

**HESPERIA RECREATION AND PARK DISTRICT  
BOARD OF DIRECTORS REGULAR MEETING**

**June 12, 2013**

DIRECTOR LIMBAUGH: We'll call this meeting of the Hesperia Recreation and Park District to order. And as we do at every meeting, we generally start with the flag salute. So if you'll rise and join me in the Pledge of Allegiance. Director Chandler, would you please lead us tonight?

DIRECTOR CHANDLER: Yes. Ready? Begin.

**FLAG SALUTE**

Director Chandler led the Pledge of Allegiance

**CALL TO ORDER**

The Hesperia Recreation and Park District Board of Directors Regular Meeting was called to order by President Limbaugh at 7:00 p.m., at Lime Street Park Community Center, located at 16292 Lime Street, Hesperia.

**ATTENDANCE**

**BOARD PRESENT:** Gregg, Chandler, Limbaugh, Cowan, Swanson

**BOARD ABSENT:** None

**STAFF PRESENT:** Woods, R. Thomas, Cook, Hamm, J. Thomas, Webb

DIRECTOR LIMBAUGH: One item on the agenda that I would request that the Board relocate its location in our agenda, and that's Item E. We're fortunate enough tonight to have another ranger joining our park ranger force, and I'd like to move that to above Staff Reports, Item E, so it would follow the Proclamations and Presentations. Are you guys okay with that? Okay. So we're going to move that item. Anyway, welcome to our meeting tonight. We encourage public participation. If you do have anything that you wish to speak on tonight, please fill out one of our speaker's cards and turn it in to General Manager Lindsay. And you can speak about things that are on the agenda or not on the agenda. It's your choice. So is anybody speaking tonight? Too bad. You get five minutes. You get up and get five minutes.

DIRECTOR SWANSON: You can sing.

DIRECTOR LIMBAUGH: Wow. They're opening Rancho though. So that's a good thing, yeah? So next time if you live over that way, you can come right down Rancho and get to the meeting, in case you have something to say. That's a big deal. It's like 9 days, 10 days? The 29th? 29th. Okay. Communications; Written, in our packet, and Oral, if any.

MR. WOODS: I have no Oral at this time. We have several thank-you cards and nice articles on programs that the District was involved with in your board packet.

DIRECTOR LIMBAUGH: Okay. The next item on the agenda is our Consent Items. The following items are intended to be noncontroversial, and we can pass them all at one time by a vote of the Board unless a Board member wants to pull one item forward. It includes the

minutes of the meetings, any claims, written staff reports, and authorization for bid. We're going out to bid for the fireworks, which will be September 21st, which is, as you all know, Hesperia Days. Okay. Good.

## COMMUNICATIONS

### WRITTEN COMMUNICATION

1. Association of the San Bernardino County Special District notice for Membership Meeting dated June 17, 2013.
2. Thank You Card from High School Scholarship Recipient Rebecca Thweatt.
3. Thank You Card from Diane Rodriguez, Oak Hills High School Career Counselor.
4. Certificate of Appreciation for the Hesperia Gold & Country Club's with their 6<sup>th</sup> Annual Golf Tournament.
5. Newspaper Article, May 14, 2013, Hesperia Star, "Agencies to join together for safety on Saturday".
6. Newspaper article, May 28, 2013, Hesperia Star, "Adopt, walk, shop at pet event".
7. Newspaper article, May 30, 2013, Hesperia Star, "Relay season ends with awards ceremony".
8. Newspaper article, June 4, 2013, Hesperia Star, "For the love of furry - and slithery - friends".
9. Beginning Tap and Ballet Evaluations.
10. Hip Hop Evaluations.
11. Parent & Me Tap and Ballet Evaluations.
12. Preshool Tap and Ballet Evaluations.

### CONSENT ITEMS

DIRECTOR LIMBAUGH: Okay. I have one comment on the Bills for Payment, and I think GREGG and I are the only ones that see it. Well, maybe it's not on the Bills for Payment -- yeah, it is. It's \$28,000 at Maple Park. It's on these things (indicating).

MS. THOMAS: What page are you on?

DIRECTOR LIMBAUGH: What's that? And it was to an electric -- was that to replace the electric that was vandalized last year or --

MS. THOMAS: Yes, yes. A number of these reimbursements --

DIRECTOR LIMBAUGH: Did you see that?

MS. THOMAS: -- are paying back the Foundation.

DIRECTOR LIMBAUGH: Okay.

MS. THOMAS: Because at the beginning of our fiscal year, the Foundation has to cover the payment, so --

DIRECTOR LIMBAUGH: Right. Okay.

MS. THOMAS: This is the reimbursement --

DIRECTOR LIMBAUGH: So it was done in May of last year?

MS. THOMAS: When it happened. But we are now reimbursing the Foundation --

DIRECTOR LIMBAUGH: Okay. That's the only question I had on those items. Anybody else? Okay. Seeing none, all those in favor?

MS. THOMAS: Did we have a first and second?

DIRECTOR LIMBAUGH: Do we need that?

DIRECTOR SWANSON: I'd like to make a motion that we accept all items that were presented.

DIRECTOR COWAN: I'll second that.

DIRECTOR LIMBAUGH: Okay. All those in favor, say, "aye."

**MOTION:** It was moved by Director Swanson, seconded by Director Cowan and carried by the following roll call vote to approve Consent Items A through D:

- A. Approved Minutes for the Board Meeting, May 8, 2013.
- B. Approved Claims for Payment.
- C. Accepted written staff reports.
- D. Authorization to advertise for bids:
  - Bid #2013-6-1 Hesperia Days Fireworks Show, September 21, 2013

## **PROCLAMATIONS AND PRESENTATIONS**

DIRECTOR LIMBAUGH: Okay. Proclamations and Presentations. Okay.

DIRECTOR SWANSON: We like this part. Can you tell?

DIRECTOR LIMBAUGH: As is common with the Park District, we like to recognize the people that help support us in our work in the community, and that's going to be a lot of good tonight. So we have a long list tonight, so I'll turn it over to staff. And thank you all for coming tonight.

MR. WOODS: First, tonight, we have -- Don Webb will be making the presentations for the Relay for Life, the car show, and the Safety Fair.

MR. WEBB: Good evening, Board Members and General Public. Tonight I'm taking the opportunity to recognize a few of the people involved in the Cars and Cures event, which you all know is a Relay for Life, and a car show that was held on April 20th, and then the Hesperia Health and Safety Fair, which was held on May 18th, both of them well attended, both of them large -- lot of people had a lot of fun. Unfortunately, there -- the people from Relay are tied up in another city on another relay, so they couldn't be here tonight. But I did want to show you guys this nice little thing that -- little item we were presented by Relay for Life as a thank-you for our sponsorship of the Relay for Life thing. And this will go in our cabinet in the hallway with some of the other stuff. Tonight I'd like to introduce you to Lonnie Hyde. Lonnie, come on up. Lonnie is the president of the Apple Valley Over the Hill Gang or Over the Hill Gang Apple Valley, whichever way you'd like to --

MR. HYDE: Depends on which way you're standing.

MR. WEBB: And I know Lonnie brought some of his other board members. One of them there wasn't a whole lot of choice -- he's married to her. I'd like to thank Lonnie and all the members of the Over the Hill Gang Apple Valley for putting on the car show. It relieves us of a lot of paperwork and a lot of time and manpower. And how many vehicles --

MR. HYDE: I think we had almost hundred this time.

MR. WEBB: Yeah. It was a pretty nice show. Some of you were there and helped pick out some of the winners. And so, Lonnie, I'd like to present this to you, and I'd like you to come up to the Board and get your picture taken.

MR. HYDE: Before I do that, I'd like to present this to the Park District as our appreciation.

MR. WEBB: Give it to the gentleman in the green shirt.

MR. HYDE: Okay. As our token of appreciation for this Board.

DIRECTOR LIMBAUGH: It's beautiful. Thank you.

MR. HYDE: And it's become a very good symbiotic relationship for all of us.

DIRECTOR LIMBAUGH: Great. Thank you.

MR. WEBB: Lonnie, would you like to call any of your other board members up?

MR. HYDE: Well, we have the Vice President, Larry. Come on, Larry. And the Treasurer is Lynda.

MRS. HYDE: No, I'm taking pictures.

DIRECTOR LIMBAUGH: Oh, what an excuse. We have pictures. Hey, you know, this is a non-hostile environment in Hesperia. Welcome.

MR. HYDE: And Jan Blanton --

DIRECTOR LIMBAUGH: Good job, everybody. Thank you.

(Pictures were taken.)

DIRECTOR LIMBAUGH: Thanks again for all you do for us.

MR. WEBB: So once again, I'd like to thank Lonnie and his group for doing that. It was a great show. Lonnie is giving to each of the Board members one of the dash plaques they give out for the event for those of you who don't have a car that's old enough to qualify. Thank you all.

Thank you very much. And then moving on, this year we had our Hesperia Health and Safety Fair. And for people's information, the Health and Safety Fair is coordinated by a Health and Safety Fair committee. That committee was made up of representatives Brigit Bennington

from the City of Hesperia; Susan Rose, Public Information Officer from the Sheriff's Department; a gentleman I'd like to introduce you to -- it's his first year of jumping in with us. And any of you that like fire trucks and fire equipment, what a job he did. He lined that place with fire equipment and canopies and booths and stuff, and it was a real pleasure working with him. His communication was great. I'd like to introduce you to Robert Stein from the San Bernardino County Fire Department.

MR. STEIN: Where do I start?

DIRECTOR CHANDLER: Anywhere you want.

(Mr. Stein shook hands with the Board.)

DIRECTOR SWANSON: I'm sure the kids didn't enjoy it as much as the adults.

MR. STEIN: No. Actually, they hated it.

(Pictures were taken.)

DIRECTOR WEBB: Just so you know, he does think of you guys because he thought the meeting was last week. So he was going to bring free tickets to the pancake breakfast Saturday, but I had to explain to him it was off.

DIRECTOR CHANDLER: We would have changed the meeting for that.

MR. WEBB: That will do it for my side of the aisle here.

MR. WOODS: Next, we have Steve Hamm to do the presentations for the high school scholarship recipients.

MR. HAMM: Good evening. The Rick Novack High School Scholarship, it's a \$500 scholarship that we give out to all the local high schools. And the first one I'd like to come up is Nicole Jenkins. Nicole is -- just stay here for a second. Nicole is from Hesperia Christian School. Nicole is planning on attending Arizona Christian University where she will major in Communications with a Film emphasis. She is hoping for a career in photography, graphic design, or web design. Nicole had a 3.8 GPA while being a four-year varsity track and field and cross-country athlete. She loves film, playing in the worship band at youth group at church, and going on mission trips, which last summer was the Dominican Republic, right? (Ms. Jenkins shook hand with the Board.)

MR. HAMM: Next is Rebeca Thweatt from Oak Hills High School. Rebeca is planning on attending USC. Her long-term goal in life is to become a chemical engineer. She ran cross-country and was in track and field for all four years in high school. She received President's Academic Excellence Scholarship Award, AP Scholar with Honors, Scholar Athlete Award, Cross Country MVP, and the list goes on and on. She did all kinds of thing. But she was also a 4.0 student, and she's also a valued employee here at the Park District. She's been working very hard as a lifeguard and is one of our top swim lesson instructors. (Ms. Thweatt shook hands with the Board.)

DIRECTOR SWANSON: And you guys could have a race. (Pictures were taken.)

MR. HAMM: Now, Kaitlin Cirrito is planning on going to both USC and UCLA, so I don't know how you do that but -- but the girls here, Rebeca and her already have seen each other at USC, which was kind of interesting. So that was great. She would like to major in Biology and become an anesthesiologist. She was Sultana's valedictorian with 4.0 awards, National Honor Society, Honor Roll, just to name a few. She was cheerleading captain for three years, was a member of track and field, ASB, and CSF -- and the laundry list was very long. She volunteered at senior centers, fed the homeless, helped at blood drives, and much more. And a couple of years ago, she was also a lifeguard here at Lime Street Park.

(Ms. Cirrito shook hands with the Board.)  
(Pictures were taken.)

MR. HAMM: I thought Monique Aldana was going to be here from Mojave High School. She didn't show up for some reason. Abdul Ashour from Hesperia High School will be here hopefully next month, and Ryan Lacy from Canyon Ridge High School.

DIRECTOR LIMBAUGH: Thanks, Steve.

MR. WOODS: Well, last month I attended a conference with a few of the Board up in Northern California, and it was the California Association of Recreation and Parks District. They have an annual Awards of Distinction program. And we, the District, received two awards for a couple of the people that are in our community. One of those that we want to recognize that didn't make it here tonight was Wal-Mart. They were recognized as the Outstanding Community Organization for everything that they've done in our community, supporting our recreation programs, and supporting a variety of non-profits throughout the community. So, Wal-Mart, they do a tremendous thing here in the community, we're glad to work with them. It's a great group of people, and we encourage you to support them as much as possible. Next, we have Brad Cook.

MR. COOK: Good evening, Board. All right. I'd like to call Tom Knox up. Tom and I probably worked together for probably three or four months. He was -- he was the

coordinator for the Mormon Helping Hands Project on April 27th. So we met several times to get everything coordinated. And, Tom, I just want to thank you for your outstanding leadership in coordinating everything. We had nearly 250 people. We cleaned the playground equipment. We reroofed the restroom at Hesperia Golf and Country Club. We cleaned-picked the driving range, and we painted the tee markers -- yeah, painted them all. Thank you so much. It was quite a day. So I appreciate everything and look forward to doing it next year.

MR. KNOX: I do as well. Thank you.

(Mr. Knox shook hands with the Board.)

DIRECTOR COWAN: Thank you very much. Awesome work. Thank you.

(Photographs were taken.)

MR. WOODS: Tom, how many volunteers did you have?

MR. KNOX: Total that day, we had about 380. We had some out at Silverwood Recreation Area, and we had the bulk of them here in the city. But we had families anywhere from little ones to adults all came out on that one Saturday. It was a lot of -- it was an event. We appreciate working with the Park Department and your thoughts and your cooperation in organizing -- logistically, it was a large undertaking, but thank you very much.

MR. WOODS: Thank you.

MR. KNOX: Thank you.

#### **E. Administer Oath of Office to New Ranger.**

MR. WOODS: Next we're up for the swearing in of our new ranger. Jack, are you here? There you are you're blending in. There's a camouflage of green and tan running back over there.

CHIEF RANGER THOMAS: Well, I was a little concerned about my security tonight, so --

DIRECTOR LIMBAUGH: Who are all these other guys with guns?

CHIEF RANGER THOMAS: They all are your neighborhood sheriff police. They all do a good job. This is Vince Arlotti. He used to ride with me in the holding gang back in the day -- Okay. Raise your right hand. Okay. I.

MR. ARLOTTI: I, Vince Arlotti.

CHIEF RANGER THOMAS: Hereby promise to uphold the laws.

RANGER ARLOTTI: Hereby promise to uphold the laws.

CHIEF RANGER THOMAS: Of the United States of America.

RANGER ARLOTTI: Of the United States of America.

CHIEF RANGER THOMAS: County of San Bernardino.

RANGER ARLOTTI: County of San Bernardino.

CHIEF RANGER THOMAS: City of Hesperia.

RANGER ARLOTTI: The City of Hesperia.

CHIEF RANGER THOMAS: In the ordinances and regulations of Hesperia Recreation and Park District.

RANGER ARLOTTI: In the ordinances and regulations of Hesperia Recreation and Park District. That's a lot.

CHIEF RANGER THOMAS: As a representative of.

RANGER ARLOTTI: As a representative of.

CHIEF RANGER THOMAS: The Hesperia Recreation and Park District.

RANGER ARLOTTI: The Hesperia Recreation and Park District.

CHIEF RANGER THOMAS: I promise to serve the public with an image of respect.

RANGER ARLOTTI: I promise to serve the public with an image of respect.

CHIEF RANGER THOMAS: I think I have a badge.

RANGER ARLOTTI: Excellent.

CHIEF RANGER THOMAS: We used to do -- they didn't cut the holes in his shirt.

MR. HAMM: Don't slip.

CHIEF RANGER THOMAS: We have a time-out for a little surgery.

DIRECTOR SWANSON: This makes it more exciting, doesn't it?

MR. HAMM: Should I videotape that?

DIRECTOR LIMBAUGH: Did you practice this?

CHIEF RANGER THOMAS: I was going to stick it in his chest, but I didn't want him to bleed.

Okay. Congratulations.

(Applause.)

DIRECTOR GREGG: Congratulations. Welcome aboard.

DIRECTOR SWANSON: We're glad to have you.

DIRECTOR COWAN: Congratulations.

DIRECTOR LIMBAUGH: Welcome to the Park District.

DIRECTOR CHANDLER: Congratulations, sir.

(Ranger Arlotti shook hands with the Board.)

DIRECTOR SWANSON: Here, boys. Time to smile pretty.

(Pictures were taken.)

MR. WOODS: Introduce the people that you brought with you tonight.

RANGER ARLOTTI: Really?

MR. WOODS: Yeah, your family and friends.

DIRECTOR LIMBAUGH: Who's your backup there?

RANGER ARLOTTI: Well, that's my son in the corner.

(Applause.)

RANGER ARLOTTI: And the rest of the guys. There's Chris, and some of the other chaps I don't know. But Scott --

DIRECTOR LIMBAUGH: Do you want to get a picture?

RANGER ARLOTTI: Carol Hill; this is my boy Ely; we know him as Bubba; his mom Virginia; Elizabeth; Becky; Tiwana; fireman to be --

MR. ROMAN: Roman.

RANGER ARLOTTI: -- Roman; and Mark; Terry Costag; family -- I have it. And I think that's all.

DIRECTOR LIMBAUGH: Thank you.

RANGER ARLOTTI: And our town's finest.

(Applause.)

DIRECTOR LIMBAUGH: Hey, Don, one thing about the -- you mentioned the Relay for Life thing. How much money did they raise this year?

MR. WEBB: They haven't finished all the totals because they've got a lot coming in, but they're going to be crossing 67,000.

DIRECTOR LIMBAUGH: Wow. That's very nice. Good program, if you haven't gone --MR.

WEBB: That's actually short of their goal, but they always set high goals.

DIRECTOR LIMBAUGH: Okay. We're going to take a five-minute break. And for those of you who aren't staying for the rest of the meeting -- or you can still speak. We wish you well and thank you for coming tonight. Congratulations to all you award winners.

Meeting Recessed at 7:24 p.m.

Meeting Reconvened at 7:30 p.m.

#### **F. Capital Reserve Study – Browning Reserve Group.**

DIRECTOR LIMBAUGH: We'll come back into session. I think we can do that informal change in our agenda. So if the representative from the Browning Company would like to address the Board at this time for our capital reserve study and --

MR. WOODS: Yes.

DIRECTOR LIMBAUGH: Okay.

MR. MC DERMOTT: Well, good evening to the Board, staff, and guest. Thank you for having me here this evening. I'm Mike McDermott with the Browning Reserve Group. I'm operations manager, which in our small company makes me No. 2. The alphabet soup, that's all in our industry that you can have, and I have it all, so -- we're a self-regulated industry. So there's no state license except in the state of Nevada. It's the only place that requires -- it's not even a license. It's just a registration. I'm currently vice president of the Association of Reserve Analysts. It's the only nationwide organization that represents our industry. Browning Reserve Group, in one form or another, has been performing reserve studies since 1988. We're a California general contractor. It's not a requirement to do what we do, and we do not practice. We're not doing any general contracting. A long time ago, Bob Browning did a little bit of contracting work. The primary clients we work with are homeowners' associations. And some of those homeowners associations have amazingly nice parks, by the way. So moving into the park districts and community service districts was not a big leap. But in our industry, primarily we're working with condominiums and gated communities. It's about 90 percent of our work. Some of the other stuff, country clubs, time-shares, the good stuff down in Mexico, my boss Bob Browning gets to take care of that. So non-profits and churches, Ronald McDonald's Houses, several other type -- anybody that has facilities that has a long-term maintenance requirement may hire us to do this kind of work. What's the purpose of performing a reserve study? There's actually several, but one of the large ones that most boards have to deal with is how do you fund these irregular expenditures that happen year after year? Sometimes you have almost nothing. The next year you have huge expenditures. So the idea of the reserve study is that we can recommend to you a certain amount of funding to put into an account long-term so that when these large expenditures come along, you already have the funds in the bank and it's not a big hit. You're not worrying about each year moving your operating budget up and down. We give you a nice smooth amount that you just contribute to a reserve fund each year, and it's just a simple little line item in your operating budget. It may take a few years before this all comes together because you have a history since 1957, and this is the first year you've tried to formally go with the reserve program. But eventually, it should work where it's just a nice -- we'll work together in the beginning of the year. We'll work out the -- what's changed during the year, what's been expended, and what new things have come along, and we'll keep fine-tuning this plan. And

from that, we'll recommend how much should be placed into a reserve account for each of the districts, the assessment districts. And there are some other goals involved, but that's generally what we're trying to accomplish. What is a reserve study? Other than being a 30-year budget, it's really two parts. There's several sections in the study, but it really boils down to two parts. There's the components, which are the liabilities. They have a life, and they have a cost, and they have a condition; and we go through and create an inventory. That's what we did back in late February. Once we have that in there, we kind of agree what all those items are. We have that inventory developed. We decided what we think it's going to cost and how long these things are going to live. We set that aside, and then we have to come up with a funding plan. And I'll talk about this a little bit more. But these are the two parts of the study. So what is a component? Of course, it's a District responsibility. It has to be observable. And that's important. And I'm going to point out a couple of things. At the bottom, it says, "Out of scope is lifetime items and infrastructure." If I can't see it, if it's the pipes underground or if it's what's inside the walls, I really can't assess it. And that's beyond the scope of a capital reserve study. It doesn't mean those things wouldn't go into a study. It's just beyond the work that we did. And occasionally, this kind of work does go into reserve studies, but generally, you'd hire a specialized engineering firm or an architectural firm that specializes in a sewer system or what other systems there might be that would be considered infrastructure. "Has a predictable life." What's that getting at is we're not trying to deal with accidents, like a car accident that knocks down a sign post or knocks down a fence. We're looking at something that we can assign a life to it. "Has a predictable cost." Most of -- it's pretty straightforward. Most of the things we look at have a predictable cost, but there are some things where there's not, and that becomes a problem making a component out of it. "A minimum threshold cost." I think if you look in your study, I think we went below in a few places, but, generally, in a collection of components this large, we really don't want to deal with something as small as perhaps this \$2- or \$300 little table that might last for 20 years or whatever. So, generally, that would be just something that we handle in operating. It's not a reserve concern. And generally, it has a life greater than a year and less than 30 years. So those are kind of guidelines. We probably have one or two components that are in there every year, but generally, if it's in there every year, that would be an operating concern. "Funding." "Cash flow." I should say if you have any questions, go ahead and throw them at me at any point. Cash flow just simply says we look at the balances, and we experiment with contributions, and we try to attain some goal. And the goal for all of the studies we did, the six studies -- which I'm going to talk about in a second -- was to keep it above a certain dollar threshold. So, in the course of 30 years, each of the funds, we've recommended a dollar amount that those funds don't drop below. That's something that we may discuss, and I'm sure we will discuss over time. And the six different funds all kind of worked a little different. The inflation and interest assumptions, right now we're using 2 and a half percent, which I always get the question, "Where on earth are you getting 2 and a half percent on your money today?" I'm not. But this is a 30-year projection. If we were to look back at where we were in the '80s, we'd be talking about 10 or 11 or maybe in the teens. As far as inflation and interest. So the long-term rates generally around 2 and a half percent. This is a small snippet out of one of the studies. It turns out the studies do not present very well up on the board. "Study timing." Generally, I -- each year, if we decide we're going to do an update each year, you want the reserve study substantially complete by the time, obviously, you're plugging into your operating budget. So

whatever updates we're going to do to the reserve study, we're going to work earlier in the year, so that way, when you're doing your budgets for June, you will be prepared. So we're going to be working -- you guys work on your budget all year around. It never really stops. So that's why I kind of changed this statement to say, "we work alongside." Typically, I say the reserve study is done first, and then the budget goes on. But you guys are kind of like the Golden Gate Bridge. I don't know that you ever stop working on the budget. What is the process? You might recognize the flag. That was my cohort here a couple of months ago, and we're standing right about here on the roof. We came out -- we performed the site visit. We came out and kicked the tires. We tried to take a look at everything. We've been on all the roofs, on all the buildings. We've been in all of the rooms, everyone's offices, all the sports fields, parking lots. Looked at the fences, the lights -- we tried to look at everything. "Physical analysis," try to assess the condition. "Data gathering," the information from the communities -- or from the District. We get information from different vendors, and we do a lot of internet searching. "Funding plans," I mentioned a little bit. We produce the draft reports, of which those have been delivered. Then we go through a process of -- an iterative process of redefining those reports and ironing out any differences. There's always -- we're here for a week, in this case, so there's things we probably overlooked, or that you have eyes on all the time. So we receive feedback, and we revise the studies. Eventually, the study gets revised, and that -- after the revised studies, then it's finalized. And that's when we kind of lock it in with your budget and put that to sleep. And then we move on to the future reserve study or a future study. As I mentioned, drafts have been delivered. We've worked through a couple of iterations of revisions, and at this point, I -- we will probably have some more, but we haven't reached the final authorization stage yet.

DIRECTOR GREGG: Mr. McDermott?

MR. MC DERMOTT: Yes.

DIRECTOR GREGG: So drafts of this report has already been delivered to us? We have those here?

MR. MC DERMOTT: Yes.

MR. WOODS: I have them electronically.

DIRECTOR GREGG: Do we not -- why don't we have them?

MR. WOODS: It's 1,600 -- it's over 1,600 pages.

DIRECTOR GREGG: Okay.

MR. WOODS: So that's why I have not presented them to the Board. And I just got the final electronic draft earlier this week, so that's why they were not in the Board packets.

DIRECTOR LIMBAUGH: You're not going to give us that.

MR. WOODS: I wasn't sure that the Board members wanted them, so that's part of the questions tonight is --

DIRECTOR COWAN: If it's in an electronic -- that's something that you could send to our email accounts and we'll be able to view? Is it in a PDF format or something like that?

MR. MC DERMOTT: Yes.

MR. WOODS: It's just a lot of pages.

DIRECTOR COWAN: Yes, it is.

DIRECTOR GREGG: Thank you.

MR. MC DERMOTT: I believe there was something north of a thousand components, and we get about two components per page. And that's just the components section of the report.

And like any good report, there's several sections regurgitating the same information in a bunch of different ways. It is huge.

DIRECTOR CHANDLER: You did an overall analysis, right? I mean, did you think our outstanding or whatever -- is that what you do? Do you prioritize any of these things that you find?

MR. MC DERMOTT: We will assess the condition and assign a life to them.

DIRECTOR CHANDLER: Okay.

MR. MC DERMOTT: As far as managing the process and deciding that this should go before this -- let's say there was some kind of a financial constraint -- that there's -- funding is just not available. We would first present what we think needs to be done without looking at that constraint. And then if the Board, after looking at it, says, we simply cannot do this, and it needs to be prioritized, we would go back to you and ask you to make that choice. We would work with you, and we may have recommendations.

DIRECTOR CHANDLER: Right. Right. Okay.

MR. MC DERMOTT: A roof is going to go before you fix the parking lot, so -- but -- and that would be part of the draft revision process.

DIRECTOR CHANDLER: I see.

MR. MC DERMOTT: Okay. So far, what was the service provided? There were six funds identified. And I have those listed out. You'll see what those are. But they were groupings of the assessment districts and the parks that those assessment districts funded.

DIRECTOR LIMBAUGH: These six?

MR. MC DERMOTT: Yes.

DIRECTOR LIMBAUGH: Okay. It's coming up.

MR. MC DERMOTT: In order to make it a little easier for staff to manage this, we combine it all into a big spreadsheet because, as we mentioned, the reports are very unwieldy. They're just so large. So there's a spreadsheet where we combine all of the data, and it gives you a way to sort and do everything you can do in an Excel spreadsheet. And it gives you -- there's often -- a couple ways people like to look at these things, they like to see each individual location segregated. So we can look at this park or this parking lot or this community center, and that's great. But when you're managing the projects, a lot of times when you want to go out and paint, it's nice to be able to see all the painting no matter where it's at, so when you talk to your contractors, you can say, we have this much painting out there. So the reserve study itself is broken up kind of geographically. The spreadsheet allows you to bring it together in a way that's convenient for managing the work. And once again, that's just a snippet of a big old spreadsheet. These are the six studies. And as you found on the next page there, it lists what all is involved in those studies. AD #1, it's 14-plus facilities. And what that means is -- like Lime Street; there was the pool, there's the different sports centers. We've kind of broken that up so it's actually way more than 14. We call them levels, but in general, it's kind of 14 areas. It was just a way of grouping it to kind of give you a geographical feeling. So AD #1, here's what's listed there. Lime Street includes the swimming pool and whatnot, but there's a lot more behind that list. The AD #2 studies are basically the little pocket parks, the little neighborhood parks. The Golf Country Club. And of course, the commercial centers. So these were the six groupings that turned out to be the individual reports.

DIRECTOR GREGG: So behind -- behind -- behind the long list of AD #1 study -- like the Lime Street Community Center would be the building here. But, like, Timberlane, does that

include the -- like, the Timberlane Program Center? Does that include the whole entire facility there, or just the -- just the Program Center itself?

MR. MC DERMOTT: The Program Center --

DIRECTOR GREGG: The whole entire building at Timberlane?

MR. MC DERMOTT: It's in there. And I think we broke off the caretaker and dealt with that -- each of the caretaker areas --

DIRECTOR GREGG: So the caretaker facilities are all included?

MR. MC DERMOTT: They're in there.

DIRECTOR GREGG: Okay.

MR. MC DERMOTT: And I should note, we went inside Timberlane, but we did not go inside of all the caretakers' units. It didn't work that we were here where we could be inside. So the study kind of based on the other caretaker unit that we saw. We kind of put a plan together to deal with the caretaker centers that we -- or the units we didn't go inside of.

DIRECTOR GREGG: Okay.

MR. MC DERMOTT: So, yeah, that -- that list, if I was all-inclusive, would be probably four or five times this size when we talk about each little park, sports fields, each of the buildings. The Commercial Center, same thing. The Skate -- and I'm forgetting all the names right now. I have them here, but the Program --

MS. THOMAS: The Teen Center, the Program Office --

MR. MC DERMOTT: Right. Yeah. They're all involved in the appropriate building. Okay. So what did this all boil down to? What was our recommendations for all of this? And this is where I said they all kind of came out slightly different. And it probably right now doesn't align with the budget, and that's something that we'll probably want to do before we finalize this. And this is where we're kind of merging together. We're coming together with this reserve study and the budgeting that you've been doing for many years, and we're going to need to make these work. But as of the studies, as they sit now in draft form, these are the recommendations that we were making. And you kind of have an interesting mix. And I suspect there's going to be some more input, so this could all change. And I expect it all to change. The MGD R1, which I forget which one --

MS. THOMAS: That was Dogwood.

MR. MC DERMOTT: Dogwood? Essentially, it had enough money in it that we didn't need any more money into that fund for 30 years.

DIRECTOR LIMBAUGH: Dogwood?

MR. MC DERMOTT: Yeah. So that would be the second --

MS. THOMAS: It's a pocket park out in one of the new developments out there.

MR. MC DERMOTT: Oh, it's a brand-new development.

MS. THOMAS: And it's on Dogwood. That's why they call it Dogwood Park. That's not something we normally --

DIRECTOR LIMBAUGH: Probably wouldn't even notice it.

MS. THOMAS: It's a retention basin, yes.

DIRECTOR LIMBAUGH: If you didn't know it was there, you wouldn't know it was there.

MS. THOMAS: I don't know where it is.

DIRECTOR GREGG: So right before you get to 2013/14 recommendations, there was no vehicles or equipment -- you talked about something as little as a \$300 cart, which is obviously not that great of a concern, but on the broader picture, vehicles and equipment, what dollar

amount is a threshold to start looking at? What -- for your company? Like, for equipment, like \$1,500 or \$2,000? What's -- is there a threshold there?

MR. MC DERMOTT: There is, and I should remember. I don't have a copy of the contract. It's actually in the contract. It may have been 5,000 or 2,000.

DIRECTOR GREGG: So we didn't include any vehicles or --

MR. MC DERMOTT: No, the vehicles are included.

DIRECTOR GREGG: So the vehicles are included?

MR. MC DERMOTT: Yes, yes.

DIRECTOR GREGG: What are they cat- -- what are they under? AD #1?

MR. MC DERMOTT: AD #1, I believe, has all of them.

MS. THOMAS: Yes.

MR. MC DERMOTT: And a lot of the maintenance equipment, tractors --

DIRECTOR GREGG: So all that was included?

MR. MC DERMOTT: Right.

DIRECTOR GREGG: And then moving on to office equipment and -- like PCs, copiers, stuff like that -- does that all fall under AD #1 as well? What was that threshold, do you know?

MR. MC DERMOTT: It was the same threshold for all components. So if it was 2,000 or 5,000 - - I don't recall what that number was.

DIRECTOR GREGG: Okay.

MR. MC DERMOTT: And I should mention, too, if there was a collection of items -- you might have chairs that are \$500 a piece, and that might not meet the threshold. But if you had a hundred of them, that would make them meet the threshold.

DIRECTOR GREGG: Do you recall if we added any, like, PCs, copiers --

MR. MC DERMOTT: The computer equipment's in it.

DIRECTOR GREGG: All computer equipment's in it?

MR. MC DERMOTT: Leased equipment is not in the study. Most of your copiers are leased.

MS. THOMAS: The copiers are leased.

DIRECTOR GREGG: Okay.

MR. MC DERMOTT: I should have pointed that out to begin with. Lease is not part of the concern, so we don't have that in the reserve.

DIRECTOR GREGG: All right. You answered all the questions. Thank you.

MR. MC DERMOTT: So the Dogwood Park, that's only the second out of several thousand clients I ever had that required no funding. It's perpetually funded. Now I can say I've had two.

DIRECTOR LIMBAUGH: It's not very big either.

MS. THOMAS: Yes, and there's not much there to maintain.

MR. MC DERMOTT: Yeah. And actually, there was damage there when we were there. There was a vinyl fence that had been -- I don't know -- damaged or broken, so -- And then I'll go back to AD #1, the big guy. We were recommending 300 -- you know 350,000 approximately per year. And then that recommendation is followed by 6 percent growth. And I'm sure that's something we're going to talk about because you probably don't have the power to impose that kind of growth. So this is kind of an argument when we're trying to figure out where we need to go. This is based on where we're at today and what we're seeing is needed to go forward. The Commercial, we are recommending 66,000 with 2 and a half percent growth, and the Country Club as well. Two and a half percent growth is essentially

the inflation rate. And that's -- in my mind, that's a well-situated fund. If you can grow with the inflation rate, something's kind of working. The truth of the matter is, you're going to grow probably slightly more than the inflation rate. As these things age, they become more expensive, and inflation doesn't account for that all by itself. So this kind of runs the gambit. I fully expect that this is something that is going to evolve as we work together over this, and this could take a couple of cycles before we get this all pulled together. Any other -- I -- I did print the funding plans for each of these -- the funding plans are actually very short. They're on one or two pages. We did look at those, what goes on, and how do we want to proceed. In the industry in California, a homeowners' association has to have an update performed every year. We do an update without going on site, and we do it via email. And I would recommend that we go through that same process. It's much less expensive. It's just paperwork. We produce the study just as if we'd come out and looked at it. So we'll work through the drafts. We just don't come out and take pictures and kick the tires. Updates with site visits -- if the facilities are not changing a lot, we're not adding a lot of things, we're not doing a lot of reconstruction, three to four to five years, we should probably come out or we should think about making that the kind of cycle where we come back and look. And this is a bit of discussion that you're all going to want to have. In California, for homeowners' associations, every three years we go on site and visit, and the two years in between, we do the update without a site visit. Obviously, if there's new facilities or major reconstruction, that you may want us to come back and look at those facilities. I know the equestrian park is something that may happen with that in the next few years, so that might be something that you'd bring us back and look at that just individually and add it into the study. And I think -- therefore I am -- thank you. That's my presentation. Any questions?

DIRECTOR LIMBAUGH: I think after we get a chance to look at where our staff thinks the benefit from this report was -- obviously, there's nothing that's really bad. Nothing really -- really good either. So I think over the next couple months, if we get the -- if they have time to ratchet this down and see how it impacts our District and where we might go with the information that you provided to them, they'll give to us.

MR. MC DERMOTT: Right.

DIRECTOR LIMBAUGH: Because it's a lot to sift through.

MR. MC DERMOTT: It is a lot.

MR. WOODS: There's a lot of useful information in here. Basically, we know all the square footages of turf. We know all the square footages of our parking lots, roofs, all those things. And it gives us that priority list so we can identify things that maybe we don't know might be causing us a problem in the near future.

DIRECTOR LIMBAUGH: Other than the financial thing, it gives us a good perspective from outside-in of our District, from -- from a pretty elementary set of factors. So that's good for us to know. I don't think looking through 1,600 pages is exciting for anybody, but that's where you have to start. And then eventually you end up with the financial plan that supports those facilities and their continued operation and improvement.

MR. MC DERMOTT: Right.

DIRECTOR LIMBAUGH: So it's a lot to digest. The good overview was -- was good, but it's like, whoa. Can't take it all in one sitting. So, hopefully, we'll move forward in the next couple of months and see where we can go with it.

MR. MC DERMOTT: You'll put it to good use. We have - we send reports to hundreds of thousands of clients, and most of the time they're not read, so --

DIRECTOR LIMBAUGH: And the good part is nobody fell through any of the roofs on any of the structures. See? That was a good thing, right?

MR. MC DERMOTT: Some of those --

MR. WOODS: You shouldn't --

MR. MC DERMOTT: Some of those photos are going into our hall of fame.

DIRECTOR LIMBAUGH: But I don't think we had data like this. We had semblances of it in different forms, but nowhere where somebody could say, okay, we just got a \$100,000 grant. What should we spend it on? Well, if you don't have something like this, then you're just not going to be organized in your attack to keeping things running and improved, barring emergencies. You know, things do happen, so --

MR. MC DERMOTT: Yeah. This is ammunition that you can go forward, and whoever does have the money, you can convince them --

DIRECTOR LIMBAUGH: Right.

DIRECTOR CHANDLER: Sounds like you did just a very detailed investigation, thorough investigation. Thank you.

MR. MC DERMOTT: Thank you.

DIRECTOR CHANDLER: How many people did you actually have out here in the field doing all of this?

MR. MC DERMOTT: Two of us were here for a full work week. I was one of them. I took the photograph of the other guy up on the roof, so -- I'm not a big fan of climbing ladders, but I got up on the roof.

DIRECTOR GREGG: Does that take into account for, like, major AC units, all that? Is that taken into -- all that? I mean, Lindsay just said we were tackling turf and all that. I mean, we've taken into account for AC --

MR. MC DERMOTT: Mechanical equipment, very much. The condensers -- in fact, we had some feedback on the one over at the golf course. But yeah, the furnaces, the condensers, water heaters --

DIRECTOR GREGG: Wow.

MR. WOODS: It was amazing the amount of work that they did in a week's time.

DIRECTOR GREGG: Do you know what the total cost of the reserve study was?

MR. MC DERMOTT: 12 or --

MS. THOMAS: It was eleven-five.

MR. WOODS: I think it was eleven-five.

DIRECTOR LIMBAUGH: We paid them in the beginning, and then --

MS. THOMAS: Yes. There was a small one in the beginning, and then 8,000 to finish up.

DIRECTOR LIMBAUGH: Very reasonable.

DIRECTOR GREGG: I think it's money well spent. You're going to be able to find out where all your problem childs are and take care of them as they grow up.

DIRECTOR LIMBAUGH: Just the paper alone I'm kind of concerned. Thank God for electronic -- electrons -- that and electrons -- but disks aren't that expensive. Well, thank you, Mike, for coming in and sharing your information with us. We appreciate the effort you guys did for us.

MR. WOODS: I'm sure we'll be talking.

MR. MC DERMOTT: Yeah, we will.

MR. WOODS: All right. Thanks for coming out.

DIRECTOR GREGG: Thank you. Drive careful.

## **STAFF REPORTS**

### **Recreation Programs**

DIRECTOR LIMBAUGH: Okay. Staff Reports. Director Woods?

MR. WOODS: All right. The Recreation Report, we did – I wanted to highlight on page 2, we had some race participation numbers for BMX at 107 riders in the month of April, and practice participation was 274 riders. We're still trying to work the number-tracking down, so there's a little bit of a difference, I think, between Don's report and this. It's not much, but there was some people counted multiple times, so we're trying to work some of those bugs out of that system. And I believe we'll have that done next month. Our Spring Kids Kamp, we had 60 kids that participated in that program. And Hesperia Lake, the numbers dropped in April about 646. We don't know why, other than possibly weather-related issues. And our rentals seem to be doing well. Some of our advertising and our participation and some of the local trade shows, wedding events, seem to be getting us increased numbers. Not huge, but we are seeing increased numbers in our rentals. And of course, last year we reduced some of our rates to make them more attractive. We had our Kids Fishing Clinic on April 13th, and all 200 tickets were sold, which was an increase over last year's. And then we had the High School -- hosted the High School Rodeo on April 14th, and there was 25 junior riders, and there was about 225 people in attendance at the event. Any questions about the Recreation Report?

### **Golf Course**

MR. WOODS: Moving on to the Golf Operations, we had for the month of April, 2,738 players, which was an increase of 333 over the previous year, and an increase of 10 over the previous month. So as the weather gets a little bit warmer, we see a little bit better turnout at the golf course. And the staff has been working on repairing things. They seeded and redid all the tee boxes and the divots, and fertilized all the greens and did some aeration. I think we did that at the right time, seeing some of the water issues that we had and -- during the month of May -- that helped us having that maintenance done. Any questions on the golf course?

### **Parks Division**

MR. WOODS: Moving on to Maintenance. It's our typical spring maintenance. We're aerating, trimming low-hanging branches, fertilizing, painting, and just getting ready for our busier season. So that's pretty much all that's in the Maintenance Report.

### **Park Ranger**

MR. WOODS: And Jack's report, there wasn't a whole lot of activity. About the same. I would have expected more just because the weather was okay in the month of April. And a lot of the same activity. People in the parks after dark and having to ask them to leave. And then a couple of incidents where there was reported fights, but when they arrived on scene, no one was to be found, that type of thing. Any questions about the Ranger Report? All right. Thank you.

## DISCUSSION/ACTION ITEMS

### G. Review of Fiscal Year 2013/2014 Draft Budget.

DIRECTOR LIMBAUGH: We're all the way down to Item G, "Approval of Fiscal Year Budget 2013/2014." The next version of the budget is presented in the Board packet. The darkened items have been highlighted for the changes from last year's budget.

MS. THOMAS: Last month.

DIRECTOR LIMBAUGH: Last month's preliminary budget. Did we adopt the budget, or are we just accepting it and filing it --

MS. THOMAS: No. Well, you approve it.

DIRECTOR LIMBAUGH: We can approve it today?

MS. THOMAS: Yes.

DIRECTOR LIMBAUGH: Okay. Do I have a motion to approve?

DIRECTOR CHANDLER: I'll make a motion.

DIRECTOR LIMBAUGH: Do I have a second?

DIRECTOR SWANSON: Second.

DIRECTOR LIMBAUGH: I have a couple discussion items, but I'll -- anybody else have anything to say about the budget?

DIRECTOR GREGG: I do as well.

DIRECTOR LIMBAUGH: GREGG?

DIRECTOR GREGG: You want me to go first?

DIRECTOR LIMBAUGH: Yeah. Go ahead.

DIRECTOR GREGG: Okay. So I had some concerns regarding vehicle allowances. And we've added more vehicle allowances into this budget than was in the previous budget. But I don't know why we don't add these vehicle allowances to the assigned person that they are -- they are a benefit to the individual receiving them, so they should be added under the proper position. So if we can -- as well as cell phones. Any benefit that goes to an employee should be listed under their total compensation packet so that you know what the true value of that employee is. Also, we added back the vehicle allowance to a vacant position, which I didn't understand. And it wasn't on the last year's budget, so I'm curious -- I was wondering about that.

MS. THOMAS: He's talking about the administrative operations manager that you told him last month --

DIRECTOR GREGG: It wasn't budgeted for last year, so why are we budgeting for a vehicle allowance into a vacant position?

MR. WOODS: Well, I may choose to fill the position this year, so we needed to have the funding.

DIRECTOR GREGG: So how many vehicle allowances are we going to start giving out to the employees? I mean, it's kind of getting redundant, ridiculous at 30-some thousand dollars a year now in vehicle allowances whenever -- at almost any other agency; just their top leader gets a vehicle allowance. I think it's really un- -- unproductive and a bad use of taxpayers' monies to fund out car allowances to every single employee that sits at the top of the food chain in the District, but --

DIRECTOR LIMBAUGH: Well, I think in order to evaluate that, one has to do an analysis on what the employee does, how much travel time's involved. So when you start paying them mileage at 56.6 cents a mile, how many miles do they have to drive before -- what's our average vehicle allowance? \$500, \$600 a month?

DIRECTOR GREGG: Six to seven hundred.

MR. WOODS: It varies.

MS. THOMAS: It depends on --

DIRECTOR LIMBAUGH: If you're driving 1,500 miles a month, it's going to cost the taxpayers more. What do you want to do? Charge taxpayers more or less?

DIRECTOR GREGG: Well, if you're driving 1,500 -- most all the standard mileage reimbursements that have been coming back through the pay warrants or the pay service that we pay out are minimal. None of them --

DIRECTOR LIMBAUGH: And I'll take another disagreement with your statement about most organizations. The organizations I've been associated with for vehicle allowances, it's all based on what you're doing, how many miles you're going to drive, whether you need a vehicle during the work day or not. And so it doesn't necessarily mean that the general manager or the CFO or the head of operations gets a vehicle, but it's largely based on what your job is there. For instance, like City maintenance workers that have trucks, they take them home. They actually use them as their vehicle. They're -- they're getting a vehicle provided for without any reimbursement. So they get the whole use of the vehicle full-time. Other agencies --

DIRECTOR GREGG: Well, it's based on --

DIRECTOR LIMBAUGH: -- if you're doing a lot of traveling -- like, let's say you work for the County and you live in Barstow and you have to drive to San Bernardino twice a week, it's going to add up, the mileage does. So I think to blankly say we should get rid of their allowances and not allow them -- yeah, it costs the taxpayers money, but we've got to be reasonable. We have other employees that get reimbursement mileage; correct?

MS. THOMAS: Correct.

DIRECTOR LIMBAUGH: That their mileage is low enough that they don't warrant a vehicle allowance?

MR. WOODS: Correct.

DIRECTOR LIMBAUGH: But with the vehicle allowance, you don't have to provide them a vehicle. The District doesn't have to provide them a vehicle. And if they travel a lot during the month, we don't have to reimburse them the high mileage reimbursement rate, which is -- 56 cents is a lot. If you're driving 1,500 miles a month, you're going to exceed our vehicle allowance. It's probably 1,200 miles a month. So I think from that perspective, staff should be wise enough to address the vehicle allowance. You don't need -- you could figure that out on your own.

MR. WOODS: One of the options that was posed last month was maybe just giving all the managers a minimum stipend for vehicle allowance. I believe Director Gregg threw that out, that maybe all the -- all the staff -- management staff should get the \$200, and then that's it. But I'm working with staff to track their mileage and to tell me how much money they're actually -- or how many miles they're actually driving.

DIRECTOR LIMBAUGH: Well, you know, \$30,000 is a chunk of change. I mean, we can build a BMX track for \$16,000 --

DIRECTOR GREGG: 15,000.

DIRECTOR LIMBAUGH: Yeah, 15,000. 30,000 from that perspective is a big amount of money. Same way with the skateboard park or -- like, we have to replace a fence at a ball field or something. 30,000 goes a long way. So from that aspect -- and the policy has been loosey-goosey in the past about the vehicle allowance. Maybe we should take it to look at it.

DIRECTOR GREGG: That's what I'm asking for. You asked me about the budget. That's all --

DIRECTOR LIMBAUGH: A good point.

DIRECTOR GREGG: Yeah. If staff can say that, you know, a couple people need vehicle allowances, and the other ones don't, that are exceeding or doing extracurricular driving around the District -- and there's probably some that do -- but I just -- you know, Tim Glass is an example that turns in a mileage report and doesn't exceed, you know, a couple hundred dollars. A couple hundred dollars a month is a far cry from \$6- to \$700 a month. Anyway, so 29,000 -- but I really like the benefits assigned to -- to the --

DIRECTOR LIMBAUGH: Or -- or what can be done is on that allowance, there's a figure for each allowance. Put the person who that allowance is for because it is identified by person.

MS. THOMAS: It's identified by the position. It shows General Manager --

DIRECTOR GREGG: It should be tied into the position because that -- it's right here on -- let's see -- 26.

DIRECTOR COWAN: I did bring that up earlier, and Rachel did answer. It's not unreasonable, and it is something that is acceptable. It just needs to be done. And that way we would be able to look at, let's say, the General Manager position, see the grand total, Where -- just like it says right here, Total Costs. So it should reflect cell phone --

DIRECTOR LIMBAUGH: Can you do that fairly easy, Rachel?

MS. THOMAS: Yes. I have to delete a page and --

DIRECTOR GREGG: All right. The way the budget's set up now -- you're asking budgetary questions and the dollar amounts --

MS. THOMAS: It's not a problem. It's already -- it's not a problem. Mr. Cowan and I talked about that.

DIRECTOR GREGG: Okay. Well, I didn't know that conversation took place. So you want me to move on to my questions about the budget.

DIRECTOR LIMBAUGH: Yeah.

DIRECTOR GREGG: Okay. And that would -- that would extend to cell phone use as well, right? Any monetary benefit that the employee gets should be listed under the compensation.

DIRECTOR LIMBAUGH: Yeah, because all the other things that they get, the employee is listed also, even though they're different codes.

DIRECTOR GREGG: I asked this last month about -- regarding contract positions and the like -- for our project manager to be making, you know, \$25 an hour that's budgeted for in the past. I just -- do we have anything to show what they're doing for that? It's just a position that keeps coming up every single year for the last three years that we're paying out \$25 an hour. What's going on with that? I know he does our lighting or something?

MR. WOODS: He submits a time sheet and records what his activities are, so we do have a record of what he works on.

DIRECTOR GREGG: Okay.

MR. WOODS: And I did contact -- after your request last month, I did contact Edison and asked that question, and the person that you spoke of, she was unable to answer the question, but she was trying to get an answer to me. But she has not gotten to me yet.

DIRECTOR GREGG: Okay. Something to work on though, right? That's all.

DIRECTOR LIMBAUGH: Anybody else? Any comments on the budget?

DIRECTOR CHANDLER: No.

DIRECTOR LIMBAUGH: Okay. I -- I have a couple.

MS. THOMAS: Okay. Where are we?

DIRECTOR LIMBAUGH: One is in the Developers' Fees. We've listed the various expenditures and categories, which I think is great.

MS. THOMAS: Are you talking about the --

DIRECTOR LIMBAUGH: Page 3 on Developers' Fees. It lists 45,000 for the BMX track, 100,000 for the Lime Street Plaza, 75,000 for parking lot resurfacing. I think it's important to identify these contingencies, but I think, at least from my standpoint, maybe I'd like to hear a little bit more about what these things are.

MS. THOMAS: Well, these are the things that you had budgeted for this year, for 2013.

DIRECTOR LIMBAUGH: Okay.

MS. THOMAS: And the only differences in the amounts are what we've spent. So the BMX track, of course, went down because you allocated 15,000. There was a small amount that came out of the ADA review projects. The reserve plan, the 18,500 is what's left over from what you had budgeted because we paid the reserve study.

DIRECTOR LIMBAUGH: Right. I pretty much understand all that.

MS. THOMAS: Okay.

DIRECTOR LIMBAUGH: But --

MS. THOMAS: It's up to you guys whether you change this or not.

DIRECTOR LIMBAUGH: No, no. I understand that, but if we're going to say in the next fiscal year, we're going to spend \$45,000 on our Lime Street BMX track, does anybody know what we're doing?

DIRECTOR COWAN: Hopefully funding another BMX track.

DIRECTOR LIMBAUGH: Yeah. Just a real small one. If we're going to spend \$100,000 on the Skate Plaza -- what we're going to do with that. Now, remember, I prefaced this with, it's good that we identify things, and I understand what you're saying -- you -- if we -- if the Board decides, you know what, we want to spend all the money out at John Swisher, we could spend 300,000 at John Swisher. So I think for you all on this Board should recognize that this -- these -- this \$300,000 worth of discretionary spending is as it stands. It's discretionary spending.

MS. THOMAS: Right.

DIRECTOR LIMBAUGH: We've identified it here so if somebody walks through the door and says, "Oh, by the way, I want to resurface the parking lot at Park Center," we've already budgeted \$75,000 for resurfacing parking lots. Okay. So I'm just alerting you guys to the fact that's been identified in the budget. Whether we want to make new line items or have something change here, that's fine. I don't think we're going to be spending all this money in particular next year.

DIRECTOR GREGG: It's just budgeted, right?

DIRECTOR LIMBAUGH: But it's just shown here. So if somebody ever comes and says, "Oh, look at the Park District. They've got a lot of money that they don't know what they're doing

with." The heck we don't. We've identified it here, so I think that's -- that's a good thing. So that was one -- my one question I had. Thank you, by the way, for listing the names.

MS. THOMAS: Oh, you're welcome.

DIRECTOR LIMBAUGH: Did you have to handwrite that?

MS. THOMAS: Yes, I did because --

DIRECTOR LIMBAUGH: Because it looked handwritten.

MS. THOMAS: Willow got it photocopied before I had put the names on them, so I put that --

DIRECTOR COWAN: I appreciated that also. It made it a lot easier to figure out who's who.

DIRECTOR LIMBAUGH: I guess the other question I have is really in -- it's two-fold. And it's in the expenditures from this year. In the insurance and retirement costs that we estimate at the beginning of the year --

MS. THOMAS: You're talking about the Summary Analysis Report?

DIRECTOR LIMBAUGH: Yeah, but I actually got the information from the Financial Report. But it applies to this year again, as always, because it's one of the largest numbers. But in AD #1, in the General Fund -- and I'm going to run through this real quick -- but it's the insurance and the retirement.

DIRECTOR SWANSON: Okay.

DIRECTOR LIMBAUGH: We budgeted a little over 1.1 million -- actually, it's 1.14 million for retirement. Last year we budgeted that much. Through April, we've only spent like half of that amount for the insurance, and about two-thirds for retirement. Why is that?

MS. THOMAS: You're talking -- the retirement has two --

DIRECTOR LIMBAUGH: Yeah. So it's 870,000 for the health, and 374,000 for the retirement. But for the health, we've only spent through April 452,000.

MS. THOMAS: Where are you? General fund or Assessment District?

DIRECTOR LIMBAUGH: Together. Add them up together. In the April report.

MS. THOMAS: I would have to look at it. That's something I can give you that information once I look at it.

DIRECTOR LIMBAUGH: And does it occur in such a way that a big check -- we have to pay a lot in one month, and then the next month we don't pay as much?

MS. THOMAS: Well, one of the problems is --

DIRECTOR LIMBAUGH: Because these are accurate numbers. I'm not questioning that. I'm just curious why this comes up.

MS. THOMAS: These are the County's numbers. But at the beginning of the fiscal year, we don't have the cash flow. And so definitely the insurances are one of the things that the Foundation pays for.

DIRECTOR LIMBAUGH: So we carry -- we get carried. So a lot that's made up -- because there's a lot of those in this packet here.

MS. THOMAS: Yes. When you see the May Summary Analysis Report --

DIRECTOR LIMBAUGH: Should be better?

MS. THOMAS: -- it's going to change.

DIRECTOR LIMBAUGH: It's just a question because it looked weird.

MS. THOMAS: Right. It's like the --

DIRECTOR LIMBAUGH: Okay. Did I ask it last year?

MS. THOMAS: I think so. But it's like the Edison bill, the streetlight bill. It always looks like it's overdone because we have to transfer for all the 52 assessment districts money in one time, so it just -- it's how the money flows.

DIRECTOR LIMBAUGH: Okay. Great. Another question. We did not incorporate the purchase of the cell tower agreement stuff in here.

MS. THOMAS: Not yet.

DIRECTOR LIMBAUGH: And there is no reflection of any agreement --

DIRECTOR SWANSON: We haven't accepted it yet.

MS. THOMAS: You haven't said you're going to do it yet.

DIRECTOR LIMBAUGH: Okay. But I mean, it's not reflected.

MS. THOMAS: Correct.

DIRECTOR LIMBAUGH: And also, there's no reflection dealing with the finances of the golf course in here either, correct?

MS. THOMAS: No, because this is all District. You haven't see the Foundation.

DIRECTOR LIMBAUGH: Okay. Which we'll get next time?

MS. THOMAS: No. Next month is the final budget for the District, and then August is the Foundation.

DIRECTOR LIMBAUGH: August? Okay. So when we approve this budget, it's for everything except the Foundation?

MS. THOMAS: Correct.

DIRECTOR LIMBAUGH: Okay. Then the last thing I have is for AD #2. And I know I asked this before. It just -- I -- it's not written down, so I don't know. I must be getting old. I can't remember it. The other revenue in the Assessment District #2 is from what?

MS. THOMAS: Carry-over, cash carry-over mostly. That's the money that's --

DIRECTOR LIMBAUGH: So we have -- we have --

MS. THOMAS: Well, remember --

DIRECTOR LIMBAUGH: We're expecting \$2 million to carry-over in Assessment District #2?

MS. THOMAS: In carry-over.

DIRECTOR LIMBAUGH: Where is that money in the bank?

MS. THOMAS: It's at the County. Because it's taxes. Remember --

DIRECTOR LIMBAUGH: I understand that, yeah.

MS. THOMAS: -- the assessment districts -- when some of the developers, especially Frontier Homes -- Frontier Homes was crazy about that. When they purchased a piece of property, they parceled out every single parcel, so there's lots of vacant land like up north of Mojave over by Hesperia Community Park that is earmarked for two large developments of over -- you know, we're talking 4- or 500 parcels, homes. Well, Frontier Homes parceled those out. So whoever owns that property now is paying that assessment on their tax bill even though it's dirt and tumbleweeds. So that -- the reason some of these have such a large amount in them to carry over is because of that. Because there's another park that's planned in that --

DIRECTOR LIMBAUGH: When we collect that money, we are earmarking that. That's not being spent some --

MS. THOMAS: Correct. It's in its own separate fund. There are 52 separate funds -- right, yeah. We can't do that. That's why they're in separate funds at the County.

DIRECTOR LIMBAUGH: Okay.

MS. THOMAS: And the tax money from that fund goes into that fund.

DIRECTOR LIMBAUGH: Do we ever get an accounting from the County that -- you know, where that money is, whether it's bearing interest or --

MS. THOMAS: We do receive interest quarterly on all of our funds.

DIRECTOR LIMBAUGH: Okay. From the County --

MS. THOMAS: From the County, yes.

DIRECTOR LIMBAUGH: That would give you an idea how much we have in principal then, right?

MS. THOMAS: Correct.

DIRECTOR LIMBAUGH: Okay.

MS. THOMAS: So it -- once --

DIRECTOR LIMBAUGH: Is it possible to get again this year the summary of our financials including the Assessment District #2 funds that we have earmarked that the County is holding for us? Can we see a spreadsheet on that? I know it's not for public information, but can you -

MS. THOMAS: You want to see the cash carry-over?

DIRECTOR LIMBAUGH: Well, we used to get the banking accounts.

MS. THOMAS: You're talking about the Foundation?

DIRECTOR LIMBAUGH: Yes.

MS. THOMAS: Which is separate --

DIRECTOR LIMBAUGH: Or just our cash, what we have in the bank in cash.

MS. THOMAS: The Foundation -- yeah.

DIRECTOR LIMBAUGH: Including the AD #2 funds. Would that be possible to get that for -- before we adopt the Foundation budget? How's that?

MS. THOMAS: Okay. So give me an as-of date because I need a date.

DIRECTOR LIMBAUGH: In the August --

MS. THOMAS: No. So you want to know what's in the County as of?

DIRECTOR COWAN: Now or later?

MS. THOMAS: June 30th, or July 31st, or --

DIRECTOR LIMBAUGH: June 30th.

MS. THOMAS: June 30th.

DIRECTOR GREGG: Fiscal year-end.

DIRECTOR LIMBAUGH: Yeah. Then that will give us, as Board members, a good snapshot of our cash positions, where we have our money. Because we used to get that form. So I'd like that again, if you can. So, actually, the AD #2 is really collecting a lot of money.

MS. THOMAS: Right.

DIRECTOR LIMBAUGH: Because if you look at the expenditures, they nowhere near come to what we budgeted in there. Is that --

MS. THOMAS: Some of it's because of those -- you know, that one Mojave Park is supposed to be going in, and there's supposed to be more paseos connecting all that area to HCP, which is what the City conditioned the developers to do. So there's -- there's a lot of money that will be spent eventually, but not yet.

DIRECTOR LIMBAUGH: All right. Are your staff helping you put this together now? More so than before?

MS. THOMAS: Sheilla is just starting to be able to look at it because our two account clerks have settled in. They're doing well, and so now she's going to be able to focus a little more on working with this kind of thing because --

DIRECTOR LIMBAUGH: Okay.

MS. THOMAS: Yes, she --

DIRECTOR LIMBAUGH: Because you're going to have make sure somebody -- this gets known long before you leave.

MS. THOMAS: Right, right. She's working on it. And she just found pivot tables in the Excel spreadsheet. She's ecstatic. She wanted to show us, look what we can do with these pivot tables. So she's doing a great job. Yeah.

DIRECTOR LIMBAUGH: Okay. Other than that, you know, it was put together pretty good. We still have quite a few -- you know, we talked about -- what did we call it? The reservestudy? Is that what this is called?

MS. THOMAS: Yes.

DIRECTOR LIMBAUGH: We continued to carry large reserves in Park Center and that other one.

MS. THOMAS: Hercules.

DIRECTOR LIMBAUGH: Hercules. You know -- and so I know they're kind of like slush --

MS. THOMAS: Well, they can be used for -- for projects --

DIRECTOR LIMBAUGH: The money is not earmarked other than structure improvements -- structural improvements and things like that?

MS. THOMAS: Right. That's up to the Board to decide.

DIRECTOR LIMBAUGH: Yeah. So that's fine. As long as you guys know that that money's there and it is available to be spent. I mean, it is --

DIRECTOR GREGG: Once that reserve study comes back though, we can find out where our potential hazards will be --

DIRECTOR LIMBAUGH: Well, we can identify that, yes, and maybe then we might even want to spend it, so --

MS. THOMAS: You may need -- we may need to use some of the reserves from the commercial properties to help fund the assessment districts' reserve.

DIRECTOR LIMBAUGH: Right. Right.

MS. THOMAS: Because that's what those buildings were purchased for, so that those monies could be used to help the District.

DIRECTOR LIMBAUGH: Okay. And the last thing I have is -- and we've talked about this over the last couple meetings. And actually, at our conference this time, I -- I heard the first time about Obamacare, or whatever you want to call it --

DIRECTOR COWAN: Affordable Care.

DIRECTOR LIMBAUGH: Affordable Care?

MS. THOMAS: Affordable Care Act.

DIRECTOR COWAN: Affordable Care Act. Gotta make sure to use the right term.

DIRECTOR LIMBAUGH: Well, it is going to have an impact coming down the pipe. I don't know how much on our District, but it's going to have an impact. There is -- the overriding fact is we spend a lot of money on health care at this District. I'm not saying it's a bad thing or a good thing. It's a fact. So eventually down the road -- not in this budget cycle, but when our term ends with who our current provider is -- we will have to look at what our options are

legally and economically. Legally and economically. And we'll have to look at our all of health care options because at the same time ours is expiring, Obamacare is going to start to kick in - or Affordable Health Care. Sorry. I guess if he's out in a couple of years, it will be some other guy's health care program. Well, he can't run for three terms. He's only got two. So -- but it's a lot of money that we spend on health care, and also adjusting the retirement, which we've done in the rear. So new employees coming on do not have the same health care - - retirement benefits that our present employees -- or some of our present employees --

MS. THOMAS: Correct. Pension reform changed that.

DIRECTOR LIMBAUGH: So -- but being that amount has become such a large part of our budget, you know, we have to take care for that, in my opinion. But other than that, good -- good -- good presentation.

MS. THOMAS: Right. The medical -- the Board will have to make a decision probably in August, so I'm still gathering information for that.

DIRECTOR LIMBAUGH: Okay.

MS. THOMAS: Because even though the insurance -- we are tied in until January or December 31st --

DIRECTOR LIMBAUGH: It takes a while for it to roll over.

MS. THOMAS: -- we have to make the decision -- we have to tell PERS we're not going do it anymore, and there's a time frame for that.

DIRECTOR LIMBAUGH: Okay.

MS. THOMAS: And it's once they publish their rates, which they have not been published yet. They're --

DIRECTOR LIMBAUGH: Okay.

DIRECTOR COWAN: I have another question, just because it was brought up. If we approve this draft today, are you still going to be able to add the cell phone and the car allowances to each individual position?

MS. THOMAS: Oh, we have a final budget next month, so --

DIRECTOR COWAN: I just wanted to make sure that --

MS. THOMAS: Yes. No. This is -- this is just giving you more of an idea of what we've got, because if you want to make changes or whatever, that's for the final -- and we can change it. We have to have the final down to the County by the end of August. So there is -- even if you approve it July, you can still make adjustments before we have to send it down to the County.

DIRECTOR LIMBAUGH: Okay. So we can just vote on this, or do we need a roll call?

MS. THOMAS: No, not a roll call. Just a vote.

DIRECTOR LIMBAUGH: Okay. Any other questions about the budget?

**MOTION:** It was moved by Director Chandler, seconded by Director Swanson and carried unanimously to approve the Fiscal Year 2013/2014 Draft Budget.

DIRECTOR GREGG: So, about publishing this budget, are we going to be putting this on our - - on our individual website like other agencies do?

MS. THOMAS: That would be up to the Board. That's not my decision. That would be -- we never have, but that doesn't mean -- if the Board wants that.

DIRECTOR LIMBAUGH: You know, I think there are certain pages on here we can make public. And on the web page, we tell them if they would like further detail --

MS. THOMAS: Let me tell you that last Friday, it was published --

DIRECTOR LIMBAUGH: Oh, but you don't want people's names on it.

MS. THOMAS: We're required --

DIRECTOR COWAN: The names aren't there though. That's just written in.

MS. THOMAS: No. Okay. We are required before you approve the final budget to have a public hearing. And the legal notice has already been in the paper. Since the preliminary draft budget was in the Board packet last month, we have a copy of the budget front in the receptionist office so anyone can come in and ask to look at it. Like I said, it's been published for the public notice that -- for the budget hearing before you approve the final budget. So that's already in place. If you want something else --

DIRECTOR LIMBAUGH: How easy is it to put the whole thing on a web page though?

DIRECTOR COWAN: Easy, I assume.

MS. THOMAS: Not any different than putting the minutes on.

DIRECTOR COWAN: I think it's a great idea then, as long as we can make sure we're not releasing any confidential information, which I don't believe we are, because the names you wrote in were for us.

MS. THOMAS: Correct. They're not --

DIRECTOR COWAN: That's what I'm saying. The names were put in there for us, and now we're not putting anything out there. I think it's a great idea.

DIRECTOR LIMBAUGH: Well, we'll talk about it when we adopt it.

**H. Resolution No. 13-06-1, declaring intent for the annual levy and collection of assessments for AD #1.**

**RESOLUTION NO. 13-06-1**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HESPERIA RECREATION AND PARK DISTRICT, CALIFORNIA, DECLARING ITS INTENTION FOR THE ANNUAL LEVY AND COLLECTION OF ASSESSMENTS FOR LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT NO. 1, FOR FISCAL YEAR 2013/2014**

DIRECTOR LIMBAUGH: Okay. Moving on. Item H, Resolution No. 13-06-01, for levy and collection of AD #1.

**MOTION:** It was moved by Director Swanson, seconded by Director Cowan and carried by the following roll call vote to approve Resolution No. 13-06-1, declaring intent for the annual levy and collection of assessments for AD #1:

**Ayes:** Swanson, Gregg, Limbaugh, Cowan, Chandler

**Noes:** None

**Absent:** None

**Abstain:** None

**I. Resolution No. 13-06-2, declaring intent for the annual levy and collection of assessments for AD #2, All Zones.**

DIRECTOR LIMBAUGH: Item I, Resolution No. 13-06-2, for AD #2, all zones. Do I have a motion?

**MOTION:** It was moved by Director Chandler, seconded by Director Swanson and carried by the following roll call vote to approve Resolution No. 13-06-2, declaring intent for the annual levy and collection of assessments for AD #2, All Zones:

**Ayes:** Swanson, Gregg, Limbaugh, Cowan, Chandler  
**Noes:** None  
**Absent:** None  
**Abstain:** None

**J. Resolution No. 13-06-3, approval of the Engineer's Report regarding the levy and collection of assessments for AD #1.**

**RESOLUTION NO. 13-06-3**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HESPERIA RECREATION AND PARK DISTRICT, CALIFORNIA, FOR APPROVAL OF THE ENGINEER'S REPORT REGARDING THE PROPOSED LEVY AND COLLECTION OF ASSESSMENTS FOR THE LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT NO. 1, FOR FISCAL YEAR 2013/2014**

DIRECTOR LIMBAUGH: Okay. Item K.

MS. THOMAS: J.

DIRECTOR LIMBAUGH: Oh, J.

**MOTION:** It was moved by Director Swanson, seconded by Director Cowan and carried by the following roll call vote to approve Resolution No. 13-06-3, approving the Engineer's Report regarding the annual levy and collection of assessments for AD #1, for Fiscal Year 2013/2014:

**Ayes:** Swanson, Gregg, Limbaugh, Cowan, Chandler  
**Noes:** None  
**Absent:** None  
**Abstain:** None

**K. Resolution No. 13-06-4, approval of the Engineer's Report regarding the levy and collection of assessments for AD #2, All Zones.**

**RESOLUTION NO. 13-06-4**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HESPERIA RECREATION AND PARK DISTRICT, CALIFORNIA, FOR APPROVAL OF THE ENGINEER'S REPORT**

**REGARDING THE PROPOSED LEVY AND COLLECTION OF ASSESSMENTS FOR THE  
LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT NO. 2, INCLUDING ALL  
ZONES, FOR FISCAL YEAR 2013/2014**

DIRECTOR LIMBAUGH: Yay. We're finally to Item K, Resolution 13-06-4. Do I have a motion?

DIRECTOR SWANSON: I move that we approve Resolution No. 13-06-4.

DIRECTOR COWAN: I'll second it.

DIRECTOR LIMBAUGH: Okay. And I have some discussion.

MS. THOMAS: Okay.

DIRECTOR LIMBAUGH: Being that an assessment district, based on the engineering finding - - which is pretty similar to what it was last year, right?

MS. THOMAS: Yes.

DIRECTOR LIMBAUGH: So -- so I can understand this correctly, we collect \$1,114,000 from taxes?

MS. THOMAS: From the assessment.

DIRECTOR LIMBAUGH: And that's on there when they pay their property tax. That's on there as AD #2, with assessment district numbers.

MS. THOMAS: Correct. Zone whatever.

DIRECTOR LIMBAUGH: Okay. The other revenue which now is listed in our current upcoming budget is \$1,984,000. Where is that paid from? The tax roll, too? Also? It's also listed on the tax bill? So if I own a piece of property in AD M, I'm going to get -- it's going -- I'm going to get two payments?

MS. THOMAS: If you have the assessment -- yes, Assessment District #1 is on everyone in Hesperia.

DIRECTOR LIMBAUGH: No, AD #2. I'm only talking about AD #2 now.

MS. THOMAS: Well, there's only one -- if you live in a zone --

DIRECTOR LIMBAUGH: So how do they differentiate between the actual assessment of 1,114,000 to the other revenue of 1.9 million that gets collected from the taxes? How do they differentiate that?

MS. THOMAS: Who?

DIRECTOR LIMBAUGH: Well, who's paying the money?

MS. THOMAS: The homeowners, the tax bill.

DIRECTOR LIMBAUGH: Okay. So --

MS. THOMAS: So that each receive a tax --

DIRECTOR LIMBAUGH: So on the engineer's report, we justify billing them a certain amount based on their zone and how much we need to maintain it?

MS. THOMAS: Yes.

DIRECTOR LIMBAUGH: And that total adds up to 1,114,000 in total, in aggregate, of all the assessments?

MS. THOMAS: Right.

DIRECTOR LIMBAUGH: The other revenue adds up to almost twice that. Where did that come from?

MS. THOMAS: You're talking about the cash carry-over?

DIRECTOR LIMBAUGH: The other revenue, yeah.

MS. THOMAS: That's come from years -- last year, the year before.

DIRECTOR LIMBAUGH: So we don't get that every year?

MS. THOMAS: No. That's money that's sitting in the County. The cash carry-over is already there.

DIRECTOR COWAN: The same thing we just discussed about with Assessment District #2?

DIRECTOR LIMBAUGH: That's what -- okay. So let's say we only spend half a million next year in maintenance. We physically really only spend that much. Then next year the carry-over would be 2.5 million?

MS. THOMAS: A little bit higher, correct.

DIRECTOR LIMBAUGH: Okay. So we keep building a pot in assessment --

MS. THOMAS: Unless we stop the assessment from happening. If we say -- if the Board were to say -- and I'm not sure how that would work. NBS would be the one -- but otherwise, it stays the same.

DIRECTOR LIMBAUGH: They don't talk about that in their thing?

MS. THOMAS: Or -- well, after Zone N, I believe, there's a 2 percent inflator every year, but the original ones there's no inflator. So each year, in the assessment, if you live in one at -- in R 1, there's a 2 percent inflator. So each year the assessment on your home, whether it's \$200, there's a 2 percent inflator. So the next year it goes up 2 percent.

DIRECTOR LIMBAUGH: Okay.

MS. THOMAS: Did that make sense?

DIRECTOR LIMBAUGH: Yeah, it makes a little bit of sense. But it's starting to look funny from the standpoint of value.

MS. THOMAS: Because there's so many developments that are --

DIRECTOR LIMBAUGH: You know, we have the money, but what value of it is it?

MS. THOMAS: We can't use it for anyplace except for there, and it's dirt and tumbleweeds right now. That's the problem.

MR. WOODS: But then when a development does come in, then we're going to be able to implement projects that are supposed to be happening in those areas, like Mojave Park that we already have plans ready to go on it. But we don't want to build it until the development --

MS. THOMAS: No, the developer has to build it.

MR. WOODS: Well, we don't want to start moving in that direction --

MS. THOMAS: We cannot use it -- because I asked NBS because it's building up there, could we build the park? They said no, because the developer has to build the park.

DIRECTOR GREGG: So at any -- I mean, do we ever start looking at, hey, you know what, we're starting to roll way too much cash on this assessment, maybe we need to reduce the assessment? I know when the tax goes into place that it's pretty uncommon for it to --

MS. THOMAS: To go down?

DIRECTOR GREGG: To not come up. But I mean, eventually -- I mean, when we start rolling over \$1 million, \$2 million dollars, are we going to start looking at --

DIRECTOR LIMBAUGH: We already are. We're at 2 million roll-over right. Now that's a huge amount.

MR. WOODS: That's a conversation we're going to have to have with NBS, because they've had the experience with where is that threshold.

MS. THOMAS: And how we can do it.

MR. WOODS: And once you move it down, what type of battles are you going to have to get it back up. So what we might do is stop inflators or suspend inflators --

DIRECTOR LIMBAUGH: Does the demographics show that a lot of that money is not being paid for by people who live there?

MS. THOMAS: I don't know. Because I don't --

DIRECTOR LIMBAUGH: Like you said, a developer that owns that property that has vacant lots on it, but it's already divided up, he's still paying that assessment.

MS. THOMAS: Right. Or some bank is. Or somebody is.

DIRECTOR COWAN: Oh, bank? Keep it rolling in.

DIRECTOR GREGG: It doesn't make Joe Q. Public - either way, somebody's paying the thing. And if it's rolling over and you start compounding money --

DIRECTOR LIMBAUGH: It's not good management of funds. And it looks funny.

MS. THOMAS: And some of the facilities, it's only one or two parcels because they never --

DIRECTOR COWAN: Could we start earmarking this money for projects other than what the developers --

MS. THOMAS: No.

DIRECTOR COWAN: No, no, in that area still. Not even in that area we couldn't?

MR. WOODS: I don't believe so.

MS. THOMAS: Not at this time, because we don't even know what they're going --

DIRECTOR SWANSON: What the plans are.

MS. THOMAS: That's something we have to wait and look at too. If these developers have sold and somebody else is buying it, they may change things. The City may allow them to changes things. We don't know at this point because it hasn't happened yet.

DIRECTOR GREGG: Here's one question I have. If you say that the developer is going to build Mojave Park --

DIRECTOR COWAN: What do we do with all the money?

DIRECTOR GREGG: -- what do we do with all the money?

MS. THOMAS: It's for maintenance for the park. It's maintenance -- like I said, there's supposed to be a Paseo somewhere through there, and there's -- there's -- Mojave Park's development is over here, and there's another development here, and there's HCP. And there's supposed to be a paseo that goes through -- from here -- from Mojave Park through this other development, and that -- you know, the City did that.

DIRECTOR SWANSON: At this point --

MR. WOODS: It's the maintenance and the operations ongoing that's --

DIRECTOR SWANSON: And the paseo that we have already requires a great deal of maintenance and a great deal of --

MS. THOMAS: There's a lot of vandalism.

DIRECTOR SWANSON: Yes.

DIRECTOR GREGG: Not \$2 million worth.

MS. THOMAS: But \$2 million isn't for those parcels. That's an aggregate.

DIRECTOR LIMBAUGH: Anyway, we probably can talk about it at a future date because it is what it is right now. But we need to review all the aspects of this from the District because it's a large sum of money. We've collected a lot of it that we haven't spent, and there's various reasons why it hasn't been spent and what it's for, and we still continue to collect a lot that we don't spend. So I think we want to look at, you know, where do we need to go with this, and

why we need to go there. Because the reasons are varied, and we need to have it in pretty -- pretty -- pretty good what --

MS. THOMAS: Handle on it.

DIRECTOR LIMBAUGH: Well, the assessment districts in California have been questioned in the past. And because we didn't take on a -- we didn't get an assessment district on AD #1, which was passed by the voters. So that's a pretty secure deal. So we're collecting this money. It's piling up in the County. And it will continue to pile up until those developments get -- get built, which who knows when that's going to be. But anyway, we need to take a look at that and see what's happening, because if that, you know, number keeps getting bigger, pretty soon it's going to be more than our total budget.

MS. THOMAS: Gross national product.

DIRECTOR LIMBAUGH: 25 million dollars in Assessment District #2, and 10 million in the whole rest of the District. So we need to take a look at that.

DIRECTOR GREGG: If we were going to make changes to this, do we have to wait until next year? We can do that any time, right?

MS. THOMAS: Make a change to what? The assessment?

DIRECTOR GREGG: I'm saying if there was going to be any changes to it.

MS. THOMAS: There is a deadline because there's an amount of time you have to get the information to the County so it goes on the property tax bills.

DIRECTOR GREGG: All right.

MS. THOMAS: You can't just say in April, oh, we want it changed.

DIRECTOR GREGG: No. What I'm saying is, we can make a decision any time throughout the year to be effective --

MS. THOMAS: To implement for the following year.

DIRECTOR GREGG: Okay. So reducing the triggers, the increasers --

MS. THOMAS: Inflators.

DIRECTOR GREGG: Perfect.

DIRECTOR LIMBAUGH: So anyway, by the time this rolls around the next time we have to look at this, I think it would be good that we have either a special meeting or some type of workshop on our assessment district.

MS. THOMAS: Probably.

DIRECTOR LIMBAUGH: That is -- that can't be discussed in public. Okay? All right. So, again, any other questions? None? Roll call vote, please.

**MOTION:** It was moved by Director Swanson, seconded by Director Cowan and carried by the following roll call vote to approve Resolution No. 13-06-4, approving the Engineer's Report for AD #2, All Zones for Fiscal Year 2013/2014:

**Ayes:** Swanson, Gregg, Limbaugh, Cowan, Chandler

**Noes:** None

**Absent:** None

**Abstain:** None

DIRECTOR LIMBAUGH: We're going to take a couple-minute recess.

MS. SWANSON: Thank you.

Meeting Recesses at 8:41 p.m.

Meeting Reconvened at 8:45 p.m.

**L. Reinstatement of After School Activities Program.**

DIRECTOR LIMBAUGH: Item L, reinstatement of the After-School Activities Program.

Director Woods?

MR. WOODS: Well, earlier in the year the School District approached the District about -- if we would be interested in taking the program back over, and we had some discussions. We were waiting for the School District to make a decision, and they reached that decision. I believe it was not this week, but last Monday. And they decided that they were going to let the grant go with the after-school program, and meet those needs with other programs that they already have funding for. And they were inquiring if the District was still interested in offering an after-school program, which I indicated I believed that the District was, and that I would bring it back for Board approval. Because it would mean we would be hiring a great deal of staff back on and adding some numbers back in -- well, we didn't delete them from the budget, but we would be making some adjustments to the budget. There's not a lot of time. We've got to hire staff and develop a new program. The program wouldn't look like it did when it was the previous after-school program because a lot of the funding and curriculum and things that were tied with the grant have gone away. This would end up being a pay-to-play program where parents would register their children, just like a contract class or a sports activity that we offer here at the District. And they would pay for those services, and we would basically be getting back to our roots. That's how the program started. They had to be -- each site had to be self-sustaining, and we offered the program at the school site. If the school site dipped below the number where it was supporting itself, then that program -- the parents were notified, and either their registration went up or we had to cancel the program. So it will be a normal program like everything else that we do around here. I'm going to need some authorization from the Board to be able to take a lot of steps over the next month to get ready. We need to do hiring notices. We're reviewing budgets and trying to figure out how we can make this as cost-effective for the people that will utilize the program. So there's a lot of things that -- we've got to start ordering supplies. But until I know from the Board that you definitely want to move forward with this, I didn't want to be getting into any of those items.

DIRECTOR GREGG: Would we be hiring back the majority of the people that left the program originally?

MR. WOODS: We will put an advertisement out. And the School District said that they would share the list of the people that they had working in the program. Some of the people have moved on and gone to other places. I would imagine anybody that was still available or looking for employment would be rehireable. But we will be doing applications and interviews. It will just help with the fingerprinting process.

DIRECTOR GREGG: I'm just curious because I know one employee that worked on this program -- worked with this program for a long time and was a long-term employee of the District, and that ASAP went away. And you know, that position's cut after all that time, and now we're bringing it back just one year later. That's -- to me, that's just -- that's one thing that doesn't sit well with me is that we're getting rid of people that have done a long-term service

to the District, and then we're just -- you know, the program is now back, and we're just going to go out and hire all brand-new people, so --

MR. WOODS: Well, I don't believe they hired all brand-new people.

DIRECTOR GREGG: Either way, it's a big concern for me that we actually do some diligence in reaching out to the people that were long-term employees of this program and see if they would want to come back to positions, but I don't know how that works.

DIRECTOR COWAN: I have a few questions. Do we know what the pay was at for the program that the School District was running? Or the -- I'm not -- they're not -- the staff pay.

MS. THOMAS: The staff pay?

MR. WOODS: I don't know. I'm sure that they paid them more, but they had fewer hours.

DIRECTOR COWAN: Okay. Then do we have a cost estimate and how many people -- how many children would have to be registered in this program at each school? Do we have an estimate of that right now?

DIRECTOR LIMBAUGH: Yeah, but keep in mind -- you heard what he said. If they're not profitable, they don't do it. In other words, if it doesn't pay for itself, they cancel --

DIRECTOR COWAN: I understand that. And that's why before I say yes to this, it would be good to see a cost estimate. We have this many students --

DIRECTOR LIMBAUGH: They probably have an idea from when we met --

MR. WOODS: And we're playing around with a bunch of numbers, moving things. And so I believe right now one of the draft budgets that I saw today was if there was 30 kids in the program and we were charging \$20 a week, that that's where we needed to be. Before the program --

DIRECTOR LIMBAUGH: At each site?

MR. WOODS: Yeah. We were running 700, 800, but some of those were funded through the grant, through scholarships --

MS. THOMAS: Through scholarships.

MR. WOODS: -- and that money's not going to be there. And at that time, it was \$15 a week for the people that were paying for the program, and there was a small portion of them that were on scholarships. So it would be approximately a \$5 increase.

DIRECTOR COWAN: Now, will there be any type of low income plan, or any type of way we can get money from the County for low income?

MR. WOODS: Not that I've seen, no. Those monies are so tied up and over-regulated -- and really, I kind of believe that that's one of the reasons that possibly the School District decided that it -- that they didn't want to participate in the grant, because it became very regulated and they almost were telling you what you will do. And one of the key components was, they were making the staff hold the kids until 6:00 p.m. And if a child left, no matter what the reason was, they would not reimburse them. So they were kind of holding the kids hostage.

DIRECTOR LIMBAUGH: If their parents picked them up?

MS. THOMAS: Yes. Or a doctor's appointment, or anything.

DIRECTOR LIMBAUGH: That's ridiculous.

DIRECTOR COWAN: I don't want to keep people off the school program. That was one of the large complaints, and the fact it was less recreation, which we specialize in --

MR. WOODS: Which ours -- this program would offer a little bit of homework -- you know, 20 minutes of trying to get them to do homework, which is always fun because the kids always say, "I don't have any homework."

DIRECTOR COWAN: I already did it.

MR. WOODS: So they have them do reading or some other quiet time activity, and then we would transition them to arts and crafts, playing outside --

DIRECTOR LIMBAUGH: Well, we ran the after-school program at a really good price for -- for what we provided. And I'm sure that when the -- when the numbers pencil out, you'll see that we're not going to increase -- whatever we were charging them five years ago, it's not going to go up that much. Granted, you were subsidized a little bit by the grant, but even at the subsidy level, we were still providing the service like almost for free, basically. I mean, it wasn't very much per hour per kid to have them -- to provide the service that we would have continued to provide had they not changed the program at the school. So we -- and we are providing it at an economical price, I think. So if the parents are still interested in doing that with their kids, I think we can meet their needs.

DIRECTOR GREGG: And we're not going to fall under the same restrictions because we won't be tied to a grant.

DIRECTOR LIMBAUGH: No. Until the next grant guy comes along, and says, "Oh, I've got a deal for you."

DIRECTOR COWAN: And \$20 is not a lot of money. Thirty kids are not a lot of people. My other question was, if -- I know right now we're cutting hours down at the lake and down at the golf course, or reassigning duties. Are we going to possibly be able to use any of those employees that currently work for our District over at the ASAP program, if we use it? You know, we have employees that were working more hours that got their hours cut. Would they be able to go to the ASAP program --

MR. WOODS: At this point, my answer would be no. There's -- we've got some restrictions that we need to address, and we're addressing them. So -- and it doesn't -- it usually does not work out well when we start sharing employees.

DIRECTOR COWAN: Would it be possible for those employees to transfer over full-time to the ASAP program just so they can get the hours we were giving them before? I'm just looking out for our employees. These employees have given a lot to our District. And I know that we're making cuts that the District feels are important. But these employees have given a lot to the District, and I feel that -- they're proud to work for our District, and I'd like to be able to take care of them and find out if we can do a lateral move into the ASAP program, especially if we can guarantee a certain amount of years with the School District. And that's another question I have is whether or not we're going to agree with a three-year contract? Are we going to do anything? Are we just going to do this one-year program and hope that it works?

MR. WOODS: I think at this point -- before, when it was tied in with the grant funding, I would have wanted it to be a five-year agreement. Given the nature of we're kind of reinventing the wheel and we're starting off, I think a one-year agreement at this point to try the program out -- there are other options out there for the School District. I know the Boys and Girls Club has expressed interest in possibly running the program. But we don't know if the program is going to be wildly successful or not successful. I would hope that it's wildly successful. But in discussing with the School District right now, it looks like they're leaning towards us possibly operating on a facility-use agreement with them, and those are annual agreements.

DIRECTOR GREGG: Only annual agreements?

MR. WOODS: Those are annual agreements. I haven't seen anything that's more than annual.

DIRECTOR GREGG: Okay. Yeah, because I will be not be for this program if we can't extend out any longer -- if we can only extend one year, then I will not be in support of this program. Because we're not going to do the same thing that we just did to all these employees that we just laid off last year to try and reinvent the wheel. So there's not some hard -- you know, it's like the golf course. You know, we wanted a three-year agreement with them for that, five-year agreement. What's so different? So we can't keep bouncing -- bouncing people around and absorbing unemployment costs, and -- and the like. But it's going to be a big factor.

DIRECTOR COWAN: Can we ask if the facility-use agreements are able to go three years, or are we just assuming what you know of versus asking? Could we ask? Is that something --

MR. WOODS: I'll ask. My problem is that we're going to have to have another special meeting because --

DIRECTOR COWAN: I wish we had more information brought to us than --

MR. WOODS: Well, like I told you earlier, when the decision was made on Monday -- and I didn't have a conversations with School District staff until late Tuesday or Wednesday -- and then I'm trying to get the Board package done, there just wasn't enough time.

DIRECTOR GREGG: It was a week ago. But we just don't have any supporting documentation, especially under the tab. This is a very --

MR. WOODS: What would you have liked to have seen since I didn't have anything to put into the tab?

DIRECTOR GREGG: Well -- but we know what use agreements are. I think the facility-use agreements are probably going to be on a year-to-year contingency anyway. It shouldn't be wrapped up in the whole program of, hey, you know what, we're

going to be doing your after-school program services for three years, sign here, with a one-year facility-use agreement. That's not so uncommon, I wouldn't think.

DIRECTOR LIMBAUGH: Okay. Any other comments about this?

DIRECTOR CHANDLER: I think that right now, Lindsay's looking for direction as far as proceeding on to get things moving so we can do something with this program and get it reinstated. So I'd like to make a motion that we do that. We direct him to go ahead and move on and move forward to reinstate the After-School Activities Program.

DIRECTOR SWANSON: Second.

DIRECTOR LIMBAUGH: Okay. We don't need a roll call vote on this, do we?

MS. THOMAS: No.

DIRECTOR LIMBAUGH: All those in favor, say "aye."

DIRECTOR GREGG: You have the motion and you have the second. And just so -- I want to clarify Bob's -- his motion is that he -- that Lindsay's getting direction to move ahead with this program and get us back more information. That was the motion and the second. So with that being said --

DIRECTOR CHANDLER: The motion was to direct him to take steps and move forward to reinstate the After-School Activity Program. It's difficult for us to -- from here, at this point, to understand or even guess as to how successful the program's going to be. We just don't know. But he does have to get moving on it if we're going to adopt it for him to reinstate it --

DIRECTOR GREGG: Yes, but this recommendation he just made doesn't say that. Lindsay Woods, go put the After-School Program back in motion, and let's go --

DIRECTOR CHANDLER: Get it going, yes.

DIRECTOR GREGG: Without bringing anything back to us to say, hey, you know what, it's a three-year, it's a five-year, it's a one-year? We're -- you just --

DIRECTOR CHANDLER: He's going to have to take steps to get it going. I think we can -- I don't think we're going to reach an agreement with that tonight. We could. I could say just go for the year because we don't know what it's going to be like. We don't know who's going to show up and who isn't. But at least we'll have it. Maybe we can extend it next time before the year's up. I don't know. But at least we ought to get it going. It's a good program and --

DIRECTOR GREGG: Absolutely it's a good program.

DIRECTOR LIMBAUGH: If we didn't want to be involved with after-school programs at all -- have you heard that from us tonight?

MR. WOODS: No.

DIRECTOR LIMBAUGH: So I think you're looking for us to say, "Do you want me to continue with this effort or not?" The nuts and bolts of the effort aren't known because you don't know if you're going to get the participation from the school kids yet.

DIRECTOR CHANDLER: We don't know.

MS. THOMAS: Correct.

DIRECTOR LIMBAUGH: So if you don't get any kids, who cares if it's one year or five years or 25 years? That point is moot. What's important now is you need to go tell the School District, okay, we're going to offer the program, and then go from there. And I think you heard Director Gregg's comment that if you can get a more concrete deal on this, we would prefer that, than a month-to-month, or a year-to-year. We would like to see -- so we don't end up in the same boat that we ended up before where they just dumped us and said, you're out, these guys are in.

DIRECTOR CHANDLER: I hate to see this program -- lose the program. Because in the past, it has been so beneficial. And it was a very, very, very popular program.

DIRECTOR LIMBAUGH: It has. I think we just have to hold the School Board accountable to this type of item, because what they did before was based on -- I don't know what. And we kind of got left holding the bag.

DIRECTOR GREGG: I just want to make sure that we're not going to be in the same boat we were last year, laying off a ton of people, and then kids are helter-skelter, and then pretty soon there's no program. So I'm all for your motion. I'm just saying that -- it should come from us that it would be a substantial --

DIRECTOR LIMBAUGH: You'll try. Find out the other stuff first before we get to that point. Maybe we'll only want to run one year.

DIRECTOR COWAN: I do support this program. I just -- like I said, I didn't like how there was lack of information. I'm going to vote the way I need to, but it's the idea -- I like the program. I just wish -- or I urge the staff to try to do the best they can to create a program that's going to last, and try to make the District accountable -- the School District to at least offer or do something to extend our program to last more than one year.

DIRECTOR LIMBAUGH: Yeah.

DIRECTOR COWAN: It's a great program --

DIRECTOR LIMBAUGH: We would come first before --

DIRECTOR COWAN: I just urge your guys to try your hardest to make sure --

MR. WOODS: We ran the program for 16 years before, and we only had one major problem, and that was when they decided that they felt that they could offer a better program.

DIRECTOR LIMBAUGH: Yeah.

MR. WOODS: And they tried it, and it didn't work. And you know what? I think that most of the school site people and some of the people at the District office have a better appreciation for the programs that we provide.

DIRECTOR SWANSON: And the parents do as well.

MR. WOODS: I think the parents always had it.

DIRECTOR SWANSON: There are parents that are desperate for this program, and I don't want to take all of our experience in this and not be able to provide a quality program as we did before.

DIRECTOR LIMBAUGH: Okay. So just keep us apprised, and I guess we'll take a vote on whether we're moving forward with that.

**MOTION:** It was moved by Director Chandler, seconded by Director Swanson and carried unanimously to direct the General Manager to take steps and move forward to reinstate the After-School Activity Program.

**M. Review Estimated Cost of Caretaker Program.**

DIRECTOR LIMBAUGH: Okay. Item M, estimated cost of the caretaker program. Before we discuss this, Lindsay, thank you. This information was bountiful compared to last time. And would you guys prefer that he run us through these things.

DIRECTOR SWANSON: No.

DIRECTOR LIMBAUGH: Or does anybody have any specific questions that they would like to ask him about the information that was presented in the Board packet? Did we just get this?

DIRECTOR GREGG: Just want to get these --

MS. THOMAS: Yes, they came in the mail today.

DIRECTOR GREGG: -- give these to the Board members. These are actuals for the properties, instead of estimates that were ran on page 2, where there was just a random search done of the properties. So I'll give Rebekah hers.

DIRECTOR CHANDLER: I'd like to make a motion that we keep the program as it is.

DIRECTOR SWANSON: Second.

DIRECTOR LIMBAUGH: Okay. We have a motion and a second. How many -- oh, it's three in a packet? Okay. Let's talk about it.

DIRECTOR COWAN: What was the motion for? Just to keep it?

DIRECTOR LIMBAUGH: Just to maintain the caretaker program as is. Now, what are these?

DIRECTOR GREGG: So these are actual estimates for comparables. If you look at the very top page under the "Caretaker Residence Utility Review," you'll see the shaded area that says, "Estimated Rent Value." That was generated off of the following pages, the following white pages behind that, that are not even comparable residences to the three facilities that we have. So there's an updated Calhoun comparable with like properties in the area in that specific area, versus properties that are throughout the city. Also, the lake property, the comparable was done off of the -- since the lake property is just a trailer house, that comparable was done off of the trailer park right in that adjacent area on Arrowhead Lake Road to give you a more comparable number. Timberlane Park, the same thing. It was done with comparables in this area versus comparables throughout the city. So those are all estimated rents for comparable

properties versus properties scattered throughout the city. So according to this estimated caretaker residence cost, which is considerably low just considering trash alone just went to \$49 per resident -- so I'm doubting the cost factor for the water and the Edison and the trash on these facilities as well. But just taking that into account right there for total month and year, you're talking a little over \$3,000 per month at \$36,000 per year, and that's based on this general costs -- slightly estimated costs for utilities. That -- that cost is being passed on to the taxpayers, that these -- these people that are in these caretaker facilities are employees of the District. So they work eight hours a day for the District, and then are expected to go home, work another 16 hours for the District making sure that the properties are cared for. What I didn't see in this report was actually a list -- a detailed list of what the caretakers' responsibilities were. And we've seen that list before in Safety Committee. And nowhere near -- there's no way possible for those caretakers to adequately attain the goals and objectives set out for them in those -- in those rules and regulations, per se. Two other items. I asked for -- if there's any pool, or how you -- how you become a caretaker. What's the qualifications? And it was just brought to me that, yeah, they're sent out to all the employees, anybody interested. And just some feedback that I got was that the caretaker program originated from a single family to married couples with a limited amount of children to take care of the property that was supposed to be for your maintenance crew or your lower-level income employees to -- to have that as like a benefit to them and assist the District as well. At Calhoun alone we have a recreation supervisor that lives in the property. I liken that to whenever Cal Camara moved into the Timberlane house, or just moved his stuff into it. It just didn't look good when you've got an employee making XYZ dollars an hour, almost double of that of a maintenance person living in a property rent-free and not have to do anything for it. Timberlane property, I find it a direct conflict of interest that one of our maintenance workers that resides in that property is related to upper management staff. And that -- I just feel that that's a conflict. Other than that, vandalism versus caretakers. There's a whole slew of vandalism reports dating from 2010 to current, which they seem to be moving not very -- not very much either way. Vandalism year-to-date for 2011 was \$19,000, so -- total. So that's total over the whole district, right?

MR. WOODS: Yes.

DIRECTOR GREGG: And 2012 was 52,000. 2013 year-to-date is 23,000. The -- the biggest -- the biggest portion of the year-to-date vandalism in 2012, I believe, was 28,000 to a park that doesn't even have a caretaker facility in it.

DIRECTOR LIMBAUGH: Maple.

DIRECTOR GREGG: Maple Park. So it's just -- I'm for the caretaker program. But we have to make -- we have to make it equitable, and we have to not be giving away taxpayers' money. And the way the program is setting right now, that's what we're doing. The District is saying, here you go. Here's a property. Live in it for rent-free, utility-free, and here you go. And it's just --

DIRECTOR LIMBAUGH: But it's not \$36,000 a year, Kelly.

DIRECTOR GREGG: Well, what's your estimate?

DIRECTOR LIMBAUGH: Well, because rent does not cost the taxpayers a dime.

DIRECTOR GREGG: Loss of rent is costing the taxpayers a dime.

DIRECTOR LIMBAUGH: How so?

DIRECTOR GREGG: Because it's not generating --

DIRECTOR LIMBAUGH: The Park District is not in the business to make money off of rent.

DIRECTOR GREGG: Oh, don't say that, Mike. We have all kinds of properties we charge rent on. So we're not in the business to make money?

DIRECTOR LIMBAUGH: This home is not a commercial building.

DIRECTOR GREGG: Right. So if we're not putting out the money --

DIRECTOR LIMBAUGH: But it doesn't cost the taxpayers \$36,000 a year, Kelly. How do you figure -- they don't get the \$36,000, but it doesn't cost them \$36,000. We're not taking taxpayers' money and paying these people rent.

DIRECTOR GREGG: No, you're taking --

DIRECTOR LIMBAUGH: We're paying \$532 a month estimated for their utilities. That's what they're losing. What's \$530 times 12? That's, what, \$6-, \$7,000 a year the taxpayers are losing.

DIRECTOR GREGG: Well, they're losing more than that because you're still -- you're still --

DIRECTOR LIMBAUGH: They're not losing the rent though. You can't say that they're losing the rent.

DIRECTOR GREGG: You still have the cost of use. You still have the depreciation of the properties. Whether you want to not justify the rent value or not, that's on you, Mike. It is what it is.

DIRECTOR LIMBAUGH: But the taxpayers are not losing the rent money. That's just semantics. You're saying the taxpayers are losing -- you made the statement taxpayers are losing \$36,000 a year. Explain to me how you define "loss."

DIRECTOR GREGG: Estimated rent and utilities for the properties.

DIRECTOR LIMBAUGH: How is the loss? Where is the loss? Who loses?

DIRECTOR GREGG: Well, they're not generating income, so I guess you wouldn't be --

DIRECTOR LIMBAUGH: But that's not considered a loss.

DIRECTOR GREGG: Either way, that's -- that's my opinion on it. You got the numbers.

DIRECTOR LIMBAUGH: But be factual about your statement. If you're going to say they lose -- if the taxpayers are losing \$36,000 a year, how are they losing it? Where is it coming from? Where is the loss coming from?

DIRECTOR GREGG: There again, the employees being able to live in the property for rent and utility free.

DIRECTOR LIMBAUGH: You could say, okay, they're losing a million dollars at the lake because we're not charging \$20,000 a fish. Okay? So what about that revenue the taxpayers are losing? They're losing a million dollars a year at the lake because we're not charging \$20,000 a fish. They're losing money. We should charge \$20,000 for every fish they catch. I mean, that's exactly the same type of idea you're presenting here. So the loss is the utilities. And I will agree with that. The District is paying their utilities.

DIRECTOR GREGG: Okay.

DIRECTOR LIMBAUGH: I will agree with that. Okay. I will agree with the fact that we do not have a program set up to put people in the caretakers' facilities. It seems like who you know, who you talk to, things like that, and that's not acceptable. So there has to be a way to select the caretakers once somebody moves out and we put a new one in there. That's one thing. If we want to charge them rent, I think this Board has -- has the prerogative to do that. I don't think it's substantial --

DIRECTOR COWAN: I don't think we need to charge them rent. We just need to adjust the program --

DIRECTOR LIMBAUGH: I also agree with you that it seems kind of difficult to really believe that a guy works – a person works all day long, and then goes home and is going to patrol the park all night. That's -- and their list of duties at the Park is long. I'm glad that you said you do believe in the caretaker program. And in a conversation with our head ranger I had last month, he also thinks the caretaker program is – is valuable from the standpoint that it acts as an initial deterrent to vandalism. And as we all know, one of the reasons we have – one of the reasons we have rangers in the park is to prevent vandalism. Six, seven years ago, Hesperia was really wracked with vandalism. We were spending a lot of extra time on -- they formed a task force to prevent vandalism. And that was six or seven years ago. So I don't know how that's played out. I think if we look at the caretakers, our Board needs to consider first and foremost the motion that Director Chandler brought up. Do we want the caretaker program? Once we decide the caretaker program is a yay or a nay, then I think we move from there and we look at (A) the cost of taxpayers; the cost of our District, (B); (C) the functionality of what their real responsibilities are. Okay? Now this comes after we make that initial decision. All those things roll out. We don't need those to make the initial decision whether we keep or reject the caretakers. Okay? So after we make that initial decision, we should look at all these things that we have in discussion because they are important. So that's my thought on --

DIRECTOR COWAN: But the motion that Mr. Chandler made didn't -- we were just discussing, right? We don't need to make a motion.

MS. THOMAS: You make the motion, and then discuss.

DIRECTOR COWAN: Okay. But I mean, we're not approving the program for the year? We're just discussing --

DIRECTOR LIMBAUGH: Yes. So his motion is that we maintain it just the way it is right now.

DIRECTOR COWAN: Yeah. Okay.

DIRECTOR GREGG: Why is there a motion when we're just discussing it?

DIRECTOR COWAN: Yeah, we're just discussing it.

DIRECTOR GREGG: We didn't make a motion on -- on --

DIRECTOR CHANDLER: I believe that we have talked about this long enough. I -- personally, I believe that we're paying for utilities, but the cost of the utilities are offset by these people keeping an eye on the parks. That's what they do. And I'm not going to repeat myself over and over and over again. When they live at these facilities or these surrounding facilities, they instinctively watch out for the Park District. I don't think you can put a price on that. Or what? You want to put a full-time ranger at each park and pay them to do that? I don't think -- I think they're doing that in a sense. I don't think you can put a dollar value on it. But I think the amount of money that's actually being spent, we got a good deal. I'm not going to comment on it anymore. I think we ought to just keep it the way it is.

DIRECTOR LIMBAUGH: That was what your motion was.

DIRECTOR CHANDLER: That was what my motion is.

DIRECTOR LIMBAUGH: And that means maintaining the caretaker program. And I think once this Board makes that decision, then we can address in future dialogue the items that Director Gregg has addressed.

DIRECTOR CHANDLER: No, my motion is to keep it as it is.

DIRECTOR LIMBAUGH: Right, but I think we still should look at those --

DIRECTOR CHANDLER: If you want to do that, go right ahead.

DIRECTOR LIMBAUGH: Not immediately, but over the course -- you know, because that list of their duties is long and strong. It's a lot. And also, about how --

DIRECTOR GREGG: It's totally ridiculous to have a staff member work for you for 8 hours a day, then expect them to stay awake another 16 hours to monitor your park. The caretaker at Calhoun isn't even on the park property. Okay? We've got park caretakers at the lake that it still gets broken into. So, I mean, you've really got to look at what's going on. Like I said, I'm for the caretaker program. I'm not against it. But I think that we need to sharpen up the overall picture of what it should be instead of just letting things go of who can move in there is who you know, people that make \$30 an hour living there. It's ridiculous.

DIRECTOR LIMBAUGH: Okay. Is there any other discussion about this item? Rebekah, did you want to say anything?

DIRECTOR SWANSON: No.

**MOTION:** It was moved by Director Chandler, seconded by Director Swanson and carried with a 4 Aye (Swanson, Limbaugh, Cowan, Chandler) 1 Noe (Gregg) vote to maintain the Caretaker Program as it is.

DIRECTOR LIMBAUGH: Okay. We have the caretaker program. Thanks for all the -- how did you get all this vandalism data? Do you keep this?

MR. WOODS: Uh-huh.

DIRECTOR LIMBAUGH: This is a running record?

MR. WOODS: Uh-huh.

DIRECTOR LIMBAUGH: Not bad.

**N. Approval of Prepayment of Cell Site Lease and Resolution No. 13-06-5.**

**RESOLUTION NO. 13-06-5**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
HESPERIA RECREATION AND PARK DISTRICT, CALIFORNIA, DECLARING  
INTENTION FOR THE PURPOSE OF ACCEPTING  
CELL TOWER LEASE PREPAYMENT**

DIRECTOR SWANSON: I move that we approve the prepayment lease agreement from American Tower and authorize the execution of the lease agreement.

MR. WOODS: And I do need to substitute this resolution with the resolution that's in the document.

DIRECTOR COWAN: I'll second that.

DIRECTOR LIMBAUGH: Okay. Included in your --

DIRECTOR COWAN: Just dates or --

DIRECTOR SWANSON: Would you like me to amend --

MR. WOODS: In the yellow section, there was a sample resolution, and we needed it formatted into our standard format and that signature page.

DIRECTOR COWAN: Sounds good.

DIRECTOR SWANSON: I'd like to amend my motion to include the verbiage as stated in Resolution No. 13-06-5 that follows our normal format.

DIRECTOR COWAN: Second.

DIRECTOR LIMBAUGH: Okay. Discussion? I have several items of discussion. In the agreement, Lindsay, on this Easement Acquisition Agreement, under Item 2, Purchase Price --

MR. WOODS: Right.

DIRECTOR LIMBAUGH: -- seller \$295,000. Okay. I may have asked you this before. Is that their down payment, and when they --

MR. WOODS: No. There's actually two purchase agreements in there. One is for Lime Street, and the second one is for Timberlane. So the balance is Timberlane. So that's the difference between the white and yellow. Lime Street's white; Timberlane is yellow.

DIRECTOR LIMBAUGH: Oh, there you go. Okay. 216,000. So that's the 503?

MR. WOODS: Yes.

DIRECTOR LIMBAUGH: Okay. And on top of the 503, we have to pay a 4 percent commission that comes out of the 503 --

MR. WOODS: Correct.

DIRECTOR LIMBAUGH: -- as stated in the agenda items, so our net is \$482,888; correct?

MR. WOODS: I didn't catch -- I was looking at --

MS. THOMAS: Yes.

DIRECTOR SWANSON: The net cost. The net benefit.

MR. WOODS: It sounds right --

DIRECTOR SWANSON: Yes.

DIRECTOR LIMBAUGH: And is there a time limit on this that we have to act with Sunkay?

MR. WOODS: Once the Board authorizes this, pretty much Sunkay is out and we deal directly with American Tower. And American Tower will cut us our portion of the check and release Sunkay is. Just because of the timing, we can't get the payment from the County according to the contract --

DIRECTOR LIMBAUGH: So if we approve this tonight, when will this happen?

MR. WOODS: This will happen probably within the next seven business days.

DIRECTOR LIMBAUGH: Okay. And their easement document, the way I read it doesn't allow them to make any changes to the existing property, right?

MR. WOODS: Correct.

DIRECTOR LIMBAUGH: Okay. That's all I had. Anybody else? Okay. Roll call vote.

**MOTION:** It was moved by Director Swanson, seconded by Director Cowan and carried unanimously to approve the prepayment of the Cell Site Leases and Resolution No. 13-06-5 by the following roll call vote:

**Ayes:** Swanson, Gregg, Limbaugh, Chandler, Cowan

**Noes:** None

**Absent:** None

**Abstain:** None

DIRECTOR LIMBAUGH: And once we get the money, we can use it to improve the caretaker facilities, right?

DIRECTOR GREGG: Just build condos. Then the whole Park District can move in there.

DIRECTOR COWAN: Only management.

DIRECTOR GREGG: Just them, yeah.

DIRECTOR LIMBAUGH: Okay. It's not even 10:00 o'clock.

DIRECTOR SWANSON: We're not done.

DIRECTOR COWAN: Now this is a good subject.

DIRECTOR GREGG: It's always good to rush in the public's business, sarcastically speaking.

**O. Consider Options Regarding Corona Center Mortgage.**

DIRECTOR LIMBAUGH: Okay. Special Reports.

DIRECTOR GREGG: O.

MS. THOMAS: O.

DIRECTOR LIMBAUGH: O.

DIRECTOR SWANSON: O.

DIRECTOR LIMBAUGH: Let's go back to K.

MS. THOMAS: No.

DIRECTOR SWANSON: No.

DIRECTOR LIMBAUGH: Actually, I -- we don't need to sign this because we don't have the money yet.

DIRECTOR COWAN: Well, we're looking into the future.

DIRECTOR LIMBAUGH: Which is kind of true.

MS. THOMAS: Before you all leave, I need everyone's signature on this resolution. It's a different kind of resolution, and everyone must sign it. So please don't leave without signing it.

DIRECTOR LIMBAUGH: Okay. If we -- in the next seven business days, or by the next meeting, we will have this money, correct?

MR. WOODS: Yes.

DIRECTOR LIMBAUGH: Okay. I would recommend that we don't necessarily make a decision until we get the money in hand, and we ratchet through the budget in the next couple months. There's no urgent need to, in my mind, to earmark this money. The question I had for Rachel, our current payment for the Corona Center is 75,000 a year?

MS. THOMAS: 70,000 and -- it's 35,189 twice a year, so it's 71,000 rounded up.

DIRECTOR LIMBAUGH: Okay. All right. What I would recommend is you guys keep these pages with you and be thinking about what they've talked about, what -- basically, we could spend the money on anything we want, what the Board decides to do. And I would say let's take a couple months and think about it, come up with ideas, look at what we have in the budget.

MS. THOMAS: Instead of -- so you're thinking you might want to do the loan --

DIRECTOR LIMBAUGH: Buying off the Corona Building is one of the things we can do. Okay. So --

MS. THOMAS: My question would be, are you still interested in the loan to pay off the Corona Building? If you decide to use the cell tower prepayment elsewhere, I would just need to let the bank know that you want to put it on hold, you're not sure yet, or no, we don't want to do that.

DIRECTOR LIMBAUGH: Is there any prepayment -- how much does it cost us to refi?

MS. THOMAS: That's Option 2 and 3, depending on what you choose.

DIRECTOR LIMBAUGH: 15,000?

MS. THOMAS: No, it will cost us \$103,269.22 in interest, plus, we will have to pay \$15,000 --

DIRECTOR LIMBAUGH: You have to pay the interest up front in one chunk?

DIRECTOR SWANSON: Over the course of the loan.

MS. THOMAS: No, over the course of the loan, the tenure of the loan.

DIRECTOR LIMBAUGH: But you have to pay the appraisal fees, 15,000?

MS. THOMAS: Correct. And all three buildings will be encumbered. So right now, we have two free and clear buildings, Park Center and Hercules. The bank is requiring all three loans -- all three buildings to be on as collateral for the loan. So I need to let the bank know whether we want to put it on hold, you don't want to do it --

DIRECTOR COWAN: I support the idea of paying off the Corona property, so -- I mean, if we can get the vote on it, we may be able to do that now.

DIRECTOR LIMBAUGH: Well, let's get the money first.

DIRECTOR COWAN: Well, we're just earmarking this for when we do get the money in seven days, seven working days possibly. Then we can do something with it.

DIRECTOR CHANDLER: Make a motion.

DIRECTOR LIMBAUGH: Okay. Make a motion.

DIRECTOR COWAN: I make a motion that we use the prepayment money from the cell phone towers to pay off the Corona property in full as soon as possible.

DIRECTOR LIMBAUGH: I'll second it.

MS. THOMAS: Mike? Okay.

DIRECTOR SWANSON: Can you think of a better use for that money right now?

DIRECTOR LIMBAUGH: Well, no, I can't, and --

DIRECTOR SWANSON: Are you hesitant to --

DIRECTOR LIMBAUGH: I would not enter into these -- if they're going to make us put up those other buildings as collateral -- and actually, I think the interest rate's probably gone up.

MS. THOMAS: No, I have them here, the ones you need to sign. I don't know where that came from.

DIRECTOR CHANDLER: That came from me.

MS. THOMAS: Oh, it was for you to look at.

DIRECTOR CHANDLER: Oh.

DIRECTOR LIMBAUGH: I think if we own the Corona Building --

DIRECTOR GREGG: We're still going to have this left over.

DIRECTOR LIMBAUGH: I know. I think if we own the Corona Building free and clear, it makes it easier to sell it in the future.

DIRECTOR SWANSON: Oh, Mike, one --

DIRECTOR LIMBAUGH: No, the only reason we bought that building was for something that it doesn't do now. That's the only reason. The sole reason we bought that building was for the skating thing.

MS. THOMAS: Roller hockey.

DIRECTOR LIMBAUGH: And they don't have the roller hockey leagues anymore. They all disbanded or went -- blew to the wind someplace. So now it's basically -- we're -- we're rent -- we're the slum lords. We do use the basketball facility in there --

MR. WOODS: Basketball and skating --  
DIRECTOR LIMBAUGH: Did they repair the roof?  
MS. THOMAS: Yes, we did that.  
DIRECTOR LIMBAUGH: No, no. But we don't have that anymore?  
MS. THOMAS: Correct.  
DIRECTOR LIMBAUGH: It's leaking again?  
MS. THOMAS: No.  
DIRECTOR COWAN: -- tell me about holes in the wall.  
DIRECTOR LIMBAUGH: So right now, I can't say, but if you take this money -- if you take the \$376,000 and combine it with 200,000 from the reserves in Park and --  
MS. THOMAS: Hercules.  
DIRECTOR LIMBAUGH: And the 200, almost 300, we have a million dollars that we could do a new facility.  
MS. THOMAS: Plus you won't be paying the \$70,000 a year of principle --  
DIRECTOR SWANSON: Current mortgage.  
DIRECTOR LIMBAUGH: How long does it go until?  
MS. THOMAS: 2024, or something.  
DIRECTOR LIMBAUGH: No, it can't --  
DIRECTOR SWANSON: I don't think we're going to get an opportunity like this again.  
MS. THOMAS: We got it in 2000, so it's at least a 20-year loan, right?  
DIRECTOR LIMBAUGH: No way.  
MS. THOMAS: Yeah.  
DIRECTOR CHANDLER: Let's take a vote.  
DIRECTOR SWANSON: Do you want --  
DIRECTOR LIMBAUGH: -- cost us 675,000.  
DIRECTOR SWANSON: Mr. Limbaugh, do you want to wait, or do you want this pending the payoff?  
DIRECTOR LIMBAUGH: No. You know, fine. It's just a big chunk of money --  
DIRECTOR SWANSON: Because if you have a concern and I understand what you're saying.  
DIRECTOR LIMBAUGH: We still have the building. So how much is the building that --  
DIRECTOR GREGG: At any given time, we could refinance that building in an emergency.  
DIRECTOR SWANSON: With as crusty a loan as this, I think easily.  
MS. THOMAS: Yeah.  
DIRECTOR LIMBAUGH: Our own bank wanted to hold us --  
DIRECTOR SWANSON: To encumber all three buildings. I don't care for that kind of negotiation.  
MS. THOMAS: Even though -- and the Corona -- you know, all the rents are in. I mean, the building's full.  
DIRECTOR SWANSON: It's totally rented.  
MS. THOMAS: Yeah. Times are tough.  
DIRECTOR SWANSON: And then we even -- we have money to perhaps look at other further additions that we can make to our Park.  
DIRECTOR LIMBAUGH: Okay. I'll support it --  
DIRECTOR SWANSON: Okay.  
DIRECTOR LIMBAUGH: -- buying the Corona Building. I think that's a good deal.

MS. THOMAS: First and second?

DIRECTOR LIMBAUGH: And if this passes and we get the money next week, the new revised budget will reflect the absence of the \$75,000?

MS. THOMAS: I'll do my best, yes.

DIRECTOR LIMBAUGH: Okay. Good.

**MOTION:** It was moved by Director Cowan, seconded by Director Limbaugh and carried unanimously to use motion that we use the prepayment money from the cell phone towers to pay off the Corona property in full as soon as possible.

MR. WOODS: Thank you.

DIRECTOR COWAN: That was good. We went from pushing it months away to handling it.

DIRECTOR LIMBAUGH: All right. That's good. That's good. I just -- it's -- to me, it's something -- it's a lot of money for us.

DIRECTOR COWAN: It is, but I'm happy to be able to spend it wisely. So if we have money left over, we'll do another program --

DIRECTOR LIMBAUGH: Well, we don't know --

DIRECTOR SWANSON: Pending. Pending is the key.

(Several people spoke at the same time.)

DIRECTOR LIMBAUGH: All right. This is the one we sign? Okay. Let's move on to the General Manager's Report. Lindsay?

## **SPECIAL REPORTS**

### **General Manager**

MR. WOODS: Skate Plaza. It seems like every time we turn around, we're facing something new. They lost their concrete finisher that was going to pour the park, and they have not been able to get a grader in over there. They assure me that they have somebody, but it's scheduling. So they've got the forms up for the perimeter, and they're going to be -- once the final grade is made on the inside, they'll come in and pour the interior walls. Then we can get the concrete on the ground. I've been working with some people to try to solicit some of the other local concrete contractors who might be willing to provide labor to the District at no cost to come in and work on finishing the project. We could pour it with staff. My problem is if the finish isn't just right, I don't want to be taking the blame for it not being skateable the way it should be. Staff has formed it up. We've been in constant contact with Kevin Enos with Pharmacy, and we're waiting for them.

DIRECTOR CHANDLER: Have we established any kind of completion date for this project?

MR. WOODS: Well, I think a couple of months ago I told you 60-90 days, and I think we're probably at the 90-day mark. But it could break loose tomorrow. So they're -- we're going to schedule a meeting to meet with them and tell them basically, either you pony up by this date, or we're going to have go --

DIRECTOR CHANDLER: That's what --

MR. WOODS: -- and handle it another direction. So -- and they're doing the same thing. Our name's going to be on it. We don't want it to be anything that's not done right. So we're trying to go about it in a fashion that's -- so at least we're in agreement on that. And they're good

people to work with. It's just they've had some unfortunate turns with some of the people that they are working with.

DIRECTOR LIMBAUGH: So there's no hard feelings over there? They're proponents of the skateboard park?

MR. WOODS: Yeah. They still want to do the project, and they just -- and they don't want to let go of control to a certain extent. They want to try to use professionals on it, which I agree with them.

DIRECTOR LIMBAUGH: Do you need direction from us to get it done. Spend more money?

MR. WOODS: No. I mean, if you want to, we can take it out as a typical prevailing wage job with public works job. We'll probably end up paying 100,000 for it.

DIRECTOR GREGG: That's what we got --

MR. WOODS: We could go out, or we can try to penny-pinch it and save the money. And that's what we're going to try to do.

DIRECTOR LIMBAUGH: But you think moving at this pace, even though we're at the 90 days now, another couple months, then, we should be able --

MR. WOODS: I really thought we would be done with it. Because they had a lot of momentum, and they -- so we're staying after them and trying to keep things going. And I've just got to make time to make some phone calls to some of these contractors that somebody provided me a list of to find out if anybody's willing to do -- I wish we would have had it -- we were even talking to the Mormon Helping Hands Group because we don't know if the Mormon Church might have some concrete contractors that might want to come out and help us with the finish. That's all we need help with is help with the pour and the finish. If we have to grade it, we'll grade it to get the grading done. If we have to finish the form, we'll finish the form. It's the finish and the pour that we need some assistance with.

DIRECTOR LIMBAUGH: Okay.

DIRECTOR GREGG: Could we have some estimates as to what the yardages are going to be? I'm just asking so I can pass that information out.

MR. WOODS: They told me, but after last month when I quoted 30,000 cubic yards or whatever it was -- there's a lot of numbers here, especially after looking at that reserve study --

DIRECTOR LIMBAUGH: It's like a containment vessel for --

MR. WOODS: I can find it. Do you want me to email you that?

DIRECTOR GREGG: Yeah. That way I can pass it on to a couple of contractors.

DIRECTOR LIMBAUGH: But the finish I can understand is kind of important, because if it's not right, the skateboarders won't like it.

MR. WOODS: And don't think that we're just pouring concrete and that's it, because they have the steel --

DIRECTOR SWANSON: It's specialized.

MR. WOODS: -- stepped grind surfaces that have to be set in. So it's not just a form it up and pour it. There's some technical aspects to it that have to get done correctly.

DIRECTOR LIMBAUGH: Impaling objects.

MR. WOODS: Okay. I was writing. Cubic yardage. Okay. All right. Hesperia Lake, we're still working on reorganization. And as you all know, Ed left earlier this month, so that's playing into all of that.

DIRECTOR LIMBAUGH: Who took his place?

MR. WOODS: No one at this point. Jo Geren was at the lake before Ed came, Chris and Henry have been there for a long time. We're trying to figure out how we're going to make that work.

DIRECTOR LIMBAUGH: Do we know where Ed was going? Did he say where he was going?

MR. WOODS: He didn't say where he was going other than in the conversation that I had with him that other lakes were approaching him or offering him now that he's available to help with their promotions and marketing.

DIRECTOR LIMBAUGH: Here? Like Apple Valley?

MR. WOODS: Like Corona Lakes and some of the bigger lakes down the hill.

DIRECTOR GREGG: So are you done with the lake? Because I have a comment about it.

MR. WOODS: Okay.

DIRECTOR GREGG: Okay. So with the reorganization -- because you're saying we will also be exploring ideas to increase revenues and reducing the operational expenses. We just looked at the lake reports here a month or so ago --

MR. WOODS: Uh-huh.

DIRECTOR GREGG: -- and it shows some loss, some profit. I don't -- you know, not -- that whole lake coverage kind of escapes me right now, but -- so with the loss of Ed, and with these affordable health care we're doing, are we going through and cutting everybody's hours across the District?

MR. WOODS: We are looking at affordable health care, but there are other items that I've been discussing with the personnel committee that will have to be addressed at a later date.

DIRECTOR GREGG: I'm just curious because you said -- you know, we've got long-term employees down there. I think there's five total lake employees down there that have been long-term employees of the District. And for them to be going from 40 hours a week to 10 hours a week or 18 hours a week -- whatever the magic number seems to be to the District -- we're talking about filling -- filling administrative operations positions, and we don't care about how much we spend for car allowances, caretaker programs -- when it comes down to taking care of long-term employees, the District seems to fail in that area. I'm just -- I'm just curious. If we're -- you know, again, with the ASAP employees last year, losing all those employees -- one employee was a 17-year employee that left. Ed -- Ed was, you know -- how long has Ed worked for the District?

MR. WOODS: About 10.

DIRECTOR GREGG: The big thing down there -- the big thing at the lake that I've seen -- and I've brought it up many times before -- is that it's so top-heavy with management that -- you know, you have so many chiefs running around down there. And I actually got to witness this firsthand when I took my granddaughter down there for the fishing clinic. It's so top-heavy with management that we have nobody down there operating the Indian slots. But anyway, it's very sad to see Ed Rister leave the District after so long. I think he was a very pertinent part of lake operations, and I think he did a lot for the District on his own time and to directly benefit the District. And I'm concerned for our employees, you know. Like I said, we're cutting everybody's hours. They're going to run off. I've seen a listing for 10.16 an hour. We're hiring new employees for the District down at the lake. We have employees there. What are we doing? So the reorganization and all that to be coming -- we're also exploring ideas to increase the revenues. You just lost your biggest key to -- to increasing revenues down there, if he was able to do just whatever was necessary to do that. And with the lake

being that -- well, on the lake report though, what I didn't see was a credit for the million dollars in fish that we got in there. That's all I have.

MR. WOODS: All right. Hesperia Golf and Country Club. I've been in contact with the City Manager and trying to get the contract done. I was working on some of the language today. And hopefully, we'll have something soon that will address the longer-term relationship with the golf course. The High Desert Farmers Market has been in operation. They probably have a little bit smaller of an operation than what we did. They're kind of confining their area to the round -- or the rotund area behind City Hall where we have more -- it was more spread out throughout the park. I have not been provided with any numbers, and I haven't spoken with anyone other than City staff that have been at the event. But everybody seems to think that what's being offered over there is good. Wind continues to be a complaint, but there's nothing that we can do about that. So we just keep moving on. But there's been no problems that I'm aware of. The City's 25th Anniversary. We met with the City staff, and you can see that we're helping with the Fun Run on May 29th. And registration for that is available on the District's website. The confirmed participation for Hesperia Days is the fireworks show. The City is going to contribute 12,500, and we're going to contribute our standard 2,500. The City's also going to sponsor the headliner band in the tune of \$5,000. They will do a partial sponsorship of the 5K run shirts, plus assist with the designs and making it kind of unique to tie in with their theme. They're going to help us with flyer designs, and they're going to assist with the funding for the staff and volunteer lunches that are provided at the event. And in the tentative participation, they're looking at possibly doing some type of sponsorship in the Kids Zone area and maybe doing discounted tickets. And then the idea of hometown games, contests, things going on possibly during the event on the soccer fields, like wheelbarrow races, hop --

MS. THOMAS: Three-legged.

MR. WOODS: Three-legged races, or knapsack races, or whatever you call them. They might do something like that. And they're going to try to work with other community organizations such as the Chamber of Commerce to possibly assist with some of those activities. So it looks like this year's Hesperia Days is going to be exciting with a lot of activities and a big fireworks show. Then you have my report from the CARPD conference that we attended. And I will not take you through all that because you're capable of reading it.

DIRECTOR CHANDLER: Mike, how did that go?

MR. WOODS: And that's it.

DIRECTOR LIMBAUGH: It was good.

DIRECTOR CHANDLER: Really? What did you learn?

DIRECTOR LIMBAUGH: Who me? Well, the health care -- I went to the health care one. And I thought that was -- I learned how they established the health care, that the rich are going to pay for the poor. That's -- that's clear in the policy -- clearly stated in the policy. I mean, it doesn't say rich for poor, but it pretty much says, if you earn this much, you're going to pay for somebody that earns this much. And everybody will have health care, so it's equitable from the standpoint that everybody will have health care. And that's where the equitability ceases to move forward. I think the main thing was about the 50 people. And I think our District -- we're kind of almost in that group.

MR. WOODS: We're over --

MS. THOMAS: Oh, we're over that.

DIRECTOR LIMBAUGH: We're way over?

MS. THOMAS: Because you have to take --

DIRECTOR LIMBAUGH: Because other districts that were within that, you know, they're like 47, 48. And if they can stay below 50, they -- whole another ball game with the health care regulations. Actually, for the -- if we didn't change our health care coverage, for us, the amounts of money wouldn't be significant to make a change because we're not -- we don't have a lot of rich people. It's when you're dealing with people that are making hundreds of thousands of dollars in salary -- which we only have a couple that even come close to that -- that the problem becomes that their health care benefits -- you have to make sure that the people who make \$10 an hour can afford the same health care coverage that somebody makes at the top thing. And that's where the rub comes. And the District would have to pick up those costs, which I think -- I think we still may have to do in the future depending on how the plan adds up. But the guy basically said it changes every month. The main thing is the AB 5 -- I thought it was 405? It's AB 5.

MR. WOODS: I'm pretty sure it was 5.

DIRECTOR LIMBAUGH: Okay. AB 5, that's going to be dead. They're not going to do that, about the homeless -- the parks have to open up to the homeless. And the other thing is the State doesn't -- there was an article actually in the Times today about the budget. They're actually putting aside, I think, \$600 million not to be touched the whole year. So they'll have a roll-over of at least 600 million for next year's budget. The legislature and the governor agreed on that today. So the main thing about the budget was we don't know how much surplus they have, but they think they have a surplus --

DIRECTOR CHANDLER: They're not doing anything with the debt.

DIRECTOR LIMBAUGH: Of course, the last time we saw the surplus, we had an \$18 billion debt. So shortfall -- so, I mean, don't -- don't get your hopes up. But the encouraging thing was we will be left alone this year. Special districts will not have to get hurt by the State taking money away from the County and the County taking away money from us because we're the weakest link in the chain. The other thing I also read is they're giving money to the prisons because I think they're going to take people in state prisons and shift them to county institutions without money. But now they're going to give them money to take care of that, so that's also going happen. So those -- probably the health care and the budget were the biggest things. I didn't go to all -- all of the classes. Did, Rebekah, you and Kelly have anything to add on any of the places that you visited?

DIRECTOR SWANSON: No. They were outlined in the Manager's -- General Manager's Report. I always look forward to Ralph Heim's report because he really is able to drill down on the things that are going to affect park -- recreation park districts.

DIRECTOR CHANDLER: I thought he was retiring.

DIRECTOR SWANSON: We're really relieved that he keeps coming back. But he's bringing people on that -- you cannot possibly pass on his area of expertise and his background --

DIRECTOR CHANDLER: Right.

DIRECTOR SWANSON: -- however, I'm really glad he's taking his time and making sure that he's bringing his replacements along, and they're also presenting. But I think he's doing a really good job training them and giving them background information.

DIRECTOR CHANDLER: That's good.

DIRECTOR SWANSON: That's a brain trust we're losing right there. And I think he saw how -- he said the "R" word and everybody reacted to that, and I was very gratified to see that he

was fully cognizant of how we all took that -- you know, I'm happy for you, but sad for us kind of feeling -- and is trying to assuage those -- those uncomfortable feelings that some of the Districts had. Because he is a great resource for us, and he continues to be so.

DIRECTOR LIMBAUGH: So all of the -- you should go on one of those next year. If any Board member goes, you should go.

DIRECTOR CHANDLER: At least one.

DIRECTOR COWAN: Okay.

DIRECTOR LIMBAUGH: Just to see the family that you're part of. That's my recommendation. I did have another question about one of your reports. And if we might spend a minute about -- talking about Hesperia Golf financials. Is that what's up next, the financial stuff? The monthly budget report?

MS. THOMAS: Sure.

DIRECTOR LIMBAUGH: Couple questions. We kind of talked a lot of about this. The golf course is doing -- it still loses money. Big fact. All of you must know every month we spend money at that golf course without getting reimbursed for it. The question I have is, under the A3 Personnel Costs, Total to Date, Year to Date, we've spent \$232,000 for people that work at the golf course. That's the A1 and A2 Personnel. I'm on -- this page is in your financials if you want to follow along. Okay. Total to date for personnel costs that are not at the golf course all the time, some of the time, is 97,000. What do the Maintenance II people do 50 percent of the time -- of their time there? What does that mean, "Maintenance II people, 50 percent of the time." Can you explain that, what that means?

MR. WOODS: During the summer months, we ramp up and we have staff come back during the winter months. Two of those staff pull off and go to other sites.

DIRECTOR LIMBAUGH: Okay. So my -- which is not reflected in the time that it's spent because you give them 1/12th every month. If you look at your lines there, they're all the same cost every month.

MR. WOODS: Yeah, yeah.

DIRECTOR LIMBAUGH: But in actuality, what you're saying -- like, in January, they may be zero. But in July, it may be 10,000?

MR. WOODS: Right.

DIRECTOR LIMBAUGH: Okay. All right. Just so I understand that.

MR. WOODS: And that's my understanding of it. That's what we were doing. I would need to check with park supervisors to see that nothing's changed, but --

DIRECTOR LIMBAUGH: Here's my general comment to this. If we are spending 97-, 98,000 -- well, it's roughly 40 percent. We spend 40 percent of the total labor costs on this golf course thing, on the people that aren't there all the time. So there's one -- however many of these A1 and A2 people are. Because what's 232,000 divided by 97? I mean, it's a big percentage of off-site people. Is there any way that this can be better verified? And I'm not saying that it's not realistic. Because these percentages -- I mean, you've obviously kept track of time of what people -- what they're working on. And if this is the case, is there any way we can reduce this? That's a huge amount of overhead. Except for the maintenance guys, which you will check on that one to see if that is a realistic number. Because theirs is a third of the -- I'll call them indirect costs. Because right now we're -- we're pretty close to exceeding the 100,000 of loss this year. We're doing good. We're doing better. So the next two months that they end up being profitable, we'll end up pretty good. We'll end up what we forecast, which is -- which is what

it should be. I'm just thinking if -- for this Board to make the decision to keep the golf course, part of that decision has to -- a large value with the finances because this is costing -- and I'll use Kelly's words -- I believe this is costing the taxpayers a lot more than anything else that we got going out the door right now. That's just -- I'm just stating the facts.

MR. WOODS: If the Board wants to reanalyze the indirect costs and decide --

DIRECTOR LIMBAUGH: We don't -- I would prefer that you take a look at them in some due fashion, if that's possible. That's all I'm asking.

MR. WOODS: Well, I think that they're pretty solid numbers because we did look at them, and we're scheduled to look at them again next year.

DIRECTOR LIMBAUGH: Okay.

MR. WOODS: The only thing that I could say is we could -- I could eliminate some of the -- like Brandon's time. He does spend time down there, but I could pull him out and that not be included. But we were trying to give an accurate look of the time that was spent --

DIRECTOR LIMBAUGH: And believe me, I'm not saying -- all's I want is accurate, because eventually it ends up costing us money based on -- if you give us the wrong numbers, we make the wrong decisions, it's going to cost us in the long run. So I'm not saying that. But I mean, I'm looking at you. Do you spend 10 --nowadays, I would say, yes, you spend 10 percent of your time dealing with golf course issues, getting the agreement involved, meeting with the City, blah, blah, blah. But after that's done, on a regular basis, are you going to be spending 10 percent of your time on the golf course?

MR. WOODS: I hope not. I hope not.

DIRECTOR LIMBAUGH: So I think there's room for -- maybe, you know --

MR. WOODS: Okay. I'll look at it.

DIRECTOR LIMBAUGH: That's all I'm saying, Lindsay, is the number looks weird.

DIRECTOR GREGG: Well, especially whenever 10 percent of the time for the park supervisor is \$10,596, which times 10 of that is -- he's making 105,000 a year?

MR. WOODS: Well, that's including his benefits and retirement and everything.

MS. THOMAS: It's not just X dollars an hour.

MR. WOODS: It's the cost of the District to have that employee --

DIRECTOR COWAN: No, it's good that everything's rolled in.

MR. WOODS: And remember, I'm trying to be the opposite of what -- how it was being reported previously. I'm trying to show all the numbers --

DIRECTOR LIMBAUGH: No, I -- you presented it good, but I think it warrants our analysis of it because we're the ones who are going to have to make the decision whether the people that we work for should -- should move ahead with this thing. Because it's a lot of money. And you know, we're dealing with an entity that, you know, they told us what -- they thought we were going to all kumbayah, but that could change next month.

DIRECTOR GREGG: Well, we've got all that money in AD #2. We'll be fine.

DIRECTOR COWAN: With the percentage of time that is being utilized by the staff in A3, would it be possible to do additional training for any of the personnel in Alpha 1 so that it could lessen the amount of time that they're spending at the golf course, and the people that are on site can take over a few of these responsibilities? Like, I know we can't take away the 10 percent that you go there because that's needed. But 1 percent used by the receptionist, people calling the District, asking about it, forwarding over there, giving contact information, we can't take that away. But when you look at some of these other ones -- Recreation Supervisor, 22

percent of the time; Park Supervisor, 10 percent of the time -- are they going over there and completing tasks that we could possibly train or mentor the staff that's already on site to do? I'm just looking at what's best for our employees, maybe trying to get our employees to maybe step up a little bit. Is that possible? No?

MR. WOODS: I don't think so.

DIRECTOR COWAN: No? Okay. It was --

MR. WOODS: But I will ask those people to see -- the problem is when we have turnover, training the new staff and -- yeah.

DIRECTOR COWAN: No. I appreciate your answer. That's why I was asking your advice on it and why you thought -- because I'm not sure why they're going there. You have a better idea. So you know if we can train somebody or we can't. That was it. Thank you.

DIRECTOR LIMBAUGH: Anyway, that's -- I just thought that that was -- it's great information. And I'm glad you provided this amount of detail because this helps us look at what's -- it should be a management tool also. But it is still money that we're losing. That's the main point.

MR. WOODS: And there is the old school of thought that management maybe shouldn't be included in there.

DIRECTOR LIMBAUGH: No, it's a cost.

MR. WOODS: If we're looking at \$30,000 roughly, looking at this, I mean, we could take that out. So -- but I mean, at the time we did this, it was a comprehensive look at the golf course.

DIRECTOR LIMBAUGH: No, this is the real cost.

MR. WOODS: Right.

DIRECTOR LIMBAUGH: I mean, you can say -- and here's how you bridge that. With or without the golf course -- we're still paying your salary and we're still paying Rachel's salary with or without the golf course. Okay? Whether we allocate it to the golf course or not serves a different purpose because it gives the real cost of what that cost the taxpayers.

DIRECTOR COWAN: You could be spending 10 percent of your time somewhere else if you weren't spending it at the District.

DIRECTOR LIMBAUGH: Yes. But the point is, he does anyway. Because if we got rid of the golf course, we're not going to dock his pay --

DIRECTOR COWAN: No, he'd just be working on other programs. That's why I'm saying --

DIRECTOR LIMBAUGH: That's right. That's right.

DIRECTOR COWAN: Because no matter what --

DIRECTOR LIMBAUGH: Because it takes away from their effort.

MR. WOODS: And we actually did put a note, I think, here on the footer that these numbers would be -- I guess it's not on there -- I guess it was on the summary page -- for these numbers -- that we said that we're going to study the numbers annually to justify them. I want to go back and look at them.

DIRECTOR COWAN: I'm sure it's difficult to figure out exactly how much time you spend there without taking out a stop clock --

DIRECTOR LIMBAUGH: But you are looking at this. That's important.

MR. WOODS: Yes. One other thing on the golf course is, I think everybody knows that the well went down. The pump was down. The City did trench over an 8-inch line, and they're -- they've got it feeding the pond right now, the irrigation pond. I don't believe that they have it 100 percent complete because now it's down to a 4-inch line that they have to ramp back down

and put a float device on it. And the last thing that I heard is they were planning on having the pump rebuilt because they're figuring out how much it costs to pay to have to irrigate off of domestic water, and I believe it's cheaper for them to do it with well water. So they are going to be replacing that well pump.

DIRECTOR LIMBAUGH: Well water, that's what you drink. They douse it a little bit with chlorine, but that's about it. They don't treat -- the drinking water of Hesperia is not treated, my friends.

MR. WOODS: I know. I know.

DIRECTOR SWANSON: Because it has the best filtering --

DIRECTOR LIMBAUGH: Because it has the best filters.

MR. WOODS: Because they're metering it a little differently that I think they have a --

DIRECTOR LIMBAUGH: Domestic service? Yes, we should, but since the lake -- since the thing -- it's very complicated with the adjudication according to MWA. Yes, they should have always gotten credit because it's like an ag. Ag gets credit. I don't know if the golf course -- because those ponds are lined -- the ponds are lined with plastic.

MR. WOODS: Where?

DIRECTOR LIMBAUGH: At Hesperia. Well, no, originally. That's why they didn't get credit.

MR. WOODS: Oh.

DIRECTOR LIMBAUGH: Yeah. So I told -- I told several people they should go back in. Anyway moving on.

## **Board Member Reports**

### **Standing Committees**

#### **Recreation Foundation - Swanson/Cowan**

DIRECTOR LIMBAUGH: Board Member Reports? Recreation Foundation? Rebekah?

DIRECTOR SWANSON: Andrew?

DIRECTOR LIMBAUGH: Nothing? No Foundation? It's in the book?

DIRECTOR SWANSON: It's in -- it's in the book.

#### **Tri-Agency - Swanson/Cowan**

DIRECTOR LIMBAUGH: Tri-Agency, you didn't have a meeting this time?

DIRECTOR SWANSON: We did not.

DIRECTOR LIMBAUGH: Gee, it would have been nice to hear if that Ranchero thing --

DIRECTOR SWANSON: Well --

DIRECTOR LIMBAUGH: By the way, remember, dress appropriately.

DIRECTOR SWANSON: Dress casually.

DIRECTOR COWAN: I will be running, so I will be registering.

#### **Safety and Security - Chandler/Gregg**

No meeting held.

#### **Personnel Committee - Limbaugh/Chandler**

No meeting held.

#### **Audit Committee - Limbaugh/Gregg**

No meeting held.

### **Ad Hoc Committees**

#### **Golf Course Ad Hoc Committee - Limbaugh/Cowan**

No meeting held.

### **Civic Plaza Ad Hoc Committee – Limbaugh/Gregg**

No meeting held.

### **Monument Ad Hoc Committee – Chandler/Cowan**

DIRECTOR LIMBAUGH: The only other committee, the ad hoc committees that met was Monument Ad Hoc. Director Chandler?

DIRECTOR CHANDLER: Yeah, we had a good meeting. Manager Woods was there, and myself, and Director Cowan, and Foundation Board Member Drylie were there.

THE REPORTER: I'm sorry. Foundation Board Member who?

MS. THOMAS: Drylie, D-r-y-l-i-e.

THE REPORTER: Thank you. Sorry.

DIRECTOR CHANDLER: Lindsay discussed an overview of the historical programs all together. And he also mentioned that the Harrison Exhibit Center may have some interest in the Route 66 Museum in Victorville to do a display exchange program. We had quite a bit of discussion – lengthy discussion on monuments and markers and the maintenance of those things and what it would take to repair those things and redo them, refinish them, or whatever just to maintain them. So staff is going to be looking into the cost of what it would take to do some of those things and kind of revitalize the marker program that we have right now. I know that Director Cowan suggested that you might consider it, being part of the Hesperia Days program sometime, which I think would be a good idea. We looked into -- we're talking about adopting -- actually, it was my idea -- we come up with an adoption, a program to -- adopt-a-monument program so that individuals -- to look out after the monuments and kind of take care of them. The program could be similar to an adopt-a-block program provided by the City of Hesperia.

DIRECTOR SWANSON: It would be a great Girl Scout or Boy Scout project, I would think.

DIRECTOR CHANDLER: We went over to both of the sites down there, the memorial site and the 9/11 site, talked about different ways to spruce them up a little bit and improve the looks of them, replacing some of the bricks down there on the monument site with pressed papers -- what are they? Pressed concrete?

MR. WOODS: Stamped concrete.

DIRECTOR CHANDLER: Stamped concrete. And on the 9/11 site, we have some volunteers who come in and do some work around the 9/11 site to make it a little bit better and expand it out a little bit from the two stone walls that we have down there. Also, we were talking about putting in a couple of benches down there in close proximity to the 9/11 site.

DIRECTOR LIMBAUGH: That you can do with donors, too. It could be all over the parks.

DIRECTOR CHANDLER: We had talked a little bit about maybe buying -- purchasing a couple of benches that were -- maybe one that had an embossed logo that related to the fire service and one to the police service, and having them down there. So that's something that I think would be a good idea, if we could get something like that.

DIRECTOR LIMBAUGH: Did you attend the Memorial Day?

DIRECTOR CHANDLER: I'm sorry?

DIRECTOR LIMBAUGH: Did we have a Memorial Day service?

DIRECTOR CHANDLER: Well, we did clean it all up. Normally, we don't have one.

MR. WOODS: We normally just do Veterans Day.

DIRECTOR LIMBAUGH: Veterans Day. I thought we did Memorial Day, too.

MR. WOODS: We had flags up, and the site was decorated.

DIRECTOR CHANDLER: Andrew suggested that we mark the memorial site on the lake facility maps so visitors know where they're at -- know where it's at. Both -- actually, both those sites, 9/11 site and the memorial site.

DIRECTOR LIMBAUGH: On our -- the District pamphlet thing?

DIRECTOR COWAN: On the map at the lake. There's a map. So when you go there and look at it, you can see there's other stuff besides just the lake.

DIRECTOR CHANDLER: That would be a good idea. We also pretty much decided that -- you know, I was kind of in favor of, at one time, getting a larger flagpole, but I think because of the increased expense on doing something like that, I think it would be okay just to forgo that and -- but we're all in agreement that we should light that flagpole up, get that light going.

DIRECTOR LIMBAUGH: At Hesperia Community?

MS. THOMAS: No, at the lake.

DIRECTOR CHANDLER: The memorial site. And also, we discussed the different types of the sizes of the monument stones to be used, the various types that we could use for -- you want to comment on that a little bit?

DIRECTOR COWAN: We ended up going out and looking at some of the stone and what we might end up doing. As long as the Board approves it and it's something we can do, is using a larger stone than what is already out there, just so we're not spending the money to shape a stone to look like the other ones. And this stone is actually what we're discussing. It's going to be the War on Terror. And it is going to be a slightly larger stone, and we're not trying to say one's more important than the other, but it's going to represent a longer period of time. The War on Terror technically has been going on for 12 years, give or take, and it's an idea that -- I didn't think it was the right thing to do by listing Iraq, Afghanistan by themselves, just because we may go back. We don't have official dates on a lot of that stuff, and there's so many countries who support the Operation Enduring Freedom, the War on Terror. You have to include Kuwait, certain areas of Kosovo, the Philippines -- everywhere we've been. There's Africa, Libya -- all different places. So I think given the War on Terror, we can recognize everybody at once and not leave one group out. So it is going to be slightly larger. And right now, we're just working on what the verbiage would be so we can bring it back to the Board and put it on there. But it's going to be good. We're stepping forward on it. And once again, like I said, I don't want to off-shoot from what is already there. We still have veterans in the area from Desert Storm. We still have veterans in the area from Vietnam. I'm trying to make it clear, and I'm speaking to people at the VFW, IVA, the Iraq and Afghanistan Veterans of America, just to kind of touch base with them. And everybody seems to understand that it's not that we're creating a bigger monument for that; it's just it's going to serve as a bigger time and a longer period of time is why we're going to do it that way.

DIRECTOR CHANDLER: That's good. That's good. I have nothing else to add.

#### **Skate Plaza and BMX Ad Hoc Committee - Chandler/Gregg**

No meeting held.

#### **Other Related Business**

DIRECTOR LIMBAUGH: Okay. Anybody have anything for next agenda? Rebekah?

DIRECTOR SWANSON: No.

DIRECTOR LIMBAUGH: Kelly?

DIRECTOR GREGG: No.

DIRECTOR LIMBAUGH: Bob?

DIRECTOR CHANDLER: No. I do want ask one question. I know we've been -- I have it written down here somewhere that -- I probably don't even need this figured out to ask this question -- but the electrical -- we're budgeting \$184,000 for electrical. Now, I drove by the -- saw the lights on the other night. And I'm not complaining about the lights being on because it's getting darker. But do we really need all of that light? Could we maybe reduce the number of lights that are lit so that might curtail some of the costs? Or do we -- by law, are we supposed to provide certain --

MR. WOODS: Are you talking about ball field lights?

DIRECTOR CHANDLER: Yeah, ball field lights.

MR. WOODS: Ball field lights are -- each sport kind of has its own foot-candle -- minimum foot-candle standards that you're supposed to be able to play. So, really, there's -- the systems that were put in weren't designed to diminish lighting levels, and it would be cost-prohibitive to come back in and try to figure out how to do that because you would have to rerun all new electrical lines to the poles --

DIRECTOR CHANDLER: They just can't --

MR. WOODS: They can't just unscrew --

MS. THOMAS: Every other light bulb.

MR. WOODS: Because then we would have a liability issue if a fly ball hits somebody or whatever. But I will tell you that I have been meeting with a green company that is specializing in LED, and they have kind of like a solar program out there that we're -- we're talking about. And I have met with Musco, our lighting supplier, to see where their green technologies are with ball field lighting. So there are programs out there. We're just trying to find them.

DIRECTOR CHANDLER: Okay. Thank you.

DIRECTOR LIMBAUGH: Andrew? Anything?

DIRECTOR COWAN: Just that I'm looking forward to the 5K run, so I'm going to make sure I register for that. We should get a Recreation Park District team out there. So anybody else who wants to register, let's do it. No? Okay. I just thought I'd throw it out there.

MR. WOODS: You got running shoes on.

DIRECTOR COWAN: You do.

DIRECTOR LIMBAUGH: I'm going to be gone. I'm actually not going to be there. In fact, the 29th is Noah's 30<sup>th</sup> birthday, and so we're going to celebrate. I have a kid that's 30.

DIRECTOR SWANSON: That is not possible.

DIRECTOR LIMBAUGH: Okay. I have nothing to add.

## ADJOURNMENT

The meeting was adjourned by declaration by President Limbaugh at 10:12 p.m.

Respectfully submitted,

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Lindsay Woods, General Manager

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Rachel Thomas, Admin. Op. Mgr.