GREATROCK NORTH
WATER & SANITATION DISTRICT

Date: October 28, 2013

To: Greatrock North Water and Sanitation District, Board of Directors

From: Lisa A. Johnson, District Manager

Re: November 5, 2013 Manager's Report

Agenda Action Items

II.A. Consent Agenda

1. October 1, 2013 Regular Meeting Minutes.
2. October 11, 2013 claims.
3. Accept the September 30, 2013 financial statements.
4. Consider termination of agreement with Olsson Associates for EDOP Services for RO Ponds

I recommend approval of the consent agenda items.

III.A. Consider the imposition of Availability of Service Fees on certain properties

The Board has discussed in great detail the possibility of imposing availability of services fees to the developable vacant properties in Greatrock North, Rocking Horse Farms and Box Elder Creek Ranch that are within 100 feet of a District main potable water line. Staff has provided notice via U.S. Mail to all property owners and registered electors in the District. Staff has also notified Meadow Homes Development Corp. and Box Elder Land LLC via U.S. Mail and electronic mail of the District's intent to impose AOS fees on the vacant lots in Box Elder Creek Ranch Filings 1-3.

The revenue collected from the imposition of the AOS fees will be collected in the debt service fund and used to make annual debt service payments. The amount that can be charged to each qualified vacant lot is 50% of the monthly service fee assessed to customers who are receiving water service from the District or currently $17.50 per lot. Staff has determined that there are 64 eligible lots in the three subdivisions which calculates to

$13,440 per year.

I recommend approval of the imposition of AOS fees on all eligible vacant lots.

III.B. Engagement of Schilling & Company to perform the 2013 audit

Schilling and Company has provided a proposal to perform the 2013 audit for a not to exceed amount of $5000. There has been no increase in fees from this year to next.

I recommend approval of the engagement letter with Schilling & Company to perform the 2013 audit for a not to exceed amount of $5,000.

III.D. Approve the 2014 Budget

The Board will hold a work session to review and revise the draft 2014 budget on October 29, 2013. Once the Board provides comments and revisions, staff will finalize the draft budget and present to the Board at the November 5, 2014 board meeting.

I recommend approval of the 2014 budget.

<u>Updates on Other District Related Items</u>

4th Quarter Inspection of Facilities

I recently conducted the 4th quarter inspection of all three facilities. Operations staff did clean and organize each facility with the exception of meter parts. Dan Cordova will spend some extra time in the District during the next meter reading to organize and/or purge meter parts and inventory.

A piece of siding at the GRN facility is missing. Mr. Rabas has asked Mr. LaCoe to replace the siding as soon as possible.