

A meeting of the Board of Directors of the Edgemont Community Services District, held at the Edgemont Community Center, was called to order at 7:00 p.m. by Mike Addie, President. Those board members present were Brenda Addie, Mike Addie, Cheryl Franklin, Crystal Smith and Moses Taylor Jr. Also present were Edward Mackey, attorney, Sandra Leer, attorney, Bill Malone, engineer and Jessica Pfalmer, general manager.

Approve Minutes of November 14, 2019 – Crystal moved to approve the minutes, Moses seconded, motion was carried.

Public comment – There was no public present wishing to speak.

FY 2018-2019 audit - presentation of the draft audit report by Christopher Brown of Fedak & Brown LLP, and approval of draft by the board – Chris handed out an audit summary for the board. He then reviewed the audit summary to explain the audit process and the results of the audit. The auditors issued a “clean” opinion. He then also explained what the management report is. The auditors did not find any material weaknesses within the control system. Chris summarized the financial statements, as well. Brenda moved to approve the draft audit report, Crystal seconded, motion carried.

Chris left the meeting.

Legal –

Closed session opened at 7:14 p.m.

Closed session ended 7:15 p.m. with nothing to report

Open session continued at 7:16 p.m.

Sewer repair and replacement projects – selection and award of bid – Bill passed out a letter in summary of the bids received on the pipeline project. They reviewed all of the bids received for completeness and calculation errors. The lowest bid cost was from Mamco, Inc. at \$1,079,708. The engineers recommend awarding the bid to Mamco, Inc. Cheryl moved to award the bid to Mamco, Inc., Crystal seconded and the motion was carried.

Lighting - Change order has been signed. The final work should be completed in January.

Freeway Business Center offsite sewer – status – still going back and forth with the construction company. They are still waiting for final confirmation on a couple of items.

Crystal left the meeting at 7:28 p.m. because of unforeseen circumstances

18 Unit Residential Apartments on Edgemont Street – approval of sewer availability letter – Bill passed out a letter documenting the proposed project. Webb found that the District has an available pipeline location and available capacity for this project. They recommend the District provide sewer service, with the following conditions: approx. 140 LF of offsite improvements, new easements, estimated connection fees of \$64,800 to be paid, and plan check and construction inspection required with appropriate deposits paid. Brenda moved to provide sewer service to the proposed project under the conditions outlined in the Webb letter, Cheryl seconded, motion carried.

The Quarter project – Almost completely finalized. The EDU shortage of 0.9 EDUs was paid by the Country Kitchen. The engineers will now finalize the project. Any new tenants will be addressed as a new project.

Jessica let the board know that she received a call from Melissa and Marcel from Box Springs Mutual Water Company (BSMWC). They were looking at one of the utility requests issued by Webb on the District's behalf related to the project awarded during this meeting. BSMWC is interested in upsizing a water line on Allyn so Melissa and Marcel were wondering if they could work on Allyn at the same time. Due to the District's project already being so far along, it seems unlikely that this would not effect the District's timeline for the project. Bill also noted that the waterline and the sewer line could not be installed at the same time. Jessica will provide the schedule of construction to BSMWC once it is prepared, but any effort to change the schedule around would likely lead to additional costs to the District.

#### Administration

Financial report – October 2019 – Ed asked why there was a larger amount listed for Mo. Serv. Charges – City of Riverside on the Profit & Loss by Class (\$82,127.28), than on the Cash Disbursements listing (\$35,271.79 and \$460.70). Jessica explained that the amount on the Profit & Loss is the amount of the bills received from the City of Riverside. The amount on the Cash Disbursement listing is the amount actually paid (checks issued). Jessica noted that there is a time delay between when the invoices are received and when the vendor voucher is prepared and signed and the checks are issued through the County of Riverside.

Journal transfer of funds – Jessica provided a memo and a listing of the payments made by the general fund on behalf of the illumination fund. She recommended that the board authorize a journal transfer of funds. Cheryl moved to authorize a journal transfer of funds from the general fund to the illumination fund in the amount of \$1,322.64, Brenda seconded, motion carried.

Submission of "No Spill Report" to State Water Resources Control Board – the report was submitted as required.

Office lease renewal – approval of new one-year lease with 3% increase in monthly rent – from \$781.88 to \$805.00 – Cheryl moved to approve the lease, Moses seconded, motion carried.

District emails – Discuss options for District email addresses for Board and staff – Jessica explained that after further research she had narrowed the selections to Office 365. She spoke with Bill Easley from Webb about their recent transition to Office 365. They discussed the pros and cons for the process and he recommended that she contact a consultant for the transition because it can be complex. Jessica told the board that she had contacted three consultants and that two had responded. They are providing their recommendations for which Office 365 product and the estimated cost to help install and transition the District to it.

Monthly update – other items – no other items

Adjourned: 8:36 p.m.

Respectfully Submitted,

  
Jessica Pfalmer  
Secretary