

## **SPECIAL BOARD MEETING AGENDA**

March 21, 2018 2:00 PM  
Saddle Creek Lodge  
1001 Saddle Creek Drive, Copperopolis, CA

1. CALL TO ORDER
2. ROLL CALL
3. PLEDGE OF ALLEGIANCE
4. CHANGES TO ORDER OF AGENDA
5. **PUBLIC COMMENT** (Each speaker is limited to two (2) minutes)  
Members of the public are appreciated for taking the time to attend this meeting and provide comments on matters of District business. Any member of the public may address the Board relating to any matter within the Board's jurisdiction. This need not be related to any item on the agenda; however, the Board cannot act on an item unless it was noticed on the agenda.
6. **CONSENT CALENDAR**  
Consent Calendar items are considered routine and will be acted upon by one motion. There will be no separate discussion on these items unless a member of the Board, Staff or a member of the Public requests specific items be set aside for separate discussion.
  - a. Review of monthly financial report, approval of bills and claims for February 2018
  - b. Approval of the minutes from the Regular Board Meeting held February 20, 2018.
  - c. Adoption of a resolution approving the proposed increase in the weed abatement fee charged for mowing of vacant lots
7. **DISCUSSION AND ACTION ITEMS**  
The Board of Directors intends to consider each of the following items and may take action at this meeting. Public comment is allowed on each individual agenda item listed below, and such comment will be considered in advance of each Board action.
  - a. Adoption of a Resolution Authorizing the Execution and Delivery of an Installment Agreement and Authorizing and Directing Certain Actions in Connection with the Acquisition and Construction of the Saddle Creek Road Improvements 2018
  - b. Discussion and Action Related to Clarification of the Phase 1 & Phase 2 Landscape Improvement Projects and Related Landscape Architect and Construction Work
  - c. Discussion and Action Related to District Actions and Involvement in the Implementation of the Second Community Entrance
  - d. Discussion and Action Regarding a Proposed Policy Prescribing Rules and Regulations Relating to the Management of Wildlife Habitat Easements Throughout the Community
  - e. Adoption of a Resolution Amending the Privacy Gate Rules, Administrative Regulations Section 2003-1
  - f. Continued development of Norms for Board member conduct to facilitate effective deliberations; and Protocol to create the structure and process for effective Board meetings.
  - g. Adoption of a Resolution Authorizing Agreement with Umpqua Bank to Participate in the CSDA District Purchasing Card Program
8. **STAFF AND DIRECTOR REPORTS:**  
Brief reports may be provided by District staff and/or Board members as information on matters of general interest. No action will be taken by the Board during Reports, however items discussed may be recommended for discussion and action on a future agenda.
  - a. General Manager's Report:
  - b. Site Manager's verbal report.
9. **ADJOURNMENT**

Agenda Materials: May be viewed on the bulletin boards outside the Saddle Creek Pro Shop, on the Sports Club Bulletin Board and at the CSD Website typically three days preceding each meeting date. Materials will also be available at the meeting.

Americans with Disabilities Act Compliance: If you require special assistance to participate in Board Meetings, please contact the CSD Clerk at (209) 785-0100. Advance notification will enable the District to make reasonable arrangements to insure accessibility.



*Saddle Creek Community Services District*

# ***Treasurer's Report***

*February 28, 2018*

**Saddle Creek Comm Srvs District  
Treasurer's Report  
February 2018**

**Statement of Cash Flows**

For the 8 Months Ending February 28, 2018

	Umpqua Bank Checking	Calaveras Co Fund 2188	Umpqua Bank CD #7405	Umpqua Bank CD #46165	Umpqua Bank CD #46207	Umpqua Bank CD #46249	Umpqua Bank CD #46124	YTD Total
<b>OPERATING ACTIVITIES</b>								
<b>Net Income</b>	76,224	-	(26,145)	19	19	85	85	50,287
Adjustments to reconcile Net Income to Net Cash provided by Operations:								
1200 Accounts Receivable	-							-
2000 Accounts Payable	(7,930)							(7,930)
2040 CSDA Bank of the West MC	(22,382)							(22,382)
2070 John Deere Open Account	(184)							(184)
2100 Payroll Taxes Payable	830							830
2150 Accrued Payroll	1,590							1,590
Other Current Payables	368							368
<b>Net cash provided by operating activities</b>	<b>48,516</b>	<b>-</b>	<b>(26,145)</b>	<b>19</b>	<b>19</b>	<b>85</b>	<b>85</b>	<b>22,579</b>
<b>Net cash increase for period</b>	<b>48,516</b>	<b>-</b>	<b>(26,145)</b>	<b>19</b>	<b>19</b>	<b>85</b>	<b>85</b>	<b>22,579</b>
<b>Cash at beginning of period (7/1/2017)</b>	<b>382,100</b>	<b>-</b>	<b>26,145</b>	<b>25,188</b>	<b>25,188</b>	<b>25,135</b>	<b>25,135</b>	<b>508,891</b>
<b>Cash at end of period</b>	<b>430,616</b>	<b>-</b>	<b>25,207</b>	<b>25,207</b>	<b>25,207</b>	<b>25,220</b>	<b>25,220</b>	<b>531,470</b>

**Cash Flow Projection**

	Feb-2018	Mar-2018	Apr-2018	May-2018	Jun-2018	Jul-2018	Aug-2018	Sep-2018
<b>Beginning Checking Account Balance</b>	<b>\$ 484,959</b>	<b>\$ 430,616</b>	<b>\$ 378,749</b>	<b>\$ 307,077</b>	<b>\$ 604,206</b>	<b>\$ 529,334</b>	<b>\$ 453,462</b>	<b>\$ 454,140</b>
Deposits	\$ 856			\$ 370,000			\$ 46,000	
<b>Disbursements</b>								
Paychecks	24,783 (1)	\$ 16,583	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Payroll Taxes	12,386 (2)	\$ 6,530	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000
Checks Written								
Fixed Costs	\$ 10,918	\$ 11,000	\$ 11,000	\$ 11,000	\$ 11,000	\$ 11,000	\$ 11,000	\$ 11,000
Variable Costs-Repairs & Replacements	1798 (3)	\$ 2,374	\$ 7,500	\$ 2,000	\$ 2,000			
Capital Outlay						\$ 5,000		
Projects Costs								
Human Resources Practioners	\$ 2,000	\$ 1,000	\$ 2,000		\$ 2,000			
Willdan		\$ 8,310	\$ 4,000	\$ 4,000	\$ 4,000	\$ 3,000		
NBS						\$ 1,000	\$ 2,000	\$ 2,000
S DFA (Road Construction Loan)		(4)						
Landscape Architect & Survey		(5)	\$ 14,850	\$ 23,550	\$ 23,550	\$ 23,550		
Credit Card Charges	\$ 7,060	\$ 9,749	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000
Cleared check dated in Feb	\$ (5,678)	\$ (5,678)	\$ (5,678)	\$ (5,678)	\$ (5,678)	\$ (5,678)	\$ (5,678)	\$ (5,678)
ACS Debits - (Utilities, Lease Pymts,P/R processing)	\$ 1,932	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
<b>Total Disbursements</b>	<b>\$ 55,199</b>	<b>\$ 51,867</b>	<b>\$ 71,672</b>	<b>\$ 72,872</b>	<b>\$ 74,872</b>	<b>\$ 75,872</b>	<b>\$ 45,322</b>	<b>\$ 45,322</b>
<b>Ending Checking Account Balance</b>	<b>\$ 430,616</b>	<b>\$ 378,749</b>	<b>\$ 307,077</b>	<b>\$ 604,206</b>	<b>\$ 529,334</b>	<b>\$ 453,462</b>	<b>\$ 454,140</b>	<b>\$ 408,819</b>
Check \$								

- (1) Includes bonus Checks
- (2) 40% based on Jan Actual
- (3) Per G. Hebard
- (4) If funded April 15, 2018 - payments begin April 15, 2019; No loan fees are paid by the District
- (5) Architect \$78K/Survey \$7K - 1st yr. survey plus 10%; 30% years after

*This cash flow projection uses estimates of outlays using information available at the time of preparation*

Prepared by: Dolores Baker  
15-Feb-18

SADDLE CREEK COMMUNITY SERVICES DISTRICT  
 FY 2017-18 MONTHLY BUDGET REPORT ANALYSIS  
 February 2018

		ACTUALS			BUDGET		
		2016-17 Jul-Feb	2017-18 Jul-Feb	Variance Incl/ (Decr)	2017-18 BUDGET	\$ Budget Remaining	% Budget Remaining
<b>EXPENDITURES</b>							
<b>SERVICES AND SUPPLIES</b>							
<b>ADMINISTRATION</b>							
OE01	Audit Expense			\$ -	\$ 7,800	\$ 7,800	100%
OE02	Accounting & Bookkeeping	\$ 248	\$ 248	\$ (0)	\$ 551	\$ 303	55%
OE02-1	Parcel Tax Implementation	\$ 5,134	\$ 2,298	\$ (2,836)	\$ 4,250	\$ 1,952	46%
OE03	On-line Back-up/Notary Fees/Bonds	\$ -	\$ 906	\$ 906	\$ 397	\$ (509)	-128%
OE04	Legal Expenses	\$ -	\$ -	\$ -	\$ 1,575	\$ 1,575	100%
OE05	Management Fees	\$ 42,714	\$ 44,615	\$ 1,901	\$ 68,775	\$ 24,160	35%
OE06	Insurance (Property Loss/Liability)	\$ -	\$ 188	\$ 188	\$ 8,925	\$ 8,737	98%
OE07	Miscellaneous/Contingency	\$ 1,789	\$ 3,769	\$ 1,980	\$ 8,000	\$ 4,231	53%
OE08	Professional Development (Travel/Training)	\$ 3,137	\$ 7,934	\$ 4,797	\$ 8,925	\$ 991	11%
OE09	Dues, Certifications & Subscriptions	\$ 3,425	\$ 6,816	\$ 3,390	\$ 6,200	\$ (616)	-10%
OE10	Uniform Expenses	\$ 1,925	\$ 2,692	\$ 768	\$ 2,310	\$ (382)	-17%
OE11	Electric Power/Water/Sewer	\$ 3,697	\$ 3,986	\$ 289	\$ 9,405	\$ 5,419	58%
OE12	Telephone/Internet Service	\$ 3,655	\$ 3,916	\$ 261	\$ 6,405	\$ 2,489	39%
OE14	Office Supplies/Postage	\$ 3,886	\$ 4,980	\$ 1,094	\$ 5,250	\$ 270	5%
OE15	Office Equipment Repair/Replacement	\$ 4,401	\$ 5,916	\$ 1,515	\$ 6,000	\$ 84	1%
OE21	Office Equipment Lease	\$ -	\$ 1,445	\$ 1,445	\$ 2,000	\$ 555	28%
OE41	HR Consultant	\$ -	\$ 2,000	\$ 2,000	\$ 6,000	\$ 4,000	67%
OE26	County Fees/LAFCO	\$ 3,067	\$ 5,020	\$ 1,952	\$ 6,825	\$ 1,805	26%
OE30	Reimbursable Maint/Repair Expense	\$ 5,726	\$ 4,268	\$ (1,458)	\$ 7,000	\$ 2,732	39%
	Castle & Cooke Subsidized Expenses	\$ -	\$ -	\$ -	\$ 120,000	\$ 120,000	100%
PE03-1	Payroll Taxes - Administration	\$ 4,476	\$ 7,044	\$ 2,567	\$ -		
PE06-1	Employee Wages - Administration	\$ 45,156	\$ 76,943	\$ 31,787	\$ -		
	<b>Total Administration</b>	\$ 132,438	\$ 184,984	\$ 52,546	\$ 286,593	\$ 185,596	65%
				\$ -		\$ -	
				\$ -		\$ -	
<b>COMMON AREAS</b>							
OE16	Gate Maintenance & Opener Purchase	\$ 2,993	\$ 9,237	\$ 6,245	\$ 17,500	\$ 8,263	47%
OE18	Landscape Supplies & Repairs	\$ 4,682	\$ 20,592	\$ 15,911	\$ 25,000	\$ 4,408	18%
OE18-3	Landscape Equipment Gas & Oil	\$ 2,924	\$ 3,143	\$ 219	\$ 5,250	\$ 2,107	40%
OE18-4	Landscape Equipment Repair/Replacement	\$ 8,537	\$ 13,890	\$ 5,353	\$ 17,500	\$ 3,610	21%
PE03 -2	Payroll Taxes - Common Areas	\$ 7,691	\$ 8,552	\$ 860	\$ -		
PE06 -2	Employee Wages - Common Areas	\$ 93,668	\$ 104,292	\$ 10,624	\$ -		
	<b>Total Common Areas</b>	\$ 120,495	\$ 159,706	\$ 39,212	\$ 65,250	\$ 18,387	28%

SADDLE CREEK COMMUNITY SERVICES DISTRICT  
 FY 2017-18 MONTHLY BUDGET REPORT ANALYSIS  
 February 2018

	ACTUALS			BUDGET		
	2016-17 Jul-Feb	2017-18 Jul-Feb	Variance Incl/ (Decr)	2017-18 BUDGET	\$ Budget Remaining	% Budget Remaining
<b>EXPENDITURES</b>						
<b>FIRE PROTECTION</b>						
			\$ -		\$ -	
	Fire Protection Services & Supplies	\$ -	\$ -	\$ -	\$ -	
PE03-3	Payroll Taxes - Fire Protection	\$ 355	\$ -	\$ (355)	\$ -	
PE06-3	Employee Wages - Fire Protection	\$ 4,636	\$ -	\$ (4,636)	\$ -	
	<b>Total Fire Protection</b>	<b>\$ 4,990</b>	<b>\$ -</b>	<b>\$ (4,990)</b>	<b>\$ -</b>	
<b>MOSQUITO ABATEMENT</b>						
			\$ -		\$ -	
OE22-1	Mosquito Control Products	\$ 7,760	\$ 6,088	\$ (1,672)	\$ 15,225	\$ 9,137 60%
OE22-2	Mosquito Abatement Monitoring & Testing	\$ 2,016	\$ 815	\$ (1,201)	\$ 3,150	\$ 2,335 74%
OE22-3	Mosquito Abatement Vehicles Gas & Oil	\$ 6,119	\$ 4,240	\$ (1,879)	\$ 11,550	\$ 7,310 63%
OE22-4	Mosquito Abatement Equipment Maintenance	\$ 1,478	\$ 6,815	\$ 5,337	\$ 5,250	\$ (1,565) -30%
PE03-4	Payroll Taxes - Mosquito Abatement	\$ 589	\$ 431	\$ (158)		
PE06-4	Employee Wages - Mosquito Abatement	\$ 7,647	\$ 5,566	\$ (2,081)		
	<b>Total Mosquito Abatement</b>	<b>\$ 25,609</b>	<b>\$ 23,954</b>	<b>\$ (1,655)</b>	<b>\$ 35,175</b>	<b>\$ 11,221 32%</b>
<b>STREETS</b>						
			\$ -		\$ -	
OE17	Streets/Sidewalks/Lighting Maint & Repair	\$ 12,674	\$ 5,688	\$ (6,986)	\$ 14,175	\$ 8,487 60%
PE03-5	Payroll Taxes - Streets	\$ 186	\$ 6	\$ (180)	\$ -	
PE06 -5	Employee Wages - Streets	\$ 1,944	\$ 80	\$ (1,864)	\$ -	
	<b>Total Streets</b>	<b>\$ 14,805</b>	<b>\$ 5,775</b>	<b>\$ (9,030)</b>	<b>\$ 14,175</b>	<b>\$ 8,400 59%</b>
<b>WETLANDS</b>						
			\$ -		\$ -	
	Wetlands Services and Supplies	\$ -	\$ -	\$ -	\$ -	
PE03-6	Payroll Taxes - Wetlands	\$ 93	\$ -	\$ (93)	\$ -	
PE06-6	Employee Wages - Wetlands	\$ 1,165	\$ -	\$ (1,165)	\$ -	
	<b>Total Wetlands</b>	<b>\$ 1,258</b>	<b>\$ -</b>	<b>\$ (1,258)</b>	<b>\$ -</b>	
	<b>TOTAL SERVICES &amp; SUPPLIES</b>	<b>\$ 299,595</b>	<b>\$ 374,419</b>	<b>\$ 74,824</b>	<b>\$ 401,193</b>	<b>\$ 26,774 7%</b>
<b>PERSONNEL COSTS</b>						
			\$ -		\$ -	
PE01	Worker Compensation Insurance	\$ 489	\$ (320)	\$ (809)	\$ 22,237	\$ 22,557 101%
PE02	Health Insurance	\$ 31,882	\$ 32,249	\$ 367	\$ 66,101	\$ 33,852 51%
PE03	Payroll Taxes	\$ 13,391	\$ 16,032	\$ 2,642	\$ 28,517	\$ 12,485 44%
PE04	Processing Fees	\$ 904	\$ 906	\$ 2	\$ 1,400	\$ 494 35%
PE05	Directors Stipend	\$ 5,900	\$ 5,600	\$ (300)	\$ 6,000	\$ 400 7%
PE06	Employee Wages	\$ 154,216	\$ 186,881	\$ 32,666	\$ 326,653	\$ 139,772 43%
	<b>TOTAL PERSONNEL COSTS</b>	<b>\$ 206,781</b>	<b>\$ 241,349</b>	<b>\$ 34,568</b>	<b>\$ 450,908</b>	<b>\$ 249,180 55%</b>
	<i>Distributed to Service Areas</i>	<i>\$ (167,606)</i>	<i>\$ (202,914)</i>	<i>\$ (35,307)</i>		
	<b>TOTAL UNDISTRIBUTED PERSONNEL COSTS</b>	<b>\$ 39,175</b>	<b>\$ 38,435</b>	<b>\$ (740)</b>		

SADDLE CREEK COMMUNITY SERVICES DISTRICT  
 FY 2017-18 MONTHLY BUDGET REPORT ANALYSIS  
 February 2018

	ACTUALS			BUDGET		
	2016-17 Jul-Feb	2017-18 Jul-Feb	Variance Inc/ (Decr)	2017-18 BUDGET	\$ Budget Remaining	% Budget Remaining
<b>EXPENDITURES</b>						
			\$ -		\$ -	
<b>EQUIPMENT OUTLAY</b>			\$ -		\$ -	
CO01 (1) Cart & (1) Fogger		\$ 28,960	\$ 28,960	\$ 29,000	\$ 40	0%
CO04 John Deer Roto Tiller (2017)	\$ -	\$ -	\$ -		\$ -	
CO04 Cart - Mosquito Abatement (2016)	\$ 16,924		\$ (16,924)		\$ -	
CO04 Vrisimo Flail Mower (2015)	\$ -		\$ -		\$ -	
CO04 John Deere Tractor w/loader & Bucket (2016)	\$ -		\$ -		\$ -	
<b>TOTAL CAPITAL OUTLAY</b>	<b>\$ 16,924</b>	<b>\$ 28,960</b>	<b>\$ 12,036</b>	<b>\$ 29,000</b>	<b>\$ 40</b>	<b>0%</b>
<b>CAPITAL OUTLAY/STUDIES/ASSESEMENTS</b>			\$ -			
OE18-2 Landscape Design			\$ -	\$ 20,000	\$ 20,000	100%
OE18-1 Landscape Improvements	\$ 9,229	\$ 35,927	\$ 26,698	\$ 80,000	\$ 44,073	55%
OE17-2 Road Improvement (Incl. \$15K Contingency)	\$ -	\$ -	\$ -	\$ 115,000	\$ 115,000	100%
OE17-1 Road Project Management (Willdan)	\$ -	\$ 14,271	\$ 14,271	\$ 43,000	\$ 28,729	67%
<b>TOTAL STUDIES &amp; ASSESSMENTS</b>	<b>\$ 9,229</b>	<b>\$ 50,198</b>	<b>\$ 40,969</b>	<b>\$ 258,000</b>	<b>\$ 207,802</b>	<b>81%</b>
<b>DEBT SERVICE</b>			\$ -			
John Deere Financing	\$ 10,686	\$ 10,686	\$ -	\$ 16,100	\$ 5,414	34%
<b>TOTAL DEBT SERVICE</b>	<b>\$ 10,686</b>	<b>\$ 10,686</b>	<b>\$ -</b>	<b>\$ 16,100</b>	<b>\$ 5,414</b>	<b>34%</b>
			\$ -		\$ -	
<b>TOTAL EXPENSES</b>	<b>\$ 267,867</b>	<b>\$ 502,698</b>	<b>\$ 234,831</b>	<b>\$ 1,155,201</b>	<b>\$ 732,999</b>	<b>63%</b>
<b>PAYMENTS AND ASSESSMENTS RECEIVED</b>						
<u>Assessment Income</u>						
Payment No. 2: (40%) May 2018			\$ -	\$ 369,779	\$ 369,779	
Payment No. 3: (5%) Aug 2017	\$ 29,186	\$ 29,983	\$ 797	\$ 46,222	\$ 16,239	
Payment No. 1: (55%) Feb 2018	\$ 327,472	\$ 508,738	\$ 181,266	\$ 508,446	\$ (292)	
Total Assessment Income	\$ 356,658	\$ 538,721	\$ 182,063	\$ 924,447	\$ 385,726	
<u>Reimbursement Income</u>						
Total Reimbursement Income	\$ 6,667	\$ 8,467	\$ 1,800	\$ 7,000	\$ (1,467)	
<u>Other Income</u>						
Total Other Income	\$ 2,133	\$ 5,797	\$ 3,664	\$ 6,400	\$ 603	
<b>TOTAL PAYMENTS &amp; ASSESSMENTS</b>	<b>\$ 365,458</b>	<b>\$ 552,985</b>	<b>\$ 187,527</b>	<b>\$ 937,847</b>	<b>\$ 384,862</b>	<b>41%</b>
<b>Net Income</b>	<b>\$ 97,592</b>	<b>\$ 50,287</b>	<b>\$ (47,305)</b>	<b>\$ (217,354)</b>	<b>\$ 161,490</b>	

Budgeted Deficit for  
 \$100K in Landscape & Road planning/Design \$158K

# Saddle Creek Comm Srvs District

## BALANCE SHEET

As of February 28, 2018

	TOTAL
<b>ASSETS</b>	
Current Assets	
Bank Accounts	
1000 Umpqua Bank Checking	430,616
1080 Umpqua Bank CD Accounts	100,854
<b>Total Bank Accounts</b>	<b>\$531,470</b>
<b>Total Current Assets</b>	<b>\$531,470</b>
Fixed Assets	
1500 Capital Assets	13,127,405
1600 Accumulated Depreciation	(851,858)
<b>Total Fixed Assets</b>	<b>\$12,275,547</b>
<b>TOTAL ASSETS</b>	<b>\$12,807,018</b>
<b>LIABILITIES AND EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 Accounts Payable	26,379
<b>Total Accounts Payable</b>	<b>\$26,379</b>
Credit Cards	
2040 CSDA Bank of the West MC	1,070
<b>Total Credit Cards</b>	<b>\$1,070</b>
Other Current Liabilities	
2100 Payroll Taxes Payable	1,058
2110 Wage Garnishments Payable	179
2150 Accrued Payroll	10,055
2200 Sales Tax Payable	361
2201 Sales Tax Adjustment	127
Board of Equalization Payable	43
<b>Total Other Current Liabilities</b>	<b>\$11,824</b>
<b>Total Current Liabilities</b>	<b>\$39,273</b>
Long-Term Liabilities	
2500 Lease Payable - John Deere	63,334
<b>Total Long-Term Liabilities</b>	<b>\$63,334</b>
<b>Total Liabilities</b>	<b>\$102,607</b>
Equity	
3800 Developer Capital Contributions	12,198,796
3900 Retained Earnings	455,328
Net Income	50,287
<b>Total Equity</b>	<b>\$12,704,410</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$12,807,018</b>

# Saddle Creek Comm Srvs District

## CHECK DETAIL

February 2018

DATE	NUM	NAME	MEMO/DESCRIPTION	AMOUNT
1000 Umpqua Bank Checking				
02/01/2018	2241	Kampa Community Solutions, LLC	Management Fees	(5,678.27)
02/01/2018	1948493	John Deere Financial	Tractor Lease Payment	(1,335.71)
02/05/2018	DD	NICOLE D MC CUTCHEN	Pay Period: 01/16/2018-01/31/2018	(1,564.34)
02/05/2018	DD	BRADLEY D NICKELL	Pay Period: 01/16/2018-01/31/2018	(1,240.66)
02/05/2018	DD	Gregory Hebard	Pay Period: 01/16/2018-01/31/2018	(2,349.54)
02/05/2018	DD	Ralph M. McGeorge	Pay Period: 01/16/2018-01/31/2018	(1,879.76)
02/05/2018	DD	STEPHEN L PATTON	Pay Period: 01/16/2018-01/31/2018	(1,222.19)
02/05/2018	DD	Gregory Hebard	Direct Deposit 2	(50.00)
02/05/2018	2242	California State Disbursement Unit	Garnishment Payable	(103.00)
02/05/2018	DD	DOLORES C BAKER	Pay Period: 01/16/2018-01/31/2018	(819.71)
02/07/2018	Feb Fees	Intuit Full Service Payroll	Monthly Payroll Service Fees	(111.00)
02/09/2018		IRS	Tax Payment for Period: 02/03/2018-02/06/2018	(2,938.31)
02/09/2018		CA EDD	Tax Payment for Period: 02/03/2018-02/06/2018	(576.35)
02/20/2018	2245	Edward Jones	Pay Period: 02/20/2018-02/20/2018	(3,000.00)
02/20/2018	2244	Central Bank & Trust	2017 IRA Contribution Account #74721984	(3,500.00)
02/20/2018	2254	SDRMA-Health Ins.	Health Ins Monthly Premium	(3,900.48)
02/20/2018	2253	Bank of the West	Credit Card Payment	(7,060.35)
02/20/2018	DD	Gregory Hebard	Pay Period: 02/01/2018-02/15/2018	(2,349.53)
02/20/2018	DD	Gregory Hebard	Direct Deposit 2	(50.00)
02/20/2018	2247	California State Disbursement Unit	Garnishment Payable	(103.00)
02/20/2018	2251	Turf Star, Inc.	Landscape Supplies	(143.09)
02/20/2018	2249	Human Resources Practitioners	HR Consulting Contract	(2,000.00)
02/20/2018	DD	Ralph M. McGeorge	Pay Period: 02/01/2018-02/15/2018	(1,879.76)
02/20/2018	2248	Custom Equipment Co., Inc	Landscape Equipt Repair	(1,798.00)
02/20/2018	DD	NICOLE D MC CUTCHEN	Pay Period: 02/01/2018-02/15/2018	(1,564.33)
02/20/2018	DD	BRADLEY D NICKELL	Pay Period: 02/01/2018-02/15/2018	(1,209.51)
02/20/2018	DD	STEPHEN L PATTON	Pay Period: 02/01/2018-02/15/2018	(1,100.98)
02/20/2018	DD	DOLORES C BAKER	Pay Period: 02/01/2018-02/15/2018	(1,002.73)
02/20/2018	2255	CNA Surety	CA Dishonesty Bond	(326.03)
02/20/2018	2246	Adventist Health - Sonora	Employment Check-ups	(324.00)
02/20/2018	2250	SDRMA-Prop/Liability Insurance	Property Additions	(187.83)
02/20/2018	2252	VALLEY ENTRY SYSTEMS, INC.	Gate Service Call	(152.30)
02/23/2018		IRS	Tax Payment for Period: 02/17/2018-02/20/2018	(7,051.39)
02/23/2018	1/6-2/5/2018	PG&E - 7193	Utilities	(340.22)
02/23/2018		CA EDD	Tax Payment for Period: 02/17/2018-02/20/2018	(1,819.76)
02/28/2018	350020210	USBank Equipment Finance	Copier Lease	(144.79)
<b>Total for 1000 Umpqua Bank Checking</b>				<b>\$ (60,876.92)</b>



Saddle Creek Comm Svcs District

2040 CSDA Bank of the West MC, Period Ending 02/28/2018

RECONCILIATION REPORT

Reconciled on: 03/13/2018

Reconciled by: Dolores Baker

Any changes made to transactions after this date aren't included in this report.

Summary

USD

Statement beginning balance	7,060.35
Charges and cash advances cleared (36)	9,748.73
Payments and credits cleared (1)	-7,060.35
Statement ending balance	9,748.73

Uncleared transactions as of 02/28/2018	515.74
Register balance as of 02/28/2018	10,264.47
Cleared transactions after 02/28/2018	0.00
Uncleared transactions after 02/28/2018	1,257.45
Register balance as of 03/13/2018	11,521.92

Details

Charges and cash advances cleared (36)

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
02/06/2016	Expense	111557	Staples	77.57
02/21/2016	Expense	6504880138	Craig's List	10.00
01/30/2018	Expense	30033	Sand Bar & Grill	49.16
01/31/2018	Expense	253823	Shell	67.85
01/31/2018	Expense	7767	Marriott Hotel	423.96
01/31/2018	Expense	7767-2	Marriot Hotels	200.72
02/01/2018	Expense	7750565	Hunt & Sons, Inc.	296.40
02/01/2018	Expense	774997	Hunt & Sons, Inc.	551.22
02/01/2018	Expense		Intuit - QBO Online	30.99
02/01/2018	Expense	Feb Billing	Cal Waste Recovery Systems	69.63
02/03/2018	Expense	ASG62A8WNA59J	Squatchboxx, Inc.	194.40
02/04/2018	Expense	12-13-17-1-12-18	Verizon Wireless	121.34
02/05/2018	Expense	784012	Hunt & Sons, Inc.	200.98
02/09/2018	Expense	02092018	212 Performance Gloves	225.00
02/10/2018	Expense		Microsoft Office	12.50
02/12/2018	Expense	7052701-A-1	Ewing	1,241.74
02/12/2018	Expense	2181804	Amazon.com	53.58
02/12/2018	Expense	CS2205779780	McAfee	39.99
02/13/2018	Expense	95601694	Stockton Honda Yamaha	325.93
02/14/2018	Expense	0088981-IN	Valley Tool Manufacturing Co.	841.23
02/15/2018	Expense	H246210	Hughson Farm Supply	1,479.13
02/15/2018	Expense	PE 1/31/18	Calaveras Telephone Co.	318.08
02/15/2018	Expense	429352	Belkorp Ag, LLC	115.78
02/15/2018	Expense	E24942	Safe-T-Lite of Modesto Inc.	288.34
02/16/2018	Expense	95601697	Stockton Honda Yamaha	107.61
02/16/2018	Expense	1466316	Big W Sales	380.50
02/16/2018	Expense	367358	Lake Tahoe Resort Hotel	160.18
02/20/2018	Expense	11/16-1/15	CCWD	285.88
02/20/2018	Expense	01161331	Saddle Creek Country Club	67.32
02/21/2018	Expense	660994	McDillard's Feed & Supply	54.70
02/22/2018	Expense	24918	The Trailer Specialist	1,000.00
02/24/2018	Expense	063111	St. Francis Equity	30.04
02/25/2018	Expense	524689	Hampton Inn	104.53
02/26/2018	Expense	3062009	Sheraton Hotels & Resorts	274.60
02/27/2018	Expense	706664229	State Line Conoco	33.40
02/27/2018	Expense	175206	KCI Car Center, Inc.	14.45

Total 9,748.73

Payments and credits cleared (1)

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
01/28/2018	Bill	January Stmt	Bank of the West	-7,060.35

Total -7,060.35

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**Additional Information**

Uncleared charges and cash advances as of 02/28/2018

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DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
02/27/2018	Expense	RR381501912	Hertz	205.46
02/27/2018	Expense	3410	Waterfront Seafood Market	73.85
02/28/2018	Expense	February Stmt	Young's Copper Ace Hardware	236.43
<b>Total</b>				<b>515.74</b>

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Uncleared charges and cash advances after 02/28/2018

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DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
03/01/2018	Expense		Intuit - QBO Online	30.99
03/01/2018	Expense	467540	BO LING	86.15
03/02/2018	Expense	Kansas City	Sheraton Hotels & Resorts	894.60
03/02/2018	Expense	488	KC Brew Pub	31.87
03/02/2018	Expense	067968	Sacramento Intl Airport	80.00
03/04/2018	Expense	1/13-2/12/2018	Verizon Wireless	121.34
03/10/2018	Expense		Microsoft Office	12.50
<b>Total</b>				<b>1,257.45</b>

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**REGULAR BOARD MEETING MINUTES**

February 20, 2018 2:00 PM  
Saddle Creek Lodge  
1001 Saddle Creek Drive, Copperopolis, CA

1. CALL TO ORDER
2. ROLL CALL **President Albertson, Vice President DeBaldo, Director Hoffman, Director Golden, General Manager Kampa, Board Clerk McCutchen, Site Manager Heberd. Director Russ-absent.**
3. PLEDGE OF ALLEGIANCE
4. CHANGES TO ORDER OF AGENDA **None**
5. **PUBLIC COMMENT**
6. **CONSENT CALENDAR**
  - a. Review of monthly financial report, approval of bills and claims for the month of January 2018.
  - b. Approval of the minutes from the Regular Board Meeting held January 16, 2018.  
**Motion made by Director Hoffman to adopt the February consent calendar, Vice President DeBaldo seconds, motion passes with all present in favor; Director Russ absent.**
7. **DISCUSSION AND ACTION ITEMS**
  - a. Discussion and action related to a proposed increase in the weed abatement fee charged for mowing of vacant lots. **Vice President DeBaldo makes a motion to accept the proposed increase in weed abatement fees to \$75.00 due in 30 days of billing, if they are not paid in time they will increase to \$100.00. Director Hoffman seconds the motion. Motion passes with all present in favor; Director Russ absent.**
  - b. Adoption of a resolution approving final Board Bylaws, which detail the policies and procedures governing the Board of Directors and Board meetings. **Director Hoffman moves to adopt the final Board Bylaws. Director Golden seconds the motion. Motion passes with all present in favor; Director Russ absent.**
  - c. Continued development of Norms for Board member conduct to facilitate effective deliberations; and Protocol to create the structure and process for effective Board meetings. **Continued review with Board Members.**
8. **STAFF AND DIRECTOR REPORTS:**
  - a. General Manager's Report:
    - Road maintenance and improvement status report.
    - Landscape maintenance project status report.
  - b. Site Manager's verbal report.
9. **ADJOURNMENT Meeting adjourned at 3:55pm**

**RESOLUTION NO. 2018-**

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE SADDLE CREEK COMMUNITY SERVICES DISTRICT APPROVING  
INCREASED VACANT LOT MOWING FEES**

**WHEREAS**, the Saddle Creek Community Services District (herein referred to as District) is a local government agency formed and operating in accordance with Section §61000 et seq. of the California Government Code; and

**WHEREAS**, the District is authorized to provide weed abatement services to reduce fire hazards in the community; and

**WHEREAS**, the District has previously adopted a \$50 per vacant lot fee to provide mowing services, and has determined such fee to be inadequate to fund the cost of vacant lot mowing services; and

**WHEREAS**, the District has evaluated the expense of providing the vacant lot mowing services, estimated the number of lots to be mowed, and using such data calculated a necessary fee per vacant lot mowed; and

**WHEREAS**, California Government Code § 61115(a)(1) provides in relevant part: (a) The board of directors may, by resolution or ordinance (1) Establish rates or other charges for services and facilities that the district provides; and

**WHEREAS**, during the public meeting held on February 20, 2018, the District made available to the public data indicating the amount of cost, or estimated cost, required to provide the lot mowing service for which the fee is to be levied and the revenue sources anticipated to provide the service.

NOW THEREFORE BE IT RESOLVED THAT THE BOARD OF DIRECTORS OF THE SADDLE CREEK COMMUNITY SERVICES DISTRICT DOES HEREBY approve revised Vacant Lot Mowing Fees as detailed below:

1. The fee for mowing vacant lots shall be \$75 each if said fee is paid in advance on notification of the mowing work to being completed, or if paid within 30 days of initial billing following completion of mowing.
2. The fee for mowing vacant lots shall be \$100 each if said fee remains unpaid after 30 days of initial billing following completion of mowing.

WHEREFORE, this Resolution 2018-\_\_ is passed and adopted by the Board of Directors of the Saddle Creek Community Services District on March 21, 2018, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Ken Albertson, President

ATTEST:

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Peter Kampa, Secretary

**CERTIFICATE OF SECRETARY**

I, Peter Kampa, the duly appointed and acting Secretary of the Board of Directors of the Saddle Creek Community Services District, do hereby declare that the foregoing Resolution was duly passed and adopted at a Special Meeting of the Board of Directors of the Saddle Creek Community Services District, duly called and held on March 21, 2018.

DATED: \_\_\_\_\_.

# Saddle Creek Community Services District

## Special Meeting of March 21, 2018

### AGENDA SUPPORTING DATA

#### 7. DISCUSSION AND ACTION ITEMS

- a. Adoption of a Resolution Authorizing the Execution and Delivery of an Installment Agreement and Authorizing and Directing Certain Actions in Connection with the Acquisition and Construction of the Saddle Creek Road Improvements 2018

#### Recommended Motion

*I move to adopt a Resolution Authorizing the Execution and Delivery of an Installment Agreement and Authorizing and Directing Certain Actions in Connection with the Acquisition and Construction of the Saddle Creek Road Improvements 2018.*

#### Background

In accordance with the Willdan Engineering Technical Proposal and subsequent Draft Preliminary Design Report, the District has authorized a budget of \$600,000 for construction of the 2018 Saddle Creek Road Improvements, herein referred to as "Project". By the end of March 2018, final Project engineering plans and specifications will be completed, and authorization to advertise for construction bids will be on the Board's April 17, 2018 Board meeting agenda.

The draft project schedule is as follows,

Receipt of Notice to Proceed from District:	Mid-November 2017
65% Plans/Specs:	March 08, 2018
95% Plans/Specs:	March 22, 2018
100% Plans/Specs ready for bids:	April 12, 2018
Board authorization to bid:	April 17, 2018
Bids Due:	May 10, 2018
Construction:	June/July 2018

By the time construction starts in June 2018, the District will not have received from Measure A taxes adequate revenue to fund the estimated \$600,000 Project construction cost. Considering this cash shortfall, the District in October 2017 authorized staff to apply for loan funding through the Municipal Finance Corporation.

The documentation required for receiving the loan is included in this agenda packet, including a resolution providing the necessary approvals and Installment Sales Agreement document. Please note that this loan documentation was received on March 14, 2018 and forwarded to our attorney for review. As of the date of preparation of this report, we have not yet received approval from legal counsel as required in the Installment Agreement. I will forward the approval letter to the Board once received.

I have also included in this packet detail regarding the payments and interest to be paid for two different loan amounts: \$600,000 as previously approved by the Board, and \$700,000 which will fund the estimated project cost, as well as providing funding to reimburse our project engineering costs, completion of the Willdan Engineering scope of work, and to fund contingencies that may arise during construction.

Please note that the loan will be funded in total, in April 2018 in the amount we request up to \$700,000. Our first loan payment will be due in April 2019. If we secure the maximum loan, and project costs are less than the \$700,000, we are required to repay the remainder as a prepaid loan payment, with a 1% prepayment fee. If we secure the loan for \$600,000 and the project cost exceeds that amount, all amounts in excess must be paid out of our cash, and we still have over 50% of the engineering costs outstanding. Also, if we wait until May 2018 to receive project construction bids prior to securing the loan, it is highly possible that the interest rate will increase, increasing our loan costs.

Should the Board choose to approve the loan in an amount of less than \$700,000, the motion approving the resolution must specifically state the amount of the loan. In that case, the Exhibit B loan payment schedule will be revised to reflect the new loan amount.

RESOLUTION NO. 2018-\_\_\_\_\_

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SADDLE CREEK COMMUNITY SERVICES DISTRICT AUTHORIZING THE EXECUTION AND DELIVERY OF AN INSTALLMENT SALE AGREEMENT, AND AUTHORIZING AND DIRECTING CERTAIN ACTIONS IN CONNECTION WITH THE ACQUISITION AND CONSTRUCTION OF THE 2018 ROAD IMPROVEMENTS

WHEREAS, the Saddle Creek Community Services District (the "District") is a public agency duly organized and existing under and pursuant to the laws of the State of California; and

WHEREAS, the District desires to provide for financing in the approximate amount of \$700,000.00 for the acquisition and construction of road improvements (the "Project"); and

WHEREAS, Municipal Finance Corporation (the "Corporation") has proposed a cost-effective ten year installment sale financing arrangement at a 3.40% interest rate;

NOW, THEREFORE, it is resolved by the Board of Directors of the Saddle Creek Community Services District as follows:

SECTION 1. Installment Sale Agreement. The President of the Board of Directors, the General Manager or a designee in writing is hereby authorized to enter into an Installment Sale Agreement (the "Installment Sale") with the Corporation to finance the Project, subject to approval as to form by the District's legal counsel.

SECTION 2. Attestations. The Secretary of the Board or other appropriate District officer is hereby authorized and directed to attest the signature of the President of the Board of Directors, the General Manager or of such other person or persons as may have been designated by the President of the Board of Directors or the General Manager, and to affix and attest the seal of the District, as may be required or appropriate in connection with the execution and delivery of the Installment Sale.

SECTION 3. Authorization to Establish Project Fund. The Board of Directors hereby authorizes and directs the President of the Board, the General Manager or a designee in writing to make appropriate arrangements to establish a special fund into which the proceeds of the financing are deposited for the purpose of paying the costs of the Project.

SECTION 4. Other Actions. The President of the Board of Directors, the General Manager and other officers of the District are each hereby authorized and directed, jointly and severally, to take any and all actions and to execute and deliver any and all documents, agreements and certificates which they may deem necessary or advisable in order to carry out, give effect to and comply with the terms of this Resolution and the Installment Sale. Such actions are hereby ratified, confirmed and approved.

SECTION 5. Qualified Tax-Exempt Obligations. The Installment Sale is hereby designated as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). The District, together with all subordinate entities of the District, do not reasonably expect to issue during the calendar year in which the Installment Sale is issued more than



\$10,000,000 of obligations which it could designate as "qualified tax-exempt obligations" under Section 265(b) of the Code.

SECTION 6. Effect. This Resolution shall take effect immediately upon its passage.

WHEREFORE, this Resolution 2018-\_\_ is passed and adopted by the Board of Directors of the Saddle Creek Community Services District on March 21, 2018, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

Ken Albertson, President

ATTEST:

---

Peter Kampa, Secretary

**CERTIFICATE OF SECRETARY**

I, Peter Kampa, the duly appointed and acting Secretary of the Board of Directors of the Saddle Creek Community Services District, do hereby declare that the foregoing Resolution was duly passed and adopted at a Special Meeting of the Board of Directors of the Saddle Creek Community Services District, duly called and held on March 21, 2018.

DATED: \_\_\_\_\_.

## DOCUMENTATION INSTRUCTIONS AND REFERENCE

The following documents represent the complete Installment Sale documentation package:

1. Installment Sale Agreement with Exhibits A & B
2. Assignment of Installment Sale and Acknowledgment of Assignment
3. Arbitrage and Tax Certificate
4. Certificate of the District
5. Incumbency and Signature Certificate

All of the above documents shall be executed with original signatures by the officer(s) authorized in the resolution.

In addition to the above documents, the following additional items are required:

**Resolution**                      Please send an original or certified copy of the resolution adopted by the governing body.

**Legal Opinion**                Please send a legal opinion like the sample provided. The legal opinion should be on the counsel's letterhead and bear an original signature.

**Insurance**                      Please obtain insurance certificates in accordance with the insurance provisions of the Installment Sale Agreement.

**8038-G Form**                 Sign and date. MFC will file the form upon funding.

INSTALLMENT SALE AGREEMENT #17-003

This Installment Sale Agreement dated March 21, 2018 (this "Agreement") is entered into by and between the Saddle Creek Community Services District, a community services district duly organized under the laws of the State of California (the "District"), and Municipal Finance Corporation, a corporation duly organized under the laws of the State of California (the "Corporation");

WITNESSETH:

WHEREAS, the Corporation desires to sell the 2018 Project, as hereinafter defined, to the District, and the District desires to purchase the 2018 Project from the Corporation, subject to the terms and conditions of and for the purposes set forth in this Agreement; and

WHEREAS, the Corporation and the District are authorized under the Constitution and laws of the State of California to enter into this Agreement for the purposes set forth herein;

NOW, THEREFORE, for and in consideration of the premises hereinafter contained, the parties hereby agree as follows:

ARTICLE I

DEFINITIONS AND EXHIBITS;  
AUTHORIZATION OF PARTIES

Section 1.01. Definitions. The following terms will have meanings indicated below unless the context clearly requires otherwise:

Assignee

The term "Assignee" means City National Bank, its successors and assigns.

Closing Date

The term "Closing Date" means the date on which the Corporation deposits with the District the funds required to be deposited by Section 3.01 of this Agreement.

Corporation

The term "Corporation" means Municipal Finance the Corporation, a California corporation.

District

The term "District" means Saddle Creek Community Services District, a community services district duly organized and existing under and by virtue of the laws of the State of California.

Event of Default

The term "Event of Default" means an event described in Section 8.01.

### Fiscal Year

The term "Fiscal Year" means the period beginning on July 1 of each year and ending on the last day of June of the subsequent year, or any other twelve-month period selected and designated as the official Fiscal Year of the District.

### General Fund

The term "General Fund" means the General Fund of the District being maintained in accordance with Section 5.02 hereof.

### Net Proceeds

The term "Net Proceeds" means, when used with respect to any casualty insurance or condemnation award, the proceeds from such insurance or condemnation award remaining after payment of all expenses (including attorneys' fees) incurred in the collection of such proceeds.

### 2018 Project

The term "2018 Project" means the additions, betterments, extensions and improvements described in Exhibit A hereto and as modified in conformance with Section 3.04 hereof.

### Purchase Price

The term "Purchase Price" means the principal amount plus interest thereon owed by the District to the Corporation under the terms hereof as provided in Section 4.01.

### Revenues

The term "Revenues" means all income, rents, rates, fees, charges and other moneys deposited in the General Fund of the District including, but not limited to, the Special Taxes levied pursuant to Measure A of the District and approved at a special election on May 2, 2017. Revenues shall not include proceeds of taxes or assessments restricted by law to be used by the District to pay bonds or other obligations hereafter issued.

### Series 2018 Installment Payment Date

The term "Series 2018 Installment Payment Date" means the date on which Installment Payments are scheduled to be paid by the District under and pursuant to this Agreement.

### Series 2018 Installment Payments

The term "Series 2018 Installment Payments" means the Installment Payments scheduled to be paid by the District under and pursuant hereto.

Section 1.02. Exhibits. The following Exhibits are attached to, and by reference made a part of, this Agreement:

EXHIBIT A                    DESCRIPTION OF 2018 PROJECT

EXHIBIT B                    SCHEDULE OF SERIES 2018 INSTALLMENT PAYMENTS

Section 1.03. Authorization. Each of the parties hereby represents and warrants that it has full legal authority and is duly empowered to enter into this Agreement and has taken all actions necessary to authorize the execution of this Agreement by the officers and persons signing it, and that the transactions contemplated in this Agreement are in the ordinary course of business for both parties.

## ARTICLE II

### REPRESENTATIONS AND WARRANTIES OF DISTRICT AND CORPORATION

Section 2.01. Representations and Warranties of the District. The District represents and warrants, for the benefit of the Corporation and Assignee, as follows:

(a) The District is a community services district, duly organized and existing under and by virtue of the laws of the State of California.

(b) The District is authorized under the Constitution and laws of the State of California to enter into this Agreement, and to enter into the transactions contemplated and to carry out its obligations hereunder.

(c) The District has been duly authorized to execute and deliver this Agreement under the terms and provisions of the resolution of its governing body, or by other appropriate official approval, and further represents and warrants that all requirements have been met, and proceedings have been taken in order to ensure the enforceability of this Agreement, and the District has complied with such public bidding requirements as may be applicable to this Agreement and the acquisition by the District of the Project hereunder.

(d) Neither the execution and delivery of this Agreement or the related documents or exhibits attached hereto nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the District is now a party or by which the District is bound, or constitutes a default under any of the foregoing.

(e) The District is in compliance with the terms and covenants contained in this Agreement, and there is no Event of Default occurring under this Agreement.

(f) The 2018 Project will have a useful life in the hands of the District that is in excess of the term of this Agreement.

Section 2.02. Representations and Warranties of the Corporation. The Corporation represents and warrants to the District as follows:

(a) The Corporation is a corporation duly organized, existing and in good standing under and by virtue of the laws of the State of California; has power to enter into this Agreement; is possessed of full power to own and hold real and personal property, and to purchase and sell the same; is in a solvent financial condition as of the date hereof; and has duly authorized the execution and delivery of this Agreement.

(b) Neither the execution and delivery of this Agreement nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Corporation is now a party or by which the Corporation is bound, or constitutes a default under any of the foregoing.

### ARTICLE III

#### ACQUISITION AND CONSTRUCTION OF THE 2018 PROJECT

Section 3.01. Acquisition and Construction of the 2018 Project; Deposit of Moneys. On the Closing Date the Corporation shall deposit the sum of \$700,000.00 to a special account established by the District (the "Project Fund"), which the District shall expend for the purpose of financing the acquisition, construction and installation of the 2018 Project. The District shall invest proceeds in the Project Fund in investments authorized by California law and the District's investment policy. Any unexpended proceeds in the Project Fund upon the completion of the 2018 Project shall be applied by the District towards the payment of Installment Payments.

The Corporation hereby appoints the District as its agent to carry out all phases of the acquisition, construction and installation of the 2018 Project and the District hereby accepts such appointment. The District shall enter into contracts and provide for, as agent for the Corporation, the complete construction, acquisition and installation of the 2018 Project. The District hereby agrees that it will cause the construction, acquisition and installation of the 2018 Project to be diligently performed. It is hereby expressly understood and agreed that the Corporation shall be under no liability of any kind or character whatsoever for the payment of any cost of the 2018 Project and that all such costs and expenses shall be paid by the District, regardless of whether the funds deposited with the District are sufficient to cover all such costs and expenses.

Section 3.02. Sale of 2018 Project. The Corporation agrees to sell, and hereby sells, to the District, and the District agrees to purchase, and hereby purchases, from the Corporation, the 2018 Project at the purchase price specified in Section 4.01 hereof and otherwise in the manner and in accordance with the provisions of this Agreement.

Section 3.03. Title. All right, title and interest in the 2018 Project shall vest in the District immediately upon the acquisition and construction thereof. Such vesting shall occur without further action by the Corporation or the District and the Corporation shall, if requested by the District or if necessary to assure such automatic vesting, deliver any and all documents required to assure such vesting.

Section 3.04. Changes to the 2018 Project. The District may substitute other improvements for those listed as components of the 2018 Project in Exhibit A hereto, but only if the District first files with the Corporation a statement of the District:

(a) identifying the improvements to be substituted and the improvements to the District facilities they replace in the 2018 Project; and

(b) stating that the estimated costs of construction, acquisition, and installation of the substituted improvements are not less than such costs for the improvements previously planned.

Section 3.05. Disclaimer of Warranties. The CORPORATION MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OF THE 2018 PROJECT OR ANY PART THEREOF, OR AS TO THE FITNESS FOR ANY PARTICULAR USE OF THE 2018 PROJECT OR ANY PART THEREOF OR AS TO THE FITNESS OF THE 2018 PROJECT FOR THE USE CONTEMPLATED BY THE DISTRICT OR ANY PART THEREOF, OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT THERETO. THE DISTRICT ACKNOWLEDGES THAT THE CORPORATION IS NOT A CONTRACTOR OF THE 2018 PROJECT, THAT THE DISTRICT PURCHASES THE 2018 PROJECT "AS-IS", IT BEING AGREED THAT ALL OF THE AFOREMENTIONED RISKS ARE TO BE BORNE BY THE DISTRICT. IN NO EVENT SHALL THE CORPORATION BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR THE ACQUISITION, CONSTRUCTION, EXISTENCE, FURNISHING, FUNCTIONING OR THE DISTRICT'S USE OF ANY ITEM OR PRODUCTS OR SERVICES PROVIDED FOR IN THIS AGREEMENT. THE DISTRICT ACKNOWLEDGES THAT IT IS SOLELY RESPONSIBLE FOR DETERMINING THE SUITABILITY OF THE 2018 PROJECT FOR ITS INTENDED USE.

#### ARTICLE IV

##### PURCHASE PRICE AND SERIES 2018 INSTALLMENT PAYMENTS

###### Section 4.01. Purchase Price.

(a) The Purchase Price to be paid by the District hereunder to the Corporation is the sum of the principal amount of the District's obligations hereunder plus the interest to accrue on the unpaid balance of such principal amount from the effective date hereof over the term hereof, subject to prepayment as provided in Article VII.

(b) The principal amount of the payments to be made by the District hereunder is set forth in Exhibit B hereto.

(c) The interest to accrue on the unpaid balance of such principal amount is as specified in Section 4.02 and Exhibit B hereto, and shall be paid by the District as and constitute interest paid on the principal amount of the District's obligations hereunder.

Section 4.02. Series 2018 Installment Payments. The District shall, subject to its rights of prepayment provided in Article VII, pay the Assignee the Purchase Price in installment payments of interest and principal in the amounts and on the Series 2018 Installment Payment Dates as set forth in Exhibit B hereto.

Each Series 2018 Installment Payment shall be paid to the Assignee in lawful money of the United States of America. In the event the District fails to make any of the payments required to be made by it

under this section, such payment shall continue as an obligation of the District until such amount shall have been fully paid and the District agrees to pay the same with interest accruing thereon at the rate or rates of interest then applicable to the remaining unpaid principal balance of the Series 2018 Installment Payments if paid in accordance with their terms.

The obligation of the District to make the Series 2018 Installment Payments is absolute and unconditional, and until such time as the Purchase Price shall have been paid in full (or provision for the payment thereof shall have been made pursuant to Article IX), the District will not discontinue or suspend any Series 2018 Installment Payments required to be made by it under this section when due, whether or not the 2018 Project or any part thereof is operating or operable or its use is suspended, interfered with, reduced or curtailed or terminated in whole or in part, and whether or not the 2018 Project has been completed, and such payments shall not be subject to reduction whether by offset or otherwise and shall not be conditional upon the performance or nonperformance by any party of any agreement for any cause whatsoever.

## ARTICLE V

### SECURITY

Section 5.01. Pledge of Revenues. All Revenues and all amounts on deposit in the General Fund are hereby irrevocably pledged to the payment of the Series 2018 Installment Payments as provided herein. In accordance with Section 5451 of Title 1, Chapter 5.5 of the California Government Code, this pledge shall constitute a first and exclusive lien on Revenues and amounts on deposit in the General Fund for the payment of the Series 2018 Installment Payments in accordance with the terms hereof.

Section 5.02. Allocation of Revenues. The District has heretofore established the General Fund for the collection and deposit of the Revenues of the District. Upon the payment or set aside of the amounts necessary to pay the Series 2018 Installment Payments in each Fiscal Year, the lien established in Section 5.01 is released and the District may expend Revenues and amounts on deposit in the General Fund for any lawful purpose.

## ARTICLE VI

### COVENANTS OF THE DISTRICT

Section 6.01. Compliance with this Agreement and Ancillary Agreements. The District will punctually pay the Series 2018 Installment Payments in strict conformity with the terms hereof, and will faithfully observe and perform all the agreements, conditions, covenants and terms contained herein required to be observed and performed by it, and will not terminate this Agreement for any cause including, without limiting the generality of the foregoing, any acts or circumstances that may constitute failure of consideration, destruction of or damage to the 2018 Project, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State of California or any political subdivision of either or any failure of the Corporation to observe or perform any agreement, condition, covenant or term contained herein required to be observed and performed by it, whether express or implied, or any duty, liability or obligation arising out of or connected herewith or the insolvency, or deemed insolvency, or bankruptcy or liquidation of the Corporation or any force majeure, including acts of God, tempest, storm, earthquake, war, rebellion, riot, civil disorder, acts of public enemies, blockade or embargo,



strikes, industrial disputes, lock outs, lack of transportation facilities, fire, explosion, or acts or regulations of governmental authorities.

Section 6.02. Against Encumbrances. The District will not make any pledge of or place any lien on Revenues or the moneys in the General Fund except as provided herein. The District may at any time, or from time to time, issue debt or incur other obligations for any lawful purpose which are payable from and secured by a pledge of and lien on Revenues or any moneys in the General Fund as may from time to time be deposited therein (as provided in Section 5.02), provided that such pledge and lien shall be subordinate in all respects to the pledge of and lien thereon provided herein.

Section 6.03. Prompt Acquisition and Construction. The District will take all necessary and appropriate steps to acquire and construct the 2018 Project, as agent of the Corporation, with all practicable dispatch and in an expeditious manner and in conformity with law so as to complete the same as soon as possible.

Section 6.04. Payment of Claims. The District will pay and discharge any and all lawful claims for labor, materials or supplies which, if unpaid, might become a lien on the Revenues or funds or accounts created hereunder or on any funds in the hands of the District pledged to pay the Series 2018 Installment Payments or which might impair the security of the Series 2018 Installment Payments.

Section 6.05. Tax Covenants.

(a) Generally. The District shall not take any action or permit to be taken any action within its control which would cause or which, with the passage of time if not cured would cause, the interest components of the Series 2018 Installment Payments to become includable in gross income for federal income tax purposes.

(b) Private Activity. The District shall assure that the proceeds of this Agreement are not so used as to cause this Agreement to satisfy the private business tests of Section 141(b) of the Internal Revenue Code of 1986, as amended (the "Code"), or the private loan financing test of Section 141(c) of the Code.

(c) Arbitrage. The District will not take any action or omit to take any action which action or omission, if reasonably expected on the date of this Agreement, would have caused this Agreement to be an "arbitrage bond" within the meaning of Section 148(a) of the Code.

(d) Federal Guarantee. The Series 2018 Installment Payments are not directly guaranteed or indirectly guaranteed in whole or in part by the United States or any agency or instrumentality of the United States so as to cause the Series 2018 Installment Payments to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

(e) Reimbursement Regulations. The proceeds of this Agreement used for reimbursement of prior expenditures will be made pursuant to and in compliance with Income Tax Regulations Section 1.150-2.

(f) Information Reporting. The District will take or cause to be taken all necessary action to comply with the informational reporting requirement of Section 149(e) of the Code.

(g) Bank Qualified. The District hereby designates this Agreement for purposes of paragraph (3) of Section 265(b) of the Code and represents that not more than \$30,000,000 aggregate principal amount of

obligations the interest on which is excludable (under Section 103(a) of the Code) from gross income for federal income tax purposes (excluding (i) private activity bonds, as defined in Section 141 of the Code, except qualified 501(c)(3) bonds as defined in Section 145 of the Code and (ii) current refunding obligations to the extent the amount of the refunding obligation does not exceed the outstanding amount of the refunded obligation), including this Agreement, has been or will be issued by the District, including all subordinate entities of the District, during calendar year 2018.

(h) Miscellaneous. The District will take no action inconsistent with its expectations stated in the Arbitrage and Tax Certificate and will comply with the covenants and requirements stated therein and incorporated by reference herein.

#### Section 6.06. Insurance.

(a) The District will, at its own expense, procure and maintain or cause to be procured and maintained insurance on the 2018 Project with responsible insurers in such amounts and against such risks as are usually covered so long as such insurance is available at reasonable rates.

In the event of any damage to or destruction of the 2018 Project caused by the perils covered by such insurance, the Net Proceeds thereof shall be applied to the reconstruction, repair or replacement of the damaged or destroyed portion of the 2018 Project. The District shall begin such reconstruction, repair or replacement promptly after such damage or destruction shall occur, and shall continue and properly complete such reconstruction, repair or replacement as expeditiously as possible, and shall pay out of such Net Proceeds all costs and expenses in connection with such reconstruction, repair or replacement so that the same shall be completed.

If such Net Proceeds exceed the costs of such reconstruction, repair or replacement, then the excess Net Proceeds shall be applied in part to the prepayment of Series 2018 Installment Payments as provided in Article VII. If such Net Proceeds are sufficient to enable the District to retire the entire obligation evidenced hereby prior to the final due date of the Series 2018 Installment Payments, the District may elect not to reconstruct, repair or replace the damaged or destroyed portion of the 2018 Project, and thereupon such Net Proceeds shall be applied to the prepayment of Series 2018 Installment Payments as provided in Article VII.

(b) The District will, at its own expense, procure and maintain such other insurance which it shall deem advisable or necessary to protect its interests and the interests of the Corporation, which insurance shall afford protection in such amounts and against such risks as are usually covered.

(c) Any insurance required to be maintained by paragraph (a) above and, if the District determines to procure and maintain insurance pursuant to paragraph (b) above, such insurance, may be maintained under a self-insurance program so long as such self-insurance is maintained in the amounts and manner usually maintained so as to be, in the opinion of an accredited actuary, actuarially sound.

All policies of insurance required to be maintained herein shall provide that the Corporation and the Assignee shall be given thirty (30) days, written notice of any intended cancellation thereof or reduction of coverage provided thereby.

Section 6.07. Financial Statements. The District will prepare and file with the Corporation and the Assignee annually within two hundred seventy (270) days after the close of each Fiscal Year (commencing

with the Fiscal Year ending June 30, 2018) financial statements of the District for the preceding Fiscal Year prepared in accordance with generally accepted accounting principles.

Section 6.08. Protection of Security and Rights of the Corporation. The District will preserve and protect the security granted herein and the rights of the Corporation to the Series 2018 Installment Payments hereunder and will warrant and defend such rights against all claims and demand of all persons.

Section 6.09. Eminent Domain Proceeds. If all or any part of the 2018 Project shall be taken by eminent domain proceedings, the Net Proceeds thereof shall be applied, at the District's discretion, towards the prepayment in whole or in part of the Series 2018 Installment Payments or towards other capital improvements of the District.

Section 6.10. Further Assurances. The District will adopt, deliver, execute and make any and all further assurances, agreements, instruments and resolutions as may be reasonably necessary or requested by the Corporation to carry out the intention or to facilitate the performance hereof and for assuring and confirming unto the Corporation of the rights and benefits provided to it herein.

## ARTICLE VII

### PREPAYMENT OF SERIES 2018 INSTALLMENT PAYMENTS

Section 7.01. Prepayment.(a) The District may or shall, as the case may be, prepay from the Net Proceeds as provided herein the Series 2018 Installment Payments in whole or in part on any date in the order of payment date as directed by the District at a prepayment price equal to the sum of the principal amount prepaid plus accrued interest thereon to the date of prepayment.

(b) The District may prepay the Series 2018 Installment Payments in whole on any Series 2018 Installment Payment Date at a prepayment price equal to 101% of the principal amount of the Series 2018 Installment Payments to be prepaid.

Notwithstanding any such prepayment, the District shall not be relieved of its obligations hereunder, including its obligations under Article IV, until the Purchase Price shall have been fully paid (or provision for payment thereof shall have been provided to the written satisfaction of the Corporation).

Section 7.02. Method of Prepayment. Before making any prepayment pursuant to Section 7.01, the District shall, within five (5) days following the event permitting the exercise of such right to prepay or creating such obligation to prepay, give written notice to the Corporation describing such event and specifying the date on which the prepayment will be paid, which date shall be not less than sixty (60) nor more than seventy-five (75) days from the date such notice is given.

## ARTICLE VIII

### EVENTS OF DEFAULT AND REMEDIES OF THE CORPORATION

Section 8.01. Events of Default and Acceleration of Maturities. If one or more of the following Events of Default shall happen, that is to say--

(1) if default shall be made by the District in the due and punctual payment of any Series 2018 Installment Payment when and as the same shall become due and payable;

(2) if default shall be made by the District in the performance of any of the other agreements or covenants required herein to be performed by it, and such default shall have continued for a period of sixty (60) days after the District shall have been given notice in writing of such default by the Corporation; or

(3) if the District shall file a petition or answer seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United States of America or any state therein, or if a court of competent jurisdiction shall approve a petition filed with or without the consent of the District seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United States of America or any state therein, or if under the provisions of any other law for the relief or aid of debtors any court of competent jurisdiction shall assume custody or control of the District or of the whole or any substantial part of its property;

then and in each and every such case during the continuance of such Event of Default specified in the clauses above, the Corporation may, by notice in writing to the District, declare the entire principal amount of the unpaid Series 2018 Installment Payments and the accrued interest thereon to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable, anything contained herein to the contrary notwithstanding. This Section, however, is subject to the condition that if at any time after the entire principal amount of the unpaid Series 2018 Installment Payments and the accrued interest thereon shall have been so declared due and payable and before any judgment or decree for the payment of the moneys due shall have been obtained or entered the District shall deposit with the Corporation a sum sufficient to pay the unpaid principal amount of the Series 2018 Installment Payments above due prior to such declaration and the accrued interest thereon, with interest on such overdue installments, at the rate or rates applicable to the remaining unpaid principal balance of the Series 2018 Installment Payments, and the reasonable expenses of the Corporation, and any and all other defaults known to the Corporation (other than in the payment of the entire principal amount of the unpaid Series 2018 Installment Payments and the accrued interest thereon due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Corporation or provision deemed by the Corporation to be adequate shall have been made therefor, then and in every such case the Corporation, by written notice to the District, may rescind and annul such declaration and its consequences; but no such rescission and annulment shall extend to or shall affect any subsequent default or shall impair or exhaust any right or power consequent thereon.

Section 8.02. Application of Funds Upon Acceleration. Upon the date of the declaration of acceleration as provided in Section 8.01, all Revenues thereafter received by the District shall be applied in the following order --

First, to the payment, without preference or priority, and in the event of any insufficiency of such Revenues ratably without any discrimination or preference, of the fees, costs and expenses of the Corporation if any, in carrying out the provisions of this article, including reasonable compensation to their respective accountants and counsel;

Second, to the payment of the entire principal amount of the unpaid Series 2018 Installment Payments and the accrued interest thereon, with interest on the overdue installments at the rate or rates of interest applicable to the Series 2018 Installment Payments.

Section 8.03. Other Remedies of the Corporation. The Corporation shall have the right --

(a) by mandamus or other action or proceeding or suit at law or in equity to enforce its rights against the District or any director, officer or employee thereof, and to compel the District or any such director, officer or employee to perform and carry out its or his duties under the Act and the agreements and covenants required to be performed by it or him contained herein;

(b) by suit in equity to enjoin any acts or things which are unlawful or violate the rights of the Corporation; or

(c) by suit in equity upon the happening of an Event of Default to require the District and its directors, officers and employees to account as the trustee of an express trust.

Notwithstanding anything contained herein, the Corporation shall have no security interest in or mortgage on the 2018 Project and no default hereunder shall result in the loss of the 2018 Project.

Section 8.04. Non-Waiver. Nothing in this article or in any other provision hereof shall affect or impair the obligation of the District, which is absolute and unconditional, to pay the Series 2018 Installment Payments to the Corporation at the respective due dates or upon prepayment from the Net Revenues, the General Fund and the other funds herein pledged for such payment, or shall affect or impair the right of the Corporation, which is also absolute and unconditional, to institute suit to enforce such payment by virtue of the contract embodied herein.

A waiver of any default or breach of duty or contract by the Corporation shall not affect any subsequent default or breach of duty or contract or impair any rights or remedies on any such subsequent default or breach of duty or contract. No delay or omission by the Corporation to exercise any right or remedy accruing upon any default or breach of duty or contract shall impair any such right or remedy or shall be construed to be a waiver of any such default or breach of duty or contract or an acquiescence therein, and every right or remedy conferred upon the Corporation by the law or by this article may be enforced and exercised from time to time and as often as shall be deemed expedient by the Corporation.

If any action, proceeding or suit to enforce any right or exercise any remedy is abandoned or determined adversely to the Corporation, the District and the Corporation shall be restored to their former positions, rights and remedies as if such action, proceeding or suit had not been brought or taken.

Section 8.05. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Corporation is intended to be exclusive of any other remedy, and each such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing in law or in equity or by statute or otherwise and may be exercised without exhausting and without regard to any other remedy conferred by law.

Section 8.06. Assignee to Exercise Rights. Such rights and remedies as are given to the Corporation under this Article VIII have been assigned by the Corporation to the Assignee and shall be exercised solely by the Assignee.

ARTICLE IX

DISCHARGE OF OBLIGATIONS

Section 9.01. Discharge of Obligations. When

(a) all or any portion of the Series 2018 Installment Payments shall have become due and payable in accordance herewith or a written notice of the District to prepay all or any portion of the Series 2018 Installment Payments shall have been filed with the Corporation; and

(b) there shall have been deposited with an escrow agent at or prior to the Series 2018 Installment Payment Dates or date (or dates) specified for prepayment, in trust for the benefit of the Corporation or its assigns and irrevocably appropriated and set aside to the payment of all or any portion of the Series 2018 Installment Payments, sufficient moneys and non-callable securities issued by Treasury Department of the United States of America, the principal of and interest on which when due will provide money sufficient to pay all principal, prepayment premium, if any, and interest of such Series 2018 Installment Payments to their respective Series 2018 Installment Payment Dates or prepayment date or dates, as the case may be; and

(c) if an opinion of bond counsel acceptable to the Corporation is filed with the Corporation to the effect that the actions authorized by and taken pursuant to this Article IX shall not adversely affect the tax exempt status of the interest portion of the Series 2018 Installment Payments, the right, title and interest of the Corporation herein and the obligations of the District hereunder shall, with respect to all or such portion of the Series 2018 Installment Payments as have been so provided for, thereupon cease, terminate, become void and be completely discharged and satisfied (except for the obligation of the District to have such moneys and such permitted investments described in paragraph (b) above applied to the payment of such Series 2018 Installment Payments). In such event, upon request of the District the Corporation shall execute and deliver to the District all such instruments as may be necessary or desirable to evidence such total or partial discharge and satisfaction, as the case may be.

ARTICLE X

MISCELLANEOUS

Section 10.01. Liability Limited. Notwithstanding anything contained herein, the District shall not be required to advance any moneys derived from any source of income other than the Revenues, the General Fund and the other funds provided herein for the payment of amounts due hereunder or for the performance of any agreements or covenants required to be performed by it contained herein. The District may, however, advance moneys for any such purpose so long as such moneys are derived from a source legally available for such purpose and may be legally used by the District for such purpose.

The obligation of the District to make the Series 2018 Installment Payments is a special obligation of the District payable solely from the Net Revenues, and does not constitute a debt of the District or of the State of California or of any political subdivision thereof in contravention of any constitutional or statutory debt limitation or restriction.

Section 10.02. Benefits of this Agreement Limited to Parties. Subject to Sections 10.03 and 10.07, nothing contained herein, expressed or implied, is intended to give to any person other than the District or

the Corporation any right, remedy or claim under or pursuant hereto, and any agreement or covenant required herein to be performed by or on behalf of the District or the Corporation shall be for the sole and exclusive benefit of the other party.

Section 10.03. Successor Deemed Included in all References to Predecessor. Whenever either the District or the Corporation is named or referred to herein, such reference shall be deemed to include the successor and assigns to the powers, duties and functions that are presently vested in the District or the Corporation, and all agreements and covenants required hereby to be performed by or on behalf of the District or the Corporation shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 10.04. Waiver of Personal Liability. No director, officer or employee of the District shall be individually or personally liable for the payment of the Series 2018 Installment Payments, but nothing contained herein shall relieve any director, officer or employee of the District from the performance of any official duty provided by any applicable provisions of law or hereby.

Section 10.05. Article and Section Headings, Gender and References. The headings or titles of the several articles and sections hereof and the table of contents appended hereto shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof, and words of any gender shall be deemed and construed to include all genders. All references herein to "Articles," "Sections" and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof; and the words "hereby," "herein," "hereof," "hereto," "herewith" and other words of similar import refer to this Agreement as a whole and not to any particular article, section, subdivision or clause hereof.

Section 10.06. Partial Invalidity. If any one or more of the agreements or covenants or portions thereof required hereby to be performed by or on the part of the District or the Corporation shall be contrary to law, then such agreement or agreements, such covenant or covenants or such portions thereof shall be null and void and shall be deemed separable from the remaining agreements and covenants or portions thereof and shall in no way affect the validity hereof. The District and the Corporation hereby declare that they would have executed this Agreement, and each and every other article, section, paragraph, subdivision, sentence, clause and phrase hereof irrespective of the fact that any one or more articles, sections, paragraphs, subdivisions, sentences, clauses or phrases hereof or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

Section 10.07. Assignment. This Agreement and any rights hereunder may be assigned by the Corporation, as a whole or in part, at any time upon filing with the District an assignment or notice of assignment. No such assignment shall be effective as against the District unless and until the Corporation shall have filed with the District a copy of such assignment or written notice thereof. The District shall pay all Series 2018 Installment Payments hereunder pursuant to the direction of the Corporation or the assignee named in the most recent assignment or notice of assignment filed with the District. During the term of this Agreement, the District shall keep a complete and accurate record of all such assignments or notices of assignment.

Section 10.08. Net Contract. This Agreement shall be deemed and construed to be a net contract, and the District shall pay absolutely net during the term hereof the Series 2018 Installment Payments and all other payments required hereunder, free of any deductions and without abatement, diminution or set-off whatsoever.

Section 10.09. California Law. THIS AGREEMENT SHALL BE CONSTRUED AND GOVERNED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA.

Section 10.10. Notices. All written notices to be given hereunder shall be given by United States mail, postage prepaid in certified or registered form or personal delivery, to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other party in writing from time to time, namely:

If to the District:                   Saddle Creek Community Services District  
1000 Saddle Creek Drive  
Copperopolis, CA 95228  
Attention: General Manager

If to the Corporation:               Municipal Finance the Corporation  
2945 Townsgate Road, Suite 200  
Westlake Village, CA 91361  
Attention: President

Section 10.11. Effective Date. This Agreement shall become effective upon its execution and delivery, and shall terminate when the Purchase Price shall have been fully paid (or provision for the payment thereof shall have been made to the written satisfaction of the Corporation).

Section 10.12. Execution in Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

Section 10.13. Indemnification of the Corporation and the Assignee. The District hereby agrees to indemnify and hold harmless the Corporation and the Assignee if and to the extent permitted by law from and against all claims, advances, damages and losses, including legal fees and expenses, arising out of or in connection with the acceptance or the performance of its duties hereunder, the ownership of any item of the 2018 Project, the use, operation, condition, purchase, possession of the 2018 Project, or an accident or damage to property or injury or death to any person resulting therefrom; provided that no indemnification will be made for gross negligence or willful misconduct or the breach of an obligation hereunder.

Section 10.12. Amendments Permitted. This Agreement and the rights and obligations of the Corporation and the District may be modified or amended at any time by an amendment hereto which shall become binding with the written consent of the Corporation, the District and the Assignee.



IN WITNESS WHEREOF, the Corporation and the District have caused their authorized officers to execute this Agreement as of the date first written above.

CORPORATION:

MUNICIPAL FINANCE CORPORATION

By: \_\_\_\_\_

Title: \_\_\_\_\_

DISTRICT:

SADDLE CREEK COMMUNITY SERVICES DISTRICT

By: \_\_\_\_\_

Title: \_\_\_\_\_

EXHIBIT A  
DESCRIPTION OF PROJECT

Planning, design and construction and construction management of asphalt, storm drain and related improvements to Saddle Creek Drive and Oak Creek Drive as further described in the Final Design Report for the Saddle Creek Street Rehabilitation Project; included herein by reference.

As contained within the August 4, 2017 Willdan Engineering Technical Proposal, included herein by reference, the project also includes preparation of an asphalt maintenance plan which details future phases of improvement work, development of Standard Specifications and Details for future development within the District, and establishment of an encroachment permitting process.

**EXHIBIT B**

**SCHEDULE OF SERIES 2018 INSTALLMENT PAYMENTS**

PMT #	Due Date	Installment Payment	To Principal	To Interest
1		\$83,745.26	\$59,945.26	23,800.00
2		83,745.26	61,983.40	21,761.86
3		83,745.26	64,090.83	19,654.43
4		83,745.26	66,269.92	17,475.34
5		83,745.26	68,523.10	15,222.16
6		83,745.26	70,852.89	12,892.37
7		83,745.26	73,261.88	10,483.38
8		83,745.26	75,752.79	7,992.47
9		83,745.26	78,328.38	5,416.88
10		83,745.26	80,991.55	2,753.71
<b>TOTALS:</b>		<u>\$837,452.60</u>	<u>\$700,000.00</u>	<u>\$137,452.60</u>

ASSIGNMENT OF INSTALLMENT SALE #17-003

FOR VALUE RECEIVED, MUNICIPAL FINANCE CORPORATION (the "Corporation") as assignor without recourse does hereby sell, assign, and transfer to CITY NATIONAL BANK ("Assignee") its right, title and interest in and to the attached Installment Sale Agreement #17-003 dated as of March 21, 2018 between the Corporation and SADDLE CREEK COMMUNITY SERVICES DISTRICT (the "District"), as the District (hereinafter said Installment Sale Agreement and any supplements, amendments, additions thereof and any extension or renewals thereof is referred to as the "Agreement") and (ii) all moneys, sums and amounts now due or hereinafter to become due under the Agreement.

The Corporation represents and warrants that it has made no prior sale or assignment of any interest covered hereby; that the Agreement is genuine and in all respects is what it purports to be; that Assignee shall not be liable for and does not assume responsibility for the performance of any of the covenants, agreements, or obligations specified in the Agreement to be kept, paid or performed by the Corporation with exception of Assignee's obligation to issue notices upon the District's default of the Agreement. The Corporation further represents and warrants that as of the date this Assignment is made, the Agreement is in full force and effect, has not been amended except as set forth in instrument delivered to Assignee and the District is not in default of any terms thereunder,

The Corporation hereby constitutes and irrevocably appoints Assignee the true and Lawful attorney of the Corporation to demand, receive and endorse payments and to give receipts, releases and satisfactions either in the name of Assignee or in the name of the Corporation in the same manner and with the same effect as the Corporation could do if this Assignment of Installment Sale had not been made.

This Assignment of Installment Sale shall be construed and governed in accordance with the laws of the State of California. Any provision of this Assignment of Installment Sale found to be prohibited by law shall be ineffective only to the extent of such prohibition, and shall not invalidate the remainder of this Assignment of Installment Sale.

This Assignment of Installment Sale shall be binding upon and inure to the benefit of the parties and their respective successors and assigns and is made in accordance with the Municipal Lease Placement Agreement dated as of January 1, 1999, as amended, entered into between the Corporation and Assignee. In the case of litigation, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including attorneys' fees which may be the allocable cost of in-house counsel, incurred by the prevailing party in exercising any of its rights or remedies hereunder or enforcing any of the terms, conditions, or provisions hereof.

IN WITNESS WHEREOF, the Corporation has caused this Assignment of Installment Sale to be executed by its duly authorized agent on the date specified below.

MUNICIPAL FINANCE CORPORATION

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

ACKNOWLEDGEMENT OF ASSIGNMENT

The undersigned hereby acknowledges the assignment by MUNICIPAL FINANCE CORPORATION over to CITY NATIONAL BANK of that certain Installment Sale Agreement #17-003 dated as of March 21, 2018 (the "Agreement"), entered into between MUNICIPAL FINANCE CORPORATION as seller and the undersigned as purchaser.

With respect to the Agreement, the undersigned agrees to pay, commencing with the first scheduled Installment Payment, all Installment Payments and moneys due or to become due under the Agreement to CITY NATIONAL BANK, 831 South Douglas Street, Suite 100, El Segundo, CA 90245 and further agrees it shall have no counterclaim or offset against Installment Payments due thereunder as to said Assignee and expressly further agrees that said Assignee shall not (except for the obligations specifically set forth in the foregoing Assignment of Installment Sale) be liable for any of the obligations or burdens of the seller under the Agreement.

IN WITNESS WHEREOF, the District has caused this Acknowledgment of Assignment to be executed by its authorized agent on the date specified below.

SADDLE CREEK COMMUNITY SERVICES DISTRICT

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## ARBITRAGE AND TAX CERTIFICATE #17-003

The undersigned hereby certifies that he/she is a duly appointed authorized agent of the SADDLE CREEK COMMUNITY SERVICES DISTRICT (the "District") for the purpose of executing and delivering, on behalf of the District, the Installment Sale Agreement #17-003 dated March 21, 2018 (the "Agreement"), by and between MUNICIPAL FINANCE CORPORATION (the "Corporation ") as seller and the District as purchaser. This Certificate is being issued pursuant to Section 148 of the Internal Revenue Code of 1986 (the "Code"), and Treasury Regulations, Sections 1.148-1 through 1.148-11 promulgated thereunder (the "Regulations"). The following facts, estimates and circumstances are in existence on the date of this Arbitrage and Tax Certificate or are reasonably expected to occur hereafter.

1. Under the Agreement, the Corporation is required to acquire and construct the property described in the Agreement (the "Project"), and to sell the 2018 Project to the District; and the District is required to purchase the 2018 Project from the Corporation by making Installment Payments with respect thereto, comprising principal and interest, on the dates and in the amounts set forth in the Agreement.

2. On the date of issuance of the Agreement, the District will receive not less than \$700,000.00 from the Corporation. Such moneys will be deposited with the District and used, together with interest earnings thereon, to pay the 2018 Project costs.

3. The District on behalf of the Corporation, will proceed to acquire and construct the 2018 Project with due diligence and, based upon the provisions of the purchase contracts, delivery and acceptance of the 2018 Project is scheduled to occur on or before March 20, 2019 but in no case later than three years from the issuance of the Agreement.

4. The original proceeds of the Agreement plus the interest earned thereon, will not exceed by more than 5% the amount necessary for the governmental purpose for which the Agreement is issued.

5. No sinking fund, reserve fund or replacement fund will be maintained for the payment of the Installment Payments due under the Agreement.

6. The 2018 Project has not been, and is not expected during the term of the Agreement, to be sold or otherwise disposed of by the District.

7. The District and its subordinate entities (as defined in the Code) will not, in the aggregate, issue more than \$5,000,000 of tax-exempt obligations during calendar year 2018 and, thus, qualifies for the arbitrage rebate exemption provided for in Section 148(f)(4)(D) of the Code.

8. To the best of the knowledge and belief of the undersigned, the expectations of the District, as set forth above, are reasonable; and there are no present facts, estimates and circumstances which would change the foregoing expectations.

IN WITNESS WHEREOF, the party hereto has caused its authorized agent to execute this Arbitrage and Tax Certificate on the date specified below.

SADDLE CREEK COMMUNITY SERVICES DISTRICT

By \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

CERTIFICATE OF DISTRICT

The undersigned, duly authorized representative of Saddle Creek Community Services District (the "District"), as purchaser, under that Installment Sale Agreement #17-003 dated as of March 21, 2018 (the "Agreement") with Municipal Finance Corporation, as seller, hereby certifies as follows:

1. I hold the position noted below and have been duly authorized to execute and deliver, on behalf of the District, the Agreement and related documents pursuant to a resolution adopted by the District's governing body, an original or certified copy of which is attached hereto.

\_\_\_\_\_  
Name of Authorized Representative (Print or Type)

\_\_\_\_\_  
Title (Print or Type)

2. The District has complied with all agreements and covenants and satisfied all conditions contemplated by the Agreement on its part to be performed or satisfied on or before the date hereof.
3. The representations, warranties and covenants of the District contained in the Agreement are true and correct in all material respects as of the date hereof, as if made on this date.
4. No litigation is pending or, to the best of my knowledge, threatened (either in state or federal courts) (a) to restrain or enjoin the issuance and delivery of the Agreement or the collection of revenues to be used to meet the District's obligations under the Agreement; (b) in any way contesting or affecting the District for the execution or delivery of the Agreement, or the validity of the Agreement; (c) in any way contesting the existence or powers of the District, as such existence or powers in any way relate to the issuance of the Agreement or the District's obligations under the Agreement, or (d) could materially adversely affect the financial position of the District.
5. The 2018 Project being purchased pursuant to the Agreement is essential to the function of the District and is immediately needed by the District. Such need is neither temporary nor expected to diminish during the term of the Agreement. The 2018 Project is expected to be used by the District for a period in excess of the term of the Agreement.
6. The District's federal tax identification number is \_\_\_\_\_.

The meaning of the capitalized terms in this Certificate are the same as those provided in the Agreement.

SADDLE CREEK COMMUNITY SERVICES DISTRICT

By: \_\_\_\_\_

Date: \_\_\_\_\_



INCUMBENCY AND SIGNATURE CERTIFICATE

I do hereby certify that I am the duly appointed and acting Secretary of the Board of the Saddle Creek Community Services District, a community services district validly existing under the Constitution and laws of the State of California (the "District"), and that, as of the date hereof, the individual named below is the duly appointed officer of the District holding the office set forth opposite his/her respective name. I further certify that (i) the signature set forth opposite his/her respective name and title is true and authentic and (ii) such officer has the authority on behalf of the District to enter into that certain Installment Sale Agreement #17-003 dated March 21, 2018, by and between the District and Municipal Finance the Corporation and all documents related thereto.

Name

Title

Signature

\_\_\_\_\_

IN WITNESS WHEREOF, I have duly executed this certificate this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Secretary of the Board

\*SAMPLE ONLY\*  
(PLEASE PREPARE ON COUNSEL'S LETTERHEAD  
AND FORWARD 1 ORIGINAL TO ADDRESSEE)

MUNICIPAL FINANCE CORPORATION  
2945 Townsgate Road, Suite 200  
Westlake Village, CA 91361

RE: Installment Sale Agreement #17-003 dated as of March 21, 2018 by and between MUNICIPAL FINANCE CORPORATION (the "Corporation") as seller, and SADDLE CREEK COMMUNITY SERVICES DISTRICT (the "District") as purchaser

Ladies and Gentlemen:

I have acted as counsel to the District with respect to the Installment Sale Agreement described above (the "Agreement") and in this capacity have reviewed a copy of the executed Agreement and related documents or exhibits attached thereto. Based upon the examination of these and such other documents as I deem relevant, it is my opinion that:

1. The District is a community services district and political subdivision of the State of California (the "State"), duly organized, existing and operating under the Constitution and Laws of the State.
2. The District is authorized and has the power under applicable law to enter into the Agreement, and to carry out its obligations thereunder and the transactions contemplated thereby.
3. The Agreement has been duly authorized, approved, executed and delivered by and on behalf of the District, and is a valid and binding contract of the District enforceable in accordance with its terms, except to the extent limited by State and Federal laws affecting remedies and by bankruptcy, reorganization or other laws of general application relating to or affecting the enforcement of creditor's rights.
4. A resolution authorizing the execution and delivery of the Agreement was duly and validly adopted by the governing body of the District on March 21, 2018 and such resolution has not been amended or repealed and remains in full force and effect.

MUNICIPAL FINANCE CORPORATION

RE: Installment Sale Agreement #17-003 dated as of March 21, 2018 by and between MUNICIPAL FINANCE CORPORATION, (the "Corporation") as seller, and SADDLE CREEK COMMUNITY SERVICES DISTRICT (the "District") as purchaser.

(Date)

Page 2

5. There is no litigation, action, suit or proceeding pending or, to the best of my knowledge after due inquiry, threatened before any court, administrative agency, arbitrator or governmental body that challenges the authority of the District to enter into the Agreement or the ability of the District to perform its obligations under the Agreement and the transactions contemplated thereby.

This opinion may be relied upon by Municipal Finance the Corporation, its successors and assigns.

Dated: \_\_\_\_\_ Very truly yours,

\_\_\_\_\_

Please type name and title under signature.



## LOAN AMORTIZATION SCHEDULE

### ENTER VALUES

<i>Loan amount</i>	\$600,000.00
<i>Annual interest rate</i>	3.40%
<i>Loan period in years</i>	10
<i>Number of payments per year</i>	1
<i>Start date of loan</i>	4/1/2019
<i>Optional extra payments</i>	\$0.00

### LOAN SUMMARY

<i>Scheduled payment</i>	\$71,781.65
<i>Scheduled number of payments</i>	10
<i>Actual number of payments</i>	1
<i>Total early payments</i>	\$0.00
<i>Total interest</i>	\$117,816.51

<b>LENDER NAME</b>	Special District Finance Corporation
--------------------	--------------------------------------

PMT NO	PAYMENT DATE	BEGINNING BALANCE	SCHEDULE D PAYMENT	EXTRA PAYMENT	TOTAL PAYMENT	PRINCIPAL	INTEREST	ENDING BALANCE	CUMULATIVE INTEREST
1	4/1/2019	\$600,000.00	\$71,781.65	\$0.00	\$71,781.65	\$51,381.65	\$20,400.00	\$548,618.35	\$20,400.00
2	5/1/2019	\$548,618.35	\$71,781.65	\$0.00	\$71,781.65	\$53,128.63	\$18,653.02	\$495,489.72	\$39,053.02
3	6/1/2019	\$495,489.72	\$71,781.65	\$0.00	\$71,781.65	\$54,935.00	\$16,846.65	\$440,554.72	\$55,899.67
4	7/1/2019	\$440,554.72	\$71,781.65	\$0.00	\$71,781.65	\$56,802.79	\$14,978.86	\$383,751.93	\$70,878.53
5	8/1/2019	\$383,751.93	\$71,781.65	\$0.00	\$71,781.65	\$58,734.09	\$13,047.57	\$325,017.84	\$83,926.10
6	9/1/2019	\$325,017.84	\$71,781.65	\$0.00	\$71,781.65	\$60,731.04	\$11,050.61	\$264,286.80	\$94,976.71
7	10/1/2019	\$264,286.80	\$71,781.65	\$0.00	\$71,781.65	\$62,795.90	\$8,985.75	\$201,490.90	\$103,962.46
8	11/1/2019	\$201,490.90	\$71,781.65	\$0.00	\$71,781.65	\$64,930.96	\$6,850.69	\$136,559.94	\$110,813.15
9	12/1/2019	\$136,559.94	\$71,781.65	\$0.00	\$71,781.65	\$67,138.61	\$4,643.04	\$69,421.33	\$115,456.19
10	1/1/2020	\$69,421.33	\$71,781.65	\$0.00	\$69,421.33	\$67,061.00	\$2,360.33	\$0.00	\$117,816.51

## LOAN AMORTIZATION SCHEDULE

### ENTER VALUES

<i>Loan amount</i>	\$700,000.00
<i>Annual interest rate</i>	3.40%
<i>Loan period in years</i>	10
<i>Number of payments per year</i>	1
<i>Start date of loan</i>	4/1/2019
<i>Optional extra payments</i>	\$0.00

### LOAN SUMMARY

<i>Scheduled payment</i>	\$83,745.26
<i>Scheduled number of payments</i>	10
<i>Actual number of payments</i>	1
<i>Total early payments</i>	\$0.00
<i>Total interest</i>	\$137,452.60

<b>LENDER NAME</b>	Special District Finance Corporation
--------------------	--------------------------------------

PMT NO	PAYMENT DATE	BEGINNING BALANCE	SCHEDULE D PAYMENT	EXTRA PAYMENT	TOTAL PAYMENT	PRINCIPAL	INTEREST	ENDING BALANCE	CUMULATIVE INTEREST
1	4/1/2019	\$700,000.00	\$83,745.26	\$0.00	\$83,745.26	\$59,945.26	\$23,800.00	\$640,054.74	\$23,800.00
2	5/1/2019	\$640,054.74	\$83,745.26	\$0.00	\$83,745.26	\$61,983.40	\$21,761.86	\$578,071.34	\$45,561.86
3	6/1/2019	\$578,071.34	\$83,745.26	\$0.00	\$83,745.26	\$64,090.83	\$19,654.43	\$513,980.51	\$65,216.29
4	7/1/2019	\$513,980.51	\$83,745.26	\$0.00	\$83,745.26	\$66,269.92	\$17,475.34	\$447,710.59	\$82,691.62
5	8/1/2019	\$447,710.59	\$83,745.26	\$0.00	\$83,745.26	\$68,523.10	\$15,222.16	\$379,187.49	\$97,913.78
6	9/1/2019	\$379,187.49	\$83,745.26	\$0.00	\$83,745.26	\$70,852.89	\$12,892.37	\$308,334.60	\$110,806.16
7	10/1/2019	\$308,334.60	\$83,745.26	\$0.00	\$83,745.26	\$73,261.88	\$10,483.38	\$235,072.72	\$121,289.53
8	11/1/2019	\$235,072.72	\$83,745.26	\$0.00	\$83,745.26	\$75,752.79	\$7,992.47	\$159,319.93	\$129,282.01
9	12/1/2019	\$159,319.93	\$83,745.26	\$0.00	\$83,745.26	\$78,328.38	\$5,416.88	\$80,991.55	\$134,698.88
10	1/1/2020	\$80,991.55	\$83,745.26	\$0.00	\$80,991.55	\$78,237.83	\$2,753.71	\$0.00	\$137,452.60

# Saddle Creek Community Services District

## Special Meeting of March 21, 2018

### AGENDA SUPPORTING DATA

#### 7. DISCUSSION AND ACTION ITEMS

- b. Discussion and Action Related to Clarification of the Phase 1 & Phase 2 Landscape Improvement Projects and Related Landscape Architect and Construction Work

#### Recommended Motion

*No specific action is proposed.*

#### Background

During the February 20, 2018 Board meeting, it was recommended that the scope of the landscape improvement project be discussed and clarified at this meeting.

As currently understood by staff, the project is as follows:

- Board approval of completion of the Preliminary Design Report (PDR) as outlined in the landscape Architect Request for Proposals and approved contract with Orr Design. The PDR is to focus on development of a design concept for the areas of Saddle Creek Drive from Little John through the roundabout. The PDR is also to carry the agreed upon design concepts into preliminary design of the remaining common areas of the community.

The Phase 1 (PDR) scope of work from our contract with Orr is included herein for reference. The Phase 2 project is construction related, and includes finalizing the conceptual plans for the common areas past the roundabout, as well as preparation of design plans and specifications for the entire project, as well as construction management.

## Saddle Creek Landscape- Preliminary Design Report (Phase 1)

As a part of Phase 1, ORR Design will attend three on-site meetings per (1,2 & 3 listed below) and prepare and present a preliminary site opportunity/constraint analysis with examples and exhibits (photos and drawings) that illustrate graphically the project challenges and opportunities. ORR Design will attempt to 'educate' the 'Stakeholders' while at the same time carefully listen and synthesize the stakeholder concerns, priorities and own visions for the project.

### 1. Project Goals and Objectives.

-ORR to evaluate basic site and horticultural conditions, obtain photos, prepare base site plan for digital drafting, identify specific locations and boundaries within the Saddle Creek CSD that the project plan will include. (as-built irrigation, lighting etc. data collected in Phase 2)

- Identify project threats, opportunities and long-term challenges.

- Elicit Community and CSD Board (District Committee) in one kickoff meeting to discuss priorities and of the project redesign and benefits/liabilities. Outline possible project strategic outcomes such as improved aesthetic and community image, operation and maintenance savings, compliance with local and state codes/restrictions, resource preservation, and stabilization of property values.

- Outline project development design options and exploration of project budget options for discussion and evaluation such as:

a- *" basic repair and minor modifications only as required" ,*

b- *" remove and replace all systems (irrigation/lighting/automation) with some existing plantings to remain,*

c- *" all new systems, 'model' foothill landscape planting and design themes, and community image enhancing hardscape/softscape elements"*

### 2. Board and Committee Discussions and Strategies

-Summary presentation and meeting with District Committee 'stakeholder' to discuss strategies.

-Illustrate issues and evaluate options presented by ORR Design in #1 above.

### 3. Community Stakeholder Meetings

-Assist in evaluation of District Committee 'stakeholder' comments and questions received during the District Committee led process. Elicit from Community "stakeholders" the desirability and acceptability of various project development options and preferred aesthetic character of the project design.

### 4. Schematic Design Concept

-Prepare one conceptual schematic design development scenario for presentation and discussion to District Committee.

-Update schematic design approved by the District Committee and refine project elements such as key materials (with samples as required), illustrate key design details, report possible management costs (water use, maintenance until established)

-Prepare recommendations for project implementation schedule



# Saddle Creek Community Services District

## Special Meeting of March 21, 2018

### AGENDA SUPPORTING DATA

#### 7. DISCUSSION AND ACTION ITEMS

- c. Discussion and Action Related to District Actions and Involvement in the Implementation of the Second Community Entrance

#### **Recommended Motion**

*I move to direct staff to place on the April 2018 agenda an item to proceed with development of the road standard specifications and details, and annexation policies*

#### **Background**

To support the safety and wellbeing of the community, the Board has voiced its support for the immediate development of the second community entrance. Community resident Dave Ehlers has been working with the county to better understand the county requirements for construction of the second entrance, available funding, and the best process to be used to secure either an emergency or permanent entrance.

Attached hereto is a copy of a recent letter prepared by Dave Ehlers describing the results of his findings regarding the second entrance. This item has been placed on this agenda for discussion of the role of the CSD in the design, implementation and ownership of any second entrance. For discussion purposes, the District boundaries extend to the intersection of Bow Drive and Little John Rd. If a second entrance were to be designed in this location, the District could accept this entrance and road into our road system. If a second entrance is developed at the intersection of Copper Cove Drive and Little John, the intersection and any associated community entrance would be located outside the CSD boundaries and require acceptance by the County, or annexation to the CSD prior to our acceptance.

Although an annexation seems like an obvious choice, there is a significant cost to be paid by Castle & Cooke, and a fairly lengthy process through Calaveras County LAFCO. If plans are going to proceed for development of a CSD owned entrance at Copper Cove Drive, an agreement with C&C should be developed in advance of any LAFCO application, which should occur soon.

Assuming that an annexation is approved, the District will enter into a development/construction agreement with Castle and Cooke prior to plan approval for the entrance, and we will secure a deposit from them to cover the cost of plan review, administration and construction inspection. The CSD will consider acceptance of the entrance and road if built to our standards and determined to meet all of our requirements. These requirements will include specific conditions for operation of the new entrance gate, and the existing gate.

Once the 2<sup>nd</sup> entrance is completed and accepted into our road system, the CSD will then be responsible for maintenance and the associated cost. The cost of maintaining the additional entrance gate and road/landscaping was not specifically included in the Measure A budget, so we will need to be diligent in our conditions for project approval and acceptance, to make sure that added maintenance cost is

minimized. Willdan Engineering has submitted a proposal for the development of standard road specifications and details, as well as an encroachment permitting process; both of which will be necessary prior to Castle & Cooke preparing any construction plans for our review. We should also consider the adoption of policies related to processing new annexation requests, so that it is clear to Castle & Cooke the process necessary to secure any approvals for annexation of the property to Copper Cove Drive.

March TBD, 2018

Dear Fellow Saddle Creek Residents,

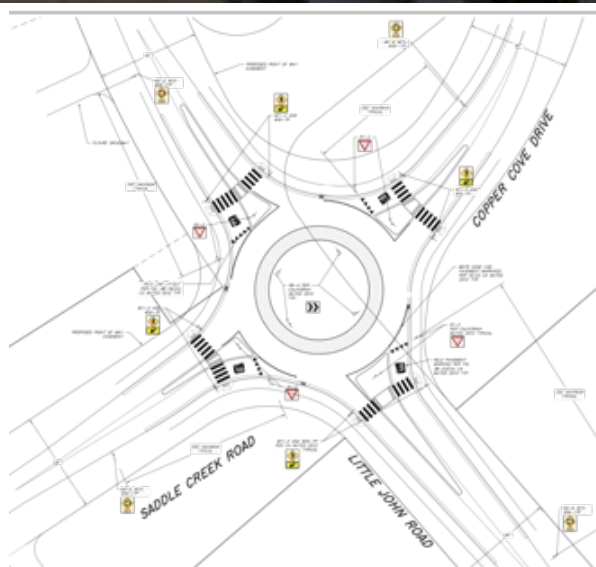
On (date), Scott Thayer, Castle & Cooke California, attended a meeting of the Copper Cove Home Owners Association (HOA) and obtained their agreement for construction of a new, safer intersection of Little John Rd and Copper Cove Dr. The new intersection will be a roundabout configuration and will include access for an additional road to the southwest named "Saddle Creek Road", which will lead to a second access to Saddle Creek Resort. See C&C's rendering and schematic of the new intersection below.



The results of the meeting were brought to my attention by Greg Mayer, a Saddle Creek resident and also member of the Copper Cove HOA. Greg and I since met with Dennis Mills, Calaveras County Supervisor for District 4 (our district), Ryan Oats (President of the Copper Cove HOA), Jack Cox (??), and Scott Thayer (Scott called in).

I learned that, in stark contrast to the past several years, the Calaveras County Government, the Copper Cove community, and Castle & Cooke are all highly motivated to proceed with this improvement.

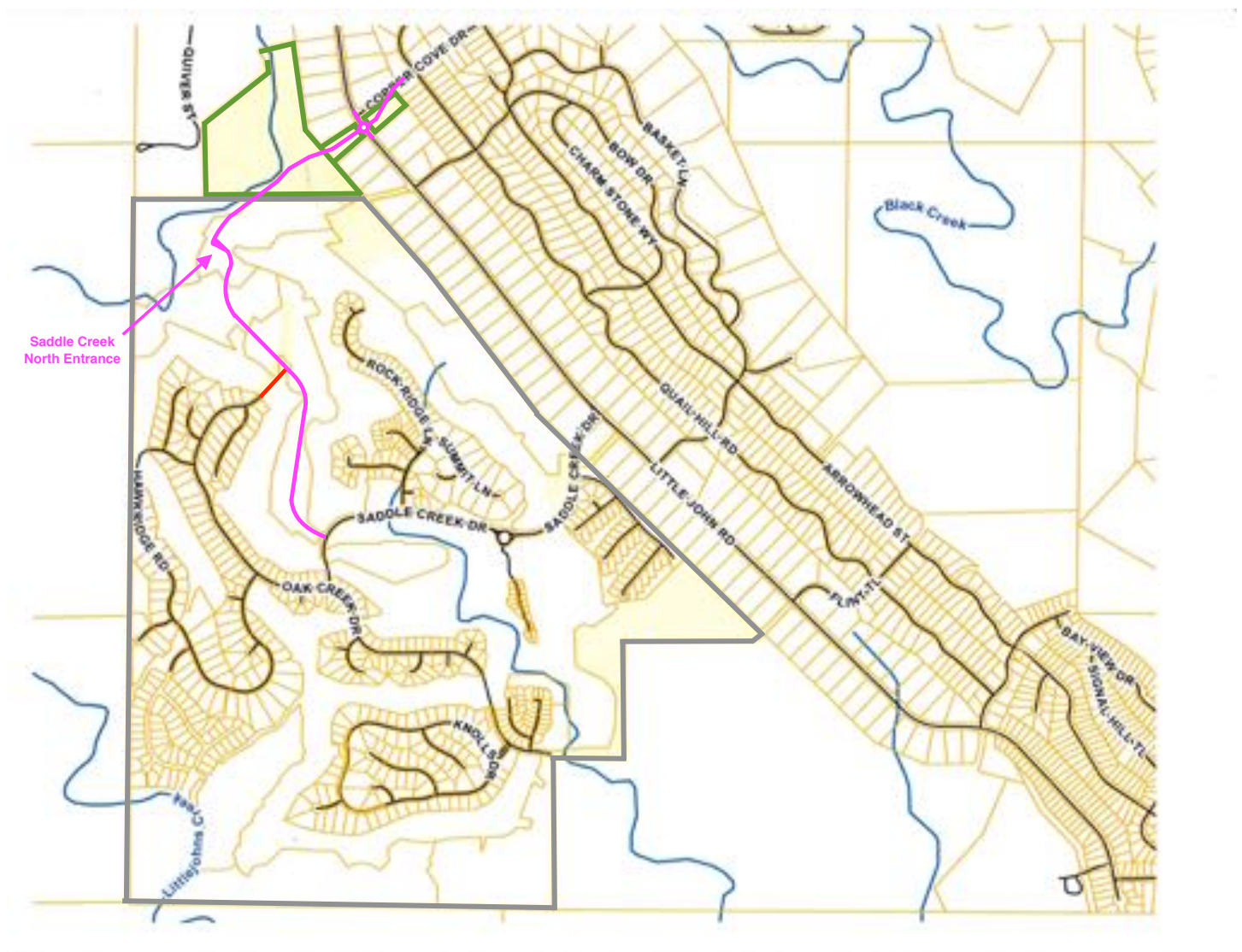
- Dennis Mills wants to mitigate traffic safety concerns, enable construction of a secondary entrance and emergency evacuation route for Saddle Creek Resort, and promote future growth in the Copper Valley Region. He has already started working with the



county planning department to expedite approvals, and he plans to make discretionary funding available. Dennis also asked Castle & Cooke to support a town hall meeting in the near future that will include Saddle Creek and Copper Cove residents to discuss future growth plans.

- **(what does this do for Copper Cove?)** The Copper Cove HOA will take action at the next opportunity to change land use designation for the properties impacted by the roundabout from “Residential” to “Public Use”, or to create public use easements through those properties.
- The improved intersection enables Castle & Cooke to continue future development in and around Saddle Creek Resort

Castle & Cooke’s plans for Saddle Creek’s secondary access is shown in the map below in purple and red. The roundabout at the intersection of Little John Rd and Copper Cove is slightly south of the current intersection so that it can be built within property boundaries (highlighted in green) owned by Castle & Cooke. The route for the secondary access will terminate at Saddle Creek Dr below the 17<sup>th</sup> green. The route includes a **short connection** to the north end of Oak Creek Dr.



The map points to the location of the “Saddle Creek North Entrance”, which presumably includes a gatehouse configuration similar to our current main gate.

The roundabout intersection and Saddle Creek's second entrance/exit will be funded by -

- \$775,000 currently held in trust by the county for Saddle Creek Facilities District public improvements
- Allocations from \$2.1M in "Basin Fee" funds held by the county
- Castle & Cooke investments

**Saddle Creek property owners will not be made to pay for these improvements!**

The plans for these improvements are being expedited by the county, and current expectations are that the secondary access will be completed within the next two years.

I no longer need to collect names for a petition. I do however need to know your thoughts regarding the information in this letter.

When we were considering a gravel road emergency exit/entrance, I received concerns from two households about community security/privacy. As the gravel road is no longer an alternative, and because the planned second entrance presumably includes a gate similar to the one at the main entrance, we should remain as secure as we are today.

Also, one household expressed concern that a secondary entrance that provides access to the north end of Oak Creek Dr would motivate all residents to enter/leave the community through a heavily populated street and make our problems with speeding much worse.

At the meeting I attended, I told Scott Thayer that the residents will want to contribute to decisions that impact the security/privacy and traffic issues.

**Please don't "reply all".**

Most Respectfully,  
Dave Ehlers  
pdehlers@caltel.com

# Saddle Creek Community Services District

## Special Meeting of March 21, 2018

### AGENDA SUPPORTING DATA

#### 7. DISCUSSION AND ACTION ITEMS

- d. Discussion and Action Regarding a Proposed Policy Prescribing Rules and Regulations Relating to the Management of Wildlife Habitat Easements Throughout the Community

##### **Recommended Motion**

*I move to direct staff to develop a draft policy prescribing Rules and Regulations Relating to the Management of Wildlife Habitat Easements Throughout the Community.*

##### **Background**

The District is responsible for management of the wildlife habitat easements throughout the community. These easements constitute a deed restriction on the property of Saddle Creek residents. Since the beginning of the development, residents have been respectful and cooperative in keeping all activities and property improvements out of the easements. Recently, several property owners have begun encroaching on the easements, to the point of adding landscaping and installing fences within the easement.

These encroachment issues are most effectively and efficiently dealt with by staff in our day to day activities, as soon as the encroachment is expected or discovered. To make it clear to property owners how we will monitor and enforce easement encroachment, it is recommended that a Board policy be adopted that includes specific rules and regulations. The purpose of this agenda item is to begin the process of identifying these specific rules and processes.

Following are staff's recommendations for this policy based on prior enforcement experience:

1. A clear statement that no encroachments are allowed for any purpose; temporarily during construction, permanent, or for any specific personal purposes
2. Identify the types of encroachment that are prohibited
3. Identify the notification and abatement process and schedule once encroachments are identified
4. Establish fines for encroachment violations
5. Establish a process for District abatement of the encroachment in the event the property owner fails to act

There are three current encroachments in the wildlife easements. Staff plans to notify each of the violation and demand the immediate removal of the improvements, and if they do not comply we will seek individual Board direction on the abatement process. Once the recommended policy is in place, we will follow its provisions in fully enforcing the restrictions of the easements.

**RESOLUTION NO. 2018-\_\_\_\_**

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE SADDLE CREEK COMMUNITY SERVICES DISTRICT  
AMENDING ADMINISTRATIVE REGULATIONS 2003-1  
PRIVACY GATE RULES FOR OWNERS, RESIDENTS AND CASTLE  
& COOKE**

**WHEREAS**, the District adopts policies for the orderly regulation of the day to day affairs of the District; and

**WHEREAS**, regular amendments to District policies are required to reflect current needs and operating conditions; and

**WHEREAS**, current Administrative Regulations 2003-1 contains provisions that are no longer relevant or acceptable; and

**WHEREAS**, staff has prepared amended regulation language as contained herein.

NOW THEREFORE BE IT RESOLVED THAT THE BOARD OF DIRECTORS OF THE SADDLE CREEK COMMUNITY SERVICES DISTRICT DOES HEREBY approve the attached revisions to the Administrative Regulations 2003-1.

WHEREFORE, this Resolution is passed and adopted by the Board of Directors of the Saddle Creek Community Services District on March 21, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

\_\_\_\_\_  
Ken Albertson, President

ATTEST:

\_\_\_\_\_  
Peter Kampa, Secretary

**CERTIFICATE OF SECRETARY**

I, Peter Kampa, the duly appointed and acting Secretary of the Board of Directors of the Saddle Creek Community Services District, do hereby declare that the foregoing Resolution 2018-\_\_\_\_ was duly passed and adopted at a Special Meeting of the Board of Directors of the Saddle Creek Community Services District, duly called and held on March 21, 2018.

DATED: \_\_\_\_\_.

**SADDLE CREEK COMMUNITY SERVICES DISTRICT  
PRIVACY GATE RULES FOR RESIDENTS, OWNERS AND  
CASTLE & COOKE, INC.**

ADMINISTRATIVE REGULATIONS SECTION 2003-1  
EFFECTIVE DATE: OCTOBER 11, 2003  
AMENDED APRIL 19, 2016

**A. DESCRIPTION OF FACILITY**

SADDLE CREEK is an upscale planned development of single-family homes and rental bungalows located on the western side of Calaveras County. A primary focal point of the community is the semi-private championship golf course that can be viewed throughout the development. Other privately owned on-site facilities include a golf club house, fitness center and restaurant facility.

Established August 19, 1995, by LAFCO Resolution No. 95-03, SADDLE CREEK COMMUNITY SERVICES DISTRICT (SCCSD) is the agency responsible for local governance of SADDLE CREEK. The District is served by a five member Board of Directors elected for four (4) year terms by majority vote of the registered voters within the District.

The Board of Directors are vested with the authority to enact Ordinances (Laws), policies and procedures considered necessary to insure the safety and welfare of District residents and guests and to provide for the operational concerns of the District. Ordinances, policies and practices established by the District are subject to the same considerations and have the same force and effect as laws, policies and procedures enacted by other governmental agencies; cities, counties, state or federal.

**B. PURPOSE OF REGULATIONS**

The purpose of these regulations are to minimize problems and confusion through the establishment of specific written guidelines governing access into SCCSD the Saddle Creek community. Property owners and other interested parties are encouraged to contact the SCCSD's General Manager or Site Manager or a Board Member if they have questions or comments on any or all parts of the regulations.

**C. EMERGENCY SERVICE PROVIDER(S)**

Privacy Officers are contract employees who serve under the exclusive direction of SCCSD. Their purpose is to insure the privacy of SADDLE CREEK residents and visitors through the monitoring/ control of access through the Main Gate. Additionally they provide information, directions and assistance to residents and visitors when appropriate.

Privacy Officers are not permitted to leave their post at the Main Gate unless specifically instructed to do so by the SCCSD General Manager or his/her designated representative.



Privacy Officers do not have Police Authority nor are they Security Officers. In the event they observe or are advised of an emergency situation their response will be to contact the responsible Emergency Provider; Sheriff, Fire Department, Ambulance, etc.

The following agencies are responsible for providing emergency services to SADDLE CREEK and should be contacted directly when an emergency situation arises:

- |                    |                                       |                                     |
|--------------------|---------------------------------------|-------------------------------------|
| 1. Police Services | Calaveras County Sheriff              | Non-Emergency No.<br>(209) 754-6500 |
| 2. Fire Services   | Copperopolis Fire Protection District | Non-Emergency No.<br>(209) 785-2393 |

Note: FOR ALL POLICE, FIRE AND MEDICAL EMERGENCIES CALL 911

**D. ESTABLISHMENT OF ADMINISTRATIVE REGULATIONS FOR ACCESS TO ROADWAYS UNDER THE CONTROL OF SADDLE CREEK COMMUNITY SERVICES DISTRICT**

As permitted under authority of Government Code § 6121.8 and SCCSD Ordinance 2003-02, the following Administrative Regulations for control of vehicle access onto roadways under the exclusive control of SCCSD.

The purpose of this restricted/ controlled access is to provide residents, owners and visitors with the highest degree of privacy and tranquility possible.

**E. ESTABLISHMENT OF ENTRY AND EXIT LOCATIONS**

Main Access: The established access point for residents, property owners, visitors, and on-site business employees is the Main Gate located just off Little John Road on Saddle Creek Drive. As authorized by the SCCSD Board of Directors, access through the Main Gate is controlled by computer activated gates and/ or Privacy Officers.

Construction Access: A temporary access for construction vehicles has been established approximately 100 yards south of the main entrance at Saddle Creek Drive. This unimproved roadway is accessed from Little John Road. The purpose of this temporary access is to minimize the amount of construction traffic on improved street such as Saddle Creek Drive. Whenever possible construction vehicles/ employees shall enter and exit through this temporary access. Additional temporary access points may be authorized by the District should future need arise.

**F. ACCESS BY RESIDENTS, PROPERTY OWNERS AND DESIGNATED EMPLOYEES OF CASTLE AND COOKE, INC. (C&C)**

Residents, property owners and designated C&C employees are to enter and exit SCCSD through the Main Gate. When possible the right gate entry should be used. Entry is considered as being authorized by your use of the gate opener on the right (Resident) entry gate. Gate openers will be provided in accordance with the following guidelines:

1. Gate Opener Policy:

a) SCCSD will provide, without charge, two (2) programmed, hand held gate opener (transmitter) for each improved residential parcel located within the District. Additional hand-held gate openers may be purchased from SCCSD at the District's cost plus a programming fee as detailed in the District's Miscellaneous Fee Schedule adopted from time to time. Please note, only those openers obtained from SCCSD will activate the gate software.

~~b) SCCSD will program, without charge, two (2) properly equipped vehicles (if compatible with gate software) for each improved residential parcel. A fee as detailed in the District's Miscellaneous Fee Schedule adopted from time to time will be required to program additional vehicles.~~

e)b) SCCSD will provide programmed, hand held gate openers and program vehicles owned by C&C in accordance with agreements reached between SCCSD and C&C. The C&C Development Manager or Golf Operations Manager must initiate all requests for hand held gate openers or vehicle programming.

2. Obtaining/Programming Gate Openers:

Contact the SCCSD office at (209) 785-0100 to obtain/purchase a hand held Gate Opener or to program a vehicle. The providing/programming of gate openers/vehicles will be done by appointment only.

3. Resident, Owner, Designated C&C Employee - Entry Procedure Without Gate Opener:

In the event a resident, property owner or designated C&C employee has forgotten his/her gate opener or the opener is not working properly, entry should be made in the left lane when Privacy Officers are on duty. If the Privacy Officer does not know the person, the individual(s) will be asked to produce identification (driver license, etc.) in order to confirm that entry into SADDLE CREEK is authorized.

**G. ACCESS BY PERSONS OTHER THEN A RESIDENT, PROPERTY OWNER OR DESIGNATED CASTLE & COOKE, INC. EMPLOYEES**

1. Persons Visiting a Resident:

Visitors are permitted to enter SCCSD at any time, day or night, provided that one of the following conditions is met:

a) The visitor(s) is listed on the residents' Permanent Guest List. Please note that it is the responsibility of the resident to insure that his/her Permanent Guest List is kept up to date. Failure to do so may result in entry being allowed to persons no longer welcome by the resident.

b) The resident to be visited verbally notifies the Privacy Officer (in person, by telephone - 209-785-8700 or by means of the entry call box) that he/ she

approves the visitor(s) entry. Please note that when more than five (5) guests are expected for a party or other special occasion Written Notification is required.

c) The Privacy Officer has received specific written and signed instructions from a resident to admit a visitor or visitors during a specified time period. In order to prevent delays in admitting, residents should include the full name of all expected visitors.

Permanent and Temporary Guest Lists are available at the Main Gate, on the District's website ([www.SaddleCreekCSD.org](http://www.SaddleCreekCSD.org)) or can be obtained from the On-Site Maintenance Manager (209) 785-0100.

Privacy Officers will always attempt to contact a resident whenever an unexpected visitor(s) arrives, but if the resident does not respond, entry will not be permitted.

2. Access by Service Persons (Includes Package and Parcel Deliveries):

Service Persons such as house cleaners, pool cleaners, plumbers, etc, will be permitted access by Privacy Officers only under the following conditions:

a) The resident using the service verbally notifies the Privacy Officer (in person, by telephone - 209-785-8700 or by means of the entry call box) that he/ she approves entry.

b) The Privacy Officer has written and sign instructions from the resident to admit the service person.

Privacy Officers will always attempt to contact the resident when an unexpected Service Person or Delivery Person request entry, but if the resident does not respond, entry will not be permitted.

3. Access by Moving Vans:

Moving Vans will not be permitted without a specific verbal or written request of the resident who is moving into or from SCCSD. When the Privacy Officer does not know the resident, a legally acceptable form of picture identification (driver license, California I.D. Card, etc.) will be required. Additionally, the Privacy Officer shall review and record the license plate number(s) (and state) of the moving van(s) and the operator's driver license number(s) (and state).

~~4. Access by News Media:~~

~~News services (radio, television, news paper reporters, etc.) will not be admitted unless authorized by a resident, owner, C&C On Site Development Manager or Golf Operations Manager, the SCCSD General Manager, or the SCCSD Board of Directors.~~

5.4. Access by Solicitors-Prohibited:

Access for the purpose of soliciting (including by residents) is not permitted.

6.5. Access by Process Servers:

The SCCSD is legally required to admit process servers, whether they are peace officers or private persons. After a process server has properly identified his/her purpose, entry will be permitted. In the case of a private process server, the Privacy Officer will attempt to notify the resident a process server has been admitted. In the event the process server is a Peace Officer engaging in his/her official duties, the Privacy Officer shall not attempt to notify the resident of his/her entry.

7.6. Access to Golf Course, Rental Bungalows, Restaurant, Sales Office and All Other C&C Owned/ Controlled Facilities:

Access to the golf course and all other C&C owned/ controlled facilities shall be handled in accordance with written procedures developed with the input of the C&C On-Site Development Manager and/ or Golf Operations Manager. These procedures will be set forth in Administrative Regulation Section 2003-02.

8.7. Access by Utility Companies

While engaged in official business, employees of utility companies such as Calaveras County Water District, Pacific Gas and Electric, Calaveras Telephone, etc. will be permitted.

9.8. Access by Police, Fire and Other Governmental Agencies

While engaging in official business, sheriff department employees, fire and all other governmental employees have the right to enter the District.

**H. ACCEPTANCE OF PACKAGES OR OTHER DELIVERIES BY PRIVACY OFFICERS IS PROHIBITED**

Privacy Officers are strictly prohibited from accepting packages or other types of deliveries being sent to or received by a resident.

## **Saddle Creek Community Services District**

### **Special Meeting of March 21, 2018**

#### **AGENDA SUPPORTING DATA**

##### **7. DISCUSSION AND ACTION ITEMS**

- f. Continued development of Norms for Board member conduct to facilitate effective deliberations; and Protocol to create the structure and process for effective Board meetings.

##### **Recommended Motion**

*There is no specific action recommended, as this is continued development of DRAFT Board Norms and Protocol.*

##### **Background**

During the January and February 2018 Board meetings, the Board has begun the development of Norms and Protocol. Included with this agenda are the draft agreements made at the Board's February 20, 2018 meeting. At this meeting, we will first ensure that the draft February agreements are fairly presented and accurate, then staff will facilitate the final section of the process dealing with Board communication expectations.

ISSUES ADDRESSED WITH THE BOARD (DRAFT)  
February 20, 2018

## Board Meeting Conduct –Adopted February 20, 2018

- Board room layout – **Agreed not concern with board room layout.**
- Use of microphones - **Agreed not use of microphones needed.**
- Board meeting length – **Agreed length of board meeting currently is two hours, this maximum is good.**
- Board meeting date and time – **Agreed the current date and time are working well, no change needed.**
- Seating arrangement at the board table; placement of the GM and staff in the board room – **Agreed there is no concern.**
- Role of the president – **Agreed the meetings are ran well.**
- Public input at Board meetings (Public comment period and agenized items) – **Agreed members like the way it is done now no objection from anyone. (Public comment received, some brief interaction or clarification) The current process is Board discussion, motion and action.**
- Board expectation of response to public comments – **Agreed we are ok to continue to have a small amount of interaction with the public; maintain Brown Act compliance at all times. We like to get the extent of the issue so we can try to coordinate a little better to address the issue.**
- Board member reports during meetings – **Reports need to remain the agenda in case someone does have something to add.**
- Staff reports to the Board at meetings – **Agreed the Board appreciates the staff reports/discussion. The Board likes to hear from Greg on what's going on and what's not going on and if it's not getting done why.**
- Rules of Order of Board meetings –**Agreed the Board is good with the procedure.**
- Tabling agenda items – **Agreed this is a non issue.**

## Board relations in with community

- Expectations of Board member representation of the District in public/meetings – **Agreed these do not need to be limited as these are a non issue.**
  - The Board agrees to avoid conduct or comments that tends to discredit the District or employees
  - The Board realizes that what they say will be viewed as what “SCCSD” says
- Allowing the Board majority to set the direction of the District – **no concerns**
- Communication with the media – contact person/training – **Agreed the GM is the public officer, the Board sends the media call to the GM, no concern on this topic.**
- Board member attendance at local functions and other agency meetings – **Agreed the Board will appoint that person if there ever is a need.**
- Board member attendance of industry conferences - **Agreed if the GM thinks the Board should go he will recommend to them, as it is now the Board members don’t go to conferences due to lack of funds. We are all pretty good, there are no issues.**
- Board training expectations – **Agreed there are no issues here.**
- District recognition for good governance – **No need to aggressively pursue awards/recognition at this time**

**RESOLUTION NO. 2018-**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SADDLE CREEK COMMUNITY SERVICES DISTRICT AUTHORIZING AGREEMENT WITH UMPQUA BANK TO PARTICIPATE IN THE CSDA DISTRICT PURCHASING CARD PROGRAM**

**WHEREAS**, Credit cards and purchasing cards are mechanisms for purchasing good and services for the convenience of the Saddle Creek Community Services District (District; and

**WHEREAS**, the California Special Districts Association (CSDA) has negotiated with Umpqua Bank to provide a Purchasing Card Program (Program) for vendor payments, purchasing, travel or fleet transactions; and

**WHEREAS**, the Program requires an application for credit approval, a resolution by the District Governing Board, and District policy and procedures regarding the use of the credit cards; and

**WHEREAS**, the District has a Standard Practice of procedures for using credit cards a required by the Program,

**NOW THEREFORE BE IT RESOLVED**, that the Governing Board of the Saddle Creek Community Services District directs the following actions:

1. Authorize participation with Umpqua Bank in the SCDA District Purchasing Card Program;
2. Authorize the application to the Program for credit cards or purchasing cards;
3. Authorize the Board President to execute any necessary agreements;

**BE IT FURTHER RESOLVED**, that this Resolution shall take effect immediately upon adoption.

**WHEREFORE**, this Resolution 2018-\_\_ is passed and adopted by the Board of Directors of the Saddle Creek Community Services District on March 21, 2018, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

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**Ken Albertson, President**

**ATTEST:**

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**Peter Kampa, Secretary**



**CERTIFICATE OF SECRETARY**

**I, Peter Kampa, the duly appointed and acting Secretary of the Board of Directors of the Saddle Creek Community Services District, do hereby declare that the foregoing Resolution was duly passed and adopted at a Special Meeting of the Board of Directors of the Saddle Creek Community Services District, duly called and held on March 21, 2018.**

**DATED: \_\_\_\_\_.**