

MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
SANTA LUCIA COMMUNITY SERVICES DISTRICT
July 28, 2020

The regular meeting of the Board of Directors of the SANTA LUCIA COMMUNITY SERVICES DISTRICT was held at 9:00 A.M. on Tuesday, July 28, 2020. Pursuant to Executive Order N-25-20, by the State of California, this meeting was held via video conferencing.

Call to Order. The meeting was called to order at 9:01 A.M. by Board President Mark BOITANO.

Roll Call. The following Directors were present: Mark BOITANO, Carl EKLUND, Melissa THORME, Allen FINLEY, and Barbara SANTRY. Also present were Scot SMYTHE, Advisory Member; Forrest ARTHUR, District General Manager; Aimee DAHLE, District Executive Assistant; Mike SAEIDI, District Finance Officer; David SIMPSON, Director of Property Operations; Leif UTEGAARD, Water Systems Manager; Aaron DULA, Assistant Water Systems Manager, Rich SPECIALE, Director of Security, Derrick SATCHELL, Gatehouse Manager; and Rob WELLINGTON, District Legal Counsel.

Public Comment. None.

Approval of Minutes. Meeting minutes for April 28, 2020, were presented and discussed. With no corrections, a motion was made by Director FINLEY and seconded by Director SANTRY. After a roll call and by unanimous vote, the Board Meeting Minutes were approved as presented.

General Manager's Report.

Security Report. Mr. SPECIALE updated the Board on the Security Report stating that there has been a significant increase in people residing on Preserve property due to COVID, however, emergency calls were similar or less than prior experience. Mr. SPECIALE also informed the Board that he will continue with his position on the Monterey County Regional Fire District Board for another term. Discussion was had surrounding the progress on the design of the paramedic housing project.

Gatehouse Report. Mr. SATCHELL gave an update on the Gatehouse operations stating that unexpected delays occurred during the pedestal upgrade project, however, the upgrades were expected to be completed by August.

Operations Report. Mr. SIMPSON updated the Board on final road repair and slurry figures as well as stating the Operations team provided fuel management on 165 lots as well as 449 miles of roadways to date. Mr. SIMPSON also stated that daily herbicide

spraying along the roadways has been successful and will be continued in order to control and prevent the spread of invasive weeds.

Water Report. Mr. UTEGAARD updated the Board to the status of the various capital projects including the painting of the Penon Tank, SCADA radio upgrade, Solar and the new wells in the Potrero.

Mr. BOITANO thanked the Management team for their continued efforts throughout the year.

Financial Report. Mr. ARTHUR introduced Mr. SAEIDI as the new Chief Financial Officer before leading into the Executive Summary. Mr. ARTHUR informed the Board that staff has finished on budget for revenues and was able to save \$44,000 annually in expenses. Mr. ARTHUR next presented the Budget for 2020-2021 and stated that the revenues included an increase of 4.3%, with the expenses increasing by 3.3%. Further detailed discussion on the Admin Reimbursement and Inclusionary Housing legal expenses ensued. Mr. ARTHUR also noted that the proposed budget fell in line with the current five-year plan. Work will commence on the five-year plan FY 2021-26, presented in draft at the January meeting with the need for a May 2021 vote. After further discussion, Mr. ARTHUR informed the Board that the modest increase in operating expenses would be diligently monitored and whenever possible offset in other areas in the coming year. After further discussion, a motion was made to approve Resolution 20-04, "A Resolution Adopting a final Budget for Fiscal Year 2020-2021" by Director SANTRY and seconded by Director THORME. With no further discussion, the Resolution passed unanimously.

Business Matters. Mr. ARTHUR informed the Board of the current COVID monitoring, stating that there was exposure and positive cases reported following the Fourth of July activities. Mr. ARTHUR also updated the Board to the staff protocols during the duration of the pandemic. Mr. ARTHUR also noted that lot and home sales have accelerated past estimates in large part due to the pandemic.

Director EKLUND updated the Board on the Preserve Board meeting, stating that there were multiple meetings planned for future dates, and even with the COVID restrictions, they will proceed as planned.

Board Action. Mr. ARTHUR presented the Board with Resolution 20-05 was presented before the Board to approve the tax levy for Fiscal Year 2020-2021. A motion was made by Director FINLEY and seconded by Director EKLUND, followed by a roll call vote with the Resolution passing unanimously.

Resolution 20-06 was presented before the Board to adopt the appropriations limit for Fiscal Year 2020-2021. A motion was made by Director FINLEY and seconded by Director EKLUND, followed by a roll call vote with the Resolution passing unanimously.

Next, Resolution 20-07 was presented before the Board to call for an election of the three Board positions set to expire in December. A motion was made by Director EKLUND and seconded by Director FINLEY, followed by a roll call vote with the Resolution passing unanimously.

Next, Mr. ARTHUR presented the Board with Resolution 20-08 to allow the General Manager to enter into an Easement Agreement with the owners of 3 San Clemente Trail. Mr. ARTHUR informed the Board that there is currently an access point to an existing well across the owner's property and the easement agreement would share costs in maintaining the access road which coincides with the owners driveway. It as also noted that the Preserve Golf Club would also be part of the agreement as there is Golf use as well. After a brief discussion, a motion was made by Director SANTRY and seconded by Director EKLUND. With the roll call vote, Director THORME abstained, with all other Directors approving. The Resolution passed.

Additional Items. None.

Citizen's Advisory Committee Comments. Mr. SMYTHE complimented staff on continued communications regarding the COVID response.

Adjournment. With no further business being brought before the Board, upon motion and second (THORME/SANTRY), the meeting was adjourned at 10:38 a.m.