

Independence Ranch
Community Services District

REGULAR BOARD MEETING

Thursday, September 12, 2019

6:30 PM, Warbirds Meeting Hall

4251 Dry Creek Rd., Paso Robles, CA 93446

www.iranchcsd.org

A G E N D A

1. **6:30 PM OPEN SESSION / PLEDGE OF ALLEGIANCE / ROLL CALL**
2. **PUBLIC COMMENT**
Members of the public may address the Board on items other than those scheduled on the agenda. PLEASE BEGIN BY STATING YOUR NAME AND ADDRESS. **EACH PERSON AND SUBJECT IS LIMITED TO A 3-MINUTE DISCUSSION.** Any person or subject requiring more than three minutes or action by the Board may be scheduled for a future Board meeting. Those persons wishing to speak on any item scheduled on the agenda will be given an opportunity to do so at the time that item is being considered.
3. **APPROVAL of AGENDA**
4. **APPROVAL of MINUTES: Regular Meeting May 9, 2019 and July 11, 2019**
5. **MANAGER REPORT**
GM Hagemann met with LAFCO Executive Director Dave Church on August 9th to discuss the procedures for annexing parcels adjacent to the CSD service area. The application and approval process takes about six months and the administrative costs associated with the annexation process will be borne by the parcels wishing to annex. It is in the best interest of the annexing parcels to bring in as many parcels as possible during the process in order to share the administrative costs. Each parcel wishing to annex will need to hire a surveyor to detail and record their property boundaries. The "ball park" per parcel administrative cost to annex to the District is approximately \$3,500 - \$5,000 depending on the number of parcels that want to annex and the surveying costs. Any road repairs/upgrades required by the CSD to bring the roads adjacent to the annexed parcels up to existing District road conditions would be in addition to the administrative costs above.
6. **APPROVAL OF TREASURER'S REPORT AND FINANCIALS: See addendums A & B**

Independence Ranch
Community Services District

7. APPROVAL OF WARRANT REGISTER: Addendum C

8. DISCUSSION ITEMS

- A. Road Maintenance:** On-going item to determine and prioritize road maintenance tasks and report on tasks completed to date. Review road repair work completed by Ramsey Asphalt. Develop list of repair/maintenance projects and relative priority for FY 2019/20. **Possible Board Action.**
- B. Procedures and Schedule For Increasing Road Maintenance Fees For Fiscal Year 2020/2021:** Possible Board Action.
- C. Resignation of Director Tracy:** Director Tracy has joined the San Luis Obispo County Grand Jury and is no longer eligible to serve on the CSD Board of Directors. Director Tracy will be submitting his resignation shortly. The process to replace Director Tracy is for the remaining Directors to seek out and nominate a replacement to fill Director Tracy's remaining term.
- D. Updated Regular Board Meeting Schedule:** At the July 11 Board meeting the Board wanted to consider changing the Regular meeting schedule for every other month (six meeting per year) to January, February, March, May, July, September, October, November and December (nine meetings per year). There will be some additional administrative and building rental costs with increasing the number of Regular meetings.

As an alternative the Board could consider forming a Road Maintenance Sub-Committee that would meet on the off Regular meeting months and then bring recommendations to the full Board and/or continue with the policy of scheduling Special Meetings on an as needed basis. Possible Board Action.

9. DIRECTOR / MANAGER COMMENTS: This is the opportunity for board members or staff to make brief comments or suggestions.

10. ADJOURNMENT: The next regular board of directors meeting is [Thursday, November 14, 2019](#).

Independence Ranch
Community Services District
6289 Hawk Ridge Place, San Miguel, CA 93451
www.iranchcsd.org

REGULAR BOARD MEETING MINUTES

Thursday, May 9, 2019 6:30 PM

Warbirds Museum Meeting Hall

4251 Dry Creek Road, Paso Robles, CA 93446

1. 6:30 PM OPEN SESSION/ROLL CALL/PLEDGE OF ALLEGIANCE

Board members present: Carol Noe, Terry Leezer, John Hunter, Danny Meehan, and George Tracy
Members absent: None

2. PUBLIC COMMENT: Several property owners adjacent to the CSD boundary and within the District's Sphere of Influence, expressed an interest in annexing to the District.

3. APPROVAL OF AGENDA:

Motion to approve by Director Tracy, seconded by Director Leezer motion carried 5-0.

4. APPROVAL OF MINUTES: Regular Meeting March 14, 2019

Motion to approve by Director Leezer, seconded by Director Tracy, motion carried 5-0.

5. MANAGER'S REPORT: GM Hagemann stated that SDRMA insurance rates would be increasing approximately 5% for liability and 11% for property coverage. Hagemann also noted that he had talked with the owners of Cinquain cellars and they were willing to discuss an increase road maintenance assessment due to their commercial use of the roads.

6. TREASURER'S REPORT AND APPROVAL OF FINANCIALS:

GM Hagemann provided an updated Balance Sheet dated May 9, 2019, and the Profit and Loss statement for March 15 through May 9, 2019. **Motion to approve the Financial Reports by Director Meehan, seconded by Director Tracy, motion carried 5-0.**

7. APPROVAL OF WARRANT REGISTER: Directors briefly discussed the warrant register that included three warrants. **Motion to approve the Warrant Register by Director Tracy, seconded by Director Meehan, motion carried 5-0.**

8. DISCUSSION ITEMS:

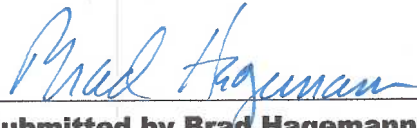
A. Road Maintenance: As a follow-up to the March 2019 Board meeting the Board of Directors considered proposals from vendors for major road repair. After considerable discussion and an opportunity for public comment Director Tracy made a motion to award a contract to Ramsey Construction to repair approximately 10,000 square feet of chip seal road at a cost of \$3.79 per square foot in accordance with Ramsey's Proposal. Director Noe seconded the motion. The motion carried 4 – 1 by the following roll call vote: Director Tracy – yes; Director Noe – yes; Director Meehan – yes; Director Hunter – yes; Director Leezer – No.

The Directors agreed to mark the highest priority repair areas with paint prior to the Notice to Proceed and Director Tracy agreed to lead the field coordination efforts. District resident Hamson also agreed to provide assistance to Director Tracy in coordination and/or construction management.

9. DIRECTOR/MANAGER COMMENTS: No further comments

10. ADJOURNMENT: The meeting was adjourned at approximately 7:55 PM. The next regularly scheduled meeting is July 11, 2019.

Note: These minutes are to be considered as a draft only until approved by the board at the next regular meeting and signed.



Submitted by Brad Hagemann, General Manager

Independence Ranch
Community Services District
6289 Hawk Ridge Place, San Miguel, CA 93451
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REGULAR BOARD MEETING MINUTES

Thursday, July 11, 2019 6:30 PM

Warbirds Museum Meeting Hall

4251 Dry Creek Road, Paso Robles, CA 93446

1. 6:30 PM OPEN SESSION/ROLL CALL/PLEDGE OF ALLEGIANCE

Board members present: Carol Noe, Terry Leezer, John Hunter, Danny Meehan, and George Tracy
Members absent: None

2. PUBLIC COMMENT: None

3. APPROVAL OF AGENDA:

Motion to approve by Director Tracy, seconded by Director Hunter motion carried 5-0.

4. APPROVAL OF MINUTES: Regular Meeting May 9, 2019

Director Tracy noted a correction to the draft meeting minutes and requested the changes be made and brought back for approval at the September Board meeting.

5. MANAGER'S REPORT: GM Hagemann circulated the draft updated District maps prepared by Wallace Group. The Board reviewed the maps and provided suggested improvements prior to finalizing the maps. Hagemann will work with the County Assessors office and Wallace Group to update the property owners and better highlight the Roads.

6. TREASURER'S REPORT AND APPROVAL OF FINANCIALS:

GM Hagemann provided an updated Balance Sheet dated July 11, 2019, and the Profit and Loss statement for May 10 through July 11, 2019. **Motion to approve the Financial Reports by Director Meehan, seconded by Director Tracy, motion carried 5-0.**

7. APPROVAL OF WARRANT REGISTER: Directors briefly discussed the warrant register that included five checks, including a \$39,628.24 payment to Ramsey Asphalt Inc. for the recent road repair work. **After Board discussion, Director Tracy made a motion to approve the Warrant Register, the motion was seconded by Director Leezer, motion carried 5-0.**

8. DISCUSSION ITEMS:

A. Road Maintenance Assessment Fees for FY 2019/2020, Resolution No. 2019-01:

Resolution No. 2019-01 requests the County to assess each parcel \$500 for road maintenance fees for FY 2019/20. After discussion and an opportunity for public comment Director Hunter made a motion to adopt Resolution No. 2019-01; Director Tracy seconded the motion. The motion carried 5-0.

- B. **Fiscal Year 2019/20 Budget:** The Board reviewed the draft budget and after discussion and an opportunity to public comment Director Tracy made a motion to adopt the proposed budget; Director Hunter seconded the motion. The motion carried 5-0.
- C. **Road Maintenance:** The Board members discussed the repair completed by Ramsey and discussed future potential road maintenance projects including Styroflex chip seal applications. The Board also discussed Cal-Fire signage that was to be installed near the mailboxes. Hagemann will follow-up with Cal-Fire staff. No action other road maintenance action was taken.
- D. **Procedures for Increasing Road Maintenance Fees:** The Board discussed and affirmed that they would like to move forward with increasing the annual road maintenance fees in order to adequate fund on-going maintenance activities and cover USDA loan repayment fees. Director Hunter made a motion to direct Hagemann to initiate the process and bring back a status report at the next Board meeting. Director Tracy seconded the motion. The motion carried 5-0.

9. DIRECTOR/MANAGER COMMENTS: No further comments

10. ADJOURNMENT: The meeting was adjourned at approximately 8:00 PM. The next regularly scheduled meeting is September 12, 2019.

Note: These minutes are to be considered as a draft only until approved by the board at the next regular meeting and signed.



Submitted by Brad Hagemann, General Manager

1:58 PM

09/08/19

Accrual Basis

Independence Ranch CSD
Balance Sheet
As of September 12, 2019

| | <u>Sep 12, 19</u> |
|---------------------------------------|-------------------------|
| ASSETS | |
| Current Assets | |
| Checking/Savings | |
| 1000 · Cash Summary | |
| 1020 · Checking-Heritage Oaks Bank | 24,462.71 |
| 1040 · HOB Savings RESTRICTED-USDA | 3,507.74 |
| Total 1000 · Cash Summary | <u>27,970.45</u> |
| Total Checking/Savings | 27,970.45 |
| Other Current Assets | |
| 1300 · Current Assets | |
| 1310 · Prepaid Expenses | 95.68 |
| Total 1300 · Current Assets | <u>95.68</u> |
| Total Other Current Assets | 95.68 |
| Total Current Assets | <u>28,066.13</u> |
| TOTAL ASSETS | <u>28,066.13</u> |
| LIABILITIES & EQUITY | |
| Liabilities | |
| Long Term Liabilities | |
| 2700 · USDA Rural Development Loan | 406,000.00 |
| Total Long Term Liabilities | <u>406,000.00</u> |
| Total Liabilities | 406,000.00 |
| Equity | |
| 3020 · Retained Earnings | -327,775.23 |
| Net Income | -50,158.64 |
| Total Equity | <u>-377,933.87</u> |
| TOTAL LIABILITIES & EQUITY | <u>28,066.13</u> |

2:02 PM

09/08/19

Accrual Basis

Independence Ranch CSD
Profit & Loss
July 12 through September 12, 2019

| | <u>Jul 12 - Sep 12, 19</u> |
|---|----------------------------|
| Income | |
| 4000 · Income Summary | |
| 4010 · Road Assessment Fees | 518.35 |
| Total 4000 · Income Summary | <u>518.35</u> |
| Total Income | 518.35 |
| Expense | |
| 5100 · General Overhead Expenses | |
| 5105 · General Administrative Services | |
| 5105.01 · General Manager | 1,000.00 |
| Total 5105 · General Administrative Services | 1,000.00 |
| 5115 · Interest Expense | 7,087.50 |
| Total 5100 · General Overhead Expenses | <u>8,087.50</u> |
| 5200 · Operating Expenses/Road Work | |
| 5210 · Road Work, Materials & Services | 104.37 |
| Total 5200 · Operating Expenses/Road Work | 104.37 |
| 5400 · Professional Fees | |
| 5410 · Consulting | 55.00 |
| 5415 · Engineering | 350.00 |
| Total 5400 · Professional Fees | <u>405.00</u> |
| Total Expense | <u>8,596.87</u> |
| Net Income | <u><u>-8,078.52</u></u> |

Independence Ranch CSD
Warrant Register
 July 13 through September 12, 2019

| <u>Num</u> | <u>Date</u> | <u>Name</u> | <u>Account</u> | <u>Paid Amount</u> |
|------------|-------------|------------------------|--|--------------------|
| | 08/01/2019 | USDA Rural Development | 1020 · Checking-Heritage Oaks Bank | |
| | | | 5115 · Interest Expense | -7,087.50 |
| TOTAL | | | | -7,087.50 |
| 1499 | 09/12/2019 | Greg Hamson | 1020 · Checking-Heritage Oaks Bank | |
| | | | 5210 · Road Work, Materials & Services | -104.37 |
| TOTAL | | | | -104.37 |
| 1500 | 09/08/2019 | Nikki Engle | 1020 · Checking-Heritage Oaks Bank | |
| | | | 5410 · Consulting | -55.00 |
| TOTAL | | | | -55.00 |
| 1501 | 09/12/2019 | WALLACE GROUP | 1020 · Checking-Heritage Oaks Bank | |
| | | | 5415 · Engineering | -350.00 |
| TOTAL | | | | -350.00 |
| 1502 | 09/12/2019 | Hagemann & Associates | 1020 · Checking-Heritage Oaks Bank | |
| | | | 5105.01 · General Manager | -500.00 |
| | | | 5105.01 · General Manager | -500.00 |
| TOTAL | | | | -1,000.00 |