

**HEBER PUBLIC UTILITY DISTRICT
BOARD OF DIRECTORS
And HPUD CFD NO. 2005-1 BOARD
1078 Dogwood Rd., Suite 104
Heber, CA, 92249**

Thursday, December 15, 2016 at 6:00 p.m.

MINUTES

The District recognizes its obligation to provide equal access to those individuals with disabilities. Please contact the District (760-482-2440) two working days prior to the meeting with any special requests for reasonable accommodation.

1. CALL TO ORDER:

The meeting of the Board of Directors of the Heber Public Utility District was held at the District's meeting room and called to order at 6:05 pm by Director Sandoval.

2. ROLL CALL:

Director's present at roll call: S. Escobedo, M. Nolasco, Jr., T. Sandoval, D. Garcia-Ruiz. Also present General Manager Laura Fischer, Board Secretary Raquel Carrillo, and General Counsel Steve Walker. Director Tabarez, Jr., arrived at 6:07 pm

3. PLEDGE OF ALLEGIANCE:

The Pledge of Allegiance was led by Director Sandoval.

4. APPROVAL OF AGENDA:

Motion to item 10-A before Item 5-A was made by Director Garcia-Ruiz, seconded by Director Escobedo. Also move Item 9-A before Item 5-A.

Motion approved by Roll Call:

AYES: S. Escobedo, M. Nolasco, Jr., T. Sandoval, P. Tabarez, Jr., and
D. Garcia-Ruiz

The Board took a 5 minute break at 8:25 pm and reconvened at 8:30 pm.

5. INSTALLATION OF OFFICERS:

A. Nominate and Elect a Board Member to the Office of President

Motion to Nominate and Elect Director D. Garcia-Ruiz for Office of President was made by Director Sandoval, seconded by Director Nolasco, Jr.

Motion approved by Roll Call: 5/0

AYES: S. Escobedo, M. Nolasco, Jr., T. Sandoval, P. Tabarez, Jr.,
and D. Garcia-Ruiz

B. Nominate and Elect a Board Member to the Office of the Vice-President

Motion to Nominate and Elect Director Escobedo for Office of Vice-President

was made by Director Nolasco, Jr., seconded by Director Sandoval.

Motion approved by Roll Call: 5/0

AYES: S. Escobedo, M. Nolasco, Jr., T. Sandoval, P. Tabarez, Jr.,
and D. Garcia-Ruiz

C. Nominate and Elect a Board Member to the Office of Treasurer

Motion to Nominate and Elect Director S. Escobedo for Office of Treasurer was made by Director Sandoval, seconded by Director Nolasco, Jr.

Motion approved by Roll Call: 5/0

AYES: S. Escobedo, M. Nolasco, Jr., T. Sandoval, P. Tabarez, Jr., and
D. Garcia-Ruiz

D. Appoint two Board Members to Serve on the Board of the Heber Community Foundation

Motion to Appoint Director Sandoval and Director Tabarez, Jr. to Serve on the Board of the Heber Community Foundation was made by Director Nolasco, Jr., seconded by Director Sandoval.

Motion approved by Roll Call: 5/0

AYES: S. Escobedo, M. Nolasco, Jr., T. Sandoval, P. Tabarez, Jr., and
D. Garcia-Ruiz

6. PUBLIC PRESENTATIONS/COMMENT:

The Board may set time limits on the amount of time any speaker can use to address the Board. Members of the public are allowed to make comments about anything not listed on the agenda. If the comments concern an agenda item, they must wait until that item is up for discussion. If you wish to address the Board, please fill out a "Request to Speak Form" and hand it to the Clerk of the Board and when recognized by the President of the Board, go to the podium and address the Board. The Board can't take action on any item not on the agenda.

7. CONSENT AGENDA: Any item on the Consent Agenda may be removed and placed under New Business at the request of any Board Member or member of the Public.

A. Approve Minutes for the regular meeting of November 17, 2016.

B. Approve Current Demands for November 2016.

The Motion to Approve the Consent Agenda as presented was made by Director Nolasco, Jr., seconded by Director Sandoval.

Motion approved by Roll Call: 5/0

AYES: S. Escobedo, M. Nolasco, Jr., T. Sandoval, P. Tabarez, Jr., and

D. Garcia-Ruiz

8. REPORTS:

A. President and Director's Comments

Director Sandoval mentioned that the County Library presented HPUD with a certificate. Also wanted to know if staff could get together a gift basket for Jack Terrazas and present it to him on Tuesday BOS meeting.

B. Operations Report for November 2016. Informational

C. Water Treatment Plant Improvement Project Update

Juny from The Holt Group gave a brief presentation/upgrade on the Water Treatment Plant Improvement.

D. General Manager's Report

Information was given to Board. General Manager mentioned that the Heber Drill Team wrote letter for donation for new uniforms, Director Sandoval will provide letter next BOD meeting.

9. NEW BUSINESS: Discussion and Possible Action

A. Approve and File the Independent Auditor's Report in Reference to the Fiscal Year 2015-2016 Financial Statements – Representative from White Nelson Diehl Evans LLP.

Daphne from White Nelson Diehl Evans presented the Board with Independent Auditor's Report Fiscal Year 2015-16, and suggested a few recommendations. Motion to Approve and File the Independent Auditor's Report for Fiscal Year 2015-16 was made by Director Garcia-Ruiz, seconded by Director Tabarez, Jr.

Motion approved by Roll Call: 5/0

AYES: S. Escobedo, M. Nolasco, Jr., T. Sandoval, P. Tabarez, Jr., and D. Garcia-Ruiz

B. Information Only Regarding the Community Facilities District 2005-1 Annual Report Prepared by Willdan Financial Services – General Manager Information Only.

C. Approve and Adopt the 2016 Board Calendar – General Manager

Motion to Approve and Adopt the 2016 Board Calendar was made by Director Tabarez, Jr., seconded by Director Nolasco, Jr.

Motion approved by Roll Call: 5/0

AYES: S. Escobedo, M. Nolasco, Jr., T. Sandoval, P. Tabarez, Jr., and D. Garcia-Ruiz

- D. Authorize a Budget Modification of \$10,000 to Increase the Cost Associated With the Completion of the Rate Study as Prepared by Bartle Wells Associates – General Manager

Motion to Authorize a Budget Modification of \$10,000 to Increase the Cost Associated with the Completion of the Rate Study was made by Director Sandoval, seconded by Director Escobedo.

Motion approved by Roll Call: 5/0

AYES: S. Escobedo, M. Noalsco, Jr., T. Sandoval, P. Tabarez, Jr., and
D. Garcia-Ruiz

10. OLD BUSINESS: Discussion and Possible Action

- A. Review Draft of the Proposed Rate Study and Set a Date for the Rate Hearing – General Manager

A Rate Study Review was presented to the Board and a lot of questions and concerns arose from the public. Heber resident Linda Zavala addressed the Board with questions of why their needed to be a raise and what can the public do so the raise won't go through also mentioned she has been experiencing low water pressure. Another resident Maria Godinez also questioned the rates, and asked if the Agenda could be done in Spanish so residents can have a better understanding of it. Resident Tirado mentioned he has had a lot of trouble with sewer being back-up. General Manager Laura Fischer gave an explanation of why the rates needed to be raised and what could happen if they were not approved. Resident's were also concerned about the late fee and asked if the wording could be changed so it could be more clear to them. A Motion to have a Public Hearing Rate Study for March 16, 2017 at 6:00 pm, with a Special Meeting set for January 09, 2017 at 6:00 pm., go review the Rate Study was made by Director Tabarez, Jr., seconded by Director Garcia-Ruiz.

Motion approved by Roll Call: 5/0

AYES: S. Escobedo, M. Nolasco, Jr., T. Sandoval, P. Tabarez, Jr.,
D. Garcia-Ruiz

11. ANNOUNCEMENTS:

- A. Board of Supervisors meets every Tuesday @ 8:30 am 940 W Main St., El Centro. The newly elected Supervisor for our district will take office in December, and Mr. Jack Terrazas will be recognized for his service during the December 20th meeting at 10:30 am.
- B. CSDA newsletter www.csda.net

12. ADJOURNMENT:

Motion to adjourn the meeting at 9:36 pm was made by Director Sandoval, seconded by Director Tabarez, Jr.

Motion passed by Roll Call: 5/0

AYES: S. Escobedo, M. Nolasco, Jr., T. Sandoval, P. Tabarez, Jr., D. Garcia-Ruiz

Minutes of the Regular Meeting for December 15, 2016 were prepared by Raquel Carrillo – Secretary of the Board

A handwritten signature in blue ink that reads "Raquel Carrillo". The signature is written in a cursive style with a large initial 'R'.

Heber Public Utility District is an equal opportunity provider and employer.