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 Sam Gershon, engineer, Edward Mackey, attorney, Sandra Leer, attorney, and Jessica Pfalmer, general manager.

Approve Minutes of January 27, 2022 – Crystal moved to approve the draft minutes, Moses seconded. Motion was carried.

Public comment - There was no public present.

Audit – approval of draft report – Christopher Brown from Fedak & Brown provided printouts of the Board of Directors Presentation of 2021 Results. Chris noted that the audit was performed remotely due to Covid. He said that the audit went well and was performed according to GAAP standards. The auditors issued a clean opinion and did not identify any material weaknesses. He highlighted some of the financial items as per the report. Ed asked a few questions. Brenda moved to approve the draft audit report, Crystal seconded and the motion was carried.

Mr. Brown left the meeting.

Legal
Public hearing followed by Board action on Ordinance Increasing Board Members Compensation – The public hearing was opened at 7:25 p.m. There was no public present. Public hearing was closed at 7:26 p.m. Ed reviewed the ordinance. Crystal moved to approve Ordinance No. 344 "…increasing the amount of compensation of members of the Board of Directors for each day of service." Moses seconded and the motion was carried.

Closed session opened at 7:30 p.m. – Because there were no members of the public present, the closed session was addressed at the end of the legal section of the agenda.

Pursuant to Government Code Section 54956.9 (d)(1), Pending Litigation in case entitled Horizons at Moreno Valley, LLC Plaintiff vs. Sukhijt Singh and other others including Edgemont Community Services District, Case Number CVRI 2103590 filed in the Riverside County Superior Court

Closed session ended at 7:47 p.m. with nothing to report.

Engineering – Sam reviewed the engineering memo.
District projects –
Grant Street Lateral – BSMWC has started construction and there is a Webb inspector on site.
Priority II sewerline and laterals replacement – Design is anticipated to be completed by the end of next month.
Sewer Master Plan evaluation and Standards Manual update are underway.

Private development projects – status –
For Apollo IV project there is no change from last month. Tres Islas Seafood Market is moving to a new location within the Canyon Spring Shopping Center and the plan review is complete, awaiting a request

for inspection. La Surtidora Market has paid their billing as requested and engineers will now prepare final letter. Old 215 Business Center continues to move forward. Engineers responded to a discretionary review letter regarding the Bay Avenue Warehouse project. A new project located southeast of the Old 215 Frontage Road and Alessandro for Penske Truck Leasing is starting the sewer availability process. Received and responded to a 1st Utility notice for water mainline replacement at the Moreno Valley Community Golf Center.

Administration
Financial report – January 2022 – Jessica said that since the final audit draft was presented this month, she had made the year-end adjustment to close the year, adjusting the retained earnings to the appropriate fund balance accounts. She noted that this is just an allocation within the equity section of the financial statements, not affecting assets or liabilities. She also stated that the first installment of the property taxes, associated payment of the sewer user and lighting fees was recorded in January.

Journal transfer of funds – approval – Crystal moved to approve a journal transfer of funds of $1,653.47 to Illumination Fund from the General Fund, Moses seconded, motion carried.

Submission of "No Spill Report" to State Water Resources Control Board The report was filed as required.

CalPERS Unfunded Accrued Liability (UAL) – approval of one-time payment of lump sum amount to pay off UAL as of February 28, 2022 – Jessica reviewed the information in the memo. She recommended authorizing payment of the lump sum, to avoid paying interest on the liability. Cheryl moved to authorize payment of the lump sum $97,638 to CalPERS to bring the defined benefit plan current. Crystal seconded and the motion was carried.

Pollution Liability Insurance – Discussion of and possible approval of new pollution liability insurance – Ed said that after discussion with the insurance broker, the current plan proposal is a completely new plan. The new plan covers the sewer pipelines and facilities. The new rates are $9,586 for a $25,000 deductible and $8,760 for a $50,000 deductible. Ed recommends the new policy with the $25,000 deductible. Brenda moves to approve the pollution insurance with $25,000 deductible, Cheryl seconds and the motion is carried.

Monthly update – other items – Jessica told the board that the electronic records project is now underway.

Adjourned: 8:30 p.m.

Respectfully Submitted,

Jessica Pfalmer

Jessica Pfalmer
Secretary