

**MINUTES OF THE REGULAR MEETING OF THE  
KINGSBURY GENERAL IMPROVEMENT DISTRICT BOARD OF TRUSTEES  
TUESDAY, JANUARY 12, 2010**

**CALL TO ORDER** – The meeting was called to order at the Kingsbury General Improvement District office located at 160 Pine Ridge Drive, Stateline, Nevada at 6:00p.m. by Chairperson Schussel.

**PLEDGE OF ALLEGIANCE** – Schussel led the pledge to the flag.

**ROLL CALL** – Present were Trustees Schussel, Hayes, Treanor, Barratt and Peck. Also present was General Counsel Scott Brooke, General Manager Cameron McKay, Business & Contracts Manager Michelle Runtzel and Operations Supervisor Eric Johnson. Present for a portion of the meeting was Brent Farr and Ralph of Farr West Engineering, residents James Beattie and Clint Purvance, and Jennifer Roman of JWA Consulting Engineers.

**PUBLIC COMMENT** – There was no public comment.

**ELECTION OF OFFICERS** -

**M-1/12/10-1** – Motion by Schussel, seconded Treanor and unanimously passed, Trustee Hayes is Chairman, Treanor Vice-Chairman, and Trustee Barratt is Secretary Treasurer for 2010.

**APPROVAL OF AGENDA**

**M-1/12/10-2** – Motion by Peck, seconded Barratt, and unanimously passed to approve the agenda as presented.

**APPROVAL OF CONSENT CALENDAR** –

**M-1/12/10-3** - Motion by Schussel, seconded Barratt, and unanimously passed to approve Consent Calendar Items as follows:

- C. Approval of Resource Concepts Inc proposal and fee schedule to design a revegetation plan for tank 10B at an estimated cost of \$2,100.00.

**CONSENT CALENDAR ITEMS BROUGHT FORWARD FOR DISCUSSION** - Hayes A & B, Minutes, Hayes recommends we look at different insurance carriers, not just agents. We will check the meeting tapes and revise if necessary. The GM and Runtzel recall that we talked about staying in the State Pool and looking at different agents. Hayes wanted us to look at different insurance companies as well. The GM didn't believe that was discussed.

**M-1/12/10-4** – Motion by Schussel, seconded Peck and unanimously passed to approve Consent Calendar Item A – Minutes of the Regular Meeting of December 14, 2009.

On the List of Claims, Hayes asks about check #44004 to MEI in the amount of \$61,875 and check #43929 to MEI in the amount of \$ 59,375 for snow removal contract advance. Runtzel explained that the initial advance on September 1 is \$25,000 and we came up with a way to enable us to make additional advances for the remaining \$275,000 for the minimum guarantee on the contract by prorating that amount over an eight-month period. Approximately \$34,000 is available to them each month in the event it doesn't snow much.

**M- 1/12/10-5** – Motion by Schussel, seconded Barratt and unanimously passed to approve Consent Calendar Item B - Claims in the amount of \$339,167.04 as represented on the List of Claims by check numbers 43877 through 44008

No one was present for Consent Item D.

**M-1/12/10-6** – Motion by Schussel, seconded Peck and unanimously passed to approve Consent Calendar Item D - Toll time to August 16, 2010 for Rancho Pacific Inc. to obtain a building permit on APN's 1319-19-802-001 & 002 for fifty (50) Out-of-Tahoe Basin Water Allocations in accordance with November 4, 2009 court order from the Ninth Judicial District Court in Case No 08-CV-0166, Rancho Pacific Inc. v. Douglas County

Mr. Purvance thanks the board for considering the tolling of time and for not requiring participation in the lawsuit. In December, the Douglas County DA office determined they did not have an easement. Purvance now has clear direction on how to move forward.

Brooke comments, in a filing with the court from the county, the county acknowledges it made a material factual mistake in entering into the settlement agreement. The main benefit the county received in the settlement agreement is not possible because they don't have the easement they thought they did. Brooke will let us know of any upcoming developments.

**M-1/12/10-7** – Motion by Peck, seconded Schussel, and unanimously passed to approve Consent Calendar Item E - Toll time to August 16, 2010 for Clint Purvance to obtain a building permit on APN 1319-19-802-007 for two (2) Out-of-Tahoe Basin Water Allocations as was required for Rancho Pacific, Inc in the November 4, 2009 court order from the Ninth Judicial District Court in Case No 08-CV-0166, Rancho Pacific Inc. v. Douglas County

There was no public comment.

**UNFINISHED BUSINESS** – There was no unfinished business.

### **NEW BUSINESS**

#### **ADOPTION OF RESOLUTION 2010-1 FOR THE ISSUANCE OF GENERAL OBLIGATION BONDS IN ASSOCIATION WITH A LOW COST LOAN FROM THE NEVADA STATE REVOLVING FUND FOR THE INSTALLATION OF WATER METERS**

– This resolution is the first step to receiving a loan from the State of Nevada that will be used to install water meters throughout the District.

This is a *general obligation bond*, which is tied to or guaranteed by the “ad valorem” taxes KGID receives. This assures us a lower interest rate than that of a *revenue bond* that is tied to the water rates. This does not mean that we can pay for the bond out of the General Fund that receives the ad valorem tax; it just means that it has the assurance of repayment from any future A/V tax upon any default by KGID. Basically, it is using the ad valorem tax as collateral for this loan.

If the bonds were *revenue bonds*, they would be tied to the actual revenue of the water fund and would not have the same guarantee, thus the money would be lent to KGID at a higher rate due to the risk associated with a possible lack of income into that fund for services provided.

This does not mean that any repayment of the interest or principal can be paid out of the General Fund into which the A/V taxes go. All repayments will come from the Water Fund for this loan. Attached is a draft of the resolution along with the time line associated with this process. Because of the election of officers at the beginning of the meeting, I will change the positions accordingly after the meeting.

The GM reports this is the first step towards getting a low cost loan from SRF, with adoption of the resolution we can go forward with the County Debt Commission approval. Then it will come back to the KGID Board to adopt a Resolution of Intent. This is a general obligation bond. Revenue bonds are based on water rates and what we perceive our income will be. A revenue bond is higher than the general obligation bond, which uses tax revenue as collateral to borrow money again and is generally at a lower cost. The loan would be paid by the water fund. This is the standard method of submitting for bonds. The cost is \$4.69/mo per connection and can be absorbed into the existing water rates. Treanor asks, regardless of meters, if the obligation of each person in the district is the \$4.69/mo and McKay confirmed. Hayes confirms we are pledging revenues. This loan will not constitute a rate increase per the General Manager.

Public comment – James Beattie came in earlier today to look at the presentation, he would like to see the board have flexibility on the tiers, doesn't want it cast in concrete. We don't know average consumption due to second homes and vacation homes. Beattie recommends we leave rates open to change the tiered structures. Hayes confirmed that this discussion is under Agenda Item 11. Barratt asks if we can table this item until item 11 is heard. Treanor confirms that this does not obligate us to a loan and states this is part of the process. Hayes would have liked to see the agenda item 11 discussion held before Item 9 so he had more information. The GM reminded the board we wouldn't get any more grant funding unless we go forward with a meter project and comments this item has nothing to do with rates.

Treanor confirms by passing this resolution, doesn't mean we are obligated to taking the loan. If we don't stick to this schedule we will not make the June meeting and would be put back to the September meeting.

**M-1/12/10-8** – Motion by Barratt, second Peck and unanimously passed to adopt of Resolution #2010-1 for the issuance of General Obligation Bonds; directing the secretary to notify the Douglas County Debt Management Commission of the District's proposal to issue General Obligation Bonds additionally secured by pledged revenues; providing certain details in connection therewith; and providing the effective date hereof.

**REQUEST BY PROPERTY OWNER OF DOUGLAS COUNTY APN 1319-30-516-010 FOR 295 TRAMWAY DR. #B TO WAIVE PENALTIES INCURRED ON JANUARY 1, 2010** –.

Ms. Edscorn provided the attached two written requests to waive penalties on her account and request the item is brought to the board for determination.

Ms. Edscorn purchased the property on/around October 1, 2009. The first billing in the amount of \$139.00 was sent to her November 1, 2009 for services for the month of November and was due on November 30<sup>th</sup>. We received her November payment on December 2, 2009 as evidenced by the date stamp on her envelope, attached. The December 1 bill was mailed to her and included \$13.91 in penalties for a total outstanding balance of \$152.91 after subtracting the payment received for November. This amount was due by December 31, 2009. On January 1, 2010, we billed the regular \$139.00 plus new penalties of \$15.29 for a total outstanding bill of \$307.20. On January 5, 2010, we received a payment in the amount of \$139.00 for December's payment.

On January 5, 2010, Customer Accounts Clerk, Brandy Johns, received a phone call from Ms. Edscorn requesting that the penalties on her account be waived as she just moved into the property and was unaware of the due date of the KGID billings. Brandy informed her that she would only be able to waive the December 1 penalties in the amount of \$13.91 and that staff was unable to approve further waiver in accordance with district ordinances.

Ordinance #1 – Water Ordinance, Section 9.04 states specifically:

9.04 Penalties

All charges shall become delinquent after the due date specified in the bill if the District has not received payment. All delinquent charges shall be subject to a basic penalty of ten percent (10%) of charges for the first month delinquent. In addition, a penalty of one and one-half percent (1 ½%) per month for non-payment of the charges and basic penalty shall thereafter be imposed. Customers with a good payment record as defined by the District may have a late penalty waived. No penalty greater than \$100 shall be charged a customer per property per billing cycle. The District credits all payments against the oldest outstanding balance, to include charges and penalties, first.

A copy of a monthly billing is enclosed for reference. The bill clearly states: "Payment must be received on or before the 28<sup>th</sup> of each month." Additionally, the first line of the smaller print clearly reads "All charges become delinquent on the first day of the month following the due date" and the process for charging penalties are clearly spelled out on the billing statement as well.

Brandy waived the initial \$13.91 penalty on the account in accordance with our ordinances and at the customer's request. My recommended action is to deny the request to waive the additional \$15.29 in penalties incurred on January 1, 2010

Runtzel commented she didn't see the homeowner present although it was suggested she attend. Runtzel's recommendation is to deny the request based on the existing ordinance. We don't want to open that can of worms or set precedence. She received her bills and had opportunity to pay on both occasions.

**M-1/12/10-9** – Motion by Treanor, seconded Peck and unanimously passed to deny request to waive late charges in the amount of \$15.29 for APN 1319-30-516-010, Carol Edscorn citing that staff has handled the matter in accordance with Water Ordinance #1, Section 9.04 which provides for waiving one month worth of penalties per the customer request.

There was no public comment.

**WATER METERING PROJECT – PROJECT STATUS UPDATE, FUTURE RATE**

**SETTING PRESENTATION AND DISCUSSION AND OTHER RELATED MATTERS**

– As requested at the last meeting, Brent Farr will give a presentation on the progress of the meter project and the manner in which water rate schedules are designed. Brent will be giving a power point presentation of which a copy is included.

The GM apologized as he was supposed to provide the laptop for this presentation and left it at home.

Ralph of Farr West Engineering provided a display of the district showing properties that need to be metered and indicated boundaries. This is not the order in which we plan to complete the metering project. Existing meters were shown in white or were vacant lots. The plan does not show recent meter installations put in this last summer. It was noted by staff that some of the areas showing a needed meter are already metered. Areas 2 and 5 will likely be the most expensive due to the multi family properties. Barratt asks why we aren't tackling the toughest areas first? We are looking to complete areas 1, 3 and 4 first because they are primarily single-family dwellings. The more difficult areas will require significantly more manpower. Schussel is concerned with doing the easier areas first we could run out of money for the more difficult areas. Runtzel points out that areas 2 and 5 will go much slower than the other areas. We will need an agreement with each and every owner in these multifamily properties whether we require them to bring out a new lateral; we master meter or individually meter. That effort will take a significant amount of time to accomplish, she anticipates over 1 year. Schussel is concerned that the difficult areas will take several years to complete, in the meantime, we will be borrowing money and installing meters in the easier areas and the meters are depreciating. The GM recommends that we install meters in area 5 before area 2 so that we can learn what we are up against.

Brooke comments we need parallel tracks and need to start figuring out exactly how we are going to treat area 2 and start receiving input and letting them know what we will do. We should start this work immediately at the same time as installing the easier meters. Johnson reiterated that the SVHOA and TVHOA legwork required isn't so much fieldwork as it will be getting agreements and easements. This can be done when actual construction is being done elsewhere. If we wait to install meters until area 2 is underway, this would delay us significantly. Runtzel confirmed with Johnson that 2/3 of the total water used in the district is used below Logging Road. Hayes comments that generally the multifamily units are not units that will generate additional revenue because usage is not high. Treanor asks whether the GM is going to be requiring a lot of expense from homeowners in installing new water lines and if so, these homeowners should be preparing for these costs and working towards the new line installation while we are installing meters elsewhere. Runtzel comments that that decision hasn't been made yet to require multifamily properties to install new lines. Treanor thinks that installing the easier first will improve our position for grant funds in the future even if not totally metered. The GM is confident if we have 80% of the district metered, we may be able to apply for future grants if we have a plan to finish metering.

Schussel comments that the intent was not to charge for meters until the entire district is metered. Brooke comments that we don't want to give a veto power to the upper residents. The GM acknowledges that this will be a problem, contractor issues, customer concerns etc. We don't want this to cost the customer money. We need to get working on this now.

Hayes comments that we need to use economics on this, if there is a building that is already master metered and has no landscaping it probably shouldn't be a priority. Schussel believes that there will be significant problems with digging and getting meters in. Runtzel reported that fortunately Johnson and the crew have gone into all of these building to locate manifolds, shutoff valves, where the lines are, are there multiple lines, etc. We have captured a lot of data already. We still have to address whether we are going to master or individually meter these units. We have to determine whether to require an HOA and master only or require them to bring new lines out. Runtzel hopes we can still meter the entire district by 2011 and she would like to see us do some of the easier areas this year.

Brooke comments we need to preserve our right to treat different situations differently. We may be forced into master meters because we cant get everyone to agree. This would also require us forcing customers into forming HOA's as well. Some of these residents may have to go to court with their co-owners to figure it out. Runtzel comments this all the more reason we need to start talking to these people now, she has a good idea of what we are up against, but we need input. These customers will not have money to bring new lines out. There will be some people who just wont respond. We need to talk to Lake Village HOA to get their buy in.

Ralph informed the board we have received some updates to the topographic information of the district. Runtzel requested a digital copy of the updates. When all is filled in, Farr West will provide one digital file of the whole district.

Treanor comments that we may have a real attraction with the upper residents if we present it properly in that there may be a monthly water cost reduction in their bill by metering. Farr reported one customer from the upper section came to the public hearing and after hearing everyone complain about water usage and billings, she stated she probably uses 2,000 gallons per month and is subsidizing the lower water users. Farr states this is really what the whole thing is about, equity.

Brent Farr provided a written PowerPoint verbal presentation relating to water rates. He acknowledged that the board has seen much of this presentation before and he wanted to provide a refresher. He also acknowledges that these numbers will have to be updated as the revenue requirements used were about three years old. He is not recommending these numbers as a final conclusion.

There was extensive discussion on metered rates, usage patterns and how they are likely to change once we bill, what information is being provided to the customer on the bills now, tiered rates, base rates, 2% MHI required rates, equal pay options, changing the billing format to show customers how much their bill would be, etc.

Schussel is still concerned that lawns will disappear. We want to set rates that will promote conservation but not burden the customer to the point of removing lawns, and meet revenue requirements. Runtzel comments we need to complete analysis before setting a rate to show this board that even if someone uses 40,000 gallons the water bill is not out of line.

Hayes would be more comfortable as one Trustee with transparency on what the rate is going to be at a public hearing before we make our decision. He thinks it's important that the information is out there and that as Trustees we are voting on what was presented. Doesn't mean you can't change it next year, but at least there won't be surprises. People have to know so we can take it head on. He also thinks we need to revisit the assumption that 30,000 gallons is the high usage. He wants to see the rate structure before he signs his name to a loan and completing the project.

The GM suggests we do a cost of service study for the district and use it to set our rates now; we could bring that back to the board and adopt a rate. Hayes comments we need to show customers that we have thought this out. It would take Brent a couple months to get a cost of service study completed. The GM suggests we have a special meeting to approve a Farr West task order for a Cost of Service Study along with the potential need to approve a settlement agreement with Whitebark. Treanor thought we were already working on this and she thought Farr West was going to do it. She didn't know we would be presented with the same material as a year ago and she asks why the task order hasn't already been presented to the board to work on setting a rate? Brent Farr replied that they haven't been given the go ahead to complete a rate study at this point. The GM was under the impression that we weren't going to set rates until we had meters installed for a certain period of time. Farr comments we are probably two years out before we will actually impose the rates. There has been discussion that we would obtain data first.

GM reports we know we have to have a rate at 2%MHI for 15,000 gallons in order to obtain a grant. Peck comments that if we are going to put in meters next summer, we should have a rate for customer information.

Farr discusses strategy for going forward, would we let people know what their bills would be based on a rate. When we actually impose a rate, it will likely have to be raised. Peck wants to see a preliminary rate to use for informational needs that will not go into effect until a specific date. Farr asks if we would adopt the rate? Brooke informs that we could go through the procedure that is required to do rate setting but he doesn't think we would adopt a rate that we don't intend to utilize. We could propose a tentative rate for the purpose of projection. According to Brooke, in order to set a tentative rate, we do not have to go through the public hearing process because it is not a rate we are going to adopt. That said if we want to get public input it would be a good idea to hold a public hearing because it provides more opportunity for public input. We could send out notices of a workshop.

Farr recommends we have a board workshop so the board has an opportunity to tweak it if desired, then we have a public hearing and get input. After that, then we advertise the tentative rates and show customers what the bill would be. By that time, hopefully there won't be public outcry. The board likes the idea of having a board workshop to work out anything before it goes before the public.

Barratt asks whether a graph can be included on the bill showing the last year usage history. Runtzel will have to look into that, and she reminds the board that the current bill format is not capable of showing a tentative billing amount in addition to an actual billing amount. Letters to existing metered customers were done manually in the past. Brooke suggests that we could provide a worksheet to calculate the bill or we could prepare a spreadsheet to show for each increment of water usage how much a water bill would be, then the customer can look at their actual usage each month on their bill and find that amount of usage on a table. Runtzel agrees that's a good idea. We could also include average usage information on the table for other areas.

Schussel believes the board all agrees on metering but the glitch is coming up with rates. Brooke observes that the board needs to decide that they are going to install meters, come up with a tentative rate, and the board is committed to obtaining the loan. It seems to Brooke that this has to be done by the March 16<sup>th</sup> public hearing. The board should shoot for this date to complete these three items. We can't do this any later and get the bond.

Hayes believes he has stated consistently in the past that he wants to install meters but that he wants to know that we will have a good idea of rates, a defensible rate, not lose lawns before we are committed to this. Hayes does not want to sign up for meters if there is a rate schedule that is too aggressive. He believes he would lose any leverage he has, he doesn't know what's going on with the rates and is asked frequently. He is not comfortable supporting something that he has limited information on. He has tried to convey this for months.

Schussel thinks we could come up with a tentative rate. Runtzel recommends that Brent Farr should go back to the financial analysis that was completed before, that includes meter data and some of the tables you are seeing in this presentation, and update the tables with current revenues and expenditures to provide a tentative rate. Initially he came up with a base rate of \$47 and \$1/1000 for the first tier and \$2/1000 for the second tier. His proposed rate was much different than what the board approved. He just has to re-populate the information with current numbers, and we will still need the cost of service, but in the meantime we have an idea if those rates have changed much. We know how much water we are pumping out of the lake and propose a new tentative rate. He can provide a couple of scenarios for the board to consider. Brooke replies this is necessary to go forward in any event. Runtzel believes this is the quickest and cheapest way to come up with a tentative rate structure that has some backing and analysis to it. He could reissue the report if necessary. Farr is concerned with the Heavenly factor who is looking to re-negotiate rates. Schussel suggests that we let Heavenly know that as of now, the rates will stay as existing. Brooke thinks we need to take Heavenly into consideration because we don't want to lower Heavenly's rates, which will increase residential rates, and we'll end up with public out cry.

This information will be provided at the next board meeting. We need to show the board that any proposed rate structure will meet revenue requirements, and what assumptions have been made on various factors in developing the rate. Runtzel will work with Farr to provide any information needed to update the previous assumptions. Peck wants Farr to use the Water Meter budget and at the next meeting we can make an amendment to include these new costs.

Treanor asks Hayes if there is a possibility that he would vote against metering the district because he is not happy with the rates? Hayes is a public servant, he thinks metering is a good idea for the district, and we are heading toward that. He wants to be sure it is a comprehensive plan that makes sense. He needs to be comfortable that this is a plan that is pretty close to how it will actually come out or he will vote against it because he doesn't think we are ready to meter. He needs to know that we made the best assumptions that we have a comprehensive plan. Schussel states if we don't come up with a fair rate structure, a lot of lawns will go away. If the lawns go away, the base rate will have to be raised. We want to be fair but need to be informed. McKay doesn't believe we will lose lawns. At Roundhill, they never lost one lawn and he believes this is a scare tactic. We are not going to set rates that will make Kingsbury brown. When people really realize how much water they need to keep their lawn green, they will find they are probably putting 3-4 times the water they actually need. You will not see a brown lawn in Roundhill and they pay probably double the base rate in the summer and base rate only in the winter months. It is not our intent to charge rates that will lose lawns. Runtzel points out that the fear came from the public hearing where people received tentative bills that said they would be paying \$250-\$400/month. Those bills were based on the board approved rate structure. Runtzel thinks the board wants to know where we will be on rates because we don't want to go there again.

Beattie suggests we get a couple scenarios and calculate affects on revenues from differences in the assumed usages. We won't be exact on the assumptions and usages will change once we begin charging. Treanor believes that we can come up with a tentative rate schedule, agree on meters and move forward. Hayes needs to know that he tried to protect district residents on this one item.

Treanor asks whether Hayes is concerned with which areas we choose to meter first, second, etc? Hayes wants to be sure we have a well thought out plan, and wants to be sure it won't throw the district upside down. If he can't answer questions on rate, customers think you are hiding something. Hayes wants to come up with a fair way to allocate rates. He wants to deal with this now.

**BOARD REPORTS** – Peck announced that he is buying a house in Genoa Lakes and will have to resign as Trustee because he will move to that house. He would rent his Kingsbury house. His term is up at the end of this year. When he is not a resident he should inform the Board per Brooke.

Draft meeting schedule, Barratt requested several changes to accommodate his schedule for the KGID Meeting Schedule for 2010.

**STAFF REPORTS** – Written staff reports from the General Manager, Business & Contracts Manager and Operations Supervisor were included in the meeting backup provided to the board. Bookkeeper, Kim Garon, provided cash position statement as of December 31, 2009.

**General Manager Report** – Hayes asked if Tank 10B was backfilled. We will have to look at it again in the spring before we revegetate.

McKay will start adding a “heads up” area for any items he thinks we will be dealing with in the future in his monthly reports.

Schussel asked about the Heavenly request to pump more water and the need to upgrade our pumping stations, and asks whether Heavenly would pickup the tab for that? Somebody would, we are not in the position to upgrade them now but over a period of time we will plan to upgrade with more efficient motors and pumps. Schussel wants to be sure we aren't going to spend our money just because Heavenly wants it. McKay states we wouldn't. We have to look at the TROA agreement to determine how much water we can provide them. We have to research whether we are limited to 50 million gallons or if that is the only amount that is not charged against our water rights.

369 Summit Drive – Army Corps of Engineers is researching whether there is any record of a permit taken out for the structure in the stream. We expected the owners to be present tonight but the GM is meeting with them later this week.

Union negotiations – the GM suggests that he meets with the union and staff first and will bring back to the board. As we move forward, he will keep the board informed. Schussel comments the staff needs to know where we are today, people are getting laid off in Reno and he doesn't know of anyone who got raises this year. The GM agrees. Schussel comments even next year things will be tough. Maintain status quo, the GM agrees. Schussel comments as one board member, this isn't the time.

**Business & Contracts Manager Report** – Jennifer is here to answer questions if anything comes up on the Operations Yard, the GM explained he has been working with Jennifer on the wall setback.

2010 Fog Seal – Runtzel informed the board she requested a proposal for engineering services from Jennifer Roman of JWA for the project. This is a large project this year, virtually everything other than portions of Kingsbury Estates.

Barratt asked who Mike Johnson represents. Runtzel replied he represents Rowles/Sievers who have filed a foreclosure on Rancho Pacific.

**Operations Supervisor Report** – Barratt asked how the Flagging Certification Class went, better than in the past because we have to recertify every two years. We were able to have the class locally; we were done inside of 3 hours.

**ATTORNEY'S REPORT** – The following documents were provided under the attorney report for board review relating to the KGID v. Whitebark case: 1) Agreement for Grant of Perpetual Easements, 2) Order for Deposit of Funds, 3) Stipulation for Deposit of Funds.

Whitebark, the board authorized a settlement offer, documents are being created. Expects under consent calendar at the next meeting.

**ENGINEER'S REPORT** – A written report was not provided this month.

**CORRESPONDENCE** - The following correspondence was received during the month 1) Letter from Stationary Engineers, Local 39 opening the Collective Bargaining Agreement, 2) Letter from Mr. & Mrs. Arnaud regarding the creek blockage, 3) Quote provided by owner of 381 Sherwood Drive for damage caused by a water leak earlier this year.

The next regular board meeting will be January 12, 2010 pending confirmation by each of the Trustees. We will finalize the 2010 Meeting Calendar at the next meeting.

**ADJOURNMENT**

**M-1/12/10-10** – Motion by Treanor, seconded by Schussel and unanimous approval the meeting was adjourned at 9:25 p.m.

Respectfully submitted,

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W.R. Hayes –Chairman

Attest:

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Brett Barratt, Secretary