

LOST HILLS UTILITY DISTRICT

Meeting Minutes

October 7, 2021

- I. The Meeting was called to order at 5:02PM by Board President Vidal Ballesteros. Directors in attendance were Pioquinto Garza, Carlos Garcia Jr, Amanda Rollin, and Daisy Garcia. Also in attendance were Thomas Schroeter, Amando Garza, Wilber Gutierrez and Manuel Cantu.
- II. Approval of Minutes. September 2 & 29, 2021.
Motion: Carlos Garcia Jr, made a motion to Approve Minutes as submitted. Pioquinto Garza seconds the motion. All Board Members present in favor, Motion carried.
- III. District's Financial Report- August 2021.
Sewer Month Profit: \$5,116.51 Year Profit: \$4,634.70
Water Month Profit: \$60,492.71 Year Profit: \$111,315.09
- IV. Public Time for Non-Agenda Items
- V. New Business

1. Consideration of letter from Semitropic Water Storage District regarding potential reduction in water availability to the Lost Hills Utility District

It appears Semitropic is one of the most over drafted water districts, and for that reason they are cutting off all of the farmers back on their water usage, the District does not farm so we hope we can negotiate with Semitropic the terms of the District's water entitlement. To Assist with those efforts the District has hired Attorney Robert Kuhs who specializes in that area and we also have been offered the assistance from Wonderful's legal team to help with those negotiations.

2. Consideration of suspension of the following will serve letters and annexations:

Manuel Cantu with the Wonderful Company was present to support the updated will serve letter request for the 21 housing project. He completely understands the difficult situation with the water reduction notice from Semitropic and is here's to reinstate that Wonderful has offered their legal team to assist the District in the negotiations regarding this issue as well as the negotiations with Caltrans regarding the sewer relocations project. Tom and Ana are already in contact with Wonderful's legal team discussing about both issues.

(a) Wonderful annexation #20 (tract 7368)

49 housing project – Temporarily withdraw WSL and suspend annexation process until further notice.

(b) OQP Homes request for service to 6 residences

Temporarily withdraw WSL

(c) Jose Murillo request for residential service

Temporarily withdraw WSL

(d) To update will serve letter for tract 7367

Asked to provide an updated WSL

(e) Extension of service to Gerardo Angel

Motion: Amanda Rollin made a motion to suspend all pending Will Serve Letters except the 21 homes for which connection fees have already been paid and suspend the process of Annexation No.20 for the 49 housing project development until further notice. At this point we cannot guarantee we will have water to serve any new customers. Daisy Garcia seconds the motion. All Board Members present in favor, Motion carried.

3. Consideration of revised conditional will serve letter

Wonderful has requested an updated will serve letter for the 550 acre feet project for which they would be providing the water to serve their project. The revised letter will state the same terms but

under a different format in which the District will review the circumstances if and when the development is approved by the county and that if the development exceeds the District's capacity that the applicant will need to provide the water from another source.

Motion: Amanda Rollin made a motion to authorize Tom Schroeter accept the revisions with the changes requested. Carlos Garcia Jr., seconds the motion. Motion carried.

4. Cannon Engineers Agenda Items

(a) Consideration of amendment to water utility agreement

Approval of the utility amendment & Cannon Agreement

Motion: Daisy Garcia made a motion to Approve the Amendment to the Water Utility Agreement. , Pioquinto Garza seconds the motion. All Board Members present in favor, Motion carried.

Approval of Cannon Amendment to Agreement for the waterlines relocations project

Motion: Pioquinto Garcia made a motion to Approve Cannon's Amendment to Agreement for the Waterline Relocation Project which is funded by Caltrans. Carlos Garcia seconds the motion. All Board Members present in favor, Motion carried.

(b) GEI pre-application for Well No. 3 Project and change order No. 1

Amando Garza - Well No.3 bids came back so expensive that we are reducing the cost to match the available grant 1.2Million. **Motion:** Carlos Garcia Jr., made a motion to Approve Change Order No.1 to reduce the cost. Amanda Rollin seconds the motion. All Board Members present in favor, Motion carried.

(c) Report from Cannon on corrosion inhibitor

State wants us to retain the injection of the Sodium Hydroxide to keep the PH up, and has given the green light for the corrosion inhibitor.

5. Report on construction of pedestrian bridge

No action taken.

6. Consideration of approval of contract with Albert & Associates to perform annual audit

Cost of \$10,500.00

Motion: Carlos Garcia Jr., made a motion to approve contract with Albert & Associates to perform the annual Audit Report. Pioquinto Garza seconds the motion. All Board Members present in favor, Motion carried.

7. Consideration of agreement with CalTrans for payment of sewer pipeline relocations

We have about \$490,000.00 pending to complete the sewer relocations project, Caltrans has said they are working a loan agreement with a monthly payment of about \$4,000 for the next 10 year. Caltrans got in touch with Kern Coug, but they contacted Wonderful to assist the District.

No action taken, Ana to call special meeting if we have more information.

Amando- we are getting the DWR permit and we will be getting in that area where some of the sewer lines will need to be relocated since there in the way, but we can call special meeting once we get the agreement from Caltrans, so the Board can consider the options.

8. Report on transfer of trailer registrations

No action taken, process still pending.

9. Report on installation of office sign

Ana get some cost of a nice sign for the corner of the property and report at the next meeting.

10. District Manager Agenda

(a) Consideration of ballot for 2021 Annual Meeting of JPRIMA

Motion: Amanda Rollin made a motion to vote for Lisa Yamashita-Lopez. Daisy Garcia seconds the motion. All Board Members present in favor, Motion carried.

11. Closed Session: 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 5:50pm and came out of closed session at 6:09pm.

See attached meeting minutes for closed session.

12. Date and location of November meeting

November 4, 2021.

13. Staff Reports

Everything has been covered under the agenda.

14. Customer Request &/ Complaints

Acct#1127 requesting a late fee waiver because she was out of the Country, and the person that she left in charge brought the payment in late and she always pays on time. **Motion:** Amanda Rollin made a motion to approve waiving the late fee of \$179.64 for this onetime only. Pioquinto Garza seconds the motion. All Board Members present in favor, Motion carried.

15. Delinquency Report

Accounts No.1020, 1023, 1040, 1081, 1093, 1095, 1107, 1115, 1116, 1146, 1148, 1186, 1192, 1200, 1269, 1279, 1280, 1282, 1300,1308, 1341, 1350, 1361, 1375, 1387 & 1391.

VI. Maintenance & Operations Report

Alejandro Ruiz-Wastewater

Report presented by Wilber Gutierrez

Alejandro Ruiz-Water

Report presented by Wilber Gutierrez

VII. Board Members Report

None

VIII. Engineer Report - Amando Garza

Sewer Engineering services agreement is almost to its limit, approximately \$200K, I will bring it for Board consideration at the next Board meeting.

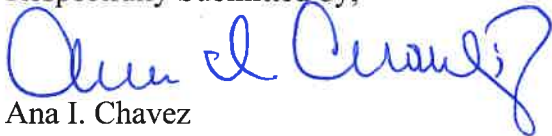
IX. Next Board Meeting- **November 4, 2021.**

X. Approval of Accounts Payable – **September 2021.**

Motion: Carlos Garcia Jr, made a motion to Approve minutes as submitted, 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