

MINUTES
FALL RIVER VALLEY COMMUNITY SERVICES DISTRICT
REGULAR BOARD MEETING
June 15, 2016 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, Gooch, Ontano, Snyder,

Directors absent:

VISITORS: None

PUBLIC COMMENT: None

APPROVAL OF MINUTES:

Approval of Regular Meeting Minutes for 05-11-16

Director Ontano made a motion to approve the minutes. Director Gooch seconded the motion and was passed by a vote of 4 ayes. (Ontano, Monath, Gooch, Snyder)

COMMUNICATIONS: None

CONSENT AGENDA: None

REPORTS:

Chairman's Report:

Chairman Monath reported he attended LAFCo's last meeting where he met the presumptive Executive Officer, George Williams. It appears that Brenda Haynes will be seated on the LAFCo Board along with Herman Faust. At this time, Steve Morgan did not get a seat but may become an alternate. Chairman Monath met with George Williams and reported it seems he will be easy to work with. LAFCo does not have an Annexation Rate Schedule out yet, which is one of the things we are interested in, to see what we would be charged to annex different segments in our area.

LAFCo is having problems with the Grand Jury due to several different incidents, which were taken personally by different members of LAFCO. Chairman Monath advised them not to take it personally as you cannot win an argument with the Grand Jury.

No graphs are included in this month's board packet and won't be until the start of the new fiscal year. He complimented Bernice on improving the aging report from multiple pages down to one page.

Bernice explained the old data base and the new data base are different and water and sewer need to be listed separately. Each data base is different and she could not get them to work together to get that information separate. Once we are in the new fiscal year; she will have the information as needed to make graphs.

The district had delivery of a new excavator which will enable our operations staff to work with efficient, safe equipment. This was a great accomplishment and Robert Mann of Plumas Bank worked hard for us to obtain the loan to purchase it.

Water & Sewer: Casey Rodriguez

- The new excavator was delivered to the district on Tuesday. Casey is very excited about having such a nice piece of equipment to do work necessary out in the field. He thanked Bill and the board for pursuing this and making it happen.
- Dirt will be delivered to the cemetery on Thursday
- Two fire hydrants are scheduled to be repaired the second week in July.

- One of our customers' has a meter that is deep set and is always full of water so has not been read but estimated for some time. Replacement of the meter and a new box is scheduled for Friday. At that time, the meter will be brought up to grade. The customer has a leak and will pay for the repair as it is on his side of the service.
- May water samples were good, June samples already sent in and waiting for results.
- Solenoid at well needs to be replaced as we don't know if it will last much longer. Electrician said we are lucky it lasted this long (3-4 years) with the pressure from the system constantly going on and off.
- Casey is pleased with new electrician. Our previous electrician retired in January of this year.
- James will be reroofing the booster pump shed by the water tanks.
- Looking into getting the storage tanks cleaned professionally and work done on the outside, possibly sand blasted and painted.

Parks & Rec:

Bill reported that the Stewardship Council may possibly establish an endowment. There was discussion on having the Lions Park included in the package. Bill requested the board put together a budget with the park land from PG&E together with the Lions Park. He will ask Chanz Joyce and budget for each site is necessary or if can be done in one.

Manager Report: Bill Johnson

Infrastructure improvement bids were opened May 17. Two qualified bids were received. The low bid was from Hat Creek Construction and Materials. Forsgren evaluated the bids and recommended the bid go to Hat Creek Construction and Materials.

A preliminary report from Vestra showed the ground in the basement where the feed mill stood has thallium. This was used to kill rodents. No action will be taken until the final report is complete.

Preliminary district maps from Vestra are available. When we receive the final version Bill will have two large copies made, one for the board room and the other for the front office. He has compiled in one binder, copies of all deeds on district property and information from Shasta County regarding the district's initial formation. Additional information provided by Shasta LAFCo shows the 7 annexations that have occurred.

Bill met with personnel from the State Revolving Fund, our regulators from the Division of Drinking Water, and our engineers in Sacramento on May 25th. This was intended to seek funding that was made available through the passage of Proposition One. Our goal is to complete the Phase One Improvements that we can't afford with remaining funding from our existing grant. Their reaction was favorable after examination of our application. We did not follow the normal sequence and they will assist us in getting it in order. This process will take 2 years. There is good news as we may qualify for very favorable terms. Since we are a severely disadvantaged community there is potential for a great deal of principal forgiveness.

- o May operating revenue was \$37,839.39. The budget for the month was \$35,425.00.
 - o Operating expenses totaled \$26,165.24, approx. 19% under budget.
 - o The operating account has a balance of \$14,860.43.
 - o The savings account has a balance of \$1,344.76.
 - o The Capital Improvement Account has a balance of \$46,201.49.
 - o Accounts payable total, exclusive of grant reimbursable items is \$5,337.39.
- The various debt reserve accounts are fully funded per the requirements of our lenders.
- o Water loss for the month of April was 28%.

A problem has come up the Knoch family for the location the new pressure release valve to be located across from the Catholic Church. Bill suggested the site may be moved to where the old Chiropractic Office was. Bill will approach the Craig Knoch again to try and work things out.

Chairman Monath reported that the mobile home park in McArthur is still having issues with their well. The state has been involved during the past year. It is possible the owner of the site will have to connect to district water.

Municipal Advisory Committee: None

Treasurer Report: Bill Johnson

- Financial Report
Bill used the overhead projector to show the positive uphill trend of the district's finances.
- Approve Invoices
Director Snyder made a motion to approve invoices. Director Gooch seconded the motion and was passed by 4 ayes. (Monath, Ontano, Gooch, Snyder)

OLD BUSINESS:

- o Adopt Resolution 2016-5 from Plumas Bank for excavator purchase (I) (D) (A)
Director Snyder made a motion to accept Resolution 2016-5. Director Ontano seconded the motion and was passed by a unanimous vote of 4 ayes. (Monath, Ontano, Gooch, Snyder)
- o Approve 2016-2017 Budget
Bill went over budget and stated that changes to legal and accounting, shop supplies and consulting need to be made. There was discussion on how much these items should have budgeted for the year. Shop supplies was increased to \$10,000, legal and accounting \$15,000 and consulting \$6,000. Repairs had originally been considered for a change but it was agreed that the amount of \$19,200 was sufficient. Chairman Monath made a motion to accept the budget with the changes to shop supplies, legal and accounting and consulting. Director Snyder seconded the motion and was passed by a unanimous vote of 4 ayes. (Monath, Ontano, Gooch, Snyder)

NEW BUSINESS:

- Possible board member
The board has been trying to recruit people for the board with no results. A vacancy notice for the position will be posted.
- Award bid for PRV Bypass, SCADA and site work.
As stated in the managers' report, Forsgren recommended the work be awarded to Hat Creek Construction and Materials. Bill requested that the board authorize him to contact Hat Creek with a notice to proceed. Director Ontano made a motion to award Hat Creek Construction and Materials with the bid and to authorize Bill to give them the notice to proceed.

Meeting adjourned at 8:08 pm

The next board meeting is 07-13-16

Respectfully Submitted,

Bill Johnson, General Manager

Date

Jerry Monath, Chairman of the Board

Date