

WALLACE COMMUNITY SERVICES DISTRICT

P.O. Box 398, Wallace, CA 95254 209 763-2882

REGULAR MEETING, Board of Directors

Minutes

Thursday, January 8, 2008

Mark Fusselman's Barn, 9500 Wallace Lake Drive, Wallace Ca 95254

Last minute documents were available at the meeting room entrance at 6:30 PM to allow members of the public to review.

CALL TO ORDER AND ROLL CALL

President Mark Fusselman called the meeting to order at 7:00 PM. Present were Directors Mark Fusselman, Charles Cantoni, Rick Guantone, and William Pugh and General Manager David Edwards.

CONSENT AGENDA

Cathryn Jackson asked that the bills be pulled from the consent agenda.

There was discussion of permanently putting the Minutes approval and Bills for Payment on the regular agenda. The Board consensus was to do so for future meetings.

1. APPROVAL OF MINUTES

The minutes of the Regular Meeting of December 11, 2008 were approved with out change by a motion and vote:

Motion: C. Cantoni *Second:* R. Guantone *Passed:* 4-0-0-0

The minutes of the Special Meeting of December 19, 2008 were approved with out change by a motion and vote:

Motion: C. Cantoni *Second:* M. Fusselman *Passed:* 4-0-0-0

2. APPROVAL OF BILLS FOR PAYMENT

After discussion, payment of check numbers 4131 through 4155 were approved for payment.

Motion: R. Guantone *Second:* B. Pugh *Passed:* 4-0-0-0

REGULAR AGENDA

3. GENERAL MANAGER'S REPORT

A report was presented by D. Edwards. He reported that all ditches and culverts have been cleared that can be cleared by hand or by tractor. He will be hiring CCWD to clear several culverts that are 1/3 full of debris. Mr. Edwards reported that the WTP is running smoothly. We are running between 10 and 20 percent of MCL for iron and manganese. The WWTP has minor problem concerning leaky valves that will have to be rebuilt.

Resident Robert Heridia has requested permission to operate a golf cart on the walking trail and near the lake, due to a physical disability. A discussion ensued about creating a permit. A motion was made to create such a permit with a “hold harmless agreement”, an insurance rider and a one year renewal.

Motion: C. Cantoni *Second:* B. Pugh *Passed:* 4-0-0-0

4. PRESIDENT’S REPORT

President Mark Fusselman reported he discussed several subjects with our attorney M. McGrew. He understands that some consultants have expressed frustration and little interest in doing further work for the District due to contentious debate. He stated this is costing all of the residents more money.

He stated the Board needs to determine how best to operate the District.

- a. In our present method with a professional, licensed full time General Manager doing operations and maintenance.
- b. With a part time manager and part time operator, contracting out repairs.
- c. With a contract agency who provides all management and operations.

Director Fusselman stated that he would like to see the board look seriously at this topic.

Responding to rumors, Mr. Fusselman stated that his auto agency has sold cars to residents of Wallace and there are no special deals that he makes for members of the Board of Directors of the WCSD versus those made to residents.

5. COMMITTEE REPORTS

Director Guantone discussed financials and the mid-year look at budgets. Mr. Cantoni gave a report about the finances of the District. He reported that there is still some work to do to make the Quickbooks reports easy to understand and accurately show trends. Overall, financial results are very close to budget.

Mr. Cantoni then presented a mid-year analysis of results vs. the budget. This is the third year that this exercise has been undertaken. He presented suggested changes in the budgets to more accurately be in line with the Quickbooks reports. Including the annual loan payment for the sewer system and retaining the road maintenance budget at \$22,000, the projected surplus for the year (neglecting depreciation) is now \$6,641.

The Board approved the revised budget

Motion: R. Guantone *Second:* B. Pugh *Passed:* 4-0-0-0

Director B Pugh reported that he spoke with Dino Moretti of Campora Propane. He stated that Campora has agreed to lower our bills. The goal is to pay no more than is paid at Greenhorn Creek, another Campora customer. In addition he spoke with a contractor who installs natural gas systems who will give us a quote to convert Wallace to natural gas.

6. SEWER CODE CHANGES

Mr. Cantoni presented the proposed Sewer Code changes. This meeting constitutes the second reading of the changes. A detailed reading was waived and the Board approved the new code.

Motion: B. Pugh *Second:* R. Guantone *Passed:* 4-0-0-0

7. REVIEW OF DRAFT WATER ELEMENT FOR GENERAL PLAN UPDATE

Director Cantoni reported on progress at the General Plan Update Water Element discussions at the County level. He voiced concern over some of the language in the Draft Water Element. The Board decided to assign the responsibility of responding to the Water Element.

He also pointed out that the Water element Group has requested a letter of support from the District. The Board approved a motion to have Mr. Cantoni deliver his comments to the Water Element Group, and send a letter of support.

Motion: M. Fusselman *Second:* B. Pugh *Passed:* 4-0-0-0

8. DISTRICT POLICIES

Discussion and possible action on the following District Policies were again continued to the next regular meeting of the Board.

Policy #	Description	New	Modify
7020	Water Reserve	X	
7030	Sewer Reserve	X	
7050	Special Assessments	X	

9. FILLING OF BOARD VACANCY

Effective January 1, 2009 the WCSD Board has one vacancy. There was discussion about procedures. The District has as of this meeting two applications; David Reyner and Ross Ehlers. C. Cantoni said he would review the procedures for the next regular meeting.

10. ELECTION OF OFFICERS FOR CALENDAR YEAR 2009 (Continued from December 11, 2008)

Mark Fusselman was nominated for the office of President of the Board and was elected.

Motion: B. Pugh *Second:* C. Cantoni *Passed:* 4-0-0-0

Riok Guantone was nominated for the office of Vice-President of the Board and was elected.

Motion: R. Guantone *Second:* C. Cantoni *Passed:* 4-0-0-0

11. PROGRESS REPORT – DEEDING OF WELLS, LAKE/OPEN SPACE AND WTP TO WCSD Board of Directors

Director Cantoni reported that work has started on the deed-over process. The initial survey work has been completed, and the general descriptions of the deeds have been reviewed and approved by the District Engineer. It was noted that the deadline for completion of the task is February 14, 2009.

12. PUBLIC COMMENTS

President Fusselman stated that the public Comments section of the meeting would be moved back to the beginning of the meeting in the future.

Public comments centered on discussion of the Remainder Parcel.

13. CORRESPONDENCE

None.

14. DIRECTOR'S COMMENTS

Director Cantoni stated that the board needs to discuss District operations and should complete the General Manager performance assessment. In response to earlier questions, he commented on the meaning of engineers' statements that there is "adequate water available in the aquifer." He pointed out that engineers do modeling calculations to determine water availability. These calculations are based on field measurements in wells and best engineering practice calculations. Looking for an "absolute guarantee" is not realistic. The engineers look at historical data as well, but, for example, no one can predict how long or deep a drought might take place in the future and how it might affect an aquifer, but an extreme drought could influence water availability. We therefore live with these engineering estimates.

President Fusselman commented that the District operations topic needs to be agendaized for the next meeting.

Director Pugh stated that the District needs more customers to be viable and to do that the tentative map for the Remainder parcel needs to be approved.

Director Fusselman reiterated the need for the wells, property, lakes and right of ways to be deeded over to the District.

15. AJOURNMENT TO REGULAR MEETING of February 12, 2009

Motion: B. Pugh *Second:* C. Cantoni *Passed:* 4-0-0-0

Respectfully Submitted:

David Edwards, Secretary

Mark Fusselman, President