**KEYES COMMUNITY SERVICES DISTRICT**

**BOARD OF DIRECTORS MEETING**

**Date: Tuesday, May 24, 2016**

**Time: 6:00 p.m.**

1. **Call to Order.**

The meeting was called to order at 6 pm.

1. **Pledge of Allegiance.**
2. **Roll Call.**

Present were President Parker, Vice President Bernal, Director Alexander, Director Jones and Director Landers. Also present were GM Ernie Garza, Attorney Rod Atteberry was present via phone, Engineer Lee Fremming, Board Secretary Michelle Harris and Maintenance Foreman Michael Jones.

1. **Public Comment on Agenda and Non-Agenda Items.**

None.

1. **Consent Agenda.**

**A) Approve Minutes of April 26, 2016.**

**B) Approve Warrant Register for May 24, 2016.**

There was a motion made to accept the Consent Agenda by Director Landers and a second by Director Alexander. Director Landers (M), Director Alexander (S), President Parker (AYE), Vice President Bernal (AYE) and Director Jones (AYE).

1. **DISCUSSION/POSSIBLE ACTION ITEMS**

**A) Discussion regarding the Transportation Expenditure Plan based on a 25-year, half-cent sales tax measure for consideration on the November 2016 ballot.**

Steve Flint from Stan Cog shared a presentation regarding the tax measure that is being placed on the 2016 ballot. He explained where the money will go if the measure passes. He was accompanied by Marcus Tucker, and Jeanette Fabela.

**B) Discussion and Possible Action to approve the 2016/2017 Preliminary Budget.**

General Manager Garza presented the Board with the 2016/2017 Preliminary Budget. We have anticipated the revues in the water department to increase by $2,000.00. The insurance expenditures have increased by $3,000.00. We are requesting a vehicle purchase for the office staff in the amount of $12,000.00; this will be for the water and sewer funds. There has been a new line item to Street Lights for $50,000.00. This will provide the funds for the street lights that are anticipated to be installed. The water capital connection and sewer capital connection have increased due to the new building of homes. The Capital Repair & Replacement is asking for $5,000.00 for water meters that need to be replaced and $25,000.00 to expand the District Office. This will be the third consecutive year of putting money into these accounts. The proposed budget does not include any salary or cost of living increases. The unfunded five year Capital Improvement Projects are being resubmitted. Our water and sewer cash reserve and bond accounts have been converted to water and sewer Contingency Funds. General Manager Garza said that if the Board would like it can have an executive session for next month to discuss the COLA before the budget is adopted. Attorney Rod Atteberry explained that it does not to be discussed in closed session and can even be discussed tonight. Director Landers asked if everyone would get the same increase even if they were capped out and he was told yes. Vice President Bernal said he wanted to leave the Budget the same. President Parker said he would like for us to bring back additional figures for the Board to look over. Director Landers said he would like to see additional figures too. The Board gave General Manager Garza direction to bring back more figures at the June 28, 2016 meeting.

1. **Items from General Manager.**

**A) Maintenance Staff Report**

Maintenance Foreman Michael Jones reported the Board. Staff responded to a call of a broken fire hydrant on Jessup Rd where they proceeded to fix it. There were 5 meters installed at the Bright Development homes. Routine maintenance was completed at all of the lift stations. Staff has been working to locate and remediate the source that has been contributing to some high readings of our wastewater flows to Turlock. There was nothing to report on the Street Lights.

**B) CSDA awarded us with a scholarship for the Leadership Summit for G.M.'s.**

**C) Field Worker II Position is open and we will be placing an ad in the Ceres Courier, Turlock Journal and on our web site.**

1. **Staff Comments.**

**A) Lee Fremming**

The Financial Security Package for the portion of the SWRCB funding loan was finished and has been submitted. There has also been review and comment on the draft of the funding agreement. The UPRR has returned a fully executed Supplemental Agreement. The only other major item to get is a conditional use permit. Lee advised on waiting until the Board decides to bid the project to submit the CUP application to the County since they expire. Bright Development is moving forward with construction of Phase 5. They have made a deposit so they can move forward with the building. There was a letter received for the Cahuilla Indians that has to do with the ATF. This is being taken care of.

Board Secretary Michelle Harris informed the Board that since we have became members of the SDRMA for all of us our insurance needs that we have received a 15% credit and a 5% multi program discount to our premium for our Workers Comp Policy for the new year. Our premium for our Liability Policy is expected to stay the same for the new year.

1. **Director Comments**

Davie Landers informed the Board that the MAC had a successful Community Clean Up.

1. **Adjournment:**

There was a motion made to adjourn the meeting at 7:04 pm by Director Alexander and a second by Director Landers. Director Alexander (M), Director Landers (S), President Parker (AYE), Vice President Bernal (AYE) and Director Jones (AYE).

**Minutes taken by: Michelle Harris**

**Minutes typed by: Michelle Harris**