



**BOARD OF DIRECTOR'S MEETING
ESPARTO COMMUNITY SERVICES DISTRICT
ESPARTO, CA**

REGULAR MEETING
October 12, 2016
MINUTES

(1) CALL TO ORDER

Vice Chair Colleen Fescenmeyer called the meeting to order at 7:04 pm.

(2) PLEDGE OF ALLEGIANCE

All residents and members in attendance recited the pledge

(3) ROLL CALL

Present:

- Directors: Anna Girk, Colleen Fescenmeyer, Don England, Colin Crerar
- District Counsel: Not Present
- General Manager: Steve Knightley
- Board Clerk: Steve Knightley

Absent:

- Director Charles Schaupp

Public: Present

(4) APPROVAL OF AGENDA

Vice Chair Colleen Fescenmeyer called for a motion to approve the agenda.

Motion by: Director Colin Crerar to approve the agenda as presented

Second by: Director Anna Girk

Discussion: None

Vote: Ayes: 4 No: 0 Abstain: 0 **Motion:** Passed

(12) USDA LOAN REFINANCE

General Manager referenced the letter received from Bank of the West which outlined their intent to refinance our existing USDA loan at a rate of 3.96% for 20 years. They would like our response by the 16th. After discussions with Chair Charles Schaupp I was asked to make some comparisons with other banks.

General Manager presented a financial sheet to indicate some options.

Option 1: if we pay an additional \$5,000 per month on the existing USDA loan it gets paid off 7 years earlier and saves us \$212,000 in interest. We would stay on course this year but budget for the additional payment next year.

Option 2: if we pay an additional \$7,000 per month it would get paid off 9 years earlier and save us \$380,000 in interest.

Questions regarding refi versus increase payment option.

General Manager confirmed only one payment per year goes towards principle on the current USDA loan all other payments are applied to interest.

Question: have we approached other banks to refinance the loan? If not perhaps we should before making a final decision.

Additional discussion followed.

(13) MANAGERS REPORT

- a) Solar Update – Solar panels are all in place. We installed 39 panels and one inverter. Wiring should be completed before the rainy season hits. All PG&E accounts are now on one master on-line so we can track the power generated to assure we get our credits.
- b) Parking Lot – After special meeting the crew finished the parking lot. Test will be next Friday and Saturday with the rain to see how the drainage works. An additional pad was poured adjacent to the handicap parking spot to allow for residents to step from their vehicles safely.
- c) Pump Failure at WWTP - Two pumps are installed at the WWTP to pump water from the inlet to the ponds. One pump failed, broken seal, cost of new pump about \$8,600. Both pumps were installed at the same time, we did open up the old well to be sure it still functions. Test was conducted on second pump, have two good working pumps at present. Would like to propose on next agenda that we purchase a backup pump for \$6,728 with a 5 year warranty. Discussion followed. Board would like General Manager to provide the cost of two pumps.
- d) Follow-up on lead MCL at High School – Drinking water fountain is fine. Test did not show high MCL level.

(15) FUTURE AGENDA ITEMS

- a) Budget Update
- b) Almond Festival 2-26-17
- c) Chrome 6 MCL Update
- d) Pool Update
- e) GSA
- f) Christmas Party
- g) Refinance USDA
- h) LAFCO Resolution to dissolve MERSCA Update

(16) ADJOURNMENT

Vice Chair Colleen Fescenmeyer called for a motion to adjourn the meeting

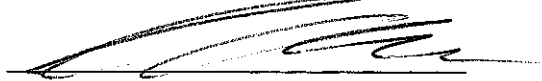
Motion by: Director Don England to adjourn the meeting

Second by: Director Anna Girk

Vote: Ayes: 4 No: 0 Abstain: 0 **Motion:** Passed

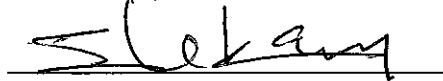
Meeting adjourned at 8:03 pm

Colleen Fescenmeyer – Vice Chair of the Board



Date: Nov 9 2016

Steve Knightley - Board Clerk



Date: 11-9-16



