

Questions and Responses from Vista Montaña Homeowners Meeting

on January 24, 2024

TREE AND SIDEWALKS

1. Have you considered making more parking and less trees, plants and stuff that requires no or minimal maintenance?

a. *(Addressed at the meeting) Parking (or lack thereof) is an issue citywide. Mostly related to the number of household members and the use of garages as storage space which require more cars to be parked on the streets. Eliminating landscaped areas to add parking would add a limited number of spaces and not solve everyone's parking issues. On the contrary, landscaped areas do bring a community wide stormwater, cooling and beautification benefits.*

2. What plantings are being proposed for landscape?

a. *(Addressed at the meeting) The City does not have plans for any new plantings in the landscape areas. The fees proposed are intended for maintenance of current landscaping only. We have planted trees in recent months using grant funding that came at no cost to the LLMAD. These planting include free maintenance for 3-9 years (Depending on the grant)*

RESERVE

3. Can we have the breakdown of the money that was spent in 2008 that used up all of the reserve money?

a. *Records indicate that approximately \$135,000 was spent on landscape improvements, primarily on the agricultural buffers on Bridge Street. There were three homeowner meetings held from 2007-2008 to discuss this project.*

4. If the proposed goal is to continue to increase our reserves every year, what does that money do other than sit there? Can it be invested into any account which can grow the funds? Why do we need to be such a high reserve (\$800,000)?

a. *Funds are spent as LLMAD infrastructure reaches its useful life and needs to be replaced. Life expectancy of this infrastructure ranges from 5-40 years and the Engineers Report calls for saving a little each year so that as infrastructure reaches the end of its useful life, there is money in the account*

to replace it. For example, the perimeter sound wall on Highway 152 has a replacement value of \$2,160,000 and is expected to last 40 years. Each year we should put 1/40 of this cost into the reserve so that there is money to replace it when needed. The account does earn interest.

BUDGET

- 5. Could you please provide a detailed report on where the money was spent? A breakdown of expenses being paid out. Where has the money gone in the last 20yrs?**
 - a. *You can find this information by visiting our website at [Learn about LLMADs | Watsonville](#).*
- 6. Are you showing the community how the money was spent? We see numbers, but what does that mean?**
 - a. *You can find this information by visiting our website at [Learn about LLMADs | Watsonville](#). Please contact us should you have further questions.*
- 7. How much is our current cost?**
 - a. *You can find this information by visiting our website at [Learn about LLMADs | Watsonville](#).*
- 8. Can we get different engineers?**
 - a. *The City's Engineer creates the annual Engineer's Reports. Another Engineer could be contracted at the expense of the LLMAD.*
- 9. Can the City contribute to LLMAD when there's a deficit?**
 - a. *The homeowners within the LLMAD are the direct beneficiaries of the amenities maintained by the LLMAD and thus have responsibility for the cost of maintenance. Because of this, it is not in the best interest of the City or other residents to use City funds (taxpayer dollars) to contribute to the LLMAD.*

10. We should find a way to manage correctly, don't you agree?

a. *We most definitely agree. This is why we are working hard on proposing a plan that is acceptable to property owners and that would both fund maintenance at the level desired, and the reserve balance to replace large infrastructure items if they should fail. Unfortunately, we cannot continue to manage the LLMAD, even at current levels, without increased funding.*

Since the first year of existence, maintenance costs exceeded the Engineers Report budget, leaving less funds available to move to the reserve than budgeted. The current assessment revenue has proven insufficient to meet the ongoing operational and maintenance needs of the LLMAD. As a result, the assessment revenue did not create the ability to build a reserve over time to fund eventual capital repair and/or replacement of District assets. In addition, for many years fees were not increased annually by CPI to cover rising costs of service. In 2008, at the request of homeowners, the reserve was used for additional landscaping installations that created more annual maintenance costs. The City is committed to finding a plan that is agreeable with owners to fix the problem and creating sustainable path forward.

11. 18% to 20% of administrative fees were charged to the LLMAD. That is about \$18,000-20k per year for a total of \$320K for the 20 years?

a. *Administrative fees charged to the LLMAD have risen from \$2530 in 2006 to \$11,245 in 2023. This represents 2-7% each year and approximately \$85,000 over that span of time.*

12. Who is responsible for dispensing the funds that have been allocated?

a. *The County of Santa Cruz collects the assessment and passes the funds to the City of Watsonville for use. Funds are budgeted by the Parks Department and Public Works Department to maintain and replace items as described in the Engineers Report.*

13. Tengo entendido que FEMA dio dinero por las inundaciones. Dónde esta el dinero en sus estadísticas?

a. *The City is still working with FEMA to secure funding for damages to the culvert structure and sound walls near Bridge St. and State Route 152/East Lake Ave. FEMA requires very strict documentation and details in order*

approve funding and reimburse the City for costs of the flooding disaster. The City has not received any funds to date.

PROPOSED FEE

14. What is the increase going to pay for?

- a. 100 percent of the new assessment increase (overlay) will go to landscape maintenance. The current assessment will go towards building the reserve.*

15. When would the voting be scheduled?

- a. Voting would occur from May-June 2024. Ballots will be mailed mid-May.*

16. Why should the apartments have to vote? They don't pay into it.

- a. The apartment building owner pays a proportionate share for each apartment unit and therefore is entitled to proportionate votes.*

17. How much are our property taxes going to increase?

- a. Estimates can be found in the February 2024 Newsletter. Specifics will be shared prior to and with the ballots.*

18. Can fee increase be done incrementally? Is it too much of an increase all at once?

- a. The City is currently exploring this possibility and will share an update during the next Homeowner Meeting on February 15.*

19. Can a fee assessment be drafted to only deal with the tree/sidewalk safety issues?

- a. The City is working hard to secure funding that would pay for tree removals through various grants. The City has also committed to working with the LLMAD on funding to repair sidewalks.*

BACKGROUND AND HISTORY

20. In the initial report the reserve listed all the projects the City was going to maintain. Did those projects happen?

- a. *The majority of the infrastructure within the LLMAD has not been replaced according to the schedule in the Engineers Report because there has not been or there have been insufficient funds to carry out the replacement.*

MAINTENANCE

21. Trash is present in common areas, overgrown bushes, and trees not being pruned. Will this be addressed in the future?

- a. *(addressed at meeting) These issues will be addressed if the community votes in favor of an assessment increase to cover the increasing costs of these services along with the need to address the shortfall in the reserve budget. If the proposal is voted down, maintenance will revert to only the most basic of services for safety. Assessment fees will be directed to build the reserve account to a satisfactory level. This means you will see even less maintenance in the immediate future and until the reserve is reestablished.*

22. Any information regarding the maintenance that has been done to this day?

- a. *(Addressed at meeting) We keep maintenance records for two years regarding the exact tasks and areas serviced weekly. These can be provided upon request.*

23. How many workers did we have in the last 2 years?

- a. *The LLMAD Budget includes 62% of one full time Parks maintenance worker to address landscaping and basic cleanups of the landscape areas. This does not include the labor, time and materials for Public Works employees to maintain lighting, the drainage channel, drainage inlets, culverts, or the detention basins.*

24. The funds collected during 2020-2023 what maintenance was being completed?

- a. *The Parks Division keeps maintenance records for two years regarding the exact tasks and areas serviced daily. These can be provided upon request. The Public Works Field Services division may also have records showing work done on stormwater facilities. Although these records are not kept indefinitely.*

25. How many acres are being maintained?

a. *In the buffer areas along Bridge St., there are approximately 4.3 acres (188,057.68 square feet) of landscaping being maintained. Along the streets in front of homes there are approximately 0.275 acres (12,000 square feet) being maintained. Along SR152/East Lake Ave. there are approximately 0.625 acres (27,243.2 square feet) being maintained. Within the drainage channel buffer area there are approximately 8.16 acres (355,646.1 square feet) being maintained. In total, there are about 13.36 acres (581961.6 square feet) being maintained for landscaping. This number does not include pathways, streets, lighting, or other hardscapes, including walls, that are included in maintenance of the LLMAD.*

26. Are you turning the water on Bridge Street? Because it has been off for years and we have been financially charged for it?

a. *We are not planning to completely turn the irrigation on for the Bridge St. landscaping in the foreseeable future. The water charges you may see on the budget in the last few years include charges for equipment in place (Backflow preventers, account service fees), not necessarily for water flow or usage. The lines are still active for various reasons (e.g. to water new plants or plants that are declining in health). Broken lines may also contribute to water flow and charges. The Parks Division regularly identifies these leaks and repairs them.*

27. What maintenance is done at each address? Is that just for the landscape strip outside the sidewalk?

a. *(Addressed at meeting) If an address has a landscape strip in the front, that area is maintained by the LLMAD. Each address may also see landscape maintenance along the back or side fence if it is adjacent to the agriculture buffer area.*

28. Is Franich Drive included in the maintenance?

a. *(Addressed at meeting) Franich Drive and Marcella Drive landscaping are not included in the LLMAD maintenance. These streets do not have landscape strips along the street side of the sidewalk. The landscaping present is on private property and is the responsibility of the property owner.*

29. Did you get multiple bids from landscaping companies?

- a. *(Addressed at meeting) The city sent out a Request for Proposals for landscape maintenance in early 2023. We met with 4 companies and received 2 formal proposals from K&D Landscaping and New Bright Landscaping. K&D's bid was the lowest at \$155,000 for full- service maintenance of only the improved landscape areas. (Not including the drainage channel areas, detention basins, walls, or stormwater infrastructure). The proposed scope of work (area and duties) can be found on the website. [Learn about LLMADs | Watsonville](#)*