

GROUND SQUIRREL HOLLOW COMMUNITY SERVICES DISTRICT

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groundsquirrelhollowcsd.org

MINUTES FOR NOVEMBER 13, 2013 BOARD MEETING

Call to Order and Flag Salute:

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

Roll Call:

Directors Simons, Turner, Fulmer, Duckworth and Dougherty were in attendance. Manager D’Ornellas and Secretary Giminez were also present.

Public Workshop

A public workshop to discuss the Ground Squirrel Hollow CSD activating solid waste powers and replacing the County as the solid waste franchiser for the community.

The State Government code provides community services districts thirty (30) functions/services they may provide to their communities. These range from water service to graffiti abatement. The only service the GSHCSD was authorized to provide upon formation is road repairs, maintenance, and improvements. All other services not originally authorized are considered a latent power and must be authorized before the service can begin. Generally, the most common CSD services are water, sewer, solid waste, fire protection and roads.

GSHCSD must activate its solid waste powers to begin this service for the community. The Local Agency Formation Commission (LAFCO) provides oversight and approval for any city, county or a district considering activating a latent power.

The cost to activate a latent power includes an application submittal to LAFCO at a cost of approximately \$3000 and staff time to process the application and complete all paperwork. Once this is complete, a new solid waste franchise agreement must be prepared and negotiated with the hauler. Staff cost can run in the rage of \$2000 to \$4000 to prepare the LAFCO application and create the franchise agreement. Once the solid waste agreement is final there is minimal annual cost to administer the service.

Currently San Luis Obispo County collects a 10% franchise fee that is imbedded in each customer's solid waste bill. If Solid waste powers are activated by the GSHCSD this fee would be kept within the GSH community and used for road maintenance, repairs, and improvements. The franchise fee will be paid by customers regardless if the GSHCSD is the solid waste authority or the County of San Luis Obispo. If the GSHCSD manages the solid waste service for the community all franchise fees would stay within Ground Squirrel Hollow. Using a current estimate of 300 customers at the minimum monthly fee of \$29.85 it is estimated that approximately \$825 per month would be the total franchise payment to GSHCSD. This would equate to an annual amount of \$9,900.

Paso Robles Country Disposal is the solid waste hauler under the County's contract and would remain the hauler under any subsequent agreement with GSHCSD. There would be no change in

the current curbside service to the customer. There is no requirement for mandatory solid waste even though most communities have implemented it.

The rates charged by Paso Robles Country Disposal are reviewed annually by the County Auditor-Controller as provided in their agreement. Annual rate adjustments based on the percentage increase in the CPI for a specific area are common in solid waste agreements. These rates are needed to compensate the hauler for cost increases to their operations. Paso Robles Country Disposal and the County are currently reviewing the need for a fee increase in 2014. A recent increase by the city of Paso Robles for their landfill tipping fees beginning in July 2014 will impact all North County garbage businesses.

If the GSHCSD manages the solid waste service the Board would be responsible for reviewing and approving rate increases to the solid waste fees on an annual basis.

If the GSHCSD chooses to proceed with solid waste powers the estimated time for this process is two to four months. If the Board chooses to proceed today solid waste services could be activated by early 2014.

A motion was made by Director Turner to direct staff to file an application with LAFCO to enact Solid Waste powers. The motion was seconded by Director Dougherty.

Public Comment

Mr. Duckworth presented information regarding the water crises in our County. He recently attended a PRAAGS meeting, PRAAGS (PRAAGS.org) has filed an application to form a water district which would include the GSH community. The meeting provided information from the PRAAGS representatives only, the general public was not allowed to speak or ask questions. PRAAGS is one of 3 committees formed in regards to the Water situation in our county. The other two are PRO Water Equity (www.prowaterequity.org) and the Blue Ribbon Committee (prwaterbasin.wordpress.com). Web page addresses have been provided for more information on these organizations.

Consent Items

Director Duckworth made a motion to accept and approve the October 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, Duckworth and Fulmer. The following invoices were approved for payment.

Beverly Giminez	\$ 400.00	Secretarial services thru 10/31/13 Inv. #30
John D’Ornellas	\$ 988.44	Gen Mgr. Consulting for October
Board Stipends	\$ 500.00	BOD Meeting 10/9/13
Cyber Scriber	\$ 35.00	Invoice #4693 Site update
CSDA	\$ 454.00	2014 Membership Dues ID-27112
Mitch Frederick	\$ 9,845.00	Misc & Impala Repair Inv. #1022213-1
Catherine Turner	\$ 27.68	Postage & USB Cord for Printer

General Manager Report

Your GM responded to several emails from Mr. Robert Wilcox of 5660 Ground Squirrel Hollow regarding a current permit for construction of a 1,500 square foot shop and a new project of culvert and driveway improvements. The importance of hiring a well qualified contractor that

understands drainage issues and driveway construction standards was stressed. Mr. Wilcox was provided with driveway encroachment permit information and referenced County standards for improvements.

Director Fulmer and your GM met with County Public Works staff on October 18th at the Heritage Ranch CSD office. Ian Hoover, Operations Manager of Paso Robles Country Disposal also joined them at the meeting. We discussed our concept of transferring solid waste powers from the County to the District. County Staff seemed very supportive of the idea and did not see any big problems or issues with the GSHCSD managing solid waste for the community.

Annually a report detailing the financial transaction of the district must be prepared and sent to the State Controller's office. This report provides the numbers from the annual audit including total income received, total expenditures, and reserve balance at the end of the fiscal year. Your GM signed the report and sent it back to the auditor on October 17th for electronic submission.

Correspondence Received

A workshop for Board members on "How to be an effective Board member" will take place on January 16th at the Templeton CSD office. A variety of topics will be discussed. It was suggested by the GM that Directors Fulmer, Dougherty and Duckworth attend the workshop. The cost for the workshop is \$225 per person.

Discussion Items:

1. Permit Status:

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

Palomar Homes has paid a new project \$1,500 developer permit fee for a 1,500 sq. ft. shop on the property of 5660 Ground Squirrel Hollow.

2. 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 can now be developed. Limited funds are still available for other projects until the first installment of the 2013/14 road assessments are paid in December 2013. A list of repairs on some base roads will be developed and scheduled pending the first rain of the season.

Some emergency repairs were recently completed on Impala. After Board discussion it was determined that a list of base roads in need of repair would be developed and discussed at a future meeting.

3. LAFCO Nomination:

The Local Agency Formation Commission (LAFCO) is an independent local government agency that has planning and growth powers over all cities, counties, and special districts. San Luis Obispo County special districts have two representative on the LAFCO Board. The current special district LAFCO regular members are Marshall Ochylski of Los Osos CSD and Muril Clift of Cambria CSD. If any of the regular members are not in attendance at a meeting, the alternate member takes the seat. The special district alternate seat will be filled by this election. The other LAFCO representatives include two elected officials from cities, two from the County, and one member of the general public. Special district members on LAFCO do not represent their agencies but rather all County special districts.

There are four nominations for the open special district alternate seat on LAFCO:
Dan Gaddis, Director, Nipomo CSD
Barbara Gray, Director, Cambria Healthcare District
Mike Broadhurst, Director, Upper Salinas-Las Tablas Resource Conservation District
Robert Enns, Director, Cayucos Sanitary District

A motion was made by Director Turner to vote for Dan Gaddis, Director, Nipomo CSD to fill the LAFCO Special district alternate seat. The motion was seconded by Director Simons.

Directors/Managers Comments

Your GM spoke with the County Grand Jury this morning. The Jury was gathering knowledge about the CSD's and how they are run in order to better future communication with the CSD's and how to investigate comments and complaints. GSHCSD did not receive a notice of complaint from the County Grand Jury.

Adjournment

A motion was made to adjourn the regular meeting by Director Turner, seconded by Director Duckworth and passed by unanimous voice vote. The meeting was adjourned at 8:20 p.m. The next regular meeting of the Board of Directors of the Ground Squirrel Hollow Community Services District will be held on Wednesday December 11, 2013 at 7:00 p.m. at the Meridian Fire Station on Branch Road in Paso Robles, California.

Respectfully Submitted by,

Beverly Giminez, Recording Secretary