

WALLACE COMMUNITY SERVICES DISTRICT

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

REGULAR MEETING, Board of Directors

Minutes

Thursday, July 16, 2009

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

CALL TO ORDER AND ROLL CALL

The meeting was called to order at 7:00 PM by Board President Mark Fusselman. Present were Directors Mark Fusselman, Bill Pugh, David Reyner, Rick Guantone and Chuck Cantoni. Also present was General Manager and Secretary/Treasurer David Edwards.

STUDY SESSION

A Study Session was held regarding organization of the District. This was a joint session of the Board of Directors and the Ad Hoc Organization committee. Those participating included all Board Members, Mr. Larry Howen and Ms. Cathryn Jackson.

REGULAR AGENDA

2. APPROVAL OF MINUTES

The minutes of the Regular Meeting of June 18, 2009 were approved with minor corrections.

Motion: Reyner

Second: Pugh

Passed: 5-0-0-0

The minutes of a Special Meeting of July 2, 2009 were approved as written.

Motion: Reyner

Second: Pugh

Passed: 5-0-0-0

3. APPROVAL OF BILLS FOR PAYMENT

After discussion, the payment of bills by check numbers 4268 through 4298, in the total amount of \$35,064.23 was approved by the Board.

Motion: Guantone

Second: Pugh

Passed: 5-0-0-0

Fund transfers were approved as follows:

- \$3,500.00 from the Water Reserve to Bank of the West Account
- \$17,830.00 from the Repair & Maintenance Reserve to the Bank of the West Account

Motion: Cantoni

Second: Pugh

Passed: 5-0-0-0

4. PUBLIC COMMENTS

The public may address the Board on any matter within the District's jurisdiction that is not on the Agenda. The public may comment on any item on the Agenda before or during the time the matter is considered by the Board of Directors. No action can be taken on matters not listed on the agenda. Comments may be limited to five minutes per person / twenty minutes per subject.

Mr. Zedlitz questioned the wording in the last newsletter regarding the budget. Ms. Neil expressed concern over the closed session held at the Special Meeting of August 2, 2009.

5. GENERAL MANAGER'S REPORT

Mr. Edwards reported on the following.

- Installation of the Influent Meter in the WWTP has been completed and seems to be working correctly.
- Well 3 rehabilitation is proceeding. Video images taken after the casing scrubbing show gravel pack, implying there has been corrosion in some of the slots. To protect the pump, the contractor will install a pump sleeve.
- Sludge pumping at the WWTP showed 6% solids, which is normal. More interesting, 10% of the solids were iron and manganese. We did get a reduction in BOD.
- The Chlorine pump arrived and has been installed, replacing the defective unit.
- File clerk Sari Mitchell has resigned for personal reasons.\

6. PRESIDENT'S REPORT

Mark Fusselman commented that there has always been distrust of the Board of Directors. He further commented that because of his heavy workload, he relies on Director Cantoni for execution of tasks he would normally perform. He reported that he has a new phone number (763-8001) which provides ready access to him, regardless of where he is working.

7. COMMITTEE REPORTS

a. Finance - R. Guantone/C. Cantoni

Director Cantoni provided an overview of financial results for the period ending June 30, 2009. Highlights included the following.

- Overall, District Revenues came in slightly below budget. Expenses were also lower than budget, resulting in a lower loss (1 \$15,000 improvement). Overall, we generated cash at about a \$23,000 rate for the year, plus we built the planned reserves.
- In conclusion, losses for the year were about \$15,000 less than planned, and perational cash reserves increased by about \$65,000. We added \$62,000 to the repair and maintenance reserve and about \$3,000 to the emergency reserve.
- Working cash at the end of the year was at \$121,796. The Water Reserve is at \$12,800 and the Sewer Reserve is at \$151,000. The Repair & Maintenance reserve is now at \$87,591.
- During the year, we completed the Equalization Basin addition to the sewer plant. Total cost came to \$245,500 vs. expected cost of \$259,000.
- Modifications to the water treatment plant should result in significantly less operational cost for filter media, and proper operation for removal of iron and manganese.

b. Lake & Open Space – D. Reyner

Director Reyner reported that he had looked at costs to remove vegetation from the lake, which, he estimates, would cost \$15,000 to \$20,000. He recommended waiting to see what happens to the water level by the end of the season.

8. PROPOSED WCSD POLICY 7060, ACCOUNTING PROCEDURES (Continued from the June 18, 2009 meeting).

This item was continued to the next Regular meeting of the Board.

9. PROPOSED POLICY 2360, JOB DESCRIPTION, ADMINISTRATIVE ASSISTANT

Discussion of this item was continued to the next meeting of the Board.

10. CLEANING AND INSPECTION OF WATER STORAGE TANKS (Continued from June 18, 2009).

A discussion was held on WCSD Project Proposal # 2009-13, Water Tank Cleaning and Inspection. After discussion, the task was approved with a maximum budget of \$7,500.00, to include any needed repairs..

Motion: Cantoni

Second: Pugh

Passed: 5-0-0-0

11. PRIORITIZATION OF TASKS IN JULY AND AUGUST

Director Cantoni distributed a memo showing the prioritization of tasks in light of the departure on GM Edwards in early September.

12. ANNUAL SERVICE PLAN (To be continued to a future Board meeting)

This item was Continued to the next Regular meeting of the Board.

13. EMPLOYEE HIRING

A discussion was held on employee hiring to replace GM David Edwards. The board approved opening positions for the Facilities/Operations Manager, General Manager (part time) and Administrative Assistant (part time). Advertisements were reviewed. President Fusselman appointed Directors Cantoni and Guantone to conduct the search.

Motion: Pugh

Second: Cantoni

Passed: 5-0-0-0

14. SDRMA BOARD MEMBER ELECTION

A discussion was held on Resolution 2009-09, concerning SDRMA Board Member elections. The Board approved resolution 2009-09 (attached as Exhibit A), to vote for John Yealley, David Aranda, Jean Bracy and Vincent Ferrante.

Motion: Cantoni

Second: Pugh

Passed: 5-0-0-0

15. SURFACE WATER FOR WALLACE

Discussion, possible action on organizing an effort to develop a source of surface water for Wallace. President Fusselman appointed Directors Cantoni and Guantone to an Ad Hoc Committee to pursue surface water for Wallace.

16. CORRESPONDENCE

None

17. DIRECTOR'S COMMENTS

None

18. AJOURNMENT TO REGULAR MEETING OF AUGUST 20, 2009

Motion: Pugh

Second: Reyner

Passed: 5-0-0-0

Respectfully Submitted:

David Edwards, Secretary

Mark Fusselman, President

Appendix A

RESOLUTION NO. 2009-09

A RESOLUTION OF THE GOVERNING BODY OF THE Wallace Community Services District FOR THE ELECTION OF DIRECTORS TO THE SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY BOARD OF DIRECTORS

WHEREAS, Special District Risk Management Authority (SDRMA) is a Joint Powers Authority formed under California Government Code Section 6500 et seq., for the purpose of providing risk management and risk financing for California special districts and other local government agencies; and

WHEREAS, SDRMA's Sixth Amended and Restated Joint Powers Agreement specifies SDRMA shall be governed by a seven member Board of Directors nominated and elected from the members who have executed the current operative agreement and are participating in a joint protection program; and

WHEREAS, SDRMA's Sixth Amended and Restated Joint Powers Agreement Article 7 - Board of Directors specifies that the procedures for director elections shall be established by SDRMA's Board of Directors; and

WHEREAS, SDRMA's Board of Directors approved Policy No. 2007-06 Establishing Guidelines for Director Elections specifies director qualifications, terms of office and election requirements; and

WHEREAS, Policy No. 2007-06 specifies that member agencies desiring to participate in the balloting and election of candidates to serve on SDRMA's Board of Directors must be made by resolution adopted by the member agency's governing body.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the Wallace Community Services District selects the following candidates to serve as Directors on the SDRMA Board of Directors:

**OFFICIAL 2009 ELECTION BALLOT
SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY
BOARD OF DIRECTORS**

VOTE FOR ONLY FOUR (4) CANDIDATES

Mark each selection directly onto the ballot, voting for no more than four (4) candidates. Each candidate may receive only one (1) vote per ballot. A ballot received with more than four (4) candidates selected will be considered invalid and not counted. All ballots must be sealed and received by mail or hand delivery in the enclosed self-addressed, stamped envelope at SDRMA on or before 5:00 p.m., Thursday, September 10, 2009. Faxes or electronic transmissions are NOT acceptable.

- ROBIN A. PRIDEAUX**
Board Secretary, Cuyama Community Services District

- J E A N B R A C Y, SDA** Director of Administrative Services, Mojave Desert Air Quality Management District

- ED GRAY**
Board Member, Chino Valley Independent Fire District

- DAVID ARANDA (INCUMBENT)** General Manager, Stallion Springs Community Services District

- VINCENT C. FERRANTE**
Commissioner, Moss Landing Harbor District

- MURIL N. CLIFT, CPCU, CLU** Director,
Cambria Community Services District

- ALLISON VOIGT HAMAKER**
Finance Director, El Dorado Hills Community Services District

- JOHN C. YEAKLEY (INCUMBENT)**
General Manager, Bear Valley Community Services District

ADOPTED this 16th day of July, 2009 by the Board of Directors following roll call votes listed by name:

AYES: Fusselman, Cantoni, Pugh, Guantone, Reyner

NOES:

ABSTAIN:

ABSENT:

APPROVED:

ATTEST:
