

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

Date/Time: September 2, 2010 - 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
Ken Nelsen , Secretary
Sherri Fairbanks
Jack Winsten

San Bernardino County Employees Present:

Kathy Whalen
Mark Pattison

Others Present:

Steve Kennedy, Brunick, McElhaney & Beckett
Phil Waller, Rogers, Anderson, Malody & Scott LLP

Call to Order

The meeting was called to order at 3:04 p.m.

Approval of Agenda

Steven Kennedy of Brunick, McElhaney & Beckett requested two (2) items added to the Agenda under New Business as immediate action is needed.

Discussion and Possible Action concerning transferred unfunded liability leave balances from Special Districts to Crestline Sanitation District.

Discussion and Possible Action concerning Board of Directors job offers to employees and other acts.

Director Winsten made a motion to approve added New Business items to Agenda. Vice Chairman Shubnell seconded. Chairman Philippe called for a vote. Motion passed with a vote of 5-0.

Director Winsten made a motion concerning Old Business #10-11 to relieve and appoint temporary Recording Secretary Terri Elwess. Secretary Nelsen seconded. Chairman Philippe called for a vote. Motion passed with a vote of 5-0.

Public Comment

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.

Public Comments:

No Public Comments were made.

Consent Calendar

Vice Chairman Shubnell made a motion to approve Consent Calendar, Director Fairbanks seconded. Chairman Philippe conducted open discussion on the subject. Director Winsten discussed "Rules and Regulations", page 16, 4.7 Agreement: insure Agreement is worded correctly for this agreement; page 18, 5.2 Equivalent Dwelling Unit Assignment: Mobile Home Parks should read as "Mobile Home Parks – 1 EDU for club house plus 3 additional EDU's per 4 mobile home spaces. "An Ordinance Regulating the Use and Construction of Public Wastewater Facilities", page 10, 1.8.06 Backwater Valve Required: typo, page 12, top of page; typo, page 21, 1.13.4 – Authorization to Arrest and 1.13.5-Use of Citation: verification of these procedures needs to be addressed. "Personnel Rules", page 11, top of page; typo, page 16, Section 2 title; typo, page 17, Section 3-Notice of Proposed Action; needs to be reviewed.

It was agreed an Ad hoc Committee of Director Winsten and Secretary Nelsen would review with District Manager, Kathy Whalen the Rules and Regulations, Ordinance Regulating the Use and Construction of Public Wastewater Facilities and Personnel Rules to make any further amendments.

After discussions, Chairman Philippe called for a vote on motion to approve Consent Calendar. Motion passed with a vote of 5-0.

Discussions:

Added Item – New Business: Transferring unfunded liability leave balances from Special Districts to Crestline Sanitation District

Diana Leibrich, representative of County of San Bernardino Payroll, presented to the Board information regarding the vacation pay, sick pay, deferred compensation, holiday leave and administrative leave balances the employees have to be transferred from Special Districts to Crestline Sanitation District. Chairman Philippe conducted open discussion on the subject. Secretary Nelsen made a motion to transfer all unfunded liability leave balances to Crestline Sanitation District. Director Winsten seconded. Chairman Philippe called for a vote. Motion passed with a vote of 5-0.

Added Item – New Business: Board of Directors Job Offers to Employees and Other Acts

Diana Leibrich, representative of County of San Bernardino Payroll, presented to the Board information regarding the necessary date of September 14, 2010 as the date employees need to date and sign letters of resignation to Special Districts to insure a fifteen (15) day advance separation time. At this time there will also need to be letters extending new job offers with the same terms, conditions, pay scale and benefits with Crestline Sanitation District. Chairman Philippe conducted open discussion on the subject. Director Fairbanks made a motion for employees to have written resignation letters to Special Districts on September 14, 2010 and extend new job offer letters to employees from Crestline Sanitation District. Secretary Nelsen seconded. Chairman Philippe called for a vote. Motion passed with a vote of 5-0.

Old Business

9. Discussion and Possible Action to Adopt On a Collective Basis All Applicable Rules, Regulations, Policies, and Procedures of the District in Place at Time of Board Formation, Subject to Future Modification By the Board.

Chairman Philippe conducted open discussion regarding this subject. An ad hoc committee was formed of Secretary Nelsen and Director Winsten with District Manager Kathy Whalen for future changes and adoptions. A motion was made by Chairman Philippe to adopt these rules, regulations, policies, and procedures of the District in place at time of Board Formation, subject to future modification by the Board. Vice Chairman Shubnell seconded. Chairman Philippe called for a vote. Motion passed with a vote of 5-0.

12. Discussion and Possible Action Regarding Services Provided by the County of San Bernardino and the Special Districts Department

Jeff Rigney, Director, Special Districts stated all District files and archives at the County offices are being boxed up for transfer to Crestline Sanitation District office. Mr. Rigney stated he will further report on projects with Special Districts later in the meeting during Reports from Director of Special Districts.

13. Discussion and Possible Action Regarding Transition Plan

This will be reported with the ad hoc Committee during Committee Reports

New Business

14. Discussion and Possible Action to Develop District Website

Stephen Newcombe, of Stephen Newcombe Service LLC presented to the Board information regarding the possible new domain names and website information for Crestline Sanitation District.

15. Discussion and Possible Adoption of Sunshine Ordinance

Steven Kennedy presented the Board with a draft of the Sunshine Ordinance for the Board of Directors which follows the Brown Act accordingly. Chairman Philippe conducted open discussion regarding the ordinance. Secretary Nelsen made a motion to accept the Sunshine Ordinance No. 2010-001 as completed. Director Winsten seconded. Chairman Philippe called for a vote. Motion passed with a vote of 5-0.

16. Discussion and Possible Adoption of Resolution Electing to be Subject to Public Employees' Medical and Hospital Care Act and fixing the Employer's Contribution for Employees and Employer's Contribution for Retirees at Different Amounts

To be reported during New Business-Added on Agenda item Transfer Unfunded Liability Balances

17. Discussion and Possible Action to Establish an Alternative Depository of District Funds in Place of County Treasury, to Adopt a System of Accounting and Auditing, and to Transfer Funds to District Bank Account

Phil Waller, CPA of RAMS reported authorization of bank account. Jeff Rigney, Director Special Districts reported a transfer of funds in the amount of \$100,000.00 can be made immediately with an additional transfer of funds in the amount of \$500,000.00 can be made within five (5) days of date of request. Chairman Philippe requested a motion to authorize request of transfer of funds from Special Districts to Crestline Sanitation District. Director Winsten made the motion, Vice Chairman Shubnell seconded. Chairman Philippe called for a vote. Motion passed with a vote of 5-0.

The ad hoc committee has met with California Bank and Trust and will look into 2-3 banks for referral to Board of Directors.

18. Discussion and Possible Action to form Ad-hoc Committee for Accounting Software

Chairman Philippe conducted open discussion regarding forming an ad hoc Committee for the Accounting Software. Ad hoc Committee of Chairman Philippe and Vice Chairman Shubnell will work with Phil Waller, CPA with RAMS and Kathy Whalen, District Manager to select Accounting Software. Director Winsten made a motion to accept Ad hoc Committee to select Accounting Software. Director Fairbanks seconded. Chairman Philippe called for a vote. Secretary Nelsen opposed stating the Board of Directors should not get involved in day to day actions with office. Motion passed with a vote of 4-1.

Reports

20. Wastewater Manager Report

Kathy Whalen, District Manager reported this report will be submitted to the Board next week.

21. Director of Special Districts Report

Jeff Rigney, Director, Special Districts reported the following:

- a. Vehicle titles are being transferred from Special Districts to Crestline Sanitation District.
- b. Set in process current Crestline Sanitation District operational funds; \$100,000.00 funds available at this time; \$500,000.00 funds available within a five (5) day request.
- c. Coordinate a "to do" list; report as needed.
- d. CIP projects – Hook up Back up generator – Jim Orovetz stated no Special Districts contract to date. Kathy Whalen stated Jim Orovetz stated purchase order was issued and work to be done by William Kanayan Company. Mr. Rigney will follow-up on this and report back.
- e. Exposed Pipeline – Bernard Street – private easement. Contract will be needed for Special Districts.

16. & Added Transfer of Unfunded Liability Balances

Ad hoc Committee reported it's not an option to stay with San Bernardino County Healthcare; CalPERS is the committee's recommendation. Chairman Philippe conducted an open discussion regarding the healthcare. Chairman Philippe made a motion to accept the adoption of Resolution 006 CalPERS Health Care Benefits. Director Winsten Seconded. Chairman Philippe called for a vote. Motion passed with a vote of 5-0.

The Ad hoc Committee reported that the Dental and Vision Care is still being worked on at this time.

22. CPA Firm Report

Phil Waller, CPA of RAMS reported the Accounting Software is being researched at this time. A bank account is needed as the Board of Supervisors meets on 9/28/10. Mr. Waller would like to plan a workshop with the Board of Directors to establish a budget.

23. Legal Counsel Report

Steven Kennedy of Brunick, McElhaney & Beckett reported the meetings will follow the Brown Act policies and procedures.

Directors Comments

Chairman Philippe set the date for the next Board of Director's meeting for Friday, September 17, 2010 at 3:00 p.m.. This will be a Special meeting and posted accordingly. The Regular meeting to be held on Thursday, September 9, 2010 will be cancelled and posted accordingly.

Correspondence/Information

Secretary Nelsen thanked Jeff Rigney, Director Special Districts for his continued help and for making this transition go smoothly. Mr. Rigney responded if extra time is needed after the date of September 30, 2010 to complete the transition to please let Special Districts know and they will help in any way they can.

Future Agenda Items

Accounting Software

Bank Information

Employees Benefits

Letters to Employees – Resignation and Job Offers

Contract for Bernard Street Sewer

Adjournment

Chairman Philippe called for a motion to adjourn. Vice Chairman Shubnell made the motion, Chairman Philippe seconded. Meeting adjourned at 5:09 p.m.

 Date: 10-14-10
Matthew Philippe, Chairman

ATTEST:

 Date: 10-14-10
Ken Nelsen, Secretary