

DCLI Board Meeting

Thursday, April 5, 2018 @ 7:00 PM at Tys' House

Members Present: Ron Chandik, Simon Field (via Zoom), Mac Marshall (Late), Dave McGuire, Tys Sniffen, and Ginny Stone; Members Absent: Jay McClelland

Visitor(s): None

Preliminary Discussion: (Tys, Dave, Ginny & Ron)

1. Tys: General Meeting is next month. Ron: I need a cover letter, an indication of Balances Due by Landowner, and who has Payment Plans. Tys: Only qualified Payment Plan is Gary Fitch and Dennis Smith.
2. Tys: He is responsible for negotiating Payment Plans and no new proposals have been presented to him.
3. Dave presented \$200 from Gary Fitch and Gary would like an Outstanding Balance total.
4. Tys: Use Mac's March 14, 2018 Balances Due report until receiving further updates.
5. Ron: I need a Balances Due Report to prepare ballots for voting. Tys: Try not to spend too much effort on it. It probably won't be a contentious election. Ron: The ballots are binary. I either do them or not. It is a lot of work to prepare secret ballots for people who have paid and another batch for people who have NOT paid in case they do pay.

A. President's Report

1. People up for election will be: Tys – President; Treasurer: Jeff Schulken (Tys is trying to convince him); Director #1 – Ginny; Director #3 – Jay wants out, so we will run Mac for Dir #3; (Simon is Director #2 and is not up for election).
2. Ron: We need a Proxy Form and a Budget to vote on and a meeting Agenda.
3. Tys: We'll try to come up with a Budget proposal tonight, but if we don't, we'll have to depend on proposals at the meeting. Ron: You can't determine what Road Assessments should be without an idea of what projects we need to do and what they will cost.
4. Tys: Liens were filed on February 2. We have received copies of the filed liens from the county. There were 3 Releases and 19 Liens.
5. Mac arrived at the meeting.
6. Tys: Back to Spring General Meeting: Plan to start at 11:00 AM and end at 12:30PM. 845s will be invited to the meeting. Ron: We need a separate Check-In list for 845s. Since 845s are not DCLI Members, they can not vote in our election of officers and do not count of quorum purposes.
7. Tys: He hasn't called Scopazzi's yet.

B. Secretary's Report

1. I received the Liens & Releases from Tys.
2. I have copies of the Board Meeting Minutes for Feb 15 if anyone wants a copy. They were emailed to you March 13.

3. I undated the Master List of Landowners. Two changes: a. Guadalupe Nieto address change and b. MaryBeth McLaughlin took over Soni Map #92.
4. Soni has an outstanding lien for \$2,721 for FY2016/17 and FY2017/18. This lien should probably be Released and re-filed under McLaughlin.
5. I am distributing an updated Master List. This includes an updated Liens and Releases list including the latest Feb 2, 2018 transactions. Since we did not Release the prior year liens as we have in the past, I show a cumulative total for each Landowner which includes any existing FY2016/17 liens as well as the FY2017/18 liens filed February 2. This cumulative amount shows the Total Lien Balances Due to DCLI for each Landowner.
6. Releases for FY2017/18 (Feb 2, 2018) include Carson, Hitz and Benigno Sanchez. Heath/Armanini still have an FY2016/17 lien but were not liened for FY2017/18.
7. Tys interpreted Heath/Armanini's payments during FY2017/18 as NOT payments against their previously outstanding loan balance, but as justification for NOT creating a new Lien for FY2017/18.
8. Feb 15 Board Meeting Minutes were approved by acclamation.

C. Treasurer's Report:

1. Mac did not have a report.
2. Tys: We now have **\$3,567.05** in the Liberty Bank account.
3. Front of Road receipts for storm damage are still not finalized. This is important because: a. DCLI has already paid these bills and should be able to recover its costs from the SBA Loan funds and b. DCLI intends to recover additional funds from the 845 landowners for their allocation of storm damage repairs.
4. Tys a DCLI Year-End financial report is also due at the Spring General Meeting.

D. Road Manager's Report:

1. Based on the expectation of a pending storm, Dave has arranged with Joey to do ten hours of road work with his skip loader starting at the slide where the plastic is located. He cleared out the culvert and cleared the ditches. Joey moved up the road cleaning ditches and clearing culverts and improved the drainage between the third bridge and Marco's. He also did some work on Ramble around Mike Brown's place. We owe him about \$1K, but will wait for his invoice.
2. General Meeting report will include work done on Ramble and the work done on Hartman, which was pretty much destroyed by fire crew activity.
3. Dave will submit two budgets for approval:
 - a. Regular road maintenance usually done with the DCLI annual Road Assessment:
 - i. \$12K SBA Loan payment plus \$5K Reserve.
 - ii. Two thirds of remaining funds should be spent on Hartman and one third on Little Buck. Based on a budget of \$40K, this means we spend about \$15K on Hartman and \$8K on Little Buck.
 - iii. Dave had hoped to spend \$20-30K to re-surface remaining portions of Hartman.
 - iv. Ginny: Upper Deer Creek needs some clean-up work budgeted. Tys: Let's allocate \$5K to Upper Deer Creek and **call it a \$45K budget.**
 - v. The Board agreed to the \$45K Regular DCLI Road Maintenance Budget.

b. Projects proposed for SBA Loan funds:

- i. Tys: We will plan to spend \$250K of SBA Loan money. That will cost use \$12K per year. First \$12K payment becomes due in July.
- ii. K&M wants to pulverize and repave existing asphalt areas. Just the lower section from Bear Creek to the first bridge is \$12K.
- iii. All the rest of the asphalt from Palm Cut-off to just past Hartman, where the pavement stops just before the third bridge: Cost is \$141,797. Dave proposes to spend \$61K on that section and do the rest of the repairs ourselves.
- iv. Total K&M paving bid is \$333K. Subtracting \$80K for repaving existing areas and \$12K for the front of the road gives \$241K remaining for paving.
- v. Third bridge to just below Jose's old land: cost is \$75,811 (assume \$76K); that leaves \$241K - \$76K = \$165K remaining for paving.
- vi. Ramble, Little Buck to Mike Browns paving (3", hot mix, 18 ft wide) will cost \$72K. This leaves \$165K - \$72K = \$93K remaining for paving. (Dave calculates \$30K remaining, but the arithmetic adds to \$93K, unless I missed something.)
- vii. Any additional funds will be used to pave the lower part of Hartman.

4. Tys: Negotiations with the SBA are proceeding and there is agreement on required permits. Musitelli agreed that we don't need permits so long as paving is not close to the creek. Tys talked with a person who previously managed the Santa Cruz County permit process and this person agreed that our proposal is doable with the following caveat: Riparian Corridor; if you are doing ANY repair/maintenance work within a Riparian Corridor, you need permits.

- a. Riparian Corridor definition: 50 feet from knee deep in the creek horizontally.
- b. Restricted area would include any place within 50 ft of a bridge and the whole section of road from 3rd bridge to Jose's.
- c. There was a great deal of discussion regarding a decision to NOT pave the section of the road from 3rd bridge to Jose's. Several proposals were discussed to shift funds between the SBA Loan and DCLI Road Dues, but the primary issue is NOT WHO funds the work. ANY work in the Riparian Corridor requires prohibitively expensive permit evaluations.
- d. Ginny: I thought we weren't permitted under the SBA Loan to do ANY paving. Tys: We are not "paving". We are "resurfacing" portions of the existing roadway. We are taking risks and the question is, How big of a risk do we want to take ?
- e. Ron: Aren't we relying on K&M to verify to the SBA that all work is being done within their specifications ? Tys: K&M isn't going to do that. K&M told Tys that they haven't done SBA work before and have no idea what is required. DCLI would have to deal with the SBA on that point. Ron: This might jeopardize our receiving SBA funds for our road work. Tys: We are building on years and years and years of not soliciting county input for road maintenance in DCLI.
- f. Tys: I think that if we are going to get SBA funds, we need to tell the SBA that we are not doing any work that requires a permit and that is what I told

the SBA. Since we need, but can't afford, a permit for "from 3rd bridge to Jose's", we should NOT do that proposed project.

g. Ron: People here are talking about using DCLI money later to do the "from 3rd bridge to Jose's" project without involving the SBA. We have a clear example of work done to repair storm damage at the front of the road and we still have not been able to secure any funds from the SBA. How do we know we can ever convince them to give us money for our projects? Tys: That's a different issue. It is mainly a paperwork concern. Our receipts don't match the amount of funds that we are requesting.

h. Dave: Let's just drop the "from 3rd bridge to Jose's" project for now and tell the SBA that we are not doing any work requiring a permit. Get the money from the SBA and tell the membership that we are going to pulverize and repave existing asphalt areas.

i. After much discussion and with the exception of Mac, the Board agreed to follow Dave and Tys suggestion to remove the "from 3rd bridge to Jose's" project from the SBA projects list.

j. Dave and Ginny persist in trying to verify the 50-foot Riparian Corridor to try to salvage the "from 3rd bridge to Jose's" project".

E. Establish Meeting Dates: Tys: DCLI Spring General Meeting will be Saturday, May 12 at 11:00AM at Scopazzi's.

F. Old Business: Tys: Gate on Hartman will be done for \$700 by School Bus Mike.

G. New Business

1. Tys: SBA Issues

a. Dave: What needs to be done to get the SBA Loan funds into the DCLI bank account?

b. Tys: We need the bid from K&M and a Contract from K&M stating exactly what they will do and what DCLI must do. I will then send these documents to the SBA and ask them to send us the funds. I expect them to send us about \$50K and then we will start work and continue sending receipts to the SBA for work completed.

c. Dave will make sure K&M uses the word, "re-surfacing", and not paving in the bid and contract.

2. Abandoned cars: Mac is trying to find a "legitimate" way to remove the cars, so far without success. Tys: We have asked the DMV to take possession of the cars, but we have not heard back from them. Ginny volunteered to take Mac's forms submitted to the DMV and to follow-up with the DMV on the disposition of the cars.

3. Air B&B guy on Skyview is still a problem with vehicles continuously coming and going. Mac says he received a notice of Title Transfer on Mitch Constantin's property but did not have the details with him. Tys asked Mac to distribute the notice.

H. Tys formally closed the meeting.

Submitted

June 12, 2018

Ron Chandik, DCLI Secretary