

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

**Date/Time:** July 14, 2011 - 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

**Board of Directors Absent:**

Jack Winsten

**Crestline Sanitation District Employees Present:**

Kathy Whalen, General Manager  
Mark Pattison, Operations Manager  
Terri Elwess, Recording Secretary

**Others Present:**

Steven Kennedy, Legal Counsel of Brunick, McElhaney & Beckett  
Phil Waller, CPA, R.A.M.S.

**Call to Order**

The meeting was called to order at 3:03 p.m. by Chairman Philippe.

**Approval of Agenda**

CPA, Phil Waller requested to add Discussion and Possible Action Concerning State Disability Insurance (SDI) participation for Crestline Sanitation District Employees to the Agenda. Chairman Philippe conducted open discussion on the subject. Secretary Nelsen made a motion to add Discussion and Possible Action concerning State Disability Insurance (SDI) Participation for Crestline Sanitation District Employees to the Agenda. Director Fairbanks seconded. Chairman Philippe called for a vote. The motion passed with a vote of 4-0.

(Vice Chairman Shubnell arrived at the meeting during this discussion time.)

**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**

Director Fairbanks made a motion to approve the Agenda. Vice Chairman Shubnell seconded. Chairman Philippe called for a vote. The motion passed with a vote of 4-0.

**Discussions:****Old Business****5. Discussion and Possible Action concerning Crestline Sanitation District participating in a Forensic Audit with PPHCSD and Helendale**

Chairman Philippe announced the Board and District staff met with County of San Bernardino Special Districts Department on July 6, 2011 concerning the pooled equipment to no avail. Chairman Philippe requested CPA, Phil Waller discuss more detail questioning to Special Districts. General Manager, Kathy Whalen is preparing information on time and hours charged.

Legal Counsel, Steven Kennedy announced he spoke to staff at PPHCSD and Helendale and they prefer due to his involvement with both districts, he should not be the one to draft the letter about their consensus to acquire a firm to proceed with Special Districts 2004-2010 Forensic Monetarily Audit. Mr. Kennedy also recommended due to developments that took place following the meeting with Special Districts; the letter not be sent for the forensic audit if and until they reach an impasse with Special Districts. The Board will wait for recommendations from CPA, Phil Waller to move forward on this subject.

**New Business****6. Discussion and Possible Action concerning formation of an ad hoc Committee to Revise and Update Personnel Rules for Crestline Sanitation District**

Chairman Philippe announced since a year has gone by, the Board felt the Personnel Rules should be worked on and updated. Chairman Philippe made a motion for the ad hoc Committee of Chairman Philippe and Director Fairbanks to work on updating the Personnel Rules with General Manager, Kathy Whalen. Vice Chairman Shubnell seconded. Chairman Philippe conducted open discussion on the subject. Chairman Philippe called for a vote. The motion passed with a vote of 4-0.

**(Added New Business)****Discussion and Possible Action concerning State Disability Insurance (SDI) Participation for Crestline Sanitation District Employees**

CPA, Phil Waller presented the Board with information concerning the SDI participation for the

Crestline Sanitation District Employees. The application form was presented to the Board; whereas confidential information was presented. Secretary Nelsen requested all confidential information not be presented to the public. Chairman Philippe conducted open discussion on the subject. Secretary Nelsen made a motion for the Crestline Sanitation District Employees to participate in the SDI. Director Fairbanks seconded. Chairman Philippe called for a vote. Motion passed with a vote of 4-0.

## **Reports**

### **7. Monthly Financial Review**

CPA, Phil Waller presented the Monthly Financial Review for June 2011 to the Board. Chairman Philippe conducted open discussion on the subject. The Board discussed Financials to be presented on a Quarterly basis from now on to the Board. Director Fairbanks made a motion to have Monthly Financials completed, but only presented by a representative from R.A.M.S. on a Quarterly basis. Secretary Nelsen seconded. Chairman Philippe conducted open discussion on the subject. Chairman Philippe called for a vote. The motion passed with a vote of 4-0.

### **8. Committee Reports**

#### **a. Rules & Regulations Committee (ad hoc)**

Secretary Nelsen reported the ad hoc committee had just received today from Wyatt Troxel of IRM a draft copy of the revised Rules and Regulations. The ad hoc Committee will set up a meeting with General Manager, Kathy Whalen and Operations Manager, Mark Pattison to review and report back at a future Regular Meeting of the Board.

### **9. General Manager Report**

General Manager, Kathy Whalen reported the Managers Status Report for July 14, 2011; copy of details was provided at meeting. Chairman Philippe conducted open discussion on the Salt Chlorination System and the AQMD permits. The Board requested General Manager, Kathy Whalen and Operations Manager, Mark Pattison check into the AQMD permits and have them changed if needed.

### **11. CPA Firm Report**

CPA Phil Waller of R.A.M.S presented the Board with a Revised Budget with new employee benefit costs included.

### **12. Legal Counsel Report**

Legal Counsel, Steven Kennedy and General Manager, Kathy Whalen announced General Manager Whalen attended a Small Claims Court filed by a customer in Santa Monica; whereas the judge dismissed the hearing. Chairman Philippe conducted open discussion on the subject.

Mr. Kennedy reported the Agreement with the County of San Bernardino Assessors Office for Collection of Special Taxes, Fees and Assessments for the Delinquent Accounts and Standby charges Notice of Hearings needs to be published in the local newspapers before the deadlines. Chairman Philippe conducted open discussion on the subject. A Special Meeting of the Board has been set for Thursday, August 4, 2011 to adopt the Resolution for Standby Charges. Local newspapers will be contacted to publish Notice of Hearings.

**Directors Comments**

Secretary Nelsen wanted to thank the formation committee for all their work for Crestline Sanitation District.

**Correspondence/Information**

None reported.

**Future Agenda Items**

Special Meeting on August 4, 2011:

Meeting Minutes for 7-14-11

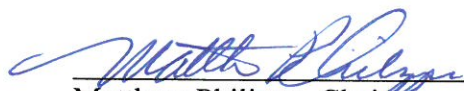
Public Hearings for:

Sewer User Charges and Standby Charges for Crestline Sanitation District

Sewer Service Charges in the Crestline Sanitation District, Payment of which is Delinquent

**Adjournment**

Vice Chairman Shubnell made a motion to adjourn. Secretary Nelsen seconded. Chairman Philippe called for a vote. The Vote passed 4-0. Meeting adjourned at 4:05 p.m.

 Date: 8/4/11  
Matthew Philippe, Chairman

ATTEST:

 Date: 8-4-11  
Ken Nelsen, Secretary