

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

**Date/Time:** November 18, 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

**Crestline Sanitation District Employees Present:**

Kathy Whalen  
Mark Pattison  
Terri Elwess

**Others Present:**

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

**Call to Order**

The meeting was called to order at 3:00 p.m.

**Approval of Agenda**

Director Winsten made a motion to accept the Agenda. Chairman Philippe 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**

Secretary Ken Nelsen made a motion to accept the Consent Calendar. Chairman Matthew Philippe seconded. Chairman Philippe called for a vote. Motion passed with a vote of 4-0. Vice Chairman Shubnell abstained.

**Discussions:****Old Business****2. Discussion and Possible Action concerning the Revised Policies and Procedures Manual for Purchasing**

Director Winsten made a motion to accept the Policies and Procedures Manual for Purchasing as revised. Director Fairbanks seconded. Chairman Philippe called for a vote. Motion passed with a vote of 5-0.

**3. Discussion and Possible Action concerning Implementation of the Investment Policy**

Chairman Philippe conducted open discussion about the subject. The Implementation of the Investment Policy was approved at our last meeting; no additional actions were taken.

**New Business****4. Discussion and Possible Adoption of Resolution 010; Establishing Emergency Purchasing Procedures**

Legal Counsel, Steven Kennedy presented the Board with Resolution 010; formalizing the Establishing Emergency Purchasing Procedures. Secretary Ken Nelsen made a motion to adopt Resolution 010; Establishing Emergency Purchasing Procedures. Vice Chairman Shubnell seconded. Chairman Philippe conducted open discussion on the subject. Chairman Philippe called for a vote. Motion passed with a vote of 5-0.

**5. Discussion and Possible Adoption of Resolution 011; Conflict of Interest Code**

Legal Counsel, Steven Kennedy presented the Board with Resolution 011; Conflict of Interest Code explaining procedures and stating all Board Members and Consultants must file a 700 Form. Secretary Nelsen made a motion to adopt Resolution 011; Conflict of Interest Code as presented. Director Winsten seconded. Chairman Philippe conducted open discussion on the subject. Chairman Philippe called for a vote. Motion passed with a vote of 5-0.

**6. Discussion and Possible Adoption of Resolution 012; Establishing Policies for its Compensation, Reimbursement, and Ethics Training**

Legal Counsel, Steven Kennedy presented the Board with Resolution 012; Establishing Policies for its Compensation, Reimbursement, and Ethics Training explaining blank areas that need to be completed by the Board. Chairman Philippe conducted open discussion on the subject. Director Winsten made a motion to adopt Resolution 012; Establishing Policies for its Compensation, Reimbursement, and Ethics Training as revised. Section 2.3.4 was revised to be completed as: "Meals. The District

reimbursement rate for Board member meals shall be the actual amount incurred, not to exceed the applicable limits established by the United States General Services Administration. Section 2.4 was revised to be completed as: "**Budget Limits**. The maximum amount of District-paid expenses that each Board member may annually incur without separate prior Board approval is \$2500.00 each fiscal year." Vice Chairman Shubnell seconded. Chairman Philippe called for a vote. Motion passed with a vote of 5-0.

#### **7. Discussion and Possible Adoption of Resolution 013; Setting Compensation for the Board of Directors**

Legal Counsel, Steven Kennedy presented the Board with Resolution 013; Setting Compensation for the Board of Directors explaining the compensation amount for each day of service and the amount of days not to exceed in any calendar month. Chairman Philippe conducted open discussion on the subject. Chairman Philippe made a motion to revise Section B to be completed as: "B. Pursuant to health and Safety Code Section 4733(a), the Board of Directors of the District may provide that each of its members may receive compensation in an amount not to exceed \$100.00 for each day of service rendered on behalf of the District, not exceeding a total of three (3) days in any calendar month." Also Section 1 to be completed as: "Each director of the District shall be entitled to receive compensation in the amount of \$100.00 for each day of service (as that term is defined in Section 1.2 of Resolution No. 012 as may be amended from time to time) rendered on behalf of the district, not exceeding a total of three (3) compensable days of service in any calendar month, after the effective date of this Resolution." Director Fairbanks seconded. Chairman Philippe called for a vote. Motion passed with a vote of 4-1.

#### **8. Discussion and Possible Action concerning the Sewer System Management Plan**

Consultants Wyatt Troxel and Mike Hoover presented the Board information pertaining to the Sewer System Management Plan (SSMP) mandated by the State of California. They noted the County of San Bernardino Special Districts had the responsibility to develop a plan and failed to do so. Crestline Sanitation District has now inherited this responsibility and has at this time, with the consultants help developed the SSMP which complies with all requirements mandated by the State. Mr. Troxel recommended the Board adopt this SSMP and explained the State may incur past penalties for failure to comply at an earlier date. They also recommended an audit be performed within the next three (3) months to develop a work plan for improving the management of the Sewer System.

District Manager, Kathy Whalen commended Wyatt Troxel and Mike Hoover along with the staff for all their work on this project. Chairman Philippe conducted open discussion on the subject. Director Winsten made a motion to adopt the Sewer System Management Plan. Chairman Philippe seconded. Chairman Philippe called for a vote. Motion passed with a vote of 5-0.

#### **9. Discussion and Possible Action concerning establishing a new Office Position**

District Manager, Kathy Whalen presented to the Board one and a half Office Positions needing to be filled: one Full Time Position (40 hours a week) and one Part time Position (20 hours a week). Director Winsten made a motion to authorize District Manager, Kathy Whalen to pursue filling the Office Positions. Vice Chairman Shubnell seconded. Chairman Philippe conducted open discussion on the subject. Chairman Philippe called for a vote. Motion passed with a vote of 5-0.

#### **10. Discussion and Possible Action concerning the Reserve Policy**

Chairman Philippe stated they discussed the Reserve Policy presented to them at the recent Board Financial Workshop. Chairman Philippe conducted open discussion on the subject. Secretary Nelsen made a motion to accept the Reserve Policy and stay conservative knowing that we are underfunded but will work towards maintaining one year of reserves as recommended by CPA, Phil Waller. Director Winsten seconded. Chairman Philippe conducted open discussion on the subject. Chairman Philippe called for a vote. Motion passed with a vote of 5-0.

#### **Reports**

##### **11. Committee Reports**

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

Secretary Nelsen reported they have briefly gone over some of the reports and policies, and requested a copy of the Waste Discharge Requirements for further discussions.

##### **12. District Manager Report**

District Manager, Kathy Whalen reported on all Treatment Plants and maintenance in the District. All Projects outstanding have been completed. The office hour change to 8:00 a.m. to 4:30 p.m. is working well with no customer complaints. A draft contract with Los Flores Ranch has been sent to Legal Counsel, Steven Kennedy for review. The meeting with the State Department of Recreation and Parks (Cleghorn WWTP) has been rescheduled to January 2011. Online bill payment was discussed and is being worked on.

##### **13. CPA Firm Report**

CPA, Phil Waller, reported on the Financials and is still working on printed Financial Reports within the system. Additionally, a Disbursement List will be presented to the Board monthly.

##### **14. Legal Counsel Report**

Legal Counsel, Steven Kennedy previously submitted all revised reports earlier in the meeting and submitted his Form 700 to the Recording Secretary of the Board.

#### **Directors Comments**

Vice Chairman Shubnell announced a Community Workshop meeting will be held here in the meeting room on Saturday, December 4, 2010 at 9:00 a.m.

**Correspondence/Information**

Recording Secretary of the Board, Terri Elwess announced that she resigned from the Crest Forest MAC as Secretary effective October 28, 2010. The Board of Supervisor's office filled the position with one of their employees.

**Future Agenda Items**

Chairman Philippe announced the next Regular Meeting will be on Thursday, December 9, 2010 at 3:00 p.m.


Director Fairbanks requested a letter written to 2<sup>nd</sup> District Supervisor Janice Rutherford inviting her to our next meeting.

**Adjournment**

Vice Chairman Shubnell made a motion to adjourn. Secretary Nelsen seconded. Chairman Philippe called for a vote. The Vote passed 5-0. Meeting adjourned at 5:20 p.m.

 Date: 12-9-10  
Matthew Philippe, Chairman

ATTEST:

 Date: 12-9-10  
Ken Nelsen, Secretary