

Draft
SADDLE CREEK COMMUNITY SERVICES DISTRICT
MINUTES FOR THE MEETING OF THE BOARD OF DIRECTORS

September 21, 2010

CALL TO ORDER

The Saddle Creek Community Services District (CSD) Board of Directors held their monthly meeting on Tuesday September 21, 2010. President Robinson called the meeting to order at 2:00 PM in the Member Lounge and led Directors and staff in the Pledge of Allegiance.

ROLL CALL: Roll call indicated the following directors were present:

President:	Charles Robinson
Vice-President:	Steve Marsden
Secretary:	Darlene DeBaldo
Director	Sue Russ

Roll call indicated the following directors were absent:

Director	Bob Kenyon
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Staff: The following staff members were present:

General Manager:	Charles Martin
Site Manager:	Greg Hebard
Acting Clerk:	Vicki Robinson

Public:	Castle & Cooke	Dave Haley
	Castle & Cooke	Paul Stein
	JS West	Dana Mayo
	District Auditor	Larry Bain

APPROVAL OF MINUTES:

M/ by Director Russ and S/ by Director Marsden to approve the minutes of the August 17, 2010. M/ passed unanimously.

CHANGES TO THE ORDER OF AGENDA:

None suggested.

PUBLIC COMMENT:

None.

CONSENT CALENDAR: Consent Calendar items are considered routine and will be acted upon by one motion. There will be no separate discussion of these items unless a member of the Board, Staff or a member of the public requests specific items to be set aside for separate action.

- a. M/ by Director Marsden and S/ by Director Russ to move approval of expenditures incurred by the district during the month of September. M/ passed unanimously.

CORRESPONDENCE: (Board will briefly address/respond/refer)

None.

OLD BUSINESS

- a. INFORMATION ITEM/DISCUSSION: During the August 21, 2010 meeting a discussion was held on the August 2, 2010 incident where a propane line was damaged by a builder. Board members requested that this matter be revisited at the August 21, 2010 meeting and that Dana Mayo, General Manager of JS West & Symons Propane, be asked to attend and brief the Board on the company's policy for dealing with such incidents. A letter was sent to General Manager Mayo advising him of the Boards request.

Mr. Mayo stated that all valves have been located, relative to known landmarks, and that within 30 days books containing the maps will be distributed to the District, Fire Department and to Mr. Haley.

Mr. Mayo suggested a proactive approach of having builders notify JS West prior to new excavation and contact USA North, a free utility locating service who will in turn work with local utility companies to identify valves and pipelines. Additionally, Mr. Mayo suggested the re-marking of valves, which are located in easements, to make them more visible.

GM Martin stated that the District has no land-use jurisdiction and thus no authority regarding the builders. As to the re-marking of the valves, Mr. Martin requested JS West submit a proposal for review.

Site Manager Hebard commented that he and his assistant have the tools necessary to turn off the valves and that reflectors have been placed on curbs to assist in locating the valves.

President Robinson requested that all JS West Supervisors/trucks have copies of the valve location maps. Mr. Mayo agreed to this request.

In response to Director Marden's question regarding pipe maintenance procedures, Mr. Mayo stated that all multi-meter properties are inspected twice a year (once more than required by the PUC) and that tests are also conducted for leaks around houses and above-ground meters.

In response to questions by Director DeBaldo, Mr. Mayo explained that JS West has an internal policy manual outlining their emergency response procedure, which includes contacting the Fire Department when a leak has been identified. The policy manual is given to all employees. The Fire Department had not been notified in the most recent incident, which revealed a breakdown in their internal processes. Mr. Mayo also stated JS West had not been notified of the first line break; they discovered it in an email notification from USA North.

Mr. Haley stated that Phase I, Copper Ridge, was the only phase to have issues with the depth of the gas lines. He committed to providing the Construction Rules, a contact list, and a set of procedures to property owners/builders.

NEW BUSINESS

- a. ACTION/SIMPLE MOTION: Board review and acceptance of the District's FY 2009 Audit. The District's Independent Auditor, CPA Larry Bain is scheduled to be present at the meeting to answer any questions Board Members may have.

Mr. Bain indicated that under new accounting rules, the date of the audit must be the date the auditor receives the material to be audited.

Mr. Bain reported that the audit was "clean." Accounting and controls are as good as can be expected given the size of the CSD staff. The net change in the CSD balance is positive and has increased at a reasonable rate.

President Robinson asked if the notation on the internal control regarding bill paying process was a result of the size of the accounting staff. Mr. Bain agreed stating that this particular issue could not be addressed unless additional staff was hired and re-iterated that the

existing controls are as good as can be expected given the size of the District Staff.

Mr. Bain noted that GASB Rule Statement 54, which is in effect for 2010, sets out new policies regarding reserves and classifications. The County can provide more information on the new Rule and boilerplate language.

In response to questioning by Director Russ, Mr. Bain stated that all recommendations from previous audits had been satisfactorily adopted by the District.

M/ by Director DeBaldo and S/ by Director Marsden to accept the District's FY 2009 Audit. M/ passed unanimously.

STAFF REPORTS

Site Manager: Mr. Hebard reported that, assuming the weather stays cool, the next dusting for mosquitoes planned for Thursday will likely be the last of the year. There will also be one additional larvae sighting. Mr. Hebard also reported that all ponds are completely full.

General Manager: GM Martin reported that the recent issues with the City of Bell had resulted in a flurry of legislative activity designed to force more transparency. Mr. Martin stated that the Districts' Budget including salary information is provided to the County and is available to the public. He expects that any legislative changes will have little or no impact on the District.

Mr. Martin reported that most of the Directors are due for the Sexual Harassment and Ethics Training and he will email the Directors with instructions. Mr. Lanzone will be contacted about conducting on-site training.

DIRECTORS REPORTS:

President Robinson – Mr. Robinson reported that he, GM Martin and Site Manager Hebard had been in contact regarding resolution of Golf Course watering issues.

V/President Marsden – None

Secretary DeBaldo – Mrs. DeBaldo asked if the letter to property owners regarding the CSD had been sent. GM Martin reported that the letter had been posted on the website and he will follow up with Phyllis Richards on the status of the letter mailing.

Director Russ – Mrs. Russ requested an updated Castle & Cooke (confidential) telephone contact list. Mr. Haley will provide the list to GM Martin for distribution to the Directors.

ADJOURNMENT – Having no further business, President Robinson adjourned the meeting at 2:45 PM. CSD's next board meeting date is October 19, 2010.

Vicki Robinson, Acting CSD Clerk

Charles Martin, General Manager

APPROVED BY:

Charlie Robinson, Board President

Darlene DeBaldo, Board Secretary

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