

**EL DORADO HILLS COMMUNITY SERVICES DISTRICT  
BOARD OF DIRECTORS REGULAR MEETING**

**April 20, 2006**

**MINUTES**

**CALL TO ORDER**

President Justin Masters brought the regular meeting to order on Thursday, April 20, 2006, at 7:02 p.m. Director Joe Chinn, Director Larry Brilliant, President Justin Masters, Director David Trapani and Director Constance Wyatt were present. Also present were General Manager Wayne Lowery, Assistant General Manager Sandi Kukkola, Executive Assistant Charlene Ambrose, Director of Parks Kent Oakley, Director of Recreation Marni Francisco-Cady, Director of Planning Dianna Hillyer, Interim Finance Director Gene Albaugh and Finance Technician Sherry Shannon. General Counsel Bob Thurbon was present. Approximately 24 members of the public were present.

**ADOPTION OF AGENDA**

**Motion No. 1. Director Brilliant moved and Director Trapani seconded the motion to adopt the agenda. Motion carried 5-0-0.**

**PRESENTATIONS & ANNOUNCEMENTS**

**1. Presentation of 2005 Community Service Award:  
Bill Kriz**

President Masters and General Manager Lowery presented a 2005 Lifetime Community Service Award on behalf of the District to the family. Wife Pat and son and daughter-in law accepted the award. Lowery highlighted some of the many contributions Mr. Kriz made to the District and to the community during his term as board member and then while he was with the school district. President Masters echoed Lowery's sentiments on Mr. Kriz.

**2. Presentation by Joe Verandes from Wells Fargo Bank of El Dorado Hills of donation to sponsor the 2006 Summer Concert Series.**

Mr. Verandes presented the sponsorship check to President Masters. President Masters thanked Wells Fargo Bank for their sponsorship and support.

**3. Presentation of 2006 Dottie Award in recognition of the El Dorado Hills Community Services District website.**

Mr. Lowery presented the 2006 Dottie Award to the Board Members with pride. Director Chinn thanked the District staff for their hard work assisting with the development and maintenance of the District website.

## **COMMUNITY COMMENT**

President Masters gave the criteria for Community Comment and invited public comment. There was none.

## **REVIEW OF WRITTEN COMMUNICATIONS**

None

## **COMMUNITY SERVICES DISTRICT CALENDAR**

### **5. April - May 2006 Calendar of District Events and Activities.**

Lowery reviewed key events such as Egg Hunt, Swim registration and on line registration.

## **CONSENT CALENDAR**

Items 6, 10, 11, 12, 14, 17, 18, and 19 were pulled from the consent calendar.

- Motion No. 2.** Director Brilliant moved and Director Wyatt seconded the motion to approve Consent Calendar Items remaining:  
7) Ratify Cash Disbursements through March 31, 2006; 8) Approve Finance Report for February 28, 2006; 9) Approve Comprehensive Annual Financial Report for the Year Ending June 30, 2005; 13) Approval of upcoming committee and/or meetings and reports of committees: Utilities Committee (Brilliant/Trapani), Friday April 21, 2006; 15) Receive and file Fiscal Year 2007 budget for the Local Agency Formation Commission (LAFCo); 16) Receive Approval of Notice of Completion for the Maintenance Building Project, effective April 12, 2006; Motion Carried 5-0-0.

## **GENERAL BUSINESS**

### **20. Review items pulled from Consent Calendar for action.**

- 6) Approve the minutes of March 2, March 9 and March 31, 2006 meetings.**

President Masters pulled this item as he had a correction to the minutes of Special Board Meeting of 3/31/06 1:00 pm (Closed Session). He stated the Board appointed an ad hoc committee to complete the General Manager performance evaluation and report back.

- Motion No. 3.** Director Brilliant moved and Director Chinn seconded the motion to approve minutes of March 2, March 9 and March 31<sup>st</sup> at 9 am. And, to approve minutes of March 31<sup>st</sup> 1 pm (Closed Session) meeting with noted correction. Motion carried 5-0-0.

- 10) Authorize General Manager to execute the Landscape Agreement and Grant of**

### **Easement for Serrano Parkway at Village G & J.**

Director Brilliant requested this agenda item be pulled to question whether enough resources are set up to collect funds to pay for the services being taken over. General Manager deferred the question to Dianna Hillyer who replied yes the shell Landscaping and Lighting agreement will be maintained through the Homeowners Association. Kirk Bone of Parker Development Company advised that the same people in the Homeowner Association are the constituents. The L & L was formed ten years ago. Director Brilliant relayed the CPI inflation factor question has been satisfied. President Masters asked the Directors if there were additional questions.

Director Trapani asked if Serrano El Dorado Homeowner Association collects and maintains the funds. Kirk Bone satisfied the inquiry.

**Motion No. 4. Director Brilliant moved and Director Chinn seconded the motion to approve and authorize General Manager to execute the Landscape Agreement and Grant of Easement for Serrano Parkway at Village G & J. Motion carried 5-0-0.**

**11) Adopt Resolution #2006-11 Approving the Preliminary Engineer's Report, Declaring Its Intention to Levy FY 2006-2007 Assessment in North Commercial Blvd. Landscaping and Lighting Assessment District #29 and Notice of Public Hearing, in accordance with the Streets and Highways Code Section 22624.**

Director Brilliant again questioned whether enough resources are set up to collect funds to pay for the services. Ms. Hillyer assured him that the budget was closely reviewed and she is confident there is enough money to maintain the service. Kirk Bone concurred.

Director Chinn recommends the Board ask for CPI + 1%. Kirk Bone on behalf of Parker Development Company have voluntarily been providing the service since 1993 and appreciates the District taking this on.

**Motion No. 5. Director Chinn moved and Director Wyatt seconded the motion to adopt Resolution #2006-11 Approving the Preliminary Engineer's Report, Declaring Its Intention to Levy FY 2006-2007 Assessment in North Commercial Blvd. Landscaping and Lighting Assessment District #29 and Notice of Public Hearing, in accordance with the Streets and Highways Code Section 22624 with the amendment that annual adjustments may increase by CPI +1%. Motion carried 5-0-0.**

**12) Receive and File Fourth Quarter (Oct. – Dec. 2005) Waste Diversion Report.**

**Motion No. 6. Director Brilliant moved and Director Chinn seconded the motion to Receive and File Fourth Quarter (Oct. – Dec. 2005) Waste Diversion Report. Motion carried 5-0-0.**

**14) Approve Third Quarter status report of Fiscal Year 2006 Strategic Plan.**

President Masters asked this item be pulled as he wanted to correct page 4 Goal D CSD landfill diversion rate from 58% to 53%.

**Motion No. 7. President Masters moved and Director Wyatt seconded the motion to Receive and File Third Quarter status report of Fiscal Year 2006 Strategic Plan with noted change. Motion carried 5-0-0.**

**17) Approve contract for \$38,879 with Sonitrol of Sacramento for the installation of video surveillance, audio security, and fire protection systems for the Teen Center/Skate Park Project.**

Director Brilliant was unclear as to whether additional funds are requested above and beyond what was budgeted and asked for clarification. General Manager deferred the question to Kent Oakley. Oakley stated these systems were included with the overall project budget.

**Motion No. 8. Director Brilliant moved and Director Trapani seconded the motion to Approve contract for \$38,879 with Sonitrol of Sacramento for the installation of video surveillance, audio security, and fire protection systems for the Teen Center/Skate Park Project. Motion carried 5-0-0.**

**18) Approve agreement with Network Environmental Systems Inc. (NES) in the amount of \$27,650 for Asbestos Ambient Air Monitoring of the Teen Center/Skate Park Project according to proposal dated March 3, 2006 and, further, authorize a 10% contingency of \$2,765.**

Director Brilliant was unclear as to whether additional funds are requested above and beyond what was budgeted and asked for clarification. General Manager deferred the question to Kent Oakley. Oakley stated these systems were included with the overall project budget.

**Motion No. 9. Director Brilliant moved and President Masters seconded the motion to Approve agreement with Network Environmental Systems Inc. (NES) in the amount of \$27,650 for Asbestos Ambient Air Monitoring of the Teen Center/Skate Park Project according to proposal dated March 3, 2006 and, further, authorize a 10% contingency of \$2,765. Motion carried 5-0-0.**

**19) Approve CC&R Citizen Advisory Committee recommendation for third and final notice for non compliance for: Linda Bianchi, 950 King James Way, Crown Village Unit 1, Lot 57, APN 112-247-061 for Violation: Not Removing the travel trailer, landscaping pots, wheelbarrow and other debris from the front yard.**

Director Trapani asked whether the District file contains photos. Kukkola stated yes files contain photos. President Masters expressed concern for the length of time CC&R issues take to be resolved. Kukkola provided a process summary. General Manager Lowery mentioned the CC&R Citizens Advisory Committee shares these concerns. Director Trapani asked whether a

person from either the CC&R or the DRC Committee would participate in the interview panel for the open DRC Manager position. Lowery advised this will be a part of the interview process but that the participant has not yet been agreed upon.

**Motion No. 10. Director Brilliant moved and Director Chinn seconded the motion to Approve CC&R Citizen Advisory Committee recommendation for third and final notice for non compliance for: Linda Bianchi, 950 King James Way, Crown Village Unit 1, Lot 57, APN 112-247-061 for Violation: Not Removing the travel trailer, landscaping pots, wheelbarrow and other debris from the front yard. Motion carried 5-0-0.**

**21. Review proposal for expanded recreation activities for active adults and direct staff on proceeding with implementation plan. Also, approve new full time Recreation Supervisor position including salary and benefits and authorize staff to immediately begin recruitment for this position.**

Lowery opened the topic and turned it over to Marni Francisco-Cady to make her presentation. Moni Gilmore also entertained questions when President Masters requested her input. County versus District responsibilities were clarified. Public comment was provided by Moni Gilmore, Ridgeview Village.

**Motion No. 11. President Masters moved and Director Trapani seconded the motion to send to the Board's Administration and Finance Committee to review the budget for the proposal. Motion carried 5-0-0.**

**22. Consider request for AKT Development to reimburse total costs of rough final grading of Promontory Community Park in excess of approved contract plus contingency amount.**

General Manager asked Hillyer to provide an overview of the agenda item. A payment history was given. Rough final grading revealed a large wet spot needing cost adjustment and that the Board has been kept apprised of the issue. Soil is now compacted correctly, and reimbursing AKT for total costs of rough final grading will be the last bill. Director Trapani wanted assurance these were the final figures. Oakley stated Charles Yates, Project Manger, monitors projects on a daily basis, checking dollar figures with agreed upon budget. Public comment was invited, there was none.

**Motion No. 12. Director Trapani moved to approve payment knowing staff is advising correctly that this is a final bill and Director Brilliant seconded the motion to reimburse AKT Development for total costs of rough final grading of Promontory Community Park in excess of approved contract plus contingency amount. Motion carried 5-0-0.**

**23. Consider request from Morrison Homes to reimburse total costs of construction of Creekside Greens Park in excess of approved reimbursement agreement amount.**

Lowery asked Hillyer to review the request. A project budget overview was given. Charles Yates, Project Manager, monitors projects on a daily basis, checking accuracy of dollar figures. Kent Oakley provided information on change orders mandated by EID a copper line versus PVC and unexpected excavation changes for sump pumps in the irrigation plan.

President Masters pointed out minutes from June 2004 and from November 2004 on the topic. Oakley advised the staff verified that the change orders needed to happen as they are soft costs.

Public comment was invited, there was none.

Ruth Langford, Land Manager for Morrison Homes, provided clarification to the Board. Director Trapani asked questions of Ms. Langford directly on Park Development and Reimbursement Agreement of 6/20/04 page 2 item 5. He asked why this agreement was not re-negotiated as unexpected costs arose.

Director Wyatt relayed the intent was to jointly agree and knows this was discussed extensively that to stay within budget was very important to this board. Wyatt stated she thought part of this problem is the change order cost versus 10% contingency cost that the board is accustomed to.

**Motion No. 13. Director Brilliant moved and Director Trapani seconded the motion to direct the decision to reimburse Morrison Homes back to staff to investigate and make a recommendation at the May 11, 2006 regular board meeting . Motion carried 5-0-0.**

**24. Consider Adopting a Resolution Authorizing the Execution and Delivery of a Sublease/Option Agreement and Site Lease and Authorizing and Directing Certain Actions in Connection with the Promontory Community Park Financing.**

President Masters invited Gene Albaugh to present. He introduced Robert Doty, Financial Advisor and Rick Brandis of Brandis Tallman. Mr. Doty provided a background to the approach and alternatives used with private placement lenders versus market financing. Bob Thurbon has been involved. Director Wyatt asked about payment terms and was satisfied. Albaugh asked for a motion to approve the resolution.

Public comment was invited, there was none.

**Motion No. 14. Director Chinn moved and President Masters seconded the motion to Adopt Resolution 2006-12 Authorizing the Execution and Delivery of a Sublease/Option Agreement and Site Lease and Authorizing and Directing Certain Actions in Connection Therewith. Motion carried 4-0-1. Director Trapani abstained.**

- 25. Public Hearing: Hold Public Hearing and adopt Resolution No. 2006-09 accepting the final engineer's report, establishing the Blackstone Landscape and Lighting Assessment District #28 and directing auditor of El Dorado County to levy and collect assessments for Fiscal Year 2006-2007. (Continued February 9, 2006, Agenda Item No. 19)**

General Manager Lowery provided updated information. CPI +1% was added per Board request.

President Masters held the public hearing. There were no comments from the public. President Masters closed the public hearing.

- Motion No. 15. Director Chinn moved and Director Trapani seconded the motion to Approve Public Hearing and Adopt Resolution No. 2006-09 accepting the final engineer's report, establishing the Blackstone Landscape and Lighting Assessment District #28 and directing auditor of El Dorado County to levy and collect assessments for Fiscal Year 2006-2007 with the amendment to add CPI +1%. Motion carried 5-0-0.**

- 26. Select or rank the candidates for election to the Special District Representative seat on the Local Agency Formation Commission (LAFCo) for the term of office ending January 2007.**

- Motion No. 16. Director Brilliant moved and President Masters seconded the motion to nominate John Hidahl. Motion carried 5-0-0.**

- 27. Approve recommendations to update District's strategic plan.**

GM Lowery provided an overview on the recent Balanced Scorecard (BSC) workshop held, survey of employees and then his analysis. His recommendation to the Board was to respond to the District's needed improvement areas recommending the District recognizing an integral part of the process both at the board level and at the management level, but also that the process have a high amount of staff involvement. He proposed using his recommended timeline.

President Masters expressed his concern about the employee comments on the survey results regarding the Board. He also thought the GM's report had a negative slanting.

Director Brilliant sees no change in GM's recommendation from what should have been done all along. What is missing here is training of staff to make this work.

Director Trapani stated that he attended the workshop, read Paul Niven's book, reviewed the survey results and is not convinced that the Balanced Scorecard is the right model for this District.

Director Brilliant said the District needs an alternative process and he challenged the Board to come up with one, as he is open.

Director Trapani asked what kind of a commitment would have to be made to secure Paul Niven as a consultant on this project. He viewed Mr. Niven as an author who goes out and makes presentations on BSC but not as a consultant. GM Lowery relayed the approximate cost would be \$23,000 to secure Paul Niven as a consultant for six months.

Director Chinn admitted he was not at the workshop but asked if the BSC approach would help with the employee issues that are being presented? He suggested the Board direct staff to check references and check other agencies using the BSC along with other alternatives and bring them back on the May 11, 2006 regular meeting agenda.

### **GENERAL MANAGER REPORTS**

GM Lowery reported briefly on a meeting held earlier today with Waste Management potential transfer of ownership to Waste Connections and will add the item to the May 11, 2006 regular meeting agenda.

### **BOARD OF DIRECTORS COMMENTS & FUTURE AGENDA ITEMS**

President Masters had comments regarding follow up on post-service discounts to board members, which will be placed on the next Admin & Finance Committee agenda. He recommended staff review of sports field light policy. He also requested two items be placed on the May 11, 2006 regular meeting agenda (a) Volunteer program and (b) Issues relating to EID water treatment plants adjacent to district parks.

### **CLOSED SESSION**

The Board went into closed session at approximately 11:00 pm.

President Masters asked if there were public comments on closed session items. No public comment. Masters closed the public session and entered closed session.

#### **28. Closed session under California Government Code**

- a. §54956.8, conference with real estate negotiator prior to the purchase, sale, exchange or lease of real property in Serrano Village J, owned by Parker Development Company. Discussion includes but is not limited to proposed community park site on northwest corner of Serrano Parkway and Bass Lake Road.**
- b. §54956.9, conference with legal counsel regarding pending litigation in the case of El Dorado Hills Community Services District v. (1) Lyons; (2) Chu-Kudo; (3) Grundman; (4) Ishibashi.**

- c. **§54957.6(a), conference with labor negotiator regarding the salaries, salary schedules or compensation paid in the form of fringe benefits of its employees represented by the El Dorado Hills Community Services District Employees Association Local No. 1 and all unrepresented employees.**
- d. **§54957, regarding the appointment, employment, evaluation of performance, or dismissal of an employee. Position: General Manager.**

President Masters re-opened the Regular Meeting and reported that staff and counsel were given general direction on a. and b. Direction was given to negotiator on c. and the board members will send comments to Director Brilliant for item d.

**ADJOURNMENT**

President Masters adjourned the meeting at approximately 11:45 pm.

**APPROVED:** \_\_\_\_\_  
Justin Masters, President  
EDHCSD Board of Directors

**DATE:** \_\_\_\_\_

**ATTEST:** \_\_\_\_\_  
Wayne A. Lowery, General Manager  
Secretary to the Board of Directors

**DATE:** \_\_\_\_\_