

# WALLACE COMMUNITY SERVICES DISTRICT

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

REGULAR MEETING, Board of Directors

## Minutes

Thursday, August 9, 2007

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

The meeting room was opened at 6:30 PM under a new policy, 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 7:02 PM. Present were Directors Rick Guantone, William Pugh, Mark Fusselman and Floran Schneider. General Manager David Edwards was present and took the minutes.

### CONSENT AGENDA

Approval of both bill payments and minutes were pulled from the consent agenda as members of the community had questions concerning them.

#### 1. APPROVAL OF MINUTES

The minutes of the meeting of July 19, 2007 were approved as corrected for typographical errors.

*Motion:* Pugh

*Second:* Guantone

*Passed:* 5-0-0-0

#### 2. APPROVAL OF BILLS FOR PAYMENT

After a few questions the bills were approved for payment as presented, check numbers 3748 through 3766 with 3761 voided.

*Motion:* Pugh

*Second:* Fusselman

*Passed:* 5-0-0-0

### REGULAR AGENDA

#### 3. GENERAL MANAGER'S REPORT

Report by GM David Edwards. There was discussion about the need for an additional fire hydrant in the Wallace area and bulk water sales.

#### 4. PRESIDENT'S REPORT

President Cantoni discussed a \$6,000 error in the pro forma accounting for assessments from the county. This error tended to increase the surplus throughout the year. A new set of pro forma financials were presented, showing the surplus for the year at \$1,847.

As a check, Mr. Cantoni analyzed the cash flow for the year, vs. the pro forma surplus. There was good agreement in the two approaches to calculating performance during the year.

The error also carried over into the budgeting process for FY 2008, and a revised draft budget was presented for review. With the change in anticipated assessment revenue, it is apparent that the planned set-aside of \$30,000 for water and sewer Repair and Maintenance reserves will likely have to be reduced to \$20,000.

Mr. Cantoni reported on July Financial Performance. With the new rates in effect, water and sewer base revenues are up approximately \$500 each for the month. Volumetric water revenue moved from \$2,745 to \$3,549 for July.

For the month, on a pro forma basis, water showed a \$2,000 surplus, sewer showed a \$2,300 surplus, and Roads showed a \$1,700 surplus (all rounded). Pro forma factors include the following:

- The Liability insurance premium was spread over 12 months
- Expected Assessments of \$71,200 were spread over 12 months.
- Anticipated road expenditures of \$24,000 were spread over 12 months.

Working cash held constant at \$114,000. We have yet to transfer any reserve monies to clear capital improvement works in progress. We have not received an accounting of interest from the county for the last quarter for the General County fund. We expect to see this by August 15.

At the request of Mr. Cantoni, there was a motion to move \$10,000 from the county general account to the WCSD account at Bank of the West.

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

Mr. Cantoni reported that work continues on revising the Temporary Water rate ordinance. Design work on the Sewer Input Buffer also continues by the District Engineer.

Mr. Cantoni reported that plan reviews by Gary Ghio, Director Pugh and GM Edwards showed a number of sound walls in the Tres Lagos plans. They concluded that the sound walls were not desirable from the esthetics and maintenance viewpoint, and a motion was made to have the President of the Board send a letter to Foundation Homes questioning the need for Sound Walls within Tres Lagos.

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

The need for a new fire hydrant in Wallace was further discussed. There was a motion to approve the installation of a new fire hydrant at Hwy 12 with the expense not to exceed \$5,000, to be paid out of the Water Capital Improvement Fund, with design to be approved by District Engineer Ghio.

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

After further discussion by GM Edwards, there was another motion to install locks on hydrants outside of WLE. This motion passed with the dollar amount not to exceed \$800 for 4 locks.

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

SDRMA Election. Nine candidates are running for three SDRMA Board positions. After discussion it was decided to vote for the 3 candidates who were from water districts. This vote was reflected in the passage of Resolution 2007-11, on file, "for the Election of Directors to the Special District Risk Management Authority Board of Directors."

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

## **5. COMMITTEE REPORTS**

### **a. Finance**

No report

**b. Open Space**

No report

**c. Gates & Roads**

Director Bill Pugh described a beautification project for the Wallace Lake Estates entry area. He introduced Bill Cave, a local contractor, who gave a presentation about installing a 3' rock border on both sides of the entrance of WLE from Comanche to the main gate. Upon motion made, Director Bill Pugh was authorized to proceed with this project, with cost not to exceed \$2500. Director Pugh volunteered to donate \$500 to the project.

*Motion:* Schneider

*Second:* Guantone

*Passed:* 5-0-0-0

**6. CAMPORA MATTERS – AD HOC LPG COMMITTEE (Continued)**

This matter was continued to obtain more information.

**7. ADVANCE PAYMENT OF CICF (Continued)**

This item, continued from the July 17, 2007 meeting, will be continued to the September board meeting.

**8. DEVELOPMENT OF AQUIFER WATER LEVEL MONITORING PROGRAM**

By Resolution 2007-10 (see Exhibit A) the Board approved setting up a formal aquifer water level monitoring program with annual reporting. This is formalization and possible expansion of a program recently started with CCWD. As proposed, it will become a WCSD program. The Plan will be developed by Mr. Cantoni and Mr. Edwards, and brought to the Board for final approval.

*Motion:* Cantoni

*Second:* Pugh

*Passed:* 5-0-0-0

**9. DEVELOPMENT OF WATER CONSERVATION PLAN**

The Board approved creating and adopting a Water Conservation Plan. The intent will be to implement the plan following State of California and EPA guidelines. The Plan will be developed by Mr. Cantoni and Mr. Edwards, and brought to the Board for final approval.

*Motion:*

Move to adopt the goal for WCSD of establishing a Water Conservation Plan for the District and to assign the task of creating a Water Conservation Plan for WCSD to the President and the General manager, to be approved at a future Meeting of the Board of Directors. Above budget funds for consulting are not authorized for this task. If such consulting is needed, by the District Engineer or outside consultants, the President of the Board may authorize such expenditures, provided that Developer Reynen & Bardis provides the necessary funding.

*Motion:* Guantone

*Second:* Pugh

*Passed:* 5-0-0-0

**10. AUDIT FOR FY 2007**

Upon extensive discussion and review of proposals for audit by Charles Strand (current auditor) and John Blomberg (new candidate) the Board decided to select a new auditor, John Bloomberg, conditional on receiving favorable recommendations from other districts he represents, and to start the audit of the WCSD books for FY 2007, period ending June 30, 2007.

*Motion:* Guantone

*Second:* Pugh

*Passed:* 5-0-0-0

**11. UPDATE AND ADDITION OF DISTRICT POLICIES**

The following draft District Policies were presented for discussion.

Policy #	Description	New	Modify
2030	Holidays	X	

2040	Sick Leave	X	
2045	Family & Medical Leave	X	
2050	Bereavement Leave	X	
2060	Jury Duty	X	
2080	Employee Status	X	
2110	Health and Welfare Benefits	X	
2300	Job Description – General Manager		X
5030	Board Meeting Conduct	X	
5040	Board Actions & Decisions	X	
5060	Minutes of Board Meetings	X	
5070	Board Meeting Conduct	X	

**Policy 2030 - Holidays.**

Approved with the days changed to 6; New Years, Memorial Day, Independence Day, Labor Day, Thanksgiving, and Christmas Day.

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

**Policy 2040.- Sick Leave.**

The Sick Leave policy passed with the following changes:

**2040.1** “probationary and regular employees” was changed to include “full time” and “after one year” was added.

**2040.3** The maximum number of days was changed to “6.”

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

**Policy 2045 – Family and Medical Leave.**

After discussion, no action was taken.

**Policy 2050 – Bereavement Leave.**

Passed with the change of “probationary and regular employees” was changed to include “full time” and Immediate family was changed to include “current and former spouse.”

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

**Policy 2060 – Jury Duty.**

Passed. Section 2060.1, “probationary and regular employees” was changed to include “full time.” 2060.3, “maximum duration “ was set at 5 days.

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

**Policy 2080 – Employee Status.**

After discussion, no action was taken pending clarification of legal meaning of “Part-time” employee.

**Policy 2110 – Health and Welfare Benefits.**

After discussion, no action was taken pending further discussion to be held in closed session.

**Policy 2300 – Job Description – General Manager.**

Passed with the following changes.

**2300.2** had the addition of after "...drivers license." "All other licenses as required by governmental agencies."

**2300.5** had the addition of " Oversees the operation and has the ability and licenses to operate all of the District's equipment including but not limited to the Water Treatment and Wastewater Treatment Plant." Added, "Any other duties as may be deemed appropriate by the Board of Directors."

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

**Policy 5030 – Board Meeting Conduct.**

After discussion and review the policy was approved.

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

**Policy 5040 – Board Actions and Decisions.**

After discussion and review the policy was approved.

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

**Policy 5060 – Minutes of Board Meetings.**

After discussion and review the policy was approved.

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

**Policy 5070 – Rules of Order for Board and Committee Meetings.**

After discussion and review the policy was approved.

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

**12. MEDICAL INSURANCE REIMBURSEMENT LEVEL/CAFETERIA PLAN**

Discussion on setting a medical insurance reimbursement level and Section 125 (cafeteria) Plan for the district GM, was continued.

**13. DOUBLE LOT PROPERTY TAX ASSESSMENT**

A resident with home on a double lot (since converted to a single APN) has requested a single home assessment rate. After discussion the Board voted to deny the request and further study the issue.

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

**14. PROPERTY TAX ASSESSMENT, TAXABLE APN'S**

Mr. Cantoni presented the special assessment tax roll for review by the Board. No additions or changes were recommended, other than those already put in place by the County concerning lot line adjustment of two lots.

**15. PUBLIC COMMENT**

Ms. Jackie Neill inquired as to whether the Board would be commenting on the Las Trinitas Golf Course EIR. Mr. Cantoni advised that the Board would not be commenting, since the development is neither within or adjacent to the WCSD Sphere of Influence.

**16. CORRESPONDENCE**

**July 19, 2007. Foundation Homes request for additional service for commercial lots.**

The request is for service for 20 additional units for Tres Lagos. The President will write a letter to Foundation Homes, acknowledging the letter and placing the request in the queue for additional services.

**Info copy, Letter from David Andres, CCWD to Robert Sellman, Planning Department.**

No Action.

**Ballot, CSDA Board Elections.**

Mr. Cantoni stated that, in line with the previous Board action nominating Mr. Edwards, that he would cast the ballot for Manager Edwards in the election for California Special Districts Association Board members.

**17. DIRECTOR'S COMMENTS**

**18. AJOURNMENT TO NEXT MEETING ON THURSDAY, SEPTEMBER 13, 2007.**

Upon motion made, seconded and passed unanimously, the meeting was adjourned at 11:15 PM.

Respectfully Submitted:

s / David Edwards

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David Edwards, Secretary

s / Charles Cantoni

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Charles Cantoni, President

**Exhibit A**

**WALLACE COMMUNITY SERVICES DISTRICT**

**Resolution 2007-10**

August 9, 2007

**Whereas:** County officials and state officials are concerned with aquifer water levels and water availability within the District, and;

**Whereas:** WCSD has, active wells 2 and 3, inactive well #1, M.O. well #4 and two monitoring wells that can be instrumented, and;

**Whereas:** the Department of Public Health (formerly DHS) has expressed concerns about water availability within the District, and;

**Whereas:** Calaveras County Water District (CCWD) adopted AB3030 Groundwater Management Plan and has groundwater management authority for the Camanche/Valley Springs Area, which is the Calaveras County portion of the Eastern San Joaquin Groundwater Subbasin. The WCSD is a stakeholder in the groundwater management plan and is the managing entity for the management subarea defined by its sphere of influence, and;

**Whereas:** CCWD acquired water level monitoring sensors for the WCSD, and has assisted in the installation of three of these devices for WCSD monitoring purposes;

**Now therefore:** Be it resolved by the WCSD Board of Directors that the District hereby establishes a formal ground water monitoring program, utilizing the equipment provided by CCWD and equipment to be procured. Final details of this program shall be documented in a WCSD Aquifer Monitoring Program Plan, to be developed by the District (Board President and General Manager) and approved in final form by its Board of Directors. The Plan shall include a financial plan, identifying sources of funds to initiate and run the program on a continuing basis.

**Further:** Be it resolved that the District shall undertake to run the monitoring program and produce annual reports on an ongoing basis. The District shall make such reports available to the public and provide them to the Department of Public Works and to CCWD.

**Further:** Be it resolved that any consulting costs associated with the development of the Plan be charged by the District to the Developer, Reynen & Bardis.

**INTRODUCED AND ADOPTED** on this 9<sup>th</sup> day of August, 2007, by the following vote:

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

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Charles W. Cantoni  
President, WCSD Board of Directors

**Attest:**

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David Edwards  
Secretary