

**SIX HUNDRED SEVENTY FOURTH MEETING OF THE BOARD OF DIRECTORS
OF THE
EI DORADO HILLS COUNTY WATER DISTRICT**

The six hundred seventy fourth meeting of the Board of Directors of the El Dorado Hills County Water District was held on Thursday, September 15, 2011 at 6:00 p.m. at the regular meeting place of the District, the District Office, 1050 Wilson Blvd., El Dorado Hills, California. Directors Durante, Barber, Hartley, Hidahl and Winn were present with President Durante presiding. Counsel Cook was also in attendance. Chief O’Camb and Chief Financial Officer Bair were present. President Durante called the meeting to order at 6:00 p.m. and Chief O’Camb led the Pledge of Allegiance.

President Durante requested that the regularly scheduled Board Meeting for October be rescheduled. The Board agreed to move the meeting to October 12, 2011 at 6:00 p.m.

Director Hartley moved to approve the consent calendar which included the minutes of the 672nd meeting held August 18, 2011 and the 673rd meeting (a special meeting) held August 25, 2011 and the Financial Statements for August 2011. The motion was seconded by Director Winn and unanimously carried.

Jeff Genovese, President of the El Dorado Hills Firefighters’ Association, updated the Board on the 39th Annual Wine, Cheese and Brew Festival that was held on September 10 stating that attendance was slightly down as well as corporate sponsorships which was likely due to the economy.

Mr. Richard Ross, citizen of El Dorado Hills, addressed the Board. He complimented the Board on their response to the Grand Jury Report stating that it was well

constructed and well sourced; however, he acknowledged that the Grand Jury Report appeared to be self-serving to some undeclared goal, not well sourced and that it was harder to respond to a bad question than an intelligent one. He raised concern in the following areas: although spending may be falling inside what is being budgeted, is all spending reasonable and necessary; overtime issue created by the MOU still needs resolution; is the community of El Dorado Hills such a stressful environment that it warrants paying top dollar to firefighters in order to keep them; since firefighters are not required to live in the community, the cost of living aspect of salaries does appear to be remotely applicable; how do we go about measuring response time; public deserves to know what the long term retirement and medical coverage costs are as well as what a base firefighter costs; what is the purpose of paying educational pay as it seems to be a negotiations hook that keeps on giving; and transparency continues to be an issue citing the example that the public was unable to review the draft Grand Jury Response or give positive suggestions before finalization. Lastly, Mr. Ross stated that the CalPERS Side Fund payoff of 1.09 million dollars is not properly categorized in the wages or benefits section of the budget; since the payoff is not being properly reflected, there seems to be a misrepresentation as to what these costs are and what employees are in fact receiving.

Director Hidahl commented that it is common practice to respond as succinctly as possible to a Grand Jury Report giving the specific data need and no more which is what the Board did. He said that it was unfortunate that, in his opinion, the process did not allow for more dialog and exchange of information so that the public could benefit more from the process.

Director Winn was no longer in attendance at 6:30 p.m.

Fire Chief Ron Phillips, Folsom Fire Department, and Mr. David Miller, Community Development Director of the City of Folsom, addressed the Board with an update on

the proposed 200 acre annexation south of White Rock. The City of Folsom has agreed to enter into a tax sharing agreement with El Dorado Hills Fire Department to preserve the existing tax base as undeveloped land for revenue to the Department with any increases to this base being calculated on a CPI or other mutually agreed upon inflationary benchmark. All future property tax increases resulting from new development on the property that would normally go to the City of Folsom will be received by the City of Folsom, net of the vacant land base property tax share that the El Dorado Hills Fire Department currently receives. Once this land is annexed into Folsom, the City of Folsom Fire Department will be the primary service provider for this area. The City of Folsom is therefore requesting a letter be sent to the Sacramento County LAFCO in support of the annexation stating the understanding of future service area boundaries and tax sharing. The Board directed Counsel Cook to work with the City of Folsom to draw up a contract that can then be taken to Committee for review and recommendation to the Board.

President Durante requested that with Board approval, all closed session items be moved later in the agenda after New Business and the Board concurred.

Director Hidahl reported on the response to the Grand Jury report stating that it had been submitted and is available for review on the El Dorado Hill Fire Department website. He also informed the Board that the Grand Jury Response will be given to the “newly” seated Grand Jury who will now have the prerogative to accept the response or reassign it for further investigation.

The Fire Committee had nothing to report.

The Operations Report for August was received and filed. Director Hidahl asked Staff to expand the Operations Report to include the metrics used to calculate JPA response times so that the public can be made aware of the positive history that has been established in

meeting response time targets; Chief O’Camb said that he would include this metrics in future reports.

Director Hartley reported that the JPA meeting is scheduled for September 21 and had nothing else to report.

Chief O’Camb asked the Board to review and approve the following equipment that has outlived its service life to be classified as surplus and offered for sale or scrap: (1) ice machine; (17) Bendix King Portable Radios (GPH);and (35) Bendix King Radios (EPH).

Director Barber moved to approve the reclassification of the above stated equipment as recommended by Staff. The motion was seconded by Director Hartley and unanimously carried.

CFO Bair presented Resolution 2011-12 to amend the contract with CalPERS for employee cost sharing under Section 20516 for local Miscellaneous and Safety members whereby employees are contributing 3 % of their salary toward their PERS contributions.

Director Hartley made a motion to adopt Resolution 2011-12 as recommended by Staff. The motion was seconded by Director Hartley and unanimously carried. (Roll Call: Ayes: All; Noes: None; Absent: Winn).

CFO Bair presented Resolution 2011-13 adopting the appropriation limits for the 2011-2012 fiscal year. The appropriation limit is \$24,732.433.

Director Hidahl made a motion to approve Resolution 2011-13 to adopt the appropriation limits for the 2011-2012 fiscal year consistent with Staff’s recommendation. The motion was seconded by Director Barber and unanimously carried. (Roll Call: Ayes; All. Noes; None. Absent; Winn).

Director Hidahl and Chief O’Camb discussed the possibility of purchasing a 2007 American LaFrance Truck from the City of Lincoln Fire Department that is being offered new with only 5,000 miles on it. With sales tax and some additional equipment, the total cost would be about \$600,000 which would save the District approximately \$600,000 by purchasing it now instead of in the future as planned for in the 2012-13 Budget. Director Hidahl is recommending that the Capital Replacement Fund for Capital Assets projected be increased from \$75,000 to \$761,000 in the 2011-12 Budget in order to take advantage of this opportunity.

In response to the concern that Mr. Ross had that the CalPERS Side Fund expenditure was not being shown as a part of the salary, wages and benefits expense to the District, CFO Bair explained that the CalPERS Side Fund was being shown as it’s own line item so as not to spike the salaries and wages category in the 2011-12 Budget and reflect disproportionately compared to other years. She added that after researching the appropriate placement of the CalPERS Side Fund expenditure, both the District’s auditor and other similar District, agreed with this method. Director Hidahl asked that in order to provide the public with a more easily understood document, that CFO Bair add an additional footnote for any “Board authorized transfers from reserves” so that it is clear that we are operating within our means.

She also summarized several changes made to the 2011-12 Tentative Final Budget which included the increased annual property tax revenue by \$390,000 which equated to a negative 1.34% instead of a negative 5% as projected. Director Hidahl stated that the Budget Committee recommends approval of the 2011-12 Final Budget with the recommended changes.

Director Barber moved to approve the 2011-12 Final Budget with the changes as recommended by Staff and the Budget Committee. The motion was seconded by Director Hidahl and unanimously passed. (Roll Call: Ayes; All. Noes; None. Absent; Winn).

The meeting adjourned to closed session at 7:45 p.m. to discuss Item V-B, Conference with Legal Counsel, Pending Litigation (One Matter) Merino et al v. El Dorado Hills County Water District, pursuant to Government Code Section 54956.9 ; Item V-C, Conference with Legal Counsel, Anticipated Litigation (One Potential Matter), pursuant to Government Code Section 54956.9; and Item VI-C, Conference with Chief Transition Committee to develop terms and conditions of employment contract for the new Fire Chief, pursuant to Government Code Section 54957 and 54957.6.

The meeting reconvened to open session at 8:11 p.m.

President Durante reported that during closed session, Items V-B, V-C and VI-C were reviewed with no action taken.

Director Hartley informed the Board that Latrobe Fire had expressed interest in a contract for service and that he had met with them for an initial discussion. He said that Latrobe will be submitting something to the Board relative to this interest in the near future.

President Durante relayed an email that Captain/Honor Guard Commander Matt Beckett had written thanking all the many members of the El Dorado Hills Department that participated in the many 9/11 remembrances. He made specific mention of Chief Roberts for accompanying 15 of the Fire Department members to the IAFF Memorial in Colorado Springs, stating that this is a great example of his leadership and connection that the Department needs and already benefitted from in boosted morale.

Chief O’Camb acknowledged the contributions of Volunteer Firefighter Ryan Bennett and congratulated him on being hired as a Firefighter for the City of Sacramento. He also thanked all who participated in the many 9/11 Remembrances such as the Regency Tower Stair Climb and the Rolling Hills Church ceremony. He also announced the unexpected passing of Chief Cooper of Cal EMA and an El Dorado Hills resident stating that his memorial service will be held on September 16, 2011. He also made mention of the passing of Ms. Jennifer Tegley, an El Dorado Hills resident and Oak Ridge High School student, that had become a friend of the El Dorado Hills Fire Department when she and her family were guests on the Santa Engine during the 2010 Santa Run. He concluded by relaying a thank you from a resident that had approached him with her appreciation at Rolling Hills Church and all the Department has done during three recent medical aide calls to her home as she battles ovarian cancer.

Director Hidahl reported that Dixon Ranch, an over 700 home parcel off Green Valley Road and Malcolm Dixon, will be moving forward with submittal of plans to the County.

Director Hartley made a motion to adjourn the meeting in memory of the late Mark Cooper, Deputy Chief of CalEMA, Retired Assistant Chief of Sacramento Metro Fire, and El Dorado Hills resident. The motion was seconded by Director Hidahl and unanimously passed.

The meeting adjourned at _____ p.m.

Approved:

Connie Bair, Board Secretary

Greg Durante, President

