

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

Date/Time: May 14, 2015 – 3:00 p.m.

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

Board of Directors Present:

Matthew Philippe, Chairman
(Pursuant to Government Code 54953(b), Chairman Philippe will attend the Meeting via teleconference, location at 629 River Frontage Road, Silt, CO 81652)
Penny Shubnell, Vice Chairman
Sherri Fairbanks, Director
Ken Nelsen, Secretary

Board of Directors Absent:

Jack Winsten, Director

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, McElhaneey, & Kennedy
Phil Waller, Financial Consultant, R.A.M.S.
Doug Dove, Bartle Wells & Associates
Scott M. Eason, Senior Retirement Specialist, Nationwide
Steven Farrell, Crestline Village Water District, Director
Gail Fry, The Alpenhorn News

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

Vice Chairman Shubnell called for a motion to approve the agenda.
Director Fairbanks made the motion to approve the Agenda.
Secretary Nelsen seconded. The motion passed by roll call.

Chairman Philippe - AYE
Vice Chairman Shubnell - AYE
Director Fairbanks - AYE
Secretary Nelsen - AYE
ABSENT: Director Winsten

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

Meeting Minutes for April 9 and May 7, 2015

Vice Chairman called for a motion to approve the consent calendar. Director Fairbanks made the motion to approve the consent calendar. Secretary Nelsen seconded. The motion passed by roll call.

Chairman Philippe - AYE

Vice Chairman Shubnell - AYE

Director Fairbanks - AYE

Secretary Nelsen - AYE

ABSENT: Director Winsten

New Business

Item 3 - A presentation on a 457 Retirement Plan by Scott M. Eason, Sr. Retirement Specialist with Nationwide was given. Eason stated that there are no age limits unlike other retirement plans. Also mentioned was that Morningstar would fund the lineup, monitor investments and that Nationwide would do the enrollment. Operations Manager Dever was asked if IBEW (union representing the employees) was okay with the plan, he stated he had heard yes. Director Nelsen recommended having IBEW send a letter stating this. Item for action will be place on the agenda for the regular meeting on June 11, 2015.

Item 4 - The Board of Directors unanimously approved to accept the Proposal from Smith Marion & Co., LLP, to perform the District's Annual Audit for Fiscal Year ending June 30, 2015 by roll call.

Chairman Philippe - AYE

Vice Chairman Shubnell - AYE

Director Fairbanks - AYE

Secretary Nelsen - AYE

ABSENT: Director Winsten

Item 5 - Regarding the Discussion and Possible Action concerning a Rate Study Presentation by Bartle Wells Associates, a discussion was conducted and no action was taken at this time pending a closed session meeting that will be conducted on May 26, 2015 at 3:00p.m. Doug Dove from Bartle Wells & Associates presented the final draft scenarios for the Rate Study. Explained during the meeting were reasons why a rate increase is needed with the increase in maintenance and operation of the District.

With the aging of plants and infrastructure major repairs and/or replacements are necessary. Study shows the District has not increased rates (including inflation costs) since 2008 and will be operating a deficit in the next fiscal year. A recommendation was made by the District's Legal Advisor to have a closed session meeting with the Directors prior to taking any action.

Financial Consultant Report

The quarterly financial reports were presented and approved for April 2015.

