

WALLACE COMMUNITY SERVICES DISTRICT

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

REGULAR MEETING, Board of Directors

Minutes

Thursday, January 10, 2008

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

The meeting room was opened at 6:30 PM to allow members of the public to review last minute documents.

CALL TO ORDER AND ROLL CALL

President Charles Cantoni called the meeting to order at 7:00 PM. Present were Directors Charles Cantoni, Mark Fusselman, Floran Schneider and Bill Pugh. General Manager David Edwards was present and took roll and the minutes. The meeting started without Director Guantone who arrived at 7:05 PM.

CONSENT AGENDA

Items were considered separately due to questions regarding the minutes and bills for payment.

1. APPROVAL OF MINUTES

Approval of the minutes of the Regular Meeting of December 13, 2008. The minutes were approved with the correction of the spelling of antenna. A check made to determine if task 2007-08 was indeed approved showed the minutes to be correct as written for that matter.

Motion: Guantone *Second:* Pugh *Passed:* 5-0-0-0

Approval of the minutes of a Special Meeting of December 27, 2007. These minutes were approved changing, with respect to public comments on the Board leading a Community Planning effort, the word "negative" to "concern and opposition."

Motion: Guantone *Second:* Fusselman *Passed:* 5-0-0-0

2. APPROVAL OF BILLS FOR PAYMENT

The General Manager presented the bills for payment. After a few questions the bills were approved.

Motion: Schneider *Second:* Fusselman *Passed:* 5-0-0-0

REGULAR AGENDA

3. PUBLIC COMMENT

Public comments included questions regarding the signing of the two year extension of the Will Serve Agreement for Tres Lagos, the completion of a fire hydrant for the area near Highway 12, and a suggestion from Jackie Neill that Gerald Zedlitz be thanked for his work for the Architectural Committee and that he be reimbursed for his expenses. Mr. Al Ruosan requested board follow-up on his application for services for Lot 24.

Foothill Fire Protection District Chief Mike Siligo spoke briefly on the prospect of having a fire station in Wallace, and stated that the Foothill Fire Protection District Board looked forward to beginning discussions with the WCSD.

4. GENERAL MANAGER'S REPORT

General Manager David Edwards gave a detailed report about how an operator executes his responsibilities at the water and sewer plants, particularly with respect to governmental requirements. He also reported on the discovery that he made during the recent high winds, wherein the water plant backwash controller triggers a backwash each time a power line surge is encountered, in turn causing excess flow of backwash water to the wastewater treatment plant, increasing the possibility of overload at that plant. This is very likely a second source of peak flows at the wastewater treatment plant. The first was found last year, caused by a sticking backwash relay.

Mr. Edwards reported on progress in testing Well #3 for treatment to remove iron and manganese. He talked about the need for a VFD and soft start system for well #3. The cost of a VFD would be about \$3500. Mr. Edwards was asked to submit the recommended purchase for approval once firm quotations were in place. No action was therefore taken.

5. PRESIDENT'S REPORT

President Cantoni reviewed financial results for the month of December. The pro forma analysis showed a loss of \$1,208 for December, with the year-to-date surplus now at \$12,439. The loss came about with higher water system expenses associated with well 3 testing and typical reduced water revenues in winter. Water revenues peaked in July of last year and are currently close to one-half of that month revenue. Sewer revenues and expenses were typical. Working cash at the end of December was \$109,243 vs. \$103,298 a year ago. Water and sewer reserves remained the same and the new Repair and Maintenance Reserve is now up to \$15,000.

Mr. Cantoni then conducted a general review of finances for the District, presenting cash flows and water, sewer and general repair and maintenance reserves since July of 2005. The working cash trends are positive. The reserves are reduced each time capital improvements are made, but have been increasing the last few months as funds are going into the repair & maintenance reserve.

Mr. Cantoni then went over the trends in revenues and expenses for this fiscal year. This review included a review of projects in progress, with proving out Well #3 having the highest priority. He concluded that the District is operating in a fiscally sound and responsible manner, and that support of a full time General Manager has proven to be cost effective and should continue. He also recommended that the board should begin to examine the next set of rate increases that are due, by ordinance, to become effective on July 1, 2008.

Finally, Director Cantoni moved that the Board approve the General Manager position as a full time position, independent of developer activities, and that the board will exercise good fiscal monitoring by review of the District finances in total, on a month to month basis. The motion was approved.

Motion: Cantoni *Second:* Pugh *Passed:* 5-0-0-0

6. ELECTION AND BONDING OF OFFICERS FOR 2008

Nominations for officers for 2008 were opened by Director Cantoni. It was moved and seconded that the officers for 2007 be elected to serve for 2008. Nominated were:

President: Chuck Cantoni
Vice President: Rick Guantone
Secretary and Treasurer: David Edwards
Motion: Pugh *Second:* Fusselman

There were no further nominations.

13. GENERAL PLAN UPDATE PROCESS – THE DRAFT BASELINE REPORT

Sections of the County’s General Plan Update, Baeline Report were reviewed . A document showing corrections that should be made was presented. The board authorized President Cantoni and GM Edwards to provide corrections to the County’s Baseline Report.

Motion: Cantoni *Second:* Fusselman *Passed:* 5-0-0-0

14. COMMUNITY PLANNING EFFORT

This item was continued to the next meeting.

15. DISTRICT POLICIES

The following District Policies were reviewed for adoption and/or change to conform to annual review dates being synchronized with the fiscal year.

Policy #	Description	New	Modify
2150	Compensation	X	
2170	Performance Evaluation		X

The District Policies were passed with the following change: The word advancement was changed to review in all locations, both policies.

Motion: Schneider *Second:* Pugh *Passed:* 5-0-0-0

16. DIRECTOR’S COMMENTS

None

17. AJOURNMENT TO REGULAR MEETING FOR FEBRUARY

The meeting was adjourned after discussion on moving the next board meeting date to February 21, 2008. Notices will be posted once all Board members concur.

Respectfully Submitted:

David Edwards, Secretary

Charles Cantoni, President