

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

REGULAR MEETING
JULY 10, 2008
MINUTES

1. CALL TO ORDER The meeting was called to order at 7:08 p.m. by Chairman Laurel Kiemy

2. ROLL CALL

MEMBERS PRESENT Laurel Kiemy, Joseph Moreland, Barry Pomeroy, and Mike Goodin

STAFF PRESENT Ron Loudon, Anna McNamara, Mike Hayes, Jeff Mitchell (District Counsel), Steve Wademan (Nolte Engineering)

OTHERS PRESENT Duane Chamberlain, Mark Harrington, Kim Pearson, David Miller, Terrie Bueno, Dan Boatwright, Tracy McNamara, and members of the public

3. APPROVAL OF AGENDA

Director Barry Pomeroy made a motion to approve the agenda as written, to include changes: addressing items 10, 11, 13, and 14 before item 7, and was seconded by Director Joseph Moreland.

Discussion ensued.

Ayes: 4 Noes: 0 Absent: 0

4. PUBLIC COMMENT

No public comment.

~~**CONSENT CALENDAR**~~

5. BOARD REVIEWED TWO APPLICANTS, (TERRIE BUENO, AND DAVID MILLER) FOR BOARD OF DIRECTORS OPEN POSITION AND MADE APPOINTMENT

Discussion ensued.

Director Mike Goodin made a motion to accept Terrie Buenos' application to the Esparto Community Services District Board of Directors, and was seconded by Chairman Laurel Kiemy.

Discussion ensued.

Ayes: 3 Noes: 1 (Joseph Moreland) Absent: 0

The Administrative Assistant swore in Terrie Bueno as Board of Director to the Esparto Community Services District.

CONSENT CALENDAR

6. APPROVAL OF MINUTES

- a) May 14, 2008 – Regular Meeting
- b) June 11, 2008 – Regular Meeting
- c) June 18, 2008 – Special Meeting Budget Workshop

APPROVAL OF CLAIMS

- a) Fund 466-0 – July 10, 2008 Regular Monthly Claims
- b) Fund 469-0 – July 10, 2008 Regular Monthly Claims
- c) Fund 471-0 – July 10, 2008 Monthly Claims USDA Water
- d) Fund 472-0 – July 10, 2008 Monthly Claims USDA Wastewater

Discussion ensued.

Chairman Laurel Kieny made a motion to approve the consent calendar as written and was seconded by Director Barry Pomeroy.

Director Joseph Moreland requested to pull items (c) & (d) from the approval of claims and be addressed in open meeting format due to the fact that they address the USDA loan and would like the public to have as much information as possible on those particular items.

Director Barry Pomeroy accepted the amendment.

Discussion ensued.

Director Mike Goodin made an alternate motion to pull the June 11, 2008 minutes.

Director Joseph Moreland moved to amend his amendment to pull item (b) from the approval of minutes.

Director Barry Pomeroy did not accept the amendment and stated if corrections need to be addressed they should be directed to the district staff prior to the meeting and not be addressed *in the meeting*.

Discussion ensued.

Director Mike Goodin made an alternate motion to consider the minutes as separate items of approval.

Motion died due to a lack of a second.

Chairman Laurel Kieny called the vote.

Discussion ensued.

Director Mike Goodin objected the call for a vote.

Chairman Laurel Kieny made a motion to call the vote, and was seconded by Director Barry Pomeroy.

Discussion ensued.

Director Mike Goodin objected to the whole vote.

Discussion ensued.

Ayes: 3 Noes: 1 (Mike Goodin) Abstain: 1 (Terrie Bueno) Absent: 0

Chairman Laurel Kieny called a vote on the original amendment to only pull items (c) and (d) from the approval of claims.

Ayes: 3 Noes: 0 Abstain: 2 (Mike Goodin & Terrie Bueno) Absent: 0

6A. APPROVAL CLAIMS

- c) FUND 471-0 – July 10, 2008 Monthly Claims USDA Claims, Water
- b) FUND 472-0 – July 10, 2008 Monthly Claims USDA Claims, Wastewater

Discussion ensued.

Chairman Laurel Kieny made a motion to approve Fund 471-0 - USDA Water, in the amount of \$38,633.34, and Fund 472-0 - USDA Wastewater, in the amount of \$7,620.24, and was seconded by Director Mike Goodin.

No discussion.

Ayes: 5 Noes: 0 Absent: 0

10. APPROVAL OF CHANGE ORDER FOR ARGANAUT

Discussion ensued.

Director Joseph Moreland made a motion to accept the negative Contract Change Order with Argonaut in the amount of \$452,850.00, to be signed after the review from the General Manager and the Chairman of the Board, and was seconded by Director Barry Pomeroy.

No discussion.

Ayes: 5 Noes: 0 Absent: 0

11. POTENTIAL FIELD ORDERS OR CHANGE ORDERS REGARDING THE WATER AND WASTEWATER USDA PROJECTS

Discussion ensued.

Chairman Laurel Kieny made a motion to approve Contract Change Order No. 3 in the amount of \$123,913.74, this is excluding the \$14,000.00 portion (item #3 (As-Built adjustment to shoring bid item #19, additional 280 sq. ft. @ \$50.99 / sq. ft.)), to be brought back to the next meeting and was seconded by Director Barry Pomeroy.

No discussion.

Ayes: 5 Noes: 0 Absent: 0

Discussion ensued regarding two new meters needed to be addressed at the High School Ag building and the Snack Bar.

Chairman Laurel Kieny, due to circumstances unknown prior to the deliverance of the agenda and due to the situation creating a potential emergency with the construction project the district is engaged in, made a motion to add item 11A for the purpose of discussing the service connections by Teichert Construction in the alley way by the High School and was seconded by Director Joseph Moreland.

Discussion ensued.

Chairman Laurel Kieny called the vote, without objection.

Ayes: 5 Noes: 0 Absent: 0

Discussion ensued.

Director Mike Goodin made a motion to authorize the General Manager to go forward with the connections and before doing so make a determination as to whether the costs are excessive.

Discussion ensued.

The motion died due to lack of second.

Discussion ensued.

Chairman Laurel Kieny made a motion to authorize the General Manager / Superintendent to investigate the two water services in question and to make appropriate adjustments to determine the usefulness of the services and the board authorize the General Manager / Superintendent to approve the Change Order, not to exceed and amount \$6,000.00, and was seconded by Director Terrie Bueno.

Discussion ensued.

Director Barry Pomeroy amended the motion to authorize the General Manager / Superintendent to negotiate an equitable price with the contractor, that he bills at a comfortable price, to keep the project going, and was accepted by Chairman Laurel Kieny and Director Terrie Bueno.

Discussion ensued.

Ayes: 5 Noes: 0 Absent: 0

13. GRAND JURY REPORT

Discussion ensued.

Director Joseph Moreland made a motion to call a Special Meeting to address the Grand Jury report, and was seconded by Director Mike Goodin.

Discussion ensued.

Director Mike Goodin made an amendment to have a Special Meeting within the next 30 days, and to incorporate any district business in addition to the Grand Jury response, and was accepted by Director Joseph Moreland.

No further discussion.

Ayes: 5 Noes: 0 Absent: 0

Note: Chairman Laurel Kieny called a recess from 9:00 p.m. to 9:14 p.m.

Chairman Laurel Kieny convened into closed session at 9:15 p.m.

CLOSED SESSION

- 14. a) PUBLIC EMPLOYEE PERFORMANCE EVALUATION
General Manager / Superintendent; §54957
- b) CONFERENCE WITH LABOR NEGOTIATOR; §54957.6: Laurel Kieny and Joseph Moreland – Unrepresented Employee, General Manager / Superintendent

- c) CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Initiation of litigation pursuant to subdivision (c) of §54956.9: Jaeger Construction water charges dispute

Chairman Laurel Kieny convened into open session at 11:35 p.m.

Report of Closed Session:

- a) Direction was given to the Chairman to advise the General Manager / Superintendent on the evaluation and give him goals.
- b) The Board directed the Labor Negotiating Committee.
- c) Direction was given to Counsel.

7. APPROVAL OF CONTRACT WITH DATA CHECK, INC., (A LIVE SCAN COMPANY)

Discussion ensued.

Director Barry Pomeroy made a motion *not* to approve the Data Check, and leave it at the Manager's discretion to utilize the Employees Relations Inc., and was seconded by Director Terrie Bueno.

Discussion ensued.

Ayes: 5 Noes: 0 Absent: 0

8. BOARD TO DETERMINE AUDITING FIRM FOR DISTRICT'S FISCAL AUDIT 06/07 & POSSIBLE EARLY AUDIT FOR 07/08

Discussion ensued.

Chairman Laurel Kieny made a motion to sign the Letter of Understanding with Joan Sturges – Certified Public Accountant, and enter into the Contract with her in the amount of \$10,000.00, to cover the 06/07 & 07/08, and was seconded by Director Barry Pomeroy.

Discussion ensued.

Ayes: 4 Noes: 1 (Mike Goodin) Absent: 0

9. APPROVAL OF DISTRICT'S PROPERTY AND LIABILITY PROGRAM RENEWAL CONTRIBUTION THROUGH SDRMA

Discussion ensued.

Chairman Laurel Kieny made a motion the district approve the Property and Liability Program Insurance for 2008/2009, requesting the 5.0 million dollars limits with G/L, A/L, and E&O, at the cost of \$17,171.68, and was seconded by Director Mike Goodin.

Discussion ensued.

Ayes: 5 Noes: 0 Absent: 0

12. APPROVAL OF UPDATED DRAFT BUDGET

Discussion ensued.

Director Barry Pomeroy made a motion to approve the Proposed Draft Budget and was seconded by Chairman Laurel Kieny.

Discussion ensued.

Ayes: 4 Noes: 1 (Mike Goodin) Absent: 0

15. CONSIDERATION OF TWO MEETINGS A MONTH – BECAUSE OF WORK LOAD OF BOARD OF DIRECTORS TO SHORTEN MEETING TIME

Discussion ensued.

Director Joseph Moreland made a motion to set a time limit on the meetings to adjourn no later than 10:00 p.m. and continue the meeting to a Special Meeting or an adjourned meeting if needed, and was seconded by Director Terrie Bueno.

No discussion.

Ayes: 5 Noes: 0 Absent: 0

16. MANAGER'S REPORT

Manager reported on:

1. Manager's gas expense for June was \$198.97.

Administrative Staff

2. Reimbursements from USDA.
3. Review by Dave Dauwalder the reimbursements through the USDA loan regarding Kronick Moskovitz Teidemann & Girard.
4. Weekly meetings with district staff.
5. Filling of Fiscal Services Assistant position.
6. Administrative Assistant training of new employee with the front counter and normal office procedures.
7. Administrative Assistant training of new employee with shut offs and delinquent accounts.
8. Administrative Assistant receipt of Certification for Special District Leadership and Management. This certification includes Governance, Finance and Administration.
9. Grand Jury Report and General Manager's response.
10. Strategic Plan.
11. Administrative Assistant acquiring three quotes for an auditing firm.
12. Acquiring a back-ground firm for the district.
13. Meetings at the district office regarding project plan issues.
14. Meeting with Argonaut Construction to get sewer project underway.

15. Administrative Staff and Field Staff included in meetings with contractors, USDA personnel, and Engineers on areas pertinent to their field of responsibility.

Field Staff

16. Field Staff taking vacations and the district only having one Operator at a time for approximately 3 weeks of the last month.
17. Having one Operator taking care of everyday operations, and one Operator is taking care watching and recording the USDA project in pictures.
18. Operators attending constructions meetings, keeping the General Manager informed on everything happening in the field.

17. FUTURE AGENDA ITEMS

- a) Personnel Policy
- b) MOU
- c) Strategic Plan
- d) PERS Medical – Closed Session with Attorney

18. DISTRICT INFORMATION AND CORRESPONDENCE

- a) Preliminary Ledger for June 30, 2008
- b) Report on Special District Institutes “Administration” Seminar, from Director Barry Pomeroy
- c) Correspondence from James Copeland

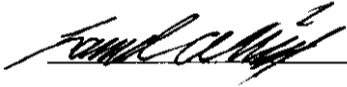
29. ADJOURNMENT

Director Joseph Moreland made a motion to adjourn the meeting at 12:29 p.m. and was seconded by Director Barry Pomeroy.

No discussion.

Ayes: 5 Noes: 0 Absent: 0

Laurel Kieny-Chairman of the Board



Anna McNamara-Clerk to the Board

