



Volcano Community Services District | MINUTES

August 27, 2026 | 7:00 pm | Armory Hall, Volcano CA

Meeting called by: M. Sorensen
Secretary: K. Holland

Directors Present: M. Sorensen
A. Korematsu, J. Wolfbrandt,
M. Sorensen, P. Suden
Absent:

REGULAR AGENDA – Multiple

1. Public Comment - *Any person may address the Board at this time upon any subject within the jurisdiction of the Volcano Community Services District (limited to 3 minutes per person). Any matter that requires an action will be referred to the Board for a report and action at a subsequent Board Meeting. 5 Minutes.*

None

2. Consider letters of interest for vacant Director position. M. Sorensen. Discussion.

Letter of interest to fill vacant Director position received from Rob Zehender who has also submitted paperwork to appear on the ballot. Board extends its appreciation to Rob Zehender for stepping in to fill the vacancy. However, to meet the timeline in the elections code, appointment to be completed at the September 10, 2026, regular meeting.

It was noted that everyone who completed their paperwork with elections by the deadline will be on the board and that (3) future board members were currently in the audience. Additionally, it was confirmed that those currently on the board will remain until December 4th.

3. Consider resumes submitted for the General Manager position. M. Sorensen. Action.

One resume for the General Manager position has been received to date. The resume received was submitted by Aimee Gillespie and reads very well. Board noted the need to inform applicant of the possible water system transfer. Additionally, applicant should be invited to the next regular meeting.

3. Water System Transfer to AWA. A. Korematsu and K. Holland. Action.

VCSD water service transfer to AWA is still in the queue with LAFCO. It is understood that once LAFCO makes the decision the VCSD can no longer back out.

Rob Zehender and Meg Gottstein present an amended resolution with wording that maintains the water rights, which belong to the town of Volcano. M. Gottstein notes that under the current language of Resolution 2026-06, AWA could siphon off the Cleveland Tunnel up north. The amended resolution replaces the vague language regarding the water rights in Resolution 2026-06 to address these concerns.

The amended resolution incorporates the following language.

“The proposal is contingent upon the signing of a written agreement between Volcano and AWA explicitly acknowledging that:

- Under this proposal, Volcano does not transfer to AWA or any other entity the use of water flow from the Cleveland Channel that has historically and continues to serve Volcano Community Services District customers, pursuant to Volcano’s pre-1914 water rights, and
- Transfer of Volcano’s water infrastructure or any associated deeds to AWA under this proposal does not permit any diversion, compromise, or any other limits to the continued use of the Cleveland Channel water flow by Volcano Community Services District customers for their ongoing potable water consumption and fire protection needs.

A. Korematsu comments that professional management of the water system is both needed and required. It was noted that there is a history of the VCSD water system management being handled by one person, with inadequate direction or guidelines leaving impacted individuals to discover the scope of duties on their own. The requirements, testing, and regulatory requirements have changed over time and even the Board does not know of all the reports that need to be filed. Additionally, should the District fail to go through with the transfer, the VCSD will be without a District Engineer. The most recent suggested replacement is 85 years old. This situation is not sustainable. Consideration must also be given to how the District intends to fund serious water system issues should they occur. In the past equipment was borrowed from Pine Grove Community Services District, however, that option is no longer available and AWA is not interested in contracting with the District for these services.

Per M. Gottstein, the reason the District went with independent contractors was because AWA did not want to contract with the VCSD. In complete agreement with A. Korematsu that the requirements, testing, and regulatory requirements have changed. The last grant for the water system was in the 80’s and it was extremely difficult. The time has ended for a volunteer board. If the AWA rejects the amended language, the District will need to determine how to move forward. Rich Fairington, who is currently on the AWA Board, ran a small water district and may be an asset that can assist with the transfer.

J. Wolfbrandt thanked M. Gottstein and A. Korematsu for their work on this issue and expressed concern about the District being in the LAFCO queue. When this process began, there was the impression that there would be negotiations regarding the water system transfer but that does not appear to be the case. Will the income from County warrants be sufficient to support the remaining District functions?

R. Korematsu commented that the District receives about \$25K to run the CSD and that the water system needs to support itself. The funds received from County warrants pay for the streetlights, garbage, and the hall. The District needs to get real solid bills for these expenses to determine if the County warrants will be sufficient. Additionally, the VCSD faced a very serious situation recently when I received a call from Damian Flores who informed the District that there was a serious problem with our water system. Tests had come back with a very dangerous substance present in the water. I reached out to our District Engineer who retested right away, and those tests came back clear. However, if tests confirmed the presence of this dangerous substance, the District would have needed

a \$400K filter. How would the District have paid for that? The District was lucky that the following tests came out fine, but this highlights the situation that VCSD could face. This was a frightening situation.

M. Gottstein comments that she is 100% on board with AWA taking over the water system and reiterated that by law, water service revenue cannot go to any other service. The warrants from property tax proceeds that have historically covered other services would remain with the District. Will those revenues cover the necessary costs in the future? That is unknown and there will still need to be management. Noting that there is nothing in the amended resolution releasing the other functions of the CSD.

S. Schippers – When I left the board there was \$100k in CDs.

M. Sorensen confirmed that there is \$90k in the account and notes that PG&E costs are about \$7K per year. The cost for streetlights is about \$340 per month. The insurance bill is about \$10K per year. The District uses up half of the warrants received on propane but that varies.

M. Sorensen states that the District will hold off on the resolution to withdraw from the water transfer pending a response from LAFCO regarding the amended Resolution 2026-10, which needs to be provided to LAFCO and posted on the District website within 3 days.

Motion to approve Resolution 2026-10 to amend Resolution 2026-06 made by P. Suden. Second by J. Wolfbrandt. Motion approved 4/0.

Motion to adjourn by J. Wolfbrandt. Second by A. Korematsu. Motion approved 4/0.

NEXT REGULAR MEETING: NEXT REGULAR MEETING: September 10, 2026, at 7:00 PM