

**SPALDING COMMUNITY SERVICES DISTRICT  
REGULAR BOARD MEETING  
July 6, 2010**

**APPROVED BY DIRECTORS:**

**Approved 8/3/10**  
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\_\_\_\_\_  
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**MEETING PLACE: EAGLE LAKE COMMUNITY CENTER, SPALDING.**

**BOARD MEMBERS/STAFF PRESENT:** JOHN MONTICELLI CHAIRPERSON,  
BILL KELLER, LARRY DOSS, TRINA MARQUIS, RANDALL AUBREY **ABSENT:**  
ALSO PRESENT CHRIS GALLAGHER, SEC/GENERAL MANAGER.

MEETING CALLED TO ORDER AT 2:00 PM by John Monticelli  
PLEDGE OF ALLEGIANCE

**FIRE CHIEF'S REPORT TO THE SCSD BOARD**

Larry Frack: Three medical, one fire call. Fourth of July Parade had five engines this year and we gave away 25 pounds of candy. Pancake Breakfast sold 250 tickets, \$1365.68 net, after expenses. Chainsaw and O2 (used) tanks purchased.

**CONSENT CALENDAR**

- a. **Approval of July 6, 2010 Bills (Payment of operating bills for the District which are approved expenditures in current budgets.)**
- b. **Approval of Minutes, Reg. Mtg. 6/1/10 and Special Mtg. 5/12/10.**

Bill Keller: **Motion to Approve the Consent Calendar.**

Larry Doss: **Seconds Motion.**

Board Discussion

Board Polled: **Unanimous Vote-Aye.**

July 6, 2010						
Salaries: NET		Admin-222	Fire-225	Sewer-227	Rec-231	
Chris: payperiod 7/1-7/15/10	\$ 787.28	\$ 787.28				\$ 787.28
Linda: payperiod 7/1-7/15/10	\$ 632.36	\$ 632.36				\$ 632.36
Virginia: payperiod 7/1-7/15/10	\$ 355.88	\$ 355.88				\$ 355.88
Ray: payperiod 7/1-7/15/10	\$ 1,305.15			\$ 1,305.15		\$ 1,305.15
Bubba: payperiod 7/1-7/15/10	\$ 257.32				\$ 257.32	\$ 257.32
Line Items:	Bill Total	Admin-222	Fire-225	Sewer-227	Rec-231	
Airgas	\$ 60.30		\$ 60.30			\$ 60.30
C & C Fence	\$ 700.00				\$ 700.00	\$ 700.00
Eagle Lake RV storage	\$ 125.00			\$ 125.00		\$ 125.00
Ed Staub - Unleaded	\$ 295.82		\$ 295.82			\$ 295.82
FGL Environmental	\$ 477.00			\$ 477.00		\$ 477.00
Forest Office Equipment	\$ 66.55	\$ 66.55				\$ 66.55
Frontier - office	\$ 576.02	\$ 576.02				\$ 576.02
Frontier - ponds	\$ 365.23	\$ 365.23				\$ 365.23
Frack, Larry reimburse	\$ 48.25		\$ 48.25			\$ 48.25
Lassen County Clerk	\$ 78.10	\$ 78.10				\$ 78.10
Lassen Motor Parts	\$ 19.15		\$ 19.15			\$ 19.15
Marlin Leasing	\$ 188.32		\$ 28.25	\$ 131.82	\$ 28.25	\$ 188.32

<b>U.S. Bank</b>						
should be: direct costs	\$ 2,121.27	\$ 371.79	\$ 731.48	\$ 18.30	\$ 538.27	
should be: allocated costs		\$ 130.80	\$ 120.45	\$ 120.67	\$ 89.51	\$ 2,121.27
U.S. Cellular	\$ 147.97	\$ 147.97				\$ 147.97
Waste Management	\$ 209.46	\$ 209.46				\$ 209.46
Willdan-Del letters 07->09	\$ 2,020.08			\$ 2,020.08		\$ 2,020.08
Willdan-Del letters-2010	\$ 281.88			\$ 281.88		\$ 281.88
J.W. Wood	\$ 89.09	\$ 89.09				\$ 89.09

<b>TRANSFERS:</b>						
Monthly Allocations						
Fuel usage June - gas	\$ 177.60			\$ 177.60		\$ 177.60
						\$ -

<b>USDA FUNDS</b>						
Jim Curtis	\$ 170.20			\$ 170.20		\$ 170.20
Quick Space	\$ 215.45			\$ 215.45		\$ 215.45
Semingson	\$ 791.36			\$ 791.36		\$ 791.36

<b>Scheduled Payroll Taxes</b>		<b>Admin-222</b>	<b>Fire-225</b>	<b>Sewer-227</b>	<b>Rec-231</b>	<b>B</b>
IRS Payroll Taxes-July						\$ -
IRS - FUTA	WE ARE EXEMPT FROM THIS					
EDD Payroll Taxes-July		\$ -				\$ -
EDD-UI/ETT 3rd Qrt						\$ -
District Benefits Totals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries	\$ 3,337.99	\$ 1,775.52	\$ -	\$ 1,305.15	\$ 257.32	\$ 3,337.99
Line Items	\$ 9,224.10	\$ 2,035.01	\$ 1,303.70	\$ 4,529.36	\$ 1,356.03	\$ 9,224.10
Total District Bills	\$12,562.09	\$ 3,810.53	\$ 1,303.70	\$ 5,834.51	\$ 1,613.35	\$ 12,562.09

Totals From District Bills Listing

shown for "history" ONLY added to following Board meeting

**NEW BUSINESS**

**a. Change Authorized Signers for US Bank Accounts.**

Bill Keller: **Motion to approve Signers for US Bank Accounts.**

Randall Aubrey: **Seconds Motion.**

Board Discussion

Board Polled: **Unanimous Vote-Aye**

**b. Approve Resolution 2010-12 Authorizing contract with Haws, Theobald & Auman for 2006-2007 & 2007-2008 Audits.**

John Monticelli: **Motion to approve 2010-12 contract for Haws, Theobald & Auman for 2006-2007 & 2007-2008 Audits.**

Randall Aubrey: **Seconds Motion.**

Board Discussion

Larry Doss: Possible reimbursement of costs from previous auditor.

Board Polled: **Unanimous Vote-Aye**

**RESOLUTION NO. 2010-12**

**July 6, 2010**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SPALDING COMMUNITY SERVICES DISTRICT FOR THE 2006 – 2007 & 2007- 2008 FISCAL AUDIT**

**WHEREAS**, California Government Code Section 26909 (b) requires than an annual audit be completed within 12 months of the end of the fiscal year for every special district, and

**WHEREAS**, the prior Auditor who had contracted to complete these audits has resigned from the duty, and

**WHEREAS**, Haws, Theobald & Auman, PC are currently working on the 2008 – 2009 audit and are familiar with the prior years as well.

**NOW, THEREFORE, IT IS HEREBY RESOLVED** by the Board of Directors of the Spalding Community Services District that:

SCSD will enter into an agreement with Haws, Theobald & Auman, PC to perform the 2006 – 2007 and 2007 - 2008 fiscal audits and will submit the District’s State Controllers Report for a fee of \$16,000.

**APPROVED, PASSED AND ADOPTED** at a regular meeting of the Board of Directors of the Spalding Community Services District this 6th day of July 2010 by the following vote:

AYES _____	<u>Directors:</u>	
NOES _____	Randal Aubrey	_____
Directors Absent _____	John Monticelli	_____
	Trina Marquis	_____
	Bill Keller	_____
	Larry Doss	_____

ATTEST:

\_\_\_\_\_  
Chris Gallagher, Secretary/General Manager

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**c. Authorize Resolution 2010-14 for MOU Employee Health Benefit Program through CA Small District Mngt. Auth. (SDRMA).**

Bill Keller: **Motion to approve Resolution 2010-14 for MOU Employee Health Benefit Program through SDRMA.**

John Monticelli: **Seconds Motion.**

Board Discussion

Board Polled: **Unanimous Vote-Aye**

RESOLUTION NO. 2010-14  
A RESOLUTION OF THE BOARD OF SPALDING COMMUNITY SERVICES DISTRICT  
APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF A  
MEMORANDUM OF UNDERSTANDING AND AUTHORIZING PARTICIPATION IN THE  
SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY’S MEDICAL BENEFITS  
PROGRAM

**WHEREAS, the Spalding Community Services District,** a public agency duly organized and existing under and by virtue of the laws of the State of California (the "Entity"), has determined that it is in the best interest and to the advantage of the Entity to participate in Medical Benefits offered by the Special District Risk Management Authority (the "Authority"); and the Entity understands a condition of participation in Medical Benefits is a minimum of 3 full years; and

WHEREAS, Special District Risk Management Authority was formed in 1986 in accordance with the provisions of California Government Code 6500 *et seq.*, for the purpose of providing risk financing and risk management programs; and other coverage protection programs; and

WHEREAS, participation in Special District Risk Management Authority programs requires the Entity to execute and enter into a Memorandum of Understanding (the "MOU"); which states the purpose and participation requirements for Medical Benefits; and

**WHEREAS,** all acts, conditions and things required by the laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the transactions authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Entity is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such transactions for the purpose, in the manner and upon the terms herein provided.

**NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE ENTITY AS FOLLOWS:**

Section 1. Findings. The Entity’s Governing Body hereby specifically finds and determines that the actions authorized hereby relate to the public affairs of the Entity.

Section 2. Memorandum of Understanding. The Memorandum of Understanding, to be executed and entered into by and between the Entity and the Special District Risk Management Authority, in the form presented at this meeting and on file with the Entity's Secretary, is hereby approved. The Entity's Governing Body and/or Authorized Officers ("The Authorized Officers") are hereby authorized and directed, for and in the name and on behalf of the Entity, to execute and deliver to the Authority the Memorandum of Understanding.

Section 3. Program Participation. The Entity's Governing Body approves participating for a minimum of three full years in Special District Risk Management Authority Medical Benefits.

Section 4. Other Actions. The Authorized Officers of the Entity are each hereby authorized and directed to execute and deliver any and all documents which is necessary in order to consummate the transactions authorized hereby and all such actions heretofore taken by such officers are hereby ratified, confirmed and approved.

Section 5. Effective Date. This resolution shall take effect immediately upon its passage.

**APPROVED, PASSED AND ADOPTED** at a regular meeting of the Board of Directors of the Spalding Community Services District this 6th day of July 2010 by the following vote:

AYES \_\_\_\_\_  
NOES \_\_\_\_\_  
Directors Absent \_\_\_\_\_

Directors:  
Randal Aubrey \_\_\_\_\_  
John Monticelli \_\_\_\_\_  
Trina Marquis \_\_\_\_\_  
Bill Keller \_\_\_\_\_  
Larry Doss \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Chris Gallagher, Secretary/General Manager

**d. Approve Resolution 2010-13 Authorizing Contract for Copier Lease with Marlin Leasing Corp.**

Randall Aubrey: **Motion to Approve Resolution 2010-13 Authorizing Contract for Copier Lease with Marlin Leasing Corp.**

Trina Marquis: **Seconds Motion.**

Board Discussion

Board Polled: **Unanimous Vote-Aye.**

**RESOLUTION NO. 2010-13**

**July 6, 2010**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
SPALDING COMMUNITY SERVICES DISTRICT FOR THE LEASE OF THE MARLIN COPIER**

**WHEREAS**, the current copier that the district is using is a black and white with limited functionality, and

**WHEREAS**, the lease with Marlin Leasing Corp. is up in October, 2010, and

**WHEREAS**, Forest Office Supply has offered us a Marlin Lease for an upgraded color copier for less per month than we are currently paying for our black and white copier.

**NOW, THEREFORE, IT IS HEREBY RESOLVED** by the Board of Directors of the Spalding Community Services District that:

SCSD will enter into an agreement with Marling Leasing Corporation for a 63 month lease of a color copier with a monthly payment of \$150 plus maintenance, a total of less than \$210/mo.

**APPROVED, PASSED AND ADOPTED** at a regular meeting of the Board of Directors of the Spalding Community Services District this 6th day of July 2010 by the following vote:

AYES \_\_\_\_\_  
NOES \_\_\_\_\_

Directors:  
Randal Aubrey \_\_\_\_\_

Directors Absent \_\_\_\_\_

John Monticelli \_\_\_\_\_  
Trina Marquis \_\_\_\_\_  
Bill Keller \_\_\_\_\_  
Larry Doss \_\_\_\_\_

ATTEST:

Chris Gallagher, Secretary/General Manager

**CONTINUING BUSINESS**

**a. Building Remodel Update**

**BOARD MEMBER’S REPORT (FOR DISCUSSION OF CONFERENCES, WORKSHOPS AND MEETINGS ATTENDED, PLUS OTHER ACTIVITIES SCSD’S GENERAL INTEREST)**

John Monticelli: Update on King’s Hollywood property.

Larry Doss: A grading and ditching agreement has been made.

Chris Gallagher: Enplan study is in progress. Directors to take ethics course and sign up in August for November election.

**GENERAL MANAGER REPORT**

**a. Monthly Report**

**SPALDING COMMUNITY SERVICE DISTRICT MONTHLY REPORT**  
**June 2010** Wednesday, July 21, 2010

	2010	2009
No. of Wastewater Hookups	558	
No. of Permits Purchased	595	
No. of Tanks Billed per 1/4	644	
No. of Parcels Taxed on Bond	909	
Gallons of Wastewater Flow	682,301	gallons
Lift Station #1 Strand	92,691	gallons
Lift Station #2 Marina	272,921	gallons
Lift Station #3 Acacia	179,829	gallons
Lift Station #4 Laurel	136,860	gallons
Ponds	NA	gallons
Total Wastewater Call-outs	1	
Total Income for Month	\$10,929	
Sewer	\$1,757	
Marina	\$8,269	
Fire	\$903	
Receivable turnover Ratio		
Total Expenditures Month	\$31,571	
Total Number of Employees	5	
Total Hours Worked	510	
Salaries & Benefits	\$10,024	\$19.65 /Hr.
Paid Vehicle Parking	\$5,067	
Annual Parking Permits Sold	50	50
Annual Add Veh Parking Permit	12	28
Doc Permits Sold	0	

Flows are for 30 days

Total Hours of Fire Training	8
Total Fire Calls	2 One Fire

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Notes:

- \*2 Directors and GM went to Taura Kings house after 6/1 meeting and a plan was made for fix.
- \*Budget Adopted June 30, 2010.
- \*The County did pay our Firenet Lassen fees of over \$2000. We will be sending letter to the Board.
- \*Audit continues
- \*Dredging ponds almost dry. Will be working this month on cleaning up.
- \*Had Fire Hydrant spring a leak and damaged asphalt. Getting estimate to fix and ins will pay.
- \*District Septic tank had a break between the tank and the line going to connection. Fixed.
- \*Notices went out for people who have not paid two installments of sewer assessment fees.
- \*Asset Management Training at 9:00 a.m. on Wednesday July 21 for those interested.
- \*Ethics Webinar on Friday July 16th. Get with Chris for details.
- \*Directors Monticelli, Marquis, and Keller need to file with County Clerk this month.
- \*Fire made \$1504 at the 4th of July Breakfast. Raffle made \$365 and boot took in \$47 and \$40 firewood

**PUBLIC COMMENT**

Discussion: regarding who is not hooked up to the system, Lahontan's cease and desist orders and fines resulting.

**ADJOURN**

Randall Aubrey: **Motion to Adjourn.**  
 Trina Marquis: **Seconds Motion.**  
 Board Polled: **Unanimous Vote-Aye**

**Board to Sign Approved Expenditures**

Next regular meeting August 3, 2010 at 2:00pm

Respectfully submitted by: Virginia Bruce

These minutes were transcribed from audiotape. Every effort is made to record all person's comments. Some comments may have been edited to try to get thoughts across.