

SPALDING COMMUNITY SERVICES DISTRICT

BOARD OF DIRECTORS

MEETING AGENDA

April 19, 2024

3:00 PM

MEMBERS OF THE BOARD
TED THOMAS, BOARD CHAIR
ED LAWSON, BOARD VICE CHAIR
LARRY DOSS, DIRECTOR
BARBARA WILLARD, DIRECTOR
FRANK MUSE, DIRECTOR



MEETING LOCATION

EAGLE LAKE COMMUNITY CENTER

502-907 MAHOGANY WAY, SUSANVILLE, CA 96130

530-825-3258

NOTE: CONFERENCE LINE FOR REMOTE ATTENDANCE: 617-829-6724

WELCOME TO THE SCSD BOARD MEETING

1. CALL TO ORDER

2. ROLL CALL

___ Ted Thomas

___ Larry Doss

___ Ed Lawson

___ Barbara

___ Frank Muse

3. PLEDGE OF ALLEGIANCE

4. APPROVAL OF THE AGENDA

5. 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 specifies a different period of time). Comments by members of the public on an item that appears on the agenda will only be allowed during consideration of the item by the Board. If you wish to speak on a matter that does not appear on the agenda, you may do so during the Public Comment period. Except as otherwise provided by law, no action or discussion shall be taken/conducted on any item not appearing on the agenda. Public comments must be addressed to the board as a whole through the President.

6. APPROVAL OF MINUTES

- a. Submitted for approval are the minutes from February 16, 2024 Board of Directors Meeting.
- b. Submitted for approval are the minutes from February 28 2024 Board of Directors Meeting.
- c. Submitted for approval are the minutes from March 28, 2024 Board of Directors Meeting.
- d. Submitted for approval are the minutes from April 1, 2024 Board of Directors Meeting.

7. EDUCATIONAL PRESENTATION

- a. Districts Make the Difference: Special Districts 101.
- b. California Special Districts Association: Orientation for New Board Members; Applying Public Service Ethics.

8. FIRE CHIEF REPORT TO BOARD

Chief Spediacci's report to the Board of Fire Dept. activities.

- a. 2 medical calls.
- b. CPR classes.
- c. Awards of \$2000 from Lassen Fire Safe and \$500 from Firewise.
- d. Cal Fire presence on May 3rd. weekend.
- e. Re-opening of Grasshopper station the Monday before Memorial Day.

9. GENERAL MANAGERS REPORT TO THE BOARD

- a. Sewer Report
- b. Recreation Report
- c. Financial Report. Request to Board for approval for the General Manager and Chairman of the Board to meet with Lassen County officials in an attempt to restore the District's Treasury with Lassen County.
- d. Approve Month to Month Service Contract with Grace Dougan Consulting for bookkeeping services.

10. BOARD MEMBER REPORTS / BOARD MEMBER COMMENT

- a. Director Muse report on facility security and key system. Recommend approval.
- b. Director Willard report on GM recruitment Ad Hoc committee progress.

11. NEW BUSINESS

- a. Financial statements for the fiscal year ended June 30, 2023 (Audit)
- b. Review of Stradling Contract (Counsel for the District).
- c. Report to Board of expenditures under \$2500 since March 15, 2024, and request to Board to approve payment for accrued expenditures over \$2500 currently due and payable by the District.
- d. Code of Civility. Presented to Board for consideration of approval and adoption at next regular meeting, May 17, 2024.

12. CONTINUING BUSINESS

- a. Strategic Planning. Staff report on strategic planning to date, Board approval and adoption of community developed mission and values statements. Selection of Ad Hoc Strategic Planning Committee.
- b. Resolution 2024-03 setting date, time and place of regular meetings per Ordinance #9.

13. ADJOURN

The Next Regular Board Meeting will be on May 17, 2024

All documents available for public review are on file at the District's office located at
502- 907 Mahogany Way, Susanville, CA 96130

Any person with a disability who requires accommodations in order to participate in this meeting or for package materials in an alternative format should telephone the District at 530-825-3258, at least 48 hours prior to the meeting in order to make a request for a disability-related modification or accommodation. All accommodation requests will be handled swiftly and resolving all doubts in favor of access. Copies of records provided to Board Members which relate to any agenda item to be discussed in open session may be obtained online at **Spaldingcsd.org** or from the District Office at 502- 907 Mahogany Way, Susanville, CA 96130.

SPALDING COMMUNITY SERVICES DISTRICT
REGULAR BOARD MEETING
February 16, 2024

APPROVED BY DIRECTORS:

1. CALL TO ORDER: Chairperson Ted Thomas called the meeting to order at 3:02 p.m.

<u>ROLL CALL</u>	<u>PRESENT</u>	<u>NOT PRESENT</u>
Ted Thomas	<u> X </u>	<u> </u>
Ed Lawson	<u> X </u>	<u> </u>
Larry Doss	<u> X </u>	<u> </u>
Vacant	<u> </u>	<u> </u>
Vacant	<u> </u>	<u> </u>

3. PLEDGE OF ALLEGIANCE

The pledge of allegiance was spoken

4. APPROVAL OF THE AGENDA

Prior to approval of the agenda, Chairperson Thomas read an email letter of resignation from Randy Aubrey.

Motion: Motion to approve the Agenda

First: Ed Lawson moved to approve the agenda

Second: Ted Thomas second

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

5. PUBLIC COMMENT

A. Barbara Willard questioned Board members coming up for elections and the current vacancies. She also questioned how the District distributed notices about events that are happening in the community.

B. Kari Graton questioned the removal of the District's "mission statement" from the website regarding the Fire Department, and stated that the District's mission statement needed to include the Fire Department.

6. APPROVAL OF MINUTES

A. Submitted for approval were the minutes from the January 19, 2024 Board Meeting.

Motion: Approve the minutes from the January 19, 2024 Board Meeting

First: Larry Doss moved to approve the January 19, 2024 Board Minutes

Second: Ed Lawson second

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

SPALDING COMMUNITY SERVICES DISTRICT
REGULAR BOARD MEETING
February 16, 2024

7. FIRE CHIEF REPORT TO BOARD

There was no discussion regarding the Fire Chief's report. Dan James asked if there was currently a liaison from the Board to the Fire Department. Director Thomas replied that there was not, but that he would look into creating something like that.

8. GENERAL MANAGER REPORT TO BOARD

A. District Financials

- Marly provided answers to questions regarding payments to specific vendors from the Board and questions from the audience on how the Financial reports are generated.
- Kari Graton questioned when the Board was going to plan for upgrading the sewer system.
- There was further questioning regarding the bank account for Recreation.

9. SEWER REPORT

David responded to questions regarding his sewer report. There was some further discussion regarding the process of submitting sewer samples and how the chain of custody works. It was also mentioned that work done on property owners side of the sewer needed to be billed to the property owner.

10. BOARD MEMBER REPORTS / BOARD MEMBER COMMENTS

A. Ed Lawson made a comment to the audience that the Community needed to work together to solve the problems of the District and asked for assistance from the community in recruiting new Board members and supporting different Committees.

11. NEW BUSINESS

A. Resolution 2024-02: Board of Directors meetings: Marly provided some background regarding Ordinance #4 and the requirements of the Board of Directors to have Regular Board meetings. There was some discussion between the Board and the Audience regarding Board meetings, time, and place. The Board decided to amend Ordinance #4 to better reflect their decisions on Board meetings, time, and place. Resolution 2024-02 was not considered.

B. Board Discussion: Marina Parking Lot for Camping, Amending Ordinance #4 Sections 4.01.050 and 4.01.080. There was some discussion regarding the creation of a Special Event Permit which would be controlled by the General Manager and would outline the requirements for the use of the Marina property for Special Events. It was decided that a Special Meeting will be conducted on February 28, 2024 to facilitate the first reading of this amendment to Ordinance #4.

12. CONTINUING BUSINESS

A. Board Discussion on Suggestions/Implementation of District Projects for Board Members and the Development of Committees: The Board discussed the difference between Ad Hoc Committees and Standing Committees. There was some discussion

SPALDING COMMUNITY SERVICES DISTRICT
REGULAR BOARD MEETING
February 16, 2024

regarding setting up an Ad Hoc Committees for General Manager recruitment and what that Committee would be responsible for with suggestions being made to incorporate an updated job description and benefits or other incentives to make the recruitment more attractive. There was also some further discussion regarding the need for the District to develop a strategic plan, how important the specific item was to the District, and how the Board could assist in the recruitment of volunteers.

13. ADJOURN

Motion: Motion to adjourn

First: Ed Lawson moved to adjourn

Second: Ted Thomas seconded

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

The meeting was adjourned at 4:04 pm

SPALDING COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS
SPECIAL MEETING
FEBRUARY 28, 2024

APPROVED BY DIRECTORS:

1. MEETING CALLED TO ORDER: Ted Thomas called the meeting to order at 2:00 pm.

<u>Roll Call</u>	<u>Present</u>	<u>Not Present</u>
Ted Thomas	<u> X </u>	<u> </u>
Ed Lawson	<u> X </u>	<u> </u>
Larry Doss	<u> X </u>	<u> </u>
Vacant	<u> </u>	<u> </u>
Vacant	<u> </u>	<u> </u>

3. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was spoken. Ted amended the agenda by moving #4 Public Comment to be after #5 Approval of the Agenda.

4. APPROVAL OF THE AGENDA

Motion: Approve the Special Meeting Agenda as amended

First: Ed Lawson moved to approve the Special Meeting Agenda as amended

Second: Ted Thomas second

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

5. PUBLIC COMMENT

There were no public comments.

6. NEW BUSINESS

A. Ordinance #9 - Amendment of Ordinance #4, section 2.02.012 – MEETINGS; TIME AND PLACE:

Barbara Willard felt that the ordinance needed to be specific to the date, time, and place. Marly read the ordinance and explained that, as stated in the ordinance, the purpose for the amendment was to allow the Board to more easily make adjustments to the date and time of regular Board meetings by resolution. Larry stated that he did not want to change to having the Board have the ability to make meeting adjustments by resolution. Ted stated that he felt that the place for the Board meetings should stay in the resolution.

Motion: Motion to approve the first reading of Ordinance #9 as amended

First: Ted Thomas moved the first reading of Ordinance #9 as amended

Second: Ed Lawson second

Roll Call: Yes: Ed Lawson, Ted Thomas

No: Larry Doss

SPALDING COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS
SPECIAL MEETING
FEBRUARY 28, 2024

B. Ordinance #10 – Amendment of Ordinance #4, section 4.01.050 PARKING; and section 4.01.080 CAMPING:

Ted questioned the Board for comments regarding whether to waive the reading of Ordinance #10. The Board made no comment; the Board approved waiving the reading of the Ordinance. Barbara Willard questioned whether the State Lands Commission had been contacted and whether it was allowed in the District's lease with the SLC. There was discussion regarding the various fees going to be required, and how it should go through a process. It was also questioned who would be the enforcing agency/authority for the permit. Tammy Labue, via phone, questioned if the county code for overnight camping was being upheld. There was further discussion regarding Version A and Version B of the ordinance – Version B being an amendment of the original Ordinance posted to the public. There was a motion to accept Version B as an amendment to the original Ordinance. Larry stated that he did not feel that alcohol needed to be restricted from public use property. There was some further discussion regarding the purpose of the Ordinance, and Marly explained that the purpose of the Ordinance was to approve the creation and use of a Public Event Permit. The six items mentioned in the Ordinance are those items which are required to be added into any Public Event Permit. There was further discussion regarding alcohol use on public property.

Motion: Motion to approve Ordinance #10 as amended
First: Ed Lawson moved to approve Ordinance #10 as amended
Second: Ted Thomas second
Roll Call: Yes: Ed Lawson, Ted Thomas, Larry Doss

7. ADJOURN

Motion: Motion to adjourn meeting.
First: Ed Lawson.
Second: Ted Thomas second
Roll Call: Yes: Ed Lawson, Ted Thomas, Larry Doss

The meeting was adjourned at 2:38 pm.

SPALDING COMMUNITY SERVICES DISTRICT

BOARD OF DIRECTORS

SPECIAL MEETING

MARCH 28, 2024

APPROVED BY DIRECTORS:

1. MEETING CALLED TO ORDER: Chairman Thomas called the meeting to order at 3:02 p.m.

<u>ROLL CALL:</u>	<u>PRESENT</u>	<u>ABSENT</u>
Ted Thomas	<u>X</u>	<u> </u>
Ed Lawson	<u>X</u>	<u> </u>
Larry Doss	<u>X</u>	<u> </u>
Barbara Willard	<u>X</u>	<u> </u>
Frank Muse	<u>X</u>	<u> </u>

3. PLEDGE OF ALLEGIANCE:
The Pledge of Allegiance, led by Chairman Thomas was spoken.

4. APPROVAL OF THE AGENDA:
Motion: Approve the Special Agenda.
First: Barbara Willard.
Second: Frank Muse.
Voice Vote: All Ayes - motion carried.

5. NEW BUSINESS:
Resolution 2024-02 – A Resolution establishing the Districts check signing policy and to change policy 3140.02 to reflect the Districts new policy as adopted.
General Manager Kari Graton read the resolution.
No Public Comment.

Motion: A motion was made to approve Resolution 2024-002.
First: Larry Doss
Second: Ed Lawson
Roll Call: Larry Doss-Aye, Ed Lawson-Aye, Ted Thomas-Aye, Barbara Willard-Aye and
Frank Muse-Aye. Motion carried.

6. ADJOURN
Motion: Motion to adjourn.
First: Ted Thomas
Second: Barbara Willard
Voice Vote: All Ayes.

Meeting adjourned.

SPALDING COMMUNITY SERVICES DISTRICT

BOARD OF DIRECTORS

SPECIAL MEETING

APRIL 1, 2024

APPROVED BY DIRECTORS:

1. MEETING CALLED TO ORDER: Chairman Thomas called the meeting to order at 3:02 p.m.

2. <u>ROLL CALL:</u>	<u>PRESENT</u>	<u>ABSENT</u>
Ted Thomas	<u> X </u>	<u> </u>
Ed Lawson	<u> X </u>	<u> </u>
Larry Doss	<u> X </u>	<u> </u>
Barbara Willard	<u> X </u>	<u> </u>
Frank Muse	<u> X </u>	<u> </u>

3. PLEDGE OF ALLEGIANCE:
The Pledge of Allegiance, led by Chairman Thomas was spoken.

4. APPROVAL OF THE AGENDA:

Discussion regarding Public Comment on Special Meetings. General Manager Kari Graton read to rule on Public Comment for Special Meetings. Director Willard questioned the verbiage on the agenda regarding "Sign in".

Motion: Approve the Special Agenda.

First: Ed Lawson.

Second: Frank Muse.

Roll Vote: Larry Doss-Aye, Ed Lawson-Aye, Ted Thomas-Aye, Barbara Willard-Aye and Frank Muse-Aye. Motion carried.

5. NEW BUSINESS:

a. Review of applications and consideration of appointments for an Ad Hoc Committee to be assigned the task of recruiting a new permanent General Manager.

Kari Graton read the staff report, indicating an amendment regarding the selection by the Ad Hoc committee directors of members versus members being appointed. Frank Muse and Barbara Willard affirmed their agreement to serve of this committee.

b. Strategic Planning Workshop: A public workshop to develop a value based vision of the future for the community and each of its departments.

Workshop was led by General Manager Kari Graton. A short video was played. Discussion on values, vision and mission. The Board, members of the public and staff all participated.

6. ADJOURN

Motion: Motion to adjourn.

First: Frank Muse

Second: Ed Lawson

Roll Call: Larry Doss-Aye, Barbara Willard-Aye, Ted Thomas-Aye, Frank Muse-Aye and Ed Lawson- Aye.

Meeting adjourned.



Spalding Community Services District

502-907 Mahogany Way Susanville, CA 96130 • (530) 825-3258

SEWER - MAINTENANCE

David Handy

15 April 2024

On Mar 13, 2024, I received the Data Flow System (DFS) Hyper Server Module (HSM003) loaner for our SCADA system. During 'Maintenance Wednesday' I discovered that PS (Pump Station) #1 and #2 generators were not operational due to the 12V batteries being dead. I utilized the 12V battery from PS #4 at PS's #1 and #2 to conduct my weekly transfer exercise/test. I put the 2 bad batteries on a charger in the Maintenance Shop. While at the Ponds, at the distribution box for the ponds, I put in a block section into Pond #3 to reduce the flow and increase flow into Pond #2.

On Mar 14, I installed the loaner DFS HSM003 for our SCADA system. I notified Jon Densmore (Aqua Sierra) that the loaner DFS was installed so he could work on installing an alarm call out program. I contacted Todd Rothenbush and Stewart at Peterson's CAT. They service Spalding Community Services District's (SCSD) generators. They both recommended Optima D34/78 batteries be used for our generators. No funds to purchase batteries. I re-installed the 12V batteries at PS #1 and #2 generators.

On Mar 16, 2024, I completed and submitted the 2023 Volumetric Annual Report. Bob and I worked on vegetation removal at the Ponds.

On Mar 19, 2024, I pulled the 12V generator batteries again at PS #1 and #2 and put on a charger in the Maintenance Shop. Bob and I worked on vegetation removal at the Ponds. John and Rose Lefik at 687-015 Hickory Way, notified me again of their sewer not flowing properly. I placed the EDU in a manner to allow it to vent. Ask them to notify me if there is no change.

On Mar 20, 2024, I contacted Kathy Tully (SGS Analytical Laboratories) to set up a sample pick up time for 2 April or 9 April 2024. Her earliest availability was 16 April 2024, which I locked in. I re-installed the 12V batteries at PS #1 and #2 generators. Talked to John Lefik. He is still having problems and notified me that he was going to call a plumber. Mason Faulhaber (CRWA) contacted me to set up a site visit.

On Mar 25, 2024, John Lefik notified me that his sewer still is not flowing properly. I recommended that he meet with Kari Graton, our interim General Manager.

On Mar 26, 2024, I re-wired the microphone wires for the podium. I calibrated the 'Blue Combo Meter'. I pulled the 12V generator batteries again at PS #1 and #2 and put on a charger in the Maintenance Shop. Sent an initial contact email to Archana Bhardwaj (SUSP ENG), who replaced Dan Lafontaine.



Spalding Community Services District

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On Mar 29, 2024, I noticed at PS #1, that pump #1 was running at higher-than-normal amperage. Pump #1 is the emergency pump that is set inside the 10,000-gal vault. The pump needs to be pulled and the screen checked for blockage. Jon Densmore (Aqua Sierra) completed the program for the SCADA alarms call outs. I am now able to add or change phone numbers that are called out. I completed the 2024 1st Quarter Flow Graph. I received a very productive phone call from Archana Bhardwaj (SUSP ENG).

On Apr 1, 2024, I pulled the 12V generator batteries again at PS #1 and #2 and put on a charger in the Maintenance Shop. I took the fuel tank (Diesel/Gas) measurements and forwarded them to Kelly Handy (office staff). I attended the SCSD's 'Strategic Planning Meeting' off the clock.

On Apr 2, 2024, Bob and I worked on vegetation removal at the Ponds. Kari Graton (Interim GM) brought me 3 Optima D34/78 batteries. I then installed them in PS #1, #2, #4 generators. I received an email from Tiffany Barulich (Waterboards) notifying me that she would conduct an inspection of our facility on Apr 18, 2024. Stewart (Peterson's CAT) walked me through on how to adjust the clock in the transfer box inside each Lift Station. He also told me how to change the battery setting for the battery trickle charger in Lift Stations #1 and #2 for the Optima batteries. I need to research why Lift Stations #3 and #4 have different battery trickle chargers.

On Apr 8, 2024, I read through Order WQ 2022-0103-DWQ (72 pages) that Tiffany Barulich (Waterboards) sent me. It covers what SCSD will be inspected during her visit. Notified Jon Densmore (Aqua Sierra) that TEAMVIEWER was not connecting to the router. This prevented me from being able to remotely log into our SCADA system. Jon fixed it and created a permanent password for TEAMVIEWER. I mailed our DFS HSM003 to Florida for repair through FED EX.

On Apr 11, 2024, I was notified that Cliff Spediacci's sewer was backed up. I discovered that the back up was past the cleanout on the Strand. At Manager Graton's direction, I made an appointment for Jacob (JM Plumbing) to come on Apr 16, 2024, to try and remove the blockage in an effort to restore competent service to the area. Mason Faulhaber (CRWA) conducted a site visit with me for part of the day. We discovered that the 8" black and gray vent pipe at the end of Hollywood was removed and laying on the ground.

On Apr 12, 2024, Mason Faulhaber (CRWA) finished his site visit. I requested that he provide me with a spill kit recommendation and a summary of his site visit within the next 2 weeks. I confirmed the sample pick up with Kathy Tully (SGS) for Apr 16, 2024.

On Apr 15, 2024, At Manager Graton's direction, I called Jacob (JM Plumbing) and he will pull Pump #1 at PS #1 to investigate the condition of the pump and clean the screen of any blockage.



Sewer- Recreation & Fire Protection

Spalding Community Services District

502-907 Mahogany Way Susanville, CA 96130 • (530) 825-3258

Date: April 19, 2024

To: Board of Directors

From: Kari Graton, Interim General Manager

Subject: Recreation Department Report

Recommendation: N/A

Discussion: Current status of the recreation financials can be best described as “in progress.” Staff has been able to ascertain through USB Bank contacts that a checking account assigned solely to the recreation department (as directed by the Board last year) has been established and assigned a number. Staff has attempted on numerous occasions to connect with a responsible party at US Bank to officially open the account to newly assigned signatories to enable depository so that proceeds from events , donations, bingo, etc. can be deposited in the recreation account, and previously collected funds now stored in the sewer account under “recreation” can be transferred to the proper treasury. Response to our inquiries continue to be deferred, and not returned. Staff will continue to try to “set up” the Recreation account as directed previously by your Board.

There is a special event application being processed by staff to allow to use of the Marina Parking facility for the “Annual American Legion Post 162 Poker Run” from May 2nd through May 4th, 2024. Manager Graton and Chief Spediacci have done a safety survey of the area of intended use and Manager Graton is processing an application to allow the event subject to certain conditions to protect the District, including, but not limited to restriction for vehicle placement within the Marina area, trash collection, vehicle routing plans through the District, maintenance of restroom facilities and subject to inspection by District personnel throughout the event.

Other Agency involvement: The event coordinator for the “Poker Run” has obtained coinciding permits from various agencies, including but not limited to the State of California, Lassen County and the US Forest Service.

Financial Considerations: Depending on the number of attendee’s, the Poker Run event could generate user fee’s for the District of up to \$1800 or more.

April 19, 2024

FINANCIALS

Item 9 c

**SPALDING COMMUNITY SERVICES DISTRICT
ACCOUNT INFORMATION**

4/15/2024 3:10 PM

Bank	Currency	Ledger Balance	Available Balance	Account
US BANK	USD	\$59,004.70	\$59,004.70	SEWER CHECKING
US BANK	USD	\$131,533.46	\$131,533.46	FIRE CHECKING



Sewer- Recreation & Fire Protection

Spalding Community Services District

502-907 Mahogany Way Susanville, CA 96130 • (530) 825-3258

Date: April 19, 2024

To: Board of Directors

From: Kari Graton, Interim General Manager

Subject: Agenda Item # 9(d) Month to Month Service contract for bookkeeping.

Recommendation: Approve the services contract for bookkeeping services with Grace Dougan Consulting.

Discussion: As a result of the Districts decision to remove the treasury from Lassen County, previous management set about entering into services contracts with private firms to replace the efforts previously performed for the District by the County Auditors Office. In late 2023 the District signed a contract for the services of a CPA with Drew and Associates, for the purpose of financial advice and reconstruction of the segregated and previously defined treasury accounts. To date, the CPA was never tasked to perform the prescribed duties. Subsequently, in February, management had proposed a services contract with a bookkeeping firm (Grace Dougan Consulting), for day to day accounting purposes. This was never brought before the Board for consideration. Upon the resignation of Board members and staffing beginning in January, and ending March 8, 2024, no further contact was established with these consultants. Since discovering the financial condition of the Districts liquid assets, new staff has re-visited the copies of the service contracts, and recognizes the need for these essential services. Current administration staffing levels of the District are now limited to a Volunteer GM, a Volunteer Office Manager and a part time Public Relations Representative. In several instances, routine invoices have remained unpaid for months. Obtaining day to day essential bookkeeping services is critical if the District is to meet it's obligations in respect to accounts receivable, accounts payable and meeting payroll requirements.

Other Agency involvement: N/A

Financial Considerations: In consultations with Grace Dougan Consulting, costs to initiate service and repair our quick book system are undeterminable, but could possibly run up to the \$4000 mark. Once established, current week to week volume has been calculated to average approximately \$200/week in needed service.

Results: Establishing a viable bookkeeping system will result in the District having the ability to track it's financial resources, collect fee's for the services it provides, and pay it's bills on time within its budgeted resources.

April 19, 2024

BOOKKEEPING

Item 9 d

February 2, 2024

Marlene Morse
Spalding CSD (the "District")
generalmanager@spaldingcsd.org

Dear Marlene,

Thank you for taking the time to meet with me. I am excited for the opportunity to work with you.

Scope of Services

Grace Dougan Consulting ("Consultant") will be assisting with the following items, and additional items as needed:

- Payroll
- Accounts Payable
- Updating QuickBooks with transactions and reconciliation
- Review of systems and assistance with streamlining
- Other items as needed (i.e. collections).

Consultant is not responsible for any tax or accounting files as they will be handled by the District's Certified Public Accountant.

Bookkeeping Rates

Remote Bookkeeping \$65 per hour

Project Lead 1 \$85 per hour

Project Lead 2 \$105 per hour

Rates will increase by 3% annually on January 1st of each year (starting January 1, 2025)

Term of Agreement

The term of this Agreement will begin on the date of this Agreement and will remain in full force and effect indefinitely until terminated as provided in this Agreement.

In the event that either Party wishes to terminate this Agreement, that Party will be required to provide 30 days' written notice to the other Party.

This Agreement may be terminated at any time by mutual agreement of the Parties. The obligations of the Consultant will end upon the termination of this Agreement. Upon termination of this Agreement, Consultant will return all documents to the District, pursuant to the terms set forth in this Agreement.

Confidentiality

All ideas, memoranda, specifications, plans, procedures, drawings, photographs, descriptions, computer program data, input record data, written information, and other documents and data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without prior written consent of the District, be used by Consultant for any purposes other than the performance of the services under this Agreement, nor shall such materials be disclosed to any person or entity not connected with the performance of the services under this Agreement. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential.

Ownership of Documents

All plans, studies, documents, and other writings prepared by and for Consultant, its officers, employees and agents and subcontractors in the course of implementing this Agreement, except working notes and internal documents, are and shall be the property of the District, and the District shall have the sole right to use such materials in its discretion without further compensation to Consultant or to any other party. Consultant shall, at its expense, provide such reports, plans, studies, documents and other writings to the District upon written request.

Independent Contractor

Consultant shall at all times during the term of this Agreement remain, as to the District, a wholly independent contractor and shall perform the services described in this Agreement as an independent contractor and not an employee of the District. Neither the District nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as herein set forth. Nothing contained in this Agreement shall be deemed, construed or represented by the District or Consultant or by any third person to create the relationship of principal and agent and Consultant shall not, at any time, or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of the District. Consultant shall have no authority, expressed or implied, to act on behalf of the District in any capacity whatsoever as an agent, nor shall Consultant have any authority, express or implied, to bind the District to any obligation whatsoever.

Insurance

Contractor will obtain and maintain insurance coverage for actions, errors, or omissions committed by Contractor or Contractor's employees or contract personnel during the term of this Agreement. Contractor will provide the District with proof of this insurance.

Liability of Consultant

In furnishing the District with consulting services, neither the Consultant, nor any officer, director, or agent thereof shall be held liable to the District or its creditors or stockholders for errors of judgment or for anything except wilful misfeasance, bad faith, or gross negligence in the performance of its duties, or reckless disregard of its obligations and duties under the terms of this Agreement.

Interest Payable

Interest payable on any overdue amounts that are past 90 days and is charged at a rate of 3.00% per year.

Consultant bills every 2 weeks for time spent. We focus on being reliable, efficient, and flexible in carrying out any necessary tasks to support our clients.

Thank you,
Grace Dougan

Signature

Date

Quote and Terms accepted by:

Name

Signature

Date



Sewer- Recreation & Fire Protection

Spalding Community Services District

502-907 Mahogany Way Susanville, CA 96130 • (530) 825-3258

Date: April 19, 2024

To: Board of Directors

From: Kari Graton, Interim General Manager

Subject: Agenda Item # 11 (a) Presentation to your board of the Spalding Community Services District Financial Statements (Audit) for the fiscal year ended June 30, 2023.

Recommendation: Accept the Report as presented.

Discussion: This is the required annual independent auditors report conducted by Larry Bain, CPA. The audit was conducted for the purpose of forming an opinion on the basic financial statements that collectively comprise the District's basic financial statements.

Other Agency involvement: California State Controllers Office.

Financial Considerations: N/A.

Results: The audit demonstrates the basic financial positions of the District, and fulfills the Districts requirement to perform an annual audit for such purposes for the fiscal year ended June 30, 2024.



Sewer- Recreation & Fire Protection

Spalding Community Services District

502-907 Mahogany Way Susanville, CA 96130 • (530) 825-3258

Date: April 19, 2024

To: Board of Directors

From: Kari Graton, Interim General Manager

Subject: Agenda Item # 11(b) Review of Stradling Contract, Counsel for the District

Recommendation: After review, provide direction to staff.

Discussion: In 2017 your Board established a contract to retain the firm Stradling Attorney's at Law to be the District's Counsel. Title 6; Section 61060 (g) of California Gov. Code, provides Community Services District's the power to engage Counsel. It is prudent for any District Board to review from time to time its contracts with service providers to ensure the District is acquiring the best professionals it requires to fit its budget and best serve the community. Because the current contract has not been reviewed previously to this current request by Director Doss, it may be necessary to direct staff to enquire as to current hourly rates charged the District, as there may be a substantial increase over those cited in the original agreement.

Other Agency involvement: N/A

Financial Considerations: Unknown until the review is completed.

Results: , as there may be a substantial increase over those cited in the original agreement.

April 19, 2024

STRADLING

Item 11b

Stradling

Attorneys at Law

STRADLING YOCCA CARLSON & RAUTH, P.C.
660 NEWPORT CENTER DRIVE, SUITE 1600
NEWPORT BEACH, CA 92660-6422
SYCR.COM

CALIFORNIA
NEWPORT BEACH
SACRAMENTO
SAN DIEGO
SAN FRANCISCO
SANTA BARBARA
SANTA MONICA

COLORADO
DENVER

NEVADA
RENO

WASHINGTON
SEATTLE

ALLISON E. BURNS
(949) 725-4187
ABURNS@SYCR.COM

August 7, 2017

VIA U.S. MAIL AND EMAIL

Spalding Community Services District
502-907 Mahogany Way
Susanville CA 96130
Attn: Lana Culjis

Re: *Proposal to Provide Judicial Foreclosure, General Counsel Services to
Spalding Community Services District*

Dear Ms. Culjis:

We thank you for this opportunity to present a proposal to provide foreclosure and/or advisory general services on an as needed basis to the Spalding Community Services District ("District"). Stradling Yocca Carlson & Rauth, a Professional Corporation ("SYCR"), was formed by four attorneys in 1975. SYCR's primary areas of specialization are public law, litigation, public finance, tax, general corporate law, corporate securities, real estate and labor. SYCR has nine offices in California, Nevada, Washington and Colorado, its main location in Newport Beach, offices in San Francisco, Sacramento, Seattle, Denver and Reno which are devoted entirely to public finance work, and offices in Santa Monica, Santa Barbara and San Diego that are devoted to general corporate work. While the majority of our clients are headquartered here in California, SYCR represents a wide variety of clients located throughout the United States and internationally in connection with their activities across the nation and around the world.

We are recognized as one of the leaders in the State in connection with both our public law practice and public finance practice. Our public law attorneys devote their time exclusively to the representation of the interests of public agencies, including community services districts, joint powers authorities, water districts, cities, counties, school districts, and special districts of various kinds, and to the supplying of legal services in connection with the financings of such agencies. More information regarding the firm is available at its website at www.sycr.com.

Thank you for your consideration and the opportunity to present this proposal to provide the District with the superior quality foreclosure services. Please see the enclosed proposal for detailed information concerning the scope, quality and costs of the proposed services.

Ms. Lana Culjis
Spalding Community Services District
August 7, 2017
Page Two

If after reviewing the enclosed proposal, the District decides to retain SYCR to perform judicial foreclosure, and/or advisory general services on an as needed basis to the District, please execute the enclosed Terms of Retention Agreement and return the same to the undersigned.

Very truly yours,

STRADLING YOCCA CARLSON & RAUTH

A handwritten signature in black ink, appearing to read 'AEB', with a long horizontal flourish extending to the right.

Allison E. Burns

AEB:ace
Enclosures

PROPOSAL OF

**STRADLING YOCCA CARLSON & RAUTH,
A PROFESSIONAL CORPORATION**

**TO PROVIDE
JUDICIAL FORECLOSURE AND/OR ADVISORY GENERAL LEGAL SERVICES**

TO THE

SPALDING COMMUNITY SERVICES DISTRICT

Date: August 7, 2017

**Allison E. Burns
STRADLING YOCCA CARLSON & RAUTH
660 Newport Center Drive, Suite 1600
Newport Beach, California 92660
aburns@sycr.com
Direct Line: 949-725-4187
Facsimile: 949-725-4100**

General Information/Executive Summary

Stradling Yocca Carlson & Rauth, a Professional corporation ("SYCR") is recognized as one of the leaders in the state in connection with both public law practice and public finance/bond practice. Approximately 30 members of SYCR practice in the areas of public finance, redevelopment/general public law, and public law litigation, making SYCR one of the largest and most skilled public law firms in the state. SYCR's public law attorneys devote their time primarily to the representation of the interests of public agencies, including joint powers authorities, water districts, school districts, cities, counties, redevelopment agencies, and special districts of various kinds, and to supplying legal services in connection with the financings of such agencies.

Members of the public law department are recognized experts in their areas and are often called upon to speak at seminars for public agencies, including seminars held by the Association of California Water Agencies, the Coalition for Adequate School Housing, the California Special District Seminars, the California League of Cities, the International Right-of-Way Association, the California Redevelopment Association, National Association of Redevelopment and Housing Officials, the National Association of Bond Lawyers, the California Debt and Investment Advisory Commission, and others.

FORECLOSURE

Qualifications of Personnel with Foreclosure Experience

While the entire resources of SYCR would be available as needed to provide the highest level of legal services to the District, we propose that Allison E. Burns, David C. Palmer and Colin A. Hendricks be primarily responsible for providing the requested legal services to the District. In addition, Kelly E. Curran, CP would also be called upon to provide paralegal services to the District.

Allison E. Burns is experienced in all aspects of public agency related litigation, foreclosure eminent domain, business contract disputes and CEQA litigation and is a shareholder and head of the firm's Public Law Litigation Department in Newport Beach. Ms. Burns also serves as the City Attorney to the City of Lancaster and General Counsel to the Chino Basin Desalter Authority, Antelope Valley Transit Authority, Rosamond Community Services District, Antelope Valley Air Quality Management District, Santiago Aqueduct Commission, Santa Margarita/Dana Point Authority and Emerald Bay Service District. She was recently named general counsel to the Antelope Valley Transit Authority and is former general counsel to San Juan Basin Authority. She currently represents numerous cities, school districts, special districts and redevelopment agencies in various advisory and litigation-related matters. Ms. Burns is a frequent speaker at conferences and seminars for public agencies. Ms. Burns received her J.D. from the University of California at Davis in 1998, where she was Senior Articles Editor of the U.C. Davis Law Review and Articles Editor of the Journal of Juvenile Law and Policy. Ms. Burns served as a judicial extern to Justice Fred K. Morrison of the Third District Court of Appeal of the State of California and to the Honorable Garland E. Burrell of the United States District Court of the Eastern District of California. A copy of Ms. Burns' resume is enclosed.

David C. Palmer is a senior associate in the Firm's Public Law Department and devotes almost the entirety of his practice to representation of public agencies. He has significant experience defending public agencies in Brown Act and Public Records Act cases. Mr. Palmer received his

B.A. from the University of California, Santa Barbara with majors in Law and Society and Cultural Anthropology. While attending UCSB Mr. Palmer was included on the Dean's Honor Roll. In 2007, Mr. Palmer received his J.D. from Loyola Law School and was admitted to the California State Bar. While attending Loyola Law School, Mr. Palmer was a two-year member of the nationally ranked Byrne Trial Advocacy Team and winner of the 2007 Byrne Trial Advocate Award. Prior to entering practice, Mr. Palmer participated in the American Board of Trial Advocates (ABOTA) Fellowship in Trial Advocacy. Mr. Palmer joined the Firm in January 2011. Mr. Palmer recently succeeded Ms. Burns as general counsel to the San Juan Basin Authority. Mr. Palmer is experienced in a wide range of public agency representation matters, including, real estate litigation, environmental litigation, foreclosure, eminent domain and other real property disputes. A copy of Mr. Palmer's resume is enclosed.

Colin A. Hendricks is an associate with the Public Law Litigation Department. Mr. Hendricks received his B.A. from the University of California, Santa Barbara with a major in History. He received his J.D. in 2012 from McGeorge School of Law with a certificate in Public Law and Policy. At McGeorge, Mr. Hendricks served as Student Body President, President of the Governmental Affairs Student Association, and studied fundamental rights under United States Supreme Court Justice Anthony Kennedy in Salzburg, Austria. Currently, he is a board member of the Young Lawyers Division of the Orange County Bar Association, and Chair of the Alumni Association Chapter. Mr. Hendricks's practice at SYCR is completely dedicated to public law litigation. A copy of Mr. Hendricks's resume is enclosed.

Kelly E. Curran, CP is a Certified Paralegal with the Public Law Department and has been with the firm since 1997. Ms. Curran received her Bachelor of Arts degree from the University of California at Santa Barbara in 1992 with a major in Law and Society. In 1993, she received her paralegal certificate from the University of California at Davis. In 1997, Ms. Curran became a "Certified Paralegal" through the National Association of Legal Assistants. A copy of Ms. Curran's resume is enclosed.

Foreclosure Experience

SYCR has recently ranked among the top three bond counsel firms in the State of California. As a necessary adjunct to bond counsel services, our public law litigation department is frequently engaged by our public agency clients to initiate judicial foreclosure actions. For example, Ms. Burns represents and has represented the City of Lancaster in dozens of Assessment District and Community Facilities District foreclosure matters, the City of Chula Vista in numerous Assessment District and Community Facilities District foreclosure matters, the Romoland School District in several Community Facilities District foreclosure matters, the City of Oceanside in a number of Community Facilities District foreclosure matters, Truckee Donner Public Utility District in several Community Facilities District Foreclosure matters, Mariposa County in several assessment District Foreclosure matters, as well as the Borrego Water District in Community Facilities District foreclosure matters. Because SYCR and the Public Law Litigation Department headed by Ms. Burns in particular has handled a high volume of foreclosure cases for public agencies, SYCR has developed forms and procedures which allow us to streamline the foreclosure process and provide superior service at a low cost.

Technical Proposal of Foreclosure Services

Because many of the cases are uncontested, the vast majority of the foreclosure services provided by SYCR on behalf of our public agency clients are performed by paralegals, and in particular, Kelly E. Curran, of our office. Generally, with the exception of court appearances and contested matters, Ms. Curran is responsible for all aspects of the foreclosure process. Ms. Curran has worked extensively with many public finance firms, including Ms. Pam Hargesheimer at Willdan Financial, Mr. Trevor Speer with NBS, and Mr. Nehal Thumar at David Taussig & Associates.

As a part of our firm's foreclosure procedure, we are committed to working in connection with the District and its delinquency monitoring team prior to filing litigation in an effort to resolve as many of the delinquencies as possible before incurring legal fees for litigation. We have found that, upon receiving a demand letter from a law firm on behalf of the District, property owners are often willing to pay the delinquency rather than have the case go to litigation. In using demand letters, we have been able to recover stripping fees (fees for removal of taxes from the County Tax Roll) as well as costs and attorneys' fees with payment made directly to the District. Many property owners see the benefit of paying such costs included in the demand letter rather than facing higher costs as the result of litigation. All negotiations through this process are done with the ultimate communication and approval from the client.

In circumstances where delinquencies on a property are excessive, it is in the best interest of the District to file litigation as quickly as possible. This process has been very successful in the past where the parties either reach a settlement agreement for payment, including costs and attorneys fees, or the matter proceeds to judgment for judicial foreclosure and order of sale. Once a judgment is obtained, SYCR proceeds to obtain a Writ of Sale from the court and work with the County Sheriff's Department to arrange and schedule a foreclosure sale (or auction) of the property.

Throughout the pre-litigation and foreclosure litigation process, we will remain in constant communication with the District's delinquency monitoring team. Status reports can be prepared as frequently as needed by the District, and an annual status report regarding all current litigation and delinquency status is prepared at the end of the year.

Rates For Foreclosure Services

All attorneys' fees and costs are recoverable in a foreclosure lawsuit from the proceeds of the sale, so the District will not ultimately be out-of-pocket for these amounts. We propose that our fees for providing the legal services discussed above be based upon the rate of \$420 per hour for Allison E. Burns, and \$320 per hour for David C. Palmer and Colin A. Hendricks. The rate of other attorneys in our office would range from \$275 per hour to \$475 per hour, depending on the individual assigned to the matter, and \$155 per hour for paralegal services. These rates are inclusive of overhead and secretarial/clerical support, but exclusive of actual costs we may incur as described below.

All fees would be billed monthly. The monthly statement will set forth the nature of the services provided during the preceding month and the total number of hours attributable to providing such services. In addition to the above fees, we would be reimbursed for our out-of-pocket expenses including facsimile transmissions, document delivery and messenger fees (based upon actual charges incurred), photocopying, word processing, electronic research (based upon actual charges incurred),

court costs, and travel at the direction of the District. The rates for individual attorneys are subject to change from time to time upon 60 days prior notice to you.

References

Please feel free to contact any or all of the following:

1. Ms. Pamela Statsmann, Finance Director for the City of Lancaster at (661) 723-6035.
2. Ms. Tricia Phillips, Senior Accountant/Analysist for the Truckee Donner Public Utility District at (530) 582-3941.
3. Mr. James Hamill, Managing Director for California Statewide Communities Development Authority at (925) 476-5644.

General Counsel Services

SYCR attorneys also have extensive experience in general advisory services to public agencies, including with regard to the Brown Act, Public Records Act and other public agency compliance requirements. We are available to provide such services to the District on an as-needed basis upon request. Our fees for providing such routine general legal advisory services to the District will be \$368 per hour for Allison E. Burns and other shareholders, and \$270 per hour for David C. Palmer and other associates of the firm, and \$189 per hour for paralegal services.

All fees for legal services will be billed to the tenth of an hour and are billed monthly. The monthly statement will set forth the nature of the services provided during the preceding month for the total number of hours attributable to providing such services. In addition to the above fees, we would be reimbursed for our out-of-pocket expenses, including long distance and cellular telephone charges, facsimile transmissions, document delivery and messenger fees, photocopying, electronic research and travel at your direction (IRS rate, currently .54¢ per mile). Our representation is subject to the Professional Services Agreement enclosed herewith.

Concluding Comments

We are very pleased to be considered by the District as its legal counsel. We will gladly provide additional references upon request. SYCR offers reliable, responsive counsel that can provide the highest quality of service available at a reasonable cost. SYCR believes responsiveness is critical and is prepared to commit to you the resources to assure you that we will be there when you need us.

ALLISON E. BURNS

Admitted to Bar:

State Bar of California, 1998.
U.S. District Court of California, Central and Southern Districts, 1998.

Practice Emphasis:

Public agency general advisory and litigation representation, real property acquisitions and disputes, environmental law and water .

Education:

J.D. 1998, University of California, Davis School of Law.

Senior Articles Editor, U.C. Davis Law Review.
Articles Editor, Journal of Juvenile Law and Policy.

B.A. 1995, with honors, University of California, Irvine.

Campus wide Honors Program;
Associated Students Legislative Council; Chairman Greek Presidents' Council.

Legal Experience:

Transactional and advisory legal services relating to general municipal law, real estate, economic development, California water laws, the California Environmental Quality Act (CEQA), conflict of interest and open meeting laws.

Substantial experience in public and commercial litigation including eminent domain, foreclosure, business contract disputes and CEQA litigation.

Judicial Extern to Justice Fred K. Morrison of the California Court of Appeal, Third District and to the Honorable Garland E. Burrell, Jr. of the U.S. District Court, Eastern District of California.

Professional Associations:

State Bar Association of California. Member, Environmental and Public Law Sections.
Orange County Bar Association. Member, Business Litigation and Environmental Sections.
International Right of Way Association

References: Mark V. Bozigian, City Manager, City of Lancaster (661) 723-6133
Curtis Paxton, General Manager, Chino Basin Desalter Authority
(909) 218-3729
Michael Dunbar, General Manager, Emerald Bay Community Services District
(949) 494-8572
Scott W. Shaver, Shareholder, Stradling Yocca Carlson & Rauth, P.C
(775) 393-1955

DAVID C. PALMER

Admitted to Bar:

State Bar of California, 2007
U.S. District Court of California, Central District, 2007
U.S. District Court of California, Northern, Eastern and Southern Districts, 2008

Practice Emphasis:

Public and commercial litigation, environmental law and foreclosure actions.

Education:

- J.D., Loyola Law School, 2007
- B.A., University of California, Santa Barbara, 2004

Legal Experience:

Experienced in all facets of public agency representation and litigation, including environmental litigation, foreclosure actions, contract disputes, business and commercial disputes.

Professional Associations:

State Bar Association of California.
Orange County Bar Association.

COLIN A. HENDRICKS

Admitted to Bar:

State Bar of California, 2012

Practice Emphasis:

Public Law Litigation

Education:

J.D., McGeorge School of Law, 2012

B.A., University of California, Santa Barbara, 2007

Legal Experience:

Public Policy experience as a legal extern with California State Senator Lois Wolk.

Administrative Law experience as a volunteer adjudication officer for the City of Sacramento in the McGeorge Administrative Law Clinic.

KELLY E. CURRAN, CP

Practice Emphasis:

Litigation in areas of public law, foreclosure, environmental law and condemnation.

Education:

- Paralegal Certificate, University of California, Davis – Paralegal Certificate Program approved by the American Bar Association, 1993
- B.A., University of California, Santa Barbara, 1992

Legal Experience:

Twenty years' experience in Public Law Litigation, including eminent domain, foreclosure, CEQA and contract disputes with responsibilities include trial preparation and assistance; preparation of pleadings including complaints, discovery and motions; legal research.

Achievements and Professional Associations:

Certified Paralegal - December 1997
California Notary Public since December 1997
National Association of Legal Assistants - member since 1996
National Notary Association - member since 1997
Orange County Paralegal Association - Board of Directors 1996 & 1997
Orange County Paralegal Association - member 1995 - 1998

**TERMS OF RETENTION OF
STRADLING YOCCA CARLSON & RAUTH**

1. **Fees and Costs.** Stradling Yocca Carlson & Rauth is compensated for its services based primarily on the value of the services and the time spent performing them. This includes the time spent on conferences, court appearances, depositions, travel, research, drafting documents, and other activities. Our current hourly rates range from \$310 to \$520. We also bill for services performed by our paralegals, librarian, senior legal assistants, and other professional personnel at rates presently ranging between \$145 and \$190 per hour. These rates are modified from time to time.

The amount of fees charged on a statement is determined by starting with the hours expended by the different attorneys and other professional personnel involved. These amounts are then adjusted for factors such as the extent of any duplication of attorney effort, unusual efficiency (or lack of efficiency), the novelty or difficulty of the issues involved, the time demands of the representation, and unusually good (or unusually disappointing) results.

The firm also charges for various costs such as copying, telephone charges, computerized legal research, word processing and/or other computer time, overtime costs, messenger services, travel, filing fees and other costs. Bills for some costs are passed on directly, such as bills for litigation guaranties or other title related documents, certified shorthand reporters, technical consultants, appraisers and other professionals' fees.

Payment is due within ten days of the date of each fee and costs statement. Overdue statements will be charged interest of 10% per annum, compounded annually. If you wish to question any charge, you have agreed to do so within ten days of the statement date. Please contact the partner in charge of your matters if you have any questions about any of your bills.

2. **Estimates Not Binding.** Although we may furnish estimates of fees or costs that we anticipate will be incurred, these estimates are not intended to be binding, are subject to unforeseen circumstances, and are by their nature inexact.

3. **Termination by You.** You have the right at any time, in your sole discretion, to terminate our services and representation. Upon our termination, you will remain obligated to pay for all services rendered and costs or expenses paid or incurred on your behalf prior to the date of such termination or which are reasonably necessary thereafter.

4. **Termination by Us.** We reserve the absolute right to withdraw from representing you if, among other things, you fail to honor the terms of our agreement, you fail to cooperate fully or follow our advice on a material matter, or any fact or circumstance occurs that would, in our view, render our continuing representation unlawful or unethical. If we elect to withdraw, you will take all steps necessary to free us of any obligation to perform further services, including the execution of any documents necessary to complete our withdrawal, and we will be entitled to be paid at the time of withdrawal for all services rendered and costs and expenses paid or incurred on your behalf. If necessary in connection with litigation, we would request leave of court to withdraw.

5. **Date of Termination.** Our representation of you will be considered terminated at the earlier of (i) your termination of our representation, (ii) our withdrawal from our representation of you, or (iii) the substantial completion of our substantive work for you.

6. **Related Activities.** If any claim or action is brought against us or any personnel or agents of the firm based on your negligence or misconduct, or if we are asked to testify as a result of our representation of you or must defend the confidentiality of your communications in any proceeding, you agree to pay us for any resulting fees, costs, or damages, including our time, even if our representation of you has ended.

7. **No Guarantee of Outcome.** We do not and cannot guarantee any outcome in a matter.

8. **Insurance.** In accordance with the requirements of California Business and Professions Code § 6148, we advise you that this firm maintains professional errors and omissions insurance coverage applicable to the services to be rendered to you.

9. **Client.** This firm's client for the purpose of our representation is only the person or entity identified in the letter accompanying these Terms of Retention. Unless expressly agreed, we are not undertaking the representation of any related or affiliated person or entity, nor any parent, brother-sister, subsidiary, or affiliated corporation or entity, nor any of your or their officers, directors, agents, or employees.

10. **Payment Notwithstanding Dispute.** In the event of any dispute that relates to our entitlement to any payment from you, all undisputed amounts shall be paid by you. Any amounts in any client trust account held on your behalf, sufficient to pay the disputed amounts, shall continue to be held in such trust account until the final disposition of the dispute.

11. **Arbitration.** IN THE EVENT OF A DISPUTE REGARDING FEES, COSTS, OR ANY OTHER MATTER ARISING OUT OF OR RELATED IN ANY WAY WHATSOEVER TO OUR RELATIONSHIP WITH YOU, OR YOUR OR OUR PERFORMANCE OF THIS AGREEMENT, INCLUDING THE QUALITY OF THE SERVICES WHICH WE RENDER, THE DISPUTE SHALL BE DETERMINED, SETTLED AND RESOLVED BY CONFIDENTIAL ARBITRATION IN ORANGE COUNTY, CALIFORNIA. ANY AWARD SHALL BE FINAL, BINDING AND CONCLUSIVE UPON THE PARTIES, AND A JUDGMENT RENDERED THEREON MAY BE ENTERED IN ANY COURT HAVING JURISDICTION THEREOF. SHOULD YOU ELECT TO HAVE ANY FEE DISPUTE ARBITRATED PURSUANT TO NONBINDING ARBITRATION UNDER STATUTORY OR CASE LAW, THEN SUCH NONBINDING ARBITRATION SHALL DETERMINE ONLY THE ISSUE OF THE AMOUNT OF FEES PROPERLY CHARGEABLE TO YOU. ANY OTHER CLAIMS OR DISPUTES BETWEEN US, INCLUDING CLAIMS FOR PROFESSIONAL NEGLIGENCE, SHALL REMAIN SUBJECT TO BINDING ARBITRATION PURSUANT TO THIS AGREEMENT.

Arbitration may be demanded by the sending of written notice to the other party. If arbitration is demanded, within 20 days of the demand you shall present a list of five qualified individuals who would be willing to serve that you would find acceptable to act as arbitrator. To serve as arbitrator, the individual must be a retired judge having served on any federal court or the California Superior Court or higher court in the State of California. Within 20 days of receiving your list, we may at our sole discretion (i) select any individual from that list and that individual shall serve as the arbitrator, or (ii) propose our own list of five individuals for arbitrator. If we choose to present a separate list, you may within 20 days select any individual from that list and that person shall serve as arbitrator. If no arbitrator can be agreed upon at the end of this process, each of us

shall select one individual from our own respective list and those two persons shall jointly select the arbitrator. The arbitration shall be conducted pursuant to the procedures set forth in the California Code of Civil Procedure §§ 1280 *et seq.*, and in that connection you and we agree that § 1283.05 thereof is applicable to any such arbitration. Nothing herein shall limit the right of the parties to stipulate and agree to conduct the arbitration pursuant to the then-current rules of the American Arbitration Association, the Judicial Arbitration & Mediation Services, or any other agreed-upon arbitration services.

12. At your direction, SYCR will contract with one or more title companies, expert witnesses or other consultants necessary to your representation; any and all costs for such services shall be your sole and exclusive responsibility.

Date: Oct. 4, 2017

AGREED:

SPALDING COMMUNITY SERVICES DISTRICT

BY:

ITS:

[Handwritten Signature]
[Handwritten Signature]



Sewer- Recreation & Fire Protection

Spalding Community Services District

502-907 Mahogany Way Susanville, CA 96130 • (530) 825-3258

Date: April 19, 2024

To: Board of Directors

From: Kari Graton, Interim General Manager

Subject: Agenda Item # 11(c) Financials; Current Invoices: Under \$2500 paid, Payables due over \$2500 for Board approval.

Recommendation: Approve the payments for services rendered, acquired goods and supplies. Many are past due and beyond the General Managers \$2500 threshold, requiring your approval. If your Board prefers to take a different strategy as to the timeliness of payment, direct staff how you wish to proceed.

Discussion: Upon taking office at the last regular meeting of the Board, it quickly became evident through emails, billings and telephone calls that the District has received many services and goods over the past several months for which payment has not been tendered. Presented is a listing of the invoices, some of which were paid under the authorization of amounts under \$2500 to the General Manager's sole signature. Those paid are presented to your Board to keep you advised of the expenditures as you have requested in past meetings throughout the years. Many invoices remain unpaid, particularly those over \$2500 which require the authorization of your Board. As of April 15th, 2024 those outstanding invoices now cumulatively total in the amount of \$57,680.91 for a combination of goods, services and supplies. In particular, the amount currently owed to Stradling Attorneys for various professional service fees exceeds \$42,000.00. \$27,000 of that amount appears to be for services performed related to delinquency foreclosures. Staff is currently attempting to contact Stradling for a full explanation of those charges to ascertain if they are immediately due and payable.

Other Agency involvement: N/A

Financial Considerations: Note: The Districts current liquid cash balance in the Sewer account is \$59,004.70. Complete and immediate payment of these charges will leave the Sewer checking account overdrawn.

Results: Payments of accounts payable are necessary to maintain positive business relations with the Districts providers. Nevertheless, the District may want to consider taking a measured approach to payment of the Stradling Law firms bill over an agreed upon time to avoid over drafting the Sewer account and risking a loss of legal services.



Sewer- Recreation & Fire Protection

Spalding Community Services District

502-907 Mahogany Way Susanville, CA 96130 • (530) 825-3258

Date: April 19, 2024

To: Board of Directors

From: Kari Graton, Interim General Manager

Subject: Agenda Item # 11 (d) Introduction and proposal for the adoption of a Code of Civility.

Recommendation: It is recommended that your board study the attached Code of Civility and direct staff to Agendize the adoption of the proposed code at the next regularly scheduled meeting on May 17th, 2024.

Discussion: There are over 2000 Special Districts spread throughout California, designed to serve their populations with required essential services that would not otherwise be met by State or Federal agencies. A large portion of the procedure that guides Special Districts through the complex decision-making process occurs in public meetings held by those agencies. These meetings must be held in accordance with State Codes and Statutes, such as the Brown Act, that require public awareness of, and public participation in, these decision making exercises. In an effort for agencies to conduct this business in an orderly fashion and to reduce animosity between the Board and the public they serve, many Cities, Counties and Special Districts routinely adopt, and adhere to, a Code of Civility. Attached is a long used Code of Civility that has been successful to many Special Districts across the State in reducing animosity and increasing meeting civility and productivity.

Other Agency involvement: N/A.

Financial Considerations: N/A.

Results: Adoption of , and adherence to the code of civility, will streamline meetings and promote a well-governed community.

Attachments- A Code of Civility B-Code of Civility Form C- Rosenberg's rules of Order D- Guidelines for Conduct

April 19, 2024

CIVILITY

Item 11d

CODE OF CIVILITY

A healthy democracy respects the people's right to debate issues with passion. A healthy democracy not only tolerates disagreement but welcomes it in order to refine ideas and create policies that benefit the greater good.

The deterioration of civility across the country and within our community poses a threat to our democracy and our civic well-being. This deterioration:

- Compromises the integrity of a healthy, representative democracy
- Closes the door on depth of thought, reducing complex problems to harmful oversimplification
- Deters potential leaders from running for office or serving in government
- Poisons the civic well and discourages citizens from engaging on pressing community issues
- Casts the spotlight on poor behavior rather than shining a light on possible solutions
- Sets a poor example for our children

We have crafted this Code of Civility as a promise to each other, and to the people and institutions we serve, that we will always strive to conduct our debates - whether in person, online, or in written communication - in ways that allow for the widest range of opinions on ideas and policies, yet also respect the dignity, integrity and rights of those with whom we might disagree. With our individual and collective commitment to this code, we welcome our elected colleagues, the press and the public to hold us accountable.

In our deliberations we pledge to:

Listen First

We will make an honest effort to understand views and reasoning of others by listening to understand, not listening to find fault, allowing thoughtful discussion to lead to the best possible outcomes.

Respect Different Opinions

We will invite and consider different perspectives, allowing space for ideas to be expressed, opposed and clarified in a constructive manner.

Be Courteous

We will treat all colleagues, staff and members of the public in a professional and courteous manner whether in person, online, or in written communication, especially when we disagree.

Disagree Constructively

We strive to advance solutions to community issues; when faced with disagreement, we do more than simply share our concerns with differing positions, we work to propose a course of action of mutual benefit.

Debate the Policy Not the Person

We will focus on the issues, and not personalize debate or use other tactics that divert attention from the issue.

Code of Civility Form

A healthy democracy respects the people's right to debate issues with passion. A healthy democracy not only tolerates disagreement but welcomes it in order to refine ideas and create policies that benefit the greater good.

The deterioration of civility across the country and within our community poses a threat to our democracy and our civic well-being. This deterioration:

- Compromises the integrity of a healthy, representative democracy.
- Closes the door on depth of thought, reducing complex problems to harmful oversimplification.
- Deters potential leaders from running for office or serving in government.
- Poisons the civic well and discourages citizens from engaging on pressing community issues.
- Casts the spotlight on poor behavior rather than shining a light on possible solutions.
- Sets a poor example for our children.

We have crafted this Code of Civility as a promise to each other, and to the people and institutions we serve, that we will always strive to conduct our debates - whether in person, online, or in written communication - in ways that allow for the widest range of opinions on ideas and policies, yet also respect the dignity, integrity and rights of those with whom we might disagree. With our individual and collective commitment to this code, we welcome our elected colleagues, the press and the public to hold us accountable.

In our deliberations we pledge to:

Listen First

We will make an honest effort to understand views and reasoning of others by listening to understand, not listening to find fault, allowing thoughtful discussion to lead to the best possible outcomes.

Respect Different Opinions

We will invite and consider different perspectives, allowing space for ideas to be expressed, opposed and clarified in a constructive manner.

Be Courteous

We will treat all colleagues, staff and members of the public in a professional and courteous manner whether in person, online, or in written communication, especially when we disagree.

Disagree Constructively

We strive to advance solutions to community issues; when faced with disagreement, we do more than simply share our concerns with differing positions, we work to propose a course of action of mutual benefit.

Debate the Policy Not the Person

We will focus on the issues, and not personalize debate or use other tactics that divert attention from the issue.

ACKNOWLEDGEMENT OF RECEIPT

I, _____, with the signature below hereby acknowledge receipt of the Code of Civility.
(printed name)

Signature

Date

Rosenbergs Rules of Order

Courtesy and Decorum

The rules of order are meant to create an atmosphere where the members of the body and the members of the public can attend to business efficiently, fairly and with full participation. At the same time, it is up to the chair and the members of the body to maintain common courtesy and decorum. Unless the setting is very informal, it is always best for only one person at a time to have the floor, and it is always best for every speaker to be first recognized by the chair before proceeding to speak.

The chair should always ensure that debate and discussion of an agenda item focuses on the item and the policy in question, not the personalities of the members of the body. Debate on policy is healthy, debate on personalities is not. The chair has the right to cut off discussion that is too personal, is too loud, or is too crude.

Debate and discussion should be focused, but free and open. In the interest of time, the chair may, however, limit the time allotted to speakers, including members of the body.

Can a member of the body interrupt the speaker? The general rule is "no." There are, however, exceptions. A speaker may be interrupted for the following reasons:

Privilege. The proper interruption would be, "point of privilege." The chair would then ask the interrupter to "state your point." Appropriate points of privilege relate to anything that would interfere with the normal comfort of the meeting. For example, the room may be too hot or too cold, or a blowing fan might interfere with a person's ability to hear.

Order. The proper interruption would be, "point of order." Again, the chair would ask the interrupter to "state your point." Appropriate points of order relate to anything that would not be considered appropriate conduct of the meeting. For example, if the chair moved on to a vote on a motion that permits debate without allowing that discussion or debate.

Appeal. If the chair makes a ruling that a member of the body disagrees with, that member may appeal the ruling of the chair. If the motion is seconded, and after debate, if it passes by a simple majority vote, then the ruling of the chair is deemed reversed.

Call for orders of the day. This is simply another way of saying, "return to the agenda." If a member believes that the body has drifted from the agreed-upon agenda, such a call may be made. It does not require a vote, and when the chair discovers that the agenda has not been followed, the chair simply reminds the body to return to the agenda item properly before them. If the chair fails to do so, the chair's determination may be appealed.

Withdraw a motion. During debate and discussion of a motion, the maker of the motion on the floor, at any time, may interrupt a speaker to withdraw his or her motion from the floor. The motion is immediately deemed withdrawn, although the chair may ask the person who seconded the motion if he or she wishes to make the motion, and any other member may make the motion if properly recognized.

Special Notes About Public Input

The rules outlined above will help make meetings very public-friendly. But in addition, and particularly for the chair, it is wise to remember three special rules that apply to each agenda item:

Rule One: Tell the public what the body will be doing.

Rule Two: Keep the public informed while the body is doing it.

Rule Three: When the body has acted, tell the public what the body did.

GUIDELINES FOR CONDUCTING ORDERLY LEGISLATIVE BODY MEETINGS

GENERAL RULE OF CONDUCT FOR LEGISLATIVE BODY MEETINGS:

All legislative body meetings and hearings shall be conducted in an orderly, efficient manner, without willful disruption by any person(s) in attendance. These guidelines apply to all legislative body meetings and hearings, whether conducted by the legislative body or by a designee of the legislative body such as an administrative panel, and whether conducted in closed or open session.

PROCEDURE FOR DEALING WITH DISRUPTION:

In order to prevent disruption, the legislative body has the right to request that any person immediately stop the following conduct: (1) willfully disrupting a meeting, (2) interrupting a person who is addressing the legislative body, or (3) preventing the legislative body from attending to the purpose of a meeting. "Disrupting" is defined as "engaging in behavior during a meeting of a legislative body that actually disrupts, disturbs, impedes, or renders infeasible the orderly conduct of the meeting."

A. Initial Disruption. The chairperson of the meeting or hearing should immediately address the person, stating the following (or similar admonition):

"Excuse me, your actions are having the effect of disrupting this meeting [or hearing]. I am asking you to immediately stop [specify objectionable behavior, such as shouting, or interrupting, etc.] so that we can continue with the business of this meeting."

B. Second Warning. If a person refuses to stop the objectionable behavior, the chairperson should repeat the request to stop, and emphasize that the person will be asked to leave if the behavior continues. It should also be stated that the meeting or hearing will continue in the person's absence after he/she leaves. The following is appropriate:

"I must repeat that your actions are disruptive, and remind you of the request for you to stop your behavior. If you do not promptly cease this behavior, you will be asked to leave. The meeting will then continue only after you have left the room."

C. Order the Person to Leave. If the person refuses to stop after the second warning, he/she should be asked to leave, by stating the following:

"You have been warned twice that you are disrupting this meeting and have been told to immediately stop your disruptive actions. Since you have chosen to disregard these requests and continue your disruptive behavior, I am ordering you to leave this meeting immediately."

D. If the Person Refuses to Leave. If the person refuses to leave, he/she can be escorted from the room, assuming that this can be accomplished without resulting in physical injury to legislative body members or others in the room. If this cannot be accomplished by those already present, the police can be summoned.

E. No warning is required if the person's behavior includes the use of force or a true threat of force. In that circumstance, the person may be immediately removed.

F. Emptying the Room. The legislative body also has the right, in cases of extreme disruption involving one or more persons, to order the room cleared of all members of the public

(except for members of the press who have not caused the disruption, if any are present). In such cases, the legislative body can continue with the meeting or hearing on matters appearing on the agenda. The mayor or chairperson should state:

"All members of the public must immediately leave the room. The legislative body will proceed with its meeting [hearing] on items on the agenda."



Sewer- Recreation & Fire Protection

Spalding Community Services District

502-907 Mahogany Way Susanville, CA 96130 • (530) 825-3258

Date: April 19, 2024

To: Board of Directors

From: Kari Graton, Interim General Manager

Subject: Agenda Item # 12(a) Report on Strategic Planning.

Recommendation: Approve the strategic planning components developed by the community at the April 1st, 2024 special meeting, including:

1. Statement of Values

We enhance our communities quality of life through honorable service, transparent communications, accountability and integrity.

2. Vision of the Future

We are a community with dependable and efficient operational services.

3. Mission Statement

To provide quality wastewater, fire and recreation services to our community in a professional, reliable and responsible manner.

4. Recreation Department Mission

We focus on maintaining our facilities in a sustainable manner and encourage community participation.

5. Wastewater Department Mission

We work proactively to keep our community and environment clean, safe and compliant.

6. Fire Department

We provide trained support for our community and surrounding area.

Discussion: On April 1, 2024, well over 30 members of our community, in addition to your Board members, attended a special meeting workshop for the purpose of developing a community based strategic plan. This strategic plan will be the foundation to guide your Board and the Districts staff to set and complete goals which will allow the community to best serve its needs in the coming five (5) fiscal years. Although the strategic plan must remain flexible to unforeseen circumstances that can arise from time to time, the completed plan will allow administrators, staff and directors to remain more focused on previously identified missions and goals. The plan will be the Districts best management tool to align budgetary restraints with the community's prioritized goals.

Other Agency involvement: N/A

Financial Considerations: Note: Following an established and Board approved strategic plan could save the District thousands of dollars by utilizing realistic goal setting techniques to curtail wasted efforts.

RESOLUTION 2024-03

**A RESOLUTION OF THE SPALDING COMMUNITY SERVICES DISTRICT
ESTABLISHING THE DAY, TIME AND PLACE OF REGULAR MEETINGS OF THE
DISTRICT.**

WHEREAS, Ordinance No. 9 establishes that the regular meetings of the Spalding Community Services District (the "District") shall be specified by the Board of Directors by resolution, provided that the District Board meet a minimum of once every three months, as required by Government Code section 61044;

WHEREAS, the Board of Directors have determined that the it is in the best interest of the District to establish the day, time and place of regular meetings of the District;

NOW THEREFORE, the Board of Directors of the Spalding Community Services District do resolve as follows:

Regular meetings of the District shall be held on the third (3rd) Friday of each month at 3:00 PM at the Spalding Community Services District Community Center. The District shall also hold a regular meeting on May 10, 2024 at 3:00 PM at the Spalding Community Services District Community Center.

APPROVED, PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Spalding Community Services District this 19th day of April, 2024 by the following vote:

AYES:

NAYS:

ABSTAIN:

ABSENT:

APPROVED:

Ted Thomas, Chairman of the Board of Directors

ATTEST:

Kari Graton, Secretary of the Board