

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

June 12, 2008

MINUTES

CLOSED SESSION

President Bill Vandegrift brought the regular meeting to order on Thursday, June 12, 2008 at 6:30 p.m. Directors Larry Brilliant, Justin Masters, Tony Rogozinski and Rob Vomund were in attendance. Also present were Assistant General Manager Sandi Kukkola and General Manager Wayne Lowery.

President Vandegrift announced that the board was entering closed session and asked if there were public comments on closed session items. Hearing none, Vandegrift closed the public session and the board entered closed session.

- A. **Closed session under California Government Code §54956.8, conference with real estate negotiator prior to the purchase, sale, exchange or lease of real property in the El Dorado Hills Business Park.**
- B. **Closed session under California Government Code §54956, conference with legal counsel on potential litigation filing complaint with El Dorado County Court against Gwen Wilten (Stonegate Village).**
- C. **Closed session under California Government Code §54956., conference with legal counsel on potential litigation filing complaint with El Dorado County Court against John Rice (Governors Village, Unit 3) for non-compliance.**

CALL TO ORDER

President Bill Vandegrift brought the regular meeting to order at 7:10 p.m. announcing that the Board had just completed closed session. Directors Larry Brilliant, Justin Masters, Tony Rogozinski and Rob Vomund were in attendance. Also present were Executive Assistant Charlene Ambrose, Recreation Director Marni Francisco-Cady, Director of Finance Allison Hamaker, Planning Director Dianna Hillyer, Assistant General Manager Sandi Kukkola, General Manager Wayne Lowery, and Parks Director Kent Oakley. Also present were 4 staff members and 24 members of the public.

ADOPTION OF AGENDA

Motion No. 1. Director Rogozinski moved and Director Masters seconded the motion to approve the agenda. Motion carried 5-0-0.

PRESENTATIONS & ANNOUNCEMENTS

D. President's report on Closed Session Board actions.

President Vandegrift reported that the board took no action on closed session item A. and staff was directed to take to counsel to initiate litigation on items B. and C. regarding the CC&R non-compliance issues.

E. Recognize employee *Sherry Shannon*, Senior Accountant, for her outstanding performance while assisting with management of the Department of Finance during its transition between department directors; providing timely, accurate budget documents and other financial reports for management; her role in securing an unqualified annual audit, and her instrumental role qualifying the District for the FY 2006-07 Outstanding Financial Reporting Award from the California Society of Municipal Finance Officers.

Kukkola recognized Sherry Shannon prefacing that she has known Sherry for 20 years dating back to when Sherry was a pre-school teachers aid. Sherry is known for providing correct and timely financial reports and statements almost immediately upon request.

A plaque was presented and flowers were given to her. Sherry said that for eight years it has been an honor to work at the District and with each finance manager or director she has worked over the years she had a great opportunity to learn from each of them.

COMMUNITY COMMENT

President Vandegrift welcomed community comment. Comment was given as follows:

1. Chris Pedersen – Mather impact to EDC
2. Mike Betts – Paul Raveling written communication, EIR Prep letter
3. Doug Murray – Mather resolution
4. Tara Mccann – Mather
5. John Kerhlikar – Mather
6. Marily Badger – Mather expansion
7. Bill Bryant – Mather
8. John Everett – LL&Ds
9. Susan Parker – extend sidewalk up Schooner Dr. to Francisco Dr.
10. Paul Raveling – his written communications

Director comments on community comments were as follows:

Director Brilliant stated the CSD resolution 2007-28 approved and signed November 8, 2007 by the Board is fair, accurate and their opinion was asked to be heard.

Director Masters stated the CSD board unanimously agreed to adopt said resolution.

REVIEW OF WRITTEN COMMUNICATION

1. **Stephen P. Noe**, President and CEO, Sportex Construction Services, Inc, letter date May 7, 2008: Alleviating concerns of lead based materials in synthetic sports turf.
2. **Paul Raveling** letter dated May 29, 2008: EDHCSD Resolution 2007-28, regarding EIR Preparation for the Mather Airport Master Plan.
3. **Paul Raveling** letter dated June 3, 2008: Update to Mather Airport information.

COMMUNITY SERVICES DISTRICT CALENDAR

4. June – July 2008 Calendar of District Events and Activities.

General Manager Lowery asked that everyone review the calendar as there are too many items to highlight during the next two busy summer months. He did comment that with increased attendance at the summer concerts the staff felt security should be hired as well as enforcing the no glass policy.

CONSENT CALENDAR

General Manager Wayne Lowery asked on behalf of Assistant General Manager Sandi Kukkola that item 20a. & b. final notices for CC&R non compliance be pulled from the agenda.

Items 13 and 19 were requested to be pulled for discussion by Director Masters.

Motion No. 2. Director Masters moved and Director Brilliant seconded the motion to approve the consent calendar items with the exception of pulled items 13 and 19 as follows:

5) May 2008 Parks Department Report; 6) May 2008 “The Rec-Check” Recreation Department Report; 7) May 2008 Communications Report Update; 8) Approve the minutes of May 8, 15, and 27, 2008 meetings; 9) Approve Cash Disbursements through May 31, 2008; 10) Approve April 30, 2008 Finance Report; 11) March 31, 2008 Quarterly Treasurer’s Report; 12) Administration & Finance Committee (Brilliant/Vandegrift) recommendation to approve GASB 34 capital asset Policy No. 3290.12.06 Works of Art and Historical Treasures; 14) Resolution 2008-09 Directing the Auditor of El Dorado County to Levy and Collect CC&R Assessments for

Fiscal Year 2008-2009; 15) GASB 45 Postemployment Medical Benefits. A. Accept the actuary's report titled "Actuarial Valuation of Postemployment Medical Benefits" dated July 1, 2007. B. Adopt the CalPERS "Agreement and Election" and "Delegation of Authority" Resolutions No. 2008-10 and 11 as required to participate in the CalPERS trust fund; 16) Approve upcoming board member meetings and/or reports of recent board committees including upcoming schedule of meetings and training programs; 17) Resolution No. 2008-12 Declaring an Election be Held in its Jurisdiction, Consolidation with Other Districts, and Requesting Election Services; 18) Quadriga Landscape Architecture and Planning, Inc. (Quadriga) as a pre-qualified Professional Design Services Consultant and add to District's Bidders List;

Motion carried 5-0-0.

GENERAL BUSINESS

21. Public Hearing: Public Hearing on Landscaping and Lighting Assessment Districts (LLAD).

- a. **Hold Public Hearing to approve budgets and assessments rates for the Landscaping and Lighting Assessment Districts for fiscal year 2008-09.**
- b. **Approve Resolution No. 2008-13 Confirming Engineer's Report, Diagram, Annual Assessment, and directing auditor of El Dorado County to Levy and Collect Assessments for Fiscal Year 2008-09 in Stonegate - L&L #1, - Oak Tree - L&L #2, Oakridge - L&L #3, Green Valley Hills - L&L #5, La Cresta - L&L #6, Crescent Ridge - L&L #7, Lake Forest - L&L #8, Francisco Oaks #10, Marina Hills, L&L #11, Highland Hills Unit 3- L&L #13, Wild Oaks - L&L #14, Silva Valley - L&L #15, Bass Lake - L&L #16, Creekside Greens - L&L #18, Roadway - L&L #19, Highland Hills Units 1 & 2- L&L #20, Promontory - L&L#22, Highland View-Highland Hills-Sterlingshire Village - L&L #25, Hollow Oaks - L&L #23; North Commercial Blvd-L&L#37 and Valley View - L&L #38.**

Lowery introduced Allison Hamaker, Director of Finance who was hired in February, to conduct the public hearing and give a presentation on the background of Landscaping and Lighting Assessment Districts (LLAD's). Hamaker gave an overview of the process of the public hearing. Jeanette Hynson of SCI, Inc. was present to field any questions on the Engineer's Report.

Director Brilliant relayed that the people vote on LLADs that require 50% +1 approvals and that more communication to the public would be valuable.

Director Vomund asked for more detail on reserves and the services for LLAD costs to each individual LL district. Ms. Hynson pointed out the detail provided in the Engineer's Report.

The public hearing was formally opened to the public.

John Everett gave comment at the public hearing. With no further public input, the public hearing was closed.

Motion No. 3. Director Brilliant moved and Director Vomund seconded the motion to approve Resolution No. 2008-13 Confirming Engineer's Report, Diagram, Annual Assessment, and directing auditor of El Dorado County to Levy and Collect Assessments for Fiscal Year 2008-09 in Stonegate - L&L #1, - Oak Tree - L&L #2, Oakridge - L&L #3, Green Valley Hills - L&L #5, La Cresta - L&L #6, Crescent Ridge - L&L #7, Lake Forest - L&L #8, Francisco Oaks #10, Marina Hills, L&L #11, Highland Hills Unit 3- L&L #13, Wild Oaks - L&L #14, Silva Valley - L&L #15, Bass Lake - L&L #16, Creekside Greens - L&L #18, Roadway - L&L #19, Highland Hills Units 1 & 2- L&L #20, Promontory - L&L#22, Highland View-Highland Hills-Sterlingshire Village - L&L #25, Hollow Oaks - L&L #23; North Commercial Blvd-L&L#37 and Valley View - L&L #38.

Motion carried 5-0-0.

Motion No. 4. Director Brilliant moved and Director Rogozinski seconded the motion to refer to Administration and Finance Committee (Brilliant/Vandegrift) a review of the LLAD's as well as a staff review of of the LLAD's for accuracy by the end of the next quarter. **Motion carried 5-0-0.**

- 22. Public Hearing. Public Hearing on Fiscal Year 2008-09 appropriations limit.**
- a. Hold Public Hearing to consider Resolution 2008-14 adopting Appropriation Limit in Accordance with Article XIII B of the State Constitution for FY 2008-2009.**
 - b. Approve Resolution 2008-14 Adopting Appropriation Limit in Accordance with Article XIII B of the State Constitution for FY 2008-2009.**

Lowery asked Hamaker to conduct the public hearing on the Fiscal Year 2008-09 appropriations (GANN) limit. Hamaker stated this is a ministerial matter with an opportunity for the public to comment if desired.

The public hearing was formally opened to the public. Hearing no public comment, the public hearing was closed.

Motion No. 5. Director Masters moved and Director Vomund seconded the motion to approve Resolution 2008-14 Adopting Appropriation Limit in Accordance with Article XIII B of the State Constitution for FY 2008-2009.

Motion carried 5-0-0.

23. Receive and approve Preliminary 2008-09 Budgets.

- a. Approve Resolution 2008-15 Adopting the Fiscal Year 2008-2009 General Fund and CC&R (covenants, conditions & restrictions) Fund Budgets.**
- b. Approve FY09-14 Capital Improvement Budget**

Item a.: Hamaker gave a PowerPoint comprehensive presentation showing how the Board's Priorities in the three strategic initiatives, Customer Service, Internal Processes and Learning and Growth, were incorporated in the department budget requests.

Lowery complimented all staff and the finance staff for their work and diligence during this budget process. His only regret is the public has not been as interested as he would like them to be.

Director Comments were as follows:

Director Masters asked about Serrano Village J and CIP transfer. He also asked if this budget has addressed the priorities of the board. He thought the two workshops were rapid.

Director Rogozinski said a budget is never perfect; and there is an opportunity at mid year to review the budget to determine if it is on course. He would like to see the board go forward with approval as presented and adjust as necessary.

President Vandegrift told Director Masters he has had an opportunity to raise these questions in the past two special board meetings on this subject matter as well as to ask any questions to the staff during this past month.

Director Brilliant questioned streetscape improvements in the budget and desired additional information on a dog park before feeling comfortable approving this budget.

Planning Director Dianna Hillyer asked if she could address the comments. She said that when the Board adopted the Master Plan they adopted these items. She is proud to say the CSD has delivered on all priorities in the Master Plan to date. The dog park is a strategy to address and the dog park people are willing to invest funds to make this a reality. The Capital Improvement Plan (CIP) addresses the priorities.

Lowery stated there is an \$11M deficiency and funding mechanisms need to be addressed. He asked for public input.

Director Brilliant asked for an opportunity as a board to decide as a whole, not just taking input from local residents regarding the streetscape, El Dorado Hills Boulevard as examples.

Hillyer reiterated that the Parks and Planning Committee reviews and then makes recommendations to the board.

Director Rogozinski asked again that the board stick with what was agreed upon.

Public Comments received were as follows:

Fred St. Jean/St. Andrews – funds for lights in St. Andrews Park can be re-allocated, and please confirm support for Senior Center.

Recreation Director Marni Francisco-Cady confirmed yes the Senior Center is fully funded through the General Fund budget.

Fred St. Jean – asked where the consultants fees were hidden in the budget.

Noelle Mattick/St. Andrews – attended the Streetscape/St Harris McCabe Workshop and public support was not just from residents of St. Andrews Village, asks that this be moved forward.

Motion No. 6. Director Rogozinski moved and Director Vomund seconded the motion to Approve Resolution 2008-15 Adopting the Fiscal Year 2008-2009 General Fund and CC&R (covenants, conditions & restrictions) Fund Budgets.

Motion carried 5-0-0.

Item b.: The Board reviewed the draft FY 2008-09 Capital Improvement Budget.

Motion No. 7. Director Masters moved and Director Brilliant seconded the motion to continue the consideration to adopt the Fiscal Year 2009-2014 Capital Improvement Budget to a special meeting.

Motion failed 2-3-0 (Roll call: Brilliant Aye, Rogozinski No, Vandegrift No, Vomund No, Masters Aye).

General Manager Wayne Lowery responded to an inquiry that if there was a postponement would it hold anything up. He stated the postponement does hold up the staff's ability to move forward on pending capital projects.

Director Brilliant relayed he felt the single most important document the Board struggles with is the five-year Capital Improvement Plan and would request one meeting on the one single subject matter.

Director Vomund shared that this was a reasonable request and agrees also to a focused meeting rather than to drag it out.

Director Rogozinski stated the Board wants to stop unnecessary special board meetings.

President Vandegrift said the staff has put a lot of time into this and prepared for and held two special board meetings on the budget. With an opportunity to move forward he sees this as process not results and would vote against continuing the budget to a special meeting.

Director Rogozinski suggested holding a Rules of Engagement workshop with the board and staff to seek alternate ways of doing things with a new set of eyes. A plan is never perfect and can be adjusted while moving forward for approval.

Director Master said the Board needs to look at the monies associated with the five year CIP.

Director Brilliant said with over ten million spent on Promontory four million was taken from something else. What would be lost in postponing approval; he can't tell what 45 or 60 days would hold up. He would like the board to come to a consensus.

President Vandegrift called for a roll call vote but motion failed.

Motion No. 8. Director Rogozinski moved and Director Vomund seconded the motion to approve the Fiscal Year 2009-2014 Capital Improvement Budget.

Motion carried 3-2-0 (Roll call: Brilliant No, Rogozinski Aye, Vandegrift Aye, Vomund Aye, Masters No).

24. Nominate Region 2 director for California Special Districts Association Board of Directors.

Lowery reviewed the request by CSDA for a nomination for a Region 2 board director. With no interest, no action was taken.

25. Discuss eligibility for application to the California Special Districts Association as a Distinguished District.

Lowery asked Director Brilliant, as a CSDA board director, to review the item. Director Brilliant stated this is a fairly new program and the award has only been out a couple

years. The District meets or exceeds the standards and shows the community the District has high standards.

No action was taken as it was decided this \$1,000 was unbudgeted.

26. Review items pulled from Consent Calendar for action.

13) Administration & Finance Committee (Brilliant/Vandegrift) recommendation to approve proposed CalCard purchase program, Policy No. 3100.280 through 285, and authorization for the General Manager to sign the Master Service Agreement;

Director Masters pulled this item. He was concerned with risk and liability. He mentioned an abuse case.

The staff fully supports obtaining acknowledgement of training in writing from each card holder. Hamaker relayed to Director Masters that each holder of the card will annually acknowledge in writing receipt of training and instruction on use of the CalCard.

Motion No. 9. Director Masters moved and Director Vomund seconded the motion approve proposed CalCard purchase program, Policy No. 3100.280 through 285, with modified language of the policy.

Motion carried 5-0-0.

19) Approve the transfer of CIP funds remaining in eight (8) accounts as of 6/30/2008 to original funding sources.

Director Masters pulled this item out of concern of losing the monies being set aside for future projects. Lowery said the concerns were valid, in light of the fact board members are possible of changing during the fiscal year.

Director Vomund asked if they could approve the completed projects. Director Brilliant asked if the monies could go into undeclared funds.

Motion No. 10. Director Masters moved to release the funds in the three Completed Projects but hold onto the funds in the five Future Projects, not active.

Motion failed.

Hillyer stated this was a ministerial function. Lowery recommends the board adopt the staff recommendation.

Motion No. 11. Director Vomund moved and Director Rogozinski seconded the motion to approve the transfer of CIP funds remaining in eight (8) accounts as of 6/30/08 to original funding sources.

Motion carried 5-0-0.

20) C&R Citizen Advisory Committee and the Board's CC&R Committee (Vandegrift/Masters) recommending board approve third and final notice for non compliance: A. Steve Bejanski and Susan Bakalova, 2825 King Edward Drive, Crown Village, Unit 3, Lot 134, APN 125-281-241 for failure to complete the exterior renovation of the property, including the landscape improvements, and B. Boris and Robin Bogdanich, 1299 Manning Drive, Marina Woods, Lot 123; APN: 110-361-041 for failure to obtain Design Review Committee approval for the gates and the concrete paving installed.

This item was pulled from the agenda by staff and no action will be taken at this meeting.

27. President update of Board committee assignments.

Lowery reviewed the following updates to the roster: Director Vomund will be on the CC&R Committee and President Vandegrift will be on the Parks and Planning Committee. The Solid Waste Committee will be re-named Franchise Management Committee, combining Solid Waste, Utilities and Environmental areas.

GENERAL MANAGER REPORT

1. Asst. G. M. is conducting HR needs assessment.
2. Compliments to Ed Lenger and his staff for managing facilities and pools in busy summer season without key member Earl Kreger.
3. Kudos to Charlene Ambrose for last Friday's busy day with getting board package, special budget meeting package and Recreation Committee Meeting all coordinated and delivered in one day.
4. Dianna Hillyer relayed at the County meeting this week two key items:
 - a. Latrobe Maintenance Yard was re-zoned to commercial use – plan development.
 - b. population sign on Hwy 50 is updated and the El Dorado Hills boundary sign location has been corrected between Cameron Park and EDH.

BOARD OF DIRECTORS COMMENTS AND FUTURE AGENDA ITEMS

1. Director Brilliant – a. wants to see the purchasing policy; b. CSDA training for Board in San Diego is recommended; and c. Board members encouraged to visit the Community Park pool event on Saturday.
2. Director Masters – General Manager's evaluation is due June 30th .

3. Director Vomund – has learned a tremendous amount in first 30 days. He has always admired Wayne Lowery and his team at the CSD but his admiration and respect for the staff has grown.
4. Director Rogozinski – a. welcomed Director Vomund and said he is doing an outstanding job and asked him to keep up the good work; and b. Suggests a working session between department heads and board members on rules of engagement at board meetings and set the framework for possible new directors after the election.

ADJOURNMENT

President Vandegrift adjourned the meeting at 10:30 pm.

APPROVED: _____ **DATE:** _____
Wm. F. Vandegrift, President
EDHCSD Board of Directors

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