

Golden West Community Service District
P.O. Box 448, El Dorado, CA. 95623
www.gwcsd.org



January 10, 2015- Meeting Minutes for Golden West Community Services District
Regular Meeting, held at Fire Station 44
6109 Quartz Dr., El Dorado, CA 95623

1. Call to Order/Roll Call – Director MacConnell called the meeting to order at 10:32 a.m. Board Members in attendance were Ken Hasse, Audrey Keebler and John MacConnell, constituting a quorum. Director Diana Kaighn was absent. Of note, General Manager Ed White, Consulting Engineer George Sanders and Board Consultant Hope Leja were also present.
2. Designate Meeting Secretary and Appointment of Secretary for 2015 – Hasse moved to appoint the undersigned as Secretary for the meeting. Keebler seconded. The motion passed unanimously (3-0). Keebler moved to appoint the undersigned, Marc Regelbrugge, as GWCSD Secretary for calendar year 2015. Hasse seconded. The motion passed unanimously (3-0). Keebler confirmed that the Secretary is not required to file Form 700 (Conflict of Interest) with the County.
3. Approval of Agenda – After some discussion, regarding removal of item 8(c), Adoption of Resolution 15-01, from the Consent Calendar, Hasse moved to approve the agenda as modified to establish item 8(c) as an agenda item separate from the Consent Calendar. Keebler seconded. The motion passed unanimously (3-0).
4. Appointment of Board Director – In response to a question from the public, MacConnell confirmed the Board’s ability to appoint a Director within 60 days of the occurrence of a vacancy on the Board, as verified by the County elections staff. Two candidates had submitted letters of intent for the single, open, Board position. The candidates were District residents Ron Kiesz and Connaught Lindberg. The candidates each made brief statements regarding their respective candidacies.

Hasse moved to appoint Ron Kiesz as a GWCSD Board member. As no second was offered, the motion failed. Keebler moved to appoint Connaught Lindberg as a GWCSD Board member to complete the unexpired term through 2017. Hasse seconded. The motion passed unanimously (3-0).

Keebler noted that three Director's terms will expire at the end of 2015. Candidate Kiesz made a brief statement congratulating newly appointed Director Lindberg, and stating his intent to continue to work with the District and the community going forward.

5. Oath of Office – The District Secretary administered the Oath of Office to Connaught Lindberg, who, by her signature, attested to her taking of the oath. Lindberg was then seated as a Director and received a Conflict of Interest form (Form 700) from Keebler for her execution.

6. Election of Officers – Keebler moved to elect Director MacConnell as Board President, Director Hasse as Board Vice President, and Director Keebler as District Financial Officer. Lindberg seconded. The motion passed unanimously (4-0).

7. GWCSO Meeting Schedule for 2015 – MacConnell moved to establish the time for this year's GWCSO Board Regular meetings to be at 10:30 a.m. on the second Saturday of every month, with the exception that the October Regular meeting is to begin at 9:00 a.m., and that the meetings be held at Fire Station #44, 6109 Quartz Drive, in El Dorado, California. Keebler seconded. The motion passed unanimously (4-0).

8. Consent Calendar – Hasse moved to remove item 8(b) from the Consent Calendar until the Board establishes a process to review District financial reports from El Dorado County. The Board concurred after some discussion on possible inclusion of these financial reports in the meeting Minutes, whether or not to include approval of "green sheets" (requests for payment) in the Consent Calendar, and avenues available to codify signature authority for various District expenses.

The Secretary noted the misspelling of Lindberg's name in the minutes of the December meeting. Hasse moved to approve the minutes of the December meeting as amended to correct the misspelling. Keebler seconded, and the motion passed unanimously (4-0).

8b. El Dorado County Financial Reports – Following discussion under item 8, above, no action was taken.

8c. Adoption of Resolution 15-01 – Keebler confirmed that the draft Resolution was based on standard text provided by El Dorado County, and that updated Conflict of Interest policy encompassed the General Manager and consultants, in addition to Directors. Keebler moved to approve Resolution 15-01 after striking its provision to adopt Rosenberg's Rules of Order, to repeal the 1985 Conflict of Interest policy and to adopt a new Conflict of Interest policy as appended to the Resolution. Hasse seconded. The motion passed 3-0 with Hasse, Keebler and MacConnell voting in favor, and Lindberg abstaining.

9. Authority to Correspond with Legal Counsel – Hasse moved to authorize Keebler as the Board's Legal Liaison with authority to correspond with District legal counsel, to name Lindberg as her backup, and to direct the Legal Liaison to contact legal counsel and impress upon them the importance of timely communication of information to the Board

regarding changes in legal matters. Keebler seconded. The motion passed unanimously (4-0).

A discussion ensued on pending litigation. Keebler explained that District Counsel had accepted Service of Process as one of many Defendants named in a Cross-Complaint in a suit relating to some property interests on Mica St. The District is one of a long list of cross-defendants named in the cross-complaint. Keebler has authorized District Counsel to proceed with an informal mediation process, in which the services of experienced mediators are provided for free in an attempt to resolve the District's part of the suit. Advantages of this approach include low cost (no cost for mediation services) and an extension of the deadline to respond to the cross-complaint in writing. Keebler further answered that the cross-complaint is a lawsuit to quiet some questions about easements. Keebler expressed her hope that the lawsuit offers the chance finally to have a litigated, court-determined definition of (a) the District's obligations as to maintenance of Mica and (b) options for emergency access to highway 49.

10. Financial Report – Keebler delivered the financial report, appended hereto, and highlighted two aspects: a) that the Road Maintenance Object Code (4191) reflected a balance of \$231,499, and b) that the amounts that had been allocated in error to Object Code 4313 (Legal Services), had now been properly reallocated to Object Code 4300 (Prof/Spec Services). The amounts so reallocated were associated with General Manager, Board Consultant and Consulting Engineer expenditures, not Legal Services.

11. General Manager's Report – The General Manager's Report addressed several topics:

- a) Crystal Curve Project: The first phase of the project has been completed. Execution was smooth and successful. The single Change Order was issued to circumvent problems with boulders in the work area, and authorized a section of smoothbore culvert to be installed for drainage around the immovable rocks. The net result was an expenditure of approximately \$10,500 versus \$9,000 as approved. The Consulting Engineer offered that the increase was necessary, modest, and made to complete the project while avoiding additional costs associated with keeping the workforce in place until the approved amount could be extended by Board action. The Consulting Engineer also recommended institution of a Change Order Allowance for future contracts so that like questions could be bounded in advance by Board action. Of note: the Change Order in question authorized installation of roughly 100 lineal feet of 15 inch-diameter pipe to ensure proper drainage around/under the problematic topography.

The General Manager and Consulting Engineer further recommended that certain sections of the drainage improved under the first phase of the project be, in a second phase (to be commenced in warmer weather), paved with two inches Asphalt Concrete (A.C.) atop a minimum of two inches Aggregate Base (A.B.) material in order to protect the drainage surfaces against traffic damage. Further discussion recommended installation of rumble strips in the

area on the right-hand edge of the southbound lane to alert motorists and avoid motor-vehicle damage to the paved swale. No cost estimate is yet available for this second phase of the project.

Keebler moved to approve an additional \$2,000, not to be exceeded (i.e. \$11,000 maximum) to complete the first phase of the Crystal Curve project. Hasse seconded. The motion passed unanimously (4-0).

- b) 2015 Projects: The General Manager has received one bid for the published Tree-Trimming contract. The bid was \$5,888, which was perceived to be a good price. Discussion mentioned a certain, dead, gray pine within the District Right of Way that should be removed for safety. Keebler moved to approve up to \$7,000 to execute the Tree-Trimming contract to include, specifically, the possibility of removing the dead, gray, pine that was the subject of said discussion.
- c) Worker's Compensation Insurance: The General Manager noted that worker's compensation insurance was required strictly only for employees of the District, and that the District should enumerate its employees subject to a requirement for worker's compensation insurance. He questioned whether the County required such insurance, and believed that our Liability Insurance carrier (SDRMA) did not require such insurance for non-employees. Lindberg suggested this issue could be couched as an inquiry to the CSDA ListServ facility, and volunteered to follow-up. Another general suggestion was to check with Bob Toscano at the County.
- d) Petty Cash Update: The General Manager recommended to clean up the Petty Cash facility for proper audit and to transition that facility to a pre-approved credit card facility. Questions were discussed regarding the approvals needed to sign for various levels of expenditure on such credit cards. Keebler volunteered to provide a report at the next meeting on the precise status of the Petty Cash account. The General Manager committed to research practical avenues to implement a credit card-based replacement for the Petty Cash fund and to provide a recommendation to the Board regarding implementation of same.
- e) Storage Unit Update: Discussions among the public and the Board ensued on the topics of how best to provide backup for critical District records, how best to retain "permanent" records, and whether or not procedures relating to the foregoing should become a future agenda topic. Citizen Kiesz volunteered to make some preliminary research into the question of how to back up permanent records, and to report back to the Board upon conclusion.

Subsequent discussion focused on disposition of old records in storage. Hasse made a motion to direct the General Manager to dispose of old records identified pursuant to the District's Record Retention Policy. Keebler

seconded. Further discussion identified a need to specify additional parameters of the recommended action. Keebler offered an amendment to allow disposal of records by shredding at a cost not to exceed \$100. The amended motion passed unanimously (4-0).

Pursuant to the General Manager's recommendation, Hasse made a motion to direct the General Manager to dispose of obsolete District property comprising old, surplus filing cabinets and an old printer, while providing a receipt from the disposing agent. Subsequent discussion mentioned a requirement to append a list of equipment so disposed to these Minutes. Keebler seconded. The motion passed unanimously (4-0).

- f) SDRMA Notification of Legal Action: The General Manager was notified that SDRMA (Liability Insurance provider) was requesting all documents relating to pending litigation involving the District. The General Manager requested authorization to provide SDRMA with the requested documentation. The Board gave an action item to Keebler to contact SDRMA regarding the documents they may require.

- g) Easement Road Encroachments: The General Manager noted a need to provide direction and priority for improvement/maintenance of side-road encroachments onto major District thoroughfares. Historical project and related expenditure information were discussed. Lindberg moved to direct the General Manager to inspect the public segments of Easement Road encroachments as specified in the GWCS Road Maintenance Responsibilities document, and (a) to categorize such segments with respect to their individual need for improvement, (b) to identify the work scope involved to affect required improvements, and (c) to make priority-ordered recommendations for future Board actions for work to fulfill the District's commitments pursuant to the District's Road Policy. Keebler seconded. The motion passed unanimously (4-0).

12. Audit – A quote from Vaughn Johnson, CPA, has been received via correspondence regarding the cost of performing an audit encompassing Fiscal Years 2008-2014. The quote was for \$7,000 plus additions associated with missing/inadequate documentation identified subsequent to the commencement of the audit. Discussion centered on positive peer reviews of Ms. Johnson's prior work product and positive general impressions of the General Manager's and Board Consultant's meeting with Ms. Johnson in the subject at hand. Hasse moved to authorize Vaughn Johnson, CPA, to commence an audit of District Operations over the seven-year period FY 2008-2014 per the terms and conditions of Ms. Johnson's quotation. Lindberg seconded. The motion passed unanimously (4-0).

13. General Manager and Consultant Contracts – Discussion ensued on the topic, and Hasse moved to approve one-year contract extensions for the Board Consultant, not to exceed 400 hours at a rate of \$35/hour, and for the General Manager, not to exceed 500 hours at a rate of \$25/hour. Keebler seconded. The motion passed unanimously (4-0).

The President mentioned the need to place an action item on the next meeting's agenda to consider renewal of the Consulting Engineer's contract.

14. Creation of Operations Manual – The Board and public discussed the need for an Operations Manual, comprising relevant information for new Directors, Officers, Consultants and Employees, and setting a calendar of events and dates due for District actions and reports, and outlining procedures for various contingencies and for Board succession. Hasse moved to add line item 1(d) to the Board Consultant's contract to develop an operations manual for Board review. Keebler seconded. The motion passed unanimously (4-0).

15. Correspondence – Keebler discussed the following correspondence received:

- a) Notice of availability, through the CSDA, of CSDA Special District Board Member Handbooks and the Special District Magazine;
- b) The SDRMA 2013-14 Annual Report, notice of Annual Meeting and Claims Education Day (March 24, 2015) at the Arden Hilton in Sacramento.
- c) A flyer from LAFCO announcing a Workshop addressing "What is LAFCO and What do They Do?" and an AB1234 Ethics Seminar. The flyer is attached herewith.
- d) Notification from El Dorado County as to a change in their cost recovery methods for Direct Charge. Estimated additional cost to the District is \$140.

16. Director Reports – Hasse recommended that two, one-terabyte disk drives be purchased at a cost of \$150, and requested approval for reimbursement, which was agreed by the Board. Hasse further explained that these drives will be deployed as rotating backup media for the District's electronic documents. MacConnell recommended looking into a cloud-storage subscription. Some discussion ensued on potential uses and required parameters (e.g. private data encryption) for such backup storage.

Lindberg commented to thank the Directors for giving her the opportunity to serve as a Director.

Keebler mentioned that she still continues to work on the Resolution Binder.

17. Open Public Forum – Several members of the public commented on the good work being done by the present Board, supported by tangible evidence of the District's progress on several fronts.

18. Recess to Closed Session – No closed session was convened.

19. Reconvene to Open Session: Closed Session Report on Appointment of GWCSO Board Director – This item was obviated as no closed session was convened.

20. Adjournment – Following motion by Hasse and second by Lindberg, the meeting was adjourned at 1:57 p.m.

Respectfully Submitted,

Marc Regelbrugge
GWCSO Secretary

Golden West Community Services District
PO Box 448
El Dorado, CA 95623

Financial Report Prepared for 10 January 2015 Board Meeting

Beginning Budget FY 2014-15	\$301, 639
Appropriation for Contingencies (subtract from total)	\$ 25, 000
Total Remaining for Services and Supplies	\$276, 639

BUDGET ACTIVITY YEAR TO DATE from 9 Jan 2015 EDC Rev/Exp Detail

Object Code	Description	Estimated	Actual	Balance
4100	Insurance	2,500	1, 155	1, 345
4191	Road Maintenance	231, 499	0	231, 499
4197*	Maint/Supplies	0	20	-20
4220	Memberships	790	488	302
4260	Office Expense	1, 300	235.88	1, 064.12
4300	Prof/Spec Services	21, 250	4, 846.60	16, 403.40
4303*	Road Maint/Const (Spot on Signs)	0	475.09	- 475.09
4304*	Agency Admin Fee	0	88	-88
4313	Legal Services	15, 000	6, 243.50	8, 756.50
4400	Pub/Legal Notices	1, 500	172.97	1, 327.03
4420*	Rent/Leases Eqpt (PO Box)	0	92.00	-92.00
4440	Rent/Lease Bldgs	800	64.12	735.88
4500*	Special Dept Expense	0	84.03	-84.03
4602*	Mileage/Employee	0	235.62	-235.62
4604	Mileage/Volunteer	2, 000	101.92	1898.08
Total Services and Supplies		276, 639	14, 194.33	262, 444.67

Invoices Paid in December

4260	1&1 Internet Reimb. A Keebler	38.28
4260	Office Exp Reimb. A Keebler	14.68
4300	Hope Leja Consultant Serv	840.00
4602	Hope Leja Mileage	56.78
4300	EL White Enigma Mgt Serv	487.50
4420	PO Box Rental Jan-Dec 2015	92.00
4602	EL White Mileage	25.76
4604	A Keebler Mileage Sept-Dec 2014	101.92

801116 Golden West - Community Service Districts

Revenues and
Expenditures

Summary Accounting Period ended December 31, 2014

	Estimated / Budget	Actual Amount	Balance
801116 Golden West - Community Service Districts			
Revenue			
1 Taxes			
100 Prop Tax: Curr Secured	60,813.00	32,388.65	28,424.35
110 Prop Tax: Curr Unsecured	0.00	1,260.66	-1,260.66
120 Prop Tax: Prior Secured	0.00	-14.80	14.80
130 Prop Tax: Prior Unsecured	0.00	21.27	-21.27
140 Prop Tax: Supp Current	0.00	70.10	-70.10
150 Prop Tax: Supp Prior	0.00	190.54	-190.54
175 Tax: Special Tax	54,200.00	30,222.30	23,977.70
1 Taxes	<u>115,013.00</u>	<u>64,138.72</u>	<u>50,874.28</u>
3 Fines, Forfeitures and Penalties			
360 Penalty & Cost Delinquent Taxes	0.00	53.85	-53.85
3 Fines, Forfeitures and Penalties	<u>0.00</u>	<u>53.85</u>	<u>-53.85</u>
4 Revenue from Use of Money and Property			
400 Rev: Interest	0.00	319.95	-319.95
4 Revenue from Use of Money and Property	<u>0.00</u>	<u>319.95</u>	<u>-319.95</u>
5 Intergovernmental Revenue - State			
820 ST: Homeowner Prop Tax Relief	0.00	333.50	-333.50
5 Intergovernmental Revenue - State	<u>0.00</u>	<u>333.50</u>	<u>-333.50</u>
22 Fund Balance			
1 Fund Balance	186,626.00	0.00	186,626.00
22 Fund Balance	<u>186,626.00</u>	<u>0.00</u>	<u>186,626.00</u>
Total Revenue	<u>301,639.00</u>	<u>64,846.02</u>	<u>236,792.98</u>
Expense			
30 Salaries and Employee Benefits			
3060 Workers' Compensation Employer Share	0.00	-30.96	30.96
30 Salaries and Employee Benefits	<u>0.00</u>	<u>-30.96</u>	<u>30.96</u>
40 Services and Supplies			
4100 Insurance: Premium	2,500.00	1,154.60	1,345.40
4191 Maintenance: Roads	231,499.00	0.00	231,499.00
4220 Memberships	790.00	488.00	302.00
4260 Office Expense	1,300.00	235.88	1,064.12
4300 Professional & Specialized Services	21,250.00	4,846.60	16,403.40
4303 Road Maint & Construction	0.00	475.09	-475.09
4313 Legal Services	15,000.00	6,243.50	8,756.50
4400 Publication & Legal Notices	1,500.00	172.97	1,327.03
4420 Rent & Lease: Equipment	0.00	92.00	-92.00
4440 Rent & Lease: Building & Improvements	800.00	64.12	735.88
4500 Special Dept Expense	0.00	84.03	-84.03
4602 Mileage: Employee Private Auto	0.00	235.62	-235.62
4604 Mileage: Volunteer Private Auto	2,000.00	101.92	1,898.08
40 Services and Supplies	<u>276,639.00</u>	<u>14,194.33</u>	<u>262,444.67</u>
77 Appropriations for Contingencies			

GWCSO Surplus Office (obsolete) Office Equipment – January 2015

Vertical File Cabinets and Printer

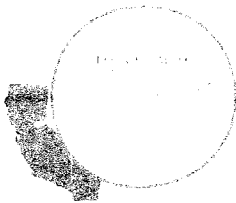
1—4 drwr fair cond

1—2 drwr fair cond

1—2 drwr fire resistant—poor cond

1—2drw legal size —poor cond

1—single page printer (pre 1997?)



EL DORADO LAFCO

Local Agency Formation Commission

Please distribute this announcement to your board and any employees who might be interested in either workshop.

**Wednesday, January 28, 2015
5:30 p.m.**

**Board of Supervisors Meeting Room
330 Fair Lane, Building A
Placerville, CA 95667**

There will be an informational workshop covering the basics of LAFCO, its responsibilities under State Law and statewide trends.

**Wednesday, February 25, 2014
5:30 p.m.**

**Board of Supervisors Meeting Room
330 Fair Lane, Building A
Placerville, CA 95667**

This is mandatory ethics training for elected and certain appointed local government officials.

For questions, call (530) 295-2707.