

# Surfside Colony Storm Water Protection District

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## Minutes of the June 15th, 2015 General Meeting of the Board of Directors Surfside Office, B-89 7:00 p.m.

- Trustees Present:** President V. John Kriss, Secretary Gino Salegui, Trustee John Cahoon, and Trustee Don Karich.
- Trustees Absent:** Steve Rowe.
- Staff Present:** Chris Montana, Clerk.
- Community Present:** Gayle Mueller Winnen of Surfside Colony Community Services District, and Sandy Kriss of Surfside Colony, Ltd.

President Kriss called the meeting to order at 7:44 p.m.

Community Input: None. President Kriss referenced his comments made at the preceding Surfside Colony Community Services District meeting, and their applicability to this District as well.

Minutes of the May 11th, 2015 General Meeting of the Board: After the Board reviewed the minutes of the May 11th, 2015 General Meeting of the Board, Trustee Cahoon moved to accept the minutes as presented. Trustee Karich seconded, and the motion was passed unanimously.

Current Bills: Clerk Montana presented check #'s 1197-1199 for signature in the amount of \$10,294.00 for June 2015 invoices. After discussion of the 3<sup>rd</sup> Quarter Reconciliation showing an overpayment of \$2,385, the Board unanimously agreed to withhold the June 2015 payment of \$5,844 to Surfside Colony Ltd. until the final fiscal year 2014-2015 Reconciliation has been prepared. President Kriss and Secretary Salegui signed other checks as submitted, and Clerk agreed to withhold Surfside Ltd. pending year-end reconciliation.

Fund Balance and Clerk's Report: Clerk Montana reported the fund balance as of June 15th, 2015 to be \$522,089, and reviewed the trial balance with the Board.

Surfside Colony, Ltd. 2015-2016 Proposal for Services/Request for Funds: President Kriss reviewed current cash balances and forecasts with the Board. Surfside Colony, Ltd. Board Member Sandy Kriss presented Surfside Colony Ltd.'s Annual 2015-2016 Proposal for Services/Request for Funds (see attached) for an annual amount of \$71,281 (\$5,940 monthly) listed as follows:

- Drainage Expense - \$41,534
- Erosion Control Expense - \$23,147
- Office Space Rent - \$6,600

**MOTION:** After Board review and discussion, Trustee Karich moved to accept the Surfside Colony, Ltd.'s 2015-2016 Proposal in the annual amount of \$71,281 (\$5,940 monthly) as presented, with the condition that

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quarterly reconciliations of actual expenses incurred to proposed amounts billed would be prepared. If total actual expenses incurred by Surfside Colony, Ltd. at year-end are less than billed amounts, the District may withhold the difference from the June 2016 billing. Secretary Salegui seconded and the motion passed unanimously. Clerk Montana agreed to draft contract and correspondence to Surfside Colony, Ltd.

Surfside Colony, Ltd. 2015-2016 Capital Projects Proposal/Request for Funds: Sandy Kriss presented to the Board a request for Capital Projects which included the rollover of prior year unused funds and funding for 2015-2016 projects in the amount of \$131,700 as follows:

A-Row Gutter/Drainage Repairs and Maintenance - \$40,000  
Patio Drainage - \$50,000 (\$8,729 rolled over from prior year + \$41,271)  
Office Building Repair and Remodel- \$35,700  
Landscaping for Drainage and Erosion Control at Office Building - \$6,000

After Board review and discussion, it was a majority of the Board's understanding and belief that the Office Building Repair and Remodel was not consistent with the District's authorized services under state law.

Also, a request was made to increase future capital reserves by \$22,157, in addition to previous capital reserves of \$35,000, in accordance with Surfside Colony, Ltd.'s Reserve Study.


**MOTION:** After Board review and discussion, Trustee Karich moved to accept Surfside Colony Ltd.'s Proposal to fund 2015-2016 Projects, with the exception of Office Building Repair and Remodel, for the revised amount of \$96,000, and to set aside \$57,157 in the Project Repairs/Improvements Reserve Fund. Trustee Cahoon seconded and the motion passed unanimously.

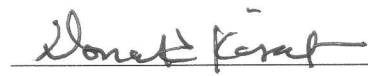
Review, Discussion and Possible Adoption of 2nd Draft of 2015-2016 Preliminary Operating Budget: Clerk Montana distributed the 2nd draft of the 2015-2016 Preliminary Operating Budget for the Board's review. After review and discussion, a motion was made and carried as follows:

**MOTION:** Trustee Karich moved to adopt the 2015-2016 Preliminary Operating Budget in the amount of \$288,601, with the exclusion of the Office Building Project, and with the understanding that amounts may change in the preparation of the final 2015-2016 budget submitted to the County of Orange, as final taxes and fees are allocated. Trustee Cahoon seconded and the motion was passed unanimously.

Drainage Projects / Sandfill Updates: President Kriss reported that the federal government had not funded any part of the sandfill that was requested by the local district of the U.S. Army Corps of Engineers.

Adjournment: There being no further business to be brought before the Board, Secretary Salegui moved to adjourn the meeting at 8:30 p.m. Trustee Cahoon seconded, and the motion passed unanimously.

  
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V. John Kriss, President

  
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Gino Salegui, Secretary