

**BOARD OF DIRECTORS
GROVELAND COMMUNITY SERVICES DISTRICT
GROVELAND, CALIFORNIA
December 22, 2008
9:00 a.m.**

The Board of Directors of Groveland Community Services District met in regular session on the above mentioned date with Directors Richard Lennen, President, Gus Allegri, Wesley Johnson, and Steve Perreira being present. Also present were General Manager Jim Goodrich, Fire Chief Shane Warner, Assistant Fire Chief Jim Burdick, and Administrative Staff Member Lena Spilman.

Absent: District Counsel Dave McMurchie, District Engineer Randy Klaahsen, and Board Secretary Vicki West.

President Lennen called the meeting to order at 9:01 a.m.

Staff Member Lena Spilman administered the Oath of Office to John Graham, and he assumed the title of Director.

Agenda Approval

Director Allegri moved, seconded by Director Lennen, and the motion passed unanimously, to approve the agenda as written.

Public Comment

None

Action Items

a) Award Bid for New Fire Truck to Pierce Manufacturing. b) Authorize the General Manager to Execute a Contract Prepared with District Counsel for the Purchase of the New Fire Truck from Pierce Manufacturing. c) Authorize Staff to Seek Loan/Lease Funding when the New Apparatus begins the Assembly Process. d) Authorize Staff to Purchase Required Equipment to Outfit the New Apparatus with a Schedule that Matches the Delivery Time for the Apparatus.

General Manager Jim Goodrich presented this item to the Board. Mr. Goodrich explained that on November 28, 2008 the District received correspondence from FEMA announcing that GCSD had been chosen to receive a matching grant in the amount of \$275,000 toward the purchase of a new Type I Fire Engine. On December 18, 2008 the District was further notified that in response to its request, FEMA had increased the grant to \$294,937 to include sales tax.

(Director Perreira entered at 9:06 am)

After Notification of the award, staff released bid packages to 11 bidders for the new Fire Engine. While the District had reason to believe that four of the manufacturers would respond, only three responses were received by the deadline on December 18, 2008. Two of the responses were a "no bid." Pierce Manufacturing provided a bid of \$387,316.87, including sales tax. Mr. Goodrich explained that after careful review Staff found the bid to be responsive to the Request for Bids, and furthermore believes Pierce Manufacturing to be capable of building a Type I Fire Engine that will meet the requirements of the District.

Director Allegri asked Staff to estimate the total cost of all equipment that will be needed to outfit the new engine. Fire Chief Shane Warner answered that the cost will be approximately \$15,000. Mr. Warner explained that the District will need to purchase miscellaneous hose appliances, equipment for the brass compartment, and possibly a new generator. This equipment is necessary to personalize the vehicle for use in our District, and will allow the Fire Department an increased level of service.

Mr. Warner also added that this grant process has provided for a number of opportunities for the Groveland Fire Department to network with other Departments in the area. Through this networking the Fire Department is learning about other grants available, and receiving valuable advice from other Departments on how to be successful in the acquisition of these grants. Mr. Warner commended his staff for the hard work they put into the grant process, and said that he was very proud of what the Department had accomplished.

Director Allegri asked General Manager Goodrich why the 1973 American La France engine was chosen for replacement by the new engine instead of the 1959 Van Pelt Engine. Mr. Goodrich answered that the FEMA grant requires that the fire engine being replaced by the new engine must either be destroyed or decommissioned by the DMV as an emergency vehicle. While the Van Pelt is older than the American La France, it is no longer in active service. The American La France is GCSD's oldest in service fire engine, and is in disrepair. Mr. Goodrich explained that the engine fails to meet several important NFPA safety standards, and has a leaking water tank. Mr. Warner also commented that the last four years that the District has applied and been denied for this grant, they have used the Van Pelt as the engine to be replaced. This is the first year that the American La France has been listed for replacement. Mr. Warner shared his opinion that the success of the grant has much to do with the choice of an engine that is not simply advanced in age, but is unsafe by current standards.

A member of the public asked Mr. Goodrich how much money is currently in the Fire Department reserves. Mr. Goodrich estimated that the reserves hold approximately \$600,000. The member of the public questioned why the District would finance our portion of the cost of the new fire engine if there is so much money in the reserves. Mr. Goodrich responded that the reserves in question are working capital reserves. He further explained that the Fire Department only receives money from property tax assessments twice a year. While he assured the public that all options would be considered, he explained that the Fire Department relies upon those reserves to provide

for the operational costs of the Department throughout the year. Mr. Goodrich stated that he would provide the Board with a report on the state of the reserves by January 2009.

Director Perreira expressed his desire that the District pay outright for the engine as opposed to financing it. Director Lennen asked General Manager Goodrich how certain the District is of receiving the grant money. Mr. Goodrich responded that the grant has been formally awarded, and that FEMA is now contractually obligated to follow through with the grant money.

Director Perreira motioned to approve all four motions with the following additions: amend item c to read as follows, Authorize Staff to Seek Loan/Lease Funding when the New Apparatus begins the Assembly Process, with the Option of Prepaying the Purchase Price under the Contract to Save the District Money with the Offered Discounts, and amend item d as follows, Authorize Staff to Purchase Required Equipment to Outfit the New Apparatus with a Schedule that Matches the Delivery Time for the Apparatus, with the intent of the Cost being Approximately \$15,000. Director Allegri seconded, and the motion passed unanimously to a) Award Bid for New Fire Truck to Pierce Manufacturing. b) Authorize the General Manager to Execute a Contract Prepared with District Counsel for the Purchase of the New Fire Truck from Pierce Manufacturing. c) Authorize Staff to Seek Loan/Lease Funding when the New Apparatus begins the Assembly Process, with the Option of Prepaying the Purchase Price under the Contract to Save the District Money with the Offered Discounts. d) Authorize Staff to Purchase Required Equipment to Outfit the New Apparatus with a Schedule that Matches the Delivery Time for the Apparatus, with the intent of the Cost being Approximately \$15,000.

(Director Steve Perreira excused himself from the meeting at 9:40am)

Authorize Admin/Finance Manager to Reclassify Uncollectible Billings receivable in the Amount of \$1,594.62 to Bad Debt Expense

General Manager Goodrich presented this item. Mr. Goodrich explained that the delinquent billings receivable balance of \$1,594.62 consists primarily of uncollected tenant accounts from 2003-2006. While unpaid bills on property owner accounts can be submitted to the Tuolumne County Clerk's Office and placed on the property tax rolls through the District's participation in the Teeter plan, there is no such recourse for tenant accounts. The District has been unsuccessful in its attempts to contact these tenants and collect on the unpaid debt. New District policies require the property owner to make good on any outstanding fees by tenants of their property.

Director Allegri moved, seconded by Director Johnson, and the motion passed unanimously, to authorize the Admin/Finance Manager to reclassify uncollectible billings receivable in the amount of \$1,594.62 to bad debt expense.

Ayes: Directors Lennen, Allegri, Johnson, and Graham Absent: Director Perreira

Information Items

Staff Reports

A. General Manager's Comments

General Manager Jim Goodrich wished everyone a Merry Christmas and reminded them that the office would be closed Thursday, December 25th and Friday, December 26th for the holiday. He also announced that the environmental documentation for the Fire Fuel Reduction Project has passed the 30 day test. He reminded everyone that the Board would be electing officers at the next Board meeting on Monday, January 12th. Mr. Goodrich also shared that although the District's rate analysis calls for a yearly evaluation and adjustment of rates for the next five years, he feels that the financial stability of the District may eliminate the need to increase rates in the coming year. He assured the Board that more definitive information regarding this issue would be presented to the Board in January.

Director's Comments

None.

Adjournment

Director Lennen moved, seconded by Director Johnson, and the motion passed unanimously to adjourn the meeting. The meeting adjourned at 9:48 am.

APPROVED:

Richard Lennen, President

ATTEST:

Vicki L. West, Board Secretary