



**ACTION SUMMARY MINUTES
SPECIAL MEETING
BOARD OF DIRECTORS MEETING
MALAGA COUNTY WATER DISTRICT
3580 SOUTH FRANK STREET
FRESNO, CALIFORNIA 93725
TUESDAY, JUNE 20, 2006, 7:00 P.M.**

1. **CALL TO ORDER:** Called to order by President Garabedian at the hour of 7:00 p.m.

2. **ROLL CALL:**
 - 2A. **Directors Present:** President Charles Garabedian, Jr., Vice President John Leyva, Director Irma Castaneda, Director Salvador Cerrillo, Director Frank Soto

 - 2B. **Others Present:** Russ Holcomb, Richard Hargrove, Laurie Cortez, Randy Nickel, Michael Taylor and Clara Miranda.

3. **CERTIFICATION:**

Certification was made that the agenda was posted 24 hours before the meeting.

4. **PUBLIC COMMUNICATIONS:**

Any member of the public may address the Malaga County Water District Board on any item(s) of interest within the jurisdiction of the Board, not appearing on the Agenda. The Board will listen to all communications, however in compliance with the Brown Act; the Board cannot take action on items that are not on the agenda. Public may also address the Board on agenda items at the time they are addressed by the Board. Anyone wishing to speak is requested to wait until recognized by the Board President. There were no comments.

5. **BUSINESS**

Budget Workshop: The District Annual Budget estimates for 2006/2007 were presented for the Board's review. Item included the following:

Revenues:

1. No rate increases for water or sewer.
2. Solid waste based on March 1, 2006 increase.
3. Connection and Annexation fees based on Engineer's estimate and tax roll payment.
4. Grants-CDBG, Small Community Wastewater Grant and Balance of State Recreation Grant.

Expenditures:

1. Salaries based on 4% increase (COLA is 4.1%)
2. Benefits based on 10% increase
3. Increase of 10% in allocation of administration salaries and benefits, directors fees and benefits, legal, and accounting to water with corresponding decrease in sewer.
4. Capitol Outlay on budget limited to items to be reimbursed or potentially reimbursed by Grants as follows:

Well #1 and #6	Control Improvements	\$36,000
Well #7	Standby Power	61,000
WWTP	UV Disinfection	505,000
WWTP	DAF	30,000
WWTP	Sludge Beds	109,000
Recreation	Playground Equipment, Roofs, etc.	60,000
5. Capitol items suggested from Engineer (not on budget) are:

Water Main North Avenue	110,400
Well #1 Lube Conversion	24,000
WWTP Monitoring Equipment	7,300
Sewer Video Inspection Equipment	10,091
6. Additional items to be considered such as equipment, vehicles, etc.

Discussion followed on the above items, and after further discussion, it was the consensus of the Board that all of the items under Item No. 5 be added to the Budget. The roofing and playground equipment will be covered under the grants. LAIF could be used for equipment and vehicle upgrades. These items will be presented for final board approval at another meeting.

Discussion followed on the grants for the UV Disinfection project for the sewer plant. President Garabedian felt we would need another restroom in the area of the picnic shelter and pool area and this could be tried for through a grant.

President Garabedian asked about the status of the independent contractors. Discussion followed. Randy Nickel, CPA, stated this would be a Board decision as to how and when the independent contractors status would be changed to either part-time or full time employees. District employee positions would need to be posted. In the meantime, independent contractors will remain as is until the end of 2006.

Discussion followed on the property taxes and the additional capitol items that were addressed in the January 28th Workshop.

Director Cerrillo felt some kind of shade should be placed by the picnic shelter. Discussion followed.

7. **ADJOURNMENT:** Meeting was adjourned at the hour of 8:25 p.m.