

SADDLE CREEK COMMUNITY SERVICES DISTRICT
MINUTES FOR THE MEETING OF THE BOARD OF DIRECTORS

December 18, 2007

CALL TO ORDER

The Saddle Creek Community Services District (CSD) Board of Directors held their monthly meeting on Tuesday, December 18, 2007. President Russ called the meeting to order at 2:00 PM in the Gold Room 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:	Steve Marsden
Secretary:	Bob Kenyon
Director	Charles Robinson
Director	Dennis Merrill

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	Billie Kane
	Resident	Chuck Gallo
	Resident	Bob Richards
	Resident	Don Thompson
	JS West	Dana Mayo (General Manager)

APPROVAL OF MINUTES:

M/ by Director Robinson and S/ by Director Kenyon to approve the minutes of the November 20, 2007, meeting with corrections as stated by Director Marsden. M/ passed unanimously.

CHANGES TO THE ORDER OF AGENDA:

None suggested.

PUBLIC COMMENT:

None

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 Keynon and S/ by Director Marsden to move approval of expenditures incurred by the district during the month of November. M/ passed unanimously.

GM Martin commented that payment to the Board for yearly attendance will be included as part of approval but it could not be finalized until today. Board is actually approving for number of meetings attended and they will receive their checks later this week.

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

None

OLD BUSINESS

- a. INFORMATION/DISCUSSION: Staff updated Board on recent propane pricing/billing issues. GM Martin advised that CSD's position is the same as cities and counties with respects to utilities. There is no control by the district over the propane company; however, there is an interest in the area of safety. Dana Mayo from JS West was present to discuss the reasons that several residents in Saddle Creek were charged at different rates over the past few months. He indicated all residents in Saddle Creek should be charged at the same rate, which should be competitive with other companies in our area. When JS West upgraded to a new computer system, some of the accounts were transferred to the new system with misinformation. These residents were charged Senior Citizen rates, which is higher than Saddle Creek's negotiated rate. Mr. Mayo advised that every resident in Saddle Creek is currently on the Saddle Creek Bulk Rate and he agreed to hold the rate at \$2.66 through the end of the year.

Mr. Gallo wanted to know what the formula is to figure out the price per gallon. The Board wanted to know if JS West will include the formula in the monthly statements to the residents. Dana advised that the billing formula for propane charges is based on per 100 cubic foot at today's rate of .0765 divided by .0285 equals the price per gallon. If individuals have problems they should contact Dana Mayo at JS West directly.

- b. ACTION/SIMPLE MOTION: Director Robinson requests Board approval to distribute the proposed CSD informational letter to residents requesting their assistance in insuring no unauthorized entry is made into environmentally protected areas. Mr. Haley would

like the letter amended to clarify “No Human Entry into these areas except by authorized CSD Personnel”. V/President Marsden would also like to add, “No Entry, especially from the Golf Course” into the contents of the letter. The letters will be e-mailed to residents. M/ by Director Kenyon and S/ by Director Robinson to move approval with changes to distribute proposed CSD Informational Letter to residents requesting their assistance in insuring no unauthorized entry is made into environmentally protected areas. M/ passed unanimously.

- c. INFORMATION/DISCUSSION: Second review of draft FY 2008 Budget (includes maintenance employee Salary Step Adjustments proposed by Board consensus during the November 20, 2007, meeting, but does not include wage increase for GM). Director Kenyon had a few questions with regard to the salary pay scale/steps and uniforms, which were answered to his satisfaction.
- d. CLOSED SESSION/LABOR NEGOTIATIONS: As permitted by Government Code Section 54957, the Board adjourned to Closed Session at 2:45 for discussion with their designated Labor Negotiator (President Russ) on her wage negotiations with GM. Operational & Capitol Outlay issues are not discussed in Closed Session.
- e. PUBLIC MEETING RE-CONVENED: Upon conclusion of the Labor Negotiations Closed Session the Public Meeting re-convened at 2:50 and the Board President announced that the Board agreed to a 5% wage increase for the General Manager.
- f. INFORMATION/DISCUSSION: Board President reviewed FY 2008 Budget, including the wage increase for GM.
- g. PUBLIC HEARING/FY 2008 PROPOSED BUDGET: Board President Russ opened a Public Hearing on the Proposed FY 2008 Saddle Creek CSD Budget. Mr. Haley advised that he is getting information to the Board with regards to the monetary contributions made by Castle and Cooke, so that these figures can be included/tracked in the FY 2008 Proposed Budget. GM Martin advised the Board that President Russ will execute cashing one of our CD's and reducing another one. There was Board agreement by consensus to have President Russ sign off on this matter since that's the “check and balance” we set up with the bank for all accounts, including CD's. The CD's will be reinstated after we start getting our payments from the County beginning in February.
- h. ACTION ITEM/RESOLUTION: Board acted to approve the District's FY 2008 Budget (Operational Expenses, Capitol Outlay Expenditures

and Employee Wages & Benefits). M/ by Director Kenyon and S/ by Director Marsden to move to approve the district FY 2008 Budget. M/ passed unanimously.

NEW BUSINESS

- a. ACTION/SIMPLE MOTION: In accordance with current policy, Directors elected the following Board Officers to serve for the period of January 1, 2008 - December 31, 2008: 1) Board President - Sue Russ, (2) V/President – Bob Kenyon and 3) Secretary – Steve Marsden. M/ by Director Robinson and S/ by Director Kenyon to move approval of elected Board Officers to serve for the period of January 1, 2008 - December 31, 2008. M/ passed unanimously.
- b. Director Kenyon requested an update from Site Manager Hebard regarding maintenance on the planting area on Wild Flower Ct. Greg advised that they have cleaned up the dead plants and he has given a list of replacement plants to Mr. Haley.

11. GENERAL MANAGER:

GM Martin advised the Board that they will receive their checks for attending the monthly meetings by the end of the year.

12. SITE MANAGER:

Greg gave Board Members a letter written and signed by his employees thanking them for sponsoring a dinner in their honor.

13. DIRECTORS REPORTS:

V/President Marsden – None

President Russ – Gave the Board an updated list of parcels that are now controlled by CSD. Three new phases with 145 new parcels were turned over to CSD for the 2008 fiscal year.

Secretary Kenyon – None

Director Robinson – Asked Greg to thank his employees for the great job they do all year and to wish them a Happy New Year.

Director Merrill – Dennis commented that he is disappointed with JW West’s lack of communication with the residents of Saddle Creek, and he doesn’t understand why they won’t initiate some kind of formal communication with the residents explaining what has happened and what they are doing about it. Mr. Haley said that he will have Billie Kane contact JS West and get them to write a letter to the residents of Saddle Creek explaining the reasons behind the inconsistency in billing as well as the issue of competitive pricing.

ADJOURNMENT – Having no further business, President Russ adjourned the meeting at 3:05 PM. CSD’s next board meeting date is January 15, 2008.

Phyllis Richards, CSD Clerk/Treasurer

Charles Martin, General Manager

APPROVED BY:

Sue Russ, Board President

Robert Kenyon, Board Secretary

SEAL