**KEYES COMMUNITY SERVICES DISTRICT**

**BOARD OF DIRECTORS**

**Date: Tuesday, February 27, 2018**

**Time: 1:00 p.m.**

**Place: Keyes Community Services District, 5601 7th St., Keyes, Ca.**

1. **Call to Order.**

The meeting was called to order at 1:00 p.m.

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

Present were President Landers, Vice President Robertson, Director Bernal, Director Alexander and Director Jones. Also present were General Manager Garza, Attorney Andy Pinasco, Board Secretary Michelle Harris, Maintenance Supervisor Michael Jones and Engineer Lee Fremming.

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

None.

1. **Consent Agenda.**
	1. **Approve Minutes for the January 23, 2018 Meeting.**
	2. **Approve Warrant Register for February 27, 2018.**
	3. **Approve 2016/2017 Final Audit.**

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

1. **DISCUSSION/POSSIBLE ACTION ITEMS**
	1. **Discuss and Possible regarding CO2 plant property of Faith Home Road and delivery of water services; Presentation of Linde Gas CO2 Plant and request for a letter of project support.**

General Manager Garza went over the back ground of the property located on Faith Home Rd that The Linde Group, LLC. submitted a will serve letter for on February 2, 2018. Mr. Anderson who works for The Linde Group also requested a letter of project support from KCSD and an Out of Boundary District Agreement. Since the property is in our SOI the District would not issue and Out of Boundary Agreement but would require annexation. Due to the lack of knowledge of CO2 General Manger Garza does not agree with the support letter that is being requested. Mr. Anderson from The Linde Group, LLC. spoke to the Board about the CO2 plant that will be put on Faith Home Rd. They are requesting water for fire flow and for domestic water. There will be on site sewer at the property. Mr. Anderson informed the Board that they will be filing the papers with LAFCO to annex into the District. Attorney Andy Pinasco informed the Board that the District could enter into an annexation agreement and this would satisfy the applicants request. This would set forth all of the conditions that the District would require for The Linde Group, LLC. to annex as well as what LAFCO is looking for. This would also state what is required by both parties. This agreement would only affect the services that are being provided to the parcel, the land use issues will be taken care of through the county since this a county parcel. Attorney Rod Ateberry asked for Mr. Anderson to give a recap of where they are at in terms of the rezone application. Mr. Anderson said they are filed and are looking at going to hearing in a couple of months. There was a motion made for an authorization to enter the District into an annexation agreement with the applicant and to authorize the General Manager to execute any and all documents that are necessary to carry out the annexation by Vice President Robertson and a second by Director Bernal. Vice President Robertson(M), Director Bernal(S), President Landers(AYE), Director Alexander(AYE) and Director Jones(AYE).

* 1. **Discuss and Consider Collection Services for outstanding accounts.**

Board Secretary Michelle Harris made a recommendation that staff handle the outstanding accounts in house. We will review the aging monthly, make telephone calls as well as send out one more closing bill to our stopped customers with an outstanding balance. Every six months we will send the accounts that remain open to a collection agency for further collection. There was a motion made to accept in house collection plans and authorize General Manager Ernie Garza to seek outside collection services for outstanding customers by Vice President Robertson and a second by Director Alexander. Vice President Robertson(M), Director Alexander(S), President Landers(AYE), Director Bernal(AYE) and Director Jones(AYE).

* 1. **Discussion and Possible Action to Consider James Marta & Co. CPA for 2017/2018 Audit.**

There was a motion made to accept James Marta & Co. CPA for our 2017/2018 Audit by Vice President Robertson and a second by Director Alexander. Vice President Robertson(M), Director Alexander(S), President Landers(AYE), Director Bernal(AYE) and Director Jones(AYE).

1. **Items from General Manager.**
	1. **Maintenance Staff Report.**

On July 18, 2017 the State Water Resources Control Board adopted an MCL of 5ppt for 123 TCP. It also established requirements for the detection limit for the purpose of reporting, identifying the best available technology for treatment and setting public notification and CCR language. This was adopted into law on December 14, 2017. In October of 2012 staff started collection quarterly samples because of the proposed MCL. Well 7 has been taken off line due to the January results by the direction of Brian Kidwell at the State. It will not be able to use until 123 TCP treatment is utilized. Mike Jones said that it would be in the Districts interest to try and get more property for 123 TCP Treatment. We have received a request from Keyes School to have samples taken for lead at the schools. This will need to be done while the kids are in school this school year. SWRCB is considering adopting drought regulations. If this adopted the Board should consider adopting stricter water regulations for Keyes CSD. Mike Jones said that since we have installed meters in 2006 we have cut our water usage in half. Todd Robbins requested that we defer any questions that are acquainted with Well 7 and 123 TCP due to the law suit that we are currently involved in. Mike Jones had a display of pictures for the Board to review of work done on our Transmission and Distribution System and our Arsenic Treatment Facility.

* 1. Ernie went over the SRF Claims, RCAC Claims and The Construction Meeting Minutes for the ATF from Jacobs.
	2. On April 4, 2018 Michelle and myself will be attending a funding fair in Sacramento.
	3. Michelle Harris went over the draw down schedule for Black Water, Jacobs, Clark Bor’s and Mozingo.
1. **Staff Comments.**
	1. **Lee Fremming.**

Lee went over the pipeline work that is being done and went over what will be done in the coming weeks. Aja submitted the LAFCO out of boundary service agreement and is working on annexation for Orchard Village MHP. President Landers asked Bright Development was finished, he said yes. Mike Jones said that the County will be installing lights at Faith Home and Keyes Rd.

1. **Director Comments**

None.

1. **Open Session Disclosure Regarding Closed Session Items pursuant to Government Code Section 54957.7**

Closed Open Session at 2:02 p.m.

1. **CLOSED SESSION**
	1. **Conference with Legal Counsel-Existing Litigation pursuant to Government Code Section 54956.9**

**Name of Case and Case Number: Keyes Community Services District v. The Dow Chemical Co., it al., San Bernardino Superior Court, Judicial Council Coordination Proceeding No. 4435, case no. CGC-13-528088.**

1. **Open Session Report on Closed Session Pursuant to Government Code Section 54957.1**

Opened Closed Session at 2:50 p.m.

No Reportable Action.

1. **Adjournment**

There was a motion made to adjourn the meeting at 2:51 p.m.

**Minutes taken by: Michelle Harris**

**Minutes typed by: Michelle Harris**