

**GOLD MOUNTAIN COMMUNITY SERVICES DISTRICT**

**BOARD OF DIRECTORS**

**MEETING MINUTES - DRAFT**

**Friday March 18, 2022 @ 10:00am**

**A CALL MEETING TO ORDER**

The meeting was called to order at 10:11am

Present: President - Cary Curtis, Directors - Kathryn Kogge, Rene St. Pierre, Gordon Bennie

Absent: Vice President: Kim Seney

Staff Present: General Manager - Rich McLaughlin, Assistant General Manager/Lead Operator- Skyler Allingham, Administrative Manager- Leslie Chrysler, Fire Coordinator - Bill Robinson

**B PUBLIC COMMENT**

There was no Public Comment.

**C CONSENT CALENDAR**

**Minutes:** Approval of January 21, 2022 Regular Meeting & February 25, 2022 Special Meeting Minutes

**Warrant Registers:** Approval of January & February 2022 Warrant Registers

Director St. Pierre made the motion to approve the Consent Calendar as presented. President Curtis requested the minutes of the January 21, 2022 and February 25, 2022 be removed for corrections. She explained that the January 21, 2022 minutes were not complete and the statement under Item E in the February 25 minutes regarding equitable rates used the word “more” which she felt should be removed. After a brief discussion Director St. Pierre amended his motion to postpone approval of the minutes and approve the warrant registers. Director Kogge seconded the motion. Under roll call vote all members present voted in favor. Vice President Seney was absent. Motion Approved

**D CORRESPONDANCE TO THE BOARD OF DIRECTORS**

There was no correspondence reported.

Vice-President Kim Seney arrived at the meeting at 10:20am

**E OLD BUSINESS**

**1. RATE STUDY UPDATE**

Catherine Hansford of Hansford Consulting participated via zoom.

General Manager Rich McLaughlin reviewed the need for the CSD to move forward with rate increases. He provided examples of recent incidents that required expenses that should be covered by rate payers. There had been a break in a mainline that is currently unconnected and is only there to provide future service to unimproved lots. He also reported a \$7000 expense for septic tank pumping at the Lodge, a commercial property. Increased rates are necessary to maintain the systems and keep them up to date.

Catherine Hansford reviewed her graphs representing the 3 rate structure options, with option A being the original rate structure presented at the last meeting, option B showing a .75% of an EDU and option C showing a .5% of an EDU.

Director Bennie questioned the percentage jump in the first year being so high. Mr. McLaughlin noted that since the rates hadn't been adjusted for such a long time the large increase in the first year was necessary. Director Seney noted the current 266% difference in rates of unimproved/improved lots and the need to bring every rate class even.

Director Bennie questioned the need to include debt service in the rate analysis for debt you don't have, and you don't know if debt will be approved in the future. Mr. McLaughlin explained the rates are not sufficient to support future project capital improvements. Catherine Hansford explained that including a portion of rates for future debt service was standard industry practice. Director St. Pierre noted the need for the CSD to be financially stable in the future and be viable for increased development. Mr. McLaughlin again noted the need for rate increases to keep the systems operational. President Curtis noted that previous boards failed to increase rates and suggested moving on to reviewing the three options presented. Director Seney noted that HOA dues are the same even if the resident only uses a small amount of the roads. Mr. McLaughlin also noted that owners of multiple lots may have the option of a lot merger.

President Curtis moved the discussion on to commercial properties and questioned how the backloading of these rates would impact capital improvement projects. Director Bennie explained that he felt the rates would have a significant impact on businesses. Skyler Allingham reminded the board of the ever-increasing state regulations and the need to be prepared for costs associated with them. Director St. Pierre noted that when the Inn was constructed the CSD explained that they had no data to base their rate on and the rate should have been increased earlier.

Mr. McLaughlin noted that he likes the rate structure compromise using the 75% EDU. Director Seney indicated that she felt the original 100% EDU rates were reasonable. Directors Bennie and St. Pierre each noted that they didn't see the 100% EDU structure being feasible.

Ms. Hansford and Mr. McLaughlin commented that the proposed rate structures are the best that can be calculated noting that nothing is perfect, and you can't predict the future.

Director Kogge noted that the difference between options A and B is minimal, Director St. Pierre noted he felt the B option was the correct choice, Vice-President Seney noted that she had made her points and President Curtis that she didn't see much difference between options A and B.

Karen Thompson, participating via-zoom, noted that as owners of both improved and unimproved lots she sees the need for the rate increase.

Ms. Hansford reminded the board of the need to act on the four items listed in the staff report.

President Curtis recessed the meeting to a break at 11:30 am.

The meeting was reconvened at 11:37 am. All members were present.

President Curtis opened the meeting for additional public comment. There was no public comment.

Vice President Seney made a motion to adopt the Option A rate structure. The motion failed due to lack of a second.

President Curtis made a motion to adopt the Option B rate structure, the motion was seconded by Director St. Pierre. Under roll call vote President Curtis, Director St. Pierre and Director Kogge voted in favor. Vice-President Seney and Director Bennie voted against. There was then discussion of the need to approve all financial matters by a 4/5ths vote. Mr. McLaughlin would look for the policy and review.

It was then moved by Vice-President Seney, seconded by President Curtis to adopt the Option A rate structure with commercial properties ramped up over 5 years with weight at the last 2 years. Under roll call vote President Curtis, Vice-President Seney and Director Kogge voted in favor. Director St. Pierre voted against. Director Bennie abstained.

Director St. Pierre noted that he doesn't think option A is fair. Director Bennie indicated that he has concerns with the commercial rates. Director Kogge noted the need to start somewhere. President Curtis noted that commercial properties haven't been paying enough and the CSD has worked with the commercial properties. Mr. McLaughlin noted that the CSD has worked hard to accommodate the development of the resort. Director St. Pierre explained that the commercial property owners don't seem to be worried and he supports option B.

Mr. McLaughlin explained that upon review of the financial policy the rate structure approval does not require a 4/5ths vote, only a simple majority. Therefore, the motion made by President Curtis and seconded by Director St. Pierre for adoption of the Option B rate structure was approved.

It was then moved by Director St. Pierre, seconded by Director Kogge to approve the commercial rates with option 2 shifting years 1 & 2 costs into years 4 & 5. Under roll call voted Director Bennie, Director Kogge, Director St. Pierre and President Curtis voted in favor. Vice-President Seney voted against.

It was then moved by Vice-President Seney, seconded by Director St. Pierre to direct Hansford Consulting to finalize the Rate Study report, approve a public hearing date of June 15, 2022 and to hold the public hearing at the CSD conference room. Under roll call vote all members present voted in favor.

President Curtis thanked Catherine Hansford, Board members and staff for their work on the rate study.

**2. PERFORMANCE REVIEW EASTERN PLUMAS RURAL FIRE DEPT**

President Curtis reviewed her report regarding the performance review of EPRFPD. She noted that the committee does not have a recommendation and will return with more information at the May meeting.

Director St. Pierre noted that he was not happy with EPRFPD dropping out of the LESSG.

**3. LOCAL EMERGENCY SERVICES STUDY GROUP (LESSG)**

President Curtis provided an update on the progress of the LESSG noting that the feasibility study should be final this spring. She explained that the original MOU entered into by the CSD and other agencies had an expiration date and needed to be extended.

**4. RESOLUTION NO. 2021/22-10 EXTENSION OF LESSG MOU**

President Curtis noted that as explained during the previous agenda item a resolution was required to extend the LESSG MOU.

It was moved by Director St. Pierre, seconded by Vice-President Seney to adopt Resolution No. 2021/22-10 extending the term of the MOU and keeping Cary Curtis as the CSD representative. Under roll call vote all members present voted in favor

**5. STANDING COMMITTEE AND AD-HOC COMMITTEE CHARTERS**

President Curtis presented draft Charters for the Executive Committee, Finance Committee, Fire Protection Committee and Firewise Committee for Board consideration. She noted that the charters establish direction, objectives and scope of work for each committee and clarifies how committee meetings are to be organized, communicated and held to ensure compliance with the Brown Act.

After a brief discussion it was moved by Vice-President Seney, seconded by Director St. Pierre to accept and approve the presented charters. Under roll call vote all members present voted in favor.

**6. DISTRICT TRANSPARENCY CHALLENGE**

President Curtis reviewed her report regarding the CSDA Transparency Challenge. She explained that although the committee couldn't complete the requirements by the deadline for submission to the state, they would continue to work through the requirements and submit the package to CSDA. She noted that a timeline for completion would be created.

Vice-President Seney noted that completion of the project will help with grant submittals.

**F    NEW BUSINESS:**

**1.    DISTRICT TRANSITION UPDATE**

General Manager Rich McLaughlin provided the Board with an update on the office transition. He reported that he had secured an agreement with Cline & Associates for bookkeeping and financial services and has hired Leslie Chrysler as a part time Office Administrator. The costs of the two services represent a decrease in the amount formally paid to the full time Office Administrator. He reviewed tasks and duties assigned to each position and outlined other steps intended to enhance the office procedures.

Director St. Pierre excused himself to take a phone call.

After further discussion it was moved by Vice-President Seney, seconded by Director Bennie to authorize the General Manager to execute a contract for services with Cline and Associates for a 6-month period not to exceed \$2750 per month and to authorize Jolene Cline as a signer on the District's Plumas Bank accounts. Under roll call vote all members present voted in favor. Director St. Pierre was absent.

Director St. Pierre rejoined the meeting.

**2.    BOARD SECRETARY APPOINTMENT**

General Manager Rich McLaughlin requested the Board take action to appoint Leslie Chrysler as the Board Secretary.

It was moved by Director Bennie, seconded by Director St. Pierre to appoint Leslie Chrysler as the CSD Board Secretary. Under roll call vote all members present voted in favor.

**3.    BUDGET REPORT & FINANCIALS FOR JANUARY/FEBRUARY 2022**

General Manager Rich McLaughlin reviewed the budget and financials for January & February 2022. He noted that there was nothing significant to report.

After a brief discussion it was moved by Vice-President Seney, seconded by President Curtis to accept the financial as presented. Under roll call vote all members present voted in favor.

**4.    FIRE RESERVE COMMITTEE UPDATE**

Director Bennie reviewed his report regarding the use and dispersal of excess fire tax funds. He explained that the committee had thoroughly reviewed options for use of the funds including

HFT, fire upgrades, fire season activity, QAV upgrade and buildings/structures. The committee is recommending the Board consider purchasing a QAV.

Director Kogge noted that a new QAV was needed.

After a brief discussion it was moved by President Curtis, seconded by Director St. Pierre to authorize the Fire Reserve Committee to bring back low, medium and high options for the purchase of a QAV. Under roll call vote all members present voted in favor.

Director Bennie explained once a new QAV is acquired it will need to be housed somewhere. He suggested a structure for housing it in the summer could be a simple shade structure and that if insurance issues could be addressed, he would be willing to allow for winter storage at his property.

After a brief discussion it was moved by Vice-President Seney, seconded by Director St. Pierre to form an ad-hoc committee consisting of Directors Bennie and Kogge to review storage building options. Under roll call vote all members present voted in favor.

Director St Pierre excused himself from the meeting at 2:20 pm

## **5. ANNUAL MEETING PLANNING**

President Curtis explained that the Board should consider and discuss the CSD's participation at the Nakoma Community Association Annual Meeting scheduled for May 21, 2022. She suggested an Ad-Hoc committee be formed to review the issue and offered to participate in the Committee.

After a brief discussion it was moved by Vice-President Seney, seconded by Director Bennie to form an ad-hoc committee consisting of President Curtis and Director Kogge develop a plan for participation in the Annual meeting. Under roll call vote all members present voted in favor. Director St. Pierre was absent.

## **G REPORTS**

### **1. GENERAL MANAGER/TREASURER'S REPORT**

General Manager Rich McLaughlin provided the Board an update on the recent meeting of the Finance Committee and the audit.

### **2. FIELD MANAGER'S REPORT**

Lead Operator Skyler Allingham reported on the recent main line break and the salinity reporting to the state. He responded to questions relating to the unused main line.

3. **DIRECTOR'S REPORTS**

President Curtis reported that the General Manager performance review was not complete.

Vice-President Seney noted that CSDA has lots of training programs available to staff and board members.

4. **FIRE COORDINATOR REPORT**

Fire Coordinator Bill Robinson reported that there had been no action on the illegal dump site. He also announced that a Fire Academy will be held in Quincy, it consists of 5 Saturdays.

5. **FIREWISE COMMITTEE REPORT**

Director Kogge reported that Firewise is planning to schedule a meeting to introduce new residents to the program and would like to develop questions to see what programs community members are most interested in. Mr. McLaughlin suggested survey monkey could be utilized to engage the community. Director Kogge also reported that the firewise sign was being improved.

**H ADJOURN**

The meeting was adjourned at 2:57pm.

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Cary Curtis, President

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Attest: Leslie Chrysler, Board Secretary