

# SPALDING COMMUNITY SERVICES DISTRICT

## BOARD OF DIRECTORS

### MEETING AGENDA

OCTOBER 21, 2022

3:00 PM

MEMBERS OF THE BOARD  
MIKE ARNOLD, BOARD CHAIR  
TED THOMAS, BOARD VICE CHAIR  
LARRY DOSS, DIRECTOR  
ED LAWSON, DIRECTOR  
RON LOBUE, DIRECTOR



MEETING LOCATION  
EAGLE LAKE COMMUNITY CENTER  
502-907 MAHOGANY WAY, SUSANVILLE, CA 96130  
530-825-3258

## WELCOME TO THE SCSD BOARD MEETING - PLEASE SIGN IN

Welcome to the SCSD Board Meeting! Members of the public may provide public comment on any item on the Board's agenda, or on any item that is within the subject matter jurisdiction of this Board. Public comments are limited to five (5) minutes (unless the Chairman of the Board grants a longer period of time).

CALL TO ORDER

ROLL CALL

\_\_\_ Mike Arnold                      \_\_\_ Ted Thomas                      \_\_\_ Larry Doss  
\_\_\_ Ed Lawson                        \_\_\_ Ron LoBue

1. PLEDGE OF ALLEGIANCE
2. PUBLIC COMMENT - Members of the public may provide public comment on any item on the Board's agenda, or on any item that is within the subject matter jurisdiction of this Board. Public comments are limited to five (5) minutes (unless the Chairman of the Board grants a longer period of time).
3. APPROVAL OF THE AGENDA
4. APPROVAL OF MINUTES
  - A. Submitted for approval are the minutes from September 16, 2022 Board of Directors Meeting.
5. FIRE CHIEF REPORT TO BOARD
6. GENERAL MANAGER REPORT TO BOARD
  - A. September, 2022 Financial Report
  - B. Employee Recruitment: Operations Technician
  - C. Computer System Update
  - D. Notice of Exemption Received

7. BOARD MEMBER REPORTS / BOARD MEMBER COMMENTS

8. NEW BUSINESS

None

9. CONTINUING BUSINESS

- A. 2022 SCSD Sewer Rate Study from NorthStar. Stradling sent a second letter to NorthStar on September 21, 2022 (which is attached) due to their “failure to respond to Spalding’s most recent letter regarding it’s notice of termination of the Agreement and demand for repayment”. It states that Spalding would prefer to avoid litigation, but since NorthStar has failed to address Spalding’s concerns, we are prepared to file an action in Superior Court.

10. ADJOURN

NEXT REGULAR MEETING IS SCHEDULED FOR NOVEMBER 18, 2022 AT 3:00 PM

# APPROVAL OF MINUTES

SPALDING COMMUNITY SERVICES DISTRICT  
REGULAR BOARD MEETING  
SEPTEMBER 16, 2022

APPROVED BY DIRECTORS:

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MEETING CALLED TO ORDER: Ted Thomas called the meeting to order at 3:00 pm

| Roll Call    | Present       | Not Present   |
|--------------|---------------|---------------|
| Mike Arnold  | <u>X</u>      | <u>      </u> |
| Ted Thomas   | <u>X</u>      | <u>      </u> |
| Larry Doss   | <u>X</u>      | <u>      </u> |
| Ed Lawson    | <u>X</u>      | <u>      </u> |
| Ronald LoBue | <u>      </u> | <u>X</u>      |

1. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was spoken.

2. PUBLIC COMMENT

Brian Kahn questioned the Board regarding who was maintaining the sewer and marina, and why there were people in the Community Center late at night. He mentioned that doors and windows had been left open. There was some discussion about these issues and what the District is currently working on to resolve any issues.

3. APPROVAL OF AGENDA

Motion: Approve the current agenda

First: Mike Arnold moved to approve the agenda

Second: Ted Thomas

Roll Call: Yes: Ted Thomas, Larry Doss, Ed Lawson, Mike Arnold

Absent: Ronald LoBue

4. APPROVAL OF MINUTES

Motion: Approve the minutes from July 15, 2022 Board Meeting Board of Directors meeting

First: Larry Doss moved to approve the agenda

Second: Ed Lawson

Roll Call: Yes: Ted Thomas, Larry Doss, Ed Lawson

Absent: Mike Arnold, Ronald LoBue

The Board of Directors Meeting from August 19, 2022 was cancelled due to not having a quorum

5. FIRE CHIEF REPORT TO BOARD

There were eight calls in August. Mike talked about upgrades needed to the fire department, and what it would take to get a special ballot scheduled in order to raise the fire assessment fees.

6. GENERAL MANAGER REPORT TO BOARD

- A. July 2022 Financial Report
- B. August 2022 Financial Report

A couple of charges were questioned. The Board accepted the Financial reports.

7. BOARD MEMBER REPORTS/COMMENTS

Ted Thomas reported on his attending the latest Lassen Planning Commission meeting where they were discussing a new "Camping Ordinance". There were numerous issues which affected Spalding CSD. The Planning Commission decided to table any decision until those issues Ted brought up could be resolved. Marly stated that she had spoken to Supervisor Gallagher, who stated that Spalding would be exempt from any of the Ordinance specifics.

8. NEW BUSINESS

- A. SCSD Auditor – 2021/2022 Audit – Approve Larry Bain, CPA for 2021/2022 Audit

Marly explained that the District has contacted 4 other firms – non had responded with a quote, and three simply stated that they were not taking new clients.

Motion: Motion to accept & hire Larry Bain, CPA to perform the 2021/2022 Fiscal Audit

First Mike Arnold moved to accept & hire Larry Bain, CPA to perform the 2021/2022 Fiscal Audit

Second: Ted Thomas

Roll Call: Yes: Ted Thomas, Larry Doss, Ed Lawson, Mike Arnold

Absent: Ronald LoBue

- B. Suggestion To Bring Accounting/Bookkeeping/Payroll In-House – Discussion

The Board approved the process of bringing accounting/bookkeeping/payroll in-house. There was some discussion regarding the past processes and the problems encountered with the County's oversight of the District's treasury. The process will stay on Board agendas until completed.

9. CONTINUING BUSINESS

- A. 2022 SCSD Sewer Rate Study (NorthStar). We received a response from NorthStar regarding the demand letter sent from District's legal Counsel – which was fictitious at best. SCSD legal counsel responded with another demand letter; have not received a reply to date. There was some discussion regarding how to proceed with a rate study and marketing the need for a rate increase to the District.

B. ADJOURN

Motion: Motion to Adjourn

First: Larry Doss moved to adjourn

Second: Mike Arnold

Roll Call: Yes: Ted Thomas, Larry Doss, Ed Lawson, Mike Arnold

Absent: Ronald LoBue

The meeting was adjourned at 4:40 pm.

# GENERAL MANAGER REPORT

# **SPALDING COMMUNITY SERVICE DISTRICT**

## **Operations Technician**

### General Job Description

Under general supervision or direction of the General Manager, performs a variety of routine technical duties in support of the District's Sewer System and other Assets: specifically,

#### **SEWER OPERATIONS/MAINTENANCE**

Performs a variety of routine technical duties in support of the District's Greywater Collections System (Sewer System), which would include monitoring of wastewater discharges, maintenance and ordering of sampling equipment, operation and maintenance of four pump stations, general maintenance of District Assets: specifically,

- (a) Inspect, operate, and maintain sewer system; report operation failures, malfunctions, or problems to office staff and contact appropriate vendors for assistance
- (b) Determine the requirements of, and regulates the water flow through treatment systems
- (c) Operates and maintains wastewater facilities, pumping systems and reservoirs
- (d) Takes both chemical and bacteriological samples, runs the various standardized laboratory tests, and send samples of the wastewater system to vendor for interpretation
- (e) Reads and interprets instrumentation on equipment and unit processes; enters and retrieves data from a computer, reports problems to supervisory personnel; prepares reports; maintains records and logs

#### **GENERAL DISTRICT MAINTENANCE**

Including the Sewer System mentioned above, provides general maintenance of District Facilities and Assets, such as:

- a) Performs a wide variety of skilled and semi-skilled manual and automated tasks
- b) Operates a variety of District equipment, such as backhoes, front end loaders, tractors, trucks, computers, etc.
- c) Maintains a variety of different hand tools, vehicles, and assigned equipment
- d) Performs snow removal of District facilities, re-stripe parking on District properties, Maintain marina facilities (when needed), general maintenance on District properties (as needed)

#### **MINIMUM QUALIFICATIONS**

- 1) High school diploma or equivalent certification
- 2) Four years of experience, or combination of training and experience, in the operation/maintenance of wastewater treatment systems and/or general facilities maintenance
- 3) Preference of a Grade I Wastewater Treatment Certificate issued by the State of California Water Resources Control Board or ability to obtain
- 4) Ability to learn the use of routine wastewater sampling and control test procedures

- 5) Basic knowledge of computers, including ability learn the treatment system's data acquisition and control system
- 6) Valid California driver license and satisfactory driving record is required
- 7) Good written and oral communication skills
- 8) Understand and follow oral and written instructions
- 9) Knowledge of safety hazards and appropriate precautions applicable to work assignments. Learn and observe all appropriate safety precautions as required by MSD, including but not limited to CAL/OSHA safety orders
- 10) Ability to work on call, weekends, or holidays as assigned or needed
- 11) Ability to continue education in the wastewater/maintenance field

**BASIC WORK HOURS:**

To Be Determined – can change weekly

**HOURLY COMPENSATION RANGE:**

\$20.00 - \$28.00 (will hire at the starting wage)

**PHYSICAL DEMANDS:** Standing for extended times; walking extended distances; excellent vision; lifting and carrying regularly up to 25 lbs., frequently up to 50 lbs., and infrequently up to 100 lbs.; operating miscellaneous vehicles and other equipment; works in a variety of indoor/outdoor environments



State of California  
State Water Resources Control Board

## NOTICE OF EXEMPTION

This is to certify that pursuant to the provisions of  
Division 7, Chapter 9, Section 13625.1 of the California Water Code

*Spalding Community Services District*  
*502-907 Mahogany Way*  
*Susanville, CA 96130*

is granted a **CLASS I WASTEWATER TREATMENT PLANT  
EXEMPTION** by the State of California for:

*Spalding Community Services District WWTP*

Exemption Number EX-0011

Issue: **October 11, 2022**  
Expiration: **October 11, 2026**

This Notice of Exemption is the property of the State of California and in the event of its suspension, revocation, or invalidation for any reason, it must upon demand, be returned to the State Water Resources Control Board.



E. Joaquin Esquivel  
Chair



NEW BUSINESS

# CONTINUING BUSINESS



Stradling Yocca Carlson & Rauth  
A Professional Corporation  
660 Newport Center Drive, Suite 1600  
Newport Beach, CA 92660-6422  
949 725 4000  
stradlinglaw.com

Allison E. Burns  
949 725 4187  
aburns@stradlinglaw.com

September 21, 2022

**Via Overnight Delivery and Email**  
[madams@northstareng.com](mailto:madams@northstareng.com)

Mr. Mark Adams  
Principal Engineer  
NORTHSTAR ENGINEERING  
111 Mission Ranch Blvd., Suite 100  
Chico, CA 95926

*Re:* Professional Services Agreement entered into as of February 28, 2019, by and between the SPALDING COMMUNITY SERVICES DISTRICT, a California Community Services District (the “District”) and NORTHSTAR (the “Consultant”) for the provision by Consultant of certain services described therein (the “Agreement”) | Litigation Letter

Dear Mr. Adams:

As you know, this office is general counsel to the Spalding Community Services District (the “District” or “Spalding”). Please allow this letter to serve as Spalding’s notice to Northstar Engineering (“Northstar”), that, in light of Northstar’s failure to respond to Spalding’s most recent letter regarding its notice of termination of the Agreement and demand for repayment, sent to you on August 29, 2022, Spalding is proceeding with its right to exercise any and all remedies against Northstar for the damages caused by its breach of the Agreement. While Spalding would prefer to avoid litigation, after our latest communications, which outlined the fact that Northstar has failed to complete the vast majority of the required services was ignored, and the fact that Northstar has failed to address Spalding’s concerns, let alone meaningfully cure its several breaches of the Agreement, Spalding is prepared to recommend to its Board of Directors that it proceed with the filing of an action in Superior Court. Please inform us as to who is authorized to accept service of the Summons and Complaint.

Because litigation is inevitable, we are also writing to inform you of your duty to preserve, and not destroy, all documents and electronically stored information (“ESI”) in your possession, custody or control related to the Agreement, and Northstar’s work associated with the Agreement. In addition, any employees, contractors, accountants, attorneys, and any other agents in possession

Mr. Mark Adams  
NORTHSTAR ENGINEERING  
September 21, 2022  
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of potentially relevant documents or materials must be instructed to comply with this demand. Failure to do so may result in judicial sanctions.

Nothing in this letter should be construed as a waiver of Spalding's rights, in law or in equity, all of which are expressly reserved.

Very truly yours,

Allison Burns  
Shareholder  
Stradling Yocca Carlson & Rauth  
A Professional Corporation

cc: Marlane Morse, Spalding CSD General Manager