

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

The six hundred fifty fourth meeting of the Board of Directors of the El Dorado Hills County Water District was held on Thursday, September 16, 2010 at 6:00 p.m. at the regular meeting place of the District, the District Office, 1050 Wilson Blvd., El Dorado Hills, California. Present were Directors Durante, Hartley, Hidahl, and Thomsen with President Hartley presiding. (Director Winn attended via teleconference). Counsel Cook arrived at 6:11 p.m. Also present were Chief Veerkamp and Chief Financial Officer Bair.

President Hartley called the meeting to order at 6:05 p.m. and led the Pledge of Allegiance.

President Hartley stated that in order to accommodate Director Hidahl's need to leave at 7:00 p.m., he would be moving Item IX Fiscal Items to the beginning of the meeting and taking other items in priority sequence. The Board concurred with this plan.

President Hartley stated that the Public Hearing to review and approve the adoption of the Five Year Plan for 2010-2015 will be continued to next month.

The Appropriation Limits for 2010-2011 fiscal year were discussed. The Appropriation Limits for 2010-2011 fiscal year were set at \$23,879,920, a slight decrease from last year.

Director Hidahl moved to approve and adopt Resolution 2010-16, Appropriation Limits for the 2010-11 Fiscal Year as discussed. The motion was seconded by Director Durante and unanimously carried. (Roll Call: Ayes, All.)

Counsel Cook arrived at this time.

Chief Veerkamp reviewed the Tentative Final Budget with the Board. He reviewed the changes from the Preliminary Budget. He reviewed the Committee Report with the Board and the recommendations in the Staff Report. The two reports only differed in that the Committee was recommending two items to better balance the Budget: 1) The Training Facility item of \$200,000 should be removed from the Budget this year, based on the economy; 2) The District would not fund the \$900,000 payment to the Capital Replacement Fund for this year. Director Durante, representing the Budget Committee, stated that they felt that these were unnecessary expenditures at this time. The Board unanimously concurred with the Committee's recommendation and stated that as the year progressed, they would revisit these two items and may fund some progress on the Training Facility out of Contingency. It was also noted that Staff would readdress the discussion of funding the Capital Replacement Fund at the end of the year.

The recommendations by the Chief revolved around staffing reduction. The discussion focused on offering another voluntary exit incentive which would reduce salaries, benefits and overtime.

Mike Roberts, Reporter from the Village Life Newspaper, asked for clarification of the \$900,000 from the Capital Replacement Fund as shown in the Budget. CFO Bair stated that \$900,000 would be used from the Capital Replacement Fund to pay for the SCBAs and the new engine; however, in the past, \$900,000 was also budgeted to increase the Capital Replacement Fund. This was removed from the Budget this year.

Director Durante made a motion to approve Resolution 2010-17 adopting the 2010-11 Final Budget as recommended by the Committee and authorizing the expenditure from the Reserve Funds as noted. The motion was seconded by President Hartley and unanimously carried. (Roll Call: Ayes, All.)

Chief Veerkamp discussed the potential savings to the District by implementing the Budget Advisory Committee and Staff's recommendation to adopt a Resolution of Intent to amend the contract with CalPERS. The contract amendment would include: 1) Section 20903 (Two Years Additional Service Credit); 2) Section 21427 (Improved Nonindustrial Disability Allowance); 3) Section 21623.5 (\$5,000 Retired Death Benefit); 4) Section 21540.5 (Special Death Benefit – Violent Act); 5) Section 21547.7 (Alternate Death Benefit for Local Fire members credited with 20 or more years of service). The purpose of the two year buyout is to reduce staffing for a period of time that would save money in the short term in a recessionary period. This two year buyout will allow personnel to retire with an additional two years of service credit. CalPERS spreads the cost of the two year service credit over a twenty year period in their contract. In addition, it was recommended to add Items 2, 3, 4, and 5. The District pays for these as part of the retirement pool, but since they are not in the District's contract with CalPERS, there is no benefit to the employees. The cost of the two year additional years of service credit for Safety Personnel would average \$148,500 down to \$96,500; for Miscellaneous Personnel, it would average \$73,150.

Reporter Mike Roberts asked how many Chiefs would be eligible to opt for the buyout; it appeared that three Chiefs were eligible.

Director Hidahl made a motion to approve and adopt Resolution 2010-18, a Resolution of Intent to amend the CalPERS contract consistent with Staff's recommendation to implement Two Years Additional Service Credit and other no-cost contract amendments as listed. The motion was seconded by Director Thomsen and unanimously carried. (Roll Call: Ayes, All.)

The meeting adjourned to closed session at 6:45 p.m. to discuss Item VI.A, Conference with Legal Counsel and Items VII.A-1 and 2, Public/Employee/Discipline/Dismissal/Release.

The meeting reconvened at 7:03 p.m. (Director Hidahl left at the end of closed session.)

President Hartley reported that during closed session, no action was taken.

Chief Veerkamp discussed the need to replace the aging SCBA inventory with new technology and stated that after an extensive evaluation process, the committee has recommended that the bid be awarded to Draeger. He also stated that the old SCBA's will be sold for an estimated credit of \$20,000 to \$30,000. The cost for new SCBA's will be approximately \$365,000 and will be purchased from the Capital Replacement Fund.

Captain John Johnston commented that the committee was very happy with the Draeger SCBA's and particularly pleased to have the opportunity to purchase the new packs through L. N. Curtis.

President Hartley stated that he recognized the importance of replacing the aging SCBA's as this was a safety issue and supported the expenditure despite the economic situation; he also added that he was pleased with the interoperability of the SCBA's with other agencies.

Director Thomsen moved to accept Staff recommendation and approve the purchase of Draeger SCBA's through L.N. Curtis. The motion was seconded by Director Durante and unanimously carried.

Director Durante moved to approve the consent calendar which included the minutes of the 653rd meeting held August 19, 2010 as well as the Financial Statements for

August 2010. The motion was seconded by Director Thomsen and unanimously carried.

Chief Veerkamp brought the Board's attention to two Records of Exceptional Performance from Deputy Chief O'Camb commending Firefighter James Davidson and Volunteer Firefighter Brandon Eynck for their exemplary service.

David Brady, President of the Associated Firefighters, expressed his appreciation to the Board stating that he has enjoyed the many interactions that he has had with them over the past two years and announced the new Union Board Members that will begin their term on October 1, 2010 as follows: President - Tom Anselmo; Vice President - Matt Eckhardt; and other new Board Members - Chris Landry and Kasey Owens. Bryan Ferry will continue in his role as Treasurer.

Director Winn stated that the Committee to review the Human Resource position had not had an opportunity to meet yet and there was no report.

Chief Veerkamp reported on the Regional Operations Committee stating that a Special Workshop will be held on September 27, 2010 at 7:00 p.m. at Station 49 in Diamond Springs. The workshop will focus on annexation, consolidation, and tax increment sharing.

President Hartley encouraged the Associated Firefighters and the Board to attend.

The Operations Report was received and filed.

Chief Veerkamp gave an update on the JPA stating that the JPA passed a resolution in opposition to the Board of Supervisor's loaning of CSA7 Funds to Aid to Fire instead of using general fund dollars for this purpose.

With the Board's concurrence, President Hartley suggested that he and Chief Veerkamp work together to draft a letter to the Board of Supervisors opposing this issue and that all agencies do the same.

Director Winn and President Hartley commended all those that helped to put on a highly successful 38th Annual Wine, Cheese and Brew Festival stating it was very enjoyable and appreciated by the community.

Chief Veerkamp expressed his gratitude for the hard work and dedication of all. He gave special thanks to the Honor Guard under the direction of Commander Beckett, stating that their services have branched out in many ways.

Director Durante moved to adjourn the meeting and the motion was seconded by Director Thomsen and unanimously carried.

The meeting was adjourned at 7:20 p.m.

Approved:

Jim Hartley, President

Connie Bair, Board Secretary