



**BOARD MEETING  
ESPARTO COMMUNITY SERVICES DISTRICT  
ESPARTO, CA**

REGULAR MEETING  
August 9, 2017  
MINUTES

**(1) CALL TO ORDER**

Chair Charles Schaupp called the meeting to order at 7:03 pm.

**(2) PLEDGE OF ALLEGIANCE**

All residents and members in attendance recited the pledge

**(3) ROLL CALL**

**Present:**

- Directors: Charles Schaupp, Colleen Fescenmeyer, Don England, Anna Girk
- District Counsel: Not Present
- General Manager: Steve Knightley
- Board Clerk: Steve Knightley

**Absent:**

- Director Colin Crerar

**Public:** None

**(4) APPROVAL OF AGENDA**

Chair Don England called for a motion to approve the agenda.

**Motion by:** Director Anna Girk to approve the agenda as presented

**Second by:** Director Charles Schaupp

**Discussion:** None

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

**(5) PUBLIC COMMENTS**

Chair Don England opened public comment – no public present

**(6) CORRESPONDENCE**

Chair Don England called for correspondence

- Conflict waiver letter: General Manager indicated this item is on the agenda as an action item.
- Add an Item to Agenda: General Manager indicated he needed to update and add an item to the agenda per Tom Barth. He went on to explain the three reasons an item could be added to the agenda subsequent to the agenda being posted. General Manager stated a matter was brought to his attention yesterday by the county which is important for the board to take action on this evening and add the item to the agenda.

Item to be added: the property tax roll for the old MERCSA needs to be submitted to the county by tomorrow. The county neglected to inform us a property tax withdrawal request must be submitted for the new residents in the new part of town to withdraw funds from their property taxes, and this requires a board resolution be enacted to do so. In 2001 a lump sum property tax assessment for the maintenance of the detention basin was approved by the Board of Supervisors and MERCSA was required every year to enact a resolution direct the tax department to withdraw these funds from the property taxes. Without the resolution it cannot be put on the tax rolls. So this now becomes the responsibility of the ECSD. The money will be withdrawn, however we do not have the actual documents from the county which tells us the actual dollar amount to be assessed per parcel, working on obtaining this information.

**Motion by:** Director Anna Girk to add the action item on to night's agenda to adopt a resolution requesting the tax department to add the assessment of taxes to the tax roll.

**Second by:** Director Charles Schaupp

**Discussion:** None

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

**(7) APPROVAL OF MINUTES**

Chair Don England called for a motion to approve the minutes of 7-12-17

**Motion by:** Director Charles Schaupp to approve the minutes of 7-12-17

**Second by:** Director Colleen Fescenmeyer

**Discussion:** None

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

**(8) CLAIMS: FUND 466**

Chair Don England called for a motion to approve the claims of 6-29-17 (Final 2016-17 Expenses), 7-14, 7-21, 7-27-17 and 8-4-17

**Motion by:** Director Anna Girk to approve the claims of 6-20-17 (final 2016-17 Expenses), 7-14, 7-21, 7-27 and 8-4-17

**Second by:** Director Charles Schaupp

**Discussion:** Questions on panel rebuild and fence for new yard.

General Manager provided an explanation

General Manager provided a brief explanation on how the claims were prepared and the process used for payment.

Discussion and questions followed

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

**(8a) RESOLUTION REQUESTING THE COLLECTION OF CHARGES TO THE TAX ROLL**

General Manager referenced Resolution 17-08 requesting the collection of charges on the tax roll for the purpose of collecting the retention and storm drain fees which were adopted by the county under the Esparto CSA in 2001.

Chair Don England read the resolution in to the record.

**Motion by:** Director Charles Schaupp to approve the resolution 17-08

**Second by:** Director Anna Girk

**Discussion:** None

General Manager called the roll

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

**(9) DISCUSS AND APPROVE 2017-2018 BUDGET**

**Motion by:** Director Anna Girk to approve the 2017-2018 Budget that does not have the water tower included.

**Second by:** Director Colleen Fescenmeyer

**Discussion:** General Manager indicated two different copies of the budget are being presented this evening, one shows revenue with the county and one shows revenue without the county. He explained how to distinguish the difference and went on to reference the changes noted, broke out Madison support, added the water tower and budgeted for a new/used backhoe. He explained the reasoning for the backhoe budget and indicated the district does have the funds when the time comes to purchase the equipment. Other noted changes requested by board were the SCADA upgrades, fencing, sewer line repair and the final solar array.

Discussion followed.

Suggestion to approve the budget without the water tower as it is a discussion item and we can amend the budget at a later date.

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

**(10) REVIEW NEW IN-HOUSE ACCOUNTING PROCEDURES**

General Manager indicated Directors Girk and Fescenmeyer are still reviewing the written procedures and he hopes to have them adopted next month with minor changes. Procedures are followed now with the exception of itmes that do not pertain to our operations.

**(11) WATER TOWER LEASE FOR LTE INTERNET ANTENNA**

General Manager explained a company that he has interest in wishes to enter into a lease agreement with the ECSD for access to the water tower for a communications services. In order to address the conflict, Tom Barth was contacted regarding this issue, he confirmed it was a conflict of interest but did not see a problem with it as long as the lease of the tower was agreed upon by the Board, everything was out in the open, and at fair market value was paid for the lease. A waiver letter signed by the district is required. An outside third party appraisal will be done to determine fair market value. General Manager will contact a company to complete the third party appraisal and follow-up with Tom Barth.

Discussion followed

**(12) TOM BARTH CONFLICT WAIVER LETTER**

Chair Don England called for a motion to approve the conflict of interest waiver letter.

**Motion by:** Director Colleen Fescenmeyer to approve the conflict of waiver letter

**Second by:** Director Anna Girk

**Discussion:** reason for waiver letter discussed in item 11, Water Tower lease for LTE internet antenna

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

**(13) MANAGERS REPORT**

a) In house accounting progress – I was hoping to have the posted closing journal entries ending June 30<sup>th</sup> from the county, however they won't be available until August 22. We will have our opening entries from July 1<sup>st</sup> in our set of books at the next meeting. I will then be able to present financial statements for July and August. All our transactions will be going into our books, a link was created between our departments both commercial and residential so all we have to do is import the data every time we make a deposit. So all of our accounts bank balances, loans balances, etc. will be together and shown in relation to the budget recently approved.

b) Well 7 update – PG& E has completed their upgrades for startup on load capacity, we brought the well on line for the purpose of water testing and purging. A water sample was taken and submitted for clearance on the drinking water.

Discussion followed. Good strata as well as extra water in the area.

- c) Street Light update – problem fixed, main street lights to be retrofitted within the next year, waiting for Cal Trans to complete their work. Discussion followed on various types of illumination that could improve the current lighting. Question posed on Cal Trans process and concern for lighting and side walk improvements. General Manager responded. The section of street lighting no covered by PG&E is our responsibility, a separate agreement with a developer to change the street lights is needed, I have spoken with someone who is willing but they wanted to do this three at a time, currently we only have two out.
- d) Main Park update – union problem, current maintenance staff is union, we are not, minimal impact, trying to get a mitigation, county attorneys working on problem, requires a vote by four supervisors, we will still get it, should take over on Oct. 1
- e) Pool/Park update – starting to take bids, have pictures and plan design, new lay out, since we will take over operation, we need to be sure our SCADA control is in place and everything is monitored through our SCADA. Once pool is completed the money will come to us to maintain and pay all the necessary employee and other maintenance costs. The plan is to break ground on Nov. 20<sup>th</sup> to get the state park funding.
- f) Gas Station: Castle was ready to begin, owner lost one of the investors, so the gas station will go in after the pool starts. The house on the corner needs water and sewer lines, working with Castle and the county to get the sewer and water lines installed. Working with county to get shared cost. Some discussion followed.

**(14) FUTURE AGENDA ITEMS**

- a) Meter & SCADA Updates
- b) Rate Increase
- c) Street Lighting update
- d) Sept. meeting to 9/20/17
- e) Directors stipend charges
- f) Closed session employees
- g) Slip line for head-into WWTP

**(16) ADJOURNMENT**

Chair Don England called for a motion to adjourn the meeting

**Motion by:** Director Anna Girk to adjourn the meeting

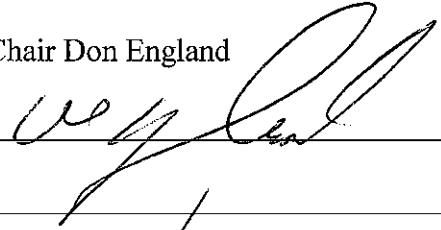
**Second by:** Director Charles Schaupp

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

*5*  
*4*

Meeting adjourned at 8:22 pm.

Chair Don England

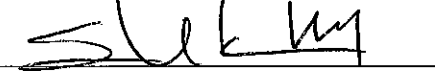


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Date:

9/17/18

Steve Knightley - Board Clerk



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Date:

9/17/18