

Sierra Park Community Service District (SPCSD)

Q&A's and Comments from 10/20/2012 Town Hall Meeting

Written Answers are posted on the website and will be available at the Town Hall Meeting on 12/8/2012.

1. What are the disadvantages of a CSD formation? Only advantages have been discussed.

This answer needs to be couched in the context of, 'as compared to what?' The Committee believes a CSD will have the advantage allowing continuity of managing and operating Sierra Park more or less as it has been.

However, a CSD will require a General Manager (GM) and this added cost could be considered a disadvantage. At the same time, a GM would offer the advantage of providing a single, long-term point of contact for outside vendors and contractors, thus minimizing chances for confusion, which may alleviate past problems such as those with Sierra Nevada Communications.

2. Is "Enterprise" or "Nonenterprise" funding proposed?

The park will continue to operate as it has in the past using revenues collected annually based on annual budget costs allocated across the total number of lots in Sierra Park.

In the event of an unanticipated need for a capital expenditure beyond that planned for, other funding mechanisms for this expense will be considered.

3. My understanding is 67% or 2/3 of "registered voters" must sign the petition for formation not 25%...Please clarify.

The petition, which simply notified LAFCO of the desire of SP to explore forming a CSD, only required the signatures of 25% of the voters registered in Tuolumne County residing within the geographical boundaries of what would be the CSD. This threshold requirement was exceeded.

4. Was the LAFCO application prepared in accordance with the Cortese-Hertzberg-Knox Reorganization Act?

OFSRA believes it was – and with all other statutes as required. If LAFCO ascertains there are any deficiencies in the Application, they will advise the OFSRA.

5. Will there be public input on Charter?

The 'public' (SP property owners) will be most welcomed, indeed encouraged, to provide input to the Charter as it is developed. ADDITIONALLY, all property owners are strongly urged to take an active part in helping to manage how their Park works. More details on how to do this will be forthcoming.

6. Will the GMs roles, responsibilities, goals, objectives, and level of authority be defined in writing by the BOD?

Absolutely. The General Manager will be hired by the elected Board of Directors (BOD) and serve at their pleasure. The GM will have an annual performance review that will include solicitation of input from property owners.

7. Charter: One vote per land owner/member –
Not per lot
One vote per member

The intent of the SPCSD is to be landowner-voter based. This structure provides for **one vote per property** within the CSD jurisdiction. Thus properties with multiple owners can cast only one vote; it will be up to the property owners to determine how to determine the choice of the majority.

8. ATVs, scooters, golf carts should be able to use our private roads as long as they obey speed limits.

This is a great question to highlight how the CSD could work. If there is sufficient interest of the property owners to allow this and the elected BOD approves, then this could be possible. It will be up to the BOD, as elected by the property owners, to address issues such as this as they are raised.

9. How is the general manager picked? What are the qualifications for GMs?

We expect the elected CSD BOD will solicit resumes based on posted qualifications for the position. The qualifications for the GM are being drafted by the Ad Hoc Committee for tentative consideration by the elected BOD.

10. I have had confidence on previous board, current board and Ad Hoc Committee. I will continue to be a responsive and cooperative landowner. Having opportunity to continue to have input to board. I will not be able to attend board meetings even though I continue to have full interest.

Thank your for your 'vote' of confidence. It will be most important for all Park owners to stay abreast of developments and provide input as they care to and can. Open and unbiased communication between the SPCSD board and those who elect them will be a major goal for Park operation. We understand that not all owners will be able to make meetings, but that doesn't mean you can't have a say or that your voice won't be heard. You can communicate your input through email or snail mail and it will be read at the public meeting and discussed appropriately.

11. Who are the consultants and how a re they hired?

The OFSRA hired Golden State Surveying of Sonora (Bob Ozbirn, President) to prepare documentation (the Application) for LAFCO submittal concerning the formation of a SPCDS. As noted in earlier notes from the Ad Hoc, several of its members met with Bob

and representatives from LAFCO. Additionally, the RA's own legal counsel and accounting firms have participated in document review.

12. If landowner vote is approved, is the NOI (Notice of Intent) and other notice reaching "everyone" through the Daily Union Democrat?

We don't know the exact mechanism LAFCO and/or the county would or must use for notifying every one in the park about moving forward (or not) with the next steps in CSD formation. However, the Ad Hoc Committee (and we believe, the RA) will make sure every one is aware of what is taking place and what the next steps are for land owners to be aware of.

13. Why were petitions signed by "registered voters" but formation ___ available for "landowner" vote?

The law required that the petition be signed by at least 25% of voters registered in the county residing within the proposed boundary of the CSD. The submitted application to LAFCO stated that, once formed, the CSD's governance would be by landowner-voting. We believe it is within their jurisdiction to approve this request.

14. Will LAFCO be able to estimate costs for everything?

Once the SPCSD is approved through the LAFCO process and ultimately approved by landowner vote, LAFCO will recede into the background. The Park will operate pretty much as it has with an annual budget generated by the GM and BOD **to be approved by the voters.**

15. Will the assessment be raised expense-wise?

The annual assessment will be determined as noted in the question above – total anticipated annual operational costs divided by the number of properties in the CSD. The assessments will continue to be voted on by the property owners (one vote per lot). If the SPCSD recommends an increase in assessments and the voters do not vote for the increases the BOD will have to cut Park expenses that will be likely to reduce services within the park.

16. I want it to run the way it was.

Unfortunately for all this is not possible. Given that, we are looking for what would be the next best acceptable alternative. The CSD appears to be that option.

17. Will the OFSRA still be active?

Yes. They will still own property around and in the Park (caretaker cabin, Cedarbrook, and the back country) and function independently of the CSD. As property owners, OFSRA members are also welcome to run for positions on the CSD BOD and offer input on Park administration and budgeting. Please consult with them for more details as you

wish. Further, one activity that a CSD may not undertake is "recreation." Thus we landowners on our own and hopefully in concert with the RA and Rebekahs will need to plan that type of activity with CSD assuring that implementation is within the rules and regulations of the District.

18. At what stage will property upkeep requirements be implemented?

This will be up to the elected BOD of SPCSD to address. It would be anticipated that they would solicit input from all property owners on guidelines (also see answer to question 5) for this and how to implement/enforce them.

19. CPUC complaint resolution?

This is 'on hold' at the CPUC for now; we believe formation of a CSD would resolve the complaint.

20. What assets are transferred?

These are listed in the Application submitted to LAFCO, posted on our website and OFSRA's.

21. Sufficient revenues? How much do we have?

There are sufficient revenues on hand to run the Park. A detailed accounting of revenue and expenses was just provided in the RA October 2012 Newsletter. There is, however, a deficiency in the water and road reserve accounts. The RA, and ultimately the CSD, will look to increase the funds in these accounts as a hedge against emergencies. •

22. What % of landowners to approve CSD?

According to the legal statutes, assuming landowner-voting for the SPCSD is approved, it would require a majority vote to approve CSD formation.

23. Prevailing wage?

Typically the issue of prevailing wage relates to solicitation of bids and compensation therein of pay for workers. If and as required by law, the SPCSD will comply with all CA statutes in this regard.

24. General manger's pay - how much?

This is to be determined. It will be a function of how many hours per month the position entails, though it is not anticipated to be a full-time position. The elected BOD will make decisions on job description, hiring and salary.

The SPCSD BOD will also assist in providing information to the GM to assist him/her in managing the functions of a park much like the RA has done previously. Assistance

provided to the GM will reduce the amount of hours the GM will have to work and keep the costs of running the park and ultimately the assessments down.

25. What is the Brown Act?

The Brown Act is California law governing disclosure and conduct of public business and meetings, and would apply to the SPCSD. In short, all CSD business must be open and transparent. There are limited exceptions for personnel matters and contract negotiation and bidding, but these are well defined within the law.

26. Did Ad Hoc Committee check into Groveland CSD? If not, why not? They are a financial disaster.

We have used the more successful Twain Harte CSD as our model for CSD formation. To the extent the experiences of other CSDs, positive or negative, are good lessons for SPCSD we certainly will learn from them.

27. Do we know if the PUC will withhold action until the CSD is up and running before deciding on the petition submitted to them?

We can't know for sure what the CPUC will ultimately do with regard to the complaints filed. We do know as of today (11/23) they have put a hold on any action.

28. Can you explain the schedule again? Is it 90 days for LAFCO approval and then 120 days for charter, etc?

Stand by on this. Now that the Application has been filed with LAFCO we will be able to get a better sense from them on time frames for what additional information they may need and how they will build the schedule for ongoing actions. We hope to have more detailed information on this at the 12/8 Town Hall meeting [lodge at 9:00 AM].

29. Will water and road problems cause our assessments to rise?

Just as in the past, any costs associated with repairs to the water system, roads, or other items in the Park will have to be planned and budgeted for. Refer also to the discussion of reserve accounts above. The CSD allows us to make our own decisions about how to facilitate those repairs.

30. Removal of dead and diseased trees from private property?

See response to question 18.

31. What about unkempt properties with junk and debris all over?

See response to question 18.