



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

REGULAR MEETING  
JUNE 19, 2013

**(1) CALL TO ORDER**

Chair Melissa Jordan 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: Melissa Jordan, Steve Knightley, Charles Schaupp, Anna Girk  
Colleen Fescenmeyer
- District Counsel: Not Present.
- General Manager: Mel Smith
- Board Clerk: Mel Smith

**Public:** No public present

**(4) APPROVAL OF AGENDA**

Chair Melissa Jordan entertained a motion to approve the agenda.

**Motion by:** Director Steve Knightley to approve the agenda as presented

**Second by:** Director Anna Girk

**Discussion:** Chair Melissa Jordan asked to have an item added to the agenda addressing the passing of the Chair position to the Vice Chair. She stated in her opinion this should take place this evening.

Discussion followed on concerns, proper procedure and conformance with the Brown Act. It was decided to proceed with the agenda as presented.

**Vote:** Ayes: 4 No: 0 Abstain: 1 (Fescenmeyer) **Motion:** Passed

(5) **PUBLIC COMMENTS**

Chair Melissa Jordan opened public comments – no public present

(6) **CORRESPONDENCE**

General Manager - no correspondence received for this agenda package.  
Chair Melissa Jordan – referenced a meeting she attended which included a presentation by Jeanette Wrynski, from the County Resource Conservation District who indicated there may be funds available to give some attention to Lamb Valley Slough within the parameters of the district. Suggest district take a proactive stance and invite her to a meeting to make a presentation and also to apprise her of what is happening in reference to LAFCO.

(7) **APPROVAL OF MINUTES**

Chair Melissa Jordan entertained a motion to approve the minutes of 6-5-13

**Motion by:** Director Colleen Fescenmeyer to approve the minutes of 6-5-13 as presented.

**Second by:** Director Anna Girk

Discussion: None

**Vote:** Ayes: 4 No: 0 Abstain: 1 (Jordan) **Motion:** Passed

(8) **CLAIMS: FUND 466-0 REGULAR MONTHLY**

Chair Melissa Jordan entertained a motion to approve the claims

Chair Melissa Jordan questioned if both pages were to be approved?

General Manager: indicated only the first sheet, second page incomplete do to the missing invoice for the Solar Bee's.

**Motion by:** Director Steve Knightley to approve the first page only

**Second by:** Director Colleen Fescenmeyer

Discussion: Questions: We are approving the \$7847.99 but not the \$19,621.58 is that correct? General Manager: yes. Discussion followed on whether the solar bee claim would be included in the year end.

General Manager: referenced with the solar bees being a budgeted item, he could attempt to process the claim with only his signature, but is not comfortable doing so,

would prefer board approval.

Director Steve Knightley suggested a special meeting could be held prior to year end to get this total properly included. Discussion followed on when it could be scheduled and the public notification time limits.

Decision was to hold the meeting on Tuesday, June 25, and the General Manager to put out the agenda on Thursday.

General Manager: agenda to include; the approval of the wastewater treatment upgrades, Grid Bees and Solar Array, to assure the amount is included in the year end totals.

Suggestion was made to include the replacement of the board Chair with the existing Vice Chair and the nomination and election of a new Vice Chair.

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

**(9) REVIEW DRAFT AMENDED POLICY NUMBER 3040**

Chair Melissa Jordan: referenced the petty cash amount of \$500, believed this was reduced per suggestion of Mark Krummenacker, no need for this amount of cash to be sitting in petty cash, she believed the district voted during the last six years to reduce the amount, believed it was reduced to \$200. Would like this researched and substantiated by the minutes. Policy should have been updated to reflect the change.

General Manager: petty cash has operated with a balance of \$250.

Chair Melissa Jordan: need to pull the old minutes to verify the change in the petty cash account. Need to be sure the policy reflects the minutes.

General Manager: referenced the two pages presented; the second page reflects the current policy manual; the first page is a draft of the proposed amendment to clarify Section 3040 which references the budget authorization.

Question:

Chair Melissa Jordan: you're maximizing the petty cash amount to \$250 from \$50? Does not see a problem with it being \$250. No checks and balances for policies in place.

General Manager: the only checks and balances in place for petty cash is when it is replenished, a claim form is completed and submitted to the board for review and approval and from there it goes to the county for approval and then a check is received.

Discussion followed on petty cash procedures used by other business.

General Manager: indicated petty cash is used for spontaneous expenses only, such as postage. Provided an explanation on how petty cash is used to provide postage for mailings.

Chair Melissa Jordan: questioned why this change is not being directed through the policy committee.

General Manager: the board at the last meeting requested a draft of this policy change.

Chair Melissa Jordan: voiced her dissatisfaction with the change not being run through the policy committee and questioned why we have the committee.

Director Charles Schaupp: the gist of the last meeting was to have the General Manager provide a draft of his ideas prior to any action being taken.

Chair Melissa Jordan: so am I hearing you say we do not need a policy committee to review policy. Director Charles Schaupp: not saying that at all.

Chair Melissa Jordan: because this totally circumvented the Policy Committee.

General Manager: the board is the authority on amending policy and it is completely within their discretion to request the General Manager to prepare a draft on this one policy. That's what happened. Not intended to circumvent any other board members authority.

Vice Chair Steve Knightley: don't see any reason, now that it's been discussed that we can't bring it to the policy meeting for more discussion before we bring it back for action.

Question:

Director Charles Schaupp: asked who is responsible for the petty cash account and is it in writing.

General Manager: responded the General Manager is responsible, re policy 3040.31

Chair Melissa Jordan: recapped the process, General Manager to research and review, then brought to the Policy Committee and then back to the board for approval as a resolution.

## **(10) COMMITTEE REPORTS**

Chair Melissa Jordan: as far as Errors & Omissions goes, I tried to communicate with the General Manager and Director Colleen Fescenmeyer, but was never able to confirm a meeting date and time or get a response back before a meeting. Not sure what is going to happen, this is on the USDA loan regarding \$1million dollars in change orders which I felt strongly needed to be reviewed. Regarding my email I am regretfully stepping down from this committee and as for the Policy Committee I will continue to be on that, but not as a lead.

Director Colleen Fescenmeyer: asked if anyone was interested in participating on the Errors & Omissions Committee.

Director Steve Knightley: indicated he would sit in on the meeting.

Chair Melissa Jordan: indicated she would like to table this item until Director Steve Knightley becomes Chair so he can direct us in what needs be done, committee appointments are done by the Chair.

**(11) DISTRICT CALENDAR**

General Manager: stated he was at a bit of a loss as to where to go on a district calendar. What is the vision or details that are desired. Are we looking to add another web page?

Chair Melissa Jordan: a calendar to keep the board members apprised of what events are coming up, such as term endings, referenced her term, what are the dates applicable to that, seats open should it need to go to election, when does notice have to be put in at the county, cut off dates, election filing dates, she referenced the specific rule about appointed Board seats and the 180 day requirement from a general election, people could have been appointed and we could have missed an election because people were appointed 180 days prior to the general election in June, special events, county notices, classes, I know we are all deficit in the classes we need, the finance, the government as a total group important we achieve that training. The calendar can indicate when the classes are available and who needs to take a specific class. Have it on the web site. I see this as a tool for the General Manager and the Board so things do not go by the way side.

Director Charles Schaupp: indicated, I see three things it needs to include election forecasts, meeting information and training opportunities for board members to remain in compliance.

General Manager: indicated he will move forward on this item

Director Steve Knightley: suggested a calendar widget through Miles which may be of help.

Discussion followed on the makeup and type of calendar.

**(12) DRAFT RESPONSE TO GRAND JURY INQUIRY**

Chair Melissa Jordan: asked to table this item until it has been reviewed by the committee and then brought back to the board.

General Manager: this is not a request from the Grand Jury, after re-reading the letter this is just a private citizen who once served on the Grand Jury and is now a member of the prior Grand Jury Members Assoc., so I took a lot of significance off this request and created some responses that should satisfy the citizen's request. I don't feel a prior Grand Jury member has the authority to call our Board of Directors on the carpet.

Chair Melissa Jordan: questioned if this was reviewed with our legal counsel, then if not, it needs to be, both the letter and your response needs to be viewed by our legal counsel to be sure the response letter is sufficient and not something we need to give as much weight to.

Director Charles Schaupp: prudent and wise because we are responding to them on a prior Grand Jury investigation, this person is not on the Grand Jury, letterhead states

Yolo County Chapter of the Grand Jury Assoc. This is being done as a concerned citizen, so we need to be sure to run this by our legal counsel.

General Manager: if our legal counsel recommends some changes should I just incorporate them into the letter.

Chair Melissa Jordan: would like to be included in the email with legal counsel and the response and if necessary we can bring this back to the special meeting on June 25.

**(13) TOPIC UP FOR DISCUSSION AND POSSIBLE BOARD ACTION IS PREPAYMENT IN FULL OF THE CDBG LOAN**

General Manager: this was a request from three board members to consider repayment of this loan. Balance is \$40,000, funds are available on this year's budget if we can pay this off by June 30.

Director Steve Knightley: suggested contacting Mark Krummenacker to be sure we do this properly and meet all county requirements also to get the correct payoff balance.

Questions: Is there any prepayment penalties, do we have the loan documents to verify the conditions, has this been reconciled with the county?

General Manager: loan has not been reconciled, not sure if this can be completed to meet year end deadline.

Director Steve Knightley: need to go back and reconcile and come back with a resolution on what the agreed principle balance is.

General Manager: not sure I can have this completed for the special meeting

Chair Melissa Jordan: if you can't, we would rather it be done right than in haste and regret it.

**(14) MANAGERS REPORT**

- a) Solar Bee Update – Solar Bees installed, they are the grid bees, difference in electric bill looks to be about a \$500 per month savings without adding solar panels. Solar panels are going to roll back our other meters, there are three meters at the wastewater plant.
- b) Solar Array progress – the solar array will be placed on the meters that run the uplift station and screen, which now cost us anywhere from \$600-\$1000 per month. Not sure if the first half will roll it back all the way to “0” or not.

Question:

Chair Melissa Jordan: do you think the sewer half of our work will pay for itself instead of running at a deficit? You indicated that every month the sewer bill that our people pay does not cover the cost incurred by the plant.

General Manager: sewer for the year as a cost center runs slightly in the red for the entire year.

Chair Melissa Jordan: this might bring it into a positive so we won't have to address a 218 in the future because we are not running in the negative. people will like that.

Question on sludge removal, if necessary and when this would have to be done again.

General Manager: sludge removal may not have to be done again for 15 years or more. Also we qualified for a \$7000 rebate on the solar panels which is actually a check in hand from the state.

General Manager: referenced we will have circulation and aeration on the five ponds with this equipment.

Discussion followed on the solar uses and equipment. And as a solar dealer what the concern would be to offer this to the community. Could we, are we mandated for this?

General Manager: indicated he did not believe we would be allowed to act as a subcontractor and install a solar system on a private residence, but we might be able to be the supplier, the wholesaler of the solar equipment if they were going to install it themselves.

General Manager: we are talking with PG&E to get the requirements to bundle all of our meters into one and roll back all meters to "0". Our PG&E bill is now \$100,000 per year, we are hoping to roll that back to "0" by installing a large solar array on the levy by the Wastewater Treatment Plant.

- c) Billing Card Review – General Manager referenced the sample in their package. Made some changes, top half has changes, bottom half is the way it appeared last time. He referenced changes on the labeling.  
Question on the dating, are meters read on a calendar month.  
General Manager: yes, unless the first falls on a weekend then they are read on the Monday. The service fee is billed once per month

Question: can the bill be produced in Spanish?

Chair Melissa Jordan: indicated perhaps the Spanish speaking residents can find someone to translate for them. Will the back side of the bill have the verbiage explaining the metered rates and the tiers rather than it being sent as a separate letter so it will be only one postage cost?

General Manager: we can print whatever we want on the back of the bill.

Chair Melissa Jordan: asked what the next step would be?

Discussion followed on the data required for the card.

Question: when will this go out?

General Manager: will not go out July 1, August 1, is tentative.

Chair Melissa Jordan: card still does not provide an incentive to conserve by showing if you use a lot, you will be paying a lot. Goal is to educate what it could be.

General Manager: the community outreach is still to come; it will be concurrent with the sample billing. The Consumer Confidence Report

being prepared has an additional page to introduce the new metered rates are coming.

Director Steve Knightley: like the idea of having the back of the card available for information. Ask the General Manager to bring this back to the next regular meeting.

**(15) FUTURE AGENDA ITEMS**

- a) Research Impact Fees
- b) Sewer Lateral Review
- c) Metered Rates Outreach
- d) Well Camera
- e) Solar Panels on 15 acres
- f) Special Meeting 6-25-13
- g) Solar Bee
- h) Steve Knightley to Chair
- i) Elect new Vice Chair
- j) CDGB Payoff

**(16) ADJOURNMENT**

Chair Melissa Jordan entertained a motion to adjourn the meeting

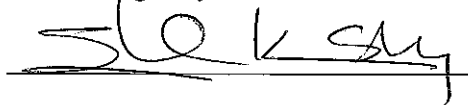
**Motion by:** Director Colleen Fescenmeyer to adjourn the meeting

**Second by:** Director Steve Knightley

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

Meeting adjourned at 8:22 pm

Steve Knightley – Chair of the Board



Mel Smith - Board Clerk



Date: 7/17/13

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