



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

REGULAR MEETING
SEPTEMBER 4, 2013
MINUTES

(1) CALL TO ORDER

Chair Steve Knightley called the meeting to order at 7:05 pm.

(2) PLEDGE OF ALLEGIANCE

All residents and members in attendance recited the pledge

(3) ROLL CALL

Present:

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

Absent:

- Anna Girk

Public: No public present

(4) APPROVAL OF AGENDA

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

Motion by: Director Melissa Jordan to approve the agenda as presented

Second by: Director Colleen Fescenmeyer

Discussion: none

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

A handwritten signature in black ink, appearing to be a stylized 'M' or similar character, located in the bottom right corner of the page.

(5) PUBLIC COMMENTS

Chair Steve Knightley opened public comments – no public present

(6) CORRESPONDENCE

Chair Steve Knightley called for correspondence.

- a) Yolo County Elections – General Manager: received notice from the Election Dept. indicating both applicants, Charles Schaupp and Anna Girk, are appointed in lieu of an election. Received oath of office affidavits to be administered, new term begins the first meeting in December, will arrange for a notary to be present to administer the oath at that meeting. Questions and discussion followed on proper administration of oath and by whom. Chair Steve Knightley questioned the remaining open seat and the procedure to fill that seat, discussion followed.

- b) Yolo/Solano AQMD – General Manager referenced correspondence between himself and Paul Hensleigh, from the Yolo/Solano AQMD. Reference made to the correspondence that was taking place on the day of the last meeting. The print out of the correspondence is in your packet; this was in reference to the violation issued. General Manager described the procedure taken to identify the proper notice which he believes is a “Notice to Comply”; no monetary penalty is associated with this notice. This is the appropriate notice for them to send to us, we paid our permit on time and there was no air quality emission, only a late report filing. He went on to explain the permit process and the annual through put report that is required. We were 15 days late filing the through put report. Notice of violation was issued 21 days after we filed the report. Discussion followed on proper way to address this issue. Agreement was to turn this over to Tom Barth for his direction.

(7) APPROVAL OF MINUTES

Chair Steve Knightley called for a motion to approve the minutes of 8-7 and 8-21-13

8-7-13 and 8/21/13 Minutes:

Motion by: Chair Steve Knightley to approve the minutes of 8-7-13 and 8-21-13

Second by: Director Melissa Jordan

Discussion: none

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

(8) CLAIMS: FUND 466-0 REGULAR MONTHLY

Chair Steve Knightley called for a motion to approve the claims

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

Second by: Director Melissa Jordan

Discussion: General Manager: claim packet for 8/7 was missed on the last meeting, has not been before the board.

Chair Steve Knightley: indicated there are two claim packets to be approved this evening, 8-7 and 8-21.

Director Melissa Jordan: question the sprinkler repair bill included in the 8-7 claim packet. She noted this was for sprinkler repairs in the retention basin area not owned by the district, retention basin repairs are the obligation of MERCSA, it was noted the repairs were completed to stop the water flow. Has MERCSA and LAFCO been notified of these repairs?

Question and discussion followed.

General Manager: indicated MERCSA is not noticed on every repair made, a log is kept. However MERCSA was aware of this break and repair.

Chair Steve Knightley: asked for MERCSA repair be place on the next agenda for discussion on how we can recover our cost.

Question: Claims of 8-20, Kimzey Welding bill, maintenance on the ponds.

General Manager: Solar array, piping in the ponds, presented pictures of what was done.

Discussion followed on the expense for the cost of improvements to the ponds, question if this is an expense item or should have been brought to board before proceeding.

Chair Steve Knightley: indicated we are in the process of addressing the claim's for this evening; further discussion on this item can be held at a later time and called for the vote to approve both claims packets.

Vote: Ayes: 3 No: 1 (Jordan) Abstain: 0 Motion: Passed

(9) 2013 YEAR END BUDGET UPDATE

General Manager: totals being presented are from the County now that the books have closed. Revenue up substantially from 2012, not all in any one category but is between the water and sewer revenue. Economy improving, collecting on delinquent accounts, new investors purchasing homes required to pay up what is due on the property before new service being turned on. Budget will be cautious on both sides, under estimate on revenue side, over estimate on the expense side.

Switching to metered rates will create a one month interruption in revenue. When we activate, the usage portion will disappear for one month but the service fee will remain.

Expenses down \$29,000 from 2012; service and maintenance up \$56,000 for the year; other cost down \$41,000; Capital Assets, money was put into the Capital Improvement fund; reserve set asides, \$5,000 less than in 2012, only \$20,000 set aside for building and land reserve, prior year was \$25,000. Bottom line shows a \$154,000 surplus.

Chair Steve Knightley: questioned what was done with those funds.

General Manager: explained how that money can be tracked by turning to fund balances, Page 8.

General Manager: referenced the Liability Balances; now have data for the CDGB loan for 2011, 2012 and 2013 years.

Question referencing the resolution to pay off the loan, is resolution necessary?

General Manager: in the past Mark Krumpenacker has accepted a signed minute order.

Chair Steve Knightley: would prefer we prepare a resolution for the CDGB loan loan payoff

General Manager: will have resolution available at the next meeting.

(10) PROPOSED HOUSING AND ZONING ORDINANCE (Director Fescenmeyer)

Director Colleen Fescenmeyer reviewed the items in the ordinance that pertain to Esparto and the district. She referenced specific areas of the ordinance, approved projects for future development, the incremental changes being referenced that could affect the district's water usage and wastewater facility. Some discussion followed on projects noted as approved for development at this point and those pending for the future. In the Esparto section of the ordinance she commented again on the incremental expansion to accommodate 822 more units and the water availability and the wastewater service. Noted in the report was a reference to Esparto identifying a privately owned well as potential supply in the future.

Chair Steve Knightley: noted he had been approached a couple of years back, by the county he believes, about his well as it has a sanitary seal, not sure if this is what they are making reference too, never been officially approached on this subject.

Director Colleen Fescenmeyer went on to address the additional comments in the Ordinance that referred to the ECSD wastewater treatment and collection system indicating the district could accommodate these units through additional pond construction. Also noted was that ECSD has acquired much of the land needed for the facility expansion. Information went on to cover storm drains and referenced a \$2.9 million dollar grant awarded by the California Parks and Recreation in 2012 to the ECSD for the development and revitalization of the MERCESA Park and Recreation Area.

Concern: Board has no knowledge of any of the information placed in this ordinance neither referencing the district or its capabilities nor are they aware of any grant.

Information in the ordinance is incorrect and needs to be addressed.

Discussion followed on the wording; consensus was to immediately prepare a letter to the county addressing the board's concerns.

Chair Steve Knightley: suggested an ad hoc committee be formed to draft a response to the issues brought forward this evening. Ad Hoc Committee formed: Director Melissa Jordan and Director Charles Schaupp to serve and prepare a response.

Director Melissa Jordan: would like a public record request from the county as to where the information came from referencing the ECSD.

(11) MANAGERS REPORT

- a) Outreach at Country Villa Mobile Home Park – General Manager provided a recap of the meeting at the Mobile Home Park. Documents

provided to residents were a copy of their last month usage, a copy of the proposed metered rates and information on the rate study which determined the rates for just the Mobile Home Park. The break even on the Mobile Home Park is 5 units for the rate to remain the same, if the usage increases to 6 units a \$1.00 would be added to the bill. Residents are in support of the new rates. This was a good practice session for future presentation to the remaining residents. What was evident is that metered rates would encourage conservation of water. Information presented to residents at the Mobile Home Park was well received.

General Manager provided additional information on the metered rates. Discussion followed.

General Manager: office is full speed ahead with the public outreach. An information packet will be sent to residents in a few days. He indicated what information will be included in the packet. He also referenced the preparation of the new billing cards and the technology involved.

Chair Steve Knightley suggested the new rates be printed on the back of the billing cards for future public information.

Additional discussion and questions followed.

b) Solar Array @Wastewater Plant – Is basically complete.

Chair Steve Knightley: questioned if PG&E has approved us to be a producer and when would this take place.

General Manager: indicated no approval as yet.

General Manager: this solar array will only offset our use, the panels were sized to roll back our meter to “O”, which is the meter for the wet wells and the screen.

Discussion followed.

c) Website/Credit Card System Update – General Manager contacted the company handling the web portal system. They indicated we are a month out from it being installed on the districts website. Some additional testing is being performed on a component of the system. Approximately 50 to 60 utilities are waiting to install this system as well. Company services over 200 utilities on this web portal system. General Manager indicated he located a bid sent to the previous GM for this web portal system which indicated a cost of \$20,000 to purchase. We are getting it for free and the company maintains ownership.

Chair Steve Knightley: how long is the contract for?

General Manager: to check on the length of the contract.

(12) FUTURE AGENDA ITEMS

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|----------------------------|-----------------------------|
| a) Research Impact Fees | f) MERCSA repairs |
| b) Sewer Lateral Review | g) Metered Billing (J) |
| c) Metered Rates Outreach | h) Proposed Housing Letter |
| d) LAFCO update | i) CDBG Resolution |
| e) Yolo/Solano AQMD update | j) Budget Items (K) |
| | k) Levee Property Ownership |



(13) 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: 4 No: 0 Abstain: 0 Motion: Passed

Meeting adjourned at 9:20 pm

Steve Knightley – Chair of the Board



Mel Smith - Board Clerk



Date: 9/18/13

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