

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

**Date/Time: October 5, 2015 – 3:00 p.m.**

**Place: Crestline Sanitation District Office**  
**24516 Lake Drive**  
**Crestline, CA 92325**

**Board of Directors Present:**

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

**Crestline Sanitation District Employees Present:**

Mark Pattison, General Manager  
Rick Dever, Operations Manager  
Dawn Grantham, Accountant/Bookkeeper, Recording Secretary  
R. Forest Skiver, Maintenance Worker III  
Jordan Dietz, Electro-Mechanical Specialist  
James Schlichting, District Mechanic

**Others Present:**

Steve Kennedy, Legal Counsel; Brunick, McElhaney, & Kennedy  
Phil Waller, Financial Consultant, R.A.M.S.  
Doug Dove, President, Bartle Wells

**Call to Order**

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

**Approval of Agenda**

Chairman Philippe called for a motion to approve the agenda.

Vice Chairman Shubnell made the motion to approve the Agenda.

Director Winsten seconded. The motion passed with a vote of 5-0.

AYES: Chairman Philippe, Vice Chairman Shubnell

Director Fairbanks, Director Winsten, Director Nelsen

NOES: None

ABSENT: None

ABSTAIN: None

### **Public Comment\***

No public comments were made.

*\*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*

### **Rate Hearing**

Chairman Philippe opened the public hearing, stating the public would be able to speak at this time and a presentation by Doug Dove, regarding the rate study, would follow.

Mark Oz, property on Cresta Drive, stated he lives in Crestline part-time and his water usage fee is \$8.00 a month, yet his sewer fee is much higher and believes as a part-time resident he should pay less. Oz also stated he felt the fee increase is unfair and believes the sewer and water fees should be combined, as is Los Angeles and is charged proportionately.

Mick Hill, property on Lake Drive, stated he is not quite opposing the rate increase, but is curious, stating he understands the infrastructure and repairs/replacements that are needed. Hill stated he felt there are other ways to go about the costs and keep fees in-line, mentioning the District should look at Bonds to cover costs.

Chairman Philippe asked if there are any other comments. Legal Counsel Kennedy suggested allowing Staff and Doug Dove to present the Rate Study and then if the Public has any further comments the Board of Directors and consider those before closing the Public Hearing.

Dove discussed the Sewer Rate Study, stating his company spent many hours reviewing different alternatives, trying to keep the costs as low as possible. Dove noted that rates have not been increased for eight years. He reviewed the Capital Improvement Projects and cost of. Also stating, possible State Revolving Fund Loans may be obtained for the larger, necessary, projects such as the disinfected effluent final destination. Dove also mentioned the rates are fixed, not metered, due to the cost to run the District plants, not just to treat wastewater, which is only about ten percent of the cost. Other fees, such as permits, state regulations and electricity, among other costs, are included in the sewer use fees.

Hill mentioned that the District has Seven million is reserves; Dove commented that the reserves are there for an emergency and prudent that the District maintain those reserves. Oz questioned why his rate is the same as a family with children; Dove stated the wastewater fees are flat due to the cost of treating the wastewater.

Phil Waller, Financial Consultant, R.A.M.S., spoke in regards to the increase, stating since 2010 when the District became independent he had recommended an increase in fees every year and the Board of Directors chose not to increase fees for customers. Waller mentioned the costs for utilities has gone up six to eight percent a year.

**Rate Hearing (cont.)**

General Manager Mark Pattison stated in meetings with Lahontan, where we are at with state regulations is where we can stay, but you never know what regulations the State may change down the road, as with nitrogen issues and TDS issues. Pattison also stated with the uncertainty of the contract with Las Flores Ranch the District may have to look elsewhere for its disinfected final effluent disposal. Also stated by Pattison is if the District has to find another disposal site, the District may have to expand its treatment plants.

At 3:35 p.m. Chairman Philippe closed the Rate Hearing.

Director Nelsen moved to adopt Ordinance No. 2015-6 to increase rates, Director Winsten seconded. Per Legal Counsel Kennedy, the Ordinance requires a roll call vote and approval by two-thirds of the Board.

AYES: Chairman Philippe, Vice Chairman Shubnell

Director Fairbanks, Director Winsten, Director Nelsen

NOES: None

ABSENT: None

ABSTAIN: None

**Future Meetings**

Thursday, October 8, 2015 at 3:00 p.m. (Regular Meeting)

**Adjournment**

Chairman Philippe called for a motion to adjourn, Director Fairbanks motioned, Director Nelsen seconded. The motion passed with a vote of 5-0. Meeting adjourned at 3:48 p.m.

**APPROVE:**

Matth Philippe DATE: 11/12/15

**ATTEST:**

Benny J. Shubnell DATE: 11-12-15