

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

Date/Time: September 17, 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

San Bernardino County Employees Present:

Kathy Whalen
Mark Pattison
Jeff Rigney

Others Present:

Steve Kennedy, Brunick, McElhaney & Beckett
Phil Waller, Rogers, Anderson, Malody & Scott LLP

Call to Order

The meeting was called to order at 3:12 p.m.

Approval of Agenda

Chairman Philippe announced a few of the items on the Agenda will be held over and presented at a Special Meeting being called for Tuesday, September 21, 2010 at 4:00 p.m.

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 Winsten made a motion to approve Consent Calendar, Director Fairbanks seconded. Chairman Philippe conducted open discussion on the subject. Director Winsten requested the Rules and Regulation changes discussed at the meeting be amended and included in the Meeting Minutes for September 2, 2010. Chairman Philippe called for a vote. Motion passed with a vote of 5-0.

Discussions:

Old Business

2. Discussion and Possible Action to Develop District Website

Kathy Whalen, District Manager stated Stephen Newcombe, of Stephen Newcombe Service LLC was unable to attend the meeting today, but would be present at our next Regular Meeting next month on Tuesday, October 14, 2010 to update the Board regarding the website information for Crestline Sanitation District.

New Business

3. Discussion and Possible Action concerning Workers Compensation

Kathy Whalen, District Manager stated the information is still in process of completion and will be presented at the next Special Meeting on Tuesday, September 21, 2010.

4. Discussion and Possible Action concerning Self Insurance Unemployment

Phil Waller, CPA or RAMS presented the Board with information concerning Self Insurance Unemployment that would save Crestline Sanitation District money. Secretary Nelsen made a motion for the Crestline Sanitation District to use a Self Insurance for their Unemployment Benefits into an account to be named at a later date. 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 Action concerning Dental and Vision Insurance

Chairman Philippe stated the information concerning this subject would be available and presented at the next Special Meeting on Tuesday, September 21, 2010. Chairman Philippe conducted open discussion on the subject.

6. Discussion and Possible Action concerning District Bank Account

Director Fairbanks presented Bank information to the Board and made a motion to use California Bank and Trust as the bank for Crestline Sanitation District. 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.

Director Winsten made a motion to accept the types of bank account needed at this time are: a payroll account and a general account. The authorized signers on these accounts will be Kathy Whalen, District Manager; Mark Pattison, Acting Operations District Manager; Matthew Philippe, Chairman; and Penny Shubnell, Vice Chairman. The Contract for Deposit of Moneys will be completed, signed by the Chairman and returned to California Bank and Trust. Vice Chairman Shubnell seconded. Chairman Philippe called for a vote. Motion passed with a vote of 5-0.

Chairman Philippe requested Phil Waller, CPA of RAMS bring a general Policies and Procedures for the General Account at the next Regular Meeting next month on October 14, 2010 for the Board to review.

7. Discussion and Possible Action concerning Data Stream Software

Chairman Philippe stated the Ad hoc Committee has met with Kathy Whalen, District Manager and Phil Waller, CPA for RAMS and recommend Data Stream Software to the Board as the Accounting Software for the District. Vice Chairman Shubnell made a motion to accept Data Stream as the Accounting Software for the District. Chairman Philippe seconded. Chairman Philippe conducted open discussion on the subject. Mr. Waller presented a detailed Quotation for services for all to review. Chairman Philippe stated the motion has been amended for flexibility to increase the user license to 4 users and hold this price for six (6) months. Chairman Philippe called for a vote. Motion passed with a vote of 5-0.

8. Discussion and Possible Action concerning SBCERA Retirement for Employees

Chairman Philippe presented Resolution 007 to continue SBCERA Retirement for Employees to the Board. Secretary Nelsen made a motion to continue to use SBCERA Retirement for Employees and adopt Resolution 007. Director Fairbanks seconded. Chairman Philippe conducted open discussion on the subject. Steven Kennedy, legal counsel of Brunick, McElhaney & Beckett requested a revision be made to Resolution 007. All Board Members agreed on revision to Resolution 007. Chairman Philippe called for a vote. Motion passed with a vote of 5-0.

Reports

9. Committee Reports

a. **Transition Plan Committee (ad hoc)**

b. **Executive Committee (ad hoc)**

c. **Accounting Software (ad hoc)**

Chairman Philippe stated all Committee Reports will be discussed at our next Special Meeting on Tuesday, September 21, 2010 or have been previously reported on.

10. Wastewater Manager Report

Kathy Whalen, District Manager reported to the Board on all the Treatment Plants operations, the Collection System repairs, Outstanding Projects and Outstanding Agreements.

Chairman Philippe conducted open discussion on the Outstanding Projects and Outstanding Agreements. Chairman Philippe requested Phil Waller, CPA of RAMS and Steven Kennedy, legal counsel of Brunick, McElhaney & Beckett to bring Policies and Procedures for Purchasing, Contracts, and other services to our next Regular Meeting next month on October 14, 2010 for the Board to review.

11. Director of Special Districts Report

Jeff Rigney, Director, Special Districts reported the following:

- a. Board of Supervisor's will meet on September 28, 2010 to get the appropriation change.
- b. Operational funds of \$500,000.00 available immediately when bank accounts are available.
- c. Vehicle titles are being transferred from Special Districts to Crestline Sanitation District to be approved by the Board of Supervisor's meeting on September 28, 2010.
- d. We are in contact with the Auditor's office for the property taxes to be transferred over to Crestline Sanitation District.
- e. Human Resources has received all resignation letters from Crestline Sanitation Employees to be in effect 9/30/10 at midnight.
- f. All transfers from Special Districts to Crestline Sanitation are in process for Health Benefits, Insurance, Phones, Vendors, etc.

g. Any bids we have for Outstanding Jobs, Special Districts will bring them to the Board of Supervisor's for bid, then Crestline Sanitation District to proceed from there.

12. CPA Firm Report

Phil Waller, CPA of RAMS reported the Ad hoc Committees have been working well and he would like to personally thank Jeff Rigney of Special District's for the transition going so smoothly.

13. Legal Counsel Report

Steven Kennedy of Brunick, McElhaney & Beckett discussed some detailed emailing information pertaining to the Brown Act policies and procedures the Board and staff should be following.

Directors Comments

Secretary Nelsen requested Board of Director packets be available for review at least three (3) days before the Board Meetings if the Board is expected to vote on it.

Secretary Nelsen requested Kathy Whalen, District Manager be seated at table with Board Members at all meetings after the transition is made.

Chairman Philippe stated a Special Meeting for the Board of Director's is on Tuesday, September 21, 2010 at 4:00 p.m. The Agenda has been posted accordingly. The next Regular meeting is to be held next month on Thursday, October 14, 2010.

Correspondence/Information

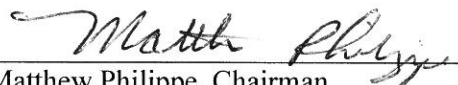
Vice Chairman Shubnell announced she will not be present at the next Regular Board meeting next month on Thursday, October 14, 2010.

Future Agenda Items

Re-establish ad hoc Committees at next Regular Meeting on Thursday, October 14, 2010

Adjournment

Meeting adjourned at 5:20p.m.

 Date: 9/24/10
Matthew Philippe, Chairman

ATTEST:

 Date: 9-24-10
Ken Nelsen, Secretary