



Auburn Valley Community Service

District

P.O. Box 8138 Auburn, California 95604

Jim Leidigh (530)-269-1668

Gerald Sherburne (530-269)-1938

Bob Mantz (530-269-1802

John Imrie (530)-269-1831

Dale Kuehne (916) 549-6531

Minutes

BOARD OF DIRECTORS MEETING AND PUBLIC HEARING

Saturday, July 10, 2021

Meeting Held at Jim Leidigh's Home and By Webex

Meeting called to order at 9:00 a.m.

Roll Call: All Directors were present

Established a quorum.

Approval of the July 10, 2021 meeting agenda (5-0)

Reports From Directors:

Treasurer's Report - Dale Kuehne

Status of accounts as of June 30, 2021

Money Market Account (Restricted for Bonds)	\$249,368.35
Operations and Maintenance	\$386,774.86

All bills are paid current.

The fiscal year ended on June 30, 2021 and it will be time to contact the auditor again for our annual audit.

Par 5 Bankruptcy

On June 29, 2021, Par 5 Property Investments, LLC filed a Chapter 11 Bankruptcy. Under Chapter 11 bankruptcy, the debtor will try to restructure its debt. A trustee named Walter Dahl has been appointed to oversee the bankruptcy.

Par 5 had made 11 of its 12 amortization payments with only one payment remaining that was not paid before the bankruptcy filing date. The payment which was due on July 1, 2021, was \$4,451.20 for water and sewer and \$3,369.47 for the bond debt. This will be the maximum exposure in the bankruptcy proceedings. Also, it is believed, bankruptcy can not eliminate or reduce the bond debt as it is attached to the property. Once the attorneys and bankruptcy get involved, more information will be available.

As the filing was on June 29, 2021, it was before the regular quarterly billing mailed on July 1, 2021. So this billing would not have been included in the amount of debt Par 5 owes. It is unknown if Par 5 intends to pay its current bills, have the trustee pay them or just hand over ownership of the golf course to the bank and let the bank pay the bills.

This brings up the possibility of further exposure for the community. In the July 1, 2021 billing, Par 5 owed \$11,183.04 for sewer and water. Extrapolated to an annual amount, this would total around \$45,000. AVCS D intends to seek payment from Par 5 for their current and future water and sewer bills. However, if these amounts are not paid, the annual exposure per homeowner based on 142 homes would be \$316.90 per year (\$45,000 / 142 homes).

President's Report - Jim Leidigh

Thank you to Bob Mantz for all the hours he has spent overseeing the maintenance at the waste water treatment plant and supervision of the repairs of the water leaks at Auburn Valley Road/Fairway Court and the one on Upper Valley Road.

Website: The Placer County Grand Jury did an audit of the special districts websites in Placer County. Special district websites are required to meet Section 508 and WCAG 2.1 AA in regards to accessibility. The AVCS D website met all the requirements and was given a 5 star rating - thank you Diane Peterson.

Hidden Falls: On Monday, July 12, Jim Leidigh and Mike Krug will be meeting with the parks department to discuss what the county will do to prevent traffic from using Auburn Valley Road to access the park. The meeting is not an opportunity revisit the issue of approving the park. The Park has been approved and now we need to do everything that we can to prevent unauthorized use of our roads.

Water Conservation: A letter was sent out to the Auburn Valley community on June 26, 2021 concerning water conservation. The District Board of Directors asks each

community member to conserve water, as the effect of the drought is being felt by the two most productive wells. During this heat wave, these wells have been pumping nearly continuously and are suffering refresh issues. The only way to mitigate this is to reduce demand.

A letter will be sent out to the top ten large water consumption homeowners. A top 10% consumer is using between 166,000 and 592,618 gallons per quarter. To put this amount in perspective, this usage would fill between 12 - 43 residential swimming pools! The typical usage throughout the Auburn Valley community is 76,000 gallons per quarter.

NOTE: the landscape water for the various AVPOA common areas is N.I.D. "ditch water", so the watering of these areas does not impact the District's potable water supply

Budget: A memo was sent out to the community June 21, 2021 regarding the proposed budget increase of the monthly sewer operation and maintenance charges from \$115 to \$125 per month. Also proposed is a \$5 increase of the monthly water operation and maintenance charges from \$40 to \$45 per month. Owners of record will have 45 calendar days to file written protests. For any protest to be considered, they must be received by August 5, 2021. A public hearing to finalize the new budget will be held on Saturday, August 14, 2021 at 10:00 a.m. The meeting location to be determined.

Vice President Report - John Imrie

Thank you to Jim Leidigh for moving the AVCSD items from the rented storage locker to a AVCSD building.

Technical Director Report - Bob Mantz

Triton Construction removed the leaking valve and made the pipe repair at the intersection of Fairway Ct. and Auburn Valley Road. The leak on Upper Valley Road was repaired and a new shut off valve was installed.

Once again, the community is being reminded to **not** flush non-biodegradable materials ("flushable" wipes, sanitary napkins, rags, etc.), down their toilets. Significant money is being spent by the district to clean, repair and when necessary replace grinders and pumps at the wastewater treatment plant.

Delinquencies/Volunteer Committee - Gerald Sherburne

Seven (7) 30 day notices were mailed of which three (3) were paid. Per AVCSD prodigals/procedures, liens will be filed against the homeowners that are more than 45 days in arrears.

Old Business

A job description for a general manger has been submitted to the AVPOA Taskforce in reference to hiring a management company. The management company will be asked to assist the administration level for AVPOA and AVCSD.

Consent Item

The June 19, 2021 AVCSD Board of Directors meeting minutes were approved.

Public Comments (none)

Adjournment - there being no further business before the board, the meeting was adjourned at 9:42 a.m.

Next Board Meeting:
August 14, 2021
10:00 a.m

Respectfully Submitted,
Diane Peterson
Recording Secretary

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