

Minutes of the Regular Meeting of the  
**AMERICAN VALLEY COMMUNITY SERVICES AUTHORITY**

**Time & Date: June 7, 2010 at 6:30pm**

**Location: Work Connection – 1953 East Main Street, Quincy**

**DETERMINATION OF A QUORUM AND ACCEPTANCE OF THE AGENDA:**

**Attendance:**

Denny Churchill, President

James Weis, Director

Richard Castaldini, Director

James Bequette, Director

Stephen Grant, Director

Howard Hughes, Vice President

Kim Kraul, Director

Bill Peay, Director

Greg Margason, Director

Ruth Jackson, Director

Mary Henrici, EQSD General Manager

Shawneen Howe, District Secretary

Larry Sullivan, QCSD General Manager

Joshua Sebold, Feather Publishing

Employees of East Quincy Service Dist and Quincy Community Services District

Marilyn Thornquist, Jackie Harris, Katie Gay, Vicki Poh, Kevin Andrews, Dave Cottle,  
Mike Green, Frank Potter

**Absent:**

None

President Churchill determined a quorum was present. **A MOTION** was made by Director Bequette to accept the agenda. Director Jackson seconded the motion. The results of the vote are as follows:

**AYES:** Director Peay, Margason, Bequette, Castaldini, Grant, Kraul, Hughes, Weis, Jackson and President Churchill.

**NOES:** None

**ABSENT:** None

**PUBLIC FORUM** - There was no public comment.

**MINUTES OF MAY 5, 2010**

The minutes for May 5, 2010 were presented for approval. **A MOTION** was made by Director Bequette to accept these minutes. The motion was seconded by Director Weis and the results are as follows:

**AYES:** Director Peay, Margason, Bequette, Castaldini, Grant, Kraul, Hughes, Weis, Jackson and President Churchill.

**NOES:** None

**ABSENT:** None

## CONSOLIDATION OF DISTRICTS

**(a) Consolidated Committee Report-** Director Hughes gave a brief report on the consolidation committee meetings of May 14, 2010 and May 28, 2010. Director Hughes reported that the consolidation efforts are on track that we should be able to meet the July 1, 2010 deadline for the LafCo application to begin and the new district will be in power by July 1, 2011. The draft LafCo resolution was presented and discussed at length. It is of the boards opinion that we only deal with the items that LafCo specifically requires to start the application process. The board would like to recommend that the employee benefit and salary issues be addressed at a later time. The employee issues have been a large part of these discussions and they will be reported further in the next agenda item.

**(b) Employee Benefits Committee Report-**The employee representatives Marilyn Thornquist and Vicki Poh addressed the board and presented a report from the employee meetings that were held to discuss the consolidation issues that will affect the employees. The employees reviewed the board's recommendations for the new district benefits and policies and wished to express to the board their disappointment on how the employees were being considered. The overall opinion is loss of benefits and possible job loss with the new districts has the employees very anxious and nervous and uncertain about their future with the new district. The board tried to reassure the employees that the new policies will benefit the employees and that the board had the employee's best interests when proposing the new benefits and policies for the new entity. The board would like to see the employees be involved with the decision making process and their opinions are very important and the board realizes that the district can not run the district without its employees. There will be more discussion and proposals at future committee meetings before anything is set in writing.

**(c) Andy Morris Status Report-** Mr. Morris was unable to attend this meeting so he sent the information via email to be presented in his absence. President Churchill reported that the CEQA documents will be handled within the next day or so and that the process is moving forward on schedule. It was noted that Best, Best and Kreiger will handle the LafCo application process for us.

**(d) Andy Morris to Present the Resolutions-** Mr. Morris sent the draft resolution that needs to be approved to start the LafCo application for consolidation. The board reviewed the document and they would like to make the following changes to the document:

**Page 1 section 2 should read :** The two districts' water and waste water systems are already interconnected to some extent, which will facilitate consolidation.

**Page 2 section 8 should read :** Consolidation may also reduce future sewer costs to current EQSD customers, and may reduce future water costs to current QCSD customers, since each district is currently a customer of the other district and paying rates reflecting this customer status; and

**Page 3 section 5 should also include solid waste contract.**

**Page 3 section 10 item a should read :** The current full-time and part-time employees of the Dissolved Districts shall be transferred to and become employees of the Consolidated District. The terms and conditions of employment for the employees of the Consolidated District will initially be as described in Exhibit "C", attached hereto and incorporated herein by reference, provided that the Board of Directors of the Consolidated District may amend these terms and conditions at any time in the Board's discretion and consistent with applicable law,. All employees of the Dissolved Districts shall retain seniority with the Consolidated District as though no interruption in service had occurred.

## **CONSOLIDATION OF DISTRICTS cont'd**

### **(d) Andy Morris to Present the Resolutions- cont'd**

**Page 4 section e should read :** All existing annual leave and sick leave accrued by former employees of the Dissolved Districts prior to Consolidation will be retained.

The board reviewed the exhibits A & B & D, they were accepted and exhibit C needs to be changed. The board set a special meeting for June 24, 2010 at 6:30 pm at the Work Connection office where the new resolution will be presented and approved by the American Valley Community Services Authority and both East Quincy Services District and Quincy Community Services District will call a special meeting to get their approval.

**(e) Consolidation of Accounting-**Director Bequette is still working on getting the information together.

**(f) LafCo Process-**A power point presentation was printed out and given to the board detailing the LafCo Process and the board was asked to read through this packet on their own time. President Churchill addressed the board with regards to getting the mapping completed for the LafCo application and was asking the board's permission to do what ever it takes to complete this task. The board directed President Churchill to complete the mapping process for the consolidation efforts.

**(g) Pager Duty-**Manager Sullivan requested that the cross training begin so that all employees are familiar with the facilities in both districts. After the board and both managers discussed the issue the board directed Manager Henrici and Manager Sullivan to set a schedule so that one day a month the field staff will meet and learn the locations and operation of all the facilities.

**(h) Statement for Annual Water Quality Report-**President Churchill did not get the statement done for the annual water quality report. President Churchill will be at the East Quincy Services District meeting on July 8, 2010.

## **CONSTRUCTION STANDARDS COMMITTEE**

A Construction Standards Committee meeting was set for June 21, 2010 at 10:00 am at Quincy Community Services District. The members of the committee are Director Kraul, Director Bequette, Director Grant and Director Weis.

## **QUINCY COMMUNITY SERVICES DISTRICT COLLECTION SYSTEM**

President Churchill explained that when he attends the EQSD meeting he will update the board on the QCSD collection system project.

## **CURRENT TREATMENT PLANT CAPACITY**

President Churchill explained that when he attends the EQSD meeting he will update the board on the QCSD treatment plant capacity.

**EAST QUINCY SERVICES DISTRICT RATE INCREASE TO QUINCY COMMUNITY SERVICES DISTRICT**

There was no discussion on this item.

**ADJOURNMENT**

**A MOTION** to adjourn the meeting was made by Director Weis at 8:40pm. The motion was seconded by Director Kraul and results are as follows:

**AYES:** Director Peay, Margason, Bequette, Castaldini, Grant, Kraul, Hughes, Weis, Jackson and President Churchill.

**NOES:** None

**ABSENT:** None

Signed:

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Howard Hughes  
Vice President

Attested:

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Shawneen Howe  
Secretary to the Board of Directors