

Surfside Colony Community Services District

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Minutes of the May 24th, 2021 General Meeting of the Board of Directors Surfside Office – B89 - 6:30 p.m.

- Directors Present:** President Paul Mesmer, Secretary Gayle Mueller-Winnen, and Tara Amundson.
- Directors Absent:** Karen Johnson and Rudy Lalonde.
- Staff Present:** Clerk Chris Montana.
- Community:** John Kriss, Linda Garofalo, Henry Viets, and Don Karich of Surfside Colony Storm Water Protection District; K.C. Coultrup and Sandy Kriss (via zoom) of Surfside Colony, Ltd.

President Mesmer called the meeting to order at 6:30 and led all in the pledge of allegiance.

Community Input: - None.

Review and Possible Approval of the April 19th, 2021 General Board Meeting Minutes: After Board members reviewed the April 19th, 2021 General Board Meeting Minutes, Director Amundson moved for approval as corrected, Secretary Mueller-Winnen seconded, and the motion passed unanimously.

Surfside Colony, Ltd. Project Updates: K.C. Coultrup, project manager, reported that actual project costs were coming in close to original estimates for Section 4 of the Street Replacement Project, and that due to the maximized efforts of all those involved, the project has turned out very well from all standpoints.

Current Bills: Clerk Montana presented check #'s 3670-3674 for a total amount of \$176,857.48, consisting of \$41,996.00 for the monthly Security and Maintenance billing, \$133,241.48 for Project Costs, and \$1,620.00 for general administrative expenses. After review and discussion, checks were approved and signed as presented.

Clerk's Report, Fund Balance and Review of Trial Balance: Clerk Montana reported the fund balance as of May 24th, 2021 to be \$805,969, and reviewed the trial balance with the Board.

**Surfside Colony Community Services District
Minutes of the May 24th, 2021
General Meeting of the Board**

Review and Discussion of Surfside Colony, Ltd.'s 2021-22 Proposal for Security and Maintenance Services: Sandy Kriss of Surfside Colony, Ltd. presented the 2021-22 Proposal for Security and Maintenance Services dated May 18, 2021 for review and discussion (see attached), for an annual amount of \$538,851 (\$44,904 monthly), as follows:

Parks and Recreation Expenses, Code 61100(e) - \$149,541
Security Expenses, Code 61100(j) - \$332,094
Street Maintenance Expenses, Code 61100(l) - \$44,016
Office Space Rent - \$13,200

Clerk Montana also presented the Board with a current year vs. prior year comparative cost analysis of each of the proposed costs above (see attached). Possible approval of the above proposed contracted services would be on the June 2021 Agenda.

Review and Discussion of Surfside Colony, Ltd. 2021-22 Capital Projects Proposal: K.C. Coultrup of Surfside Colony, Ltd. presented the 2021-22 Proposal for Projects dated May 19th, 2021 (see attached) in the amount of \$545,787 as follows:

A & B Row Street Section 5 - \$289,442
A & B Row Street Section 6 - \$251,345
C Row Landscaping - \$5,000

K.C. Coultrup stated that the cost of materials has significantly increased and that the Street Replacement Projects were expected to go out to bid in August, with work commencing in September of 2021.

In addition, Sandy Kriss, on behalf of Surfside Colony, Ltd., presented a reserve study and requested that the District place \$658,152 in reserves for future projects.

Review and Discussion of 1st Draft of 2021-22 Operating Budget and Reserves: Clerk Montana distributed the 1st Draft of the 2021-22 Preliminary Operating Budget and Reserves in the amount of \$1,142,088 for Board review and discussion, which incorporated the above requests, and agreed to present a 2nd draft for review and possible approval at the June 2021 meeting. Clerk Montana also presented and reviewed with the Board, and K.C. Coultrup and Sandy Kriss

Surfside Colony Community Services District
Minutes of the May 24th, 2021
General Meeting of the Board

of Surfside Colony Ltd., a 5-Year Budget Projection/Cash Flow Forecast for the purposes of identifying future project funding available and reserve balances. Based on current projections, the estimated Project Repairs/Improvements Reserve would be \$586,000 at the end of fiscal year 2025-26.

Establishment of 2021-22 User Fees for Publication: Clerk Montana distributed the draft Notice of Filing Report to establish user fees to be paid by District property owners and collected on the tax roll. After review and discussion, a motion was made and carried to establish the Annual User Fee as follows:

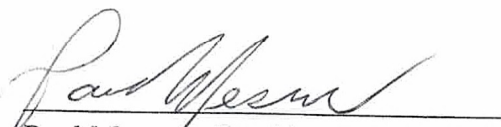
MOTION: President Mesmer moved to establish and publish the 2021-22 Annual User Fee (Security and Street Maintenance Assessment) as \$160 for developed lots and \$80 for undeveloped lots. No increase from prior years was to be made. In addition, the public hearing date was set for July 28, 2021 and the District Clerk was instructed to publish a Notice of User Fees in the local newspaper. Director Amundson seconded and motion passed unanimously.

Discussion and Possible Authorization and Reimbursement of President to Attend CSDA Annual Conference: President Mesmer requested Board approval for registration and travel expenses related to the attendance of the upcoming California Special District Association's annual conference. After discussion, a motion was made and carried as follows:

MOTION: Secretary Mueller-Winnen moved to approve the registration and travel costs associated with President Mesmer attending the CSDA Annual Conference in an amount not to exceed \$2,000. Director Amundson seconded and the motion passed unanimously.

Board Member Items and New Business: None.

Adjournment: There being no further business to be brought before the Board, Director Amundson moved to adjourn the meeting at 7:35 p.m. and to schedule the next Board meeting for June 28th. Secretary Mueller-Winnen seconded and the meeting was unanimously adjourned.


Paul Mesmer, President


Gayle Mueller-Winnen, Secretary