

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

SPECIAL MEETING
FEBRUARY 27, 2008

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, Joseph Moreland, Mike Goodin, and Matthew Milliron

STAFF PRESENT Anna McNamara, James Copeland (Bond Counsel), Dave Dauwalder and Linda Scroggs (Nolte Engineering), Jeff Mitchell and Constantine Baranoff (Kronick Moskovitz Teidemann & Girard)

OTHERS PRESENT Duane Chamberlain, and Tracy McNamara

3. **APPROVAL OF AGENDA**

Chairman Laurel Kieny made a motion to approve the agenda as written and was seconded by Director Joseph Moreland.

Discussion ensued.

Ayes: 4 Noes: 0 absent: 0

4. **PUBLIC COMMENT**

Discussion ensued.

5. **APPROVAL OF LOAN RESOLUTION 08-05 – RESOLUTION OF THE BOARD OF DIRECTORS OF THE ESPARTO COMMUNITY SERVICES DISTRICT AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING AND / OR EXTENDING ITS COMMUNITY DOMESTIC WATER SYSTEM FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE**

Discussion ensued.

Director Joseph Moreland made a motion to approve Resolution 08-05 and was seconded by Chairman Laurel Kienny.

Discussion ensued.

Chairman Laurel Kienny made a friendly amendment to the motion to approve Resolutions 08-05, 08-06, 08-09, and 08-10 and was seconded by Director Joseph Moreland.

Discussion ensued.

Ayes: 3 Noes: 0 Abstain: 1 (Matthew Milliron) Absent: 0

6. APPROVAL OF LOAN RESOLUTION 08-06 – A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ESPARTO COMMUNITY SERVICES DISTRICT AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND / OR EXTENDING ITS COMMUNITY DOMESTIC WATER SYSTEM FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE

Discussion ensued.

Chairman Laurel Kienny made a motion to approve Resolution 08-06 and was seconded by Director Joseph Moreland.

Ayes: 3 Noes: 0 Abstain: 1 (Matthew Milliron) Absent: 0

7. APPROVAL OF RESOLUTION 08-09 – A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ESPARTO COMMUNITY SERVICES DISTRICT APPROVING AND AUTHORIZING THE EXECUTION, SALE, AND DELIVERY OF SERIES 2008A (WATER PROJECT) CERTIFICATES OF PARTICIPATION, AND AUTHORIZING THE EXECUTION OF DOCUMENTS AND ACTIONS RELATED THERETO

Among other matter; this resolution approves, in form:

- A. The Series 2008A Installment Sale Agreement, by and between the District and the Financing Corporation.
- B. The Series 2008A Trust Agreement, by and among the District, the Financing Corporation and the Trust Administrator.

Discussion ensued.

Chairman Laurel Kieny made a motion to approve Resolution 08-09 and was seconded by Director Joseph Moreland.

Ayes: 3 Noes: 0 Abstain: 1 (Matthew Milliron) Absent: 0

8. APPROVAL OF RESOLUTION 08-10 – A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ESPARTO COMMUNITY SERVICES DISTRICT APPROVING AND AUTHORIZING THE EXECUTION, SALE, AND DELIVERY OF SERIES 2008B (WASTEWATER PROJECT) CERTIFICATES OF PARTICIPATION, AND AUTHORIZING THE EXECUTION OF DOCUMENTS AND ACTIONS RELATED THERETO

Among other matters, this resolution approves, in form:

- A. The Series 2008B Installment Sale Agreement, by and between the District and the Financing Corporation.
- B. The Series 2008B Trust Agreement, by and among the District, the Financing Corporation and the Trust Administrator.

Discussion ensued.

Chairman Laurel Kieny made a motion to approve Resolution 08-10 and was seconded by Director Joseph Moreland.

Ayes: 3 Noes: 0 Abstain: 1 (Matthew Milliron) Absent: 0

Director Mike Goodin made a motion to adjourn the Special Meeting to be able to open the Finance Corporation Meeting and was seconded by Director Joseph Moreland.

No discussion.

Ayes: 4 Noes: 0 Absent: 0

Chairman Laurel Kieny called a 10 minutes recess from 7:36-7:46 p.m.

Chairman Laurel Kieny reopened the Special Meeting of the ECSD at 7:46 p.m. only to adjourn into the Esparto Community Services District Financing Corporation Meeting.

Chairman Laurel Kieny reopened the Special Meeting of the ECSD at 8:46 p.m.

9. AUTHORIZATION BY BOARD TO DAVE DAUWALDER OF NOTLE ENGINEERING TO GO OUT TO BID ON USDA COMMUNITY DOMESTIC WASTEWATER SYSTEMS IMPROVEMENTS PROJECT

Discussion ensued.

Director Joseph Moreland made a motion to give Dave Dauwalder, of Nolte Engineering, authorization to go out to bid on the USDA Community Domestic Wastewater Improvements Project and was seconded by Chairman Laurel Kieny.

Discussion ensued.

Note: Chairman Laurel Kieny called a 10 minutes recess at 7:47 p.m.

Ayes: 3 Noes: 0 Abstain: 1 (Matthew Milliron) Absent: 0

10. REQUEST BY DAVE DAUWALDER FOR APPROVAL OF ADDENDUMS;
GENERAL MANAGERS TO DISCUSS OTHER POSSIBLE ALTERNATIVES

- A) No. 1 – Addendum to the U.S. Department of Agriculture, Rural Development Agreement for Engineering Services Between the Esparto Community Services District and Nolte Associates, Inc. (as assigned from Dauwalder Engineering, Inc.) For the Community Domestic Water System Improvements Project

Attached: Find the Original Agreement for Engineering Services signed November 2003

Discussion ensued.

- B) No. 1– Addendum to the U.S. Department of Agriculture, Rural Development Agreement for Engineering Services Between the Esparto Community Services District and Nolte Associates, Inc. (as assigned from Dauwalder Engineering, Inc.) For the Community Domestic Wastewater System Improvements Project

Attached: Find the Original Agreement for Engineering Services signed November 2003

Director Matthew Milliron made a motion Item 10 (a & b) be put onto the next regular meeting, due to the Manager's absence, and was seconded by Director Joseph Moreland.

Discussion ensued.

Director Matthew Milliron withdrew his motion, and was accepted by Director Joseph Moreland.

Director Matthew Milliron made a motion to approve only Amended Section B, for \$5,000.00 of the Addendum No. 1 (Water System Improvements), also directing staff to bring back an Addendum No. 2, a revised Addendum, to the next regular meeting and was seconded by Director Joseph Moreland.

Discussion ensued.

Ayes: 4 Noes: 0 Absent: 0

Chairman Laurel Kieny made a motion to reconsideration of the Amended Section B, of the Addendum No. 1 (Wastewater System Improvements), and was seconded by Director Mike Goodin.

Discussion ensued.

Ayes: 3 Noes: 0 Abstain: 1 (Matthew Milliron) Absent: 0

Director Mike Goodin made a motion to move ahead with item 10 (b).

Discussion ensued.

Director Mike Goodin made a motion to approve Item 10 (b) in its entirety.

No discussion.

Ayes: 2 Noes: 1 (Joseph Moreland) Abstain: 1 (Matthew Milliron)

Chairman Laurel Kieny made a motion to approve Addendum No. 1 with striking Amended Section C & D and that C & D come back on the March 12, 2008 meeting, and was seconded by Director Joseph Moreland.

No discussion.

Ayes: 3 Noes: 0 Abstain: 1 (Matthew Milliron) Absent: 0

Discussion ensued.

11. DISCUSSION / REVIEW / POSSIBLE RECOMMENDATION BY BOARD TO THE YOLO COUNTY BOARD OF SUPERVISORS REGARDING APPOINTMENT OF NEW BOARD MEMBER

Discussion ensued.

Director Mike Goodin made a motion the Board recommend to the Board of Supervisors Mitch Roath to be appointed to the vacancy existing on the Board, and was seconded by Director Matthew Milliron.

Discussion ensued.

Ayes: 2 Noes: 2 (Laurel Kieny & Joseph Moreland) Absent: 0

Motion failed due to lack of vote.

12. CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Initiation of litigation pursuant to subdivision (c) of §54956.9: Jaeger
Construction water charges dispute.

It was the consensus of the Board to pass item #12.

13. MANAGER’S REPORT

The Manager was absent, no report.

14. DISTRICT INFORMATION AND CORRESPONDENCE

a) Articles of Incorporation filed with the Secretary of State in connection
Information only.

15. ADJOURNMENT

Director Mike Goodin made a motion to adjourn the meeting at 8:53 p.m. and was
seconded by Director Joseph Moreland.

No discussion.

Ayes: 4 Noes: 0 Abstain: 0

Laurel Kieny-Chairman of the Board



Anna McNamara-Clerk to the Board

