

GROUND SQUIRREL HOLLOW COMMUNITY SERVICES DISTRICT

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MINUTES FOR AUGUST 14, 2013 BOARD MEETING

Call to Order and Flag Salute:

Director Fulmer called the regular meeting to order at 7:05 p.m.

Roll Call:

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

Public Comment

Allen Duckworth mentioned that he is now involved with the Pro Water Equity, Inc. He encourages anyone interested in the local water crisis to get involved. More information regarding the groundwater basin status, upcoming meetings, proposed solutions, urgency measure, water districts and how you can help can be obtained by going to their website at www.prowaterequity.org. Mr. Duckworth also encourages anyone to join them on face book at www.facebook.com/ProWaterEquity.

Our District GM mentioned that he spoke to Mr. John Neil an Engineer who currently runs the Atascadero Mutual Water Company, Mr. Neil mentioned that one option was to create a Community Water District. Any housing district can create their own "Water District" by drilling a community well. In the long run it may be a more cost effective alternative to single wells.

Consent Items

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

Beverly Giminez	\$ 456.10	Secretarial services thru 7/31/13 Inv. #27
John D’Ornellas	\$ 1832.54	Gen Mgr. Consulting for July
Board Stipends	\$ 400.00	BOD Meeting 7/10/13
Cyber Scriber	\$ 35.00	Invoice #4608

General Manager Report

Last winter your Board discussed starting a dialogue with our County supervisor, Debbie Arnold, regarding activating the District's solid waste powers. The idea is to take the current solid waste powers away from the county and begin to administer the solid waste contracts as an active power of the GSHCSD. By administering solid waste for the community under a contract with the hauler, we will retain all the franchise fees that are now being paid to the County Auditor-Controller.

Several attempts were made By our GM, John D'Ornellas to schedule a time to meet with our County Supervisor, Debbie Arnold, and Directors Turner, Dougherty. This meeting has not

happened as of this date due to scheduling issued. Our Supervisor has set North County office hours in Templeton, Atascadero, Creston and Santa Margarita each month. The District GM and Director Turner are scheduled to meet with her on September 13, at 10:00 a.m. in Templeton.

Because there has been some concern from Board members and District residents regarding mandatory solid waste implementation, we will have the chance to ask questions of Bill Worrell the executive office of the SLO County Integrated Waste Management Authority (IWMA). Mr. Worrell is scheduled to attend our September 11th meeting to discuss County solid waste issues. If our District chooses to activate solid waste power we would have to become members of the SLO County IWMA.

Correspondence Received

Our District GM reported receiving a phone call from someone indicating they were representing their elderly mother that lives on Reindeer and does not understand why they are receiving a road assessment because there is no road to the property. The phone caller was from South Carolina and was provided information on the GSH roads by a local realtor. The caller claimed that there was no road to her mother's house and that the home was paid off and that there should be no taxes/assessments. Manager D'Ornellas explained the road assessment process to the caller. The caller said they would gather more information in an attempt to understand what is going on with her mother's house/road access.

Our GM reported receiving a phone call from Ms. Sandra Veiga of 5035 Stagg Hill indicating that her neighbor has encroached on her vacant lot and has planted olive trees and landscaping. She was looking for some assistance to enforce her property boundaries. Ms. Veiga was advised to contact the County for enforcement or a real estate attorney for civil action. It was noted by a Board member that it was not olive trees. It was said that the neighbor planted a garden on Ms. Veiga's vacant property. The GSHCSD does not take care of neighbor disputes. The Board was formed to take care of road upgrades only.

Mr. Mark Hamane a new owner on Morning Star Place sent an e-mail to Director Fulmer inquiring about the property behind him. He saw that at the end of Maverick and White Tail there is a chain across the entrance to the roadway, so he was wondering how to obtain the combo. This enquiry was taken care of by Director Fulmer. Director Fulmer has a key to the chain in question.

Discussion Items:

1. Forked Horn Project:

Mr. Allen Duckworth addressed the Board with the Forked Horn Project updates. After a Board meeting it was determined that some bylaws would be amended. The bylaws now state that any money not used would be refunded.

Payments are coming in slowly so they have moved their projected deadline from February 2015 to July 2014 to encourage quicker payments from property owners. This date is pending on money collected and CSD road work on Forked Horn. There will be a "Forked Horn Project" meeting in the near future and the Board members have invited the GSHCSD to join them in hopes to provide encouragement the Property Owners.

The GSHCSD intends to support the project and budget for the next fiscal year.

2. Contractor Evaluation:

In August of 2011, your Board approved a contractor Evaluation Form, and directed Staff to coordinate evaluations after District roadwork has been completed.

Viborg Sand and Gravel was awarded the work at the July 10th meeting and began the chip seal work on July 29th. Director Simons, the manager, and the district road inspector met with Paul Viborg on July 22nd in an attempt to confirm that he can perform the work as bid and understood the bid specification, scope of work, and the district's expectations. Mr. Viborg was made aware that the past jobs done were not to the satisfaction of the District. Mr. Viborg confirmed that his bid can do the work as requested by us in the bid packet but that historically our project expectations are not what we bid and not what our funding permits.

A job inspection was performed by Director Simons, the District GM and the District road inspector after the project was completed by Viborg Sand and Gravel. During this inspection Hydraulic fluid was discovered on one of the projects. A line blew on a piece of equipment and distributed Hydraulic fluid onto the newly chip sealed road. The District road inspector recommended that the part of the road be redone. Mr. Viborg claims that he was aware of the spill and that he swept the area and put two layers of chip over the area. He guarantees his work and will fix this area if it becomes a problem.

The Board will have the roads swept and inspected for any other leakage of hydraulic fluid. The Board will ask for a two year guaranteed in writing from Mr. Viborg.

The Board will discuss future amendments and details to the job requests/specifications for future bids.

3. Director Resignation:

Director Milbury submitted an email letter of resignation, dated July 9, 2013. The letter states the reason for the resignation is his change in work schedule that will not allow his attendance at monthly meetings. The resignation letter has an effective date of August 15, 2013. Director Milbury's resignation creates a vacancy on the Board for his term ending December 1, 2016.

California Government code Section 61042 specifies that a vacancy in the office of director shall be filled pursuant to Section 1780 of the Code. Section 1780 specifies the method for filling vacancies of a special district governing board. This section states that the vacancy shall be filled by appointment of the remaining directors or by special election. Conducting a special election would cost several thousand dollars. It has been the practice of your board to fill vacancies by appointment. The appointment must be made within sixty days of the effective date of vacancy or when the board was notified of the vacancy whichever is later. The person appointed shall hold office until the next general election. If the vacancy is not filled by appointment with sixty days from the date the Board was notified or the effective date whichever is later, the board of supervisors may fill the vacancy or call for a special election.

Staff has directed Secretary Giminez to post the "Notice of Vacancy on the Board of Directors" in three places within the District. A notice will also be posted on the District website at www.groundsquirrelhollowcsd.org. Anyone interested in being a member of the Board can contact John D'Ornellas at (805)674-5463 or email him at gmgshcsd@att.net. Any applicants may attend the next District meeting on September

11, 2013 at 7:00 p.m. at the Meridian Fire Station on Branch Road in Paso Robles, California.

4. Permit Status Report:

There are currently five (5) active permits, six (6) permits on hold and zero (0) permits were finalized last month.

The active permit on 5660 Ground Squirrel Hollow requested a final inspection. The inspection is scheduled for August 2nd.

It was mentioned that a resident on Maverick across from Stagg Hill was grading along the side of the road. The District GM will send a letter to the homeowner and notify the County inspector.

The property owner at 5660 Ground Squirrel Hollow is building a shop and would like to request a fee waiver for the small project.

5. Annual 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 - 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.

A list of other priority road projects in addition to the chip sealing can now be developed. Funds are still available for other projects until the first installments of the 2013/14 road assessments are paid in December 2013. Culvert work and any minor repairs can be done. Major work on the base roads can also be scheduled.

After a brief discussion the Board will do road evaluations and bring findings and recommendations to the next regular meeting.

Directors/Managers Comments

None

Adjournment

A motion was made to adjourn the regular meeting by Director Turner, seconded by Director Simons and passed by unanimous voice vote. The meeting was adjourned at 8:35 p.m. The next regular meeting of the Board of Directors of the Ground Squirrel Hollow Community Services District will be held on Wednesday September 11, 2013 at 7:00 p.m. at the Meridian Fire Station on Branch Road in Paso Robles, California.

Respectfully Submitted by,

Beverly Gimenez, Recording Secretary