

TO: The Board of Directors
SPALDING COMMUNITY SERVICES DISTRICT

FROM: Vince Rogers
General Manager

DATE: November 8th, 2024

RE: Staff Report - Board of Director's Regular Meeting, November 8th,
2024

DISCUSSION:

Strategic Planning – No Update

- Strategic Plan Implementation - In follow-up to goals identified by the recent Ad Hoc Committee for Strategic Planning, staff now need to define specific and measurable objectives, tasks, and timelines in additional detail. *Recommendation:* Staff to complete development of a detailed Strategic Plan for 2025-2030 (FY2024-2025 to FY2030-2031) to guide the District beginning in the New Year.

Fiscal Health - Update

- Forensic Audit – staff have compiled a tentative list of firms and the RFP/RFQ samples. The procurement of a CPA for the purposes of Forensic Audit remains a critical priority – staff have begun the research for a list of qualified vendors, with some support provided by members of the Board of Directors.
- Policy Updates - As the district has assumed management of operating funds portions of its treasury, Spalding CSD will need to adopt fiscal policy and procedures in accordance with Government Code, Government Accounting Standards, State Controller Office guidance, auditor recommendations and current- and near-future organizational structure and staffing and have them ratified by the Board of Directors. The Bookkeeper has been delivered and advised State Controller's Office guidance for local government and special districts.

- Committee - The Board of Directors may wish to form a Standing Committee on Fiscal Policy, if willing and suitably experienced volunteers are available.
- Treasurer - The Board of Directors may wish to establish that the General Manager act as Treasurer for the District, pursuant to California Government Code Gov. Code 61050 (c).
- Memorandum of Understanding with Lassen County – The Board of Directors may wish to direct Spalding CSD Counsel to reach out to Lassen County Counsel to initiate discussions for the development of a Memorandum of Understanding (MOU) for Treasury Management defining:
 - 1) Roles and responsibilities of the District and the County.
 - 2) Establishing the conditions for consolidation of the District treasury back to the County.
 - 3) Managing the abridged treasury in the intervening period.
 - 4) Meeting the District’s long-term debt service obligations.

Governance & Community Development - Update

- Biennial Conflict of Interest Policy Review - Staff have submitted to Lassen County, the “reviewing body” for special districts; amendments and resolutions may be required as deemed necessary by the review process.
- New Directors - Staff will be working to support the newly appointed officers in fulfilling their ethics and disclosure obligations.
- Elections - The Oath of Office for directors elected in the forthcoming General Election, November 5th, 2024, to tentatively take place during the Regular Meeting following election certification in December of 2024.
- Selection of Officers – see Spalding CSD Code of Ordinances Article 2.01.010 Selection of Chairperson and Vice-Chair.

- Board Orientation and Development - programming and materials will be curated to ensure that incoming officers have a thorough understanding of their responsibilities.
- Resource Attainment & Procurement - Staff are considering the procurement of a qualified consultant to support the Governance Administrative Record Review and Board Training & Development (not to exceed \$2500).

Operations & Infrastructure Maintenance - Update

- Lift Station #1 - Staff have received the opinion memo from contracted engineering services support. Next steps are to prepare a scope of work for repairs and recommendations, for grant resource attainment and contracting professional services for planning, permitting, and design.

Seasonal Operations - In addition to normal operations and maintenance activities, staff will be focusing on implementing an interim maintenance and monitoring plan for the lift stations with contingency systems in anticipation of the Winter. Marina facilities have been winterized.

- Floodplain Concerns - Depending on the scope of repairs identified and recommended by the engineer's opinion, it may be necessary to petition for amendment of the FEMA National Flood Hazard Layer (last updated in 2010), requiring professional engineer/surveyor opinion and/or community consensus petition.
- Maintenance and Capital Improvement Planning - A thorough Sewer System Preventative Maintenance Plan, Sewer System Management Plan, and Sewer System Needs Assessment, with Capital Improvement Plan and Capital Reserve goals and forecasting remain a critical priority.

Regulatory Affairs - Update

- Met with regulators at California State Water Resources Control Board – R6 Water Quality Division on October 23rd to discuss our monitoring and reporting protocols.

Risk Management – No update

- Resource Attainment for Cybersecurity - Staff have submitted for the State and Local Cybersecurity Grant Program (SLCGP), a FEMA Program

administered at the state level by the California Office of Emergency Services. The grant program performance period is December 1, 2024 – December 31, 2026. Eligible covered costs include Planning, Organization, Equipment, Training, Exercise, Management & Administration and some indirect costs.

- Procurement - The SLCGP grant writing effort was supported with VC3, a reputed cybersecurity consultant affiliated with California Special Districts Association, the National League of Cities; the district will be working with VC3 as a Managed Service Provider to consolidate and improve our technology and cybersecurity practice under a single contract.
- Delinquency & Foreclosure – Counsel has briefed me on the obligations of the District with respect to Delinquency & Foreclosure. Further reading is required on my part and coordination with the bond administrators and Lassen County may be necessary.
- Workers Compensation – Staff will be working to update and maintain our coverage for staff and volunteers; staff and volunteers are the district’s most valuable assets.

Budget – No Update

- Budget Approval - The District passed the budget at the Regular Meeting of the Board of Directors on September 13th, 2024.
- Budget Tracking - Staff will be working in the coming months to perform budget tracking data entry and analysis with reporting to begin closer to the Mid-Year Budget Review.

Financial Management - Update

- Financial Reports – working with the bookkeeper to resume regular financial reporting, tentatively aiming to begin in the new year.
- Customer Relations - Working the Bookkeeper to review and reconcile sewer customer records and payment history in the interest of providing accurate billing information to reliable customers.

- Online Bill Payment - We are working to move towards the latest bookkeeping cloud software solutions to improve security, eliminate redundant IT contracts and reinstate secure, compliant, online billing and payment.
- Process and Procedures – Working with staff to improve accounts receivable and accounts payable procedures.

Staff and Volunteer Resources - Update

- Oversight - Working with staff to regularly submit and review timesheets, and adhere to weekly schedules.
- Scheduling - I have been collecting information on operations for the development of standard procedures, job codes and schedules.
- Recruitment – I have initiated the recruitment process for an Administrative Assistant, beginning with a targeted effort in partnership with the Lassen College Work Experience Program – no response yet from LCC staff. Looking towards recruiting one additional staff person for part-time support for Wastewater Operations and Facilities maintenance.
- Volunteer Fire Chief – a resolution and revised job description are provided.
- Training – attending FS 65A-DRIVER/OPERATOR 1A: EMERGENCY VEHICLE OPERATIONS with Lassen College Fire Technology Program alongside other volunteers.

Bonds & Assessments - Updates

- Bond Administration – met with bond administrators October 23, 2024 to review annual bond administration activities and calendar.

Record Management System:

- Records Management - Staff have established Records Management System guidance and procedures for staff and contractors to follow for digital and hard copy file management and are working to organize records in the system.