

FRAZIER PARK PUBLIC UTILITY DISTRICT
4020 Park Drive - Frazier Park, CA 93225
FPPUD/LOW Pre-Planning Committee
MINUTES FOR THURSDAY, MARCH 24, 2016
Schoenberg/Durso 4/0/1 - Director Garcia abstain
Minutes Approved on April 14, 2016

1. Call to Order: 6:10pm.

Roll Call of Directors: Durso, Gipson, and Schoenberg - Director Garcia absent.
Director Neyman present as the chairperson.
Also present: Jonnie Allison, Tiffany Matte and Linda Sheldon.

2. Discussion/Vote/Adjust Agenda if Necessary - None.

3. Public Comments - Present: Terry Kelling (member of the TriCounty Watchdogs), Jim Kane, Dave Warner, Patric Hedlund and Pam Jarecki.

A letter was sent to the FPPUD Board of Directors for their consideration from the TriCounty Watchdogs. The letter was read aloud by the Board. It first stated their concern for the local water supply and its management. They then discussed how Tejon Ranch Corporation (TRC) has been looking for water to supply their new developments. The TriCounty Watchdogs asked the Board to consider the needs of the residents first and to keep the water for those that are already here.

Director Schoenberg responded to the letter by stating there has been a study on the aquifer that the writers of the letter may not be aware of. So far, Tejon hasn't approached the District asking for water but they did some years ago, unbeknownst to the District at the time, obtain water rights to the surface water of Cuddy Creek.

Terry Kelling explained, the Watchdogs had received information that TRC was looking to buy water in order to start building and had begun approaching local water companies. Their goal was to notify all water companies to make sure they thought of the residents here on the mountain currently residing here before they begin looking at supplying others. General Manager (GM) Jonnie Allison explained the current Pre-Planning Project only looks at supplying to people in the Lake of the Woods area. The Water Supply Study conducted by Dee Jaspar & Associates showed only the ability to supply water to the Lake of the Woods area and possibly up to 300 additional homes. It proves there would not be enough water to sell to anyone else.

4. Manager's Report.

GM Allison reported he received an email from Lawrence Sanchez asking for the name of the new Board President in order to have the correct signature block on the application for the Pre-Planning timeline extension.

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There were questions as to whether or not going through Lawrence Sanchez and RCAC would still be a viable solution for the Water Rate Study. GM Allison will be in contact with RCAC to get the details on what they can provide the District. He is hoping to know by the next meeting what the best option for the Rate Study will be.

a. Admin Assistant's report.

Tiffany Matte updated the Board on the Resolution signed at the last Regular Meeting for rotating Board positions. The Bank stated it was not necessary to re-sign bank cards because only positions were changed and not account signers. The bank is still working on splitting the FPPUD credit card as voted on at the last Regular Meeting.

Community member Jim Kane addressed the Board with questions he had. He asked if Lake of the Woods residents were included for vote on the polling letter sent out to the residents of Frazier Park.

The Board responded "no".

Mr. Kane also asked what the drawdown is on the new well in Frazier Park.

GM Allison explained the well is not yet equipped but preliminary tests were good. For the existing well in the yard, the drawdown is only a few feet.

Lastly, he wished to clarify, should we take on the Lake of the Woods Mobile Home Park, would they be using the current well to provide water because it has too many contaminates.

GM Allison responded by reminding him that we haven't begun the Planning Phase that would address those specific issues, but, if their well or any Lake of the Woods wells didn't meet our standards, it would not be used.

5. Accounts Payable and Financial Information.

Linda Sheldon reported she still has not been able to cut checks for the approved Pre-Planning and ECWAG payouts because funds have not been received from the State. 3 FPPUD accounts were charged a \$20 audit fee from the bank in error. The bank will need to be notified and the fees reversed.

Director Schoenberg inquired as to why bookkeeping fees were higher (\$75) for the month of February. Linda Sheldon explained the extra charges were the cost reimbursement for expenses related to preparing IRS 1099 forms. The charges were the same as in previous years.

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The Board directed Tiffany Matte to look into previous Minutes for approval of the reimbursement costs. This item will be addressed at the next Regular Meeting under the Agenda Item for Accounts Payable.

GM Allison reported the electric bill has continued to come in very high. In order to reduce that cost he will be replacing the District light bulbs with energy efficient LEDs.

Motion: Move that we pay our bills.

Schoenberg/Gipson 4/0/0, Motion Passed - Director Garcia absent.

6. Discussion/Vote on Water Rate Study.

This item was previously discussed under the Manager's Report.

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

GM Allison stated the Board signed the contract for the equipping of the new well at the last Regular Meeting. He expects to hear something in the next week or two as to when the work will begin.

a. Discussion/Vote on partial payment requests - No payout requests at this time.

8. Discussion/Possible Vote on Lake of the Woods/Frazier Park Pre-Planning Grant/Pre-Planning Funds.

a. Review/Discussion/Vote: Conduct community & water system meetings to discuss annexation and solo project options.

The next Community Meeting will be held on March 31, 2016. The Board along with GM Allison, Dave Warner and the public discussed the Agenda order, item numbers and information to be presented.

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b. Update/Discussion/Vote on the poll on annexation and solo project options.

The Board discussed the fact that members of the community have been indicating they never received their ballot in the mail. Duplicate ballots will be given out and a list of those who needed one will be kept.

Director Durso wanted to know if it was possible for the FPPUD to be reimbursed from the State for the employee hours to prepare the ballots and for the extra copies that needed to be made. Dave Warner advised the District they could always ask.

Patric Hedlund wished to tell the Board that The Mountain Enterprise just ran its 4th edition of "Will a Good Crisis Go to Waste?". Dave Warner and Rebecca Moore from LAFCo were very helpful in laying out what the process would be and what the governing structure will be of the annexed Regional Water System. In the prior issue they took data from Dee Jaspar's study and converted it to bar graphs so that people could get a quick visual impression of what is said to be in the groundwater basin, how much both communities are using and what would happen when you move 10 years out in a drought. She also stated she gives permission to the FPPUD to use the graph of information she created.

Patric Hedlund also asked the Board members to give an official statement about what the impact of the polling is. Her understanding is that it's not required and it's not binding. The actual decision is made by the Board, not by the polling, but the Board felt the need to have the consensus of the community. Director Schoenberg and Director Neyman gave statements and she will confer with them at a later time.

The Board returned to Agenda Item 8a and continued to work on the Community Meeting Agenda with the public.

Director Durso left.

Motion: Move to take a break at 7:29pm.

Gipson/Schoenberg 3/0/0, Motion Passed - Directors Durso and Garcia absent.

Return from break: 7:44pm.

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The Board finalized a format for the Community Meeting Agenda which included an Item for the Board President to explain the need for the public to come up to the podium for comments. Also included was an item for a Manager's Report so GM Allison can explain the Governor's mandate for water reduction and the FPPUD's ability to meet it.

Patric Hedlund asked the Board if they knew how much the principal and interest payments for the USDA loans totalled for 2015. Director Schoenberg calculated the total as \$158,500.

c. Poll results counted and announced to project area - Tabled.

d. Systems decide on moving to phase 3 or not to annex - Tabled.

e. Update/Discussion/Vote on the application for the Planning Grant.

Dave Warner explained the application for the Planning Grant has not been started yet due to limited staffing at Self-Help Enterprises. He would also rather wait to get the poll results before applying, to know whether to apply for a regional planning grant or a solo project grant.

f. Update/Discussion/Vote on pre-planning funding agreement time extension request to the state.

The signature line was updated to include the new Board President. The extension request will be signed and sent to the State.

g. Discussion/Vote on payout requests - No payout requests at this time.

9. Discussion/Vote on Future Agenda Items.

Community Meeting Agenda discussed under Item 8a.

a. Presentation from California Bank & Trust.

This Agenda Item will no longer be needed because after looking into the FPPUD account details, the bank said some of the ideas discussed would not work for the District.

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Adjournment.

Motion: Move to adjourn.

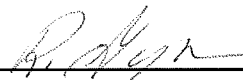
Gipson/Schoenberg 3/0/0, Motion Passed - Directors Durso and Garcia absent.

Meeting Adjourned: 8:50pm.

At every special meeting, the legislative body shall provide the public with an opportunity to address the body on any item described in the notice before or during consideration of that item. Taken from the Brown Act Statutes 54954.3(a)



Tiffany Matte, Clerk of the Board



Attest: Rebecca Gipson, Secretary

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