

WALLACE COMMUNITY SERVICES DISTRICT

P.O. Box 398, Wallace, CA 95254 209 763-2699

REGULAR MEETING, Board of Directors

Minutes

Thursday, April 12, 2007

7:00 PM

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

CALL TO ORDER AND ROLL CALL

The meeting was called to order by President Charles Cantoni at 7:05 PM. Present were directors: Charles Cantoni, Bill Pugh, Mark Fusselman, Rick Guantone and General Manager David Edwards. Also present was Floran Schneider, appointed Director at this meeting. Director Cantoni requested that Mr. Edwards take the minutes.

CONSENT AGENDA

- 1. CONSENT ITEMS.** Director Cantoni explained the purpose of the Consent Agenda, introduced at this meeting. There was a request to remove Bill Payments. Remaining items included the Minutes of the March 8, 2007 Regular Meeting and the Sanitary Sewer System Operation, Maintenance, Overflow Prevention and Response Plan. Motion was made to approve the remaining consent items.

Moved: Guantone

Second: Pugh

Passed: 4-0-0-0

- 2. APPROVAL OF BILLS FOR PAYMENT**

After discussion, a motion was made to approve Bills for Payment, check numbers 3662 through 3682.

Moved: Pugh

Second: Guantone

Passed: 4-0-0-0

REGULAR AGENDA

- 3. PUBLIC COMMENT**

The following members of the public spoke on various subjects. Ahmad Al-Ruosan, Jackie Neill and Larry Howen

- 4. APPOINTMENT OF BOARD MEMBER**

Applicant Floran Schneider was introduced and questioned by the Board. After discussion the following motion was made:

Whereas the WCSD Board of Directors has received an application from Mr. Floran Schneider to join the Board, has interviewed Mr. Schneider at this Regular Board meeting on April 12, 2007, and has judged him qualified to serve, the Board hereby appoints Mr. Floran Schneider as a member of the Board of Directors of the Wallace Community Services District, filling the

position previously held by Ms. Cathryn Jackson, and requests that the Secretary have him execute the Oath of Office.

Moved: Cantoni

Second: Pugh

Passed: 4-0-0-0

Secretary Edwards then administered the oath of office to Mr. Floran.

5. GENERAL MANAGER'S REPORT

General Manager David Edwards submitted his written report. Topics discussed included the Annual RWQCB Report and the Water Testing Protocol for WCSD Wells. Mr. Edwards showed the Board the completed plans for the office trailer, signed off by District Engineer Gary Ghio. He also showed pump parts from the wastewater plant, showing the wear these pumps have undergone. Well #3 testing was discussed, including the need to install a water system bypass to allow full scale testing. Mr. Edwards discussed the successful meeting recently held with Mr. Joe Spano at CaDHS, attended by Director Cantoni, Rich Hubel of West Yost Associates, Dave Remick of CaDHS and Mr. Edwards. There was public discussion.

6. PRESIDENT'S REPORT

Director Cantoni presented his report, which included discussion of finances for the period ending April 11, 2007. For the period, the District incurred a loss of \$1,491 (after adjusting for expenses that will eventually be capitalized). On that same basis, the surplus year-to-date is \$12,330. Mr. Cantoni also discussed the planning for the next few months, including the requirement to have budgets in place prior to the beginning of FY 2008. Mr. Cantoni also announced that he had assigned Director Guantone the task of ensuring that the District receives maximum discount on liability insurance next year through SDRMA's Credit Incentive Program.

7. COMMITTEE REPORTS

- a) **Finance.** Director Guantone commented on plans to achieve the maximum discount with SDRMA's Credit Incentive Program.
- b) **Lake and Open Space.** No meetings were held. Larry Howen commented that there is concern over the condition of the fencing along the West side of Wallace Lake Estates.
- c) **Gates & Roads.** Gate problems were discussed as reported below.
- d) **Ad Hoc LPG.** Director Guantone reported that a meeting with Campora will be held prior to the next board meeting. Subjects will include a discussion of LPG pricing to customers.

8. GATE EQUIPMENT AND HOURS (Continued from March 8, 2007)

Director Pugh reported that the main circuit board on the front gate system had been replaced by the vendor in an attempt to isolate the noise problems. While he and others reported that the noise seems lower during the day, night time performance is still bad. Mr. Pugh will continue to pursue the problem, and will consider having the old circuit board tested. Gate hours will remain the same until this problem is resolved. Director Fusselman volunteered to help Bill Pugh troubleshoot the system.

12. UPDATE AND ADDITION OF DISTRICT POLICIES

The following proposed District policies were discussed.

Policy #	Description	New	Modify
2000	Executive Officer	X	
2010	Hours of Work	X	
2020	Vacations	X	
2030	Holidays	X	
2040	Sick Leave	X	
2080	Employee Status	X	
4040	Expense Controls Procedure	X	
2300	Job Description – General Manager		X

A motion was made to approve the following personnel policies (changes and additions are underlined) and to add them to the WCSD Policy Manual. Approval of the remaining policies is continued to a further meeting, pending modification of these policies to meet the District’s needs.

- a) Policy 2000. Remove Section 2000.3.
- b) Policy 2010.
 - i. Section 2010.1.1.3. “Employees may elect to work a flex time schedule if approved by the General manager and Board of Directors, consistent with State laws.”
 - ii. Section 2010.1.1.5. Approval. “Any and all overtime work shall require prior approval by the General Manager (Board President if applicable to the General Manager).”
 - iii. Section 2010.1.2. “Salaried employees may request their own work schedule.”
- c) Policy 2020.
 - i. Section 2020.1. “This policy shall apply to regular (full time) and probationary employees in all classifications.”
 - ii. Section 2020.3. “Vacation must be scheduled in advance (and is subject to General Manager approval, President approval in the case of the General Manager) to allow the manger to arrange for temporary help”
- d) Policy 4040.
 - i. 4040.4 “For all material purchases not covered by a Job Work Order (JWO), the purchaser shall fill out an Internal Purchase Order. Purchase orders with a value in excess of \$500 must be approved by the General Manager. Those in excess of \$1,000 shall require approval in advance by the Board of Directors.”
 - ii. 4040.5 “Sub-contracts in excess of \$1,000 must be approved in advance by the Board of Directors.”
 - iii. 4040.6 “Expense reports with total value in excess of \$1,000 must be approved by the Board of Directors.”
 - iv. 4040.7 “Such purchase orders in excess of \$1,000 must be approved in advance by the Board of Directors.”

Moved: Pugh

Second: Fusselman

Passed: 5-0-0-0

13. REVIEW OF THE DISTRICT GENERAL MANAGER POSITION

Director Cantoni proposed that, in view of the increased workload required of the General Manager, that the position be made a full time, salaried position. After discussion, the following motion was made:

Motion to make the WCSD General Manager Position a full time, salaried, exempt position, at will employment. Further, to provide benefits to this position as called for in the WCSD Policy Manual. Further, to offer the position to Mr. David Edwards at a starting salary of \$62,400 per annum. Further, that the Board review the financial impact of this position monthly as part of the routine financial review.

Moved: Pugh

Second: Guantone

Passed: 4-1-0-0

Noes: Fusselman

14. REGIONAL WATER & WASTEWATER STUDY, HIGHWAYS 12 & 26 CORRIDOR

A proposal by CCWD to have the District participate in a Regional Water and Wastewater Study was presented and discussed. This is a \$50,000 study, with WCSD cost share estimated at \$10,000. The following motion was adopted.

Motion to Adopt Resolution 2007-04 (Exhibit B), Approving a Cost Sharing Arrangement for Conducting a Regional Water and Wastewater Study in the Highway 12 and Highway 26 Corridor, with the provision that funding will be provided by Developer Reynen & Bardis Communities, per the provisions of WCSD Ordinance 98-02, Section 6.10, or in the absence of developer support, that the WCSD portion of the study will be funded by WCSD on a not to exceed basis of \$3,500 to support build-out to approximately 200 EDU's.

Moved: Fusselman

Second: Guantone

Passed: 5-0-0-0

15. CORRESPONDENCE (Continued)

16. DIRECTOR'S COMMENTS (Continued)

17. AJOURNMENT TO NEXT REGULAR MEETING ON THURSDAY, MAY 10, 2007

The meeting was adjourned at 11:30 pm.

Moved: Pugh

Second: Guantone

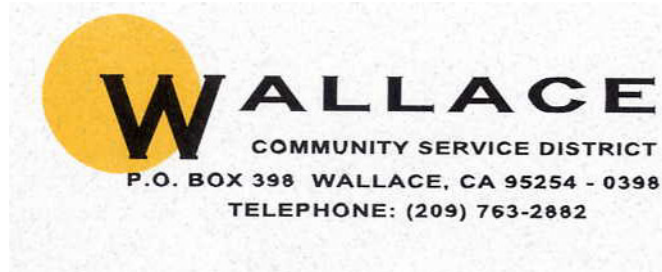
Passed: 5-0-0-0

Respectfully Submitted:

David Edwards, Secretary

Charles Cantoni, President

Exhibit A



April 12, 2007

Mr. Robert Sellman
Planning Director
Calaveras County
891 Mountain Ranch Road
San Andreas, CA 95249

Dear Mr. Sellman:

Ref.: 2004-162 ZONING AMENDMENT and TENTATIVE SUBDIVISION TRACT MAP for PAUL & TARJA MARTIN (Crestview Estates Subdivision).

We are in receipt of the Initial Study, dated March 17, 2007, and have the following comments.

1. While outside the WCSD District boundary and the District SOI, the subject property is immediately adjacent to property within the District at APN 048 018 159 and the Reynen Remainder Parcel.
2. Applicant proposes that water will be supplied to the lots by drilling 33 wells. We find the analysis in the Initial Study to be inadequate in many respects. There is no analysis of the aquifer, or the effect of 33 wells on the aquifer, which is likely the same aquifer that provides water for WCSD, and has been the subject of much discussion surrounding the Remainder Parcel development, including comments from CaDHS.
3. Applicant proposes that sewage be handled by 33 septic systems on the individual lots. There is no analysis on the effect of 33 septic systems and leach fields and the possible contamination effects on the aquifer.
4. Application proposes to construct a road to provide access to the lots. This road, and future lot improvements will likely have significant effect on water draining into Wallace Lake, including possible contamination, yet there is no analysis, or even recognition that Wallace Lake exists.
5. It would seem that LAFCO should be concerned over this development, being adjacent to a water and sewer district, yet ignoring the existence thereof.

The WCSD is currently working with CCWD, EBMUD and others to bring surface water to the area. This has also been ignored in the Initial Study.

The WCSD requests that following be considered in regards to this Initial Study.

1. Analysis of the effect on the aquifer of drilling 33 additional wells. A mitigating measure may be to apply for an enlarged SOI and subsequent annexation of the property into the WCSD. This would certainly result in higher quality (treated) water being provided to the homeowners, and would put the well system under the control of one government agency. The aquifer is known to produce water with relatively high iron content.
2. Analysis of the effects of 33 individual septic systems and leach fields. Should include possible contamination of the water supply from leaking leach fields. A mitigating measure may be to apply for an enlarged SOI and subsequent annexation of the property into the WCSD.
3. Analysis of the storm drainage system that needs to be installed, and the effect on drainage into Wallace Lake. What mitigating measures can be taken to avoid such contamination?
4. Clearly any consideration of changing the WCSD SOI and annexation of the property into the District needs to be coordinated through LAFCO. It would seem that a development such as this would fall under the purview of the LAFCO/CCWD Forum recently established to coordinate water supplies for such developments in Calaveras County.

We would be pleased to further discuss these points and the Crestview Estates proposed development.

Sincerely,

Charles W. Cantoni
President, WCSD Board of Directors

Exhibit B

RESOLUTION 2007-04

Approving a Cost Sharing Arrangement for Conducting a Regional Water and Wastewater Study in the Highway 12 and Highway 26 Corridor

Whereas, water and wastewater services to future development in the Highway 12 and Highway 26 corridor in the western portion of Calaveras County (the region) will be determined by County land use designations and the type, scale and timing of new development projects; and

Whereas, the public agencies currently providing water and wastewater services are the Valley Springs Public Utility District (VSPUD), Calaveras County Water District (CCWD) and Wallace Community Services District (WCSD); and

Whereas, in order to provide new and expanded water and wastewater facilities to serve anticipated growth as determined by the Calaveras County General Plan a comprehensive regional water and wastewater plan needs to be developed; and

Whereas, each of the agencies wish to participate financially in the associated costs of a regional water and wastewater study on an equitable basis.

Now, therefore the Board of Directors of the Wallace Community Services District resolve as follows:

1. The District will participate in a regional water and wastewater planning study with the other agencies and jointly assist in the development of the scope of work for the study; and
2. The District will make staff personnel available to meet with the consultants as well as provide any available reports, maps, studies and/or other pertinent information as may necessary to assist the consultants in the preparation of the report and
2. The Calaveras County Water District will act as the lead agency in contracting and retaining a consultant to perform the regional water and wastewater planning study; and
4. Each District will contribute financially towards the overall planning study contract costs (cost not to exceed \$50,000 total for the entire study) on a cost sharing basis; and
5. The cost share basis for each of the participating agencies shall be the

percentage of new water and wastewater demand estimated to be served within their separate planning regions as it relates to the overall cost of the planning study. The WCSD new water and wastewater demand will be that limited to Wallace Lake Estates Unit 1 requirements of 100 additional units, with WCSD cost share capped at \$3,500, unless potential WCSD developer(s) provide funding for the WCSD share.

INTRODUCED AND ADOPTED on this 12th day of April, 2007, by the following vote:

AYES, in favor hereof:	5
NOES:	0
ABSENT:	0
ABSTAIN:	0

Charles Cantoni
President, Board of Directors

ATTEST:

David Edwards
Secretary