

WALLACE COMMUNITY SERVICES DISTRICT

P.O. BOX 398
Wallace, CA 95254

MINUTES

Special Meeting of the Board of Directors

December 23, 2009

Meeting Place:

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

Board Members present, Patsy Bailey, Mark Fusselman, Larry Howen, David Reyner, and Gerald Zedlitz.

Board President, Pat Bailey, called the meeting to order at 7:00 PM. She announced that Jackie Neill would be the substitute note-taker as Tamara Jones was unavailable. Mrs. Bailey thanked Mr. Fusselman for the use of his barn and returned the barn keys.

Mrs. Bailey stated the reason for the special meeting, discussion and possible action related to WCSD contract personnel. As Mr. Fusselman was unable to attend the previous board meeting there was clarification regarding the contract with CCWD (Calaveras County Water District). At the December 17, 2009 Board meeting the Directors had voted to contract with CCWD for utility services and General Manager services. At the same meeting CCWD was asked to provide an assessment of WCSD personnel. Subsequently during the assessment process General Manager Bill Perley, CCWD Director of Utilities, contacted WCSD legal counsel to discuss the State of California contract and licensing requirements and the deficiencies in the current WCSD contracts.

The resolution terminating the contracts of DAE Engineering and JOL Enterprises, prepared by Michael McGrew (SEE ATTACHED) was read for the record by President Bailey. Following the reading the Directors discussed the resolution. Gerald Zedlitz made a motion to accept Resolution 2009-14 and the motion was seconded by David Reyner. Discussion included the work done by the previous Ad-Hoc Staffing Committee which recommended that WCSD hire part-time contract workers. Mr. Zedlitz stated that he felt now that the compliance issue had been brought to the attention of the Board continuing to operate out of compliance could open the Board up to litigation and/or State enforcement action.

After the Board discussion Mrs. Bailey opened the discussion up for public comment. Resident Bill Pugh read from the Brown Act regarding Emergency meetings. He questioned who would be WCSD's General Manager and discussed his opinion that the Board would be going into a closed session and that too was a violation of the Brown Act. Resident Cathryn Jackson spoke about the possibility of a fine for being out of compliance and the hardship that would place on the District.

President Bailey conducted a roll call vote. Director Fusselman abstained. Directors Bailey, Howen, Reyner and Zedlitz voted to adopt Resolution 2009-14.

**ADJOURNMENT TO THE NEXT REGULAR MEETING ON THURSDAY,
JANUARY 21, 2010.**

Respectfully submitted,
FINAL MINUTES

Jackie Neill, Substitute Recording Secretary

Patsy Bailey, President, WCSD

BEFORE THE BOARD OF DIRECTORS
OF THE
WALLACE COMMUNITY SERVICES DISTRICT
OF
CALAVERAS COUNTY

RESOLUTION NO. 2009- 14

RESOLUTION TERMINATING CONTRACTS WITH JOL ENTERPRISES, LLC
AND DAE ENGINEERING AND PROVIDING FOR AN EARLIER BEGINNING
DATE FOR THE CONTRACT WITH CALAVERAS COUNTY WATER DISTRICT

WHEREAS, on November 1, 2009 Wallace Community Services District entered into a contract with JOL Enterprises, LLC for the services of Reid Johnson as General Manager and Facilities & Operations Manager; and

WHEREAS, on November 1, 2009 Wallace Community Services District entered into a contract with DAE Engineering for the services of David Edwards to provide consultant services and license coverage for Reid Johnson; and

WHEREAS, Title 23 California Code of Regulations section 3719 requires entities that enter into contracts to operate wastewater treatment plants to be registered by the Office of Operator Certification of the California Water Resources Control Board, and

WHEREAS, neither JOL Enterprises nor DAE Engineering have presented the required contract operator registration; and

WHEREAS, both the JOL Enterprises and the DAE Engineering contracts may be terminated at will; and

WHEREAS, Wallace Community Services District entered into a contract with Calaveras County Water District to provide General Manager services and plant operation services effective January 1, 2010; and

WHEREAS, Wallace Community Services District desires to terminate the JOL Enterprises and the DAE Engineering contracts and move up the date of the Calaveras County Water District contract to the 24th day of December 2009;

NOW, THEREFORE, BE IT RESOLVED that:

1. The JOL Enterprises contract is terminated effective December 24, 2009.
2. The DAE Engineering contract is terminated effective December 24, 2009.
3. The President and in her absence the Vice-President is authorized to modify the contract with Calaveras County Water District to become effective December 24, 2009.

PASSED AND ADOPTED by the Board of Directors of the Wallace Community Services District, at the special meeting held on the 23rd day of December 2009 by the following vote:

AYES: 4 ... Bailey, Howen, Reyner, Ledlitz

NOES: 0

ABSTENTIONS: 1 Fusselman

ABSENT:

Patsy Bailey
PATSY BAILEY, PRESIDENT
BOARD OF DIRECTORS

ATTEST:

Jackie Spill, ^{ACTING} Secretary