



Madison Service District

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**BOARD OF DIRECTORS MEETING
MADISON COMMUNITY SERVICE DISTRICT**

REGULAR MEETING
June 10, 2020
MINUTES

1. CALL TO ORDER

Chair Andrew Wells called the meeting to order at 6:00 pm.

2. ROLL CALL

Present:

- Directors: Frank Gonzalez, Charles Stormont, Andrew Wells, Steve Gomez and Dan Barnett.
- Not present:
- District Counsel: Not present.
- General Manager: Leo Refsland.
- Board Clerk: Leo Refsland.
- Note: Meeting was held up approx. 20 min. due to technical difficulties. Director Dan Barnett had to leave the meeting.

Public: None.

3. APPROVAL OF AGENDA

Chair Andrew Wells called for a motion to approve the agenda.

Motion by: Director Charles Stormont to approve the agenda as presented.

Second by: Director Frank Gonzalez.

Discussion: None.

Vote: Ayes: 4 No: 0 Abstain: 0 Motion: Passed

4. PUBLIC COMMENTS

Chair Andrew Wells called for public comment – None.

5. CORRESPONDENCE: None.

6. APPROVAL OF MINUTES:

Chair Andrew Wells called for a motion to approve the minutes of 05/13/2020.

Motion by: Director Charles Stormont to approve the May 13, 2020 Minutes.

Second by: Director Frank Gonzalez.

Discussion: None.

Vote: Ayes: 4 No: 0 Abstain: 0 Motion: Passed

7. APPROVAL OF CLAIMS:

Chair Andrew Wells asked for a motion to approve the claims for 05/20/2020.

Motion by: Director Steve Gomez to approve the claims for 05/20/2020.

Second by: Director Frank Gonzalez.

Discussion: Chair Andrew Wells asked what the Woodland Smog receipts are for. GM explained that that is the name of the gas station the district uses. GM explained that he would individually get signatures from those that are tuning in remotely.

Vote: Ayes: 4 No: 0 Abstain: 0 Motion: Passed

Chair Andrew Wells asked for a motion to approve the claims for 06/04/2020.

Note: Director Dan Barnett rejoins meeting @ 6:30 pm

Motion by: Director Frank Gonzalez to approve the claims for 06/04/2020.

Second by: Director Steve Gomez.

Discussion: Chair Andrew Wells asked what the Sierra Chemical bill was for. GM explained it is for the chlorine used in the disinfection of the water supply. It is for one 35-gal drum.

Vote: Ayes: 5 No: 0 Abstain: 0 Motion: Passed

Chair Andrew Wells asked for a motion to approve the claims for 06/10/2020.

Motion by: Director Dan Barnett to approve the claims for 06/10/2020.

Second by: Director Steve Gomez.

Discussion: None

Vote: Ayes: 5 No: 0 Abstain: 0 Motion: Passed

8. FINANCIAL REPORT:

- **EXPENSES:** GM went over the expense budget. Reiterated the chair has to oversee and sign off on GM reimbursement for phone. It included the expected cost of paving the driveway. Coming to end of fiscal year. Should come close to even or slightly under budget. Chair Andrew Wells asked about code 1169. GM explained that is board stipends and that will be tabulated after this meeting and presented at the next. GM also explained that the expense portion of the new budget year will be less because the paving will be complete and there are no large projects expected in 2020-2021 budget.
- **INCOME:** GM reported income for May was \$19,334.50 about 10% below projection for the month. It more than likely because of COVID-19 and the inability to charge late fees and shut off for nonpayment. Keeping track of the fees that should have been charged. All balances not paid are still owed to the district. gave a brief explanation how the information is collected and reported. GM informed the board that Income is running on track. Balanced over the entire year still within 1% of projections.

9. DISCUSSION ITEMS:

A. EXPLORE SHARED SERVICES AGREEMENT

Yolo County LAFCO contacted MCSD to see if there was a way to take a look at the operations and management the Knights Landing Service District. With the purpose of providing operational Management. GM asked for authority to meet with KLCSD and Yolo County staff to discuss the possibility of doing a shared services agreement. GM gave background on the recent history of KLCSD. Work with the county. The benefits of being able to hire an additional full-time employee. The economies of scale. Cost and time savings in dual purpose needs such as studies, policy and procedure implementation etc. MCSD board directed GM to move forward in meeting with KLCSD and the County to work out a possible shared services agreement.

10. ACTION ITEMS:

a) Explore rate increase for new budget year 2021

Chair Andrew Wells asked for a motion to approve new rates for fiscal year 2021.

Motion by: Director Steve Gomez to increase residential rates by \$5.00 and approve the tiered rates for commercial, industrial and high-density connections.

Second by: Director Frank Gonzalez

Discussion: GM reiterated rates discussed in previous meetings. He also went over the tiers and use classifications. There was also discussion about how the lights are charged and what it would take to add more street lights to the community. There was discussion about the lumber yard. GM reiterated the importance of the housing center and its impact on the district. The difference or similarities in neighboring district rates was also discussed. GM further explained sometimes you can not compare because of many factors such as population, growth opportunity, avg income, housing values and condition of the system. GM also spoke about truck and equipment needs and replacement. Cost of system improvements and repairs. Director Stormont asked about how soon would it take before a new rate increase would be needed. GM said he couldn't say past two years because so much can change in a short amount of time. Always expect at minimum cost of living increases to keep up with inflation.

Vote: Ayes: 4 G, FG, W, S No: 0 Abstain: 1 B Motion: Passed

b) Audit 2017, 2018 & 2019

Chair Andrew Wells announced this item will continue on agenda until completed

Motion by: None

Second by: None

Discussion: GM informed the board that all info has been submitted. There will be policies, procedures and oversight improvements and deficiencies that have been identified. GM informed board audit is still ongoing and asked for this be moved to next meeting.

Vote: Ayes: 0 No: 0 Abstain: 0 Motion: None

c) Shut off procedure & policy

Chair Andrew Wells announced this item will continue on agenda until completed

Motion by: None

Second by: None

Discussion: None, GM informed board this item is still ongoing and asked for this be moved to next meeting.

Vote: Ayes: 0 No: 0 Abstain: 0 Motion: None

d) Adopt Budget 2020/2021

Chair Andrew Wells asked for a motion to approve budget for fiscal year 20-21

Motion by: Director Charles Stormont to approve and adopt the 20-21 fiscal year budget of \$260,835.00

Second by: Director Frank Gonzalez

Discussion: GM went over costs and potential hikes in goods and services. The limited availability of new growth. Overall, we have been keeping a decent pace for our existing system but if you take a hard look at replacement costs overall, we are way behind and there is never enough in the budget to address those issues. Came down a little because the paving project was completed. When the rate increase passes and starts at the first of the year, we will need to do a budget adjustment to reflect the increased revenue and expenses.

Discussion about the different cost centers, revenues and future needs ensued. Existing loans and repayment also discussed. The abandonment of the Migrant Center well included in this budget. Cost should be around \$18,000.00

Vote: Ayes: 5 No: 0 Abstain: 0 Motion: Passed

e) GENERAL MANAGERS REPORT

- New generator is on its way. About two weeks
- Ponds are still doing well. There is plenty of capacity. Starting to draw down because of increased evaporation. No algae build up so not running pump to knock it down.
- Water is good. Will be going through the expense of doing final demo of the Migrant Housing well in the next budget year. Approx. \$18,000
- Park is looking good keeping up with it.
- Not much going on with general government right now all the agencies are kind of quiet right now.
- Paving is done. Striping will be completed next two weeks including valve box installation. The Building is looking really good
- COVID-19 restrictions still in place. Remote meetings will more than likely be held for the rest of the year. Still have the Governor's order in place. Not Charging late fees or shutting off water.

Took time to acknowledge that the Barnett's were moving away and that we are all grateful for what they have done for the community. They will be missed.

f) FUTURE AGENDA ITEMS

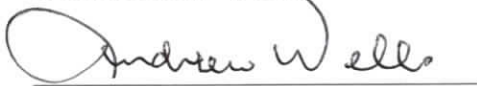
Audits, Claims, Shutoff policy, Shared services agreement, Possible budget adjustment.

g) ADJOURNMENT

Meeting adjourned at 7:57 pm by Chair Andrew Wells

NEXT MEETING DATE: Wednesday, 07-08-2020 @ 6:00 pm

Chair Andrew Wells



Date: 09-17-20

Board Clerk Leo Refsland



Date: 09-17-20