

**MINUTES**  
**FALL RIVER VALLEY COMMUNITY SERVICES DISTRICT**  
**REGULAR BOARD MEETING**  
**August 17, 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, Snyder, Ontano will be about 30 minutes late  
Director Ontano was present at 6:20

Directors absent: None

**VISITORS:** None

**PUBLIC COMMENT:** None

**APPROVAL OF MINUTES:**

**Approval of Regular Meeting Minutes 07-13-16:**

Director Gooch made a motion to approve the minutes. Director Snyder seconded the motion and was passed by a vote of 3 ayes. (Monath, Gooch, Snyder)

**COMMUNICATIONS:** None

**CONSENT AGENDA:** None

**REPORTS:**

**Chairman's Report:**

Chairman Monath reported that after review of the district's employee application form, it was lacking the statement that all applicants would be required to have a physical exam and drug test. A new application has been drawn up to replace the old one stating the physical and drug test were mandatory prior to employment. Included in the application is the statement "if you are unwilling to consent to such an examination or test if offered employment, it is recommended that you not submit an application."

The district is in the process of hooking up the McArthur Mobile Home Park. During our negotiations with Mr. Peterson, the State got involved, writing him a letter basically telling him to either hook up or they would force him to. He has opted to hook up.

Casey will be going to Reno tomorrow to pick up a trailer to haul the excavator to job sites.

**Water & Sewer:**

- July Water samples were good.
- James did weed control at the ponds.
- There were a few calls complaining of odor in the water on Long Street and Windchime Drive. Hydrants were flushed to clear lines. He believes the odor is caused by biofilm build up in the steel pipe, minerals in the water and the hot weather.
- He has an appointment with our insurance, JPIA, for an annual inspection of all the district holdings.
- The old compressor is going to be moved to the booster pump station as there have been problems with the current one. This will supply more water to the pneumatic tank which supplies water pressure to the nearby subdivision.
- Parts for the hydrant are at the county yard and Bud at the Fire Department will install parts when he has time.
- There have been calls by the public that water tanks have been getting water near the fire department in McArthur. Casey found it was the county truck and they have been logging all

fill ups which they give to us monthly.

- Casey will pick up the trailer for the excavator tomorrow which will allow work that has been on hold done, such as the leak at the DMV and another leak by the hospital. The leak near Rays Market is too large a job (traffic control etc.) and will be contracted out. All these jobs will be covered by the leak detection grant.
- He has given Bill figures on cost for new service at the McArthur Mobile Home Park. It covers the cost of installation for one or two meters, which it is not been settled on. Once the resolution (in board packet) is approved and signed Bill anticipates work to begin in late September. The resolution is required to obtain funding from the grant for this project and he is unsure of how long it will take to obtain funds once the State receives the resolution.

**Municipal Advisory Committee:** This was moved ahead on the agenda to accommodate Ross Jones so he didn't have to wait through Parks & Rec and Manager Report)

Ross Jones stated that he does not have the time to devote to the MAC at this time and there is not enough public involvement and a lack of interest from our County Supervisors. He stated, "Until we get a Supervisor interested in a Municipal group, we would be best suited to set it aside." He brought the check book and all paperwork associated with the MAC. He wrote out a check for the balance of the account \$963.51 to close out the account and deposit it into the operating account until a decision is made where to put it. Bill will talk to Sandie Jensen about it.

Director Snyder made a motion to discontinue the MAC until further notice. Director Gooch seconded the motion and was passed by a vote of 4 ayes. (Gooch, Monath, Ontano, Snyder)

#### **Parks & Rec:**

Director Snyder reported that there was a ball tournament on the 6<sup>th</sup>. The Pit River Tribe put up some money for it and had a banner there. It is not known who will receive the funds. Chris Cordova has done a huge amount of work at the park working with the Lions Club. An ongoing coed tournament started last night.

Director Snyder wondered if the soil in the basement of the feed store could be used at the sewer ponds for the levees. Bill said it probably was not a good idea because there is more than dirt there, such as steel and concrete making it hard to engineer a good levee. Bill suggested covering the dirt at the feed store is to level it, pour a concrete slab and put a gazebo on it. That would eliminate the need to haul off the dirt.

Director Gooch suggested talking to Andrew Braugh to address issues on what can and cannot be done with the property. Bill will set up a meeting with Andrew for September.

#### **Manager Report:** Bill Johnson

Hat Creek Construction signed the contract to perform the infrastructure improvements funded by the Proposition 84-funded grant. This will consist of an upgraded and relocated pressure regulating valve and bypass, preliminary site work at Well #1, and installation of a basic SCADA system. A Notice to Proceed was issued on August 10<sup>th</sup>. The PRV improvements should begin a week or two after fair, according to their project manager. Bill did not get an easement done to provide power to the bypass. Not knowing we would need power and it was not part of the original plan, he had not pursued it. When plans were changed, it was clear power was needed. This process is done by PG&E and takes about 6 months.

The owner of the McArthur Mobile Home Park, Mr. Bob Peterson, has formally agreed to receive water service from the district. The grant to fund this work will become available following the board's adoption of Resolution #2016-6.

The process of applying for funding from the State Revolving Fund is continuing. We need to satisfy federal environmental requirements, which is costly. It was advised by the SRF staff to apply for a planning grant, which would cover costs. After that, we will reapply for construction assistance.

A new trailer for hauling the excavator has been purchased and supplies at a cost of \$9,418.28. Funds from the capital improvement account were used for the purchase.

Bill helped James in retrieving a chain that is used to hoist the sewer pump up, came unhooked from the lid. The end of the chain got sucked up into the pump and eventually they retrieved the chain and after solving that they were pleased to find out the pump was not harmed and worked as it should. Due to this experience, Bill is going to have heavy duty non corrosive chains put in all pump stations. The Bobcat was used to pull up the pump and worked beautifully.

The financial end of the managers' report was given in the treasurer report.

**Treasurer Report:** Bill Johnson

- Financial Report
  - o July operating revenue was \$50,753.57. The budget for the month was \$53,995.
  - o Operating expenses (including labor) totaled \$26,614.65. The budgeted amount was \$44,547.77.
  - o The operating account contains a negative balance of \$(1,053.55). This negative balance is the result of paying numerous bills at the end of July, and depositing the funds on August 1<sup>st</sup>.
  - o The savings account has a balance of \$39.97.
  - o The Capital Improvement Account has a balance of \$37,392.16.
  - o Accounts payable total, exclusive of grant reimbursable items is \$8,701.40.
- The various debt reserve accounts are fully funded per the requirements of our lenders.
- o Water loss for the month of July was 16%.

Bill called attention to the graphs Bernice presented. This was done through the drill down software purchased for this purpose. He asked the board to choose the type of graph they would prefer each month. Chairman Monath commented that he would like the graph to show each month such as, September revenue this year compared to last year for each month. That way it shows the trending for each month for the 2 years. This will enable the board to see if there is a major change in a specific month compared to the prior year. He wants it simple without too much clutter. Bernice will have it ready for next month's meeting. He only wants a balance sheet draft once a year or when there is a major change.
- Approve Invoices

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

**OLD BUSINESS:**

- Consider continuing the MAC. (I) (D) (A)

This topic was discussed earlier in the meeting and by a vote of 4 ayes, it was decided to discontinue the MAC until further notice.
- Adopt Resolution 2016-6, to accept a grant from the State Water Resources Control Board that will cover the cost connection water service to McArthur Mobile Home Park. (I) (D) (A)

This resolution is required by the Division of Drinking Water. If the board does not approve it, we cannot receive the grant to hook up the mobile home park. Director Snyder made a motion to adopt Resolution 2016-6. Director Gooch seconded the motion and was passed by 4 ayes. (Monath, Ontano, Gooch, Snyder)
- Adopt Resolution 2016-7, agreeing to the terms and conditions of Conservation Easement covering land to be donated for the proposed community park in Fall River Mills. (I) (D) (A)

This resolution requires the district to agree with the Conservation Easement that is going to be placed over donated land at the park. If this does not pass, the park process stops. Director Gooch made a motion to adopt Resolution 2016-7. Director Ontano seconded the motion and was passed by 4 ayes. (Monath, Ontano, Gooch, Snyder)

## **NEW BUSINESS:**

- Appoint Jerry Monath, Paulette Gooch and Kathy Ontano to Finance Committee. (I) (D) (A)  
There cannot be more than 2 board members on a committee, so Director Ontano will be removed from consideration. To make the separation of duties more fluent, it was thought that Chairman Monath and Director Gooch, signers on the checking account, would review and approve invoices and Director Ontano would review and approve the bank statements. This is an attempt to make it easier on Director Ontano as she has a job and is on the board with other entities. At present, Director Ontano and Chairman Monath are approving invoices and bank statements. Bernice thought it more reasonable to have Chairman Monath and Director Gooch do the invoices as they sign checks. No action was taken.
- Adopt a policy requiring district customers to abide by district design requirements for water and/or sewer service.

The district's legal service was involved in this so it was done right. We were advised to add in Section 6040.10: The provisions of this policy number 6040 shall apply, as relevant, to the construction or installation of new water distribution or water supply facilities and appurtenances (including but not limited to meters, meter boxes, fire hydrants, service laterals, pipelines and valves) at any property with an existing service connection with the District and to any applicant who desire to receive water service from the District. No alterations to any such facilities and appurtenances shall be made without the written consent of the district. There was discussion on adding sewer to the policy as well. Bill suggested adopting the water portion of the policy tonight and come back to it later and adding sewer. Bill will add this to next month's agenda.

Director Snyder made a motion to adopt Policy 6040.10. Director Gooch seconded the motion and was passed by 4 ayes. (Monath, Ontano, Gooch, Snyder)

- Consider Resolution 2016-3. This resolution pledges revenue to the State Revolving Fund if we receive a loan from them. (I) (D) (A)

The State Revolving Fund has asked the district to adopt this resolution which is basically authorizes the chairman of the board to sign documents if we reach into an agreement. Part of that is if we enter into an agreement we pledge funds from our water revenue to them in order to make them feel like they have a guarantee of payment. After much thought, Bill came to the conclusion it is just an agreement authorizing the chairman of the board to sign and not authorizing us to borrow money or anything else. He has no problem with this portion of it, but there is an additional consideration to think about, which is we have a loan with the USDA. The USDA already has a pledge for loss to use our water revenue to pay that loan. He contacted Mike Colbert and asked about his thoughts on this resolution. He sent Bill a list of things we would have to fill out if we were to accept the loan from State Revolving Fund. Basically, USDA wants to make sure they are first in line if we were to get in trouble. Bill now is thinking, is this a loan or a grant?

There was discussion and since this it is not a pressing matter, it was decided to table any action until the next meeting. Director Snyder made a motion to table the resolution to the next meeting. Director Gooch seconded the motion and was passed by 4 ayes. (Monath, Ontano, Gooch, Snyder)

**Meeting adjourned at 7:28 pm**

**The next board meeting is 09-14-16**

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