SPALDING COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS
MINUTES of REGULAR MEETING
September 10, 2026
DRAFT

APPROVED BY DIRECTORS

Kathy Claytor _____
Ellen Stallings _____
Jerald Oliver _____
Scott Hagen _____
Kathie Muse _____

1. CALL TO ORDER by Kathy Claytor at 1:00 pm
2. ROLL CALL

	Present	Not Present
Kathy Claytor	x	
Ellen Stallings	x	
Jerald Oliver	x	
Scott Hagen	x	
Kathie Muse	x	

3. PLEDGE OF ALLEGIANCE

   Chairwoman Claytor led the Pledge of Allegiance
4. PUBLIC COMMENT

   None
5. AGENDA APPROVAL

   Motion: To approve the agenda for September 10, 2026.

   First: Director Stallings
   Second: Director Oliver
   Roll Call: Ayes – Kathy Claytor, Ellen Stallings, Jerald Oliver, Scott Hagen, Kathie Muse

   Board Discussion: None

   Public Comment: None
6. APPROVAL OF MINUTES

   Motion: To approve the minutes for July and August meetings.

   First: Chairwoman Claytor
   Second: Director Hagen

Roll Call: Ayes – Kathy Claytor, Ellen Stallings, Jerald Oliver, Scott Hagen, Kathie Muse

GM Garcia explained the mix up with the July minutes.

Board Discussion: None

Public Comment: None

7. GENERAL MANAGER REPORT

GM Garcia reported on:

- **Bond Treasury/ACH Process:** Garcia worked with the county and US Bank to streamline the process for bond payments. The first transfer with the process went successfully.
- **Billings & Collection**: Quarter 2 billings have been mailed. Invoices were included with a statement itemizing payments including any past due amounts. Garcia requested residents notify them if they see anything wrong.
- **GM Recruitment**: The position has been posted with no response.
- **LAFCO**: Is a good resource and meetings will continue. The district needs to update the website for better transparency.
- **Legal & Regulatory**: expenses have gone down significantly to 3-4 hours per month.
- **Technology**: Laptops have been installed and are working except for the GM's which continues to have issues that VC3 is working through.
- **Bingo**: Garcia thanked the Hembree's for running the event which was very successful this year. The district may need to find new help next year.

Board Discussion: Director Stallings and the board also thanked the Hembree's for all their work.

Public Comment: There was discussion on how the past due collection was going.

8. SEWER REPORT

Gm Garcia reported:

- **Lift Station 3:** See Item #12 for update
- **Quarterly Sampling:** Quarter three samples have been submitted. Waiting for the results.
- **SSMP:** The SSMP has been completed and submitted to Lahontan for feedback. The plan will be considered for approval at this meeting. See Item # 13

Board Discussion: None

Public Comments: None

9. FIRE REPORT

Volunteer Fire Chief, Frank Muse reported that the department was dispatched to 1 fire, 5 medical. The holiday weekend went well. The rotten egg smell in the

community center was due to a bad battery in the fire engine. Muse spoke about the fire department budget including expenses for the dispatch bill, rising insurance costs, and need to reassess 1997 assessment fees. The budget does not accurately reflect the current status as assessment fees were not always deposited into the fire account. The GM is working on correcting this. There was discussion on 1) the need to audit assessment fees for each lot as things have changed that the district may not be aware of; and 2) the possibility of eliminating the fire assessment cap which the district is currently at the top of.

Board Discussion: Director Muse suggested adjusting the 1997 cap might just need a board resolution. There was further discussion on the battery issue and replacement.

Public Comment: None

10. BOARD REPORTS

Kathy Claytor - None

Ellen Stallings - None

Jerald Oliver - None

Scott Hagen - None

Kathie Muse – reported she has been working on the fiscal audits, billings, quick books and working with the bookkeeper on cleaning up accounts. The Financial Committee will meet soon. Director Stallings agreed to serve on the committee.

OLD BUSINESS

11. TRACTOR REPAIR

GM Garcia reported that the tractor has been repaired and ready for service.

Board Discussion: Director Hagen asked about the cost. The district has not received a bill yet, but the company did not charge for transporting.

Public Comment: None

12. LIFT STATION 3 UPDATE

Sewer Technician Mallory reported that the transfer switch was replaced but continues to monitor levels daily to make sure it is working properly.

Board Discussion: None

Public Comment: None

13. ADOPTION OF RESOLUTION NO. 2026-05 – SEWER SYSTEM MANAGEMENT PLAN (SSMP)

Motion: To adopt Resolution No. 2026-05 - SSMP

First: Chairwoman Claytor

Second: Director Oliver

Roll Call: Ayes – Kathy Claytor, Ellen Stallings, Jerald Oliver, Scott Hagen, Kathie Muse

There was a 30-day review of the document by the community, sewer mentors, and Lahontan. The resolution directs GM Garcia to certify and submit the document to the State Water Resources Control Board. Garcia announced the SSMP is a living document and is subject to ongoing review and updates.

Board Discussion: The board thanked Mallory for his work and was glad to hear violations have been covered by the document.

Public Comment: None

NEW BUSINESS

14. SPALDING CSD FIRE ASSESSMENT DISCUSSION

Volunteer, Fire Chief Frank Muse updated the board on:

- the current fire assessment fee structure which has not been updated since 1997 and is far below the fees required to run the department;
- information the district is required to report to Lassen County for tax roll purposes which means auditing each lot because changes have been made that are not currently reflected;
- the process to provide this information to the county in a timely manner

Board discussion: There was continued discussion on eliminating the current cap. The first step is to get properties current with the existing fees.

Public comment: None

15. ADOPTION OF RESOULUTIO NO. 2026-06: SUPPORTING SPECIAL DISTRICT REPRSENTATION ON THE LASSEN LAFCO BOARD

Motion: To adopt Resolution No. 2026-06

First: Director Oliver
Second: Director Muse
Roll Call: Ayes – Kathy Claytor, Ellen Stallings, Jerald Oliver, Scott Hagen, Kathie Muse

This resolution supports the addition of two special-district-appointed seats to the Lassen LAFCO Board which will allow better representation for special-districts. The cost is $83 a year.

Board discussion: The board felt the cost was worth it.

Public comment: None

16. ADMENDMENT TO POLICY NO. 5010 (BOARD MEETINGS)

Motion: To adopt amended Policy 5010

First: Chairwoman Claytor
Second: Director Oliver

Roll Call: Ayes – Kathy Claytor, Ellen Stallings, Jerald Oliver, Scott Hagen, Kathie Muse

The amended policy is vague about the time and day of the week of meetings to allow new boards flexibility in future changes without having to revise the Board Policy.

Board discussion: There was board discussion on changing the time and day of the meeting for better public access as well as to accommodate the current board. With the change to the second Friday of the month there was also discussion on changing office hours. The next meeting will be on Friday, October 9 at 3:00 pm

Public comment: A member of the public shared history of last change.

17. ADOPTION OF RESOLUTION NO 2026-07 – REGULAR MEETING SCHEDULE

Motion: To adopt Resolution No. 2026-07

First: Director Oliver

Second: Chairwoman Claytor

Roll Call: Ayes – Kathy Claytor, Ellen Stallings, Jerald Oliver, Scott Hagen, Kathie Muse

Board discussion: There was board discussion on changing the time and day of the meeting for better public access as well as to accommodate the current board. With the change to the second Friday of the month there was also discussion on changing office hours. The next meeting will be on Friday, October 9 at 3:00 pm

Public comment: A member of the public shared history of last change.

18. 2025-2026 LASSEN COUNTY CIVIL GRAND JURY FINAL REPORT – SPALDING COMMUNITY SERVICES DISTRICT FINDINGS

Chairwoman Claytor shared the findings of the Grand Jury Report and background.

Board discussion: The board felt this was a long time coming.

Public comment: None

CLOSED SESSION

19. The board met in closed session with legal counsel to discuss 2 existing litigation and 1 anticipated.

OPEN SESSION

Chairwoman Claytor reconvened the meeting at 2:40 and reported no action was taken.

20. ADJOURNMENT

Motion: To adjourn the meeting at 2:42 p.m.

First: Director Oliver

Second: Director Hagen

Roll Call: Ayes – Kathy Claytor, Ellen Stallings, Jerald Oliver, Scott Hagen, Kathie Muse