

Minutes of the REGULAR Board Meeting for the
Scotia Community Services District
Thursday, July 21, 2022, at 5:30 P.M.

A. CALL TO ORDER/ ROLL CALL/ PLEDGE OF ALLEGIANCE at 5:30 PM

Paul Newmaker, President– Present

Diane Black, Vice President – Present

Delia Ansted, Director – Present

Susan Pryor, Director – Absent

Nina Sellen, Director – Present

Julie Hawkins, Board Clerk; Scott MacLeran, District Legal Counsel

Member of the Public: Kent Sawatzky, Steve Deike

B. SETTING OF THE AGENDA

The numbering is off in the New Business section – there are two letter (a)s

Motion: To pull items H1d Resolution 2022-11 Revising the Conflict of Interest Code, H1f Resolution 2022-13 Approving Tax Rolls for FY 2022/23, H1g Resolution 2022-14 Approving Water Shut-off policy for non-payment, and Closed Session item for continuance at the August 9th meeting

Motion: Newmaker **Second:** Black

Motion Vote: Ayes Ansted, Black, Newmaker, Sellen **Opposed:** None **Absent:** Pryor **Abstain:** None

C. CONSENT CALENDAR Consent Calendar items are routine, to be acted upon by the Board of Directors at one time without discussion. If any Board member, staff member, or interested person requests that an item be removed from the Consent Calendar, it shall be moved so that it may be acted upon separately in business.

1. Approval of Previous Meeting Minutes – Special Meeting May 12, 2022
2. Approval of Previous Meeting Minutes—Regular Meeting June 16, 2022
3. Approval of Previous Meeting Minutes – Special Meeting June 23, 2022
4. Approval of RCB Check Registers June 1-30, 2022
5. Approval of Umpqua Check Registers June 1-30, 2022
6. Approval of RCB Mastercard Statement – May Statement
7. Approval of Umpqua Visa Statement – May Statement
8. Approval of Planwest Partners Invoice— June 2022

No public comment

Motion: To Approve Consent Calendar

Motion: Sellen **Second:** Newmaker

Motion Vote: Ayes Ansted, Black, Newmaker, Sellen **Opposed:** None **Absent:** Pryor **Abstain:** None

D. PUBLIC COMMENT & WRITTEN COMMUNICATION –

No written communication received prior to the meeting.

Mr. Sawatzky commented on several pet peeves. Mr. Sawatzky identified a problem that only certain people are allowed to develop projects, he had this problem with Arcata – that they were allowing only certain people to develop projects. They avoided litigation, but once Mr. Sawatzky was done working with the State Controller, had “clawed back \$6million from the redevelopment department.”

Mr. Sawatzky continues that he has a problem with what he calls a catch-22 or bear trap where the public is forced into positions where they have no choice but to make decisions which may end up with them committing fraud or things of that nature.

Mr. Sawatzky continues that he also has a problem with things are not gone over accurately. For example there is a Planwest Partners bill (in the consent calendar) with a Senior Planner @ \$97.60/hr with zero hours but that is billed out at \$268.40. These small errors add up. And he does go over things quite carefully.

Mr. Sawatzky suggests that the board reconsider some of their policies to make them a little bit more friendly to their constituents. He highly recommends that the board look at walking in other people’s shoes when they make their decisions.

No additional public comment.

E. ADJOURN TO CLOSED SESSION – Tabled

1. Call to Order
2. Roll Call
3. Government Code §54956.9; Discuss anticipated litigation with District Legal Counsel
4. Closed session discussion

F. ADJOURN TO OPEN SESSION - Tabled

- a. Report out of closed session

G. PUBLIC HEARING – None

H. BUSINESS

New Business –

1. New Business -

- a. Presentation by Town of Scotia and Check-in on Town of Scotia Phase 3 Infrastructure Agreement with Scotia CSD

President Newmaker introduced. Board received a presentation from Mr. Deike. Mr. Deike explains that the easements are the only outstanding item. Mr. Deike provided an update on the river pumps and responded to board questions. Board would like an update on the River Pumps & Corridor Project at the next regular meeting by GM Leslie Marshall.

No public comment.

- b. Appeal Hearing for 151/153 Main Street

Mr. McLeran, District Legal Counsel, introduced this item and explained that Ms. Marshall is ill and unable to present on behalf of the District. She was scheduled to re-present the appeal today. This matter was heard in

May and following the meeting, Mr. Sawatzky requested a new hearing. The Board agreed. Mr McLeran continued saying Ms. Marshall is requesting the hearing be continued to a date when she can attend. The Board can continue a hearing upon a showing of good cause. The good cause in this case, would arguably be that Miss Marshall is not available and therefore unable to present her case today. I also understand although I have not been able to confirm and perhaps Mr. Sawatzky will provide some additional information that he has recently, I think as of today expressed some interest in discussing a payment plan. And while I do not believe there have been any substantive discussions about that the repayment plan, the plan was provided to Mr. Sawatzky today. And by continuing this hearing, I think that that would also allow additional time for Mr. Sawatzky, to meet with staff to explore that as an option that could potentially resolve the need for an appeal. Having said that, certainly it's up to the board today to determine whether there is good cause to continue the hearing. If the board does agree to continue the matter. We are back on the ninth for a special meeting. And that certainly can be a date that will be available for us to include the hearing.

Mr. Sawatzky has no objections. Mr. Sawatzky requests that the figures used in this packed be used in the potential settlement. Additionally verbiage would have to be changed in the payment plan to avoid fraud – The plan has verbiage that states that the customer agrees that they owe the amount stated in the payment plan he does not agree to that.

Mr. McLeran recommends that any additional public noticing for the hearing be waived, Mr. Sawatzky agrees but does request to receive the agenda.

Board finds good cause for continuing this item to the August 9, 2022 Board Meeting.

Mr. Sawatzky asked if the late fees will continue to accumulate? Mr. McLeran stated that the board can consider directing Ms. Marshall to consider because the continuance is at the request of the District.

Motion: Continue the Appeal Hearing for 151/153 Main St. to the Tuesday, August 9th Special Meeting.

Motion: Newmaker **Second:** Ansted

Motion Vote: Ayes Ansted, Black, Newmaker, Sellen **Opposed:** None **Absent:** Pryor **Abstain:** None

- c. First Reading and Consider Adoption of Ordinance 2022-5 An Ordinance of the Scotia Community Services District Board of Directors Adopting Commercial and Industrial Wastewater Regulations

Board Clerk introduced and reviewed the staff report. Board Discussed. Director Sellen asked about the cooling tower water. She said, It says a variety of micro organisms, gasses, nutrients, and dust are scrubbed from the atmosphere.. Do you know what that means? How was that done during evaporation process?

Public Comment received from Mr. Sawatzky in response to Director Sellen's question stating that usually as a water bath situation, is used basically to get toxics out. And then basically you pass through some form of water spray, but that may be different for you, folks.

No additional public comment.

Motion: Introduce and waiving further reading of Ordinance No. 2022-5 (except by title only) An Ordinance of the Scotia Community Services District Board of Directors, Adopting Title XI - Commercial and Industrial Wastewater Regulations, continue decision to the next meeting.

Motion: Black **Second:** Newmaker

Motion Vote: Ayes Ansted, Black, Newmaker, Sellen **Opposed:** None **Absent:** Pryor **Abstain:** None

- d. Review Conflict of Interest Code and Consider Adopting Resolution 2022 – 11 Amending Resolution 2020-10 Conflict of Interest Code Policy

Item tabled to August 9th, 2022.

e. Adopt Resolution 2022-12 Amending the Master Fee Schedule

Mr. McLeran introduced and explained that changes are included in Section 3, numbers 7 & 9. Two items were added to reflect recommendations from Senate Bill 998, regarding returned checks. In Section 3. Water and Wastewater Deposits and Miscellaneous Charges, the following two (2) new items have been added:

7. Notification of Returned Check.

8. Returned Check as Payment for Water Service Disconnected for Nonpayment.

Board Discussed.

Public Comment Received from Mr. Sawatzky. Mr. Sawatzky asked about the cost of some items included in the master fee schedule. Item 3 the Backflow prevention device, charges, maintenance, and testing devices, is a responsibility of the customer should be tested by a certified backflow tester. Customer shall submit a copy of tests annually Mr. Sawatzky states that he has not encountered this before and asks what kind of burden this places on the customer.

Mr. Sawatzky also mentioned the deliverables that were required as per the 218 rate setting process. Mr. Sawatzky said that some of the deliverables are to get grants for infrastructure and other things that would keep the rates down. There is a public perception that that has not been followed through with. And that is part of the reason that rates could be a little lower. You want to ask staff if they have crossed their t's and dotted their I's regarding that particular process. President Newmaker replied that the District is in the process of attempting to get a grant including for water infrastructure.

Mr. Sawatzky requests the cost of the backflow prevention device.

Motion: Adopt Resolution 2022-12 Amending the Master Fee Schedule

Motion: Newmaker **Second:** Sellen

Motion Vote: Ayes Ansted, Black, Newmaker, Sellen **Opposed:** None **Absent:** Pryor **Abstain:** None

f. Adopt Resolution 2022-13 A Resolution of the Scotia Community Services District Board of Directors to Approve the Tax Rolls for Fiscal Year 2022/23.

Item tabled to August 9th, 2022

g. Adopt Resolution 2022-14 A Resolution of the Scotia Community Services District Approving Water Department Shutoff Policy in Compliance with Senate Bill 998.

Item tabled to August 9th, 2022.

h. Consider Authorizing the Reengagement of Anderson, Lucas, Somerville, and Borgess for the FY 21/22 Annual Audit.

JH introduced & Board Discussed. Board is happy with the past work of ALS&B.

Public Comment received from Mr. Sawatzky. He states that the pricing is reasonable and that although he recommends the board go out for bid every 3 years but when you have an amount that is so low and you have confidence in their abilities it's good to stay with the same firm because they don't have to start from the get go.

Motion: To Authorize GM to reengage Anderson, Lucas, Somerville, and Borgess for FY 21/22 Annual Audit

Motion: Black **Second:** Sellen

Motion Vote: Ayes Ansted, Black, Newmaker, Sellen **Opposed:** None **Absent:** Pryor **Abstain:** None

- i. As a Result of a Local Emergency, Authorize Hybrid In-Person/Remote Teleconference Meetings of the Scotia Community Services District Pursuant to Brown Act Provisions (AB361)

President Newmaker and Board Discussed.

Public comment received from Kent Sawatzky. He stated the he supports the hybrid meetings and recommends that the board adopt a policy making this permanent. It reduces carbon emissions and enables more people to be able to participate in meetings.

Motion: As a Result of a Local Emergency, Authorize Hybrid In-Person/Remote Teleconference Meetings of the Scotia Community Services District Pursuant to Brown Act Provisions (AB361)

Motion: Black **Second:** Ansted

Motion Vote: Ayes Ansted, Black, Newmaker, Sellen **Opposed:** None **Absent:** Pryor **Abstain:** None

- 1.
2. **Old Business – None**

I. REPORTS –

1. **President’s Report:** Hopes Leslie is feeling better.
2. **Board Director Reports:** Director Ansted discussed the Museum Landscaping. Director Ansted requested to agendize this item at the next regular meeting. Vice President Black discussed the trash cans at the park and how they are overflowing. Additionally, a member of the public contacted VP Black regarding speeding as an issue in town. A sample petition was received from Humboldt County Sheriff, City of Rio Dell, and CHP that homeowners can sign if they want speed humps installed. Director Sellen discussed the gates not opening and the trash overflowing – we don’t have enough staff to resolve this problem.
3. **General Manager’s Report:** None
4. **Board Clerk’s Report:** None
5. **District Legal Counsel’s Report:** None
6. **Engineer’s Report:** None

J. BOARD TRAINING: None

K. ADJOURNMENT at 7:02 PM

Approved:

Paul Newmaker

Paul Newmaker, President

Board of Directors

Scotia Community Services District

9/15/22

Date

Attest:

[Signature]

Board Clerk

Scotia Community Services District

for Julie Hawkins

9/15/2022

Date