

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

December 11, 2013

DIRECTOR LIMBAUGH: Good evening. We'll call this meeting of the Hesperia Recreation and Park District to order. And we always start our meetings with the flag salute, so would you please rise and join me in the flag salute? Director Gregg, would you go ahead and lead it?

DIRECTOR GREGG: Please repeat after me.

FLAG SALUTE

Director Gregg led the Pledge of Allegiance

DIRECTOR LIMBAUGH: As you know, this is the Hesperia Recreation and Park District monthly meeting. And it's nice to see all your happy faces here. It's not as cold as it was last night, so it's good to venture out. And I see we have one of the City Council members here. Eric, stand up. Can you stand up?

DIRECTOR SWANSON: You're going to make him stand up?

DIRECTOR GREGG: Mayor Pro Tem.

DIRECTOR LIMBAUGH: Mayor Prom Tem. Thank you. I think we have a School Board member. Okay. Thank you for coming. It's always nice to see a fellow electeds at our meetings. We don't get them very often. As is custom in all our meetings, we encourage the public to give us their opinions and talk about things that we have on our agenda. So if you care to speak tonight, we have comment cards, and you can fill them out. And actually, you're going to be the first thing on the meeting agenda tonight. So did we get any?

MR. WOODS: I have none at this time.

DIRECTOR LIMBAUGH: Doesn't anybody have anything to say? Okay. Good. We're really nice. So call to order?

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.

MS. THOMAS: Director Swanson?

DIRECTOR SWANSON: Here.

MS. THOMAS: Director Gregg?

DIRECTOR GREGG: Here.

MS. THOMAS: Director Limbaugh?

DIRECTOR LIMBAUGH: Here.

MS. THOMAS: Director Cowan?

DIRECTOR COWAN: Here.

MS. THOMAS: Director Chandler?
DIRECTOR CHANDLER: Here.
MS. THOMAS: Thank you.

ATTENDANCE

BOARD PRESENT: Gregg, Chandler, Limbaugh, Cowan, Swanson
BOARD ABSENT: None
STAFF PRESENT: Woods, R. Thomas, Webb, J. Thomas, Hamm

COMMUNICATIONS

WRITTEN COMMUNICATION

1. Association of the San Bernardino County Special Districts Membership Meeting notice for December 9, 2013.
2. Newspaper article, November 5, 2013, Hesperia Star, "Veterans Day ceremony on Monday".
3. Newspaper article, November 12, 2013, Daily Press, "Hesperia Salutes Vets".
4. Newspaper article, November 15, 2013, "Western Outdoor News, "Hesperia rocks on!".
5. Newspaper article, November 25, 2013, Daily Press, "Wal-Mart donates to after-school program".
6. Newspaper article, November 26, 2013, Hesperia Star, "Senator pays visit to Hesperia".
7. Newspaper article, November 29, 2013, Western Outdoor News, "Nebraska brings the fight to Hesperia Lake".
8. CARPD Communicator, November 2013.
9. RSP Basketball Evaluations.
10. Youth Flag Football Evaluations.
11. Fall Volleyball Evaluations.

DIRECTOR LIMBAUGH: Okay. Next thing we have is our Communications. We have some written communications in your board packet. I think there was a number of things that were passed out to us. Do you have any oral communications?

MR. WOODS: No, I do not.

DIRECTOR LIMBAUGH: I have one. For those of you who attended the tree lighting last week, it was very nice. And Rebekah, thank you for speaking at the tree lightning -- that was nice -- in my absence.

DIRECTOR SWANSON: My pleasure.

CONSENT ITEMS

- A. Approved Minutes for the Board Meeting, November 13, 2013.
- B. Approved Claims for Payment
- C. Accepted written staff reports.
- D. Authorization to advertise for bids: None

DIRECTOR LIMBAUGH: So the next item on our agenda is Consent Items, and we have items A through D, items that are considered routine and non-controversial and can be acted on by the Board at one time. Do I have a motion for the consent items?

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

Ayes: Swanson, Gregg, Limbaugh, Cowan, Chandler

Noes: None

Absent: None

Abstain: None

PROCLAMATIONS AND PRESENTATIONS

DIRECTOR LIMBAUGH: Okay. Proclamations and Presentations. Hope you guys are participating in that; otherwise, we have something on our agenda that I don't know about.

MR. WOODS: Well, this evening we're recognizing our Hesperia Days volunteers and our Veterans Day volunteers. And to start things off, we have our supervisor Steve Hamm, who will begin the presentation for Hesperia Days. Steve?

MR. HAMM: Veterans Day. Jack will be doing Hesperia Days. All right. Well, on Monday, November 11th, we had our Veterans Day ceremony. So it was a beautiful day, and the Lord blessed us. It was nice. Everything kind of fell into place, and we had an excellent turnout. So, first, I'd like to have Hesperia Garden Club's Terri Blomker come up. Terri? The Park District Maintenance ended up planting the carpet roses around the bottom of the flag pole this year, so Terry had a little reprieve. Usually, she's out there the day before, or two days before, and she's out there getting her volunteers -- and it's usually freezing, right, Terry? So this year they didn't have to do that. So that was kind of a nice little break. But she did bring some information about the Hesperia Garden Club, and also had pastries, which was kind of nice, for everybody that showed up. So let's give Terri a round of applause.

(Pictures were taken.)

MR. HAMM: All right. Terri is also the troop leader for the Girl Scouts -- don't sit down.

MS. BLOMKER: I'm not.

MR. HAMM: So it's Hesperia Girl Scout Troop 803. And I believe she brought two out of the many girls that came out.

MS. BLOMKER: 31.

DIRECTOR LIMBAUGH: Wow. Nice.

MR. HAMM: So we have a Laci Blades. Laci?

(Applause.)

MR. HAMM: I gave you both. And Dawn Sherwood.

(Applause.)

MR. HAMM: Shake their hands. Give them high-fives.

DIRECTOR LIMBAUGH: Hi, Dawn. Thanks for helping.

(Pictures were taken.)

MS. BLOMKER: Cookies start January 26th, and we'll be at all the Stater Bros.

MR. HAMM: Nice.

MS. BLOMKER: Thank you.

MR. HAMM: So they helped with the water, the programs, the flags -- yeah, it was great. And -- and once you have little ones running around, then you have parents that help out too. So I did have a show book that was kind of going around. Bob, where did that go?

DIRECTOR CHANDLER: Yeah. Larry had it.

MR. HAMM: Okay. And John, which was -- what was her name? Hailey -- oh, okay -- helped with the pictures. So Hailey will come up in a little while.

MS. BLOMKER: And if I may, I just want to say Girl Scout Troop 803, and also Garden Club -- but mostly the Girl Scouts -- this is our fourth year helping, and we really enjoy helping. It's been great. We work great with Steve and -- just thank you for letting us do it. The girls, they just get such a big kick out of it, and so -- but thank you very much.

THE BOARD: Thank you.

MR. HAMM: Okay. Page -- the AMVETS chaplain couldn't make it, Larry? No? Okay. Page is the AMVETS chaplain from the group for AMVETS, and he's been here for a number of years as well. So I guess he couldn't make it tonight. And Damon -- did Damon -- the trumpeter -- which he's a staple to our event as well for last three-plus years, so -- and he had a great backdrop with the 21-gun salute. So we'll make sure he gets that. And we had a new addition to this year's event, which was -- I got a call from a teacher, and her name's Sara Allsman from Cedar Middle School. And she said that she had a project for her students to write letters for the Veterans Day. So I gave Larry a call, and I go, "What do you think, Larry? It sounds pretty good to me." And Larry said, "Yeah, that sounds great." So we wanted to have three of the better ones come up and speak. So I have -- let's see -- Brianna Wood, Hanna Snowball, and Hailey Santos, if they could come up, please. Why don't you guys explain how that works in class? Who wants to speak?

DIRECTOR SWANSON: You guys did a wonderful job.

MR. HAMM: I should have worded that kind of like, you know, how -- does she do that every year with the 7th graders, or how does that work?

MS. SANTOS: Yeah, she tries to do it every year. That way, all the veterans know how much we appreciate them, that we don't take what they do for granted.

MR. HAMM: Okay. So not only the three that got up and spoke in front of everybody -- which they did an excellent job -- but everybody in their class. I think there was -- how many in the class?

MS. SANTOS: Well, it was our class, which was one of the three, and which had like 30-something students, so --

MR. HAMM: So there was a lot of letters. So afterwards, they went around and gave letters out to the veterans. And I want to say it was a pretty good response on something new that we hadn't done. And I thought that the veterans that did receive them were very gracious. So go up and give a handshake, and thank you.

(Pictures were taken.)

MR. HAMM: Okay. Looks like Damon came in, so come on up, Damon. He's been our trumpeter for the last three-plus years. So thank you very much for making it this year.

MR. MACHADO: No problem.

MR. HAMM: Last year he couldn't make it to the Board meeting, but I had an interesting story from last year because he called up -- I called him up, and I was like, "Hey, how was everything going getting here to the event?" And then I found out -- Did your car get stolen

last year? How -- let him tell you how he got -- his uniform was missing, so he ended up having to borrow one. And so he was a trooper, and he ended up making the show. So if you were at any of the events the last three years, he's an excellent trumpet -- trumpeter?

MR. MACHADO: Bugler.

MR. HAMM: Bugler. There you go. Thank you, Damon, for coming out and participating in the event.

MR. MACHADO: My pleasure.

(Pictures were taken.)

MR. HAMM: Next we have Captain Bradley Vaughn. If you can step up here, please. He's the commander of the Vanguard Military Intelligence Company Regimental Support Squadron, 11th Armored Cavalry Regiment, at Fort Irwin, California. Now, the first bio that they gave us; it was probably -- what, Larry? -- a page and a half? -- and I was thinking, wow, that was impressive, but we kind of scaled it down. So he graduated from Vanguard University of Southern California with a degree in History and Political Science. He's previously -- his previous duty assignments include Platoon Leader and Executive Officer in 2/25 Stryker Brigade Combat Team, Schofield Barracks in Hawaii, and Squadron Intelligence Officer, 2/11 ACR at Fort Irwin. While stationed at Hawaii, Captain Vaughn was deployed in support of Operation Iraqi Freedom and Operation New Dawn to --

CAPTAIN VAUGHN: FOB Warhorse, Diyala Province.

MR. HAMM: Okay. In Iraq from 2010-2011. And he was our main speaker this year. He was excellent. He talked about service and duty and touched many hearts that day. And we appreciate his candor and enthusiasm for the event. So thank you.

CAPTAIN VAUGHN: Thank you very much. Thank you.

(Pictures were taken.)

MR. HAMM: Next is Larry Thompson. Larry, come on up. Larry was our emcee for the event. He stepped in again and really helped us out at this event, even though at a time where he's very busy because, at that time, he's gathering Thanksgiving meals for the military families. I think he even came out to Fort Irwin; right? So Larry has fun with the event. He's got a great sense of humor. He adds some hometown to the event, and I really appreciate working with him on the event. So thank you, Larry. Here's your certificate. And I also want to thank his wife Robin. She lets him come out and help the community as much as he does. So Larry.

(Pictures were taken.)

MR. HAMM: Thanks again, Larry. All right. Next is Lieutenant Colonel Scott M. McFarland, if he could come up and join me. He is Logistics Commander, Regimental Support Squadron, also with the 11th Armored Cavalry Regiment. I originally received a phone call from one of the Lieutenant Colonel's majors, Major Vaughn -- I mean, Major Ivory -- who offered to have Fort Irwin actually help us out. It was kind of a call out of the blue, and it was kind of a godsend because Larry and I were a little challenged on getting a couple people that would say yes to being a speaker. And then he said, "Oh, yeah, we can help with that." And I said, "Well, how about somebody singing the national anthem?" He said, "Oh, yeah, we can do that too." And I said, "Hey, how about a 21-gun salute? You guys have that?" "I think we can work that out, so let me get back with the Lieutenant Colonel and see what he says." And that -- it just fell into place. And after Major Ivory assured me that they could help, I surprisingly received a direct email from the Lieutenant Colonel, which I wasn't expecting. But it said,

"Gentlemen, I wanted to let you know that my squadron is happy to support this event, and I will be present as well with one of my company commanders serving the guest speaker role." Captain Vaughn. "We look forward to partnering with Hesperia Town Leadership and other organizations in future events." And I was thinking, wow, that's just hit home with us. And Larry and I were very thankful that that happened. So the whole Fort Irwin thing coming down, you guys were fantastic. And I think the Lieutenant Colonel would like to say a couple of things, so I'll give him the floor.

LT. COL. MC FARLAND: Yeah. It's actually perfect timing -- perfect timing when Steve called because about a week prior to the event, Fort Irwin figured out that we're screwing up community relations. And I can say that and be honest -- (laughter) -- because there's about five thousand soldiers on Fort Irwin, and there were no real assigned geographic regions from L.A., all the way up to Barstow, who would cover who. I have the honor of commanding about a thousand of the five thousand. And we were given literally a week prior to the event the Hesperia area. So I'm going to leave a bunch of business cards up here. Anything you need from guest speakers to color guards, honor guards -- we have a horse detachment that we can come out and have a color guard on horses. Anything you need for the Hesperia area, let us know because we have now been assigned as your community relations portion of Fort Irwin, so --

(Pictures were taken.)

DIRECTOR LIMBAUGH: Sir, do you know how many men live in Hesperia, or how many people who support Fort Irwin live in Hesperia?

LT. COL. MC FARLAND: A lot. There are a lot. A lot of civilians live out here, and they end up driving to Victorville and taking the trains and buses in from Victorville.

DIRECTOR LIMBAUGH: Right. Okay.

MR. HAMM: Okay. Next is the 21-Gun Salute Team. So for seven years now we've been running this, and I've been wanting a 21-gun salute every year. So it was fantastic. They made -- they looked very sharp, and they made an excellent backdrop for the event, so I was very happy. If the First Sergeant could come up and help me with the presentations on that. This is First Sergeant --

1ST SGT. ELIGWE: Eligwe.

MR. HAMM: Eligwe. Do we want to have them all come up at once or --

1ST SGT. ELIGWE: PV2 Donta Walton. Specialist Heriberto Rivera. Specialist Latasha Sampsel. And PV2 Joshua Coleman.

(Pictures were taken.)

DIRECTOR SWANSON: The geese and the ducks did not move. They were like, oh, good, okay. I thought we would see this great flight, and they could not have cared less.

MR. HAMM: There was a few people that were not ready for it that jumped pretty much right out -- (laughter) -- okay, here it comes. I'm looking through the crowd. Yeah, there was some people --

DIRECTOR COWAN: A little PTSD.

MR. HAMM: I'd also like to thank Bob and Verna Chandler for their beautiful dove release. It was a nice part of the ceremony as well.

(Applause.)

MR. HAMM: And then other people that could not make it was Lee Williams with the Operation Kilo. That's kind of the backdrop with the boots and things. He might make it next

month. And then the Sultana ROTC with Sergeant Dave Thomas. We'll have that next month because they were also the color guard for the tree lighting, so we thought they could come together because there's not much room left. So thank you very much.

DIRECTOR SWANSON: We're out of chairs, so next month.

DIRECTOR COWAN: I'd like to say thank you to everybody also. I'm a veteran of Afghanistan, and I'm currently in the National Guard as an E5. And I feel that when I see the community come together this way, that it shows all the veterans -- current veterans and our past veterans -- that we are supported and there's people out there that think about us at all times. So thank you.

MR. WOODS: Next, we have Jack Thomas, our chief park ranger, to do some presentations for Hesperia Days, and also the Hot Rod Halloween event.

CHIEF RANGER THOMAS: Absolutely. The Citizens on Patrol helped us out for the Hot Rod Halloween. Is that why we were there? Absolutely correct. Their leader was Richard Okeson. Richard, would you come up here?

UNIDENTIFIED SPEAKER: He's not here.

CHIEF RANGER THOMAS: That's the reason he's the first in line. Okay. Those not here are Lawrence Harris with the COP. You can give that to him. James Martin is not here, and Martin Falcon is not here. They helped also. We couldn't do these events without the guys and gals coming down here. Richard, we appreciate what you do. And we'll call the rest of them up here, and you can get a group photo. Tarron? Tarron's working on being a macho guy. He walks around when it's 10 degrees with no coat on. Adriana? Adriana Acosta. And Joe Benson. Thank you, Joe. Stand right up there and get photographed.

(Pictures were taken.)

CHIEF RANGER THOMAS: Next is the Hesperia Fire Explorers for Hesperia Days. Kristina Fonseca, come on down. Anthony Cervantes?

UNIDENTIFIED SPEAKER: He's absent, sir.

CHIEF RANGER THOMAS: Is Anthony here?

UNIDENTIFIED SPEAKER: No, sir.

CHIEF RANGER THOMAS: Then he don't get one. You either show up or you don't. One chance. Sam Kirk. Javier Soto. These guys got to park 3,000 cars in dust and dirt, and take the words from the people parking there, and they always do an excellent job for us, and we appreciate it. Look at the camera.

UNIDENTIFIED SPEAKER: We still have one more. We're missing one. There you are.

CHIEF RANGER THOMAS: Pedro Gonzalez. You weren't on my list.

MR. GONZALEZ: That's okay, sir.

CHIEF RANGER THOMAS: Come up here, Pedro. I only ask you once for your name. If you don't speak up, you don't get one. We'll get you one. Appreciate it.

(Pictures were taken.)

CHIEF RANGER THOMAS: Also, had one other one that helped on the Hot Rod Halloween and fireworks, because these guys didn't make it, was Daniel McCarter. So he'll get his --

MR. HAMM: He got hired on with the fire department --

CHIEF RANGER THOMAS: Yes, he did. He got a full-time real fireman's job, so --

DIRECTOR COWAN: Good for him. Good choice.

CHIEF RANGER THOMAS: Long story on that. His mother used to work for me as a child. Now the child is working, so I may be getting old. I don't know.

DIRECTOR SWANSON: No.

CHIEF RANGER THOMAS: Okay. We now have the Deputy Sheriff Reserve people that help us all the time, and I can't say enough about these guys. The ones that are not here is Greg Lugo, Chris Stangle, and Mike Guiffredo. Okay. The two that are here -- and I've worked years with -- is Chuck Wagoner. And Art Osborne.

(Pictures were taken.)

DIRECTOR LIMBAUGH: Thank you, guys, again.

CHIEF RANGER THOMAS: Our events couldn't be successful without all of the people that volunteer their time and their effort, and they go the extra mile to make it what it is. This year the military guys was the icing on the cake. We appreciate all the people that show up and do what they do, and we couldn't do it without them. Thank you very much.

MR. WOODS: The Board can go ahead and take their seats. We do have another presentation from Rosanne Weathers from CBS Radio, and she would like to address the Board and the public. Rosanne?

MS. WEATHERS: I actually just found out five minutes ago I was coming up here, so how is everybody doing?

MR. WOODS: Good.

MS. WEATHERS: Hot Rod Halloween Fest was held this year on November 2nd at Hesperia Lake, and it was a phenomenal event that could not have taken place without the tireless effort and profound attention to detail by our Dawn McGrosso. She organized everything from the vendors to everything. Don was absolutely no help whatsoever. No, I'm just kidding. The other Don. No, sorry. So I'm going to let Dawn tell you a little bit about how everything was organized. And I would like to take this opportunity to introduce CBS's new General Manager, Jeff Salkin. Last year we were presented from Don Webb -- he got with us, and he said, "Let's do something great for the community." And he said, "Why don't we do a Hot Rod Halloween event?" And we said, "Let's do this." So we did it last year. And this year, the City of Hesperia could not launch the fireworks at Hesperia Days, so they asked us very simply, "We want to do Hot Rod Halloween again, but we need to do a few changes. Would you work with us?" And I said, "What are the changes?"

They said, "Change the time, the date, and the place." I said, "Okay. We're in." So we did the Hot Rod Halloween this year. It was twice the amount of people, and it was a wonderful effort from the City of Hesperia, Hesperia Recreation and Park District, and the CBS Radio 103. All of the volunteers that you just gave wonderful certificates to, we thank you so much for being out there. It was a wonderful event. We could not have done it without all of you guys, all of the volunteers from the Rec and Park, all of the volunteers from the City of Hesperia, the schools here in Hesperia -- Don Webb's participation was outstanding. He worked with us the whole time. So I would like to present this plaque on behalf of CBS Radio to the Hesperia Rec and Park. It's just a little bit of pictures that we had from over 300 pictures, and we just want to thank you very, very much for your participation in allowing us to be a part of Hesperia. And I also have some letters for you and Mr. Webb. So this is for Mike. This is just a letter of appreciation on our behalf thanking you very, very much for all you do for us, and allowing us again to do Hot Rod Halloween.

DIRECTOR LIMBAUGH: Thank you very much. Maybe next year you can get a date together, right?

MS. MC GROSSO: Yes, yes, we will definitely do that. Also, is there somebody here from Hesperia Activities, Police Activities League?

MR. WEBB: I'll take care of that.

MS. MC GROSSO: You want me to wait on this?

MR. WEBB: Yeah.

MS. MC GROSSO: Okay. I'm going to present these to Mike, if that's okay.

MR. WEBB: Those are for you and, I think --

MR. WOODS: Do you want to get a photo? The entire Board can come back up. I didn't know we were doing a presentation.

DIRECTOR LIMBAUGH: That's okay.

(Pictures were taken.)

DIRECTOR LIMBAUGH: Okay. At this time -- first of all, thank you all for coming tonight. I wish you all the happiest of seasons. And remember, we meet in January, so if you all want to come back again. And we always meet the second Tuesday of every month, the same time.

MS. THOMAS: Wednesday.

DIRECTOR LIMBAUGH: Second Wednesday. So we're going to take a couple-minute break. So if you're leaving, good-bye and have a wonderful Christmas.

Meeting Recessed at 7:35 p.m.

Meeting Reconvened at 7:45 p.m.

DIRECTOR LIMBAUGH: Okay. We'll call this meeting back to order. It's been brought to my attention that we -- for an agenda change request. And what I would propose we do is move the Staff Reports to come after Item K on the agenda, so we can move to the discussion items right away and do the Staff Reports after that. Does anybody have any concerns why we couldn't do that? And if not, I entertain a motion to make that change in our agenda.

DIRECTOR SWANSON: No objection.

ACTION/MOTION: It was moved by Director Cowan, seconded by Director Swanson and carried unanimously to move Staff Reports to the end of the Discussion/ Action Items by the following vote:

Ayes: Swanson, Gregg, Limbaugh, Cowan, Chandler

Noes: None

Absent: None

Abstain: None

DISCUSSION/ACTION ITEMS

E. Election of Officers - President, Vice President and Board Secretary.

DIRECTOR LIMBAUGH: Okay. Next item on the agenda is Election of Officers. Every year at this December meeting, the Park District elects its new officers. And so what usually

happens is the Chair takes a motion from the sitting Board to elect a President, Vice President, and then, of course, our illustrious Board Secretary has to be Lindsay again this year. Rachel never gets a turn, so too bad. You should complain. So at this time, we'll open up the nominations for President.

ACTION/MOTION: It was moved by Director Cowan to nominate Director Gregg for President.

DIRECTOR LIMBAUGH: Okay. Do I have a second? Second? Okay. No second. Do I have another nomination? (There was no second and the motion failed.)

ACTION/MOTION: It was moved by Director Chandler, seconded by Director Limbaugh to nominate Director Swanson for President and carried 3 to 2 by the following vote:

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

ACTION/MOTION: It was moved by Director Swanson, seconded by Director Chandler to nominate Director Limbaugh for Vice President and carried 3 to 2 by the following vote:

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

ACTION/MOTION: It was moved by Director Limbaugh, seconded by Director Cowan to nominate General Manager Woods for Board Secretary and carried unanimously by the following vote:

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

New President, Director Swanson took over the meeting.

DIRECTOR LIMBAUGH: Okay. That's good. Rebekah?

DIRECTOR SWANSON: Yes?

DIRECTOR LIMBAUGH: Come over here.

DIRECTOR SWANSON: Oh, I get a different chair?

DIRECTOR LIMBAUGH: Well, you can move your chair over here if you like it.

DIRECTOR LIMBAUGH: Do we have changing-of-the-guard music?

MR. WOODS: Madam President, Mayor Pro Tem Schmidt has asked if he can address the Board at this time.

DIRECTOR SWANSON: Oh, please. I have luggage.

DIRECTOR LIMBAUGH: The transfer of the jacket.

DIRECTOR SWANSON: Mr. Schmidt, thank you for coming and taking photographs of everything. We appreciate your service.

MR. SCHMIDT: The least I could do. And Mike, that worked very well.

DIRECTOR LIMBAUGH: That is a winner. I'm telling you right here, man, this made my Christmas.

DIRECTOR SWANSON: Looks just like you, Mike. Nobody took a picture of this?

MR. SCHMIDT: Well, Madam President and Directors, I appreciate you letting me speak impromptu like this. I just wanted to come on behalf of the City of Hesperia, Mayor Smitty, and the rest of the Council, and just congratulate you on the appointments that you just made. And the City looks forward to another year of productively working with the Park, the Directors, and Staff to do I think what we've seen a great example of last year, which is not just unity, but really synergy. And so we're really looking forward to another great year and looking forward to seeing how we can work together as not just community leaders, but community members. So thank you very much. Congratulations.

(Applause.)

DIRECTOR SWANSON: It has been a very good partnership, and we're glad to continue -- or I am glad to continue -- speak on my behalf -- and I'll ask my Vice President to help me out. This is going to -- right in the middle of the meeting -- to make it more smooth if I forget anything. I'll certainly need everyone's help.

F. Appointment to Board Committees.

DIRECTOR SWANSON: We're on to Item F, the Appointments to Board Committees. I'm not sure I'm prepared to make those appointments tonight. I hadn't even thought about it, but I would like to hear some input from the rest of the Board.

DIRECTOR LIMBAUGH: I'd like to stay on the Personnel Committee, if I can.

DIRECTOR SWANSON: I think that would be great. I'll write that down.

DIRECTOR LIMBAUGH: And the -- is that the only one I'm on? The one about the money? The audit?

DIRECTOR SWANSON: Audit Committee, Mr. Limbaugh. And Bob, I'd like you to step up again and serve with me on the Tri-Agency, if you would.

DIRECTOR CHANDLER: Okay. I would like to be on the Personnel Committee, too, continue on with that.

DIRECTOR SWANSON: Okay.

DIRECTOR LIMBAUGH: Are you planning on keeping the ad hoc committees as they are, and maybe, as things go by during the year, doing away with them?

DIRECTOR SWANSON: That's something we could take under advisement. Would you like to --

DIRECTOR LIMBAUGH: I'll serve on any of them you want -- that you want to put me on.

DIRECTOR SWANSON: All right. Very good.

DIRECTOR LIMBAUGH: As long as they only meet like once next year, that's fine.

(Laughter.) Retirement's really busy. What can I say? If I don't get my nap, I can't go to the committee.

DIRECTOR GREGG: I'd like to remain on the Audit Committee.

DIRECTOR SWANSON: Okay.

DIRECTOR GREGG: And step aside, if Mr. Cowan would like to take the Safety and Security Committee, if he so chooses to.

DIRECTOR COWAN: I'd like to be on the Safety and Security Committee. That would be good.

DIRECTOR GREGG: And remain the alternate for the Tri-Agency.

DIRECTOR COWAN: And of course, I would love to stay on the Foundation Board. I don't see anybody fighting for it, but I would love to stay on it.

MS. PETERS: That's a good sign.

DIRECTOR SWANSON: There are goodies. There are goodies.

MS. PETERS: 95 percent of the time.

DIRECTOR COWAN: Yes. If not, I need --

DIRECTOR SWANSON: There are always goodies, and that always is an important thing.

MS. PETERS: I don't know how I got into that.

MS. THOMAS: Because you're you.

DIRECTOR SWANSON: If there's no other thoughts, then we are on our Resolution --

DIRECTOR LIMBAUGH: When you get that list, when you finish putting them all, can you email that to us all?

DIRECTOR SWANSON: Can I call you?

MS. THOMAS: Let me just go through this and see. For our Personnel, Limbaugh and Chandler --

DIRECTOR SWANSON: Well, I'd like to --

MS. THOMAS: You're going to think about it?

DIRECTOR SWANSON: Yes. And can I call you and --

MS. THOMAS: Yes.

DIRECTOR SWANSON: Okay. Thank you.

G. Resolution No. 13-12-1 and Goals and Policies for Community Facilities Districts.

RESOLUTION NO. 13-12-1

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HESPERIA RECREATION AND PARK DISTRICT APPROVING LOCAL GOALS AND POLICIES FOR COMMUNITY FACILITIES DISTRICTS

DIRECTOR SWANSON: Okay. And we are -- that places us now at letter G, Resolution No. 13-12-1 and Goals and Policies For Community Facilities Districts. And I'll entertain a motion - - oh.

MR. WOODS: Tonight we do have someone here from NBS to talk about CFDs as a funding tool. And we also need to replace one of the items in your board packet. There was a typo on it. So Rachel will pass those out now to the Board. And while she's doing that, I'll get the computer set up and introduce Pablo Perez with NBS.

DIRECTOR COWAN: I just have a question on E, under 1 Bravo: "General Manager shall attend all committee meetings, and in his place" -- is there somebody that is listed to stand in?

MR. WOODS: I usually designate to the operations manager, or whoever is on the management team that would be available.

DIRECTOR COWAN: Is it written in policy that way where --

MR. WOODS: No, it is not.

DIRECTOR COWAN: When it says, "The general manager shall attend all committee meetings," maybe that should be adjusted to reflect that you do not attend all?

MR. WOODS: And I can bring that next month for a policy clarification.

DIRECTOR COWAN: Okay.

DIRECTOR SWANSON: Could you, please? Thank you. And we're under Tab G in our books that has some background information. And Pablo, you have a lovely PowerPoint to share with us. Thank you.

MR. PEREZ: That was a quick introduction.

MR. WOODS: Well, you didn't give me a bio.

MR. PEREZ: Well, good evening.

DIRECTOR SWANSON: Good evening.

MR. PEREZ: I'm from NBS. My name is Pablo Perez. I started in this industry back a long, long time ago, in 1990, or so. And I didn't know I would stay in this field for so long, but apparently, it has been a great career, and being able to help a lot of communities across the state implement plans such as this one. So if you have any questions at any time, please feel free to ask. That's what I'm here for. I'm already here, so take advantage of me. You currently have in the District two assessment districts that you're pretty familiar with. You have a district wide LMD 1, and then a No. 2, which is -- has been used for new development. Your second district is broken into many, many zones because, as each development comes into town, each developer, you form a new zone. And that's what the District has been doing for many, many years now. So in terms of what this is, a CFD, or what we call a Community Facilities District, is really another tool just like an assessment district to finance and fund improvements, services, and maintenance. Its basic, you know, definition, they're both in the property tax bill. They're really very, very similar. But under state law, at the same time, there are very specific terms you need to use and procedures are different between the two. But they're really just a fancy mechanism. Currently, the developer goes to the City of Hesperia. And in that process, there's a checklist where they identify that, oh, you must annex or provide funding for the mitigation of these services or improvements related to the District. And from there, if each developer pays a fee or, you know -- or maybe you need to start charging a fee, and those funds are used to form a new zone, currently under LMD 2, or in this case, you will use it -- you will form a new zone under this CFD that you're kind of looking into doing tonight. What you have in front of you is a resolution which is the first step in this process. In order for a district or public agency to enact or form a CFD, you need to have a set of goals and policies. That's the first step. You're not committing to form anything. It's just if you don't have this, we cannot form a district. So once you have this, now we have the ability to start forming districts in the future. Your goals and policies tonight do not have any provisions for bonding, so you're not able yet under this set of policies to issue bonds and build, let's say, capital improvements of large -- you know, of a large type. But we can always amend those later at any time. Usually park districts use CFDs mostly for maintenance, but if you need to build a facility, we can work with that as well. Okay? This is a nice slide that my marketing group put in there, and it's basically what most districts feel like sometimes thinking about

how to fund for these improvements. The good news is that we have some tools for that. I'm just going to put the slide in full there. We're not -- tonight we're not discussing user fees. You're able to charge; you know, for usage of cars or things like that, facilities. None of that is in this presentation. That's just another form of revenue that you could have. But tonight we're only discussing property-tax-based revenue. In addition to assessment districts and community facilities districts, you could have -- most districts have a general tax or user tax, things like that. All that is not in this presentation. Okay? What's a special assessment and special tax? Special assessment, the best way to think about it is you're charging placement charge on the property tax bill for a special benefit conferred on property. And that's very, very key. Special benefit is the most important term you can think about or learn tonight because special benefit ties to Proposition 218, and it creates all these requirements and legal issues that really, in the assessment district world, that is the difficulty that we've been having lately with them, and that's one of the reasons why to entertain using other tools to finance these improvements. A special tax does not have -- does not need to confer any special benefit; meaning, a special tax is a way to collect funds to pay for services and improvements regardless of the special benefit received. There's no tie to special benefit. In essence, you're receiving funding to provide certain improvements or maintenance, but you're not really identifying the parcel and trying to determine what specific benefit they receive from those improvements. So that's sort of the core difference between the two types there. Special assessment leads you to form an assessment district. A special tax leads you to form a community facilities district, or also something we know generally as a parcel tax. Okay? To enact a special assessment, one of the other important key things is that, normally, they're easier to pass because you're dealing with majority protests, is what we call it. In some terms, you can look at it as majority approval. It's what most agencies are familiar with. Special assessments have been around for a long, long time. First one was written in 1911, so, you know, they've been around for a long time. And any majority protest or majority approval system makes it a little easier to approve. A special tax -- a community facilities district needs two-thirds approval. So that's a key component there. Now, when you're dealing with developers, then it goes -- they're not registered voters. What you're dealing with is really one property owner, and it's a one-vote deal. If you have a few developers, then they would -- if they're combining the project, they will each vote based on their acreage. So the two-thirds is really not an issue because, normally, the developer is at your door trying to do these improvements. They want to get approval. They need to mitigate it, and they'll use whatever tool you ask them to use. Does that make sense? Why move away from special assessments? Okay. That's what the Proposition 218 in court cases is for. They were, and they have been, a very successful tool. We still form many of them. I still recommend forming assessment districts over a community facilities district when you're dealing with mom-and-pop. So if you're going to a community where it has -- everybody is already a property owner, you don't have a developer; you have a thousand different property owners. Probably your best chance of passing one of these -- either one or the other is the special assessment district tool. Unfortunately, since Proposition 218 in '96, assessment districts have become quite complicated. The proposition increased or set up more stringent definitions for special benefit. So in order to create an assessment district now, it takes a lot more work, it costs a lot more money, and it can easily lead you into a legal challenge. They contain higher legal risk is the bottom line. So Proposition 218 has made them harder to use, which was the intent actually, if

you read the ballot. That's exactly what it was supposed to do. And it has been costly -- well, more expensive as well, because you may have to defend a lawsuit or you have to pay consultants like me a lot more money to create them and make sure they withstand any challenge, right? Now, in -- let me give you some of the common funding mechanisms available to you. This is not a full list, but the ones that are most likely -- most park and rec districts use. You're familiar with the first one. It's the '72 Act. That's what you have. You have two of those. That's special assessment. The second one is the CFD that we're discussing tonight. The third one is a benefit assessment district. It's very similar to a '72 Act, except it's not for what the '72 Act covers. In the assessment district world, the way this was done is they wrote the first act in 1911, 1915, and then they created a separate act for each improvement they started thinking of. So you have landscape and lighting under the '72 Act. You have drainage under the '82 Act. You have bonding capacity under the '15 Act. You have a mixture under the '11. And it just goes on and on. And you have downtown improvement areas in the Pivot Law. I mean, it just goes on and on like that. So you actually have many, many acts -- if you want to fund certain facilities, you may not be able to do it with one assessment district. You may need three of them. Does that make sense? That means you have to form three times. We do three ballotings. We -- and three acts on the tax board. It gets really complicated. A parcel tax is just one of those regular general -- not general, but parcel taxes that you place on the ballot, usually, they're a very easy formula, something like, developed is \$40, undeveloped is 20. Something like that. For the particular improvements that you have here, I would not recommend them because they're too sort of loose -- there's not enough rules around them, that -- not enough guidance. And we like to have a certain structure, and we prefer to use a CFD over a special tax. If you were doing ambulance, a partial tax -- a straight partial tax would be a great thing. If you were doing police and fire, maybe that would work actually very well. But for parks, probably CFD is your best bet here. Last on the assessment list is the open space maintenance act district. It is what it is -- what it says it is for. It's very easy. You purchase open space land and you maintain it, and that's what that's for. The good news is you have all these tools. If you were in the assessment district world, you could be using all four of them -- or all three of them -- but in the CFD law, you actually have the same list of improvements all in one act. So you would just create one district and have drainage, storm drainage, you have flood control, you would have parks, lighting, landscaping -- everything that you see in all the other ones can be done in one act, one procedure, one single CFD. So it simplifies your annual process. It simplifies what the property owners see. It simplifies the election process. It's just one item to deal with.

DIRECTOR LIMBAUGH: Let's go over the items that it can pay for.

MR. PEREZ: This is a very short list. I only took out from the code what I thought applies to you, but you can do many other things with a CFD. As you can see, all your recreation program services, library services, even maintenance services for elementary and secondary school sites, museums, cultural facilities, your lighting of parks, your parkways, your streets, and roads, and open space -- all that is in a single act. You can form one district and provide all the services you see here. The last two items -- the last two bullets are for capital improvements. Again, there are many, many more items listed in the code and the statute. I just pulled just a few for you tonight that I thought would apply to you. The good news with a CFD -- so if you think about a CFD charge on the tax bill, and you decided, okay, in the future, we not only want to use that as a tool for developers to fund this park or this

landscaping or lighting, but also, we want to fund some project that -- construction of a facility, let's say, right? You will -- you will do one single CFD, and CFD will have two components in the formula. It will have a bonded amount, or a calculation of an amount to pay for the bonds, and a separate amount to pay for the maintenance. They get combined into the tax bill into one time, and 30 years from now, or 25 years, when the bond is over, the one item will fall off, that amount comes off, and the maintenance continues in perpetuity. There is always one item. They don't see two items; it's just one amount. And it just all combines into one. So it works really well. Wow. That doesn't look as good. Do you have the handouts?

MR. WOODS: I have handouts here.

MR. PEREZ: Yeah. This is a horrible slide. But in the handouts, you will see that is a standard timeline for a formation of a CFD when dealing with a developer. This is not the standard timeline when we're dealing with a CFD for single-property owners. It's very important in multiple properties. If you're dealing with mom-and-pops, you will not use this timeline. For a developer, the developer is able to waive some of the steps or the time period, and so it's really a shortened timeline. We envision this as most likely what you're going to use the CFD for is when dealing with developers. In the future, I can always provide you with any timelines you need, but just remember that.

The process is very similar to that of an assessment district that you currently work under now. It has the same sort of resolutions, the resolution of intention, a resolution forming the district. It has a balloting process that the developers can now waive the waiting period and just submit a ballot writing there in the packet. So it works really well. It has a report. Not an engineer's report, but it has a special tax report. So the process itself is almost identical to what you do right now with the assessment district. The way we like to form these, a CFD, is to form a CFD -- let's say, if your next developer comes to town -- I don't know. Somebody comes to town, and they want to build 200 homes, right? What you will do? Because it's your first time around, you will form a CFD for that development, right, and then declare the rest of your boundaries, the whole district, a future annexation area. That means only this developer will ballot today because only this developer is actually going to pay you into the CFD today. But the rest of the district is a future annexation area, and that's very important because it simplifies any other developers after that. The process in the future for any other developer is that they just annex into the district. And this timeline is much easier. They come in, they submit the packet, we have a map, we have a formula, we're done. It's a one-meeting deal. It's pretty good. So that's how we like to do it. So once they -- once we set up the base district, all future annexations are much easier. Any questions so far?

DIRECTOR LIMBAUGH: So what about the districts that we have now? Can they be annexed if we create a new --

MR. PEREZ: Yeah. Right now -- oh, if you can annex into here?

DIRECTOR LIMBAUGH: If we create the CFD, can we annex the Zone A, Zone B, Zone C, Zone D --

MR. PEREZ: You could. Yes, you can do that if -- if the property owners -- let's say if there's one that's already been developed, right? Or have been sold. The home's sold already. You know, mom-and-pops that would go to our registered voter vote. So they can annex, but you're dealing with all these property owners. They have to vote to annex into the CFD.

DIRECTOR SWANSON: But making a CFD will protect the people that we have now against further development that may impact them on the use of our parks?

MR. PEREZ: Correct.

DIRECTOR SWANSON: And that's how we're going to protect the people that are already here, by having the developer of any new large property --

MR. PEREZ: Of any size really, yeah.

DIRECTOR SWANSON: It's going to protect the people now in our district.

MR. PEREZ: Right. And your existing zones, you could annex them into the CFD -- indeed, you could -- but they would all have to vote. So if it's still developer-owned, it's very easy because it's just the developer and --

DIRECTOR SWANSON: It's one vote or two?

MR. PEREZ: It's one vote, and he really doesn't care if he's in a CFD or an assessment district. I will advise that you do that actually, yeah. It lowers your legal risk. Just bring those in. You're good to go. If it's a mom-and-pop, you are dealing with a registered voter situation. It's going to require more communication with the property owners to --

DIRECTOR LIMBAUGH: They're already paying though, right? They're already paying the assessment.

MR. PEREZ: Right. So it just needs -- you need to communicate why you're making the switch. That's the only issue there. Because they have to vote and they have to understand that there's not a double-charge, they're just getting moved over.

DIRECTOR LIMBAUGH: And once you establish one CFD, whether it be 10 acres -- let's say, for example, the first one is 10 acres, we could add 10,000 acres to that one 10 acres?

MR. PEREZ: Yes.

DIRECTOR LIMBAUGH: Okay. And it doesn't matter where it is? It doesn't have to be conjunctive, right? It can be all over the boundaries.

MR. PEREZ: As long as it's not developed yet, right.

DIRECTOR COWAN: So if it's already developed, it needs to go to a vote with the property owners.

MR. PEREZ: Well, if it's already developed, you have to go to the other property owners and you have to have -- there are other requirements, and that is that the services they're getting under the CFD cannot be existing services. If you look at it as a way for new services or increased levels of services --

DIRECTOR COWAN: If we have an account set up with our assessment districts already, we absorb them into the CFD per vote and it passes, does that money now come into our fund in our CFD, or does it have to stay separate?

MR. PEREZ: No, it comes to the CFD.

DIRECTOR COWAN: So that would be --

MR. PEREZ: Yeah. The trick on moving them from an assessment district to a CFD is to show that when they move, in essence, if they were not in the assessment district, they will lose the service. If they come into the CFD, they keep the services. So we have to kind of play with that and figure out legally how to do that. Because in a mom-and-pop situation, you have to show additional service. But really, all we're trying to do is try to move them over. So it's a whole different ball game. But in general, to answer your question, this is much easier, more applicable to undeveloped land. Where a developer comes to town, that's when you want to do that.

DIRECTOR LIMBAUGH: We have both. We have both. We have -- some of the assessment districts, nobody lives there.

MR. PEREZ: Oh, okay.

DIRECTOR LIMBAUGH: We have some where people already live there, and they're individual mom -- as you refer to them, mom-and-pops are paying the home -- are paying the assessment.

DIRECTOR SWANSON: And our LMDs.

DIRECTOR LIMBAUGH: And others of one, maybe two or three entities are paying the whole assessment.

MR. PEREZ: Right. I say the developer-owned ones that are still not --

DIRECTOR LIMBAUGH: Once we form this CFD, bring them in right away?

MR. PEREZ: I would think that's a better --

DIRECTOR SWANSON: Before there's development --

MR. PEREZ: Before there's any development. Because they're not even getting services yet, right? So it's perfect.

DIRECTOR LIMBAUGH: Why does this stand the test better than the other?

MR. PEREZ: The two-thirds.

DIRECTOR SWANSON: The two-thirds vote get --

MR. PEREZ: Yeah. When Proposition 218 was written by the by the Howard Jarvis Group, they took the position at the time that, well, if it requires two-thirds approval, we're not going to deal with it. It's fine. It's these other easier-to-pass districts that we're having problems with, and they wanted to curtail their use. Is it possible that in the future they will turn their attention to two-thirds? Absolutely. Today, two-thirds, they don't care. They don't look at it. They never challenge it. They stay out of it. The language as written talks about a reasonable formula. There's no special benefit. It's just much easier. Now, can they put a new measure on the ballot to change all that just like they did in '96? Oh, absolutely.

DIRECTOR SWANSON: Yes, they can.

MR. PEREZ: So today it's a great tool. So were assessment districts, you know, 20 years ago, 30 years ago. We formed hundreds of these everywhere. And they're great. And they're still a great tool, but just not the best tool anymore, unfortunately.

DIRECTOR COWAN: So if we form a CFD, we annex outside -- up to our boundaries, excluding our ADs without taking their vote?

MR. PEREZ: Uh-huh.

DIRECTOR COWAN: When a developer comes in, they either say yes, or they can't build there?

MR. PEREZ: Well, they have to mitigate. You can't force any developer to annex into anything by law. All you can force them to do is mitigate. Mitigation is cash or join one of these funding tools. So the developer has to pay in cash either -- for whatever services over so many years, some calculation, or we happen to have this tool, you can use it, and they love to use it because they'll sell the homes, and in two or three years, they're gone, the property owners are paying, right? So they definitely don't want to give you cash. That's their -- you know, that increases their sales price. It's a mitigation tool.

DIRECTOR LIMBAUGH: Like a Mello-Roos.

DIRECTOR GREGG: So the thing is, is that after two or three years, they don't care. The property taxes -- the taxpayers are holding the bag to pay the fees.

DIRECTOR COWAN: But they paid anyway.

MR. PEREZ: So was the story until the last five years when they got stuck with these, right? Until 2007, they were selling homes like this, and now it has changed. So, yeah, you could actually find developers in trouble because they still have the homes, they haven't sold them. But normally, yes. Normally, they come in, they form these, and they think two years they'll be gone.

DIRECTOR SWANSON: And their impact on future development to the Recreation Park District may be very great, and we want to protect the services we're already giving the people that live in our area.

MR. PEREZ: Correct.

DIRECTOR SWANSON: Plus, make sure the people who are moving in are also part of the support for the Hesperia Recreation and Park District.

MR. PEREZ: The truth is, in this particular district, you have no other real funding, per se.

DIRECTOR SWANSON: No, we don't.

MR. PEREZ: Right. In this particular situation, you don't really get ABA, right? You don't have ABA allocation, so it's either these tools or user fees. You're charging for the use of the park, for the pool, for whatever you have, right?

DIRECTOR SWANSON: And we're trying to hold those together as much as we can for our community.

MR. PEREZ: Right. Absolutely. So this is really your best -- either one of these are the best --

DIRECTOR SWANSON: I'm speaking for myself, but I do not believe in raising the taxes of people already here to support people who are coming in.

MR. PEREZ: Correct.

DIRECTOR SWANSON: It wouldn't be fair.

DIRECTOR COWAN: And this may allow us -- if we choose to annex or allow the assessment districts to join into this -- allow us to access funding that may be there for that special assessment district. So that may be one avenue to look at.

MR. PEREZ: Now, I'm just going to cover these because you're familiar with them real quick. Your existing landscape and lighting districts -- can cover those items you see here. As you can see, that's just one section of what I showed before of the CFD. You see that you could do many more. The other items on the CFD, you couldn't do landscaping and lighting. If you wanted to issue bonds, build improvements, you couldn't just do it together like we can the CFD. You have to do a whole separate thing, a 1959 bond that is secure with '72 Act payments. You essentially have two whole different procedures, two reports, everything -- it's a whole, that's a complete separate system and a lot more work. If you wanted to do drainage or flood control under the assessment district world, you have to do an '82 Act, a whole separate thing. You don't even have one right now. You couldn't do it like you can on the CFD. And so these are really the reasons why it's advantageous for you to move on with a CFD as a tool. You don't have to use it 100 percent of the time. You're not losing any of the existing tools, right? You still have the LMD 2. You have the LMD 1. You can even annex zones into them in the future if you like to. There's -- you don't really have to say, oh, always do the CFD every time. Sometimes it may make sense to use the LMB 2 and create a new zone. But generally speaking, for new development, your best bet is really to capture them under a CFD. It's easier, and it has less legal risk, so --

DIRECTOR SWANSON: Thank you, Mr. Perez.

DIRECTOR COWAN: One second. Is the cost difference any different for setting up an assessment district versus a CFD? Does it cost --

MR. PEREZ: It's more now. It used to be where an assessment district was cheaper, right? That's how it used to be. But since '96, and all the court cases, no. The cost to form an assessment district today, it's going to be about 50 percent higher at least, than to form a CFD. Sometimes twice as much.

DIRECTOR COWAN: Sounds good.

MR. PEREZ: Same with the annexation process. There's more involvement in the assessment -- in fact, the annexation for the assessment district world is no longer annexation as we used to know it. You essentially have to recreate the wheel, and you start from scratch and start assigning general and special benefits. In essence, you're forming a new district, even though it's an annexation. The cost is as much as forming a new district. There's no difference. And so you actually long-term save yourself and the developer's money. You know that's how everything gets calculated, so even the payers at the end will pay a portion of that, right, by using the CFD. From a board standpoint or from a district standpoint, it's important to know that you're not really -- it's very, very unlikely that we will be able to achieve 100 percent funding by using assessment districts in the future. What I mean by that is because you're forced to determine special benefit and general benefit. And only special benefit can be paid by assessments. That means there will be some portion of the improvements that are general benefit in nature that the assessments cannot pay for. For example, your parks don't have a fence with a key around them, right? So I can come from Temecula and use your beautiful parks. I am general benefit. So even though the park is being paid by the assessment district -- property owners within the assessment district, other users can come to town and use it, right? You're not able to assess for the benefit conferred to me as a person from Temecula to use those parks. So, in essence, the assessment must be set, let's say, at 95 percent of cost, and your 5 percent comes from district funds, or user fees in your case, which you don't have any of those, right? I mean, in reality, you don't have any of those available. In a CFD, you don't have special benefit or general benefit. It really is all general benefit.

DIRECTOR SWANSON: It's all one thing.

MR. PEREZ: It's all one big thing, and it's 100-percent funded.

DIRECTOR COWAN: Right now we have an assessment district with money inside that we can only use for that district, so I think we understand the risk with that.

MR. PEREZ: Right. So in the CFDs, you actually would get 100-percent funding, which is better anyway, in this particular situation. Now, if you had a lot of money coming in from another tax or something, well, I don't --

MR. WOODS: We don't have that.

MR. PEREZ: You're not a water district, so --

DIRECTOR SWANSON: Any other questions?

DIRECTOR LIMBAUGH: I move that we adopt Resolution No. 13-12-31 -- 13-12-1.

DIRECTOR COWAN: Second that.

DIRECTOR LIMBAUGH: I just have a question. I think you wrote it in your thing, and he mentioned it in his presentation. If we start down this path and we decide later that it's really not a good idea to do it, just by adopting this resolution doesn't commit us to finalizing this process?

MR. WOODS: That's correct.

DIRECTOR SWANSON: But it must be done to start --

DIRECTOR LIMBAUGH: You do realize this is a Mello-Roos Community Act in 1982. That's why we're doing this. So we get to do it.

MR. PEREZ: Yes. Some agencies enact the local goals and policies, and it could be a year or two before they even form a district. But we can't form one without having this on the books. So you can put it on the books and we'll use it with the next development or not. It's just -- it's your option on that one. You'll have more resolutions to approve for that particular --

DIRECTOR SWANSON: As the developers come to --

MR. PEREZ: As they come in, as you form one, it's going to go through your Board, and you can't form anything without your approval, so --

DIRECTOR COWAN: I have one last question for you. Sorry. Are we able to start a CFD without a new development coming in, just annexing non-developed land?

MR. PEREZ: Only if you're doing it for new services or improved services --

DIRECTOR COWAN: Articulate that we're doing new services in that area?

MR. PEREZ: Yes. Or increase a level of service in that area. Something like that. So that -- I mean, I guess it's possible, but then again, you also -- if it's not undeveloped, you're dealing with property owners, lots of them mom-and-pops, and two-thirds is hard to get on those. I mean, unless it's something they really want.

DIRECTOR LIMBAUGH: I mean, I would think one thing we would look at after -- if we adopt this resolution, is we would look at some of the zones that only have the developer as the owner because we could annex them into the CFD immediately, or as soon as we wanted to.

MR. WOODS: We're just trying to get set up for the next phase of development that hopefully is coming soon, but --

DIRECTOR SWANSON: It's on the horizon, right? Mayor Pro Tem?

MR. SCHMIDT: We got more this year than the last three.

DIRECTOR SWANSON: Thank you for coming.

ACTION/MOTION: It was moved by Director Limbaugh, seconded by Director Cowan to approve Resolution No. 13-12-1 and the Goals and Policies for Community Facilities Districts, and carried 4 to 1 by the following vote:

Ayes: Swanson, Limbaugh, Cowan, Chandler

Noes: Gregg

Absent: None

Abstain: None

H. Discussion of Process or Appointment of HARD Foundation Board.

DIRECTOR SWANSON: Next item on our agenda is Item H, the Discussion of Process Or Appointment of HARD Foundation Board, of which we have two members with us this evening. Thank you for coming. The information is under Tab H. And the Foundation members, if they would like to say something?

MS. HELSLEY: It's hard to say when we don't know what it's about. Are you planning on term limits for us? Are you planning on -- what?

MR. WOODS: This is the annual reappointment of – or selection of HARD Foundation members. So in the past, the Board has asked that the Foundation Board members present letters of intent if they wish to serve again. And the Board's approved based on that. In the past, once or twice, I believe, the Board also went out with an advertisement to seek community input to see if there was anybody in the community that was interested in serving on the Board. The Board screened those, brought candidates back, and had an interaction with them to select board members or not select board members.

MS. PETERS: Well, at that time, I believe we had a vacancy on the Board.

MRS. HELSLEY: Yeah.

DIRECTOR SWANSON: Is that correct?

MS. THOMAS: There was -- first, when these guidelines were added into the policy manual, there was not a vacancy. The Board just wanted to do that, and went out -- and it ended up reappointing the existing Foundation Board members.

DIRECTOR COWAN: Yeah. If we were going to appoint somebody and if we were going to ask for letters of intent, shouldn't that happened before?

MR. WOODS: No.

DIRECTOR COWAN: Because, I mean, they have a meeting in January that they need to go to, so --

MRS. HELSLEY: Previously, we had been asked to issue our letter of intent at our November meeting so we could get it in prior --

DIRECTOR COWAN: That's --

MS. THOMAS: No, no. It's been done in -- the December meeting is when the Board has made the decision, and then I send letters to the Foundation Board members asking them to do this. And then January is when this Board appoints the Foundation Board. Whether you go out for -- we put an ad in the paper and the community comes in and they do all that, or you ask these people to submit letters to do, but that's always appointed in January.

DIRECTOR COWAN: And they can -- the HARD Foundation meets after that?

MS. THOMAS: They meet at their regular January meeting.

MR. WOODS: So the question before you is, how would you like to proceed with that? Do we want to extend those letters to the Board to see how many of them are intent on running again -- or being appointed again to serve? Or do you want to open it up to the community and see what applications might come in? Or you could just reappoint the standing board that is currently serving.

DIRECTOR COWAN: Do we know if all five of them have intend to stay?

MRS. HELSLEY: I'd stay.

MS. PETERS: Yeah.

DIRECTOR SWANSON: Well, good. I'll entertain a motion.

DIRECTOR LIMBAUGH: We don't have to do anything.

DIRECTOR SWANSON: We could just leave it the way it is. Well, we have to vote to appoint instead of asking for letters.

MS. THOMAS: You need to vote on what you're going to do.

MR. WOODS: Do you want to open it up? Do you want to ask for their letters of intent, or do you just want to reappoint the existing Board?

DIRECTOR SWANSON: And from the information I'm receiving right now, I believe the existing Board would like to continue to serve.

DIRECTOR LIMBAUGH: -- write a letter. If -- if on the receipt of a letter that they want to stay? I mean, these two want to stay?

MRS. HELSLEY: Yes.

DIRECTOR LIMBAUGH: Griz wants to stay?

MS. PETERS: Uh-huh.

MRS. HELSLEY: Yes.

DIRECTOR LIMBAUGH: Percy?

MRS. HELSLEY: And I just talked to Percy last night.

DIRECTOR LIMBAUGH: Okay.

MS. PETERS: And Carol.

MRS. HELSLEY: And Carol.

DIRECTOR COWAN: I mean, even if we do say we want to reappoint, if they choose not to between now and then, it's up to them. We've given them an opportunity.

ACTION/MOTION: It was moved by Director Chandler, seconded by Director Cowan to ask the current HARD Foundation Board to submit a letter requesting to be reappointed to the HARD Foundation Board, and carried unanimously by the following vote:

Ayes: Swanson, Gregg, Limbaugh, Cowan, Chandler

Noes: None

Absent: None

Abstain: None

DIRECTOR LIMBAUGH: Make sure those typed letters are double-spaced and signed.

MS. PETERS: We don't have to do a letter --

MRS. HELSLEY: I have a secretarial service I use.

DIRECTOR LIMBAUGH: There you go. Cool. I like that.

MS. THOMAS: I'm going to send you a letter giving you the information. Return the letter just like last time.

DIRECTOR LIMBAUGH: Have a box, yes, that they can check so they don't have to write a letter. It is my intent.

I. Professional Service Agreement with Sunkay Associates.

DIRECTOR SWANSON: Our next item is Item -- behind your tab, Item I, Professional Service Agreement with Sunkay Associates.

MR. WOODS: I was approached by Verizon Wireless. They're showing some interest in erecting a telecommunication tower at one of our facilities on the southwest part of town. And we recently worked with Sunkay to negotiate the prepayment of the leases on the other two cell towers. I believe that engaging Sunkay, they will get us the best amount of rent per month, and also make sure that all the other items such as co-location and all the little tricky things that the telecommunication world deals in is in the lease, and that we have maximum protection as we move forward in the future with the possibility of erecting another telecommunications tower. And their charge of that would be the total of four months of the ground lease.

DIRECTOR LIMBAUGH: What's the potential dollar amount on this?

MR. WOODS: Leases right now are going anywhere from 1,500 to about 2,200, depending on how they're negotiated.

DIRECTOR LIMBAUGH: A month?

MR. WOODS: Yes, a month. And once the tower is so erected, if we so choose, we could go out and look at selling, or doing a prepayment like we did on the other two for a lump sum.

DIRECTOR COWAN: Do we have a possible length at this time that they'd like to lease it?

MR. WOODS: Usually the initials are 5 to 20 years, but we haven't even discussed any terms with them. It was just that's my experience from the previous two.

DIRECTOR COWAN: And no matter the length, it's just four months for the consultant?

MR. WOODS: Yes. Yes.

DIRECTOR SWANSON: And what's the place -- and what's the park they want to --

MR. WOODS: Right now the interest is at the Palm Street Park.

DIRECTOR SWANSON: Near the gym?

MR. WOODS: They would probably tuck it in one of corners of the facility where it would have the least impact on future expansion at that facility. We've got --

DIRECTOR SWANSON: Is it a stand-alone or incorporated --

MR. WOODS: Similar to -- no, it would be a stand-alone. There would be -- it's about 900 square feet of use. And you would have the block wall area containing the equipment, and then a tower. More than likely, a mono pine tree.

DIRECTOR SWANSON: A tree?

MR. WOODS: Because you can get more co-location on that. You can't get co-location on the palm trees, and we really don't need a 60-foot flag pole -- or however tall it is -- or water tower on that facility. Probably a tree would be the best option.

DIRECTOR COWAN: Do we know the height?

MR. WOODS: I don't know the height off the top of my head.

DIRECTOR COWAN: Either way, this is just going out for them to talk to them for us?

MR. WOODS: For them to go out and negotiate and come back with -- and if we don't sign anything with Verizon, Sunkay is not owed anything.

DIRECTOR SWANSON: Good. I'll entertain a motion.

ACTION/MOTION: It was moved by Director Limbaugh, seconded by Director Gregg to authorize the General Manager to execute the agreement with Sunkay & Associates, and carried unanimously by the following vote:

Ayes: Swanson, Gregg, Limbaugh, Cowan, Chandler

Noes: None

Absent: None

Abstain: None

J. Possession of Firearms at Caretakers' Residences.

DIRECTOR SWANSON: Under J, I believe we have some more information behind that tab. This concerns the possession of firearms at caretakers' residences and a memorandum that was issued earlier by the Park. Is there anything that you would like to comment to?

MR. WOODS: I believe I had all the questions that were asked last month, and their answers are there in the expanded agenda. And then you also have our legal counsel's opinion, which is -- and I believe the crux of the matter is, what's the least amount of liability for the District. The least amount of liability for us is to enforce our current policies, which do not allow firearms on park grounds.

DIRECTOR SWANSON: And that's Option A; correct?

MR. WOODS: Yes.

DIRECTOR COWAN: Was it determined that the caretaker facilities are considered their residence?

MR. WOODS: Yes. She said that they would be considered their residence, but because they are residing on our property, that as a government agency, we have the right to impose restrictions and protect ourselves.

DIRECTOR COWAN: Correct. And then the way it reads is that we do not need to create a policy because we already have a law that stipulates that they can't have firearms.

MR. WOODS: We have an ordinance that -- yes.

DIRECTOR COWAN: Okay.

DIRECTOR SWANSON: So what do you need from us?

MR. WOODS: I just need your direction on which way you would like to go. And I've given you two options, but if there's another option that I maybe have overlooked, someone that might have -- but your two options is that we -- Option A is that basically we enforce our ordinance s and not allow firearms on the property; or Option B, instruct me to come back with a policy that would be drafted that would allow caretakers to possess firearms on Park District property, which would expose us to some level of liability more than Option A.

DIRECTOR COWAN: And that would also change our retirement for those individuals if we deem them as park rangers, so that will be an increase in price just as we went over with other staff. So that would raise the retirement.

MR. WOODS: Yeah, there would be more liability all the way around.

DIRECTOR COWAN: I'm not in favor of Option A, but I understand that we need to limit the liability that we would have for our entity as a whole. And if the caretakers so choose, they can move out of our residence, and we'll find somebody else that will be able to stay there for us. But it's just -- I'm not in favor of taking away weapons, but if it's a liability to our entity, we need to -- not take away -- restricted. Sorry. Not taken away at any time.

DIRECTOR SWANSON: Any more discussion? And do you need direction from all of us?

MS. THOMAS: We need a motion.

ACTION/MOTION: It was moved by Director Cowan, seconded by Director Limbaugh to approve Option A instructing the General Manager to update and review or amend our Existing Caretaker Agreement(s) to clearly address the possession of firearms on District owned, managed, or controlled facilities and carried 4 to 1 by the following vote:

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

K. Additional Work for Hesperia Lake Well Repair.

DIRECTOR SWANSON: We are now at letter K, the Additional Work for Hesperia Lake Well Repair.

MR. WOODS: The -- as you are aware, the well pump -- I'm going to hand you two different proposals here. The pump on Well No. 1 at Hesperia Lake went down, and we -- the Board authorized me to have the well repair company come out and begin the service on the pump. And in doing so, they performed a service which is called brush-and-bail. When they brush-and-bailed the casing of the well, they discovered that it had cracks, holes, and was probably sucking in sand and debris through the casing.

DIRECTOR SWANSON: How long has that equipment been in that place?

MR. WOODS: Well, the best that I can tell, according to this staff's recollection, is it's been in service for at least 12 years, the pump, and the well has been there a lot longer. I don't know what -- it's probably been there 30, 40 years.

DIRECTOR SWANSON: So we would expect to have some kind of maintenance done on that equipment anyway --

MR. WOODS: Yes.

DIRECTOR SWANSON: -- due to the age and the volume that's running through it?

MR. WOODS: So what you have before you is -- the white sheet is for the relining of the casing, and that comes to a total of \$21,681. The green sheet is the relinement of the casing with metal, and that is \$26,880. The recommendation from the well company is go with the plastic. It's going to last a long time. You're not going have some of the rust or other issues. If you do get ground movement, the PVC is a little more forgiving, it's less rigid, so you won't have bends or breaks in it as easily as you would with the metal. So I am seeking the Board's approval to engage Layne Christensen Well Repair in the amount of \$21,681.83 for the relining of Well No. 1 at Hesperia Lake Park.

DIRECTOR CHANDLER: I'll make that motion.

DIRECTOR LIMBAUGH: I'll second.

DIRECTOR SWANSON: Do we need to have a discussion?

DIRECTOR LIMBAUGH: How much did we spend to do what they did?

MR. WOODS: The original estimate was about \$16,000 and some change. And then I had asked the Board for up to \$20,000. Didn't see this coming. So they didn't know until they got in there and started scrubbing that there was an issue.

DIRECTOR LIMBAUGH: So they spent the \$16,000?

MR. WOODS: They haven't completed the install because of the condition of the -- if we had -- the condition of the casing. If we were to set the pump now, we would not see the life expectancy that we should see on the pump, and we would probably be replacing it in another couple of years.

DIRECTOR COWAN: So it's going to be the 16,000, plus the 21,000 --

MR. WOODS: 16,000, plus -- there may be some cost savings because of the mobilizations. They have stopped the work. They did the brush-and-bail. And until we can get the casing decision made, they're not there working.

DIRECTOR GREGG: Is there going to be -- do they foresee any further additions to this contract?

MR. WOODS: No.

DIRECTOR GREGG: And this information was dated 12/4. Why are we just receiving this now whenever we were asked to recommend and review the contractor's estimate in our board packet?

MR. WOODS: I received this information on Monday, December 9th. I don't know why it was dated on the 4th.

DIRECTOR GREGG: Okay. Just gives the Board no time to review their estimates before we come and do an open board meeting to make a decision on this, so --

DIRECTOR SWANSON: I have a motion --

MR. WOODS: Oh, sorry. I was just going to say that most of the wells at the lake are older wells. And then once they do fail, all we have as an option is to redrill a well, which is very costly.

DIRECTOR GREGG: Does the City have no liability on those wells?

MR. WOODS: Under the current arrangement with the City and the lease, we are responsible for this. If the City wanted to give us the \$21,000, we would certainly take that.

DIRECTOR LIMBAUGH: You could always ask.

(Several people talking at once.)

MR. WOODS: I did inquire from the City Manager on the well repair -- on the pump repair originally, and he -- we went back to the agreement, and he said, "We do not have any funding to assist with that." And as we both read the agreement, it's our responsibility.

DIRECTOR SWANSON: Well, thank you for doing that due diligence.

ACTION/MOTION: It was moved by Director Chandler, seconded by Director Limbaugh to approve engaging Layne Christensen Well Repair in the amount of \$21,681.83 for the relining of Well No. 1 at Hesperia Lake Park and carried unanimously by the following vote:

Ayes: Swanson, Gregg, Limbaugh, Cowan, Chandler

Noes: None

Absent: None

Abstain: None

STAFF REPORTS

Recreation Programs

DIRECTOR SWANSON: We're now at Staff Reports, which we moved after Item K; is that correct?

MR. WOODS: Yes.

DIRECTOR SWANSON: Okay. Recreation Program comes first.

MR. WOODS: Was there any questions on any of the Recreation Reports? Pretty straight forward, a lot of the same from -- every month. If not, I would like to move directly to the Ranger Report.

Park Ranger

DIRECTOR SWANSON: And I see our chief ranger is in the house.

MR. WOODS: And our chief ranger is in the house, and he's here to give a presentation and answer questions about our citation program. Jack?

CHIEF RANGER THOMAS: What do you want to know?

DIRECTOR SWANSON: Everything, in great detail.

CHIEF RANGER THOMAS: I'll tell you everything I know.

DIRECTOR SWANSON: Especially the amusing parts.

CHIEF RANGER THOMAS: There is no amusing parts. It's all humorous. Well, I think we'll start with when -- it's been five years. Time flies when you're having fun.

DIRECTOR LIMBAUGH: Wow.

DIRECTOR SWANSON: Thank you for your service.

CHIEF RANGER THOMAS: So I don't know. Maybe we'll make it another five. We'll see. Probably have to have somebody help me by then.

DIRECTOR SWANSON: Never.

CHIEF RANGER THOMAS: When I was approached to come over here and start the program, some of you that were here, I told you my philosophy on how I work and how I like dealing with the people. And it's a community-oriented policing basis is what I operate on. Law enforcement teaches you that, and -- but as we all know, with the -- the times have changed as far as local authorities having time to get out and talk to the people and know who's who, other than the bad guys most of the time. I have the luxury of having the time to communicate with people in the park. I know a lot of the parents. I know the programs that go on. If there's a problem, we handle it. I like to say we manage the law with fair treatment, okay? We're not general law enforcement. We're specialty law enforcement, which coincides a lot with the school police and other peace officers. And when I say peace officer, that's what our primary job is. We maintain the peace. There's -- the difference between that and general law enforcement is we don't do homicides and all the good stuff they do. If we did that kind of stuff, then we probably wouldn't be talking about citations. We have the ability to write parking citations, which I get through the parking citation from the City. And the reason for that is if we had our own parking program, every parking lot in the Park District would have to be posted with the Vehicle Code for parking. We would also have to have a hearing officer. That would cost money. Because if you get a parking ticket, if you read on your little parking ticket, there's an envelope, and it says, put your money in there and mail the ticket. If you decide you don't want to pay the ticket, you have 21 days to appeal the ticket. During that 21 days, somebody sends you a letter that says, "Be in Rancho Cucamonga at 2:00 o'clock in the afternoon to appeal your \$20 ticket." Okay. So two things happen on that. Most of the time, people that get them know that they were wrong, and who's going to take off work for 20 bucks? And who's going to drive wherever you've got to go -- plus, if you have that program, your own parking enforcement, you have to pay for that hearing officer, you have to have a setup with either a company that does it for you -- which is, I believe, is what the City has. I was reading the bottom of theirs. You send it to wherever you send it to, and they notify you, and they do all the admin stuff, they do all the hearing stuff, and they get a percentage of that 20. So in our case, you know, I think we wrote five this year. So is it -- is it financially feasible to do that? No. Okay. Is it used as a tool? Yes. You write somebody a citation around here like parking in front of the signs that says, "No Parking Fire Lane." It's pretty close. It's pretty simple. The word spreads. Don't park there. End of story. Will we write any more? Who knows? Probably not. Unless by a fluke they see you coming and they start running for their car. Well, then you've accomplished your mission of maintaining parking. Okay. As far as vehicle codes, we can write tickets for running stop signs or headlights out. Do we do that? Not unless it's a safety issue. Okay. If you're in my face, you go through the stop sign at Mach

7, we're probably going to stop you. Okay. I've done that several times, and it turns out that they're teenagers. Okay. Well --

DIRECTOR SWANSON: You probably --

CHIEF RANGER THOMAS: Well, they learn -- they learn by that, because you go through all the motions, their driver's license and registration and proof of insurance. By then, they're shaking and crying, and you have them go through the whole motion, have them sign the ticket. Then you write "Warning" on there. And what I say to them and what my officers are instructed to say to them is, "We want you to be safe. We don't want you hurt. You get a ticket, you probably lose your license. And you just got it." And that seems to work very well. Okay. We can also write misdemeanor tickets for incidents that happen in the parks or in front of us in our immediate area, which is the same as an arrest. You just cite-release them, and we can write the tickets for the Park ordinances. And on the Park ordinances, I like to get compliance through verbally talking to the people, okay. If I talk to them -- and that fits into what -- being here five years, Number 1 from the inception of the new program, you give them a warning and tell them, "Look, you're violating this Park ordinance. This is what it would cost you. Don't do it again." 99 percent of the time, we don't have that problem anymore, okay. We could -- our ordinances cover everything from littering -- well, if I drive by and somebody throws something on the ground, if I stop them and write them a ticket for that, pretty soon word spreads around that these guys are jerks, don't throw your trash on the ground. What I'll have them do is pick it up and put it in the trash can. You know, is it that simple? It's that simple. Just don't do it again. We get compliance. Same thing -- way with alcohol in the Park. That one story -- that's a true story that happened right here out by the tennis courts. The only place we allow alcohol is out at Hesperia Lake. I pull up on Sunday afternoon, and there's probably 100 people out there, and their beer cans are in pyramids. So I get out, walk out there, and I go, "Okay, who's drinking?" And they all hold their hands up, okay. And I go, "Look, you guys know there's no alcohol. There's the sign." I said, "You pick all these cans up, get rid of all the alcohol. Is that fair?" They go, "That's fair." I didn't have a riot. I didn't have to call anybody to help me. And the problem was solved. That's the way that I like to operate, okay. The Skate Park over here, you know, it's posted. You have 50 kids over there. I talk to the kids frequently. If I were to go over there and write any tickets, I'd have to bring everybody that works for me with me because when you write a juvenile a ticket, you have to have a parent come and give them a ticket to appear also, okay. So what's that going to do to us PR-wise? We're going to be in the Hesperia Star. Charlene's going to be writing bad things about us. Daily Press is going to have us in there, and we're going to have problems because the kids are -- I've been surprised, really. They're really good kids. They police themselves. I've not had one call for fights or graffiti. And the sign is clear, you know; use it at your own risk. Okay. To take that little further, I've talked to Apple Valley Code Enforcement, and I talked to -- I think his name is Ramos that worked for the Park District over there, told him who I was and what I was looking at. And he says, "We gave up." He says, "The deputy says it's a waste of their time. They have more important things to do. Our code enforcement guys had a number of issues, so they decided not to issue citations." And guess what, they haven't had any problems since they did that. Because these guys will -- they're an only-league group. They all have the communication with the Facebook. They'll be taking pictures of everybody writing citations. It will be all over the media that we're bad guys, and that all we do is hassle them. And their problems pretty much went away. So if

somebody -- I've written some parking tickets there, but I haven't written any of the helmet laws, Park ordinance things. I use my discretion for that. If there was a problem -- if we were having graffiti going on, if we were having fights, if we were having alcohol abuse, or if we were having drug abuse, then that would be a reason to go in there and start this is what it is, okay. I've talked to Donny Damon -- is that his name?

MR. WOODS: Damron.

CHIEF RANGER THOMAS: Huh?

MR. WOODS: Damron.

CHIEF RANGER THOMAS: Okay. I would have never gotten that one. I talked to him at great lengths about it. In fact, he wrote me a letter that -- with his concerns on it, saying that the Palmdale and all of Lancaster and Apple Valley where he has connections, I guess he's connected with the Pharmacy -- he owns Pharmacy, and I guess he does all the stuff. And he says that it brings on problems that you don't need. And he sent me some statistics that broke down all the parks with athletic programs, with football and baseball and soccer. The first injuries that occur for skateboarding is within the first two weeks of somebody that's new. And the percentagewise, they were 20 percent of all of the total accidents was skateboarding. Okay. 200 percent for football. You know, huge numbers for baseball, things like that. So as far as enforcing the Park ordinances parkwide, we use it as a tool that we have it and we can -- and if you can't get the picture and you don't understand, then we can help you. And when you do that, as I've written a number of them early on, and you go to court -- and if you go to court during the holidays, I -- I -- you really have to do something really bad on the Park ordinance during the holidays because the judge throws them out. Last year at this time I was over there. I shouldn't have gone. Because you're all in the same room from code enforcement and whoever. Not enough evidence to create reasonable doubt -- beyond a reasonable doubt. I'm going, "Oh, it's Thanksgiving. I get it." So everybody that was there that day walked away free. So there's another waste of time and effort and money on knowing what's going on when you do things like this. Do we do it? Occasionally. It's a tool that we have. And the people now that are in our park system, they understand it. I think I'm kind of stingy with the citations because it's not good PR. I lose -- instead of people going and the kids coming out and saying, "Oh, there's a park ranger" -- because I spend a lot of time talking to them -- it would be, "We're not talking to him." "He's going to give us a ticket," or "That guy's a jerk," or "You can't trust him. We're not telling him what's going on." So do we have the ability? Yes, we do. Do I use it? Yes, I do. But I don't use it as a knuckle-dragger, here I come, I'm going to get you. I just don't feel like that -- that's the way I want to operate --

DIRECTOR SWANSON: You use it with discretion.

CHIEF RANGER THOMAS: I don't feel -- that's right. I don't feel that's the image we want to project. And I think that we have the best park system -- the safest park system in the High Desert. And our people can use the parks especially in the summer when it's late, and they don't have to worry about somebody's going to break into their car, drag them down the street, do other things to them, okay. But I can always tell by knowing -- because I'm out there a lot of time -- who the regular people are and who the new people are. Because the new people are going to question you, and say, "Well, where I come from, my park's open all night." My standard answer is, "Then you need to go back where you came from, okay. We don't tolerate that here." You know, our main goal is protection of the patrons in the park and protection of the park assets. And the citations are just a tool as needed. That's about it.

DIRECTOR SWANSON: That is very complete. Thank you for your diligence in this and researching it and speaking to your contacts and continuing to show that Hesperia Recreation and Park District is a safe place for families in the community.

DIRECTOR COWAN: I just have a few questions for you. Do you feel it's beneficial to the City of Hesperia as a whole to have more law enforcement officers driving through town when you guys are moving from park to park? Do you feel it's more beneficial to the city as a whole?

CHIEF RANGER THOMAS: Well, it's always beneficial if you have more law enforcement.

DIRECTOR COWAN: And then you guys are an avenue to gather information for the local police, as well as the sheriffs; correct?

CHIEF RANGER THOMAS: We talk to them every day. They're the best.

DIRECTOR COWAN: That's it. Thank you.

DIRECTOR CHANDLER: You know, Jack, just to reemphasize the job that you're doing and the way that you're doing it, when we -- when we decided to redo the Ranger Program, you're doing exactly what we intended the program to do. Exactly.

CHIEF RANGER THOMAS: Thank you. We work very hard to do that, Bob. Very hard.

DIRECTOR CHANDLER: Thank you for what you do.

DIRECTOR SWANSON: And everyone you brought on has been the same calm, safe place for kids to look to instead of run from.

CHIEF RANGER THOMAS: That's a requirement.

DIRECTOR SWANSON: And it has been very clear that you have brought on people that maintain that kind of relationship, that community connection, that we've asked you to be an example for in our parks. So thank you for that.

CHIEF RANGER THOMAS: You're welcome.

DIRECTOR SWANSON: Any other comments before we let Chief Thomas enjoy his evening?

CHIEF RANGER THOMAS: It's all good. I like it.

MR. WOODS: Thanks, Jack.

CHIEF RANGER THOMAS: All right. See ya. Charlene, don't let me see you.

DIRECTOR COWAN: Thanks for coming out.

CHIEF RANGER THOMAS: Very good.

DIRECTOR SWANSON: I believe we are -- does that conclude our staff reports?

MR. WOODS: Yes.

DIRECTOR SWANSON: Or do you want to come back and point out anything in particular?

MR. WOODS: Not unless there are any questions.

Golf Course

DIRECTOR GREGG: We'll go back to the Golf Report, please. For the Golf Course Operations Report for October, showing a loss of 83 participants from last month, and 506 down from last year. Again, a total loss of revenue on the golf course of \$10,114.12 this month. Just wanting the public to know that we're continuing to lose money on the golf course at the taxpayers' expense, and we really need to move forward with looking into what we're going to be doing with the golf course negotiations with the City. It's a shame that we continue to lose that much

money on one program, and cannot subfund or assist on other programs, speaking to the After School Activities Program. That's all.

DIRECTOR COWAN: I have a question. Do all of the facilities that have standing structures have KNOX-BOXES currently installed? There seems to be one installed at Malibu Park.

MR. WOODS: No, that -- we've had a problem with somehow smaller children locking themselves inside the restrooms over there. And you've got to love the fire department because they've got a lot of cool toys and they want to use those. So instead of them cutting the doors open and cutting the hinges, we've installed a KNOX-BOX there. So they'll have a key and access to open that if it's at times where we're not available for some reason.

DIRECTOR COWAN: And then, what was the cost of installing that? And how many other facilities don't have that currently installed?

MR. WOODS: The cost of the KNOX-BOX is a couple hundred dollars. But then you have to coordinate with the alarm company because when the KNOX-BOX door comes open, it triggers an alarm to let the fire department know that something's going on with the access of the building.

DIRECTOR COWAN: So they'd have to add an extra zone --

MR. WOODS: So I don't know what the total cost is, but over there, we did not want to be paying to replace metal doors because a child locked themselves in. And it has happened a couple of times since the facility's been open.

DIRECTOR COWAN: I'm sure it's worth it.

MR. WOODS: We've caught them -- we barely got them stopped on two occasions. They were getting ready to cut the door when staff arrived.

DIRECTOR COWAN: And you said that there are other facilities that --

MR. WOODS: Percy Bakker has one. I believe we have one at the HCP facility. I'm not sure of every facility. So we're gradually starting to place them. And I think the Hercules complex has one.

DIRECTOR COWAN: And it is beneficial for other reasons, just a child or just somebody --

MR. WOODS: Right. If there's a fire or something in the facility, it gives them access.

DIRECTOR COWAN: All right. Thank you.

SPECIAL REPORTS

General Manager

DIRECTOR SWANSON: Would you like to refer to anything in your General Manager Report?

MR. WOODS: Let's see. Still working with the City. The Golf Course Ad Hoc Committee met. We reviewed the five-year agreement. Comments were made. Comments have been sent back to the City for review and their comment. The Audit Committee met, and the auditors were supposed to be here tonight; but there's a letter in there explaining that there was some erroneous information provided by the County to the auditors that needed to get clarified before they could present the audit. Let's see. Tapestry Project --

DIRECTOR LIMBAUGH: Is that going to cost us two grand?

MR. WOODS: Yes. And the County's our agent when it comes to providing that information. So somebody that basically does work for us providing incorrect information, so --

MS. THOMAS: And we weren't the only agency that --

DIRECTOR LIMBAUGH: No, I read there were others. Can we send the County the bill?

MR. WOODS: We could, but I don't imagine that they would do anything for you.

DIRECTOR SWANSON: They can make payments.

DIRECTOR LIMBAUGH: I mean, that's a percentage of what the auditors charge us. It -- is it going to make the audit look any different? Because the way I read their letter, the things that they missed were on reporting revenues and how they accumulated them. But is it going to make any change in the numbers that we saw at the committee?

MR. WOODS: Rachel probably can -- she's been talking --

MS. THOMAS: There will be a change, but I have not seen anything yet. I talked to Eden this morning, and they said they had the information from the County and they're working on it.

DIRECTOR LIMBAUGH: So are we going to have a committee meeting then, when they get ready to do it?

MS. THOMAS: If you would like. And then they plan to present it on the January meeting. Hopefully everything will work out. If the Board wants to have an Audit Committee meeting before that, we --

DIRECTOR LIMBAUGH: What do you think?

DIRECTOR COWAN: Has a letter been sent to the County telling them what the problem was and asking for a response?

DIRECTOR LIMBAUGH: I think they contacted us.

MR. WOODS: The County actually --

MS. THOMAS: The County notified the auditors --

MR. WOODS: The auditors to say they had made a mistake.

MS. THOMAS: At this point, I think we need to see what it's done to us before we contact --

DIRECTOR COWAN: And at that point, would it be something we could send a letter describing the fee that took place --

MR. WOODS: I can send a letter requesting it, but I really don't believe the County is --

DIRECTOR COWAN: I'm just saying that the time spent in sending it is going to be dollars, and it may show them that they need to -- I know we're small in the Big County Picture, but they need to look at the way they handle things if they're going to further the cost on us.

MR. WOODS: And I believe that this is the first time that this has happened. So out of the number of years, 20-plus years, first time.

DIRECTOR LIMBAUGH: Well, as long as it's not significant changes.

MS. THOMAS: Right.

DIRECTOR LIMBAUGH: Then we probably won't need a committee meeting. But if it's significant, we should see it again. I don't think they're going to change any of the recommendations that we heard at the committee meeting.

MS. THOMAS: Probably not.

DIRECTOR LIMBAUGH: We actually talked about that at last board meeting.

MR. WOODS: We were just happy that they caught it before they came and presented, because now they're having to go through the whole process of getting those other agencies. So -- and then I provided some more detailed information on the After School Program. I don't know if there was any question on that.

DIRECTOR LIMBAUGH: I have some questions on that.

MR. WOODS: Okay.

DIRECTOR LIMBAUGH: First, I have some -- one other question before that. In the budget, Rachel, in the Corona Building, in the budget report, that 74,000, we don't have to pay that anymore, right?

MS. THOMAS: Correct.

DIRECTOR LIMBAUGH: Okay. So that will -- in next year's budget, that will be erased?

MS. THOMAS: It will be zero.

DIRECTOR LIMBAUGH: Actually, Corona will make money then.

MS. THOMAS: It should.

DIRECTOR LIMBAUGH: Not much, but some.

MS. THOMAS: It's a start.

DIRECTOR LIMBAUGH: Okay. Now, I have a lot of questions on the After School Program. Steve provided -- good 'ol Steve. He spent a lot of time putting that information together. I do hope it's accurate because it leads me to a picture that says, why don't we fund all of the sites. Somebody needs to do an analysis because I tried and I don't have all the information.

Because the way he presented the information, I couldn't get the -- what we charge them, what the time periods were didn't jive with the -- you know, the time periods that the kids were there. But I would say any site that has 15 kids or so, can be covered well within the sites that have large amounts of students attending the After School Program. So what my request to staff would be, okay, at what number on the range -- I think it's one, two, three, four, five sites -- and I understand the flexibility of the program. Steve outlined that very good, that one month, 400 kids will sign up -- or the parents will say, yeah, we're going to drop them off, and 350 show up, so you just lost 50 kids in a planned revenue. But when you do the analysis, since some of those sites actually turn a pretty good -- you're more profitable the more students you have. So I think you need to explain to us why we can't fund the sites where they only have 15 kids if we're making that much money at other sites.

MR. WOODS: My explanation right now would be of that -- Number One, the financial report was done by Shiella, and then Steve has his memo in here. The reason that those sites are doing so well was because they were trying to accommodate more parents at the sites where we had a tremendous response to it. So if they had 30 kids and they had an additional 5 kids on the waiting list, they took those 5 kids off the waiting list because many of those parents needed the program. So that additional -- beyond the 27 children that was just making money hand over fist.

DIRECTOR GREGG: So on that statement right there that you just made, you just said that he just increased the --

DIRECTOR COWAN: We asked if that was possible, and you said no.

DIRECTOR GREGG: Yeah. You increased the workload of the room size to 35 because there was a need.

MR. WOODS: They had it -- it was 27 to 30, and then they took -- I wasn't aware at the time that they had taken up --

DIRECTOR GREGG: You said no more -- you said the cap was 30.

MR. WOODS: I said that the cap was 30. Staff took on an additional 5, and that's what the impact was. So now what we're doing is they're figuring out how they can stagger staff with some additional staff to help bring some of those profits down, because that wasn't what we were intending to do was to make money, large sums of money.

DIRECTOR LIMBAUGH: I didn't finish my comment --

DIRECTOR GREGG: Sorry.

DIRECTOR LIMBAUGH: Because it's also very good. Two things remaining. One, also, when you look at the lower-attending schools like Kingston and Eucalyptus -- I'm using Steve's numbers now -- And he reported for either a three-week period or a four-week period -- average was about 20 or less. They only lost like \$500 in that period. So, I mean, it's a small amount at the -- at the 20 attendees. I know it will be a bigger amount at 15 attendees, but it shouldn't be that big of a difference. And then the second thing is, don't spend any more money on advertising other than putting a flyer at the front that the school can hand out. I would be -- and Steve, that's -- I would support his recommendation. Don't advertise anymore.

MR. WOODS: Right.

DIRECTOR LIMBAUGH: Don't try to squeeze blood out of a turnip. If you can't get people to show up after six months of pandering, don't -- don't -- don't waste your time and effort and charge that because some of the schools that had zero participation, he charges his time and effort to that. So I would spend more time where you've got all the kids making sure that the program stays full to whatever level it's currently at rather than the -- But I think -- I'd be curious from my own perspective to see the analysis of at least four of these other schools that are on the drop list. The other one with 12, that's maybe too tough to go down to 12 with one full-time ASAP staff person. But the others, it's really close. I mean, one or two kids either way, you may lose a little, but the others are making so much money according to these numbers. I understand they do fluctuate. But even if the Park had to fund \$500 a month to pick up, you know, 100 kids, that's a drop in the bucket to what we spend on other things. That's just my feelings.

DIRECTOR GREGG: I'd have to add to that if you --

DIRECTOR LIMBAUGH: And then I would -- go ahead.

DIRECTOR GREGG: Go ahead.

DIRECTOR LIMBAUGH: I would also share this information with the school and say, look it, we're taking care of your kids after school, and you know we don't want to lose money, but -- but we're willing to put effort into this program because it's going to be ongoing for a long time. Especially if this community grows and Rancho opens up. That's just more commuter traffic down the hill, so people are going to want to have the ability to leave their kids after school. Okay. That's all I have to say.

DIRECTOR GREGG: So -- and the only disagreement that I have with that is the fact that if you fund the program, you should fund the program. Or you don't fund the program or subsidize the program. Subsidize it, or don't subsidize it. We start seeing numbers come in that we're making double the money that you projected to the Board whenever this program came in, then it's an issue. And seeing these numbers is -- is -- is totally out of the ballpark of what we talked about here when we started putting caps on 30 kids and we're not going to open up sites unless they have 27. And then we come back with numbers of 30, 35-plus, and we're making tons of money off of the community. It's ridiculous. And again, that goes into play that we can fund a golf course, but we can't fund an after-school activities program. It just doesn't make any sense to me. And the community's going to -- the community will be aware of it. The community will be aware of this.

DIRECTOR CHANDLER: When we initially talked about this program after it was going to be reinstated, we knew that the numbers were going to fluctuate, remember? We really weren't

sure how it was going to balance out. I think we're just now beginning to understand a little better as we progress within the program -- or with the program, or get a better understanding as time goes on.

MR. WOODS: You're not going to see these numbers be as high as we move into the future because we're making adjustments. And Number Two, when we started the program, we did not believe -- and I did not believe -- that it was fair that the schools that are able to generate revenue would be subsidizing -- a parent at School A is paying and subsidizing for a child at School B.

DIRECTOR LIMBAUGH: I don't think -- I don't think we're talking about subsidizing.

DIRECTOR COWAN: We're not saying we're going to pay for the student. We're saying that we're going to pay the difference of students that aren't going to attend that class if --

DIRECTOR LIMBAUGH: If you tell us -- if you tell us that you would take the additional revenue at Site A that has a surplus because they have so many funds -- and obviously, there's economy by size here, so I think we all understand that. If you're going to say that we could take the excess money and pump it back into that particular site, as opposed to funding other sites, that's one thing. But the sites that we don't fund, it seems like it's a small amount based on Steve's numbers. I'm only going on his numbers, and that's all I had to go on.

MR. WOODS: Right. And if you look at Steve's numbers, we had that 27 percent drop of how many people originally signed up for the program. And actually, when it came time for them to pay, we saw a 27-percent drop. If you applied that 27 to those numbers, we would be below where we need to be. Even further. But I'll be happy to bring back an analysis of what the cost would be to fund --

DIRECTOR LIMBAUGH: If you think they've stabilized to a point where you can be pretty much assured you're going to be in a ballpark of what our exposure would be financially --

DIRECTOR SWANSON: As soon as we can offer a program, we would know based on past members as long as they go to a stabilization point. And I think we expected to be -- to have to wait until those numbers started to stabilize before we could make permanent positions, and not offer the program and withdraw. I would rather make sure that we can maintain it, sustain it, and have it be part of the school's culture before we tweak the numbers to that point and offer a program -- make sure we can maintain --

DIRECTOR LIMBAUGH: And I know you gave us some numbers before based on your estimates, which the reality I think was a little bit different than your original estimates.

MR. WOODS: Right.

DIRECTOR LIMBAUGH: So when we set the limit for how many kids we could have at a program before we even offered it at a site, at that time it was a number -- 27, I think we used. And then it eventually got -- I think we have one that averaged 23 over the time. What it would cost now to add at least four of the five that are not -- or all. If you can give us that with a legitimate, you know, calculation, and not a swag, not an off-the-cuff, but a pretty good legitimate number based on what you know today, even with the flexibility of the large attended sites, according to these numbers, we're not going -- it's not going to be too bad. Okay?

DIRECTOR SWANSON: Also, it was helpful the School District cut -- we didn't expect that. And that was an extra boon that they cut the fee. We can put that back into looking at providing programs at all the schools.

DIRECTOR GREGG: Didn't they waive the fee? Did they waive the fee completely?

DIRECTOR LIMBAUGH: Yeah, they waived it.

DIRECTOR SWANSON: And they're supporting the program, which makes me happy because that's for their kids.

DIRECTOR COWAN: To me, it seems like there should have been more communication between Mr. Hamm or the staff on site. But it kind of seems unique to me that our general manager can tell us that he did not know that they had added 5 above what he set the limit at. Sounds like there needs to be more communication there.

MR. WOODS: Anything else? Thank you.

Board Member Reports

Standing Committees

Recreation Foundation - Swanson/Cowan

DIRECTOR SWANSON: So we are on Board Member Reports. Recreation Foundation. I'll ask Mr. Cowan to take the lead on that. And then we have actual members of our Recreation Foundation in the house. If they would like to add to that. I've tipped my hat to you, Mr. Cowan. Would you like to speak to this?

DIRECTOR COWAN: Yes, ma'am. At the HARD Foundation meeting, there was more discussion on possibly having more volunteers at the monument and volunteer work with the monuments. We also discussed this pamphlet that was provided to us, and there was some discussion on possibly adjusting the words and the paragraph. And Mr. -- well, Griz -- Griz thought it was a great idea to have this until staff can look into having -- further changing the monument and possibly resurfacing or doing different things to it. And I -- that's the main things that I remember.

DIRECTOR SWANSON: I wanted the ladies to discuss the -- you had some questions about the monument patch; correct?

MRS. HELSLEY: No. I think Andy had a question. There was some spelling --

DIRECTOR COWAN: Yes. There was just grammatical errors. They corrected everything, and we have a very great product in front of us. And it's a much better quality than what it was when it was originally shown to us. But it was a draft, and so I think that was -- that was the main subject that we were discussing then, and -- as well as upcoming events is what were discussed.

DIRECTOR SWANSON: We talked about the Christmas Tree Lighting and how much we -- last couple of events -- I think you didn't say anything. You came all this way. You didn't -- everything --

MRS. HELSLEY: Everything went along very smoothly.

DIRECTOR COWAN: That was, I mean --

MRS. HELSLEY: We were well within our hour.

DIRECTOR SWANSON: That Percy has dictated that we should choose --

DIRECTOR COWAN: Actually, he wanted to start a little bit early, but we made sure to start on time.

DIRECTOR SWANSON: Yes. He was chomping a little bit at the bit. I think it was probably - he wanted to call the meeting to order at 5:54, I believe, p.m. And we -- we did have a -- we did have a guest, I think, for the first time in a long time.

MR. WOODS: There was quite a bit of discussion about the High Desert Opportunity Fair that we participated in and the Foundation's role in representing the agency at that event. They

thought it was well attended and gave them a great opportunity to get out, meet people, and promote the District, and what the Foundation does in the community here in Hesperia.

MS. PETERS: A lot of fun. A lot of people.

Tri- Agency - Swanson/Cowan

DIRECTOR SWANSON: And next, the program on the list -- I'm not used to this yet -- Tri-Agency --

MS. PETERS: Rebekah, I will say what we did for the 11th, I thought was one of the best we've ever had. Everybody really commented on how nice that was. And it was just very, very special.

DIRECTOR SWANSON: Yes. And I loved seeing everybody here tonight.

MS. PETERS: And with my son in the Army, it just really touches the heart.

DIRECTOR SWANSON: Especially now when they're away from home. We're glad they're in our community. Tri-Agency was held today. Congratulations to our Mayor Pro Tem.

MR. SCHMIDT: Thank you.

DIRECTOR SWANSON: And thank you for your photography skills this evening and support for the community.

MR. SCHMIDT: Photography put me through college.

DIRECTOR SWANSON: Well, you support the community in all ways. There was a discussion of a decision made from the Department of Finance for our former RDA, and we've moved forward on that. Is there anything you'd like to say in reference to that with the 60 units and the property management issue that we're moving forward on?

MR. SCHMIDT: The PMP still has to be put together, but I think overall, there's really a lot of things that go together and his staff -- because that had the potential to be a very bad thing for the entire community. And I think we really were rescued from despair, to be frank with you. So that's looking fairly -- I think it's looking really well. I'm feeling really good at this point. And really, it's going to unlock some other opportunities that we were waiting from the DOF to come up with a final resolution so we could kind of move forward on some things that were being held up.

DIRECTOR SWANSON: It does sound like a lot of communities are being held up because of those decisions on RDA, and we are no longer one of those communities.

MR. SCHMIDT: We are no longer. Interestingly, there was just one of the things that the DOF was saying; if you don't play ball, we're going to take away your tax increment. And that was just ruled just recently that they're not allowed to do that.

DIRECTOR SWANSON: Very good.

MR. SCHMIDT: So some judge decided that was inappropriate or wasn't legal. So I think another one of their potential ways of harming communities has been taken away from Sacramento, on top of the rest of the fiasco that happens at Sacramento. So I think from a community standpoint, from a city standpoint, we're in really good shape. So that's --

DIRECTOR SWANSON: Thank you. There was also discussion of something that came through the Planning Commission and approval of a 3.5 million square foot distribution center that they're looking at to build by Station 305 in Caliente. What is the name of the company that's looking into -- is that a development company?

MR. SCHMIDT: Covington Capital is the company that's kind of done most of the development work. 3.5 million multiple-phase options. But it potentially could be a long-term project, up to 20 years even. So there's quite a few improvements, and even though it's 3.5

million, it's a 1 million, and 800,000 -- so it's multiple buildings and multiple phases, estimated somewhere on the order of about 3,400 jobs when it's in full build-out.

DIRECTOR SWANSON: Excellent.

MR. SCHMIDT: So I think it really changes the landscape of the High Desert because it puts us in a position of really leading that type of commercial and industrial development. So I think it really does -- sort of changes the way we're viewed as a city relative to the rest of the community.

DIRECTOR SWANSON: And the job support to keep people in the High Desert and stop them from having to go down the hill would be desirable. They're offering also tree recycling through Advanced Disposal and E Waste, is going occur again on January 4th and 5th. The School District is 400 students above their projections, but they, according to research, may be looking at a decline over the next 10 years if the Tapestry -- all things being equal, if the Tapestry program -- if the Tapestry development has not begun in that amount of time. The PCC Book Sale that occurred at Hesperia High last Saturday, a very cold Saturday, netted \$6,000, that is going to go into district scholarships for the students in their district. And Mr. Kerman might want to talk about this. Betsy Patridge from Hesperia Junior High is -- has been -- her name has been put up as the Regent and Educator of the Year.

MR. KERMAN: Yeah, she -- well, some of you may not know. I think Betsy's been there 25 years, or something like that. She's been here a long time. And she was nominated. And she's one of -- I believe it's 10 in the state for the California League of Middle Schools Teacher of the Year. She teaches Language Arts. She does lots of stuff.

DIRECTOR SWANSON: Well, we're glad to have one of our own be promoted in such a way. Extend her my congratulations, please. That's the conclusion of my report. Unless anyone would like -- there's a lot of people that were there --

DIRECTOR COWAN: Just that the way it sounds is there's going to be 6,000 from the PCC to go towards scholarships. It was a total net of around 30,000, so 6,000 will go to the schools. And then since we do have the Mayor Pro Tem here, there was a discussion about a machining academy in Apple Valley that he helped contribute to as his company. And Hesperia Unified School District is looking to possibly work with them in the same fashion as Apple Valley did.

MR. SCHMIDT: That's what happens when you --

DIRECTOR COWAN: We appreciate it's still in the High Desert, and it may come to Hesperia also.

MR. SCHMIDT: Yeah. Yes. There's definitely value in creating those aspects of technology into the classroom. My company, we're proponents of that. You know, Pat and Dustin and Tom did a great job over in Apple Valley. You know, Pat was a visionary, and he made it happen. So Hesperia has to find a visionary and find the workers and find the money. So, you know, you've got a \$100,000 grant from the County Supervisor -- so it won't happen for free, but I really think that we -- we're at a disadvantage here. I mean, we have we have an excellent school district. There's really no reason for us not to have a similar program that's putting the same kind of emphasis on those skill sets, so --

DIRECTOR SWANSON: You find a lot of support.

MR. SCHMIDT: I'd like to see it, of course, at my alma mater Hesperia High. So, anyways, it turned out real nice.

DIRECTOR SWANSON: Thank you for your support of the community.

Safety and Security - Chandler/Gregg

No meeting held.

Personnel Committee - Limbaugh/Chandler

No meeting held.

Audit Committee - Limbaugh/Gregg

DIRECTOR SWANSON: And did the Audit Committee meet?

MS. THOMAS: Yes, but it was reported at the November board meeting.

DIRECTOR SWANSON: Oh, previously reported. And that puts us on the golf course ad hoc committee.

Ad Hoc Committees

Golf Course Ad Hoc Committee - Limbaugh/Cowan

DIRECTOR LIMBAUGH: Yeah, we met. And the agreement looks good. There was some wordage that was unclear. Basically, the agreement can be cancelled -- is it 90 days or 60?

MR. WOODS: I believe it's 180.

DIRECTOR LIMBAUGH: 180? Okay. By either party for just for no reason, with no obligation. So in the spirit of, you know, getting reimbursed over the next couple of years for the golf course until we decide either to get out of it or the City finds somebody else to run it, the committee is going to be recommending that we move forward with it so we can pay off some of our debt. Do you have anything to add on that? I can't remember all the things we changed.

DIRECTOR COWAN: Most of those just -- words that were used -- it described the District using two different words. I think it was director --

DIRECTOR LIMBAUGH: Lessee.

DIRECTOR COWAN: District and Lessee. Mr. Limbaugh asked us that we change that to one name for keeping it simple. Then there was a few discrepancies as far as listing net sales versus maybe the net income. And the way that it could possibly read is that we would have to put all net -- all net money that comes in, we would have to spend on the golf course for other things besides personnel. And the way it would read is we would go above that amount, and then the City would start reimbursing us. And that was just kind of concerning. And so that was brought back to be looked at. Another key point was that the golf carts if we start a lease and for whatever reason either one of us backs out, we will not be held liable for that, correct? Isn't that what we --

MR. WOODS: If the City cancels the contract, we're not liable for that.

DIRECTOR COWAN: Okay.

MR. WOODS: And that's the same arrangement that we currently have.

DIRECTOR LIMBAUGH: And we also -- the list of stuff we're responsible for, what they're responsible for, we tried to make them in different parts of the agreement -- it said different things. It wasn't really confusing, but you know with lawyers, if it doesn't say the same thing in Part A or B, then neither is good and we'll make up our own.

DIRECTOR COWAN: There was an appendix that had nothing listed because we hadn't received the information back yet.

DIRECTOR LIMBAUGH: We tried to get coercion -- or saying the same thing.

MR. WOODS: But basically, it's a five-year agreement and -- with a five-year extension. And if both boards agree -- and it has the 180-day clause. It's at the City. The committee requested

to review it once the City's comments have been -- our comments have been made, the City's comments have been made, would be before bringing it back to the Board.

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: And with no other comments, I think we're ready to go into closed session. Thank you to all of our guests. We sure appreciate it coming out in this cold evening.

Meeting Recessed from Open Session at 9:33 p.m.

Meeting Reconvened into Closed Session at 9:41 p.m.

Meeting Recessed from Closed Session at 9:43 p.m.

DIRECTOR SWANSON: Back on the record. I'd like to call this back into open session. We have a discussion we need to have regarding the -- the --

MR. WOODS: Court reporter.

DIRECTOR SWANSON: -- how we're going to use the court reporter's time, if we're going to enlist her help after the end of our closed session.

DIRECTOR COWAN: Can we have the General Manager restate what he said earlier so we understand?

MR. WOODS: The court reporter, if she's kept after 10:00 o'clock, it is at a rate of \$100. So I believe that there's the possibility that we could go over past 10:00 o'clock. So I would ask that we be able to send the court reporter home. We do have recording devices here, and we would be able to make sure that the minutes are accurately reflected.

DIRECTOR GREGG: So we have more than one recording device in the room?

MS. THOMAS: No, there's one.

MR. WOODS: She has one; I have one. I use a pen. She has one.

DIRECTOR GREGG: Thank you. So we have a recording pen and recording device in use.

DIRECTOR COWAN: I'm in favor of it as long as you can answer one question: How did the audio come out last meeting from this device? Was it great?

MS. THOMAS: Pretty good. You could hear quite well.

DIRECTOR COWAN: Okay. I'm in favor of it. We've taken steps to make sure that our information is accurate. Do we need to vote or --

DIRECTOR SWANSON: Yeah, I think it's just the pleasure of the Board.

DIRECTOR GREGG: Yes, I think we should send her home if we have a proper recording device.

DIRECTOR COWAN: Are we good with that?

DIRECTOR GREGG: Uh-huh.

MR. WOODS: So we can take a break?

DIRECTOR SWANSON: Yes. We're going to take a brief break. Closed session -- open session is closed. Thank you for your help.

Meeting Reconvened into Closed Session at 9:48 p.m.

L. 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

M. Personnel – General Manager’s Annual Evaluation (Closed Session, Government Code 54957 (b) (1)).

Meeting Recessed from Closed Session at 10:32 p.m.

Meeting Reconvened into Open Session at 10:33 p.m.

MS. SWANSON: We are now in open session.

MR.CHANDLER: Are we, during the open session, should we make comments as far as directing him...

MR.GREGG: We didn't report out.

MR. CHANDLER: ...about the City thing?

MS. THOMAS: First the President has to report on L and M.

MR. SWANSON: Letter L Contract Negotiations with the City of Hesperia and we have directed our General Manager, Lindsay Woods, to enter into negotiations with the City of Hesperia regarding our property and that is the only decision that was made during Closed Session.

MR. GREGG: And can you repeat out what the vote was please?

SWANSON: The vote was 3 - 2.

MR. GREGG: And who voted for this?

MS. SWANSON: Oh, the Ayes?

MS. THOMAS: The motion was by Mike Limbaugh, the second was by Bob Chandler, the Aye votes were Mike Limbaugh, Rebekah Swanson and Bob Chandler, the Noe votes were by Kelly Gregg and Andrew Cowan.

L. 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

ACTION/MOTION: It was moved by Director Limbaugh, seconded by Director Chandler to authorize the General Manager, Lindsay Woods to enter into negotiations with the City of Hesperia regarding Property APN 0450-313-450000 and carried 3 to 2 by the following vote:

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

M. Personnel – General Manager’s Annual Evaluation (Closed Session, Government Code 54957 (b) (1)).

The General Manager’s evaluation was discussed; the Past President of the Board will execute the evaluation with Mr. Woods.

ADJOURNMENT

The meeting was adjourned by declaration by President Swanson at 10:34 p.m.

Respectfully submitted,

Lindsay Woods, General Manager

Rachel Thomas, Admin. Op. Mgr.