

GOLD MOUNTAIN COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS
MEETING MINUTES

150 Pacific Street, Suite 8, Portola, CA

Friday, February 3rd, 2017– 10:00am

A CLOSED SESSION @10:00am:

- a) **EXPOSURE TO POTENTIAL LITIGATION** - Closed session pursuant to Government Code Section 54956.9(e)(3), Exposure to potential litigation; 1 case.

B CALL MEETING TO ORDER:

The meeting was called to order at 10:30am.

Present: President Rich McLaughlin, Vice President O'Brien, Board Member Rene St. Pierre, Board Member Tom Long and Board Member Cary Curtis

Staff: General Manager: Ivan Gossage, Office Administrator: Tiana Bradley

Absent: None

C REPORT ON CLOSED SESSION:

President McLaughlin reported that the CSD would be contacting the lawyer to assist in the drafting of a letter that would deny the claim from the potential plaintiff. In addition, the CSD would investigate as to why the incident that was the basis of the claim occurred and whether the CSD had any culpability.

D APPROVAL OF MINUTES:

Vice President O'Brien made the motion to approve and adopt the minutes from the December 9th, 2016 Regular Meeting.

Board Member Long seconded the motion, Roll Call: President McLaughlin – Yes, Vice President O'Brien – Yes, Board Member Curtis – Abstain, Board Member St. Pierre – Yes, Board Member Long – Yes. Motion Approved.

E PUBLIC COMMENT:

No Comment

F OLD BUSINESS:

1. **Policy 3090 "EXCAVATION CLEARANCE REQUIREMENT":**

President McLaughlin deferred this agenda item to a different date.

2. **POLICY REVIEW PROGRAM:**

Board member Long provided an update to the Board on the status of the 2017 Policy Review Program. He informed the board that he reviewed Priority List No.2 in which no potential amendments were presented for the thirty-two policies. Lastly, Office Administrator Bradley was requested to annotate "Reviewed" on the policies themselves. Board Member Long relayed to the board that the next step was to review Priority List No. 3 and report back to the board upon completion.

3. **WINTER STORM & TRANSITION OF HOA:**

Vice President O'Brien presented for discussion the impact on the CSD manager and staff of the recent storm emergency and future impact of recent HOA decision to outsource its administration. The board and General Manager Gossage addressed their concerns on how the transition may affect the CSD administrative staff. In addition, the board discussed the impact the recent storms had on the community and the response of both the HOA and CSD staff during and after the storm. President McLaughlin informed the board that the HOA would discuss these topics and proposed solutions at their board meeting to be held that afternoon.

G NEW BUSINESS:

1. **FIRE TAX RESOLUTION:**

Board Member Curtis presented for discussion and action amendments to the Fire Tax Resolution. She informed the board that the proposed amendments encompassed a description of the purpose for Fire Tax related funds. The amendments included the following: "For the purpose of structural fire protection and emergency response services, for the purposes of District operations, administration

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and facilities necessary to carry out the provisions of fire protection, fire suppression services and emergency response services; and Plumas County fee collected from the District for the administration of the tax collection process.” President McLaughlin requested Board Member Curtis to combine both the Fire Tax Resolution amendments with a Fire Policy and present the first reading at the next regularly scheduled board meeting.

2. **SYSTEM DEVELOPMENT CHARGES:**

Office Administrator Bradley presented for discussion research on local Community Services Districts policies on the payment of System Development Charges. She informed the board that she had contacted five surrounding CSD’s to find out when they require payment of their System Development Charge. The CSD’s contacted included Quincy, Whitehawk, Plumas Eureka, Chester and Indian Valley, it was determined that all of the CSD’s contacted required full payment upfront; prior to the beginning of construction. Therefore, the board agreed to maintain the current policy of requiring full payment of the System Development Charge upfront. No further action was required.

3. **SYSTEM DEVELOPMENT CHARGES FOR 2017:**

Office Administrator Bradley reported on the SDC Inflation Rate for 2017 and Adjustment to the System Development Charges. The proposed rate increase for 2017 was by 3.9% as indicated by the Construction Cost Index data

Board Member St. Pierre made the motion to approve the 2017 rate increase of 3.9% for System Development Charges. President McLaughlin seconded the motion Roll Call: President McLaughlin – Yes, Vice President O’Brien – Yes, Board Member Curtis – Yes, Board Member St. Pierre – Yes, Board Member Long – Yes. Motion Approved.

4. **FIRE HYDRANTS:**

President McLaughlin presented for discussion and action CSD policy on Snow Removal from Fire Hydrants. He informed the board that there was a homeowner who addressed their concerns on the amount of snow restricting access to the Fire Hydrant closest to their home. Therefore, the board requested General Manager Gossage to consult with HOA Maintenance Manager Buzz McCain and develop a joint HOA/CSD program for the removal of snow from Fire Hydrants in the community and report back at the next regularly scheduled board meeting .

5. **UNDERGROUND STORAGE TANK ON EMERALD POINT:**

General Manager presented for discussion and action a request from a district member to install an underground storage tank on Emerald Point for Fire Protection. He recommended that the Master Plan and Tactical Plan be updated prior to the board taking action. In addition, after further Board discussion there was a recommendation that the district member be educated on wildfire suppression.

H REPORTS:

1. **GENERAL MANAGER’S REPORT:**

a) **Falling Water Leach Field Expansion Report:**

General Manager Gossage relayed to the board that the engineers had completed the preliminary plan and sent forth the information to the regulatory agencies for review and approval.

b) **Falling Water LF Dosing Station:**

General Manager Gossage informed the board that the 5,000 gallon dosing tank was finished but further work on the project was postponed until weather permitted

c) **General Operations & Miscellaneous Items Update:**

General Manager Gossage informed the board that he had entered into a job sharing arrangement with Grizzly Ranch CSD, which allowed him to hire a very part-time employee, Aaron Corr, to assist Skyler and cover for him on his days off.

Water Dept: The water system weathered the storm with no serious issues. Staff also discovered that Well 29 water levels were not dropping precipitously, it turned out to be a level gauge malfunction, and the well in fact had come up by 37ft since January 2016. Well 33 was down by 14ft which was considered normal. Lastly, Well 17 was up by 7ft.

Sewer Dept: As a result of the storm, the leachfield flows jumped from 4,000 to 20,000 gallons in one day. Since the CSD has a pressurized sewer system the increase in flow had to come from infiltration or drains running into the septic tanks. The fields also had

increased infiltration from the surface contributing to the trenches in both fields ended up having excessive water in them. General Manager Gossage is going to look into finding a solution to these problems next summer.

Fire Dept: The Quick Attack vehicle has now been converted to a plow truck to assist the HOA in coping with the winter storms.

2. OFFICE ADMINISTRATOR'S REPORT:

a) Office & Miscellaneous Items Update:

Office Administrator Bradley explained the process to add and remove authorized signatures to the Fidelity account.

b) 1099 & W2's Status:

Office Administrator Bradley confirmed the submittal of all W2's and 1099's for the 2016 year.

c) I700 Form 2017:

Office Administrator Bradley reminded the board to complete their I700 form and submit the form to the office by April 1st, 2017.

d) Quarterly Delinquency Report:

Office Administrator Bradley reviewed the 2nd Quarter 2016/17 delinquency report. For the 2nd quarter the CSD has three properties on the Plumas County Tax Roll totaling \$6,955.52, two properties 2 quarters delinquent totaling \$824.50 and eighteen delinquent properties under 6 months totaling \$864.77. Lastly, zero liens were released and zero liens filled this quarter.

e) Water Usage Update:

Office Administrator Bradley informed the board that the CSD's total water usage for the month of December 2016 was 288,082 gallons vs. December 2013 usage was 466,938 gallons. The total year-end usage was down by 20% from the year 2013.

f) Board Meeting Schedule:

In addition to this meeting, there was still a board meeting scheduled for February 24th, 2017 which the board decided to cancel.

3. FINANCIAL REPORTS:

a) Warrant Register for December 2016:

General Manager Gossage presented for review and acceptance the Warrant Register for December 2016. Board Member St. Pierre made the motion to accept the Warrant Register for December 2016. Board Member Long seconded the motion Roll Call: President McLaughlin – Yes, Vice President O'Brien – Yes, Board Member Curtis – Yes, Board Member St. Pierre – Yes, and Board Member Long – Yes. Motion Approved.

b) Budget, Financial & Quarterly Income Report for December 2016:

General Manager Gossage presented for review and acceptance the Budget and Financial Reports for December 2016. Vice President O'Brien made the motion to accept the Budget and Financial Reports for December 2016. Board Member St. Pierre seconded the motion Roll Call: President McLaughlin – Yes, Vice President O'Brien – Yes, Board Member Curtis – Yes, Board Member St. Pierre – Yes, and Board Member Long – Yes. Motion Approved.

c) Second Quarter Investment Report:

Board Member St. Pierre reviewed the 2016/17 Second Quarter investment report. The account value as of December 2016 was \$353,403.52 since then the CSD had added an additional \$150,000 to bring the account balance to \$503,291.62. He recommended that the board look into closing the Plumas Bank CD account adding the funds to the fidelity account.

4. COMMITTEE REPORTS:

a) Firewise Committee Report

Board Member Curtis informed the board that there was a Tree Mortality Task Force Insurance workshop scheduled for February 9th, 2017 to address bug beetle infestation. The committee was going to ask Ted Dobbs to attend the workshop. Furthermore, Firewise was going to recommend that the HOA board formalize the Hazardous Fuel Treatment committee. Vice President O'Brien reported that there are 7 critical lots that firewise will be recommending the HOA board take action on to bring them into compliance. Lastly, Sarah Tada Jones contract for HFR work was to be negotiated at the HOA board meeting.

b) Fire Protection Committee:

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There was no report from the Fire Protection Committee.

c) Fire Tax Committee:

Board Member Curtis suggested that the committee convene with Roger Sphren and General Manager Gossage to review the recommendations from the Fire Tax committee, review the Fire Tax Resolution, discuss plausible Altitude Recreation Center Fire Tax rate and report back a the next board meeting.

5. **DIRECTORS' REPORTS:**

There were no reports from the Directors.

I ADJOURN:

The meeting adjourned at 12:50pm

These minutes were approved by the Board of Directors of the Gold Mountain Community Services District at the regular Board meeting on May 12th, 2017.

Rich McLaughlin, President

Attest: Tiana Bradley, District Secretary