RESOLUTION NO. 26-01

Rolling Hills Community Services District

A Resolution of Intention to Establish Rolling Hills Community Services District Zone No. 1 to Authorize the Levy of a Special Tax to Pay the Costs of Certain Services Provided by the District within Zone No. 1

WHEREAS, the Rolling Hills Community Services District ("District") is authorized pursuant to Article XIII C of the California Constitution and California Government Code section 61121, 61141, and 50077 to levy a special tax, subject to approval by two-thirds (2/3) of the qualified electors voting on the measure; and

WHEREAS, the District is authorized by Government Code sections 61140 through 61144 to levy a special tax within specified areas of the District by forming a new zone to fund any service, any level of service, or any facility that the District may exercise in the District as a whole; and

WHEREAS, the Board of Directors ("Board") finds that additional, stable funding is necessary to maintain and improve District infrastructure and services, including but not limited to fire mitigation, roads, drainage, lighting, landscaping, parks, and related facilities, and safety improvements; and

WHEREAS, the District currently levies a District Improvement Assessment of $200 annually on all property within the District, and the Board intends that such assessment shall remain in full force and effect and unchanged, and that no action is being taken by this Resolution to modify, increase, replace, or repeal such assessment; and

WHEREAS, the current level of District Improvement Assessment has not changed since 1987, and the Board has determined that the amount is not sufficient to provide the stable funding necessary to maintain and provide District infrastructure and services, and that an additional funding source is needed; and

WHEREAS, the Sierramonte subdivision of the District is a gated community that maintains its own internal infrastructure through a homeowners' association and funds the maintenance and improvement of private infrastructure within the neighborhood through dues paid to its homeowners' association, reducing the District's need for additional funding. The District's funding needs are therefore limited to the portions of the District that exclude the Sierramonte subdivision; and

WHEREAS, the Board desires to submit to the voters a measure proposing the levy of a new special tax, which shall be in addition to the existing District Improvement Assessment; and

WHEREAS, the Board desires to adopt this resolution of intention as provided in section 61140 of the Government Code of the State of California to establish a zone within the District consisting of all territory within the jurisdictional boundaries of the District, excluding the Sierramonte subdivision, as described in **Exhibit A** hereto and incorporated herein by this reference, which the Board hereby determines shall be known as "Rolling Hills Community Services District Zone No. 1" ("Zone 1") pursuant to Government Code sections 61140 through 61144 and to levy a special tax within Zone 1 to provide additional funding to maintain and improve District facilities and services and to pay for the incidental expenses to be incurred in connection with forming and administering the Zone (the "Incidental Expenses"); and

WHEREAS, the Board of Directors has determined that the proposed special tax shall be in addition to the District Improvement Assessment. The District Improvement Assessment shall remain in effect regardless of whether voters approve or disapprove the special tax; and

WHEREAS, it is the intention of the Board to consider financing the costs of District services in Zone 1 through the formation of Zone 1 and the levy of a special tax to pay for the services and the Incidental Expenses (the "Special Tax"), provided that the Special Tax levy is approved at an election to be held within the boundaries of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Rolling Hills Community Services District as follows:

Section 1. The above recitals are true and correct.

Section 2. A zone is proposed to be established under the terms of the Government Code sections 61130 through 61144. It is further proposed that the boundaries of the zone shall be the legal boundaries of the Rolling Hills Community Services District excluding the area described in **Exhibit A** hereto, commonly referred to as the Sierramonte subdivision.

Section 3. The name of the proposed zone shall be "Rolling Hills Community Services District Zone No. 1."

Section 4.

(a) The services proposed to be provided within Zone 1 are existing District services provided within Zone 1 but that cannot be sustained without additional revenue, including but not limited to fire protection, roads, drainage, lighting, landscaping, and parks. The Special Tax is proposed to be levied in the amount of two hundred and fifty dollars ($250) per parcel within Zone 1 annually, adjusted annually for inflation by no more than three percent (3%), which is anticipated to generate an additional $87,250 in revenue to maintain and improve District facilities and services within Zone 1.

(b) The Board hereby finds and determines that the description of the services herein is sufficiently informative to allow taxpayers within the proposed Zone 1 to understand what the funds of Zone 1 may be used to finance. The Incidental Expenses expected to be incurred include the costs of forming Zone 1 and annually collecting and administering the Special Tax within the proposed Zone 1.

(c) If approved by District voters, the Special Tax shall be collected by the County of El Dorado with and at the same time, in the same manner, and subject to the same penalties as collection of the *ad valorem* property tax.

(d) Revenue from the Special Tax shall be placed into a separate account. Funds in the account shall be used only for the purpose of maintaining and improving District facilities and services within Zone 1. The District's chief financial officers shall annually file a report with Board contain both the amount of funds collected and expended and the status of any project required or authorized to be funded by the Special Tax.

Section 5. A public hearing (the "Hearing") on the establishment of the proposed Zone 1 and the proposed rate of the Special Tax shall be held at 7:00 p.m., or as soon thereafter as practicable, on June 16, 2026, at the Patra Corp Conference Center, 4207 Town Center Blvd., Bldg. A, Suite 100, El Dorado Hills, CA 95762. Should the Board determine to form Zone 1 and levy the Special Tax, an election will be held to authorize the creation of Zone 1 and the levy of the Special Tax in accordance with the procedures contained in Government Code sections 61141 and 50077 and other applicable laws. If held, the proposed voting procedure at the election will be by registered voters residing in the District.

Section 6.

(a) A t the time and place set forth above for the Hearing, the Board will receive testimony as to whether the proposed Zone 1 shall be established and as to the Special Tax and shall hear and consider any protests to the formation of Zone 1.

(b) If, at the conclusion of the Hearing, the Board determines either (1) that more than 50 percent of the total number of voters residing within the proposed Zone 1 have filed written objections to the formation, or (2) that property owners who own more than 50 percent of the assessed value of all taxable property in the proposed Zone 1 have filed written objections to the formation, then the Board shall terminate the proceedings. If the board of directors determines that the written objections have been filed by 50 percent or less of those voters or property owners who own 50 percent or less than the assessed value of all taxable property, then the Board may proceed to form Zone 1.

(c) Written objections from voters or owners of property within the proposed Zone 1 will be accepted until the Hearing is closed. Only one written protest will be accepted for each property within the proposed Zone 1. Property owners may be asked to provide evidence that they are the owner of record of the property for which they are submitting a written protest. Voters may be asked to provide evidence that they are registered to voter within the proposed Zone 1. Only written protests will be accepted. All written protests must be actually received prior to the close of the Hearing.

Section 7. The District Clerk is hereby directed to publish a notice (the "Notice") of the Hearing pursuant to Section 6061 of the Government Code in a newspaper of general circulation published in the area of the proposed Zone 1. The District Clerk is further directed to mail the Notice to all owners of property within the proposed Zone at least 20 days before the date of the Hearing and to post the notice in at least three public places within the territory of Zone 1. The Notice shall contain the text or a summary of this Resolution, the time and place of the Hearing, a statement that the testimony of all interested persons or taxpayers will be heard, a description of the protest rights of the registered voters and property owners in the proposed Zone 1 and that if there is not a majority protest against the formation of Zone 1 and the levy of the Special Tax, an election shall be held on the formation of Zone 1 and the levy of the Special Tax at the election to be held within the District on November 3, 2026.

Section 8. This Resolution shall be effective upon its adoption.

PASSED AND ADOPTED by the Board of Directors of the Rolling Hills Community Services District on May 19, 2026, by the following vote:

AYES: Grava, Collette, Gagetta, and Kmiec
NOES: None
ABSENT: None
ABSTAIN: None

William Grava, President
Rolling Hills Community Services District

ATTEST:

Linda Stone, District Clerk

EXHIBIT A

PARCEL NUMBER 1

All that certain real property situated, lying and being in the County of El Dorado, State of California, more particularity described as follows:

Those portions of Section 10, 11, 14 and 15 Township 9 North, Range 8 East, MDB&M, described as follows:

Beginning at a point on the Northerly side of that County road known as White Rock Road (formally Old State Highway) from which the Northwest corner of Section 14, T9N, R8E, MDM bears (next 2 courses) South 43°11'52" East 60.00 feet to a 6" x 6" concrete highway monument with ¼ steel rod in center; thence North 76°45'35" West 795.43 feet to a 1-1/2" iron pipe with a brass tag stamped "L.S. 2651"; thence from said point of beginning along the North boundary of White Rock Road North 46°48'08" East 715.90 feet; thence leaving said road North 29°31'16" West 2615.53 feet to a 2" capped iron pipe monument stamped "L.S. 3185, ¼ corner", marking the Northwest corner of the Southwest ¼ corner of said Section 11; thence North 00°48'00" West 357.57 feet to a 2" capped iron pipe stamped "L.S. 3185"; thence North 29°25'30" West 219.90 feet to the South boundary of U.S. Highway Route 50; thence along said Southerly line the following eight crosses and distances, to a 6" x 6" concrete highway monument at the end of each course;

South 66°25'30" West 540.31 feet; South 23°34'30" East 20.00 feet;
South 66°25'30" West 449.95 feet; South 23°37'00" East 10.00 feet;
South 66°23'00" West 600.00 feet; South 23°37'00" East 20.00 feet;
South 66°23'00" West 400.00 feet; South 23°37'00" East 20.00 feet;
thence South 66°23'00" West 405.72 feet; thence South 18°10'50" East 5539.45 feet; thence South 18°14'55" East 81.34 feet to a 6" x 6" concrete highway monument on the Northwesterly boundary of White Rock Road (formally Old State Highway); thence along the Northwesterly line of White Rock Road North 32°32'56" East 155.91 feet to a 6" x 6" concrete highway monument; thence North 31°51'58" East 150.40 feet to a 2" capped iron pipe stamped "L.S. 3185" on the Northwesterly line of White Rock Road thence along the Westerly line of said White Rock Road curving to the left on an arc of 970.00 feet radius said arc being subtended by a chord bearing North 26°46'29" East 92.35 feet; North 22°02'46" East 2695.39 feet; curving to the right on an arc of 430.00 feet radius, said arc being subtended by a chord bearing North 34°25'27" East 184.35 feet to the point of beginning.