. In the statutory condition of the discussed sale, two provisions of tax codes were included; section 3712 and section 3695. Chairman Philippe asked if there should be a change in policies, the response from Legal Counsel Kennedy was no and due to timing of sales there may always be a situation. A closed session followed to present the personal pertinent information. No action was taken at this time pending the closed session.

Financial Consultant Report

December 2015 financials were presented for approval by the Board of Directors by Phil Waller, R.A.M.S. Director Winsten motioned to accept the financials as presented, seconded by Director Nelsen. Motion passed 5-0.

Legal Counsel Report

None

General Manager Report

Report was presented by General Manager Pattison.

Las Flores Ranch Committee Report (Ad Hoc)

Chairman Philippe stated that GM Pattison and OM Dever met with John Ohanian to discuss the 2016 annual contract agreement. The Final EIR for the Tapestry Development has not yet been approved by the Hesperia City Council and Committee is awaiting the outcome of the meetings.

Future Meetings

Regular Meeting of the Board February 11, 2016 at 3:00 p.m.

Directors Comments

Director Winsten thanked Phil Waller for his guidance throughout the years and welcomed Brad Welebir. (Phil Waller, R.A.M.S. is retiring)

Vice Chairman Shubnell thanked Phil Waller for his work with the District and also thanked District Staff for the outcome of the Audit.

Chairman Philippe thanked District Staff for a good Audit.

Director Nelsen stated the financials have gone well the last five years and thanked Phil Waller and welcomed Brad Welebir.

Director Fairbanks expressed her appreciation to GM Pattison and Dawn Grantham for reducing the debt that is written off each year.

Closed Session

Conference with Legal Counsel – Anticipated Litigation

Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2)

One potential case

Announcement of Closed Session Items

No reportable announcements. Direction given to staff.

Adjournment

Chairman Philippe called for a motion to adjourn. Vice Chairman motioned, with a second by Director Winsten. Meeting adjourned 4:18 p.m.


AYES: Chairman Philippe, Vice Chairman Shubnell, Director Fairbanks,
Director Winsten, Director Nelsen

NOES: None

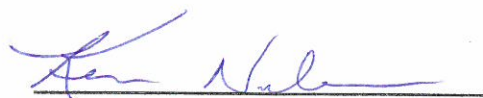
ABSENT: None

ABSTAIN: None

APPROVE:

 **DATE:** 2/11/16

ATTEST:

 **DATE:** 2-11-16