

## Board of Directors

Steve Dietrich, President  
Myron Heavin, Vice President  
Matthew Starbuck, Director  
Jorge Magana, Director  
Jim Keeling, Director



1550 East Burton Mesa Blvd.  
Lompoc, California, 93436-2100  
805.733.4366  
[www.mhcsd.org](http://www.mhcsd.org)

Brad Hagemann, General Manager

Mission Hills Community Services District Board of Directors

### Regular Meeting

Wednesday, January 17<sup>th</sup>, 2023

4:30 PM

1550 East Burton Mesa Blvd, Lompoc, CA - District Board Room

#### 1. Call to Order and Pledge of Allegiance

#### 2. Roll Call

3. **Public Comment** – Members of the public may address the Board on any item within the jurisdiction of the Board not included on this agenda for up to 3 minutes. **If you are unable to attend, you can submit comments in advance of the meeting to [admin@mhcsd.org](mailto:admin@mhcsd.org) before 1:00 PM, Tuesday, January 16<sup>th</sup>, 2024.**

4. **Consent Agenda** - Staff recommends Directors approve the Consent Agenda in one motion. Members of the public may comment on a consent item (3-minute maximum per speaker). Directors may pull a consent item for discussion or separate vote.

#### A. Consideration of Approval of Minutes from:

- i) December 13<sup>th</sup>, 2023

#### B. Activity Reports for December

- i) General Manager and Administration Reports
- ii) Water and Wastewater
- iii) Goals and Committee Updates

#### C. Financial Reports

- i) Revenue and Expenses Previous Year Comparison
- ii) Disbursements Journal
- iii) Variation from Projected Income
- iv) Bank Account Summary
- v) Budget to Actual

#### 5. Regular Business-

- A. Discuss and Consider Approval of the Summitt Hill Settlement Agreement
- B. Discuss and Consider Reserve Policy
- C. Discuss and Consider assigning Committee Assignments for 2024 Calendar Year

**6. Closed Session**

- A. PUBLIC EMPLOYMENT Pursuant to Government Code section 54957(b)  
Title: General Manager
- B. CONFERENCE WITH LABOR NEGOTIATORS Pursuant to Government Code section 54957.6  
Agency Designated Representative: District Counsel, Timothy Carmel  
Unrepresented Employee: General Manager

**RECONVENE**

**Report out of Closed Session**

**7. Communications** - The Board of Directors may ask a question for clarification, make an announcement, or report briefly on recent activities or conferences. Also, Directors may provide reference to staff or other resources for information, direct staff to place a topic or report on a future committee or regular meeting agenda.

- A. General Manager's Comments
- B. Directors' Comments
- C. Public Comments (up to 3 minutes for topics within the District's jurisdiction)

**Regular Board Meetings are held on the third Wednesday of each month beginning at 4:30 PM**

Copies of the staff reports, or written materials provided for Mission Hills CSD for Open Session agenda items may be obtained upon request and are also available at the Customer Service Counter of the District Office for public inspection and reproduction during regular business hours. Closed Session items are not available for public review.

**In compliance with the Americans with Disabilities Act** If you need special assistance to participate in this meeting or if you need the agenda or other documents in the agenda packet provided in an alternative format, contact Board Secretary at 805.733.4366 at least 48 hours before the meeting to ensure that reasonable arrangements can be made. (Agenda Prepared under Government Code Section 54954.2)

**Board of Directors**

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Brad Hagemann, General Manager

**Mission Hills Community Services District Board of Directors  
Special Meetings Minutes  
Wednesday, December 13, 2023**

1550 East Burton Mesa Blvd, Lompoc, CA - District Board Room

The Special Meeting of the Board of Directors of the Mission Hills Community Services District was called to order at 4:32 pm on Wednesday, December 13<sup>th</sup>, 2023, at the District Meeting Room, 1550 East Burton Mesa Boulevard, Lompoc, California.

**DIRECTORS PRESENT:**

By roll call: Steve Dietrich, Myron Heavin, Jim Keeling, Jorge Magana, and Matthew Starbuck

**DIRECTORS ABSENT:**

**STAFF PRESENT:**

Brad Hagemann, Lupe Huitron, Angel Diosdado, Javier Rodriguez, and John D'Ornellas.

**OTHERS PRESENT:**

Dorn Mars

**1. Call to Order and Pledge of Allegiance**

**2. Roll Call**

**3. Public Comment-** No public comment received.

*Board Chair moved Agenda Item 4. A to be discussed after the Regular Business Items.*

**4. Closed Session**

- A.** Public Employment Pursuant to Government Code Section 54957(b)  
Position: General Manager

**Reconvene**

Reports out of closed session- No reportable action.

**5. Consent Agenda-**

**A. Approved Minutes in the December Special Board Meeting**

- i.) November 15, 2023, Regular Meeting

**B. Activity Reports for December**

- i.) General Manager and Administrative Reports
- ii.) Water and Wastewater
- iii.) Goals and Committee Meeting updates

**C. Financial Reports**

- i) Revenue and Expenses Previous Year Comparison
- ii) Disbursements Journal
- iii) Variation from Projected Income
- iv) Bank Account Summary
- v) Budget to Actual

**Approved Consent Items**

Motion made by Director Keeling and seconded by Director Starbuck, to approve the Consent Agenda as presented **Motion passed 5-0 vote.**

**6. Regular Business Items**

**A. Discuss and Consider Approval of the Summitt Hills Settlement Agreement**

Motion made by Director Dietrich to return the Agreement to legal Counsel with a request to narrow the scope of the release and waver language. The motion was second by Director Magana. **Motion passed 5-0 vote.**

**B. Discuss and Consider Officer Elections and Committee Assignments**

Recommendation to nominate and elect President, Vice President, and Finance Officer for Calendar Year 2024.

**President:** Director James Keeling moved to nominate Director Jorge Magana for President, second by Director Steve Dietrich **Motion passed 5-0 vote.** Director Magana will serve as Board President in 2024.

**Vice President:** Director Steve Dietrich moved to nominate Director Myron Heavin for Vice President, second by Director Matthew Starbuck. **Motion passed 5-0 vote.** Director Myron Heavin will serve as Vice President in 2024.

**Finance Officer:** Director Myron Heavin moved to nominate Director James Keeling for Finance Officer, seconded by Director Matthew Starbuck. **Motion passed with a 5-0 vote.** Director James Keeling will serve as Finance Officer in 2024.

**C. Discuss and Consider Nominations for the one LAFCO Regular and Alternate Special District Member.**

The Board endorses Director Jorge Magana to be the Nominee for the (LAFCO) Local Agency Formation Commission.

**D. Discuss and Consider Approving Resolution Nos. 23-353 and 23-354 updating the Districts Signatories with Local Agency Investment Fund (LAIF), Coast Hills Credit Union and Five Star Banks.**

Motion made by Director Keeling to approve Resolution Nos. 23-353 and 23-354 updating the Districts Signatories with Local Agency Investment Fund (LAIF), Coast Hills credit Union and Five Stars Banks, second by Director Starbuck. **Motion passed 5-0 vote.**

**7. Communications** - The Board of Directors may ask a question for clarification, make an announcement, or report briefly on recent activities or conferences. Also, Directors may provide a reference to staff or other resources for information, direct staff to place a topic or report on a future committee or regular meeting agenda.

- A. General Manager's Comments-** None
- B. Directors' Comments-** None
- C. Public Comments-** None

With no further business to come before the Board, the meeting was adjourned at 6:45PM.

Respectfully submitted:

**Lupe Huitron**

X

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Steve Dietrich, President

X

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Lupe Huitron, Board Secretary



General Manager and Administrative Activity Reports for  
**January 2024**

**Board Secretary**

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Significant non-routine items addressed by the Board Secretary this past month included assisting the GM with receiving, reviewing, and issuing Can and Will Serve letters for several proposed Auxiliary Dwelling Unit (ADU) projects. ADU project proposals are on the increase as property owners are converting garage units and/or adding new units to existing lots.

The Board Secretary also corresponded with LAFCO staff regarding the Board's endorsement of President Magana to run for the upcoming CSD's representative on the LAFCO Board. President Magana will run for the primary as well as, the alternate position on the LAFCO Board. In addition, the Board Secretary responded to a couple routine Public Record Act Requests. The District typically only gets 3 -5 Public Record Act Requests per year.

**Customer Service/Account Receivables**

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Customer Service applied a 10% late for 147 accounts in December. They also sent out a "7-day" shut off notice to 9 customers in December. Two District customer accounts remain shut off due to lack of payment. The District received \$9,973 in 2023 for customer assistance from the California Low Income Water Payment program.

**Administrative Services Manager**

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Significant non-routine items addressed by the Administrative Service Manager this past month included finalizing the employee benefits open enrollment process. Remarkably, the costs for medical benefits in 2024 remained about the same as 2023. Carol also initiated the Preliminary Work for FY 23/24 Financial Audit and assisted with providing the District's consultant with data to prepare the draft Capacity Fee Study. Both Director Keeling and Carol will be attending the CSDA Leadership Conference in February in San Luis Obispo. Carol was able to obtain CSDA Scholarships for both her and Director Keeling's registration fees for the Leadership Conference.



General Manager and Administrative Activity Reports for  
**January 2024**

**General Manager Report**

**Water Tank Repair Project**

Crosnos Construction has completed approximately 90% of the Tank Repair Project. The remaining scope includes some coating touch up and installation of the flexible coupler on the West Tank. The coupler cannot be installed until the District repairs a leaking underground valve on the West Tank. There are three valves in close proximity to the leaking valve, so staff is seeking quotes to replace all three valves since there are approximately 40 years old and near the end of their useful life. The approved Water CIP budget includes funding for valve replacement, so staff intends to use this funding (approximately \$25,000) to replace the valves.

**Burton Ranch Development Project**

Facilities Design – On November 8<sup>th</sup>, Stantec provided a draft Operational Analysis Technical Memo for staff review and comment. Staff met with Stantec in mid-November to discuss the draft Tech Memo and provide comments. On December 1, 2023, Stantec provided the Final Operational Analysis Tech Memo. Stantec is now moving into preparing the project plans and specifications.

On December 18<sup>th</sup>, 2023, the District and Stantec held a Water Tank and Well Bldg. Design meeting at the District offices. The Meeting Notes from the December 18<sup>th</sup> meeting is provided as an attachment to the Report.

**FY 2024/25 Budget Preparation**

Staff is in the process of gathering mid-year revenue and expenses data and full year projections in preparation for developing the Draft FY 24/25 Budget. Staff anticipate holding a Board Budget Workshop in early March to receive Board input on the Draft Budget. The schedule for the Budget preparation and approval process is provided as an attachment to this Staff Report



## Meeting Notes

### MHCSD – Raw Water Tank, Well Building, Final Design Kick-Off Meeting

Mission Hills Community Services District / 184031566

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Date/Time: December 18, 2023 / 10:00 AM  
Place: 1550 Burton Mesa Blvd, Lompoc, California 93436  
Attendees: Rick Hoffman, Javier Rodriguez, Brad Hagemann, Greg Van Sande, Gabrielle Kasman, and Carrie Poytress

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#### Well #7 Information:

- MHCSD hopes the well pump will be functioning for 10 more years because recently replaced some parts.
- Stantec asks how to improve on well 7's access issues:
  - Stantec asks if hatch is too small.
  - MHCSD says no. The hatch is just off centered.
  - Stantec will also need to make sure configuration allows a truck to get as close as possible.
- MHCSD confirms well has 450-550 gpm yield, so 500 gpm is a reasonable planning number.
  - Note: there's little data for well 4 and 5. Well 4 has been abandoned and filled with silt for ~10-20 years.

#### Well #8 Pump Information:

- MHCSD confirms nominal HP range is 50-60, so Stantec's 60 HP assumption works.

#### Booster Pump Information:

- MHCSD found that 500 gpm at 310' of head results in a net 60 HP. Rick requested that the HP assumption is checked.

#### Backup Generator:

- MHCSD requests permanent, enclosed, switch backup generator
- Stantec notes this is a significant cost and not a part of the initial budget planning.
- MHCSD concludes if work can be done for ~\$50,000, they will want to go for it. MHCSD notes past project it got done for ~\$80,000.

#### Flow Control Valve or VFD/Throttle:

- MHCSD was thinking about the FCV, but concerned about wasting power.
- Stantec notes that while VFD has more capacity/efficiency, it will be expensive.
- MHCSD wants to find out how much each option costs before making final decision.

#### Project Schedule:

- MHCSD explains how grading for Burton Ranch likely won't begin until December 2024
- Stantec notes this is much later than previously expected.
- Both agree that a meeting in January will be scheduled to discuss project schedule and possibility of extending project deadline past March.

#### Well Building:

- MHCSD notes project won't be using current building code because it's being updated this year.
- Javier from MHCD will forward the tank plans.



Mission Hills CSD Budget Calendar  
Fiscal Year 2024-2025

<b>January 17</b> <b>11:00 AM</b>	<b>Staff Budget Meeting</b> Staff to discuss revisions to Operating and Capital Improvement Budgets.
<b>March 6</b> <b>10:00 AM</b>	<b>Board Workshop – Budget Discussions</b>
<b>March 20</b> <b>2:00 PM</b>	<b>Finance Committee – Review and Discuss</b> Operating and Capital Improvement Budgets
<b>April 17</b> <b>4:30 PM</b>	<b>Board of Directors Regular Meeting</b> Board to Review Proposed Operating and Capital Improvement Budgets
<b>May 1</b>	Publish Budget Notice in Newspaper (One Notice, Two Weeks Prior to Meeting)
<b>May 15</b> <b>4:30 PM</b>	<b>Board of Directors Regular Meeting</b> Public Reading and Adoption of Final Operating and Capital Improvement Budgets

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