

Spreckels Community Services District

REGULAR MEETING OF THE BOARD OF DIRECTORS

March 15, 2017

6:30 pm

Spreckels Veterans Memorial Building, 5th & Llano, Spreckels, CA 93962

AGENDA

Agenda order may be adjusted by Chair for purposes of meeting flow and to be respectful of the time concerns of guests present.

*If you will be attending a meeting and would like to request translation into a language other than English, including sign language interpretation, please notify the office at (831) 455-7855 or by email to <SpreckelsCSD@gmail.com> **at least 48 hours prior to the time of the meeting.** In compliance with the Americans with Disabilities Act, for those requiring special assistance to access the Board meeting room, to access written documents being discussed at the Board meeting, or to otherwise participate at Board meetings, please contact the Business Manager's Office at (831) 455-7855 for assistance. Notification of at least 48 hours before the meeting will enable the Spreckels Community Services District to make reasonable arrangements to ensure accessibility to the Board meeting and to provide any required accommodations, auxiliary aids or services. Documents provided to a majority of the Board of Directors regarding an open session item on this agenda will be made available for public inspection in the Business Manager's Office located at the Spreckels Veterans Memorial Building, 5th & Llano, Spreckels, CA 93962 during normal business hours.*

1. Opening Business

1.1 Call to Order

1.2 Roll Call & Establishment of Quorum

Ron Eastwood, President

James Riley, Vice President

Scott Henningsen, Director

Otto Kramm, Director

Cathy McDougall, Director

Paul Ingram, Business Manager & Clerk to the Board

1.3 Pledge of Allegiance

1.4 Adoption of Agenda

Changes, additions and approval of the Agenda as presented. 2/3 vote required if any item is added to the Agenda.

1.4.1 Changes to the Agenda

1.4.2 Additions to the Agenda

1.4.3 Adoption of the Agenda

RECOMMENDATION/ACTION: Paul Ingram, Business Manager

“That the Board of Directors of the Spreckels Community Services District adopts the agenda as presented.”

2. Communications

2.1 Correspondence

2.2 Oral Comments from the Public

(At this time any person may comment on any item not on the agenda. Please state your name and address for the record. Action will not be taken on any item that is not on the agenda. If it requires action, it will be referred to staff and/or placed on the next agenda. Board members may briefly respond to statements made or questions posed as permitted by Government Code Section 54954.2. In order that all interested parties have an opportunity to speak, please limit comments to a maximum of five (5) minutes. Any member of the public may comment on any matter listed on this agenda at the time the matter is being considered by the Board of Directors.)

3. Adjourn to Closed Session

3.1 Board conference regarding potential litigation.

4. Return to Open Session

4.1 Report from Closed Session.

5. Consent Agenda

(Action Items included on the Consent Agenda are considered to be routine and are acted on by the Board of Directors in one motion. There is not discussion of these items before the Board vote unless a member of the Board, staff, or public requests specific items be discussed and/or removed from the Consent Agenda. It is understood that the Administration recommends approval on all Consent items. Each item on the Consent Agenda approved by the Board of Directors shall be deemed to have been considered in full and adopted as recommended.)

RECOMMENDATION/ACTION: At the Pleasure of the Board

“That the Board of Directors approves the Consent Agenda as presented.”

5.1 Approval of the Minutes of the Regular Meeting of the Board of Directors February 15, 2017

6. Business Manager’s Report: Monthly Financials

7. Unfinished Business Action Items

- 7.1 Approve Estimate from SCI Consulting, Inc. to refund ½ year of fire services fee assessed to parcel holders for FY 2016.
- 7.2 Zone 2 Landscape Maintenance Contract.

8. New Business Action Items

8.3 Review of Accounts Payable:

a. Paul J. Ingram	Management Services	\$ 795.27
b. Salinas Valley Landscaping	Monthly Service	\$ 1,275.00
c. Spreckels Memorial Dist.	AT&T	\$ 46.82
d. Spreckels Water Company		\$ 217.10
e. PG&E	Streetlights	\$ 500.00
f. Central Electric	Sump Pumps	\$ 3,273.72
g. McGilloway, Ray, Brown & Kaufman	Audit FY's 2007, 2008	<u>\$ 1,600.00</u>
	TOTAL	\$ 7,707.91

RECOMMENDATION/ACTION: Paul Ingram, Business Manager

“That the Board of Directors of the Spreckels Community Services District approves the Accounts Payable for the period of February 2016.”

9. Unfinished Business Non Action Items

- 9.1 Letter to parcel holders re: fire services assessment refund.
- 9.2 Letter to constituents re: general district information.

10. New Business Non Action Items

11. Comments by Members of the Board

11.1 Board Members:

- a. Mitigation Fees
- b. Standard Pacific Homes Subdivision
- c. Zoning
- d. Historical
- e. Community Service
- f. Street Lights
- g. Drainage
- h. Grading

- i. Legal Counsel
- j. Alleys
- k. Trees: Requests for Tree Service
- l. Landscaping
- m. Sidewalk Repairs
- n. Wheel Chair/Access Ramps
- o. Quarterly Services
- p. Trench Work

12. Reports from Standing and Ad Hoc Committees

13. Community Member Recognition

14. Consideration of Items for Future Meetings

14.1 Proposed Future Agenda Items

18. Next Meeting Dates:

April 19, 2017-6:30 PM

Agenda Items due April 13, 2017

May 17, 2017-6:30 PM

Agenda Items due May 11, 2017

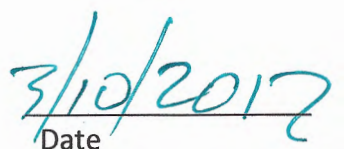
19. Adjournment

Certification

I, Paul J. Ingram, Business Manager/Board Clerk for Spreckels Community Services District, do hereby declare that the foregoing agenda was posted at least (72) hours prior to the March 15, 2017 Regular Meeting of the District Board of Directors scheduled for 6:30 pm at Spreckels Veterans Memorial Building, 5th and Llano Streets Spreckels, CA 93962.



Paul J. Ingram, Business Manager/Board Clerk



Date

Spreckels Community Services District
 MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
February 15, 2017
6:30 pm
 Spreckels Veterans Memorial Building, 5th & Llano, Spreckels, CA 93962

1. Opening Business

1.1 Call to Order

The meeting was called to order by President Eastwood at 6:31 pm.

1.2 Roll Call & Establishment of Quorum

Ron Eastwood, President
 James Riley, Vice President
 Scott Henningsen, Director
 Otto Kramm, Director
 Cathy McDougall, Director
 Paul Ingram, Business Manager & Clerk to the Board
 Michael Whilden, District Counsel

Present: Eastwood, Riley, Kramm, Henningsen, McDougall
Absent: None **QUORUM ESTABLISHED**

1.3 Pledge of Allegiance

1.4 Adoption of Agenda

Changes, additions and approval of the Agenda as presented. 2/3 vote required if any item is added to the Agenda.

- 1.4.1 Changes to the Agenda
- 1.4.2 Additions to the Agenda
- 1.4.3 Adoption of the Agenda

RECOMMENDATION/ACTION: Paul Ingram, Business Manager

"That the Board of Directors of the Spreckels Community Services District adopts the agenda as presented."

Motion to approve [Riley] 2nd [Kramm]
Ayes: Eastwood, Riley, Kramm, Henningsen, McDougall
Noes: None **MOTION CARRIED**

2. Communications

2.1 Correspondence

2.2 Oral Comments from the Public

3. Adjourn to Closed Session

3.1 Confer with legal counsel regarding threat of litigation.

4. Return to Open Session

4.1 Report from Closed Session.

No reportable action.

4.2 Consider approval of Settlement Agreement and Mutual Release between Monterey County Regional Fire District, Spreckels Volunteer Fire Company and Spreckels Community Services District regarding resolution of issues arising from the transfer of fire protection services to the Regional Fire District.

Motion to approve [Henningsen] 2nd [Riley]

Ayes: Eastwood, Riley, Kramm, Henningsen, McDougall

Noes: None

MOTION CARRIED

5. Consent Agenda

RECOMMENDATION/ACTION At the Pleasure of the Board

“That the Board of Directors approves the Consent Agenda as presented.”

5.1 Approval of the Minutes of the Regular Meeting of the Board of Directors January 18, 2017

Motion to approve [Riley] 2nd [McDougall]

Ayes: Eastwood, Riley, Kramm, Henningsen, McDougall

Noes: None

MOTION CARRIED

6. Business Manager's Report: Monthly Financials

Fund balances and Budget vs. Actual YTD reports were presented.

7. Unfinished Business Action Items

7.1 Review and possible termination of Landscape Maintenance Contract with Salinas Valley Landscaping, Inc.

Motion to terminate effective March 31, 2017 [McDougall] 2nd [Kramm]

Ayes: Eastwood, Riley, Kramm, Henningsen, McDougall

Noes: None

MOTION CARRIED

Business Manager Ingram will send letter notifying SVL by certified mail, return receipt requested.

8. New Business Action Items

8.3 Review of Accounts Payable:

a. Paul J. Ingram	Management Services	\$ 787.98
b. Salinas Valley Landscaping	Monthly Service	\$ 1,275.00
c. Spreckels Memorial Dist.	AT&T	\$ 46.82
d. Spreckels Water Company	Water	\$ 218.28
e. PG&E	Streetlights	\$ 466.37
f. Roy Alsop Pump & Drilling	Sump Pumps	\$ 533.04
g. Greg Messerli Electric	Streetlights Zone 2	\$ 370.43
	TOTAL	\$ 3,697.92

RECOMMENDATION/ACTION: Paul Ingram, Business Manager

“That the Board of Directors of the Spreckels Community Services District approves the Accounts Payable for the period of January 2016.”

Motion to approve [McDougall] 2nd [Kramm]

Ayes: Eastwood, Riley, Kramm, Henningsen, McDougall

Noes: None

MOTION CARRIED

9. Unfinished Business Non Action Items

10. New Business Non Action Items

10.1 Consideration of Prop 218 Assessment Process. Guest: Karolyn Stone, President. Carmel Valley Recreation and Park District.

Ms. Stone presented her findings regarding Prop 218 assessments and other vehicles for increasing funding for special districts. CVRPD will most likely put forward a 218 assessment effort in August of 2017 so as to have the funding collected with the December 2017 tax rolls. The board gained valuable information as to what vehicle is best for Spreckels. Other options are a parcel tax that would appear on the General Election ballot and a special tax.

- 10.2 Consideration of Landscape Maintenance Contract from Clarke's Extreme Turf and Water.

Director Henningsen will work with Clarke to further refine the proposed contract with the hope of having it ready to approve at the March 15th regular meeting.

11. Comments by Members of the Board

11.1 Board Members:

- a. Mitigation Fees
- b. Standard Pacific Homes Subdivision
- c. Zoning
- d. Historical
- e. Community Service
- f. Street Lights
- g. Drainage
- h. Grading
- i. Legal Counsel
- j. Alleys
- k. Trees: Requests for Tree Service
- l. Landscaping
- m. Sidewalk Repairs
- n. Wheel Chair/Access Ramps
- o. Quarterly Services
- p. Trench Work

12. Reports from Standing and Ad Hoc Committees

13. Community Member Recognition

14. Consideration of Items for Future Meetings

14.1 Proposed Future Agenda Items

Approval of McDougall's letter to parcel holders

Approval of new Landscape Contract

Date for Board Retreat

18. Next Meeting Dates:

March 15, 2017-6:30 PM

April 19, 2017-6:30 PM

Agenda Items due March 9, 2017

Agenda Items due April 13, 2017

19. **Adjournment**

The meeting was adjourned at 7:50 pm.

Respectfully submitted,

Approval date _____

Paul J. Ingram, Business Manager

DRAFT

**SPRECKELS COMMUNITY SERVICES
DISTRICT FUND BALANCE AS OF 3/15/2017
AFTER TODAY'S ACCOUNTS PAYABLE**

COUNTY FUND 634

\$147,677.94

3:29 PM

03/15/17

Cash Basis

**Spreckels Community Services District
Profit & Loss Budget vs. Actual**

July 1, 2016 through March 15, 2017

	Jul 1, '16 - Mar 15, 17	Budget	\$ Over Budget	% of Budget
Income				
4000.00 · Tax Income				
4002.25 · Standard Pacific-Reimbursed Z2	0.00	0.00	0.00	0.0%
4000.00 · Tax Income - Other	0.00	0.00	0.00	0.0%
Total 4000.00 · Tax Income	0.00	0.00	0.00	0.0%
4005.00 · County Revenue				
Non Assessment Revenue	18,742.47	27,066.89	-8,324.42	69.2%
5415.00 · Special Assessments				
5415.20 · Zone 1 Old Town 11.09%	2,438.88	4,201.10	-1,762.22	58.1%
5415.25 · Zone 2 New Town 88.91%	19,552.74	33,683.32	-14,130.58	58.0%
5797.15 · Fire Protection-Other User Fees	0.00	0.00	0.00	0.0%
5798.30 · Non Specified Assessment	0.00	0.00	0.00	0.0%
5415.00 · Special Assessments - Other	0.00	0.00	0.00	0.0%
Total 5415.00 · Special Assessments	21,991.62	37,884.42	-15,892.80	58.0%
4005.00 · County Revenue - Other	0.00	0.00	0.00	0.0%
Total 4005.00 · County Revenue	40,734.09	64,951.31	-24,217.22	62.7%
Total Income	40,734.09	64,951.31	-24,217.22	62.7%
Expense				
6410.05 · Reimbursed Expense	59.99	0.00	59.99	100.0%
Property Taxes	194.40	0.00	194.40	100.0%
6004.05 · AB 15 Transfer	0.00	0.00	0.00	0.0%
6005.05 · Accounting Services	0.00	0.00	0.00	0.0%
6010.05 · Administrative Fees	143.00	500.00	-357.00	28.6%
6015.05 · Audit Expense	23,244.00	35,500.00	-12,256.00	65.5%
6018.05 · Building Supplies	0.00	0.00	0.00	0.0%
6020.05 · Bank Fees	0.00	100.00	-100.00	0.0%
6025.05 · Board/Staff Education	87.50	801.88	-714.38	10.9%
6030.05 · Equipment Maintenance				
6030.25 · Equipment Maintenance Zone2 33%	1,865.75	0.00	1,865.75	100.0%
6030.20 · Equipment Maintenance Zone1 67%	3,788.03	0.00	3,788.03	100.0%
6030.05 · Equipment Maintenance - Other	284.33	4,500.00	-4,215.67	6.3%
Total 6030.05 · Equipment Maintenance	5,938.11	4,500.00	1,438.11	132.0%
6031.05 · Equipment Repairs	0.00	1,500.00	-1,500.00	0.0%
6035.00 · Fire Protection				
6035.10 · Prop 172 Disbursement	0.00	62,857.42	-62,857.42	0.0%
6035.15 · SVFC Contract	0.00	13,629.70	-13,629.70	0.0%
6035.00 · Fire Protection - Other	0.00	0.00	0.00	0.0%
Total 6035.00 · Fire Protection	0.00	76,487.12	-76,487.12	0.0%
6035.05 · Election Costs	0.00	0.00	0.00	0.0%
6050.05 · Fund 634 Administrative Fees	0.00	0.00	0.00	0.0%
6060.05 · Garbage Collection	0.00	0.00	0.00	0.0%
6065.05 · General Liability/Property Ins.	0.00	2,000.00	-2,000.00	0.0%
6070.05 · Hardware	0.00	0.00	0.00	0.0%
6075.05 · Legal Services	3,131.06	5,000.00	-1,868.94	62.6%
6077.05 · Mitigation Funds	0.00	0.00	0.00	0.0%
6078.25 · Landscape Maintenance Contract	11,475.00	15,300.00	-3,825.00	75.0%
6079.05 · Management Services	4,500.00	9,000.00	-4,500.00	50.0%
6080.05 · Membership Fees/Dues	556.00	500.00	56.00	111.2%
6085.05 · Office Supplies	95.10	0.00	95.10	100.0%
6090.05 · Payroll Expenses	0.00	0.00	0.00	0.0%
6091.05 · Professional Services	0.00	0.00	0.00	0.0%
6095.05 · PO Box Rental	0.00	86.00	-86.00	0.0%
6096.05 · Sidewalks/Alleys Repair	4,550.00	0.00	4,550.00	100.0%
6096.20 · Sidewalk/Alley Repairs-Zone1	0.00	0.00	0.00	0.0%
6096.25 · Sidewalk/alley repairs-Zone2	0.00	0.00	0.00	0.0%
6100.05 · Postage	6.59	0.00	6.59	100.0%
6105.00 · Power				
6105.20 · Power Zone 1	1,607.07	0.00	1,607.07	100.0%
6105.25 · Power Zone 2	1,930.60	0.00	1,930.60	100.0%
6105.00 · Power - Other	993.67	6,000.00	-5,006.33	16.6%
Total 6105.00 · Power	4,531.34	6,000.00	-1,468.66	75.5%
6150.05 · Telephone/Internet	421.79	600.00	-178.21	70.3%
6160.00 · Tree Maintenance				
6160.20 · Tree Maintenance Zone 1	0.00	0.00	0.00	0.0%
6160.25 · Tree Maintenance Zone 2	0.00	0.00	0.00	0.0%
6160.00 · Tree Maintenance - Other	0.00	5,000.00	-5,000.00	0.0%
Total 6160.00 · Tree Maintenance	0.00	5,000.00	-5,000.00	0.0%
6200.05 · Worker's Compensation Insurance	0.00	0.00	0.00	0.0%
6250.05 · Website Services	0.00	300.00	-300.00	0.0%
6300.00 · Water				
6300.20 · Water Zone 1	550.88	0.00	550.88	100.0%
6300.25 · Water Zone 2	918.86	0.00	918.86	100.0%
6300.00 · Water - Other	1,086.98	3,500.00	-2,413.02	31.1%
Total 6300.00 · Water	2,556.72	3,500.00	-943.28	73.0%
6300.05 · Special Projects Hourly	1,245.00	0.00	1,245.00	100.0%
6310.05 · Special Projects Hourly 1/2	45.00	0.00	45.00	100.0%
6400.25 · Street Light Repairs Zone 2	370.43	500.00	-129.57	74.1%
7000.05 · Depreciation Expense	0.00	0.00	0.00	0.0%

3:29 PM

03/15/17

Cash Basis

**Spreckels Community Services District
Profit & Loss Budget vs. Actual**

July 1, 2016 through March 15, 2017

	Jul 1, '16 - Mar 15, 17	Budget	\$ Over Budget	% of Budget
8000.05 · Capital Improvements				
8005.05 · Sidewalks/Curbs/ADA	0.00	0.00	0.00	0.0%
8010.05 · Landscape Improvements	0.00	0.00	0.00	0.0%
8015.05 · Trees	0.00	0.00	0.00	0.0%
8000.05 · Capital Improvements - Other	0.00	500.00	-500.00	0.0%
Total 8000.05 · Capital Improvements	0.00	500.00	-500.00	0.0%
9091.05 · Parcel Management	4,786.20	8,325.00	-3,538.80	57.5%
9990.05 · Reconciliation Discrepancies	0.00	0.00	0.00	0.0%
Total Expense	67,937.23	176,000.00	-108,062.77	38.6%
Net Income	-27,203.14	-111,048.69	83,845.55	24.5%

Spreckels Community Services District

From: Spreckels Community Services District <spreckelscsd.main@gmail.com>
Sent: Friday, May 20, 2016 11:41 AM
To: 'Cathy McDougall'; Jim Riley; Otto Kramm; Ron Eastwood; Scott Henningsen
Cc: Whilden, Michael; Leslie Girard
Subject: FW: Spreckels CSD Fire refund project

SCSD BOD,

This email will confirm the status of the fire services assessment refund due to "Old Town" parcels for the second half of FY 2016.

Paul J. Ingram

Business Manager/Board Clerk
 Spreckels Community Services District
 P.O. 7432
 Spreckels, CA 93962
 [831] 455-7855
 spreckelscsd.main@gmail.com

From: Chris Coulter [mailto:Chris.Coulter@sci-cg.com]
Sent: Wednesday, May 18, 2016 4:19 PM
To: Spreckels Community Services District <spreckelscsd.main@gmail.com>
Cc: Angela Pagtalonia <angela.pagtalonia@sci-cg.com>; Valerie Flores <valerie.flores@sci-cg.com>
Subject: Spreckels CSD Fire refund project

Hi Paul,

Per our recent phone call, SCI would like to offer services to the District for the discussed fire refund. SCI's rate for this work is \$10 per refund issued. As it stands now, there are 196 properties that would be owed a refund, so the current estimated total price would be \$1,960. SCI's processing of Spreckels CSD fire refunds would include the following tasks:

- Match FY 15/16 property owners with current mailing addresses
- Research property sales within the period 7/1/2016 – 12/31/16 time period and issue pro-rated refunds accordingly
- Research sold properties to find new owners and verify eligibility and need to receive refund
- Issue, print, and mail refund checks to property owners

This project would be billed via invoice at a rate of **\$10 per property/refund** basis. The District could issue SCI a check for the total amount of the refunds and account for them as they are disbursed. Please let me know if you have any questions.

Sincerely,

Refund service	\$1,960.00
Refund amount 196 x \$31.90	\$6,252.40
	<hr/>
TOTAL	\$ 8,212.40

Chris Coulter, Consultant
 SCI Consulting Group
 4745 Mangels Boulevard



Serving the Pajaro Valley
Since 1912

SPRECKLES COMMUNITY SERVICE DIST.
P.O. BOX 7432
SPRECKLES, CA 93962

INVOICE ID: 24035
DATE: February 15, 2017

Customer Number : SPR07

Job Number: 682-2-17249
T/S AUTO START

PO Number:
Cust. Job Ref #

Scope:

TROUBLESHOOT AND REPAIR STORM WATER SUMP PUMP

WORK REQUESTED BY: JIM RIELY

Labor	1,245.40
Material	1,158.50

Invoice Sub-total	2,403.90
Sales Tax	85.44
Amount due this Invoice	<u>\$2,489.34</u>

430 WALKER STREET
WATSONVILLE
CA 95076-4283

TELEPHONE
@
(831) 724-6321

FAX
@
(831) 724-5108

E-MAIL
POWER @ CENTRAL
ELECTRICCOMPANY.COM

TERMS: 1&1/2 % PER MONTH (OR 18% PER ANNUM) SERVICE CHARGE WILL BE ADDED TO ALL ACCOUNTS NOT PAID WITHIN 30 DAYS FROM DATE OF INVOICE. PURCHASER WILL BE LIABLE FOR ANY LEGAL EXPENSES INCURRED FOR COLLECTION OF THIS INVOICE.

McGilloway, Ray, Brown & Kaufman

Phone: 831-373-3337
Fax: 831-373-3437

2511 Garden Road, Suite A180
Monterey, CA 93940

www.mcgilloway-ray.com
cpa@mcgilloway-ray.com

ID: 217625

Date: 01/31/17

Invoice: 2,000,020,015

Amount: \$1,600.00

Spreckels Community Services District
Paul Ingram
P.O. Box 7432
Spreckels, CA 93962

This invoice is for the following services rendered for Spreckels Community Services District.

Extended procedures to review fire prevention expenditures for 2007 and 2008.	1,600.00
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Billed Amount	\$1,600.00
Invoice Total	\$1,600.00



Please return this portion with payment. Mail to - 2511 Garden Road, Suite A180, Monterey, CA 93940.

Invoice: 2000020015 Date: 01/31/2017 Due Upon Receipt.	Payment Amount: \$ _____ Payment Type: <input type="checkbox"/> Check <input type="checkbox"/> Cash	ID: 217625 Spreckels Community Services District 831-455-7855
Payments received after the Date above are not reflected in the Amount Due. Call 831-373-3337 for inquiries. Amount Due is payable upon receipt. Past due amounts will incur a monthly finance charge of 1%.	Offices: 2511 Garden Road, Suite A180, Monterey, CA 93940, (831) 373-3337 379 West Market Street, Salinas, CA 93901, (831) 424-2737 822 Alhambra Avenue, Suite 11, Martinez, CA 94553, (831) 998-9455	
Please make checks payable to McGilloway, Ray, Brown & Kaufman.		

Dear Taxpayer:

The Spreckels Community Services District (SCSD) would like to explain changes some of you may have seen on your most recent property tax bill and provide an explanation of what your special assessment (83350) is for the district. Funding for the SCSD is provided through a small portion of your property taxes and a special assessment (83350). The SCSD is made up of two zones. Maintenance Zone No. 1 (Zone 1) makes up Old Town Spreckels while Maintenance Zone No. 2 (Zone 2) makes up New Town Spreckels. The special assessment for each zone is different.

The 2016-2017 expected tax revenue to the district is approximately \$65,000. The Non Assessment revenue based on property values for the entire district will be approximately \$28,000 while the special assessment will be approximately \$37,000.

In the November 5th, 1996 election, voters of Spreckels passed Measures H and I giving the SCSD the power to maintain and repair sidewalks, park strips and alleys. During that same election, Measures J and K giving the SCSD the funds with which to repair and maintain the sidewalks, park strips and alleys, did not pass. This election gave the district several powers, but no additional funding besides the non assessment revenue based on property values.

Because fire services responsibility has shifted from SCSD to the Monterey County Regional Fire District for Zone 1, those property owners in Zone 1 will be receiving a partial refund of their special assessment for tax year 2015-2016. Zone 1 2015-2016 special assessment was \$82.40 which was \$76.40 for fire suppression services and \$6.00 for lighting and storm drains. Per the Spreckels *CSD User Fees and Fire Suppression Assessments* documents of July 14, 1999, the User Fees were authorized as follows: \$3.00/unit for Lighting; \$12.00/unit for storm drains. A review of assessment data from past years shows that these User Fees were not calculated properly by unit, resulting in an undercharge of \$9.00 or more per single family homes and other parcels, and a loss of revenue for the SCSD. For 2016-2017, Zone 1 special assessment will be \$15.00.

Fire services for Zone 2 were always provided by the Monterey County Regional Fire District. Therefore property owners in Zone 2 will not be receiving a partial refund. Previous years assessments have set the Zone 2 – New Town assessments at \$455.18 per parcel. This assessment amount remains less than the maximum authorized assessment rate of \$1072.12, per the *2007-08 Engineer's Report for Spreckels CSD prepared by Bureau Veritas*. This assessment was to cover lighting, landscaping, alleys, sidewalks, drainage, and the pump stations. It was also to provide a reserve for a phased replacement of these items after their end of service life. Because of the timing of the completion of the development in Zone 2, the amount assessed originally was for a prorated year and the district failed to increase the assessment as they should have for the next full calendar year. Because the district never charged the maximum authorized assessment, the reserve has not been built up to the level it should be. The District has decided to maintain the current assessment for the upcoming 16-17 fiscal year. However, should cost of service estimates increase in follow on years, the district has the ability to assess up to the maximum. . For 2016-2017, Zone 2 special assessment will remain unchanged at \$455.18.

The SCSD will be reviewing our cost estimates and making a determination of how to move forward since no funding is provide in Zone 1 for alleys, park strips including trees and sidewalks and funding in Zone 2 has been underfunded causing no reserve to be built to provide the services that were delineated in the *2007-08 Engineer's Report for Spreckels CSD prepared by Bureau Veritas*.

Should you have concerns or questions regarding the SCSD we invite you to attend our monthly meeting which is held a the Spreckels Memorial Hall on the third Wednesday of the month at 6:30 pm.

Sincerely,