

SIX HUNDRED SIXTY FIRST MEETING OF THE BOARD OF DIRECTORS
OF THE
EI DORADO HILLS COUNTY WATER DISTRICT

The six hundred sixty first meeting, of the Board of Directors of the El Dorado Hills County Water District was held on Thursday, January 20, 2011 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 Barber, Durante, Hartley, Hidahl and Winn with President Durante presiding. Counsel Cook arrived later in the meeting. Interim Chief O’Camb, Chief Roberts and Chief Financial Officer Bair were also present.

President Durante called the meeting to order at 6:00 p.m. The El Dorado Hills Honor Guard presented the colors and Chief O’Camb led the Pledge of Allegiance.

Director Hartley moved to approve the Consent Calendar which included the minutes of the 658th meeting held December 9, 2010, the 659th meeting (a Special Meeting), held January 29, 2010, and the 660th meeting (a Special Meeting), held January 5, 2011 as well as the Financial Statements for December 2010. The motion was seconded by Director Barber and unanimously carried.

Honor Guard Commander, Matt Beckett, addressed the Board stating that the Honor Guard was present this evening to show their respect and appreciation to retiring Director Thomsen and welcome Director Barber to the Board. He also stated that because Director Thomsen was unable to attend this evening, the Honor Guard will be addressing him individually at a later time to thank him for his support. He gave an update on the Honor Guard stating it was established in 2004, is now 15 members strong and participates in 10 – 15 events per year that include memorials, funerals, retirements, veteran recognition events, etc.

Mike Gygax, El Dorado Hills Resident, also addressed the Board in response to Director Winn's comments at the Special Board meeting held January 5, 2011 when she stated that "it took the Board to shake up everybody to get a full room to show that we actually cared." Mike stated that he had a completely different viewpoint on why the room is normally empty and that an empty room does not mean there is apathy. He stated that through communications with the Union, the Department's leadership and others who attend various meetings, people have a good understanding of what's happening within the Department. When people do not attend Board meetings, it is because they trust that the Board is doing its job; however, when the room is full, it is because something is wrong and that trust is in question.

Several thank you letters had been received and included in the packet for review.

President Durante announced that the following closed session items be moved to later on the agenda: Items V-A and V-B, Conference with Legal Counsel, Pending Litigation (One Matter); Item VI-A.1 and VI-A.2, Public Employee Discipline/Dismissal/Release (One Matter); Item VI-A.3, Review and discuss El Dorado Hills Associated Firefighters and Administrative Wage and Benefit Negotiations; and Item VI-C.4, regarding appointment and employment of a consultant (Dr. Dan Haverty) for tasks to be determined by the Executive Search Committee and Board of Directors.

President Durante reported that the Fire Committee had nothing new to report but a Budget workshop was being scheduled.

Director Hidahl reported that the Human Resources Committee has made good progress and, after one more meeting with Jill Engelmann, the committee should be able to make a recommendation to the Board relative to the Human Resource position and reporting structure.

Director Hartley reported on the Regional Operations Committee stating that it had not yet met but a Multi-Agency Board Workshop was scheduled for January 24, 2011 at 7:00 p.m. at the Firefighters' Hall, Station 49 in Diamond Springs. The meeting is open to the public. LAFCO will be making a presentation and answering numerous questions that have been posed.

A discussion was held regarding the many conversations that have taken place between individuals from other agencies in El Dorado County and Sacramento County and individuals at the Board, Department and Union levels of the El Dorado Hills Fire Department regarding the possibility of merging. President Durante recommended that all such communications be done through the Regional Operations Committee. He also stated that the Board is not taking any position in this regard.

Counsel Cook arrived at 6:28 p.m.

President Durante asked Counsel Cook to research LAFCO's authority to enforce a consolidation and report back his findings.

Tom Anselmo, Union President, stated that the Sac Metro Union had approached Union 3604 asking to meet to discuss a merger. An informal meeting was held for the purpose of gathering information and educating themselves. He also said that the Union has formed a merger committee for the same purpose.

President Durante reported that the Executive Search/Consultant Services Committee has a proposed contract for consulting services with Dr. Dan Haverty to be reviewed in closed session. The contract has been written for a short period of time (not to exceed 120 days), at an hourly rate, and not to exceed \$25,000. The contract can be cancelled at will by either party. Although not limited to these areas, the three primary areas of focus of

Dr. Haverty's services will be the Department budget, Department staffing and the Fire Chief selection process. Director Barber suggested that Dr. Haverty also be utilized to help clarify the Board's role as it relates to Department operations.

The Operations Report was received and filed.

Director Hartley gave an update of the JPA stating that TLC Ambulance, a national organization, is in the process of filing an application to provide ambulance service throughout El Dorado County and the County has agreed to process the application. Interim Chief O'Camb commented that the Chiefs Association is adamantly opposed to this contract and is meeting with the County.

Director Barber reported on the progress of the Negotiations Committee stating that he was impressed by the honest, open, and cooperative communication that took place. He also stated that it is very difficult to negotiate without knowing where you are financially. Director Hidahl reported that the members of the Negotiations Committee wanted to take a close look at the equalization of benefits; Chief Financial Officer Bair is putting together a comprehensive spreadsheet of all existing benefits for the five different groups that visually contrasts the differences with the goal of getting to a balancing point or at least a better understanding of why there may be differences. President Durante asked Matt Eckhardt, Union Vice President who participates on both the Negotiation and Budget Committees, to be the conduit of information between each of these committees. The next Negotiations Committee meeting has been set for February 10.

Firefighter/Paramedic John Schureman posed a question to the Board asking if we were duplicating efforts by bringing Dr. Haverty in as a consultant before all of our own efforts have been exhausted. President Durante responded that he did not believe we had exhausted our

own efforts; however, he is also of the opinion that we are not duplicating efforts by bringing in Dr. Haverty as he can potentially provide valuable insight and recommend ideas that we are not looking at. Engineer Mike Gygax commented that he felt that \$25,000 was extremely reasonable for Dr. Haverty's services considering his background and that having an extra pair of eyes could be very extremely beneficial.

Staff requested ratification from the Board for the purchase of a projector upgrade to the AV system installed in the conference/training room.

Director Hidahl moved to approve Staff's recommendation and ratify the purchase and installation of the AV System. The motion was seconded by Director Winn and unanimously carried.

Interim Chief O'Camb reviewed the 4th Quarter Goal Report stating that good progress has been made on the Unity goal and that work will continue in this area. Battalion Chief Roberts commented on Goal Three (developing personnel to their fullest potential to fulfill the need of future leaders and promotional positions throughout the organization). He stated that the Battalion Chiefs' list had been exhausted but two candidates appear to be interested in testing.

CFO Bair presented the Annual Audit for 2009-2010. A discussion was held as to whether or not to continue with the same auditing firm for the next three years. Director Barber asked to see a resume of the proposed auditing firm's staff; Chief Financial Bair offered to bring it along with their proposal to next month's meeting.

Director Hidahl moved to receive and file the Audit Report provided by Robert W. Johnson, CPA, for year ending June 30, 2010. The motion was seconded by Director Hartley and unanimously carried.

CFO Bair presented Resolution 2011-01 requesting new Board signatures for Bank of America with the addition of Director Barber and removal of Director Thomsen.

Director Hidahl moved approval of Resolution 2011-01 with new Board signatures to be submitted for Bank of America. The motion was seconded by Director Hartley. (Roll Call: Ayes: All Present.)

CFO Bair discussed the recommendation made by the CalPERS actuary to pay off the Side Funds. This recommendation would reduce the CalPERS rate for both the miscellaneous group and the safety group. CFO Bair recommended obtaining a payoff amount from CalPERS (approximately \$1,165,000) and paying off the Side Funds from the General Reserve Fund. The District is paying 7.75 percent interest on the Side Funds with CalPERS and receiving less than one percent in the reserve account. Engineer Mike Gygax commented that in light of the budget crisis, it might be more advantageous to keep the 1.2 million as a reserve. President Durante requested that the matter be brought up at the next Budget Committee meeting for further discussion.

Director Hartley made a motion to adopt Resolution 2011-02 recognizing Retired Chief Veerkamp for his service to the District. The motion was seconded by Director Hidahl and unanimously carried. (Roll Call: Ayes: All Present.)

Director Hartley expressed his appreciation to all those that participated in the flag ceremony for Retired Chief Veerkamp. Director Hidahl made mention that he regretted that the Board had not spoken at the flag ceremony and remarked that the Board should make it a point to do so in the future.

Interim Chief O'Camb also expressed his appreciation to everyone for their planning and participation in paying tribute to Retired Chief Veerkamp. He also thanked the

Board and all personnel for their hard work on the Budget, Negotiations and HR Committees saying that this commitment has been huge. In addition, he thanked the crews for their outstanding service to the public as duly noted by the many letters of appreciation received.

CFO Bair asked for clarification as to how the JPA Committee members planned to participate and it was decided that both Director Hartley and Director Winn would be representatives at the meetings. CFO Bair will ensure that Director Winn is on the email distribution list for the JPA Board packets.

Chief Roberts stated that the Draeger SCBA's are in the process of being put into service.

The meeting adjourned to closed session at 7:45 p.m.

The meeting reconvened at 8:47 p.m.

President Durante announced that during closed session, the Board received updates and no action was taken on Items V-A and V-B, Conference with Legal Counsel (One Matter) as well as Items VI-A.1 and VI-A.2, Public Employee Discipline/Dismissal/Release. He also reported that the Board gave direction to the Admin Committee on Item VI-A.3, review and discuss El Dorado Hills Associated Firefighters and Administrative Wage and Benefit Negotiations and to the Executive Search/Consultant Committee on Item VI-C.4, regarding appointment and employment of a consultant (Dr. Dan Haverty) for tasks to be determined by the Executive Search Committee and Board of Directors.

Director Hidahl made a motion to hire Dr. Haverty as a consultant to the Department consistent with the provisions in the agreement as submitted and reporting directly to the Board. The motion was seconded by Director Hartley and unanimously carried.

President Durante reported that the Board will be working with Jill Engelmann and other representatives from CPS on the selection process for the Chief's position. He stated that Jill has been asked to get input from a multitude of people on the Chief's application flyer. He stated that the Board will be looking at both internal and external candidates and that a committee meeting will be held soon to put in place a screening process.

Director Hartley made a motion to adjourn the meeting and the motion was seconded by Director Barber and unanimously passed.

The meeting adjourned at 8:53 p.m.

Approved:

Connie Bair, Board Secretary

Greg Durante, President