

# Wild Wings Community Service District Formation Advisory Committee Meeting Minutes of Meeting: July 19, 2021

**4:30 PM**

## **Tour of Wild Wings Golf Course**

**Call to order:** Meeting was called to order in the golf course parking lot at 4:30 PM. Jason Duebler, Mark Hoelsing and Chris Hatzke from Kemper Sports provided a tour of the Wild Wings Golf course. The tour covered The Nest, the pro shop, the golf cart barn, the equipment garage and their equipment.

**Attendees included:** WWCSDFC committee members Tom Hanagan and Scott Picanso. Carri Scarlata and Brenda Seabert were unable to attend. Also in attendance, Tricia Valenzuela and Kim Villa from Yolo County as well as several members of the community.

**6:00 pm**

## **Zoom Online Meeting**

*This is the fourth meeting*

**Committee:**

Carrie Scarlata Committee Chair  
Tom Hanagan Committee Vice-Chair  
Brenda Seabert Committee Secretary  
Dave DeKreek Committee Member  
Scott Picanso Committee Member  
Rick Fenaroli Committee Member

**Others:**

Tricia Valenzuela Yolo County  
Kim Villa Yolo County  
Public: Lachi Richards  
Public: Jesus Villanueva  
Public: Mary Beck  
Public: Melissa Starkweather  
Public: Michael McCall  
Public: Sharon Schwartz  
Public: Brian Archibald  
Public: Mallory Fawns  
Public: Barb and Rich Horan  
Public: Ruth Schreiber  
Public: Carmel Dalton

**Call to Order 6:00 PM**

Carrie addressed that Mr. Fenaroli had raised an issue with the HOA attorneys of Carrie having a conflict of interest because she had worked in the Yolo County counsel's office. Carrie advised that she has

been transparent from the beginning, was not involve in the litigation, does not have adverse interest in Yolo County, and is very cognizant in her ethical duties as an attorney. No need to go to the attorneys.

#### **Introductions:**

Committee members introduces themselves.

#### **Approve the July 6 2021 Minutes**

Scott Picanso motioned to approve the minutes and Dave DeKreek seconded.

Tom H. abstained, all others approved.

#### **Public Comments**

Tricia Valenzuela announced that a flyer was delivered to each house yesterday from office of Emergency Services, regarding a Community meeting Wednesday July 21, at 6pm on drought issues related to Yolo County as well as Wild Wings. Also, the BOS will have an item on the July 27<sup>th</sup> BOS meeting about the drought. Tricia encourages members of the community to attend both. Further, the next CSA meeting is on August 4<sup>th</sup>.

Tom Hanagan advised that the HOA meeting was scheduled at the same time as the Emergency Services Drought meeting which created an issue for the HOA, as it now needs to reschedule. Tricia stated that the BOS is having this discussion on Tuesday so they wanted to make sure members of the community could be involved and the only night they had available to set this meeting was July 21<sup>st</sup>.

Rick Fenaroli advised the HOA was scheduled to vote on the time extension that the WW CSDFAC asked for and will now be delayed another week. The HOA isn't going to vote until they have a regularly scheduled meeting, now tentatively scheduled for Wednesday, July 28 or possibly Tuesday of next week.

Tom Hanagan asked: When should we discuss the CSA's response to the letter sent to LAFCO from the HOA. Carrie advised it would come under future agenda items for next meeting if we want to discuss them.

#### **Discussion and Action Items (public comments will be considered for items A-G collectively)**

##### **A. Review Capital expenditures from the 5-year Financial Report**

Kimberly Villa can answer any questions.

Tom H. had the following statement and questions:

Regarding SUSP: breakout of expenses on waste treatment is quite good. Regarding public liability insurance, it doesn't seem realistic that the lawsuit would cause the insurance cost to go up so drastically.

Regarding Sewer:

- Utility charges – confusing over the last several years. How can we have such decreases in those? Kim to look into it and get back to Tom.
- Improvement line 2 items regarding building maintenance and building improvements – seems like there are very odd costs there. Would like clarification on those items.

Regarding golf:

On the pro-forma 20-21 budget. Confusion on transfers from the county. Transferred from the county is less than what was collected. Doesn't seem to jibe with Kemper sports account and the measure O. Also, they have a G&A for expenses, what is that? Is it General and Administrative? Kim, will check with Kemper.

Rick would still like to see something that merges the two budget documents; Measure O and Kemper.

### **B) Review and discuss SUSP contract**

Tom H – current contract with SUSP looks comprehensive – is this the same contract used with National? Kim Villa - It is template wording, written by the county counsel.

Tom comment and question on the contract. SUSP has been making reports and they are posted on the website. Does that indicate that we weren't receiving from O & National? Kim Villa advised, no not the case. There is a space issue on the web site. Kim can provide them if needed.

Rick F. has a previous question about the security bond. Kim V. spoke to procurement who said bonds are only required for construction type contracts, not ongoing contracts such as this. Kim followed up with further questioning and is still waiting to hear back about the gap that Rick and Kim had previously discussed. Rick further asked, when it's time for the contract to be renewed should we have a bond in it to prevent an issue such as what happen in 2017. Kim will follow up on with County Counsel.

Rick asked, in the future, how do we prevent over payment to a vendor?

Carrie asked, what is the context of the question?

Rick stated, in year 4 & 5 there are additional fees that we would pay SUSP beyond the 3 years. They are allowed a COL increase. Somehow the contract was misinterpreted instead of a 1.6 COL, the board approved 8.8 % increase. Once identified as incorrect the board rescinded the mistake that same day. It would have been a \$24,000 additional cost to the community.

Discussion: Moving forward how we address accountability. Accountability of the County to the Community/CSA. Question to how would accountability relate within a CSD too? In previous years it appeared to be a serious lack of accountability by the county to the community. How is this prevented moving forward? Since Beth and now with Tricia and Kimberly, who have stepped up, there is now a high degree of involvement with the Waste Treatment plant, water and the golf course. Who's holding the vendors accountable? This is a central issue that needs to be addressed as we move forward. A lack of accountability in previous years is still a concern today.

Most issues involved National the previous contractor for Waste treatment and water. Carrie advised since we are subject to the Brown Act and the National contract is not on our agenda, she suggests that we move forward.

Kim Villa advised that she maintains monthly meeting with Kemper Executives and Kemper here and checks in with SUSP representatives weekly.

Rick stated, point well taken that National is not on the agenda. Item for the next agenda - what steps the county is going to take to improve accountability?

### **C. Review and discuss Kemper Sports proforma budget version January 2021**

Kim Villa advised it was sent per request from prior meeting. Current numbers were agreed between the County and Kemper back in January 2021. There are revisions coming, by Friday. They will need to be reviewed as well and taken to the Board of Supervisors meeting in September. Regarding the golf course maintenance issues they saw tonight, they are on a shoestring budget. There isn't much money to do deferred maintenance or fix the weather station, etc. Regarding Measure O funds, residents continue to ask to reduce Measure O funding every year. Measure O funding supports the golf course.

Tom – questions above regarding G&A entries as well as the transfers and what is collected from our taxes. Kim will provide more information to Tom.

#### **Review and discuss Kimberly Villa's email responses to Rick Fenaroli**

Rick still has two concerns:

1. For Kemper sports - there's \$305,000 in unallocated funds for the golf course. Should this money be identified as "reserve" funds and allocated/budgeted to address golf course issues? Why is this \$300K not shared with Kemper?

Kim advised the difference is collected vs. what is spent out. If you deplete the \$300K, then you have no balance to draw from in economic down turns.

2. Money being set aside for arsenic – we've collecting these funds for 5 years. It appears that the contract with L&S that the contracted amount and amount spent doesn't add up.

Lachi Richard advised that the contract with L&S is a multiyear contract including construction. Not just design and pilot testing. They are up to date on their billings of about \$30-40 K for the work they've done in the last year. We paid for pilot testing for the people who do the testing, that 10-15K.

Originally the testing was going to be paid by the county but the contracts when through L&S.

Kim advised we haven't spent the money because of the issues with the drought and the canvas back well. Rick stated that we haven't collected enough money to cover the arsenic costs.

Further discussion on Measure O funds and how money is used to support the golf course:

Regarding leasing, the county is taking guidance from Kemper on leasing versus buy equipment. Kemper obtains quotes and the county follows through.

Kim advised, these funds are not restricted, just a fund balance. With the reserve report coming soon, there will be restricted funds identified. The \$300,000 has not been there very long; it has been a long time building up.

Rick stated that Kemper does not know about the \$300K so they don't have a full picture. Without that, they don't have enough information to make the right decisions.

Scott advised that Kemper gives the CSA a list of their needs and the CSA decides what we can and can't do as well as keeping the greens up. Decisions on how money is spent on projects, maintenance, etc. for the golf course are incident by incident. It's about what we can afford. There is a new transition of employees. Some new items in need of repair have come up which may not have been previously brought to the CSA's attention.

Tom stated that there seems to be a need for better communication between us and Kemper.

Carrie asked what is the audit process and when did that occur. Kim advised audits are handled annually by the county in an overarching process, Comprehensive Annual Financial Report (CAFR). Every CAFR is posted for 10 years. In relation to the golf course, she makes sure she audits each of the budgets that are presented and converts it into the county wide budget, looks at golf rounds and food and beverage. These are presented to the CSA golf committee every other month. That is why we are catching accounting issues. We're making sure things are done correctly.

Ruth Schreiber commented that the County managing our CSA with 5 board members is an advisory committee to ensure the community's needs are taken care of. Tom's comment on lack of communication, there's been a lot of things that have happened over the last 10 years. It's a lot of responsibility and the committees have done a great job. Perhaps getting more people involved would be an idea. She questioned how would taking this huge infrastructure and put it under yet another small committee (CSD?) work. Communication is the name of the game.

Scott stated that possibly the CSA could do more and do things differently.

Carrie stated if we become a CSD do we keep Kemper or do we hire our own employees. This would be a decision point as pointed out in the presentations from the other CSD managers, Leo and Steve.

#### **Report out from Rick Fenaroli and Dave DeKreek on previous meetings with Kemper Sports, SUSP and County staff**

Rick advised that had talked with Kemper. No face to face with SUSP yet but they have been emailing back and forth. Things appear to be good, they are diligent and the best we've ever had. They are looking for ways for things to be done better and create synergies, such as Kemper taking on some of the landscaping contracts, etc.

They have talked to SUSP about what was happening in Esparto and their budgeting and how they work. Their water cost is about a third of what ours is on an annual basis and their sewer is about a third of what we have. Esparto must do a three year budget plan. They seem to have their ducks lined up. They anticipated a drought happening and made sure their wells were up. Rick will give the info to Kim to share with the rest of the committee. They seem do to a good job of planning. Rick stated, this seems be missing in our system.

Scott and Lachi explained that you can't compare their waste treatment system to ours. We have a tertiary system that treats waste and produces recycled water. They have a pond system where the waste dries up and no recycled water.

#### **Discuss development of a pro-forma 2022-2023 FY Community Services District budget**

Rick stated what would be helpful is a template. Haven't seen the 20-21 budget. What takes time is developing the format of the budget. Kim advised anything that's created for Kemper and measure 0 funds is very time intensive and labor intensive because it's in manual form. It would incur big expenses.

Further discussion included thoughts that:

- We should wait because we need to have a more complete understanding of where we are before we can forecast out to the future.
- Don't see how we would do things any cheaper.
- We have so many more pressing issues.
- In the LAFCo process, would building the budget be part of that process?
- Good research and questions being brought forward. This communication between all, sharing information, bringing ideas forward is very beneficial.
- It's worth to look at some more numbers.
- The community is getting involved, this is nothing but beneficial for the community. We need to come together.
- Maybe this is something that we have to look at every few years.
- Need to have better communication between all groups.
- No objection to the pro forma budget, but the concern would be that it is a speculative budget.
- Decision points not addressed to move forward: is it based on existing contracts, or would we have employees, etc.
- There are so many unknowns how we would know what it would look like.

The conclusion is that we are not in position to work on a budget for now, so we'll move forward today.

#### **Review purchase order for Rain for Rent and proposed contract for Pintail well pump replacement**

Kimberly updated on what the county has been working on with the CSA; an emergency purchase order, item will go to BOS on July 27<sup>th</sup>, for the pipe running from the creek to the golf course, also the contract for Pintail well, for replacing and lowering the pump.

#### **Straw Vote on CSD Recommendation to Board of Supervisors**

Discussion on taking a straw vote:

Scott motioned to take a straw vote. Seconded by Brenda.

All those in favor: Carrie, Scott, Brenda and Tom agreed. Dave and Rick oppose. 4 yes and 2 no

It was discussed that this is an informal vote, showing where we (the committee members) are in our thought process and the vote will be presented to the BOS on the 27<sup>th</sup> during their meeting. Our work would continue. It is also believed that if the Board does go further, this committee would continue and work with LAFCo through that process.

#### **The vote is as follows:**

Carrie Scarlata remain CSA

Scott Picanso remain CSA

Brenda Seabert remain CSA

Dave DeKreek move to CSD with caveats

Rick Fenaroli move to CSD

Tom Hanagan move to CSD with caveats

#### **Schedule future meetings (Next meeting is August 2, 2021)**

## 6. Call for future agenda items

- What steps the County future and ongoing plans for accountability.
- Golf course questions
- HOA letter and CSA response to it
- New Reserve budget - CSA meeting is August 4<sup>th</sup>. Can't discuss until the CSA meeting on the 4<sup>th</sup>. It will be published the Friday prior. For us we can't discuss it until the CSA has reviewed it. The public part of it will be on the 4<sup>th</sup>. It will be published the Friday before.
- Rick may not be able to attend the next meeting.
- Board of Supervisor July 27<sup>th</sup> meeting – board update, it's a public discussion item.
- HOA decision – on extension of application process.

Before adjourning, Rick Fenaroli wanted it to be clear to everyone, that his perspective is not in any way a reflection on the job that Kimberly Villa or Tricia Valenzuela are doing. They are doing a wonderful job. His perspective has to do with other things.

**7. Adjournment:** Carrie adjourned at 7:38 Pm.