



SIERRA CEDARS COMMUNITY SERVICES DISTRICT

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Unadopted Minutes
Annual Board Meeting
September 2, 2019
Shaver Lake Community Center, Shaver Lake, CA

ANNUAL BOARD MEETING

Item #1 President Bill Paloutzian called the meeting to order at 10:00 a.m.

Directors Present: Phil Erdman, Dave Finley, Dan Mockbee, Bill Paloutzian

Directors Absent: Vicki Collier-McDonald

Others Present: Todd Bristol, Pete Conrad, Andy McMillan, Laura McMillan, Sierra Cedars homeowners

Chairman Bill Paloutzian welcomed the Sierra Cedars homeowners. Bill then turned over the meeting to Dan Mockbee to run.

Dan had each of the board members, the Watermasters, and General Manager introduce themselves. Dan then recognized and thanked May Bristol and Steve Blair for setting up the chairs and tables and May for providing the refreshments.

Item #2 ADOPT AGENDA

M/S/C **Bill P./Phil E.** to adopt the agenda as presented (4/0).

Item #3 APPROVAL OF AUGUST 8, 2019 MINUTES

M/S/C **Bill P./Phil E.** to approve the minutes of the Regular Board Meeting of August 8, 2019 as presented (4/0).

Item #4 STATUS OF SIERRA CEDARS COMMUNITY SERVICE DISTRICT – PRESENTATIONS AND PUBLIC PARTICIPATION

a. Water Report - Andy and Laura McMillan

Andy gave a summary of some of the highlights of the past year.

January: The pump was replaced on well #5.

March: They had a water service break that required fixing while in the middle of a sleet/snow/electrical storm.

July: Sierra Cedars had a state water inspection. Everything was found to be in good working order.

August: Shaver Lake Volunteer Fire Department did a surprise test of the district's fire hydrants. Sierra Cedars has a hydrant flushing program in place so only a few items need to be taken care of.

The water sampling stations will be installed soon. There have been delays due to issues with the supplier and contractor.

The district water tanks will be cleaned and inspected in mid-October.

After the watermasters finished their report a homeowner reported they had sediment in their water. The watermasters encouraged homeowners to call them if they have concern about their water quality.

b. General Manager's Report - Todd Bristol

Todd started out his report by giving a little background about the General Manager position.

Since last Annual meeting Todd's position with the District has changed in title and responsibilities. For the past 14 years he has been the Record Keeper and Financial Contractor, and General Manager in name only. The president of SCCSD has done most all the managing and overseeing duties including correspondence with homeowners and taking care of the day by day activities of the district. This is not the usual way it is done in a district, but it has worked quite well for Sierra Cedars. Pete Conrad did double duty as president and hands on manager, taking care of most of the correspondence with the homeowners, water leaks situations, and coordinating most of the work that was done in the district.

Since Pete has moved off the hill, the board has gone to a more traditional mode of operation where the general manager enacts policy and takes care of the day by day activities of the district. Todd has now have taken over those responsibilities. This has kept him very busy the past few months with all the construction and water leaks on the hill besides taking care of the financial activities of the district, record keeping and website.

When Todd took over these added responsibilities in June, Sierra Cedars legal counsel advised the district that his responsibilities really comprised what is known as a general manager in most districts. Furthermore, because of the changing laws in CA the position required a part-time employee, not an independent contractor. So as of July 1, Todd's status changed to a part-time employee.

We are fortunate to retain the services of Pete Conrad to see the district through the major construction upheaval that is starting to wind down. He will be retained on a contract basis for construction and water projects.

A couple of other items:

1. When you write the district at SierraCedarsCSD@gmail.com, Todd is the person who receives the email. He then takes care of the email and/or passes it on to the board.
2. Please remember that SCCSD is responsible and only has authority in three area; water, road repair, and snow removal. We are not a homeowners association. The Architectural Control Committee has authority regarding approval of building design.

Todd then went over the Financial Report for Fiscal Year 2018/19. He presented the following financial summary sheet that was given to the homeowners.

*Sierra Cedars Community Services District
Financial Summary Sheet
Fiscal Year 2018-2019*

1. To operate the district:

Last Fiscal Year

Income: \$223,978.58
Operations, Maintenance, Expenditures: \$218,470.94
Road Repair Fund: \$18,500.00
Depreciation (Funded): \$12,193.12

2. Current Balance in Reserve Funds (as of 7/31/19):

Operations: \$49,823.07
Capital \$101,233.08
Road Repair Fund: \$30,000.00
Depreciation: \$331,361.12

3. Your Fiscal Year 2019-2020 Tax Statement will show the following assessment for Sierra Cedars (5.4% increase):

Developed Lot: \$775.72
Undeveloped Lot: \$494.24

4. Assessment by Year

	Developed	Undeveloped
Fiscal Year	Lots	Lots
FY 2010/2011	1,105.42	457.32
FY 2011/2012	1,105.42	457.32
FY 2012/2013	1,105.42	457.32
FY 2013/2014	1,105.42	457.32
FY 2014/2015	717.78	457.32
FY 2015/2016	653.18	416.16
FY 2016/2017	653.18	416.16
FY 2017/2018	693.02	441.54
FY 2018/2019	735.98	468.92
FY 2019/2020	775.72	494.24

The homeowners were also given a copy of Budget and Expenditures for FY 2018/19 and the 10-year Income/Expense Statement. Todd noted the amounts for snow removal coverage can vary considerably from year to year. Also, he stated that the annual homeowner assessment would probably be raised again next fiscal year due to the increases in contract amounts, but hopefully be well under \$100/year.

A question was raised by a homeowner regarding the \$11,000 paid last year for legal services and the \$9,000 budgeted for this fiscal year. Todd responded by pointing out the legal expenses ran high for last fiscal year due to a new contract being written and two others rewritten. Expenses are expected to be somewhat less this fiscal year.

Comment was made that in the future the district will be paying for the services that the prior president did on volunteer basis.

c. Project Coordinator Report - Pete Conrad

Pete reviewed with the homeowners the printed report he gave to the homeowners. See below:

Recap of Formulation of Consultant to District Utilizing Pete Conrad and Progress to Date

Pete was President of the District for over 14 years, and in that time many activities and projects were generated and overseen by him. Recently he made a family decision to sell his cabin in Sierra Cedars. Once the Cabin was sold Pete could no longer be on the Board. Prior to Pete's resignation there were a few situations taking more and more of his time. These were situations concerning the water system, degenerating road conditions, and multiple outside projects affecting quality of life and restful nature of the District. Due to this circumstance, the Board and Pete agreed to a working relationship beyond Pete's tenure as Board President. A consultant position was created with hourly compensation plus vehicle mileage.

To date Pete has been in the District 12 times, for a total of 37 hours, meeting with a variety of homeowners, contractors, Water Master, and the Board. Included was overseeing construction on our District roads and coordination with the Ponderosa fiber project, and negotiating with County personnel on work and maintenance on the County Roads. Results of this time has generated \$114,116.78 worth of Asphalt work for the District completed to date. Also, there have been positive results with identifying areas of work for County personnel and coordination of work between the District and County. In addition, work is ongoing for water test stations (5) to be installed this summer, information on tree mortality work, and well upgrades.

Ponderosa Fiber Project: *Almost complete with the major construction phase. Should be any day now and their focus will be on clean up and cable pulling. The project has been a two year struggle with multiple water lines being cut. These cuts have been small 3/4" to 1" lines going to individual cabins, to 3" and 4" water mains of the*

District's system. This coupled with a few failures in our old main lines has made maintaining our water system difficult the last three years.

District Asphalt Work: *One of the primary reasons to develop the Consultant position was to address the many areas of neglect within the District where the asphalt has failed for a variety of reasons. The County of Fresno had planned on doing a slurry seal of all the County roads 3-4 years ago, but due to extensive projects affecting the access to our District, they delayed it. What happened next was a perfect storm for nothing getting done and a complete collapse in the integrity of our Asphalt roads, both County and District. The District was also scheduled to do repair and slurry seal 3 years ago, but with the various projects affecting the ability to get it done, we delayed it. Also affecting everything was the tree mortality. Three years ago, tree removal started in Sierra Cedars. This resulted in 2 ½ years of tree falling equipment, trucks, vehicles, and cranes inundating the District. All this led to noise, disruption of our peace and serenity, and a mess everywhere. Work was separated into 4 phases. The District coordinated with asphalt company already mobilized within Sierra Cedars (doing asphalt work for Ponderosa) and generated Phase I to address areas that asphalt contractor was doing for Ponderosa that were contiguous to the District's roads. Thus, the District got a better paving job because he could do it all at one time, instead of having to come back in with equipment to do work later for District. This was a total of 4,070 square feet at 8 locations: Rds. 3, 4,5,6,8,9,10, and 13). Phase II addressed areas within the first Phase of the Ponderosa project(Black Oak to Leisure Lane) for a total of 5,822 square feet at 11 locations: Rds. 2,3(3 areas),6(2 areas),9,16(2 areas),and 20. Phase III addresses areas of work accessible in the second Phase of the Ponderosa project(Leisure Lane to Rd 24). This was a total of 2019 square feet at 11 locations plus replacing a traffic box and slurry seal asphalt area inside tank fence. Areas affected are Rds. 13(2 area),14,18(2 areas),24, and Tank road. Note: Rd 14 included coordinating with homeowner and repair of District road and his driveway. Phase IV will be coordinating with County Contractor at intersections (see under County of Fresno below)*

County of Fresno: *County has committed to address some of the major problems with drainage and asphalt repair. Their work crews have been in to patch areas temporarily until a contract can be issued to better repair. That contract is expected any day now. The contract will be for cutting, digging up, compacting, and paving all through the District. Coordination between the County contractor and the District has started to address the intersections at Rd 11 and Rockledge, Rd 15 and Rockledge, Rd 17 and Saddleback, and Rd 18 and Saddleback. Completed work on these areas should be done by end of September. This will be the end of asphalt work this year. Next spring the County will join the District in evaluating the repair work and improvements to drainage systems and will do additional repairs as needed. The County is also generating a contract to have all the County Roads cape sealed next summer. The County contractor and the District will coordinate the work with the expectation that all District roads will also be cape or slurry sealed.*

Water System: *Ongoing maintenance include replacing water meters that no longer work; they are under a 20 year warranty and meter company is sending replacements. Re-testing of Big Pine Court well to see if still eradiated. District had the Well 5 pump replaced earlier this summer. (Other water system items covered by Water Master).*

Tree Mortality: *Two and half years ago SCE received grant money to take dead trees out of Sierra Cedars. They came in with a variety of subcontractors and have removed over 1,700 trees. The contract is ongoing and as trees continue to die back and are within 200' of utility lines and poles, they will be removed. County of Fresno has also been granted some money for tree mortality and dead trees beyond 200' but still a danger to structures, roads, or other County property are being taken out. 400 trees have been identified and marked with white tape and a number.*

Questions and Comments: What about fixing the curbs? Answer: Curbing is a real issue...Last winter LTEC put down trench plates for open trenches and the snow removal operator had a difficult time clearing roads. Damage occurred to curbs and roads. Also, 90 and 110 ton cranes were driven on the county roads without permission of the county. Many curbs, gutters, and parts of roads were destroyed. Sierra Cedars also had three or four water leaks as a result of cranes and heavy trucks running on the roads. LTEC is fixing some of the curbs, what is done to the remainder of the curbs and gutters is up to the county as they own the roads.

Sierra Cedars has around 181,000 square feet of roads which includes all 24 side roads, Big Pine Ct., emergency meadow road, and the road to water tanks. The District plans to seal the roads next summer if not cost prohibitive.

Q: What about the drainage problem around the first curve on Black Oak? Pete responded that Bill has been trying for years to get the county to fix. County has recently agreed to look at this problem and hopefully fix.

Q: What is the plan for Road 18? Pete responded that there were three places where the water was coming out of the road. Excavation was done down to 4.5 feet to locate the source of water. A spring was discovered and an old French drain that was plugged. County is supposed to fix the problem this year and district is trying to coordinate work with county where our road intersects with county road to create a seamless patch. Emmet Construction is supposed to do the county asphalt work.

Comment: Homeowner's property has a tree with an electrical line attached to it. Tree needs to be removed but SCE hasn't returned their calls. Response: SCE is completely overwhelmed with tree removal. Different tree cutting crews do different kind of work and there is a shortage of tree cutters. Persistence was the advice that came from watermaster Andy who is a longtime employee of SCE. Seth Reid is overwhelmed with calls; you might try Daniel at 559-676-9122 who works for Seth. SCE has removed 1,700 trees in Sierra Cedars and has 400 more to go.

Other Questions and Comments:

Q: Homeowner asked question of how to get out of Sierra Cedars and off the hill in case of fire. Comments were made that included: there is a route through Dinkey Creek and down Blue Canyon; get a forest service map as it shows off highway roads, and highway patrol will get you out of here. Andy made a comment that you don't have to go down the hill. You can go to China Peak as they are a recognized safe place to go.

Bill P. commented about renter issues in Sierra Cedars. Two homeowners are thinking of selling because of rentals problems next door. Vacassa rental agency in Shaver Lake is not really helpful. Noisy neighbors are not the responsibility of Sierra Cedars Community Services District. Call the sheriff. Perhaps a homeowners association in Sierra Cedars could take care of the problem. (General Manager's Note: In past years the SCCSD board has investigated this possibility and found that there is no provision in the CC&R's for a homeowners association. All seven sets of CC&R's would first have to be rewritten and approved by respective homeowners; a BIG project.)

Perspective from new Board Member Dave Finley... you are in good hands up here. Since 2016 a perfect storm has arisen with tree removal, fiber optic installation, water line repairs, and road repair. These people work hard for you, best on hill, professional.

Comments by Board Member Phil Erdman: Some homeowners still need to put numbers on their house so that the fire department and emergency personnel can find it.

Board has taken steps to comply with changing laws and has taken a good look at how they run the place. Board members are required to have sexual harassment training and ethics training to comply with state requirements.

Uninvited visitor Dave Horner, homeowner off Leisure Lane beyond the boundary of Sierra Cedars Community Services District (SCCSD), thanked Sierra Cedars for the snow removal service and road repair through Sierra Cedars so he can access his property via Leisure Lane. He offered to help share the cost of these services. He was told by Bill P. that there is no provision for individuals outside of SCCSD to pay for snow removal and road maintenance. (General Manager Note: Mr. Horner is the individual who is trying to develop a Hipcamp, an Airbnb type organization for campers and RVers, on

his private property just outside Sierra Cedars. Traffic access would be through Sierra Cedars and up Leisure Lane. Opposition to this camp by Sierra Cedars homeowners is unanimous due to excessive traffic, increased road maintenance, dust, and increased fire hazard.)

Several individuals expressed appreciation for the all work the board does and that it is willing to give homeowners advice on issue outside their jurisdiction.

A break was taken to allow the public to leave if they desired to. Chairs and tables were put away.

Item #5 APPROVAL OF RESOLUTION #117 - A Resolution of the Board of Directors of the Sierra Cedars Community Services District Approving the Filing of an Application for Elective Coverage of State Disability Insurance Under Section 709 of the CUIC.

This resolution allows the board to purchase State Disability Insurance from the state.

M/S/C Bill P./Dan M. to approve Resolution #117 as presented (4/0)

Item #6 ADJOURNMENT

M/S/C Bill P./Dan M. to adjourn the meeting at 11:40 a.m. (4/0)

Next Meeting: Monday, September 30, 2019 at 6:00 p.m. at Vicki Collier-McDonald's residence. Address is 42568 Rock Ledge Rd. (Rd. 10), Shaver Lake, CA Please Note: Meeting is one week earlier than normally scheduled due to schedule conflicts of board members.

Minutes submitted by Todd Bristol, General Manager