

LAMONT PUBLIC UTILITY DISTRICT REGULAR MEETING MINUTES

Monday July 24, 2017 6:00 P.M.

Meeting Location:
District Office
8624 Segrue Road
Lamont CA, 93241

1. Call to Order/Roll Call

- a. Board Vice-President Hernandez called to order the regular board meeting at 6:00 pm on Monday, July 24, 2017 at the office of the Lamont Public Utility District. Four Board Members were present with President Cruz being absent. Staff present included General Manager/District Secretary Scott Taylor, District Engineer Dan Cronquist, and District Finance Officer Wendy Swope.

2. Pledge of Allegiance – Led by Vice President Hernandez

3. Board Member announcements –

- a. Director Sanchez thanked GM Taylor for participating in “Back to School” event and school supply give away for the students in the local Lamont school districts. GM Taylor shared that 482 students were provided backpacks, school supplies and related necessary items in preparation for upcoming school year.
- b. Director Hernandez stated that the GM shared with her that it was reported that an employee was at her house. Hernandez stated that no employee has been at her house. She said that she was told it was an employee that was fired from the District. She said anyone is invited to come and examine her house. Director Hernandez asked if the statement was in writing and GM Taylor indicated that personnel matters cannot be discussed in open session and that there is a closed session on the agenda to discuss that particular topic.
- c. Director Prado requested to have very detailed minutes completed. GM Taylor explained that he was attempting, in the June Meeting Minutes, to migrate from a word for word minutes process because generally, minutes are for a summary of action taken by the Board, not a play by play of everything and every word that is said. GM Taylor stated that he reviewed the minutes from many other public agencies and organizations and that a brief summary of voted action taken by the Board is the standard. Director Prado stated she knows, but that she wants more detailed minutes to protect the board members and to have a record of the interaction between board members. GM Taylor agreed to provide explicit detail in the minutes going forward.

4. Public Comment

- a. None.

5. Staff Reports

- a. District Counsel: - District Counsel is on vacation
- b. District Engineer: - Solar project is now complete and producing power. Staff met with the contractor for a final review of the completion. A report on the production of power and performance will be provided at a future board meeting after production data has been gathered and analyzed. The Board was advised that the District should begin to realize a cost savings in energy bills in the near future. Further, it was related that the project has a 5 year maintenance and warranty package for the system as part of the contract.
- c. Finance Officer: - Wendy Swope advised that the final CalPers contribution adjustments are being made and that corrected numbers with any potential net effect financial contributions will be reported upon completion of the corrective action. This corrective action was a result of incorrectly and inaccurately reported data to CalPers over the past several years. .
- d. General Manager: -
 - i. GM Taylor reported on the Back to School benefit sponsored by Grimmway, LPUD, Self Help Bank, Recology Recycling, and the Lamont Chamber of Commerce conducted on behalf of low income families and students in the Lamont area. GM Taylor stated that 482 students were served and provided with back to school supplies. He indicated the event was extremely successful and received news media coverage.
 - ii. An update on SGMA was provided indicating that the District is currently under the KGA within the County and we are working to be moved over the KRGSA as the majority of LPUD falls within those boundaries. Additionally, GM Taylor reported he is still working with Kern Delta water agency to purchase recharge water for SGMA compliance.
 - iii. Director Prado inquired as to whether the District was utilizing the sewer cleaning truck. GM Taylor conveyed that the sewer truck is put into service once a week and sewer cleaning is occurring on a “grid” basis. GM Taylor explained that by rotating throughout the District on a grid basis, this insures all sewer lines are addressed over time.

6. Consent Agenda

- a. Director Hernandez requested to have the amendment to the General Manager’s contract removed from the Consent Calendar. GM Taylor inquired as to where she wanted it moved to, being the regular agenda or closed session or tabled. Director Hernandez stated she wanted it removed because Director Cruz was absent from the

meeting. Director Gonzalez asked Director Hernandez where she wanted it removed to. Director Hernandez banged the gavel and stated this is my decision.

- b. Director Sanchez commented that any board member can remove an item from the consent calendar. Director Sanchez advised Director Hernandez that the item had already been voted on and approved by the entire board in closed session, that she may be violating the law, but also potentially putting the District in jeopardy. Director Sanchez stated that ethically and honestly, she should not do that. He advised, but if you wish to potentially expose the District then that was Director Hernandez's choice. Director Prado stated she contacted the special counsel and that the special counsel stated that if the board agrees and votes on something, but then at the end of the day a board member wants to vote different, it's the board member's decision. Director Sanchez stated this was a specific item the Board had already voted on and unanimously agreed upon. Director Sanchez stated for the record that Director Hernandez is removing the item from the consent calendar and that Director Prado agrees and seconded the action. Director Sanchez stated that Director Prado is making this decision and action knowing she has problems of her incompatibility of offices and that her decision, support and vote is an illegal vote from a person who is not entitled to vote. Director Prado stated she contacted special counsel and that a unanimous agreement in closed session is not a vote and if she wants to change her mind, she can.
- c. Consent Calendar was approved with item F, General Manager's contract amendment, removed. Vote approved 4-0. Director Sanchez voiced his disagreement and opposition to removing item F from the consent calendar. Director Sanchez stated that item F, the GM contract amendment was approved 5-0 previously. Director Prado stated she contacted the special counsel and stated the vote is a recommendation not an approval and that it very different from approval. Director Sanchez stated the direction was approved in open session.

7. Regular Agenda

- a. Healthcare Cost Correction Updates.
 - i. GM Taylor provide an update on the healthcare costs and calculations as requested from the previous board meeting. Director Sanchez requested more detail in regard to the incorrect and inaccurate premium payment and contributions that has been occurring for the past 6 years. GM Taylor explained that health premium contributions by employees and the District were not properly calculated and not properly reported for several years. GM Taylor stated health costs would increase but the costs were not properly passed on to the employees on a percentage basis. And in other instances, too much money was deducted from employee's paychecks as their contributions to healthcare premiums. In essence, either too much or too little was deducted from staff over time.

- ii. GM Taylor provided an analysis for the past 6 years and more importantly, demonstrated how the errors have been corrected with checks and balances put in place to insure accuracy and correctness in the future.
- iii. This item was informational only. No action required.

b. Authorization for the General Manager to Purchase Ice Machine.

- i. GM Taylor provided information and financial data regarding the purchase of an ice machine for the District field office in an effort to provide additional field safety for staff and also to increase efficiency and costs effectiveness for water sampling as required by state regulations as opposed to the repeated purchase of ice bags on a daily and weekly basis. The costs basis for the ice machine would pay for itself within 11 months of use. Over the course of the life span of the ice machine which is approximately 10 years, the District would realize a costs savings of approximately \$28,000.
- ii. Director Gonzalez stated this was a good idea. Director Sanchez stated the analysis and report was excellent.
- iii. Director Prado asked whether GM Taylor had already checked the price of the ice machine. As outlined in the staff report, GM Taylor reiterated that yes, he had already obtained pricing for ice machines for the District. Director Prado stated good job because she thought the price was very good because in her experience ice machines are more expensive.
- iv. Motion to purchase an ice machine approved 4-0.

c. Authorize General Manager to Issue RFQ for Obtaining General Counsel for District.

- i. GM Taylor provided an update to the RFQ process for a general counsel. GM Taylor stated that Director Prado had requested that the District begin the process to seek and retain a permanent general counsel for the District. GM Taylor indicated that the District would issue RFQ's to various local law firms, as the Board had requested the search focus on law firms that are local with experience and expertise in the water and special district fields. GM Taylor indicated that before the RFQ's can be submitted to local firms to seek their interest, if any, in providing services to the District, the Board must authorize the GM to begin that process. Thus, authorization was sought to begin the RFQ process staying in the local area for legal services.
- ii. Motion to authorize GM to begin RFQ process for legal services was approved. 4-0

d. Authorize the Lamont Storm Water District to Utilize LPUD Offices for their Meetings.

- i. GM Taylor reported that the Lamont Storm Water District has requested to continue to utilize the LPUD building for their meetings. GM Taylor related that the previous office manager for the LPUD, Tracie White, also worked as the Lamont Storm Water District Board Secretary. Since her departure and related legal matters, the Lamont Storm Water District has not been able to utilize the building as it had in the past.
- ii. GM Taylor reported that the Storm Water District would continue to rent the building for \$75 per meeting and that the Storm Water District would pay the costs of LPUD staff to unlock and lock the building upon completion of the meeting. LPUD Board was advised that no employee of the LPUD would be working for or moonlighting with the Storm Water District at any time in the future and this would be strictly mutual aid arrangement between the LPUD and the Storm Water District.
- iii. Thus, authorization was sought to continue to allow the Storm Water Board to continue to utilize LPUD administration building for their meeting.
- iv. Motion approved 4-0.

8. Closed Session

- a. The Board adjourned to closed session at 6:53pm.

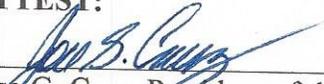
9. Open Session

- a. The Board reconvened the open session at 7:17pm.
- b. Report of closed session was "No reportable action."

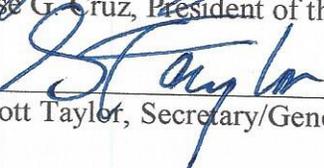
Adjournment

A motion was made by Director Prado and seconded by Director Gonzalez to adjourn the Regular Board Meeting of the Board of Directors of the Lamont Public Utility District, held on Monday, July 24, 2017 at 7:18pm. Approved. 4-0.

ATTEST:

X 

Jose G. Cruz, President of the Board

X 

Scott Taylor, Secretary/General Manager