

**GREENHORN CREEK COMMUNITY SERVICES DISTRICT  
MINUTES OF THE BOARD OF DIRECTORS**

**June 17, 2010**

A meeting of the Board of Directors of the Greenhorn Creek Community Services District was held on June 17, 2010, at the Greenhorn fire station. Persons in attendance included:

Board Members: Susan Lake, Candy Miller, Brian Morris

District Staff and Volunteers: Roy Carter, Susan Scarlett, David Schmid

5 members of the public

**1. Approval of Minutes**

Upon a motion made by Candy Miller, seconded by Brian Morris, and unanimously approved, the minutes from regular meeting on May 20, 2010, were approved as presented. Upon a motion made by Candy Miller, seconded by Brian Morris, and unanimously approved, the minutes from special meeting on June 1, 2010, were approved as presented.

**2. Public Comment Opportunity**

There was no public comment.

**3. Finance Report**

Susan Scarlett presented the financial report. As of June 15, cash on hand was \$258,123, including \$25,949 in a construction account for the water tank. Water Department expenses through June 15 were \$103,827 and income was \$131,512. Fire Department expenses were \$17,533 and income was \$13,008. Upon a motion made by Brian Morris, seconded by Candy Miller, and unanimously approved, the Board accepted and filed the monthly finance report.

Susan Lake opened the public hearing on the proposed budget for fiscal year 2010-2011. Mr. Jarvi suggested that a document be added to the CSD's website explaining the various line items in the CSD's budget, since a number of them were not readily understandable. It was the consensus of the Board that this suggestion was a good idea and that the requested information should be made available. Roy Carter provided an overview of the budgets for the water, fire, and road departments, explaining that the Community Services District belongs to all the members of the community and that the budget is based on what the people are willing to pay for the level of services they want to receive. Mrs. Lake closed the public hearing. Upon a motion made by Candy Miller, seconded by Brian Morris, and unanimously carried, the Board adopted the budget for fiscal year 2010-2011 as it had been proposed. Upon a motion made by Brian Morris, seconded by Candy Miller, and unanimously approved,

the Board adopted **Resolution 2010-7458**, establishing an appropriations limit of \$84,598.72 for fiscal year 2010-2011.

Peter Brunel addressed the Board regarding a 10-day shutoff notice he received due to a past-due account. Mr. Brunel reviewed the state of the economy and the construction industry over the past few years and objected to being charged for water service based on the date his will-serve letter was issued even though he had not established a physical connection to the water system. Mr. Carter reviewed the District's policies regarding water connections and water service, including the requirement to pay for monthly water service beginning when a will-serve letter is issued, which was implemented at the time the District established a capital facility fee for new construction. Mrs. Lake stated that she had discussed this issue with Mr. Brunel at the time he obtained his will-serve letter, which was immediately before the capital facility fee took effect. Mr. Morris informed Mr. Brunel that he had the option to surrender his will-serve letter, pay the annual standby fees that had not been charged on his property, and then pay the new capital facility fee at the time he desired to have a new will-serve letter. Another alternative was for the District to continue to maintain a lien on the property and recovery the unpaid charges at the time the property is sold. The discussion continued at length in a repetitive pattern with no resolution.

The Board tabled discussion regarding the District's use of a collection company until the next meeting. Mr. Jarvi suggested that the Board initiate small claims actions against the overdue accounts, which he had found to be a successful method of encouraging payments in the past.

#### **4. Water Department**

Roy Carter reported that there had been two leaks to repair, all water quality tests had been positive, and that he had completed firesafe work around all the District's facilities.

Mr. Carter is working with Shaw Engineering and the District's attorney to negotiate a change order that will allow Phase 1 water system work to resume. The Board will hold a special meeting to consider approval as soon as a change order can be negotiated.

For the Phase 2 project, the new water tank has been constructed at the top of Summit Trail and is in the process of being coated and painted. The water tank project should be complete in July.

#### **5. Fire Department Report**

Assistant Fire Chief David Schmid reported that there were five calls during the previous month. One of the calls was a small brush fire on the south side of the railroad tracks which had been ignited in the railroad bed.

#### **6. Road Maintenance**

Roy Carter reported that work had been done with the grader to repair culverts in both units, and the roads had been watered and dust-coated.

**7. General Matters**

The Board scheduled the annual community meeting and potluck for 12:00 noon on Saturday, July 24 at the Fire Station.

**8. Closed Session**

The Board met in closed session to discuss potential litigation on two cases. No action was taken by the Board in closed session.

**9. Adjournment**

The meeting adjourned at 7:52 p.m. The next meeting is scheduled for Thursday, July 15 at the fire station.

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

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Brian L. Morris, Secretary