(1) CALL TO ORDER

Chair Charles Schauupp 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 Schauupp, 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 Schauupp
Discussion: None
(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 The money will be withdrawn, however we do not have the actual documents from the county which tells us the actual dollar amount to be assessed per parcel, working on obtaining this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 into 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 items 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 30th from the county, however they won’t be
available until August 22. We will have our opening entries from July 1st
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. 20th 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: 8 No: 0 Abstain: 0 Motion: Passed
Meeting adjourned at 8:22 pm.

Chair Don England

Date: 9/17/18

Steve Knightley - Board Clerk

Date: 9/17/18