

GROUND SQUIRREL HOLLOW COMMUNITY SERVICES DISTRICT

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MINUTES FOR MARCH 9, 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, Dougherty and Simons were in attendance. Manager D’Ornellas and Secretary Switzer were also present.

Public Comment

No public comment.

Consent Items

Director Fulmer made a motion to accept and approve the February Regular Meeting Minutes with 2 corrections; Removed paragraph regarding information on Maverick and correction on attendance, Director Dougherty was not absent and the February 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 Dougherty and Duckworth. The following invoices were approved for payment.

John D’Ornellas	\$ 2,183.72	GM through February 2016
Beverly Giminez	\$ 400.00	Secretarial services thru 2/29/2016 inv. #56
Board Stipends	\$ 500.00	BOD Meeting 2/10/16
Catherine Turner	\$ 150.00	Invoice #15 bookkeeping thru 2/29/16
Pamela Fulmer	\$ 519.38	Dell Inspiron Laptop for CSD
Sarah Switzer	\$ 241.77	Quickbooks Pro/2016
North County Engineering	\$ 8,093.90	Pre-Design Services for Chip Seal Project Inv# 35831
Total	\$12,088.77	

General Manager Report

Land Locked Parcels:

Received a call from a Realtor regarding some lots that are not accessible due to no road access, advised the Real Estate agent that, to his knowledge, they are not in the GSHCSD. Manager advised as follows.

Owners that own land that are part of the GSHCSD but have not current road access must first build roads that are per county standards and then the roads must be accepted by the CSD Board and upon acceptance the roads will then be maintained by the GSHCSD.

Owners that own land that are not part of the GSHCSD must first request their parcels be annexed into the GSHCSD service area per LAFCO procedures then build a road per county

standards, and accepted by the GSHCSD Board and upon acceptance the road will then be maintained by the GSHCSD. In both scenarios it was advised that realistically the only way for a property owner to finance this is to have several parcels developed at the same time to share the cost of the road project. All scenarios must require approval from SLO County planning and building.

Form 700:

Forms must be filed by April 1, 2016. This covers members from January 1, 2016- December 31, 2016. It is required that all board members and the general manager file this Form 700. Can be filed electronically or file a paper copy with signature that is to be mailed to SLO County Clerk's office. Director Dougherty, Duckworth and Martinson have filed electronically along with Manager D'Ornellas. Manager will be mailing in Director Fulmer and Simons March 10, 2016.

Correspondence Received

Thank you letter from Robert Eanes elected to LAFCO board.

Insurance renewal due by April 11, 2016 manager will file renewal online.

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. Manager Position Recruitment:

Manager D'Ornellas has submitted resignation notice to Board President, Pam Fulmer, on February 23, 2016. Manager brought a candidate Tina to the meeting to introduce herself to the board and he has spoken to a few candidates. He will be collecting resumes and will provide those received at the next meeting.

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 recent rains have made part of the road at the both end of Lone Pine and at Silverado. Your Board inspected the area and decided that emergency work needed to be done.

A motion was made by Director Dougherty to do emergency work on Silverado and Lone Pine not to exceed \$25,000.00. The motion was seconded by Director Duckworth 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.

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 8:15 p.m. The next regular meeting of the Board of Directors of the Ground Squirrel Hollow Community Services District will be held on Wednesday, March 13th at 7:00 p.m. at the Meridian Fire Station on Branch Road in Paso Robles, California.

Respectfully Submitted by,

Sarah Switzer, Recording Secretary