



SHASTA MOSQUITO AND VECTOR CONTROL DISTRICT

December 18, 2018

District Office, 19200 Latona Road, Anderson, CA 96007

MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES

1. Call to Order: District Board President McNamara called the meeting to order at 1:04 P.M.

Roll Call

Trustees Present: Michael McNamara, President
Larry Mower, Vice President
Ann Morningstar, Secretary
Vickie Marler, Trustee
Ben Hanna, Trustee

Trustees Absent: None

Others Present: Peter Bonkrude, District Manager
Darcy Buckalew, Administrative Office Manager
Guangye Hu, Assistant Manager
John Albright, Vector Ecologist
Teri Simmons, Simmons and Associates, CPA

2. Pledge of Allegiance: The meeting opened with the Pledge of Allegiance. **Vice President Larry Mower led the pledge.**
3. Approval of Agenda: **A motion was made by Secretary Morningstar and seconded by Vice President Mower to unanimously approve the agenda.**
4. Public Comment: President McNamara stated that this is the time for any person wishing to address the Board to do so.
5. Consent Calendar –
 - a) Minutes of the Regular Board Meeting held November 13, 2018.
 - b) November/December Payables in the amount of \$188,627.51. **A motion was made by Trustee Hanna and seconded by Secretary Morningstar and it was agreed to approve the consent calendar.**

6. Items Removed from the Consent Calendar –

7. Correspondence/Informational:

- a) Shasta Mosquito and Vector Control District Financial Reports at 11/30/18-The District Manager stated income and expenses are where they should be at this time of the fiscal year.
- b) CA Arbovirus Bulletin #34 Week of November 30, 2018- The District Manager stated that the Bulletin shows as of November 30, 2018. The District Manager stated there are 496 WNV positive birds from 21 counties. 1,963 WNV positive mosquito pools have been reported from 29 counties. There are 189 WNV positive humans in 31 counties. The District Manager added that we have 8 WNV positive pools, 5 WNV positive birds, 4 WNV positive sentinel chickens, one horse and one WNV positive human. This is the last CA Arbovirus report of 2018. Overall for 2018 all the WNV numbers are down from the previous year.
- c) VCJPA Fund Balance at 9/30/18- The District Manager stated that this is the District's VCJPA Member Contingency Fund at the quarter and fiscal year ending 9/30/18 showing a balance of \$224,106. The Property Contingency Fund at the quarter and fiscal year ending 9/30/18 showing a balance of \$30,665. As part of the VCJPA, the District periodically receives refunds, dividends and retrospective adjustments based on the claims accrued during years of the insurance. The VCJPA board of directors approved the 2018 Annual Reports for the Pooled Workers' Compensation and Pooled Liability Programs which resulted in a refund which will be deposited into the Wells Fargo CEO account.
- d) Strategic Plan Update- The District Manager stated this agenda item has been updated and highlighted for the staff and board members to view easily. The District Manager presented the new picture larvae stand and informed the Board that the Administrative Analyst found a great price and worked on the art for it and stated we are looking forward to having it for the children at up and coming events.
- e) Financial Review Presentation- The District Manager presented a financial review of the prior and current fiscal year for the District. Current "Dry Financing" Current Fund- \$467,445. Our financial policy aims to keep that amount at 60% of our fiscal year budget at fiscal year begin. For fiscal year 2018-2019 that would be \$1,650,501. We started the fiscal year at \$1,833,159. Trustee Marler stated that we have been conservative with our revenue projections and we are coming out of a downturn that we weathered. The District Manager agreed. Current "surplus" stands around \$300,000 not including VCJPA contingency. Trustee Hanna asked about the VCJPA money. The District Manager explained that VCJPA is our pooled insurance that covers liability, workers compensation, auto, etc. VCJPA suggests we keep a prudent fund balance to cover anything that may happen anything above that amount we can draw on and use for budgetary purposes, etc. over the past few years we were able to use the excess of our prudent fund for budgeting. Our "Cash in hand" has reduced over the last several budgets due to planned reserve expenditures; Rate stabilization, Capital Investments. We are now budgeting and spending within the 5% margin we discussed almost 8 years ago. It is important we maintain as close to the 60% "dry financing" as possible. Pension costs are rising and unpredictable and our reserves are depleted and need review for future needs. Some of our future concerns and suggested current moves should include these following items; pension costs continue to increase, fixed asset replacements are coming due on equipment, a hardware reboot will be required at the end of the 2019/2020 fiscal year, the need to reflect the current reserve account status, after the laboratory remodel, we will need to reallocate more money to the Unassigned/Dry financing and we will need to review options for pension

stability and invest in options that best match the District needs. Some other factors that will impact finances also include; negotiations, will have an unknown impact on payroll until settled, program work has grown, requiring more staff Specialized/technical (outreach, IT support, GIS analyst), seasonal labor and we are still unsure the impact the Carr fire will have on the property taxes. We have not heard if Shasta County has reassessed any of the Carr fire properties. We may need to review a more aggressive investment plan, but this would require outsourcing, and cost. Good news 2019 is seeing a reduction in Health Premium cost but will likely be short lived with unrest in the insurance market. We will continue to review revenue options and keep the board apprised of any changes in finances.

8. Manager's Report – The District Manager stated during this report period, time was spent preparing the Management Discussion and Analysis for the District's 2017-2018 Financial Audit. This audit will reflect some of the new accounting requirements and will be explained during the audit presentation. We also continued wrapping up the remaining strategic initiatives including 5-year update to the Rodent Borne Disease Plan, the 5-year update to the Tick-Borne Disease Plan and the expansion and clarification of training and educational opportunities available at the District. In addition to the listed activities, I've reached out to several consulting companies to identify costs for a facilitated strategic planning session. I contacted Regional Government Services, Barber and Gonzales Consulting Group, and Brent Ives Consulting. The costs range from \$9,000-\$15,000 and typically include a meeting with either phone survey or internet survey with staff and board, an operational document review, a pre-workshop report, a planning workshop with selected staff, and a Strategic Plan Report. Alternatives to the facilitated approach is to review local facilitators and see if a local provider would reduce cost, seeing if we could find a facilitator that would volunteer their time; like how we accomplished the 2016-2019 Strategic Plan or just use internal staff to build a workshop day and create the next Strategic Plan work document. Unless the Board disagrees, it seems we are still comfortable with our mission, vision, and values component, so the Planning Session could focus solely on the District plans aligned with those components for the next 3-5 years. If the Board gives direction to staff to pursue professional facilitation, we will need to either see if we can afford it in our current budget or postpone our strategic plan update until the 2019-2020 Fiscal year.

9. Department Reports:

a) Guangye Hu, Ph.D., Assistant Manager - Operations Report – The Assistant Manager stated during this report period, we focused on employee training, physical control, vehicle and equipment winterizing, and other winter projects. Only one service request was received, from Mountain Gate. The caller did not request for services but just wanted to be on top of it. He was advised to call back in the spring. A total of 4 treatments were carried out for control of mosquitoes during this report period- 3 with BVA Oil and 1 with Altosid XR's. Physical control includes hand brushing, ditch cleaning, controlled burning of debris piles, and herbiciding to reduce larval mosquito sources and adult mosquito habitats and to provide accesses for inspecting and treating mosquito sources. When physical control is effective, it greatly reduces/eliminates the need for use of pesticides. Staff training included training in Chico, webinars as well as the District hosted a ULV Equipment Maintenance Workshop which was held by Clarke Mosquito Control. A total of 22 people from 6 districts in the Sacramento Valley Region attended the workshop (6 from our district). Each attendee received 3.5 CEUs in category A. Larvicide efficacy testing was conducted during this 2018 mosquito season, we tested 11 sites for the efficacy of MetaLarv S-PT on immature *Culex* mosquitoes. MetaLarv S-PT, manufactured by Valant BioSciences Corporation, is a biorational pre-hatch pesticide for control of mosquito larvae in floodwater areas. It features the active ingredient (S)-methoprene - a juvenile hormone analog of mosquitoes that prevents the emergence of adult mosquitoes. MetaLarv S-PT is produced as a non-dusty pellet

with its exclusive Triple Release Technology™. It is marketed as having 30-42 days residual in floodwater habitats and can be applied prior to flood then remains effective after flood/dry-down/reflood circumstances. The mosquito larvae in the water treated with MetaLarv S-PT will continue to develop normally to the pupal stage where they die. Zone vector control technicians selected the test sites and conducted the initial inspection, and then applied the product for treatment. A seasonal employee was assigned to monitor the conditions of testing sites weekly and to collect water samples with mosquito pupae in it. The pupae with the water from the breeding sites then were brought to the lab and placed in a hatching container (see photo on the right) to conduct the bioassay analysis by following the protocol developed by the District Vector Ecologist. The efficacy test ended for each site when the collected pupae were able to emerge into adult mosquitoes (viable pupae). A total of 11 sites were tested, of which 3 contained clean water and 8 contained organic water. Four of the sites had no vegetation and the rest had from 15% to 90% of vegetation coverage. For the types of breeding sites, 4 were ditches, 4 were pasture irrigation swamps, 2 water drains, and 1 river isolation. The results showed that the average residual effect of MetaLarv lasted 41.9 days with the minimum of 22 days and maximum of 63 days. A total of 55% of the test sites passed the upper residual range claimed by the label. Looking at the results by water quality, the residual effect of MetaLarv S-PT in clean water lasted longer on average days by 1 week and the minimum days by 2 weeks, indicating that application of MetaLarv S-PT to the sites subject to high organic pollution will diminish the product's effectiveness. The vegetation coverage of each testing site was from 0% to 90%. The results, however, showed that residual effect of MetaLarv S-PT was not correlated with % vegetation coverage in the habitats ($r = 0.0611$), which can be considered no effect. In comparison of the effective days for the product by the source type, the average days were 49, 38, and 28 for ditches, pastures, and drains. With the same trend, the maximal days for ditches, pastures, and drains were 63 (highest), 48, and 29 (lowest). Drains often have water seepage and water input to fluctuate the water level of the sources. Moreover, the pastures are habitually overirrigated. The water accumulation or exchange can diminish effect of MetaLarv. A total of 9 testing sites were wet constantly during the testing period, but two of the sites were undergoing wet, dry, and wet. The two wet-dry-wet sites had an average residual effect of 49.5 days, but the constant wet sites had an average of 9 days less (an average of 40.2 days). It indicates that MetaLarv S-PT lasted longer in wet-dry-wet sources. In conclusion, the preliminary results showed that MetaLarv S-PT had a residual effect of 41.9 days with 55% of the sites reached the maximum of 42 days claimed by the product label. The product had complete control of *Culex* larvae for two weeks (100%), and effective control (80%) for three weeks. Accordingly, reinspection should begin after three weeks. Moreover, the water quality, source types, and wet-dry-wet conditions also affect the MetaLarv's residual effect. The vegetation coverage, however, had no impact on the product's residual effect. For the next season, we will continue to test the pesticide efficacy with the same or different products. We will try to increase the number of testing sites to produce more consistent results.

- b) John Albright, Vector Ecologist – Vector Ecology Report –The Vector Ecologist stated adult mosquito populations as measured by the District's four New Jersey-style light traps are at their lowest point since last February. The overall data from these traps cannot be totally compared reliably to previous years because mosquito surveillance at this time of year has only been done since 2017. The District has been setting about six CO₂-baited Encephalitis Vector Surveillance (EVS) traps on a weekly basis in areas where the habitat may be conducive to mosquito breeding during cold weather. The exact number of traps set has varied because of factors such as weather, accessibility to sites, scheduling issues and the availability of dry ice. Like the light trap numbers, EVS numbers are near their lows for 2018 at less than one mosquito per trap night. In both types of traps the predominant species being found are various types *Culiseta spp* mosquitoes. These are large cold-tolerant mosquitoes that typically predominate in the late fall through early spring in

this area. This type of mosquito is not usually found in very large numbers within the District. It is not yet known to pose any sort of real vector management issue in this area as either a nuisance or disease transmission problem. However, in other areas of the U.S. they are known to spread diseases such as Cache Valley virus. Although mosquito control is generally not done from about November through about March, we continue to collect mosquitoes using a few New Jersey-style light traps, CO2-baited encephalitis vector surveillance (EVS) traps and aspiration of mosquitoes from overwintering sites. With important factors such as the influence of climate change to consider, it is prudent to assess the current status of mosquito activity in the cooler times of year in order to know whether changes are occurring that may affect vector management decisions and activities in the upcoming years. Samples of various types of cold-tolerant mosquitoes from resting sites and CO2-baited traps are being kept in the District's new sub-zero freezer to be tested later for Cache Valley, and other mosquito-borne viruses. None of these samples have been tested yet in 2018 for any mosquito-borne diseases. We will continue to accumulate these samples until the 2019 mosquito control season gets closer. Then we will make decisions about what they will be tested for based upon the quantity and species distribution of the mosquitoes that we have collected and stored. Due to some tick surveillance sites being damaged in the Carr Fire, some sites have been discontinued and new locations are being tried. These changes have not yet been incorporated in the spreadsheet that shows tick populations by location. This information will be added to the January 2019 report to the Board. Tick collection began in late October, a couple of weeks earlier in the year than we have typically begun this program. In October, only four total ticks were caught from all sites combined, which doesn't really register on the overall tick population graph. A wetter weather pattern in November led to a substantial increase in tick populations, though collection numbers were still lower than seasonal averages. Three of the four ticks caught in October were *Dermacentor spp.* ticks. This was likely due to dry weather, which had persisted for most of 2018. *Dermacentor spp.* ticks are more tolerant of warm dry weather than *Ixodes pacificus* ticks. Wet weather in November significantly increased the proportion of *Ixodes pacificus* in the tick collections. Twenty-four samples of from 3 to 5 *Ixodes pacificus* ticks each have been collected to be tested for the presence of *Borrelia burgdorferi* the causative agent for Lyme disease and *Borrelia miyamotoi* another type of bacteria that causes tick-borne human disease. These samples are stored in the District's sub-zero freezer and will be submitted for testing shortly.

10. Committee Reports

- a) Executive – no report
- b) Financial – no report
- c) Personnel Committee– no report
- d) Oversight Committee- no report
- e) Negotiating ad hoc Committee-President McNamara stated they will report in closed session.

11. Old Business:

12. New Business:

- a) Discussion and/or Acceptance of the Independent Audit of the District's 2017-2018 financial statements. Teri Simmons, Simmons and Associates, Certified Public Accountant. The District Manager stated to effectively perform financial stewardship of the District, an annual independent audit is conducted. This annual report should be a comprehensive annual financial report that includes audited "basic financial statements", audited fund statements and statistical sections. This report should be prepared in conformity with generally accepted accounting principles (GAAP). Staff recommendation is to accept, receive and file the 2017-2018

independent audit. Ms. Simmons stated there are a few adjustments that she will discuss the prior period adjustment for the correction of overstatement of deferred outflows was noted when we were calculating the pension liabilities for the current year. The calculations to compute the pension liabilities are based on the Districts proportionate share of the total liabilities per Cal PERS based on a measurement date of the prior year for example this year's calculations were based on the measurement date 06/30/17. When we calculated your share this year it jumped significantly therefore, we did an analysis for the totality of years based on changes in the calculations this year and noted that a portion should actually be applied to the prior year. Therefore, we suggest a prior period adjustment to accurately reflect the deferred outflows for prior year and effect on change in net position as of 06/30/17; rather than 06/30/18. This also maintains comparability across all years for the District as a whole. Trustee Marler stated these are huge adjustments but it still looks like our Balance Sheet looks good. Ms. Simmons stated these adjustments needed to be done to bring everything in line. **A motion was made by Trustee Marler and Seconded Vice President Mower and it was agreed unanimously to accept of the Independent Audit of the District's 2017-2018 financial statements. Teri Simmons, Simmons and Associates, Certified Public Accountant.**

- b) Discussion and/or approval authorizing the withdrawal and wire transfer of Shasta Mosquito and Vector Control District monies from the Shasta County Treasury in an amount of \$600,000 to be deposited into the District's Wells Fargo Banking account. The District Manager stated When the District created the new financial accounting system monies were transferred to the District's Wells Fargo banking account to pay for payroll, accounts payable and other District warrants for payment. At least quarterly, the District will replenish the Wells Fargo account from the Shasta County Treasury. This will be the third transfer of the 2018-2019 fiscal year. **A motion was made by Vice President Mower and Seconded by Trustee Marler and it was agreed unanimously to authorize the withdrawal and wire transfer of Shasta Mosquito and Vector Control District monies from the Shasta County Treasury in an amount of \$600,000 to be deposited into the District's Wells Fargo Banking account.**
- c) Discussion and/or Approval for increase from \$1900.00 per person to \$2,300 per person for (4) district representatives and \$1,800 for the Grassroots Award Winner (5 total staff) to attend the 85th American Mosquito Control Association Annual Meeting February 25 through March 1, 2019: (Orlando, FL) from the following account numbers #35950 Lodging, #35900 Transportation & Travel, #35949 Meals, and #35943 Conference. The District Manager stated The AMCA Annual Conference in Florida is an educational and networking opportunity that consists of presentations and exhibits that highlight the latest in science, technology and products used to conduct research and control vectors. Additionally, this meeting provides ample opportunities to network with vector control professionals, researchers and educators from around the world. Finally, AMCA provides continuing education credits for certification for professionals involved in protecting public health through mosquito and vector control. Due to higher airfares and the grassroots award going to one of our Field Technicians the cost is exceeding what was originally budgeted for this travel item. We don't expect going over the line items for the fiscal year because we will have savings on other travel items. Staff recommends approving the increase to attend the American Mosquito Control Association Annual Meeting in Orlando, FL February 25 through March 1, 2019 in an amount not to exceed \$2425.00 per person from the following account numbers #35950 Lodging, #35900 Transportation and Travel, #35949 Meals, and #35943 Conference. President McNamara stated to congratulate Mr. Boyer from the Board of Trustees. The District Manager stated he would pass that on to Mr. Boyer. **A motion was made by Trustee Marler and Seconded by Secretary Morningstar and it was agreed unanimously to approve an increase from \$1900.00 per person to \$2,300 per person for (4)**

district representatives and \$1,800 for the Grassroots Award Winner (5 total staff) to attend the 85th American Mosquito Control Association Annual Meeting February 25 through March 1, 2019: (Orlando, FL) from the following account numbers #35950 Lodging, #35900 Transportation & Travel, #35949 Meals, and #35943 Conference.

- d) Discussion and/or Approval of Resolution No. 2018-09 to authorize the reassignment of fund balance accounts and authorizing a Budget Amendment for the FY 2018-2019 and Journal Entries to reassign fund balance designations in the SMVCD account and transfer funds, in the amount of \$295, 380. The District Manager stated as part of the 2017-2018 FY budget the District utilized reserve account funds to help support the laboratory remodel project. The Board has yet to make the adjustments to the reserve account to reflect that expenditure. Additionally, staff propose to realign some additional funds to the Fixed Asset Replacement fund as we anticipate needing to make fleet purchases in the next fiscal year. Government Finance Officers Association (GFOA) generally recommends that governments should seek to replenish their fund balances within one to three years of use. Staff will look to budget in reserve replenishment for the next fiscal year budget, bringing recommendations to the finance committee during the budget review process. Staff recommends approving the Resolution that authorizes the realignment of the reserve account funds, the unassigned Shasta County Treasury any budget amendments or journal entries necessary to reflect that as part of the District's 2018-2019 FY budget. This shift will increase our Unassigned Shasta County Treasury balance (Dry financing) by \$275,380 and increase our Fixed Asset Replacement Fund by \$20,000 and decrease the listed Reserve account balances by the above amounts. **A motion was made by Trustee Hanna and Seconded by Vice President Mower and it was agreed unanimously to approve Resolution No. 2018-09 to authorize the reassignment of fund balance accounts and authorizing a Budget Amendment for the FY 2018-2019 and Journal Entries to reassign fund balance designations in the SMVCD account and transfer funds, in the amount of \$295, 380.**
- e) Approval and/or discussion to have the incoming Board President select 2019 members for the following standing committees: Executive Committee, Finance Committee, Personnel Committee The District Manager stated when issues become complex or numerous, it can be cumbersome to have them handled by the entire board. Therefore, the establishment of committees can facilitate a more in-depth analysis of the issues and policies that face the District. These committees must still conform to all open meeting laws (Brown Act) that pertain to regular meetings of the Board of Trustees. Additionally, committees can only make recommendations to the Board; only the entire Board can approve actions. The assignment's given to the committee members may be made by the Board President, a majority vote of the Board, or on their own initiative. The following standing committees are recommended, however additional committees may be proposed: Executive Committee: Oversee operations of the Board; often works on behalf of the board during on-demand activities that occur between meetings. Also, this committee is involved in the evaluation of the District Manager. This committee is comprised of the Board President and another board member. (2-member committee), Finance Committee: Oversees development of the District budget and ensures accurate tracking, monitoring, and accountability for District funds. Maintains adequate financial control and in some cases makes investing recommendations to the Board. This committee is comprised of the Board Treasurer and another Board member. (2-member committee), and the Personnel Committee: Guides development and reviews personnel policies and procedures and is involved in the analysis of all issues related to personnel. Additionally, the Personnel committee works in coordination with the Executive committee to perform the evaluation of the District Manager. (2-member committee). President Elect Mower assigned himself and Vice President Elect Hanna to the Executive Committee, Trustee Marler and Secretary Elect McNamara to the Finance Committee and Trustee Morningstar and Secretary

Elect McNamara. **A motion was made by Trustee Marler and Seconded Secretary Morningstar and it was agreed unanimously to accept President Elect Mowers assignments to the Executive, Finance and Personnel committees.**

CLOSED SESSION OF THE BOARD OF TRUSTEES - The Board convened to Closed Session at 2:36 P.M.

- a) Conference with Labor Negotiator (§54957.6)–Preparation for 2019 Labor Negotiations: District Negotiators: Board President McNamara, Trustee Hanna, District Manager, and Administrative Office Manager. Employee Organization: United Public Employees of California, Local 792.

THE BOARD WILL RECONVENE TO OPEN SESSION – The Board reconvened to Open Session at 3:05 P.M.

- b) Closed Session Announcement(s). – President McNamara stated that the board gave directions to the negotiating team.

CLOSED SESSION OF THE BOARD OF TRUSTEES- The Board convened to Closed Session at 3:07 P.M.

- a) Public Employee Personnel Matter pursuant to Government Code (§54957)-Discussion of performance review of District Manager.

THE BOARD WILL RECONVENE TO OPEN SESSION- The Board reconvened to Open Session at 3:11 P.M.

- b) Closed Session Announcement(s). **A motion was made by Trustee Marler and Seconded by Vice President Mower and it was agreed unanimously to exercise the next year of the contract with the District Manager. A written evaluation will be presented at the next board meeting.**

13. Trustee Comments, Requests for Future Agendas Items and/ or Staff Actions: *The Board may not legally take action on any item presented at this time other than to direct staff to investigate a complaint or place an item on a future agenda unless (1) by a majority vote, the Board determines that an emergency situation exists, as defined by Government Code Section 54956.5, or (2) by a two-thirds vote, the board determines that the need for action arose subsequent to the agenda being posted as required by Government Code Section 54954.2(a).*

14. ADJOURNMENT –

Upcoming Events and SMVCD Office Schedule:

- December 18, 2018 Shasta MVCD Regular Board of Trustees Meeting (SMVCD Boardroom)
- December 24 and 25, 2018 Closed in Observance of Christmas Eve and Christmas Day.
- January 1, 2019 Closed New Year's Day Observed
- January 15, 2019 Shasta MVCD Regular Board of Trustees Meeting (SMVCD Boardroom)
- January 21, 2019 Office Closed in Observance of Martin Luther King Day

Upcoming Training:

- **Available anytime: web-based, required (every 2 years) Ethics Compliance Training – AB1234** - Paste the following link into browser: <http://fppc.gov/index.php?id=477>. Once you have completed this course, be sure to print out your certificate of completion and bring a copy to the office for our files.

The Board meeting was adjourned at 3:16 p.m.

MINUTES APPROVED: _____
