

**MINUTES**  
**FALL RIVER VALLEY COMMUNITY SERVICES DISTRICT**  
**REGULAR BOARD MEETING**  
**July 11, 2018 6:00 PM**

**CALL TO ORDER:**

Chairman Monath called the meeting to order at 6:00 p.m.

**ROLL CALL OF DIRECTORS:**

Directors present: Monath, Colby, Gooch. Ontano

**VISITORS:** Tyler Dewitt, Sergio Guillen

**PUBLIC COMMENT:** None

**APPROVAL OF MINUTES:**

- Approval of Regular Meeting Minutes for 06/13/2018
  - o Director Ontano made a motion to approve minutes. Director Gooch seconded, and the motion was passed unanimously with a vote of 4 ayes. (Gooch, Monath, Colby, Ontano)

**COMMUNICATIONS:** None

**CONSENT AGENDA:** None

**Chairmans Report:**

- Chairman Monath
  - o Think about starting a depreciation savings account next month.
    - Would be used to replace equipment (vehicles etc)
    - Start at \$2,500 a month
    - Will get on the agenda for next month
  - o Can't get the water quality where it should be at the airport project.
    - There are metal flakes in the water
    - The service will provide water to a couple customers and also provide a loop in the area.
  - o The hospital tied in an 8" line into our existing 10"
  - o Amber has been getting job descriptions and the pay scale ready for the meeting.

**Operations Report:**

- Larry Fowler (written) Presented by Bill Johnson
  - o The results of the coliform testing for the month of June came back clear.
  - o The airport pipeline in complete, however the samples are still not clear.
  - o Working closely with PG&E on North Long Street.
    - PG&E may be covering the cost of the project since they will have to expose their gas line. The plan is to have a joint trench with their gas line and our water lines.
    - The project is on hold for now to help with financial costs to the district, and the safety of our crew.
  - o Mountain Valleys Health Clinic is expecting to tap into the main line sometime this month. We will be there to oversee that project to protect the FRVCSD system and make sure it's done to state standards.
  - o Karl is progressing very well. He has been on call and for a couple weekends with Larry running the well and providing support if needed.

## **Parks & Rec:**

- Paulette Gooch
  - o The MOU consideration for Lomakatsi will have to be considered in August. They were unable to get it to us this month because of other obligations.
  - o The escrow will be closing for the Community Park property soon, but we are still waiting. Waiting until after that to purchase the Stoltenberg property.
  - o The grant was extended to June 30<sup>th</sup> of 2020, thanks in most part to Bruce Ross visiting from Brian Dahle's office.
  - o Lomakatsi will send a youth for training with the \$3,000 from the Burney Rotary.
    - The FRVCSD was sent the money but we are waiting on an official request, so we can release the funds to them.

## **Manager Report:**

- Bill Johnson
  - o The conductor upgrade at Well #1 is complete.
    - o PG&E completed the work quickly on June 14<sup>th</sup>
    - o Ready to get going on the tank and pump station
    - o The new transformer was paid for 3 years ago by a contract. Will get the \$20,000 back at some point.
    - o Large bill from quicksilver electric for our part of the upgrade.
  - o Total cash and equivalents at the end of June are \$148,946, down from \$159,925.40 last month.
    - o Reflection of the continuing work on our water system.
  - o Totals for the fiscal year 2017-2018
    - o Total revenue for 2017-2018 fiscal year was \$669,508.80, or 97.7% of budget.
    - o Total expenses were \$449,223.01, or 77.34% of budget.
    - o Left with a net revenue of \$220,285.79
  - o Be aware that there are no further rate increases in the works, employee costs will be going up with a more experienced crew and hiring a new GM.
  - o Water loss for June came to 27.7%. High for June but we have been doing a lot of flushing of the lines. In 2017 it was 19.4%, while 2016 was 7.8%.

## **Treasurer Reports:**

- Bill Johnson
  - o Operating reserve balance is now \$30,018.05. Growing steadily every month.
  - o Not including grant reimbursable funds, the payables equal \$26,616.08, \$14,725 of that is the Berkadia Sewer bond payment. This puts the remaining payables at a reasonable \$11,891.08
  - o Approve Financials:
    - Director Colby made a motion to approve the invoices for payment. Director Gooch seconded the motion and it was passed unanimously by 4 ayes. (Gooch, Monath, Colby, Ontano)

## **OLD BUSINESS:**

- Reconsider Emergency Availability Policy
  - o Some discussion about the on-call part of the policy, but it was already passed in the last meeting.
    - The question was about having an hour to respond and what exactly that means. The board agreed that the employee should respond as soon as possible, and it is written as within an hour in the policy previously approved.
  - o Director Colby still not comfortable with the wording of "available 24 hours per day" but will accept it since the lawyer drafted the policy. The two paragraphs in number 6 seem to overlap and could be combined into one without the 24 hours a day.

- Director Colby made a motion to pass the emergency availability policy paragraph six, as amended. Director Ontano seconded the motion and it was passed unanimously by 4 ayes. (Gooch, Monath, Colby, Ontano)
- Reconsider election resolution
  - Resolution 2018-3 ordering the Board of Directors Election; Consolidation of Elections; and Specification of the Election Order.
  - This was passed last month as Resolution 2018-2, but the resolution needed a correction per Shasta County.
  - Director Ontano made a motion to approve Resolution 2018-3 as written. Director Colby seconded the motion and it was passed unanimously by 4 ayes. (Gooch, Monath, Colby, Ontano)

## **NEW BUSINESS:**

- Presentation of Wastewater Master Plan by Sergio Guillen of Forsgren and Associates
  - Benefits of a Master Plan
    - Provides a vision for capital improvement projects and investment priorities.
    - Aligns investment decisions to a long-term plan
    - Facilitates process requesting grants and loans
    - Helps identify areas in need of utility development
    - Helps evaluate short-term plans with long-range benefits
  - Summary of Work
    - Preliminary Evaluation
      - Reviewed existing system
      - Developed possible alternatives
      - Investigated acceptability
      - Evaluated population growth and needs
    - Alternatives Analysis
      - Developed alternative components
      - Estimated alternative costs
      - Developed screening methodology
      - Selected preferred alternative
    - Capital Improvement Projections
      - Developed projects list
      - Drafted final report
      - Estimated user rates impacts
  - The existing system ends at the hospital. The expansion would extend to the McArthur service area.
  - Alternatives
    - Keep the system as is
      - The State is trying to eliminate all septic tanks in California
        - Not servicing septic tanks is causing problems in places with water and ground contamination.
    - Treatment Plant in McArthur
      - Expensive initially and upkeep/maintenance an increasing cost
    - Septic tank effluent pumping (STEP) treatment system in McArthur
      - Septic tanks will stay, and they will all go to a central tank
    - Use existing evaporation lagoons
      - They are already large enough and would work for McArthur also
      - This is the least expensive option
      - Pump station is already in service
      - Use existing lift station until the system grows and it can be refurbished to meet the larger service area

- Use RV park lagoons
      - Can become expensive because they need expansion and also maintenance
  - Director Gooch asks if the odor would be a problem at the lagoons with more going into them
    - GM Johnson says that Larry Fowler has been doing a great job at treating them with a dry chemical. They are evaporation ponds and this, or they, do not cause pollution.
  - The Master Plan also covers expansion to Williams Rd, Country Club, and Glenburn Rd as an extension of the service area.
  - Phase Implementation Schedule
    - There are four phases and 8 projects
    - Each project has five steps
      - Procure Funding
      - Final Planning/Environmental Studies
      - Engineering Design
      - Bidding and Construction
      - System Startup
    - Projects
      - Project 1 -McArthur Serve Area Extension
      - Project 2- Hwy 299 Service Area Extension
      - Project 6- Replace Lift Station 1
      - Project 7- Replace Lift Station 3
      - Project 8- Lagoon Improvements
      - Project 3- Williams Rd Serve Area Extension
      - Project 4- Country Club Serve Area Extension
      - Project 3- Glenburn Rd Serve Area Extension
    - Phases may take less or more time
      - Phase 1 - 2018 to 2023
      - Phase 2 - 2024 to 2029
      - Phase 3 – 2030 to 2035
      - Phase 4 – 2036 to 2041
  - Total cost will be at least 20 million dollars.
  - Rate impacts will have to be determined. Rates will go up, but the sewer customers in Fall River Mills cannot have the expense passed on to them, by law.
    - There will be different rates within the district, which is not uncommon.
  - The more Grant money that is received, the less the cost will be put on the district and rate payers.
  - The state has rate standards that limit how much you can charge your customers. If the cost is going to be too high for the customers, there is a better chance of getting grant money to cover costs.
  - The original sewer system was built to accommodate expansion and population growth.
  - Chairman Monath says that we should get a high percentage of help from grants since we are a severely disadvantaged district.
  - Jim Cook will be starting a public outreach program to see what the public feeling about this is.
  - Sergio pushed hard to get an actual Wastewater Master Plan created.
  - Chairman Monath expressed his appreciation for the excellent work done by Sergio.
- Adopt Wastewater Master Plan Resolution 2018-4
    - Director Colby likes the pro-active language of the resolution.
    - Director Ontano made a motion to approve Resolution 2018-4. Chairman Monath seconded the motion and it was passed unanimously by 4 ayes. (Gooch, Monath, Colby, Ontano)
  - Consider adjusted pay schedule
    - The goal is to update the pay schedule to be valid for all positions in the district.
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- Director Gooch made a motion to approve the pay schedule as written. Chairman Monath seconded the motion and it was passed unanimously by 4 ayes. (Gooch, Monath, Colby, Ontano)
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- Consider update of job descriptions
  - It is suggested by Director Colby that everyone needs to be operating under these current new job descriptions.
    - Sky Snyder does not have an operating license, although he passed the test.
    - Amber Beck is doing the job of the Office Manager.
  - GM Johnson is concerned that the “full time” and “part time” boxes at the top of the descriptions are not clear.
    - Amber Beck wasn’t sure what to do for some of them and needs clarification on them.
      - Change them all to full time, leaving temporary help part time.
  - Director Colby made a motion to approve the job descriptions as amended. Director Gooch seconded the motion and it was passed unanimously by 4 ayes. (Gooch, Monath, Colby, Ontano)
- Consider potential change to drug policy to emphasize the importance of a “Drug Free” workplace
  - Chairman Monath points out that the drug policy will not change, it will read exactly as it does now. The goal is to confirm that this is a drug free workplace.
  - The goal is to make a motion that the CSD is a drug free workplace and that we will adhere to our policies and procedures, and any state or federal policies that deal with a drug free workplace.
  - Director Gooch - with marijuana being legal, and the fact that it stays in your blood, what is the rule about this?
    - Director Colby believes Drug Free means no drugs at all
    - Chairman Monath – according to policies and procedures, any detectable amount you are considered to have a controlled substance in your body. You can be up to and including terminated. It doesn’t say you have to be terminated, just that they can be. To protect the district, anyone with a controlled substance in their system should be released for the safety of everyone in the crew.
    - Director Colby believes there is backing for what Chairman Monath said by section 8344 of the California Code, “Every person or organization awarded a contract or a grant for procurement of any property or services from any state agency shall certify to the contracting or granting agency that it will provide a drug-free workplace”.
      - According to information that Amber printed out from Davis Wright LLP, “Employers can randomly test employees who perform safety sensitive jobs, if there is reasonable suspicion that the employee may be under the influence, and where required by law.”
  - Chairman Monath - Does the board want to give direction to the general manager about what to do if someone tests positive? Should someone be terminated if they have a controlled substance in their system?
    - The lawyer should be consulted
    - GM Johnson relayed that the lawyer says that it is a complicated matter when it comes to cannabis. Suggests that the current drug policies be left in place until further advice from the lawyer.
      - The current policies do leave it to the general managers discretion how to deal with a positive result.
      - Chairman Monath would like to take the weight off the general manager and make it more “black and white”.
        - Ron Colby – If there is a positive random test, give them a second chance with a re-test, but suspend them for a time. If there is a second positive, then they are let go.

- GM Johnson- what are the laws around random drug testing?
- Director Colby- We owe it to the other employees to test the employees to ensure the safety of those they are working with.
- GM Johnson doesn't want the district to get tangled up in a mess, so suggests consulting legal regarding random drug testing. Cannabis complicates the situation.
- Director Ontano, Director Colby and GM Johnson all have been randomly tested at their jobs.
- Larry Fowler makes a case for zero tolerance because someone can go home, smoke weed, and be called in an hour later, have an accident and get tested, then say that they smoked it three weeks ago.
- Director Colby made a motion to declare the CSD to be a Drug Free Workplace. Director Gooch seconded the motion and it was passed unanimously by 4 ayes. (Gooch, Monath, Colby, Ontano)
- Director Colby made a motion to suspend an employee who has a controlled substance found in their body without pay for one week pending retest. Director Ontano seconded the motion and it was passed unanimously by 4 ayes. (Gooch, Monath, Colby, Ontano)

**Meeting adjourned at 8:49 pm**

- **The next board meeting is 08/15/18**

Respectfully Submitted,

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Bill Johnson, General Manager

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Date

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Jerry Monath, Chairman of the Board

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Date