

Proposed CSA

Dogwood's roads were originally built in the 1970's. However, the roads have only been maintained at a minimum level and they are wearing out. The average life expectancy of roads like ours is only fifteen years! Anyone driving on the roads can see that the roads are wearing out and something needs to be done.

The Dogwood Board drives these roads daily and is very concerned about their condition. After several meetings, the Board decided to see what could be done. Several of the Dogwood Board members have had numerous meetings with Fresno County road people over the last year and a half. After much discussion with county road people, the Dogwood Board can only conclude that the infrastructure of the roads is in danger of being lost if something is not done soon.

As you know Dogwood is made up of association and non association members who pay dues that are used for road repairs, snow removal and insurance. The Dogwood Board has researched other developments in Shaver Lake as to the cost of their dues. Here is a comparison of dues:

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|---------------|------------------|
| Ridge Top | \$965.00 per lot |
| Sierra Cedars | \$945.00 per lot |
| Ockenden | \$945.00 per lot |
| Dogwood | \$660.00 per lot |

The Dogwood area has 5 to 6 acre parcels and 5.4 miles of roads. In comparison Sierra Cedars, Ockenden, Ridge Top have $\frac{3}{4}$ to 1 $\frac{1}{2}$ acre parcels. This means that they have many more lots than we do per mile.

Members of the Dogwood Board were given a cost estimate from Fresno County staff of approximately \$111,000 per mile to do a 0.15 foot (1 $\frac{3}{8}$ ") overlay resulting in an overall cost to overlay the estimated 5.4 miles of Dogwood roads at approximately \$600,000. This will not cover costs to repair the structural integrity of poorly maintained portions of the road. It is easy to see that our existing dues just won't cover expected costs. The Dogwood Board is authorized to raise dues up to \$1,200.00 per lot per year, but that still wouldn't be enough money to bring the roads up to county standards. The Dogwood Board believes that we must act now to save our roads. Failure to act now may result in property owners facing the following issues in the future:

1. Loss of the structural integrity of the roads resulting in major costs over estimated maintenance costs which our present dues won't cover.
2. Loss of property values.
3. Major increases in dues for all members.
4. The possibility of not being able to drive to our properties during severe weather conditions.
5. Refusal of emergency vehicles to enter Dogwood due to lack of turnouts and narrow roads, not up to county requirements.
6. Insurance company cancellations due to roads not meeting requirements for emergency vehicles.

Members of the Dogwood Board are proposing that Dogwood form a Zone within County Service Area No. 35 (CSA 35) which will be a more permanent solution to our road problems. Approximately a year and a half ago the

County gave the Board a figure of \$2,782.00 per lot, per year. After many different maintenance plans were investigated the Board chose a workable but less aggressive maintenance plan and proposed using \$70,000 in our treasury to fulfill the County's reserve fund requirement which led to the reduced figure of \$993.47 per lot for the first three years. The \$70,000 will not be transferred unless the CSA is approved. Here is additional information that you need to know concerning the formation of a Zone in CSA 35:

1. The County will take over road maintenance, insurance costs, and snow removal.
2. Each lot in Dogwood with the proposed CSA will pay \$993.47 per year for the first three years which is **(only \$333.00 more than current dues)**
3. Each lot will pay \$1,063 years four through sixteen-(**only an additional \$80.00 above the first three years.**)
4. All funds paid to the Dogwood Zone in CSA 35 will stay in the Zone's account.
5. Numerous Shaver Lake Real Estate sales people agree that with county maintained roads, property values will increase.
6. Your \$993.47 will be a tax write off under the CSA for state and federal income taxes. **The current \$660.00 is not tax deductible.)**
7. If the majority of proxy votes are in favor of the formation a Zone in CSA 35, a county process in compliance to Article 13D of the California Constitution will be required to form the zone. A majority vote by the property owners would be required before the County Board of Supervisors could approve the assessment and the formation of the Zone.

Additional information that is enclosed includes the following:

1. Form authorizing proxy vote for your lot to join or not join CSA
2. Members form for authorizing advance payment of \$70,000 from the existing treasury to pre pay the reserve fund

The Board is asking you to vote for the proposed CSA. This is a very good bargain when all the factors are considered. It takes us out of the road repair business, snow removal business and will reduce the Dogwood dues to practically nothing.

Please sign the proxy form and indicate whether you are for or against the CSA. Please authorize the use of the \$70,000 presently in the treasury for prepayment of the reserve fund for the CSA.

Sincerely,

Dogwood Board of Directors

Additional information is posted on the website www.dogwoodmountain.org