

**Yosemite Alpine Community Services District
Draft Minutes of Zoom Board Meeting
July 31, 2021**

1. CALL TO ORDER. Chair Patti Frey called the meeting to order at 11:01 am via ZOOM. Board members in attendance today: Chair Patti Frey – here, Vice-chair Tim McGinty – here, Treasurer John Hastrup – here, Secretary Karen Glendenning. A quorum was established with 1 vacancy.

2. INTRODUCTIONS. Public in attendance today via Zoom: Karen Green and Stan Muscio.

OLD BUSINESS

3. GRAND JURY REPORT.

A. Chair Frey reported she had sent a Public Records Act request to Mariposa County for the report given by the Planning Department to the Grand Jury. It was denied as it is part of the Grand Jury investigation. Patti was surprised that something in writing would not be part of the public record.

Chair Frey has drafted a letter to UMPQUA bank to clarify what was told to the 2 YACSD property owners. She has been trying to contact Alfred Reyes, the bond counsel regarding comments made.

Recommendation #5 – has been fulfilled with all 4 board members completing Ethics training

Recommendation # 8 - All board members get certified in Special District governance. The cost is \$600 per person for the 2 ½ day conference in South Lake Tahoe, plus expenses. There is also a continuing education requirement through CSDA. Chair Frey does not see the value in spending several thousands of dollars for a district of our size and resources.

Hastrup said he could see the value in district to pay the \$600 for training and personal pay for travel and expenses. McGinty said the courses are available online and can be done from home. Frey said she hadn't see anything posted online. McGinty said he'd check into this this week. Frey said she sees the 180 days as problematic, not sure if doable in the time frame. McGinty said if difficult, do the training in Tahoe. Work into the future to get the training. Hastrup was looking at the cost of the classes. Glendenning commented that the classes are held during the day and may be difficult for John to attend.

Findings #1 - Replacing the AC pipe. Frey reported that Thorn Hertwig had said that it is not uncommon to use AC pipe. There are millions of miles of AC pipe throughout the United States. That credible references attest to the longevity of AC pipe if undisturbed. 60-70 years is a reasonable life span for AC pipe. Frey recommends this be included in the response.

McGinty told of his research for the Capital Improvement Plan that 60-80 years is a reasonable lifespan for AC pipe. It is costly to replace. His figures show \$3.5 million would be needed to replace the AC pipe within the district. Having to deal with the rocks and trenching during the

replacement could increase the cost. Chair Frey said as she has heard of the AC pipe and its risks, the risk is primarily to the pipe fitters. Inhalation of the asbestos fibers is the risk to humans.

Glendenning read aloud the response from the YACSD auditor regarding the Grand Jury report. *"I was never contacted by the grand jury but that paragraph is in regards to the information on pages 3-17 of the attached file. The management discussion and analysis is prepared by management.*

As a point of reference most small special districts do not include MD&A. Only those with dedicated finance teams usually prepare it. The quote just says that it requires supplementary information. They are trying to take the paragraph out of context."

Karen Green asked for clarification, Glendenning reread the last paragraph. McGinty said we can submit the auditor's response with the submittal.

Grand Jury Recommendations

Hastrup commented on the Residency issues. The bylaws are pretty straight forward.

2.05 Qualifications for directors. Shall be registered voters and reside within boundaries of district.

He suggests keeping the board positions as being non-compensated. It serves the interest of the district and mirrors the code. Chair Frey recommends putting this on the next meeting's agenda. Hastrup said it should mirror the language in government code.

Hastrup addressed the Cloud storage – there are lots of options. Some have fierily reasonable cost for storage. The providers charge by the gigabyte at about \$10-\$20 per month. He said getting an adequate laptop and tie into the cloud. About \$300-\$400 cost to district. John commented on getting Cloud based accounting. Quick books charges about \$12.50 per month which would include ability to send invoices and to charge the fees. Pass along the processing fees to the property owners. Most online books are easy to back up and to do billing online. Some have the ability to take credit card payments. John suggested in the next fiscal year to do both spreadsheets and Quickbooks and check the advantages of each.

This will go on the agenda for the September meeting. Also put any bylaw changes on the September agenda.

Finding #8. Glendenning reported that FY 2018 and FY 2019 are up to date with the State Controller's Office. She is working with the State Controller's Office to finalize the 2020 report. Patti Frey asked when the 2020-2021 report is due. Glendenning replied the 2020-2021 report is due December 31, 2021.

B. SUGGESTIONS ON DRAFTING RESPONSE. Chair Frey asked of the best way to draft responses to the report. John Hastrup said to send out individual items, have everyone review them and send their responses to Patti Frey.

Karen Green asked McGinty if an email had been sent out to the property owners. Tim McGinty said he did not send one out. He put the posting in the post office on Thursday not Wednesday. Chair Frey asked that we need to make sure notification is out to the people.

NEW BUSINESS.

5. PROPOSAL OF NEW BOARD COUNSEL

Tim McGinty suggests that YACSD get new board counsel since the Grand Jury report came out Sky has been involved. He thinks we need to find new counsel.

John Hastrup agreed with that idea. Since Sky recommended actions that lead to the payments for the lawsuit. Additional counsel is available through Special Districts' Association. We need to find a reputable firm,

Karen Glendenning commented that any attorneys in the Fresno Oakhurst areas may have been giving counsel to Mr. Wohlgemuth. YACSD would need to find a firm that has not been involved. The attorney/judge that Mr. Wohlgemuth refers to in communication was on the Appeal Board that ruled against YACSD in their suit against the county and Silvertip developers.

Hastrup suggested firms that deal in government law, Baker Manock is one firm. McCormick Barstow firm has represented the Silvertip developer over the years. Lozano Smith firm does a lot of government work. Alistair and Witmer does government law as well.

Patti Frey says YACSD would need to put out an RFP for an attorney.

Tim McGinty said that at the July 3, 2018 meeting held at the Green's home Dick said Sky approved all the charges. Tim reported that John Luther brought up Sky was recommending payment on his own bills to district.

Karen Green said YACSD did get outside counsel, Albert Reyes was in the role of reviewing docs. Karen Green continued that YACSD has insurance at SDRMA, Special Districts Risk Management Authority, for legal actions against the district.

Patti Frey reported she had sent a copy of the Grand Jury report to SDRMA. She stated that the district did have outside counsel.

Motion: To hire outside counsel to review YACSD response to Mariposa County Grand Jury report of 2020-2021. Motion: Hastrup, 2nd: McGinty. Vote: Frey – no, McGinty – yes, Hastrup – yes, Glendenning – no. Vote is tied, 2-2, with 1 vacancy. There was a question if the motion failed.

RECESSED MEETING.

To facilitate research in Robert's Rules of Order for action when a motion does not receive a majority of the votes cast, Chair Frey recessed the meeting for a ten minute break. The board agreed to this action. The meeting was recessed at 12:34 pm.

RECONVENED MEETING.

Chair Frey reconvened the meeting at 12:44 pm. Those who rejoined the meeting are: Patti Frey, Karen Glendenning, John Hastrup, Tim McGinty and Karen Green.

Chair Frey reported that according to Robert's Rules of Order if a motion does not receive a majority, the motion fails. The Motion to seek outside counsel failed with a vote of 2-2, with 1 vacancy. Chair Frey reported she will not seek further counsel from Sky Woodruff to complete the response. We will provide the response ourselves and submit to the Grand Jury.

6. REMOVAL OF EXISTING TREE DEBRIS ON DISTRICT PROPERTY. ON FOREST. Following discussion, it was decided to remove the debris in October as the weather will be cooler. Debris gathered will need to be dealt with by removal from the property.

7. NEW ITEMS BY DIRECTORS. Chair Frey reported that on June 26, while the meters were being read Mr. Wohlgemuth approached Karen Glendenning regarding the bills and not paying bills. Chair continued that Karen Glendenning was clear in that we had a quorum present and could not discuss the topic. No action was taken at that time. Mr. Wohlgemuth walked away from meter readers Patti Frey, John Hastrup, Gene Glendenning and Karen Glendenning.

8. NEXT MEETING. Following discussion, next meeting will be Wed. August 25th at 7pm via Zoom.

9. ADJOURNMENT. The meeting was adjourned at 12:55 pm. Motion: to adjourn the meeting. Motion: Hastrup, 2nd: McGinty. Voice vote of 4-0, Passed, with 1 vacancy.

Respectfully submitted,

Karen Glendenning
YACSD Secretary