**KEYES COMMUNITY SERVICES DISTRICT**

**BOARD OF DIRECTORS MEETING**

**Date: Tuesday, December 20, 2016**

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

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

1. **Call to Order.**

The meeting was called to order at 6:03p.m.

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

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

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

**None.**

1. **Consent Agenda.**

**A) Approve Minutes of November 22, 2016.**

**B) Approve Warrant Register for December 20, 2016.**

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

1. **DISCUSSION/POSSIBLE ACTION ITEMS**

**A) Discussion and Possible action to accept Layer 3 IT proposal.**

Jarrod Krick from Layer 3 IT addressed our Board regarding their proposal for KCSD. The Board gave direction to the staff to come back with 3 proposals. There was also direction given to staff to get the contract with our current IT Company over to Rod to review. Jarrod said that they may be able to furnish us with a loaner server. The Board gave Ernie the authority to make the decision regarding the server. We will be having a special meeting on January 4, 2016 at 5:30p.m. which will include all of the proposals.

1. **Items from General Manager.**

**A) Maintenance Staff Report**

The water conservation report was submitted to the state, the target for small systems is 25%, we came in at 24.5% for the year. We will be replacing the impeller and wear plate on pump #1. We removed shims on pump #2 to adjust the clearance for optimum efficiency. The line for the lift stations may need to be cleaned which could possibly help with the flow and the high BOD.

**B) Financial Statements**

**C) Correspondence**

Pete Stamas has been in touch with us and he is letting us know that he has sent the funding agreement to upper management for their signature and he should be getting it to us very soon. He also included the information about the $18,839,184, there was information regarding Exhibit A, Scope of work, with an estimated start date of July 1, 2017 for construction. Exhibit B, Project Financing, #2 talks about the $3,489,243.00 which is the estimated amount of principal which will be due to the State Water Board. Exhibit B, # 4 talks about the contingent principal forgiveness and # 5 talks about the Prop 1 grant. Exhibit D talks about special conditions.

1. **Staff Comments.**

**A) Lee Fremming**

Lee said that when he reviewed the arsenic treatment documents he felt the start date was too soon. There is a lot of things that need to be done before construction. He sent a message to Pete and he informed him that there is a window of time that the date could be changed. Bonita Ranch has started to mandrel test and will be doing the video inspecting. The street light and the sidewalks are still not in. Lee has asked that the Board make a formal motion authorizing him to complete the contract documents for this project. This will be put on the January Agenda. He also said that the additional push that we will get from the new pumps that will be installed when the main lift station is replaced should improve the force main.

1. **Director Comments**

Director Landers said thank you very much to Ernie and his wife for the Christmas luncheon. Director Bernal wanted to know if Rod would be able to have time to look over the IT contract by the special meeting on January 4th?

1. **Adjournment**

There was a motion made to adjourn 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).

**Minutes taken by: Michelle Harris**

**Minutes typed by: Michelle Harris**