



LAKE SHASTINA COMMUNITY SERVICES DISTRICT

Regular Meeting
 Wednesday, June 21, 2017, 1:00 p.m.
 Administration Building
 16320 Everhart Drive • Weed, California 96094 • (530) 938-3281

MINUTES

CALL TO ORDER AND ROLL CALL: 1:01 p.m.

LSCSD Board Roll Call: Cupp ✓ Layne ✓ Thomsson ✓ Two Vacant Seats

Also present: GM Drexel, SAC Nelle and AA Charvez. There were approximately 8 people in the audience. Secretary Drexel called the meeting to order.

APPOINT A TEMPORARY CHAIRPERSON

Motion by Dir. Cupp second Dir. Layne to rotate Board Members to serve as monthly Regular Board Meeting Chairperson.

Ayes: Directors Cupp, Layne and Thomsson
Noes: None
Absent: None
Two Vacant Seats

Motion by Dir. Layne second Dir. Thomsson to appoint Dir. Thomsson as Chairperson for this meeting.

Ayes: Directors Cupp, Layne and Thomsson
Noes: None
Absent: None
Two Vacant Seats

(The first second to the motion above was made by Dir. Cupp with a stipulation that she serve as Chairperson for the July Regular Meeting. Dir. Layne did not amend the motion.)

PUBLIC COMMENTS ON CLOSED SESSION: None

ADJOURN TO CLOSED SESSION: With no objections by the Board, Dir. Thomsson adjourned to Closed Session at 1:06 p.m.

CLOSED SESSION: 1:07 p.m.

Also present: GM Drexel and Counsel Diane Deckard via teleconference for Item A.

- A. CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION Existing Litigation (Gov. Code § 54956.9) Moller v. LSCSD et. al.
- B. CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION One Potential Case (Gov. Code § 54956.9(c)) Initiation of Litigation – Significant Exposure
- C. CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION One Potential Case (Gov. Code § 54956.9(c)) Initiation of Litigation – Significant Exposure

With no objections by the Board, Dir. Thomsson adjourned Closed Session at 1:43 p.m.

RETURN TO OPEN SESSION: 1:47 p.m.

Also present: GM Drexel, SAC Nelle, AA Charvez, FC Pappas and PC Wilson. There were approximately 29 people in the audience.

PLEDGE OF ALLEGIANCE: SAC Nelle led the Pledge of Allegiance.

REPORT ON CLOSED SESSION: Dir. Thomsson stated there was nothing to report out of Closed Session.

CORRESPONDENCE: This is for correspondence directed to the District or the Board of Directors to be reviewed. No action necessary. Items Received and Filed.

- Donald Charles Letter
- Donald Charles Small Claims Court Subpoena
- Letter to the Board – Lee Deckard
- Anonymous letter presented by Dir. Cupp
- SWRCB Water System Inspection Report

PUBLIC COMMENTS: None

DISCUSSION / ACTION ITEMS:

- A. Consideration of Appointment(s) to fill Unscheduled Vacant Board Member Seat(s) (Board)
 a. Administer the Oath of Office and Seat new Appointed Member(s)

Candidates Norman MacIntosh, Rick Thompson, Paula Mitchell and Frankie Hayduk made brief statements to the Board. Dir. Thomsson stated that Candidate Emory Hanlon was not at the meeting due to a family emergency and declined presenting a statement to the Board.

A motion was made by Dir. Thomsson and seconded by Dir. Layne to appoint Emory Hanlon to fill a vacant Board Member seat. Yes Votes: Dirs. Layne and Thomsson; No Votes: Dir. Cupp. The motion failed.

A motion was made by Dir. Cupp to appoint Rick Thomsson and Paula Mitchell to fill the vacant Board Member seats. There was no second to the motion. The motion failed.

A motion was made by Dir. Cupp to appoint Norman MacIntosh to fill a vacant Board Member seat. There was no second to the motion. The motion failed.

A motion was made by Dir. Cupp to appoint Frankie Hayduk to fill a vacant Board Member seat. There was no second to the motion. The motion failed.

Motion by Dir. Cupp second Dir. Thomsson to pass both vacant seats to the Siskiyou County Board of Supervisor with a request to make both appointments as soon as possible.

Ayes: Directors Cupp, Layne and Thomsson

Noes: None

Absent: None

Two Vacant Seats

- B. Election of President and Vice President – remainder of 2017 Calendar Year: No action taken.
- C. Consideration of bypassing the appointment process by the Board of Directors and Board of Supervisors and call a Special Election for the November 2017 ballot. Review and adopt or decline Resolution *-17 to have the County call a Special Election: No action taken.

CONSENT CALENDAR: (All items accepted/approved by the Board unless otherwise noted.)

1. A. Approval of Minutes: Regular Meeting May 17, 2017 and Special Meeting May 22, 2017
- B. Ratification of Disbursements: May 1 through May 31, 2017
- C. Budget Comparison: FY 2016/2017 YTD
- D. District legal costs related to Moller lawsuit: September 2015 to date \$116,430.07 and FY 16/17 year to date \$83,088.69

Motion by Dir. Cupp second by Dir. Layne to approve Consent Calendar.

Ayes: Directors Cupp, Layne and Thomsson

Noes: None

Absent: None

Two vacant seats

COMMITTEE REPORTS: This is the time for the Committee Chairs to give an update on their committee and make recommendations to the Board for approval.

- A. Policy Committee: SAC Nelle reported.
 1. Report on Status and Submit Approved Minutes for Board Review
- B. Police Advisory Committee: Dir. Cupp reported.
 1. Report on Status and Submit Approved Minutes for Board Review
- C. Fire Department Advisory Committee: Dir. Layne reported.
 1. Report on Status and Submit Approved Minutes for Board Review
- D. Water Well Advisory Committee: GM Drexel reported.
 1. Report on Status and Submit Approved Minutes for Board Review

DISCUSSION / REPORTS: ACTION ITEMS:

2. Fire Department Monthly Report: FC Pappas reported.
3. Police Department Monthly Report: PC Wilson reported.

DISCUSSION / REPORTS: ACTION ITEMS:

The Board unanimously agreed to move the order of the action items due to representatives/presenters in the audience for some of the items. These minutes reflect the order the items were addressed by the Board.

4. Insurance proposal from Golden State Risk Management Authority for Property, Liability and Workers Comp – approval by resolution: GSRMA representatives, Walter Michael and Scott Schimke, gave an overview of GSRMA. The Board discussed. A motion was made by Dir. Layne seconded by Dir. Thomsson to accept GSRMA proposal. Yes Votes: Dirs. Layne and Thomsson; No Votes: Dir. Cupp. The motion failed. The Board continued

discussion. The Board has until the end of June to compare SDRMA and GSRMA quotes and set a special meeting to consider changing insurance provider.

5. FY 2017/18 Operating Budget: Public Hearing and Consideration of Approval of Committee Budget and Consideration of Approval of Management Budget: Dir. Thomsson opened the Public Hearing at 3:47 p.m. Paula Mitchell gave an overview on behalf of the Budget Committee (Option A). GM Drexel gave an overview on Management Budget (Option B). Comments were received from the audience. Dir. Thomsson closed the Public Hearing at 4:08 p.m. The Board discussed. A motion was made by Dir. Layne and seconded by Dir. Thomsson to approve Option B, as presented. Votes: Dirs. Layne and Thomsson; No Votes: Dir. Cupp. The motion failed. A motion was made by Dir. Cupp to approve Option B, with the following changes: increase General Fund Legal Fees to \$50,000, add line items for Fuel and Vehicle Repair Fire Department Strike Team increase Vehicle Repair Fire Department to \$12,000. There was no second to the motion. The motion failed.

Motion by Dir. Cupp second Dir. Thomsson to adopt Resolution 4-17 approving FY 2017/18 Operating Budget; Option B, as amended: increase General Fund Legal Fees from \$25,000 to \$35,000; Special Legal stays at \$25,000, add two line items to Fire Department for Strike Team Fuel and Vehicle Repair, with Chief Pappas' input on dollar amount that would come out of other line items, and increase Fire Department Vehicle Repair from \$7,000 to \$10,000.

Ayes: Directors Cupp, Layne and Thomsson
Noes: None
Absent: None
Two vacant seats

6. Discuss and approve Installation of Little Free Library at Administration Building: Bruce Batchelder gave a presentation regarding the installation of a Little Free Library box on District property. The Board discussed.

Motion by Dir. Thomsson second Dir. Cupp to approve installation of a Little Free Library at the Administration Building; location to be determined.

Ayes: Directors Cupp, Layne and Thomsson
Noes: None
Absent: None
Two vacant seats

7. Contract with KD Management Services LLC for General Manager Services – Discuss and approve Renewal or Termination: A motion was made by Dir. Cupp to consider re-negotiating contract with KD Management. There was no second to the motion. The motion failed. The Board discussed. A motion was made by Dir. Cupp to not renew contract with KD Management. There was no second to the motion. The motion failed. No action taken.
8. Review and Discuss neutral third party counsel proposals and authorize General Manager to negotiate with LSPOA GM and to contract with one: GM Drexel reported. The Board discussed.

Motion by Dir. Layne second Dir. Thomsson to direct GM Drexel to discuss this item with LSPOA GM Colombo so the LSPOA Board can consider it at their July Regular Meeting.

Ayes: Directors Cupp, Layne and Thomsson
Noes: None
Absent: None
Two vacant seats

9. US Cellular lease agreement for antennas on Water Tank 4 at 5300 Tennis Ct.: GM Drexel reported that this project is in progress; proposed lease starts at \$1,500 to \$2,100 per month. Item will come back to the Board when the lease agreement is ready for consideration.

10. Special District Risk Management Authority (SDRMA) Board of Directors 2017 Election Ballot:

Motion by Dir. Layne second Dir. Thomsson to take no action on Agenda Items 10 and 11.

Ayes: Directors Cupp, Layne and Thomsson
Noes: None
Absent: None
Two vacant seats

11. California Special Districts Associations (CSDA) Board of Directors 2017 Election Ballot: No action taken, per motion on Item 10.

STAFF COMMENTS: None

BOARD MEMBER COMMENTS: None.

ADJOURNMENT:

With no objections by the Board, Dir. Thomsson adjourned the meeting at 4:55 p.m.

The next LSCSD Regular Board Meeting on Wednesday, July 19, 2017, 1:00 p.m. Closed Session, 1:30 p.m. Open Session, at the Administration Building.

Approval Date: _____

Roxanna Layne, Director
(Chairperson for July 19, 2017 Meeting)

ATTEST:

Karl Drexel, Secretary