

**FIELDBROOK GLENDALE
COMMUNITY SERVICES DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS**

June 25, 2019
Fieldbrook Fire Hall, 7:30 PM
AGENDA

1. Roll Call

2. Agenda Modifications

3. Public Comments

Individuals wishing to speak on matters not listed on the agenda are asked to clearly state their name and address. No action will be taken on items not listed on the Agenda.

4. Reports

4.1 Wastewater Report

4.1.1 – Monthly report

4.2 Safety Report

4.3 Fire Chief Report

4.3.1 – Call/incident report.

4.4 District Engineer Report –

4.4.1 – Muni meeting report – no meeting

4.4.2 – LHMP – update

4.4.3 – Anker Tank – grant award(s) update

4.5 General Manager Report

4.5.1 –

4.6 Reports by members of the Board.

4.6.1 –

5. Consent Agenda

The Board will approve all of the following items by a single vote unless any member of the Board or the public asks that an item be removed and considered separately.

5.1 Approval of minutes

5.1.1 Regular Board Meeting, May 28, 2019.

5.2 Correspondence/Information Items

5.2.1 –

5.3 Approval to pay bills, issue payroll, county warrants, and bank transfers.

5.3.1 Interfund Transfers \$52,875.46

5.3.2 Checks (5821-5843) \$52,769.47

5.3.3 Payroll \$2,984.86

5.3.4 General Journal Entries 401-404

5.3.5 Bad Debt, Acct#1590.01 - \$4,034.37

5.3.6 Warrant Request for Transfer – to Fire Fund \$30,000

6. Action/Discussion Items

6.1 – Royal Gold Industrial Discharge Permit. Tabled from May 28th, Action.

6.2 – E&O Lanes request for Fire Suppression meter. Action.

6.3 – Resolution to loan water funds to wastewater fund. Tabled from May 28th. Action.

6.4 – 2019-20 Budget adoption. Action

6.5 – Hunter, Hunter, & Hunt – contract for 2019 audit services. Action.

6.6 – Capital Improvement Projects 2019-20. Action.

7. Future Agenda Items

7.1 – Wastewater service agreement, City of Arcata. Date to be determined.

7.2 –

8. Executive Session/Closed Session

The Board may choose to consider items of an urgent nature that have arisen after this agenda was posted. The Board may also choose to adjourn to closed session to discuss legal or personnel matters.

9. Adjournment/Announcements

9.1 - Next regular meeting July 23, 2019.

**FIELDBROOK GLENDALE
COMMUNITY SERVICES DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS**

May 28, 2019
Fieldbrook Fire Hall, 7:30 PM
MINUTES

1. Roll Call

President Roy Sheppard called the meeting to order at 7:33 PM. Board members present were, Vice-President Starr Kilian, Director Richard Grissom, Director Jason Garlick and Director Janet Miller. District Engineer Rebecca Crow was absent. Fire Chief Jack Sheppard, Sewer Technician Grant Weaver and General Manager Richard Hanger were present.

2. Agenda Modifications None

3. Public Comments None

Individuals wishing to speak on matters not listed on the agenda are asked to clearly state their name and address. No action will be taken on items not listed on the Agenda.

4. Reports

4.1 Wastewater Report

4.1.1 – Monthly report

Sewer Technician Grant Weaver provided the monthly wastewater report. No issue notes.

Grant will be on vacation June 17th – July 9th, Scott Lakey and Kim Watson will be conducting the daily monitoring and emergency calls.

4.2 Safety Report -received and filed.

4.3 Fire Chief Report

4.3.1 – Call/incident report.

Fire Chief Jack Sheppard reported 4 calls. Materials for the repeater project and the security camera project should be ordered soon. CSFA has awarded a \$5,000 grant toward the repeater project. Discussion of a proper way to demonstrate appreciation for our grant writer.

4.4 District Engineer Report –

4.4.1 – Muni meeting report – no meeting

4.4.2 – LHMP – update

4.4.3 – Anker Tank – grant award(s) update

District Engineer Rebecca Crow was absent. The General Manager commented that the Muni meeting was canceled. The LHMP is currently in the final stages of completion. The Anker Tank project is awaiting “official” notification of grant award from FEMA.

4.5 General Manager Report

4.5.1 – None

4.6 Reports by members of the Board.

4.6.1 – Director Richard Grissom reported that legislation is being considered that will shift responsibility for fire inspections from the State Fire Marshall to local jurisdiction.

5. Consent Agenda

The Board will approve all of the following items by a single vote unless any member of the Board or the public asks that an item be removed and considered separately.

5.1 Approval of minutes

5.1.1 Regular Board Meeting, April 23, 2019.

5.2 Correspondence/Information Items

5.2.1 – From: Coronado-Brown and response to same.

5.3 Approval to pay bills, issue payroll, county warrants, and bank transfers.

5.3.1 Interfund Transfers \$53,112.84

5.3.2 Checks (5791-5820) \$52,874.93

5.3.3 Payroll \$3,007.92

5.3.4 General Journal Entries 400

5.3.5 Bad Debt, Acct#1945.01 - \$1,098.34

5.3.6 Related party transaction, Central Ave. Service -\$306.92, Jack Sheppard \$157.03.

Director Richard Grissom moved to approve the consent agenda as presented. Director Jason Garlick seconded the motion. The motion carried, Ayes 5, Nays 0, Abstain 0, Absent 0.

**FLDDBROOK GLENDALE
COMMUNITY SERVICES DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS**

6. Action/Discussion Items

6.1 – Royal Gold Industrial Discharge Permit. Action.

At the request of the District Engineer and applicant the item is tabled to June 25, 2019.

6.2 – Water loans to fire – annual interest review. Tabled from 04/23/19 Discussion/Action.

Discussion regarding historical use of prime rate. Other indices such as the 10-year bond rate discussed.

Director Richard Grissom moved to leave the interest rate at 4.5%. Director Jason Garlick seconded the motion. The motion carried, Ayes 5, Nays 0, Abstain 0, Absent 0.

6.3 – Resolution to loan water funds to wastewater fund. Tabled from 04/23/19 Discussion/Action.
General Manager Richard Hanger reviewed the resolution and asked that the board table the item to June 25, 2019.

6.4 – Annual certification of fire tax assessment. Action.

Director Jason Garlick moved to approve Resolution 2019-02, annual certification of the fire tax assessment and rate as presented. Director Janet Miller seconded the motion. The motion carried, Ayes 5, Nays 0, Abstain 0, Absent 0.

6.5 – Annual consumer confidence report. Receive and file.

The board reviewed the annual consumer confidence report as prepared by the Humboldt Bay Municipal Water District on our behalf. By consensus the report was received and filed.

6.6 – 2019-20 Budget presentation. Discussion.

General Manager Richard Hanger provided the 2019-20 budget presentation. A correction was made to the staff report for the wastewater budget. The staff report had a typographical error stating that revenue projections have “An increase of 225 from the 2019 fiscal year” the corrected amount is “\$75,000”. The budget will be back before the board for adoption in June.

7. Future Agenda Items

7.1 – Wastewater service agreement, City of Arcata. Date to be determined.

7.2 – Royal Gold Industrial Discharge Permit.

7.3 - Resolution to loan water funds to wastewater fund.

8. Executive Session/Closed Session

The Board may choose to consider items of an urgent nature that have arisen after this agenda was posted. The Board may also choose to adjourn to closed session to discuss legal or personnel matters.

9. Adjournment/Announcements

9.1 - Next regular meeting June 25, 2019.

Meeting adjourned at 8:22 PM.

Respectfully submitted,

*Richard Hanger
Secretary to the Board*

*Janet Miller
Director*

Attachments

CCCU fund transfer

Initialed disbursement register

**FLDDBROOK GLENDALE
COMMUNITY SERVICES DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS**

June 25, 2019

Attention:

Please confirm transfer verbally to Richard Hanger at [REDACTED]
Via email to rhanger50@gmail.com

Coast Central Credit Union
2650 Harrison Avenue
Eureka, CA 95501-3259

Please transfer the following

[REDACTED]
From: S70 Business Liquid Asset Account \$ 72,375.46
To: S61 Water Checking \$ 72,375.46

June Reconciliation

Check Register	\$	52,769.47
#5821-5843	\$	52,769.47

Transfer Totals	\$	(72,375.46)
Fire	\$	16,351.71
Sewer	\$	16,054.60
Water	\$	20,469.15
Water-SDRMA	\$	19,500.00
Gross Pay	\$	2,984.86
<Net Pay>	\$	(2,274.43)
Empr. Taxes	\$	250.78
Adjustments		
IRS	\$	(761.22)
Digital Media	\$	(100.00)
Intuit	\$	6.00
Water - SDRMA	\$	19,500.00
Reconciliation	\$	(52,769.47)
Balance	\$	-

Fieldbrook Glendale Community Services District
Customer Balance Detail
As of June 25, 2019

Type	Date	Num	Name	Account	Class	Amount	Balance
Interfund Expenses/Fire							73.34
Bill	05/29/2019	Uniq...	Interf...	5710 · Chiefs' In...	Fire Dep...	2,000.00	2,073.34
Bill	05/29/2019	100...	Interf...	5390 · Office Ex...	Fire Dep...	33.33	2,106.67
Bill	05/31/2019	156...	Interf...	5320 · Electric (...)	Fire Dep...	119.98	2,226.65
Bill	05/31/2019	May ...	Interf...	5335 · Water (...)	Fire Dep...	48.33	2,274.98
Bill	05/31/2019	748...	Interf...	5365 · Fuel Exp...	Fire Dep...	216.67	2,491.65
Bill	05/31/2019	546...	Interf...	5398 · Educatio...	Fire Dep...	257.00	2,748.65
Bill	06/04/2019	June...	Interf...	5345 · Internet ...	Fire Dep...	137.56	2,886.21
Bill	06/15/2019	June...	Interf...	5050 · Director ...	Fire Dep...	50.00	2,936.21
Bill	06/17/2019	707...	Interf...	5310 · Telephon...	Fire Dep...	229.12	3,165.33
Check	06/21/2019	E-Pay	Interf...	5390 · Office Ex...	Fire Dep...	1.00	3,166.33
Bill	06/21/2019	Pay...	Interf...	2091 · C/P Note...	Fire Dep...	4,924.78	8,091.11
Bill	06/21/2019	Pay...	Interf...	5650 · Interest ...	Fire Dep...	1,951.23	10,042.34
Bill	06/21/2019	Pay...	Interf...	2090 · C/P Note...	Fire Dep...	3,096.38	13,138.72
Bill	06/21/2019	Pay...	Interf...	5650 · Interest ...	Fire Dep...	3,075.50	16,214.22
Paycheck	06/21/2019	5842	Interf...	6560 · Payroll E...	Fire Dep...	127.72	16,341.94
Paycheck	06/21/2019	5842	Interf...	6560 · Payroll E...	Fire Dep...	0.00	16,341.94
Paycheck	06/21/2019	5842	Interf...	6560 · Payroll E...	Fire Dep...	7.92	16,349.86
Paycheck	06/21/2019	5842	Interf...	6560 · Payroll E...	Fire Dep...	1.85	16,351.71
Paycheck	06/21/2019	5842	Interf...	6560 · Payroll E...	Fire Dep...	0.00	16,351.71
Total Interfund Expenses/Fire						16,278.37	16,351.71
Interfund Expenses/Sewer							35.33
Bill	05/29/2019	120...	Interf...	5121 · Engineeri...	Enterpris...	184.75	220.08
Bill	05/29/2019	120...	Interf...	5121 · Engineeri...	Enterpris...	2.00	222.08
Bill	05/29/2019	100...	Interf...	5390 · Office Ex...	Enterpris...	33.33	255.41
Bill	05/31/2019	021...	Interf...	5320 · Electric (...)	Enterpris...	77.31	332.72
Bill	05/31/2019	000...	Interf...	5020 · Purchase...	Enterpris...	12,673.92	13,006.64
Bill	05/31/2019	091...	Interf...	5320 · Electric (...)	Enterpris...	485.45	13,492.09
Bill	06/17/2019	707...	Interf...	5310 · Telephon...	Enterpris...	227.22	13,719.31
Bill	06/17/2019	707...	Interf...	5310 · Telephon...	Enterpris...	197.57	13,916.88
Check	06/21/2019	E-Pay	Interf...	5390 · Office Ex...	Enterpris...	2.00	13,918.88
Paycheck	06/21/2019	5841	Interf...	6560 · Payroll E...	Enterpris...	718.50	14,637.38
Paycheck	06/21/2019	5841	Interf...	6560 · Payroll E...	Enterpris...	0.00	14,637.38
Paycheck	06/21/2019	5841	Interf...	6560 · Payroll E...	Enterpris...	0.71	14,638.09
Paycheck	06/21/2019	5841	Interf...	6560 · Payroll E...	Enterpris...	44.55	14,682.64
Paycheck	06/21/2019	5841	Interf...	6560 · Payroll E...	Enterpris...	10.42	14,693.06
Paycheck	06/21/2019	5841	Interf...	6560 · Payroll E...	Enterpris...	14.37	14,707.43
Paycheck	06/21/2019	5842	Interf...	6560 · Payroll E...	Enterpris...	894.04	15,601.47
Paycheck	06/21/2019	5842	Interf...	6560 · Payroll E...	Enterpris...	0.00	15,601.47
Paycheck	06/21/2019	5842	Interf...	6560 · Payroll E...	Enterpris...	55.43	15,656.90
Paycheck	06/21/2019	5842	Interf...	6560 · Payroll E...	Enterpris...	12.96	15,669.86
Paycheck	06/21/2019	5842	Interf...	6560 · Payroll E...	Enterpris...	0.00	15,669.86
Paycheck	06/21/2019	5843	Interf...	6560 · Payroll E...	Enterpris...	350.56	16,020.42
Paycheck	06/21/2019	5843	Interf...	6560 · Payroll E...	Enterpris...	0.00	16,020.42
Paycheck	06/21/2019	5843	Interf...	6560 · Payroll E...	Enterpris...	0.35	16,020.77
Paycheck	06/21/2019	5843	Interf...	6560 · Payroll E...	Enterpris...	21.74	16,042.51
Paycheck	06/21/2019	5843	Interf...	6560 · Payroll E...	Enterpris...	5.08	16,047.59
Paycheck	06/21/2019	5843	Interf...	6560 · Payroll E...	Enterpris...	7.01	16,054.60
Total Interfund Expenses/Sewer						16,019.27	16,054.60
Interfund Expenses/Water							35.34
Bill	05/29/2019	120...	Interf...	5121 · Engineeri...	Enterpris...	4,084.00	4,119.34
Bill	05/29/2019	120...	Interf...	5121 · Engineeri...	Enterpris...	200.50	4,319.84
Bill	05/29/2019	100...	Interf...	5390 · Office Ex...	Enterpris...	33.34	4,353.18
Bill	05/31/2019	May ...	Interf...	5010 · Purchase...	Enterpris...	914.83	5,268.01
Bill	05/31/2019	May ...	Interf...	5010 · Purchase...	Enterpris...	11,913.04	17,181.05
Bill	05/31/2019	May ...	Interf...	5010 · Purchase...	Enterpris...	599.25	17,780.30
Bill	05/31/2019	May ...	Interf...	5010 · Purchase...	Enterpris...	720.71	18,501.01
Bill	05/31/2019	May ...	Interf...	5010 · Purchase...	Enterpris...	-62.97	18,438.04
Bill	05/31/2019	799...	Interf...	5320 · Electric (...)	Enterpris...	648.55	19,086.59
Bill	05/31/2019	992...	Interf...	5320 · Electric (...)	Enterpris...	44.62	19,131.21
Bill	05/31/2019	009...	Interf...	5320 · Electric (...)	Enterpris...	25.34	19,156.55
Bill	06/04/2019	707...	Interf...	5310 · Telephon...	Enterpris...	57.62	19,214.17
Bill	06/15/2019	June...	Interf...	5070 · Directors'...	Enterpris...	50.00	19,264.17
Bill	06/15/2019	June...	Interf...	5070 · Directors'...	Enterpris...	50.00	19,314.17
Bill	06/15/2019	June...	Interf...	5070 · Directors'...	Enterpris...	50.00	19,364.17

Fieldbrook Glendale Community Services District
Customer Balance Detail
As of June 25, 2019

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Account</u>	<u>Class</u>	<u>Amount</u>	<u>Balance</u>
Bill	06/15/2019	June...	Interf...	5070 · Directors'...	Enterpris...	50.00	19,414.17
Bill	06/15/2019	June...	Interf...	5070 · Directors'...	Enterpris...	0.00	19,414.17
Bill	06/17/2019	234-...	Interf...	5310 · Telephon...	Enterpris...	91.55	19,505.72
Check	06/21/2019	E-Pay	Interf...	5390 · Office Ex...	Enterpris...	1.00	19,506.72
Paycheck	06/21/2019	5842	Interf...	6560 · Payroll E...	Enterpris...	894.04	20,400.76
Paycheck	06/21/2019	5842	Interf...	6560 · Payroll E...	Enterpris...	0.00	20,400.76
Paycheck	06/21/2019	5842	Interf...	6560 · Payroll E...	Enterpris...	0.00	20,400.76
Paycheck	06/21/2019	5842	Interf...	6560 · Payroll E...	Enterpris...	55.43	20,456.19
Paycheck	06/21/2019	5842	Interf...	6560 · Payroll E...	Enterpris...	12.96	20,469.15
Paycheck	06/21/2019	5842	Interf...	6560 · Payroll E...	Enterpris...	0.00	20,469.15
Total Interfund Expenses/Water						20,433.81	20,469.15
TOTAL						52,731.45	52,875.46

Fieldbrook Glendale Community Services District
Check Register for this Month
May 29 through June 25, 2019

Type	Date	Num	Name	Amount
1000 · Coast Central Credit Un.				
1012 · General Fund Checking (All Funds)				
1015 · Water Dept Checking (Water Dept Checking)				
Bill Pmt -Check	05/29/2019	5821	Fieldbrook Volunt...	0.00
Bill Pmt -Check	05/29/2019	5822	Fieldbrook Volunt...	-2,000.00
Bill Pmt -Check	05/29/2019	E-Pay	Streamline Digital ...	-100.00
Liability Check	05/29/2019	E-pay	United States Tre...	-761.22
Bill Pmt -Check	06/03/2019	E-Pay	Verizon	-38.01
Bill Pmt -Check	06/06/2019	5823	AT&T	-57.62
Bill Pmt -Check	06/06/2019	5824	Fieldbrook Glenda...	-48.33
Bill Pmt -Check	06/06/2019	5825	PG&E	-915.80
Bill Pmt -Check	06/06/2019	5826	Renner Petroleum	-216.67
Bill Pmt -Check	06/06/2019	5827	Sudden Link	-137.56
Check	06/21/2019	E-Pay	Intuit Quick Books	-4.00
Paycheck	06/21/2019	5841	Grant Weaver	-656.35
Paycheck	06/21/2019	5842	Richard A Hanger	-1,297.84
Paycheck	06/21/2019	5843	Robert S Lackey	-320.24
Bill Pmt -Check	06/21/2019	5828	AT&T	-745.46
Bill Pmt -Check	06/21/2019	5829	City of Arcata	-12,673.92
Bill Pmt -Check	06/21/2019	5830	FGCSD	-13,047.89
Bill Pmt -Check	06/21/2019	5831	GHD, Inc	-4,471.25
Bill Pmt -Check	06/21/2019	5832	Humboldt Bay Mu...	-14,084.86
Bill Pmt -Check	06/21/2019	5833	Jack Sheppard	-50.00
Bill Pmt -Check	06/21/2019	5834	Jason Garlick	-50.00
Bill Pmt -Check	06/21/2019	5835	Josh Miller	-257.00
Bill Pmt -Check	06/21/2019	5836	PG&E	-485.45
Bill Pmt -Check	06/21/2019	5837	Rich Grissom	-50.00
Bill Pmt -Check	06/21/2019	5838	Roy Sheppard	-50.00
Bill Pmt -Check	06/21/2019	5839	Starr Kilian	-50.00
Bill Pmt -Check	06/21/2019	5840	Streamline Digital ...	-200.00
Total 1015 · Water Dept Checking (Water Dept Checking)				-52,769.47
Total 1012 · General Fund Checking (All Funds)				-52,769.47
Total 1000 · Coast Central Credit Un.				-52,769.47
TOTAL				-52,769.47

Fieldbrook Glendale Community Services District

Payroll Summary

May 29 through June 25, 2019

	Grant Weaver			Richard A Hanger			Robert S Lackey			TOTAL		
	Ho...	Rate	May 29 - Jun 25, ...	Ho...	Rate	May 29 - Jun 25, ...	Ho...	Rate	May 29 - Jun 25, ...	Ho...	Rate	May 29 - Jun 25, ...
Employee Wages, Taxes and Adjustme...												
Gross Pay												
Hourly Rate	25	28.74	718.50	60	31.93	1,915.80	14	25.04	350.56	*****		2,984.86
Hourly Sick		28.74	0.00		31.93	0.00		25.04	0.00			0.00
Total Gross Pay	25		718.50	60		1,915.80	14		350.56	*****		2,984.86
Adjusted Gross Pay	25		718.50	60		1,915.80	14		350.56	*****		2,984.86
Taxes Withheld												
Federal Withholding			0.00			-301.00			0.00			-301.00
Medicare Employee			-10.42			-27.77			-5.08			-43.27
Social Security Employee			-44.55			-118.78			-21.74			-185.07
CA - Withholding			0.00			-151.25			0.00			-151.25
CA - Disability Employee			-7.18			-19.16			-3.50			-29.84
Medicare Employee Addl Tax			0.00			0.00			0.00			0.00
Total Taxes Withheld			-62.15			-617.96			-30.32			-710.43
Net Pay	25		656.35	60		1,297.84	14		320.24	*****		2,274.43
Employer Taxes and Contributions												
Medicare Company			10.42			27.77			5.08			43.27
Social Security Company			44.55			118.78			21.74			185.07
CA - Unemployment Company			14.37			0.00			7.01			21.38
CA - Employment Training Tax			0.71			0.00			0.35			1.06
Total Employer Taxes and Contributions			70.05			146.55			34.18			250.78

2:59 PM

Fieldbrook Glendale Community Services District
General Journal Transaction
May 31, 2019

06/19/19

Accrual Basis

Num	Name	Memo	Account	Class	Debit	Credit
401	Fieldbrook Custome...		5610 · Uncollectable...	Enterpris...	3,375.26	
			1220 · A/R Sewer (A...	Enterpris...		3,375.26
					3,375.26	3,375.26
TOTAL					3,375.26	3,375.26

2:59 PM

Fieldbrook Glendale Community Services District
General Journal Transaction
May 31, 2019

06/19/19

Accrual Basis

Num	Name	Memo	Account	Class	Debit	Credit
400	Fieldbrook Custome...		5610 · Uncollectable...	Enterpris...	662.21	
			1210 · A/R Water (A...	Enterpris...		662.21
					662.21	662.21
TOTAL					662.21	662.21

2:58 PM

Fieldbrook Glendale Community Services District
General Journal Transaction
May 31, 2019

06/19/19

Accrual Basis

Num	Name	Memo	Account	Class	Debit	Credit
402		May Deferred ...	2315 · Deferred Rev...	Enterpris...	753.69	
		May Deferred ...	1027 · Water Assets...	Enterpris...		753.69
					753.69	753.69
TOTAL					753.69	753.69

2:59 PM

Fieldbrook Glendale Community Services District
General Journal Transaction
May 31, 2019

06/19/19

Accrual Basis

Num	Name	Memo	Account	Class	Debit	Credit
403	Fieldbrook Custome...	A/R Adjustment	1210 · A/R Water (A...	Enterpris...		3,964.09
	Fieldbrook Custome...	A/R Adjustment	1027 · Water Assets...	Enterpris...	3,964.09	
					3,964.09	3,964.09
TOTAL					3,964.09	3,964.09

2:59 PM

Fieldbrook Glendale Community Services District
General Journal Transaction
May 31, 2019

06/19/19

Accrual Basis

Num	Name	Memo	Account	Class	Debit	Credit
404	Fieldbrook Custome...	A/R Adjustment	1220 · A/R Sewer (A...	Enterpris...	3,964.09	
	Fieldbrook Custome...	A/R Adjustment	1028 · Sewer Asset ...	Enterpris...		3,964.09
					3,964.09	3,964.09

Account Number 1590.01 **Customer Name** [REDACTED] **Customer Address** 181 Walton Lane **Account Balance** \$ 4,034.47 **Notes**

Detail		
Water Billing	\$	547.20
Sewer Billing	\$	3,138.96
Shut off Charge	\$	70.00
Late Charges	\$	281.31
Total	\$	4,037.47

Customer's water was shut off due to non-payment. This account has 4 water and 4 sewer charges. Water was turned off in August of 2018 and water charges stopped in September but sewer charges were continued.

Approval to write off as a bad debt:

By: [Signature]

Date: 5/24/19

Please sign the above and return to us. Once approved, we will submit the above to the collection agency.

COUNTY OF HUMBOLDT
State of California

FIELDBROOK GLENDALE - CSD
P.O. BOX 2715
MCKINLEYVILLE, CA 95519-2715

Fiscal Year: 2019

ATTACH ORIGINAL INVOICE OR BACK-UP DOCUMENTATION

INVOICE #	VENDOR ID	INVOICE DATE	AMOUNT	ACCOUNT NUMBER		DESCRIPTION (22 spaces)	EX/ UTAX	CUSTOMER ACCOUNT NUMBER
				FUND/DEPT	Object			
			\$ 30,000.00			To liberating acct		
TOTAL CLAIMED:			\$ 30,000.00					\$0.00

Notes:

Transfer funds to District checking account.

Prepared by: *Richard Hargre*

DEPARTMENTAL NOTATIONS:

Phone Number:

707 494 1963

Approved by:

[Signature]

Date: *6.07.19*

3/5/2019

The undersigned, under penalty of perjury, states that the items listed on the above claim are true and correct, that the amounts are properly due this claimant, that no items have been previously paid, and that the claim is being presented within one year of when the expenses were incurred. I certify from my own knowledge, that the articles or services listed on the above claim were ordered for use by the department for the purpose indicated and that the articles or services have been delivered or performed.

I have reviewed the above claim for propriety and accuracy.

(Auditor's Office Use Only)

Fieldbrook Glendale
Community Services District
Agenda Background

Agenda Item: 6.1

Agenda Title: Royal Gold, LLC. Industrial Discharge Permit

Meeting Date: 06/25/2019

Presented by: Richard Hanger

Type of Item: Action Discussion Information

**Type of Action
Required:** No Action Voice Vote Roll Call Vote

Background:

- 06/28/2016 – discussion of a 4” water meter
- 09/27/2016 – Hydrology study initiated for 4” water meter
- 01/24/2017 – Request for industrial discharge permit
- 02/28/2017 – Board approval of industrial discharge permit pending final best management practices revisions, updated discharge requirements, monitoring, and wastewater meter placement.
- 3/11/2019 – Sewer Technician routine inspection found metered industrial discharge
- 04/17/2019 – General Manager and District Engineer tour/inspect operations and discuss next steps necessary to complete industrial discharge
- 05/15/2019 – Billing prepared and emailed to Royal Gold for past discharge - \$90,350
- 05/16/2019 – Royal Gold paid invoice in full
- 05/28/2019 – Item tabled at request of applicant

The industrial permit has been updated to reflect acceptable “best management practices”, compliance reports have been submitted, updated facility management plans, updated site maps, updated operation plan, copy of accidental discharge plan. The City of Arcata has reviewed and found the permit to be compliant.

Permit sets rates at one and a half times the current rate structure pending capacity fee agreement.

Recommendation:

Approval.

**FIELDBROOK GLENDALE COMMUNITY SERVICES DISTRICT
SIGNIFICANT INDUSTRIAL USER WASTEWATER DISCHARGE PERMIT**

In accordance with the provisions of Fieldbrook Glendale CSD Ordinance No. 90-2:

Table 1. Permittee Information

Permittee	Royal Gold, LLC
Name of Facility	Royal Gold, LLC
Facility Address	1689 Glendale Dr. McKinleyville, CA 95519
Facility Contact, Title, Phone Number	Eric Free, Office Manager 600 F Street Suite 603, Arcata, CA 95521 (707) 822-4653 x8 ericfreerc@gmail.com
<p>Royal Gold has been designated as a Significant Industrial User (SIU) (henceforth, Industrial User or Permittee) by the Fieldbrook Glendale Community Services District (henceforth, District or FGCS D) General Manager (henceforth, FGCS D GM) on the basis that the Industrial User has reasonable potential to adversely affect the Publicly Owned Treatment Works (POTW) operation which FGCS D discharges to or for violating any pretreatment standard or requirement. Industrial users discharging to the District are subject to the general pretreatment regulations found at 40 CFR 403 and codified in Fieldbrook Glendale CSD Ordinance No. 90-2 and in Attachment A to this permit.</p>	

The Permittee is hereby authorized the discharge of industrial wastewater from the above identified facility and through the discharge locations identified herein to the FGCS D in accordance with the conditions set forth in this permit. Compliance with this permit does not relieve the Permittee of its obligation to comply with any or all applicable local, state and federal pretreatment standards and requirements including any such standards or requirements that may become effective during the term of this permit. Noncompliance with any term or condition of this permit shall constitute a violation of the FGCS D Sewer Use Ordinance (Ordinance No. 90-2).

Table 2. Administrative Information

Permit Issuance Date	June 25, 2019
Permit Effective Date	June 25, 2019
Permit Expiration Date	June 25, 2024
The Permittee shall apply for wastewater discharge permit reissuance by submitting a complete wastewater discharge permit application in accordance with FGCS D Ordinance 90-2 Section 402 no later than:	90-days prior to the expiration of the existing wastewater discharge permit

Wastewater Discharge Permit 2019-01 issued by

Richard Hanger, General Manager FGCS D

Date

Facility Description:

Royal Gold LLC (Discharger) is a potting soil manufacturer located at 1689 Glendale Drive in the Blue Lake/Glendale area of Humboldt County, CA. The Discharger produces high quality coco fiber based potting mediums that are sold in bags, totes and loose bulk.

The basic operation includes receiving and blending raw materials to create potting soil mixes. The two largest components by percentage are coco fiber, made of ground coconut husks, and forest humus, which is made from aged redwood sawdust. These raw materials are then processed before they are used in soil mixes. Other raw materials included in the process are compost, perlite, coconut chips, lava rock and a variety of dry amendments that are mixed into the soil to give it a nutrient charge.

Coco fiber is made from coconut husks that are dried, ground, and compressed into bricks. Royal Gold grinds the bricks with a horizontal grinder to break them up and then rehydrates them with a sprinkler system. After being ground, the coco fiber is laid out on the ground with a front loader and a sprinkler system is used to complete the rehydration process. Calcium nitrate is added to bond with the salts in the coco fiber. The processing of coco fibers is finished by flushing the coco with clean water.

Forest humus is received as redwood sawdust from several local sources that deliver dump truck loads to the facility. The sawdust is stored in a large pile which is kept tarped until ready to use. When a new pile is created the sawdust is measured out and a nitrogen source is added to cause the pile to heat up. The piles are covered by tarps and aged for approximately 4-6 weeks. After the aging process the sawdust is considered forest humus or "Aged Forest Product" according to CDFA labeling requirements.

All bagged soil is mixed in a Bouldin & Lawson automated mixing and bagging line. The bagging line consists of a series of computer controlled hoppers that blend all raw materials and dry. A bagging hopper then feeds soil through a bag chute, where the bags are filled, sealed, flattened and palletized. The pallets are covered with a topper, wrapped in shrink wrap and stored under cover until they are shipped out to customers.

The soil for loose bulk and bulk totes is mixed on the ground by front loader in the production yard. After being mixed, bulk soil for totes is loaded into the bulk tote hopper, where it is fed by conveyor to a chute used to fill the totes. Finished totes are stacked on pallets and banded to ensure they do not shift or fall over during shipping. The bulk soil that will be sold loose is stored in piles and covered with tarps until it is ready to be shipped out via dump truck.

The business operates year round, 8 am to 5 pm, Monday thru Friday. The peak season typically spans from March through June when a majority of the bulk products are produced and sold. The facility operates as a batch discharger producing 12,000 gallons of wastewater per batch. During the peak season, the facility typically runs two batches per day 5 days a week. During the off peak season the facility usually processes three batches per week. Effluent discharged from the Facility includes process water which contains nitrates and sodium chloride. The Facility discharges filtered process water to a sewer connection point located near the Maintenance/fabrication building at the southwest corner of the facility.

Part I. Permit Conditions

Prohibited Discharge Standards

The Permittee shall not introduce or cause to be introduced into the POTW any pollutant or wastewater which causes pass through or interference. Furthermore, the Permittee may not contribute the following substances to the POTW:

- A. Pollutants which create a fire or explosive hazard in the POTW, including, but not limited to, waste streams with a closed-cup flash point less than 140°F (60°C) using the test methods as specified by 40 CFR 261.21.
- B. Wastewater having a pH less than 5.0 or more than 9.5, or otherwise causing corrosive structural damage to the POTW or equipment, or endangering District personnel.
- C. Solid or viscous substances in amounts which will cause obstruction of the flow in the POTW resulting in interference, but in no case solids greater than three inches in any dimension which do not readily disintegrate.
- D. Pollutants, including oxygen demanding pollutants (BOD, etc.), released in a discharge at a flow rate and/or pollutant concentration which, either singly or by interaction with other pollutants, will cause interference with either the POTW; any wastewater treatment or sludge process, or which will constitute a hazard to humans or animals.
- E. Wastewater which will inhibit biological activity in the treatment plant resulting in interference, and in no case wastewater which causes the temperature at the introduction into the POTW to exceed 104°F (40°C).
- F. Petroleum oil, non-biodegradable cutting oil, or products of mineral oil origin, in amounts that will cause interference or pass through.
- G. Pollutants which result in the presence of toxic gases, vapors, or fumes within the POTW in a quantity that may cause acute worker health and safety problems.
- H. Trucked or hauled pollutants, except at discharge points designated by the FGCS D GM in accordance with FGCS D Ordinance 90-02 Section 703.
- I. Any noxious or malodorous liquids, gases, solids, or other wastewater which, either singly or by interaction with other wastes, are sufficient to create a public nuisance, a hazard to life, or to prevent entry into the sewers for maintenance or repair.
- J. Wastewater which imparts color which cannot be removed by the treatment process, such as, but not limited to, dye wastes and vegetable tanning solutions, which consequently imparts color to the POTW effluent.
- K. Wastewater containing any radioactive wastes or isotopes except as specifically approved by the FGCS D GM in compliance with applicable state or federal regulations.

- L. Storm water, surface water, ground water, artesian well water, roof runoff, subsurface drainage, swimming pool drainage, condensate, deionized water, noncontact cooling water, process water or blowdown from cooling towers or evaporative coolers, and unpolluted industrial wastewater, unless specifically authorized by the FGCS D GM.
- M. Sludges, screening, or other residues from the pretreatment of industrial wastes.
- N. Any medical wastes, except as specifically authorized by the FGCS D GM in a wastewater discharge permit.
- O. Any wastewater causing the POTW's effluent to fail a toxicity Test.
- P. Any wastes containing detergents, surface active agents, or other substances which may cause excessive foaming in the POTW.
- Q. Any fats, oils, or grease (FOG) of animal or vegetable origin in amounts that will cause pass through or interference.
- R. Any solid waste subject to regulation as a hazardous waste pursuant to 40 CFR Part 261.

Wastes prohibited by this section shall not be processed or stored in such a manner that could be discharged to the POTW. All floor drains located in process or materials storage areas must be protected from intentional or accidental discharge or discharge into a pretreatment facility before connecting to the POTW.

Flow Limitations and Requirements

The maximum daily flow rate of process wastewater discharged to the POTW shall not exceed:

- 24,000 gallons per day (gpd) during peak operation months of February through May
- 11,500 gallons per day during off peak operation month of June through January
- 17 gallons per minute (gpm) at any time

The District reserves the right to require that the Permittee cease discharging process wastewater per Attachment A Section 7470.2.A to protect the POTW.

The Permittee shall install and maintain, a suitable storage and flow control facility to ensure the equalization of flow over a twenty-four (24) hour period. The facility shall be equipped with alarms and a rate of discharge controller per Attachment A Section 7470.2.B.

The Permittee must provide a flow metering device that meets FGCS D approval and the Permittee shall maintain and calibrate, as necessary, effluent flow monitoring and totalizing equipment. Effluent records shall be kept daily, including daily total flow, monthly total flow, and peak discharge rate for each month and submitted in each routine compliance report from the corresponding period. Adjusted, metered water supply calculations may be substituted for effluent flow meter data in the event of an effluent flow meter malfunction.

Monitoring Locations

Table 3. List of Designated Monitoring/Sampling Locations

Monitoring Location	Monitoring Location Description
EFF-01	East Corner of the Maintenance Fabrication Building at approximately 40.900594° Latitude and -124.023374° Longitude

The Permittee shall maintain the monitoring location in good condition and ensure that District representatives have access to the monitoring location for sampling purposes.

Effluent Limitations

The Permittee shall maintain compliance with the following effluent limits at monitoring location EFF-01 as described in Table 3:

Table 4. Effluent Monitoring Requirements and Numeric Effluent Limits

Parameter	Units	Effluent Limitation		Sample Type	Frequency
		Average Monthly	Daily Maximum		
Nitrate	mg/L	30		Grab	Monthly
Ammonia	mg/L	30		Grab	Monthly
Total Phosphorus	mg/L	35	105	Grab	Monthly
pH	s.u.	5.0 - 9.5 at all times		Grab	Daily when discharging

At a minimum each parameter shall be sampled and tested at the rate described in Table 4 and shall be reported in the corresponding Quarterly Compliance Report. Samples and measurements taken for the purpose of compliance monitoring shall be collected at the approved monitoring location and shall be representative of the monitored activity. All pollutant analysis, including sampling techniques, shall be performed in accordance with the techniques prescribed in 40 CFR Part 136 and amendments thereto, unless otherwise specified in an applicable pretreatment standard. Sample analysis must be conducted by a State Water Resources Control Board certified laboratory according to test procedures under 40 CFR Part 136 or with procedures approved by the U.S. Environmental Protection Agency (EPA), unless otherwise specified in the permit or by written approval of the FGCS D GM. If all other analyses are conducted by a certified laboratory, analyses for pH may be performed by the Permittee on-site, provided quality assurance/quality control is implemented.

If the permittee monitors any pollutant more frequently than required by this permit using test procedures approved under 40 CFR Part 136 or otherwise specified in this permit, the results of this monitoring shall be included in the reporting of the data submitted in Quarterly Compliance Reports.

Dilution

It is prohibited to increase the use of process water, or in any way attempt to dilute a discharge as a partial or complete substitute for adequate treatment to achieve compliance with a discharge limitation unless

expressly authorized by the applicable pretreatment standard or requirement. The FGCS D GM may impose an alternate discharge limit, using the combined wastestream formula pursuant to Attachment A Section 7461 on Industrial Users who are using dilution to meet applicable pretreatment standards or requirements.

Representative Sampling for Effluent Monitoring Requirements

Information submitted to satisfy reporting requirements must be based on data obtained through appropriate sampling and analysis during the period covered by the report and based on data that is representative of conditions occurring during the reporting period.

Best Management Practices

The Royal Gold coco fiber processing area is completely covered by a pole barn type structure to prevent stormwater from commingling with coco runoff. Coco process runoff is channeled with hard rubber parking curbs which can be adjusted during processing. The curbs are used to direct all our runoff into the discharge storage system which collects process water for sediment removal and pretreatment to reach allowable levels for discharge. All BMPs are inspected before every hydration and noted in the Coco BMP maintenance log. If any BMPs are not placed before the inspection, they will be placed before the inspection is complete. During hydration and rinsing, if the runoff is not being directed into the first entrance to the primary collection tanks then the wattles/mesh box will be cleaned and rubber curbs adjusted to ensure proper function of the BMPs. If the tanks are full or if both pumps stop working then the hydration or rinse will be stopped immediately and the vacuum truck will be brought in to ensure no spills reach the storm water system.

For any new employees working in the Coco area they will be trained in identifying all parts of the collection system and BMPs as well as how to perform an inspection. Any new employee will be supervised and not left to perform movable BMP installation until supervisors are convinced they know the operations. Once trained, any additional training will be provided as needed based on employee performance and if there are any changes to the system.

Below is a list of BMPs which are part of our storage system:

- Mesh wattles used to separate large particles from entering the collection tanks.
- Metal mesh box at the entrance of storage system to remove sediment.
- Rubber curbs used to direct and control process water while coco is being processed. They are also used to prevent run on during coco processing during storm events.
- Concrete curb installed at edge of processing pad to contain runoff and prevent commingling with stormwater. The curb also serves as containment if the storage tanks fail by redirecting water into the collection tanks.
- Series of concrete storage tanks which act as stage 1 of our pretreatment system. The tanks allow sediment to settle before process water is pumped to stage 2.
- A round vibratory separator is used as stage 2 of our pretreatment system, to separate solids and liquids before they enter our storage system.
- Storage system is covered to prevent stormwater from entering the system.
- Culverts installed underneath collection system to allow stormwater to pass underneath our storage tanks
- 1600 gallon secondary containment “boat” around collection tanks in case our 785 gallon initial containment system fails. The containment “boat” is covered to prevent stormwater commingling.
- Biological nitrate filter to reduce nitrates before process water is discharged to the sewer.

Accidental Discharge/Slug Control Plan

The Permittee is required to develop, submit for review, and implement an Accidental Discharge/Slug Control Plan in accordance with Attachment A Section 7470.3. A slug discharge is any discharge of a non-routine, episodic nature, including but not limited to an accidental spill or non-customary batch discharge. At a minimum the plan shall include:

1. A description of discharge practices, including non-routine batch discharges;
2. A description of stored chemicals;
3. Procedures for immediately notifying the District of slug discharges, including any discharge that would violate a prohibited discharge standard, with procedures for follow-up written notification within five days pursuant to Attachment A Section 7472.6;
4. If necessary, procedures to prevent adverse impact from any accidental spill or slug discharge, including but not limited to, inspection and maintenance of storage areas, handling and transfer of materials, loading and unloading operations, control of plant site run-off, worker training, building of containment structures or equipment, measures for containing toxic organic pollutants (including solvents), and/or measures and equipment for emergency response.

The most recent copy of the Accidental Discharge/Slug Control Plan must be on file with the District Pretreatment Program.

Part II. Monitoring & Reporting

Notice of Effluent Violation/Repeat Sampling and Reporting

If sampling performed by the Permittee indicates a violation, the Industrial User shall notify the FGCSO GM by texting or calling (707) 499-1963 or at rhanger50@gmail.com within twenty-four (24) hours of becoming aware of the violation. Reports of effluent violations shall include, at a minimum, the monitoring value being reported; date the sample was collected and analyzed and; date and time the effluent violation was identified.

The Permittee shall repeat the sampling and analysis and submit the results of the repeat analysis within thirty (30) days after becoming aware of the violation. Re-sampling by the Permittee is not required if the District performs sampling at the Permittee's facility between the time when the initial sampling was conducted and the time when the Permittee or District receives the results of this sampling, or if the District has performed the sampling and analysis in lieu of the Permittee. If the District performed the sampling and analysis in lieu of the Permittee, the District will perform repeat sampling and analysis unless it notifies the Permittee of the violation and requires the Permittee to perform the repeat sampling and analysis.

Notice of Bypass

Bypass is prohibited and the District may take enforcement action against the Permittee for a bypass unless it was unavoidable to prevent loss of life, personal injury, or severe property damage; or there were no feasible alternatives to the bypass, such as the use of auxiliary treatment facilities, retention of untreated wastes, or maintenance during normal periods of equipment downtime. This condition is not satisfied if adequate back-up equipment should have been installed in the exercise of reasonable engineering judgment to prevent a bypass which occurred during normal periods of equipment downtime or preventative maintenance and proper notification was made.

For notification of a bypass in cases where the Permittee knows in advance of the need for a bypass the Permittee must submit prior notice to the District, if possible at least 10 days before the date of the bypass. For proper notification of an unanticipated bypass that exceeds applicable Pretreatment Standards oral notice must be provided to the District within 24 hours from the time the Permittee becomes aware of the bypass. A written submission shall also be provided within 5 days from the time the Permittee becomes aware of the bypass. The written submission shall contain a description of the bypass and its cause; the duration of the bypass, including the exact dates and times and, if the bypass has not been corrected, the anticipated time it is expected to continue and; steps taken or planned to reduce, eliminate, and prevent reoccurrence of the bypass.

Reports of Potential Problems

In the case of any discharge, including, but not limited to, accidental discharges, discharges of a non-routine, episodic nature, a non-customary batch discharge, a slug discharge or slug load, that might cause potential problems for the POTW or violate any provision of FGCSO Ordinance 90-2 Article IX , the Permittee shall immediately, and in no more than five (5) days after such event, notify the FGCSO GM at (707) 499-1963 by texting or calling or at rhanger50@gmail.com. If notification is required during non-business hours District Operator Kim Watson shall be contacted (707) 618-9194 by texting or calling. Notification shall include the location of the discharge, type of waste, concentration and volume, if known, and corrective actions taken by the Permittee.

Within fifteen (15) days following such discharge, the Permittee shall, unless waived in writing by the FGCSO GM, submit a detailed written report describing the cause(s) of the discharge and the measures to be taken by the Permittee to prevent similar future occurrences. Such notification shall not relieve the Permittee of any expense, loss, damage, or other liability which may be incurred as a result of damage to the POTW, natural resources, or any other damage to person or property; or other liability which may be imposed pursuant to FGCSO Ordinance 90-2 Article IX .

Notice shall be permanently posted on the Permittee's bulletin board or other prominent place advising employees who to call in the event of an accidental discharge, discharge of a non-routine, episodic nature, a non-customary batch discharge, a slug discharge or slug load, that might cause potential problems for the POTW or violate any provision of FGCSO Ordinance 90-2 Article IX. The Permittee shall ensure that all employees who could cause or identify such a discharge are advised of the emergency notification procedure.

Notice of Upset

An upset may occur when the power goes out or for a variety of other reasons. If an upset has caused a permit condition to be violated provisions exist to use the Upset as an affirmative defense. Notice of an upset must be submitted within 24 hours of the occurrence and written notice must be submitted within 5 days of the upset. Conditions specified in 40 CFR 403.16 must be met for a valid claim of Upset.

Reports of Change of Conditions

The Permittee must notify the FGCSO GM of any significant changes to the Permittee's operations or system which might alter the nature, quality, or volume of its wastewater, or changes which may affect its potential for a slug discharge at least ninety (90) days before the change. The FGCSO GM may require the Permittee to submit such information as may be deemed necessary to evaluate the changed condition, including the submission of a wastewater discharge permit application pursuant to FGCSO Ordinance 90-2 Section 402. The FGCSO GM may issue a wastewater discharge permit or modify an existing permit in response to changed conditions or anticipated changed conditions.

Sample Frequency

The quarterly sampling periods shall cover the periods of January 1 - March 31, April 1 - June 30, July 1 - September 30, and October 1 – December 31. Sample results shall be reported in the corresponding Quarterly Compliance Report. Failure to collect representative samples during a sampling period shall be considered non-compliance with this permit. This sample schedule shall commence on the effective date of this permit.

In the event of a sample which exceeds a numerical effluent limitation a special sample frequency applies; refer to the Notice of Effluent Violations section for re-sampling requirements.

Compliance Reporting Requirements & Frequency

The Permittee shall submit Monthly Compliance Reports for the first three months after the permit effective date due on the 15th of the following month and Quarterly Compliance Reports to the District thereafter. The reports shall cover the periods from January 1 - March 31, April 1 - June 30, July 1 - September 30, and October 1 – December 31. Each report shall be received by the 20th of the month following the quarter (e.g. Quarter 1 report due no later than April 20th).

The Permittee shall arrange all reported analytical data in a tabular format. The data shall be summarized to clearly illustrate whether the facility is operating in compliance with the conditions set forth in this permit. The information specified in Table 5 shall be included in each quarterly compliance report to demonstrate compliance with this permit.

Table 5. List of Data to be Reported

Parameter	Reporting Units	Reportable Data
Report Date		
Reporting Period		
Daily Flow Information	gallons per day	● Volume of process wastewater discharged to the sewer on a daily basis (if any)
Maximum instantaneous flow rate	Gallons per minute	● Maximum instantaneous flow rate recorded during the compliance period
Nitrate	mg/L	● Analytical result (laboratory report required)
Ammonia	mg/L	● Analytical result (laboratory report required)
Total Phosphorus	mg/L	● Analytical result (laboratory report required)
pH	s.u.	● Analytical result, sample date, sample time, analysis date, analysis time, analyst's name or initials
BMPs		● Narrative of BMPs implemented during report period

Quarterly compliance reports shall include copies of laboratory reports, including quality control and chain-of-custody records; a summary of permit non-compliance events including corrective actions taken or planned, or the proposed time schedule for corrective actions planned and; a signed certification statement.

The following certification statement must be included in all reports and notices used for compliance with this permit:

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the

information, the information submitted is to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.”

Report filing fees must be submitted for a report to be considered complete for compliance purposes. Failing to submit a report, incomplete reports and late submissions will be considered non-compliance with this permit. Written reports will be deemed to have been submitted on the date postmarked. For reports which are not mailed postage prepaid in a mail facility serviced by the United States Postal Service, the date of receipt of the report shall govern. Signed copies of reports with the quarterly report fee shall be submitted to the District at the following address:

Fieldbrook Glendale Community Services District
PO Box 2715
McKinleyville, CA 95519

With electronic copies cc'd to: rhanger50@gmail.com and Rebecca.crow@ghd.com

Late Reports

Any report required by this permit received late may subject the User to a penalty assessment of ten percent (10%) for each day, beginning five days after the date the report is due. Actions taken by the District to collect late reporting penalties shall not limit the District's authority to initiate other enforcement actions that may include penalties for late reporting violations.

Part III. General Information

Inspection and Sampling

Pursuant to FGCSO Ordinance 90-2 Section 404 the FGCSO GM, or his representatives, shall have the right to enter the premises of the Permittee to determine whether the Permittee is complying with all requirements of the Sewer Use Ordinance and this wastewater discharge permit. The Permittee shall allow the FGCSO GM ready access to all parts of the premises for the purposes of inspection, sampling, records examination and copying, and the performance of any additional duties.

Record Keeping Requirements

The Permittee shall retain and make available for inspection and copying all records of information obtained pursuant to any monitoring activities required by the FGCSO Ordinance 90-2 Article IV or this wastewater discharge permit, any additional records of information obtained pursuant to monitoring activities undertaken by the Permittee independent of such requirements, and documentation associated with BMPs. Records shall include the date, exact place, method, and time of sampling, and the name of the person(s) taking the samples; the dates analyses were performed; who performed the analyses; the analytical techniques or methods used; and the result of such analyses. These records shall remain available for a period of at least three (3) years. This period shall be automatically extended for the duration of any litigation concerning the Permittee or the District, or where the Permittee has been specifically notified of a longer retention period by the FGCSO GM.

Permit Non-Compliance

Non-compliance with any term or condition of this permit shall constitute a violation of FGCSO Ordinance 90-2 IX and may result in applicable enforcement actions which may include civil and/or criminal penalties.

Permit Enforcement

In the event that FGCS D fails to enforce provisions of this permit, the City of Arcata has the legal authority to take enforcement actions against non-compliant uses. The FGCS D grants the City of Arcata the legal authority to directly act in cases where the discharge of a non-compliant use is determined to cause an immediate threat to health, the POTW, or the environment.

Civil and/or Criminal Penalties

As specified in FGCS D Ordinance 90-2 IX, civil and criminal penalties may apply in cases of non-compliance with this permit. Penalties may be of the following three categories: Administrative Enforcement Remedies, Judicial Remedies, and Supplemental Enforcement Actions. Enforcement actions may specifically include: notice of violation, consent order, show cause hearing, compliance order, cease and desist order, emergency suspension, administrative fines, civil penalties imposed in accordance with Government Code Section 54740.5, injunctive relief type penalties, criminal prosecution, remedies nonexclusive, performance bonds, water supply severance, and correction or abatement by the District in cases of public nuisance.

Transferability

Wastewater discharge permits may be transferred to a new owner and/or operator only if the Permittee gives at least 90 days advance notice to the FGCS D GM and the FGCS D GM approves the wastewater discharge permit transfer. The notice to the FGCS D GM must include a written certification by the new owner and/or operator that the new owner shall abide by all terms and conditions of the existing permit. Provisions must be made for furnishing the new owner or operator with a copy of the existing wastewater discharge permit.

Fees

In lieu of a connection fee, the District will charge Royal Gold on a flow basis according to Ordinance 90-02 Section 408 at a rate of one and a half times the commercial flow rate through **June 30, 2018 established in Ordinance 90-01 Section 2.01**. At that time a connection fee will be calculated. The connection fee will be based on averaged flow for the period of June 1, 2017 through May 31, 2018.

A quarterly permit fee of \$200 is to be paid with the submission of quarterly reports.

Definitions

Unless a provision explicitly states otherwise, the terms and phrases, as used in this permit, are defined in FGCS D Ordinance 90-2 or in Attachment 1 to this permit. Attachment 2 to this permit is FGCS D Ordinance 90-2.

**FIELDBROOK GLENDALE COMMUNITY SERVICES DISTRICT
SIGNIFICANT INDUSTRIAL USER
WASTEWATER DISCHARGE PERMIT ###-##-####
ATTACHMENT A**

DEFINITIONS

- A. Biochemical Oxygen Demand or (BOD). The quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedure in five (5) days at twenty (20) degrees centigrade expressed in terms of concentration as milligrams per liter (mg/l).
- B. Categorical Pretreatment Standard or Categorical Standard. Any regulation containing pollutant discharge limits promulgated by the U.S. EPA in accordance with Section 307(b) and (c) of the Act (33 U.S.C. 1317) which apply to a specific category of industrial users and which appear in 40 CFR Chapter I, Subchapter N, parts 405-471.
- C. Categorical Industrial User. An industrial user subject to a categorical pretreatment standard or categorical standard.
- D. Color. The optical density at the visual wavelength of maximum absorption, relative to distilled water. One hundred percent (100%) transmittance is equivalent to zero (0.0) optical density.
- E. Environmental Protection Agency or EPA. The U.S. Environmental Protection Agency.
- F. FGCSD. Fieldbrook Glendale Community Services District
- G. Grab Sample. A sample that is taken from a waste stream on a one-time basis without regard to the flow in the waste stream over a period of time not to exceed fifteen (15) minutes
- H. Indirect Discharge. The introduction of pollutants into the POTW from any nondomestic source.
- I. Industrial User. A source of indirect discharge.
- J. Industrial Waste. The liquid wastes derived from activities of a industrial user, excluding discharges which can be defined as domestic waste.
- K. Instantaneous Limit. The maximum concentration of a pollutant allowed to be discharged at any time, determined from the analysis of any discrete or composited sample collected, independent of the industrial flow rate and the duration of the sampling event.
- L. Interference. A discharge that, alone or in conjunction with discharges from other sources, inhibits or disrupts the POTW, its treatment processes or operations or its sludge processes, use or disposal, and therefore, is a cause of a violation of the FGCSD's Ordinances or Contract with the City of Arcata (including an increase in magnitude or duration of a violation) or of the prevention of wastewater sludge use or disposal in compliance with any of the following statutory/regulatory provisions or permits issued thereunder, or any more stringent State or local regulations: Section 405 of the Act; the Solid Waste Disposal Act, including Title II commonly referred to as the Resource Conservation and Recovery Act (RCRA); any State regulations contained in any State sludge management plan prepared pursuant to Subtitle D of the Solid Waste Disposal Act; the Clean Air Act; the Toxic Substances Control Act; and the Marine Protection, Research, and Sanctuaries Act.

- M. Local Limit. Specific discharge limits developed and enforced by the FGCS D against industrial or commercial facilities to implement the general and specific discharge prohibitions listed in 40 CFR 403.5(a)(1) and (b).
- N. Noncontact Cooling Water. Water used for cooling which does not come into direct contact with any raw material, intermediate product, waste product, or finished product.
- O. pH. A measure of the acidity or alkalinity of a substance, expressed in standard units.
- P. Pollutant. Any dredged spoil, solid waste, incinerator residue, wastewater, garbage, sewage sludge, munitions, medical waste, chemical wastes, industrial wastes, biological materials, radioactive materials, heat, wrecked or discharged equipment, rock, sand, cellar dirt, and agricultural wastes, and including but not limited to the following characteristics of wastewater: pH, temperature, TSS, turbidity, color, BOD, COD, toxicity, odor.
- Q. Pretreatment. The reduction of the amount of pollutants, the elimination of pollutants, or the alteration of the nature of pollutant properties in wastewater prior to or in lieu of introducing such pollutants into the POTW. This reduction or alteration can be obtained by physical, chemical or biological processes, by process changes, or by other means, except by diluting the concentration of the pollutants unless allowed by an applicable pretreatment standard.
- R. Pretreatment Standards or Standards. Prohibitive discharge standards, categorical pretreatment standards, and local limits.
- S. Publicly Owned Treatment Works or POTW. Any devices or systems owned by the City of Arcata or FGCS D used in the collection, storage, treatment, recycling and reclamation of wastewater or industrial waste of a liquid nature including sewers, pipes and other conveyances owned by the City or FGCS D which convey wastewater to a treatment plant.
- T. Sewer Service Charges. Fees, rates, rentals or other charges for services, equipment, materials, labor and facilities furnished by the FGCS D for use of its POTW.
- U. Significant Industrial User. Except as provided in subsections (VV)(3) and (4) of this Section, a significant industrial user is:
1. Industrial users subject to categorical pretreatment standards; or
 2. An industrial user that:
 - a. Discharges an average of twenty-five thousand (25,000) gpd or more of process wastewater to the POTW (excluding sanitary, noncontact cooling and boiler blowdown wastewater);
 - b. Contributes a process waste stream which makes up five percent (5%) or more of the average dry weather hydraulic or organic capacity of the treatment plant; or
 - c. Is designated as significant by the FGCS D GM on the basis that the industrial user has a reasonable potential for adversely affecting the POTW's operation or for violating any pretreatment standard or requirement.

3. Upon making a finding that an industrial user meeting the criteria in subsection (1) of this definition fulfills the requirements of a nonsignificant categorical industrial user, the FGCS D GM may determine that such user should not be considered a significant industrial user.
 4. Upon making a finding that an industrial user meeting the criteria in subsection (2) of this definition has no reasonable potential for adversely affecting the POTW's operation or violating any pretreatment standard or requirement, the Director of Environmental Services may at any time, on its own initiative or in response to a petition received from and industrial user, and in accordance with procedures in 40 CFR 403.8(f)(6), determine that such user should not be considered a significant industrial user.
- V. Slug Load, or Slug Discharge. Any discharge at a flow rate or concentration which has reasonable potential to cause a violation of the pretreatment standards as appear in this Chapter or violation in any other way of the FGCS D's regulations pertaining to its POTW, local limits, or permit conditions; or any discharge of a nonroutine, episodic nature, including but not limited to, an accidental spill or a non-customary batch discharge.
- W. Suspended Solids or Total Suspended Solids (TSS). Total suspended matter that either floats on the surface of, or is suspended in, water, wastewater, or other liquids, and which are removable by laboratory filtering.
- X. User. A domestic user or industrial user
- Y. User Classification. The classification of users based on the 1972 edition of the Standard Industrial Classification (SIC) Manual prepared by the Executive Office of Management and Budget.
- Z. Wastewater Discharge Permit. The permit issued by FGCS D to control the discharge of industrial wastewater to the POTW.
- AA. Wastewater Treatment Plant or Treatment Plant. That portion of the POTW designed to provide treatment of domestic and industrial wastes.

ABBREVIATIONS

The following abbreviations shall have the meanings designated as follows:

BOD	Biological Oxygen Demand
BMP	Best Management Practice
CFR	Code of Federal Regulations
COD	Chemical Oxygen Demand
EPA	U.S. Environmental Protection Agency
gpd	Gallons per Day
mg/l	Milligrams per Liter
NPDES	National Pollutant Discharge Elimination System

O&M	Operation and Maintenance
POTW	Publicly Owned Treatment Works
SIC	Standard Industrial Classifications
TRC	Technical Review Criteria
TSS	Total Suspended Solids

SECTIONS

Sec. 7461 National Categorical Pretreatment Standards.

Industrial users must comply with the categorical pretreatment standards found at 40 CFR Chapter I, Subchapter N, Parts 405-471. When wastewater subject to a categorical pretreatment standard is mixed with wastewater not regulated by the same standard, the FGCS D GM shall impose an alternate limit in accordance with 40 CFR 403.6(e), the combined wastestream formula.

Sec. 7470.2 Additional Pretreatment Measures.

A. The FGCS D General Manager, in his/her discretion, may require industrial users to restrict their discharge during peak flow periods, designate that certain wastewater be discharged only into specific sewers, relocate and/or consolidate points of discharge, separate wastewater streams from industrial waste streams, and may impose such other conditions as may be necessary to protect the POTW.

B. Each industrial user discharging into the POTW greater than ten thousand (10,000) gpd shall install and maintain, on his/her property and at his/her expense, a suitable storage and flow control facility to ensure the equalization of flow over a twenty-four (24) hour period. The facility shall be equipped with alarms and a rate of discharge controller, the regulation of which shall be directed by the FGCS D General Manager. A wastewater discharge permit may be issued solely for flow equalization.

Sec. 7470.4 Hauled Wastewater, Holding Tank Waste.

Holding tank waste may be accepted into the POTW at a FGCS D-designated receiving location at such times established by the FGCS D, provided such waste does not violate this Permit NO. ####-###-#### or FGCS D Ordinance 90-2 or any other requirements established by FGCS D. FGCS D may require either or both the hauler and/or generator of industrial holding tank waste to obtain a wastewater discharge permit or other FGCS D permit if applicable. The FGCS D may prohibit the disposal of all holding tank waste if such disposal would interfere with the POTW. The discharge of holding tank waste is subject to all other requirements of this Chapter.

Sec. 7470.3 Accidental Discharge/Slug Control Plans.

The FGCS D General Manager may require any industrial user to develop, submit for review, and implement a plan or take such other action as may be necessary to control accidental slug discharges. The plan shall provide, at a minimum, the following:

- A. A description of discharge practices, including nonroutine batch discharges;
- B. A description of stored chemicals;
- C. Procedures for immediately notifying the FGCSO of any accidental or slug discharge, as required by Section 7472.6;
- D. Procedures to prevent adverse impact from any accidental or slug discharge, including, but not limited to, inspection and maintenance of storage areas, handling and transfer of materials, loading and unloading operations, control of plant site run-off, worker training, building of containment structures or equipment, measures for containing toxic organic pollutants (including solvents), and/or measures and equipment for emergency response.

Sec. 7472.6 Reports of Potential Problems.

- A. In the case of any discharge, including, but not limited to, accidental discharges, discharges of a nonroutine, episodic nature, a non-customary batch discharge, a slug discharge or slug load, that might cause potential problems for the POTW or violate any provision of this Chapter, the industrial user shall immediately, and in no more than five (5) days after such event, notify the Director of Environmental Services of the incident. This notification shall include the location of the discharge, type of waste, concentration and volume, if known, and corrective actions taken by the industrial user.
- B. Within fifteen (15) days following such discharge, the industrial user shall, unless waived in writing by the Director of Environmental Services, submit a detailed written report describing the cause(s) of the discharge and the measures to be taken by the industrial user to prevent similar future occurrences. Such notification shall not relieve the industrial user of any expense, loss, damage, or other liability which might be incurred as a result of damage to the POTW, natural resources, or any other damage to person or property; nor shall such notification relieve the industrial user of any fines, penalties, or other liability which may be imposed pursuant to this Chapter.
- C. A notice shall be permanently posted on the industrial user's bulletin board or other prominent place advising employees who to call in the event of a discharge described in subsection (A) of this Section. Employers shall ensure that all employees who could cause or identify such a discharge are advised of the emergency notification procedure.
- D. Significant industrial users are required to notify the FGCSO General Manager immediately of any changes at its facility affecting the potential for a slug discharge.

Fieldbrook Glendale
Community Services District
Agenda Background

Agenda Item: 6.2

Agenda Title: E&O Bowl request for a Fire Suppression meter.

Meeting Date: 06/25/2019

Presented by: Richard Hanger

Type of Item: Action Discussion Information

**Type of Action
Required:** No Action Voice Vote Roll Call Vote

Background:

E&O Bowl and Royal Gold are served by a single fire suppression meter. The monthly fees for the meter are split and billed separately. Discussion of installing a separate meter has a long history over multiple owners and/or operators of both parcels.

Recommendation:

Staff is recommending approval, waiver of connection fees, waiver of meter charge and installation. The applicant would be responsible for a \$35 application fee and the costs of trenching and installation beyond the meter.

June 14, 2019

Request for Agenda Item

Andre' Carey, owner of E&O Lanes located at 1417 Glendale Drive, McKinleyville would like to request an item to be put on the Agenda for the June 25th Board Meeting.

Topic description:

The addition of a water meter to monitor the fire suppression system located at 1417 Glendale Drive. The current meter is shared between E&O Lanes and Royal Gold Soil Company. As a result of the recent leak that occurred on the Royal Gold property, both business owners would like to Board to consider each business having its' own meter to mitigate any future issues.

Please let me know if this request is accepted. I can be reached at andre.eolanes@gmail.com or 707-826-9160.

Thank you for your consideration,

Andre' Carey
E&O Lanes – owner
1417 Glendale Drive
McKinleyville, Ca. 95519
707-826-9160

Fieldbrook Glendale
Community Services District
Agenda Background

Agenda Item: 6.3

Agenda Title: Resolution 2019-03, Authorizing an interfund loan from the water fund to the wastewater fund. (Tabled from 05/28/2019)

Meeting Date:

Presented by: Richard Hanger

Type of Item: Action Discussion Information

**Type of Action
Required:** No Action Voice Vote Roll Call Vote

Background:

- 04/24/18 – Budget Adjustments, third quarter 2018
- 08/28/18 – Public Hearing, final budget adoption
- 01/22/19 – Wastewater loan from water ending-fund balance
- 04/23/19 – Wastewater loan analysis
- 04/23/19 – Item Tabled
- 05/28/19 – Item Tabled

This resolution authorizes a loan amount not to exceed \$90,000 from the water fund to the wastewater fund for the purposes of maintaining a positive cash balance in the wastewater fund. The final loan amount will be determined as part of our closing procedures.

Determine an interest rate.

Recommendation:

Staff is recommending the interest rate be set equal to the rate of the Fire Department.

Resolution 2019-03

Approval of an Interfund Loan from Water Reserves to the Wastewater Department

WHEREAS, the Fieldbrook Glendale Community Services District (FGCSD) Board of Directors determined a temporary loan of \$65,000 to the wastewater department from water reserves to maintain a positive cash balance at the close of fiscal year 2018; and,

WHEREAS, the FGCSD Board of Directors has determined that the loan will not be repaid in the 2019 fiscal year, and

WHEREAS, a financing study was prepared and discussed at a regular meeting of the Governing Board on April 23, 2019 and the study determined an additional advance of \$65,000 was needed to maintain a positive cash balance at the close of fiscal year 2019; and

WHEREAS, the FGCSD Board of Directors on November 13, 2018, adopted Resolution 2018-08 authorizing a rate adjustment necessary to fund operations and depreciation expenses adequate to fund the repayment of this interfund loan; and,

WHEREAS, there are undesignated water reserves available to finance the loan;

NOW THEREFORE BE IT RESOLVED, the FGCSD Board of Directors authorizes an interfund loan from water reserves to the wastewater fund for the purpose of establishing a positive cash balance at the end of fiscal year 2019 for an amount not to exceed \$90,000, the terms of the loan shall be as follows;

- A) The length of the loan shall be seven years;
- B) Interest will begin to accrue on July 1, 2019;
- C) The Governing Board has determined to set an adjustable annual interest rate to reviewed annually in April of each succeeding year, becoming effective July of each succeeding year;
- D) The Governing Board has determined an interest rate of 4.50% for fiscal year 2019-2020;
- E) Payments will be due bi-annually on December 31st and June 30th, the first payment of principal and interest will be due December 31, 2019;

Roy Sheppard

President

Richard Grissom

Director

Ayes _____ No _____ Absent _____

PASSED AND ADOPTED, by the Board of Directors of the Fieldbrook Glendale Community Services District, Humboldt County, State of California on June 25, 2019.

Loan Amortization Schedule

[HELP](#)

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Loan Information	
Loan Amount	90,000.00
Annual Interest Rate	4.50%
Term of Loan in Years	7
First Payment Date	12/31/2019
Payment Frequency	Semi-Annual
Compound Period	Semi-Annual
Payment Type	End of Period

Summary	
Rate (per period)	2.250%
Number of Payments	14
Total Payments	105,918.49
Total Interest	15,918.49
Est. Interest Savings	0.01

Semi-Annual Payment 7,565.61

Amortization Schedule

Rounding On

No.	Due Date	Payment	Additional Payment	Interest	Principal	Balance
						90,000.00
1	12/31/19	7,565.61		2,025.00	5,540.61	84,459.39
2	6/30/20	7,565.61		1,900.34	5,665.27	78,794.12
3	12/31/20	7,565.61		1,772.87	5,792.74	73,001.38
4	6/30/21	7,565.61		1,642.53	5,923.08	67,078.30
5	12/31/21	7,565.61		1,509.26	6,056.35	61,021.95
6	6/30/22	7,565.61		1,372.99	6,192.62	54,829.33
7	12/31/22	7,565.61		1,233.66	6,331.95	48,497.38
8	6/30/23	7,565.61		1,091.19	6,474.42	42,022.96
9	12/31/23	7,565.61		945.52	6,620.09	35,402.87
10	6/30/24	7,565.61		796.56	6,769.05	28,633.82
11	12/31/24	7,565.61		644.26	6,921.35	21,712.47
12	6/30/25	7,565.61		488.53	7,077.08	14,635.39
13	12/31/25	7,565.61		329.30	7,236.31	7,399.08
14	6/30/26	7,565.56		166.48	7,399.08	0.00

Fieldbrook Glendale
Community Services District
Agenda Background

Agenda Item: 6.4

Agenda Title: Public Hearing - Budget Adoption 2019-20

Meeting Date: 06/25/2019

Presented by: Richard Hanger

Type of Item: Action Discussion Information

**Type of Action
Required:** No Action Voice Vote Roll Call Vote

Background:

The board receives a draft of the budget for the next fiscal year each May. The budget is adopted in June and a final budget is adopted in August following the final postings for the previous fiscal year. Each department or fund is budgeted and accounted for separately. For each department there is a collapsed budget page followed by a detailed line item page. The adopted budget is identical to the May presentation apart from updated insurance expenses.

Water:

Water revenues are budgeted at \$465,213. Revenues are conservatively estimated and about 1% below the 2019 fiscal year. One-time revenues such as meter installations and/or connection fees are not part of the initial budget.

Expenses:

Water expenses are budgeted at \$447,121. Expenses are anticipated to remain approximately at the same level as currently budgeted for 2019. There are some variances for Engineering expenses and line repairs. Results of operations are positive as is the net income.

Wastewater:

Revenues are projected to be \$335,470. An increase of \$75,371 from the 2019 fiscal year. This is primarily a reflection of a full year following the mid-year rate increase in 2019. Commercial revenues increase substantially with additional revenue from the Royal Gold account.

Expenses:

Treatment expenses are projected to decrease 3%. This is primarily due to a decrease in wastewater treatment and engineering expenses. We are anticipating slightly lower flows due to the sealants and other maintenance in 2018 & 2019 and lower engineering expenses following the completion of the wastewater rate study. Results of operations are positive and approximately one-third of depreciation is funded if you allow for the budget for line repairs.

Fire:

Revenues from tax collections are anticipated to be equal to fiscal year 2019. Expenses are projected to decrease 4.5%. The largest variations are for SCBA maintenance, protective gear, interest and payroll. The result of operations is \$41,359. This amount is will fund principal payments on loans due in 2020 and fund the set aside for future debt.

Recommendation:

Review the attached reports and assumptions in the staff report.

Open the public hearing

Receive the staff report

Receive comments from the public

Close the public hearing and return the item to the board for consideration.

Fieldbrook Glendale Community Services District

06/18/19

Profit & Loss Budget Overview

Accrual Basis

July 2019 through June 2020

	Sewer Depart...	Water Depart...	Total Enterpri...	Total Fire De...	TOTAL
	(Enterprise)	(Enterprise)			
	Jul '19 - Jun 20	Jul '19 - Jun 20	Jul '19 - Jun 20	Jul '19 - Jun 20	Jul '19 - Jun 20
Ordinary Income/Expense					
Income					
4000 · Income					
4100 · Water Income					
4110 · Domestic Water Sales (Domestic Water Sales)		389,000.00	389,000.00		389,000.00
4115 · Late Fees - Water (Late Fees - Water)		6,000.00	6,000.00		6,000.00
4120 · Business Water Sales (Business Water Sales)		46,100.00	46,100.00		46,100.00
4130 · Fire Suppression Water Sales (Fire Suppression Wat...		2,088.00	2,088.00		2,088.00
4135 · Benefit Zone 1-Water Sales (Special Benefit Zone 1)		20,940.00	20,940.00		20,940.00
4150 · Water Processing Fees (Water Processing Fees)		1,085.00	1,085.00		1,085.00
4156 · Water Reimbursement Income (Water Reimbursemen...		0.00	0.00		0.00
4158 · Meter Charge (Meter Charge)		0.00	0.00		0.00
4160 · Water Other Income (Water Other Income)		0.00	0.00		0.00
Total 4100 · Water Income		<u>465,213.00</u>	<u>465,213.00</u>		<u>465,213.00</u>
4200 · Sewer Income					
4210 · Domestic Sewer Sales (Domestic Sewer Sales)	282,000.00		282,000.00		282,000.00
4215 · Late Fees - Sewer (Late Fees - Sewer)	4,200.00		4,200.00		4,200.00
4220 · Commercial Sewer Sales (Commercial Sewer Sales)	48,000.00		48,000.00		48,000.00
4250 · Sewer Processing Fees (Sewer Processing Fees)	770.00		770.00		770.00
4252 · Sewer Permit Fees (Sewer Permit Fees)	500.00		500.00		500.00
4256 · Sewer Reimbursement Income (Sewer Reimburseme...	0.00		0.00		0.00
4260 · Sewer Other Income (Sewer Other Income)	0.00		0.00		0.00
Total 4200 · Sewer Income	<u>335,470.00</u>		<u>335,470.00</u>		<u>335,470.00</u>
4300 · Fire Department Income					
4310 · Current Secured Taxes (Current Secured Taxes)				54,091.00	54,091.00
4320 · Current Unsecured Taxes (Current Unsecured Taxes)				2,031.00	2,031.00
4330 · Prior Year Secured Taxes (Prior Year Secured Taxes)				1,348.00	1,348.00
4341 · Prop 172 Transfer (Prop 172 Transfer to Fire Districts)				1,090.00	1,090.00
4350 · Property Tax Assessments (Property Tax Assessments)				41,812.00	41,812.00
4360 · Timber Yield Tax (Timber Yield Tax)				217.00	217.00
4370 · Homeowners' Exemption (Homeowners' Exemption)				722.00	722.00
4380 · Supplemental Tax - Current (Supplemental Tax - Curr...				830.00	830.00
4385 · Supplemental Tax - Prior Year (Supplemental Tax - Pr...				114.00	114.00
4392 · Prop Tax Exchange Agreement (Prop Tax Exchange ...				136.00	136.00
4395 · Other Income - Fire Dept. (Other Income - Fire Dept.)				0.00	0.00
Total 4300 · Fire Department Income				<u>102,391.00</u>	<u>102,391.00</u>
Total 4000 · Income	<u>335,470.00</u>	<u>465,213.00</u>	<u>800,683.00</u>	<u>102,391.00</u>	<u>903,074.00</u>
Total Income	<u>335,470.00</u>	<u>465,213.00</u>	<u>800,683.00</u>	<u>102,391.00</u>	<u>903,074.00</u>
Gross Profit	<u>335,470.00</u>	<u>465,213.00</u>	<u>800,683.00</u>	<u>102,391.00</u>	<u>903,074.00</u>
Expense					
5000 · Purchased Water & Sewer					
5010 · Purchased Water (Purchased Water)		172,586.00	172,586.00		172,586.00
5020 · Purchased Sewer Services (Purchased Sewer Services)	212,300.00		212,300.00		212,300.00
Total 5000 · Purchased Water & Sewer	<u>212,300.00</u>	<u>172,586.00</u>	<u>384,886.00</u>		<u>384,886.00</u>
5050 · Director Fees					
5070 · Directors' Fees - Water (Directors' Fees - Water)		2,995.00	2,995.00		2,995.00
5075 · Chief Expenses - Fire (Chief Expenses - Fire)				599.00	599.00
Total 5050 · Director Fees		<u>2,995.00</u>	<u>2,995.00</u>	<u>599.00</u>	<u>3,594.00</u>
5100 · Contract Labor/Admin					
5110 · HBMWD - Operations- Main. (HBMWD)					
5110.1 · HBMWD Admin & Billing (HBMWD Administration, ...	29,300.00	56,500.00	85,800.00		85,800.00
5110.2 · HBMWD - Maintenance & Operation (HBMWD - Main...	0.00	136,500.00	136,500.00		136,500.00
5110.3 · HBMWD - Meter Charges (HBMWD - Meter Charges)		0.00	0.00		0.00
Total 5110 · HBMWD - Operations- Main. (HBMWD)	<u>29,300.00</u>	<u>193,000.00</u>	<u>222,300.00</u>		<u>222,300.00</u>
5120 · Engineering Services (Engineering Services)					
5121 · Engineering Expenses	6,000.00	6,000.00	12,000.00		12,000.00
5121.5 · Reimbursable Engineering Exp (Reimbursable En...	0.00	0.00	0.00		0.00
5122 · Special Studies (Engineering Fees project based)	0.00	10,000.00	10,000.00		10,000.00
Total 5120 · Engineering Services (Engineering Services)	<u>6,000.00</u>	<u>16,000.00</u>	<u>22,000.00</u>		<u>22,000.00</u>
Total 5100 · Contract Labor/Admin	<u>35,300.00</u>	<u>209,000.00</u>	<u>244,300.00</u>		<u>244,300.00</u>

Fieldbrook Glendale Community Services District

06/18/19

Profit & Loss Budget Overview

Accrual Basis

July 2019 through June 2020

	Sewer Depart...	Water Depart...	Total Enterpri...	Total Fire De...	TOTAL
	(Enterprise)	(Enterprise)			
	Jul '19 - Jun 20	Jul '19 - Jun 20	Jul '19 - Jun 20	Jul '19 - Jun 20	Jul '19 - Jun 20
5130 · Benefit Assessment Tax Roll (H/C Fees Tax Collection)				113.00	113.00
5150 · Insurance Expense					
5155 · Workers' Compensaton (Workers' Compensaton)	702.00	195.00	897 00	5,504.00	6,401.00
5160 · Liability Insurance (Liability Insurance)	1,939.00	3,050.00	4,989 00	2,830.00	7,819.00
5165 · Vehicle Insurance (Vehicle Insurance)				4,296.00	4,296.00
5170 · Disability Income Protection (Firemans additional policy)				5,254.00	5,254.00
5175 · Air Med Care (Air Med Care Insurance)				978.00	978.00
Total 5150 · Insurance Expense	2,641.00	3,245.00	5,886 00	18,862.00	24,748.00
5200 · Professional Services					
5210 · Legal Services (Legal Services)	50.00	50.00	100 00	50.00	150.00
5220 · Audit Services (Audit Services)	4,525.00	4,520.00	9,045 00	4,508.00	13,553.00
Total 5200 · Professional Services	4,575.00	4,570.00	9,145 00	4,558.00	13,703.00
5250 · Dues & Memberships	605.00	650.00	1,255 00	2,515.00	3,770.00
5300 · Utilities					
5310 · Telephone (Telephone)	5,220.00	1,800.00	7,020 00	3,324.00	10,344.00
5320 · Electric (Electric)	7,504.00	9,960.00	17,464 00	1,433.00	18,897.00
5330 · Propane (Propane)				695.00	695.00
5335 · Water (Water)				580.00	580.00
5345 · Internet Service (Internet Service)				1,560.00	1,560.00
5346 · Security - Firehouse (Advanced Secutity - Firehouse)				308.00	308.00
Total 5300 · Utilities	12,724.00	11,760.00	24,484 00	7,900.00	32,384.00
5360 · Transportation & Travel					
5365 · Fuel Expenses (Fuel Expenses)	0.00		0 00	1,356.00	1,356.00
Total 5360 · Transportation & Travel	0.00		0 00	1,356.00	1,356.00
5370 · Property Taxes	324.00	225.00	549.00		549.00
5380 · Supplies					
5390 · Office Expenses (Office Expenses)	650.00	770.00	1,420 00	1,285.00	2,705.00
5397 · Medical Supplies (Medical Supplies)				200.00	200.00
5398 · Education Training Expense				1,500.00	1,500.00
Total 5380 · Supplies	650.00	770.00	1,420 00	2,985.00	4,405.00
5400 · Maintenance Expenses					
5410 · Line Repairs Maintenance (Line Repairs Maintenance)	10,000.00	10,000.00	20,000.00		20,000.00
5420 · Building Maintenance (Building Maintenance)	200.00		200 00	200.00	400.00
5425 · Turnout Maintenance (Protective Clothing Maintenance/...				200.00	200.00
5430 · Small Tools (Small Tools)				500.00	500.00
5440 · Extinguishers (Extinguishers)				200.00	200.00
5450 · Radio (Radio)				200.00	200.00
5500 · SCBA Equipment (SCBA Equipment)				1,500.00	1,500.00
5520 · Grounds (Grounds)				100.00	100.00
5530 · Trucks (Trucks)				4,000.00	4,000.00
Total 5400 · Maintenance Expenses	10,200.00	10,000.00	20,200 00	6,900.00	27,100.00
5550 · Equipment					
5555 · Small Equipment (Small Equipment)				2,000.00	2,000.00
5560 · Hoses (Hoses)				0.00	0.00
5565 · Protective Gear (Protective Gear)				50.00	50.00
Total 5550 · Equipment				2,050.00	2,050.00
5590 · Bad Debts					
5355 · Setaside for Uncollectable A/R (Setaside for Uncollecta...	0.00	0.00	0 00		0.00
5595 · Returned Checks (Returned Checks)		200.00	200 00		200.00
5600 · Returned Item Fee (Returned Item Fee)		16.00	16 00		16.00
5610 · Uncollectable (Uncollectable)	2,000.00	1,800.00	3,800 00		3,800.00
Total 5590 · Bad Debts	2,000.00	2,016.00	4,016 00		4,016.00
5625 · Bank Charges	0.00	15.00	15 00		15.00
5650 · Interest Expense					
5652 · Loan Fee (Loan Fee I-Bank)		558.00	558 00		558.00
5650 · Interest Expense - Other	3,925.00	13,547.00	17,472 00	9,508.00	26,980.00
Total 5650 · Interest Expense	3,925.00	14,105.00	18,030 00	9,508.00	27,538.00

Fieldbrook Glendale Community Services District

Profit & Loss Budget Overview

July 2019 through June 2020

	Sewer Depart... (Enterprise) Jul '19 - Jun 20	Water Depart... (Enterprise) Jul '19 - Jun 20	Total Enterpri... Jul '19 - Jun 20	Total Fire De... Jul '19 - Jun 20	TOTAL Jul '19 - Jun 20
5700 · Licenses & Fees	3,171.00	3,360.00	6,531.00	0.00	6,531.00
5710 · Chiefs' Incentive Program				2,000.00	2,000.00
6560 · Payroll Expenses	25,200.00	11,824.00	37,024.00	1,686.00	38,710.00
Total Expense	313,615.00	447,121.00	760,736.00	61,032.00	821,768.00
Net Ordinary Income	21,855.00	18,092.00	39,947.00	41,359.00	81,306.00
Other Income/Expense					
Other Income					
4900 · Interest Earnings (Interest Earnings)					
4155 · Water Interest Income (Water Interest Income)		15,468.00	15,468.00		15,468.00
4255 · Sewer Interest Income (Sewer Interest Income)	36.00		36.00		36.00
4390 · Interest - Fire Department (Interest - Fire Department)				2,408.00	2,408.00
Total 4900 · Interest Earnings (Interest Earnings)	36.00	15,468.00	15,504.00	2,408.00	17,912.00
Total Other Income	36.00	15,468.00	15,504.00	2,408.00	17,912.00
Other Expense					
5350 · Depreciation Expenses	93,819.00	24,979.00	118,798.00	45,594.00	164,392.00
Total Other Expense	93,819.00	24,979.00	118,798.00	45,594.00	164,392.00
Net Other Income	-93,783.00	-9,511.00	-103,294.00	-43,186.00	-146,480.00
Net Income	-71,928.00	8,581.00	-63,347.00	-1,827.00	-65,174.00

2019-20 Budget Development - Water

	8/28/2018	3/31/2019	6/25/2019	\$\$	%
Revenue	Original Budget	Adjusted Budget	2020 Budget	Change	Change
Domestic	\$370,955	\$389,752	\$389,000	-\$752	-0.19%
Late Fees	\$5,400	\$6,444	\$6,000	-\$444	-7.40%
Commercial	\$46,026	\$51,837	\$46,100	-\$5,737	-12.44%
Fire Suppression	\$1,932	\$4,247	\$2,088	-\$2,159	-103.40%
Special Benefit Zone	\$12,600	\$14,473	\$20,940	\$6,467	30.88%
Processing Fees	\$1,050	\$1,470	\$1,085	-\$385	-35.48%
Meter Install	\$0	\$1,096	\$0	-\$1,096	-100.00%
Other Revenue	\$0	\$1,839	\$0	-\$1,839	-100.00%
Total	\$437,963	\$471,158	\$465,213	-\$5,945	-1.28%

Expenses					
Purchased Water	\$174,066	\$172,546	\$172,586	\$40	0.02%
Directors Fees	\$2,995	\$2,995	\$2,995	\$0	0.00%
HBMWD Operations	\$192,231	\$191,383	\$193,000	\$1,617	0.84%
Engineering Services	\$17,350	\$21,273	\$16,000	-\$5,273	-32.96%
Workers Comp Ins	\$183	\$163	\$195	\$32	16.41%
Liability Ins	\$2,690	\$2,690	\$3,050	\$360	11.80%
Legal Services	\$45	\$50	\$50	\$0	0.00%
Audit Services	\$4,500	\$4,508	\$4,520	\$12	0.27%
Dues/Memberships	\$545	\$605	\$650	\$45	6.92%
Telephone	\$3,360	\$1,747	\$1,800	\$53	2.94%
Electric	\$9,695	\$9,736	\$9,960	\$224	2.25%
Property Taxes	\$225	\$225	\$225	\$0	0.00%
Office Expenses	\$900	\$761	\$770	\$9	1.17%
Line Repairs*	\$6,880	\$6,111	\$10,000	\$3,889	38.89%
Small Equipment	\$0	\$0	\$0	\$0	
Returned Checks	\$600	\$500	\$200	-\$300	-150.00%
Returned Item Fees	\$56	\$36	\$16	-\$20	-125.00%
Bad Debt	\$1,150	\$3,235	\$1,800	-\$1,435	-79.72%
Bank Fees	\$0	\$10	\$15	\$5	
Loan Fee	\$585	\$585	\$558	-\$27	-4.84%
Licenses & Fees	\$3,186	\$3,360	\$3,360	\$0	0.00%
Interest Expense	\$14,595	\$14,595	\$13,547	-\$1,048	-7.74%
Payroll Penalties	\$0	\$0	\$0	\$0	
Payroll	\$11,370	\$11,661	\$11,824	\$163	1.38%
Total	\$447,207	\$448,775	\$447,121	-\$1,654	-0.37%
Results of Operations	-\$9,244	\$22,383	\$18,092	-\$4,291	-23.72%
Other Income/Expense					
Interest Earnings	\$10,971	\$11,705	\$15,468	\$3,763	24.33%
Connection Fees	\$0	\$2,100	\$0	-\$2,100	0.00%
Less Depreciation	\$23,085	\$23,085	\$24,979	\$1,894	7.58%
Net Other Income/Expense	-\$12,114	-\$9,280	-\$9,511	\$18,791	-0.02%
Net Income	-\$21,358	\$13,103	\$8,581	-\$4,522	100.00%

2019-20 Budget Development - Sewer

	8/28/2018	3/31/2019	6/25/2019	\$\$	%
Revenue	Adopted Budget	Adjusted Budget	2019 Budget	Change	Change
Domestic	\$179,328	\$235,416	\$282,000	\$46,584	16.52%
Late Fees	\$2,170	\$3,160	\$4,200	\$1,040	24.76%
Commercial	\$10,480	\$20,285	\$48,000	\$27,715	57.74%
Processing Fees	\$420	\$770	\$770	\$0	0.00%
Permit Fees	\$250	\$400	\$500	\$100	20.00%
Other Revenue	\$0	\$68	\$0	-\$68	
Total	\$192,648	\$260,099	\$335,470	\$75,371	22.47%

Expenses					
Purchased Sewer	\$206,521	\$220,374	\$212,300	-\$8,074	-3.80%
HBMWD Operations	\$22,300	\$25,048	\$29,300	\$4,252	14.51%
Engineering Services	\$14,461	\$15,897	\$6,000	-\$9,897	-164.95%
Workers Comp Ins	\$686	\$641	\$702	\$61	8.69%
Liability Ins	\$1,736	\$1,736	\$1,939	\$203	11.69%
Legal Services	\$45	\$50	\$50	\$0	0.00%
Audit Services	\$4,500	\$4,508	\$4,525	\$17	0.38%
Dues/Memberships	\$545	\$605	\$605	\$0	0.00%
Telephone	\$3,120	\$4,924	\$5,220	\$296	5.67%
Electric	\$8,375	\$7,878	\$7,504	-\$374	-4.98%
Fuel	\$350	\$350	\$0	-\$350	#DIV/0!
Property Taxes	\$324	\$324	\$324	\$0	0.00%
Office Supplies	\$920	\$1,014	\$650	-\$364	-56.00%
Line Repairs	\$3,500	\$10,143	\$10,000	-\$143	-1.43%
Bad Debt	\$800	\$1,959	\$2,000	\$41	2.05%
Building Maintenance	\$0	\$208	\$200	-\$8	-4.00%
Bank Charges	\$0	\$0	\$0	\$0	#DIV/0!
Interest Expense	\$0	\$0	\$3,925	\$3,925	100.00%
Licenses	\$2,337	\$3,163	\$3,171	\$8	0.25%
Payroll	\$22,300	\$25,814	\$25,200	-\$614	-2.44%
Total	\$292,820	\$324,636	\$313,615	-\$11,021	-3.51%

Results of Operations	-\$100,172	-\$64,537	\$21,855	\$86,392	395.30%
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Other Income/Expense					
Interest Earnings	\$43	\$23	\$36	\$13	36.11%
Connection Fees	\$0	\$15,646	\$0	-\$15,646	#DIV/0!
Less Depreciation	\$93,819	\$93,819	\$93,819	\$0	0.00%
Net Other Income/Expense	-\$93,776	-\$78,150	-\$93,783	\$15,633	16.67%

Net Income	-\$193,948	-\$142,687	-\$71,928	\$70,759	49.59%
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2019-20 Budget Development - Fire

	8/28/2018	3/31/2019	6/25/2019	\$\$	%
Revenue	Adopted Budget	Adjusted Budget	2019 Budget	Change	Change
Current Secured	\$54,091	\$54,091	\$54,091	\$0	0.00%
Current Unsecured	\$2,031	\$2,031	\$2,031	\$0	0.00%
Prior Yr Secured	\$1,348	\$1,348	\$1,348	\$0	0.00%
Prior Yr Unsecured	\$0	\$0	\$0	\$0	
Prop 172 Transfer	\$1,090	\$1,090	\$1,090	\$0	0.00%
Assesment	\$41,812	\$41,812	\$41,812	\$0	0.00%
Timber Yield	\$217	\$217	\$217	\$0	0.00%
Homeowner Exemption	\$722	\$722	\$722	\$0	0.00%
Supplemental Current	\$830	\$830	\$830	\$0	0.00%
Supplemental Prior	\$114	\$114	\$114	\$0	0.00%
Prop. Tax Exchange	\$0	\$0	\$136	\$136	100.00%
Other Income	\$0	\$7,794	\$0	-\$7,794	0.00%
Total	\$102,255	\$110,049	\$102,391	-\$7,658	-7.48%
Expenses					
Director/Chief	\$599	\$599	\$599	\$0	0.00%
Engineering Services	\$0	\$0	\$0	\$0	
Benefit Assessment Fee	\$113	\$113	\$113	\$0	0.00%
Workers Comp	\$5,426	\$5,076	\$5,504	\$428	7.78%
Liability	\$2,502	\$2,502	\$2,830	\$328	11.59%
Vehicle Ins	\$3,225	\$3,225	\$4,296	\$1,071	24.93%
Disability Ins	\$5,254	\$5,254	\$5,254	\$0	0.00%
Air Med Care	\$978	\$978	\$978	\$0	0.00%
Legal	\$45	\$50	\$50	\$0	0.00%
Audit	\$4,500	\$4,508	\$4,508	\$0	0.00%
Dues/Memberships	\$2,455	\$2,515	\$2,515	\$0	0.00%
Telephone	\$2,820	\$3,104	\$3,324	\$220	6.62%
Electric	\$1,600	\$1,480	\$1,433	-\$47	-3.28%
Propane	\$650	\$685	\$695	\$10	1.44%
Water	\$540	\$574	\$580	\$6	1.03%
Dispatch Co-Op Fees	\$0	\$0	\$0	\$0	
Internet Service	\$1,536	\$1,560	\$1,560	\$0	0.00%
Security-Firehouse	\$300	\$307	\$308	\$1	0.32%
Fuel Expenses	\$1,200	\$1,252	\$1,356	\$104	7.67%
Office Supplies	\$1,280	\$850	\$1,285	\$435	33.85%
Medical Supplies	\$500	\$272	\$200	-\$72	-36.00%
Education Expense	\$750	\$1,761	\$1,500	-\$261	-17.40%
Building Maintenance	\$250	\$250	\$200	-\$50	-25.00%
Turnout Maintenance	\$400	\$200	\$200	\$0	0.00%
Small Tools	\$600	\$400	\$500	\$100	20.00%
Extinguishers	\$400	\$400	\$200	-\$200	-100.00%
Radio	\$500	\$500	\$200	-\$300	-150.00%
SCBA	\$700	\$700	\$1,500	\$800	53.33%
Grounds	\$50	\$50	\$100	\$50	50.00%
Trucks	\$5,000	\$4,300	\$4,000	-\$300	-7.50%
Small Equipment	\$2,000	\$2,000	\$2,000	\$0	0.00%
Protective Gear	\$750	\$750	\$50	-\$700	-1400.00%
Chiefs Incentive	\$2,000	\$2,000	\$2,000	\$0	0.00%
Interest Expense	\$10,231	\$10,231	\$9,508	-\$723	-7.60%
Payroll	\$1,620	\$2,453	\$1,686	-\$767	-45.49%
Fire Grant Expenses	\$0	\$0	\$0	\$0	#DIV/0!
Licenses	\$0	\$1,000	\$0	-\$1,000	#DIV/0!
Total	\$60,774	\$61,899	\$61,032	-\$867	-1.42%
Results of Operations	\$41,481	\$48,150	\$41,359	-\$6,791	-16.42%
Other Income/Expense					
In Kind Revenue	\$0	\$0	\$0	\$0	-100.00%
Interest Earnings	\$1,791	\$1,791	\$2,408	\$617	25.62%
Donations	\$ -	\$ 9,500		-\$9,500	\$0
Less Depreciation	\$45,594	\$45,594	\$45,594	\$0	0.00%
Less Fire Grant Expense	\$0	\$0	\$0	\$0	0.00%
Net Other Income/Expense	-\$43,803	-\$34,303	-\$43,186	\$617	20.57%
Net Income	-\$2,322	\$13,847	-\$1,827	-\$6,174	-44.59%

Fieldbrook Glendale
Community Services District
Agenda Background

Agenda Item: 6.5

Agenda Title: Hunter, Hunter and Hunt – engagement letter for FY ending 2019.

Meeting Date: 06/25/19

Presented by: Richard Hanger

Type of Item: Action Discussion Information

**Type of Action
Required:** No Action Voice Vote Roll Call Vote

Background

Annual engagement letter.

Expense \$13,250 plus fee to prepare and return the California State Controller's Report
Prior contract was \$12,750 plus fee to prepare and return the California State Controller's
Report.

Recommendation:

Review and authorize staff to sign.

Hunter, Hunter & Hunt, LLP

CERTIFIED PUBLIC ACCOUNTANTS



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Eureka, California 95501

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June 10, 2019

Fieldbrook Glendale Community Services District
4854 Fieldbrook Road
Arcata, CA 95521

RE: Engagement Letter for Audit of the Financial Statements for the Year Ended June 30, 2019

To the Board of Directors:

We are pleased to confirm our understanding of the services we are to provide Fieldbrook Glendale Community Services District for the year ended June 30, 2019. We will audit the financial statements of the governmental activities, the business-type activities, each major fund including the related notes to the financial statements, which collectively comprise the basic financial statements of Fieldbrook Glendale Community Services District as of and for the year ended June 30, 2019. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Fieldbrook Glendale Community Service District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Fieldbrook Glendale Community Service District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Budgetary Comparison Schedule

We will also issue a management letter each year, if determined necessary, including comments on internal control weaknesses (if any) and an audit communication letter. The management letters will include comments on internal control weaknesses (if any), recommendations for improvements, and status of prior year comments and recommendations (if any). Our audit communication letter, to those charged with governance, will advise the board members of our responsibilities and the policies, and procedures to which we are to adhere.

Audit Objective

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of Fieldbrook Glendale Community Service District's financial statements. Our report will be addressed to the Board of Directors of Fieldbrook Glendale Community Services District. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason,

we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or may withdraw from this engagement.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Fieldbrook Glendale Community Services District's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance, and we will not express such an opinion.

Other Services

We will also prepare the financial statements of Fieldbrook Glendale Community Services District in conformity with U.S. generally accepted accounting principles based on information provided by you. We will also, upon your request, prepare, or review what you have prepared, and electronically file

with your approval the State Controller's Special Districts Financial Transactions Report for the Fieldbrook Glendale Community Services District. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for designing, implementing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles.

You agree to assume all management responsibilities for financial statement preparation services and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We will prepare the cash and other confirmations and submit them to you for your signature. You will provide us with any documents selected by us for testing.

The audit documentation for this engagement is the property of Hunter, Hunter and Hunt, LLP, and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a regulator or its designee. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Hunter, Hunter and Hunt, LLP, personnel. Furthermore, upon request, we may provide copies of selected audit documentation to a regulator or its designee. The regulator or its designee may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

Fieldbrook Glendale Community Services District
June 10, 2019

We expect to begin our audit in August and to issue our reports no later than November 15, 2019.

Donna Taylor is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Based upon the June 30, 2018, with no substantial changes we estimate the cost of our services for the audits of Fieldbrook Glendale Community Services District will be \$13,250 for the fiscal year ended June 30, 2019. If upon the commencement or during the performance of the audit we note substantial changes or if new standards are implemented that impact the performance of the audit or the preparation of the financial statements, we will contact you in advance before continuing the work and, if necessary, revise the estimated price. If the audit fees based on our actual hours spent on the engagement are less than the estimated amounts, we will adjust our fees accordingly.

The price of our services for the preparation or review of the State Controller's Special Districts Financial Transactions Reports for Fieldbrook Glendale Community Services District each year will be at our regular hourly rates for the individuals involved not to exceed \$850.

You may also be billed for out-of-pocket expenses such as report production, travel, postage, etc. Out-of-pocket expenses are not expected to exceed \$250.

The above prices of services are based on anticipated cooperation from your personnel. The following circumstances could result in additional costs, which we would discuss with you prior to incurring them:

- The issuance of new accounting or auditing standards that require substantial unanticipated procedures,
- The need for significant adjustments to your accounting records to avoid material misstatements,
- Significant unexpected findings in the audit that warrant more intensive and detailed analysis,
- Your need for professional assistance regarding accounting issues beyond the scope of customary audit service,
- Significant delays in receiving financial or other information requested during the audit, or revisions of information resulting in the need to redo audit procedures.

Our invoices will be rendered upon completion of the audit and are payable on presentation. The above prices are quoted with the understanding that your internal controls and bookkeeping procedures are sufficient to provide us with auditable financial records. If we find that you require significant bookkeeping assistance to produce auditable financial records or that significant unanticipated audit procedures as described above are necessary, we will discuss with you the procedures required and our price for performing these services.

You may request that we perform additional services not contemplated by this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

Client and accountant both agree that any dispute over fees charged by the accountant to the client will be submitted for resolution by arbitration in accordance with the rules for resolving professional accounting and related services disputes of the American Arbitration Association, except that under all circumstances the arbitrator must follow the laws of the State of California. Such arbitration shall be binding and final. IN AGREEING TO ARBITRATION, WE BOTH ACKNOWLEDGE THAT, IN THE EVENT OF A DISPUTE OVER FEES CHARGED BY THE ACCOUNTANT, EACH OF US IS GIVING UP THE RIGHT TO HAVE THE DISPUTE DECIDED IN A COURT OF LAW BEFORE A JUDGE OR JURY AND INSTEAD WE ARE ACCEPTING THE USE OF ARBITRATION FOR RESOLUTION. The prevailing party shall be entitled to an award of reasonable attorneys' fees and costs incurred in connection with the arbitration of the dispute in an amount to be determined by the arbitrator.

Fieldbrook Glendale Community Services District
June 10, 2019

It is our policy to keep records related to this engagement for seven years. However, we do not keep any original client records, so we will return those to you at the completion of the services rendered under this engagement. When records are returned to you, it is your responsibility to retain and protect your records for possible future use, including potential examination by any government or regulatory agencies.

By your signature below, you acknowledge and agree that upon the expiration of the seven-year period we shall be free to destroy our records related to this engagement.

We appreciate the opportunity to be of service to Fieldbrook Glendale Community Services District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



Donna L. Taylor, CPA, CFE

Partner

RESPONSE:

This letter correctly sets forth the understanding of Fieldbrook Glendale Community Services District.

Signature: _____
Title: _____
Date: _____

Fieldbrook Glendale
Community Services District
Agenda Background

Agenda Item: 6.6

Agenda Title: Capital Improvement Projects (CIP) FY 2020

Meeting Date: 06/25/19

Presented by: Richard Hanger

Type of Item: Action Discussion Information

**Type of Action
Required:** No Action Voice Vote Roll Call Vote

Background:

Capital improvement projects for FY-2020 are:

Water meter replacements – Electronic meters with meter reader and software - \$24,250

Fire communication upgrade for the repeater project - \$21,000

The Anker Water Tank Project will also likely be completed within the fiscal year and while the project is fully grant funded, the CIP for 2020 will need to be amended to include.

Recommendation:

Review and approve.

Capital Improvement Projects

Department	Fiscal Year	Location	Project Description	Board Approved	Estimated Cost	Project costs to date	Project Balance	Completed	ct Y
Water	2020	System	Meter Replacements and Meter reader/software	6/25/2019	\$ 24,250.00	\$ -	\$ 24,250.00		
					\$ -				
Water Total					\$ 24,250.00	\$ -	\$ 24,250.00		
Sewer					\$ -	\$ -	\$ -		
Sewer Total					\$ -	\$ -	\$ -		
Fire	2020	Timber Ridge	Purchase/Installation of repeater	5/22/2018	\$ 21,000.00	\$ -	\$ 21,000.00		
Fire Total					\$ 21,000.00	\$ -	\$ 21,000.00		
GRAND TOTAL					\$ 45,250.00	\$ -	\$ 45,250.00		