

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

REGULAR MEETING
NOVEMBER 14, 2007
MINUTES

1. CALL TO ORDER The meeting was called to order at 7:01 P.M. by Chairman Laurel Kieny

2. ROLL CALL

MEMBERS PRESENT Laurel Kieny, Bill Setnik, George Daniel, Joseph Moreland, and Mike Goodin

STAFF PRESENT Ron Loudon, Anna McNamara, Georgette Aronow (ECO:LOGIC), Jeff Michelle (District Counsel)

OTHERS PRESENT Members of the Public

3. APPROVAL OF AGENDA
Director George Daniel made a motion to approve the agenda as written and was seconded by Director Bill Setnik.

Discussion ensued.

Ayes: 5 Noes: 0 Absent: 0

4. PUBLIC COMMENT
No comment.

CONSENT CALENDAR

5. a) APPROVAL OF MINUTES
July 11, 2007
August 8, 2007
October 10, 2007
b) APPROVAL OF CLAIMS
November 14, 2007 – Fund 466-0
November 14, 2007 – Fund 470-0

Discussion ensued

Director Mike Goodin made a motion to abandon the Consent Calendar.

Motion died due to lack of second.

Discussion ensued.

Chairman Laurel Kieny made a motion to approve the Consent Calendar with the corrections to the minutes and was seconded by Director George Daniel.

Discussion ensued.

Ayes: 5 Noes: 0 Absent: 0

6. REVIEW / APPROVAL OF PROPOSED WATER RATE STRUCTURE PERFORMED BY ECO:LOGIC ENGINEERING SERVICES – APPROVAL OF RESOLUTION 07-11 (RESOLUTION INITIATING PROCEEDINGS FOR ADOPTION OF WATER RATE INCREASES)

Discussion ensued.

Director George Daniel made a motion to amend Exhibit A of the Resolution, without touching the Commercial Meter rate, excluding the Mobile Homes and the Rented Meeting Halls, the rates go to one EDU straight down the board on all the other units, including Duplexes, showing one EDU a piece, and Multi-Family, and Half-Plex, plus Commercial Retail Office.

Discussion ensued.

Motion died due to lack of second.

Discussion ensued.

Chairman Laurel Kieny made a motion to accept Resolution 07-11 – Resolution Initiating Proceedings for Adoption of Water Rate Increases, and was seconded by Director Mike Goodin.

No discussion.

Ayes: 4 Noes: 1 (George Daniel) Absent: 0

7. REVIEW / APPROVAL OF PROPOSED SEWER RATE STRUCTURE PERFORMED BY ECO:LOGIC ENGINEERING SERVICES – APPROVAL OF RESOLUTION 07-12 (RESOLUTION INITIATING PROCEEDINGS FOR ADOPTION OF SEWER RATE INCREASES)

Chairman Laurel Kieny made a motion to accept Resolution 07-12 – Resolution Initiating Proceedings for Adoption of Sewer Rate Increases, and was seconded by Director Joseph Moreland.

Director George Daniel stated he has the same opinion as the Resolution for Water.

No further discussion.

Ayes: 4 Noes: 1 (George Daniel) Absent: 0

Discussion ensued.

8. GENERAL MANAGER REQUESTED DIRECTION FROM BOARD TO UTILIZE THE PROPOSED RATE STRUCTURE TO BE ABLE TO MAIL THE PROPOSITION 218, 45 DAY NOTICE OF PUBLIC HEARING

Discussion ensued.

Director Mike Goodin made a motion that all recipients of any water in the town of Esparto be notified of the Rate Structure and was seconded by Director George Daniel.

Discussion ensued.

Ayes: 4 Noes: 1 (Joseph Moreland) Absent: 0

Note: Chairman Laurel Kieny called a recess at 8:12 p.m. and returned at 8:35 p.m.

9. GENERAL MANAGER AND BOARD MEMBER REQUESTED THE BOARD TO RE-REVIEW OF THE PRODUCTION OF MINUTES PERFORMED BY THE ADMINISTRATIVE ASSISTANT

Discussion ensued.

Director Bill Setnik made a motion to keep minutes as short as possible to reflect Ayes and Noes, the motions, if there is a discussion just state discussion followed, along with any requested statements asked to be noted into the minutes, and was seconded by Director Mike Goodin.

Discussion ensued.

Ayes: 4 Noes: 1 (George Daniel) Absent: 0

Director Joseph Moreland amended the motion to say the district transfer the cassette tape onto disc and be kept at least one year, and was seconded by Director Bill Setnik.

Discussion ensued.

Director Joseph Moreland amended the motion to state 5 years and was seconded by Director Mike Goodin.

Discussion ensued.

Ayes: 4 Noes: 1 (Laurel Kieny) Absent: 0

10. BOARD TO GIVE THE CHAIRMAN AUTHORIZATION TO SIGN SPECIAL COUNSEL SERVICES FOR THE USDA RURAL DEVELOPMENT LOANS WITH SIDLEY AUSTIN BROWN & WOOD LLP

Discussion ensued.

Director George Daniel made a motion to authorize Chairman to sign Agreement with Sidley Austin Brown and Wood LLP, Bond Counsel for the USDA, and was seconded by Director Mike Goodin.

Discussion ensued.

Ayes: 5 Noes: 0 Absent: 0

11. COMPLAINT LETTER FROM PAMELA PEARSON REGARDING DIRECTORS CONDUCT AND THE CODE OF ETHICS

Discussion ensued.

The General Manager requested his comment be put into the minutes; to Mrs. Pamela Pearson stating his trying to save a tree was inappropriate and wished to apologize.

Director Bill Setnik requested his comment be put into the minutes; to Mrs. Pamela Pearson stating his comment was inappropriate regarding it was none of her business asking about why Director George Daniel abstained.

Discussion ensued.

Discussion only.

12. DISMISS EMERGENCY SITUATION AT WELL #5 – TANK AND BOOSTER PUMP STATION

Discussion ensued.

Director Mike Goodin made a motion to abandon the declaration declaring the Well #5 and the Tank and Booster Pump Station an emergency, and was seconded by Director George Daniel.

Discussion ensued.

Ayes: 5 Noes: 0 Absent: 0

13. REQUIRING STAFF TO GIVE PRIOR NOTICE TO BOARD OF DIRECTORS WHEN ANY BUDGET APPROPRIATION IS EXCEEDED BEYOND THE AMOUNT APPROVED IN THE ANNUAL BUDGET

Discussion ensued.

Director Mike Goodin made a motion the district establish a Policy to whereby staff with give the Board timely notice whenever any items of the Budget are about to be exceeded or have exceeded.

Motion died for a lack of second.
Discussion ensued.

Director George Daniel made a motion the General Manager inform the Board on the Operations Budget, if the district is going over budget in any of the areas, and a notification as soon as possible, if the district has exceeding change orders on a Construction Budget, the General Manager bring to the Boards, or at least to the Chairman's attention, if the excess is due to someone else lack of knowledge or abilities of the Engineer, the Board be notified immediately, and was seconded by Director Mike Goodin.

Discussion ensued.

Ayes: 2 Noes: 3 (Bill Setnik, Laurel Kieny, and Joseph Moreland)
Absent: 0

Motion died due to lack of majority.

Note: At 9:45 p.m., Director George Daniel stated he would have to leave the meeting, and this was his last meeting, he learned a lot being on the Board, and wished the Board the best of luck.

Chairman Laurel Kieny stated Director George Daniel was a valuable asset to the Board and will be sorely missed.

All Directors thanked Director George Daniel.

14. MANAGER'S REPORT

The General Manager reported on:

- a) Manager's gasoline expense.
- b) Purchase of budgeted one-ton service truck, for \$35,144.28, and having to wait for the hoist until next-years budget.
- c) Still waiting on the installation switches of the fans in the control room.
- d) Transfers, by the Administrative Assistant, from fund 470-0 to pay back the 466-0 expense fund and 469-0 account reserves.
- e) Escape Air-Supplies on order.
- f) Hauling of Sludge out of pond #3; done for this year, as the district has run out of the allotted money for that project, and the thought by the General Manager and the Operators, of a lower cost way of getting rid of the remainder of the Sludge.
- g) Working with John Copeland, Bond Counsel.
- h) Virus going around, lasting 5 to 7 days has gone through the office.

Discussion ensued.

15. FUTURE AGENDA ITEMS

- a) LAFCO annexation regarding the Castle Company proposed gas station and the Rock Yard and CalTrans yard.
- b) Expansion of District responsibilities through extension of the Landscape and Lighting District, with the invite of Sue Heitman.
- c) Invite to Elizabeth Kemper of LAFCO to come to a Board meeting and explain its' functionality.

16. DISTRICT INFORMATION AND CORRESPONDENCE

- a) Report from Chairman Laurel Kieny after attending the CSDA Conference.
- b) E-Mail sent by Paulette Waugh (request of Director).
- c) E-Mail sent by Sue Heitman – LAFCO and strengthening our Special District.
- d) At a future meeting the presentation of Director George Daniel's appreciation plaque and name plate.

17. ADJOURNMENT

Director Bill Setnik made a motion to adjourn the meeting at 10:07 p.m. and was seconded by Director Joseph Moreland.

No discussion.

Ayes: 4 Noes: 0 Absent: 1

Laurel Kieny-Chairman of the Board

Anna McNamara-Clerk to the Board
