

REGULAR BOARD MEETING AGENDA

January 17th, 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 for the month of December 2016.
 - b. Approval of the minutes of the Regular Board Meeting of December 20th, 2016.
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 approving a 2016 year end budget adjustment for the purchase of a replacement maintenance cart
 - b. Adoption of a resolution approving agreement with Castle & Cooke regarding the terms and conditions of entrance gate staffing
 - c. Review of the 2017 Road Improvement and Operations Funding Measure informational presentation
 - d. Discussion/Action regarding the waiver of Board member remuneration for attendance at the upcoming town hall meetings scheduled for the Road and Operations Funding Measure.
 - e. Adoption of a resolution of appreciation for Owen Bramlett for his service on the Board of Directors
 - f. Review and discussion of the first draft update of performance objectives for the General Manager
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.

Saddle Creek Community Services District

Regular Meeting of January 17, 2017

AGENDA SUPPORTING DATA

6. CONSENT CALENDAR

- a. Review of monthly financial report and approval of bills and claims for the month of December 2016.
- b. Approval of the minutes of the Regular Board Meeting of December 20th, 2016.

Recommended Motion

I move to approve the Consent Calendar as presented.

Background

The Board meeting minutes were not yet available as of the date of publication of the agenda, and will be distributed as soon as completed. It is recommended that the Board approve the consent calendar in a single motion due to the non-controversial nature of the items under consideration.



Saddle Creek Community Services District

Treasurer's Report

December 31, 2016

Saddle Creek Comm Srvs District

BALANCE SHEET

As of December 31, 2016

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1000 Umpqua Bank Checking	227,669
1020 Cash - Fund 2188	324,505
1080 Umpqua Bank CD Accounts	126,677
Total Bank Accounts	\$678,852
Total Current Assets	\$678,852
Fixed Assets	
1500 Capital Assets	13,050,601
1600 Accumulated Depreciation	(818,135)
Total Fixed Assets	\$12,232,466
TOTAL ASSETS	\$12,911,318
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 Accounts Payable	35,875
Total Accounts Payable	\$35,875
Other Current Liabilities	
2100 Payroll Taxes Payable	626
2110 Wage Garnishments Payable	(23)
2150 Accrued Payroll	8,855
Board of Equalization Payable	16
Total Other Current Liabilities	\$9,475
Total Current Liabilities	\$45,350
Long-Term Liabilities	
2500 Lease Payable - John Deere	72,341
Total Long-Term Liabilities	\$72,341
Total Liabilities	\$117,690
Equity	
3800 Developer Capital Contributions	12,198,796
3900 Retained Earnings	676,646
Net Income	(81,814)
Total Equity	\$12,793,628
TOTAL LIABILITIES AND EQUITY	\$12,911,318

SADDLE CREEK COMMUNITY SERVICES DISTRICT
FY 2016 MONTHLY BUDGET REPORT
December 2016 - Unaudited

Code	Current Year - 2016			Prior Year - 2015		
	(Approved) FY 2016	(Expenditures) Month of November	(Expenditures) Year to Date	(Adjusted) FY 2015	(Expenditures) Month of November	(Expenditures) Year to Date - Prior Year
EXPENDITURES						
SERVICES AND SUPPLIES						
<u>ADMINISTRATION</u>						
OE01	Audit Expense	\$ 7,500	\$ -	\$ 7,500	\$ 7,500	\$ 7,500
OE02	Finance Expense	\$ 500	\$ 31	\$ 372	\$ 500	\$ 31
OE03	On-line Back-up/Notary Fees/Bonds	\$ 361	\$ -	\$ 327	\$ 351	\$ 361
OE04	Legal Expenses	\$ 1,500	\$ -	\$ 200	\$ 1,500	\$ -
OE05	Management Fees	\$ 62,700	\$ 5,408	\$ 63,249	\$ 57,000	\$ 5,225
OE06	Insurance (Property Loss/Liability)	\$ 8,000	\$ -	\$ 8,274	\$ 8,000	\$ 8,001
OE07	Miscellaneous/Contingency	\$ 2,000	\$ 992	\$ 1,898	\$ 2,000	\$ 701
OE08	Professional Development (Travel/Training)	\$ 6,000	\$ 24	\$ 6,956	\$ 6,000	\$ 68
OE09	Dues, Certifications & Subscriptions	\$ 4,000	\$ 14	\$ 4,041	\$ 4,000	\$ 419
OE10	Uniform Expenses	\$ 2,200	\$ -	\$ 2,009	\$ 2,200	\$ 161
OE11	Electric Power/Water/Sewer	\$ 5,200	\$ 1,068	\$ 5,484	\$ 6,000	\$ 534
OE12	Telephone/Pager Service	\$ 4,000	\$ 552	\$ 4,270	\$ 5,000	\$ 701
OE13	Internet Service	\$ 1,200	\$ 90	\$ 899	\$ 1,200	\$ 180
OE14	Office Supplies/Postage	\$ 5,000	\$ 24	\$ 4,907	\$ 5,000	\$ 174
OE15	Office Equipment Repair/Replacement	\$ 3,000	\$ -	\$ 2,647	\$ 3,000	\$ 920
OE31	Records Management Services	\$ 2,400	\$ -	\$ -	\$ 2,400	\$ -
OE26	County Fees/LAFCO	\$ 6,500	\$ 2,919	\$ 5,928	\$ 6,000	\$ 2,794
OE30	Reimbursable Maint/Repair Expense	\$ 19,500	\$ -	\$ 8,299	\$ 10,000	\$ -
PE03-1	Payroll Taxes - Administration	\$ -	\$ 1,100	\$ 6,492		
PE06-1	Employee Wages - Administration	\$ -	\$ 5,310	\$ 68,165		
	Total Administration	\$ 141,561	\$ 17,530	\$ 201,915	\$ 127,651	\$ 11,908
						\$ 135,426
<u>COMMON AREAS</u>						
OE16	Gate Maintenance & Opener Purchase	\$ 4,000	\$ -	\$ 3,610	\$ 4,000	\$ 3,793
OE18	Landscape Supplies & Repairs	\$ 21,000	\$ -	\$ 22,112	\$ 21,000	\$ 1,461
OE19	Landscape Equipment Repair/Replacement	\$ 16,500	\$ -	\$ 16,418	\$ 10,000	\$ 920
OE21	Landscape Equipment Gas & Oil	\$ 5,000	\$ -	\$ 5,609	\$ 7,000	\$ 478
PE03 -2	Payroll Taxes - Common Areas	\$ -	\$ 1,065	\$ 10,606		
PE06 -2	Employee Wages - Common Areas	\$ -	\$ 11,659	\$ 128,945		
	Total Common Areas	\$ 46,500	\$ 12,724	\$ 187,300	\$ 42,000	\$ 2,859
						\$ 41,965
<u>FIRE PROTECTION</u>						
	Fire Protection Services & Supplies	\$ -	\$ -	\$ -	\$ -	\$ -
PE03-3	Payroll Taxes - Fire Protection	\$ -	\$ -	\$ 1,908		
PE06-3	Employee Wages - Fire Protection	\$ -	\$ -	\$ 24,495		
	Total Fire Protection	\$ -	\$ -	\$ 26,403	\$ -	\$ -

SADDLE CREEK COMMUNITY SERVICES DISTRICT
FY 2016 MONTHLY BUDGET REPORT
December 2016 - Unaudited

Code	Current Year - 2016			Prior Year - 2015			
	(Approved) FY 2016	(Expenditures) Month of November	(Expenditures) Year to Date	(Adjusted) FY 2015	(Expenditures) Month of November	(Expenditures) Year to Date - Prior Year	
MOSQUITO ABATEMENT							
OE22-1	Mosquito Control Products	\$ 14,500	\$ 30	\$ 12,127	\$ 14,513	\$ 145	\$ 14,952
OE22-2	Mosquito Abatement Monitoring & Testing	\$ 3,000	\$ -	\$ 3,617	\$ 3,000	\$ 400	\$ 2,850
OE22-3	Mosquito Abatement Vehicles Gas & Oil	\$ 11,000	\$ 406	\$ 7,240	\$ 13,000	\$ 300	\$ 10,489
OE22-4	Mosquito Abatement Equipment Maintenance	\$ 5,000	\$ -	\$ 5,658	\$ 5,890	\$ 48	\$ 4,488
PE03-4	Payroll Taxes - Mosquito Abatement	\$ -	\$ 27	\$ 1,147			
PE06-4	Employee Wages - Mosquito Abatement	\$ -	\$ 350	\$ 14,966			
	Total Mosquito Abatement	\$ 33,500	\$ 813	\$ 44,755	\$ 36,403	\$ 893	\$ 32,779
STREETS							
OE17	Streets & Main Gate Lighting Maint/Repair	\$ 13,500	\$ -	\$ 12,944	\$ 13,500	\$ 156	\$ 13,599
PE03-5	Payroll Taxes - Streets	\$ -	\$ 92	\$ 156			
PE06 -5	Employee Wages - Streets	\$ -	\$ 866	\$ 1,690			
	Total Streets	\$ 13,500	\$ 959	\$ 14,790	\$ 13,500	\$ 156	\$ 13,599
WETLANDS							
	Wetlands Services and Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PE03-6	Employee Wages - Wetlands	\$ -	\$ 16	\$ 137			
PE06-6	Payroll Taxes - Wetlands	\$ -	\$ 153	\$ 1,744			
	Total Wetlands	\$ -	\$ 169	\$ 1,881	\$ -	\$ -	\$ -
	TOTAL SERVICES & SUPPLIES	\$ 235,061	\$ 32,195	\$ 477,044	\$ 219,554	\$ 15,815	\$ 223,769
PERSONNEL EXPENDITURES							
PE01	Worker Compensation Insurance	\$ 16,035	\$ -	\$ 20,871	\$ 16,000	\$ -	\$ 17,882
PE02	Health Insurance	\$ 60,145	\$ 4,508	\$ 56,805	\$ 58,780	\$ 5,410	\$ 56,318
PE03	Payroll Taxes	\$ 22,311	\$ 2,192	\$ 20,422	\$ 28,000	\$ 2,697	\$ 21,433
PE04	Processing Fees	\$ 1,400	\$ 113	\$ 1,364	\$ 1,400	\$ 115	\$ 1,438
PE05	Directors Stipend	\$ 6,000	\$ 5,900	\$ 5,900	\$ 6,000	\$ 5,500	\$ 5,500
PE06	Employee Wages	\$ 255,712	\$ 17,319	\$ 240,270	\$ 253,000	\$ 22,281	\$ 245,507
			\$ 30,032	\$ 345,632			
	<i>Distributed to Service Areas</i>		\$ (19,511)	\$ (260,442)			
	TOTAL PERSONNEL	\$ 361,603	\$ 10,521	\$ 85,190	\$ 363,180	\$ 36,004	\$ 348,077
CAPITAL OUTLAY							
CO04	Cart - Mosquito Abatement		\$ 16,924	\$ 16,924			
CO04	Vrisimo Flail Mower (2015) **		\$ -	\$ 2,146	\$ 8,000	\$ 7,540	\$ 7,540
CO04	John Deere Tractor w/loader & Bucket (2016)	\$ 72,157		\$ 72,341			
	TOTAL CAPITAL OUTLAY	\$ 72,157	\$ 16,924	\$ 91,411	\$ 8,000	\$ 7,540	\$ 7,540

SADDLE CREEK COMMUNITY SERVICES DISTRICT
FY 2016 MONTHLY BUDGET REPORT
December 2016 - Unaudited

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STUDIES AND ASSESSMENTS						
Landscape Design	\$ 12,000	\$ 1,144	\$ 9,229			
Pavement Assessment	\$ 15,000	\$ -	\$ 4,500			
Financial Assessment	\$ 4,300	\$ 5,134	\$ 9,134			
TOTAL STUDIES & ASSESSMENTS	\$ 31,300	\$ 6,277	\$ 22,863	\$ -	\$ -	\$ -
DEBT SERVICE						
John Deere Financing	\$ 14,440	\$ 1,336	\$ 10,686			
TOTAL DEBT SERVICE	\$ 14,440	\$ 1,336	\$ 10,686			
TOTAL EXPENSES	\$ 714,561	\$ 67,253	\$ 687,192	\$ 590,734	\$ 59,358	\$ 579,386

***Mower purchased in 2015 traded in against a different mower in 2016. \$2146. is the difference in cost.*

PAYMENTS AND ASSESSMENTS RECEIVED

Assessment Income				Date Rec'd:	Amount:	
Payment No. 1:						
Payment No. 2:	up 2% from PY	\$ 262,765			\$ 257,524	
Payment No. 3 and Chg on Acct for 2017 LAFCO fee	\$ 327,472	\$ 327,382		321,047	\$ 321,047	
Total Assessment Income	\$ 590,142	\$ 327,472	\$ 590,147	\$ 572,275	\$ 321,047	\$ 578,571
Reimbursement Income						
From:	For:					
G. Hebard	Personal Portion of Travel	\$ 96			\$ 248	
SDRMA	Scholarship for Clerk Leadership				\$ 10,192	
Castle & Cooke	Tractor/Equipment Repairs	\$ 7,857			\$ 6,841	
Castle & Cooke	Gold Electric 9588	\$ 346			\$ 2,561	
Total Reimbursement Income		\$ 8,299	\$ 10,000	\$ -	\$ 19,842	
Other Income						
From:	For:					
Castle & Cooke	Weed Abatement	\$ 2,500				
Lot Owners	Weed Abatement	\$ 2,300			\$ 1,150	
Lot Owners	Gate Openers/Cards	\$ 1,014		\$ 56	\$ 251	
Umpqua Bank	CD Interest	\$ 232			\$ 224	
Calaveras County	Interest Received	\$ 445		\$ 143	\$ 544	
Various	Services (16); 940 Refund (15)	\$ 100		\$ 2,906	\$ 3,111	
SDRMA	Purch Card Program Rebate	\$ 342				
Total Other Income		\$ 6,933	\$ 8,000	\$ 3,105	\$ 5,280	
TOTAL PAYMENTS & ASSESSMENTS	\$ 611,276	\$ 327,472	\$ 605,379	\$ 590,275	\$ 324,152	\$ 603,693
Net Income	\$ (103,285)	\$ 260,219	\$ (81,813)	\$ (459)	\$ 264,794	\$ 24,306
Other Financing Sources/Uses						
John Deere Financing		\$ 72,157	\$ 72,341			
REVENUE (OVER) EXPENDITURES	\$ (31,128)	\$ 260,219	\$ (9,472)	\$ (459)	\$ 264,794	\$ 24,306

Saddle Creek Comm Srvs District

CHECK DETAIL

December 2016

DATE	NUM	NAME	MEMO/DESCRIPTION	AMOUNT
12/01/2016	2030	Kampa Community Solutions, LLC		-5,590.76
12/01/2016	1771392	John Deere Financial		-1,335.71
12/05/2016	DD	Ralph M. McGeorge	Pay Period: 11/16/2016-11/30/2016	-1,495.60
12/05/2016	DD	MICHELE L MENZIES	Pay Period: 11/16/2016-11/30/2016	-67.82
12/05/2016	DD	BRADLEY D NICKELL	Pay Period: 11/16/2016-11/30/2016	-866.67
12/05/2016	DD	CODY L PONDER	Pay Period: 11/16/2016-11/30/2016	-1,036.74
12/05/2016	P/R Fee	Intuit Full Service Payroll		-113.00
12/05/2016	DD	HERNAN M HERNANDEZ	Pay Period: 11/16/2016-11/30/2016	-843.93
12/05/2016	DD	DOLORES C BAKER	Pay Period: 11/16/2016-11/30/2016	-282.13
12/05/2016	DD	Gregory Hebard	Pay Period: 11/16/2016-11/30/2016	-2,194.59
12/05/2016	2031	California State Disbursement Unit		-118.50
12/09/2016		IRS	Tax Payment for Period: 12/03/2016-12/06/2016	-2,587.10
12/09/2016		CA EDD	Tax Payment for Period: 12/03/2016-12/06/2016	-396.30
12/20/2016	DD	Ralph M. McGeorge	Pay Period: 12/01/2016-12/15/2016	-1,495.60
12/20/2016	DD	MICHELE L MENZIES	Pay Period: 12/01/2016-12/15/2016	-101.73
12/20/2016	DD	BRADLEY D NICKELL	Pay Period: 12/01/2016-12/15/2016	-866.67
12/20/2016	DD	CODY L PONDER	Pay Period: 12/01/2016-12/15/2016	-956.09
12/20/2016	2050	KENNETH R ALBERTSON	Pay Period: 11/14/2016-12/13/2016	-1,070.61
12/20/2016	2051	MARTIN O BRAMLETT	Pay Period: 11/14/2016-12/13/2016	-804.30
12/20/2016	2052	LAWRENCE D HOFFMAN	Pay Period: 11/14/2016-12/13/2016	-1,036.86
12/20/2016	5054	CHARLES M ROBINSON	Pay Period: 11/14/2016-12/13/2016	-365.80
12/20/2016	5055	SUE N RUSS	Pay Period: 11/14/2016-12/13/2016	-1,119.51
12/20/2016	DD	HERNAN M HERNANDEZ	Pay Period: 12/01/2016-12/15/2016	-777.49
12/20/2016	DD	DOLORES C BAKER	Pay Period: 12/01/2016-12/15/2016	-652.42
12/20/2016	DD	Gregory Hebard	Pay Period: 12/01/2016-12/15/2016	-2,194.58
12/20/2016	2053	DARLENE M LONG-DE BALDO	Pay Period: 11/14/2016-12/13/2016	-722.85
12/20/2016	2046	Bank of the West		-3,583.90
12/20/2016	2045	Calaveras County Sheriff's Office	L. Officer File #2016000201	-330.88
12/20/2016	2044	Cody Ponder		-100.00
12/20/2016	2043	California State Disbursement Unit		-118.50
12/21/2016	2057	ROGER K GOLDEN	Pay Period: 12/14/2016-01/13/2017	-91.45
12/23/2016		IRS	Tax Payment for Period: 12/17/2016-12/20/2016	-3,603.33
12/23/2016		CA EDD	Tax Payment for Period: 12/17/2016-12/20/2016	-470.50
12/27/2016	11/7-12/6/2016	PG&E - 7193		-308.68
12/29/2016		IRS	Tax Payment for Period: 12/21/2016-12/23/2016	-15.30
12/29/2016		CA EDD	Tax Payment for Period: 12/21/2016-12/23/2016	-0.90

Saddle Creek Community Services District

Regular Meeting of January 17, 2017

AGENDA SUPPORTING DATA

7. DISCUSSION AND ACTION ITEMS

- a. Adoption of a resolution approving a 2016 year end budget adjustment for the purchase of a replacement maintenance cart

Recommended Motion

I move adopt a resolution approving a 2016 year end budget adjustment for the purchase of a replacement maintenance cart.

Background

Site Manager Greg Hebard has worked diligently with a short crew to complete as much work as possible and save money, with the hopes of having enough money at the end of 2016 to replace an additional cart, and to avoid increasing cart maintenance expense, staff time and field work downtime. Due to a number of expense reductions in administrative, mosquito abatement, personnel costs, and debt service; as well as less than anticipated expense in the budgeted studies; expenses are projected to be \$47K under budget for 2016. Mr. Hebard was authorized by management to purchase the replacement Mosquito Abatement cart in 2016.

In accordance with generally accepted accounting practices, to authorize the funding for this expense approved by management in 2016, we ask that the Board approve a budget adjustment to increase appropriations for Capital Outlay by \$19,500, which includes \$16,924 for the mosquito abatement cart, \$2,146 for a trade-in upgrade of our mower attachment purchased in 2015, and \$431 for the final cost over run for the tractor purchase.

The attached resolution details the accounts into which these approvals are necessary.

Fiscal Impact

With this purchase and these budget adjustments, we expect the final expenses for the year to remain under budget.

RESOLUTION 2017-01

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SADDLE CREEK COMMUNITY SERVICES DISTRICT APPROVING AN AMENDMENT TO THE 2016 FISCAL YEAR BUDGET FOR THE PURCHASE OF EQUIPMENT

WHEREAS, the California Government Code Section 61110 (a), as amended requires that on or before July 1 of each year or, for districts using two one-year budgets or a biennial budget, every other year, the board of directors may adopt a preliminary budget that conforms to generally accepted accounting and budgeting procedures for special districts; and

WHEREAS, the Saddle Creek Community Services District (District) prepares its budget on a calendar rather than a July 1 through June 30 fiscal year; and

WHEREAS, Following a Public Hearing, the District adopted the 2016 budget on December 15, 2015, and due to operating cost savings, anticipates budgeted revenue to be approximately \$47,000 in excess of estimated year end expenses; and

WHEREAS, the purchase of replacement maintenance vehicles to reduce operating expenses and increase productivity and efficiency is a priority of this Board and staff has recommended a budget amendment for the replacement of an additional cart; and

WHEREAS, the approved 2016 budget contained specified amounts for Services & Supplies, Personnel Costs, and Capital Outlay and the amount of capital outlay budgeted is insufficient to purchase the additional cart.

NOW THEREFORE BE IT RESOLVED, that the Board of Directors of the Saddle Creek Community Services District does hereby adopt and approve the 2016 budget amendment as follows:

1. The 2016 Capital Outlay budget is hereby established at \$19,500.
2. The purchase of a replacement cart to serve primarily mosquito abatement purposes in the amount of \$17,000 is approved from within the \$19,500 Capital Outlay appropriation
3. The remaining \$2,500 of the capital outlay allocation shall be appropriated to existing capital equipment purchases made within the 2016 year

BE IT FURTHER RESOLVED, that this budget amendment shall take effect immediately upon adoption of this Resolution.

PASSED AND ADOPTED by the Board of Directors of the Saddle Creek Community Services District on January 17, 2017 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Larry Hoffman, President, Board of Directors

ATTEST:

Peter J. Kampa, Secretary

CERTIFICATE OF SECRETARY

(STATE OF CALIFORNIA)

(COUNTY OF CALAVERAS)

I, Peter J. Kampa, the duly appointed and 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 at the Saddle Creek Lodge, 1001 Saddle Creek Dr., Copperopolis, CA, on January 17, 2017.

Saddle Creek Community Services District

Regular Meeting of January 17, 2017

AGENDA SUPPORTING DATA

7. DISCUSSION AND ACTION ITEMS

- b. Adoption of a resolution approving agreement with Castle & Cooke regarding the terms and conditions of entrance gate staffing

Recommended Motion

I move adopt a resolution approving agreement with Castle & Cooke regarding the terms and conditions of entrance gate staffing.

Background

A short term gate operating agreement was executed between the District and Castle & Cooke in April 2016 to allow temporary operation of the gate staffed only on weekends and with the gate open during the day. The agreement required Castle & Cooke to make a decision regarding the either moving the gates to a different location to allow public access to the golf course facilities, or the gates will be closed unless staffed.

In November, 2016 the District was notified that Castle & Cooke intended to provide additional staffing for the gate starting at the first of the year 2017. At the Board's December 20, 2016 meeting, the draft terms and conditions of an agreement with Castle & Cooke were developed. The purpose of this agenda item is to approve the agreement and authorize its execution.

**SADDLE CREEK ENTRANCE (PRIVACY) GATE OPERATING AGREEMENT
BETWEEN
SADDLE CREEK COMMUNITY SERVICES DISTRICT
AND
CASTLE & COOKE CALIFORNIA, INC**

This Saddle Creek Privacy Gate Operating Agreement (“Agreement”) is entered into on the 17th day of January, 2017, by and between Saddle Creek Community Services District, a political subdivision of the State of California and a community services district formed pursuant to the provisions of California Government Code section 61000 et seq., hereinafter referred to as “District” and Castle & Cooke California, Inc, DBA Saddle Creek Golf Course, a California Corporation, hereinafter referred to collectively as “Castle & Cooke”.

RECITALS

1. Castle & Cooke is the owner of certain real property situated in the County of Calaveras, State of California, commonly known as Saddle Creek Golf Course which includes an 18-hole golf course, lodge, retail shops, restaurant, rental lodging units and other commercial enterprises, herein referred to as “Golf Course”, and all of which are open to the general public.
2. District is community services district formed and operating pursuant to California Government Code Section 61000 et seq and authorized to provide certain public services to the Saddle Creek community within its boundaries. The authorized services include mosquito abatement and road system maintenance including storm drains, street lights, asphalt surfacing, common landscape area maintenance and operation of a community entrance control gate.
3. The Saddle Creek Community was developed and sold by Castle & Cooke California, Inc. as a gated (entrance) community, with privacy access gates installed to be controlled by personnel located in the gate operations building (gatehouse).
4. District is authorized by California Government Code Section 61110 within its boundaries to acquire, construct, improve, and maintain streets, roads, rights-of-way, bridges, culverts, drains, curbs, gutters, sidewalks, and any incidental works.

5. District is further specifically authorized by California Government Code 61105(g) to, for roads owned by the district and that are not formally dedicated to or kept open for use by the public for the purpose of vehicular travel, by ordinance, limit access to and the use of those roads to the landowners and residents of the District.
6. District has adopted Ordinance 03-002 and Administrative Rules and Regulations Section 2003-1 describing the conditions for entrance into the Saddle Creek community and prescribing the conditions for operation of the Privacy Entrance Gate applicable to residents, owners and Castle & Cooke. The District has installed automated controls and security monitoring systems to provide for continuous remote monitoring and control of the gate system, which is located at the primary entrance to the community in a configuration that regulates all traffic into the community for all purposes including to residences and the golf course facilities.
7. Castle & Cooke desires that the entrance gates be operated in a manner to allow convenient access by the general public to its commercial operations associated with the Golf Course and Lodge.
8. District and Castle & Cooke agree that the entrance gate operation is intended to maximize the privacy and tranquility of the residential portions of the community under the authority of the District.
9. District wishes to facilitate the needs and interests of Golf Course in an agreement that details the roles, responsibilities and obligations of all parties as they relate to the current and future operation of Saddle Creek community access gates.

NOW, THEREFORE, in consideration of the authorities and responsibilities of the District as detailed above, the promises, mutual obligations and agreements herein contained, the parties hereby agree as follows:

1. Gate Operating Agreement. The community entrance gate will be staffed by personnel approved by the District for all hours during which Castle & Cooke desires public access to the golf course facilities, within the operating schedule approved by the District as detailed herein.

During those times and dates when the gate is closed and staffed as detailed above, Castle & Cooke will provide personnel designated and trained by the District as a Privacy Officer. In the event that

Castle & Cooke requests that the entrance gates be operated to allow public access to Castle & Cooke facilities, but refuses to provide consistent, trained personnel meeting the requirements of the District, the District may provide the Privacy Officer on behalf of Castle & Cooke and at their expense as described herein. The entrance gates will at all times be operated in accordance with Ordinance 03 – 002 which regulates entrance onto roads under the exclusive control of the District, and District Administrative Regulations 2003-1, which establishes privacy gate rules for residents, owners and Castle & Cooke.

2. Gate Staffing Schedule. The initial staffing schedule as proposed by Castle & Cooke is as follows:
 - a. Sunday – Thursday: 6:45 a.m. to 5:00 p.m.; and
 - b. Friday and Saturday: 6:45 a.m. to 8:00 p.m.

The District requires a consistent staffing schedule for the predictability of operations and security, and to inform residents of any changes to schedule or personnel. Castle & Cooke shall provide ten days (10) advance notice in writing to the District for changes in schedule or the use of personnel not previously approved by the District and trained in gate operating procedures.

3. Gate to be closed when not staffed. The entrance gate is to be operated in the closed position on automatic operation with access limited to residents and their approved guests during all hours not staffed in accordance with this agreement.
4. Necessary Changes in Gate Operating Conditions. Based on conditions existing within the community, the District retains the authority and responsibility to modify the days, hours and method of operation of the entrance gates, and to prescribe such rules and regulations for its operation as it deems necessary.
5. Cost for Gate Operation. Castle & Cooke shall provide and pay the cost of Privacy Officer staffing, or may delegate the staffing responsibilities to the District. If the District provides the staffing, Castle & Cooke shall on a monthly basis and within 30 days of billing reimburse all District’s costs of privacy gate operation associated with Privacy Officer staffing, including:
 - a. Employee or contractor expenses - All direct and indirect employment expenses, direct

cost of contracting with temporary staffing or security firms or other staffing contractors, as determined by the District.

- b. Building costs - Costs associated with operating the gate entrance building including office and restroom supplies and equipment, any utility costs such as water, sewer, electricity and gas not already paid directly by Castle & Cooke.
- c. Administrative costs – An administrative fee in the amount of 20% will be charged to cover the District’s cost of providing and managing the gate staffing services. The Administrative Fee is calculated based on the total monthly bill for employee and building operating costs as described above.

6. Term of Agreement. This Agreement shall be effective until terminated by the parties as provided herein. Either party may terminate this agreement by providing thirty (30) days advance written notice to the other party. The District may terminate this Agreement immediately with cause due to the default or breach of Castle & Cooke as described below.

7. Default or Breach. In the event that Castle & Cooke fails to perform their obligations under this Agreement, the District will provide a thirty-day advance notice requiring that the failed condition be immediately cured, and after the thirty-first day may discontinue the staffed operation of the entrance gate and return the gate to automatic control, and/or terminate this agreement.

8. Miscellaneous Provisions

- a. Liability and Property Damage Insurance. Castle & Cooke shall provide a certificate of insurance and endorsement naming the District, its officers and agents as additionally insured under its property/liability insurance policies.
- b. Indemnification. Castle & Cooke hereby agrees to defend, indemnify, hold harmless and protect District from and against any and all claims, losses, damages, liabilities, suits, costs (including attorneys’ fees) as a result of personal injury and/or property damage in connection with or arising out of operating the entrance gate in accordance with this Agreement.

9. Notices. All notices hereunder must be writing and, unless otherwise provided herein, shall be

deemed valid if sent by certified mail, return receipt requested, addressed as follows (or to any other mailing address which the party to be notified may designate to the other party by such notice.).

Should Castle & Cooke or District have a change of address, the other party shall immediately be notified as provided in this paragraph of such change.

District: Saddle Creek Community Services District
Attention: General Manager
1000 Saddle Creek Dr
Copperopolis, California 95228

Castle & Cooke: _____

10. Successors and assigns. This agreement shall inure to the benefit of future successors of Castle & Cooke; who shall have the same rights and obligations under this agreement.

IN WITNESS WHEREOF, Castle & Cooke and District have duly executed this Agreement on the day and year first above written.

SADDLE CREEK COMMUNITY SERVICES DISTRICT

Larry Hoffman/President of the Board

ATTEST: _____
Peter Kampa/Secretary of the Board

Castle & Cooke _____

By: _____

RESOLUTION NO. 2017-02

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SADDLE CREEK COMMUNITY SERVICES DISTRICT
APPROVING AGREEMENT WITH CASTLE & COOKE
REGARDING OPERATION OF THE PRIVACY GATE**

WHEREAS, the District is responsible for operation and maintenance of the Saddle Creek community roads and the related privacy access gate; and

WHEREAS, the District has adopted various regulations governing the operation of the privacy gates, which are intended to maximize the tranquility and privacy of the property owners and residents of the community; and

WHEREAS, Castle & Cooke operates the Saddle Creek Golf Course and related commercial businesses which require access by the general public for their success; and

WHEREAS, Castle & Cooke has requested that the District assist in facilitating public access to the Golf Course facilities through the privacy gate by means of an agreement that details the roles, responsibilities and costs of both parties in operation of the privacy gates.

NOW THEREFORE BE IT RESOLVED THAT THE BOARD OF DIRECTORS OF THE SADDLE CREEK COMMUNITY SERVICES DISTRICT DOES HEREBY approve the attached Saddle Creek Entrance (Privacy) Gate Operating Agreement Dated January 17, 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 January 17, 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 January 17, 2017.

DATED: _____.

Saddle Creek Community Services District

Regular Meeting of January 17, 2017

AGENDA SUPPORTING DATA

7. DISCUSSION AND ACTION ITEMS

- c. Review of the 2017 Road Improvement and Operations Funding Measure informational presentation

Recommended Motion

This item is for review only, therefore a motion is not necessary at this time.

Background

Staff is in the process of finalizing the presentation to be publicly provided in the upcoming town hall meetings regarding the Road and Operations Funding Measure (Special Tax), scheduled for the May 2, 2017 election.

Both the one page informational flyer for “Measure A” and PowerPoint presentation will be available for review at the meeting. Staff will review the presentation with the Board at the level of detail desired.

Saddle Creek Community Services District

Regular Meeting of January 17, 2017

AGENDA SUPPORTING DATA

7. DISCUSSION AND ACTION ITEMS

- d. Discussion/Action regarding the waiver of Board member remuneration for attendance at the upcoming town hall meetings scheduled for the Road and Operations Funding Measure.

Recommended Motion

Staff recommends a motion to either pay or not the per-meeting stipend to Board members for attendance at the upcoming town hall meetings.

Background

The Ralph M. Brown Act prohibits a majority of the Board of Directors from attending a meeting for which an agenda was not posted 72 hours in advance for regular board meetings, and 24 hours in advance for special Board meetings. Although the upcoming town hall meetings are not planned as formal meetings of the Saddle Creek Board, it is still highly likely that three board members may attend any or all of the town hall meetings and participate in some form of discussion. Therefore, it is our opinion that these meetings should be scheduled and posted as special board meetings, and an agenda posted 72 hours in advance.

No action items will be on any of the town hall agendas, simply Board attendance at a presentation regarding the 2017 Road Improvement and Operations Funding, Measure A. District policy prescribes a payment of \$100 per meeting for Board member attendance in accordance with the California Government Code. It was suggested at the December 20, 2017 Board meeting that an item be placed on this agenda to determine if the Board stipend is to be paid to Board members attending the town hall meetings. If no action is taken at this meeting on this item, the stipend will be paid to each attending Board member per policy.

Saddle Creek Community Services District

Regular Meeting of January 17, 2017

AGENDA SUPPORTING DATA

7. DISCUSSION AND ACTION ITEMS

- e. Review and Discussion of the first draft update of performance objectives for the General Manager

Recommended Motion

Staff recommends no action at this time other than Board and public input, with approval of the final management objectives at the February Board meeting.

Background

In 2014, the Board and General Manager jointly prepared a slate of specific, measurable, attainable and realistic objectives to be completed within a designated timeframe. These objectives support constant forward District momentum in alignment with the vision and goals of the Board.

Prepared in 2014 and again for 2017 by Board member Darlene DeBaldo, the first iteration of these updated management objectives are attached for your review and discussion. This meeting is the time and place to make sure we all have clarity of the scope and intent of the Objectives, discuss their attainability within the financial and staff resources of the district, and timeline considering other projects and priorities.

Following the discussion at this Board meeting, a revised draft final version will be returned to our February meeting agenda for consideration. The importance of well thought out objectives cannot be overstated. Your manager wants to ensure that our every move as a district is in alignment with the Board; and it should be known that the objectives will be used to support and populate budget development, staffing plans and consultant proposals to ensure that the Board's goals are met.

**(First Draft) PROPOSED GOALS AND OBJECTIVES FOR CSD GENERAL MANAGER
(Sue Russ)**

1. On-going Goals (These are overall job responsibilities - to be continued by GM)

- Participate in regional, state and national meetings and conferences to stay abreast of trends and technology related to District Operations.
- Oversees the preparation of the annual budget for the District.
- Advises the Board of Directors on issues, programs and financial status, prepares and recommends long and short-range plans for District service provision, capital improvements and funding; and directs the development of specific proposals for action regarding current and future District needs.
- Meet regularly with Board President regarding district matters and to receive input regarding community issues.
- Oversee and evaluate CSD staff; update job descriptions and define individual responsibilities.
- Improve website to notify residents when new items are added or updated.
- Pursue available grant funds whenever appropriate, as a means of preserving its resources for other needed priorities.
- Invest available funds in accordance with District Investment Policy and state law so as to safeguard District funds, meet District liquidity needs and achieve the highest prudent return on investment and report to the Board quarterly.
- Work closely with allied agencies, i.e. Castle & Cooke, CCWD, etc. to achieve CSD goals and objectives. SEE #4.

2. First Six Month Goals

- Develop Presentation for Town Hall Meetings to educate the Saddle Creek voters on the parcel tax initiative.
- Ensure all requirements are met to have vote on parcel tax in May, 2017
- Develop cost effective plan for drought tolerant landscaping.
- Implement "New CSD Board Member" orientation in a timely manner.

3. Twelve to 18 month Goals

- Begin Search and financing for CSD yard, office and meeting facility
- Implement a Capital Improvement Plan
- Improve and Automate records management system
- Involve Community in a Goals and Priority Setting Session
- Conduct asset inventory with condition index

4. Develop a list of entities with which the district has some contact or interaction and a defined CSD position on the relationship with each including:

- CCWD
- Army Corps of Engineers
- District Residents
- Castle & Cooke
- * Calaveras County Tax Collector
- District Supervisor
- J.S. West ?

*BLACK – Continue

*BLUE – In progress

*GREEN – New

RESOLUTION 2017-03

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SADDLE CREEK COMMUNITY SERVICES DISTRICT EXTENDING APPRECIATION TO OWEN BRAMLETT FOR HIS SERVICE ON THE BOARD OF DIRECTORS

WHEREAS, Director Owen Bramlett was appointed to the Board of Directors of the Saddle Creek Community Services District in January 2016 where he diligently served until December 2016; and

WHEREAS, Director Bramlett spent countless hours coming up to speed quickly on important community issues such as the need for replacement of District equipment and the condition of the community roads; and

WHEREAS, as an experienced governing official, Director Bramlett brought a knowledgeable and thoughtful demeanor to the Board of Directors at a time when many critical decisions about the future were being considered; and

WHEREAS, Owen could always be counted on to be the voice of reason and rational thinking, challenging staff for solid answers and at the same time doing so in a manner that helped the Board get to decision on tough issues; and

WHEREAS, in his one year on the Board, Owen exhibited strong forward-thinking vision while actively participating as part of the Board Advisory Committee responsible for evaluation and development of a long-term services and road improvement funding plan and revenue measure, scheduled for consideration by the Saddle Creek voters on May 2, 2017; and

WHEREAS, Owen’s gentle, calm, yet commanding voice was an excellent presence on the Board throughout his tenure, and he will be very much missed.

NOW THEREFORE BE IT RESOLVED, that the Board of Directors of the Saddle Creek Community Services District does hereby extend its appreciation on behalf of the community to Director Owen Bramlett for his diligent service on the Board of Directors.

THE FOREGOING RESOLUTION was introduced at a regular meeting of the Saddle Creek Community Services District held on January 17, 2017 and was adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

Larry Hoffman, President
Board of Directors

Peter J. Kampa, Board Secretary

Saddle Creek Community Services District

Regular Meeting of January 17, 2017

AGENDA SUPPORTING DATA

8. STAFF AND DIRECTOR REPORTS

General Manager's Report

Please note that since our Reports section of the agenda is listed generically with no information about the potential various topics of discussion, pursuant to the Brown Act reports are typically received and filed only. There can be no discussion back and forth regarding the content of any report not separately agendized with a description.

Normally your General Manager's report is done verbally, but I felt it important to provide the Board (and public) with a copy of correspondence received from Castle & Cooke related to the District's May 2, 2017 funding measure on the ballot. Since the Board's action has been taken and the measure is on the Ballot, there is no real action to be taken or recommended at this time related to the email. Attached is a copy of an email from Castle & Cooke's Scott Thayer laying out a number of questions related to the budget on which the funding measure was developed. Also attached is a copy of a memo from their consultant who performed an evaluation of the special tax application methodology.

We have evaluated the consultant memo and found that if their methodology were to be implemented, the tax cost difference on a single family household would be an increase of \$46 per year. In my opinion it shows we are not that far apart in thoughts. I will be addressing Mr. Thayer's budget questions in a letter that I will copy to the Board in next month's report.

From: Thayer, Scott
To: [Peter Kampa](#)
Cc: [Sue Russ](#)
Subject: Saddle Creek CSD Special Tax Rate
Date: Friday, January 6, 2017 10:18:47 AM
Attachments: [Memo_Saddle Creek CSD 1-5-17.pdf](#)

Pete,

Thanks for allowing us the time to have our team perform a quick review of the proposed Special Tax Rate Structure prepared by NBS dated December 16, 2016. We understand that funds need to be raised in order to maintain the District's improvements to a standard expected of its members, and that the District's Board has chosen to raise these funds through the use of Special Tax Rates. I've attached our consultant's evaluation of NBS' December 16th letter for yours and the Board's review. Please note that we believe the Sports Facility shouldn't be included in the Special Tax Rate since all properties using the Sports Facility are already subject to the CSD fee, including the Bungalow owners whose guests or renters are allow to use the sports facility just the same as any other owner's guests or residents. With regards to the Golf Facility, our records show that the Golf Facility benefit should be closer to 40% and not 75% as shown in NBS's analysis to account for non-member use. We also think that the only area the Golf Facility should contribute to is its share of the area a non-member would use to get to the golf facility – the area between the gate and the golf facility, not a share in the entire District.

In the Special Tax Rate proposal NBS prepared, they estimated expenditures of \$716,030 in 2017, \$1,132,541 in 2018, \$1,174,773 in 2019, \$1,222,148 in 2020, \$1,272,421 in 2021, and \$1,322,316 in 2022. From 2017 to 2018, operational expenses increased \$130,464, personnel expenses went up \$97,997, road improvements increased \$113,500, and \$65,008 was added to reserves. Is the reason the operational expenses increased \$130,464 the result of the District absorbing the subsidy we were providing? And, why are personnel expenses increasing almost \$97,997? If the Board can find areas of the budget to trim, would the Board consider charging a lesser rate to the members?

Please consider the information we've provided as well as our questions pertaining to the budget. In the event you have any questions or concerns, please don't hesitate to contact me. Thanks again for allowing us the opportunity to have input in this process.

Scott R. Thayer
Senior Vice President
Castle & Cooke, Inc.
10000 Stockdale Hwy., Suite 300
Bakersfield, CA 93311
(661) 664-6588 Office
(661) 664-6548 Fax

Memorandum

To: Scott Thayer, Senior Vice President, Castle & Cooke, Inc.
Cc: Laura Whitaker, President, Castle & Cooke, Inc.
From: Sunit Patel, Principal
Date: January 5, 2017
Re: **Saddle Creek Community Services District – Proposed Revised Special Tax Rate**

Per your request, we have prepared this memorandum to provide a summary of our comments and recommendations relating to the proposed revised special taxes of the Saddle Creek Community Services District as described in the “Proposed Special Tax Rate Structure” letter report prepared by NBS dated December 16, 2016 (the “NBS Report”).

Our primary concerns and recommendations with respect to the NBS Report are as follows:

Sport Club Property:

The NBS Report states the following “...the assigned benefit factor for the sports club property must take into consideration that the Saddle Creek sports club is exclusive to property owners of Saddle Creek and guests staying at the Lodge Bungalows. To recognize the limited benefit from capital improvements and services, from non-homeowner guests of the sport club, the calculated benefit factor of 1.50 has been adjusted to 25% of the calculated rate.”

In our opinion, the Sports Club Property should be exempt from the special tax as it is an exclusive amenity solely for the benefit and enjoyment of residents of Saddle Creek. Any use of the Sports Club Property by guests of homeowners or the Lodge Bungalows (which are currently taxed as Residential Lots and will continue to be subject to the Residential Lot special tax) is simply a by-product of direct use by residential (or Lodge Bungalow) property and does not warrant attributing any specific benefit factor to the Sport Club Property for use by the general public.

Golf Course Property:

The NBS Report states the following “The Saddle Creek Golf Club is not a private course that is exclusive to the residents of only Saddle Creek, but is a public golf course that is open to everyone...it is recognized that there are some golfers who may also be homeowners within the Saddle Creek development. To account for those golfers who may also be homeowners within

Saddle Creek, and to provide a comparison, the calculated benefit factor for the golf course property has been adjusted to 75% of the calculated rate”.

We agree with the approach used by NBS of adjusting the benefit factor in order to capture only the share of the Golf Course Property used by the general public, however, the 75% ratio appears to be significantly overstated. Based on information reported by Castle & Cooke, the proportion of Golf Course Property used by the general public is approximately 40%. Accordingly, we recommend revising the Assigned Benefit Factor for Golf Course Property from 37.50 (50 x 75%) to **20.0** (50 x 40%).

Additionally, given that the majority of the CSD operating budget is related to street maintenance, landscape maintenance, and other functions directly benefitting the residential areas, we recommend further adjusting the special tax applicable to Golf Course Property based on only those components of the operating budget which are allocable to the general public’s use of the Golf Course Property. For example, with respect to streets, only the segment of Saddle Creek Drive from the entry gate to the Saddle Creek Lodge would be used by the general public.

Below is a comparison of the special tax rate (fiscal year 2017-18), benefit factors, and revenue breakdown as currently proposed and as proposed herein (except for the additional budget-based reduction to the Golf Course Property allocation as noted in the immediately preceding paragraph):

CURRENTLY PROPOSED:

Special Tax per Benefit Unit ==>>>						\$ 1,703
	Taxable Units/Acres	Calculated Benefit Factor per Unit/Acre	Benefit %	Assigned Benefit Factor	Benefit Units	Special Tax Revenue
Residential Lots ¹	560.00	1.00	100.0%	1.00 per unit	560.00	\$ 953,680
Undeveloped Large Lot	265.93	1.68	25.0%	0.42 per acre	111.69	\$ 190,209
Golf Course	1.00	50.00	75.0%	37.50 per GC	37.50	\$ 63,863
Sports Club	3.15	1.50	25.0%	0.375 per acre	1.18	\$ 2,012
Total					710.37	\$ 1,209,763

¹ Includes Lodge Bungalows (17 Lots).

PROPOSED REVISION:

Special Tax per Benefit Unit ==>>>						\$ 1,749
	Taxable Units/Acres	Calculated Benefit Factor per Unit/Acre	Benefit %	Assigned Benefit Factor	Benefit Units	Special Tax Revenue
Residential Lots ¹	560.00	1.00	100.0%	1.00 per unit	560.00	\$ 979,437
Undeveloped Large Lot	265.93	1.68	25.0%	0.42 per acre	111.69	\$ 195,346
Golf Course	1.00	50.00	40.0%	20.00 per GC	20.00	\$ 34,980
Sports Club	3.15	1.50	0.0%	- per acre	-	\$ -
Total					691.69	\$ 1,209,763

¹ Includes Lodge Bungalows (17 Lots).

As you know, our comments and recommendations set forth herein are based on review of a limited amount of information available as of the date of this memorandum, and therefore such comments and recommendations are subject to change based upon review of additional information and further analysis.

Please do not hesitate to call me with any questions or comments.