

WALLACE COMMUNITY SERVICES DISTRICT

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

REGULAR MEETING, Board of Directors

Minutes

Thursday, March 13, 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, Rick Guantone, Floran Schneider and Bill Pugh. Director Fusselman was absent.

General Manager David Edwards was present and took roll and the minutes.

District Engineer Gary Ghio was in attendance.

CONSENT AGENDA

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

1. APPROVAL OF MINUTES

Minutes of the Regular Meeting of the Board of Directors of January 10, 2008 were approved with the correction of one spelling error.

Motion: Guantone

Second: Pugh

Passed: 4-0-0-1

2. APPROVAL OF BILLS FOR PAYMENT

The General Manager presented the bills for payment, check numbers 3901 through 3915. After a few questions the bills were approved for payment.

Motion: Pugh

Second: Guantone

Passed: 4-0-0-1

REGULAR AGENDA

3. PUBLIC COMMENT

Resident Bill George voiced concern for uncared-for foreclosure properties and offered to maintain them if we could find a mechanism for payment.

Resident Ahmad Al Ruosan spoke concerning his request for service for Lot 24 for 35 connections.

Visitor Gary Tofanelli introduced himself as a candidate for District 1 Supervisor

Resident Larry Howen questioned the District's use of a UPS at the Water Treatment Plant. Director Cantoni explained that the new online UPS was necessary to prevent power surges from causing backwash action at the Water Treatment Plant. Mr. Howen also read and presented the Board with a letter

about his Brown Act concerns. Mr. Howen also re-iterated his request for time card and other expense records regarding the General Manager. Mr. Cantoni pointed out that Mr. Howen has all information needed to conduct any financial analysis that he may wish.

Mr. Cantoni introduced Mr. Gary Tofanelli, candidate for County Supervisor for District 1, who was in attendance at the meeting.

4. SEWER PLANT INPUT BUFFER TANK (Continued from February 21, 2008)

Mr. Cantoni provided an overview of the need for an enlarged Equalization Tank Capability at the Wastewater Treatment Plant (WWTP). He presented a paper written by GM David Edwards, Gary Ghio and himself that provided the background and reasoning behind the need for this project. The paper also outlined the expected costs and time frame over which the project might be executed.

The discussion centered on liability, need and use. It is public knowledge that we are in danger of an overflow at the WWTP during maximum flow times and therefore liable for fines and damages if we do not take appropriate action. A larger equalization tank is needed to mitigate incidental high flows and is needed for proper maintenance activities. The discussion also centered on the possible cost of the project, estimated by the District Engineer at \$259,000. This cost exceeds funding that could be made available from the Sewer reserves, so an alternate source of funding must be found, such a grant or a loan.

Mr. Ghio explained the basis for the design and cost estimates, and explained that he had looked at a lower cost alternative, involving a smaller tank and a concrete lined pond. His cost estimate for this approach was not significantly lower, and led him to the conclusion that it was better go with the proposed design.

After lengthy discussion, including public input, the Board approved the first phase of the project, which is to design the 54,000 gallon tank and to go out on bid. The design work is to be performed by Weber Ghio & associates on a not to exceed basis of \$25,000.

Motion: Cantoni

Second: Pugh

Passed: 4-0-0-1

5. COMMUNITY PLANNING EFFORT (Continued from February 21, 2008)

There was continued discussion on the topic of having the WCSD Board take a lead role in Community Planning efforts associated with the Calaveras County General Plan Update process. The topic was discussed at length with input from members of the public and encouragement from visitor Gary Tofanelli. After discussion, the consensus of the board was that it (as members of the community) should take the lead in Wallace Community planning. It was further concluded that since this was not an official act on the part of the WCSD Board, no further action or approval was necessary.

6. GENERAL MANAGER'S REPORT

A report was given by GM David Edwards. He presented a brief analysis of the cost effectivity of doing repairs on the water and sewer plants using in-house labor. He also discussed the importance of the project to increase equalization tank capacity at the Wastewater Treatment Plant (WWTP). He pointed out that a careful analysis has been conducted on the need, and that all consultants familiar with the plant and the problem agree that a fix is needed. These consultants include Gary Ghio of Weber-Ghio (our District Engineer), Harold Welborn (consultant from ECO:Logic), and the engineers at West Yost Associates. Mr. Edwards pointed out that the cost is high, and a means of financing will likely be necessary.

GM Edwards reported on street repairs. He explained that he had done small repairs with mixed success. After discussion with the Board, it was concluded that a better method of repair needs to be determined. He requested approval from the board to do street striping, and a not to exceed basis of \$2,000. Upon motion made and seconded, approval was granted.

Motion: Cantoni *Second:* Pugh *Passed:* 4-0-0-1

7. PRESIDENT'S REPORT

Director Cantoni gave the President's report. Highlights included the following.

- Water system revenues continued at a low level typical of the winter months. Water system income, on a pro forma basis, showed a loss of \$1,417 for the month, resulting in a cumulative loss for the year of \$2,004.
- Sewer System revenues for the month were as expected, resulting in income (pro forma) for the month of \$2,039, \$2,846 for the year to date.
- Roads and Misc. Income for the month was \$2,039, resulting in year to date income of \$12,312.
- The above sum up to a total budgeted income (pro forma) for the month of \$1,475, resulting in a year to date figure of \$13,155.
- Working cash dipped slightly to \$122,511 as the remainder of the loan from the Sewer Reserves (\$12,000) was paid back.
- Mr. Cantoni presented a graph showing cash levels over the past 34 months, and noted that since November 2005, the working cash has consistently been in the \$105,000 to \$140,000 range.

Mr. Cantoni reported that he had spoken to the Tres Lagos developer, who is still working to get his final map approval. Issues with Campora remain to be solved.

Mr. Cantoni reported on District attendance at LAFCO meetings. He explained to the Board that there seems to be some perceptions at LAFCO regarding the WCSD that do not necessarily represent the latest information and informed that Board that he had asked for the opportunity to provide LAFCO with an update. He will pursue this with LAFCO Executive Director John Benoit.

The Calaveras County Water District (CCWD) has been active in requesting a permanent seat on the LAFCO commission. CCWD has requested support from WCSD. After some discussion it was decided that we should support CCWD and that Director Cantoni should send a letter of support .

Motion: Guantone *Second:* Fusselman *Passed:* 4-0-0-1

Mr. Cantoni reported on efforts to obtain surface water for Wallace. He discussed that various forums and meetings that have been attended by he and GM Edwards. He reported that the task is complicated and will take time and effort on the part of the District

Finally, Mr. Cantoni presented the SDRMA insurance questionnaire to the Board for their evaluation and comments. No formal action was taken and Mr. Cantoni and Mr. Edwards will complete the forms based on the feedback received and submit them to SDRMA.

8. COMMITTEE REPORTS

- a. **Finance:** none
- b. **Open Space:** none
- c. **Gates & Roads:** none
- d. **Ad hoc Fire Station:** President Cantoni gave a short report on attending the recent Foothill Fire Protection Board of Directors meeting.

9. WCSD PARTICIPATION IN COMMUNITY ACTIVITIES

There was discussion about the value of participating in our extended community through the attendance in meetings of organizations such as CSDA, Mokelumne River Forum, CCWD Water Forum, LAFCO and LAFCO Water Forum. It was decided that these organizations have real value to WCSD and that we should continue to attend.

A motion was made and approved to encourage Directors and GM Edwards to participate in such meetings wherein there is value to the WCSD, further, that participation by GM Edwards should be consistent (not to seriously interfere) with his main priorities in operating, maintaining and upgrading the District plants.

Motion: Cantoni *Second:* Guantone *Passed:* 4-0-0-1

10. MID-YEAR FINANCIAL REVIEW

Discussion of year-to-date financial results through January 31 and projection for the remainder of FY 2008, including consideration of capital improvement project methods of funding and analysis of rate increases currently scheduled by ordinance for July 1, 2008.

This item was continued to a Special Meeting, date to be determined.

11. BOARD OF DIRECTORS SELF EVALUATION (Continued from February 21, 2008)

This item was continued to a future meeting, date to be determined.

12. CORRESPONDENCE

No discussion of correspondence that was provided.

13. DIRECTOR’S COMMENTS

None.

14. AJOURNMENT TO A SPECIAL MEETING, DATE TO BE DETERMINED.

A motion was made and approved to adjourn to a Special Meeting, to be held before the April Regular meeting.

Motion: Pugh *Second:* Schneider *Passed:* 4-0-0-1

Respectfully Submitted:

David Edwards, Secretary

Charles Cantoni, President