



## **CHIPS Board of Directors Meeting**

Minutes  
July 14, 2021

### **Call to Order/Quorum Check**

**Board role call:** Donna Vial, Steve Wilensky, Rick Torgerson and Robert Zellers. (George Dondero is absent).

**Additional participants:** Regine Miller, Melisa Wilson (and Dave), Craig Christensen, Samuel Simmons, Thurman Roberts, Megan Layhee, Eric Rogers, Jaqueline Simmons, Greg Bennet, Debbie Grimes and Todd Lewis.

### **Review and Adoption of Agenda**

Steve requested switching the order of Public Comment and Financial Report. Regine proposed moving agenda item 9 (Promissory note) to closed session. Moving the financial report before Public Comment on the agenda was approved by the board. Moved by Donna, 2<sup>nd</sup> by Robert. 4-0-1 vote (1 absent).

### **Review and Adoption of May Board Minutes**

June 2021 board minutes were approved by the board. Moved by Donna, 2<sup>nd</sup> by Rick. 4-0-1 (1 absent).

### **Financial Report**

**Cash flow:** Income in June 2021, focusing on P&L statement income of a total of \$628,194, of that \$519,312. \$106,000 in revenue, about \$50,000 was an advance for a PG&E grant. Payroll in June 2021 was \$112,000+, and largest payroll since Regine has been around, and pretty much wiped-out CHIPS reserves (with \$12,000 remaining in the bank). Otherwise, no other large unanticipated expenses. Regine does expect some vehicle repairs and maintenance fees in the coming months (3 vehicles down). As it relates to current cash flow, as of yesterday CHIPS has \$118,877 in account, \$5,700 in bills to pay immediately and \$62K bills due later this month, and does not include payroll. What has been invoiced, roughly \$104,000 invoiced that have not been paid from past two payrolls. Some partners are slow to pay (mentioned Oakhurst Project and the ENF- new staff is slow for crew on View 88 and ACCG administration). Steve asked how quickly the ENF used to process invoices last year - Regine says it used to take 2 weeks (referenced when Robin Wall was still with ENF), now more like 3+ weeks. Regine added that we have enough to pay upcoming payroll, Regine added that we may not be able to pay some bills at the end of the month. Steve added that there are 5 more invoices to do this Friday. Regine added that there was no more funding left in the PPP loan, and that CHIPS borrowed against the medical reserve fund (\$4,500) and safety incentives (Chico, Yosemite, and Washoe; West Point has



already been paid). Regine said that this coming payroll will be smaller, but it will still be tight into the future as we build the reserves back up.

Robert Zellers asked reiterated that total expenses is double the income. And also asked to clarify whether this is because of the two projects discussed. Regine added that this is partly due to an artifact of two projects, but also due to invoicing timing and timing of bank transfers. Regine added that the project in Oakhurst early in the year (and still now) and how those contracts are written crews don't get paid until entire units are completed. The approach now is to treat multiple units simultaneously (staggering the treatments), now just received 2<sup>nd</sup> invoice and expect to bill a couple more invoices soon. And also expenses for fuel, equipment and supplies. Also, Chico Crew in Magalia where the contract per acre price was low, and lost over \$30,000 (Steve added that CHIPS did not bid on that but was inherited from the tribe). Steve added that CHIPS has submitted a request to revise the contract for the Magalia project. Regine added that most organizations are on an accrual basis and would show that a submitted invoice is paid, but CHIPS is on a cash basis so submitted invoices don't show up as paid in the P&L.

Donna Vial asked about work for the remainder of the year. Regine said there is work for the crews through November, depending on fire season. Steve added that there is low elevation work for most of the crews for the remainder of the year. Positive income scenario- next five months. Also, Steve added it's helpful to get gas bills monthly.

## **Public Comment**

Greg Bennet noted that he doesn't like how the Woodfords Crew is being treated, and that new hires in the program are making more money per hour than crew members who have been working for many years. Greg also noted that many crew members are not getting recognized for their good work. Asked how the group moves forward and be successful without raises and incentives to work.

Jaqueline Simmons said that she was speaking on behalf of Whitney Smart. Jaqueline said that Whitney has chipper training, but has not gotten the \$1/hr raise for that work, but has been doing that work since the beginning of the year. Steve added that Whitney needs to note that he is chipper lead on his timecard, so the admin staff can add that \$1/hr addition. Jaqueline asked if Whitney will get back paid for the time, he was on the chipper but not getting the additional \$1/hr. Steve then stated that he assumed this was a formal request to review his time card, and that admin staff would verify this with him and then correct the problem. Jaqueline added that she was not aware that that the chipper lead needed to note that on the timecard. Jacqueline then asked who is responsible if employees get hurt, including for those employees running chainsaws that are not formally trained? Steve answered Jacqueline by stating that CHIPS has workmen's comp and CHIPS has liability insurance as well, but crew members not trained on chainsaws should not be running them. Jaqueline added that the training has not been offered, and only a handful of crew members certified. Steve noted that Greg Bennet is the safety officer and making sure of safety built on the program. Regine addressed the



chainsaw certification concern, saying that chainsaw training and certification has been difficult to schedule this year and last year (because of COVID). CHIPS was able to schedule and conduct CPR trainings and two basic 32 trainings, but other trainings have been cancelled since April because of the early fire season. Regine added that under all of CHIPS federal agreements chainsaw crews are required to have s-212 certs to run chainsaws for federal agreements. Regine added that it's been difficult to find any partners (FS, NPS) to conduct the s-212 certs. Greg Bennet asked if Danny Manning was available to do the s-212 trainings, but Steve and Regine added that Danny is not available, he is on fire. Greg reiterated Jaqueline concerns about crew members who are not certified or lapsed certifications running chainsaws if they get hurt. Regine suggested that the chainsaw safety program and accident prevention plan that Craig developed, if Greg and Craig could go through those documents with crews in the next few weeks. Greg reiterated Jaqueline's question about whether a crew member would be covered if they are injured while using a chainsaw when they are not certified to use the chainsaw. Steve answered by saying that the workman's comp and employee liability insurance is not dependent on whether the crew member is certified for chainsaws, as long they are an employee they are covered. Jaqueline added that a safety training would be beneficial for all of the crews.

Sam Simmons noted that he is available to conduct safety training and would be willing to do safety training. She reiterated what Jaqueline and Greg mentioned about the pay discrepancy for some of the new hires, but noted that him and others on the crew are very capable, but are not clear about things like hazard pay, or the fact that you have to note on the timesheets about being the chipper lead. Sam added that his crews have had no accidents. Steve suggested that Irv, Sam, Thurman, Craig, Greg and Steve get together sometime next week and develop within the new policy an in-house crew orientation and new safety training. Steve added that CHIPS would then do the same process with the other crews. Steve asked Greg and Irv to coordinate this meeting to review the current policy and to develop a new policy. Thurman Roberts added that CHIPS has a s-212 handbook that could be used in the policy.

In terms of other safety concerns, Greg Bennet added that going down to the Oakhurst project, falling cedars and hazard trees was a learning curve, and a safety concern. Greg added that they didn't have the right kind of training for falling cedars/hazard trees.

Continuing the topic of crew safety, Jaqueline Simmons asked about hazard pay for the View 88 project. She added that they are parking on the same side of the road as they work, but they are dealing with human waste on the side of roads (from RV dumping). Jaqueline also added that the travel time is 1 hr+ each way and asked about getting paid travel time.

Regine addressed Jaqueline's question about travel time, and those CHIPS contracts are not structured to pay travel time. Steve said that CHIPS continues to recalibrate contracts, and once CHIPS pays debts and will do an organizational review.



Getting back to the concerns Jaqueline raised about hazardous work conditions on the View 88 Project, Steve added that hazard pay policy is work on steep bank on highway qualifies for hazard pay, but off-highway work (not hazard pay). But Steve proposed a policy review for dealing with human waste. Steve considers that inappropriate and hazardous work, and should be skipping those section. Jacqueline added that they don't know there is excrement in an area until they are in it. Steve then quoted Cal and Fed OSHA– “no employee shall be required to work with unsafe equipment or under conditions which we be injurious to his or her health and safety“. Steve added that working in excrement or on steep slopes next to the highway is hazardous, and crew members have the right to refuse work, and if the FS has a complaint tell them to contact Steve or the ED. Eric Rogers added that that was brought to his attention and told the crew to skip it, and the FS said it was okay to skip those sections. Eric added that using a weed-eater or chainsaw where there is excrement, they don't realize they are causing it to go airborne. Eric Rogers added that they are getting close to Ham Station, which could be a large part of this issue. Steve said let's talk to FS about moving to another location. Eric added that one of the crew members was almost hit. Steve proposed Caltrans lane closure, as the only safety measure possible. Greg added that the FS staff made an inappropriate comment. Regine added that John Stropple (Caltrans) and that Caltrans can have a safety training with the crews.

Melissa Wilson asked whether bathrooms for CHIPS crew is available for the View 88 project? Steve mentioned explore getting dual porty potties on a trailer. Jaqueline added that this was a concern for the Washoe crew, as well.

#### Action items:

- Greg Bennet will set up a meeting next week for Steve, Irv, Greg, Sam, Craig and Thurman will develop within the new policy an in-house crew chainsaw safety orientation and training.
- Regine contact Caltrans – concerns, secure training, secure equipment (flashing lights) and secure lane closures for certain high-risk areas (flag those areas as not work).
- CHIPS, FS and Caltrans – meeting to discuss crew safety.
- Porta potties for View 88 project.

#### **Update on BBSI Retirement Plan Enrollment:**

Steve mentioned that George and Steve have reviewed the options and fees from BBSI. Added that there are low fees because the retirement participant pool is very large. Dondero and Wilensky recommends that CHIPS offer this plan to the employee, added that there is no cost to the employer and that there is no minimum number of employees that enroll. Recommend enrolling. Proposed bringing back the filled-out application and have a working session and have a presentation from BBSI at the August board meeting

Action item: Steve and George to bring BBSI to present at the August board meeting.



### **Discussion on Office Lease Renewal:**

Expired at the end of May 2021, have been paying month to month. Regine asked the board to give her direction. Donna proposed month to month until staff established and a new building is secured.

Action item: Rick to have discussion with landlord (i.e., install air conditioner/swamp cooler, month-to-month). Regine will send Rick the contact info for landlord and original copy of lease. Regine and Rick will bring that to the board in August.

### **Review and consider possible action on two resolutions authorizing changes to CHIPS' El Dorado Savings Bank and Valley First Credit Union accounts:**

Motion to sign both resolutions. Donna moved, Rick 2<sup>nd</sup>. 4-0-1 (1 absent).

### **Review and consider possible action on promissory note:**

Going to hold in closed session.

### **Review and discussion of Executive Director and Program/Project Manager transition plan:**

- Week of July 19<sup>th</sup>: Megan and Jill will begin the Program/Project Manager (P/PM) transition by reviewing roles and responsibilities, transfer files and review project-specific related documents, agreements, budgets, RFPs, etc. Megan and Jill will begin the ACCG Administrator transition by reviewing specific roles and responsibilities, transfer files, and Jill will also attend the ACCG general meeting on July 21<sup>st</sup> with Megan. Megan will also set up the cloud-based file system this week (Box.com). Megan will assume an interim P/PM position.
- Week of July 26<sup>th</sup>: Jill and Megan will continue the P/PM transition this week by continuing to review and discuss projects and go over any specific questions Jill may have. Jill will also use this time to review the monitoring plans for the CAL FIRE and WCB grants. Megan, Jill and Thurman will take one day this week to go to the CAL FIRE project area to go through the monitoring protocols for the CAL FIRE grant monitoring plan. Regine may also begin to transfer ED digital files to Box.com this week.
- Week of August 2<sup>nd</sup>: Megan and Regine will begin the Executive Director (ED) transition by reviewing ED roles and responsibilities and continue digital and hard copy file transfer. Megan will also continue to work closely with Jill to address any issues or questions Jill may have as she's settling into the P/PM role.
- Week of August 9<sup>th</sup>: Megan and Regine will continue the Executive Director (ED) transition by meeting with Patti to discuss financial oversight, and have a QuickBooks orientation. Megan will assume the ED position after the August 11<sup>th</sup> board meeting.



- Week of August 16<sup>th</sup>: Megan, Jill and Regine will reach out to partners about the transition (if not sooner).
- Recruitment and hiring of a Finance Director and Admin/HR Assistant as soon as possible.

Regine added that hiring a Finance Director and doing outreach for this position. Steve added that he has had a number of calls, particularly some forestry-related finance. Possibility of a job share situation with a previous applicant. Regine added that if there is a need to train the new Finance Director and Admin/HR assistant. Donna asked about contracting out some of the financials to BBSI – Steve added that this was not option.

### **Closed Session**

The Board discussed personnel issues in closed session.

### **Executive Director Report**

Communications with Community Vision and now proposing a smaller line of credit and for CHIPS to have a short-term loan. They are to get back to Regine with different options to see what CHIPS can afford, and for them to bring something to the Board at the August 11<sup>th</sup> meeting.

Closed out PG&E grant and close 925 grant will probably close out in August.

Phoenix Energy – county was working on conditional use permit (concerned about getting through process without litigation). Greg estimates closing financing by end of the 2021. Steve mentioned Carol Phelps (Donna asked pay her incrementally), Steve may take care of it himself. Will have that conversation at the next meeting.

### **Forestry Fellow Report**

Regine gave Craig's Forestry Fellow Report. Regine mentioned that Craig's had family issues this week. He's been working on WCB and View 88, and also been down to Yosemite and up to Lake Tahoe. Steve and Regine have talked about working with the Chico Crew, Regine said that she will be discussing that with him. Administrative – working with the foreman to get their timesheets in on time. Next step would to have Craig review timesheets. Steve added that Craig is feeling stressed/out of his comfort level, especially the traveling.

### **Field Operations Report**

Sporadic attendance, fire up north is smoking out Plumas and Lassen Counties, fire down by Mariposa is smoking out the low elevation work, but clearer airs in Yosemite.

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CA Contracting Board D49 license with Thurman – last week he called to get status of application. Melissa is scheduled to take the test in a couple months (then do LTO).

### **Next Meeting**

The next Board meeting is set for August 11th, 5:30pm

Minutes approved by:

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Donna Vial  
CHIPS Board Secretary

Date