

REGULAR BOARD MEETING AGENDA
April 18th, 2017 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 and approval of bills and claims for the month of March 2017
 - b. Approval of the minutes of the Regular Board Meeting of March 21st, 2017 and Special Town Hall Meetings of March 14th, 2017 and March 25th, 2017.
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. Discussion regarding resolution to the reported storm drain odor on Rockridge Lane.
 - b. Adoption of a Resolution approving a Debt Management Policy
 - c. Discussion and Action regarding approval of proceeding with the contracted replacement of drought damaged turf in non-median areas.
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 meeting agenda.
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 on the Saturday proceeding 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

March 31, 2017

Saddle Creek Comm Srvs District

BALANCE SHEET

As of March 31, 2017

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1000 Umpqua Bank Checking	384,226
1080 Umpqua Bank CD Accounts	126,736
Total Bank Accounts	\$510,962
Accounts Receivable	
1200 Accounts Receivable	4,947
Total Accounts Receivable	\$4,947
Total Current Assets	\$515,909
Fixed Assets	
1500 Capital Assets	13,127,405
1600 Accumulated Depreciation	(851,858)
Total Fixed Assets	\$12,275,547
TOTAL ASSETS	\$12,791,456
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 Accounts Payable	48,509
Total Accounts Payable	\$48,509
Credit Cards	
2040 CSDA Bank of the West MC	1,678
Total Credit Cards	\$1,678
Other Current Liabilities	
2100 Payroll Taxes Payable	1,201
2150 Accrued Payroll	9,608
2201 Sales Tax Adjustment	131
Board of Equalization Payable	27
Total Other Current Liabilities	\$10,966
Total Current Liabilities	\$61,153
Long-Term Liabilities	
2500 Lease Payable - John Deere	63,334
Total Long-Term Liabilities	\$63,334
Total Liabilities	\$124,487
Equity	
3800 Developer Capital Contributions	12,198,796
3900 Retained Earnings	648,187
Net Income	(180,014)
Total Equity	\$12,666,969
TOTAL LIABILITIES AND EQUITY	\$12,791,456

**Saddle Creek Comm Srvs District
Statement of Cash Flows**

For the 3 Months Ending March 31, 2017

	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
OPERATING ACTIVITIES								
Net Income	(180,071)	-	39	6	6	3	3	(180,014)
Adjustments to reconcile Net Income to Net Cash provided by Operations:								-
1200 Accounts Receivable	(4,947)							(4,947)
2000 Accounts Payable	15,716							15,716
2040 CSDA Bank of the West MC	(220)							(220)
2100 Payroll Taxes Payable	574							574
2150 Accrued Payroll	753							753
Other Current Payables	164							164
Net cash provided by operating activities	(168,031)	-	39	6	6	3	3	(167,974)
Net cash increase for period	(168,031)	-	39	6	6	3	3	(167,974)
Cash at beginning of period (1/1/2017)	552,257	-	26,068	25,176	25,176	25,129	25,129	678,935
Cash at end of period	384,226	-	26,107	25,182	25,182	25,132	25,132	510,961

11-Apr-17

Prepared by: Dolores Baker

Saddle Creek Comm Srvs District
CHECK DETAIL
March 2017

Date	Num	Name	Memo/Description	Amount
03/01/2016	ACH Debit	JD Lease Payment	Tractor lease payment	-1,335.71
03/01/2017	2083	SDRMA-Health Ins.	February Health Insurance	-4,670.00
03/01/2017	2082	Kampa Community Solutions, LLC	Management Fee	-5,407.88
03/03/2017	2086	Greg Hebard	Reimbursement for Rejected Deposit Credited back to SCCSD	-50.00
03/03/2017	2084	California State Disbursement Unit	Grnishment Payable	-118.50
03/03/2017	DD	HERNAN M HERNANDEZ	Pay Period: 02/16/2017-02/28/2017	-975.67
03/03/2017	DD	Ralph M. McGeorge	Pay Period: 02/16/2017-02/28/2017	-1,496.62
03/03/2017	DD	Gregory Hebard	Direct Deposit 2	-50.00
03/03/2017	DD	Gregory Hebard	Pay Period: 02/16/2017-02/28/2017	-2,205.12
03/05/2017	P/R Fee	Intuit Full Service Payroll	Payroll Service Fee	-113.00
03/08/2017		IRS	Tax Payment for Period: 03/01/2017-03/03/2017	-2,344.63
03/08/2017		CA EDD	Tax Payment for Period: 03/01/2017-03/03/2017	-407.90
03/15/2017	2085	CNA Surety	CA Dishonesty B Public Service	-326.03
03/20/2017	DD	Gregory Hebard	Pay Period: 03/01/2017-03/15/2017	-2,205.15
03/20/2017	DD	CODY L PONDER	Pay Period: 03/01/2017-03/15/2017	-772.79
03/20/2017	DD	BRADLEY D NICKELL	Pay Period: 03/01/2017-03/15/2017	-739.73
03/20/2017	DD	Ralph M. McGeorge	Pay Period: 03/01/2017-03/15/2017	-1,496.63
03/20/2017	DD	HERNAN M HERNANDEZ	Pay Period: 03/01/2017-03/15/2017	-988.14
03/20/2017	DD	DOLORES C BAKER	Pay Period: 03/01/2017-03/15/2017	-752.47
03/20/2017	DD	Gregory Hebard	Direct Deposit 2	-50.00
03/21/2017	2095	Bryco Supply	Landscape Supplies	-563.07
03/21/2017	2096	Ewing	Irrigation Products	-4,341.97
03/21/2017	2090	Signco	Overlay for Lawn Sign	-51.60
03/21/2017	2093	Verizon Wireless LLC	New cell phone for Maint Supv	-769.99
03/21/2017	2092	SDRMA-Health Ins.	March Health Insurance	-4,670.00
03/21/2017	2097	California State Disbursement Unit	Garnishment Payable	-118.50
03/21/2017	2088	Fred Pryor Seminars	OC/OSHA/Seminar - Maint. Super	-179.00
03/21/2017	2089	Greg Hebard	Expense Reimbursement	-90.09
03/21/2017	2101	VALLEY ENTRY SYSTEMS, INC.	Repairs to Construction Gate	-325.00
03/21/2017	2094	Bank of the West	Credit Card Bill	-5,169.01
03/21/2017	2087	Columbia Communications, Inc.	Radio examination	-47.50
03/24/2017		IRS	Tax Payment for Period: 03/18/2017-03/21/2017	-2,553.51
03/24/2017		CA EDD	Tax Payment for Period: 03/18/2017-03/21/2017	-424.64
3/28/2017	ACH Debit	P.G. & E.	Utilities	-313.82
03/31/2017	2102	Don Cowper	Landscape Trees	-1,073.89
03/31/2017	2098	SDRMA-Health Ins.	April Health Insurance	-4,670.00
				-\$ 51,867.56

Saddle Creek Comm Srvs District

Reconciliation Report

CSDA Bank of the West MC, Period Ending 03/28/2017

Reconciled on: 04/11/2017 (any changes to transactions after this date aren't reflected on this report)

Reconciled by: Dolores Baker

Summary

Statement Beginning Balance	5,169.01
Payments and Credits cleared	-5,169.01
Charges and Cash Advances cleared	+24,682.94
Statement Ending Balance	24,682.94
Uncleared transactions as of 03/28/2017	-23,852.50
Register Balance as of 03/28/2017	830.44
Uncleared transactions after 03/28/2017	5,527.26
Register Balance as of 04/11/2017	6,357.70

Details

Payments and Credits cleared

<u>Date</u>	<u>Type</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
02/28/2017	Bill		Feb Stmt Bank of the West	-5,169.01
Total				-5,169.01

Charges and Cash Advances cleared

<u>Date</u>	<u>Type</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
02/27/2017	Expense	5655102	Verizon - Sonora	199.72
02/28/2017	Expense	254628	J.Milano Co., Inc.	691.03
02/28/2017	Expense	4943741-A-2	Ewing	402.09
02/28/2017	Expense	30685	Sierra Heavy Duty	4,291.80
02/28/2017	Expense	613099	Hunt & Sons, Inc.	673.58
03/01/2017	Expense		Intuit - QBO Online	30.99
03/01/2017	Expense	687	Postmaster	51.91
03/01/2017	Expense	0301 Stmt	Cal Waste Recovery Systems	67.63
03/02/2017	Expense	1570691246	Verizon Wireless	110.14
03/06/2017	Expense	227901131587	Lowe's	208.00
03/08/2017	Expense	30732	Sierra Heavy Duty	342.41
03/09/2017	Expense	257320	J.Milano Co., Inc.	572.63
03/14/2017	Expense	IAHPVI	Alaska Air	440.63
03/14/2017	Expense	D97459	Safe-T-Lite of Modesto Inc.	646.78
03/14/2017	Expense	8	Vintage Car Wash	13.50
03/14/2017	Expense	5022857-A	Ewing	66.66
03/14/2017	Expense	620069	Hunt & Sons, Inc.	279.14
03/15/2017	Expense	Feb Billing	Calaveras Telephone Co.	343.65
03/15/2017	Expense	1312701	BrightView Tree Company	1,357.65
03/15/2017	Expense	Hotline Mbrshp	Northern Tool & Equipment	39.99
03/16/2017	Expense	H210051	Hughson Farm Supply	1,163.83
03/16/2017	Expense	03452016	Harbor Freight Tools	227.11
03/16/2017	Expense	D97688	Safe-T-Lite of Modesto Inc.	245.78
03/16/2017	Expense	65200107963	Les Schwab Tires	327.48
03/19/2017	Expense	7913 2	Wal-Mart	253.66
03/20/2017	Expense	15281	Orchard Supply Hardware	127.00
03/20/2017	Expense	110555	Copper Auto & Marine	84.96
03/20/2017	Expense	P08355-05	Sonsray Machinery	62.54
03/20/2017	Expense	337333	Belkorp Ag, LLC	72.89
03/21/2017	Expense	Board	Saddle Creek Country Club	11.52
03/21/2017	Expense	549184	Payless IGA	37.89
03/22/2017	Expense	257807	J.Milano Co., Inc.	386.32
03/23/2017	Expense	341601	Belkorp Ag, LLC	5,239.15
03/23/2017	Expense	110634	Copper Auto & Marine	37.27
03/23/2017	Expense	18712	CalTraffic	448.76

<u>Date</u>	<u>Type</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
03/23/2017	Expense	D98304	Safe-T-Lite of Modesto Inc.	217.56
03/24/2017	Expense	170143	Briggs Mfg, Inc.	4,521.66
03/24/2017	Expense	H211042	Hughson Farm Supply	344.23
03/24/2017	Expense	823099	Copper Auto & Marine	43.40
Total				24,682.94

Additional Information

Uncleared Payments and Credits as of 03/28/2017

<u>Date</u>	<u>Type</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
03/28/2017	Bill	Mrch Stmt	Bank of the West	-24,682.94
Total				-24,682.94

Uncleared Charges and Cash Advances as of 03/28/2017

<u>Date</u>	<u>Type</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
03/24/2017	Expense	39128	California Special Districts Association	175.00
03/26/2017	Expense	B1357312	Avis	640.10
03/28/2017	Expense	Travel Meal	The Landing Grille	15.34
Total				830.44

Uncleared Charges and Cash Advances after 03/28/2017

<u>Date</u>	<u>Type</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
03/29/2017	Expense	Travel Meal	JRDN	36.17
03/29/2017	Expense	TO06904153-001	Crown Point VO & Auto	29.00
03/30/2017	Expense	Parking	City of San Diego	50.00
03/30/2017	Expense	696950	Hyatt Regency	732.19
04/01/2017	Expense		Intuit - QBO Online	30.99
04/02/2017	Expense	9061331	Shell	70.00
04/02/2017	Expense	83198	Columbia Communications, Inc.	1,455.26
04/02/2017	Expense	83154	Columbia Communications, Inc.	172.65
04/03/2017	Expense	5152687-A-!	Ewing	293.28
04/03/2017	Expense	WW #8705	California Custom Trailers & Powersports	363.47
04/04/2017	Expense	342999	Belkorp Ag, LLC	865.60
04/04/2017	Expense	SO/721940	BrightView Tree Company	527.98
04/06/2017	Expense	1704-249886	Calaveras Lumber	255.15
04/15/2017	Expense	March Stmt	Calaveras Telephone Co.	359.64
04/19/2017	Expense	1/16-3/15/2017	CCWD	285.88
Total				5,527.26

SPECIAL BOARD MEETING MINUTES

March 14th, 2017 3:00 PM
Saddle Creek Lodge
Grandview Room
1001 Saddle Creek Drive, Copperopolis, CA

1. CALL TO ORDER

The Saddle Creek Community Services District (CSD) Board of Directors held a Special Town Hall Meeting on Tuesday March 14, 2017. President Hoffman called the meeting to order at 3:00pm in the Grandview Room and led the Directors and staff in the Pledge of Allegiance.

Roll Call indicated the following Directors were present:

- President Larry Hoffman
- Director Sue Russ
- Director Darlene DiBaldo
- Director Roger Golden

2. PRESENTATION ONLY

General Manager Peter J. Kampa provided a presentation of Measure A and along with the Board, answered Public questions.

3. ADJOURNMENT

- The Meeting was adjourned by President Hoffman at 4:45pm

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 on the Saturday proceeding each meeting date. Materials will also be available at the meeting.

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REGULAR BOARD MEETING AGENDA
March 21st, 2017 2:00 PM
Saddle Creek Lodge
1001 Saddle Creek Drive, Copperopolis, CA

1. **CALL TO ORDER**

- The Saddle Creek Community Services District (CSD) Board of Directors held their monthly meeting on Tuesday March 21st, 2017. President Hoffman called the meeting to order at 2:00pm in the Members lounge and led the Directors and staff in the Pledge of Allegiance.

2. **ROLL CALL**

- The Following Directors were present
 - President Larry Hoffman
 - Vice President Ken Albertson
 - Director Darlene DeBaldo
 - Director Roger Golden
- The Following Staff Members were present
 - General Manager Pete Kampa
 - Site Manager Greg Hebard

3. **PLEDGE OF ALLEGIANCE**

4. **CHANGES TO ORDER OF AGENDA:** None

5. **PUBLIC COMMENT**

A member of the public expressed concern about several items of community interest including signage, condition of street lights, construction site cleanliness, CSD employee assignments and work ethic and other matters both related to District business and related to Castle & Cooke. Another member of the public expressed concern about Sport Club maintenance and repair.

6. **CONSENT CALENDAR-** The following items were considered:

- a. Review of monthly financial report and approval of bills and claims for the month of February 2017
- b. Approval of the minutes of the Regular Board Meeting of February 21st, 2017.

Motion to approve by Director DeBaldo and second by Director Albertson. Motion passed with four ayes and Director Russ absent.

7. **DISCUSSION AND ACTION ITEMS**

- a. Discussion regarding resolution to the reported storm drain odor on Rockridge Ln
Management was given direction by the Board to install the valves. We will request that Castle & Cooke pay for the cost of the valve and District will install. Possible future agenda item if they do not pay voluntarily.
- b. Nomination of General Manager Peter Kampa as an incumbent candidate for the California Special Districts Association (CSDA) Board of Directors
Motion by Director DeBaldo to nominate Peter Kampa as an incumbent candidate for the California Special Districts Association (CSDA) Board of Directors, second by Director Albertson, passed with four ayes and Director Russ absent.
- c. Review of the Kampa Community Solutions, LLC contract as it relates to assignment of General Manager responsibilities
Board in consensus to allow Kampa Community Solutions, LLC to assign an alternate GM for the purpose of Board meeting attendance, such as in the case of Mr. Kampa's meeting conflict by attendance at CSDA Legislative Action Days in May 2017
- d. Consideration of scheduling a final town hall meeting in April after Measure "A" ballot distribution

The Board by consensus directed staff to schedule a final town hall meeting in the second full week of April.

- e. Discussion/Action regarding the establishment of designated reserve funds for road improvements, equipment replacement, infrastructure replacement and contingencies.

The Board directed by consensus the development of the recommended reserve accounts and a reserve policy. The Board further directed the GM to return to the next Board meeting with a proposed phase in plan for the Measure A reserve fund deposits, based on a special tax implementation, starting in the first year at approximately \$1300 per parcel, and increasing each year to the full amount in Measure A by 2021.

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 meeting agenda.

- a. GM Kampa provided a CSDA letter on the disturbing activities of the Little Hoover Commission as they relate to their misunderstandings of special districts.

9. ADJOURNMENT

President Hoffman adjourned the meeting at 4:20 PM

SPECIAL BOARD MEETING MINUTES

March 25th, 2017 3:00 PM
Saddle Creek Lodge
Grandview Room
1001 Saddle Creek Drive, Copperopolis, CA

1. CALL TO ORDER

The Saddle Creek Community Services District (CSD) Board of Directors held a Special Town Hall Meeting on Tuesday March 25, 2017. President Hoffman called the meeting to order at 3:12pm in the Grandview Room and led the Directors and staff in the Pledge of Allegiance.

Roll Call indicated the following Directors were present:

- President Larry Hoffman
- Vice President Ken Albertson
- Director Darlene DiBaldo
- Director Roger Golden

2. PRESENTATION ONLY

General Manager Peter J. Kampa provided a presentation of Measure A and along with the Board, answered Public questions.

3. ADJOURNMENT

- The Meeting was adjourned by President Hoffman at 5:20pm

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Saddle Creek Community Services District

Regular Meeting of April 18th, 2017

AGENDA SUPPORTING DATA

7. DISCUSSION AND ACTION ITEMS

- a. Discussion regarding resolution to the reported storm drain odor on Rockridge Lane.

Recommended Action

This item is for discussion only and does not require a motion.

Background

This item was requested to be on the Board's agenda until resolved. Last month it was reported that a large flap valve was to be purchased and installed in two locations, costing approximately \$6,000. Staff was to attempt to have Castle & Cooke pay the cost of the materials, and CSD staff will install the valve. A verbal update will be provided at the meeting.

SADDLE CREEK COMMUNITY SERVICES DISTRICT

Policy and Procedures Manual

POLICY TITLE: Debt Management Policy
POLICY NUMBER: (to be established)
ADOPTED:
AMENDED:

This Debt Policy is intended to comply with Government Code Section 8855(i), and shall govern all debt undertaken by the District. The District hereby recognizes that a fiscally prudent debt policy is required in order to:

- Maintain the District's sound financial position.
- Ensure the District has the flexibility to respond to changes in future service priorities, revenue levels, and operating expenses.
- Protect the District's credit-worthiness.
- Ensure that all debt is structured in order to protect both current and future taxpayers, ratepayers and constituents of the District.
- Ensure that the District's debt is consistent with the District's planning goals and objectives and capital improvement program or budget, as applicable.

XXXX.1. Purposes For Which Debt May Be Issued

XXXX.1.1 Long-Term Debt. Long-term debt may be issued to finance the construction, acquisition, and rehabilitation of capital improvements and facilities, equipment and land to be owned and operated by the District. Long-term debt financings are appropriate when the following conditions exist:

- When the project to be financed is necessary to provide basic services.
- When the project to be financed will provide benefit to constituents over multiple years.
- When total debt does not constitute an unreasonable burden to the District and its taxpayers and/or ratepayers, as applicable.
- When the debt is used to refinance outstanding debt in order to produce debt service savings or to realize the benefits of a debt restructuring.

XXXX.1.2 Long-term debt financings will not generally be considered appropriate for current operating expenses and routine maintenance expenses. The District may use long-term debt financings subject to the following conditions:

- The project to be financed must be approved by the District Board.
- The weighted average maturity of the debt (or the portion of the debt allocated to the project) will not exceed the average useful life of the project to be financed by more than 20%.
- The District estimates that sufficient revenues will be available to service the debt through its maturity.
- The District determines that the issuance of the debt will comply with the applicable state and federal law.

XXXX.1.2 Short-term debt. Short-term debt may be issued to provide financing for the District's operational cash flows in order to maintain a steady and even cash flow balance. Short-term debt may also be used to finance short-lived capital projects; for example, the District may undertake lease-purchase financing for equipment.

XXXX.1.3 Financings on Behalf of Other Entities. The District may also find it beneficial to issue debt on behalf of other governmental agencies or private third parties in order to further the public purposes of District. In such cases, the District shall take reasonable steps to confirm the financial feasibility of the project to be financed and the financial solvency of any borrower and that the issuance of such debt is consistent with the policies set forth herein.

XXXX.2 Types of Debt - The following types of debt are allowable under this Debt Policy:

- General obligation bonds (GO Bonds)
- Bond or grant anticipation notes (BANs)
- Lease revenue bonds, certificates of participation (COPs) and lease-purchase transactions
- Other revenue bonds and COPs
- Tax and revenue anticipation notes (TRANS)
- Land-secured financings, such as special tax revenue bonds issued under the Mello-Roos Community Facilities Act of 1982, as amended, and limited obligation bonds issued under applicable assessment statutes
- Tax increment financing to the extent permitted under State law
- Refunding Obligations
- State Revolving Loan Funds
- Lines of Credit

XXXX.2.1 The District Board may from time to time find that other forms of debt would be beneficial to further its public purposes and may approve such debt without an amendment of this Debt Policy. Debt shall be issued as fixed rate debt unless the District makes a specific determination as to why a variable rate issue would be beneficial to the District in a specific circumstance.

XXXX.3. Relationship of Debt to Capital Improvement Program and Budget

XXXX.3.1 The District is committed to long-term capital planning. The District intends to issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the District's capital budget and the capital improvement plan.

XXXX.3.2 The District shall strive to fund the upkeep and maintenance of its infrastructure and facilities due to normal wear and tear through the expenditure of available operating revenues. The District shall seek to avoid the use of debt to fund infrastructure and facilities improvements that are the result of normal wear and tear.

XXXX.3.3 The District shall integrate its debt issuances with the goals of its capital improvement program by timing the issuance of debt to ensure that projects are available when needed in furtherance of the District's public purposes.

XXXX.3.4 The District shall seek to avoid the use of debt to fund infrastructure and facilities improvements in circumstances when the sole purpose of such debt financing is to reduce annual budgetary expenditures.

XXXX.3.5 The District shall seek to issue debt in a timely manner to avoid having to make unplanned expenditures for capital improvements or equipment from its general fund.

XXXX.4. Policy Goals Related to Planning Goals and Objectives

XXXX.4.1 The District is committed to long-term financial planning, maintaining appropriate reserves levels and employing prudent practices in governance, management and budget administration. The District intends to issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the District's annual operations budget.

XXXX.4.2 It is a policy goal of the District to protect taxpayers, ratepayers (if applicable) and constituents by utilizing conservative financing methods and techniques so as to obtain the highest practical credit ratings (if applicable) and the lowest practical borrowing costs.

XXXX.4.3 The District will comply with applicable state and federal law as it pertains to the maximum term of debt and the procedures for levying and imposing any related taxes, assessments, rates and charges.

XXXX.4.4 When refinancing debt, it shall be the policy goal of the District to realize, whenever possible, and subject to any overriding non-financial policy considerations, (i) minimum net present value debt service savings approximately 3.0% of the refunded principal amount, and (ii) present value debt service savings equal to or greater than 100% of any escrow fund negative arbitrage. The cost of refinancing will always be less than the savings.

XXXX.5. Internal Control Procedures

XXXX.5.1 When issuing debt, in addition to complying with the terms of this Debt Policy, the District shall comply with any other applicable policies regarding initial bond disclosure, continuing disclosure, post-issuance compliance, and investment of bond proceeds. Without limiting the foregoing, the District will periodically review the requirements of and will remain in compliance with the following:

- Any continuing disclosure undertakings entered into by the District in accordance with SEC Rule 15c2-12.
- Any federal tax compliance requirements, including, without limitation, arbitrage and rebate compliance.
- The District's investment policies as they relate to the use and investment of bond proceeds.

XXXX.5.2 Proceeds of debt will be held either (a) by a third-party trustee or fiscal agent, which will disburse such proceeds to or upon the order of the District upon the submission of one or more written requisitions by the Finance Director of the District (or his or her written designee), or (b) by the District, to be held and accounted for in a separate fund or account, the expenditure of which will be carefully documented by the District.

RESOLUTION NO. 2017-

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SADDLE CREEK COMMUNITY SERVICES DISTRICT
APPROVING A DEBT MANAGEMENT POLICY**

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, Senate Bill 1029 (SB 1029), which became effective on January 1, 2017, amended California Government Code 8855 to add certain requirements related to the issuance and administration of debt by local agencies, including requiring the adoption of a debt policy meeting the requirements of California Government Code 8855; and

WHEREAS, the District desired to provide a policy which would meet the standard set forth by the California Government code which would determine the purposes for which debt proceeds may be used, the types of debts that may be used, The relationship of the debt to and integration with the District's capital, policy goals related to the District's planning goals and objectives and the internal control procedures that the District has implemented, or will implement, to ensure that the proceeds of the proposed debt issuance will be directed to the intended use; and

WHEREAS, a Debt Management Policy has been developed and attached hereto as Exhibit A.

NOW THEREFORE BE IT RESOLVED THAT THE BOARD OF DIRECTORS OF THE SADDLE CREEK COMMUNITY SERVICES DISTRICT DOES HEREBY approve the attached Debt Management Policy Dated April 18th, 2017; which shall be effective immediately.

WHEREFORE, this Resolution is passed and adopted by the Board of Directors of the Saddle Creek Community Services District on April 18th, 2017, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

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 Regular Meeting of the Board of Directors of the Saddle Creek Community Services District, duly called and held on April 18th, 2017.

DATED: _____.

Saddle Creek Community Services District

Regular Meeting of April 18th, 2017

AGENDA SUPPORTING DATA

7. DISCUSSION AND ACTION ITEMS

- f. Adopt a Resolution to approve a Debt Management Policy

Recommended Action

Staff recommends the following motion:

I move to Adopt a Resolution approving a Debt Management Policy.

Background

Senate Bill 1029 (SB 1029), which became effective on January 1, 2017, amended California Government Code 8855 to add certain requirements related to the issuance and administration of debt by local agencies, including requiring the adoption of a debt policy meeting the requirements of California Government Code 8855. This impacts the District.

In connection with the issuance of new debt by the District, the District will need to submit to the California Debt and Investment Advisory Commission (CDIAC) a preliminary report of debt issuance describing the proposing debt to be issued. Part of the preliminary report of debt issuance is a certification that the applicable issuer has adopted a debt policy that meets the requirements of the new legislation.

In connection with the issuance of new debt by District, the District will need to submit to the California Debt and Investment Advisory Commission (CDIAC) a preliminary report of debt issuance which will include a certification that the District has adopted a debt policy that meets the requirements of the new legislation, which are found in California Government Code 8855. Adoption of the debt policies by the Board is required for compliance with the new legislation.

In accordance with Government Code 8855, a local debt policy must include all of the following:

- The purposes for which the debt proceeds may be used
- The types of debt that may be issued
- The relationship of the debt to and integration with the issuer's capital improvement program or budget, if applicable
- Policy goals related to the issuer's planning goals and objectives
- The internal control procedures that the issuer has implemented, or will implement, to ensure that the proceeds of the proposed debt issuance will be directed to the intended use.

The contemplated debt management policy meets all of these requirements.

From: Joel Metzger
To: [Peter Kampa; rmorgan@castlecooke.com](mailto:rmorgan@castlecooke.com)
Cc: [Teresa Tanaka](#); [Dave Eggerton](#)
Subject: Reseeding turf in Saddle Creek
Date: Friday, April 14, 2017 9:34:49 AM
Attachments: [CCWD Stage 0.pdf](#)
[Gov. Brown EO B-40-17.pdf](#)

Good morning,

Teresa forwarded me your emails inquiring about the proposed reseeding and irrigation of ornamental turf near the entry to Saddle Creek and leading up to the clubhouse.

Due to abundant rainfall over the past several months and ample water supply, the District is currently in Stage 0: Ongoing Water Waste Prohibitions (see attached). After reviewing Stage 0, reseeding your ornamental turf would not be a violation under CCWD's local ordinance.

However, per Gov. Brown's Executive Order B-40-17 (see attached), the State is continuing to enforce a prohibition on irrigating ornamental turf in public street medians. This does not apply to ornamental turf planted along the outside of the roadway. If the State determines that Saddle Creek Drive is a public road, the CSD could be prohibited from irrigating ornamental turf in the street medians between the guard house and the roundabout near the clubhouse entry. Furthermore, if another drought is experienced, additional state restrictions could be placed on ornamental turf, which could impact the CSD's ability to maintain new turf plantings. The CSD would be assuming these risks if it decides to move forward with reseeding turf in street medians on Saddle Creek Drive. If the CSD would like additional clarity on this issue from the State, we suggest [contacting the State Water Resources Control Board directly](#).

Rather than planting ornamental turf in street medians along Saddle Creek Drive, CCWD encourages the CSD to plant drought-tolerant landscaping in these areas. Such water-wise landscaping can be maintained in a way that is visually pleasing, and the CSD would not have to be concerned about current or future state regulations regarding ornamental turf.

If you have any questions or concerns, please don't hesitate to contact me at 209-754-3123.

Joel

Joel Metzger

Public Information Officer/Conservation Program Manager

[Calaveras County Water District](#)

Desk: (209) 754-3123 | Mobile: (209) 768-6270

120 Toma Court, San Andreas, CA 95249 | P.O. Box 846

[Like CCWD on Facebook](#)

Saddle Creek Community Services District

Regular Meeting of April 18th, 2017

AGENDA SUPPORTING DATA

7. DISCUSSION AND ACTION ITEMS

Discussion and Action regarding approval of proceeding with the contracted replacement of drought damaged turf in non-median areas

Recommended Action

The 2017 budget contained funding for the partial restoration of the turf areas damaged during the drought water restrictions. After months of effort attempting to restore the turf and irrigation using District staff in 2016, we have determined it most cost effective to hire a contractor to remove old dead sod and replace with new in as many locations as the budget will allow.

Site Manager Hebard has secured bids for the installation of new sod. The cost of the bid work is \$26,300, but the maximum for with the District can contract without calling for competitive bids is \$25,000, therefore we would be contracting for \$25,000 in work from the desired vendor to complete the sod at the Entrance, near 17 and removal of sod and soil installation at the traffic circle, where we will install seed. Since the majority of the area to receive new sod was covered in weeds, we chemically killed them to prepare for sod installation. We had planned to install the sod as soon as the weeds had died, but weather and delays in preparing contracts caused several weeks of delay.

In addition, the state has now made permanent the prohibition on turf in public medians. Our roads are considered public since funding is provided with tax dollars, and therefore our medians cannot be planted with turf. Since the state has not formally adopted a definition of "median". We were very concerned that the state, through CCWD, could restrict watering of all turf in roadway areas. To ensure that we could continue to irrigate the road area turf in light of the Governor's recent Executive Order, we contacted CCWD and received the attached email.

Based on the CCWD email and our understanding of the turf restrictions, we believe that we can reinstall the turf on the edges of the road so long as we renovate and operate the irrigation to avoid all irrigation runoff into the street, which is now also prohibited. Due to this project being a matter of policy, staff has deferred to the board the decision of whether to contract for this work given the ambiguity in the state's restrictions.

Unfortunately, at the same time

Background

Executive Department

State of California

EXECUTIVE ORDER B-40-17

WHEREAS California has endured a severe multi-year drought that has threatened the water supplies of communities and residents, devastated agricultural production in many areas, and harmed fish, animals and their environmental habitats; and

WHEREAS Californians responded to the drought by conserving water at unprecedented levels, reducing water use in communities by more than 22% between June 2015 and January 2017; and

WHEREAS the State Water Resources Control Board, the Department of Water Resources, the Department of Fish and Wildlife, the Office of Emergency Services, and many other state agencies worked cooperatively to manage and mitigate the effects of the drought on our communities, businesses, and the environment; and

WHEREAS the State provided 66,344,584 gallons of water to fill water tanks for communities suffering through drought-related water shortages, outages, or contamination, and provided emergency assistance to drill wells and connect communities to more robust water systems; and

WHEREAS the State took a number of important actions to preserve and protect fish and wildlife resources, including stream and species population monitoring, fish rescues and relocations, infrastructure improvements at trout and salmon hatcheries, and infrastructure to provide critical habitat for waterfowl and terrestrial animals; and

WHEREAS the State established a Statewide Water Efficiency and Enhancement Program for agricultural operations that provides financial assistance for the implementation of irrigation systems that save water; and

WHEREAS water content in California's mountain snowpack is 164 percent of the season average; and

WHEREAS Lake Oroville, the State Water Project's principal reservoir, is 101 percent of average, Lake Shasta, the federal Central Valley Project's largest reservoir, is at 110 percent of average, and the great majority of California's other major reservoirs are above normal storage levels; and

WHEREAS despite winter precipitation, the effects of the drought persist in areas of the Central Valley, including groundwater depletion and subsidence; and

WHEREAS our changing climate requires California to continue to adopt and adhere to permanent changes to use water more wisely and to prepare for more frequent and persistent periods of limited water supply; and



WHEREAS increasing long-term water conservation among Californians, improving water use efficiency within the State's communities and agricultural production, and strengthening local and regional drought planning are critical to California's resilience to drought and climate change.

NOW, THEREFORE, I, EDMUND G. BROWN JR., Governor of the State of California, in accordance with the authority vested in me by the Constitution and statutes of the State of California, do hereby **TERMINATE THE JANUARY 17, 2014 DROUGHT STATE OF EMERGENCY** for all counties in California except the Counties of Fresno, Kings, Tulare, and Tuolumne.

I FURTHER ORDER THAT:

1. The orders and provisions contained in my April 25, 2014 Emergency Proclamation, as well as Executive Orders B-26-14, B-28-14, B-29-15, and B-36-15 are rescinded.
2. The orders and provisions contained in Executive Order B-37-16, **Making Water Conservation a California Way of Life**, remain in full force and effect except as modified by this Executive Order.
3. As required by the State Emergency Plan and Government Code section 8607(f), the Office of Emergency Services, in coordination with other state agencies, shall produce an after-action report detailing the State's response to the drought and any lessons learned in carrying out that response.

MAINTAINING CONSERVATION AS A WAY OF LIFE

4. The State Water Resources Control Board (Water Board) shall continue development of permanent prohibitions on wasteful water use and requirements for reporting water use by urban water agencies, and to provide a bridge to those permanent requirements, shall maintain the existing emergency regulations until they expire as provided by the Water Code. Permanent restrictions shall prohibit wasteful practices such as:
 - Hosing off sidewalks, driveways and other hardscapes;
 - Washing automobiles with hoses not equipped with a shut-off nozzle;
 - Using non-recirculated water in a fountain or other decorative water feature;
 - Watering lawns in a manner that causes runoff, or within 48 hours after measurable precipitation; and
 - Irrigating ornamental turf on public street medians.
5. The Water Board shall rescind those portions of its existing emergency regulations that require a water supply stress test or mandatory conservation standard for urban water agencies.



6. The Department of Water Resources (Department) shall continue work with the Water Board to develop standards that urban water suppliers will use to set new urban water use efficiency targets as directed by Executive Order B-37-16. Upon enactment of legislation, the Water Board shall adopt urban water use efficiency standards that include indoor use, outdoor use, and leaks as well as performance measures for commercial, industrial, and institutional water use. The Department shall provide technical assistance and urban landscape area data to urban water suppliers for determining efficient outdoor use.
7. The Water Board and the Department shall continue to direct actions to minimize water system leaks that waste large amounts of water. The Water Board, after funding projects to address health and safety, shall use loans from the Drinking Water State Revolving Fund to prioritize local projects that reduce leaks and other water system losses.
8. The Water Board and the Department shall continue to take actions to direct urban and agricultural water suppliers to accelerate their data collection, improve water system management, and prioritize capital projects to reduce water waste. The California Public Utilities Commission is requested to work with investor-owned water utilities to accelerate work to minimize leaks.
9. The Water Board is further directed to work with state agencies and water suppliers to identify mechanisms that would encourage and facilitate the adoption of rate structures and other pricing mechanisms that promote water conservation.
10. All state agencies shall continue response activities that may be needed to manage the lingering drought impacts to people and wildlife. State agencies shall increase efforts at building drought resiliency for the future, including evaluating lessons learned from this current drought, completing efforts to modernize our infrastructure for drought and water supply reliability, and shall take actions to improve monitoring of native fish and wildlife populations using innovative science and technology.

CONTINUED DROUGHT RESPONSE IN FRESNO, KINGS, TULARE, AND TUOLUMNE COUNTIES

11. The Water Board will continue to prioritize new and amended safe drinking water permits that enhance water supply and reliability for community water systems facing water shortages or that expand service connections to include existing residences facing water shortages.
12. The Department and the Water Board will accelerate funding for local water supply enhancement projects and will continue to explore if any existing unspent funds can be repurposed to enable near-term water conservation projects.
13. The Water Board will continue to work with local agencies to identify communities that may run out of drinking water, and will provide technical and financial assistance to help these communities address drinking water



shortages. It will also identify emergency interconnections that exist among the State's public water systems that can help these threatened communities. The Department, the Water Board, the Office of Emergency Services, and the Office of Planning and Research will work with local agencies in implementing solutions to those water shortages.

14. For actions taken in the Counties of Fresno, Kings, Tulare, and Tuolumne pursuant to directives 11–13, the provisions of the Government Code and the Public Contract Code applicable to state contracts, including, but not limited to, advertising and competitive bidding requirements, as well as Division 13 (commencing with section 21000) of the Public Resources Code and regulations adopted pursuant to that Division, are hereby suspended. These suspensions apply to any actions taken by state agencies, and for actions taken by local agencies where the state agency with primary responsibility for implementing the directive concurs that local action is required, as well as for any necessary permits or approvals required to complete these actions.
15. California Disaster Assistance Act Funding is authorized until June 30, 2017 to provide emergency water to individuals and households who are currently enrolled in the emergency water tank program.
16. State departments shall commence all drought remediation projects in Fresno, Kings, Tulare, and Tuolumne Counties within one year of the date of this Executive Order.

This Executive Order is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its agencies, departments, entities, officers, employees, or any other person.

I FURTHER DIRECT that as soon as hereafter possible, this Order be filed in the Office of the Secretary of State and that widespread publicity and notice be given of this Order.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 7th day of April 2017.


EDMUND G. BROWN JR.
Governor of California

ATTEST:

ALEX PADILLA
Secretary of State



Stage 0: Ongoing Prohibitions

Stage 0 contains prohibitions which are always in place, regardless of the District's water supply conditions. These restrictions, highlighted below, are part of the District's Water Waste Ordinance

No. 2010-02, which is included in Appendix L. The water waste prohibitions are designed to decrease baseline water use and encourage responsible use of local supplies. During Stage 0, the District implements a public information campaign and discourages wasteful water practices. The campaign includes targeted messaging, and online informational postings to inform customers about conserving water. In addition to public outreach, the following list identifies on-going prohibitions:

- Any use of water that results in excessive water runoff from the property and/or gutter flooding is prohibited.
- Irrigating outdoors during, and within 48 hours after, measurable rainfall is prohibited.
- All irrigation systems must be inspected, leaks repaired, and spray heads adjusted to provide optimum coverage and eliminate avoidable overspray.
- All hoses must be equipped with an automatic shutoff device.
- All new water connections are prohibited from having single pass cooling systems.
- All new conveyor car wash and commercial laundry systems are prohibited from having nonrecirculating washing systems.
- Pool covers are required for all new outdoor swimming pools.
- Once notified by the District, leaks should be repaired within a timely manner.
- All pools, spas, fountains, and other water displays must use a recirculation pump and be maintained leak free. Dump and fill maintenance practice for pools is prohibited.
- Recirculating water is required for water fountain and decorative water features.

To see Stage 0 within the District's Water Shortage Contingency Plan, [click here](#).