

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

May 24, 2007

MINUTES

CALL TO ORDER

President Larry Brilliant brought the special meeting to order on Thursday, May 24, 2007, at 7:15 p.m. Directors Tony Rogozinski, David Trapani, and Bill Vandegrift were in attendance. Director Masters arrived at 7:30 p.m. Also present were Planning Director Dianna Hillyer, General Manager Wayne Lowery, Parks Director Kent Oakley, and Economic Planning Systems consultant Jamie Gomes. Approximately 5 guests were in the audience.

Adoption of Agenda

Motion No. 1. Director Trapani moved and Director Vandegrift seconded the motion to approve the agenda. Motion carried 4/0/1 (Masters absent).

- 1. Award a two-year contract for landscape maintenance services to Sunworld Landscape, LLC. in the amount of \$662,366 for the period of July 1, 2007 through June 30, 2009.**

A review of current contract landscape services and the process for qualifying and soliciting bids from landscape companies was presented by Parks Director Kent Oakley. The current five year contract expires June 30, 2007. Oakley indicated that eleven contractors were pre-qualified of which four submitted bids. Sunworld was the lowest bidder but also successfully passed multiple interviews and visits to agencies to which they are presently providing services. They received very high marks and their bid amount is less than the current contract.

Directors Rogozinski and Vandegrift commended staff for obtaining eleven proposals and four bids to assure a good contract price and high quality services to the community.

Motion No. 2. Director Rogozinski moved and Director Trapani seconded to award a two-year contract for landscape maintenance services to Sunworld Landscape, LLC. in the amount of \$662,366 for the period of July 1, 2007 through June 30, 2009. Motion carried 4/0/1 (Masters absent).

- 2. Park Impact Fee Nexus Study**

- a. Public Hearing: Public hearing to receive comments, consider and approve the Amended Final Report (Revised) of the Park Impact Fee Nexus Study, dated May 24, 2007, as prepared by Economic Planning Systems (EPS) and recommend approval to the El Dorado County Board of Supervisors. Copies of the Study are available in the District Office and website (www.edhcsd.org).**

b. Board of Directors to adopt Resolution # 2007-15 Adopting the Amended Final Report (Revised) of the Park Impact Fee Nexus Study update, dated May 24, 2007 and requesting El Dorado County Board of Supervisors to Adopt and Implement the Increased Park Development Impact Fee.

Planning Director Dianna Hillyer provided background to the District's process to update the Park Impact Fee Nexus Study provided by Economic Planning Systems. The Board approved the study in November 2006. It was then forwarded to El Dorado County for approval and implementation. The County Planning Commission continued a finding of consistency with the County General Plan twice expressing concerns about (a) the impact of fees on affordable housing construction costs, (b) securing funding recreation facility deficiencies for current residents, (c) the need to amend the county ordinance excluding park impact fees from non residential properties, and (d) the basis for construction cost assumptions.

The affordable housing issue will be discussed later on this meeting's agenda. The existing deficiency gap was lowered to \$7 million and staff is researching options for board consideration to finance future projects other than use of the Park Impact Fee. The County ordinance will take time to process since it is out of the CSD's control but we are indicating a willingness to work with the County to do so. Finally, the cost assumptions were reviewed along with estimates provided by the Building Industry Association's peer review consultants. The total park development costs were reduced from \$48 million to \$45 million which included a reduction in administrative office space from 20,000 sq. feet to 8,000 sq. feet.

[Note: Director Masters arrived at apx. 7:30 p.m.]

The proposed park impact fee is \$9,806 for single family residential dwelling units and is scheduled on the June 14, 2007 Planning Commission agenda before noon.

PUBLIC HEARING

President Brilliant opened the public hearing to receive comments, consider and approve the Amended Final Report (Revised) of the Park Impact Fee Nexus Study.

John Costa, Building Industry Association, thanked Hillyer and staff for their efforts working on the issues raised by BIA and stated that they support the current study.

Don Barnett, Lennar Communities, stated he shares Costa's appreciation and they are okay with the fee proposal.

President Brilliant closed public comment and returned discussion to the Board of Directors. Director Trapani expressed his appreciation to staff, BIA and members of the building community for bringing resolution to the fee study.

Motion No. 3. Director Vandegrift moved and Director Trapani seconded the motion to adopt Resolution # 2007-15 Adopting the Amended Final Report (Revised) of the Park Impact Fee Nexus Study update, dated May 24, 2007 and requesting El Dorado County Board of Supervisors to Adopt and

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Implement the Increased Park Development Impact Fee. Motion approved 5-0-0.

3. Approve Resolution #2007-16 Supporting Workforce and Senior Housing Development in El Dorado Hills.

Director Hillyer stated staff have been working with the County's Affordable Housing Task Force on options to addressing this issue within the county as well as El Dorado Hills. Some of the County Planning Commissioners would like the District to use a square footage formula for the fee rather than per dwelling unit but it is a very complex process to determine a number that meets state nexus requirements.

Jamie Gomes, EPS, stated his firm has reviewed the square foot fee alternative. It is possible but very difficult and their company is not aware of any agency who uses square footage as a basis for determining park impact fees. Primarily, data collection is extremely difficult and would have to be done over a broad geographic area—larger than El Dorado Hills—which may not accurately apply to El Dorado Hills and could expose the fee to challenge. He stated that the proposed method to determine the fee has been tested in court cases and will stand.

Hillyer explained the resolution is a public affirmation of the CSD to work with the County and other groups including the BIA, community advocacy groups and local business in addressing the affordable housing shortage in the County. Whereas the CSD has no land use authority, the District does have some ability to impact and facilitate workforce and senior housing. Director Masters pointed out that there is nothing in the Resolution that we aren't doing already and Director Trapani stated that second units would still need to be reviewed by Design Review Committee (DRC), be consistent with zoning and setback requirements. Some change in the wording was made.

Motion No. 4. Director Trapani moved and Director Rogozinski seconded the motion to approve Resolution #2007-16 Supporting Workforce and Senior Housing Development in El Dorado Hills. Motion approved 5-0-0.

4. Direct staff to solicit services from a financial consultant to assist the District on development of financial strategies that will secure the District's Capital Improvement Plan financial gap.

Director Hillyer explained that the financial gap is the difference cost to improve the District's existing level of service of current facilities to meet the build out level of service, which is the direction of the recently adopted Master Plan. A large portion of the original deficiency was for park development of lands acquired in excess of the District's standard 5 acres/1,000 residents. When evaluating the facility needs for only 5 acres per 1,000 residents, the financial gap is approximately \$7.5 million. While not a legal obligation to secure the financing, the El Dorado County Planning Commission has expressed concern, in addition to the BIA representatives, that the financial gap is too large to only have a general plan on addressing it. Staff requests Board direction to work with a financial services consultant on developing more specific strategies to address the financial gap.

Motion No. 5. Director Trapani moved and Director Vandegrift seconded the motion to have the General Manager direct appropriate staff to solicit services from a financial consultant to assist the District on development of financial

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strategies that will secure the District capital improvement plan financial gap. Motion Approved 5-0-0.

5. Direct staff to work with El Dorado County personnel and advocacy groups to have County Ordinance 13.30.50 amended.

Director Hillyer stated that the Planning Commission supports the County amending the current ordinance that prohibits non-residential development from paying Park Impact Fees. The District, with Board direction, will initiate the process to amend the Ordinance. BIA stated that they will assist the District in seeing the Ordinance get amended. The Board suggested that staff meet with Debbie Manning of the EDH Chamber of Commerce.

Motion No. 6. Director Rogozinski moved and Director Masters seconded the motion to direct staff to work with El Dorado County personnel and advocacy groups to have County Ordinance 13.30.50 amended. Motion Approved 5-0-0.

Adjournment

President Brilliant adjourned the meeting at approximately 9:00 p.m.

APPROVED: _____ DATE: _____
Laurence Brilliant, President
EDHCSD Board of Directors

ATTEST: _____ DATE: _____
Wayne A. Lowery, General Manager
Secretary to the Board of Directors

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