

Amador Regional Sanitation Authority

Amador Regional Sanitation Authority Meeting Agenda

Thursday, August 15, 2024 at 2:30 PM

33 Church Street, Sutter Creek, CA 95685

The Agenda can be found on the City's Website: www.cityofsuttercreek.org

1. Call to Order and Establish a Quorum for Regular Meeting

2. Pledge of Allegiance to the Flag

3. Public Forum

Discussion items only, no action to be taken. Any person may address the Board at this time upon any subject within the jurisdiction of the Amador Regional Sanitation Authority; however, any matter that requires action may be referred to staff and/or Committee for a report and recommendation for possible action at a subsequent Board meeting. Please note – there is a five (5) minute limit per topic.

4. Consent Agenda

A. [Minutes of June 27, 2024- for approval](#)

B. [ARSA August 2024 Warrant List](#)

C. [ARSA July 2024 Balance Sheet](#)

D. [ARSA July 2024 Budget v Actual](#)

5. Administrative Agenda

A. [Board approval of agreement to resolve past invoices and determine how the parties will handle invoices going forward. ACTION](#)

B. [Operations Update- for information discussion](#)

C. [Freshwater Diversion and Henderson Project Updates- for information](#)

6. General Manager's Report - informational

7. Closed Session

8. Report from Closed Session

9. Adjournment

Amador Regional Sanitation Authority

“Servicing Amador City, Martell, & Sutter Creek”

MINUTES MEETING OF THE BOARD OF DIRECTORS June 27, 2024

Present:

Jim Swift, Chairman
Richard Forster, Vice Chairman
Bruce Sherrill, Board Member
Frank Axe, Board Member

Absent:

Claire Gunselman, Board Member

Staff Present:

Tom DuBois, ARSA GM
Karen Darrow, ARSA Secretary
Dan Lafontaine, Public Works Director
Frank Splendorio, ARSA Attorney

1. REGULAR MEETING: CALL TO ORDER AND ESTABLISH A QUORUM

Meeting called to order by Chairman Swift at 2:30 P.M.

2. PLEDGE OF ALLEGIANCE TO THE FLAG

Chairman Swift led the Pledge of Allegiance.

3. PUBLIC FORUM- None

4. CONSENT AGENDA

- A. Minutes of May 16, 2024 – *for approval*
- B. Financial report- *for information only*
- C. Reservoir report- *for information only*

Dan Lafontaine confirmed that there are no VOC’s in ARSA’s testing

M/S Axe/Forster to Approve the Consent Agenda.

AYES: Axe, Forster, Sherrill and Swift

NOES: None

ABSTAIN: None

ABSENT: Gunselman

MOTION CARRIED

5. ADMINISTRATIVE AGENDA

- A. Discuss and Adopt Interim 2024-2025 ARSA Budget

General Manager Tom DuBois noted a slight increase in operating expenditures from the last couple of years due to capital projects.

M/S Axe/Sherrill to Adopt Interim 2024-2025 ARSA Budget.

AYES: Axe, Forster, Sherrill and Swift

NOES: None

ABSTAIN: None

ABSENT: Gunselman

MOTION CARRIED

B. Update on ARSA Dissolution Process

ARSA Attorney Frank Splendorio gave an update outlining the next steps of the dissolution process. He noted that two of the agencies must approve the JPA Amendment and that Amador City and Sutter Creek plan to move forward with it in July. He is reaching out to CDCR to sign off on the ground lease and Sutter Creek will need to put service agreements in place and then some clean up items to address.

C. Discussion of Transmittal of 12 June 2024 Staff Enforcement Letter: Delinquent Technical Report

General Manager Tom DuBois noted that Ione is responsible for the report and Andrea Bonham of Ione reported that the response letter is due by July 1st and is going out today and Tom DuBois is cc'd on.

Board member Forster asked if ARSA could get a letter confirming that they are not the responsible party.

6. GENERAL MANAGER’S REPORT

General Manager Tom DuBois reported that they had their 2nd operational meeting with CDCR, Ione and ARSA and that all agencies are working well together. He confirmed that there are no odor issues.

Adjourned into Closed Session at 2:51 p.m.

7. CLOSED SESSION

A. CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION

Pursuant to Gov. Code § 54956.9(d)(1):
Amador Regional Sanitation Authority v. City of Ione, et al.
(Case No. 22-CV-12824)

8. REPORT FROM CLOSED SESSION – Direction as given to staff. No reportable action taken.

9. ADJOURNMENT

Karen Darrow, Secretary

James Swift, Chairman

Date Approved:

Amador Regional Sanitation Authority (ARSA)

Check Detail

August 2024

Type	Num	Date	Name	Item	Account	Paid Amount	Original Amount
Bill Pmt -Check	1075	08/08/2024	Best Best & Krieger, ...		10001 · Checking - B...		-429.80
Bill	1002512	08/05/2024			Legal	-429.80	429.80
TOTAL						-429.80	429.80
Bill Pmt -Check	1076	08/08/2024	City of Sutter Creek		10001 · Checking - B...		-11,365.02
Bill	2024-08	08/08/2024			Contract with COSC	-10,531.55	10,531.55
					Overtime	-822.42	822.42
					Small Equipment	-11.05	11.05
TOTAL						-11,365.02	11,365.02
Bill Pmt -Check	1077	08/08/2024	Hunt & Sons, Inc.		10001 · Checking - B...		-517.66
Bill	175469	07/15/2024			Fuel	-211.08	211.08
Bill	215157	07/31/2024			Fuel	-306.58	306.58
TOTAL						-517.66	517.66
Bill Pmt -Check	1078	08/08/2024	Ione ACE Hardware		10001 · Checking - B...		-594.15
Bill	JULY2...	08/05/2024			Repairs & Maintenance	-594.15	594.15
TOTAL						-594.15	594.15
Bill Pmt -Check	1079	08/08/2024	Sterling Auto Repair		10001 · Checking - B...		-1,501.79
Bill	33234	07/09/2024			Vehicle Maintenance	-1,501.79	1,501.79
TOTAL						-1,501.79	1,501.79

Amador Regional Sanitation Authority (ARSA)
Balance Sheet
As of July 31, 2024

	<u>Jul 31, 24</u>
ASSETS	
Current Assets	
Checking/Savings	
10000 · Checking - Umpqua	6.23
10001 · Checking - Bank of Marin	297,235.07
10011 · Savings - Bank of Marin	349,053.36
Total Checking/Savings	<u>646,294.66</u>
Total Current Assets	646,294.66
Fixed Assets	
150620 · Long Term Assets Structures	1,884,800.13
150621 · Long Term Assets Structures Dep	-1,884,800.15
150630 · Long Term Assets Equipment	151.00
150631 · Long Term Assets Equipment Depr	-151.00
35000 · Investment in Capital Assets	841,648.00
Total Fixed Assets	<u>841,647.98</u>
Other Assets	
120000 · Note Receivable	450,000.00
120100 · Accrued Interest Receivable	116,311.40
Total Other Assets	<u>566,311.40</u>
TOTAL ASSETS	<u><u>2,054,254.04</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	103,975.95
Total Accounts Payable	<u>103,975.95</u>
Total Current Liabilities	<u>103,975.95</u>
Total Liabilities	103,975.95
Equity	
30000 · Opening Balance Equity	2,597,881.14
32000 · Retained Earnings	-628,925.20
Net Income	-18,677.85
Total Equity	<u>1,950,278.09</u>
TOTAL LIABILITIES & EQUITY	<u><u>2,054,254.04</u></u>

Amador Regional Sanitation Authority (ARSA)
Budget vs. Actual
July 2024

	Jul 24	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Interest Income	0.00	150.00	-150.00	0.0%
Reimbursed Expenses	0.00	27,800.00	-27,800.00	0.0%
Use Fee Revenue				
Amador City	0.00	22,431.00	-22,431.00	0.0%
Amador Water Agency	0.00	120,858.00	-120,858.00	0.0%
City of Sutter Creek	0.00	640,997.00	-640,997.00	0.0%
Total Use Fee Revenue	0.00	784,286.00	-784,286.00	0.0%
Total Income	0.00	812,236.00	-812,236.00	0.0%
Expense				
Employee Services				
Contract with COSC	14,439.98	223,000.00	-208,560.02	6.5%
Overtime	662.91	20,000.00	-19,337.09	3.3%
Total Employee Services	15,102.89	243,000.00	-227,897.11	6.2%
Operations				
Audit & Accounting	0.00	6,000.00	-6,000.00	0.0%
Contingency	0.00	65,000.00	-65,000.00	0.0%
Engineering				
Inundation mapping	0.00	7,000.00	-7,000.00	0.0%
Engineering - Other	363.40	40,000.00	-39,636.60	0.9%
Total Engineering	363.40	47,000.00	-46,636.60	0.8%
Flood Control	0.00	1,000.00	-1,000.00	0.0%
Fuel	538.93	19,000.00	-18,461.07	2.8%
General Supplies	0.00	600.00	-600.00	0.0%
Legal	1,555.51	60,000.00	-58,444.49	2.6%
Membership Dues	0.00	3,000.00	-3,000.00	0.0%
O&M Building/Structures	0.00	1,500.00	-1,500.00	0.0%
O&M Equipment	0.00	35,000.00	-35,000.00	0.0%
Repairs & Maintenance	48.84	15,000.00	-14,951.16	0.3%
Taxes/Fees/Licenses	223.50	73,500.00	-73,276.50	0.3%
Tertiary Treatment Fees	0.00	136,500.00	-136,500.00	0.0%
Vehicle Maintenance	0.00	5,000.00	-5,000.00	0.0%
Total Operations	2,730.18	468,100.00	-465,369.82	0.6%
Total Expense	17,833.07	711,100.00	-693,266.93	2.5%
Net Ordinary Income	-17,833.07	101,136.00	-118,969.07	-17.6%
Other Income/Expense				
Other Expense				
Capital	0.00	450,000.00	-450,000.00	0.0%
Total Other Expense	0.00	450,000.00	-450,000.00	0.0%
Net Other Income	0.00	-450,000.00	450,000.00	0.0%
Net Income	-17,833.07	-348,864.00	331,030.93	5.1%

STAFF REPORT

TO: ARSA BOARD
MEETING DATE: AUGUST 15, 2024
FROM: TOM DUBOIS, GENERAL MANAGER
SUBJECT: AGREEMENT LETTER to RESOLVE PAST INVOICES WITH IONE
TYPE: ACTION

RECOMMENDATION:

Approve the attached Letter agreeing to pay Ione for past invoices up through July 1, 2024 and the invoicing process going forward.

DISCUSSION:

After several discussions on handling past invoices during the recent litigation including how to handle minimal treatment of ARSA water during 2022, a meeting was held on July 17th that included ARSA board members Gunselman and Swift and Ione council members Atlan and Wratten. Different scenarios and interpretations were discussed, ranging from \$0 to \$300,000. The parties agreed to resolve the outstanding invoices for \$88,000. While this amount is greater than what would be owed under the established billing practice, this was a compromise to put the issue behind us. The parties also agree to now follow the 2017 Agreement for future billing and credits when Ione does not take ARSA's 300 AF.

The agreement was agreed to by the people present in the meeting. It was written up as shown in the attached letter, reviewed by attorneys and finalized by City Manager George Lee and me. However, the City of Ione City Council decided to change the letter in their council meeting, striking the next to last paragraph which clarifies when ARSA will be given credit, if Ione does not take 300 AF in a season.

I am recommending the board approve the original agreement.

To: George Lee, City Manager
City of Ione
1 E Main St,
Ione, CA 95640

Letter Agreement to Settle Outstanding Invoices

On July 17th, 2024 at 5PM representatives from the City of Ione (George Lee, Dominic Atlan, and Diane Wratten) and the Amador Regional Sanitation Authority (Tom DuBois, Claire Gunselman, and Jim Swift) met to discuss resolution of outstanding invoices from either Ione or ARSA since 2017 to July 1, 2024.

Previously, the City of Ione and ARSA agreed to dismiss the lawsuit, as to each other, without prejudice. All parties entered into a settlement agreement outlining other responsibilities and conditions incident to such settlement. In the interest of moving forward the parties desire to now address outstanding invoices for wastewater treatment services¹ from January 1, 2022 to July 1, 2024.

There was disagreement on the method of calculation for these outstanding invoices, ranging between recalculation of all invoices since 2017 per the “First Implementation and Mediation Settlement Agreement” on one hand, to continuing the established practice and payment amounts both parties had effectively followed until the 2022 lawsuit, on the other hand.

In order to compromise on such disputed payments, the parties have met and agreed that ARSA will pay the City of Ione eighty-eight thousand dollars (\$88,000) in full satisfaction of all payments, invoices, fees, and costs, whatsoever, related to wastewater treatment services provided by the City of Ione at all times through June 30, 2024. This payment will resolve, once and for all, all such amounts and payments between the parties through June 30, 2024. Each party agrees it will not seek further adjustment to any past payment, and hereby forever and fully releases the other party for such past payment amounts.

¹ Invoices were for the Castle Oaks water board permit to discharge water onto the golf course and for ARSA’s share of the tertiary treatment costs.

Going forward, starting with July 1, 2024, both parties commit to follow the payment amount terms contained in the “First Implementation and Mediation Settlement Agreement” (Agreement) dated May 2016, attached hereto as Exhibit A, as long as that Agreement remains in full force and effect.

For the purpose of computing the City of Ione’s compliance with taking no less than 650 AF pursuant to Section 1 of the Agreement, that shall remain based on the calendar year (including amounts taken prior to July 1, 2024 for the 2024 calendar year).

Both parties acknowledge that the credit for taking less than 650 AF is owed to ARSA based on whether ARSA’s portion of the 650 AF, which is 300AF, was taken or not within a calendar year. Credit is given only during years that Ione does not accept available water from ARSA.

This agreement shall become effective immediately following execution by all of the Parties, on the latest date appearing below:

George Lee

Tom DuBois

City Manager
City of Ione
Date: _____

General Manager
Amador Regional Sanitation Authority
Date: _____

STAFF REPORT

TO: ARSA BOARD
MEETING DATE: AUGUST 15, 2024
FROM: COREY STONE, OPERATIONS
SUBJECT: OPERATIONAL UPDATE
TYPE: INFORMATION AND DISCUSSION

RECOMMENDATION:

For information and discussion

DISCUSSION:

Staff will provide an update on summer disposal.

STAFF REPORT

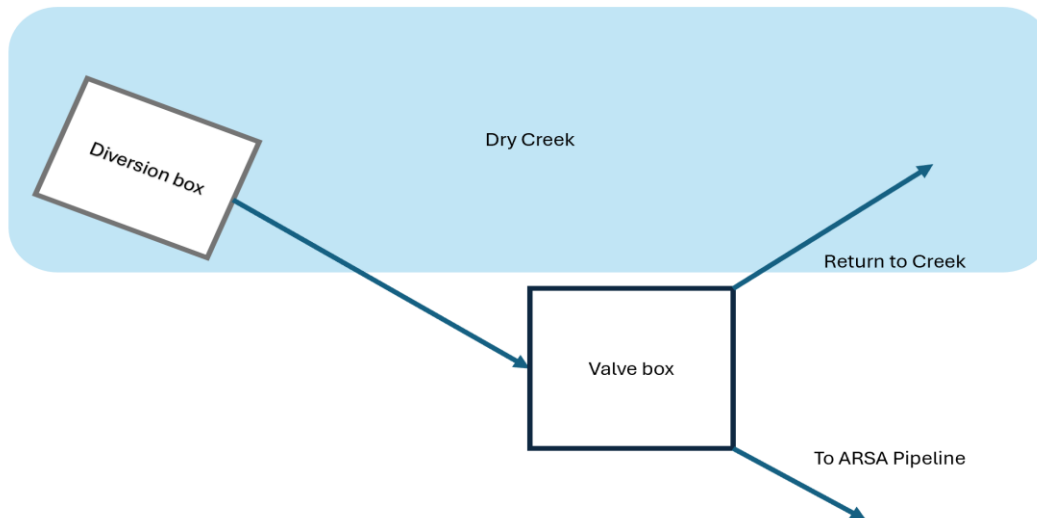
TO: ARSA BOARD
MEETING DATE: AUGUST 15, 2024
FROM: DAN LAFONTAINE, OPERATIONS
SUBJECT: FRESH WATER DIVERSION UPDATE
TYPE: INFORMATION AND DISCUSSION

RECOMMENDATION:

For information and discussion

DISCUSSION:

The freshwater diversion to protect CDCR water diversion rights must be repaired as a condition of the settlement. The freshwater diversion has been operational but has not been used in quite some time. An exploratory investigation into the status of the diversion has occurred very recently (within the last few weeks). The diversion box in the creek bed and the valve box have been unearthed and an assessment can be made (see PFD below):



CURRENT STATUS:

The diversion box where fresh water from the creek enters the pipeline is made of concrete and has been compromised, about 50% left. The lid to the diversion box has been torn off and is lying next to the creek shore. The pipe from the diversion box to the valve box has debris inside that needs to be removed. The material is packed tight in the pipe and contractors are unsure if it can be freed or the extent of the blockage. The length of the pipe is approximately 20 to 30 feet. The valve box has been unearthed and the box itself seems to be in tack. There is no lid on that box and the location is on the side of the creek not in the creek bed. The existing piping is estimated at 12-inch pipe. The piping entering the valve box has a flanged Y in the box that is bolted to the exit pipes. The valves appear to be butterfly valves and cannot be turned by the wheels in the box. The flanges look to be compromised and need to be replaced. See pictures from the assessment.



Diversion Box



Valve Box

There is a check valve in the pipeline from the valve box to the ARSA pipeline to ensure that treated wastewater does not flow to the creek. The location and status of the check valve is unknown and needs to be verified prior to opening the ARSA pipeline for the diversion.

REPAIRS:

Repairs need to be made to the diversion box to keep debris from entering the pipe between the diversion box and the valve box. The line needs to be cleared from the diversion box to the valve box. It is uncertain if this can be done with existing equipment. It may be better to abandon and install a new pipeline. The valve box valves, and piping need to be replaced.

The check valve needs to be located and inspected to ensure that once the valve from the ARSA pipeline to the valve box does not back flow treated sewage into the creek. It is unknown how much water is currently in the pipe from the valve box to the check valve.

FISCAL IMPACT:

Many unknowns exist that have significant impact on the cost estimate of the repair project. The first step will be to explore the location of the check valve and to remove the debris from the interconnecting piping. After that investigation (less than \$5,000) we will have a better understanding of the scope and possible costs of this repair. The investigation will occur as soon as possible.