

Draft
SADDLE CREEK COMMUNITY SERVICES DISTRICT
MINUTES FOR THE SPECIAL MEETING OF THE BOARD OF
DIRECTORS
December 15, 2015

CALL TO ORDER:

The Saddle Creek Community Services District (CSD) Board of Directors held their monthly meeting on Tuesday December 15, 2015. President Sue Russ called the meeting to order at 2:00 PM in the Lodge 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
Director	Lawrence Hoffman
Director	Ken Albertson
Two director seats are vacant	

Staff: The following staff members were present:

General Manager/ Treasurer	Peter Kampa
Site Manager:	Greg Hebard
Clerk:	Michele Menzies

Members of the public were in attendance

CHANGES TO THE ORDER OF AGENDA: President Russ requested that the Board candidate interviews be moved before consideration of the budget; and the Board approved by consensus.

PUBLIC COMMENT:

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. **Review of monthly financial report and approval of bills and claims for the month of November 2015.**
- b. **Approval of the minutes of the Regular Board Meeting of November 17, 2015.**

Motion by Director Hoffman and Second by Director Albertson for approval of expenditures incurred by the district during the month of November and approval of the minutes with correction of adjournment at 3:10 PM. Motion passed unanimously.

OLD BUSINESS: None

NEW BUSINESS:

- c. **Approval of appointment of replacement board members pursuant to the California Elections Code and District Notice of Board Vacancy dated November 19, 2015.**

The Board voted in November 2015 to appoint replacement directors to fill two vacancies occurring from the consolidation with the statewide general election. Staff posted the required Notice of Vacancy, and three Board candidates submitted applications for appointment consideration; attached.

President Sue Russ- informed the Board that one of the candidates, Owen Bramlett, was unable to attend this meeting do to prior commitments, but we will be considering all 3 candidates for the 2 positions available. President Russ further recommended that we interview candidate Don Kurtz, since he was able to attend the meeting today. Charlie Robinson left the room voluntarily to allow Don Kurtz to be interviewed.

The Board asked candidate Don Kurtz a number of questions prepared in advance, regarding his interest in the Board and ability to serve. Following the interview and expressions of gratitude on both sides, Mr. Kurtz left the Board meeting and Charlie Robinson re-entered the meeting.

President Russ recommended that the Board not interview candidate Charlie Robinson, as he has served on the Board for many years and no interview is necessary. President Russ recommended and the Board concurred that the Board should consider making one appointment today, and that at the next meeting following interview of Owen Bramlett, the Board can consider the second appointment.

GM Kampa- Supports waiting until January to make the second appointment following the interview of Mr. Bramlett. Kampa further stated that it is completely appropriate for the Board to consider immediate appointment of Charlie Robinson, based on his history of being on the board for such a long time and. You will then have a single open position you can make at the January meeting.

Motion by Director Hoffman and Second by Director Albertson to appoint Charlie Robinson as a replacement board member pursuant to the California Elections Code and District Notice of Board Vacancy dated November 19, 2015. Motion passed with three votes aye, and no opposed, with two seats vacant. The oath of office was administered to Charlie Robinson and he was seated on the Board.

Public Hearing: The Board will conduct a public hearing to receive public input regarding the 2016 fiscal year budget effective January 1, 2016. 2 | P a
Following the public hearing, the Board may consider adoption of a Resolution approving the 2016 budget.

President Russ opened the Public Hearing, and no public comment was received. The Public Hearing was closed and the 2016 Budget was proposed to the Board for discussion and consideration.

a. **Approval 2015 budget amendment in the amount of \$8000 for the purchase of a replacement mower attachment.**

General Manager Kampa reviewed the written staff report for the Board and public in attendance, stating that the California Government Code requires that a community services district to adopt a preliminary budget annually before July 1, or every two years; with a final budget being adopted on or before September 1 of each year. The fact that the Saddle Creek CSD uses a calendar year does pose some timing challenges with regard to compliance with these and some other Government Code requirements, but budgeting on a calendar year is likely not prohibited by law. Our District has used a budgeting procedure of preliminary review of a draft budget in October and November of each year, with a final draft budget presented to the Board for final approval in December; to be effective January 1 of the following year.

Kampa explained that the budget, included with the agenda materials, contains the final draft budget which includes the purchase of a new tractor used by District staff on a very frequent basis. The current tractor has failed beyond reasonable repair. The tractor is being purchased at a cost of \$72,200 with a zero interest, five-year lease-to-own financing. The total annual monthly payments of \$14,400 is shown in the final draft operating expenses. This tractor will be capitalized as a District fixed asset.

Kampa also reported that the draft budget also:

- a. Includes \$15,000 to contract with a qualified firm to prepare an updated Pavement Condition Assessment to supplement the Road Report.
- b. Includes a budget item of \$12,000 to contract with a qualified landscape design firm to evaluate and recommend options for renovation for some of the existing common area landscaping lost due to drought water restrictions.
- c. Include funding to contract with a municipal finance firm to prepare a recommendation on the most viable fee, special tax and/or benefit assessment options to fund necessary road improvements, at a cost of \$7,300.

GM Kampa- Recommends motion to adopting and approving the 2016 budget as presented.

Motion by Director Hoffman and Second by Director Robinson for approval of the 2016 budget as presented. Motion passed unanimously

b. Approval 2015 budget amendment in the amount of \$8000 for the purchase of a replacement mower attachment.

Motion by Director Robinson and Second by Director Albertson for approval of the 2015 budget amendment in the amount of \$8000, for the purchase of a replacement mower attachment.

STAFF REPORTS:

Site Manager Greg Hebard- Stated that his staff is all sick he is the healthiest one there, but they're getting better. Mr. Hebard thanked the Board for their approval of the budget and new tractor, as this new one actually goes up hills and should last awhile.

GM Kampa-Until we have a different revenue source for the various services, it makes more sense for us to start transitioning our budget reporting by service category, rather than adopting separate service budgets. Delores has already started to go that way in the reporting in showing the direct expenses sub totaled, and we are going to now be moving some of the staff costs and documenting those correctly in to the various services so we can look separately at the cost of doing the fire protection activities, mosquitos control, road work and with the gates, lighting and landscaping. Also, with the rain, it will be nice to transition to working on roads rather than spending all the time in water.

DIRECTORS REPORTS:

President Russ-None
Director Robinson-None
Director Hoffman-None
Director Albertson-None

ADJOURNMENT – Having no further business, President Russ adjourned the meeting at 2:50 PM. CSD's next board meeting date is a regular meeting to be held January 19, 2016.

Michele Menzies, CSD Clerk

Peter Kampa, General Manager

APPROVED BY:

Sue Russ, Board President

V/President_____

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