

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS July 12, 2021

A regular meeting of the Board of Directors of the McCloud Community Services District was called to order at 6:00 p.m. at the Scout Hall. Five Directors (Young, Richey, Hanson, Rorke, Zanni) were present. Also present were General Manager Amos McAbier, Fire Captain Nate Girard, Finance Officer Mike Quinn and District Secretary Andrea Mills.

1. Call to Order at 6:00PM

2. Pledge of Allegiance.

3. Approval of Minutes:

A. Discussion/action regarding approval of the minutes of the Regular Meetings of June 14, 2021, and June 28, 2021, and the Special Meeting of June 21, 2021.

R. Zanni made a motion to approve the minutes of the Regular Meetings of June 14, 2021 and June 28, 2021 and the Special Meeting of June 21, 2021; seconded by C. Richey. Motion passed with 3 ayes (Richey, Zanni, Rorke) for the Regular Meetings of June 14, 2021, 2 abstain, M. Hanson and C. Young. Motion for the meetings of June 28, 2021 and the Special Meeting of June 21, 2021 passed with 4 ayes (Young, Richey, Zanni, Hanson), 1 abstain (Rorke).

4. Announcement of Events: None

5. Communications:

A. Correspondence from Betsy Phair regarding water bottling and water availability.
No comments.

6. Reports:

A. General Manager-Amos McAbier reported that the Mud Creek flow is being closely monitored by staff and that the springs water flow has still been decreasing. The Lower Elk Springs Grant has been given final approval. The discharge permit for the water tank has been approved however staff will not be draining the tank until the water flow returns to normal unless required.

B. Fire Chief- Nate Girard reported that training during the busy summer months will be on Thursdays only. The crew will be focusing on wildland firefighting and rescue. Most of our volunteer firefighters have wildland fire training already. Nate reported that there have already been three requests for a standby ambulance with staff for local fires. This service can pay \$1000.00 per day however, the MCVFD was unable to supply these services.

Please see additional Fire Department information on the written report.

C. Directors-no reports

D. Committees-

Finance and Audit reported they have been working on the proposed budget included in this meeting's agenda.

Safety Committee, Policy Review, Fire Department and Courthouse Committee did not meet.

7. Consent Agenda:

A. Approval of Expenses in the amount of \$7,012.78.

B. Approval of Expenses in the amount of \$22,870.69.

C. Richey made a motion to approve expenses in the amount of \$7,012.78 and the amount of \$22,870.69; seconded by C. Young. Motion passed with 5 ayes (Young, Richey, Hanson, Rorke, Zanni).

8. Old Business:

A. Discussion/possible action regarding review of service contracts proposals for office copy machine lease. Ray Morgan Co. and Western Business Products (Lanier).

The pros and cons of the proposals within the agenda were thoroughly discussed at the last Board Meeting. Brief summary was given tonight. Amos McAbier made a recommendation to go with Western Business products. A timeline for the new copy machine is approximately 6 weeks according to the company representative that was in attendance.

M. Hanson made a motion for Amos to sign a contract proposal on page 34, with Western Business solutions and cancel the services of Ray Morgan Co.; seconded by R. Zanni. Motion passed with 5 ayes (Young, Richey, Hanson, Rorke, Zanni).

B. Discussion/possible action regarding adoption of MCSD preliminary 2021-2022 fiscal budget.

R. Zanni made a motion to adopt the MCSD preliminary 2021-2022 fiscal budget; seconded by M. Hanson. Motion passed with 4 ayes (Young, Zanni, Hanson, Rorke) 1 nay (Richey).

C. Discussion/possible action regarding retaining BKS law firm for MCSD general council services.

C. Young made a motion to Approve retaining BKS for general counsel services for the MCSD @ \$290.00 per hour subject to possible annual hourly rates increases typical of cost-of-living increases and waive the previous cap for legal expenses not to exceed \$8,000.00.

And authorize the Board President to sign a Confirmation Letter stating the MCSD Board of Directors has retained BKS for general council services; seconded by R. Zanni. Motion passed with 4 ayes (Young, Richey, Hanson, Zanni). 1 nay (Rorke).

MCSD will retain the services of Prentice Long Law Firm in Redding for simple tasks or items without timelines.

D. Discussion/possible action regarding approval of the first reading of MCSD Policy 2192 - Substance Abuse.

M. Hanson made a motion to approve the first reading of MCSD Policy 2192- Substance Abuse to include changes and appendix F; seconded by M. Rorke. Motion passes with 5 ayes (Young, Richey, Hanson, Rorke, Zanni).

8. New Business:

A. Discussion/possible action regarding approval of proposed banking/financing relationship with Five Star Bank.

1. Banking Proposal
2. Loan Details (estimated) Refinance current loan with SWRCB
3. Loan Details (estimated) Refinance current loan with USDA
4. Loan Details (estimated) Combination/Refinance two Refuse Trucks Loans
5. Loan Details Revolving Line of Credit of \$250,000.

Presentations were given by Jerry Legg, Lisa Stewart, and Bill Spear of Five Star Bank. Five Star Bank is the banker of the CSDA(California Special District Association) and specializes in low cost, high quality customer service banking for Special Districts. Services provided by the bank were discussed as well as the refinancing of MCSD current loans and a potential of a line of credit loan from Five Star Bank. Changing the banker will save MCSD nearly \$190,000.00 over the lives of current loans. C. Young, C. Richey and M. Rorke expressed concern over the closest branch location in Redding and our ability to do banking at a distance.

M. Hanson made a motion to approve the banking proposal, refinance loans with SWRCB and USDA, combination/refinance two refuse truck loans and apply for a revolving line of credit of \$250,000 with the application fees of \$1200.00 for the line of credit to be taken from the General Fund, the remainder of fees to be added to their prospective loans and move the LAIF money to Five Star Bank; seconded by R. Zanni. Motion passed with 4 ayes (Young, Richey, Zanni, Hanson). 1 nay (Rorke).

10. Public Comment: This time is provided to receive information from the public regarding issues that **do not** appear on the agenda (persons addressing the Board will be asked to step up to the podium and will be limited to three minutes or depending on the number of persons wishing to speak, it may be reduced to allow all members of the public the opportunity to address the Board).

11. Adjourn open session at 8:21PM

12. Convene a Closed Session: at 8:25PM

A. Convene a Closed Session Pursuant to California Government Code §54957.6 - Public Employee Performance Evaluation: General Manager.

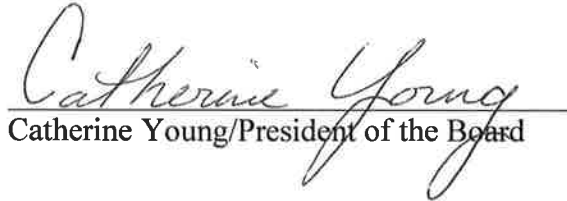
B. Convene a Closed Session Pursuant to California Government Code §54956.9(b) – Threatened Litigation.

13. Reconvene open session and announce any action taken *at 10:08PM*

C. Young announced that there will not be any changes to the MCAD contract with General Manager, Amos McAbier.

C. Young also announced that no action will be taken regarding Threatened Litigation.

14. Adjourn at 10:09PM


Catherine Young/President of the Board


Andrea Mills/Secretary of the Board