

## MINUTES

Minutes of the regular meeting of the Board of Directors of the Quincy Community Services District held on June 12, 2008 at 900 Spanish Creek Road, Quincy, California, in Plumas County.

Present: Denny Churchill, President  
Ruth Jackson, Vice President  
James Bequette, Director  
Kimber Kraul, Director  
Richard Castaldini, Director  
Larry Sullivan, General Manager  
Lyn Walters, Board Secretary  
Marilyn Thornquist, Office Manager

Guests: Josh Sebold, Feather Publishing  
Jay Dembosz

The meeting was called to order at 9 a.m. by President Churchill and it was determined that a quorum was present. **Director James Bequette made a motion to accept the agenda; Director Richard Castaldini seconded the motion and the motion was carried unanimously.**

**APPROVAL OF MINUTES OF MAY 8 AND 20 MEETINGS: Director Bequette moved to accept the minutes for May 8, 2008 with a clarification that no action was taken in closed session. Director Castaldini seconded and the motion was carried unanimously. Director Bequette motioned to approve the minutes of the May 20. Director Kim Kraul seconded and that motion too was carried unanimously.**

**PUBLIC FORUM:** There were no comments.

**THERE WAS NO CLOSED SESSION.**

**GENERAL MANAGER'S REPORT:** The General Manager recommended that the board approve a step increases that were scheduled for three members of the staff. Mr. Sullivan told the board that they were doing a great job. **Director Bequette moved to approve the step increase. Director Jackson seconded and the motion was carried without question.** Mr. Sullivan then presented the board with a draft of the Consumer Confidence Report and the accompanying newsletter. It was suggested that the CCR state that water was used from East Quincy's supply as needed. **Director Jackson moved to accept the report and newsletter; Director Castaldini seconded and the ayes were unchallenged.** They group then briefly discussed how to more cheaply record an easement from the Chy Company and Mr. Brain Wayland to give the district access to its facilities further uphill (survey estimates seemingly excessive).

### COMMITTEE REPORTS:

**Ordinance 42- Ad hoc Committee** Directors Kraul and Jackson reported the results of their meeting with Mr. Sullivan concerning changes in the Sewer Ordinance 42. They explained that the intention of the changes was to allow the district to begin taking responsibility for all the facilities in the public rights of way. By being able to control the rights of ways, the district could install clean outs when and where it deemed necessary. When those clean out were installed, the district could TV individual homeowner's lateral lines and force needed upgrades. The board discussed enforcement by performing the work itself and then placing a lien on the property in question.

**Budget Committee** Committee members Castaldini and Bequette explained that they had reviewed the May 19 draft of the budget and found it acceptable. At this point the Board segued into a 10 o'clock Public Hearing.

**RATE INCREASES: President Churchill** 1 of 3 **opened a public hearing to take testimony from**

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the public concerning rate increases proposed to take effect as of July 1, 2008. He closed the hearing when no one in the public addressed the board. Director Kraul called for a roll call vote accepting the new rate increases as stated in Resolution 08-02. Director Bequette seconded and the voted was taken.

**AYES: Bequette, Castaldini, Kraul, Jackson, Churchill**  
**ABSTAIN: none**  
**NOES: none**

## **COMMITTEE MEETING REPORTS CONTINUED**

**BUDGET:** The Board reviewed what items had been changed over the budget process. Mapping, GIS, and CAD were cut to \$6,000 from \$60,000. Wastewater contingency was removed but \$50,000 left as a line item for biosolid disposal. The reserve was removed from Water as well and left a part of the fund balance. But \$5,000 was added for surveying. Post-retirement benefit obligations were listed.

**SPECIAL DISTRICT ASSOCIATION REPORT:** Director Kraul reported that she had attended at well attend Association meeting. Robert Johnson CPA had spoken about Special District Auditing. Supervisor Sherri Thrall spoke about a volunteer group she was forming to bring younger people into government work. And finally the topic of LAFCo was brought up. Members of the association decided to compare Plumas LAFCo's rates with other counties'.

## **FINANCIAL REPORTS:**

**MONTHLY REPORTS:** The board discussed May's expenditures and April's financial statements. **Director Kraul moved to approve the bills for May. Director Bequette seconded and the motion was carried without objection. Director Bequette moved to accept the financial statements. Director Kraul seconded and again the motion was carried without objection.**

**FILE SERVER:** The Board discussed purchasing a new file server (estimated \$8612.65) since the one that went with the billing program is eight years old and won't work well with the billing software update. **Director Kraul moved to approve the purchase; Director Ruth Jackson seconded and the ayes were uncontested.**  
**WASTEWATER ISSUES/PROJECTS:**

**BUDGET:** Director Castaldini moved to approve the FY08-09. Director Jackson seconded and the budget was approved.

**COLA:** Director Kraul moved to approve the 3.3 percent COLA for employees. Director Jackson seconded. Discussion included freezing benefits until an actuarial study was conducted to see what the post retirement obligations would be. Also discussed was a special meeting to look at the "big picture" of how the Board of Directors wants to compensate its employees in the future. Also all Board members agreed to proceeding with the actuarial study particularly if the District could get a reasonably priced firm based on Shawn Montgomery's recommendation.

**AYES: Kraul, Jackson, Churchill**  
**NOES: Castaldini, Bequette**  
**ABSTAIN: none**

Financial discussion was interrupted briefly to accommodate the arrival of Mr. Les Ellis of Sierra Park Development. Mr. Ellis spent a few minutes with the Board showing members a map of his latest phase of the development. Then the Board returned to financial issues.

**APPROVAL OF CAPITAL PROJECTS:** Mr. Sullivan asked the Board to clarify whether he had the authority to move forward with already budgeted capital projects. He expressed his concern that even after the Board approves a project he has to come back 2 of 3 again and again for further approval. Mr. Sullivan

asked that he be authorized to move forward with approved projects and give reports only at Board meetings. He said that he thought he should return to the Board in the event of cost overruns. All board members agreed that he should have this management authority.

**WASTEWATER/TREATMENT ISSUES:** Mr. Sullivan explained to the board that he now had a signed contract with Converse Construction needed to begin work on the Headworks Phase III project. A pre-construction meeting is planned with Converse and PACE on June 24.

A meeting to review the technical aspects of the Wetlands Prop. 50 grant is scheduled for June 17, Mr. Sullivan reported. Mr. Dykstra from the CRWQCB will attend along with Terry Bennoit, Mr. Churchill and others. This meeting should help clarify the issues facing the District regarding it's NPDES permit renewal. Mr. Sullivan will then write a draft response to Mr. Dykstra detailing what the District is doing to reach metals compliance goals.

**AVCSA/JOINT POWERS AUTHORITY:**

**East Quincy Community Services District-** Mr. Castaldini reported on the EQSD meeting of the 13<sup>th</sup> and Ms. Kraul reported on the meeting of the 10<sup>th</sup>. Audit RFPs, Backflow testing, Actuarial charts as well as topics in the field were discussed. Director Jackson was selected to attend EQSD's July 8<sup>th</sup> meeting.

**WATER ISSUES/PROJECTS:**

Goodwin Tank: Mr. Sullivan explained that the Goodwin tank has been beautifully epoxied and painted. California Department of Public Health Drinking Water Treatment and Research Grant: Mr. Sullivan said he was in the process of testing out how well the state's reimbursement system will work for this grant. He has sent out CEQA exemption forms necessary to that process.

**BOARD & STAFF COMMENT:** Directors commented about GASB issues.

**ADJOURNED:** Director Castaldini made a motion to adjourn the meeting; Director Kraul seconded the motion and the motion carried unanimously. The meeting adjourned at noon.

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Signed:

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Denny Churchill  
President

Attested:



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Lyn Walters  
Board Secretary