

EL DORADO HILLS COUNTY WATER DISTRICT

SEVEN HUNDRED TWENTY FIFTH MEETING OF THE BOARD OF DIRECTORS

Thursday, June 18, 2015

6:00 p.m.

District Office, 1050 Wilson Boulevard, El Dorado Hills, CA 95762

I. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Director Hidahl called the meeting to order at 6:06 p.m. and Counsel Cook led the Pledge of Allegiance. Directors in attendance: Durante, Hartley, Hidahl, and Winn. President Winn arrived at 6:15 p.m. Director Hus attended via teleconference. Staff in attendance: Chief Roberts and Chief Financial Officer Bair. Counsel Cook was also in attendance.

II. CONSENT CALENDAR

- A. Approve minutes of the 724th meeting held May 21, 2015
- B. Approve financial statements for May 2015
- C. Ratify tenth payment to SW Allen Construction Inc. for Station 84 in the amount of \$181,381

Director Durante made a motion to approve the consent calendar, seconded by Director Hartley and carried. Director Hus abstained.

III. ORAL COMMUNICATIONS

- A. EDH Professional Firefighters – No report
- B. EDH Firefighters Association – No report
- C. EDH Volunteer Firefighters – No report
- D. Latrobe Advisory Committee – No report
- E. Public Comment

Richard Ross, citizen, expressed his concern about a spot fire in Folsom and asked if the Department would consider signage warning about brush fires.

Darwin Throne, citizen, highlighted a number of provisions from a proposition to the Secretary of State on pension reform and wanted to make the Board aware that this could affect El Dorado Hills. (President Winn joined the meeting at this time.) Sam Paredes, a member of the Latrobe Advisory Committee, stated his concern about the lack of after-hours coverage for the Latrobe area.

IV. CORRESPONDENCE – None

V. ATTORNEY ITEMS – None

VI. COMMITTEE REPORTS

A. Administrative Committee (Directors Hidahl and Winn)

- 1. Review and update construction progress of Station 84 – Director Hidahl reported the committee met on June 2nd and was advised that the project is on schedule. He asked staff to respond on the AT&T issue, stucco issue and the fire protection system issues from the meeting. Chief Johnston reported that AT&T has been non-responsive about the issue of the placement of the Cellular on Wheels (COW), but the stucco issue has been resolved. Chief Roberts stated that fire protection system

calculations are done and everything is sufficient. The next meeting is scheduled for July 7.

- B. Fire Committee (Directors Hus and Winn)** – Director Hus reported that the committee met on June 15 and reviewed the preliminary budget, the need for revision of the reserve policy, and the unfunded liability with CalPERS. Development fees and the capital improvement plan will be discussed in the meeting scheduled for June 23. The committee is recommending that the Department make a payment of one million dollars for safety personnel and two hundred thousand dollars for non-safety personnel toward the unfunded liability with CalPERS. The 2015/2016 preliminary budget will be discussed under Fiscal Items. President Winn stated that the committee will be working with Staff on the revised reserve policy and will bring their recommendation to the Board.

C. Ad Hoc Committee Reports

1. Regional Operations Committee (Director Hartley and Hidahl)

- a) Rescue Fire Protection District** – Director Hartley reported that the Department is continuing with community meetings in Rescue. The Regional Operations Committee has discussed staffing possibilities and will have a closed session meet and confer committee meeting on July 1 to discuss the options further.

Director Hidahl reviewed the Latrobe staffing options and reported that no decision has been made. The committee will meet and confer with the Union, then will make a recommendation to the Board. Chief Roberts added that option 4 of the staffing options is included in the preliminary budget.

John Haverty, of the Latrobe Advisory Committee, reported that the committee is very pleased with the changes and response times in the Latrobe area. He looks forward to the possibility of 24/7 coverage. Director Hidahl asked that the advisory committee review the 4 options and present their recommendations.

- b) Diamond Springs/El Dorado Fire Protection District** – No report

Sherrie Petersen, citizen, asked that the fiscal impact to the residents of El Dorado Hills be considered when reviewing staffing options for the Latrobe station. Darwin Throne, citizen, asked if there are public meetings in El Dorado Hills to discuss annexation with Rescue and requested that there be a formal announcement to the community when those meetings are scheduled. John Haverty

responded that the citizens of Latrobe are paying the same tax rate as everyone else in the County and should get the same service. Director Hus requested that the Board send a formal invitation to the Latrobe community to attend the Board meetings. Additionally, he expressed his concerns about the meet and confer process and the lack of anticipation of staffing issues. Richard Ross, citizen, added that a fifth option would be to brown out Station 87.

2. **Solar Committee (Directors Hus and Hidahl)** – Director Hidahl reported that the Department will be moving forward with four individual station contracts with TCC and Vista Solar. Counsel Cook stated that TCC agreed to have four separate agreements and will be providing those within the week. He recommended that the contract go back to the committee for a final review when Director Hus returns after July 4.
3. **Communications Committee (Directors Durante and Winn)** – No report. The next committee meeting will be held on June 30.
4. **Volunteer Stakeholders Committee (Directors Durante and Hidahl)** – Director Durante stated that Lt. Mike Roppolo had submitted the dashboard report. Chief Moreno reported that he is working on the training program, reporting, and getting the new volunteers involved and responding. Director Hidahl asked about the drop in responses. Chief Moreno stated that the low response was mostly due to the transition from the old program, personnel changes, and the delay while waiting for new safety equipment. Chief Roberts reported that eight new volunteers graduated from the Academy. Director Hartley commented that the efficiency of the program is strained due to Chief Moreno's shift schedule and the lack of a daily contact for the volunteers.
5. **Training Facility Committee (Directors Hartley and Durante)** – No report. A committee meeting will be scheduled prior to the next Board meeting.
6. **Human Resources Committee (Directors Winn and Durante)** – No report.

VII. OPERATIONS REPORT

- A. **Operations Report - Received and filed** – Chief Roberts reported that the Department is looking into a new data analysis system and hopes to have a Response Time Report at the July board meeting.

Sherrie Petersen, citizen, asked if the Department has considered moving to a GPS reporting system for more accurate reporting. Chief Roberts responded that we are limited to the capabilities of the State's system.

Chief Roberts showed a national news clip about the recent grass fire and baby deer rescue by El Dorado Hills Firefighter, Luke Bohanan. He then showed a video on the Knight Lane residential fire on June 8 and reviewed the stats.

Chief Roberts commended the crews for a job well done in saving a good portion of the home and protecting the neighboring homes. He also commented that Station 91 responded and covered the District while the fire was being extinguished.

B. Review and update regarding Joint Powers Authority – Chief Roberts stated that the Department is trying to renegotiate the contract to a fixed-rate contract. County Service Area 3 is interested in possibly dissolving and merging their service area with County Service Area 7. Director Hartley asked if there is any update on the GEMT money. Chief Roberts responded that the fixed-rate contract would help alleviate the need to monitor that money. The County would then be responsible for getting the reimbursement.

C. Review and approve surplus of 1996 International Engine and 2000 Ford Expedition – Chief Roberts recommended that the Board surplus the 1996 International Engine and 2000 Ford Expedition due to age and high mileage. He added that the Department has applied for an OES Type III Engine and will keep the Board updated on the status.

Director Hidahl made a motion to approve surplus of 1996 International Engine and 2000 Ford Expedition, seconded by Director Hartley and unanimously carried.

D. Review and approve EDCFCA USAR Response Agreement – Chief Roberts explained that El Dorado County Fire Chiefs Association USAR Response Agreement says that we will cooperate as required and outlines the responsibility chain. Chief Roberts confirmed that there would not be additional expectations beyond our current commitment. Chief Johnston added that this also organizes and streamlines the training. Counsel Cook confirmed that he reviewed the agreement and did not see any additional obligations to the District.

Director Hartley made a motion to adopt the EDCFCA USAR Response Agreement, seconded by Director Durante and unanimously carried.

VIII. FISCAL ITEMS

A. **Review and approve Resolution 2015-08 adopting the 2015-16 Preliminary Budget and set notice for public hearing as required by law –**

CFO Bair reported that the County estimated a five percent increase in revenue for the District. She reviewed and summarized the budget, reporting small increases in staffing and a drop in the contribution to CalPERS Retirement. She clarified that the \$499,000 payment towards unfunded liability was previously budgeted as a percentage of our payroll but switched this year to a set amount. The 1.2 million dollars that Director Hus referred to is recommended in addition to that in order to reduce the 11.5 million dollars in unfunded liability. Chief Roberts reported a higher dispatch budget due to the plan to purchase a digital dispatch system to provide a second means of alerting the stations. Director Hidahl asked about any anticipated personnel changes adding that our chief officers are spread thin and a more appropriate balance is needed. Chief Roberts responded that there are no significant anticipated changes aside from the budgeted Latrobe staffing option. Director Hartley commended Division Chief Lilienthal for passing up the opportunity for a new vehicle in order to purchase two prevention vehicles for his inspectors. Director Hus asked that next year the budget be presented a month earlier and expressed his concern about the lack of a reserve contribution, the need for the MOU to be aligned with the budget process, and the fiscal impact of the Latrobe staffing issues to the El Dorado Hills community. Director Hartley stated that he was pleased to see the recommendation to reduce the unfunded liability.

Darwin Throne, citizen, questioned the increase in the overtime, health benefits, and operations budgets. He also asked that the Department consider doing a reserve study.

President Winn made a motion to approve Resolution 2015-08 adopting the 2015-16 Preliminary Budget and set a notice for a public hearing as required by law, seconded by Director Durante and carried. (Ayes (4); Noes: (1)- Director Hus).

B. **Ratify closing new Bank of America account –**

CFO Bair clarified that the new Bank of America was already closed due to the high accrual of fees and requests that the Board vote to ratify that decision. CFO Bair added that she was able to get most of the fees reversed.

Director Hidahl made a motion to ratify Staff's decision to close the new Bank of America account, seconded by Director Durante, and unanimously carried.

- C. **Review and approve firm Robert W. Johnson, CPA to audit the financial statements of the District** – CFO Bair reported that Robert W. Johnson sent us his fee of \$10,500 for this year. She stated that she was happy with his work and recommends that the District continue to use his services for the next few years considering all of the transition with her retirement and the Latrobe annexation.

Director Hartley made a motion to approve firm Robert W. Johnson, CPA to audit the financial statements of the District for the next two years not to exceed \$11,000 for the second year, seconded by Director Durante, and unanimously carried.

Director Hidahl asked Director Hus if he sees the value in the mandatory audit. Director Hus responded that he was unsure about how Robert W. Johnson would compare to a competitor. He recommend that the Board ask him to come to a Board meeting to give further detail following the audit.

- IX. **NEW BUSINESS** – Director Hidahl asked that the proposed Board Policy change in reference to the Board’s involvement in the selection of key personnel be included in the next Board agenda. Chief Roberts reminded the Board that they already have the final say in what positions the Staff is permitted to hire. Director Hus added that he appreciated being involved in the hiring of the Director of Finance and believes that, at the key Chief personnel level, the Board should be more involved. Chief Roberts questioned where the line would be drawn to determine key personnel. President Winn directed the concerned Board members to submit their proposal to the Admin Committee.

CFO Bair reminded the Board that there are several items that have come up regarding changes in the Board Policy Manual and asked that they all be addressed together. President Winn again directed everything first to be discussed at committee level, then brought to the Board when ready.

Director Hidahl suggested that Staff formally start the meet and confer process for the Memorandum of Understanding.

- X. **OLD BUSINESS** – None

XI. **ORAL COMMUNICATIONS**

- A. **Directors** – Director Hartley informed the Board of an email correspondence that he received from constituent Janet Moncado asking for Director Hus’ resignation relative to his legal status. Director Hidahl confirmed that he received the same email. Director Hartley stated that he will respond that he received the email and invite Ms. Moncado to attend the next Board meeting.

Director Hidahl thanked the Staff for the operations presentation.

- B. Staff** – Chief Roberts added that Latrobe residents pay more for service than El Dorado Hills residents. He stated that had the Department not negotiated for the \$0.17 from the County and annexed Latrobe, the service would have gone away requiring El Dorado Hills Fire to respond regardless as the closest resource reducing the service to El Dorado Hills. Director Hartley added that Station 91 has already been an asset in covering the remaining El Dorado Hills stations when needed. Director Hus stated that Latrobe has been covered for years by a small staff and responsive volunteers who would have continued to be responsive without the annexation.

CFO Bair reported that Megan Selling, Administrative Assistant, would begin attending the Board meetings as the Recording Secretary starting in July and that Sandy Sanders, Administrative Assistant, has announced her retirement in October 2015.

John Haverty, Latrobe Advisory Committee, thanked the Board for their efforts and support of the Latrobe community.

XII. ADJOURNMENT

Director Durante made a motion to adjourn the meeting, seconded by Director Hartley, and unanimously carried.

The meeting adjourned at 8:46 p.m.

Approved:

Barbara Winn, President

Connie Bair, Board Secretary