

DCLI Board Meeting

Tuesday, January 19, 2016 @ 7:00 PM at Tom Bird's House

Members Present: Bird, Chandik, McClelland (via Skype), Miller, and Sniffen

Members Absent: McQuire, and Volpe

A. Next meeting: Monday, February 22, 2016 at 7:00 PM at a place to be determined.

B. Road Manager's Report

1. Rocked & installed drainage features on Upper Ramble.
2. Loaded & spread rock and re-shaped drainage from 3rd bridge, uphill past Dodge.
3. Removed mud and re-established ditch at Jackson Landing on Upper Deer Creek Road and Jack's Rd. Loaded rock from storage at Hartman/Deer Creek turnout and spread on roadway.
4. Drained a large amount of spring feed water and mud, which caused a large hole in the roadway, on Upper Deer Creek Road. Future work needed: Add rock now and proper drainage for the spring this Summer.
5. Ordered and spread one transfer (23 tons) of 1½" drain rock in paint ball area.
6. Ordered an additional transfer of rock to use to fill pot holes during the work party on Saturday January 13; one box at Ron's Road; second box on Deer Creek Road turn after Hartman Creek Rd.
7. Tried unsuccessfully to clean plugged culvert at Bamboo Fence on Ramble Rd. Future work: Use additional equipment to unplug.
8. Future work: a) Remove large boulder blocking culvert on Deer Creek Rd. above McQuire's. b) Repair and rock with 1 1/2 " drain rock the rolling dip in the "S" curve area of Ramble Rd. c) Trench at Argyle's needs repair to rolling dip and added rock.
9. Did preparation for Jan 13 work party including signs and neighbor control.
10. Got Work Order approved via Board e-mail for work not included on line item budget to clean 6 culverts and clear ditches using Jan 13 work party.
11. Received an invoice from Jim Walters for \$800, including \$350 for work party and \$450 for budgeted work.
12. Received \$2,214 invoice from Walters for drain and base rock to be used on budgeted projects.
13. Priorities: #8 a): Large Boulder and #8 b) & c): Ramble repair.
14. Motion to Approve Road Mgr's report made, seconded and passed.

C. Treasurer's Report

1. \$28K in Liberty Bank account.
2. Passed out report showing "2015/16 Road Dues Paid" and "Outstanding Balances as of 12/28/15".

3. When asked about why Guzman had a credit balance in his account, John said Guzman keeps paying and "someone" needs to tell him to stop.
4. Issue of Guzman's outstanding Liens was raised. John was asked to provide a listing of amounts Guzman has paid to DCLI since January 2011. Miller agreed.
5. John says there are three outstanding invoices which DCLI must pay to vendors totaling about \$4K.
6. John has received 3-4 checks from Landowners which he has not yet deposited.
7. John raised issue of 2015/16 Road Maintenance Fees billings returned due to incorrect addresses. Of the issues raised Chandik confirmed that invoices to Geoff Johnson and Triple Rainbow LLC were re-mailed to new addresses, and Tys agreed to try to follow-up on Gavin Warren's possibly pending sale to Eric somebody. Tys asked for details of Ed Abner's invoice, which Ed claims not to have received.
8. Tys asked John to provide a listing of payments and billing details for 845 landowners. Miller raised concerns regarding publishing data "on the Internet".
9. A long discussion ensued disputing the necessity/desirability of distributing financial and contact (such as phone numbers, e-mail addresses, and residential addresses) data to DCLI Landowners. A motion was made and seconded to Remove Addresses and Phone #s from the Yahoo Group reports. Vote was 3 in Favor of Removal and 2 Opposed.
10. Tys returned to the topic of John providing financial data (billings and payments) for 845 Landowners to the DCLI Board and possible distribution to all DCLI Landowners. A serious disagreement erupted into two different opinions as follows:
 - a. Several Board members did not think that it was necessary to tell all DCLI Landowners what Road Maintenance Fees 845 Landowners were being assessed by DCLI and what Road Maintenance Fees were being paid to DCLI by the 845s.
 - b. Another faction maintained that it was absolutely critical for all billing and payment information to be transparent to all Landowners, that no financial data should be withheld from Landowners, and that every Landowner had a vested interest in knowing exactly what all other Landowners were being billed and were paying in order to maintain the integrity of the billings and the trust of Landowners in the fairness of DCLI administrative processes.
 - c. The issue was deadlocked and Bird offered to inquire about the procedures of other Landowner associations.
11. In response to a previous inquiry from Tys, Miller disclosed that he had paid Jennifer Wolf \$50 to instruct him in the usage of Quick Books and for 2 hours of data entry to John's new Quick Books system for maintaining DCLI financial data.
12. Miller agreed to provide Tys with a complete report of what DCLI and 845 Landowners owe to DCLI in a week to ten days.
13. A motion was made, seconded and passed to accept the Treasurer's Report.

D. Secretary's Report

1. An updated set of Master Lists was distributed.

2. Motion to accept the Minutes of the December 16, 2015 DCLI Board Meeting was accepted contingent upon feedback to the Secretary to provide more of a report stating conclusions rather than a narrative.
3. Current Liens recognized by Santa Cruz County were presented. The Secretary stated that the only way for a lien to be Released is for the Treasurer to present to the Secretary a list on payments the Landowner has paid to DCLI which reflects the balance due to DCLI plus interest and penalties, or a copy of a check from a Title Company itemizing the portion of the payment intended to cover the lien(s) and the portion attributable to outstanding Road Maintenance Fees on Prior Years Balances Due for which liens had not yet been filed.
4. A motion was made, seconded and approved to accept the Secretary's Report.

E. Comstock Invoice

1. Per Bird the intent of the legal services requested was to give an opinion on the legal validity of DCLI's current JMA and to recommend any improvements. The intent of the legal research was not to speculate on the legitimacy of DCLI.
2. Bird offered three alternative approaches:
 - a. Pay the entire bill for \$2,475.00.
 - b. Propose a partial payment.
 - c. Make no payment.
3. Bird proposed to try to talk with Comstock to make sure there was a clear understanding of what was being requested from him and to discuss the inherent conflict of interest in Comstock's relationship with Greg and Ann and his performing work for and billing DCLI.
4. Tom would offer to pay nothing but reconsider and negotiate if legal issues are raised that might end up in court.
5. Some Members supported partial payment and others supported NO payment. Bird was asked to report back to the Board on what the situation looked like to him after the meeting with Comstock, but to not agree to a resolution with Comstock.

F. Mistake on JMA Amendment Explanation Letter

1. Jay supported the mailing of an additional explanation correcting the "2/3 less than Residents" wording to the correct "1/3 less than Residents" correct explanation.
2. General consensus seemed to be that the intent of the motion was clear enough such that the faulty explanation would not be enough to obstruct the understanding of the proposal.
3. The Secretary should tally and report the ballots as they come in.

G. Lien Process

1. This discussion was complicated by the fact that two separate processes were being considered and that sometimes the two issues were being mixed together.
 - a. The first issue related to how all FUTURE (those initiated after the Spring 2016 General Meeting) would be processed and explained to the Landowners.

b. The second issue related to how we should process the CURRENT outstanding balances due as stated on Miller's 19Jan16 financial report listing all "2015/16 Road Dues Paid" and all "Outstanding Balances as of 12/28/15".

2. An additional consideration is that BOTH of these processes would involve liening Landowners for erroneous FY2015/16 Road Maintenance Fees assessed by an illegitimate Board appointed without a quorum present and that Board's appointed officers. This means that Landowners who have been our most consistent payers in the past, will be liened for erroneous FY2015/16 Road Maintenance Fees assessments. This is sure to create major disruption and discontent.

3. Despite the above considerations, Tys presented the following motion:

DCLI is going to put a lien on your property for the amount owed, plus filing fees and plus 10% interest plus 10% late fee if: you owe more than \$1000 or two years of your bill, whichever is smaller, unless you have a payment plan in place approved by the board before September 1st, the 5th month of our fiscal year.

The motion was modified to add "Four months after the DCLI Road Maintenance Fees billing goes out, liens will be filed". The motion was voted on: FOR: 4 AGAINST: 1

4. Secretary was instructed to send Lien Letters to Landowners to be liened, but it is still not clear to whom the letters would be sent and how the interest and penalties would be calculated.

H. Fence Built on DCLI road Right-of-Way

1. The fence violates county ordinances for emergency vehicle access. Bird is negotiating with the landowner.

I. Miller Proposes letter to D.Smith regarding junk on Hartman Creek Road. Bird proposes to fix Lost Valley gate to resolve the issue.

J. JMA Legality Discussion

1. Bird presented a series of facts supporting the validity of the 2006 and 2007 JMAs and release of Lost Valley landowners from DCLI as well as an explanation of the Super Majority rule. The intent is to end expensive, disruptive distractions from DCLI administration. All future challenges must be paid for by the Landowner(s) raising the issue and not by DCLI.

K. Tys declared the meeting over, but discussion continued with some remaining members.

L. Tys stated that current planning for future JMA changes will be placed on hold.

M. Miller proposed presenting marijuana farmers with water surety bonds for water delivery to encourage their participation in DCLI road maintenance.

Submitted February 9, 2016 by
Ron Chandik, DCLI Secretary