PILOT HILL ESTATES HOMEOWNERS ASSOCIATION PO BOX 313 PILOT HILL, CA 95664

July 3, 2017

Subject: Road Maintenance Assessment

As presented during the 2017 Annual Homeowners Meeting, due to deferred maintenance and as compounded by a very wet winter, specific sections of our roads need immediate repair before the end of this summer. Bids were solicited to repair and chipseal four sections of road (see attached figure), as briefly described below:

- Item #1 (\$33,000)
 - o 2000 lineal feet of Oak View Drive (fill potholes, dig out boils, level, double chipseal)
 - o 1000 lineal feet of Pine Tree Circle (fill potholes, level, double chipseal)
- Item #2 (\$14,000 if combined with Item #1)
 - 900 lineal feet of pond access road (pulverized existing road in-place, add more road base, grade to drain, double chipseal)
- Item #3 (\$9,000 if combined with Item #1)
 - o Intersection of Pine Tree Circle and Pine Tree Court (dig out and replace asphalt)
 - o Intersection of Oak View Drive and pond access road (dig out and replace with asphalt)
- Item #4 (\$5,000 if combined with Item #1)
 - o 500 lineal feet of Pine Tree Court (fill potholes, level, double chipseal)
- Item #5 (\$4,000)
 - As-needed additional services (daily patch crew)

The bids to perform the above services ranged from \$65,000 to \$71,000. We are proceeding with Livingston's Grading & Paving, Inc., who prepared the bid for \$65,000. However, we currently only have funds available in our checking/savings to perform Item #1.

Item #1 road repairs have been scheduled to begin mid-July in two phases. Phase 1, fix potholes and dig out and repair boils. Phase 2, one to two weeks later, level and double chipseal.

To perform Items #2 through #5, we are asking the homeowners for a one-time assessment of \$500 per lot. This will raise an additional \$33,000 and allow us to meet our initial maintenance need of \$65,000. Due to deferred maintenance, we are urging homeowners to approve this assessment, otherwise costs are likely to increase as the level of deterioration becomes worse. This assessment requires a majority vote of the homeowners to approve. Please check your vote below and return the pre-stamped envelope no later than July 15th. If approved, payment will be due within 1 month.

Lot	approves this road assessment,	() Yes, () No, Signed	

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For road maintenance in subsequent years, \$27,000 is available annually, which represents 70% of the annual budget. This level of funding, depending on oil prices, will allow us to perform maintenance on the remainder of our roads over the following five to seven years (i.e., fix pot holes and double chipseal approximately 2,500 lineal feet per year).

If you have any questions, please feel free email me at <u>c.campbell@cbecoeng.com</u> or call me at 916-214-3624.

Respectfully,

Chris Campbell, Road Chairman
On Behalf of the Board of Directors
Pilot Hill Estates Homeowners Association

