

GREENHORN CREEK COMMUNITY SERVICES DISTRICT
MINUTES OF THE BOARD OF DIRECTORS
MARCH 20, 2008

A meeting of the Board of Directors of the Greenhorn Creek Community Services District was held on March 20, 2008, at the Greenhorn fire station. Persons in attendance included:

Board Members: Susan Lake, Candy Miller, Roy Mills, Brian Morris
District Staff: Roy Carter, Susan Scarlett, Carl McDonald, Tim Mannies

1. Approval of Minutes

Upon a motion made by Candy Miller, seconded by Susan Lake, and unanimously carried, the minutes from the meeting of February 20, 2008, were approved as revised.

2. Public Comment Opportunity

No public comments were received.

3. Finance Report

Susan Scarlett presented the monthly financial report. As of March 19, Water Department revenue was \$77,865 and expenditures were \$67,060; Fire Department revenue was \$14,406 and expenditures were \$13,378; cash on hand was \$254,204.

Ms. Scarlett presented the Accounts Receivable Aging Report and reported on ongoing collections efforts. Upon a motion made by Candy Miller, seconded by Susan Lake, and unanimously carried, the Board directed Ms. Scarlett to provide mailed notice of disconnection for delinquent accounts at the same time a 10-day shut-off notice is left on the door of a residence.

A letter was presented to the Board regarding the current policy of starting billing for water service when a will-serve letter is issued. It was the consensus of the Board to consider an ordinance that would start billing for water service at the time of connection to the system and require connection before the beginning of any construction.

Roy Carter was asked to research whether the District's crime policy and fidelity bond extend to Susan Scarlett as an independent contractor of the District.

Ms. Scarlett reported that the District needed to adopt a budget by June 30 and proposed submitting a draft budget at the April meeting, scheduling a public hearing for the May meeting, and adopting the budget at the June meeting. Brian Morris was asked to verify the procedures and timeline for adoption of the budget.

4. Water System Report

Roy Carter reported that water use was running about 35,500 gallons per day compared to 38,000 gallons per day last year. Lead, copper, and arsenic tests are due to the Health Department, and there is a new requirement to test for perchlorate. The District's new lab is Fruit Growers Ltd. Environmental, and they are providing quick turnaround on water tests and billings.

Mr. Carter reported that he had finished most of the red-lined revisions to the bid package for the Phase 1 water system work and that all of the paperwork had been submitted to USDA for approval of the loan for Phase 2 work.

Brian Morris reviewed the USDA Letter of Conditions with the Board and reported that the most immediate need was to obtain legal services that are required as a condition of the loan. Mr. Morris will bring a recommendation to the Board at the April meeting.

Mr. Morris presented a grant announcement to the Board for water use efficiency grants from the California Department of Water Resources. Among the projects eligible for grant funding is retrofitting existing service connections with water meters. Mr. Morris and Mr. Carter will work on the grant application and return to the Board in April. Concept proposals must be submitted to the Department of Water Resources by April 29.

Mr. Morris reported to the Board on procedures for disconnecting water service for non-payment and addressing theft of services following disconnection. District Resolution 77-1 authorizes water service to be disconnected upon five days written notice when payment is not made within 15 days of presentation of the bill. All bills that are due, as well as a reconnection charge, must be paid before water service is reconnected. In practice, the District's quarterly billing cycle and disconnection policy give customers 90 days before an account is delinquent and 10 days written notice before disconnection.

Following discussion, upon a motion made by Roy Mills, seconded by Susan Lake, and unanimously carried, the Board directed Mr. Morris to draft an ordinance for the Board's consideration to address theft of services, including provisions to install a lock-out on a service connection and add the charge for the lock-out to the outstanding bill.

5. Fire Department Report

Tim Mannies reported that three people attended the last Fire Department meeting. Carl McDonald reported that five firefighters finished first responder training at the end of March and that fire department training was scheduled for every Saturday from April 5 to May 3.

6. District Communications

Bulletin Board. The Board discussed whether the existing bulletin board should be refurbished instead of constructing an entirely new one. Upon a motion made by Susan Lake, seconded by Candy Miller, and unanimously carried, the Board directed

Mr. Carter to come back to the board with a cost estimate to refurbish the bulletin board with new paint and corkboard and a locking Lexan cover on a portion of the board.

Community Meeting. Susan Lake reported that she prepared a flyer for the April 19 pot luck and community meeting that would be included with the mailing of the water bills on April 1. Roy Carter reported that he would have handouts available at the meeting on water conservation and landscaping.

7. Transition Issues

Board Vacancy. Brian Morris reported that there were no applicants for the vacancy on the board of directors.

8. Adjournment

The meeting adjourned at 8:50 p.m. The next meeting is scheduled for Saturday, April 19 at 2:30 p.m.

I, Brian L. Morris, Secretary of the Board of Directors, certify that the foregoing minutes of the Greenhorn Creek Community Services District Board of Directors are correct as recorded.

/s/ Brian L. Morris

Brian L. Morris, Secretary