

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

February 12, 2014

CALL TO ORDER

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

ROLL CALL:

DIRECTOR SWANSON: I'd like to call our meeting to order. We'll start with roll call.

MS. THOMAS: Director Gregg?

DIRECTOR GREGG: Here.

MS. THOMAS: Director Limbaugh?

DIRECTOR LIMBAUGH: Here.

MS. THOMAS: Director Swanson?

DIRECTOR SWANSON: Here.

MS. THOMAS: Director Cowan?

DIRECTOR COWAN: Here.

MS. THOMAS: Director Chandler?

DIRECTOR CHANDLER: Here.

MS. THOMAS: Thank you.

ATTENDANCE

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

BOARD ABSENT: None

STAFF PRESENT: Woods, R. Thomas

APPROVAL OF AGENDA

DIRECTOR SWANSON: And we have an Approval of the Agenda.

DIRECTOR LIMBAUGH: I move that we approve the Agenda.

DIRECTOR COWAN: Second that we approve the Agenda.

DIRECTOR SWANSON: Thank you.

MS. THOMAS: Okay. So now call for the question.

DIRECTOR SWANSON: Okay. All in favor?

DIRECTOR GREGG: Aye.

DIRECTOR LIMBAUGH: Aye.

DIRECTOR SWANSON: Aye.

DIRECTOR COWAN: Aye.

DIRECTOR CHANDLER: Aye.

MS. THOMAS: The motion to approve the Agenda was by Director Limbaugh, second by Director Cowan. All Board members voted "aye."

FLAG SALUTE

DIRECTOR SWANSON: And Director Cowan has agreed to lead us in the Flag Salute.

DIRECTOR COWAN: Ready? Begin.
(The Pledge of Allegiance was recited.)

PROCLAMATIONS AND PRESENTATIONS

DIRECTOR SWANSON: And we have Proclamations and Presentations.

MR. WOODS: Well, tonight I want to recognize someone that helped us recently with an event. And although they probably will tell you that they didn't do a whole lot, that person did do some leg work and saved staff some time, and we are greatly

MS. HELSLEY: Me?

MR. WOODS: Surprise.

MS. HELSLEY: What did I do?

MR. WOODS: We had the ASBCSD Dinner in January. We hosted it. And Jeanne was very instrumental in going down and assisting with making the facility arrangements and the menu arrangements at the Hesperia Airport where we hosted the event. So we're very appreciative. If you would like to come forward, Board, and Jeanne, we'll be happy to take your photo and thank you for your help.

MS. HELSLEY: I thought the event went well, and I thought the food was great.

DIRECTOR SWANSON: It was.

MS. HELSLEY: Yes, it was.

MR. WOODS: He's got a bigger camera than I do.

DIRECTOR SWANSON: Thank you. It was wonderful.

DIRECTOR CHANDLER: Thank you, Jeanne. It was really nice.

(Pictures were taken.)

MR. WOODS: And there was another person which is not here this evening, which I'll have to talk to tomorrow, and that was Charlene Peters. Charlene helped us to arrange for the speaker at the event, so we will recognize her at the next one.

DIRECTOR SWANSON: Thank you.

MESSAGE TO THE PUBLIC/PUBLIC COMMENT

DIRECTOR SWANSON: Welcome to this Board of Directors Meeting. The Board encourages public participation. If you desire to address the Board on any District related matter or item on the Agenda, you are asked to fill out one of the yellow speaker forms in the back of the room and turn it in to our General Manager. When called upon, please come forward, and state your name before addressing the Board, and please limit your comments to five minutes per speaker. Please note that if you are addressing the Board on items not on the Agenda, the Brown Act does not allow discussion of such items. Therefore, this Board may only do the following: refer the matter to staff, ask for additional information, or request a report back, or give a very limited factual response. Are there any comment cards at this time?

MR. WOODS: I have no comment cards.

DIRECTOR SWANSON: All right. Thank you.

COMMUNICATIONS

WRITTEN COMMUNICATIONS IN BOARD PACKET

1. Notice from LAFCO regarding Governance Training by SDRMA.
2. Notification from CARPD regarding the 2014 CARPD Spring Conference.
3. Letter from District to Lisa Lazzar, Internal Auditor III, county of San Bernardino, General Accounting Section regarding the County's reporting error.
4. Newspaper article, January 3, 2014, "Western Outdoor News, "Hit Hesperia, bring Binaca".
5. Newspaper article, January 10, 2014, Western Outdoor News, "Hesperia hysteria! The bite's still hot, hot, hot!".
6. Newspaper article, January 14, 2014, Hesperia Star, "Mom receives heavenly gift from daughter".
7. Newspaper article, January 21, 2014, Daily Press, "Touch of spring".
8. Newspaper article, January 31, 2014, Western Outdoor News, "Hesperia still fishing hot!".
9. Newspaper article, February 4, 2014 Hesperia Star, "Airport, park district host special district dinner".

CONSENT ITEMS

DIRECTOR SWANSON: And next on our agenda, there's the Consent Items list. The following items are expected to be routine and non-controversial, and will be acted upon by the Board at one time without discussion, unless a Board member requests that an item be held for discussion under Discussion Items.

DIRECTOR CHANDLER: I'll make the motion.

DIRECTOR COWAN: Second.

DIRECTOR SWANSON: All in favor?

DIRECTOR GREGG: Aye.

DIRECTOR LIMBAUGH: Aye.

DIRECTOR SWANSON: Aye.

DIRECTOR COWAN: Aye.

DIRECTOR CHANDLER: Aye.

DIRECTOR SWANSON: And not?

MS. THOMAS: The motion to approve the Consent Items was by Director Chandler. The second was by Director Cowan. All Board members voted "aye."

- A. Approved Minutes for the Board Meeting, January 8, 2014.
- B. Approved Claims for Payment
- C. Accepted written staff reports.
- D. Authorization to advertise for bids: None

ACTION/MOTION: It was moved by Director Chandler, seconded by Director Cowan and carried unanimously to approve Consent Items A through D by the following vote:

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

PULLED CONSENT ITEMS

DIRECTOR SWANSON: Thank you. Are there any Pulled Consent Items?

MR. WOODS: No.

DISCUSSION/ACTION ITEMS

E. LAFCO Solicitation for Nomination for Regular Special District Member of the Local Agency Formation Commission.

DIRECTOR SWANSON: And the next is the Discussion/ Action Item letter E, the "LAFCO Solicitation for Nomination for Regular Special District Member of the Local Agency Formation Commission." And that's under tab E. And do we have any more information about that?

MR. WOODS: Just what you have in your Board packet. If a Board member would like to serve in that capacity, there's a process that we need to go through: a nomination needs to be made, the Board has to approve that, and then we need a resume and application to be filled out and submitted.

DIRECTOR SWANSON: Anybody? No? I wish we would have a larger contingent of special districts -- Hesperia, in particular -- on the Local Agency Formation Commission, but it does require a great deal of time. I understand there's quite a few meetings during the year, and they are during the business day; is that correct?

MR. WOODS: Yes.

F. LAFCO Solicitation for Nomination for Alternate Special District Member of the Local Agency Formation Commission.

DIRECTOR SWANSON: Shall we move on to F, the Alternate Special District Member, which is under the next tab? And I believe the answer is the same for that. Anybody? No?

G. Agreement for Eadie + Payne, LLP to Audit District Reports for Hesperia Golf Course and Hesperia Lake.

DIRECTOR SWANSON: Okay. Moving on to Item G. This is the agreement for Eadie + Payne -- Eadie + Payne, LLP, to audit district reports for the golf course and the lake. And I believe we have some information about that from our General Manager.

MR. WOODS: In your tab, you'll find the proposal from Eadie + Payne. And we reviewed it, and it would be a cost of about \$13,000 to the District to have them review those financial reports. They just completed our audit process, and during that process, they found our

procedures to be in -- within the standard accounting principles. So it's at this time that staff would recommend that we do not move forward with that item. But it is the Board's decision.

DIRECTOR SWANSON: You've been on the ad hoc committee for the golf course, Director Limbaugh, right? So were you satisfied with the audit, how it addressed the golf course and the lake -- well, the golf course in particular -- during the audit process?

DIRECTOR LIMBAUGH: Well, I think there's a couple issues. It's -- probably nobody's going to make a motion to do this. The lake and the golf course are two areas where we exchange cash. And before -- at least in my tenure on the Finance Committee or Audit Committee, they were always concerned about how we keep track of it. And I think both Kelly and I thought that, you know, if there's a better way to do it, or something that's more in line with what -- what should be done in standard practices of auditing to make sure that we're doing that correctly -- the lake especially looked like it could use some help from the audit. So I think the auditors were already keen to that idea. And they really didn't make a big deal about it this year. Did you think that they did on the Audit Committee? Were they outspoken about -- that we need to mandatorily do this?

DIRECTOR GREGG: Well, they weren't the ones that recommended it. It was the two committee members, yourself and myself --

DIRECTOR LIMBAUGH: Yeah.

DIRECTOR GREGG: -- that recommended that we have them audit the lake and the golf course separately because of the -- one, the cash flow; and two is the -- the deficit for the golf course and the deficit for the lake. So I'd like to make a motion that we approve this audit. I think that if we can spend -- well, there's the motion.

DIRECTOR COWAN: I'll second that motion.

DIRECTOR LIMBAUGH: Okay.

DIRECTOR GREGG: So right now we have discussion?

DIRECTOR LIMBAUGH: Yeah. I have a little bit more discussion, too. Being that they -- in your staff memo to us, in the expanded agenda, you said, "Audit processed no significant discrepancies." I know at the Audit Committee level we still discussed about the cash issues, though, at the lake and the golf course, the same items Director Gregg has just mentioned. And I read the scope of work for what they're going to provide, and I wasn't quite sure exactly what they were going to be giving us as a product, you know, other than -- unless they found something that was irregular, which hopefully they would have found during the regular audit.

MR. WOODS: Correct.

DIRECTOR LIMBAUGH: So in this proposal that they sent us, there was an item, what they called "Other Statistical Information," and what did they mean by that? Such as what?

MR. WOODS: Anything that they observed that would need to be addressed.

MS. THOMAS: Or that may not -- that they find that may not be entered into the reports that you're -- that they're auditing, is what I would think. Any other statistics out there that hadn't been pulled in.

MR. WOODS: And during their normal audit, they did visit those two specific facilities, spoke with staff, looked at the cash-handling procedures, tracking mechanisms, and all the bookkeeping as far as how things were procedurally being handled.

DIRECTOR GREGG: Right. But the auditors themselves did say that they did not do an audit on the golf course and the lake. We actually asked for that separately, so that's -- that's why

this came back. So they didn't do an in-depth audit on the golf course and the lake. And for \$13,000 -- I mean, we're sitting at \$30,000, almost \$40,000 loss for the golf course now. I mean, to expend \$13,000 to make sure that we're not continuing to bleed taxpayer dollars would just seem to make sense. I mean, this Board or Committee has requested that the auditors look at it, so --

MR. WOODS: Well, they will not be giving us a report that says you need to change your business practices. All they're going to look at is your financial accountability, your -- how you're handling the money is basically what they're going to look at. How are you handling it? How are you reporting? And as the big picture of the audit, they've reviewed those same practices that we employed in other areas throughout the District.

DIRECTOR COWAN: What is the current procedure or policy on handling cash transactions? I wasn't on the committee, and I'm not sure what our normal procedures are on that.

MR. WOODS: Rachel?

MS. THOMAS: You mean, as far as you come to the lake and you want to fish and you give them a twenty-dollar bill?

DIRECTOR COWAN: Yes, ma'am.

MS. THOMAS: They would ring you up -- here we have cash registers -- everything goes through the cash registers -- and count out your change, and then it's put into the cash register. Unless it's a large bill. There's a drop safe. They drop the money. And the -- the only people -- not everyone has access to the safe, so --

DIRECTOR COWAN: At the end of the day?

MS. THOMAS: At the end of the day, then it is all dropped into the safe except for the

MR. WOODS: Start-up.

MS. THOMAS: -- the start-up. And that's put into another locked place so in the morning, the person that comes in can pull that, counts out, makes sure that they have the correct amount of money to start, puts it in the cash register while the manager takes the money, counts it out, does the deposit.

DIRECTOR COWAN: So the money's there overnight?

MS. THOMAS: In the safe.

DIRECTOR COWAN: In the safe. And then when it's originally put into the safe, is it a two-person -- two people conducting --

MS. THOMAS: When they drop it, you mean?

DIRECTOR COWAN: Yes. Is it two people? Is there one person?

MR. WOODS: We don't always have two people at the store.

DIRECTOR COWAN: And then the -- if we do have the audit conducted, are they really looking over our procedures on how we handle the movement of cash, or are they just checking the numbers?

MS. THOMAS: They would be checking the numbers. When they came to do the audit, that's when they went out and talked to all the different facilities, talked to the employees -- you know, Jo at the lake, and whoever the store clerk was at the golf course, at Power Play, all of those things. So they did audit how we do the procedures. Usually, when you get a new auditor, they give a list of -- pages of questions that they ask us to fill out of different procedures: how we do this, who signs the checks, who does the bank reconciliations, who does, you know, all of this. So when the auditors come in, they have sort of a picture. And then Eadie + Payne is the first auditors that I have been dealing with that actually went to

every facility and talked to the different employees and checked that out and went through all of that for the regular audit.

DIRECTOR COWAN: And is the procedure done the same at the lake, golf course, here at Lime Street, over at the Power Play Center --

MS. THOMAS: Rec Center, Novack --

DIRECTOR COWAN: Is it handled the same at every location? I mean, do we have written procedure or written policy on that, or is this something we've historically done?

MS. THOMAS: The outlying facilities had procedures written.

DIRECTOR COWAN: Okay. And we're --

MS. THOMAS: And they're -- all of them, since they've been moved around, the supervisors are working on new procedure manuals for the different facilities. Don's working on the lake one. Tim's working on the Power Play and Epicenter. Of course, we don't take money at Epicenter, but those different things are constantly being looked at and updated.

DIRECTOR COWAN: Okay. Thank you.

DIRECTOR LIMBAUGH: When we did the allocations for the different costs associated with the golf course operation, I know we spent time here talking about it, and you told us how you laid that whole thing out. Have the auditors reviewed that at all, how we do that?

MR. WOODS: The -- our financial report that you --

DIRECTOR LIMBAUGH: Well, how -- how -- well, if you read their scope of work, that's one of the things they're going to do is allocations and revenues and costs made by management to the operation of the golf course and the lake. Have they -- are they familiar with how we do that at all?

MR. WOODS: I believe that that was a topic of conversation between Shiella and the audit staff that was here.

MS. THOMAS: Yes.

DIRECTOR LIMBAUGH: About how you take a portion of somebody's time and put it to the different activities?

MR. WOODS: And that's why we broke them all out separately and put percentages.

MS. THOMAS: Yes.

DIRECTOR SWANSON: And that was based on a recommendation that they made to us?

MS. THOMAS: Yes, she did talk to them about that, how they had seen it done at other agencies that they had audited.

DIRECTOR SWANSON: And overall, they were pleased with the information that they had received, and it seemed very complete at the time when they presented it last month.

DIRECTOR LIMBAUGH: Would they be willing to do one of these to see what we would get from it?

MR. WOODS: That's why we asked for it to be broken down, so if there's one or two, whatever you -- the Board would like to do.

DIRECTOR SWANSON: How much was the audit that we just completed? I'm sorry. I don't know that.

MS. THOMAS: Off the top of my head, I don't, because it comes in different -- I could give you that information, but I don't have it off the top of my head.

DIRECTOR GREGG: Do you have an estimate?

MS. THOMAS: We're looking at probably \$25-, \$30,000 for the whole.

DIRECTOR SWANSON: So we've just made that expenditure to determine that -- including these areas -- that we have followed procedures that are within the parameters of good business practices. And this is another bill for \$13,000, for these additional audits of the same material, and we're not quite sure -- I think I -- I'm kind of going off of what Director Limbaugh just said -- is that we're not quite sure -- I mean, based on this, it seems very complete, but what they did seemed very complete already. And it's hard to know what you're going to get additionally to what we already have from a full audit since they would be looking at the same documents and meeting with the same people; correct?

MR. WOODS: They'd be working probably primarily with Shiella and --

DIRECTOR SWANSON: Which is what they --

MR. WOODS: Right.

MS. THOMAS: The finance office --

DIRECTOR SWANSON: -- earlier this year -- that was presented to us earlier this year.

MR. WOODS: And Eden was present at the audit committee's meetings, and also at last month's board meeting when there was dialogue, and that's what she based this proposal from.

DIRECTOR SWANSON: Okay.

DIRECTOR COWAN: When it says, "if the State of California or other government entity imposes a tax on the accounting services," do we know if we are going to pay any tax on it?

MR. WOODS: I do not.

DIRECTOR COWAN: Okay. But you understand where I'm getting from, right?

MR. WOODS: Uh-huh.

DIRECTOR COWAN: And then are we guessing that they would be able to do the "Schedule of Operations for Hesperia Golf Course - Fiscal Year 2013" by itself? Is that something that we could talk to them about? When Director Limbaugh asked about it, you said there was a possibility that we could do it that way. Is that something that --

MS. THOMAS: I don't think that would be a problem.

DIRECTOR COWAN: Well, I wasn't sure if maybe the price would be different because they're not doing all three; they're only doing one.

MR. WOODS: Well, one of the reasons we don't have 2013 in there is because we've done a lot of changes in the reporting mechanisms, and for staff to go back and go through and -- excuse me -- have to input information that wasn't being tracked previously --

DIRECTOR COWAN: What I meant to ask was, will the accounting firm be able to do one of these items instead of all three? Is that something we discussed with them?

MR. WOODS: Oh, yes. Yes.

DIRECTOR COWAN: And it's been discussed? It's not just --

MR. WOODS: Yes.

DIRECTOR COWAN: Okay.

DIRECTOR LIMBAUGH: Yeah, I wouldn't want to get -- just \$10,000 for one, but it's free if --

DIRECTOR COWAN: Well, that's why I'm asking because that's the way things work. If we're going to say we're going to do it without talking to them, that's something we need to discuss.

DIRECTOR LIMBAUGH: I don't know. I --

DIRECTOR SWANSON: Would you like to get an answer to that or --

DIRECTOR LIMBAUGH: No, I think it's been asked and answered.

DIRECTOR SWANSON: Okay.

DIRECTOR LIMBAUGH: I think the question would be, at the time -- it's been like four months since we moved forward with this at the Audit Committee, and I remember we brought it to the Board at the time, and that seemed like a good idea. \$13,000 is not a great deal of money. But if the product is not worthy of the cost, maybe we should only spend \$4,000 now, see what we get, and go from there. I mean, the main purpose, I think -- and Kelly can correct me if I'm wrong -- but from my perspective was, if we're going to present the City with the bill at the end of the year, that we would want to make sure that how we collected -- the direct costs should be clear; we've got so much revenue, here's the receipts from Daily Golf Course. They would also be looking at those types of things also. But how did you figure out that 30 percent of your executive staff was billable to the golf course? And -- no, I'm just saying that if these guys looked at it and we looked at it, that's two we-looked-at-its instead of, oh, we just kind of just came up -- being that the Hesperia Park and Rec is not -- really not -- we're not golf course afficianados, but we've been running it now for almost four years. But I think it would be well -- money well spent in the rear to move forward with whatever we move forward with, whoever in regards to the golf course. The lake -- I understand that you've made a lot of changes down there, so maybe that has gotten a lot better. But I just remember years past that the lake has been a real sore subject for handling the cash. And the first thing was to get that deposit thing straightened out so there was any -- you know, nothing ever came into question that, you know, Joey took the money home, and Bill brought it back and the bag was a little light.

DIRECTOR GREGG: Are we not getting the lake report anymore? I noticed I haven't seen that in a while, right?

MR. WOODS: The lake reports that you all got was a comparison, and she is currently working on giving you the same type of report that we're doing for the other two facilities.

DIRECTOR GREGG: So why did it stop? I don't think the Board ever asked for it to stop.

MR. WOODS: It was used -- well, I was the one that brought it back in to give you the comparisons. The way that the previous administration had been tracking that, that's not a -- the way that we're tracking, so she had to build a whole new system and format. So it wasn't worth her time to keep tracking it in two different methods. So she's tracking it the same way that she's tracking the other two.

DIRECTOR GREGG: So when do you project us to get a report from the lake?

MR. WOODS: I'm expecting that she's going to have it in the next couple of months. There was just a lot of detail that she was having to work on.

DIRECTOR GREGG: I think our internal auditor actually spent several hundred hours or better down there doing audits and -- from what I remember seeing from their report -- and so -- and the numbers still weren't consistent with what --

DIRECTOR CHANDLER: During the committee meetings with the City with regards to the golf course, have they -- have they come up with any questions regarding the figures that we've given them as far as how much we spend in operating the golf course? They're not questioning --

DIRECTOR LIMBAUGH: Not that I recall.

DIRECTOR COWAN: Did the Golf Course meet with the City, or was that --

DIRECTOR LIMBAUGH: No, that was a long time ago. He's talking months past.

DIRECTOR CHANDLER: I mean, has there been any outstanding -- are they questioning any information we've given them in regards to that?

MR. WOODS: We provide them with the same report, the financials on the golf course, and they've never questioned anything. And I know that their CFO has reviewed the documents as well.

If the City wants to audit our -- our -- how we're tracking, then I would encourage them to do so, but at their cost because we could do --

DIRECTOR CHANDLER: That was what I was just thinking.

MR. WOODS: We could have an audit, and they could not agree. The City could do their own independent audit, and then you have two auditors that may not agree with each other. And they're going to say, well, you hired your auditor, and they're going to say what you want them to say; and we can say, you hired your auditor, and you had them say what you want them to say.

DIRECTOR SWANSON: Or if they wanted information that was specific to a choice that they had to make or just for information, they would pay for that -- that audit to give them the information they wanted more specifically to certain things. Would the Audit Committee want to -- now that there's hard costs attached to this where there wasn't before, would this be something that the Audit Committee should take and look at and decide at that point that -- what years and --

DIRECTOR LIMBAUGH: No, I think we decided --

DIRECTOR GREGG: This has already been decided back in committee and been brought back to the Board. This audit should have been done a long time ago. You've got a huge amount of cash flow between two agencies, two different locations, golf course and the lake. We're seeing a huge deficit on the golf course. This should have been looked at by this Board a long time ago. Why do you want to kick it down the road, drag your feet on it, and send it to another committee for them to come back and say we need an audit, where's our money going? I mean, that's what we seem to do is kick these things back to committee to find out later on that we should have done this at previous administrations. We need to find out where our money is going, and the City needs to know where they're writing off debt.

DIRECTOR SWANSON: We have a motion?

MS. THOMAS: We have a first and a second.

DIRECTOR COWAN: All right. Just to be a clear, is it to approve all three, or is this to approve one?

DIRECTOR LIMBAUGH: Well, the first motion and second is to approve all three.

DIRECTOR COWAN: Okay. Just to make it clear.

DIRECTOR GREGG: Is it roll call? It's not roll call?

MR. WOODS: You can call for the vote.

DIRECTOR SWANSON: Okay. Let's call for the vote. All in favor of spending \$13,000 on three audits, say "aye."

DIRECTOR GREGG: Aye.

DIRECTOR COWAN: Aye.

DIRECTOR SWANSON: And opposed?

DIRECTOR LIMBAUGH: No.

DIRECTOR SWANSON: No.

DIRECTOR CHANDLER: No.

DIRECTOR SWANSON: And abstentions?

DIRECTOR LIMBAUGH: I would like to make another motion though.

DIRECTOR SWANSON: Okay. Let -- she's got to report it.

MS. THOMAS: Wait. Let me report this one. The motion to approve all three audit reports done for Hesperia Golf Course and Hesperia Lake, the first -- the motion was made by Director Gregg; the second was made by Director Cowan. The vote was Director Cowan and Gregg, "aye." Directors Limbaugh Swanson and Chandler, "no."

ACTION/MOTION: It was moved by Director Gregg, seconded by Director Cowan to approve the agreement as presented by Eadie + payne, LLP to audit District Reports for Hesperia Golf Course and Hesperia Lake. The motion failed by the following vote:

Ayes: Gregg, Cowan

Noes: Limbaugh, Swanson, Chandler

Absent: None

Abstain: None

DIRECTOR LIMBAUGH: I'd like to make a motion that we approve the fees for the engagement of the Hesperia Golf Course FY -- FYE? Fiscal Year --

DIRECTOR GREGG: Fiscal Year Expenditures.

MS. THOMAS: Ending. Fiscal Year Ending 2013.

DIRECTOR LIMBAUGH: I've never seen it written that way, but they're auditors. So, for 2013, I would support paying \$4,000 for the audit, see what we get, rather than the whole amount. And if the whole -- if we get some good information and it suits our purpose for the items Director Gregg was talking about, I would say that we'd move forward with this on a regular basis. It's healthy to be financially sound, and you know, if we have any questions in our minds that we're not, then we -- you know, it's not a matter of trust. It's just a matter of dotting the i's, and crossing the t's. And I think you have to be very leery of consultants. Their main goal is to make money. They're not serving the public as we are. And so they're paid. So they're footing their own --

DIRECTOR SWANSON: Your motion is for 2013 --

DIRECTOR GREGG: So you're making a motion --

DIRECTOR LIMBAUGH: Yeah, I'm making a motion for the FYE 2013 for the golf course.

DIRECTOR GREGG: Second.

DIRECTOR SWANSON: And any more discussion?

DIRECTOR LIMBAUGH: I just think it's prudent to take this action. I think at the time Director Gregg and I were discussing with auditors, with the rest of the staff, we thought it was almost mandatory that we do it. So I think we would be remiss if we didn't at this time.

DIRECTOR SWANSON: All in favor of the motion?

DIRECTOR GREGG: Aye.

DIRECTOR LIMBAUGH: Aye.

DIRECTOR SWANSON: Aye.

DIRECTOR COWAN: Aye.

DIRECTOR CHANDLER: Aye.

DIRECTOR SWANSON: Opposed? And abstentions? Call the vote.

MS. THOMAS: Okay. The motion was to approve Eadie + Payne to audit the Hesperia Golf and Country Club Fiscal Year Ending in 2013. The motion was made by Director Limbaugh. The second was made by Director Gregg. And all Board members voted "aye."

DIRECTOR SWANSON: Okay. And now we're on --

DIRECTOR LIMBAUGH: I have one more question. Did they tell us when they would get this done?

DIRECTOR SWANSON: Oh.

DIRECTOR LIMBAUGH: It's not going to be a year, is it?

MR. WOODS: No.

MS. THOMAS: What -- what I remember the conversation with Shiella was, if we get back to them soon enough, they should be able to do it this February before -- they're hoping to get it done in the next couple of weeks before the tax season, and they have other things going on. So we can contact them tomorrow.

DIRECTOR SWANSON: Oh, great.

DIRECTOR LIMBAUGH: Okay. So -- so we are clear, I think you want to give them the best shot at the golf course. So you've got \$4,000. You give them the best year, '12 to '13, '13 to '14 --

DIRECTOR COWAN: Oh, no, no --

DIRECTOR GREGG: No, we just voted on it and made a motion for '12-'13.

MS. THOMAS: '12-'13 -- the '12-'13 fiscal year is what they're going --

DIRECTOR LIMBAUGH: Okay. All right. Is that good? Is that equal to or better than '13-'14? Doesn't matter?

MS. THOMAS: We're actually not finished with '13-'14.

DIRECTOR LIMBAUGH: All right. Fine.

DIRECTOR SWANSON: So we wouldn't have the information at this time to --

DIRECTOR LIMBAUGH: Well, yeah, because '14 isn't done yet, right?

MS. THOMAS: June 30 is when '13-'14 is done.

DIRECTOR LIMBAUGH: Okay. All right.

DIRECTOR SWANSON: Because the fiscal year is in the middle of the calendar year.

DIRECTOR LIMBAUGH: Sorry. Sorry.

DIRECTOR SWANSON: Not at all.

ACTION/MOTION: It was moved by Director Limbaugh, seconded by Director Gregg to approve Eadie + Payne to audit the Hesperia Golf and Country Club Fiscal Year Ending in 2013 by the following vote:

Ayes: Gregg, Limbaugh, Swanson, Cowan, Chandler

Noes: None

Absent: None

Abstain: None

H. Approval of Irrevocable Offer of Dedication from Hesperia Recreation and Park District to Designate and Set Aside for future Highway, Roads, and Public Utility Purposes to the City of Hesperia.

DIRECTOR SWANSON: We are on Item H, the Approval of Irrevocable Order of Dedication from Hesperia Recreation and Park District for the Linden Street -- yeah, that I find that very interesting.

DIRECTOR LIMBAUGH: What the hell is that?

DIRECTOR COWAN: Who was it that caught on to it?

MR. WOODS: One of the City engineering staff, I believe. So basically, as I outlined, the property, when it was being developed, one of the procedures was that section that now Linden Street is on, along with the sidewalk, should have been dedicated to the City as a roadway dedication. And now that the City has caught the error -- and we do not want to be responsible for any activities, vehicle accidents, or anything else -- or the maintenance of those sidewalks or roadways -- it's my recommendation that the Board authorize me to execute that dedication and get that back to the City as soon as possible for recordation.

DIRECTOR SWANSON: Could there be other roadways that fall under this same loss, that things were supposed to be filed and weren't and --

MR. WOODS: Not with any of our properties that we're aware of.

DIRECTOR SWANSON: Okay. So this was a very specific one that they found just in the course of business?

MR. WOODS: And they actually came across it because one of the tenants in our property was doing an improvement, and when the City pulled up some records, somebody caught the note and said, hey, this is a pending issue that needs to be resolved.

DIRECTOR COWAN: Was the improvement on the sidewalk, or was it in our property?

MR. WOODS: In the building.

DIRECTOR COWAN: In the building.

DIRECTOR LIMBAUGH: These are documents that you put here -- the LS stamp, is that the city engineer John Leveillee?

MR. WOODS: Yes.

THE REPORTER: I didn't -- I --

DIRECTOR LIMBAUGH: This is expired.

MS. THOMAS: He said the L.S. stamp is John Leveillee.

DIRECTOR LIMBAUGH: It says December 31st, 2012.

MR. WOODS: I have no idea.

DIRECTOR LIMBAUGH: Did he just stamp these?

MR. WOODS: This is the most recent information that the City gave to us. So if you authorize me to take care of the dedication, I will make sure that a current stamp is used by the city engineer for approval.

DIRECTOR LIMBAUGH: Well, maybe it was. He might have done the survey.

MS. THOMAS: This property, I believe, was built before this was a city. So I would imagine that the County and the developer did not go through all that.

DIRECTOR LIMBAUGH: Okay.

DIRECTOR CHANDLER: I make a motion that we authorize the General Manager to execute the irrevocable offer of dedication for APN 410-462-19.

DIRECTOR COWAN: Second.

DIRECTOR SWANSON: All in favor?

DIRECTOR GREGG: Aye.

DIRECTOR LIMBAUGH: Aye.

DIRECTOR SWANSON: Aye.

DIRECTOR COWAN: Aye.

DIRECTOR CHANDLER: Aye.

DIRECTOR SWANSON: Opposed? Abstentions?

MS. THOMAS: The motion to approve the irrevocable offer of dedication was made by Director Chandler, seconded by Director Cowan, and all Board members voted aye.

ACTION/MOTION: It was moved by Director Chandler, seconded by Director Cowan to approve the irrevocable offer of dedication unanimously by the following vote:

Ayes: Gregg, Limbaugh, Swanson, Cowan, Chandler

Noes: None

Absent: None

Abstain: None

STAFF REPORTS

Recreation Programs

Golf Course

Parks Division

Park Ranger

DIRECTOR SWANSON: Okay. We're on to Staff Reports, which are in your binder, letter C.

MR. WOODS: Was there any questions on any of the staff reports?

DIRECTOR SWANSON: Well, I'm sure that we are going to have a lot of -- of more fishermen at the lake just because of all the beautiful weather we're having. It's starting to show that already.

DIRECTOR LIMBAUGH: I did think it interesting about the golf course though, how the amount of play went up from last year.

DIRECTOR SWANSON: Yes.

DIRECTOR LIMBAUGH: Because of the weather?

MR. WOODS: We've had really good weather.

DIRECTOR LIMBAUGH: So this month should continue the trend?

DIRECTOR SWANSON: Only a couple of really rainy days.

DIRECTOR LIMBAUGH: And more people came to the Harrison Center. There were nine visitors, plus three.

DIRECTOR SWANSON: Well, what do you know? Plus three.

DIRECTOR GREGG: So I have some discussion on the After School Activities Program for December. Still at Cottonwood it's showing that -- according to the numbers projected by the General Manager to sustain that program -- that we're under those numbers at Cottonwood, under numbers at Eucalyptus, way under numbers at Kingston, Mesa Grande. And we are overcrowding, according to the General Manager, his magic number of 30, at three of the locations; Krystal, Mesquite Trails, and Cypress. And that the program is still not offered at all the locations. So with a -- so are we subsidizing those programs, Mr. Woods? I'm not having the required number of students enrolled in the program at those sites.

MR. WOODS: The District is not subsidizing those activities.

DIRECTOR GREGG: So how are we operating those programs with the less-than-minimum number of students needed to achieve a break-even situation?

MR. WOODS: The revenues that are generated as a whole are being used to offset those expenses.

DIRECTOR GREGG: So offset, does that mean subsidize?

MR. WOODS: The District is not subsidizing the program --

DIRECTOR GREGG: Does all the money come from the program -- from the After School Activities Program come into the General Fund of the District?

MR. WOODS: No.

DIRECTOR GREGG: Does not? Where does that money go into?

MR. WOODS: It goes into the Foundation.

DIRECTOR GREGG: Okay. So the money coming into the program goes in the District budget via the Foundation, correct?

MR. WOODS: Yes.

DIRECTOR GREGG: So then that money is expended back out through the District via the Foundation to compensate for the shortages of the other locations?

MR. WOODS: I don't know how you want me to answer that.

DIRECTOR GREGG: I'd just like to know is -- is how can we sustain numbers that we're sustaining at five or six of these sites and not be subsidizing the program and still having -- making \$9,000 this last month off the After School Activities Programs in profit from the District?

MR. WOODS: The revenues that are being generated from the other sites are helping to offset those costs.

DIRECTOR GREGG: And so -- so we are subsidizing it through the program itself?

MR. WOODS: I guess if you want to look at it like that.

DIRECTOR GREGG: Are we subsidizing it through the program itself?

MR. WOODS: If you want to use the word "subsidy," yes --

DIRECTOR GREGG: Well, what word would you feel comfortable using?

MR. WOODS: Well, if you look at the program as a whole, you're not subsidizing it because it's revenues that are coming that are used within that program.

DIRECTOR SWANSON: So the program supports itself across the District --

MR. WOODS: Yes, as a whole. And we don't --

DIRECTOR SWANSON: And that's the way we've done it in the past, correct?

MR. WOODS: We don't want to -- I don't want to -- because those numbers have dipped at those sites, staff has been working very hard -- the school site staff and principals -- to try to get those numbers increased. We're nearing the end of the first school year. I really don't want to have to close those sites down due to the fact that they're below levels or that they're being subsidized, if you will.

DIRECTOR GREGG: So they are subsidized? You just said they are subsidized?

MR. WOODS: If you will.

DIRECTOR GREGG: So the \$9,000 in profit -- I said profit -- the District's holding from the ASAP program, what do you intend to direct that money to?

MR. WOODS: It will stay in use for the other recreation programs or next year's ASAP starter.

DIRECTOR GREGG: So it won't be dedicated just strictly to ASAP? Or can we use that --

MR. WOODS: We may not have any money left at the end of the year. We don't know. So I can't tell you where we're going to be at the end of the school year.

DIRECTOR GREGG: Okay. So just for the record then, the After School Activities Program is -- netted in profit -- sorry -- if I --

DIRECTOR LIMBAUGH: \$29,436 through the end of December.

DIRECTOR GREGG: That's profit through the end of December. And yet, we're still not -- we're still not operating at all sites, and still other sites are being subsidized with that ASAP money funding, correct?

MR. WOODS: And if you remember those numbers at the other five sites, there was barely -- if you added all the participants from the other five sites, there was hardly enough to open one site.

DIRECTOR GREGG: But the numbers that you're reflecting here -- just take, for instance, Kingston, with a number of 19 dipped down to 18, which is 7, 8, 9 more -- 9 less than the numbers that you projected to make a profit or to break even at the situations -- that those schools originally at the beginning of the year, had they been offered the program, could have sustained their own numbers same as Kingston, don't you think?

MR. WOODS: Possible, but --

DIRECTOR GREGG: Yeah. What parents don't like is for a program to be offered and not gone through with. So you can't just start the program up mid-year, say, oh, by the way, we think we can subsidize the program out, so now we're going to start it. They've already found alternate child care in the meantime. So this program is really -- it's just really to me -- the numbers are just way un-proportionate, like I said when we're subsidizing other locations, but not offering it at all the sites. And it should be an issue for the taxpayers of Hesperia.

MR. WOODS: This was a pilot program year, and I mentioned prior to us starting that there was several sites that had not had healthy numbers in the past.

DIRECTOR GREGG: We've operated ASAP in the past, have we not, Mr. Woods?

MR. WOODS: Yes, and we were also receiving part of a California Department of Education grant through the School District that was heavily contributing to the program's operations --

DIRECTOR GREGG: And now --

MR. WOODS: -- which we were able to keep the program costs down. With the loss of those funds, we've had to increase some of those revenues.

DIRECTOR GREGG: When we had the pilot or -- well -- so this is not, in a sense, a pilot program because we've offered it in the past. But when we had that --

MR. WOODS: No, this is a new program.

DIRECTOR GREGG: When we had that program before in ASAP, was the District profiting off of the program?

MR. WOODS: The -- I believe the program sustained itself and contributed to the Foundation and helped continue a positive program.

DIRECTOR GREGG: So we were profiting off of it back then too?

MR. WOODS: If you want to refer to it as profit.

DIRECTOR SWANSON: Well, I think when we offer any program to the people in our community; we need to make sure that the program can continue to be offered. And as a parent who used the ASAP, it would have been very upsetting to me to have it cut off in the middle of year. And I want to make sure this program is sustainable. I know this is our first

year of running it in this fashion. I'm pleased that we're able to sustain it at all the sites we can, but we are going to take a serious look at it, correct --

MR. WOODS: Uh-huh.

DIRECTOR SWANSON: -- after the school year is over, and then maybe we can see if we have -- hopefully, we have enough to start the program in the fall at the sites and do the same hard push with the School District helping us to make sure that all the schools realize that they're all -- they can all partake of it if they choose to do so. I -- I hope we have enough money left in this by the end of this school year so we can provide it in a solid way to the parents starting the next school year. It sounds like they're -- we're being very successful at making sure that all of the sites are getting the information, correct?

MR. WOODS: Yes. We worked diligently with the School District to -- we did the phone calls out to all the residents that attended -- had children in those schools. We had flyers, we had email blasts going out. We did quite a huge -- we even had signs on Main Street. So we did everything that we could possibly do to promote the program, but yet, we still had five schools that, at the time we were getting ready to launch sites, did not have the registration numbers. Since we opened --

DIRECTOR SWANSON: But they're going to be asked again, right?

MR. WOODS: Yes. Since we opened other sites, some of those numbers have changed. The parents have chosen -- either moved or transferred schools or can't afford the program. So some of those numbers have dropped off as well.

DIRECTOR SWANSON: Well, I hope that we offer it again to all the schools equally, and we can make sure that the parents come out and show a need for the program in enough numbers that we continue it. I think people really like the program. The parents that I've spoken to are very pleased to be in it and glad it's being offered again with -- with more freedom than what we were able to offer through the grant. I know as a parent, when I wanted to pick up my kids, I didn't like anyone telling me I couldn't pick them up until 6:00. And I think it's much better without the stricture of the grant, but it also creates a bigger burden on us to make sure that that money is available to continue the program. So I'm glad to do that. I want to make sure programs are available and that we can make them available. I'm not sure profit is the word I would use, though, because we are a nonprofit agency. We are here to provide service to our community and to guard our community's assets. So I see this as a sustainable program so far. I'm glad that we're going to be taking a hard look at it and making some adjustments perhaps over the summer and make it even more successful next year.

DIRECTOR GREGG: Since Ms. Swanson touched on that, I just have one last question about the ASAP program and I'll move on. So with the School District reaching out and reducing -- or actually eliminating its per-site monthly cost, was that about \$1,200?

MR. WOODS: It was \$100 per school site.

DIRECTOR GREGG: And how many sites do we have right now?

MR. WOODS: Ten.

DIRECTOR GREGG: So it's a thousand dollars a month. Could we reduce any -- did we reduce any of our rates to -- to pass that along to the taxpayer?

MR. WOODS: No.

DIRECTOR GREGG: No. Okay.

DIRECTOR SWANSON: Are we going to be -- those employees that we have right now, when we are required to increase the minimum wage? Those employees will also have an increase in their pay; is that correct?

MR. WOODS: They are above the initial minimum wage rate.

DIRECTOR SWANSON: At this point?

MR. WOODS: Currently, yes.

DIRECTOR SWANSON: Okay. So if that were to change, would --

MR. WOODS: There would be additional costs --

DIRECTOR SWANSON: Additional cost to the program?

MR. WOODS: Yes.

DIRECTOR GREGG: So the question is -- is that the employees that we have working the ASAP program right now, are they going to get a raise, or is it minimum wage?

MR. WOODS: They're not minimum wage employees.

DIRECTOR GREGG: So they're already making above minimum wage?

MR. WOODS: Correct.

DIRECTOR GREGG: So that number has nothing to do with the effect of the profits of the program, correct?

MR. WOODS: Correct.

DIRECTOR GREGG: Thank you.

DIRECTOR LIMBAUGH: Okay.

DIRECTOR SWANSON: Anything else on the Staff Reports? The Special Reports?

SPECIAL REPORTS

General Manager

MR. WOODS: Couple of things. In the -- in my General Manager's Report, on page 1, we have the CSDA Legislative Days coming up. I've provided you with the dates, May 20th and 21st. The 20th is a full day of training and interaction with the -- our legislative representatives in Sacramento, and the 21st is a half-day, roundtable, more networking type of opportunities. I need to know if there are any Board members that wish to attend that so I can make the necessary arrangements. The travel costs -- but the registration costs, there's an early bird rate. So the sooner we make that, the more money we will save on that. Are there any Board members that wish to attend the legislative --

DIRECTOR COWAN: I have a few questions about it.

MR. WOODS: Okay.

DIRECTOR COWAN: What is the total registration fee for early bird? Or even the standard registration fee?

MR. WOODS: Can you pull that up real quick?

DIRECTOR COWAN: And then, just an estimate, what is the per diem going to be for an individual that would drive up or fly up? What would be the cost of the ticket to fly and mileage, everything else? What are we looking at for one director to go up there?

MR. WOODS: If you were to fly, depending on when we made the flight arrangements, you can get flights \$89 to \$129 one way. Just depends.

DIRECTOR COWAN: So we double those numbers then, for out there and back?

MR. WOODS: Yes.

MS. THOMAS: The early registration is \$175. The regular registration -- this is for CSDA members -- is \$225.

DIRECTOR COWAN: And then how much meals are going to cost? Are meals already included?

MR. WOODS: There's usually a lunch that's involved, but if they don't get a sponsor for that, then they may give you lunch on your own. But I believe there's a speaker during one of the lunch sessions.

DIRECTOR COWAN: Is it common for, in the past, the directors to bill the District for any meals purchased at conferences?

MR. WOODS: If you go away on District business, then yes. And that's covered in our policy manual for reimbursement.

DIRECTOR SWANSON: When do you need to know? What's the early bird cutoff?

DIRECTOR CHANDLER: I've had the opportunity to do that I think at least once. And it's -- I think it's both worth the money to send somebody up there to represent the District -- the other day we're -- I think the first day you have speakers, different legislators that speak to the groups. And then the second day you actually go out and meet your legislators. And if you have your business cards in hand, it's a nice way to introduce yourself and the District to these people, and I believe it does make a difference. It's well worth the District's money to send someone up there to represent the District, at least one person.

DIRECTOR SWANSON: What is the cutoff again?

MR. WOODS: April 18th for early bird.

DIRECTOR SWANSON: So you need to know by April 18th.

DIRECTOR COWAN: Is the registration fee including a hotel?

DIRECTOR LIMBAUGH: No.

DIRECTOR COWAN: So we're looking at close to a thousand dollars per director that we send, correct?

DIRECTOR LIMBAUGH: Pretty much.

DIRECTOR COWAN: Will we have multiple directors going up there? All five? Are we looking at much -- is it common in the past?

MS. THOMAS: No.

DIRECTOR COWAN: Okay. And then how many staff will be going?

MR. WOODS: Usually, in the past, it's only been one staff member. There may have been occasion where there was a second staff member. Usually, it's one staff member and one or two Board members.

DIRECTOR COWAN: Thank you.

DIRECTOR CHANDLER: And I think I went up with staff -- one staff person. I think it's mostly one, but there might have been --

DIRECTOR SWANSON: That's a Friday. Okay.

DIRECTOR GREGG: According to the personnel -- or not personnel file, but the personnel handbook --

MR. WOODS: The policy manual?

DIRECTOR GREGG: The policy -- thank you -- the policy manual that we tried to convert to make things like this more cost-effective to the taxpayers, that got -- that got overturned, so there's no limit to who can go, there's no limit to what the travel expenses could be --

MR. WOODS: No, we have -- we have limits on travel expenses and per diem expenses that was passed and adopted by this Board.

DIRECTOR GREGG: Okay, but not per director, correct? It's whoever wants to go to these, correct?

MR. WOODS: Right, you --

DIRECTOR GREGG: This Board doesn't have a cap.

MR. WOODS: What you did is you allocated a training amount for each board member, and that was registration fees.

DIRECTOR GREGG: Okay. Thanks.

DIRECTOR SWANSON: Okay. And then the CSDA -- or CARPD conference?

MR. WOODS: Was there anybody that was interested in Wednesday's at this point?

DIRECTOR SWANSON: I think I would like to see if that would work for me enough to do some -- some research on my own what's going on, but there's -- since I have some time until April 18th, I think I would be interested in looking into that.

MR. WOODS: Okay. Just let me know.

DIRECTOR SWANSON: All right.

MR. WOODS: And then the same comment for CARPD Conference is on -- May 15th through the 17th, at South Lake Tahoe in California.

DIRECTOR GREGG: Cutoff early bird on that is when? Same -- same situation, right? Early bird --

MR. WOODS: Register before March 1st is \$250, after March 1st is \$275.

MS. THOMAS: Yes, it's right here. It's in Communications. The paperwork is all in your Communications.

DIRECTOR SWANSON: And you'd like us to call or email you and let you know --

MR. WOODS: I would like to know who is planning to go or would like to go so I can make the -- the biggest thing is the hotel arrangements, especially for Legislative Days, because you can end up way out in the middle of nowhere.

DIRECTOR CHANDLER: I don't think I'm going to be able to go to that.

MR. WOODS: To CARPD?

DIRECTOR CHANDLER: Yeah, I don't think I can go to that.

DIRECTOR LIMBAUGH: Oh, I'm not going either.

DIRECTOR SWANSON: To CARPD?

MR. WOODS: CARPD.

DIRECTOR LIMBAUGH: I already told them I'm not going to be there.

MR. WOODS: Well, you're not president anymore.

DIRECTOR LIMBAUGH: If I went, I would stay in the campground anyway for nothing, so -- although I drive up, so it costs a lot. Driving costs more than flying. That's kind of bizarre nowadays.

DIRECTOR SWANSON: I'm -- I would like to go to the conference, but not -- that would be Thursday night for me. Most of the -- excuse me.

DIRECTOR LIMBAUGH: I mean, I think a lot of this stuff that we do outside, it should be serving our constituents. And just because nothing's really happening in Sacramento right now doesn't mean that there's anything happening up there. But if there was a bond measure that was going to be on the November ballot for parks and rec or recreation and park districts or clean water act or some other -- whatever billion-dollar thing they ask from the voters, then

if we don't participate at that level, more than likely we lose out down the road on funding. Sacramento -- the legislators have pretty much eliminated earmarking bills. And if you don't know what that means, that means when the voters pass the general bond measure, before it gets adopted by the Senate and State Legislature and signed by the Governor into law and they start taking the debt out, they can say, oh, well, the park district in Sonoma, they need -- they are really bad off, so we'll just give them \$10 million because they're Sonoma. And very few of the money is shared on a pro rata basis. So I think if that was occurring now, you'd want to be involved, because if you don't, then you do our constituents -- they still pay into the State General Fund every year like everybody else that lives in Hesperia. We would miss out on that piece of the pie. So -- but right now, they -- they seem to be preoccupied with other issues up there than recreation and parks.

DIRECTOR SWANSON: Well, that's one of the strengths of going to the conference is they can tell us what has recently been enacted that would affect us at all. I'm just looking at their -- one of the things that Kelly and I attended that was invaluable is seeing how they did the snapshot of the District. And I think that's a very valuable piece of information we were able to get. I never even heard of that. It makes total sense now. I'm glad we did it. But I wouldn't have known about that. And then meeting Sunkay -- and I noticed that they're on some of the information this month. Just listening to their proposal and seeing other park districts benefit as we did from that association made me feel like we had helped other park and recreation districts or other small districts.

MR. WOODS: The CARPD conference is valuable because it is only other park agencies, special districts. There's no water districts, no sanitation districts. We're up there dealing with issues that are important to us, not other entities. So it has been a beneficial conference to attend in the past. All right. So I have Director Swanson?

DIRECTOR SWANSON: Yes.

MR. WOODS: You'll be getting back to me on Legislative Days, but you are interested in CARPD?

DIRECTOR GREGG: I'll also get back to you before the early bird deadline.

MR. WOODS: For one or for both?

DIRECTOR GREGG: For both.

MR. WOODS: Okay.

DIRECTOR LIMBAUGH: What's the early bird special at Sizzler?

DIRECTOR SWANSON: Stop.

MR. WOODS: And that's all I wish to highlight in the General Manager's Report.

DIRECTOR COWAN: With the Energy Consumption Reduction --

DIRECTOR LIMBAUGH: How about that baby? That's pretty good. Let's talk about that. That's a good thing. I love it.

DIRECTOR COWAN: What solar company have we been talking to? It says, "solar panels." Is that working with a solar company?

MR. WOODS: There was a solar company that's done some work for another park and recreation district, so I have spoken with them, and they're working on putting together some numbers to evaluate --

DIRECTOR COWAN: Do you have the name of the company?

MR. WOODS: The name of the company is Solar World.

DIRECTOR COWAN: And when we move down to LED lighting, it says that we're speaking to two companies that perform LED lighting retrofits. Do we know the names of those companies?

MR. WOODS: One is Green LED, and the other one was ACTONE/Solar Max.

DIRECTOR COWAN: Okay. Now, either one of these companies have any relation to the City council in any way as was brought up before?

MR. WOODS: Yes. Both of the companies were originally brought to me by Council Member Blewett as a way for the District to possibly save on our electrical expenses.

DIRECTOR COWAN: And when you say both companies, are you referring to the LED lighting or to the Solar World.

MR. WOODS: Yes, LED lighting. The Solar World was brought to my attention last year at the CARPD conference. They're just getting underway with the installation and finalizing of that installation. And when Mr. Limbaugh came back from the CARPD meeting, he had spoken with the general manager/elected official that was giving an update on that project, and that's why I contacted that company.

DIRECTOR COWAN: And so far they're happy with it, just the installation process?

MR. WOODS: Well, they're in the process of installation, yes.

DIRECTOR GREGG: On the SCE -- on the Southern California Edison Energy Program, I remember a couple of years back bringing this to you. We had met with actually an account manager from Southern California Edison at a local meeting. She said, yeah, please have your general manager contact us so we can get on the ball to find out what energy saving programs we can -- that was a couple of years ago. Why are we waiting until now --

MR. WOODS: This is a new program. And we did meet with them a couple of times. We met with them probably six months ago. I don't know if you remember we made some adjustments to some accounts that did some savings, and we had also done a re-lamping within a couple of -- over the last couple of years at a few of our facilities that were eligible. The SCE programs are very limited in scope. They would not come in and re-lamp the entire district. They would say, okay, well, this area over here has the most out-of-date, and we have X amount of dollars that we can contribute towards that. And then they use a contractor that they hire to come in and do the work once it's authorized.

DIRECTOR SWANSON: So it's a good idea to keep going back and going back and going back because the programs change.

MR. WOODS: So -- and that program right now, what we're primarily looking at right now with them, we're looking at some window tinting, motion detector light switches, things like that that are smaller items.

DIRECTOR GREGG: So we're not limited to one? I mean, we could use all three?

MR. WOODS: No, I'm just bringing you up to date that I am talking to them and we're trying to find ways to save on our energy consumption.

DIRECTOR COWAN: 60 percent under LED lighting looks very beneficial.

MR. WOODS: And I'm currently conducting a survey of -- Solar Max has provided me with a list of companies and other government agencies that they provided. One of the questions I had was, if you project 60 percent savings, where have you done this work before? And I want to find out from them, did they hit their target numbers, or did their target numbers seem to be about 15 percent off, or were they on the money? So we've sent out a survey to, I

believe, two, maybe three other government agencies in Southern California that they've done work for.

DIRECTOR GREGG: 60 percent's a pretty high number. I mean, there's plenty of wiggle room to work with. I mean, you could be off 10, 20 percent on any of these numbers and still get --

DIRECTOR COWAN: With the Concerts in the Park --

MR. WOODS: Yes.

DIRECTOR COWAN: -- do we know if we might end up doing Movies in the Park every week instead? Since we are -- since we're cancelling that program due to the --

MR. WOODS: We discussed it, and at this time, we're not planning to run an activity every weekend.

DIRECTOR COWAN: Okay.

MR. WOODS: There have been a couple -- there's been one other program that's popped its head up at a meeting with the organizers, but it would be a one-time activity late in the summer.

DIRECTOR COWAN: And we could try to market that possibly, or say we have these open Saturdays. We know people come to our events, that -- you're saying this is like an event like that one time they would show up, they would do it.

MR. WOODS: Right.

DIRECTOR COWAN: We can let other vendors know that.

MR. WOODS: If somebody wanted to come in and put on a concert, and we could -- they could meet our insurance requirements and things that we have, I'd be more than willing to work with somebody coming in and doing that.

DIRECTOR COWAN: I went to a lot of the Movies in the Park. I attended a few of the Concerts in the Park, and I do understand that we need numbers for Concerts in the Park. It was a different atmosphere and a different -- there were different people there. At the Movies At the Park, a lot of family, a lot of kids. My family alone was 20-plus people when we show up. So I know there's a lot of people there. And then once again, when we went there during the concerts, there was probably 40 people total coming and going. So I see why we have to stop that program.

MR. WOODS: That's all I had on that.

Board Member Reports

Standing Committees

Recreation Foundation - Swanson/Cowan

DIRECTOR SWANSON: Board Member Reports is next, and the first is Foundation. And I'd like to welcome one of our Foundation members Jeanne Helsley.

MS. HELSLEY: Thank you.

DIRECTOR SWANSON: And some of the notes that were taken are in your report in the back. And the -- it is also -- I'm sorry -- Director Drylie asked if we could get new and more accurate signs at the museum. And I noticed that we have more people coming to the museum. He was really pleased about that. And then I think it mentions here how the pamphlet came out with corrections about our Historical Sites Monument Program, and it looks very sharp. There were just a few things -- everyone seems very pleased with it. I think it would encourage a lot of people to go to those different places to get the patch and have that experience.

Tri- Agency - Swanson/Cowan

DIRECTOR SWANSON: Tri-Agency was today. And Bob, did anything stick out to you?

DIRECTOR CHANDLER: No.

DIRECTOR SWANSON: Just seems like there's a lot of -- lot of stuff going on. They did mention that the Rancho Interchange is going to be closing the main line of the freeway at night, and then they're going to be sending -- traffic will still go through, but they'll be sending them around on the exit ramps. But that will be from 12:00 to 4:00 a.m. Advanced Disposal is having an expansion, and that should be done by May. And they're installing brand-new recycling equipment. Twenty-nine new housing permits were issued up from zero last year, or one. I said one. Or zero. So now there are 29 already in February this year. And they mentioned the Government Days did -- the School District as being a very successful thing, the high school kids coming in and taking the place of city personnel. They really enjoyed that. The City also mentioned that they are doing a time capsule project, and they're going to ask for submissions of poems or written work or photographs about Hesperia for a time capsule that's going to be displayed in the City Hall. And they're asking -- they were asking for people from each of the agencies to step forward. And I believe the superintendent of schools and Lindsay Woods, our General Manager, have agreed to help look at those submissions and choose some things that represent our City from the kids in our City.

MR. WOODS: And the purpose of the time capsule is it's a culminating activity for the City's 25th anniversary.

DIRECTOR GREGG: Can you fit the golf course in that capsule?

UNIDENTIFIED SPEAKER: I like that.

DIRECTOR COWAN: Pig-flying shirts. Definitely pig-flying shirts.

DIRECTOR SWANSON: They talked about Relay For Life. They're already starting to pull together teams, and that will be April 26th, at Civic Park; is that correct?

MR. WOODS: Yes.

DIRECTOR SWANSON: There are -- the School District said that there are 21,300 students enrolled currently, and there are some community meetings to discuss the impact of the local community funding formula. And those, I think, got -- phone calls were made to people in the city to give them those different things. But you can get those -- all those on Hesperia.org, which is the District's website. Mr. Chandler?

DIRECTOR CHANDLER: That pretty much covers it.

Safety and Security - Chandler/Gregg

DIRECTOR SWANSON: Anything else? How about on Safety and Security? Did you want to mention anything on that?

DIRECTOR CHANDLER: Not really. As you can see, everyone received all the information -- MS. THOMAS: No.

DIRECTOR CHANDLER: They didn't? Okay. What we did is we met here, and we met with our Chief Ranger Jack Thomas, Lindsay, Rachel, and Rebekah. And we went through some inspection reports for -- that were related to various types of park settings that are made, interior and exterior buildings, and District settings themselves. And we also went over some inspections that are being used for vehicle inspections. Jack Thomas was there and -- our Chief Ranger, Park Ranger. He talked briefly about what he's been doing. And he stated that basically things have slowed down a lot because there's -- because there's very little happening

with the parks. So that was a good report. We went over some cases that -- that the Safety Committee had to review and take care of, handle. They -- everybody is doing, I think, really just a great job. And I really want to thank the Safety Committee for doing such an outstanding job consistently. And that includes Brad Cook, Tim Glass, Willow Miller, and Jack Thomas. Especially, too, I want to thank Willow Miller, who does all the reports and does an excellent job in writing up the reports and taking notes and being the secretary of these meetings that they have. Very thorough, very complete, very -- information very easy to read and follow. Very well done. Good and complete report. Everything is going pretty smoothly.

DIRECTOR COWAN: When was the Safety and Security meeting?

MS. THOMAS: Thursday the 6th.

DIRECTOR COWAN: And we weren't able to get even an agenda -- I know you emailed me an agenda, but we weren't able to get an agenda in our Board packet?

MS. THOMAS: Doesn't normally go in the Board packet.

DIRECTOR COWAN: I don't know. Does it?

MS. THOMAS: No, I -- that wasn't a question.

DIRECTOR COWAN: Oh, it doesn't.

MS. THOMAS: I said it doesn't normally go in the Board packet. If the Board directs us to start doing that --

DIRECTOR GREGG: Well, isn't that an ad hoc committee meeting?

DIRECTOR LIMBAUGH: It's not a standing.

DIRECTOR SWANSON: It's not a standing.

MS. THOMAS: Oh, the Safety Committee? Yes.

DIRECTOR COWAN: All right. We get the HARD Foundation one.

DIRECTOR GREGG: Yeah. And we got the Golf Course --

MS. THOMAS: You have the minutes for the Golf Course. You don't have the agenda for the Golf Course meeting.

DIRECTOR COWAN: Is it possible to get the minutes next meeting?

MS. THOMAS: Yes. Yes, you will. But the Board packets were run and done before the Safety Committee meeting was done on the 6th at 4:00 p.m.

DIRECTOR COWAN: Oh, okay. What time -- we pick up Friday morning?

MS. THOMAS: Yes.

DIRECTOR COWAN: What was Friday? The 7th?

MS. THOMAS: I'm sorry?

DIRECTOR COWAN: The 7th, correct?

MS. THOMAS: The 7th? Yes. Except for Mr. Gregg. He picked his up yesterday -- Tuesday.

DIRECTOR GREGG: Well, Board packets -- it's irrelevant when we pick them up. They're available and ready to pick up when?

MS. THOMAS: He just asked me --

DIRECTOR GREGG: On Friday, correct?

Personnel Committee - Limbaugh/Chandler

No meeting held.

Audit Committee - Limbaugh/Gregg

No meeting held.

Ad Hoc Committees

Golf Course Ad Hoc Committee - Limbaugh/Cowan

DIRECTOR SWANSON: And the Golf Course Ad Hoc Committee --

DIRECTOR LIMBAUGH: I have a question about the Tri-Agency.

DIRECTOR SWANSON: Oh. Let me go back to my notes.

DIRECTOR LIMBAUGH: Next time you guys meet, can you ask them about the improvements on Rancho because the interchange is going to be done in August --

DIRECTOR SWANSON: The improvement right where the interchange is?

DIRECTOR LIMBAUGH: No. The interchange is going to be done in August, and there's all kinds of sections of pavement that either the City has control over or the County does. What is their plan to -- they're not going to wait until Tapestry development spreads its wings before they improve the whole length of Rancho because -- I don't know. But it looks like there's at least four lanes, probably eight overcrossing --

DIRECTOR SWANSON: Okay. One sentence. What are --

DIRECTOR LIMBAUGH: What are their plans for improvements to Rancho prior to or immediately after the interchange is completed at I-15? And if you could ask them maybe before the meeting so they can give you like a little idea. I know the County is doing something by Escondido. I think they're putting in a stoplight or signalized interchange at Escondido. I think that's what they're doing.

MR. WOODS: I have not heard that.

DIRECTOR LIMBAUGH: And there's four lanes of traffic over the Antelope Wash, which is between Danbury and Santa Fe. Then it goes to two in a couple of places. Then it's four lanes. So it's four lanes right in front of the high school? I don't remember.

MR. WOODS: Yeah, four.

DIRECTOR LIMBAUGH: So just what their plan is for that improvement, once the interchange is improved. Because I think the traffic load on Rancho has gotten a lot for a two-lane, stop-sign type of traffic. It's not efficient. Just out of curiosity.

MR. WOODS: I'll see what I can find out.

DIRECTOR LIMBAUGH: I know Councilman -- the last time I saw him -- shoot, where was it? The guy that broke his leg. He was just at dinner -- yeah, Schmidt. He lives over by where I do, and he knows like I do those traffic loops at Santa Fe and Rancho break all the time so that the thing turns green and there's no cars coming the other way. So it -- if the loops break, it rifles through that whole thing, and then there's cars waiting. So he had -- he complained, and they fixed it for a while. But I think, you know, every so often the loops break again. So whatever. That's all my questions. Golf Course Ad Hoc Committee?

DIRECTOR SWANSON: The notes are in the back.

DIRECTOR LIMBAUGH: Yeah, the notes are in the back. We did the -- and I guess, Lindsay, you can give us an update since our meeting. Funny thing, Lindsay gave us at the committee meeting -- when did you get that list from the City of the -- of the --

DIRECTOR SWANSON: Inventory list.

DIRECTOR LIMBAUGH: Inventory. It's this thick (indicating). They inventoried crackers, napkins --

DIRECTOR SWANSON: Coffee stirrers.

DIRECTOR LIMBAUGH: -- plastic forks, coffee -- coffee stirrers --

DIRECTOR SWANSON: Napkins.

DIRECTOR LIMBAUGH: Packs of --

DIRECTOR SWANSON: Packs of unused --

DIRECTOR LIMBAUGH: Salt and pepper, little packets. Okay. Anyway, they had like a whole group of people over there writing down everything --

DIRECTOR SWANSON: Bottle caps.

DIRECTOR LIMBAUGH: So I think at the first cut, Lindsay, you made the statement that, you know, we're not -- we're not going to be beholden to a half a bottle of Sky Vodka at the bar, okay. And it seemed to me that there was like 12 pages of alcohol alone. So Lindsay marked up the list and sent it back to the City, and I think we were waiting to see what they say about that. And some of the things you would think would be on there weren't on there, right?

MR. WOODS: Yeah. So we're trying to make it just an actual equipment list. And that's how it's referred to in the agreement was an equipment list.

DIRECTOR LIMBAUGH: Right.

MR. WOODS: So not an inventory of when they purchased the property.

DIRECTOR LIMBAUGH: Right.

MR. WOODS: So we're working on streamlining --

DIRECTOR SWANSON: I don't think knowing how many coffee stirrers are in a half-open box is an effective way to use our employees' time.

MR. WOODS: And consumable items need to be removed.

DIRECTOR LIMBAUGH: There have been plenty of times that passed between our agreement, and Director Cowan and I looked through the agreement and they agreed to some of those things. Some of the things via the attorneys' comments, our attorneys' comments were, it's okay, you'll be covered if it would ever create a problem, so -- but some of them they did change that were -- you know, they were a little bit more than wordsmithing, in our opinion, and some of them they did change. So the agreement, at least at the front part, said the same thing in the back, which I think was -- so it had continuity. They did change those. And then you were going -- they were going to do something with it. And then I think we're moving towards executing it, right?

MR. WOODS: I hope to have it back next month.

DIRECTOR LIMBAUGH: And apply all executable form, correct?

MR. WOODS: I sent it to the City. The General Manager was out. And then he was at a conference, I believe, last week.

DIRECTOR LIMBAUGH: Right. So the committee doesn't need to meet anymore. It should come before the full Board once we get it from the City the next time. And I don't know where we're going to go with the inventory, but that was just a -- was that an FYI.

MR. WOODS: Yes.

DIRECTOR LIMBAUGH: Okay. And then an issue came up about the lawn mower. That was the big thing. Who makes the decision at the golf course in the hierarchy of decision-making process if a piece of equipment or something needs to be done that involves an expenditure, be it large, not small? And the City says, oh, no, you know, that's definitely a maintenance thing. You guys have to take care of that. Hopefully, those issues will be put to bed rather quickly, and we won't have to spend a lot of time on it. And I think you've worked that to -- there's not going to be a matter of debate that, you know, you're going to have to pay for this, period. And when it all goes down, it's not going to be like the lake where we had to do it, the park. The golf course, the City will do it. When that building gets so rotten and old

that it collapses, they're going to have to come and fix it up, not us, okay? So it was -- it's good. That should be done in the next two months maybe.

MR. WOODS: I really hope to have it back next month.

DIRECTOR LIMBAUGH: Okay. But it will come on the agenda for approval?

MR. WOODS: Yes, for Board consideration.

DIRECTOR LIMBAUGH: That's it on the golf course.

Civic Plaza Ad Hoc Committee - Limbaugh/Gregg

No meeting held.

Monument Ad Hoc Committee - Chandler/Cowan

No meeting held.

Skate Plaza and BMX Ad Hoc Committee - Chandler/Gregg

No meeting held.

Other Related Business

DIRECTOR SWANSON: Okay. Thank you. And there were two committees where there was no meeting held for two ad hoc committees. Is there any other business? Then --

DIRECTOR GREGG: You want --

MS. THOMAS: Are you talking about Other Related Business?

DIRECTOR GREGG: Do directors' comments now?

MS. THOMAS: That's what I mean, the Other Related Business.

DIRECTOR GREGG: While we're on the ad hoc committee for the golf course -- I thought you had more than that, I'm sorry. Was just going over the numbers really quick, and again, I want to put on the record that the golf course lost \$38,874.96 year-to-date. But something strange is really happening with these numbers. If you look at the year-to-date -- or if you look at that -- the July-to-December expenditures and the July-to-December revenues, the numbers we're losing, \$8-, \$9-, and \$10,000 a month -- and the revenues and expenditures really didn't change that much for December, although it shows that we made \$430.57 profit off the golf course finally. It's hard to explain without going through and going line by line and adding everything up, but I mean, if you take a brief look at July -- again, July-through-December expenditures, where we go from losing \$9,000 to \$10,000, the numbers are so close for the month of December that we're showing a profit. This -- is this tallied right? Just curious --

DIRECTOR SWANSON: Does that include all the current bills and everything?

MS. THOMAS: You're looking at me. I thought you didn't want me to answer.

DIRECTOR GREGG: I'm just -- I'm looking at the General Manager. I'm sorry. I'm looking in your direction. I'm looking at the General Manager.

MR. WOODS: I'm looking at it now.

DIRECTOR GREGG: Because it's just -- it's funny that I've been beating the drum about the golf course for the last month, and now all of a sudden it makes \$434 profit. I mean, the numbers just don't seem to add up across the board.

MR. WOODS: I will have the numbers double-checked, but staff has reviewed them, and we believe that they're accurate.

DIRECTOR GREGG: Okay.

MR. WOODS: Now there could be some post-adjustments --

MS. THOMAS: If you look at the Total Expenditures on page 2 of 3 -- so you're saying for the month of October, the total expenditures were \$64,956, and the total revenues was \$53,981.36.

DIRECTOR GREGG: Lost \$11,000 almost.

MS. THOMAS: Correct. So I'm not sure why you're saying things don't add up, because if you look at the revenue and the expenses --

DIRECTOR GREGG: What I'm saying is -- is that just from the appearance of glancing at it, if the expenditures total A and B for December are \$49,982 and revenues are \$54 --

MS THOMAS: 50 --

DIRECTOR GREGG: \$50,412.66, and we made \$430, the numbers aren't that much -- I mean, for July through November -- I mean, do you see the huge deficit there?

MS. THOMAS: Yes, but it's not that the numbers don't add up. The way you're presenting this -- the way I'm hearing it is that the numbers are wrong.

DIRECTOR GREGG: Well, I'm not saying necessarily the numbers are wrong. What I'm saying is -- is that the appearance on the paper is that from July to November we have sustained massive hits at the golf course upwards of \$11,000. And those numbers aren't that far off from the numbers for December, and we're showing a \$430.37 profit. One thing I'm looking at is for like December utilities, if we showed -- if we had way more increase in revenues, which I'm just expecting to be multiple participation, which is going to use more time, manpower, and utilities and the like, our utilities costs dropped substantially in the month of December over the previous months. I mean, are we doing positive things to save on utilities? Is there water bills or electric bills that come in higher --

MS. THOMAS: Well, remember, if the well is down, the electricity is not pumping the water out of the well.

DIRECTOR GREGG: Right.

MS. THOMAS: So our electricity bills are lower when the well is down and you're pumping water from the fire hydrant.

DIRECTOR GREGG: And it's currently down, right?

MS. THOMAS: Correct. And in December the well was down. So the electric bills would be cheaper because there's no electricity going.

DIRECTOR GREGG: Okay. I just wanted to bring that out, that the main thing again is that we lost almost \$40,000 year-to-date on the golf course.

MS. THOMAS: But I believe these numbers are firm. There's not a problem with the numbers.

DIRECTOR GREGG: And still have a hard time subsidizing our After School Activities Program. Other than that, been out and about. Grounds again are looking, you know, good for the season. Appears that the maintenance team is doing an excellent job on what they're supposed to be doing. Still have concerns -- some concerns over Skate Park. And again, I keep bringing it up. I thought Safety and Security would have brought something up about Skate Plaza. At any given time, you can go by there and find nobody wearing helmets or any of their required gear that we pushed for the rules, which if they get hurt, it's on their own risk. But I don't know what we're doing to be proactive about that. Several -- well, not several. I want to specify probably three District trucks are missing half of their logos on the trucks which readily identifies those vehicles as being Park District -- Park and District employees, so that the average person on the road, you know, would -- would look at them a little higher standing than a regular vehicle. Also, two of the trucks -- maintenance trucks out on the road -- one in particular on Sunday that was at Lime Street Park, it appeared to be all smashed up on the driver's side front. And I just don't know that that's the kind of image that we want to

predict for our District, that we're going to put our guys in shabby red trucks. I thought Safety and Security maybe would have touched on that a little bit. That's all I have.

DIRECTOR COWAN: After reviewing the Written Communications, I'd like to say that our letter to the County of San Bernardino's General Accounting Section is very well written. I'm glad that we are sending it to them. I don't think we're going to get any assistance in paying the expense that we did have to pay, but I think that just a -- it just shows that -- shows them that we are looking into it, and that we don't appreciate having to spend extra money. And I think that it's good that we sent this.

MR. WOODS: If we get a response, I will include it in your Board packet.

DIRECTOR COWAN: Yeah. I won't wait for it.

MR. WOODS: Yeah. Neither will I.

DIRECTOR COWAN: But I do appreciate you sending it out. And it's very well written, and I think it gets our point across.

DIRECTOR SWANSON: I really enjoyed the Special Districts Dinner. I think you did a great job picking a place that was a Hesperia landmark, and the speaker was excellent, our chief of police. And he had connections with some of the other cities in the room, and that -- that really pulled us all together. I think he did an excellent job. Local person, Hesperia person, left and came back. And he was very entertaining and kind of scary in some ways bringing up some of the information that he had about how safe Hesperia is in general, but that we always have to be vigilant in making sure that we keep an eye on things. But he did an excellent job, I thought. And the food was wonderful. And I think we did a very good showing to the other special districts and made them welcome, and I appreciate the work that our agency went to make that happen, and people who volunteered and stepped up and helped make everything work very smoothly. It was wonderful. DIRECTOR CHANDLER: My wife and I took a walk down at the lake the other day, and it was really nice to see the 9/11 monument site, some of the work you've accomplished down there. And I think -- I can just see those benches sitting there now. But thank you for what you did down there. I noticed the light has been fastened beneath the flag, so that's been on. Looking good down there.

MR. WOODS: Thanks. I'll let staff know that you appreciate that.

DIRECTOR GREGG: I'm sorry. Also, I missed one here. On Director Drylie's suggestion for safety items, I would -- I would really appreciate it if the maintenance department or you could look into that. Several times these gates have been closed, and there is no appearance that there's anything there until you get up on them. So if Director Drylie -- I didn't see that here in your comments that even when the -- they should probably have reflective tape on them to prevent any accidents pulling in or leaving. Because it's been a couple of times I assumed the gate was open and it's not.

DIRECTOR SWANSON: It was my understanding -- and I went by -- and the pieces have been replaced; is that right? The reflective tape on the --

MR. WOODS: -- reflective tape on the --

DIRECTOR SWANSON: And they made sure there was more and it was all up-to-date? Okay. Good. I'm glad. That's all I have.

MR. WOODS: Any other Board member comments before we move to closed session?

DIRECTOR SWANSON: Okay. Seeing none, then I'm closing open session at 8:29 p.m. And thank you to our guests for coming and sticking with us. I'm sorry. It's 8:30.

Meeting Recessed from Open Session at 8:30 p.m.
Meeting Reconvened into Closed Session at 8:39 p.m.

Meeting Recessed from Closed Session at 9:00 p.m.
Meeting Reconvened into Open Session at 9:00 p.m.

I. Conference with Real Property Negotiators (Closed Session, Government Code Section 54956.8) One (1) Property:

- **Property APN:** 045-313-450000
- **Agency Negotiator:** Lindsay Woods
- **Negotiating Party:** Mike Podegracz
- **Under Negotiations:** Price and Terms

Report from Closed Session

MS. THOMAS: A motion was made by Director Limbaugh and seconded by Director Chandler to authorize the General Manager to bring back a Purchase Agreement for Parcel Number 045-313-450000 as a purchase not a surplus in the amount offered by the city of Hesperia of \$129,000.00. The vote was Ayes Limbaugh, Swanson and Chandler. The Noes were Gregg and Cowan.

MOTION: The Motion to authorize the General Manager to bring back a Purchase Agreement for Parcel Number 045-313-450000 as a purchase not a surplus in the amount offered by the City of Hesperia of \$129,000.00 was made by Director Limbaugh, seconded by Director Chandler and carried by the following:

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

J. Authorization to Dispose of Surplus Property from District Ownership.

MS. SWANSON: Item J is no longer necessary at this time.

ANNOUNCEMENTS

The next Regular Board of Directors Meeting is scheduled for March 12, 2014 at 7:00 p.m. and will be held in the Lime Street Park Community Center at 16292 Lime Street, Hesperia, CA 92345.

ADJOURNMENT

The meeting was adjourned by declaration by President Swanson at 9:02p.m.

Respectfully submitted,

Lindsay Woods, General Manager

Rachel Thomas, Admin. Op. Mgr.