

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



June 13, 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 – President MacConnell called the meeting to order at 10:34 a.m. Board Members present were Ken Hasse, Diana Kaighn, Connaught Lindberg, Audrey Keebler and John MacConnell, constituting a quorum. General Manager Ed White, District Engineer George Sanders, Board Consultant Hope Leja and Secretary Marc Regelbrugge were also present.
2. Approval of Agenda – Hasse moved to approve the agenda as written. Keebler seconded. General Manager White queried why the three items tabled at the prior meeting did not appear on this meeting's agenda. MacConnell replied that he was trying to shorten the meetings and had assigned priorities to the items on the agenda, noting that the tabled items would be discussed in a subsequent meeting. (Secretary's note: see item 10 for further resolution of this question). The motion passed unanimously (5-0).
3. Consent Calendar –Lindberg moved to approve the consent calendar. Keebler seconded. Board Consultant Leja mentioned she would like to see the County's monthly General Ledger (Detailed) be included along with the Revenue and Expenses Summary in the regular Consent Calendar. Financial Officer Keebler agreed to include the General Ledger Detail going forward. The motion passed unanimously (5-0).
4. Financial Report – Director Keebler presented the Financial Report, appended hereto. Keebler further explained that two County reports serve as the bases for her summary report. These are (i) the General Ledger Detail Report and (ii) the Revenue and Expense Summary Report. The Financial Officer abstracts these two reports to form the distilled District Financial Report each month, listing status of each of the 4000-series object codes, paid invoices and invoices submitted for payment.
Questions from the public addressed two invoices submitted for payment of fees for Legal Services (April and May periods, respectively), and how/when the Board had authorized these charges and approved payment of these invoices. Keebler responded that these were invoices for services rendered in connection with the Mica lawsuit (see item 12), that the invoices were reviewed by two Board members, and that the payment voucher(s) were signed by Board members who had reviewed the invoices. Hasse

reasoned that the expenses had been budgeted, the Board had resolved to engage the services of an Attorney to provide legal services, and that these services had been provided pursuant to that engagement agreement, rendering the invoiced amounts pre-approved by the Board. A member of the public stated that he believed specific activities of the Attorney should be explicitly pre-approved by the Board, and he asked whether or not they were. Lindberg, Hasse and MacConnell all indicated that the Board had given such approval by providing direction to the Attorney in two, prior, closed sessions.

Hasse moved to approve the Financial Officer's Report. Lindberg seconded. A question was raised as to whether such approval constituted Board approval of the invoices to be paid. Both Hasse and Lindberg confirmed such constitution. The motion passed unanimously (5-0).

5. FY2016 Budget Discussion – Keebler presented a preliminary budget for Fiscal-Year 2015-2016 in the amount of \$345,009. She explained development of the top-line budget and discussed allocation of budgeted amounts by object code based on prior years' experience. Keebler further stressed that the budget would not be finalized until actuals can be determined after closing the books for the present Fiscal Year. After ensuing discussion among the Board, staff and public, consensus emerged to re-allocate \$10,000 from 4191 Road Maintenance to 4300 Prof/Spec. Services to address management costs of the planned resurfacing of southern Crystal Blvd, and to re-allocate \$10,000 from 7700 Contingencies to 4313 Legal Services in view of expected costs to defend the District in the Mica lawsuit. Keebler accepted the action to determine whether the County required specific amounts or percentages of District budgets for contingencies, and if so, whether a \$15,000 Contingencies Fund met such requirements. Keebler will adjust the preliminary budget proposal accordingly.

6. Information Item: The Following Notice was published in "The Mountain Democrat":
The following published notice was read and duly noted:

NOTICE OF PUBLIC HEARING: Notice is hereby given that the Golden West Community Services District has scheduled a public hearing to be held on July 11, 2015 at 10:30 a.m. at Fire Station 44, Quartz Drive, El Dorado, CA for the purpose of considering the following resolutions of the Board of Directors:

1. Resolution 15-04, adopting an appropriations limitation of \$316,087 for the 2015-16 fiscal year;
 2. Resolution 15-05, adopting a preliminary budget for the 2015-16 fiscal year.
- At this hearing the Golden West CSD Board will consider all comments made by interested persons.

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

- a) An update on District residential driveway culvert conditions and maintenance was deferred to item 8.
- b) The General Manager requested cancellation of authorization for contract 2015-APRIL-11-Encroachment/Pothole Repair as the combination of these requirements in a single contract vehicle had proven problematic. Kaighn

moved to cancel contract 2015-APRIL-11-Encroachment/Pothole Repair. Keebler seconded. The motion passed unanimously (5-0).

- c) The General Manager requested approval to proceed with contract 2015-June-13-Pothole-Repairs-Shoulder-Backing to include that portion of the canceled contract (item 7(b)) addressing repair of potholes and addition of shoulder backing in certain identified areas. Lindberg moved to approve contract 2015-June-13-Pothole-Repairs-Shoulder-Backing, a negotiated contract with Doug Veerkamp, Inc., in an amount not to exceed \$22,000. Keebler seconded. The motion passed unanimously (5-0).
- d) The General Manager proposed to replace five notice-boxes within the District that had deteriorated and were no longer able to serve their function, and to purchase office supplies to include manila folders and paper. The Board approved by consensus the General Manager's purchase of these items up to his contracted purchasing authority.
- e) The General Manager reported that the second phase of the weed-spray contract was to be completed June 13th. He indicated a green colorant was requested, and included at no additional charge, to facilitate confirmation of the areas of re-application throughout the District.

8. New Ordinance 5: Culvert and Roadway Maintenance and Repair – Hasse presented Ordinance 5, Culvert and Roadway Maintenance and Repair, an Encroachment Permit Application and a Resolution adopting Ordinance 5, all in draft form, for Board review. He described the Ordinance as having incorporated language from several sources, including County Ordinances, and setting forth clear policies and procedures for requiring encroachment owners to maintain encroachment culverts. The draft Encroachment Permit references District Ordinances (including the candidate Ordinance 5) and a County Design Standards Manual encroachments requirements drawing. Hasse stated the proposed Ordinance 5 will provide enforceability of owners' responsibilities, allow the District necessary authority to repair problems at the owners' expense, and to recover expense reimbursement through tax billings. Hasse requested Board approval to have the draft documents reviewed by District Counsel. Discussion focused on the best way to make Counsel familiar with the current state of the issue in the District so as to provide the most effective review and commentary. Keebler moved to authorize Hasse to consult with Counsel to discuss and review the proposed draft Ordinance covering Culvert and Roadway maintenance. Kaighn seconded. The motion passed unanimously (5-0). Hasse also took the assigned action to check with the CSDA LISTSERV regarding ordinances on this topic, their authorities and enforceability, as a means to streamline and augment Counsel's review.

9. GWCSO Bill Payment Procedure – Director Kaighn presented a draft procedure for incorporation into the District's Procedures Manual that described a process for approval and payment of the District's bills. Keebler distributed a detailed, step-by-step instruction for preparation and processing of payment vouchers. After a lively discussion, the Board and Staff developed a general consensus around the following monthly procedure:

- 1) The Financial Officer (or backup) will collect invoices and prepare corresponding Payment Authorizations (“Green Sheets”) on a monthly basis, ideally shortly in advance of the month’s general meeting.
- 2) Copies of the detailed invoices and prepared Payment Authorizations will be distributed to Directors with their meeting-advance packet for review.
- 3) The prepared Payment Authorizations will be slated for approval on the monthly Consent Calendar. Time-sensitive invoices may otherwise be approved for payment by consideration under other Agenda items.
- 4) Upon Board approval, each Payment Authorization will be signed by two Directors and forwarded to the County by the Financial Officer for payment. A Director is prohibited from signing a Payment Authorization that authorizes payments to him- or her-self for any purpose.
- 5) An exception to the above procedure may be invoked in the cases of invoices submitted for payment of prior-approved contractual amounts. In such cases, the Payment Authorization may be approved by two Board members and submitted for payment in an amount not to exceed 110% of the pre-approved contract amount providing the General Manager finds all work to have been completed successfully under the invoiced contract(s). Payments authorized under this clause shall also be included on the Consent Calendar at the next Regular Meeting, and remain subject to the signatory prohibition of sub-item (4), above.

Keebler volunteered to augment the detailed procedure she had prepared along the lines of the Board’s consensus.

10. Proposal to have Hope Leja Assist in and/or Prepare Future Agendas – MacConnell proposed to allow the Board Consultant (Hope Leja) to assist in preparation of and/or prepare future meeting agendas. Some discussion ensued indicating that the Board wished to reserve the prerogative of establishing agenda-item priority for the President or other delegated Director. Further, the Board discussed the need for some mechanism for tracking items proposed, but not placed on an agenda, and tabled items. The public suggested the possibility of a “Punch List” to provide requisite tracking. Keebler moved to assign the Board Consultant to assist Directors and Board Staff in preparation of future agendas at a level of effort not to exceed 3 hours per month. Hasse seconded. The Board Secretary was assigned to assemble and maintain a Punch List containing deferred and tabled agenda items for tracking and planning purposes. The Secretary was further directed to add the Board Consultant to distributions of draft versions of meeting minutes to assist the Consultant with agenda duties. The motion passed unanimously (5-0).

11. No Item – The agenda for the meeting did not list an item numbered 11.

12. Lawsuit Report – Lindberg reported again the process and actions of the June 12th Special Meeting. The Board and General Manager met with District Counsel to discuss the Mica lawsuit in Closed Session. Upon motion duly made, seconded and voted in Closed Session, the Board directed District Counsel to answer the Second Amended Cross-Complaint naming the District as Cross-Defendant. Directors MacConnell, Hasse, Keebler and Lindberg voted in favor of said motion, Director Kaighn voted against.

13. Correspondence – The following correspondence was discussed:

- a) Keebler noted receipt of a Thank You note from Supervisor Shiva Frentzen, who addressed the District's May meeting.
- b) Keebler further described notices received by the District regarding processing of Direct Charge and Closure of Fiscal Year accounting.
- c) MacConnell and Keebler requested the Board Consultant to check with the Auditor to determine the status of the audit effort.

14. Director Reports – Director Kaighn posed an open question as to whether the Board should re-examine the Contract for Representation with Girard and Edwards, District Counsel. She mentioned that the District might be able to save Attorney's fees by holding meetings by teleconference, thereby eliminating travel-time and mileage charges.

Kaighn also reported that the second Bylaws workshop is scheduled for June 16th, 9:00 a.m., at Diamond Springs-El Dorado Fire Protection District's Station 49, at 501 Pleasant Valley Rd. in Diamond Springs, CA.

Board discussion revealed that resolutions passed at the May meeting had not been recorded with the County. The Board requested the General Manager to ascertain the status of these resolutions and record them with the County Recorder/Clerk.

Lindberg stated, and Keebler concurred, that expenditures for District staff were "dollars well-spent."

20. Open Public Forum – No discussion.

21. Adjournment – Keebler moved to adjourn. Hasse seconded. The meeting was adjourned by unanimous (5-0) vote at 1:22 p.m.

Respectfully Submitted,

Marc Regelbrugge
GWCSO Secretary

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

Financial Report Prepared for 13 June 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 8 June 2015 EDC Rev/Exp Detail

Object Code	Description	Estimated	Actual	Balance
4100	Insurance	2,500	1,635	865
4191	Road Maintenance	231,499	33,398	198,101
4197*	Maint/Supplies	0	20	-20
4220	Memberships	790	488	302
4260	Office Expense	1,300	296	1,004
4300	Prof/Spec Services	21,250	11,867	9,383
4303*	Road Maint/Const (Spot on Signs)	0	475	-475
4304*	Agency Admin Fee	0	88	-88
4313	Legal Services	15,000	13,027	1,974
4400	Pub/Legal Notices	1,500	438	1,062
4420*	Rent/Leases Eqpt (PO Box)	0	92	-92
4440	Rent/Lease Bldgs	800	964	-164
4500*	Special Dept Expense	0	84	-84
4602*	Mileage/Employee	0	665	-665
4604	Mileage/Volunteer	2,000	250	1750
Total Services and Supplies		276,639	63,687	212,952

Invoices Paid in May 2015

4191	Joe Vicini Inc	12,532.00
4300	Hope Leja Consultant Serv March	157.50

Outstanding Invoices/Charges prepared May 26, 2015

4191	Jesse James, Fog Line Striping	500.00
4260	Audrey Keebler Reimb 1 & 1 Internet Services	76.97
4300	GM Services Ed White, May 1-31, 2015	750.00
4602	GM Mileage Ed White, May 1-31, 2015	48.30
4313	Legal Services April, Girard and Edwards, Inv 6066	1963.50

Outstanding Invoices/Charges prepared June 8, 2015

4100	SDRMA Property/Liability Insurance Inv 51263	1,619.37
4400	Post Public Notice Mt. Democrat	20.25
4313	Legal Services May, Girard and Edwards, Inv 6109	1,632.00
4300	Consultant Services May, Hope Leja	1,041.25
4602	Consultant Mileage May, Hope Leja	26.80
4300	GM Services May, Ed White	237.50
4602	GM Mileage May, Ed White	23.28
4260	GM Reimbursement Office Supplies (thumb drives)	29.14

801116 Golden West - Community Service DistrictsPrinted
6/8/2015
9:56:59 AM**Revenues and
Expenditures**

Summary Accounting Period ended May 31, 2015

	Estimated / Budget	Actual Amount	Balance
801116 Golden West - Community Service Districts			
Revenue			
1 Taxes			
100 Prop Tax: Curr Secured	60,813.00	60,362.80	450.20
110 Prop Tax: Curr Unsecured	0.00	1,309.96	-1,309.96
120 Prop Tax: Prior Secured	0.00	-15.06	15.06
130 Prop Tax: Prior Unsecured	0.00	24.18	-24.18
140 Prop Tax: Supp Current	0.00	611.54	-611.54
150 Prop Tax: Supp Prior	0.00	318.45	-318.45
175 Tax: Special Tax	54,200.00	54,462.30	-262.30
1 Taxes	115,013.00	117,074.17	-2,061.17
3 Fines, Forfeitures and Penalties			
360 Penalty & Cost Delinquent Taxes	0.00	69.82	-69.82
3 Fines, Forfeitures and Penalties	0.00	69.82	-69.82
4 Revenue from Use of Money and Property			
400 Rev: Interest	0.00	721.37	-721.37
4 Revenue from Use of Money and Property	0.00	721.37	-721.37
5 Intergovernmental Revenue - State			
820 ST: Homeowner Prop Tax Relief	0.00	666.99	-666.99
5 Intergovernmental Revenue - State	0.00	666.99	-666.99
22 Fund Balance			
1 Fund Balance	186,626.00	0.00	186,626.00
22 Fund Balance	186,626.00	0.00	186,626.00
Total Revenue	301,639.00	118,532.35	183,106.65
Expense			
30 Salaries and Employee Benefits			
3060 Workers' Compensation Employer Share	0.00	-30.96	30.96
30 Salaries and Employee Benefits	0.00	-30.96	30.96
40 Services and Supplies			
4100 Insurance: Premium	2,500.00	1,635.48	864.52
4191 Maintenance: Roads	231,499.00	33,398.00	198,101.00
4220 Memberships	790.00	488.00	302.00
4260 Office Expense	1,300.00	295.89	1,004.11
4300 Professional & Specialized Services	21,250.00	11,866.60	9,383.40
4303 Road Maint & Construction	0.00	475.09	-475.09
4313 Legal Services	15,000.00	13,026.50	1,973.50
4400 Publication & Legal Notices	1,500.00	437.89	1,062.11
4420 Rent & Lease: Equipment	0.00	92.00	-92.00
4440 Rent & Lease: Building & Improvements	800.00	964.12	-164.12
4500 Special Dept Expense	0.00	84.03	-84.03
4602 Mileage: Employee Private Auto	0.00	665.40	-665.40
4604 Mileage: Volunteer Private Auto	2,000.00	250.27	1,749.73
40 Services and Supplies	276,639.00	63,679.27	212,959.73
77 Appropriations for Contingencies			

801116 Golden West - Community Service DistrictsPrinted
6/8/2015
9:56:59 AM**Revenues and
Expenditures****Summary Accounting Period ended May 31, 2015**

	Estimated / Budget	Actual Amount	Balance
7700 Appropriation For Contingencies	25,000.00	0.00	25,000.00
77 Appropriations for Contingencies	25,000.00	0.00	25,000.00
Total Expense	301,639.00	63,648.31	237,990.69
801116 Golden West - Community Service Districts	0.00	54,884.04	54,884.04

801116 Golden West - Community Service DistrictsPrinted
6/8/2015
9:56:59 AM**Revenues and
Expenditures****Summary Accounting Period ended May 31, 2015**

		Estimated / Budget	Actual Amount	Balance
Report Total	Revenue	301,639.00	118,532.35	183,106.65
	Expense	301,639.00	63,648.31	237,990.69
		0.00	54,884.04	54,884.04