



# Auburn Valley Community Service

## District

P.O. Box 8138 Auburn, California 95604

**Jim Leidigh (530)-269-1668**

**Bob Mantz (530)-269-1802**

**Gerald Sherburne (530)-269-1938**

**John Imrie (530)-269-1831**

## Minutes

### **BOARD OF DIRECTORS MEETING AND PUBLIC HEARING**

**Saturday, May 9, 2020**

**Meeting was held by Webex**

**Meeting called to order at 9:03 a.m.**

**Roll Call:** All Directors were present

**Established a quorum.**

**Approval of the May 9, 2020 Meeting Agenda (5-0)**

### **Reports From Directors:**

#### **Treasurer's Report - D. Christensen**

Status of accounts as of May 9, 2020

Money Market Account (Restricted for Bonds)	\$194,000
Operations & Maintenance	\$350,372

Dave presented a review of the current financial status of AVCS D:

1. Annual revenue - operating revenues \$440,000 / Bond revenue \$282,000
2. AVCS D Budget - The budget is designed to be zero profit. The biggest yearly unknowns are repair expense and legal fees. This year the repair

budget was \$71,000 for water and sewer combined. AVCSD is in the planning stages of repairing a 600 foot deep well at the cost of \$30,000 to \$40,000.

The AVCSD also needs to be prepared for some large and unpredictable bills for the repairs of the continued use of “disposable” wipes, etc in the system.

Legal fees were budgeted at \$17,000 but will likely be around \$8,000.

3. What’s in the operating revenues of \$440,000? - most costs (84%) are fixed regardless of how much water one drinks or how many live in a home.
4. Costs are allocated by Spyglass Circle, 54 EDU’s; Auburn Valley Golf and Entertainment Center - 22 EDU’s; original community, 88 EDU’s.
5. AVCSD 2020- 2021 Budget Forecast / recommendations:
  - No change in operation rates
  - Possible increase in revenue bond rates
  - Reserve for major repairs and replacement of treatment plant
6. The annual budget is predicated on the community paying their statements on time. At this time, receivables are mounting and the AVCSD commercial customer owes more than \$37,00 for services and \$27,000 for Bonds over the last 9 months. While the District has options to file liens and terminate service to delinquent customers, non-paying customers is a serious issue and the non-paying cash flow issue can and will effect the entire community.
7. AVCSD is considering a deferred payment plan as an option for individual homeowners and the commercial client.

Dave Christensen resigned after serving 7 1/2 years on the AVCSD Board of Directors. His resignation was effective at the close of the May 9, 2020 meeting.

## **President’s Report - J. Leidigh**

**On behalf of previous CSD Boards and the current CSD Board - Thank you to Dave Christensen for his countless hours and dedication he has given to the board and the Auburn Valley Community.**

In response to the AVCSD letter sent to the property owners a few weeks ago, two emails were received with questions regarding the financial status of the District. Dave Christensen’s report today should have answered the questions.

The AVCSD is responsible for 2 of the 5 essential services necessary for each household regarding Auburn Valley - water and sewer. The AVCSD Board is determined to provide good service, protect the district’s assets, liabilities and manage the financial issues in a lawful and prudent manner. The AVCSD is not part of the AVPOA and is not governed by the CC&R’s and other regulations of the AVPOA. The District is mandated by Placer County and the State of California regulations and laws. The AVCSD Board of Directors is entrusted with an important mission - deliver clean, healthy water and the disposal of household liquid waste.

## **Vice President Report - J. Imrie**

Having served on the board for many years, John encouraged Auburn Valley homeowners to volunteer for the vacancy on the board as it is a rewarding and fun experience.

## **Technical Director Report - Bob Mantz**

The Auburn Community has 5 wells of which one is offline at this time as it needs a pump replacement. There is a plan to replace the pump in the near future.

With the addition of a generator at well #2 and a diesel fuel storage tank, the community is well prepared for PG&E public power shut offs this summer.

There continues to be excessive amounts of grease and non-biodegradable materials ("flushable wipes", sanitary napkins, rags, and other flushed objects (UFOs)) entering the sewage system. **Significant money** is being spent by the District to clean, repair, and in some cases, entirely replace sludge grinders and pumps. The Board asks that you not be the party causing this unnecessary expense! All residents bear the increased costs to repair/replace damaged equipment. **Please only flush human waste and regular TP.**

## **Delinquencies/Volunteer Committee - Gerald Sherburne**

Each quarter homeowners are mailed a AVCSD statement with backup invoices. **The total amount on the statement is the amount due.** The invoices list the items and amount for which the customer is charged. One check should be written for the statement amount. Due to legal and accounting purposes, **a separate check needs to be written for the Bond statement.**

The question on how transparent should the AVCSD Board be for community members that are delinquent on their accounts was brought up for discussion. There was no response at this time.

## **Consent Item**

The February 2020 AVCSD Board of Directors Meeting minutes were approved. (5-0)

## **New Business**

### **November Election:**

Per county law, the AVCSD Board vacancy was posted throughout the community for 15 days and emailed to homeowners. The Board will have 60 days to appoint a new board member. There will be four (4) vacancies for elections on the AVCSD Board this year;

the positions now held by Bob Mantz, John Imrie, Gerald Sherburne, and the new appointee following Dave Christensen's resignation. If four (4) community members volunteer, the services of Placer County Elections office will not be needed. If 5 or more community members volunteer, the District is required to have the services of Placer County and names will be on the county's election ballot, November 3, 2020. Please note, volunteers run for the Board and not for positions.

### **Resolution 2020-02**

As required by Placer County, Resolution 2020-02 ( Notice of Governing Board Member Election and/or Notice to Submit Measure(s) to a Vote of the Voter) was presented. Motion was made to adopt Resolution 2020-02, seconded and approved. (5-0)

### **AVCSD Website:**

As a result of recent California state legislation (AB 434) which created a new Government Code section 11546.7, which requires state agencies and state entities to post on their website home pages a certification that the website complies with the Web Content Accessibility Guidelines 2.0 Level AA, or a subsequent version, and Section 508 of the Rehabilitation Act) the District has contracted with Streamline (DBA Digital Deployment Inc. of Sacramento, CA) to create a new AVCSD web site and be a site hosting service. You can access the website at:

**<https://auburnvalleycsd.specialdistrict.org>**

We hope that you will find it much easier to access, navigate, and locate content.

### **General Manager:**

The Board has had discussions regarding the hiring of a General Manager to perform all of the necessary duties connected with the District. Having a General Manager would relieve the volunteer Board from having to perform all of the day-to-day duties and free up the Board to do only the management and oversight of the GM. Such a move, however, would entail greater expense to the community and require the District to become an employer, with all of the accompanying statutory requirements. The Board welcomes your input on this topic.

### **AVCSD Fence:**

Discussion was held regarding the security fencing that was installed around the entire Well #2 complex to protect the well head, propane tank, generator, power transfer switch, SCADA equipment and for insurance protection to help decrease any liability. Suggestions were taken from the community in regards to the esthetics of the fence as there have been several complaints from the community concerning the style, height and looks of the fence. The Board welcomed the suggestions and are taking them under consideration.

### **Old Business**

### **District Code:**

As a result of its new membership in the CSDA, and as a result of dealing with the complex regulatory environment, the Board became aware that many (if not most)

CSDs have what's known as a Code document. These Code documents are a single, unified document which contains all ordinances, resolutions, policies, procedures, rate schedules, billing & collection practices, etc. The Board has retained a legal firm to generate a comprehensive code specific to the District. Included in the Code will be new policies regarding delinquent accounts, and their corresponding service termination notifications, payment plans, etc. in-line with the provisions of SB 998. A first draft of the Code is nearing completion and will be ready for the Board's review in the next weeks. Once approved, adopted, and promulgated, the Board hopes that the Code will be a useful resource to the District's constituents, realtors, title companies, other County agencies, and the general public.

## **Public Comments**

Tim O'Leary would like spend time with the wastewater operator and tour the plant to look at the strainers being used.

**Adjournment** - there being no further business before the board, the meeting was adjourned at 10:35 a.m.

## **Next Board Meeting:**

**June 11, 2020**

**9:00 a.m.**

**By Webex**

Respectfully Submitted,

Diane Peterson  
Recording Secretary