FAMD #1
Fire Access Maintenance District
An Agency of the City of Indian Wells
Indian Wells Country Club Community

BOARD OF DIRECTORS MEETING

MINUTES
January 25, 2024

1. CALL TO ORDER

Chairman Kurt Yeager called meeting to order at 10:01 A.M.

ROLL CALL

PRESENT: Chairman - Kurt Yeager
Vice Chairman – Margaret "Marge" Barry
Director – Steve Nozet
IWCC Representative – Dennis Coker

ABSENT: Secretary – Charlie Jones
Director - Tony Trocino

ALSO, PRESENT: District Manager (DM) Scott Matas (Desert Resort Management/ Associa),
Ken Seumalo (City of Indian Wells, Public Works Director),
Kevin McCarthy (Finance Director),
Jill Tremblay (Best, Best & Krieger, City Attorney),
Jennifer Aguilar (City of Indian Wells, Administrative Assistant)

2. PLEDGE OF ALLEGIANCE

3. APPROVAL OF THE FINAL AGENDA

A motion was made by Vice Chair Marge Barry and a 2nd by Director Steve Nozet to approve the agenda for the January 11, 2024, FAMD board meeting. Motion carried 4/0.

4. PUBLIC COMMENTS

No Comments.

5. CLOSED SESSION

a. Conference with Legal Counsel Regarding Anticipated-Litigation-Initiation of Litigation
Pursuant to Government Code Section 54956.9(d)(4). One (1) or More Cases. Potential Case.
See Closed Session Notes in File – Restricted Information

Recessed to closed session at 10:03 A.M. returned to open session at 10:16 A.M.

6. CONSENT CALENDAR

a. Minutes; December 14, 2023
b. Financials; December 2023

A motion was made by Vice Chair Marge Barry and a 2nd by Director Steve Nozet to approve the Consent Calendar. Motion carried 4/0.

7. SECURITY REPORT

a. December 2023 Security Report

Director of Security Paul Stotesbury was absent due to illness. The Board of Directors reviewed the report with no questions.

8. OLD BUSINESS

a. Electrical Reimbursement Agreement with Sandpiper Cove #3 & Manitou Springs HOA for Bridge Lighting

The Board of Directors received a recommended reimbursement of $600.00 annually for bridge light electrical cost. This amount would be offered to Manitou Springs HOA for the bridge lights on the Manitou bridge and Sandpiper Cove #3 would be offered $600.00 annually. Manitou Springs HOA is not asking for reimbursement of past years. Sandpiper Cove #3 is asking for reimbursement of past years.

A motion was made by Director Steve Nozet and a 2nd by Director Dennis Coker to approve a reimbursement of $600.00 annually to Manitou Springs HOA and $600.00 annually to Sandpiper Cove #3 with an offer to reimburse for the past 3 years. Motion carried 4/0.

b. Report on Street Safety Suggestions

The Board of Directors reviewed recommendations on intersection that are in possible need of safety measures.

A motion was made by Director Steve Nozet and a 2nd by Vice Chair Marge Barry to add intersection safety measures to the next Pavement Management Plan. Motion carried 4/0.

9. NEW BUSINESS

a. Financial Overview and Ballot Measure Consideration

The Board of Directors were given a report by Finance Director Kevin McCarthy.

SUMMARY:

Since 2020, the Fire Access Maintenance District (FAMD) has allocated approximately $2,100,000, representing about 71% of its cash reserves, towards capital reinvestments within the District. Projections suggest that the FAMD may fall short of meeting the minimum cash-holding requirements stipulated by the City by the conclusion of the fiscal year 2023-24.

The foremost challenge that the FAMD is currently facing is related to the fixed voter-approved assessment, which has remained unchanged for the past 18 years despite any fluctuations in the Consumer Price Index (CPI). Since April 2005, the FAMD has maintained the same assessment of $1,200,000 for the past eighteen years, as mandated by the voters. This fixed assessment constitutes the principal funding source and accounts for a significant proportion of the total FAMD revenues, amounting to nearly 76%.

While the fixed voter-approved assessment has proven effective during low inflation periods and minimal capital investment, recent developments, such as the need for community reinvestment

in roadway and drainage projects and inflationary pressures on operating costs, necessitate reassessing this fixed amount.

Considering ongoing inflationary concerns, rising operational costs, and the Community's need for infrastructure improvements, the FAMD Board should carefully evaluate potential adjustments to ensure the organization's financial sustainability.

STAFF RECOMMENDATIONS:

Strategic Initiatives for a Ballot Measure

The FAMD Board can consider an informal needs assessment as part of the ballot measure process. A needs assessment is critical for systematically identifying gaps between current conditions and desired outcomes. Through this process, the FAMD Board will comprehensively understand potential service deficiencies. It answers the question: "Why do we need to conduct a ballot measure?"

This informed approach enables efficient resource allocation and strategic decision-making. It fosters stakeholder engagement, enhances accountability, and prevents resource wastage by tailoring interventions to address specific needs. In summary, a needs assessment is valuable for communities to understand, prioritize, and address challenges or opportunities.

The City and the FAMD's Role in the Ballot Measure

Ballot measures allow for direct citizen participation in decision-making, promoting the principles of democracy. This direct engagement can enhance public trust and satisfaction with the political process. The ballot measure can be further broken down into the City's role and the role of the FAMD.

City's Role:

- **Request for Proposal (RFP):** Initiate the process by updating and releasing a comprehensive RFP to solicit proposals from qualified firms with expertise in ballot measures.

- **Firm Selection:** Employ a rigorous evaluation process to identify and engage the most qualified firm, ensuring their proficiency aligns seamlessly with the FAMD's November 2024 Ballot Measure objectives.

- **Oversight and Responsibility:** Assume a proactive role in overseeing the selected firm throughout the ballot measure process, affirming accountability for the successful levy update upon approval.

- **Timeline Establishment:** Develop a viable November 2024 Ballot Measure timeline.

- **Staff Reports and Approvals:** Facilitate the creation of FAMD and City Staff Reports to endorse selecting the best-qualified firm and obtain the requisite approvals for the ballot measure.

- **Recommendation for Fiscal Year 2025-26 Levy Roll:** Propose the initiation of the first new levy in the fiscal year 2025-26 roll, strategically aligning with the financial objectives of the FAMD.

FAMD's Active Involvement and Decision-Making:

- **Board Approval:** Seek formal approval from the FAMD Board to proceed with the RFP process and subsequent firm selection, ensuring alignment with the overall strategic vision.

- **Rationale and Implementation:** Articulate a clear and compelling justification for the necessity of the levy modification, elucidating the implementation strategy and its impact on the district.

- **Levy Adjustment Analysis:** Undertake a thorough analysis of current costs, inflationary factors, and projected capital spending to determine the appropriate levy adjustment. Establish a decision-making process, considering potential political considerations that may necessitate a deviation from the calculated adjustment.

- **CPI Levy Modification Inclusion:** Deliberate on including an annual Consumer Price Index (CPI) levy modification, recommended to keep the levy concurrent with operational increases.

- **Education Campaign:** Spearhead directly or indirectly a robust education campaign elucidating the significance of the proposed measure and its positive impact on the residents residing within the district. Recognizing the pivotal role of strategic communication, a well-executed campaign is imperative to enhance the likelihood of voter approval.

A motion was made by Director Steve Nozet and a 2nd by Vice Chair Marge Barry to support staff's recommendation. Motion carried 4/0.

b. Discussion on whether to proceed with Priority 4 Street Rehabilitation
The Board of Directors reviewed the current financial status of the FAMD and discussed whether to proceed with Priority 4.

A motion was made by Vice Chair Marge Barry and a 2nd by Director Steve Nozet to postpone Priority #4 work and identified what funds are available and what work is necessary. Motion carried 4/0.

c. Discussion on whether to proceed with a remodel of the Manitou guardhouse.
The Board of Directors discussed the financial status of the FAMD and gave direction to the district manager to bring back a proposal for the remodel to review at the next board meeting.

10. DISTRICT MANAGER REPORT

The District Manager reported and answered questions regarding on the progress on the Priority 3 road rehabilitation project, RFP for the street drainage, the RFP for the PMP and Sandpiper 11 request to strip parking areas.

11. BOARD MEMBER COMMENTS

Vice Chair requested a new FAMD map.

12. ANNOUCEMENTS

The next regularly scheduled meeting of the Fire Access Maintenance District Board of Directors will be held at 10:00 A.M., on February 8, 2024, in person at the City of Indian Wells council chambers.

13. ADJOURNMENT

There being no more business the meeting was adjourned by Chair Kurt Yeager at 11:23 A.M.

Respectfully Submitted, Scott Matas, District Manager

Attested to: _____ Date: 10-10-2024

Kurt Yeager, FAMD President