

**SPALDING COMMUNITY SERVICES DISTRICT  
BOARD OF DIRECTORS**

**MINUTES of REGULAR MEETING**

**April 9, 2026**

**Approved 5-14-26**

APPROVED BY DIRECTORS

Kathy Claytor \_\_\_\_\_  
Ellen Stallings \_\_\_\_\_  
Jerald Oliver \_\_\_\_\_  
Scott Hagen \_\_\_\_\_

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

2. <u>ROLL CALL</u>	<u>Present</u>	<u>Not Present</u>
Kathy Claytor	<u>  x  </u>	
Ellen Stallings	<u>  x  </u>	
Jerald Oliver	<u>  x  </u>	
Scott Hagen	<u>  x  </u>	

3. PLEDGE OF ALLEGIANCE

Chairwoman Claytor led the Pledge of Allegiance

4. APPROVAL OF THE AGENDA

**Motion: To approve the agenda for April 9, 2026.**

First: Director Oliver

Second: Director Hagen

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

5. APPROVAL OF MINUTES

**Motion: To approve the minutes for March 12, 2026 with correction of the spelling of M. Scanlan’s name.**

First: Director Stallings

Second: Director Oliver

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

*Board Discussion:* None

*Public Comment:* None

6. RATIFICATION OF ALL ACTION ITEMS ON MARCH MEETING

**Motion: To ratify all the action items from the March meeting.**

First: Director Stallings

Second: Chairwoman Claytor

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

The board is undertaking a ratification of all action items approved at the March meeting based on a recommendation from legal counsel. The need for ratification stems from concerns about audio quality during the prior meeting, which may have affected the public's ability to hear deliberations and participate in public comments. To ensure transparency and Brown Act compliance, the board is reopening the opportunity for public comment on each March action item.

*Board Discussion:* None

*Public Comment:* None

#### 7. GENERAL MANAGER'S REPORT - Mike Garcia

- Garcia provided an update regarding audio-visual and cybersecurity equipment procurement under the **VC3/OES grant program**. Equipment specifications are largely finalized; however, pricing remains volatile due to market fluctuations. Quotes may only remain valid for a limited time, requiring expedited Board action once received. Garcia will confirm compliance with applicable procurement requirements, including competitive bidding, prior to purchase authorization. 2022 grant funds must be expended by August 31 and 2023 funds by December 1. A project timeline is being developed to ensure timely procurement, installation, and reimbursement.
- An update was provided regarding **Form 700 (Statement of Economic Interests) compliance**. The district is required to retain seven (7) years of Form 700 filings for Board members, the General Manager, and the Fire Chief. While filings are submitted to the County, the District must also maintain copies on-site in a secure location. There are gaps in the district's historical record retention, with approximately two years currently on file. Garcia is working to locate additional records and obtain copies from the County. Filing requirements were clarified, including "assuming office" and annual statements. Improved internal controls will be established to ensure ongoing compliance.
- The **Sewer Committee and Recreation Committee meetings** were held as scheduled (first Tuesday of the month). Agendas were properly posted, meetings were conducted without issue, and recordings were uploaded to the district website and YouTube channel. The public was encouraged to participate, and volunteers are being sought for committee activities.
- A financial update was provided regarding audit reconciliation efforts. Staff reported discrepancies between the **FY 2023 audit** and current QuickBooks records. The district is working with the bookkeeper to reconcile differences. If unresolved, the district may engage the prior auditor to assist and proceed with the **FY 2024 audit**.

*Board Discussion:*

**Director Stallings** inquired about the outstanding OES grant reimbursement requests, including amounts previously submitted for equipment and service-

related expenses under the VC3 grant. Garcia confirmed reimbursement requests are in process but not yet completed and will follow up on the status of both equipment and service-related claims.

*Public Comment:* None

8. SEWER REPORT – Brad Mallory

Mallory reported that current efforts are focused on improving sewer system organization and documentation. Key activities include development of a more comprehensive system plan and organization of asset inventories, including detailed equipment information, identification of repair priorities, and improvements to inspection schedules. Work is also ongoing to enhance response procedures and regulatory compliance documentation. Additional efforts include identifying infrastructure needs, evaluating specialized tools and equipment, and assessing assets nearing the end of their useful life. Mallory has been coordinating with the district's potential operator mentor (Kathy Stone) to discuss training, certification support, operational priorities, and to obtain additional input on the Sewer System Management Plan (SSMP).

Garcia reported that the district held its first Sewer System Standing Committee meeting to review ongoing system issues, repair priorities, and future planning needs. Work is also continuing to gather information and develop options related to the pond liner repair project, which will be discussed separately.

Overall, the focus remains on establishing a more organized, well-documented, and defensible sewer system program to support future operations, maintenance, regulatory compliance, and capital improvement planning.

*Board Discussion:*

Board discussion centered around clarification regarding bid materials included in the packet (Garcia confirmed these will be addressed later in the agenda); additional guidance anticipated through upcoming mentorship with Kathy Stone and her assistance in refining and finalizing the SSMP which is currently out of compliance because it has not been updated and publicly posted (the most recent version on file is circa 2011). The Board emphasized the need to prioritize completion and updating the SSMP with posting to meet regulatory requirements.

*Public Comment:* None

9. FIRE REPORT – Frank Muse

Linda Hembree reported that dates have been scheduled for the Firewise green waste program for this year. The program will occur monthly. Saturday hours will be reduced, with closure at noon due to trucking company availability. Additional details and schedules will be made available through the office. Hembree also

encouraged property owners to fill out forms documenting hours spent cleaning their properties so the district can get Firewise credit. Board expressed appreciation for the coordination efforts.

Fire Chief, F. Muse's, report included increased activity over the past month, including responses to three medical calls, one traffic collision, and one structure fire (no confirmed fatalities); reminded residents regarding heater use, emphasizing fire prevention precautions; noted that residential burn permits are still active but expected to be suspended soon with anticipated updates from CAL FIRE; reported the passing of a community member at home; confirmed that local CAL FIRE stations are operational, with personnel available for dispatch, including medical, fire, and traffic incidents. Muse updated the Board regarding ongoing efforts to respond to repeated public records requests, including resubmission of previously provided documents. One complaint remains under appeal (from December), while a newer complaint may result in a follow-up visit from OSHA.

*Board Discussion:* None

*Public Comment:* None

#### 10. RECREATION REPORT – Kathy Claytor

The Standing Recreation Committee held its first meeting with limited attendance (three members present). Additional volunteers are needed for cleanup efforts at the marina and to contribute ideas for community activities in the recreation area, particularly when water levels decrease (e.g., kayaking and other uses). A list of maintenance and improvement tasks for the marina area has been developed. Discussion included the need for better volunteer participation and coordination. New water safety signage has been received, including messaging emphasizing life jacket use for minors which was prompted by a recent incident at a nearby lake. Additional regulatory signage will include boating and mussel inspection/sticker requirements, with increased enforcement anticipated this year. Challenges were reported with waste management services during the transition to a new provider, to obtaining dumpsters for cleanup and disposal of old docks.

*Board Discussion:*

**Director Oliver** volunteered to serve on the Standing Recreation Committee.

*Public Comment:*

A resident inquired about purchasing a parking pass. Chairwoman Claytor reported that materials are currently in storage but existing inventory from last year is sufficient. Arrangements will be made to ensure passes are available, including at the RV park store as previously coordinated. Claytor also confirmed that parking pass procedures and availability will remain unchanged.

## 11. BOARD REPORTS

**Kathy Claytor** reported ongoing community misinformation and rumors are circulating around the community, including inaccurate claims regarding lawsuits and emergency response incidents. Clarification was provided that no such lawsuit exists and that reported incidents were misrepresented. Concerns were also raised about misunderstandings related to the volunteer nature of the fire department and personnel availability.

**Ellen Stallings** reported on the ongoing coordination with LAFCO staff following the Municipal Service Review. Key focus areas include financial audits, website compliance, public records management, Brown Act compliance, SB 827 financial requirements, strategic planning, and fire department certifications. The district is making progress addressing identified deficiencies, with continued efforts underway.

**Jerald Oliver** expressed appreciation to Neighborhood Watch for organizing a recent community cleanup at the shooting pit, which resulted in significant debris removal and improved conditions.

**Scott Hagen** reported that the Standing Sewer Committee had a productive meeting, including review of system history and identification of priorities. The committee emphasized the need for additional and qualified volunteers. Action items included compiling and prioritizing Water Board violations, initiating corrective work, and maintaining regular monthly meetings. Continued communication with the state Water Board and Lahontan Regional Water Board was noted as positive, with updates provided on progress, including movement toward pond liner repair and additional project planning. Volunteers were acknowledged for their contributions and expertise.

*Board Discussion:* None

*Public Comment:* None

## **OLD BUSINESS**

### 12. SEWER TECHNICIAN MENTOR UPDATE – Mike Garcia

**Motion: To approve Kathy Stone as mentor and proceed with a provisional mentorship budget of \$2,000/month for an initial three-month period, with progress and financial sustainability to be reassessed thereafter.**

First: Director Oliver

Second: Director Hagen

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

Garcia provided an update on efforts to support Mallory in obtaining his Grade I wastewater certification. The certification process requires approximately 1,600–1,960

documented hours under the supervision of a certified operator, making this a long-term commitment. Garcia reported ongoing coordination with a certified mentor (Kathy Stone), whose firm includes operators with Grade III, IV, and V certifications which will allow for mentorship responsibilities to be shared among qualified personnel. Only supervision by appropriately certified operators will count toward required certification hours. Volunteer assistance without certification will not qualify, though it may provide supplemental training value.

A proposed mentorship structure includes:

- Daily reporting by Mallory to the certified mentor (via phone or virtual meeting) to review completed work and receive guidance.
- Periodic in-person site visits by the mentor, potentially structured as split-day sessions to reduce travel burden.
- Remote support (Zoom/phone) to supplement in-person training and manage costs. Kathy Stone has indicated that travel expenses will be absorbed; however, hourly rates of approximately \$150/hour will equate to roughly \$1,200 per full day of on-site training. Garcia recommended establishing an initial mentorship budget of \$2,000 per month for a three-month period allowing for limited in-person training (approximately 1–2 days per month) supplemented by remote mentorship.

*Board Discussion:* The Board discussed that this funding level appears feasible in the short term (estimated 6–8 months), though long-term sustainability is uncertain and will require future review. A Technical Assistance grant was submitted but denied due to the community not meeting the 50% occupancy eligibility threshold. Garcia noted that an appeal process may be pursued and additional grant or scholarship opportunities will continue to be explored. Timelines to receive grant funding may delay support for several months which is not optimum because the district is out of compliance. Upon formal sponsorship, the certified mentor is expected to serve as the authorized reporting operator for the district, potentially eliminating the need for a current waiver related to certification requirements. Garcia will confirm this interpretation and report back. The existing waiver remains valid through October; renewal will be pursued if necessary.

*Public Comment:* None

### 13. STRATEGIC PLAN ADOPTION – Kathy Claytor

**Motion: To adopt the Strategic Plan incorporating Element 4, Objective 6 (Accessibility / ADA Compliance)**

First: Director Stallings

Second: Director Hagen

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

Garcia presented proposed updates to the district’s 2026 Strategic Plan incorporating accessibility and ADA compliance considerations. The updates were developed in response to public comments identifying gaps in accessibility, ADA compliance, and civil rights considerations.

The proposed addition (Element 4, Objective 6) includes:

- Evaluation of current public-facing materials, facilities, websites, documents, and meetings for accessibility.
- Implementation of reasonable improvements to enhance public participation and access where feasible.
- Integration of accessibility considerations into future planning, capital projects, technology upgrades, and communications.
- Provision of accessibility training and awareness for Board members and staff.
- Review and update of existing policies, grievance procedures, and accessibility planning documents.

The Strategic Plan is a guiding document and not intended to be exhaustive, and it will remain a “living document” subject to future updates.

*Board Discussion:* The Board acknowledged the importance of accessibility, particularly given the district’s elderly population. Members expressed support for incorporating accessibility considerations into the Strategic Plan as a framework for future action. Garcia noted interim accessibility accommodations at the district office, including alternative entry access for individuals with mobility limitations due to existing curb conditions. It was also noted that mailbox relocation efforts are anticipated, which may improve accessibility. Mailbox placement and standards fall under the jurisdiction of the United States Postal Service and not the district. Board members expressed consensus that adding Objective 6 would strengthen the Strategic Plan and provide appropriate direction moving forward. The Board expressed appreciation to staff and contributors (especially Kari Graton) for their work in developing the Strategic Plan.

*Public Comment:* None

#### 14. POND LINER 2 REPAIR – Mike Garcia

**Motion: To approve pond liner 2 repairs not to exceed \$8,500.**

First: Chairwoman Claytor

Second: Director Oliver

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

Multiple bids for pond liner repairs were presented. The original goal, based on the Standing Sewer Committee direction, was to address the most critical tear (located near the freeboard on Pond 2). However, all contractors required a minimum of one full day of labor plus mobilization, making a single repair inefficient. As a result,

Garcia requested revised bids for a full day of labor, including inspection and repair of multiple tears. Contractors indicated they could repair approximately 8–10 tears per day, depending on site conditions. Bids were discussed and Garcia noted that all contractors are qualified. Garcia recommended approving the pond liner repairs not to exceed \$8,452 with contractor selection based on the lowest responsive and responsible bid.

*Board Discussion:* The board discussion centered around no warranty coverage being available due to age of liner; patching of liner preferred over full replacement at this time; sewer system is oversized for the population with ponds operating below optimal levels; decommission of Pond 1 in the future to reduce maintenance and improve system performance (this would involve significant regulatory and logistical considerations); and a conceptual idea to repurpose Pond 1 as a lease to the county which could generate revenue but requires future evaluation. Funding for the liner repair qualifies under the district’s Renew/Replace Fund (bond-funded) and should not be an impact on the sewer operating budget.

*Public comment:* None

## **NEW BUSINESS**

### **15. STREAMLINE DOC ACCESS CONTRACT** – Mike Garcia

#### **Motion: To move forward with the Streamline Doc contract**

First: Director Oliver

Second: Director Hagen

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

Garcia recommended adopting Doc Access as an ADA compliance solution for making PDF documents on the district website accessible in a screen-reader-friendly format with improved structuring of documents. The software integrates with the district’s website hosting platform Streamline. Garcia reported that currently the district has ADA compliance gaps which this would alleviate. The service will be free until the end of June as a trial period. After July 1 the district will be charged a 30% monthly reduced rate from \$250 to \$175. Garcia was not able to review any other alternatives but could continue to research other options if the board wishes.

*Board Discussion:* Board discussion included the need for compliance and accessibility; the lack of in-house expertise or time to manually remediate documents; and the need to move forward without additional delays.

*Public Comment:* None

### **16. WATER TENDER 1232 REPAIR** – Frank Muse

**Motion: To approve repairs not to exceed \$24,000 for a total pump replacement.**

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

Muse reported that the water tender was taken to Kenworth for a check-up where additional problems were detected including a frozen pump system and related components (ball valve and gauges). Because Kenworth does not service the pump system itself, the unit was taken to Simmons and Martin for evaluation. Simmons and Martin provided a worst-case estimate ranging from approximately \$9,000 up to \$24,000, depending on whether the pump can be rebuilt or must be fully replaced. The exact cost cannot be determined until the pump is removed and inspected, which requires additional labor. Other shops were contacted for comparison bids but could not provide estimates without seeing the internal pump condition. Muse noted the urgency to repair the water tender due to fire season fast approaching and the district's limited redundancy (only one other water tender and no hydrant coverage in certain areas). Insurance covers the vehicle but not the equipment.

*Board Discussion:* The Board discussion centered around approval to move the repair forward; if additional bids could realistically be obtained; the risk of delaying repairs given emergency response needs; the available fire fund balance (\$118,000); and whether to authorize a worst-case scenario repair.

*Public Comment:* None

**17. VOTE TO APPROVE GENERAL MANAGER CONTRACT – Kathy Claytor**

**Motion: To approve the General Manager contract.**

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

*Board Discussion:* The board discussed key terms of the contract and wording clarification including performance and compensation reviews; probationary period clearly stated in the contract; “40 hours” to read “up to 40 hours”; and interest in establishing an annual performance review for all employees.

*Public Comment:* None

**18. FISCAL AUDIT – Mike Garcia**

Garcia reported that the last financial audit was completed in 2023 but those numbers cannot be reconciled with current QuickBooks records which makes the 2024 audit harder to complete.

*Board Discussion:* The board discussed how to move forward with completing the 2024 audit and the pros and cons of using the previous auditor or switching to a different one. The board would like the 2024 audit completed ideally with someone

who can untangle the existing records. In the future the board would like to explore other auditors rather than automatically continuing with the same auditor. Additional information will be gathered before deciding on which auditor to use. Whoever is selected needs to address the 2023-2024 gap in scope.

*Public Comment:* None

19. CPRA TRACKER ON SPALDING CSD WEBSITE – Mike Garcia

**Motion: To establish a CPRA tracker on the Spalding CSD website.**

First: Director Hagen

Second: Director Oliver

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

Garcia reported that LAFCO recommended using a CPRA (California Public Records Act) tracker on the district website to track requests made by the community for transparency, integrity and organization. The tracker would track when the request was made, what the district time frame is for delivery, and when it was completed. This holds the district accountable for responding to requests. Another advantage to using this system is that once the records are on the website and public they are available to everyone, eliminating duplicate requests. Garcia reported currently meeting timelines are a struggle for the staff.

*Board Discussion:* The board feels this would be helpful to the community as well as the district.

*Public Comment:* None

20. ONBOARDING CHECK LIST – Mike Garcia

**Motion: To establish an onboarding checklist.**

First: Chairwoman Claytor

Second: Director Hagen

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

Garcia would like to establish an onboarding checklist for Board member, new employees, and volunteer fire personnel. This list would include necessary paperwork required for all employees and Board members.

*Board Discussion:* The board discussed the value of such a checklist and whether one already exists. Garcia will investigate it.

*Public Comment:* None

21. CREATE A BUDGET COMMITTEE – Mike Garcia

**Motion: To establish a standing Budget committee.**

First: Director Stallings

Second: Director Hagen

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

Garcia would like to establish a standing Budget committee to create a finalized working budget by the end of the fiscal year (June 30). The final budget needs Board approval by September 1.

*Board Discussion:* The board felt this was an appropriate action and Director Stallings volunteered to head it.

*Public Comment:* None

22. ADJOURNMENT

**Motion: To adjourn the meeting at 2:20 p.m.**

First: Chairwoman Claytor

Second: Director Oliver

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