

FRAZIER PARK PUBLIC UTILITY DISTRICT

4020 Park Drive - Frazier Park, CA 93225

FPPUD/LOW Pre-Planning Meeting

MINUTES FOR THURSDAY, JULY 28, 2016

Gipson/Garcia 3/0/1 - Director Schoenberg abstain, Director Durso absent

Minutes Approved on August 11, 2016

1. Call to Order: 6:16pm.

Roll Call of Directors: Durso, Garcia, Gipson, and Schoenberg.

Director Neyman present as the chairperson.

Also present: Jonnie Allison and Tiffany Matte.

2. Discussion/Vote/Adjust Agenda if Necessary

Motion: Move that the financials be moved to right before new business.

Gipson/Durso 5/0/0, Motion Passed.

3. Public Comments - None. Present: Maria Dreier, Dave Warner, Carlos Bravo, Dee Jaspar and Pam Jarecki.

4. Manager's Report.

General Manager (GM) Jonnie Allison gave an update on the well project. There are additional water quality samples needed from Well 6, but he is waiting on Jesse Dhaliwal to return from time off to get the list of what is needed. Normally, it takes about two weeks after tests are done to be issued a permit, but Dee Jaspar is going to try to get a conditional use permit so the well can be put online.

a. Admin Assistant's report.

Tiffany Matte reminded the Board that the nomination period to be put on the ballot for the November 8 Consolidated General Election ends on August 12th.

5. Accounts Payable and Financial Information - Tabled until later in the Agenda.

6. Update/Discussion/Vote on USDA Emergency Community Water Assistance Grant (ECWAG).

There are a few things to finish up on the well before it is complete. It still needs to be painted and P&J Electric as well as Sansone should be returning to complete their respective work.

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7. Discussion/Vote on Resolution FP-20160728-01 - Planning Application and Funding Agreement.

The Board re-read the changes made since last meeting and noted new punctuation and word order changes to make the Resolution consistent and clearly understood.

Motion: Move that we pass Resolution FP-20160728-01 with the amendments stated: To change the top bold header; To change the, "Now therefore be it resolved and ordered"; Change the semicolons to commas so that both of them imply that all of it is only under Board approval.

Schoenberg/Gipson 5/0/0, Motion Passed.

8. Update/Discussion on Regional Project FFAST Planning Application.

- a. Engineering services**
- b. Scope of work**
- c. Planning costs**
- d. Environmental services**
- e. Who**
- f. Cost estimate**

Carlos Bravo explained that when a public water system is doing planning documents for construction and replacement facilities, they need to get professional engineering services. He confirmed the FPPUD plans on using the services of Dee Jaspar & Associates, who will need to provide a scope of work and an estimated planning cost for his portion of the project. Tom Dodson will be providing the environmental work and will need an agreement for his services. He will be able to provide cost estimates as soon as Dee Jaspar provides a map of the project, specific enough for Tom's needs. Director Schoenberg expressed her desire to see the final map before it is finalized. The Board discussed an Ad Hoc Committee to meet at Dee Jaspar's office to go over the map. They tentatively scheduled the time for Thursday morning at 10:00am.

Motion: Move that we have an Ad Hoc Committee go down to Dee Jaspar's office, with Jonnie, to make the decision about this conceptual level design.

Gipson/Garcia 3/0/2, Motion Passed - Directors Neyman and Schoenberg abstain.

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9. Discussion/Possible Vote on Lake of the Woods/Frazier Park Pre-Planning Project Task 3.

a. Map of annexation properties based on ballots. (Annexation map design can affect costs.)

Dave Warner explained the FPPUD will have to submit a map and legal description of the area to be annexed. The State will charge Board of Equalization fees per parcel (group of adjoining properties). Maps were provided showing two options for parcel groupings and a cost estimate based on each map. The map with multiple parcels does not include the adjoining roads, and would cost an estimated \$7,650.00 in fees. The map with only 2 parcels does include the adjoining roads, and would cost an estimated \$3,200.00. Dee Jaspar explained the process of drawing up the legal description with adjoining roads would be more work and involve working with Kern County Roads. This would increase the cost for his portion of the work but he believes the cost would be a trade off.

Motion: Move that we choose the mapping that connects all of the parcels through Mt. Pinos Way and Frazier Mountain Road.

Schoenberg/Durso 5/0/0, Motion Passed.

The Board clarified for Dee Jaspar that no new annexation ballots will be accepted. A deadline was clearly published in both the mailings and in The Mountain Enterprise. The final map and legal description can be designed.

b. Discussion/Vote on contracts for annexation Task 3 work (Dee Jaspar & Assoc., Young Wooldridge, LLP, Tom Dodson & Assoc.).

Contracts are still needed for Tom Dodson & Associates and for Young Wooldridge, LLP, that include attachments required from the State. An email will be sent out to these agencies confirming or requesting contract information.

Dee Jaspar requested the Board revisit Agenda Item #8 to talk about the meeting at his office.

Motion: Move that we go back to Item #8 so that we can discuss what we need from Dee.

Gipson/Durso 5/0/0, Motion Passed.

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8. Update/Discussion on Regional Project FAAST Planning Application.

Dee explained that a meeting at 10am at his office would not be possible, but he could meet in the afternoon. The meeting time for the Ad Hoc was changed to 2:00pm.

9. Discussion/Possible Vote on Lake of the Woods/Frazier Park Pre-Planning Project Task 3.

c. Outline of payment for Pre-Planning Work: Invoice approval and claim submittal to State.

Dave Warner outlined his proposal for the process of submitting claims to the State. During the annexation process, contractors are going to want payment remitted in a more timely manner than has previously occurred. The State funding agreement says, the District is responsible for making sure contractors are paid within 30 days of an approved claim, even though they can take 45 - 60 days to review and approve them. Dave suggested claims are submitted monthly. Invoices are submitted at the beginning of the month for approval, so claim packets can be signed by the Board President, providing they match the approved invoices, as soon as they are prepared.

The Board discussed at length their concerns regarding claim funding. Records of approved invoices need to be diligently kept, when historically that has not always been the case. The District may have to resort to paying contractors up front, then wait for State reimbursement, to meet the 30 day requirement. This would not be possible for claims that amount to more than the District's ability to pay. Lake of the Woods has experienced similar difficulties, and resorted to seeking interim financing through a line of credit. The State doesn't reimburse costs associated with interest fees. There is also the possibility that invoices are paid that the State does not approve. The Board reiterated that their understanding going into this project was it would cost the District no money out of pocket. This assurance was then repeatedly passed along to the public via community meetings, newspaper articles and one on one conversations. Customers were assured their water rates would not increase due to the annexation of Lake of the Woods.

Dee Jaspar reassured the Board that contractors are familiar with the challenges associated with working on State reimbursed projects, and many are very cooperative because they need the work. Even so, the contractors do know that State law requires they are paid within 30 days. When they are not, the District is opened up to potential lawsuits.

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Motion: Move that we take a break at 8:05pm.

Gipson/Durso 5/0/0, Motion Passed.

Return from break: 8:20pm.

The Board continued the discussion on claim payments. They agreed, along with Dave Warner, that claims should be submitted on a monthly basis. Claims will be sent to the Board for review on the third Thursday of the month. They can then be approved at the Regular Pre-Planning Meeting.

d. Annexation work - Conference call on June 30th.

Dave Warner provided the Board a summary of the conference call on June 30th, written by Ernest Conant. It outlined a schedule for each portion of the LAFCo process. The Board noted two corrections. The date the Board will consider and approve the environmental work was changed from November 8th to November 10th, to coincide with the Regular Meeting. The date for filings with LAFCo was changed from November 9th to November 11th.

Motion: Move that we extend business at 8:55pm., until the completion of business this evening.

Schoenberg/Garcia 5/0/0, Motion Passed.

The Board continued discussion on the timeline for the project and how costs will be covered. Dave Warner reminded the Board that the FPPUD will be receiving \$3 million in capacity fees, paid by the State, which could potentially be used to cover costs during the Construction Phase of the project. He also recommended capacity fees be submitted to the State on the first claim of the Construction Phase, ensuring these funds are available to pay contractors within the 30 day period required by the State.

e. Discussion/Vote on partial payment requests - Claim #7.

Dave Warner supplied the completed Claim #7 and included a replacement for page six, fixing an error in Budget Line Item #2.

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Pre-Planning Claim #7 - \$15,214.82

Young Wooldridge Invoice #20686, dated February 23, 2016, in the amount of \$534.00.

Dee Jaspar & Assoc. Invoice #16-02027A, dated February 29, 2016, in the amount of \$1,984.50.

Dee Jaspar & Assoc. Invoice #16-03025, dated March 31, 2016, in the amount of \$1,228.50.

Dee Jaspar & Assoc. Invoice #16-04027, dated April 30, 2016, in the amount of \$189.00.

Dee Jaspar & Assoc. Invoice #16-05025, dated May 31, 2016, in the amount of \$189.00.

FPPUD Community Building Rental Permit #390927, dated February 18, 2016, in the amount of \$78.00. (PAID)

FPPUD Community Building Rental Permit #396915, dated March 31, 2016, in the amount of \$88.00. (PAID)

FPPUD Postage for Annexation Letters Tr #728, dated March 8, 2016, in the amount of \$1,274.00. (PAID)

FPPUD Additional Postage of Annexation Letters Tr #749, dated March 14, 2016, in the amount of \$294.00. (PAID)

FPPUD General Ledger for Directors Fees for the meeting dated February 18, 2016, in the amount of \$500.00. (PAID)

FPPUD General Ledger for Directors Fees for the meeting dated February 25, 2016, in the amount of \$500.00. (PAID)

FPPUD General Ledger for Directors Fees for the meeting dated March 24, 2016, in the amount of \$400.00. (PAID)

FPPUD General Ledger for Directors Fees for the meeting dated March 31, 2016, in the amount of \$500.00. (PAID)

FPPUD General Ledger for Directors Fees for the meeting dated April 28, 2016, in the amount of \$500.00. (PAID)

FPPUD General Ledger for Directors Fees for the meeting dated May 26, 2016, in the amount of \$500.00. (PAID)

Self-Help Enterprises Invoice #FRZPRK-0316, dated February, 2016, in the amount of \$2,497.50.

Self-Help Enterprises Invoice #FRZPRK-0416, dated March, 2016, in the amount of \$2,583.84.

Self-Help Enterprises Invoice #FRZPRK-0516, dated April, 2016, in the amount of \$460.38.

Self-Help Enterprises Invoice #FRZPRK-0616, dated May, 2016, in the amount of \$914.10.

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Motion: Move to pay Claim #7.

Durso/Garcia 5/0/0, Motion Passed.

5. Accounts Payable and Financial Information.

Due to Bookkeeper Linda Sheldon being on vacation, checks could not be cut for this meeting for bills due. A list of invoices waiting to be paid was provided for reference. The Board agreed to approve the bills to be paid so Linda can send them off as soon as they are printed out and signed.

Motion: Move we pay the bills and allow two Board members to sign these after the fact.

Garcia/Durso 5/0/0, Motion Passed.

10. Discussion/Vote on Upgrading the Front Desk to a New Receipt Program.

GM Allison explained, currently how the front desk works is, customers come in to pay and are handed a small receipt. At the end of the day, all of the checks are inputted into the computer and a deposit is made. It is not efficient and sometimes errors are made. For \$2,000 and the price of a computer, RVS can set up a second computer that is linked to the original, with its own receipt printer and cash drawer. When payments are made, they are input into the computer on the spot. The software then processes the payments made at the end of the day, and a deposit is created. The other benefit to this system is that another person in the office can help take payments when the front desk gets busy or stuck on a phone call.

The Board directed GM Allison to go ahead and make the purchases necessary to upgrade the receipt program.

11. Discussion/Vote on Future Agenda Items.

Regular Meeting August 11, 2016:

- An Agenda item to discuss the fees charged to the customers for paying with a credit card.
- Continued discussion on the District policy for claim submittals.

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12. Adjournment.

Motion: Move to adjourn.

Gipson/Durso 5/0/0, Motion Passed.

Meeting Adjourned: 9:50pm.

At every regular meeting, the legislative body shall provide the public with an opportunity to directly address the body on any item of interest to the public before or during the legislative body's consideration of the item that is within the subject matter jurisdiction of the legislative body. (Brown Act Code Sec 54954.3(a)).



Tiffany Matte, Clerk of the Board



Attest: Rebecca Gipson, Secretary

seal