

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

October 21, 2010

A meeting of the Board of Directors of the Greenhorn Creek Community Services District was held on October 21, 2010, at the Greenhorn fire station. Persons in attendance included:

Board Members: Susan Lake, Candy Miller, Brian Morris, Marlynn Jordan,
David Schmid

District Staff and Volunteers: Roy Carter, Carl McDonald, Susan Scarlett

No 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 the regular meeting on September 16, 2010, were approved as presented.

2. Public Comment Opportunity

There was no public comment.

3. Appointments

Upon a motion made by Brian Morris, seconded by Candy Miller, and unanimously approved, the Board appointed David Schmid to the vacancy on the Board created by the resignation of Roy Mills. Mr. Schmid will serve for the remainder of Mr. Mills' term and the seat will be up for election in 2011 for a four year term.

Upon a motion made by Brian Morris, seconded by Candy Miller, and unanimously approved, the Board appointed Marlynn Jordan to the seat on the Board that has been vacant since the District became independent in 2007. Ms. Jordan will serve until the next district election in 2011, at which time there will be an election to fill the remaining two years of the seat's term until 2013. In 2013, the seat will be subject to election for a regular four-year term.

Brian Morris administered the oath of office to the two new board members.

<u>Board Member</u>	<u>Term of Seat</u>
Susan Lake	2009-2013
Marlynn Jordan	2009-2013 (subject to election in 2011 for final two years)
Candy Miller	2007-2011
Brian Morris	2007-2011
David Schmid	2007-2011

4. Finance Report

Susan Scarlett presented the financial report. As of October 18, cash on hand was \$170,374. Water Department expenses were \$36,412 and income was \$51,340. Fire Department expenses were \$6,285 and income was \$0.00. Upon a motion made by Candy Miller, seconded by Brian Morris, and unanimously approved, the Board accepted and filed the monthly finance report.

The Board reviewed the annual audit from the outside auditor. The only prior-year recommendation that was carried over was to design a form to record donations to the fire department. It was noted that the fire department now has such a form, which had been created after the audit was completed. The only new recommendation was a note that it was desirable to have separate accounting and managers for the CSD and the fire department auxiliary. The Board noted that the accounting for the two entities is separate, and the only commonality is the fire chief himself. The fire chief may be removed as a signatory on the auxiliary's bank account to create a complete separation of roles.

The audit noted that the CSD's staff has done a good job in maintaining accurate records and safeguarding CSD assets. Upon a motion made by Brian Morris, seconded by Candy Miller, and unanimously approved, the Board accepted and filed the audit for fiscal year 2009-2010.

Susan Scarlett presented a proposed policy and procedure for collecting on delinquent accounts. Following discussion, upon a motion made by Brian Morris, seconded by Candy Miller, and unanimously approved, the Board adopted the Greenhorn CSD Collection Policy and Procedures. Roy Carter reported that he was in the process of initiating actions in small claims court for the worst Road Association accounts.

5. Water Department

Roy Carter reported that a notice of completion had been recorded on the water tank project. There are project funds remaining available, and Mr. Carter requested approval of a change order with Wilburn Construction to add road base at the water tank site. Upon a motion made by Susan Lake, seconded by Brian Morris, and unanimously approved, the Board approved Change Order 3 with Wilburn Construction.

For the water meter project, the latest subcontractor quit after installing seven meters in four days, bringing the total number of meters installed to 25. The project is past the contract completion date, and the CSD's attorney sent a letter providing notification of default and requesting a meeting with the contractor and bonding company.

6. Fire Department Report

Fire Chief Carl McDonald reported that four volunteers attended the monthly training. There was a medical call to respond to a car accident, and for the first time in 20 years there were no medical responders available from the Fire Department. The medical

response was provided by Plumas District Hospital. The Fire Department continues to need volunteers who are available during the daytime.

Upon a motion made by Brian Morris, seconded by Candy Miller, and unanimously approved, the Board designated the CSD board of directors as the Firewise board for the Greenhorn community, with the exception of any CSD board members who are members of the Fire Department.

7. Road Maintenance

Roy Carter reported that he was preparing for winter with maintenance work on the road grader. The Plumas County Road Department is auctioning two surplus snowplows, and Mr. Carter is investigating whether either one of them would be a good investment.

8. Adjournment

The meeting adjourned at 7:50 p.m. The next meeting is scheduled for Thursday, November 18, 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

Brian L. Morris, Secretary