

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

March 19, 2013

CALL TO ORDER

The Saddle Creek Community Services District (CSD) Board of Directors held their monthly meeting on Tuesday March 19, 2013. President DeBaldo called the meeting to order at 2:00 PM in the Gold Room and led the Directors and staff in the Pledge of Allegiance.

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

President:	Darlene DeBaldo
Vice President:	Sue Russ
Director:	Scott Baker
Director:	Charlie Robinson
Director:	Kent Lazarus

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	Bob Higgins
	Castle & Cooke	Linda Beck
	Resident	Beth Portfolio

APPROVAL OF MINUTES:

M/ by Director Robinson and S/ by Director Russ to approve the minutes of the February 19, 2013 with the changes as requested by the Board.
M/ passed unanimously.

CHANGES TO THE ORDER OF AGENDA:

None suggested.

PUBLIC COMMENT:

Ms. Beth Portfolio wanted clarification of who she should call if certain situations occur.

1. Who should she call if people are fishing in the ponds? GM Martin advised that if the area is the Wet Lands or Wild Life Habitat Area she should call CSD.
2. What about dogs running around? GM Martin advised it is the same situation, if they are in the Wet Lands or Wild Life Habitat calls CSD, if not, call the Animal Control.
3. What about trespassing? Again, if they are in the Wet Lands or Wild Life Habitat Area call CSD and we will respond, if not call the Sheriffs Dept.

Also in the assessment revenues we are paying \$982.44 a year. There are 560 lots which should total \$550,166.40. We have \$554,760 listed on the Budget. She would like to know why there is a difference. GM Martin advised that assessment revenues come in two stages, half of it is from the previous year and half of it is from the current year. In addition of that there is 2% taken by the county for their administrative processing fees.

She would like to know if Castle & Cooke reimbursed CSD for the \$5,000 in January for the Gate Personnel Staffing. GM Martin advised that it takes some time for us to receive the reimbursement. Clerk/Treasurer Richards advised that we never received the bill and believes that it went straight to Castle and Cooke.

We have \$26,873 listed in unspent funds for personnel. She is curious to know how we saved that money. GM Martin advised that most of the personnel are paid hourly, and if they do not work, then they do not receive pay. Also we have been running short of personnel for a few months now.

What salary steps are our employees at, because we show 4 different steps in salary? GM Martin advised that there are several steps in most classifications and we do not publicize the current steps of individual employees.

Castle & Cooke GM Higgins stated that they have some concerns about the gate being open during events. He would like the Board to listen to their comments

and consider keeping the gate open temporarily until the new system is in place. Castle & Cooke Higgins stated that they have specific dates that they need the gate open. President DeBaldo advised that they will discuss it when the item comes up on the agenda.

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 Robinson and S/ by Director Lazarus to move approval of expenditures incurred by the district during the month of February. M/ passed unanimously.

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

None

OLD BUSINESS

- a. ACTION/SIMPLE MOTION: During the regular meeting of February 19, 2013 the Board directed staff to include review of Entry Gate Operations on the March 19, 2013 agenda. As a part of the review the Board may act to amend operational policies they deem appropriate.

Site Manager Hebard updated the Board on the installations of the new gate system. Greg advised that they are waiting for 3 more parts to arrive to complete the package; he expects them to be received within the next 2-3 weeks and installed sometime in April. At that time they will check the gate to get all of the bugs out of the system and it should be fully operational sometime in May. They will also have to get the information with regards to the new gate operations to all of the residents. He also indicated that the gate will use a land line number not a cell phone number.

Director Lazarus suggested to Greg that as soon as he receives the parts he should create an implementation plan that should be published with a final date for implementation.

Director Baker wanted to know if the project will come in on budget. Greg indicated that he believes so.

Castle & Cooke GM Higgins said that in a previous meeting he was told that the Golf Resort could contact Greg for special events and Greg would be able to program the gate to stay open until a reasonable hour.

Castle & Cooke Activities Director Linda Beck advised the Board that there are several dates in April that they would like the Boards consideration on with regards to leaving the gate open for additional hours.

1. A.L. Gilbert has been having their annual banquets here at Saddle Creek for years. Their people will start arriving about 6:30–7:00PM on Wednesday evening.
2. There are also several golf groups that come up, one is the Park Services for 3 days, Sunday, Monday and Tuesday and the other is Challenge Dairy which is for 4 days, Sunday, Monday, Tuesday and Wednesday. They will be coming and going on these days. All of these are mid-week, and they have some of there representatives come up after work for the dinner and the dinner speech.

As they will not get to Saddle Creek any later than 8:00PM, they would like to know if the gate could remain open until 8:00PM. That would assure that the people driving up would be able to get into the gate and participate in these events. This happens every month, sometimes they come up at night and stay over in the bungalows and attend the meetings the next day. Linda stated that she can defiantly give Greg two weeks notice of these events, letting him know the dates and times so they can request that the gates remain open just a little bit longer. Linda confirmed to President DeBaldo that the bulk of the people will be coming through the gate earlier, and only a few people will come after the gate is scheduled to close, except A.L. Gilbert who has about 100 people arriving after 5:00PM. Dinner is at 6:30PM so they should be arriving no later than 7:30PM. If the gate could close at 8:00PM on these dates it would be a consistent time so there would not be any confusion.

Besides these events in April, Boyett Petroleum is scheduled in May and they have about 300 people. They play 3 other golf course and then they come back to Saddle Creek in the evening after 5:00PM. The wedding and wedding rehearsals are on the weekends so there should not be any problems. If there are any cancellations she will notify Greg.

Director Lazarus asked if they are requesting that the gates remain open at these times as apposed to having the gate manned, and Linda responded yes, just to extend the hours in the evenings. Director Lazarus then said that if it was closed the gate would need to be manned, and Linda said yes, that is why she is requesting that the gate remain open. Director Lazarus asked Linda if there was anyway the gate can be manned, and she said yes if CSD was willing to have them manned. He then asked her if it was in their budget to man the gates, and Linda said no it is not in their budget.

GM Higgins said that they are not in a position to slide Dave Haley's expense over to the golf/restaurant operations; they are not willing to except that expense. He stated that Dave agreed to staff the gate on Wednesday nights for the buffets, and that is all that Dave is willing to pay for. As a club operation they are not willing to lose more money, so by staffing the gate they would be incurring another expense. His concern is taking care of the customers and getting the revenues that they need. These groups come here every year because we take care of them, and if they start having a bad experience they will go elsewhere.

Director Robinson wanted to know if they charged them \$30 more per event would that keep them from coming back to Saddle Creek. Linda stated that she really doesn't think that it is fair to ask them to pay an additional amount to keep the gate open to provide access to the paying customers.

Director Russ said she has previously expressed her concern about keeping the restaurant viable, as it is very important to our community. However, she is struggling with the out pouring from the community that wants the gate closed 24/7 and the Board already compromised by leaving the gates open longer during the work day. Linda wanted to know what the numbers are with regards to how the residents voted. Sue said they had about 65 people respond to the online vote. About 25 wanted the gate closed 24/7, and about 24 wanted the gates closed at nights and weekends. At our last meeting 23 of the 24 people that spoke wanted the gate closed 24/7. Linda asked, "Without moving the gate so that we can stay in business?"

Director Baker said he doesn't think that the people really care if they stay in business; they are concerned about their security. The residents want people to be able to punch codes to get in through the gates. He is also vary concerned, now they want to change the hours 9 days during April and he is totally opposed to Sundays. His

position is that if the people that are in the entry gate can't stay longer then the restaurant needs to figure it out a solution on their own.

Linda said she just wants to know what to do, does she provide all these people with a gate code? If so, that is ok she just needs to know how to handle it. President DeBaldo said that the gate will not be ready in April to give everyone a code.

GM Higgins stated that he doesn't think that the same people that are concerned about the gate being closed 24/7, who have already been appeased by the compromise would be too happy to have a food minimum or a dues increase.

Director Robinson said wait a minute, you just told us that you can't charge the people coming here for special events \$30 extra and now you are talking about threatening the members that live here. He wants to know why they can't charge \$30 more for the use of the room. GM Higgins said that Linda answered that question; she doesn't think it is fair to charge them extra. Director Robinson wants to know if they think it is fair to charge the members. Linda said it doesn't cost money to use the codes, and Director Robinson said it does take time for Greg to go out there and change the codes, which cost us money.

GM Higgins said that asking them to run an operation that is open to the public and having gates that are closed to the public hinders them from making revenue. He is just asking for this temporarily, Greg told him that when the 300 people are here they will get a code and it will expire in 3 hours, which is fine with them.

GM Martin stated that with the current system it is not possible to have the codes; however with the new system it will be possible. The new system will not be operational until after April. President DeBaldo thinks that the success of the golf and restaurant is in our best interest and that we should make accommodation for special events during the month of April.

GM Martin said that if the Board wants to approve the request they need to pass an action that the gate remains open until 8:00pm for special events, which needs to be worked out with Greg.

M/ by Director Russ and S/ by Director Lazarus to move that the Board accommodate the restaurant operations during the month of April by

allowing the gate to remain open and unmanned until 8pm. This would be for special events, which again needs to be arranged by Greg. Greg will be able to give the Board an update at the next month meeting to see if they will need to have it extended through May. Director Baker wanted the motion amended to include that Castle & Cooke will advise the residents of the extended hours during the special events. Linda will include this information with her weekly e-mails. M/ passed by a 4 to 5 vote with Director Robinson voting no.

- b. ACTION/SIMPLE MOTION: Board review/acceptance of the FY 2011 Independent Audit prepared by CPA Larry Bain. After approval by the Board the audit report will be maintained in the CSD Maintenance Office and will be made available for review by the public upon request. M/ by Director Robinson and S/ by Director Baker to move approval of the acceptance of the FY 2011 Independent Audit prepared by CPA Larry Bain. M/ passed unanimously.

NEW BUSINESS

- a. ACTION/SIMPLE MOTION: Staff recommends Board approve the Draft GASB 54 Policy which is included as a part of the agenda packet. GM Martin advised that this is the latest change in the Government Standards Board that has to do with fund classifications. Our policy was not up to date as we only had 3 funding classifications and now there are 5 classifications. M/ by Director Russ and S/ by Director Baker to move for approval of the Draft GASB 54 Policy. M/ passed unanimously.
- b. ACTION/SIMPLE MOTION: In accordance with the Board's directions during the regular meeting of February 19, 2013 the Approved FY2013 Budget (copy included with the agenda packet) has been changed to reflect the total sum of \$8,000 to be added to the Gate Maintenance, Staffing & Opener Purchase category. The Board must act, by Simple Motion, to approve the Revised FY 2013 Budget (copy included with the agenda packet). Director Robinson wanted to know where the \$8,000 came from. GM Marin replied that it came from our reserve funds. M/ by Director Robinson and S/ by Director Russ to move for approval of the Revised FY 2013 Budget. M/ passed unanimously.

- c. ACTION/SIMPLE MOTION: Staff recommends Board approve submission of the Revised FY 2013 Budget to the Calaveras County Auditor Controller as required by SB 135 (copy of transmission letter included with agenda packet). M/ by Director Baker and S/ by Director Robinson to move for submission of the Revised FY 2013 Budget to the Calaveras County Auditor Controller. M/ passed unanimously.

STAFF REPORTS

Site Manager: Greg advised that the application process for the new employee is going well; the interview process will start later this week and will continue until next week. We will be hiring one employee at this time and another one at a later date.

General Manager: Reminder 700 forms need to be filed by April 1, 2013. We need to have copies for our file as well.

DIRECTORS REPORTS:

President DeBaldo – None
V/President Russ – None
Secretary Lazarus – None
Director Baker – None
Director Robinson – None

ADJOURNMENT – Having no further business, President DeBaldo adjourned the meeting at 2:46 PM. CSD’s next board meeting date is April 16, 2013.

Phyllis Richards, CSD Clerk/Treasurer

Charles Martin, General Manager

APPROVED BY:

Darlene DeBaldo, Board President

Sue Russ, Vice President

SEAL