

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

November 17, 2011

A meeting of the Board of Directors of the Greenhorn Creek Community Services District was held on November 17, 2011, at the Greenhorn fire station. Persons in attendance included:

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

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

Two members of the public

1. Approval of Minutes

Upon a motion made by David Schmid, seconded by Candy Miller, and unanimously approved, the minutes from the regular meeting on October 13, 2011, were approved as presented.

2. Public Comment Opportunity

There was no public comment.

3. Finance Report

Susan Scarlett presented the financial report. As of November 14, cash on hand was \$160,983. Water Department expenses were \$50,159 and income was \$52,476. Fire Department expenses were \$6,143 and income was \$0. Upon a motion made by Brian Morris, seconded by David Schmid, and unanimously approved, the Board accepted and filed the monthly finance report.

Susan Scarlett reported on the results of new efforts to reduce accounts receivable. For the Water Department, on October 17 eighteen 10-day shutoff notices were issued. Five of those accounts paid in full; nine made payments; two promised to pay but did not do so; and two did not respond. On November 1, four 48-hour shutoff notices were delivered. One of those accounts paid in full. At the beginning of October there was nearly \$20,000 in receivables that were aged more than 90 days. As of November 9, receivables over 90 days old had been reduced to just over \$10,000.

For Unit 1 Road Association, seven liens were recorded against 12 lots, in addition to eight liens that were previously filed. One case is currently in small claims court, with the next hearing scheduled for November 18. Another case is ready to be filed on another account.

For Unit 2 Road Association, eighteen liens were records against 21 lots, in addition to 14 liens that were previously filed. There is one case in small claims court with a hearing date of January 6.

Susan Scarlett presented the independent auditor's report for the year ending June 30, 2011. The District received a clean audit. The only recommendation was for management to be more aggressive in collection efforts to attempt to reduce accounts receivable. The auditor noted that the accounts receivable should be helped by installation of water meters, which will allow shutoff notices to be enforced uniformly. Upon a motion made by Marlynn Jordan and seconded by David Schmid, the Board accepted and filed the annual audit.

Roy Carter reported that a resident had approached him regarding the possible purchase of one of the lots owned by the District. Following discussion, it was the consensus of the Board that real estate prices are too low and the District does not have an immediate need for revenue from lot sales. The District does not have a sinking fund or long-term capital improvement plan, and the lots are currently the only asset that might fund repair and replacement of infrastructure.

4. Water Department

Roy Carter reported that Well No. 2 was successfully re-piped, but the water test following the work was positive for total coliform. The well was re-tested and the results are pending.

Mr. Carter reported that water meter installation was nearly complete in Unit 2. The surety has offered the District \$75,000 to close out claims against the first contractor. The District's engineer recommended that the claim remain open until work is completed and final costs are determined.

Mr. Carter held a final meeting with the U.S. Department of Agriculture representative to close out the water tank project. USDA is very pleased with the outcome of the project. The project was completed \$15,000 under budget, and the savings will reduce the principle on the \$250,000 loan that was issued to the District.

5. Fire Department Report

Fire Chief David Schmid thanked Carl McDonald for his many years of service to the Fire Department. During the month, the Fire Department responded to two medical calls and one propane leak, which required the evacuation of some homes on Pine Cone Trail and Greenhorn Road.

With his official retirement, Carl McDonald will no longer be responding to calls. The Fire Department's engineer/mechanic has also resigned, so the department is down to seven members and is actively recruiting volunteers.

Candy Miller stated her concerns with non-biomass materials being dumped at the community burn pile, including pallets, carpet, cardboard, and nails. Roy Carter stated that a sign was needed saying "No Construction Debris." Candy Miller asked that a notice from the Fire Chief be included in the water bills to explain what type of material was appropriate to leave at the burn pile.

The Board considered a request from community members to make the Fire Department's wood chipper available for use. Following discussion, upon a motion made by Candy Miller, seconded by David Schmid, and unanimously approved, the Board agreed it would be District policy that the wood chipper is not available for use by residents and may only be used by District personnel or members of the Fire Department.

David Schmid reported that a resident had contacted the Quincy Fire Department with concerns about a wood stove being used in a travel trailer. Roy Carter reported that he made contact with the property owner and that progress is being made on building a house. A septic system has been installed and water and power are in progress. Mr. Schmid contacted the Plumas County Building Department and will seek advice from the Quincy fire chief.

The Board reviewed the District's fire fuel ordinance and determined that it was consistent with the state law standards in Public Resources Code section 4290. The Board agreed that further review was needed regarding authority to conduct fuel reduction when a property is not in safe condition and is a threat to homes located within 100 feet.

6. Road Department

Roy Carter reported that he needed tire chains for the new snowplow and had just received a quote of \$299 for basic chains or \$711 for commercial-quality chains. With snow in the forecast, Mr. Carter requested that an item be added to the agenda to authorize him to purchase the chains. Upon a motion made by Candy Miller, seconded by Brian Morris, and unanimously approved, the Board determined that the quote for chains had been received after the agenda was posted and that action was needed before the next regular meeting, and the Board agreed to add this item to the agenda.

Following discussion, upon a motion made by David Schmid, seconded by Brian Morris, and unanimously approved, the Board authorized the General Manager to purchase the commercial-quality tire chains.

7. Adjournment

The meeting adjourned at 8:40 p.m. The next meeting is scheduled for Thursday, December 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

Brian L. Morris, Secretary