



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

REGULAR MEETING
AUGUST 7, 2013
MINUTES

(1) CALL TO ORDER

Chair Steve Knightley called the meeting to order at 7:35 pm.

(2) PLEDGE OF ALLEGIANCE

All residents and members in attendance recited the pledge

(3) ROLL CALL

Present:

- Directors: Melissa Jordan, Steve Knightley, Anna Girk, Colleen Fescenmeyer
- District Counsel: Not present
- General Manager: Mel Smith
- Board Clerk: Mel Smith

Absent:

- Charles Schaupp

Public: No public present

(4) APPROVAL OF AGENDA

Chair Steve Knightley called for a motion to approve the agenda.

Motion by: Director Colleen Fescenmeyer to approve the agenda as presented

Second by: Chair Steve Knightley

General Manager indicated the closed session item needs to be pulled from tonight's agenda.

Friendly Amendment: by Director Colleen Fescenmeyer to approve tonight's agenda minus the closed session item.

Chair Steve Knightley accepted the friendly amendment.

Discussion: none

Vote: Ayes: 4 No: 0 Abstain: 0 Motion: Passed

(5) PUBLIC COMMENTS

Chair Steve Knightley opened public comments – no public present

(6) CORRESPONDENCE

General Manager indicated there was no correspondence to report.

(7) APPROVAL OF MINUTES

Chair Steve Knightley call for a motion to approve the minutes of 7-17-13

Motion by: Director Melissa Jordan to approve the minute of 7-17-13 as presented

Second by: Director Anna Girk

Discussion: none

Vote: Ayes: 4 No: 0 Abstain: 0 Motion: Passed

(8) CLAIMS: FUND 466-0 REGULAR MONTHLY

Chair Steve Knightley call for a motion to approve the claims

Motion by: Director Melissa Jordan to approve the claims as submitted

Second by: Director Colleen Fescenmeyer

Discussion: General Manager referenced the error made on the sheets for 7/2 and 7/11 which indicated a double entry for payment on the Bank of the West credit card, entry for payment submitted on both dates. Since the one on 7/11 had already been submitted and the county issued a check, I took the check for \$711.00 and paid the Bank of the West credit card in advance. To correct, I am holding invoices that we pay each month in the IT account until the \$711 credit is used up.

Director Colleen Fescenmeyer noted another entry which appears on both sheets for \$473.83, one indicates office computers the other dell computers. It appears checks were issued for both of these claims as well. Again both are in last year's totals and corrections cannot be made as the deadline has passed.

Suggestion by Director Anna Girk to use an old computer for the public to view and purchase a new one to replace it.

Chair Steve Knightley: indicated we budgeted for new computers, so this would address the problem with the double entry.

General Manager: indicated the procedure for processing claims has been changed in order to avoid any further problems.

General Manager: indicated some expenses were pushed into the 2014 year that should have been expensed in 2013. Does not know how these expenses got duplicated.

Chair Steve Knightly: this will be a wash; enough was budgeted in 2014 to cover.

Director Colleen Fescenmeyer: are we going to approve all four?

General Manager: the 7/2 and 7/11 sheets were carry over from last meeting that no one was comfortable with signing.

Director Colleen Fescenmeyer: questioned the one being removed as it actually was paid, was approved, but no tracking.

Director Steve Knightley: should indicate approval of the original one.

General Manager: can pass on cover sheet for 7/2 and 7/11.

Chair Steve Knightley: So therefore we are asking to approve the claims for 7/24 and 7/30.

Director Melissa Jordan: to amend motion to separate the claims and table the 7/2 and 7/11 claims.

Director Colleen Fescenmeyer: agrees to amendment.

Director Anna Girk: to approve the claims for 7/24 and 7/30

Vote: Ayes: 4 No: 0 Abstain: 0 Motion: Passed

(9) CONSIDER PROPOSAL TO ADD GRID BEES TO PONDS 4 AND 5 AT THE WASTEWATER

Chair Steve Knightley called for a motion to approve adding grid bees to ponds 4 and 5 at the wastewater treatment plant.

Motion by: Director Colleen Fescenmeyer to approve adding grid bees to ponds 4 & 5 at the Wastewater Treatment Plant

Second by: Director Anna Girk

Discussion: Director Anna Girk: will this make it so we have grid bees on all of the ponds.

General Manager: Only on ponds 1 through 5 which are the ponds that have the solids. Ponds 6 through 10 are finishing ponds.

Chair Steve Knightley: questioned how the existing ones were performing.

Director Melissa Jordan: would like to see the existing ones in operation for 8 months to a year before adding more.

Chair Steve Knightley: we talked about adjusting levels and how it's performing before we spend the money to add the other two ponds. What have we done to test the theory of what we're doing with the levels?

General Manager: Installed grid bees in ponds 1, 2, and 3 at the same time we overloaded those ponds with bod because we were not pumping into 4 and 5. The dissolved oxygen dropped which created odors. Normal operation of the grid bees brought the dissolved oxygen up, odor is gone, but at the same time raw sewage was being distributed into ponds 4 and 5 without the benefit of circulation or aeration because the water cannons were shut off. By shutting off raw sewage into ponds 1, 2, and 3, running the grid bees just a few days raised the oxygen in those ponds rapidly and the odor was gone.

General Manager went on to explain some current changes being made to the pond system which should prove to be beneficial.

Discussion followed.



Director Melissa Jordan: wants to be sure the grid bees we now have are working and functioning properly before adding more.

Chair Steve Knightley: agreed wants to be sure they are making a correction before we move forward. Concern about spending more money before knowing its doing the job on 1, 2, 3.

General Manager: one complication if we continue distributing raw sewage into ponds 1 through 5 to avoid over loading ponds 1 through 3 , ponds 4 and 5 have no circulation or aeration going since the water cannons are not operating. If we continue loading ponds 4 and 5 without some plan for aeration or circulation we will lose the dissolved oxygen cap on 4 and 5.

General Manager: not a wastewater treatment plant without using the right components.

Discussion followed, not willing to spend more money without knowing how the grid bees currently installed are operating.

Director Colleen Fescenmeyer indicated that the dissolved oxygen levels dropping and being brought back to correct levels rapidly shows this is working.

General Manager: when ponds 1 through 3 are finished they will be able to handle more bod.

Chair Steve Knightley: when we originally talked about doing this it was only for 3 ponds and later down the line doing 4 and 5, I feel we are all in agreement on wanting them on the last two ponds, but it seems as if we are rushing into doing 4 and 5, would like to see the first three finished before we proceed. Questioned the setup, do we have to spend \$8000 each to have them put in place, is it part of our warranty?

General Manager: not sure. He went on to explain they take sludge depth and come back at a later date to see what's happening in the pond.

Director Melissa Jordan: wants to see us wait six to eight months before proceeding.

General Manager: if the board doesn't want any more grid bees on the other ponds we can run with what we have indefinitely.

Vote: Ayes: 1 No: 3 (Jordan, Knightley, Girk) Abstain: 0

Motion: Failed

(10) 2013 YEAR END BUDGET UPDATE

General Manager indicated the information being presented was pulled from the website. The county is still working on completing their final report. Numbers are good, revenue down about \$55,000 from the 2012 year.

General Manager: The board requested the year end totals for this meeting, they were only available to me on the general ledger website. Does not feel the report from the county will differ very much from these figures.

Discussion and questions followed on investment earning being down and taxes.

Chair Steve Knightley questioned if there was a descriptive budget that defines each item in the accounts. Referenced the expense side narrative.

General Manager: there is a narrative on the expense side, the chart of accounts.

Chair Steve Knightley: would be beneficial if they have a narrative for the revenue side.

General Manager: indicated the revenue reporting has changed over the last three years. The 2014 year is now very accurate, our revenue deposits are distributed into correct accounts so conclusions can be drawn during the 2015 year.

Discussion and questions followed on the following budget items: retirement, group insurance, workman's comp. other benefits, salaries, building and maintenance improvement, architectural planning and services, professional and specialized services, utilities, and operational maintenance.

General Manager addressed all the questions.

Chair Steve Knightly: We are all aware this is not the final version, but it is good for us to review at this time.

Question on the check from Mercy Housing.

General Manager explained the entries.

General Manager: just received the journal entries from Mark Krummenacker on the CDPH loan, made all 12 payments from the general account.

Chair Steve Knightly: questioned why the payment for that loan came out of the 469 account. Ask General Manager to question this with Mark Krummenacker.

Director Melissa Jordan does not feel the county is doing exactly what we expect with our money; there needs to be reconciliation.

Chair Steve Knightly: thanked the General Manager for the year end budget, will be brought back when the final is received.

(11) CLOSED SESSION - Canceled

(12) MANAGERS REPORT

- a) RFP to construct new well 26490 Woodland Ave. location – General Manager indicated he would like to send out a RFP to construct a new well at the Well 5 sight. Same design as what is planned for the Well 3 site, a 300 ft well and a 600ft well with a blending tank. Both wells would pump into the tank. We have to move forward with expanding our well production, July was the highest demand we ever had; more water was used than ever before. August should not be as heavy, but could be close based on the Mercy Housing units being put on line. Not putting forth the discussion to add more wells in order to add more housing, but because we don't have enough water to supply what we have.

Question on the grant application, does the application die and do we have to reapply.

General Manager: We do not have to reapply our application stands.

There are two fundings a year one in the spring the other in the fall, do not believe we have a chance for spring, maybe in the fall.

Question if we move forward with drilling a new well will that affect our funding. How do we know we were not funded, did we get a letter.

General Manager: no, went on the website and viewed the list of which projects were funded.

Chair Steve Knightly should we bring this back as an agenda item for discussion/action at the next meeting.

General Manager: wants board opinion before moving forward. Major concern this gets done.

Chair Steve Knightley: suggested General Manager get a quote on the cost and bring back at next meeting.

(13) FUTURE AGENDA ITEMS

- a) Research Impact Fees
- b) Sewer Lateral Review
- c) Metered Rates Outreach
- d) Solar Panels on 15 acres
- e) LAFCO update
- f) Payoff CDGB
- g) Land Acquisition
- h) Bring Back Year End
- i) Well 4 update

(14) ADJOURNMENT

Chair Steve Knightley call for a motion to adjourn the meeting

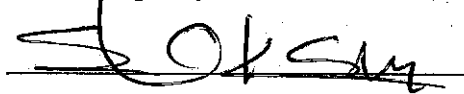
Motion by: Director Melissa Jordan to adjourn the meeting

Second by: Director Colleen Fescenmeyer

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

Meeting adjourned at 9:51pm

Steve Knightley – Chair of the Board



Mel Smith - Board Clerk



Date: 9/4/13

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