

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

Date/Time: May 12, 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
Jack Winsten

Crestline Sanitation District Employees Present:

Kathy Whalen, District 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.
Sunny Kim, Staff Accountant, R.A.M.S.

Call to Order

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

Approval of Agenda

Vice Chairman Shubnell made a motion to approve the Agenda. Director Fairbanks seconded. Chairman Philippe called for a vote. The motion passed with a vote of 3-0.

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:

A local owner/broker of a Real Estate Agency requested Crestline Sanitation District research foreclosed properties with delinquent balances due. She encouraged Crestline Sanitation District make these delinquent balances "liens" against the property(ies) by filing a resolution form with the County of San Bernardino.

District Manager, Kathy Whalen explained the procedure Crestline Sanitation District follows to transfer the delinquent balances onto the County Assessor's Tax Roll annually.

Chairman Philippe conducted open discussion on the subject.

Legal Counsel, Steven Kennedy will research the authority Crestline Sanitation District has concerning this subject.

(Director Winsten and Secretary Nelsen arrived at the meeting during this time.)

Consent Calendar

Director Fairbanks made a motion to approve the Consent Calendar. Vice Chairman Shubnell seconded. Chairman Philippe called for a vote as amended. The motion passed with a vote of 5-0.

Discussions:**New Business****4. Discussion and Possible Action concerning Crestline Sanitation District Agreement with County of San Bernardino Assessors Office for Collection of Special Taxes, Fees, and Assessments**

District Manager, Kathy Whalen presented the Board with the Agreement with County of San Bernardino Assessors Office for Collection of Special Taxes, Fees, and Assessments. Legal Counsel, Steven Kennedy recommended the Board wait to sign this document until legal counsel was able to research this agreement further with the County of San Bernardino. This subject will be postponed until our next Regular Board Meeting on June 9, 2011.

Old Business**5. Discussion and Possible Action concerning Cal TRUST Investment Banking**

District Manager, Kathy Whalen reported the minimum amount to deposit into Cal TRUST is \$250,000.00, so the request for transfer or \$5,000.00 was unable to be completed. After discussion about the response to the Board's concerns from last month about Cal TRUST, the Board requested the original motion to transfer the amount of \$800,000.00 now be transferred.

6. Discussion and Possible Action concerning Letter to CAO of County of San Bernardino concerning Special Districts Reserve Account

District Manager, Kathy Whalen presented the Board with a response letter to County of San Bernardino Legal Counsel concerning the subject. Director Winsten made a motion to approve the letter to be sent to County of San Bernardino Legal Counsel. Secretary Nelsen seconded. Chairman Philippe conducted open discussion on the subject. Chairman Philippe called for a vote. The motion passed with a vote of 5-0.

7. Discussion and Possible Action concerning Crestline Sanitation District participating in a Forensic Audit with PPHCSD and Helendale

The Board requested District Manager, Kathy Whalen contact PPHCSD and Helendale for more information before any further discussion or possible action taken on the subject.

Reports

8. Monthly Financial Review

CPA, Phil Waller presented the Board with the Monthly Financial Review for April 2011. Chairman Philippe conducted open discussion on the subject.

9. Committee Reports

a. Rules & Regulations Committee (ad hoc)

District Manager, Kathy Whalen reported the Rules and Regulations are being worked on by Wyatt Troxel of IRM and will be further discussed at the next meeting.

10. District Manager Report

District Manager, Kathy Whalen reported the Operations Staff is continuing with routine maintenance of the treatment plants and all are meeting discharge requirements. The Salt Chlorination project should be completed by the end of June 2011. Collection System crews are starting the annual cleaning schedule and continuing with the quarterly cleaning. Collection System Season Help applications deadline is Friday, May 13, 2011, then interviews will be set up.

The following subjects were also reported on:

Concerning Contracts; State Department of Recreation and Parks (Cleghorn WWTP); a draft agreement has been received and forwarded to Legal Counsel, Steven Kennedy for review. Cal Fire Pilot Rock; Operations Manager, Mark Pattison spoke with Joe Aguirre, the draft agreement is with their Contract Department, a copy is attached for review.

Concerning Rules and Regulations; Wyatt Troxel of IRM has sent a proposal to update the Rules and Regulations and Ordinance for Sewer Service.

Concerning LAFCO; Kathleen Rollings-McDonald has continued Crestline Sanitation District service review to September.

Concerning Banking and Investment Banking; we now have the capability of receiving online payments through our website:

www.crestlinesanitation.com

The April 2011 Wealth Management statements were presented to the Board for CB & T and LAIF investments.

Cleghorn Generator; The requested additional bid proposal was presented to the Board from Generator Services Co., Inc. Also Kathy Weatherman of State Department of Parks and Recreation (Cleghorn WWTP) stated they are willing to pay for a new generator in payments. The Board requested District Manager, Kathy Whalen receive this agreement in writing.

CSDA Online Webinar on Best Practices in Agenda and Preparation & Recording Minutes was attended by staff.

11. CPA Firm Report

CPA Phil Waller of R.A.M.S presented a second Draft of the 2011/2012 Crestline Sanitation District's Budget to the Board for review. Chairman Philippe conducted open discussion on the subject. The Board requested the Budget to be put onto the Agenda at next month's Regular Board Meeting on June 9, 2011.

Mr. Waller reported he is sending a "situations to be resolved list" to Data Streams with concerns he felt needed to be addressed. A meeting will need to be set with Data Streams along with staff and the ad hoc committee.

12. Legal Counsel Report

Legal Counsel, Steven Kennedy had no reports at this time.

Directors Comments

Chairman Philippe announced he will be attending a CSDA Webinar on Wednesday, May 18, 2011 at 3:00 p.m. on Finance Capital Improvements.

Secretary Nelsen wanted to thank District staff and R.A.M.S. staff for the 2011/2012 Budget.

Correspondence/Information

None reported.

Closed Session

Conference with Legal Counsel – Anticipated Litigation

Initiation of Litigation Pursuant to Governmental Code Section 54956.9 (c)

One Potential Case

Announcement of Closed Session Actions

No reportable action taken.

Future Agenda Items

Future Agenda Items to be discussed at the next Regular Board of Director's on June 9, 2011:

Agreement with County of San Bernardino Assessors Office for Collection of Special Taxes, Fees, and Assessments


2011/2012 Budget Review

Adjournment

Vice Chairman Shubnell made a motion to adjourn. Director Fairbanks seconded. Chairman Philippe called for a vote. The Vote passed 5-0. Meeting adjourned at 5:00 p.m.

 Date: 7/14/11
Matthew Philippe, Chairman

ATTEST:

 Date: 7-14-11
Ken Nelsen, Secretary