



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

REGULAR MEETING
February 8, 2017
MINUTES

(1) CALL TO ORDER

Chair Charles Schaupp called the meeting to order at 7:05 pm.

(2) PLEDGE OF ALLEGIANCE

All residents and members in attendance recited the pledge

(3) ROLL CALL

Present:

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

Public: No public present

(4) APPROVAL OF AGENDA

Chair Charles Schaupp called for a motion to approve the agenda.

Motion by: Director Anna Girk to approve the agenda as presented

Second by: Director Colleen Fescenmeyer

Discussion: None

Vote: Ayes: 5 No: 0 Abstain: 0 **Motion:** Passed

A handwritten signature in black ink, appearing to be the initials "CS" or similar, located in the bottom right corner of the page.

(5) PUBLIC COMMENTS

Chair Charles Schaupp opened public comment – no public comments

(6) CORRESPONDENCE

Chair Charles Schaupp called for correspondence

- a) SDRMA Board Elections – General Manager indicated he gave Chair Charles Schaupp the information received regarding the water board election should the board desire to cast a vote.

(7) APPROVAL OF MINUTES

Chair Charles Schaupp called for a motion to approve the minute of 12-14-16

Motion by: Director Colleen Fescenmeyer to approve the minutes of 12-14-16

Second by: Director Don England

Discussion: None

Vote: Ayes: 3 No: 0 Abstain: 2 (Girk and Schaupp) Motion: Passed

Chair Charles Schaupp called for a motion to approve the minute of 1-11-17

Motion by: Director Anna Girk to approve the minutes of 1-11-17

Second by: Director Don England

Discussion: None

Vote: Ayes: 3 No: 0 Abstain: 2 (Fescenmeyer and Schaupp)

Motion: Passed

(8) CLAIMS: FUND 466

Chair Charles Schaupp called for a motion to approve the claims of 1-13-17, 1-23-17 and 2-3-17.

Motion by: Director Anna Girk to approve the claims of 1-13-17, 1-23-17 and 2-3-17

Second by: Director Don England

Discussion: Director Fescenmeyer noted a spelling error on the claims of 1-13-17, the word meeting was misspelled, correction noted. She also questioned the bank fees. General Manager indicated the fees were attributed to the county not getting the checks out on time. He indicated he was retrieving the credit card bills, due on Friday, from the county in order to pay them on time and eliminate any further fees.

Questions on the fax bill and Golden State Flow

General Manager addressed the questions

Vote: Ayes: 5 No: 0 Abstain: 0 Motion: Passed



(9) BUDGET CHANGES FOR MERSCA TAKEOVER, MERCY PHASE 2, MAINTENANCE OF OFFICE SITE AND WELL 7 COMPLETION

General Manager indicated this was an action item because it requires board approval to modify the budget due to unforeseen income and expenses.

Motion by: Director Anna Girk to approve the modified budget changes as required.

Second by: Director Don England

Discussion:

General Manager presented the board members with a copy of the budget with the modified changes to both income and expenses highlighted.

Chair Charles Schaupp will sign each item as approved. Reference was made to the MERSCA and the recommended agreement to be signed with the county indicating the frame work that will take place from March through July 2017. Billing will begin in March for the work.

He made reference to Mercy Housing Phase 2 and the payment to Emerald Homes. General Manager made reference to the employee hired to perform the MERSCA work, he also indicated the employee was D-2 certified which will be a benefit to the district. He also made mention of the equipment needed to be purchased. Monitoring Well 4 relocation will require an additional expense due the requirement of a documented work plan completed by an engineer.

Well 7 Completion: Now developed and ready for pump and SCADA equipment.

Questions regarding well name and explained the contradictions regarding Well 7 and Well 3, he indicated the amount needed to complete Well 7.

Discussion followed.

General Manager asked the board if they were in agreement with the modified budget changes. Board is in agreement and Charlie will sign for approved changes.

Vote: Ayes: 5 No: 0 Abstain: 0 **Motion:** Passed

(10) AUTHORIZATION TO NOTIFY YOLO COUNTY, CONTRACT WITH MARK KRUMMENACKER (CPA), AND TAKE NECESSARY STEPS TO BEGIN KEEPING ACCOUNTING RECORDS AND MAKING PAYMENTS DIRECTLY FROM DISTRICT OFFICE BEGINNING 3/1/17

General Manager indicated our books are set up but we need to engage CPA, Mark Krummenaker to review so we can move forward. Once he has entered the opening balances in March and reviewed our 2016 audit, we can begin keeping the books in-house.

He explained the banking procedure that has been set up to pay our claims. This will give the district real-time control of our income and expenses as well as being assured our bills are paid on time.

Motion by: Director Colleen Fescenmeyer to notify county of contracting with Mark Krummenacker and bring our accounting records in house and making payments directly from our district office beginning 3/1/17.

Second by: Director Anna Girk
Discussion: None

Vote: Ayes: 5 No: 0 Abstain: 0 Motion: Passed

(11) AGREEMENT WITH MADISON TO SUPPLY ADMINISTRATIVE SERVICES (SEE ATTACHED)

General Manager referenced his discussions with the Madison representative who indicated this partnership would be of help to reinforce and strengthen their core for the purpose of obtaining a USDA loan of their own. It would also help them to obtain meters and to fix their infrastructure. I estimated a revenue of \$1000 to \$1500 per month for us to send out 200 bills, collect funds, process their claims and answer phone calls. General Manager indicated the framework agreement presented this evening will be reviewed with the county and our district counsel. Action item this evening is for the approval of the framework.

Motion by: Director Anna Girk to establish an agreement with Madison to provide administrative services

Second by: Director Don England

Discussion: None

Vote: Ayes: 5 No: 0 Abstain: 0 Motion: Passed

(12) PURCHASE OF YOLO COUNTY YARD AT 26891 WOODLAND AVENUE IF YOLO COUNTY LEGAL APPROVES SALE TO ECSD FOR \$80,000.00 (SEE ATTACHED APPRAISAL)

General Manager indicated he had met with Yolo County Public Works and has an agreement that requires signatures by the chair of our board, the district counsel, and Yolo County. If we agree, this will go before the board of supervisors on March 3, 2017 for final approval. The only request made by the Public Works Department is that they be allowed to enter the yard to place signage and small equipment as needed.

Discussion followed

Motion by: Director Colin Crerar to purchase the Yolo County Yard

Second by: Director Anna Girk

Discussion: None

Vote: Ayes: 5 No: 0 Abstain: 0 Motion: Passed

(13) RATE INCREASE/POSSIBLE WORKSHOP OR SUBCOMMITTEE

General Manager explained that as of July-2017 we would start to lose money on the MERCESA take over due to the maintenance cost and water usage required. The amount received from the county through property taxes is not enough and an increase in resident property taxes was never initiated. Once we show the property



(16) FUTURE AGENDA ITEMS

- a) Pool update
- b) GSA
- c) COLA for Staff
- d) Equipment purchases

(17) ADJOURNMENT

Director Charles Schaupp called for a motion to adjourn the meeting


Motion by: Director Colin Crerar to adjourn the meeting

Second by: Director Anna Girk

Vote: Ayes: 5 No: 0 Abstain: 0 **Motion:** Passed


Meeting adjourned at 8:45 pm.

Chair Charles Schaupp


CHARLES SCHAUPP

Date: 8 MAR 2017

Steve Knightley - Board Clerk


General Manager

Date: 3/8/17

owners that it is being properly maintained it would be justified. General Manager explained expenses that will increase in the future, one being the EPA requirements for the continual testing of the water for Chrome 6, water meter radio replacements, and cost of participation in State mandated water programs. He indicated it was time to review our water rates to address our aging infrastructure and explained why.

Discussion followed.

Chair Charles Schaupp asked for volunteers to form a subcommittee to work with the General Manager to review the districts water rates. Directors Colleen Fescenmeyer and Director Anna Girk volunteered.

(14) ALMOND FESTIVAL 2/26/17

General Manager questioned if the district was going to participate, he indicated a special insurance policy was needed for the one day. It was agreed to participate. Director Colleen Fescenmeyer presented the items she researched for potential handouts, General Manager to check on what was left from last year before determining items to be purchased.

Discussion followed

(15) MANAGERS REPORT

- a) Well 7 update (Old Well 3 location) – Well 3 will become Well 7, Eaton to finish up next week, Jason to excavate into the existing water line, and as soon as we receive permission to operate we will provide service.
Questions and discussion followed
- b) New Employee Dillon Carter – he is already D2 certified and we are going to sign him up for waste water training. After he receives his certificate for waste water we can cross train and alternate him on-call weekends with the existing operators.
- c) Office water damage and mold clean-up – building was not sealed properly and during the last heavy rain, water was coming in and running down the walls, mold was discovered behind file cabinets, insurance will pay for everything above deductible to repair interior and eradicate mold but not to repair the building. It was recommended a sealant is placed over the block wall which was done but was not effective. After discussion regarding what could be done it was suggested we prime and paint or stucco the block walls, either the side affected or the whole building. Insurance will not pay to fix building, district responsible. General Manager to get quotes and bring it back to the board.
- d) Street Lighting/Cross Walk - new street lighting on Main Street will be paid for by Cal Trans and installed in 2018. PG&E to replace all of the current street light bulbs with LED's, PG&E will pay for the replacement. Money earmarked for the cross walks was re-appropriated by the County to install LED solar cross walks.
Discussion followed

