

MINUTES

CSA 3 Board Meeting

Thursday, September 3, 2020

ONLINE WITH GOOGLE MEETS

I. The meeting was held via Google meetings

- A. The meeting was called to order by Margit at 4:00 PM
- B. Attendance
 - 1. Present: Margit Aramburu, Mark Birns, Tom Jorde, Harold Mancusi-Ungaro, Christopher Modjeski, Denis Poole, Trink Praxel
 - 2. Guest: Jeff Powers, Coastal Landscaping, Inc.

II. Minutes of Last Meeting: Harold Mancusi-Ungaro

August 6, 2020 Minutes—*Approved by email; posted on CSA3 web page (csa3seascape.org) today*

III. Median Maintenance: Trink Praxel and Jeff Powers

- A. Update on Coastal Landscaping Work-- months of July & August
 - 1. Restarted maintenance program for the 3rd time from Seascape to Sumner
 - 2. Continued to manually weed
- B. Proposed Coastal Landscaping Work-- month of September
 - 1. Finish maintenance program from Sumner to south Clubhouse
 - 2. Take out bushes under 10 ft tall
- C. Discussion on Mr. Powers current thinking on maintenance and planning
 - 1. Maintain olive trees on Seascape
 - 2. Transplant olive trees from Sumner to fill in Seascape
 - 3. Eventually plant native trees on Sumner
 - 4. No trees on upper Clubhouse to maintain views
 - 5. Fan palms of lower Clubhouse will not interfere with sight lines
 - 6. Bigger priority should be to prune the olives.
 - a. They will look beautiful – they will be a positive note.
 - b. There is time before the big trees do further damage to the roads.
- D. Following this discussion, Mr. Powers left the meeting.

IV. Financial Update: Trink Praxel

- A. End of year financials for FY 2019-2020 are not yet available from the County
 - 1. We hope to get them in the next week or so.
 - 2. If we have calculated the County's prescribed overhead correctly, we should have an excess of close to \$10K.
- B. Update for FY 2020-2021
 - 1. We had to give the County a proposed budget this past December.
 - 2. We have some paperwork, but we need a full budget.

- a. We are currently budgeting using a fund balance at the end of FY 2019-2020
 - b. Although the December proposal for FY 2020-2021 shows a deficit, we are expecting a balance forward from FY 2019-2020.
- 3. We will need some sort of financial statement to purchase Directors' and Officers' (D&O) insurance.
 - a. Because we have no assets, we do not have a formal income statement.
 - b. Rather, we have an income and expense report.
 - c. We need to wait for the final FY 2019-2020 numbers from the County so that we do not show a deficit
 - i. We cannot get insurance if we are running a deficit.

C. Coastal Landscaping proposal

- 1. We had budgeted \$31,000 for FY 2020-2021 as the second year.
- 2. Because the County did not recognize a contract, CLI has been paid monthly for July & August at \$1750/mo.
- 3. We are in the process of asking for a contract for the remaining 10 months of the FY.
 - a. $\$31,000 - 2 \times (\$1750) = \$25,500$
 - b. We have not been able to negotiate with the County a variable payment based on month to month keeping the year-end balance constant.
 - c. The contract will begin September 1.
 - d. Contract needs to include extra services for dump fees.
 - e. We can lower payments during the relatively fallow winter months but cannot increase them in the busier months of summer.
- 4. A proposal was made, second, discussed and approved as follows:
 - a. We ask CLI to bill us at the approved \$1750 per month during the remainder of the FY 2020-2021, plus up to an additional \$5000 for documented extra services such as dump fees.
 - b. CLI will report the actual hours worked to Trink but submit a blanked request through Trink for the \$1750.
 - c. In addition, CLI may submit requests for an additional \$5000 for renovations that will be subject to the Board's prior approval.

D. Security: Harold

- 1. We have the new County broad-based hourly rates
 - a. The monthly charge for the summer months (May – September) is now about \$3000 and \$1500 for the winter months (October – April).
 - b. We are now at \$25,500 for FY 2020-2021.
- 2. Hourly rates are down but the increase is due to the addition of May as a summer month.
 - a. With concern regarding the increased use of the beaches, increased garbage, and the potential need for increased security with the shutdown of schools and businesses due to the COVID-19 situation, there are provisions for additional call-backs within the budget.

- E. Soquel Water Creek District
 - 1. Current charges appear to be \$7700/yr.
 - a. We are budgeting \$8000
 - b. Down from the proposed \$10,000
 - 2. We are not using water.
- F. Backflow testing required by Soquel Water Creek
 - 1. We had to get a new contract since the previous vendor retired.
 - 2. Previous years have cost about \$700
- G. Miscellaneous County and staffing expenditures are a best guess based on past years.
 - 1. Communications with County over contract renegotiations cost us.
 - 2. Overhead is up to 13.5% of what we spend.

V. Update on New Communications with Department of Public Works: Trink Praxel and Harold Mancusi-Ungaro

- A. Trink and Harold talked to Matt Machado, Director DPW, about the ability to accept donations for projects such as tree removal, plantings, etc., for our specific use.
- B. We can accept donations paid directly to the County to be earmarked for CSA3
- C. Expenditures from those donated funds will be subject to the usual County fees and overhead when spent.

VI. Status Update of Bids and Priorities for Tree Pruning and Removals (continued): Trink Praxel

- A. *Note: Permit (on Google docs) has been approved to remove 15 trees, new trees to be planted within three years of removal*
- B. Discussion of prioritizing tree removals vs pruning of olive trees as suggested by CLI.
 - 1. CSA3 residents need to be apprised of the choice
 - 2. Taking down trees without neighborhood information may be upsetting.
- C. Current contracts and bids
 - 1. We have a bid from Williams Trees
 - a. \$1850 to take out the three trees on Clubhouse
 - b. \$2850 to take out trees on Sumner near Dolphin
 - c. \$4700 to take out a+b as noted above
 - d. All proposed 15 trees \$14,350.
 - 2. Bid for pruning olive trees is \$10,950
 - 3. We cannot decide until we get final budget numbers from the County to see what the final overhead amount is.
- D. One priority needs to be safety, specifically the dead tree on Clubhouse.
 - 1. Consider asking DPW to remove it because of a safety hazard should it break and fall on the roadway.
 - 2. Wait to see what the final overhead costs are.
 - 3. Defer decision pending D&O insurance.
 - 4. Note that the County has repaired the stairs on Via Palo Alto when we raised the question of safety.

VII. Discussion of Landscaping Plan for Medians (continued): Trink Praxel

- A. Review existing and proposed plant palette (trees, shrubs, groundcovers), and discuss recommendations for the future based on design, suitability, costs, and maintenance issues.
- B. Priority is health and safety so remove dead trees
- C. Discussion regarding pruning olives vs removing trees
 - 1. Take out the trees that don't conform, cypress, large pines
 - 2. Can we come up with a plan with drawings and topography?
 - 3. We have a proposal of \$1500 for a basic set of landscape plans including drawings.
 - a. They would not include all the medians.
 - b. They would include a list of some specific plantings.
- D. A motion was made, seconded and approved to have CLI draw up the proposed landscape plan for \$1500 and have it available for review before or at our next meeting.
- E. Discussion of neighborhood differences.
 - 1. Seascape Blvd is a travel entrance way lined with houses – it is seen.
 - 2. Sumner has railroad tracks, part of the shopping plaza and no houses – it is not seen
 - 3. Clubhouse has the golf course, houses and view of the ocean – it is seen.
 - 4. Spend money where it will be appreciated.

VIII. Update on Beach Patrol and Clean-up Contract: Harold Mancusi-Ungaro

- A. The summer remains especially active all week long with the current closure of schools and businesses.
- B. There are parties every night
 - 1. We now have a new problem with beer pong tables.
 - a. Groups come with beer, 4x8 sheets of plywood for the tables, etc., and leave the beach leaving the tables.
 - b. The single patrol officer has to elicit help to cart the sheets of plywood off.
 - c. Garbage has increased.
 - 2. Every night there are a minimum of 5 to over 20 fires on the beach
- C. We need to see if this will subside.
- D. Consider outreach to the sheriff to enforce the code/law
 - 1. We need to see if this will subside in the next couple of weeks
 - 2. Consider outreach in the Spring.
 - 3.

IX. D&O Liability Insurance Update: Tom Jorde

- A. We need a balance sheet or income and expense report with the final numbers for FY 2019-2020
- B. We have asked for proposals for \$1M and \$5M.

- C. Harold has been communicating with the agent and will send him the final expense report when he receives it from the County.

X. Annual Meeting Approach: Margit Aramburu

- A. We had hopes to have an annual meeting in September, our first-year anniversary
 - 1. Impossible with social distancing
 - 2. Consider a virtual meeting, but not everyone will have access.
- B. We need to put forward our plans for 2020 and beyond including a final report on this past year.
- C. We will assemble a report and set up a virtual meeting via Zoom or Google Meets.
- D. The report needs to include presentation and a proposal for the future budget(s)
- E. We want and will need an increase in the assessment if we are going to be able to do more than minimally maintain the medians and the beaches.
- F. How do we get the information out?
 - 1. Visuals in the final report
 - 2. Poster presentation in Seascapes Village
 - 3. Newspaper ad regarding the virtual meeting
 - 4. seascapesa3.com
 - 5. Our email list.
- G. Propose two-stage approach
 - 1. Harold will prepare a short summary
 - a. What we have been doing
 - b. Describe our monthly meetings
 - c. Our work with landscape companies
 - i. We changed companies
 - ii. We meet every month with the owner
 - d. Outline a timeline
 - i. We know improvements are going to cost
 - ii. We expect to come back at the main meeting with those costs
 - e. We have come to the decision that we will need additional funds.
 - i. We will be coming back with a plan and options to pay for it.
 - ii. The choice for the neighborhood, the voters, is minimal maintenance vs a plan for improvement and renovation over the course of years.
 - How many years will depend on the amount of increase
 - We will offer a complete plan to justify the increase

XI. Preparation and Timeline of Submittal to DPW re Increase in Annual Fees

- A. The proposal goes to the County to be put on the ballot for the March election – this is a standard form they send each of the CSA's that includes the forthcoming budget for FY 2021-2022
- B. The ballot goes out in March

- C. The assessment does not increase until December 2021 and April 2022
- D. If the measure passes, the funds for FY 2021-2022 become available July 1, 2021, even though the taxes are not paid until December 2021 and April 2022.
- E. Discuss the actual amounts and recommendations at next meeting when we have the final numbers for FY 2019-2020 and budget for 2020-2021.
 - 1. No change with minimal maintenance.
 - 2. Accelerate in one year, 2021-2022
 - 3. Spread over two to three years. 2021-2024
 - 4. See previous timelines in past minutes.

XII. Communication from Community and Board Member Announcements -- none

XIII. Set Next Meeting Date:

- A. Wednesday, October 7, 2020, at 4-6 PM
- B. Harold will set up Google Meets

XIV. The meeting was adjourned at 6:00 PM

Respectfully submitted.

Harold R. Mancusi-Ungaro, Jr.

SCHEDULE 12

STATE CONTROLLER SCHEDULES
COUNTY BUDGET ACT
JANUARY 2010 EDITION, REVISION #1

SCHEDULE 12

COUNTY OF SANTA CRUZ
SPECIAL DISTRICTS AND OTHER AGENCIES SUMMARY
FISCAL YEAR 2020-21

District Name	Total Financing Sources				Total Financing Uses		
	Fund Balance Available June 30, 2020	Decreases to Obligated Fund Balances	Additional Financing Sources	Total Financing Sources	Financing Uses	Increases to Obligated Fund Balances	Total Financing Uses
BRD GOV SP DIST PUBLIC PROTECT							
COUNTY FIRE PROTECTION CSA #48	8,362		2,814,785	2,823,147	2,814,785	8,362	2,823,147
EXTENDED POLICE PROTECT CSA #3	0		2,701,221	2,701,221	2,701,221		2,701,221
GRAHAM HILL CSA #57	412,267		46,091	460,358	460,358		460,358
PAJARO STORM DRAIN MAINT DIST	253,486		1,317,379	1,570,865	1,570,865		1,570,865
PAJARO DUNES CSA #4	88,231	1,041,689	1,337,095	2,467,015	2,131,876	335,139	2,467,015
SC FLOOD CONTROL & WTR-ZONE 4	262,619		1,192,415	1,455,034	1,445,034		1,445,034
SC FLOOD CONTROL & WTR-ZONE 5	579,960		783,300	1,363,260	1,362,960		1,362,960
S.C. FLOOD CON & WTR CONS-GEN	969,744		1,154,616	1,724,360	1,724,360		1,724,360
SC FLOOD CONTROL & WTR ZONE 8	211,653		53,400	265,053	265,053		265,053
SC FLOOD CONTROL-ZN 5 EXP CONS	313,623		293,500	607,123	607,123		607,123
SC FLOOD CONTROL & WTR CON-ZN	301,256		78,000	379,256	379,256		379,256
SC FLOOD CONTROL & WTR CON ZN	29,485		4,178,057	4,207,542	4,207,542		4,207,542
SC FLOOD CONTROL & WTR CON ZN	0		77,000	77,000	77,000		77,000
TOTAL BRD GOV SP DIST PUBLIC PROTECT	3,020,356	1,041,689	16,025,859	20,090,934	19,747,433	343,501	20,090,934
BRD GOV SP DIST HEALTH-SANITAT							
MOSQUITO ABATEMENT CSA #53	140,516	489,116	568,633	1,198,265	720,979	477,286	1,198,265
MOSQUITO ABATEMENT CSA #53-NOR	222,744	328,754	945,056	1,496,554	1,088,389	408,165	1,496,554
TOTAL BRD GOV SP DIST HEALTH-SANITAT	363,260	817,870	1,513,689	2,694,819	1,809,368	885,451	2,694,819
BRD GOV SP DIST RECREATION							
PARKS & REC CSA #11	112,396	908,466	2,043,471	2,764,333	2,764,333		2,764,333
TOTAL BRD GOV SP DIST RECREATION	112,396	908,466	2,043,471	2,764,333	2,764,333	0	2,764,333
BRD GOV SP DIST ROADS							
APTOS SEASCAPE CO SERV AREA #3	3,577		79,871	83,248	83,248		83,248
BRAEMOOR CSA #47	0		12,687	12,687	12,687		12,687
CO HWY LIGHTING CSA #9	124,024		1,128,886	1,252,910	1,252,400	510	1,252,910
CO HWY RESID LIGHT CSA #9 ZN A	1,053,754		578,246	1,632,000	1,632,000		1,632,000
CO CROSSING GUARD CSA #9 ZN B	32,983		11,708	44,691	44,691		44,691
CO ROAD MAINT CSA #9D ZONE 1	3,261		858,506	861,767	861,767		861,767
CO ROAD MAINT CSA #9D ZONE 2	0		1,406,841	1,406,841	1,406,841		1,406,841
CSA #9D ZONE 3	0		406,612	406,612	406,612		406,612
STREETSCAPE CSA #9E	0		38,846	38,846	38,846		38,846
SOQUEL VILLAGE CSA #9F	24,899		107,052	131,951	131,951		131,951
COUNTRY ESTATES CSA #35	0		18,415	18,415	18,415		18,415
EMPIRE ACRES CSA #17	118,236		14,992	133,228	133,228		133,228

CSA 3 Detailed Financials

FY 2020-21

September 1, 2020

	2019-20 Projected TOTALS	2020-21 PROP'D BUDGET	2020-21 REV BUDGET	July	August	YTD TOTALS	% of Budget Expended
Beginning Balance	2,206	3,577				-	
Revenue							
Assessment	79,596		79,600			79,600	
Interest	75		71			75	
Other Revenue							
Total Revenue	79,671	79,671	79,671			79,671	
Expenditures							
Paradise Landscape	9,437					-	
Coastal Landscaping	7,000	31,000	25,500	1,750	1,750	3,500	14%
First Security / Allied Univ	23,720	24,000	25,500	3,000	3,000	6,000	24%
Soquel Creek Water	7,751	10,000	8,000	685	685	1,370	17%
Backflow Testing	586	500	700			-	
Williams Tree	2,700		4,700			-	0%
Tree Removal Permit	944					-	-
Misc Services	200	2,000	300			-	0%
Direct Expenses Subtotal	52,338	67,500	64,700	5,435	5,435	10,870	17%
Staffing & Overhead	19,888	10,000	15,000			-	
Unallocated		5,748					-
Total Expenses	72,226	83,248	79,700			10,870	14%
Net	7,445	(3,577)	(29)			68,801	
Ending Balance	9,651	-					

projected, not actual

overhead %

38%

15%

23%

0%

CSA 3 Detailed Financials

Actuals for FY 2019-20

September 1, 2020

	2019-20 BUDGET	2019-20 MID YEAR*	Jan	Feb	March	April	May	June	YTD Total Projected	Diff Budget to Projected
Beginning Balance	2,206	2,206							2,206	
Revenue										
Assessment	79,596	39,798						39,798	79,596	
Interest	75	(42)							75	
Other Revenue										
Total Revenue	79,671	39,756						39,798	79,671	
Expenditures										
Paradise Landscape	20,000	9,437							9,437	10,563
Coastal Landscaping					1,750	1,750	1,750	1,750	7,000	(7,000)
First Security	22,500	13,629	1,395	1,363	1,460	1,298	1,525	3,050	23,720	(1,220)
Soquel Creek Water	9,600	3,755	628	628	685	685	685	685	7,751	1,849
Jim Clark Backflow	450	462				62		62	586	(136)
Williams Tree					2,700				2,700	(2,700)
Tree Removal Permit		127						817	944	(944)
Misc Services	4,127	187				13			200	3,927
Direct Expenses Subtotal	56,677	27,597	2,023	1,991	6,595	3,808	3,960	6,364	52,338	
Overhead	9,200	10,888						9,000	19,888	(10,688)
Unallocated	16,000									16,000
Total Expenses	81,877	38,485							72,226	9,651
Net	-	3,477							7,445	
Ending Balance	0	5,683							9,651	

projected, not actual

overhead %

16%

39%

38%

* First Security and Soquel Creek actuals different from mid-year report due to accruals

Proposal and Contract

Coastal Landscaping Inc.

P.O. Box 176, Aptos, CA. 95001

License: Landscape Contractor C27 & C29 #932020

Contact: Jeff Powers. Phone: 831-334-7202

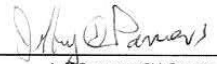
Quote to: **County of Santa Cruz Public Works** Job Name: **Seascape CSA3 Medians Landscaping**
c/o **CSA #3 Seascape** **September 1, 2020 – June 30, 2021**
701 Ocean Street Location: 15 CSA3 Medians on Seascape Blvd.,
Santa Cruz, CA. 95060 Sumner Ave. and Clubhouse Drive
Fax: 831-454-2160. Attn: Cydney Date of Bid: September 2, 2020

ITEM	DESCRIPTION	AMOUNT
	Median Maintenance and Improvement as described in RFP dated 12/13/19 with the following minor changes shown on attached: <ul style="list-style-type: none">• Tree pruning only up to 10',• Weed removal focused on herbicide with hand pulling monthly when necessary, and• Reimbursement of materials cost and refuse removal fees up to \$5,000 per year.	
1.	Landscape Maintenance	\$1,750/month \$17,500/year
2.	Landscape Renovation Develop planting plan for CSA3 Board approval, attend public meetings, coordinate initial renovation changes.	\$5,000/year
3.	Extra Services Hourly rate sheet attached. Invoices will show detail. CSA 3 approval prior to commencing work.	\$5,000/year
	Annual Maximum	\$27,500

NOTES:

Hourly rate sheet attached. Invoices for Landscape Renovation work and Extra Services will
show detail. Materials, supplies, dump fees require copy of receipt and itemization on invoice.

Authorized Signature


Jeff Powers, CLI Owner

9.2.2020
Date