**KEYES COMMUNITY SERVICES DISTRICT**

**BOARD OF DIRECTORS**

**Date: Tuesday, September 24, 2019**

**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 pm.

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

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

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

None.

1. **Consent Agenda.**
   1. **Approve Minutes for the August 27, 2019 Meeting.**
   2. **Approve Special Minutes for the September 6, 2019 Special Meeting.**
   3. **Approve Warrant Register for September 24, 2019.**

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

1. **DISCUSSION/POSSIBLE ACTION ITEMS**
   1. **Discussion and Possible action to waive second reading and adopt Ordinance No. 2019-2 amending Keyes Community Services District Ordinance Code Article XI, Connections, Section 11.160: Capacity Fee for Properties Benefitting from Cross-Town Sewer.**

There was a motion made to waive second reading and adopt Ordinance No. 2019-2 amending Keyes Community Services District Ordinance Code Article XI, Connections, Section 11.160; Capacity Fee for Properties Benefitting from Cross Town Sewer by President Landers and a second by Director Alexander. President Landers(M), Director Alexander(S), Vice President Parker(AYE), Director Jones(AYE) and Director Bernal(AYE).

* 1. **Discussion and Possible Action to award the construction contract for the Office Expansion Project and authorize the General Manager to execute all contract documents.**

There was a motion to award the Office Expansion Project to Heritage General and authorize the General Manager to execute all contract documents by Director Alexander and a second by Director Bernal. Director Alexander(M), Director Bernal(S), President Landers(AYE), Vice President Parker(AYE) and Director Jones(AYE).

* 1. **Discussion and Possible action to approve I-Pad policy.**

There was a motion made to approve I-Pad policy by Director Alexander and a second by Vice President Parker. Director Alexander(M), Vice President Parker(S), President Landers(AYE), Director Jones(AYE) and Director Bernal(AYE).

* 1. **Discussion and Possible Action to approve Resolution 2019-540 Approving the 10th Street Lighting Project and Notice of Exemption.**

There was a motion made to approve Resolution 2019-540 by Director Bernal and a second by Director Alexander. Director Bernal(M), Director Alexander(S), President Landers(AYE), Vice President Parker(AYE) and Director Jones(AYE).

1. **Items from General Manager.**
2. **Administrative Staff Report.**

Administrative Executive Michelle Harris went over the revenues and expenses, payments made for the arsenic treatment facility project and the cash on hand.

1. **Maintenance Staff Report.**

General Manager Garza stated that we are running into quite a few issues at the ATF. CBI was supposed to have someone do the 30-day startup and the person they picked does not know the information needed to do the startup. General Manager Garza has talked to Supervisor Mike Jones about a consultant (Scott Meyers) that has been working with Lathrop since 2011 that has reached out to us regarding our ATF. He reached out when he found out we we’re having a plant built asking if we would be interested in having him run the ATF. At that time, General Manager Garza told him that he wanted his operators to learn how to run the ATF so we are in control of it. The problem that we are running into is that we don’t have experience in Arsenic Treatment plants. We are going to be reaching out to Scott and asking for a proposal that would include helping us get the bugs out of our system and help us get everything running smooth. This would be for a time frame of 3 to 6 months. After we sit down and talk to him we will come back to the board with a price.

1. The expenses to date on the ATF is $19,803,037.43. We have about another half a million outstanding at the most. General Manager Garza is going to be contacting Pete Stamas from the state and talk with him about the grant vs loan monies.
2. General Manager Garza wants to get a bronze plaque for a monument and put it at the ATF.
3. General Manager Garza, Supervisor Mike Jones, Engineer Lee Fremming and Administrative Executive Michelle Harris had a meeting with Best RV and discussed how we feel it would be best to move forward. Engineer Lee Fremming will discuss this in his staff report.
4. **Staff Comments.**
5. **Lee Fremming.**

The Consolidation project is complete as far as construction. The 10th street lighting project plans, special and general conditions and technical specs are about 90% complete and have been sent to the electrical engineer. To try and keep the costs down on this project Quad Knopf has contacted horizontal and directional contractors that can do horizontal and directional drilling. This is cheaper than the trench resurfacing. Trench resurfacing costs $7.30 for every square foot of pavement that is removed. Engineer Lee Fremming is going to work with Mike to see what needs to be done first and then we will do additive items to the bid documents. We discussed many concerns with Best RV at the meeting that was held and now we will be working with Andy to come up with a document that describes the liabilities that the district wants Best RV to take on if there was a liability issue. Another idea that Lee came up with is to make the water line that goes across the freeway a public water line. The County is adamite that they don’t want anything going out in the street, they want the improvement to go into Best RV and stop there. They think that if it goes out into the street with a fire hydrant it will be growth inducing. Lee is thinking that we could run a 2” water line since they have a storage tank that can be used for fire flow. Lee went over a timeline for the lift station. The last fee increase was on June 2013. March of 2017 Lee e-mailed Larry Miller (electrical engineer) and told him that the Board wanted to get everything completed and ready to bid. Larry e-mailed back and asked if there should be a fee increase requested for completing the construction documents. Lee told Larry that since he didn’t know how long it would be for the project to be bid not to ask for an increase. The reason for that was to wait until the District wanted to bid the project. By December 21, 2017 the plans were complete. When the board decided to formally go to bid Lee was going to ask if the board wanted to update the documents before bidding or during the bid period. There would have been a fee increase at that time to update the bid documents just like there is now on the task order. Lee was also waiting on the conditional use permit until the board decided they wanted to bid the project. The conditional use permit was filed in April of 2019. On Jan 10, 2019 Larry came and explained that he could not continue to work because of health issues so we were going to hire a new electrical engineer. This changed things because now we did not have the option to bid the project or fix the documents before we bid the project. Lee said he feels he did make a mistake back in March of 2017 when Larry asked him if he the plans should be updated and he told him no. Lee feels he should have come to the board and asked what direction they wanted to take at that time. President Landers asked why we did not go out to bid in March 2017 if the bid documents were ready. Lee explained that there was never direction from the board to bid the project. Vice President Parker wanted to know when we would be ready to go out to bid and he did agree that there was misunderstanding on both parties. Vice President Parker said he wants to move ahead and President Landers also expressed that he wants to move ahead. It was agreed upon that in December Lee would be bringing the bid documents back to the board and then the discussion of going out to bid would take place.

1. **Director Comments**

Director Bernal wanted to know if there was any legal action that can be taken place with CBI since they are not performing the 30 day start up. Vice President Parker also expressed his concern as well. Vice President Parker asked if any of their change orders are tied into the problems that Mike is finding. General Manager Garza explained that he is not wanting to get anyone to come out and fix all the problems it is more to have him help Mike and Kevin operate the plant. Since the person that CBI chose the startup person that does not have the experience needed we need someone to help us get started. President Landers said the alley cleanup will take place on October 5, 2019 from 7 am to 11 am at the PAL.

1. **Adjournment**

There was a motion made to adjourn the meeting at 2:08 pm by Director Bernal and a second by Director Jones. Director Bernal(S), Director Jones(S), President Landers(AYE), Vice President Parker(AYE) and Director Alexander(AYE).

**Minutes taken by: Michelle Harris**

**Minutes typed by: Michelle Harris**