

Wallace utility hopes for merger with county

By [The Record](#)

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WALLACE - The financially ailing Wallace Community Services District is asking to be annexed into Calaveras County Water District.

Officials with both districts say that with only about 100 homes connected to water and sewer systems, the Wallace district has too few customers to efficiently operate on its own. In recent years, this district has used money from its road maintenance fund to subsidize water and sewer operations.

Homeowners in the district pay a base rate of \$115 per month to receive water and sewer service. Joone Lopez, general manager for the Calaveras water district, said she does not yet know how much more property owners would have to pay to bring the district up to her district's standards.

Before any merging of the districts can occur, the county's Local Agency Formation Commission will also assess the costs involved. Then Wallace district voters would decide if they were willing to approve those increases.

If all that happened, it might be possible for the Calaveras district to begin operating the Wallace systems by May, Lopez said.

Otherwise, the Wallace district also has the option to struggle ahead on its own for a few more years until it goes bankrupt. Then, officials said, it could go into state receivership. State authorities could then operate the system, make needed upgrades and charge residents whatever it costs without having to have approval of voters.

The Calaveras district Board of Directors Thursday said it is willing to proceed with efforts to operate the Wallace systems as long as Wallace property owners cover all the costs. Lopez expects to give a more detailed report on those costs on Jan. 26.