

**SIX HUNDRED FIFTY FIRST MEETING OF THE BOARD OF DIRECTORS  
OF THE  
EI DORADO HILLS COUNTY WATER DISTRICT**

The six hundred fifty first meeting of the Board of Directors of the El Dorado Hills County Water District was held on Thursday, June 17, 2010 at 6:00 p.m. at the regular meeting place of the District, the District Office, 1050 Wilson Blvd., El Dorado Hills, California. Present were Directors Durante, Hartley, and Winn with President Hartley presiding. (Directors Hidahl and Thomsen had not arrived yet.) Counsel Cook was in attendance. Chief Veerkamp and Chief Financial Officer Bair were also in attendance.

President Hartley called the meeting to order at 6:02 p.m. and Chief Veerkamp led the Pledge of Allegiance.

Gary Sparks, representative and owner of the Alto property, requested the Board's approval of an annexation agreement for Alto LLC to pay the annexation fees on a "per parcel created basis" instead of paying all fees up front.

President Hartley made a motion to approve the annexation agreement with Alto LLC and authorize the President to sign the agreement. The motion was seconded by Director Winn and carried. (Ayes: All present. Absent: Directors Hidahl and Thomsen.)

Director Hidahl arrived at 6:05 p.m.

Chief Roberts presented a Good Samaritan Certificate of Recognition to El Dorado Hills resident, Ms. Veronica Pearson, for her courage and quick response as she entered a smoke filled house on June 9, 2010 during the Mesa Verdes Fire. Ms. Pearson was first on the scene; she retrieved a bird cage from the house and then alerted Battalion Chief Roberts upon his arrival that an elderly gentleman was still inside and refusing to leave. Chief

Veerkamp recognized Chief Roberts with a Certificate of Commendation for his courage and disregard for his own safety as he entered the structure and rescued the gentleman inside that was still refusing to come out. Chief Roberts commended the crew for their outstanding work on this fire and for saving the lives of the owner's pets.

Director Durante moved to approve the consent calendar which included the minutes of the 650<sup>th</sup> meeting held May 26, 2010 as well as the Financial Statement for May 2010. The motion was seconded by Director Hidahl and unanimously carried. (Ayes: All Present; Absent: Director Thomsen).

In response to a question raised last month on tax increment, Counsel Cook researched this topic and presented information relative to property tax apportionment and the ability of others to summarily take that away. He urged Board Members to read a publication entitled, "Property Taxes – Why Some Local Governments Get More Than Others" in order to better understand the apportionment of property taxes. He reassured the Board that property tax apportionment is controlled by state statutes and not by local government thus making it difficult to change without state legislation.

Correspondence was received and filed. A status report from Jill Engelmann, Human Resource Consultant with CPS, has been received. Chief Veerkamp stated that it will be summarized during the Staff Report.

President Hartley stated that all closed session items will be moved to the beginning of the meeting in order to accommodate Director Thomsen. These items include Items V-1, Conference with Legal Counsel, Pursuant to Government Code Section 54956.9, Anticipated Litigation, and Item VI-A.1 and 2, Pursuant to Government Code Section 54957,

Public Employee Discipline/Dismissal/Release. After closed session, Director Thomsen will be dismissed to tend to personal needs.

Director Thomsen arrived at 6:21 p.m. and the meeting adjourned to closed session at 6:23 p.m.

The meeting reconvened at 6:55 p.m.

Director Thomsen was present during the entire closed session and dismissed.

President Hartley reported that during closed session regarding Item V-1, Conference with Legal Counsel, and Items VI-A.1 and 2, Public Employee Discipline/Dismissal/Release, updates were received but no action was taken.

Chief Veerkamp gave an update on the Training Facility stating that RFP bids for civil engineering services for ground work had been received and were under review.

Director Winn reported that the Fire Committee had not met.

President Hartley gave an Ad Hoc Committee Report regarding the Testing Process. He stated that the Ad Hoc Committee, Director Hartley and Thomsen, met with Staff and Human Resource Consultant, Jill Englemann, for an update of the testing process. Director Hartley requested a bullet point update on the progress; it has been completed and he will be taking that back to the committee for consideration.

President Hartley reported on the Regional Operations Committee Meeting. Chief Veerkamp stated that their goals have shifted to encompass their number one priority which is to secure funding with the Board of Supervisors now that their Aid to Fire has been eliminated.

The Operations Report was received and filed. Chief Veerkamp reported that there have been no building development fees received since January and that he has shared this concern with Supervisor Knight.

Chief Veerkamp gave a JPA update. They have experienced two major engine failures that continue to diminish fleet reliability. Even though the JPA was successful in a Class Action suit against Ford Motor Company, Ford denies any future responsibility for breakdowns. Chief Veerkamp also stated that the biggest topic of discussion, however, was the recent Board of Supervisor's vote of 3 to 2 authorizing \$600,000 to come out of the Service Area 7 Fund Balance to fund Aid to Fire as they see fit and to be distributed by them. The JPA made their appeal; however, it still passed 3 to 2. Subsequent meetings with the JPA, Chiefs and Legal Counsel have taken place to research all ordinances and original documentation outlining what the monies can be spent on. This documentation defines usage to be "for ambulance services only." The JPA is starting their challenge with written correspondence that urges the Board to reconsider their position.

Chief Veerkamp reviewed the 2010-11 Preliminary Budget with the Board. The overall Budget presented is less than last year's. The revenues are projected in the Budget at a negative 10 percent.

President Hartley opened the meeting for public comment. A few questions were raised regarding the capital assets; this area will continue to be reviewed by the Budget Committee for the Final Budget in September.

Director Hidahl moved to adopt Resolution 2010-13 approving the 2010-11 Preliminary Budget and setting a notice for public hearing as required by law. The motion was

seconded by Director Durante and unanimously carried. (Roll Call: Ayes, Directors Durante, Hartley, Hidahl, Winn. Absent, Director Thomsen.)

Chief Financial Officer Bair asked if the Board Members were interested in attending the 2010 Ethics Training Workshop scheduled for August 4, 2010. The training is free and sponsored by LAFCO.

Counsel Cook reported that communications had been made with the owners of the Francisco property and told that we were not interested in pursuing the purchase of this property at this time. The sellers expressed a desire to continue discussions in the future.

Chief Veerkamp stated that Jill Engelmann, CPS Human Resource Consultant, submitted a memo regarding the status of Human Resource activities and projects. Jill will be available at the July Board meeting for questions. President Hartley assigned review of this memo to the Ad Hoc Committee.

Chief Veerkamp requested that the Board Members let him know if they will be attending the Board of Directors Joint Dinner Meeting on June 25, 2010 at 6:00 p.m. at the Latrobe Community Center.

Director Winn moved to adjourn the meeting, seconded by Director Durante and unanimously carried.

The meeting was adjourned at 7:30 p.m.

Approved:

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Connie Bair, Board Secretary

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Jim Hartley, President