

SQUIRE CANYON COMMUNITY SERVICES DISTRICT

1 Squire Road, San Luis Obispo, California 93401

(805) 227-6392

www.squirecanyoncsd.com

AGENDA FOR REGULAR BOARD OF DIRECTORS MEETING

Thursday, July 6, 2017, 7:30 PM

Avila Beach Community Center, 191 San Miguel Street, Avila Beach, California

1. CALL TO ORDER & PLEDGE OF ALLEGIANCE:

2. ROLL CALL:

Board Members

Ralph Gorton, President
Steve Fiant, Vice President
Lara Lehmer, Director
Tim Tillman, Director
Chris Johnson, Director

Staff

Brad Hagemann, GM

3. PUBLIC COMMENT:

Any member of the public may address the Board relating to any matter within the Board of Director's jurisdiction, provided that the matter is NOT on the Board's Agenda. Presentations are limited to three (3) minutes or otherwise at the discretion of the Board President. Please note that pursuant to the Brown Act, the Board of Directors can only take action on those items specifically listed on the Agenda.

4. CONSENT ITEMS:

These items are approved with one motion. Directors may briefly discuss any item, or may pull any item, which is then added to the business agenda.

- A. Approval of Minutes for April 26, 2017 Special Meeting and April 4, 2017 Regular Board meeting
- B. Review and Approval of Warrant Register
- C. Financial Report

5. MANAGER'S REPORT:

6. BUSINESS ITEMS:

- A. **Resolution No. 07-06-2017/1:** Adopting fiscal year 2017/2018 assessment rates and authorizing the special tax for street improvements within the district. Board action required.
- B. **Fiscal Year 2017/2018 Budget:** Consider adoption of the FY 2017/18 District Budget. Board action required.
- C. **Road Repair and Maintenance:** Status Report on Repair and Maintenance Projects and Board Consideration of New Projects. Possible board action.

7. DIRECTOR/MANAGER COMMENTS: This is the time for introduction of any items that the Directors may wish to consider for the next meeting or to ask questions of staff.

8. ADJOURNMENT

The next regular meeting will be held on Tuesday, October 3, 2017, at 7:30 pm at the Avila Beach Community Center, 191 San Miguel Street, Avila Beach, California.

Squire Canyon Community Services District
Board of Directors
1 Squire Canyon
San Luis Obispo, CA 93401
(805) 227-6392
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April 4, 2017 Regular Meeting Minutes

Please Note: The Board meets quarterly. It is the policy of the District to post draft minutes to our web site prior to the next Board Meeting to provide information regarding issues and decisions made. ****If you would like to have your copy of the agenda sent electronically (via email), please contact the District General Manager, Brad Hagemann at hagemann.associates@gmail.com and request to be added to the electronic distribution list. All residents should be aware that agendas, minutes and all other documents are now readily available on the web site.**

These Minutes are in draft form therefore subject to Board approval at their next meeting: Thursday, July 6, 2017 at 7:30 pm at the Avila Beach Community Center, 191 San Miguel in Avila Beach.

1. Call to Order: President Gorton called the meeting to order at 7:32 PM.

2. Roll Call: **Board Members present:** President Ralph Gorton, Lara Lehmer and Chris Johnson.
Staff present: Brad Hagemann, General Manager.

3. Public Comments: Twelve to fifteen members of the public were in attendance. Mr. Mike Nunno recommended that the Board consider implementing a routine (annual) road crack sealing program in order to maintain the integrity of District roads. The Board discussed their experience and past practices on routine road crack seal and directed GM Hagemann to investigate work done in the past and the contractors that were used for the work.

4. Consent Items:

Financials: GM Hagemann reported that as of March 31, 2017, the District had \$3,660.55 in the checking account and \$114,899.96 in the savings account. There were no questions regarding the check register

President Gorton moved to approve the consent agenda, Board member Johnson seconded and motion carried unanimously 3-0.

5. Manager's Report: GM Hagemann summarized the written General Manager's report, highlighting the CSDA Board of Directors nominations and the SDRMA insurance rates for FY 2017/18. No further action was taken.

6. Business Items:

- A. **Brush Trimming on Squire Canyon Road:** GM Hagemann introduced the item. President Gorton read the brief staff report included in the Agenda Package. After considerable Board discussion and public comment the Board directed GM Hagemann to draft an email to the Nielsen's responding to their September 4, 2016 email and advising that it was the CSD's responsibility to maintain the function and safety of the District's roads. In addition the Board directed the GM to contact District legal counsel and consider scheduling a meeting to discuss the District's legal obligations and rights to maintain the District roads.
- B. **Assembly Bill 2613, Alternative Financial Auditing Provisions:** GM Hagemann summarized the staff report and the results of his March 29, 2017 meeting with County staff. After Board discussion and an opportunity for public comment, President Gorton made a motion to continue to conduct audits every two years and not pursue any of the AB 2613 newly created audit alternatives. The motion was seconded by Director Johnson and the motion passed 3 - 0.

C. **Winter Rain Storm Road Damage & Needed Repair:** GM Hagemann introduced the item and advised the Board that the President had declared a the storms a major disaster that may make federal disaster aid available to reimburse the District for road repairs. The Board directed Hagemann to continue to pursue any financial assistance that may be available to the District. In addition, the Board discussed the emergency repairs that were needed to the wooden retaining wall on Squire Canyon Road. After considerable discussion and an opportunity for public comment, the President Gorton made a motion to retain Hayward Construction on an emergency contract to repair as many linear feet as possible (with the budget amount) of the retaining wall, for an amount not to exceed \$15,000. Director Johnson seconded, and the motion passed 3-0.

7. Director Comments: President Gorton led a discussion on the past District practice of having the Board of Directors review new development projects and have project proponents pay a "road development/maintenance impact fee" to the District. The practice of a project proponent paying the District a road impact has apparently not been practiced for the last 4 -5 years. Board members and public commenters questioned the method/formula for assessing the road impact fee. Considerable discussion ensued by the Board and members of the public. The Board will continue to research the option of an impact fee with County staff.

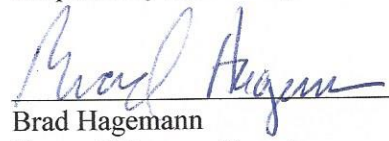
Adjourn

There being no further business, the meeting was adjourned at 8:55 PM. The next regular meeting of the Squire Canyon Community Services District will be held on Thursday, July 6, 2017, at 7:30 PM at the Avila Beach Community Center, 191 San Miguel Street, Avila Beach, CA.

APPROVED AS TO FORM:

Ralph Gorton
President, Board of Directors
Squire Canyon Community Services District

Respectfully submitted,



Brad Hagemann
General Manager/Secretary

Squire Canyon Community Services District
Board of Directors
1 Squire Canyon
San Luis Obispo, CA 93401
(805) 227-6392
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April 26, 2017 Special Meeting Minutes

Please Note: The Board meets quarterly. It is the policy of the District to post draft minutes to our web site prior to the next Board Meeting to provide information regarding issues and decisions made. ****If you would like to have your copy of the agenda sent electronically (via email), please contact the District General Manager, Brad Hagemann at hagemann.associates@gmail.com and request to be added to the electronic distribution list.**

These Minutes are in draft form therefore subject to Board approval at their next meeting: Tuesday, July 6, 2017 at 7:30 pm at the Avila Beach Community Center, 191 San Miguel in Avila Beach.

1. Call to Order: President Gorton called the meeting to order at 6:02 PM.

2. Roll Call: **Board Members present:** President Ralph Gorton, Vice President Steve Fiant, Directors Tim Tillman, Lara Lehmer and Chris Johnson.

Staff present: Brad Hagemann, General Manager
Mike Seitz, District Legal Counsel

3. Public Comments: No members of the public attended the meeting

4. Business Items:

- A. **Consider Adopting a Resolution Authorizing the General Manager or Board President to Execute an Application for and on Behalf of the Squire Canyon Community Services District:** GM Hagemann introduced the item and summarized the staff report. Following Board discussion, Director Johnson made a motion to adopt the draft Resolution. President Gorton seconded the motion and via a roll call vote the item passed 5-0.

5. Closed Session

- A. Public Comment on Closed Session: No Public Comment
B. Conference with Legal Counsel Pursuant to Govt. Code section 54956.9(b):
C. Report Out of Closed Session: The Board provided direction to the General Manager.

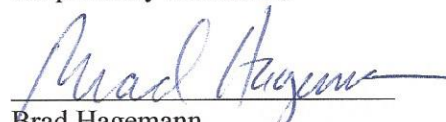
Adjourn

There being no further business, the meeting was adjourned at 7:05 PM. The next regular meeting of the Squire Canyon Community Services District will be held on Tuesday, July 6, 2017, at 7:30 PM at the Avila Beach Community Center, 191 San Miguel Street, Avila Beach, CA.

APPROVED AS TO FORM:

Ralph Gorton
President, Board of Directors
Squire Canyon Community Services District

Respectfully submitted,



Brad Hagemann
General Manager/Secretary

Squire Canyon Community Services District
Warrant Register-Checking
April 1 through July 6, 2017

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Credit</u>
1000 - Cash Summary				
1004 - Checking-Heritage Oaks				
06/26/2017	771	Hayward Construction	Invoice # 2040	7,202.00
07/01/2017	772	Hagemann and Associates	General Mgr Apr - Jun 2017	1,623.48
07/01/2017	773	SDRMA	Liability - Member # 7103 F...	1,252.00
Total 1004 - Checking-Heritage Oaks				10,077.48
Total 1000 - Cash Summary				10,077.48
TOTAL				10,077.48

2:47 PM

07/01/17

Accrual Basis

Squire Canyon Community Services District
Balance Sheet
As of June 30, 2017

	<u>Jun 30, 17</u>
ASSETS	
Current Assets	
Checking/Savings	
1000 - Cash Summary	
1004 - Checking-Heritage Oaks	3,127.17
1005 - Savings-Heritage Oaks	113,901.09
Total 1000 - Cash Summary	<u>117,028.26</u>
Total Checking/Savings	117,028.26
Other Current Assets	
1300 - Prepaid Expenses	62.91
Total Other Current Assets	<u>62.91</u>
Total Current Assets	<u>117,091.17</u>
TOTAL ASSETS	<u><u>117,091.17</u></u>
LIABILITIES & EQUITY	
Equity	
3000 - Opening Balance Equity	38,749.85
3200 - Retained Earnings	70,438.96
Net Income	7,902.36
Total Equity	<u>117,091.17</u>
TOTAL LIABILITIES & EQUITY	<u><u>117,091.17</u></u>

2:49 PM

07/01/17

Accrual Basis

Squire Canyon Community Services District
Profit & Loss
April through June 2017

	<u>Apr - Jun 17</u>
Ordinary Income/Expense	
Income	
4000 · Income Summary	
4001 · Assessments Collected	8,921.24
4005 · Interest Income	<u>60.46</u>
Total 4000 · Income Summary	<u>8,981.70</u>
Total Income	8,981.70
Expense	
5000 · Administrative Overhead	
5002 · Bank Service Charges	<u>16.00</u>
Total 5000 · Administrative Overhead	16.00
5500 · Road Repair & Maintenance	<u>7,202.00</u>
Total Expense	<u>7,218.00</u>
Net Ordinary Income	<u>1,763.70</u>
Net Income	<u><u>1,763.70</u></u>

2:49 PM

07/01/17

Accrual Basis

Squire Canyon Community Services District

Profit & Loss

July 2016 through June 2017

	Jul '16 - Jun 17
Ordinary Income/Expense	
Income	
4000 · Income Summary	
4001 · Assessments Collected	32,351.02
4005 · Interest Income	227.05
Total 4000 · Income Summary	32,578.07
Total Income	32,578.07
Expense	
5000 · Administrative Overhead	
5002 · Bank Service Charges	40.00
5003 · CSDA	159.00
5004 · Election Costs	505.77
5005 · Insurance	1,121.60
5010 · LAFCO Dues	110.26
5030 · Professional Fees	
5030.01 · Auditor	500.00
5030.03 · Legal Services	1,232.00
5030.04 · Management	6,000.00
Total 5030 · Professional Fees	7,732.00
5035 · Web Site Expense	586.60
Total 5000 · Administrative Overhead	10,255.23
5500 · Road Repair & Maintenance	
5525 · Signage	501.98
5500 · Road Repair & Maintenance - Other	13,918.50
Total 5500 · Road Repair & Maintenance	14,420.48
Total Expense	24,675.71
Net Ordinary Income	7,902.36
Net Income	7,902.36

RESOLUTION No. 07-06-2017/1

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SQUIRE CANYON COMMUNITY SERVICES DISTRICT
TO CONFIRM THE 2017-2018 FISCAL YEAR SPECIAL TAX FOR STREET
IMPROVEMENTS WITHIN THE DISTRICT AND DIRECTING STAFF TO
FORWARD THE SPECIAL TAXES TO THE COUNTY AUDITOR FOR
COLLECTION**

WHEREAS, the Squire Canyon Community Services District ("District") became effective February 27, 1981 by election and Resolution of the Board of Supervisors of the County of San Luis Obispo, and under the authority of the Cortese-Knox-Hertzberg Local Reorganization Act of 2000 (Government Code § 56000 et seq.); and

WHEREAS, by said Resolution and the resulting election, the Squire Canyon Community Services District, pursuant to Government Code §61100(l) is authorized to exercise the following services:

Acquire, construct, improve, and maintain streets, roads, rights-of-way, bridges, culverts, drains, curbs, gutters, sidewalks, and any incidental works. A district shall not acquire, construct, improve or maintain any work owned by another public agency unless that public agency gives its written consent; and

WHEREAS, the residents within Squire Canyon Community Services District voted to establish a special assessment as part of the above referenced election to finance the services more particularly described in the above Recitals for each parcel upon formation of the District and shortly thereafter created three zones of benefit each with its own assessment, a policy which continues to the present. Under present state statutes, annual increases cannot exceed 2% unless approved by a majority of registered resident voters.

**NOW THEREFORE, BE IT RESOLVED, DECLARED, DETERMINED
AND ORDERED BY THE BOARD OF DIRECTORS OF THE SQUIRE CANYON
COMMUNITY SERVICES DISTRICT AS FOLLOWS:**

1. That the Recitals set forth hereinabove are true, correct and valid.
2. That the Squire Canyon Community Services District Board of Directors hereby confirms and imposes a special tax at the rate of Zone 1: \$741.03 per parcel, Zone 2: \$418.81 per parcel, and Zone 3: \$96.63 per parcel for Fiscal Year 2017/2018 as identified in Exhibit "A" attached hereto and incorporated herein by this reference.

3. That said special tax shall be collected at the same time and in the same manner as other taxes levied and collected by the County of San Luis Obispo pursuant to Government Code §61115(b)

4. The District to reimburse the County of San Luis Obispo its standard collection costs.

PASSED AND ADOPTED by the Board of Directors of the Squire Canyon Community Services District this 6th day of July, 2017 by the following roll call vote:

AYES: _____

NOES: _____

ABSENT: _____

APPROVED:

ATTEST:

Ralph Gorton, President
Board of Directors

Brad Hagemann, General Manager/Secretary

Proposed Assessment Rates for FY 2017-2018

Assessment				Assessment			
Zone 1 APN	Owner	Rate	General & Admin	Zone 2 APN	Owner	Rate	General & Admin
076-271-041	Brink	\$ 644.40	\$ 96.64	076-271-046	Lea	\$ 322.18	\$ 96.64
076-271-042	Heryford	\$ 644.40	\$ 96.64	076-272-010	Cziraki	\$ 322.18	\$ 96.64
076-272-022	Girolo-Hoffman	\$ 644.40	\$ 96.64	076-272-014	Bowles	\$ 322.18	\$ 96.64
076-272-030	Weiss	\$ 644.40	\$ 96.64	076-272-024	Allen	\$ 322.18	\$ 96.64
076-272-034	Laurin	\$ 644.40	\$ 96.64	076-272-025	Hughes	\$ 322.18	\$ 96.64
076-272-035	Swanson	\$ 644.40	\$ 96.64	076-272-038	Nielsen	\$ 322.18	\$ 96.64
076-272-041	Sundquist	\$ 644.40	\$ 96.64	076-272-039	Riggs	\$ 322.18	\$ 96.64
076-272-042	Carter	\$ 644.40	\$ 96.64	076-272-040	Cziraki	\$ 322.18	\$ 96.64
076-272-055	Johnson	\$ 644.40	\$ 96.64	076-272-046	Hedgepeth	\$ 322.18	\$ 96.64
076-272-056	Bronte	\$ 644.40	\$ 96.64	076-272-047	Markoff	\$ 322.18	\$ 96.64
076-272-070	Lehmer	\$ 644.40	\$ 96.64	076-272-054	Elmore	\$ 322.18	\$ 96.64
076-272-073	Brunken	\$ 644.40	\$ 96.64	076-272-066	Boone	\$ 322.18	\$ 96.64
076-272-074	Saleh	\$ 644.40	\$ 96.64	076-272-067	Heintz	\$ 322.18	\$ 96.64
076-272-077	Button-Cantu	\$ 644.40	\$ 96.64	076-272-072	Altermatt	\$ 322.18	\$ 96.64
076-272-078	Gorton	\$ 644.40	\$ 96.64	076-272-079	Tillman	\$ 322.18	\$ 96.64
076-273-004	Mattson	\$ 644.40	\$ 96.64	076-272-080	Yount	\$ 322.18	\$ 96.64
076-273-009	Harrigan	\$ 644.40	\$ 96.64	076-272-081	Bollay	\$ 322.18	\$ 96.64
076-273-013	Gerard	\$ 644.40	\$ 96.64	076-272-082	Bollay	\$ 322.18	\$ 96.64
076-273-029	Beath/Leutz	\$ 644.40	\$ 96.64	076-273-001	Murphy	\$ 322.18	\$ 96.64
				076-273-002	Perkins	\$ 322.18	\$ 96.64
19	Total	\$ 12,243.60	\$ 1,836.16	076-273-007	Packard	\$ 322.18	\$ 96.64
				19	Total	\$ 1,836.16	

Totals for Each Zone	
Zone 1	\$ 14,079.76
Zone 2	\$ 17,171.62
Zone 3	\$ 1,836.16
Total	\$ 33,087.54

41	Total	\$ 13,209.38	\$ 3,962.24
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SQUIRE CANYON COMMUNITY SERVICES DISTRICT

FISCAL YEAR 2017-2018 BUDGET

DRAFT

REVENUE	Indian Knob		Squire Canyon		Administrative	FY 16/17 Budget	FY 16/17 Projected	Proposed FY 17/18 Budget
	Zone 1	Zone 2	Zone 2	Zone 3				
Total Revenue	12,243.00	13,209.00			7,634.00	33,086.00	32,200.00	33,000.00
BUDGETED EXPENDITURES								
General Manager	1,700.00	1,800.00			2,500.00	6,000.00	6,000.00	6000.00
Attorney					1,000.00	1,000.00	1,232.00	2000.00
LAFCO Membership					115.00	115.00	110.00	125.00
CSDA Dues					150.00	150.00	159.00	160.00
Auditor-Reserve					1,750.00	1,750.00	500.00	1500.00
Election Fees					0.00	0.00	506.00	0.00
Postage					0.00	0.00	0.00	25.00
Webmaster & Web Site					300.00	300.00	586.00	300.00
Insurance (SDRMA)					1,200.00	1,270.00	1,122.00	1252.00
Office Supplies					200.00	200.00	0.00	100.00
Total Admin Expenses						10,785.00	10,215.00	11,462.00
Weed & Brush Control	960.00	1,040.00				2,000.00		2500.00
Signage/Mirrors	144.00	156.00				300.00		250.00
Erosion Control & Road Repair:	2,400.00	2,600.00				5,000.00		7000.00
Other Road Repairs	1,440.00	1,560.00				3,000.00		3000.00
Tree Trimming & Removal	960.00	1,040.00				2,000.00		2000.00
Total Repair & Maintenance						12,300.00	14,425.00	14750.00
Total Expenditures	7,604.00	8,196.00			7,215.00	23,085.00	24,640.00	26,212.00
ALLOCATION TO RESERVES FOR MAJOR REPAIRS								
						10,001.00	7,560.00	6,788.00

NOTES: