

# HONEY LAKE VALLEY RECREATION AUTHORITY

## GOVERNING BOARD

BRIAN WILSON, PRESIDENT  
DAVID TEETER, VICE PRESIDENT  
JEFF HEMPHILL, BOARD MEMBER  
BRIAN MOORE, BOARD MEMBER  
DAVID MESERVE, BOARD MEMBER

## STAFF

DAN NEWTON, EXECUTIVE OFFICER  
HEIDI WHITLOCK, SECRETARY  
REESA RICE, POOL MANAGER  
DIANA WEMPLE, AUDITOR  
NANCY CARDENAS, TREASURER

# HONEY LAKE VALLEY RECREATION AUTHORITY GOVERNING BOARD MEETING

City Council Chambers  
66 North Lassen Street, Susanville, CA 96130

**August 21, 2018 - 3:00 p.m.**

### Addressing the Board

- Any person desiring to address the Board shall first secure permission of the presiding officer.
- Matters under the jurisdiction of the Board, and not on the Agenda, may be addressed by the public at a time provided in the Agenda under Public Comment
- The Board of Directors will not take action on any subject that is not on the Agenda

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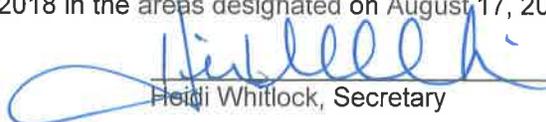
### Call meeting to Order

Roll Call of Board of Directors present

- 1 **AGENDA APPROVAL:** (Additions and/or Deletions)
- 2 **PROCLAMATIONS, AWARDS OR PRESENTATIONS BY THE BOARD:** None.
- 3 **APPROVAL OF MINUTES:** Approval of minutes from the May 15, 2018, June 19, 2018 and July 17, 2018 meetings.
- 4 **CORRESPONDENCE:**
- 5 **PUBLIC COMMENT:** Any person may address the Board at this time to comment on any subject on or not on the agenda. However, the Board may not take action on an items not on the agenda other than to direct staff to agendize the matter at a future meeting.
- 6 **MATTERS FOR BOARD CONSIDERATION:**
  - A. Financial Reports through August 17, 2018
  - B. Consider Approval of City Reimbursement Request through July 27, 2018
  - C. Consider Approval of Agreement with Lassen Union High School District
  - D. Update on Pool Operations
  - E. Discussion Regarding Grand Jury Findings
- 7 **BOARD MEMBER ISSUES/REPORTS:**

*The next regular meeting to be held on September 18, 2018 at 3:00 p.m.*

I, Heidi Whitlock, certify that I caused to be posted notice of the regular meeting scheduled for August 21, 2018 in the areas designated on August 17, 2018.

  
Heidi Whitlock, Secretary

## FUTURE MEETINGS & ITEMS

### Upcoming Meetings:

September 18, 2018  
October 16, 2018  
November 20, 2018  
December 18, 2018

### Upcoming Items to be Considered:

Monthly Financials  
Susanville School District  
City Reimbursement Request  
Update on Pool Operations  
Capital Improvement Plan  
Update on Landscaping Options

**Submitted By:** Heidi Whitlock, Secretary

**Action Date:** August 21, 2018

**HLVRA AGENDA ITEM**

**SUBJECT:** Minutes of the HLVRA May 15, June 19, and July 17, 2018 meetings.

**SUMMARY:** Attached for the Board's review are the minutes of the HLVRA meeting.

**FISCAL IMPACT:** None.

**ACTION REQUESTED:** Motion to waive oral reading and approve minutes of HLVRA and May 15, June 19, and July 17, 2018 meetings.

**ATTACHMENTS:** Minutes: May 15, 2018  
June 19, 2018  
July 17, 2018

**HONEY LAKE VALLEY RECREATION AUTHORITY  
GOVERNING BOARD MEETING  
Regular Meeting Minutes  
May 15, 2018 – 3:00 p.m.  
City Council Chambers 66 North Lassen Street Susanville CA 96130**

Meeting was called to order at 3:00 p.m. by President Wilson.

Roll Call of Board members present: Jeff Hemphill, Kathie Garnier, Dave Meserve, David Teeter and Brian Wilson.

Staff Present: Dan Newton, Executive Officer, Heidi Whitlock, Secretary, Reesa Rice, Pool Director, Tony Jonas, Assistant Pool Manager and Diana Wemple, Auditor.

**APPROVAL OF AGENDA:** Mr. Newton shared that there is an additional item 6E within the packet that should be removed. Motion by Board member Hemphill, second by Vice President Teeter, to approve the agenda with the requested change. Motion carried unanimously.

**3      APPROVAL OF MINUTES:** Motion by Board member Garnier, second by Vice President Teeter, to approve minutes for the April 17, 2018 meeting. Motion carried unanimously.

**4      CORRESPONDENCE:** None.

**5      PUBLIC COMMENT:** None.

**6      MATTERS FOR BOARD CONSIDERATION:**

**6A      Acceptance of Annual Audit for Fiscal Year 2017 and 2016**

Mr. Newton stated that the attached audit was for 2017 and 2016 for the Board's review and acceptance.

Motion by Vice President Teeter, second by Board member Hemphill, to accept and file the annual audit. Motion carried unanimously.

**6B      Financial Reports through May 9, 2018 and 2017/2018 Budget Discussion**

Mr. Newton stated that the reports attached were the reports that are typically presented to the Board including those provided by the County as well as the reports kept by the City. He continued that the actual revenues were slightly higher than predicted and the expenses were about \$3,000 less than projected.

President Wilson inquired as to what is happening with swim lesson revenues and if they are being attached to the month purchased or the month used.

Ms. Rice stated that, if they were to go to the month used, approximately \$9,000 would fall into the next fiscal year.

Ms. Wemple responded that staff would just need to provide a number, as of June 30<sup>th</sup>, for how much is to be deferred revenue so that it corresponds with the correct fiscal year.

Motion by Board member Garnier, second by Board member Meserve, to accept the financial reports. Motion carried unanimously.

**6C      Approve Resolution No. 18-27, Notice of Completion for Modern Building**

Mr. Newton stated that the HLVRA contracted with Modern Building Inc. and, as part of that contract, a Notice of Completion is to be filed upon completion. He continued that there were items that required attention and those items have now been completed or fall under the warranty.

Board member Hemphill inquired as to when the warranty starts.

Mr. Newton responded that he will look into it, as well as the terms of the warranty, and let the Board know.

Motion by Board member Garnier, second by Vice President Teeter, to approve Resolution No. 18-27, approving the filing of the Notice of Completion. Motion carried unanimously.

#### **6D Approve City Reimbursement Request through May 4, 2018**

Mr. Newton stated that the reimbursement request is for the period of April 7, 2018 through May 4, 2018. He continued that it is for both administrative and operational services in the amount of \$14,519 with \$1,168 being for administrative costs and \$13,352 being for pool staff.

Vice President Teeter stated that he liked the efficiency that he is seeing in the costs.

Motion by Board member Garnier, second by Board member Meserve, to approve the reimbursement request. Motion carried unanimously.

#### **6E Update on Pool Operations**

Ms. Rice stated that to date, the pool operations have run very smoothly. Staff have sold well over 100 swim lessons and have acknowledged the need to add more levels 1, 2 and Waterbabies classes. Exercise classes have been successful and have continued to grow as the weather has warmed up. Maria Damos, with Camp Ronald McDonald, has now completed the Life Guard training and certification process with all the potential new hires. Twelve new life guards will be added this season, for a total of 22 employees, which sets staff up for a successful summer. The Visu Cooler has been stocked and staff have begun selling drinks. Half of the tables and benches have arrived on site and umbrellas have been ordered as well as two shade canopies, which will be a temporary solution to shade problem. When the budget allows, staff will order and install a more permanent solution.

Ms. Rice continued that they are right at 200 for those signed up for swimming lessons.

Board member Meserve expressed his gratitude to Ms. Rice on the pool and the job being done.

Board member Hemphill stated that his sister-in-law visited and went to the pool and stated that it rivaled all pools in her area with the only complaint referring to the lack of food.

Ms. Rice responded that food is on the way; however, it will be prepackaged food only.

#### **6F Update on Landscaping Options**

Ms. Rice stated that Mr. Jonas has been exploring budget friendly landscaping options. She continued that the intent is to install sod to cover roughly a 5,200 square foot area off the east side for the fence where the large dirt patch is currently located. The grass will go down the length of the fence and 30 feet out. She concluded that, when budget allows, the berms on the west and south sides will also be covered.

Mr. Jonas discussed the cost associated with the area they are anticipating planting sod with the total coming to approximately \$6,000.

Ms. Rice stated that she and Mr. Jonas have looked at budget and the options and are comfortable doing this in stages, as they are running out of time this season if they plan on planting. She continued that they will be starting in 1-2 weeks and the project should be completed by the next meeting date.

Mr. Jonas added that everything is currently prepped and ready to go. He added that he has Boy Scouts who are also willing to assist in laying the sod.

President Wilson shared that he felt that was a good option.

**7      BOARD MEMBER ISSUES/REPORTS: None.**

Meeting adjourned at 3:30 p.m.

Respectfully Submitted by

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Brian Wilson, President

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Heidi Whitlock, Secretary HLVRA

**HONEY LAKE VALLEY RECREATION AUTHORITY  
GOVERNING BOARD MEETING  
Regular Meeting Minutes  
June 19, 2018 – 3:00 p.m.  
City Council Chambers 66 North Lassen Street Susanville CA 96130**

Meeting was called to order at 3:00 p.m. by Vice President Teeter.

Roll Call of Board members present: Jeff Hemphill, Kathie Garnier and David Teeter. Absent: Wilson and Meserve.

Staff Present: Dan Newton, Executive Officer, Heidi Whitlock, Secretary and Reesa Rice, Pool Director.

**APPROVAL OF AGENDA:** Motion by Board member Garnier, second by Board member Hemphill, to approve the agenda. Motion carried unanimously. Absent: Wilson and Meserve.

**3 APPROVAL OF MINUTES:** Motion by Board member Garnier, second by Vice President Teeter, to approve minutes for the May 15, 2018 meeting. Motion carried unanimously. Absent: Wilson and Meserve.

**4 CORRESPONDENCE:** None.

**5 PUBLIC COMMENT:** None.

**6 MATTERS FOR BOARD CONSIDERATION:**

**6A Financial Reports through June 8, 2018 & 2017/2018 Budget Discussion**

Mr. Newton stated that the attached reports are those typically provided to the Board and asked for questions. He directed the Board's attention to the large spreadsheets stating the actual, to date, revenues and expenses. He closed by stating that the revenues are close to what was predicted and expenses are a little lower than projected but also close.

**6B Approving 2018/2019 Budget**

Mr. Newton stated that the attached budget reflects the anticipated revenues and expenses for the upcoming year and read the line items and budgeted amounts. He continued that the numbers were developed to produce a balanced budget and some of the revenues were increased based on last year's experience. He continued that staff held the staffing number to an amount they felt would be adequate with past experience and concluded that it is a tight budget.

Board member Garnier inquired about the \$2,700 amount for geothermal.

Mr. Newton responded that it is turned off in the summer instead of being charged the \$2,100 per month rate. He continued that natural gas would be used instead as the pool is getting charged the raw rate.

Conversation occurred regarding how the \$2,100 cost was determined and how it was based on pumping costs for the City.

Vice President Teeter inquired about the lack of capital project funding.

Ms. Rice responded that it will have to be a slow process and that all capital improvements will have to be completed in sections hopefully using donated man hours.

Board member Garnier inquired as to whether or not grants were available.

Ms. Rice responded that grants only seem to be available for programming and that they are not really there for construction projects.

Ms. Rice continued that, as long as they are improving, even if only a little each year, the experience will be better each year. She added that the Rotary Club has already talked about assisting with man hours if adding volleyball courts.

Vice President Teeter stated that he has heard good things about the improvements made since last year.

Motion by Board member Garnier, second by Board member Hemphill, to approve the 2018/2019 budget. Motion carried unanimously. Absent: Wilson and Meserve.

**6C Resolution No. 18-28, Approving Authorized Signers for 2018/2019 fiscal year**

Mr. Newton stated that the item is for authorizing those who are able to sign claim forms and transfers for the HLVR. He added that the only change is updating the form to remove Mr. Hancock and add himself to the form.

Motion by Board member Hemphill, second by Board member Garnier, to approve Resolution No. 18-28, authorizing signers for 2018/2019 fiscal year. Motion carried unanimously. Absent: Wilson and Meserve.

**6D Approve City Reimbursement Request through June 1, 2018**

Mr. Newton stated that the requested City reimbursement is for services from May 5, 2018 through June 1, 2018. He added that the breakdown between City Administrative staff time and pool employees is also included.

Motion by Board member Hemphill, second by Board member Garnier, to approve the City's reimbursement request. Motion carried unanimously. Absent: Wilson and Meserve.

**6E Approve Agreement with Lassen Community College Adaptive PE Class**

Ms. Rice stated that management wished to approve an agreement between the pool and the Lassen Community College (LCC) Adaptive PE Class. LCC Adaptive PE class wants to utilize the shallow end of the pool for class instruction during the summer semester (June 15-August 3) on Fridays and during the fall semester (August 20-October 12) on Mondays and Wednesdays. The class will be offered during the time when no other programming is taking place.

Board member Garnier inquired as to whether or not it would affect public swim hours.

Ms. Rice responded that no, it would be during programming times.

Motion by Board member Hemphill, second by Board member Garnier, to approve the Agreement with LCC Adaptive PE class. Motion carried unanimously. Absent: Wilson and Meserve.

**6F Update on Pool Operations**

Ms. Rice stated that the summer season has officially started. She continued that, thus far, swim lessons have been a great success and staff has received a lot of positive feedback. Public swim has been averaging over 100 swimmers daily and the programs have gained in population as the weather has warmed up. He concluded that all operations have been running smoothly.

**6G Update on Pool Warranty**

Mr. Newton stated that this item was discussed during the last meeting and it was requested of staff to bring back the warranty information for the Board's review. He continued that the multiple warranties go through June 15, 2019 with the exception of the gutter work that was recently completed that now has a warranty that goes through March 7, 2020.

Vice President Teeter inquired as to whether or not there was anything else they needed to worry about.

Ms. Rice stated that there was a geothermal pipe issue that also needed to be worked on but it was already fixed. She explained that a different material was needed that could handle the temperature of the 160° water.

#### **6H Discuss Fundraising Options**

Vice President Teeter stated that he requested this item be discussed. He continued that he would like to see the Board schedule a goal to reach. He added that maybe the Board could fundraise, or the individual agencies.

Mr. Newton responded that he has yet to vet it but, he was recently notified that the City was not able to fundraise due to its tax status. However, we can look into whether or not it is possible.

Board member Garnier suggested that Rotary host a BBQ with all profits going to the pool or, perhaps, have people donate items and have a yard sale with money made going to the pool.

Vice President Teeter responded that a list of projects/wants was needed and he would like to have the list include the project, associated cost, and who can help. He added that, whatever fundraising was done, he wanted to include Lassen Aquatics in it, he didn't want them to be kicked out of it.

Ms. Rice responded that volunteers are always appreciated and some groups may even have grants available to put towards community projects. She continued that she will look into those to see if that would be an option. She added that some groups have requested a family movie night and that a particular group may even be able to donate the screen.

#### **6I Lassen Aquatics Banner Request**

Ms. Rice stated that Lassen Aquatics requested a sponsor banner to be hung on the fence within the pool area. She continued that the request was brought to the Board so size and location, as well as any concerns, could be discussed.

**Camille Buehler (Lassen Aquatics)** – stated that she would like to like to have one large banner with removable sponsors to be attached by Velcro.

Board member Hemphill suggested putting the banner on the fence to where it can be used as a windbreaker.

Ms. Rice inquired of Ms. Buehler what the size of the banner will be.

Ms. Buehler stated that she does not yet have the dimensions as they are still in their sponsorship drive and they have to see if sponsors donate enough to be listed.

Mr. Newton asked Ms. Buehler if she has time to bring back dimensions at the next meeting and maybe we can amend the agreement to include that as permitted.

Ms. Buehler stated that she has time.

Vice President Teeter stated that he thought that bringing back the agreement would be a good option.

#### **7 BOARD MEMBER ISSUES/REPORTS: None.**

Meeting adjourned at 3: 40 p.m.

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Brian Wilson, President

Respectfully Submitted by

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Heidi Whitlock, Secretary HLVRA

**HONEY LAKE VALLEY RECREATION AUTHORITY  
GOVERNING BOARD MEETING  
Regular Meeting Minutes  
July 17, 2018 – 3:00 p.m.  
City Council Chambers 66 North Lassen Street Susanville CA 96130**

Meeting was called to order at 3:00 p.m. by President Wilson.

Roll Call of Board members present: Wilson, Meserve and Franco. Absent: Hemphill and Teeter

Staff Present: Dan Newton, Executive Officer, Heidi Whitlock, Secretary and Reesa Rice, Pool Director.

**APPROVAL OF AGENDA:** Motion by Board member Garnier, second by Board member Hemphill, to approve the agenda. Motion carried unanimously. Absent: Hemphill and Teeter.

**3      APPROVAL OF MINUTES:** None.

**4      CORRESPONDENCE:** None.

**5      PUBLIC COMMENT:** None.

**6      MATTERS FOR BOARD CONSIDERATION:**

**6A     Financial Reports through July 11, 2018 & Budget Discussion**

Mr. Newton stated that the financial reports provided are those that the board is provided monthly.

President Wilson inquired as to if there was any way that Mr. Newton could see they could cut spending.

Mr. Newton responded that there were changes made from last year but it may be safe to assume that those months will be in the red again.

President Wilson discussed budget amounts on the spreadsheet and voiced his concern with having to subsidize the pool as much as they do. He inquired about how confident staff was with the predictions.

Mr. Newton stated that he is confident with the expenses as they are based on past expenses. However, he is not as confident with the revenues.

President Wilson asked if they are trending towards the basic schedule over the aggressive scheduling. He also asked if revenues are higher or lower than last year's with the changes made to the scheduling. How is the pool trending compared to last year?

Ms. Rice responded that she predicts they will be at least equal to last season. She continued that she is hoping for more but she is not able to say it with certainty. She added that swim lessons are even to last year to date.

President Wilson asked if she was surprised that they were even.

Ms. Rice responded that, with the lower cost of lessons, she anticipated it and added that private lessons have not been scheduled yet.

Board member Franco stated that he understands that there is cost but, the pool is a great asset and benefit to the community and offered thanks to the staff and the ease of using the pool this season.

Ms. Rice stated that she has received a lot of positive feedback from the community and there appears to be interest in swim lessons through August and possibly September. At that time, she suggested the possibility of switching to smaller groups and private lessons.

Board member Franco asked how that would work, would the lessons be held on weekends and evenings.

Ms. Rice responded that they would be held after school but, younger kids could possibly be scheduled in the morning.

President Wilson inquired if Ms. Rice had heard anything from the Lassen Union High School.

Ms. Rice responded that they are still on board but they are looking for coaches. She added that she knew they have a swim meet on the schedule for September and October of this season.

Board member Meserve stated that he would like to reiterate why he wanted to be on the Board. He wanted to see the community benefit and to teach kids how to swim.

#### **6B Approve City Reimbursement Request through June 29, 2018**

Mr. Newton stated that the current reimbursement amount owed to the City is \$19,777.56 with over \$18,000 of that going strictly for pool staffing. He added that the documentation is provided in the standard format.

Motion by Board member Franco, second by Board member Meserve, to approve the City reimbursement request. Motion carried unanimously. Absent: Hemphill and Teeter.

#### **6C Update on Pool Operations**

Ms. Rice shared a general update on the pool stating that there have been over 400 swimmers signed up for lessons this season and that there were 198 kids in the pool on Saturday during public swim. She stated again how much positive feedback she has received and suggested, for next year, to have classes for those who are autistic as public swim right now could potentially be too much stimulation for them.

President Wilson responded that he wanted to also add to the other Board member comments stating that he is here to provide the benefit to the community and that the pool can help so many people.

Board member Franco asked what mechanism was in place to provide classes for the public.

Ms. Rice responded that they come in and talk to her. She added that word of mouth is how she hears about anything people may be interested in seeing or classes to participate in.

Board member Franco asked if they even attended the Board's meeting.

Ms. Rice responded that they are free to do so however, she would hope they would come to her first.

#### **6D Discuss Lassen Aquatics Request**

Mr. Newton stated that he was contacted by Camille Buehler, with Lassen Aquatics, regarding a few requests. He continued that they are requesting consideration of the following:

1. A drop box at the pool site to accept Lassen Aquatics payments
2. A shed similar to the sheds already on site to store their equipment
3. Ability for the Swim Team members, under the age of 16, to swim during lap swim in the fall season

Ms. Buehler added that she would also still like to have the banner as discussed at the previous meeting.

Mr. Newton responded, yes, the agreement was going to be amended to include permission for the banner as it was already tentatively agreed upon.

Direction was provided to Ms. Rice to make the decisions regarding the presented requests based on her ability to run the facility.

**7      BOARD MEMBER ISSUES/REPORTS:** None.

Meeting adjourned at 3:39 p.m.

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Brian Wilson, President

Respectfully Submitted by

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Heidi Whitlock, Secretary HLVRA

**Submitted By:** Heidi Whitlock, Secretary

**Action Date:** August 21, 2018

**HLVRA AGENDA ITEM**

**PRESENTED BY:** Dan Newton, Executive Officer

**SUBJECT:** Receive and File Financial Reports through August 17, 2018 and 2018/2019 Budget Discussion

**SUMMARY:** The financial reports for revenue and expenses through August 17, 2018 have been provided for the Board's review.

**FISCAL IMPACT:** None.

**ACTION  
REQUESTED:** Information Only.

**ATTACHMENTS:** General Ledger through August 17, 2018  
Expenditure Detail through August 17, 2018  
Chronological Expense Detail through August 17, 2018  
Expense Detail by Line Item through August 17, 2018

Fund	B/U	C/C	Account	Account Name	Opening Balance	YTD Activity	Balance	Status
536			0100000	HONEY LAKE VALLEY RECREATION-CASH	\$75,666.47		\$43,587.01	
			7500000	FUND BALANCE	(\$75,666.47)	(\$32,079.46)	(\$75,666.47)	
536	0950		2010611	SWIM LESSONS		\$300.00		
				<b>TOTAL REVENUES</b>			\$300.00	
536	0950		3001150	SAFETY EQUIPMENT AND CLOTHING		\$38.50		
536	0950		3001200	COMMUNICATIONS		\$422.05		
536	0950		3001400	JANITORIAL SUPPLIES		\$254.84		
536	0950		3001500	INSURANCE		\$4,380.50		
536	0950		3001705	MAINTENANCE - POOL		\$273.22		
536	0950		3002200	OFFICE EXPENSE		\$174.38		
536	0950		3002300	PROFESSIONAL & SPECIALIZED SV		\$2,269.36		
536	0950		3002359	CONTRACT FOR POOL STAFF		\$18,002.20		
536	0950		3002701	NON-CAPITALIZED EQUIPMENT		\$697.92		
536	0950		3002807	ELECTRONIC SURVEILLANCE		\$50.00		
536	0950		3003010	ELECTRICITY		\$3,248.00		
536	0950		3003030	SEWER		\$156.00		
536	0950		3003040	GARBAGE		\$108.30		
536	0950		3003050	NATURAL GAS		\$270.31		
536	0950		3003060	GEOTHERMAL		\$758.18		
536	0950		3005500	STORE/CONSESSION PURCHASES		\$675.70		
				<b>TOTAL EXPENDITURES</b>			\$31,779.46	
				<b>FUND TOTAL</b>	\$0.00	\$0.00	\$0.00	

# HLVRA

## Expenditure Detail with Account Totals

Date	FD	BU	CC	Acct	Prog	Vendor	Vendor Name	Description	WT #	DOC #	Amount
07/19/18	536	0950		3001150		14816	ADOLPH KIEFER & ASSOCIATES,LLC	748473 6/25/18 GUARD TEE	01129566	CL735268	\$7.70
08/02/18	536	0950		3001150		14816	ADOLPH KIEFER & ASSOCIATES,LLC	752780 7/16/18 WHT-L	01130122	CL735997	\$30.80
07/19/18	536	0950		3001200		6670	FRONTIER/CITIZENS COMM CO	Account 5360950 3001150		Total:	\$38.50
08/09/18	536	0950		3001200		6670	FRONTIER/CITIZENS COMM CO	7/1-7/31/18 2510235 HLVR	01129565	CL735267	\$214.65
								8/1-8/31/18 2510235	01130285	CL736347	\$207.40
07/19/18	536	0950		3001400		4104	OFFICE DEPOT	Account 5360950 3001200		Total:	\$422.05
08/02/18	536	0950		3001400		4104	OFFICE DEPOT	155288193001 6/22/18 HLVR	01129497	CL735756	\$148.65
08/02/18	536	0950		3001400		4104	OFFICE DEPOT	159735747001 7/6/18 HLVR	01130116	CL736142	\$52.83
08/02/18	536	0950		3001400		4104	OFFICE DEPOT	161646867001 7/10/18 HLVR	01130116	CL736141	\$53.36
08/09/18	536	0950		3001500		14113	CA ASSOC FOR PARKS & REC INS	Account 5360950 3001400		Total:	\$254.84
								7/1/18-6/30/19 LIABILITY COVER	01130316	CO190063	\$4,380.50
08/09/18	536	0950		3001705		14445	SCP DISTRIBUTORS, LLC	Account 5360950 3001500		Total:	\$4,380.50
08/09/18	536	0950		3001705		193	ARLIN BILLINGTON	SN009678 7/27/18 SOLUTION	01130286	CL736349	\$30.42
08/09/18	536	0950		3001705		193	ARLIN BILLINGTON	416756 6/28/18 CLARIFIER	01130283	CL736344	\$40.51
08/09/18	536	0950		3001705		193	ARLIN BILLINGTON	417141 7/3/18 CLARIFIER	01130283	CL736344	\$120.72
08/09/18	536	0950		3001705		193	ARLIN BILLINGTON	417581 7/9/18 PIPE	01130283	CL736344	\$5.78
08/09/18	536	0950		3001705		193	ARLIN BILLINGTON	417930 7/13/18 FASTNERS	01130283	CL736344	\$10.51
08/09/18	536	0950		3001705		193	ARLIN BILLINGTON	418694 7/23/18 FASTNERS	01130283	CL736344	\$16.44
08/09/18	536	0950		3001705		193	ARLIN BILLINGTON	K17720 7/1/18 KEY	01130283	CL736344	\$48.84
08/02/18	536	0950		3002200		4104	OFFICE DEPOT	Account 5360950 3001705		Total:	\$273.22
								162275946001 7/1/18 HLVR	01130116	CL736143	\$174.38
07/19/18	536	0950		3002300		3297	KRONICK, MOSOVITS, TIEDEMANN &	Account 5360950 3002200		Total:	\$174.38
07/26/18	536	0950		3002300		186	CITY OF SUSANVILLE	6/5/18 LEGAL SERVICES	01129537	CO190027	\$94.00
08/02/18	536	0950		3002300		99998	CA ASSOC OF REC&PARK DISTRICTS	RMB CITY STAFF THRU 6/29/18	01129882	CL735774	\$1,775.36
07/26/18	536	0950		3002359		186	CITY OF SUSANVILLE	7/1/18-6/30/19 MEMBERSHIP DUES	01130120	CL735995	\$400.00
07/19/18	536	0950		3002701		1255	SHARON MCBRIDE	Account 5360950 3002300		Total:	\$2,269.36
07/19/18	536	0950		3002701		186	CITY OF SUSANVILLE	RMB POOL EMPLOY THRU 6/29/18	01129882	CL735774	\$18,002.20
07/26/18	536	0950		3002701		9407	US BANK	Account 5360950 3002359		Total:	\$18,002.20
								2851 5/24/18 POOL SIGN	01129567	CL735269	\$216.65
07/19/18	536	0950		3002807		10037	MARTIN SECURITY SYSTEMS, INC	750017 7/2/18 SOLAR UMBRELLA	01129566	CL735268	\$244.80
08/09/18	536	0950		3002807		10037	MARTIN SECURITY SYSTEMS, INC	6/15/18 ULINE PMT SQUEEGEE	01129884	CL735775	\$236.47
07/19/18	536	0950		3003010		515	LMUD	Account 5360950 3002701		Total:	\$697.92
08/09/18	536	0950		3003010		515	LMUD	6/30/18 HLVR 800 SOUTH	01129569	CL735271	\$25.00
								7/31/18 HLVR 800 SOUTH	01130288	CL736353	\$25.00
07/19/18	536	0950		3003010		515	LMUD	Account 5360950 3002807		Total:	\$50.00
08/09/18	536	0950		3003010		515	LMUD	5/22-6/26/18 390772 HLVR	01129568	CL735270	\$1,763.48
								6/26-7/25/18 390773 HLVR	01130287	CL736352	\$1,484.52



Chronological Expense Detail

July 1, 2018 through June 30, 2019

**Honey Lake Valley Recreation Authority**

Date	Fund	Description	Revenue	Expenses	Total
		Fund Balance Transfer			
					\$ 107,432.50
7/3/2018	3003050	City gas			\$ 107,432.50
7/3/2018	3003060	City geo		118.17	\$ 118.17
7/3/2018	3001400	Office Depot		379.09	\$ 379.09
7/3/2018	3005500	Alpine		148.65	\$ 148.65
7/5/2018	3003030	SSD		310.60	\$ 310.60
7/5/2018	3003010	LMUD		156.00	\$ 156.00
7/5/2018	3002807	Martin Security		1,763.48	\$ 1,763.48
7/5/2018	3001150	Kiefer		25.00	\$ 25.00
7/9/2018	3001200	Frontier		7.70	\$ 7.70
7/17/2018	3002300	City Staff		214.65	\$ 214.65
7/17/2018	3002359	City - Pool employees		1,775.36	\$ 1,775.36
7/12/2018	3002701	Keifer (umbrellas)		18,002.20	\$ 18,002.20
7/12/2018	3002300	KMTG		244.80	\$ 244.80
7/12/2018	3002701	Lasco		94.00	\$ 94.00
7/16/2018	3001400	Office Depot		216.65	\$ 216.65
7/16/2018	2010611	Refund for Swimming Lessons	\$ (240.00)		\$ (240.00)
7/17/2018	3002701	Uline		52.83	\$ 52.83
7/23/2018	3002200	Office Depot		236.47	\$ 236.47
7/23/2018	3001400	Office Depot		174.38	\$ 174.38
7/23/2018	3001150	Kiefer - uniforms		53.36	\$ 53.36
7/23/2018	3002300	CARPD - Dues		30.80	\$ 30.80
7/25/2018	2010611	Refund for Swimming Lessons	\$ (60.00)		\$ (60.00)
7/25/2018	3005500	Alpine		400.00	\$ 400.00
6/28/2018	3001705	Ace Hardware		231.40	\$ 231.40
7/3/2018	3001705	Ace Hardware		40.51	\$ 40.51
7/9/2018	3001705	Ace Hardware		120.72	\$ 120.72
7/11/2018	3001705	Ace Hardware		5.78	\$ 5.78
7/13/2018	3001705	Ace Hardware		48.84	\$ 48.84
7/13/2018	3001705	Ace Hardware		10.51	\$ 10.51
7/23/2018	3001705	Ace Hardware		16.44	\$ 16.44
8/2/2018	3003010	LMUD		1,484.52	\$ 1,484.52
8/3/2018	3001705	Lincoln		30.42	\$ 30.42
8/3/2018	3002807	Martin Security		25.00	\$ 25.00
8/3/2018	3005500	Alpine		133.70	\$ 133.70
8/3/2018	3003050	City Natural Gas		152.14	\$ 152.14
8/3/2018	3003060	City Geo		379.09	\$ 379.09
8/6/2018	3001500	CAPRI - Insurance		4,380.50	\$ 4,380.50
8/6/2018	3001200	Frontier		207.40	\$ 207.40
8/6/2018	3003040	C&S Waste		108.30	\$ 108.30
8/13/2018	2010611	Refund for Swimming Lessons	\$ (60.00)		\$ (60.00)
8/13/2018	3001705	Lincoln Aquatics		33.56	\$ 33.56
					\$ 75,259.48
					\$ 75,259.48
					\$ 31,813.02

PENDING 2018/2019 ITEMS	
Auditors	\$ 2,300.00
City Reimburse.	\$ -
Staff Time (County)	\$ 2,000.00
CAPRI - dues	\$ -
CAPRI - Insurance	\$ 4,380.50
Pool Chemicals	\$ 3,500.00
	Holiday pools
<b>Total Pending</b>	<b>\$ 12,180.50</b>

\$	75,259.48	Balance forward
\$	160,000.00	County/City (pending)
\$	-	
\$	12,180.50	Pending (above)
\$	223,078.98	Cash Available
\$	1,225.00	Diving Board Fund (deposited)
\$	5,000.00	Diving Board Fund (pending receipt)
\$	6,225.00	

	Date	2018/2019 Budget	spent	Budgeted Amounts	
<b>3001150</b>		<b>Safety Equipment and Supplies</b>		<b>\$ 1,000.00</b>	
	7/5/2018	Kiefer - uniforms	\$ 7.70		
	7/23/2018	Kiefer - uniforms	\$ 30.80		
				\$ 38.50	\$ 38.50
				\$ 961.50	
<b>3001200</b>		<b>Communications</b>		<b>\$ 2,400.00</b>	
	7/9/2018	Frontier	\$ 214.65		
	8/6/2018	Frontier	\$ 207.40		
				\$ 422.05	\$ 422.05
				\$ 1,977.95	
<b>3001400</b>		<b>Janitorial Supplies</b>		<b>\$ 2,000.00</b>	
	7/3/2018	Office Depot	\$ 148.65		
	7/16/2018	Office Depot	\$ 52.83		
	7/23/2018	Office Depot	\$ 53.36		
				\$ 254.84	\$ 254.84
				\$ 1,745.16	
<b>3001500</b>		<b>Insurance</b>		<b>\$ 8,200.00</b>	
	8/8/2018	CAPRI	\$ 4,380.50		
				\$ 4,380.50	\$ 4,380.50
				\$ 3,819.50	
<b>3001705</b>		<b>Maintenance - Pool</b>		<b>\$ 30,000.00</b>	
	6/28/2018	Ace Hardware	\$ 40.51		
	7/3/2018	Ace Hardware	\$ 120.72		
	7/9/2018	Ace Hardware	\$ 5.78		
	7/11/2018	Ace Hardware	\$ 48.84		
	7/13/2018	Ace Hardware	\$ 10.51		
	7/23/2018	Ace Hardware	\$ 16.44		
	8/2/2018	Lincoln	\$ 30.42		
	8/13/2018	Lincoln	\$ 33.56		
				\$ 306.78	\$ 306.78
				\$ 29,693.22	
<b>3002200</b>		<b>Office Expenses</b>		<b>\$ 2,500.00</b>	
	7/23/2018	office Depot	\$ 174.38		
				\$ 174.38	\$ 174.38
				\$ 2,325.62	
<b>3002250</b>		<b>Bank &amp; Credit Card Fees</b>			
				\$ -	\$ -
				\$ -	
<b>3002251</b>		<b>Cash Over/Short</b>			

				\$ -	\$ -
				\$ -	
<b>3002300</b>	<b>Prof. &amp; Spec. Services (City Staff, Auditors, Legal)</b>			\$ 30,000.00	
	7/17/2018 City - Staffing	\$	1,775.36		
	7/12/2018 KMTG	\$	94.00		
	7/23/2018 CARPD - dues	\$	400.00		
				\$ 2,269.36	\$ 2,269.36
				\$ 27,730.64	
<b>3002359</b>	<b>Contract Staff Services (Pool Employees)</b>			\$ 157,000.00	
	7/17/2018 City Reimbursement	\$	18,002.20		
				\$ 18,002.20	\$ 18,002.20
				\$ 138,997.80	
<b>3002400</b>	<b>Publications/Legal Notices</b>			\$ 1,600.00	
				\$ -	\$ -
				\$ 1,600.00	
<b>3002701</b>	<b>Non-Capitalized Equipment (under \$5,000)</b>			\$ 8,000.00	
	7/12/2018 Kiefer	\$	244.80		
	7/12/2018 Lasco - signage	\$	216.65		
	7/17/2018 Uline	\$	236.47		
				\$ 697.92	\$ 697.92
				\$ 7,302.08	
<b>3002800</b>	<b>Till and Safe Money</b>			\$ -	
				\$ -	\$ -
				\$ -	
<b>3002801</b>	<b>County Wide Allocations (Quarterly)</b>			\$ 2,000.00	
				\$ -	\$ -
				\$ 2,000.00	
<b>3002807</b>	<b>Electronic Surveillance</b>			\$ 1,000.00	
	7/5/2018 Martin	\$	25.00		
	8/2/2018 Martin	\$	25.00		
				\$ 50.00	\$ 50.00
				\$ 950.00	
<b>3002901</b>	<b>Conferences/Training</b>			\$ 1,800.00	

			\$ -	\$ -
			\$ 1,800.00	
<b>3003000</b>	<b>General Utilities</b>		\$ -	
<b>3003010</b>	<b>Utilities - Electric</b>		\$ 12,000.00	
	7/5/2018 LMUD	\$ 1,763.48		
	8/2/2018 LMUD	\$ 1,484.52		
			\$ 3,248.00	\$ 3,248.00
			\$ 8,752.00	
<b>3003020</b>	<b>Water</b>			
			\$ -	\$ -
			\$ -	
<b>3003030</b>	<b>Utilities - Sewer</b>		\$ 1,400.00	
	7/5/2018 SSD	\$ 156.00		
			\$ 156.00	\$ 156.00
			\$ 1,244.00	
<b>3003040</b>	<b>Utilities - Trash Service</b>		\$ 1,600.00	
	8/6/2018 C&S	\$ 108.30		
			\$ 108.30	\$ 108.30
			\$ 1,491.70	
<b>3003050</b>	<b>Utilities - Natural Gas</b>		\$ 5,000.00	
	7/3/2018 City	\$ 118.17		
	8/2/2018 City	\$ 152.14		
			\$ 270.31	\$ 270.31
			\$ 4,729.69	
<b>3003060</b>	<b>Utilities - Geothermal</b>		\$ 2,700.00	
	7/3/2018 City	\$ 379.09		
	8/2/2018 City	\$ 379.09		
			\$ 758.18	\$ 758.18
			\$ 1,941.82	
<b>3004900</b>	<b>Depreciation</b>		\$ 5,000.00	
			\$ 5,000.00	
<b>3005500</b>	<b>Store Concessions</b>		\$ 2,000.00	
	7/3/2018 Alpine	\$ 310.60		

7/25/2018 Alpine \$ 231.40  
 8/2/2018 Alpine \$ 133.70

		\$ 675.70	\$ 675.70
		\$ 1,324.30	
3005501	Recreation Activity Supplies	\$ 500.00	
		\$ -	\$ -
		\$ 500.00	
3006050	Landscaping & Improvements	\$ 36,000.00	
		\$ -	\$ -
		\$ 36,000.00	
3006100	Building & Equipment	\$ -	
		\$ -	\$ -
		\$ -	
3010000	Appropriation For Contingencies	\$ -	
		\$ -	\$ 31,813.02

**Submitted By:** Heidi Whitlock, Secretary

**Action Date:** August 21, 2018

**HLVRA AGENDA ITEM**

**PRESENTED BY:** Dan Newton, Executive Officer

**SUBJECT:** Approve City Reimbursement Request through July 27, 2018.

**SUMMARY:** The HLVRA has contracted with the City of Susanville to perform Administrative, Management and Operational services. The City has submitted a reimbursement request for both administrative and pool staff services related to the pool.

**FISCAL IMPACT:** \$29,730.27

**ACTION  
REQUESTED:** Motion to approve City reimbursement request.

**ATTACHMENTS:** Reimbursement Request with documentation



**City of Susanville  
Administrative Services Department**

66 North Lassen Street  
Susanville, CA 96130  
(530) 252-5115

**INVOICE**

**Invoice Date: August 21, 2018**

**Account #: 4493**

Honey Lake Valley Recreation Authority  
c/o Lassen County  
221 S. Roop St., Suite 1  
Susanville, CA 96130

**TOTAL DUE: \$29,730.27**  
**Payment Due: UPON RECEIPT**

**SUBJECT: Reimbursement for Administrative, Management & Operational Services and Associated Direct Costs through July 27, 2018.**

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**Description:**

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Reimbursement for Administrative Services (through 7/27/18)	\$ 1,044.00
Reimbursement for Pool Employees (through 7/27/18)	\$ 28,686.27

**TOTAL DUE** **\$29,730.27**

**PLEASE REMIT THE BOTTOM PORTION OF THIS INVOICE WITH YOUR  
PAYMENT TO THE ABOVE ADDRESS.**



Please Detach and Mail With Your Payment

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PLEASE REMIT PAYMENT TO THE ADDRESS BELOW...THANK YOU

**City of Susanville Administrative Services Department**

66 North Lassen Street Susanville, CA 96130  
(530) 252-5115 Fax (530) 257-4725

**Account #4493**

**HLVRA  
c/o Lassen County  
221 S. Roop St., Suite 1  
Susanville, CA 96130**

Date of Invoice: August 21, 2018

**Amount Due: \$29,730.27**  
**Payment Due: UPON RECEIPT**

Amount Paid: \$

City Account Code # (sec Debi)

June 30, 2018 through July 27, 2018

Administrative	Hours	Wage		
Executive Officer	4.50	\$ 86.36	\$	388.62
Administrative	11.00	\$ 59.58	\$	655.38

\$ 1,044.00

Professional Services

\$ -

Pool Employees

		Wage		
Pool Manager	164.00	\$ 31.06	\$	5,093.84
Overtime - Manager		\$ 38.89	\$	-
			\$	-
Assistant Pool Manager	156.00	\$ 25.33	\$	3,951.48
Overtime - Asst. Manager		\$ 31.93	\$	-
			\$	-
Head Swim Instructor		18.83	\$	-
			\$	-
Head Program Instructor	9.75	18.38	\$	179.21
			\$	-
Head Lifeguard	173.00	18.38	\$	3,179.74
			\$	-
Lifeguards/Swim Instructors	1163.00	14.00	\$	16,282.00
			\$	-

\$ 28,686.27

Landscaping

\$ -

Publishing

\$ -

\$ 29,730.27

**Submitted By:** Reesa Rice, Pool Manager/Director

**Action Date:** August 21, 2018

**HLVRA AGENDA ITEM**

**PRESENTED BY:** Reesa Rice, Pool Manager/Director

**SUBJECT:** Consider Approval of Agreement with Lassen Union High School District (LUHSD)

**SUMMARY:** The Lassen High School swim team wishes to utilize the pool for their swim practices Monday – Friday’s from 3:30 pm to 5:15 pm.

**FISCAL IMPACT:** \$3,000 in revenue

**ACTION REQUESTED:** Motion to approve Agreement between the HLVRA and LUHSD.

**ATTACHMENTS:** Agreement with LUHSD

**AGREEMENT BETWEEN  
THE HONEY LAKE VALLEY RECREATION AUTHORITY  
AND  
LASSEN UNION HIGH SCHOOL DISTRICT**

This Agreement ("Agreement") is made and entered into by and between the Honey Lake Valley Recreation Authority ("JPA"), a California joint powers authority, and Lassen Union High School District ("LUHSD") collectively the "Parties."

**RECITALS**

A. The JPA owns and operates the Honey Lake Valley Community Pool ("Pool") located at 800 South Street, Susanville, CA 96130

B. The Lassen Union High School District seeks to use the Pool for their swim team.

C. The JPA wishes to accommodate the use of the Pool by the Lassen Union High School District by allowing their swim team access to the Pool for practices and swim meets.

The Parties now wish to formalize this Agreement according to the following terms:

**MUTUAL UNDERSTANDING**

**1. Access:** The JPA agrees to provide the Pool, including restroom and shower facilities, for use by the Lassen Union High School District's swim team before, during, and after scheduled swim practices and meets. LUHSD swim team access to the Pool is limited to the following dates, times, and portions of the Pool:

A. ***LUHSD Swim Season (August 20, 2018 – October 27, 2018).*** LUHSD Swim team shall have access to the competitive 25 yd 6 lane section of the pool Monday through Friday from 3:30 pm to 5:15 pm. The swim team shall be granted access to the shallow end of the pool Monday – Friday for the first hour of practice from 3:30 pm – 4:30 pm. Access to the pool shall be granted one week prior to the start of swim season on a requested basis the time shall be from 7:45 am – 9:45 am. During practice and meet times the pool will provide the swim team with use of the lane lines, the starting blocks, backstroke flags and pace clock (s).

B. ***Swim Meets.*** The JPA will accommodate 1 swim meet per month at no additional charge for the 2018 season. The LUHSD swim team shall be responsible for the set up and clean-up of the meets. The LUHSD will provide all timing and starting equipment for the swim meets.

C. ***Notice of Non-Use.*** If the LUHSD's swim team intends to not make use of the Pool during any of the above-described times, the Head swim coach shall provide the Pool Manager twenty-four (24) hours' advance notice via telephone 530-310-1696 or email [rrice@cityofsusanville.org](mailto:rrice@cityofsusanville.org).

D. ***Requests for Additional Access.*** Requests for access to the Pool at times outside of those specified above shall be made in writing to Pool Manager at least fourteen (14) calendar days in advance of the desired date. The Pool Manager may, but is in no way obligated to, grant such access.

E. **Lifeguards.** The Pool Manager will provide required lifeguards during all times described in paragraphs A and B of this section unless the LUHSD's swim team has given notice that it intends to not use the Pool on a given date pursuant to Section 1.C., above.

F. **Fee.** Lassen Union High School District shall pay a fee to the JPA of \$300 a week during the swim team season August 20<sup>th</sup>- October 27<sup>th</sup>.

G. **Preconditions.** Those entering the Pool under the terms of this Agreement must agree to abide by the Pool's operating rules and procedures as established by the JPA.

**2. Term and Termination:** This Agreement shall be effective upon execution by the Lassen Union High School District and the JPA, following approval by the JPA governing board. This Agreement shall automatically terminate at the end of the 2018 swim season. In the event the JPA contracts with a private operator to manage Pool operations, this Agreement shall immediately terminate without any further action by either Party.

Either Party may terminate this Agreement at any time on thirty (30) days' written notice. However, the Parties shall make good faith efforts to avoid terminating this Agreement during the 2018 swim season.

**3. Non-Assignability:** The rights and obligations conferred and imposed on the Parties by this Agreement shall not be assigned or delegated under any circumstances whatsoever.

**4. Entire Agreement:** This Agreement constitutes the sole and entire agreement between the Parties with respect to the subject matter dealt with in this Agreement, and all understandings, oral or written, with respect to the subject matter of this Agreement are hereby superseded.

**5. Amendment of Agreement:** No modification of, deletion from, or addition to this Agreement shall be effective unless made in writing and executed by the Parties.

**6. Indemnification:** The Lassen Union High School District agrees to indemnify, defend and hold harmless the JPA, its board, authorized agents, officers, representatives, and employees from and against any and all liability or loss resulting from claims or court actions whether civil or equity and arising directly out of negligent acts or omissions of the Lassen Union High School District, its agents, officers, representatives, employees, guests, or users of the Pool as part of the LUHSD's swim team activities under this Agreement.

**7. General Liability Insurance:** Lassen Union High School shall maintain in full force and effect throughout the term of this Agreement, at its own expense, a policy of comprehensive liability insurance, which will insure the JPA against liability for injury or death of persons and damage to the Pool, arising from Lassen Union High School District's use of the Pool under this Agreement. The policy shall be for not less than \$1,000,000 for any one person injured or killed, and not less than \$1,000,000 for property damage, and shall be maintained on an occurrence basis. Lassen Union High School District shall provide the JPA with a copy of the policy, including an endorsement that states that the policy shall not be reduced or cancelled without ten (10) business days' written notice to the JPA. The JPA shall be named as an additional insured, and a certificate of insurance shall be provided to the JPA.

**8. Severability:** It is expressly agreed and understood by the Parties hereto that if any provision of this Agreement is held to be invalid under any applicable statute or rule of law, it is deemed to that extent to be omitted. However, the balance of this Agreement shall remain in full force and effect.

**9. Board Approval; Ratification:** The effectiveness of this Agreement shall be contingent upon approval or ratification by the JPA governing board and the approval of Lassen Union High School .

**10. Notices:** Any notice or communication required or desired to be given pursuant to this Agreement shall be in writing, duly addressed to the Parties below. By written notice in conformance herewith, either Party may change the address to which notices to said Party must be delivered. Any notice deposited with the United States Postal Service shall be deemed to have been duly given when so deposited by certified or registered, postage prepaid, addressed as set forth below or as changed as set forth herein. Notice sent by any other manner shall be effective only upon actual receipt thereof.

JPA:

Honey Lake Valley Recreation Authority  
66 North Lassen Street  
Susanville, CA 96130

Attention: Reesa Rice  
Telephone: 530-310-1696

Lassen Union High School District:

LUHSD  
1000 Main St  
Susanville, CA 96130

Attention: Bill McCabe  
Telephone: 530-257-5134

**[SIGNATURE PAGE FOLLOWS]**

**AGREED:**

**HONEY LAKE VALLEY RECREATION AUTHORITY**

By: \_\_\_\_\_

\_\_\_\_\_ Date

**LASSEN Union High School District**

By: \_\_\_\_\_

\_\_\_\_\_ Date

**Submitted By:** Reesa Rice, Pool Manager/Director

**Action Date:** August 21, 2018

**HLVRA AGENDA ITEM**

**PRESENTED BY:** Reesa Rice, Pool Manager/Director

**SUBJECT:** Update on Pool Operations

**SUMMARY:** A general update will be given regarding pool operations.

**FISCAL IMPACT:** None.

**ACTION  
REQUESTED:** Information Only.

**ATTACHMENTS:** None.

**Submitted By:** Heidi Whitlock, Secretary

**Action Date:** August 21, 2018

**HLVRA AGENDA ITEM**

**PRESENTED BY:** Dan Newton, Executive Officer

**SUBJECT:** Discussion Regarding Grand Jury Findings

**SUMMARY:** The Grand Jury, as stated in their report, reviewed the Honey Lake Valley Recreation Authority to ensure all goals stated in the Joint Powers Agreement are being accomplished. The report provided requires a response from the Board to include solutions for concerns outlined in the report.

**FISCAL IMPACT:** None.

**ACTION REQUESTED:** Direction to staff to draft response for the Grand Jury on behalf of the HLVRA Board

**ATTACHMENTS:** Honey Lake Valley Recreation Authority section of Grand Jury Report

## **Honey Lake Valley Recreation Authority**

*The people of Lassen County have invested significant time and money to create a community pool. Therefore, the Grand Jury has chosen to have the Finance/Audit Committee inquire about the long-term financial stability of the Honey Lake Valley Recreation Authority (Authority).*

### **Reason for Inquiry**

The Grand Jury is seeking to ensure that all goals stated in the Joint Powers Agreement (JPA) are being accomplished. The Grand Jury wanted to see what measures are being taken, to assure the pool's longevity for the public. In doing so, this will increase confidence that the Authority has planned sufficiently, and can provide for the pool to operate beyond the life of the JPA.

### **Background**

On November 18, 2013, the Lassen County (County) Board of Supervisors and the Susanville City Council (City) created a Joint Powers Agreement (JPA). In turn, that created The Honey Lake Valley Recreation Authority (Authority).

Article 2.1 of the JPA indicates that the stated purpose of the Authority *"is to establish a public entity separate from the County, Special Districts and City."*

Article 2.1 also states *"The Authority will plan, finance, implement, manage, own and operate a multi-jurisdictional recreation system and swimming pool."*

Article 4.1 of the JPA states *"The Authority Board of Directors is comprised of two representatives from each Member. A Member may designate one alternative representative to act for that Agency in the absence of the appointed representatives. The representative from the County and City shall appoint a fifth member who is independent of both the City and the County, who will serve a four-(4) year term, appointed by differing election cycles."*

The JPA's term is 15 years, with a termination date of November 17, 2028. The original JPA was amended on October 20, 2015. This amendment addressed a change in annual payment amounts from the County and City along with other ministerial changes.

On February 18, 2014, the Authority appointed the County Treasurer to perform treasury operations, and the County Auditor to perform controller functions for the Authority. These two positions are independent elected officials. The pool opened on or about June 27, 2017 at 1:00p.m.

### **Inquiry Procedure**

The Grand Jury interviewed numerous people with knowledge of the Authority's operations and finances. They were questioned regarding the operations, financial impact and other government agencies including the Susanville Sanitation District. We interviewed people with knowledge of government financial operations, and the standards required for documentation.

We also reviewed a number of financial documents, correspondence and Board of Directors minutes and agendas. The Inquiry intent was to document the actions taken by the Authority with its ultimate goal of being an independent entity, and allowing the JPA to continue with its own sources of revenue.

### **Discussion**

The Authority is a relatively new government entity. In order for the Authority to create a pool, it required the resources of both Lassen County and the City of Susanville. These resources were not just financial, but also included personnel.

In an era where some public pools in California are being closed, the County and City took on the task to replace the long-closed city pool. The concept, in part, was to provide a safe area for children to learn to swim without exposing them to the potential hazards of our local rivers and lakes.

The five-member Board of Directors spent time and resources in an effort to find the best location for the new pool. They had a significant list of potential sites for the Authority to consider.

Once the site was selected, the discussion was focused on the pool infrastructure. Again, the Authority took time to consider all of its options and eventually settled on the current design.

The Grand Jury recognizes that the initial planning of the grand-opening stage consumed the majority of the Authority's resources. The success of the pool is

not, however, determined by the grand opening, but by its ongoing operations and its ability to sustain itself beyond the life of the JPA.

Some of our findings clearly illustrated our concerns that pool operations and longevity of the Authority were not a major focus of the Authority Board. This occurred after the building phase began and before the Grand Opening.

A critical issue relates to the Authority's safeguarding of its assets and resources. We have found that in doing so, the Authority has established plans and policies that benefit the public, but have failed to ensure the best future use of its financial assets.

An additional important issue is how the Authority established their hiring practices. Doing so has led to its independence, and the hiring of a Pool Manager who needs to be qualified.

We are also concerned that the Executive Officer is also the City Administrator.

The City Administrator has supervision of the City's Finance Department and other City employees, all of which provide services to the Authority. It is our opinion that this situation creates one person with significant unchecked powers, and also creates the appearance of the Authority not operating as an independent entity as required by the JPA.

In the February 6, 2018 Lassen County Times newspaper, the new Pool Manager stated, "...there is no current and active social media that truly belongs to the city's pool..." An indicator that the Pool Manager is unaware of who is inherently in charge of the pool.

## **Findings**

**F1.** Article 2.1 of the JPA states, *"The Authority will plan, finance, implement, manage, own and operate a multi-jurisdictional recreation system and swimming pool."* Based upon our interviews and review of materials obtained during our investigation, we were unable to obtain a written plan that addresses the future viability of the Authority or to determine that such a plan exists. Based upon our interviews we have determined that such a plan does not currently exist.

**F2.** The Authority is responsible for the preparing, planning and all the operational documents. We determined based upon our interviews that a plan for day-to-day operations of the pool was not prepared prior to the opening day of the pool. And we further determined that such a plan might not be completed prior to start of operations in 2018. One stated reason for the lack of a plan is that a qualified Pool Manager has not been hired.

**F3.** Per the minutes of the August 15, 2017 meeting, the Authority Board addressed concerns of County staff. This related to cash handling procedures, petty cash guidelines, and credit card policies. Based upon our interviews, we determined that there was a concern that the City deposited \$24,000 of credit card revenue from the pool, into the City's credit card account.

We were informed that those funds were later transferred to the Authority's Lassen County trust account with the Lassen County Auditor.

Regardless of whether the funds were transferred to an Authority account or not, it appears that the Authority did not authorize the use of credit card revenue. Nor did they approve the City Chief Fiscal Officer to authorize such actions. This action represents a significant breach of Internal Controls and an unauthorized violation of power from the County Treasurer and County Auditor by the City.

**F4.** We determined through our interviews and reviewing requested documentation, that the Authority has not prepared long-term budgets that plan for future operations and the viability of the Authority subsequent to the JPA termination in 2028

**F5.** The JPA clearly states that the Authority is an entity that is separate from its financing partners (County/City). How the Authority is currently operating provides the appearance of substantial control by the City. We have noted that the County provides Treasury and Accounting services via the County Treasurer and County Auditor offices. Although the *actual* operations of the Authority are run by the Executive Officer, Administration and Project Manager (all city employees) and employees are hired through the City to staff the pool operations.

We also noted that the City bills the Authority for other expenses incurred by the City. These actions provide the appearance that the City is the entity that

operates the pool facility. We are additionally concerned with the fact that the Authority has both the City and the County performing accounting and purchases for the pool.

The County Auditor is the Controller for the Authority. This would mean that the purchase of items for the pool would be made through the policy and practices of the County Auditor. When, in actuality, the City is pre-incurring costs that are significantly larger than petty cash.

For example, the October 18, 2017 Invoice from the City to the Authority has the following requested reimbursements: Equipment, \$2,032.93; Publications, \$786.90; Pool Maintenance, \$8.68; Office Supplies, \$448.00; and Landscaping Costs, \$307.03.

This dual fiscal operation has the potential for a breach of budget caps, because such reimbursements are initially paid by the City without the County Auditor's approval. Incurring expenditures without the County Auditor's knowledge could result in excess spending of the approved budget.

With only one finance department, the County Auditor could better assure the outside auditor (CPA) that the financial statements of the Authority represent all of the transactions of the Authority resulting in financial statements that are complete and free from omissions. Using two finance departments could result in the outside auditor having to expand the scope of testing resulting in unnecessarily increased costs to the County and City.

The Authority's audit for 2015 and 2016 indicate that the City was paid \$28,874 in 2015 and \$40,102 in 2016. Additionally, the accounts payable to the City in 2015 were \$0 and \$31,227 in 2016. WE DO NOT BELIEVE that the City should be using the City's municipal funds to purchase items for the Authority. The City has discussed asking the voters to raise the sales tax to bolster its General Fund revenues.

**F6.** The Authority entered into an Agreement for Administrative and Operational Services contract with the City. Our reading of the contract indicates that there were no guidelines as to how many hours the Executive Officer and Secretary were to work.

**F7.** Susanville Sanitary District (SSD) provides waste disposal services to the Authority. There appears to be a disagreement that dates back to last summer, between SSD and the Authority. The disagreement is about how often the pool is being back-washed. The back-washing amounts to about 3,000 gallons of water. SSD has the requirement to monitor flows through its system to avoid reaching a state mandated maximum. Once SSD reaches this mandated maximum, then they would incur financial obligation that will impact all users. SSD installed an Effluent Discharge Meter at the pool sewer site.

### **Recommendations**

**R1.** The Authority should prepare a comprehensive, long-range plan to become financially and operationally independent of any other government entity. We recognize that such a plan will take time to be prepared, and will likely have constant revisions based upon the changing economic climate and the level of use of the pool.

The Authority should also address in their long-range planning document, how they will accomplish the second requirement of operating a multi-jurisdictional recreation system. The Grand Jury believes that such an operational plan will accomplish the goal of an independent and financially viable government entity as outlined in the JPA. We suggest that the Authority meet one day per month to address these concerns.

**R2.** The pool is an important asset to the residents of the County. The planning and budgeting of future years should take into account the financial resources required to maintain the pool as a functional entity. Whether the pool is to operate at a loss, break-even or at a profit, the Authority must establish a reasonable plan of action. In this plan it must address the financial resource requirements of the Authority and prepare long-term budgets that reflect the policies contained in the plan.

The Authority should, as soon as practicable, determine stable funding sources that will replace the County/City's current subsidy for the pool. The Authority should have created a pool operations and maintenance manual prior to its grand opening. This manual would be comprehensive in establishing policy and procedures, and would address the requirements of the Treasurer and Controller as well as the daily operations and maintenance of the pool.

**R3.** Fiscal transactions of the Authority should be performed by the County Auditor and County Treasurer. The City should not incur obligations against the Authority without prior approval of the County Auditor, with the exception of pool employees.

The Authority should hire a QUALIFIED Executive Officer/Pool Manager to carry out the operations of the Authority. By taking this action, the Authority would eliminate one City overhead position and take a step towards independence. This Executive Officer/Pool Manager would then have the ability to control costs, and work directly with the County Treasurer and County Auditor. In turn, this will enhance fiscal Internal Controls.

It is our opinion, based upon our interviews, that *only* the County Auditor should be performing these duties based upon the appointment of that person by the Board of Directors. The County Auditor has the systems and staff in place to handle this function.

**R4.** We understand that budgeting beyond the current fiscal year is difficult, especially when operations data is minimal. However, when the Authority complies with our recommendation, the Executive Officer can develop a budget that complies with the long-range plan. This budget would then alert the Authority Board of Directors to any potential long-term issues. This would alert them if there were significantly increased costs or if revenues are not meeting established income generation requirements.

**R5.** The Authority should allow the County Treasurer and County Auditor to perform their duties. The City finance department should have a minimal operational footprint with regards to the pool. Continuing what appear to be the split duties of the County and City, could eventually create a problem for the Authority. It should be a stand-alone entity.

We also believe that the independent County Treasurer is best suited to performing the treasury duties as the Authority's Treasurer. Without day-to-day control over the respective functions, future obligations may not be reasonably discerned. Thus, resulting in the budget not being complied with.

If the City is in need of additional funds to perform City operations then it should avoid using City funds to pay for Authority expenses.

**R6.** Based upon our interviews, we suggest that the Agreement for Administrative and Operational Services state maximum hours during a billing period for the Executive Officer and Secretary. The expected number of work hours should be included in the agreement, so it can provide the Authority with control over budgeted line items for these City employees.

An open-ended contract could lead the Authority to a budget surprise.

It is important that the Authority, not the City, have operational control over these City employees when they are performing Authority Business. We also recommend that time sheets from these employees be more specific to the tasks completed. Admin and project oversight for every hour of work does not provide the Authority, the City, or the public with enough information to determine the validity of claimed hours and reimbursement.

**R7.** We do not take a position regarding who is right or wrong in this matter. However we are of the strong opinion that an operations manual must be created to give management guidelines and standards for pool operations along with following and monitoring the established agreement with Susanville Sanitary District.

### **Commendation**

The Lassen County Board of Supervisors and The Susanville City Council are commended for working together to bring a pool facility back to the Susanville area. Also, The Pennies for Pool program is appreciated for bringing in thousands of dollars to help support the pool initiative.

The Authority has recognized the value of the Pennies for the Pool program by continuously inquiring about the status of the money. For all of this, as a community, we are grateful.

### **Required Response**

It is the Grand Jury's decision that we are requiring a response from the Honey Lake Valley Recreation Authority Board of Directors. In it, covering the solutions given for the concerns outlined above.