

GROUND SQUIRREL HOLLOW COMMUNITY SERVICES DISTRICT

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MINUTES FOR JANUARY 13, 2016 BOARD MEETING

Call to Order and Flag Salute:

Director Fulmer called the regular meeting to order at 7:00 p.m.

Roll Call:

Directors Fulmer, Martinson, Duckworth, and Simons were in attendance. Manager D’Ornellas and Secretary Giminez were also present. Director Dougherty was absent.

Public Comment

Sarah Switzer was present at the meeting to introduce herself to the Board, she is seeking the secretary position that will be available in March 2016.

Consent Items

Director Duckworth made a motion to accept and approve the December Regular Meeting Minutes and the December Treasurer’s Report and payment of the outstanding invoices, Motion was seconded by Director Martinson and passed by roll call vote by Directors Fulmer, Simons, Martinson and Duckworth. The following invoices were approved for payment.

John D’Ornellas	\$ 1,943.88	GM Through December 2015
Beverly Giminez	\$ 400.00	Secretarial services thru 12/31/15 inv. #54
Board Stipends	\$ 500.00	BOD Meeting 12/9/15
Cyber Scriber	\$ 108.50	Web site update Inv. #5349
Catherine Turner	\$ 150.00	Invoice #11 bookkeeping thru 12/31/15
	<u>79.91</u>	Office supplies/Postage
Total	\$ 229.91	
Shipsey & Seitz	\$ 317.20	Legal fees invoice #108170
Scott Simons	\$ 23.25	Lowe's-Post for Road Signs

General Manager Report

The chip seal project ballot measure was passed and will be the focus of your GM for the upcoming months. The engineering and loan process will take up the majority of your GM's hours.

The Local Agency Formation Commission (LAFCO) is proposing to fill a vacant seat that previously was held by Muril Clifton from the Cambria CSD who recently resigned. The current special district LAFCO regular member is Marshall Ochylski of Los Osos CSD. Election to LAFCO seats have been done via mail/email or general meetings of all special districts. LAFCO is proposing to fill the seat by voting at the scheduled February 19, 2016, general meeting for all SLO County special districts in Avila Beach. If a majority (16) of SLO county special districts do not attend the meeting and vote then a mail/email vote must occur. The GSHCSD Board members will not attend the meeting.

Correspondence Received

Your GM received correspondence that there will be free online Ethics training available. Your GM will check to see if any Directors are due to renew their Ethics training.

Discussion Items:

1. Community Chip Seal Project Financing:

The new assessment was approved at the December 9th meeting for the chip seal project. We must now move forward to financing and final engineering.

The USDA process has proven to be unusually complex. We are currently stuck in the pre-application stage. It should be noted that the USDA financing is not a "federal government loan". It is just a process used by the USDA to secure private financing for small local governments. At this point your GM has little time to dedicate to the USDA bureaucracy. We can hire a project/loan coordinator to get us through this process. Your GM has spoken to the IRCSD former General Manager, John Eulberg in regards to assisting us through the USDA loan process. His billing rate is \$75.00 per hour.

Based on Board discussion at the December meeting, your GM formally began another funding option. Your GM has been working with Brandis Tallman LLC for the project private funding options. Your GM met with Richard Brandis and Jeff Land to understand their services and received some preliminary funding options for our project. Brandis Tallman is a full service investment banking firm that provides bond underwriting and placement agent services for public agencies. One of the biggest advantages to private lending is the efficient administration of the debt and how fast money can be received.

Jeff Land from Brandis Tallman LLC was present at the meeting and presented the Board with a presentation outlining their funding/loan process.

If the Board chooses to go with Private lending instead of the USDA lending process the loan could be funded within 30 days with an interest rate as low as 3.7%. With the USDA loan the interest rate was budgeted to be at 4%.

A motion to accept terms and conditions to move forward with Brandis Tallman LLC to finance the community chip seal project was made by Director Simons and seconded by Director Duckworth and passed by unanimous vote with director Dougherty absent.

2. Community Chip Seal Project Engineering:

The new assessment was approved at the December 9th meeting for the chip seal project. We must now move forward to engineering plans to bid out this project.

Formal Public Works engineering for road projects has always been somewhat difficult for GSHCSD. The district's perspective has been to maintain, repair, and improve roads to the best of our technical and financial ability.

The upcoming chip seal project will be our largest project to date and will require a higher level of engineering than we have done in the past. Your GM met with Greg Jaeger, PE, Vice President, North Coast Engineering (NCE). Greg was the engineer for the recent community wide ship seal project at Independence Ranch CSD. Greg is also a resident of Independence Ranch and understands the issues of based roads vs. chip seal

roads and the project the community wanted and could afford. NCE produced a plan sheet with a level of specification on the sheets to allow contractors to provide a bid for the work. It had sufficient detail but was not overly engineered. Your GM has asked NCE to produce the same level of plans and engineering services that they did for IRCSD. This level of engineering will save money but get the job done with a qualified contractor.

As noted by Director Fulmer, this project is considered a private project because each owner owns the road in front of their property. This is not a government project. There are no offers of dedication, roads within the GSHCSD are not county dedicated roads.

The Proposal presented by North Coast Engineering is as follows:

Pre-Design Services	\$22,324.00
Design Services	\$27,931.00
Bid Services	\$ 8,315.00
Construction Services	<u>\$17,393.00</u>
Total Estimated Fee:	\$76,313.00

A motion to accept the proposal from Greg Jaeger, PE, Vice President, North Coast Engineering to proceed with engineering for the community chip seal project was made by Director Simons and seconded by Director Martinson. The motion was passed by unanimous roll call vote.

Director Duckworth - yes

Director Martinson - yes

Director Simons - yes

Director Fulmer - yes

3. Board Secretary Position:

Your Board Secretary Beverly Giminez will be leaving her position after the February 10th meeting. The Board received 12 interested candidates. In order to hire someone prior to the February 10th meeting so that Beverly can train for the position your GM recommends an ad-hoc committee be establish.

It was established that the new ad-hoc committee will be made up of the Board bookkeeper Cathy Turner, Director Duckworth and your GM. They will set a meeting time and date prior to the end of February to interview candidates for the secretarial position and choose the best applicant for the job.

4. Permit Status Report:

There are currently three (3) active permits. Of these, two have been active for several years.

Changes from last two months:

None

Active Permits:

Clark - New development Permit - 5432 Blossom, received plans from owner, received \$1,500 permit fee, Initial inspection complete.

5. Monthly Road Evaluations:

It is the practice of the Board to form teams who annually conduct field surveys of the entire road system, including culverts and drainage ways within the CSD service area, followed by discussion and prioritization of repairs and/or improvements based on available funds. This process starts in October of each year with the objective of "short listing" proposed projects by the following January through March, weather permitting. After the surveys are complete, the teams compare notes and provide a proposed work schedule based on preliminary budget estimates and the combined results of the road surveys.

The focus of the December meeting was the counting of ballots for the chip seal project. The majority of the submitted ballots supported the new assessment and project.

The recent rains have made part of the road at Forked Horn between 5610 and 5715 mushy and slick. Your Board inspected the area along with an area of Lone Pine and decided that emergency work needed to be done.

A motion was made by Director Simons to do emergency work on Forked Horn and Lone Pine not to exceed \$10,800.00. The motion was seconded by Director Martinson and passed by unanimous voice vote.

It was discussed that the entrance signs to the GSHCSD were faded and hard to read and should be replaced with larger signs.

It was also discussed that GSH is in need of some culvert repair/installation. Director Simons will inspect the area(s) and bring findings back for Board discussion at the next regular meeting.

Directors/Managers Comments

Director Simons volunteered to walk the roads with the new Engineer in order to evaluate for community chip seal project.

Adjournment

A motion was made to adjourn the regular meeting by Director Martinson, seconded by Director Duckworth and passed by unanimous voice vote. The meeting was adjourned at 8:29 p.m. The next regular meeting of the Board of Directors of the Ground Squirrel Hollow Community Services District will be held on Wednesday, February 10, 2016 at 7:00 p.m. at the Meridian Fire Station on Branch Road in Paso Robles, California.

Respectfully Submitted by,

Beverly Giminez, Recording Secretary