
DEER CREEK LANDOWNERS, INC.

MINUTES OF GENERAL MEETING JUNE 2, 2012

SCOPAZZI'S RESTAURANT, BOULDER CREEK, CA 95006

Meeting called to order at 1:15p

Meeting was called to order at: 1:15 p.m. by President Joy Mundy. All board members were present at the meeting (Tom, Gary, Dave, Simon, Arden, Amit, and Manuela). Represented landowners (either in person or by proxy): Barrios, Chandik, Field/Wolf, Freeman/Kay, Marshall, McGuire, Navarette/Mundy, O'Neal, Pierce, Raquelle/Bird, Sniffen, Vanderostyne, and Vachher-Gnanathurai. Joy told us that unless a quorum was present, which there wasn't at the start of the meeting, we would not be able to have elections. Introductions all around. Shout out for Tom's Well Service by Kate and Hillary.

Secretary's report

Manuela announced that Augustino's and one of Rosenberg's parcels have sold and we'll be receiving money from escrow; approx \$2,500. Dave moved to accept the Secretary's report, Arden 2nd, passed.

Treasurer's report

Gary displayed the Treasurer's report on the screen, and described the basics:

- Bank balance is approx \$9,400, \$5K of which is allocated for emergencies.
- Only one landowner has stepped up and paid their Heavy Vehicle Policy fees.
- Discussion about whether to keep our \$5K in reserve. There was not a vote to change the policy.
- Discussion about paving sections of road system on which we're spending thousands of dollars in rock and grading. Suggested sections with highest priority: Ramble from Little Buck to black gate at Mike and Mana's driveway; section from DC Heights up to green gate; Hartman Creek Rd. 1st approach up to Schwartzman's; from 3rd bridge to Radzinsky's driveway.
- Manuela moved to accept, Arden 2nd, passed.
- A hard copy of the Treasurer's report is attached and posted on website.

Road Manager's report

- All projects that were approved for 2011/2012 were completed, except for installing a new culvert at the bottom of Ron's Rd. The Road Manager decided that culvert wasn't necessary after all; instead, a downspout was installed on that existing culvert.
- Asphalt patching was finished on Deer Creek Rd. to repair damage from Heavy Vehicles and a tractor being driven on the road.
- Bauldry Engineering performed a test on the slide near the 3rd bridge and determined that it was a slide and that it could go at any time – seismic activity or heavy rains. The engineering firm recommends installing a pier and lagging retaining wall along the outboard side – we'll get quotes for doing that project.
- Had a good work party – many landowners came out.

- Manuela moved to accept, Dave 2nd, passed.

New Business

Heavy Vehicle Policy

Joy reviewed the heavy vehicle policy as currently in effect:

- **Any** vehicle > 10,000 is subject to the HVP. Each landowner gets 8 free trips / year
- Pay based on miles driven and vehicle weight. Details online.
- The HVP was designed for logging activities, but is applicable to all heavy vehicle usage of the road. Realistically, other than permitted activities (such as logging), we need to rely on landowners to self-report.

Discussion rehashed the same recommendations as ever, with all agreeing that the only truly effective solution would be to install a carded gate at Bear Creek Road. There was widespread skepticism that such a gate would survive long enough to be worthwhile; no one called for a vote.

The Board agreed to encourage and simplify self-reporting by sending a tracking sheet (attached to these minutes) so that each landowner can simply jot down the date and type of heavy vehicle.

The Board also agreed to speak to each suspected culprit directly.

845s Billing Algorithm

Board recommends that we change how we calculate the bills of the 845ers, who live at the front of the road, before the yellow gate. They are not official DCLI members. In the past, 845ers have been charged the same rate per mile as the rest of the DCLI members. Beginning in 2012-13, the Board recommends that 845ers' bills be based on mileage (as before), but **only** on the road projects at the front of the road (before the yellow gate). The 845s will share the cost of these road projects with the DCLI membership on a pro rata basis. Currently, the fourteen 845ers drive 11.4% of the road miles between Bear Creek Road and the yellow gate, so they will be billed 11.4% of the price of projects that occur on that section of road. That amount will be allocated among the fourteen 845ers based on their individual mileage.

As a result, in years when there are few projects at the front of the road, the 845ers will see their bills drop substantially, and the DCLI landowners will see their bills increase modestly. In years when there are heavy expenditures at the front of the road (such as fixing a slide or bridge), the 845ers will pay substantially more than they would have paid under the old algorithm.

There was much discussion. The motion passed. Note: because this motion did not require a modification to the Joint Maintenance Agreement, the motion passed despite the lack of a quorum.

Paving

The Board recommends that any future paving projects be prioritized based on the steepest parts of the road system.

- These steep sections are the places we keep having to spend maintenance money every few years. Over the long run, paving the steepest sections will save money.
- Most importantly, CalFire requires that roads with greater than 12% grade be paved.
- Once again we heard discussion about the character of our area vs erosion and vehicle wear and tear. Something resembling consensus emerged when the Board emphasized that we'll focus on road sections with > 12% grade.

No paving projects are proposed for 2012-13; this agenda item was for information and discussion only.

Five Year Plan

Road Manager Amit distributed a draft 5-year plan before the general meeting. During the meeting, this plan was discussed and revised, and the revised version is included below.

Deer Creek Landowners, Inc. Proposed Five-Year Maintenance Plan, May 2012 - May 2017

Task	2012-13	2013-14	2014-15	2015-16	2016-17
Bridge certifications	6,000				
Asphalt sealing/repair	4,000	4,000	4,000	4,000	4,000
General Maintenance	8,000	7,000	6,000	5,000	4,000
Asphalt funding (reserve)	9,000	9,000	15,000	15,000	15,000
Asphalting projects or fixing slides or bridges		25,000	20,000	18,000	20,000
Total Annual Costs	27,000	45,000	45,000	42,000	43,000
Reserves					
Annual contribution:: members	9,000	9,000	9,000	9,000	9,000
Annual contribution: heavy vehicle + donations	6,500	6,500	6,500	6,500	6,500
Annual drawdown		(18,000)	(18,000)	(15,000)	(16,000)
End-of-year reserve balance	15,500	13,000	10,500	11,000	10,500
Net Annual Costs included in Dues/Maintenance Fees					
	27,000	27,000	27,000	27,000	27,000

\$27,000 was the project budget in 2010-11, so look back 2 years to get an *idea* of your annual fee

Still have the problem of only 70% of fees are paid

Still have the problem of getting people to pay Heavy Vehicle fees

Can shift some costs of certifications & asphalting to those who use those sections of road.

- The Bridge certifications item is to have the structural integrity of the bridges reviewed by a certified engineer. This needs to happen periodically; currently, only the third bridge is certified. Certification is vital because Cal Fire can refuse to cross uncertified bridges. Amit was able to negotiate a lower cost for bridge certification: 4 for the price of one: \$6,000 – Marvin Chapman.
- Notice the significant budget item for asphalt sealing/repair, of \$4,000/year. Although paving reduces the cost of maintenance, asphalt needs to be resealed periodically, and high quality sealant is expensive. Beginning in 2012-13 we will begin rotating through the paved areas in sections. All future annual budgets should contain a line item for asphalt sealing.
- Note that the General Maintenance line item reduces in future years. The expectation is that we will see reduced GM costs as road sections are paved.
- Note also that the largest line item in 2012-13 is expected to establish a reserve for future funding or other large capital projects.
- The membership voted unanimously for the concept of this 5-year plan, recognizing that it is a general direction and not an annual budget.

2012-13 Budget

The discussion of the specific line items for the 2012-13 budget was very brief, because the significant issues were discussed in the five-year plan. The following line items were approved:

Section	Task	2012-13
	"Before yellow gate", costs shared between DCLI & 845ers	
A.1	Bridge cert: 1st bridge	1,500
A.2	Bridge cert: 2nd bridge	1,500
A.3	Asphalt sealing / repair , before yellow gate	2,000
A.4	General Maintenance, before yellow gate	2,000
A.5	Administrative Costs (share based on landowner, not mileage)	1,500
	Subtotal	8,500
	After yellow gate, costs borne only by DCLI members	
B.1	Bridge cert: 3rd bridge	1,500
B.2	Bridge cert: 4th bridge	1,500
B.3	Asphalt sealing/repair, after yellow gate	2,000
B.4	General Maintenance, after yellow gate	6,000
B.5	Reserve funding	9,000
B.6	Asphalting projects or fixing slides or bridges	-
B.7	Compensate for 70% of dues paid	-
B.8	General liability insurance	2,947
B.9	Board directors' insurance	1,300
	Subtotal	24,247
Grand Total	Total Annual Costs	32,747

Note that the JMA does not require a quorum to vote on the budget line items.

Elections

Due to the lack of a quorum, elections were not held.