

GREENHORN CREEK COMMUNITY SERVICES DISTRICT
MINUTES OF THE BOARD OF DIRECTORS
October 16, 2008

A meeting of the Board of Directors of the Greenhorn Creek Community Services District was held on October 16, 2008, at the Greenhorn fire station. Persons in attendance included:

Board Members: Susan Lake, Candy Miller, Roy Mills, Brian Morris
District Staff and Volunteers: Roy Carter, Susan Scarlett

1. Approval of Minutes

Upon a motion made by Candy Miller, seconded by Susan Lake, and unanimously approved, the minutes from the meeting of September 18, 2008, were approved as presented.

Candy Miller raised the point that any time a document is presented at a board meeting, copies should be provided for all board members and staff. Following discussion, upon a motion made by Mrs. Miller, seconded by Brian Morris, and unanimously approved, the board agreed that any time a document is presented at a board meeting, copies should be available for everyone in attendance.

2. Public Comment Opportunity

There were no comments from the public.

3. Finance Report

Susan Scarlett presented the monthly financial report. As of October 12, Water Department revenue was \$39,924 and expenditures were \$23,688. Fire Department revenue was \$0 and expenditures were \$10,012. Cash on hand was \$277,998. Ms. Scarlett reported that the annual report to the State Controller had been submitted.

Brian Morris presented a draft Identity Theft Prevention Policy. Mr. Morris stated that all entities, such as public utilities, that extend credit to customers were required to have such a policy in place. The proposed policy was derived from a sample provided by Susan Scarlett, which had been adopted by the City of Portola. Following discussion, upon a motion made by Susan Lake, seconded by Roy Mills, and unanimously approved, the board adopted the Identity Theft Prevention Policy.

4. Road Maintenance

Mr. Morris presented amendments to the proposed Road Maintenance Agreement between the CSD and the two Greenhorn road associations. Additions and revisions to the agreement were suggested by Susan Scarlett and by David Luddington, the attorney for the Unit 2 Road Association. Following discussion, upon a motion made by Brian Morris, seconded by Candy Miller, and unanimously approved, the board

approved the Road Maintenance Agreement as revised, with initial contributions of \$20,000 from each road association and an effective date to be filled in by the General Manager when the two road associations have approved the agreement and are ready for the CSD to administer road maintenance.

5. Water System Report

Mr. Carter reported that water use in August was up to 111,000 gallons per day, which was a 5,000 gallon increase over 2007. Water use in September continued to be high at 94,000 gallons per day, without the expected seasonal drop in usage. However, for October, usage was back down to about 60,000 gallons per day.

Mr. Carter reported that three contractors has looked at the bid package for the Phase 1 water system improvements, but only one bid was submitted. The bid was about 50 percent higher than the engineers estimate and the money budgeted for the project. Mr. Carter stated that one option was to revise the scope of work to bring the project back in line with the budget, primarily by removing work on the air release valves. The project would still include required chlorination, well rehabilitation, and control systems. Upon a motion made by Roy Mills, seconded by Brian Morris, and unanimously approved, the board authorized the General Manager to work with the contractor to revise the scope of the project to meet the available budget.

Mr. Carter stated that if negotiations with the contractor were unsuccessful, the project would be re-bid.

6. Fire Department Report

Mr. Carter reported that the Fire Department had responded to two medical calls and conducted a training and maintenance day for all self-contained breathing apparatus. A tailgate meeting was conducted on September 24 with one employee present.

7. Adjournment

The meeting adjourned at 8:15 p.m. The next meeting is scheduled for Thursday, November 20, at 7:00 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