

Lost Hills Utility District

Minutes

October 5, 2023

I. The meeting was called to order by Board President Vidal Ballesteros at 5:08 PM. Board Members in attendance were Rosario Villasana, Daisy Garcia and Pioquinto Garza. Also in attendance were Thomas Schroeter, Amando Garza, Alejandro Ruiz, Yuliana Velazquez and Ana Chavez.

Daisy – here at 5:33PM.

II. Approval of Minutes- September 7, 2023.

Motion: Pioquinto Garza made a motion to Approve Minutes as Submitted. Rosario Villasana seconds the motion. All Board Members present in favor, Motion carried.

III. District's Financial Report- August 2023.

Sewer Month Loss: (\$1,658.71) Year Profit: \$3,924.13

Water Month Profit: \$36,690.56 Year Profit: \$37,230.13

IV. Public Time for Non-Agenda Items

Jay Smith- here to get an update for their will serve letter and know what will happen with their will serve letter.

Saul Ruiz – would like the District to prioritize the water for the residents of Lost Hills.

Jesus Alonso- congratulate the District for reaching an agreement with SWSD.

V. New Business

1. Conduct a public hearing and consider adoption of a resolution approving a five year adjustment of water rates subject to the requirements of Proposition 218, California Constitution Article XIII D Section 6

1. Open Hearing and take testimony:

Board President Vidal Ballesteros calls the hearing open at 5:13PM.

Zachary/RDN- Did a full presentation, and went over the water rate analysis showing the full water rate study with the current rates and proposed water rate increase. Explained what the District needs for Operations and Maintenance, full analysis of revenues vs expenses, capital improvements, Debt service obligations for the three loans the district has, debt service covered ratio (income vs debt annual) is currently at 0.52, bank requires a 1.25 to comply, the District is currently non-complaint. Approving the water rate increase will allow the District to cover its operations and maintenance, build a reserve and comply with the loan agreements.

Zachary – 5:36PM open to questions and comments at 5:36PM.

At 5:38pm Vidal Ballesteros closes hearing testimony.

2. At Completion of the testimony, close the hearing:

At 5:38pm Vidal Ballesteros closes hearing testimony.

5:38Pm Ballesteros closes testimony

3. Count all objections and announce the results;

Ana Chavez reports 2 opposition letters were received. Vidal Ballesteros asked if there was any objections, and no objections were pronounced.

4. Adopt the resolution if there is no majority protest

Motion: Rosario Villasana made a motion to Adopt Resolution adopting water rate increase. Pioquinto Garza seconds the motion. All Board Members present in favor, Motion carried. All Board Members present in favor, Motion carried. Absent: C Garcia.

2. Cannon Engineers recommendations:

(a) Well No. 3 – Phase 2: Consideration of Change Order No. 2 from Bakersfield Well and Pump

for several changes to the electrical conduits entering the Well and the VFD adjacent to the well.

(i) Electrical Wire for the Light Standard in Change Order No. 1 (wire was not included in Previously approved Light Standard Change Order No. 1 as the work was to be in the future)

Addendum to Agenda

Rosario Villasana made a motion to add: Change Order No.3 for the New Well Project. Daisy Garcia seconds the motion. All Board Members present in favor, Motion carried.

Motion: Rosario Villasana made a motion to approve Change Order No.2 for \$10,731.40 and No.3 for \$2,676.00. Pioquinto Garza seconds the motion. All Board Members present in favor, Motion carried.

(ii) The VFD Concrete foundation/Fencing Enclosure and Conduit entry were modified to accommodate the conduit entry in the VFD.

No action taken

(iii) Two additional Electrical Pull Boxes were added to facilitate the conduit runs around the VFD to Well

No action taken

(iv) An added electrical conduit and wire for the lighting and fan included in the Well enclosure.

(b) Consideration of Specialty Construction Inc. payment request No. 14 for the Townsite Pipeline Relocation

No action taken, pay request has not been received.

(c) Consideration of Change Order No. 37 for the extra work associated with Manhole Raising.

Motion: Pioquinto Garza made a motion to Approve Change Order No.37 for \$2,594.67.

Rosario Villasana seconds the motion. All Board Members present in favor, Motion carried.

(d) Consideration of Change Order No. 38 for the extra work associated with the adjustment to the Water Service located at the west of the farming field across from the LH School.

Motion: Pioquinto Garza made a motion to Approve Change Order No.38 for a cost of \$1,004.43. Rosario Villasana seconds the motion. All Board Members present in favor, Motion carried.

3. Report on extraction agreement with SemiTropic Water Storage District

Tom – The District has finally reached an agreement with SWSD, however the allocation might not allow the District to keep growing. There's currently a waiting list and we also have a business owner who has paid his entire connection fees and is waiting for a new will serve letter. I would recommend the Board appoints a committee to review the different categories that will have an impact in the little water available for new services. Committee: Vidal Ballesteros and Rosario Villasana, Alternate: Daisy Garcia.

4. Report on formation of the proposed Lost Hills Community Services District

Tom Schroeter reported hearing set for September 20, 2023 at LAFCO was postponed until further notice.

5. District Manager Agenda

(a) Consideration to Approve Meyer Civil Engineering Proposal to Update Waterlines Replacement Plans & Specifications

Motion: Rosario Villasana made a motion to Approve Meyer's proposal of \$14,564.00. Daisy Garcia seconds the motion. All Board Members present in favor, Motion carried.

(b) Consideration of election of officers

Board Member Rosario Villasana requested this item to be place on the agenda, after attending recent trainings it was recommended directors change officers periodically. Tom confirmed that's a very common practice with public boards, it helps all directors to learn from each position and at the same time provides some stress relief for those who have been serving as president for a while. No action taken, item will need

to be placed on the agenda next month.

(c) Consideration of Rosario Moncada's Second Connection and Request for Services

Customer received the second sewer penalty and sewer for a second unit behind her home, and she would like to ask if the District can sell her a connection fee for that second unit to avoid having to pay the monthly penalty and second sewer. No action taken at the moment.

(d) Consideration of Tesla's Request for Services

Telsa is requesting water services for an electric vehicle charging station on the east side of I-5, they purchase the property from Highway 58 LLC and they had a will serve letter from the District but it is now expired. This project would bring an economic boost to the community since it would be one of the largest charging stations in California. The water would be mainly used for the restrooms and the water usage stated on the application is only an estimate it can always go down with water efficient toilets. No action taken, the committee will be meeting to review waiting list and determine if any new services will be available.

(e) Consideration for Board Members and Staff to attend the San Joaquin Valley Water Summit

When? Saturday, Oct 14th from 10am – 2pm Registration cost is \$25.00 per person.

Approve covering fees and trip expenses for any board members who would like to attend

Motion: Pioquinto Garza made a Motion to approve covering trip fees to any board members or staff who attend the conference. Daisy Garcia seconds the motion. All board members present in favor, Motion carried.

6. Facilities Manager Agenda

(a) Report on recent odor complaints

Received some odor complaints from a few community members and will be collecting a few samples to find the possible cause of those complaints. I did talk to one community member and he reports the odor is not present every day, it comes and goes.

(b) Consideration of approval to sample effluent treated water

Rosario, Pioquinto to approve testing.

7. CLOSED SESSION:

(a) Conference with Legal Counsel regarding initiation of litigation pursuant to paragraph (4) of Subdivision (d) of Section 54956.9: One potential case

The Board went into closed session at 6:20PM and came out at 6:27PM.

Motion: Rosario Villasana made a motion to Approve Minutes as submitted. Daisy Garcia seconds the motion. All Board Members present in favor, Motion carried.

8. Date and location of November, 2023 meeting

November 2, 2023

9. Staff Reports

None

10. Customer Request &/ Complaints

Customers of Acct's No.1119, 1290, and about 5 more reported concerns due to smell in the water. Multiple verbal complaints due to long billing cycle of September 1st billing. Staff re-read 12 meters, and all meter readings were correct, staff also prepared a customer usage report showing their monthly average use around the same time of the year in 2022.

11. Delinquency Report

Accounts that will be receiving a shut off notice:

1017,1023,1040,1087,1095,1169,1212,1214,1226,1231,1240,1262,1269,1280,1313,1317,1324,1395, 1406, & 1407.

VI. Maintenance & Operations Report

Water – RotoRooter cleaned lines along highway 46 September 19 -21st.

Wastewater – Reported multiple service repairs, full report provided to Board.

VII. Board Members Report

None

VIII. Engineer Report – Amando Garza

Everything covered under regular agenda.

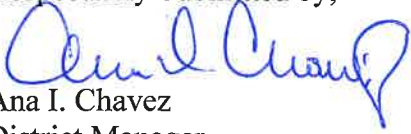
IX. Next Board Meeting – November 2, 2023.

X. Approval of Accounts Payable – September 2023.

Motion: Rosario Villasana made a Motion to Approve September 2023 Accounts Payables. Daisy Garcia seconds the motion. All Board Members present in favor, Motion carried.

XI. Meeting Adjourned at 6:30PM.

Respectfully Submitted by,



Ana I. Chavez

District Manager

Lost Hills Utility District