

**AGENDA**  
**EL DORADO HILLS COUNTY WATER DISTRICT**  
**(FIRE DEPARTMENT)**  
**BOARD OF DIRECTORS**  
**SEVEN HUNDRED EIGHTIETH MEETING**  
**(A Special Meeting)**  
**Tuesday, May 29, 2018**  
**4:00 p.m.**  
*(1050 Wilson Blvd., El Dorado Hills, CA)*

- I. Call to Order and Pledge of Allegiance
- II. Oral Communications
  - A. Any person wishing to address the Board on any item that is not on the Agenda may do so at this time. No action may be taken on off-agenda items unless authorized by law. Comments shall be limited to three minutes per person and twenty minutes for all comments unless otherwise authorized by the Board.
- III. Public Hearing
  - A. Public Hearing to consider the adoption of a Resolution authorizing the District's receipt of property tax revenues transferred from El Dorado County affecting the Latrobe annexation area, as required by Revenue and Taxation Code Section 99.02.
- IV. Committee Reports
  - A. Chief Recruitment Committee (Directors Hartley and Hus)
    - 1. Review and approve contract with Ralph Andersen and Associates for the recruitment for the position of Fire Chief
- V. Fiscal Items
  - A. Review and approve Resolution 2018-06 fixing the employer contribution at an equal amount for employees and annuitants under the Public Employees' Medical and Hospital Care Act (CalPERS Health Contract Amendment)
- IV. Adjournment

*Note: Action may be taken on any item posted on this agenda.*

***This Board meeting is normally recorded.***

**Approval of Transfer of Property Tax Revenues**

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**Summary:**

The proposed Resolution is required by Revenue and Taxation Code 99.02 and shall be adopted after a noticed public hearing to authorize the District to accept a transfer of property tax revenues from the County of El Dorado related to the Latrobe Annexation area. The hearing is required to allow the public the opportunity to comment upon the impact of this transfer upon fees, charges, assessments or other revenues. Staff identifies no such effects. The contemplated transfer was always contemplated by the respective agencies. Furthermore, the transfer preserves the ERAF encumbrance, thereby ensuring that schools are not adversely affected. The County, as the transferring agency, has made the necessary findings under Revenue and Taxation Code Section 99.02. The transfer will be automatic and permanent commencing with the 2018-2019 Fiscal Year.

Additionally, the County intends to do a supplementary transfer on an annual basis in an amount equal to the ERAF encumbrance (approximately \$73000.00) subject to a Board of Supervisors vote to include this annual amount in subsequent year budgets, commencing with the 2018-2019 Fiscal Year.

**Recommendation:**

Staff recommends adoption of the Resolution and the accompanying Indemnity Agreement, which follows the format of the Indemnity Agreement between the District and the County related to Development Fee collections.

RESOLUTION NO. 2018-07

A RESOLUTION OF THE BOARD OF DIRECTORS  
RELATED TO THE TRANSFER OF PROPERTY TAX  
REVENUES FROM THE COUNTY OF EL DORADO  
TO THE EL DORADO HILLS COUNTY WATER DISTRICT

**WHEREAS**, Section 99.02 of the Revenue and Taxation Code provides that any local agency may, by the adoption of a resolution of its governing body or governing board, voluntarily transfer any portion of its property tax revenues that is allocable to one or more tax rate areas within the local agency to one or more other local agencies having the same tax rate area or areas; and

**WHEREAS**, the County of El Dorado (County) and El Dorado Hills County Water District (District) share certain tax rate areas, and pursuant to the provisions of Section 99.02 the County can transfer property tax revenue to the District; and

**WHEREAS**, on June 10, 2014, the County Board of Supervisors adopted Resolution No. 064-2014, which redistributed property tax base and annual property tax increment as a result of negotiations related to the dissolution of the Latrobe Fire Protection District (LAFCO Project Number 2014-03) and the annexation of the Latrobe Fire Protection District's dissolved territory and sphere of influence territory by the District (LAFCO Project Number 2014-04); and

**WHEREAS**, in addition to the redistribution of property tax base and annual property tax increment related to the dissolution and annexation, Resolution No. 064-2014 also included a separate action for a negotiated transfer, under Revenue and Taxation Code Section 99.02, for a portion of the Revenue and Taxation Code Section 96.1 base property tax revenues from the El Dorado County General Fund, the El Dorado County Accumulative Capital Outlay Fund, and the El Dorado County Road District Tax Fund, and the El Dorado County Service Area #7 to the reorganized El Dorado Hills County Water District; and

**WHEREAS**, certain Revenue and Taxation Code Section 96.1 base property tax revenues are encumbered by the Educational Revenue Augmentation Fund (ERAF) where non-school taxing jurisdictions have no right to receive the revenues associated with the ERAF encumbrance, and Revenue and Taxation Code Section 99.02 transfers of base property tax revenues also transfer the related ERAF liability/encumbrance to ensure ERAF remains whole as required by Revenue and Taxation Code Section 99.02(f)(4); and

**WHEREAS**, public hearings were not noticed and held in accordance with the requirements of Revenue and Taxation Code Section §99.02 (e) prior to the Board of Supervisors' adoption of Resolution No. 064-2014; and

**WHEREAS**, having not met the requirements of Revenue and Taxation Code Section 99.02(e), the Board of Supervisors approval of the transfer of base property tax revenue included in Resolution No. 064-2014 was not authorized and was of no effect; and

**WHEREAS**, on April 19, 2016, the County Board of Supervisors adopted Resolution No. 072-2016, after a duly noticed public hearing, and made the necessary findings to effectuate the transfer of General Fund base property tax revenue as contemplated in Resolution No. 064-2014 commencing with the 2016-17 fiscal year; and

**WHEREAS**, the Board of Supervisors desires to honor the commitment contemplated in Resolution No. 064-2014 and Resolution No. 072-2016 to effectuate the entire transfer from the County General Fund's base property tax revenues, and intends to amend Resolution No. 072-2016 to clarify that the revenue transfer will be prospective commencing with the 2018-19 fiscal year and will conduct the necessary hearing in June, 2018; and

**WHEREAS**, the property tax transfer will provide the District with additional revenues to use for fire suppression services for County residents and businesses; and

**WHEREAS**, notice of this Public Hearing to consider the effect of the proposed transfer or fees, charges, assessments, taxes or other revenues was provided as required by Government Code Section 6061 and Revenue and Taxation Code Section 99.02.

**NOW THEREFORE BE IT RESOLVED** by the District Board of Directors that:

1. District hereby accepts the transfer of Property Tax Revenue and concurs with County's actions with respect thereto as follows:

Commencing with the 2018-19 fiscal year, \$256,651 of the 2017-2018 fiscal year's pre-ERAF Revenue and Taxation Code Section 96.1 base property tax revenues from the County General Fund shall be reallocated and transferred to the District as follows:

The El Dorado County Auditor-Controller shall transfer \$256,651 of the fiscal year's 2017-18 County General Fund pre-ERAF Revenue and Taxation Code Section 96.1 base property tax revenue to the District's pre-ERAF Section 96.1 base property tax revenue. The El Dorado County Auditor-Controller shall also transfer the 2017-18 fiscal year's ERAF encumbrance associated with the \$256,651 from the County General Fund to the District. The net post-ERAF transfer of the 2017-18 fiscal year's Revenue and Taxation Code Section 96.1 base property tax revenues from the County to the District shall be \$256,651 less the ERAF encumbrance of approximately \$73,000. Absent an additional Revenue and Taxation Code Section 96.1 transfer or change in law, commencing with fiscal year 2018/19, the Revenue and Taxation Code Section 96.1 base property tax revenue transfer and its associated ERAF encumbrance shall reside permanently with the District. The ERAF encumbrance will grow commensurate with the District's ATI, pursuant to the Revenue and Taxation Code.

2. The District Board of Directors concurs with the proposed transfer of property tax revenue described above.

3. The property tax transfer described above is effective beginning FY 2018-19, which commences July 1, 2018.

4. The County Board of Supervisors has communicated to District its intent to annually consider, during its budget deliberations, an additional transfer equivalent to the ERAF encumbrance described in Section 1 hereinabove.

Passed and adopted this 29th day of May, 2018 by the following roll and call vote:

AYES: \_\_\_\_\_  
NOES: \_\_\_\_\_  
ABSTAIN: \_\_\_\_\_  
ABSENT: \_\_\_\_\_

\_\_\_\_\_  
Greg Durante, Board President

ATTEST:

\_\_\_\_\_  
Jessica Braddock, Board Secretary

## DEFENSE, INDEMNITY, AND HOLD HARMLESS AGREEMENT

This Defense, Indemnity, and Hold Harmless Agreement (“Agreement”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2018, by and between the El Dorado Hills County Water District (“District”) and the County of El Dorado, a political subdivision of the State of California (“County”).

### RECITALS

**WHEREAS**, Section 99.02 of the Revenue and Taxation Code provides that any local agency may, by the adoption of a resolution of its governing body or governing board, voluntarily transfer any portion of its property tax revenues that is allocable to one or more tax rate areas within the local agency to one or more other local agencies having the same tax rate area or areas; and

**WHEREAS**, the County and the District share certain tax rate areas, and pursuant to the provisions of Section 99.02 the County can transfer property tax revenues to the District; and

**WHEREAS**, on June 10, 2014, the Board of Supervisors of the County of El Dorado adopted Resolution No. 064-2014, which redistributed property tax base and annual property tax increment as a result of negotiations related to the dissolution of the Latrobe Fire Protection District (LAFCO Project Number 2014-03) and the annexation of the Latrobe Fire Protection District’s dissolved territory and sphere of influence territory by the El Dorado Hills County Water District (LAFCO Project Number 2014-04); and

**WHEREAS**, in addition to the redistribution of property tax base and annual property tax increment related to the dissolution and annexation, Resolution No. 064-2014 also included a separate action for a negotiated transfer, under Revenue and Taxation Code Section 99.02, for a portion of the Revenue and Taxation Code Section 96.1 base property tax revenues from the El Dorado County General Fund, the El Dorado County Accumulative Capital Outlay Fund, and the El Dorado County Road District Tax Fund, and the El Dorado County Service Area #7 to the reorganized El Dorado Hills County Water District; and

**WHEREAS**, certain Revenue and Taxation Code Section 96.1 base property tax revenues are encumbered by the Educational Revenue Augmentation Fund (ERAF) where non-school taxing jurisdictions have no right to receive the revenues associated with the ERAF encumbrance, and Revenue and Taxation Code Section 99.02 transfers of base property tax revenues also transfer the related ERAF liability/encumbrance to ensure ERAF remains whole as required by Revenue and Taxation Code Section 99.02(f)(4); and

**WHEREAS**, public hearings were not noticed and held in accordance with the requirements of Revenue and Taxation Code Section 99.02 (e) prior to the Board of Supervisors’ adoption of Resolution No. 064-2014 and the approval of the transfer of base property tax revenue included in Resolution No. 064-2014 was not authorized and of no effect; and

**WHEREAS**, on April 19, 2016, the Board of Supervisors adopted Resolution No. 072-2016, after a duly noticed public hearing and made the necessary findings in accordance with the requirements of Revenue and Taxation Code Section 99.02(e), to effectuate the transfer of General Fund base property tax revenue as contemplated in Resolution No. 064-2014 commencing with the 2016-17 fiscal year, with the transfer of funds contingent upon the District holding a duly noticed public hearing after appropriate notice in accordance with the requirements of Revenue and Taxation Code Section 99.02 (e); and

**WHEREAS**, on \_\_\_\_\_, 2018, the District conducted its public hearing pursuant to Revenue and Taxation Code Section 99.02(e) and adopted Resolution \_\_\_\_\_ accepting and concurring with the transfer; and

**WHEREAS**, on \_\_\_\_\_, 2018, the Board of Supervisors adopted Resolution No. \_\_\_\_\_, amending Resolution No. \_\_\_\_ concurring with the transfer and clarifying that the property tax revenue transfer will commence fiscal year 2018/19.

**NOW THEREFORE**, County and District mutually agree as follows:

**1. Transfer of Funds**

Commencing with the 2018-19 fiscal year, County shall transfer the base property tax revenues from the County General Fund to the District in accordance with Resolution No. \_\_\_\_\_, attached hereto and incorporated herein by reference as Exhibit A.

**2. District's Obligation to Defend and Indemnify**

District shall defend, indemnify and hold the County, its officers and employees, harmless against and from any and all claims, proceedings, suits, losses, damages, and liability for damages, including attorneys fees and costs incurred, which are claimed to or in any way arise out of or connected with the County's transfer to the District of the base property tax revenues as set forth in Exhibit A. District agrees to indemnify the County for the amount of funds that a court orders to be refunded either through direct payment to the County within thirty (30) days or through the withholding of property tax revenues due to the District.

**3. General Provisions.**

A. Governing Law. This Agreement shall be governed by and construed with the laws of the State of California. Any action to interpret or enforce this Agreement shall be brought and maintained exclusively in the courts of and for El Dorado County. No such action may be instituted by either party until they have met and conferred over any disputed issues.

B. Severance. Any provision of this Agreement which proves to be invalid or illegal shall in no way affect, impair or invalidate any other provisions of this Agreement, and such other provisions shall remain in full force and effect.

C. Entire Agreement; Amendment. This Agreement contains the entire agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be modified in writing signed by both parties. This Agreement shall be interpreted as if jointly prepared by the parties. No presumption shall arise from the identity of the drafter.

D. Authority. Each party warrants to each other that the individual signing this Agreement on behalf of such party is fully authorized to bind such party and agrees to be bound by this Agreement as of the effective date of this Agreement.

E. Administrator. The County employee with responsibility for administering this Agreement is Don Ashton, Chief Administrative Officer, or successor.

F. No Third Party Rights. This Agreement has been created exclusively for the benefit of the signatory parties and no rights are created in any third party by this Agreement.

G. Effective Date: The effective date of this Agreement shall be upon execution by the parties.

H. Notices. All notices permitted or required under this Agreement shall be deemed made when delivered to the applicable party's representative as provided in this Agreement. Additionally, such notices may be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

**COUNTY:**  
Don Ashton  
Chief Administrative Officer  
330 Fair Lane  
Placerville, CA 95667

**DISTRICT:**  
Brent Dennis  
General Manager  
1021 Harvard Way  
El Dorado Hills, CA 95762

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid, return receipt requested and addressed to the party at its applicable address.

J. Time of the Essence: The Parties shall act promptly and in good faith to do all such acts including, but not limited to, execution of any necessary documents required to effectuate the terms of this Agreement.

K. Enforcement of Agreement. In the event of litigation including, but not limited to, the filing of a petition for writ of mandate to enforce any of the terms and conditions of this Agreement, the prevailing party shall be entitled to attorney's fees and costs.

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Draft  
4-27-18

**IN WITNESS WHEREOF**, the parties hereto have executed this Defense, Indemnity and Hold Harmless Agreement on the dates set forth below.

**County of El Dorado**

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Michael Ranalli, Chair  
Board of Supervisors

ATTEST: James S. Mitrison,  
Clerk of the Board

By: \_\_\_\_\_  
Deputy Clerk

**El Dorado Hills County Water District**

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Chair, Board of Directors

**Approval of Contract with Ralph Andersen and Associates**

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**Summary:**

With the pending retirement of Chief Roberts, the Fire Chief Recruitment committee received proposals from four firms that specialize in the recruitments for public agencies:

1. Ralph Andersen & Associates
2. Bob Murray & Associates
3. C.P.S.
4. Emergency Services Consulting International

The committee reviewed all the proposals and conducted in-person interviews with Greg Nelson from Ralph Andersen & Associates and Bob Murray from Bob Murray & Associates.

The committee is recommending approval of a contract for recruitment services with Ralph Andersen and Associates. Reference checks have been completed.

**Fiscal Impact:**

Contract cost \$25,000.00

**Recommendation:**

Staff recommends the approval of the contract with a not to exceed amount of \$35,000.00.

**RESOLUTION NO. 2018-06**

**FIXING THE EMPLOYER CONTRIBUTION AT AN EQUAL AMOUNT FOR EMPLOYEES AND ANNUITANTS UNDER THE PUBLIC EMPLOYEES’ MEDICAL AND HOSPITAL CARE ACT**

WHEREAS, (1) El Dorado Hills County Water District is a contracting agency under Government Code Section 22920 and subject to the Public Employees’ Medical and Hospital Care Act (the “Act”); and

WHEREAS, (2) Government Code Section 22892(a) provides that a contracting agency subject to Act shall fix the amount of the employer contribution by resolution; and

WHEREAS, (3) Government Code Section 22892(b) provides that the employer contribution shall be an equal amount for both employees and annuitants, but may not be less than the amount prescribed by Section 22892(b) of the Act; and

RESOLVED, (a) That the employer contribution for each employee or annuitant shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan up to a maximum of:

<b>Medical Group</b>	<b>Monthly Employer Contribution</b>
001 Regular Employees	Anthem HMO Traditional Sacramento Region Basic
002 Chief	No Change
003 EMS Techs	No Change
004 Reserve Fire	No Change

Plus administrative fees and Contingency Reserve Fund assessments; and be it further

RESOLVED, (b) El Dorado Hills County Water District has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further

RESOLVED, (c) That the participation of the employees and annuitants of El Dorado Hills County Water District shall be subject to determination of its status as an “agency or instrumentality of the state or political subdivision of a State” that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that El Dorado Hills County Water District would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, CalPERS may be obligated, and reserves the right to terminate the health coverage of all participants of the employer.

RESOLVED, (d) That the executive body appoint and direct, and it does hereby appoint and direct, Position Title or Name of Person to file with the Board a verified copy of this resolution, and to perform on behalf of El Dorado Hills County Water District all functions required of it under the Act.

Adopted at a regular or special meeting of the Governing Board at Location, this Day day of Month, Year.

Signed: \_\_\_\_\_  
(President, Chairman, etc.)

Attest: \_\_\_\_\_  
(Secretary or appropriate officer)

## **INSTRUCTIONS**

This resolution form is the approved form designated by the California Public Employees' Retirement System (CalPERS). It should be used by a contracting agency subject to Public Employees' Medical and Hospital Care Act (PEMHCA) when the agency desires to change the monthly employer health contribution for employees and annuitants in accordance with Government Code Section 22892.

The resolution is **effective on the first day of the second month** following the month in which the resolution is filed (date stamped as received by CalPERS; See address below).

WHEREAS, (1) should be completed with full name of the contracting agency and recognized employee organizations.

RESOLVED, (a) should be completed to specify the amount of the employer contribution toward the cost of enrollment for active employees and annuitants. The amount specified must be an amount equal to or greater than that prescribed by Section 22892(b).

Commencing January 1, 2009, the employer contribution shall be adjusted annually by the Board to reflect any change in the medical component of the Consumer Price Index, and shall be rounded to the nearest dollar.

RESOLVED, (b) should be completed with full name of the contracting agency.

RESOLVED, (c) should be completed with full name of the contracting agency.

RESOLVED, (d) requests the position title of the individual who handles the PEMHCA resolution for the contracting agency.

RESOLVED, (d) should be completed with full name of the contracting agency.

**Because resolutions serve as a legally binding document, we require the original resolution, certified copy with original signatures, or a copy of the resolution with the agency's raised seal.**

**For resolution processing, deliver to the following:**

### **Overnight Mail Service**

California Public Employees' Retirement System  
Health Resolution & Compliance Services, HAMD  
400 Q Street  
Sacramento, CA 95811

### **Regular Mail**

California Public Employees' Retirement System  
Health Resolution & Compliance Services, HAMD  
PO BOX 942714  
Sacramento, CA 94229-2714

The certification shown following the resolution is to be completed by those individuals authorized to sign for the contracting agency in legal actions and is to include the name of the executive body; i.e. Board of Directors, Board of Trustees, etc., the location and the date of signing.