

SADDLE CREEK COMMUNITY SERVICES DISTRICT
MINUTES FOR THE MEETING OF THE BOARD OF DIRECTORS
SPECIAL MEETING DUE TO CANCELLATION OF NOVEMBERS MEETING

December 15, 2009

CALL TO ORDER

The Saddle Creek Community Services District (CSD) Board of Directors held their monthly meeting on Tuesday December 15, 2009. President Russ called the meeting to order at 2:00 PM in the Members Lounge and led Directors and staff in the Pledge of Allegiance.

ROLL CALL: Roll call indicated the following directors were present:

President:	Sue Russ
Vice-President:	Bob Kenyon
Secretary:	Steve Marsden
Director	Darlene DeBaldo

Staff: The following staff members were present:

General Manager:	Charles Martin
Site Manager:	Greg Hebard
Clerk/Treasurer:	Phyllis Richards

Public:	Castle & Cooke	Dave Haley
	Castle & Cooke	Paul Stein
	Resident	Beth Portfolio
	Resident	Susan Wright

APPROVAL OF MINUTES:

M/ by Director Marsden and S/ by Director Kenyon to approve the minutes of the December 15, 2009 meetings. M/ passed unanimously.

Director Kenyon had questions with regards to the minutes.

- a. Under staff reports, Greg mentioned that he has received a letter from Castle and Cooke, and they would like CSD to take over Phase 6. Director Kenyon wanted to know if we have been receiving lot income assessments from Phase 6. Greg's reply was yes, we have.
- b. Then on the last page, it stated that Mr. Haley would hire a paving contractor to come into Saddle Creek. Director Kenyon requested an

update from Greg. Greg advised that he has sent Mr. Haley a letter and a map that indicates where all of the cracks in the road are, and Mr. Stein has confirmed that he has received a copy of the letter.

CHANGES TO THE ORDER OF AGENDA:

None suggested.

PUBLIC COMMENT:

Resident Mrs. Portfolio stated that she had mentioned during a previous meeting that a flyer had been placed on her door step and that Greg had called the company to advise them that solicitation is prohibited at Saddle Creek. Since this earlier incident flyers from a doctor and a glass cleaner have been left at her door. Mrs. Portfolio expressed concern that the CSD was not currently providing residents with a high level of privacy.

Mrs. Portfolio stated that people are constantly driving up and down her street. She wanted to know if she can call the police and have someone arrested if they come onto her property for solicitation. GM Martin advised that she can call the police and they will make them leave, but he doesn't feel that they would take any further action unless they returned.

Director Kenyon stated that he saw the doctor and advised him that solicitation was not allowed in Saddle Creek. Maintenance Manager Hebard was directed to contact the glass cleaner and inform them that such solicitation was prohibited at Saddle Creek.

Resident Mrs. Wright expressed concern that if we have doctors and people of that stature pushing to get into the gates, it is just a matter of time before there is crime committed within the gates.

Director Marsden wanted to know if we have had other issues like burglaries, assaults, ect. or is it just the solicitors? Staff advised that reports of criminal incidents within the community are rare.

During a lengthy discussion of this matter it was mentioned that with the current Semi-private Golf Course/Restaurant some amount of unauthorized entry will likely occur until that has changed. In the meanwhile when complaints are received CSD Staff will make every effort to address the problem.

CONSENT CALENDAR: Consent Calendar items are considered routine and will be acted upon by one motion. There will be no separate discussion of these items unless a member of the Board, Staff or a member of the public requests specific items to be set aside for separate action.

- a. M/ by Director Kenyon and S/ by Director Marsden to move approval of expenditures incurred by the district during the month of December.
M/ passed unanimously.

CORRESPONDENCE: (Board will briefly address/respond/refer)

None

OLD BUSINESS

None

NEW BUSINESS

- a. Action/Resolution: M/ by Director Kenyon and S/ by Director Marsden
To move approval of CSD Abandonment of Wildlife Habitat Easement
and CSD Drainage Easement and Acceptance of CSD Drainage
Easement in the rear of the Acosta residence at 1380 Knolls Drive.
This action confirms Board action taken by Simple Motion at the
December 1,
2009 Meeting. Action is not finalized until all required documents and
maps
required for Abandonment and Dedication have been approved by staff
and
accepted by the County. All fees are to be paid by applicant. M/ passed
unanimously.
- b. INFORMATION ITEM/DISCUSSION: Introduction of 2010 Draft
Budget. GM Martin stated that the proposed budget for next year is a
maintenance budget. The reason for this is because there will probably
not be an increase in revenue for about three years and potentially
for four years.
If the economy was to turn around today, we still would not receive
any additional revenue for several years. This budget is set up so that
we do not spend more money than we are taking in so that we maintain
our reserves for potentially unexpected expenditures.

Expenditures for Mosquito abatement has been handled pretty cost
efficiently up to this point primarily because we had an infusion of
funding from the state. There is no more money coming in because

the state doesn't have any money. Even though it is run very efficiently the cost is about ¼ of the budget, and as the cost to spray continues to increase, so will the expenditure.

There are 3 employees that will be receiving step raises. GM Martin and Greg Hebard are not requesting raises.

GM Martins estimation of cost to increase the man hours during the day for the gate entrance would be an additional \$40,000. He feels the best thing to do is lock the gate, and the residence have gate clickers to get in. Unfortunately, what we have here is a catch 22, as long as the Golf Course and Restaurant are open to the public, it doesn't matter if we man it, or lock it, your still going to have a problem. We have about 4-5 solicitors a year, in his opinion, if we actually man the gate we might reduce that in half. It will never stop until we lock the gate and use the clicker to get in.

His suggestion to the Board is that they listen to the Public Comments and evaluate the budget as proposed, and then at the next meeting you should make recommendations for the changes that they want.

Director Marsden wanted to know detailed information about the portion of contribution by Castle and Cooke, which is approximately \$168,000. Mr. Haley stated that he will get this information forwarded to Clerk Richards before next months meeting.

President Russ stated that she is not willing to dip into reserves to fund anything additional. If we do fund anything else, the Board needs to look at the Budget and make some cuts elsewhere, and getting ride of Mosquito Abatement is not one of them. Director Marsden agreed.

Director Kenyon was advised that the Board is included under the Workers' Compensation Coverage.

The Draft Budget, with any changes directed by the Board, will be placed on the January 19, 2010 Agenda for final review/approval.

- c. PUBLIC HEARING ON FY 2009 DRAFT BUDGET: The Board President opened the Public Hearing on the Draft Budget at 2:35PM.

Mrs. Wright wanted to know what months that Greg actually sprays for Mosquitoes. Greg indicated that it is weather related; the earliest is April, but always by May. We will be sending out announcements before we start spraying. This year we sprayed to October.

Mr. Haley would like the Board to take into consideration weaning off Castle and Cooke's subsidy to the Board. They don't want to diminish the beauty of the community, or stop Mosquito Abatement, or promote higher taxes, but there is a \$168,000 short fall that doesn't even take into consideration manning the gate full time. Castle and Cooke currently pay's the water and street bills. If they didn't pay this, CSD would have to pay these bills.

Mrs. Portfolio wanted to know if they could charge an additional \$90 a year to the residence to support the gate being manned 24/7. Director Marsden feels that the 200-300 people that don't live here full time would not be willing to pay this additional fee.

GM Martin advised that we can't raise assessments beyond what is the CPI for the Western United States which is about 2%.

Mrs. Portfolio noticed in a previous meeting that \$225,000 was in our checking account. She wanted to know why they are not getting higher interest for this money. GM Martin advised that the interest rate for CD's is about 1%. We currently have 4 CD's and will get another one after this year, when we get our next assessment check, because we don't want to reduce our cash flow.

Mr. Haley wanted to know where the reserve amount for next year is listed on the Proposed Budget. GM Martin advised it is on the heading, page 1, Exhibit A.

President Russ closed the Public Hearing at 2:50PM.

A second Public Hearing on the Districts FY 2009 Budget will be held at the regular meeting of January 19, 2010.

- d. ACTION ITEM/SIMPLE MOTION: In accordance with current Board Policy Directors acted to elect the following officers to serve for the period of January 1, 2010 through December 31, 2010: 1) Board President – Charles Robinson, 2) V/President- Steve Marsden and 3) Secretary.

STAFF REPORTS

Site Manager: Greg advised that his employees are 100% certified. They have studied hard and passed all there test. Greg and his staff are doing a good job.

General Manager:

DIRECTORS REPORTS:

President Russ – None

V/President Kenyon – None

Secretary Marsden – None

Director DeBaldo – None

ADJOURNMENT – Having no further business, President Russ adjourned the meeting at -2:55 PM. CSD's next board meeting date is January 19, 2010.

Phyllis Richards, CSD Clerk/Treasurer

Charles Martin, General Manager

APPROVED BY:

Sue Russ, Board President

Steve Marsden, Board Secretary

SEAL