

TWIN HARTE COMMUNITY SERVICES DISTRICT
Board of Directors Meeting
August 11, 2011

DIRECTORS PRESENT: Gordon Molloy, Packy Maxwell, Jim Johnson, Richard Knudson and Wes Jordan

DIRECTORS ABSENT: None

ADMINISTRATIVE STAFF PRESENT: General Manager Moody, Board Secretary Lawton,
Operations Manager Perry

This meeting is recorded.

CALL TO ORDER: President Molloy called the meeting to order at 9:00 am. He indicated that Scot Moody, General Manager, would like to clarify some information before the Public Comment period. Scot indicated that he misspoke at the Public Hearing with regard to the difference between TUD's rates and ours. Our rate is currently \$8 more than TUD's per month, but that will undoubtedly be changing in the near future. Scot also confirmed that while TUD says they have a senior discount, it really is a conservation rate that is figured on a 12-month cycle and applied if the customer stays below that amount. TUD is also looking at this and may change it in the future.

PUBLIC COMMENT ON NON-AGENDIZED ITEMS:

Sandy Asquith: Questioned what the additional charge is for commercial customers that was mentioned previously. Also, suggested we're asking too much for Vantage Point land. Asked if Meadow Lane land is on the market.

Diane Dunigan: Issue with information about money borrowed from Water Fund for Fire; likes Water and Fire employees-questions about management and board. Also, board should go back and look at Mission Statement and consider TUD taking over.

COMMUNICATIONS: Commendation letter from Lee Allendorf regarding the tennis courts.

CONSENT AGENDA:

- A. Approval of financial statement through July 31, 2011 and approval of the minutes of the Regular and Special Meetings of July 14, 2011 and the Special Meeting of July 26, 2011.

MOTION: Maxwell; SECOND: Jordan; AYES: All

OLD BUSINESS:

- A. Discussion/action to approve Resolution #11-19, a Resolution Setting Forth the Rates and Charges for Water and Sewer Service and For New Water and Sewer connections and Certain Miscellaneous Fees. Director Johnson asked if rate increase would affect all existing connection fees; Scot responded it will only affect monthly water base rate. Director Johnson indicated that the Finance Committee had originally proposed a higher rate increase; but over the past 4 months they slashed it significantly to develop a cost increase that is at the lowest possible rate. The revenue from the rate increase will be \$95K; amount needed for infrastructure improvements is \$105K. The difference will come from reserves. Increased revenue will all be applied to capital improvements; not monthly maintenance fees.

INTRODUCTION: Maxwell; MOTION: Jordan; SECOND: Knudson; AYES: Roll call=All

NEW BUSINESS:

- A. Discussion/action to approve Resolution #11-20, A Resolution Appointing the Position of General Manager as the Treasurer of the Board of Directors.

INTRODUCTION: Maxwell; MOTION: Johnson; SECOND: Molloy; AYES: Roll call=All

- B. Discussion/action to approve Resolution #11-21, A Resolution Appointing the Position of Customer Service Representative as the Secretary of the Board of Directors.
INTRODUCTION: Maxwell; MOTION: Johnson; SECOND: Jordan; AYES: Roll call=All
- C. Discussion/action to approve Resolution #11-22, A Depository Services Resolution for Governmental Entities.
INTRODUCTION: Maxwell; MOTION: Johnson; SECOND: Jordan; AYES: Roll call=All
- D. Discussion/action to approve Resolution #11-23, A Resolution Authorizing Investment Monies in the Local Agency Investment Fund.
INTRODUCTION: Maxwell; MOTION: Johnson; SECOND: Jordan; AYES: Roll call=All
- E. Discussion regarding changing the Board Meeting minutes to reflect action-only outcome.
MOTION: Johnson; SECOND: Molloy; AYES: All
- F. Discussion/action regarding District-owned vacant lot on Ridge Road. Motion made by Maxwell was then withdrawn due to information provided by neighboring property owner that a split or adjustment may need to be made to the lot lines to accommodate easement before he could consider making an offer. This may significantly change the fair market price. Scot to contact our attorneys with regard to this property.
- G. Discussion/action regarding the authorization to finance (five year term @ 3.48%) a new sewer camera system from SSMP reserves (purchase price \$62,423.64). Scot indicated that we have \$107,000 in reserves currently for this and are paying a contractor to TV the lines, which has already cost us \$28,000. We will recoup the cost of purchasing the sewer camera in 2 ½ years.
MOTION: Johnson; SECOND: Knudson; AYES: All
- H. Discussion/action regarding future manning levels in the Fire Department. No action taken. Scot Moody presented 3 options: appoint interim Admin. Captain as acting Fire Chief; hire part-time Fire Chief; hire full time Fire Chief that could be part of succession plan for General Manager position, as well. Director Johnson asked staff for cost analysis between full and part time position and to have this be part of September workshop discussion.

The Board of Directors convened to closed session at: 10:55 am.

CLOSED SESSION:

- A. With respect to every item of business to be discussed in closed session pursuant to Section 54957.6: Conference with Labor Negotiator, Agency designated representative: General Manager, Scot Moody.
- B. With respect to every item of business to be discussed in closed session pursuant to Section 54957 (b) (1): Personnel.

THCSD Minutes of August 11, 2011

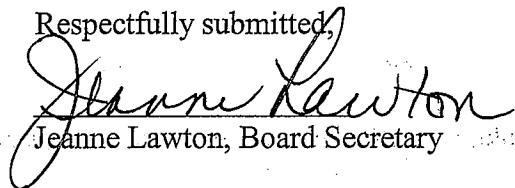
The Board of Directors reconvened to open session at 10:55 am.

- A. September Committee meetings will be moved to August 30 from September 6, 2011.
- B. No action taken.

Adjournment

The Regular Meeting was adjourned at: 11:14 am.

Respectfully submitted,


Jeanne Lawton, Board Secretary

APPROVED:


Gordon Molloy, President