**CALIFORNIA PINES COMMUNITY SERVICES DISTRICT**

**REGULAR MEETING MINUTES**

 **August 16, 2017**

**COUNTY ROAD #71 BUILDING #376 – DISTRICT OFFICE**

**CALIFORNIA PINES SUBDIVISION**

**MODOC COUNTY, CALIFORNIA 96101**

**CALLED MEETING TO ORDER AT BY CHAIRMAN TO THE BOARD OF DIRECTORS –Buck Rodgers at 4:00 P.M.**

 **FOLLOWED BY ROLL CALL AND THE PLEDGE OF ALLEGIENCE.**

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| DIRECTORS PRESENT | STAFF PRESENT | PUBLIC PREESENT |
| Chairman –Buck Rodgers | General Manager - Ron Sherer |  |
| Vice Chairman –Todd Ehlinger | Board Secretary - Susan Lake |  |
| Treasurer – Suzanne Ehlinger | Assistant Fire Chief – Ryan Sherer |  |
| Director –Mark Bishop | Maintenance Supervisor – David Lake |  |
| Director – Terri Bishop |  |  |
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**ANNOUNCEMENTS:**

* The Forest Service performs an evaluation of the Cal Pines Fire Fighters each year that we contract with them. This year, the firefighters from each engine received a very positive evaluation. Copies of the evaluation were provided to each board director.
* The District received a letter from our insurance carrier concerning our previous financial and human resource issues. The letter consists of weaknesses in which the District needs to improve. Included is a copy of “Best Practices” that, if followed, can reduce the chance of fraud. The District has taken steps to, and will continue to, improve internal controls and to be compliant in all areas required by state and federal law. Copies were provided to each board director.

**PUBLIC COMENTS:** None

**APROVAL OF THE CONSENT CALENDAR:** (All matters under the Consent Calendar are routine and will be approved by one motion, unless a board member requests separate action on a specific item.)

1. **August 16, 2017 Agenda.**
2. **Minutes from the following meeting: July 19, 2017**
3. **Approval of the Financial Reports for July 2017. (Financial Report)**
* Profit and Loss
* Balance Sheet to Date
* Bank Register. Prior Month

**The Treasurer to the Board of Directors, Suzanne Ehlinger, stated that the reports seem accurate but that we are having issues with the accuracy of the “Budget vs Actual” report generated by Quick Books. Staff is working towards a resolution or a work around for the issue. There also seems to be some drag time when using multi user mode between computers. This throws the Balance sheet off, but seems to correct itself at the end of the day.**

*There was also some initial discussion about implementing a resolution for reserve funds, and the use of the Contracted Fire income in various other Enterprise and Governmental activities within the district. This is the beginning planning stages towards a fiscally sound future.*

Director Todd Ehlinger asked about the progress towards rate increases. After some discussion, it was decided to send a notice to residents making them aware that rate increases are eminent. **Notice will be included in August billing cycle.**

**MOTION:** The motion to approve all items on the consent calendar was made by Susanne Ehlinger, seconded by Mark Bishop, motion approved unanimously.

**ACTION CALENDAR:**

**General Managers Report:**

* **FEMA Grant:** The GM provided an update to the FEMA grant progress, (FEMA team that conducted the site visit), the District will not need engineering or environmental permits for the repair portion since we are not changing the footprint. There is some confusion as to whether or not FEMA will pay the contractor directly or reimburse the District. The GM is in the process of coordinating the work with Eagle Peak.
* **Fire Activities:** The firefighters are still under contract with the Forest Service, working assignments in Modoc County. They are estimated to continue assignments for the 2017 season through the middle of September.
* **Opportunity to purchase diesel truck:** The GM asks the Assistant GM, Ryan Sherer, to present the opportunity to purchase a diesel truck to the Board of Directors. Ryan states that the District has the opportunity to purchase a 2001 Dodge Ram diesel truck to be used as a plow truck. In the past, the trash truck was also used as our plow truck, putting a lot of wear on the trash truck and likely leading to its demise. The 2001 Dodge would need a transmission, but is otherwise in good working order. The District would be purchasing the truck for $7000.00; the transmission is estimated at $3000.00, with an estimated $2000.00 for misc. expense. The District also plans to use the truck as a winter emergency response vehicle whenever an engine is not required, and during lot mow season as a truck to be used in the field. The necessity of having a plow on the trash truck during the winter is deemed un-necessary and leads to more problems since it is POA and Modoc County that are responsible for roads in the hill units. A question of what happens to old vehicles was asked by Director Mark Bishop. The GM has attempted to sale them without success, they will attempt to bundle the unused/broken vehicles for parts. Director Todd Ehlinger asked when the wrecked fire engine from last year will be removed from our property since it was purchased 1 year ago. The GM will attempt to contact the purchaser to plan for removal.

**A motion to approve the purchase of a 2001 Dodge Ram Diesel Truck for $7000.00 plus an additional $5000.00 for needed repairs was made by Todd Ehlinger, seconded by Mark Bishop, motion approved unanimously.**

* **Cal Fire 50/50 Grant for fire fighter equipment:** Several months ago, Ryan Sherer applied for a matching grant to purchase new firefighter turnouts (structure gear). The grant was approved for a $9847.47 match; the District will be required to purchase the gear (up to $19,694.94), show proof of purchase and then be reimbursed for $9,847.47. Some of the structure gear we are using is close to expiration. It would be in the Districts best interest to take this opportunity to purchase the equipment while we are able to receive the assistance. The GM is requesting the Board to accept **Resolution 2017-1, along with the agreement with CAL FIRE,** for the purchase of firefighter turnout gear for use in structure fires.

**A motion to approve Resolution 2017-01 along with the terms of agreement was made by Mark Bishop, seconded by Todd Ehlinger, motion approved unanimously.**

* **Claim against the District:** The claim against the District for damage to a resident’s home on 3/24/17, caused by sewer water backed up to her home, was resolved satisfactorily today. The resident has signed a release of liability. The District will install a backflow device to the property to prevent any future problems.
* **Consideration to begin process of the purchase of a new fire engine:** The GM is asking the Board’s authorization to begin the process of purchasing a new fire truck. To continue to contract with outside agencies for fire assignments, the GM feels it is imperative that we maintain a high standard of equipment and staff. The process to finance and build an engine can be quite lengthy so getting started now is desirable. The GM would like to involve/train the Assistant GM, as much as possible, in this process, in preparation for the future. The projected cost of a new engine is close to $300,000.00. The District is anticipating a lease purchase using Community First Leasing for financing; this would allow 1 annual payment which works well with our operating budget. The payment would come out of contracted fire income. The GM further requests that the Board consider establishing a reserve, out of contracted fire income, in the amount of $75,000.00 per year, as a committed replacement fund for rotating out our trucks every five years.

The Secretary to the Board shall draft resolutions for the establishment of reserves and for the purchase of a new engine, for review by the Board of Directors.

Treasurer, Suzanne Ehlinger suggested investing in short term CDs with the reserves. Suggestion will be investigated.

**The motion for Ryan Sherer to begin the process of investigating and coordinating the purchase of a new fire engine was made by Mark Bishop, seconded by William Rodgers, motion approved unanimously.**

**Old Business:**

* **Airport Runway:** Suzanne Elhinger asked for any progress on a scheduled date for the maintenance of the runway. The GM said that he has not heard from the contractor yet, but he is hopeful that work will still begin in August.
* **Policy #3150:** Consider approval of final revisions to Policy #3150 – Purchasing.

**A motion to approve the revisions to Policy #3150-Purchasing, was made by Todd Ehlinger, seconded by Mark Bishop, motion approved unanimously.**

* **Public Hearing Final Budget Approval Announcement:** Consider approval of the Public Hearing Announcement to be posted in the local paper the first week of September 2017, for consideration of the proposed final budget for fiscal year 2017/18.

**A motion to approve the Notice of Public Hearing was made by Mark Bishop, seconded by Todd Ehlinger, motion approved unanimously.**

**New Business:**

* **Resolution 2018-06 A Resolution Adopting a Final Budget:** A draft of the resolution to be implemented June 2017/18was presented to the board for review. *No action needed.*

**DIRECTOR REPORT:**

* Chairman, William (Buck) Rodgers will not be able to attend the September 2017 Regular Board Meeting.

**MEETING ADJOURNED AT 5:20PM**

The next regular meeting of the Board of Directors is **September 20, 2017** at **4 p.m.**

**CERTIFICATE OF POSTING**

I **Susan Lake**, Secretary to the Board of Directors of the California Pines Community Services District, hereby certify, to the best of my knowledge, that this is a true excerpt of the minutes to the **August 16, 2017** Regular Meeting of the Board of said District.

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Secretary to the Board