

Ponderosa Community Services District

Minutes of meeting

May 9, 2013

Present:

Directors: D. Doty, C. Marchaunt, M. Moroney, B. Benton

Absent Directors: Barbara Dolmovic

Staff: D. Robertson, J. Robertson, M. Towfiq

Guests: B. Arnold, Grand Jury representatives George Tsapanos and Anna Rubio

The meeting was called to order at 12:35 p.m. followed by the flag salute.

Comments from the Public

None

Communication

Received

From R. Smith received via email 4-25 question for the board regarding water project (see Water Coordinator report)

From S. Witherow letter dated 4-23 received via email 4-26, requesting explanation for Brown Act violation at bid opening

From R. Smith received via email 4-28 inquiry if communication from William Dolmovic was on behalf of the PCSD board. – *NO*.

From R. Smith via email 4-30 communication directed to the board with suggestions he would like them to consider at the special meeting on May 1, before deciding to move forward with water system project.

President Comments

Mr. Doty received letter of resignation from Barbara Dolmovic citing reason for resignation is based on PCSD attorney's recommendation due to Mrs. Dolmovic's continuing financial conflict of interest related to snow removal. The secretary was directed to send notice of the resignation and board vacancy to the Tulare County Board of Supervisors.

The secretary explained the board may fill the vacancy by appointment, after posting notice of the vacancy and taking applications, within 60 days. Any appointee will have to stand for election in November 2013 and file to retain his/her seat for a short term of 2 years (when Mrs. Dolmovic's 4 year term would have expired). There was a brief discussion.

It was moved, seconded and passed to attempt to fill the vacancy by appointment. Notice of the Vacancy will be posted and applications for anyone interested in being appointed will be available through the secretary and possibly online through the PCSD website.

There is a tentative selection of a contractor for the water project, pending USDA approval.

There is a procedural problem in that there were 3 board members present at the bid opening in the 4 Creeks offices in Visalia. Mr. Witherow has made a complaint of a Brown Act violation because there were 3 board members present, with a 4th board member 'lurking' nearby. It was noted that Mr. Witherow himself was at the bid opening. Mr. Witherow alleges that business was discussed without proper notice of a meeting or agenda posting about the bid opening in Visalia. Mr. Witherow's letter was forwarded to the attorney for review and advisement. The attorney recommended that the directors present at the bid opening repeat any discussion held at the bid opening at this public meeting.

Mr. Doty described the meeting and related comments made.

Mr. Moroney and Mr. Doty rode together to the 4 Creeks offices in Visalia. There was no discussion of the project in the car. Mr. Benton, Ms. Marchaunt and their dogs rode together in their car to Visalia as they were also on their way out of town. During the bid opening, Ms. Marchaunt stayed outside of the 4 Creeks office (across the street) walking the dogs. She did not enter the offices, nor was she present in any way during or after the bid opening. Mr. Benton, Mr. Doty, and Mr. Moroney were in the 4 Creeks office with the engineer Matt Ainley, USDA representative Lisa Butler, Mr. Witherow and other 4 Creeks personnel. Once the bids were open, Mr. Doty reported that he talked about having a special meeting and inquired if the engineer and/or the USDA would like to attend such a meeting of the PCSD board. Mr. Doty stated for the record that there was no discussion amongst the board members and that the other 2 board members made no comments or asked any questions, neither was there any board action or consensus of opinion reached. The PCSD attorney has recommended the board address this issue with a resolution that will be discussed in the special meeting immediately following the conclusion of the regular meeting.

Minutes from previous meeting(s)

It was moved, seconded and passed to accept the minutes of the April 11, 2013 regular meeting as written.

Secretary Report

No written report prepared

Work on documents for Matt Ainley

Spoke with Bill Armor – Turner and Assoc about new insurance policy

Communication with attorney – documents for USDA and regarding Mrs. Dolmovic conflict of interest

Received request from Mr. Smith to reorder the communications received in the April agenda packet because he felt no one would see his communication to the board – does the board direct the secretary to reorder the April agenda packet – NO, that meeting has concluded, his letter will appear as an attachment to the minutes. The minutes have already been accepted and will stand as accepted.

Received the new proposed insurance policy with Allied Worldwide Insurance – does the board wish to accept this policy with the new company or direct Turner & Assoc to find an alternate. There was a brief discussion and quick review of the proposed policy. It was moved, seconded and passed to accept the new policy proposed by Turner & Assoc offered through Allied Worldwide.

Review election procedures for expiring board positions – there will be 4 board positions up for election. Mr. Moroney's short term expires and will now be a full term of 4 years. Both Mr. Benton's and Ms. Marchaunt's full 4 year terms expire this year. And if there is an appointee, that person will need to run for a short term (2 years) to fill the remainder of the term held by Mrs. Dolmovic. Notice of the terms available will be posted closer to the candidate filing period and information will be made available on the PCSD website. Incumbent directors will need to file with the Tulare County Elections office if they intend to retain their office.

Review of proposed policy HR-103 Performance Review

Review of proposed policy HR-104 Employee discipline

See under unfinished business

Reports

- General Manager

Report on employee performance reviews and salary discussion

There was no report provided about employee performance reviews. All staff have completed the self review form and submitted to Mr. Griesbach.

The board had requested the General Manager to conduct a survey of comparable salaries for PCSD personnel. Mr. Griesbach was not present to give a report; however he did confer with the board president by phone and sent some notes for Mr. Doty to review. It seems that the PCSD is at the low end of the salary range for similar staff positions in the area. The secretary has requested an increase in the number of hours specified in her job description. She has determined that on average she regularly exceeds the amount of hours (16) in the current job description. It is also noted that additional duties have been assigned to the secretary, specifically maintaining the district website.

The treasurer brought to the board's attention that all work performed by her is on equipment and utilizing an internet connection supplied by her, not the district. She has had repeated discussions with the general manager requesting reimbursement for internet usage and pointed out that her duties have significantly increased with the amount of paperwork required for the RCAC loans and USDA oversight. PCSD personnel have not received, even a cost of living, wage increase since 2008.

Mr. Griesbach has informed Mr. Doty that he does not want a raise.

There was discussion about increasing the salaries of the Treasurer and Secretary; whether they should go to straight hourly pay; should the number of hours suggested in the job descriptions be increased thereby increasing the pay; continue to pay an overtime rate, which requires the tracking of hours, offering reimbursement for office supplies, internet, telephone, etc.

The treasurer currently earns \$459 per month with an additional time rate of \$22.95/hour

Mrs. Towfiq charges \$35/hour for bookkeeping services as an independent contractor.

The secretary currently earns \$433 per month with an additional time rate of \$21.65/hour

The secretary's job description is based on 16 hours per month, which would equate to \$27/hour.

Mr. Doty proposed increasing the salaries to \$500, equivalent to \$25/hour for 20 hours and some sort of monthly reimbursement amount. The secretary and treasurer were asked how much their internet; phone costs per month could be attributed to PCSD business and what other expenses they thought should be considered.

Treasurer – internet costs are \$75/month, phone varies and she acknowledges that she runs her own business using the internet and phone as well. The PCSD did purchase the printer that she is using, but she provides her own computer, software and business phone.

Secretary – internet costs are \$50/month, phone (not considered an issue), but she does use her own computer, software and printer. Her ink replacement costs are considerably less due to the type of printer but the PCSD uses a lot of paper. It is often easier and more convenient to print copies of documents on personal printer than making copies on PCSD copy machine. Putting together rough calculations it would be helpful if the district would reimburse ½ the internet cost annually (\$300), purchase 1 ream of paper (\$5 ea) every other month, and reimburse for a black ink tank (\$5.00 ea) every other month, which would equate to \$360.00 annually.

The PCSD does have a laptop computer, however it is old, Mrs. Robertson had to load her own software to update the office suite, the battery does not hold a charge, it can only be used when plugged into AC power and the processor is too slow and out of date to go online.

There was general discussion; Mr. Moroney proposed a salary equivalent to \$35/hour for 30 hours of work for both the treasurer and secretary. Mrs. Robertson stated she did not need 30 hours. The

amount of hours was reduced to 25. There was additional discussion about reimbursement; it was proposed to offer a reimbursement package of \$35/month to both secretary and treasurer. After further discussion, it was moved by Mr. Moroney to increase the salary of the treasurer and secretary to \$875.00/month with an additional monthly reimbursement package of \$35 for each to cover incurred office expenses. The motion was seconded and passed unanimously. The new salaries will go into effect on July 1, 2013.

Hearing no objections, the board authorizes the treasurer to charge additional time for all PCSD work that exceeds the current 20 hours per month allotted in the job description.

- Treasurer

Preliminary discussion of water and snow removal rates for next fiscal year

This is the last year for the phased in rate increase originally passed at a 218 public hearing on June 20, 2009. All flat water rates and base tier rates will increase \$10. The flat/base tier water rate for fiscal year 2013-2014 is \$750.42. The annual inflator clause that allows water rates to be increased “*by an amount not to exceed the annual cost of living increase as determined by the national Consumer Price Index; reported by the Bureau of Labor Statistics for the period ending each December 31*”, will resume in fiscal year 2014-2015.

An increase in snow removal rates cannot be determined at this time. According to the inflator clause on the snow removal rate schedule, any increase must be determined by “*the May cost increase reported in the June addition of the Construction Cost Index of the Los Angeles Engineering New Record*”.

Presentation of proposed budget

The treasurer has prepared the outline of the budget for next fiscal year. She does not have dollar amounts assigned at this time. She requires estimated expenditures from water and snow and input from the financial coordinator. The treasurer also needed confirmation on income projections and that the USDA loan would be active in the next fiscal year budget in order to properly account the required reserves and payment(s). The final proposed budget will be presented at the June meeting. At that time the board will go through the budget line by line.

There was a question if the budget would include USDA loan funds; the answer is NO, the budget will only included revenue from water and snow assessments and corresponding expenditures. There will be required reserve amounts for USDA and a USDA loan payment item.

As water coordinator, Mr. Benton, proposed creating a new staff position called inventory manager. This person will organize the parts, tools and equipment kept by the PCSD. He will create an inventory system able to be reviewed at any time.

There was discussion about what exactly this person would be responsible to do, how many hours it may take on a monthly basis, etc. It was suggested that all records be kept in an Excel file and include serial #, date of purchase, when repaired, description of item, and cost at purchase...record information required to create a depreciation schedule. Will need to coordinate with treasurer, wages will be accounted to snow and water.

Duties will include

- Make sure have all necessary tools & supplies to complete repairs/maintenance
- Manage supplies & equipment
- Facilitate repairs/replacement
- Required to attend board meetings and provide report

It was determined a formal job description will need to be created and a salary discussed. Further discussion was tabled; this item will appear on the June agenda.

Grand Jury representatives leave 2:20 pm

The final invoice for snow removal has been received from High Sierra. It is for the balance of the guaranteed minimum, which comes to \$26,550.00.

It was moved, seconded and passed to authorize the payment of the snow removal invoice.

It was moved, seconded and passed to accept the treasurer's report as presented. (see attached executive summary)

The treasurer received a request from RCAC asking if the PCSD was going to pay the existing loan in full at maturity or require an extension, pending the USDA loan funding. Mrs. Towfiq will contact RCAC and report what action is required.

- Financial Coordinator
Nothing further to add
- Water Manager
Use is down

Beginning with next month, water manager reports will cover the period from one board meeting to the next, rather than beginning of the month to beginning of the month.

Current use

Figures unavailable

Doug Elliot suggested blow out/clean out Holby 1 well – WM directed to get cost estimate

Research on trailer purchase

1720 pound, 4x8 2 wheel (354)

Spare tire (50)

Safety chain (20)

Total \$410 + tax

Consulting treasurer, there is money available in the equipment fund. Purchase will be accounted to water & snow.

The trailer will be used to move the snow blower and as a mobile leak detection/repair unit

There was a brief discussion, it was moved, seconded and passed to authorize the purchase to the trailer with spare tire and safety chain,

- Water Coordinator
 - **Progress on water system improvement project**

Question from R. Smith *"Why are you replacing the reconditioned 60,000 gallon tank at Summit with the new tank instead of replacing the Holby tankage with the new tank? Surely the cost must be about the same and you end up with 30,000 gallons more tankage and newer rust free tanks. In either case you have to have the Holby to Summit transfer pump and backup generator so does it really matter where the storage is? Please ignore this communication if I misunderstood and it is your intent to replace the Holby tanks and not the Summit tank."*

Thank you for your questions and suggestions; these are not feasible options at this time.

- Snow Monitor – there was a little snow, did not require plowing
Snow Coordinator

- PPOA/PCSD Liaison
No current liaison assigned
- Committees
None

Director Comments

None

Unfinished Business

Ongoing items

- PCSD building maintenance
 1. Replace portions of fascia boards
 2. Paint building
 3. New roof—with additional roof over fire truck door – request for plans
- Update water ordinance 99W

Polices

HR-103 Performance Review

This policy was developed by the General Manager and discussed during the April regular business meeting. It has now been formally written by the Board Secretary. The policy was reviewed by the board. Mr. Doty called for comments, questions, discussions, hearing no objections, policy HR-103 Performance Review was affirmed as written.

HR-104 Employee Discipline

There has been an informal, unwritten, employee discipline policy. This written policy formalizes the currently policy and states the purpose of the policy.

The policy was reviewed.

Mr. Doty requested to ADD to the section

Immediate Disciplinary Action

Theft of PCSD property and Drug and alcohol use while on duty

Disciplinary Steps

REMOVE, strike through text

2. ~~If the problem persists~~, the employee will be given a written explanation of the errant behavior, including a reiteration of what PCSD's rule regarding that behavior is. In addition, the employee will be advised that continuation of the problem will lead to suspension without pay for a stated period of time. As before, the employee will be given an opportunity to change the unwanted behavior and, if the behavior does not recur, no further disciplinary action will be taken.

Hearing no further comments, questions or discussion, it was moved, seconded and passed to accept HR-104 Employee Discipline policy as written and amended.

New Business

- Resolution to hold elections for available board positions and for the election to be consolidated with the regular November election.
The Resolution template provided by county elections office, a number will be assigned. This resolution calls for elections for (3) 4-year term seats and (1) 2-year short term seat on the PCSD

board of directors and to be consolidated with the November general election. Discussion, the candidate(s) will pay for any statement to appear in the election guide, the notice of board seats and term available will be published in the Porterville Recorder. The publication copy is written by the Tulare County Elections office and they send it to the newspaper, we just pay the bill. It was moved by Mr. Doty, seconded by Mr. Moroney and passed unanimously to accept resolution 2013-85-A ordering elections.

- Review of proposed new staff position (Inventory Manager) responsibilities, formulation of job description and determination of salary or hourly rate – see discussion under budget presentation – item carried forward to June.

Meeting adjourned at 2:25

The date for the next regular Board meeting will be **Thursday June 13, 2013 at 12:30 p.m.** in the District Building.

Minutes prepared by Jennifer Robertson/Board Secretary