

The regular meeting of the Amherst Town Council was called to order on November 12, 2008 at 6:00 P.M. in the Council Chambers of the Town Hall at 186 S. Main Street with Mayor Jacob P. Bailey presiding. Council members Bobby J. Bondurant; J. Paul Kilgore; Haney Mottley; Harold Swisher; and Richard Wydner were present. Town Manager Jack Hobbs, Police Chief Kenneth Watts, Director of Public Utilities Tom Fore and Office Manager Colan Davis were also present.

Town Engineer Herb White gave a presentation on a Raw Water Line Extension Feasibility Study.

At 7:00 PM, Dr. Reed Ness from Amherst Baptist Church gave an invocation.

Pursuant to Va. Code §15.2-1800(B) a public hearing was opened on the Town's intent to dispose of its interest in a parcel of land approximately 50' wide and 70' deep at the southwestern corner of the Town Shop property (TM# 96-A-1A) on State Route 731/Industrial Park Drive at 7:05 P.M. This land is the site of a monopole antenna tower and equipment shelters that are owned by other parties. There being no one present who wished to speak, the hearing was closed at 7:06 P.M. Mr. Kilgore was asked to negotiate with a prospective purchaser.

The Town Manager gave the following report on a request from Poplar Grove regarding its access to town water and sewer:

The Poplar Grove Resort and Community (Poplar Grove) involves a 1,000 acre Planned Unit Development located southeast of the Town of Amherst (Town) corporate limits along Higginbotham Creek. The development was started in 2003 and as of this date features a golf course and 120 developed building lots with 57 lots sold, 17 existing houses and 3 houses under construction. Amherst County approved a "planned unit development" special exception for the project on August 15, 2006. Buildout projections envision approximately 770 detached single family, townhouse and condominium dwellings, the golf course, and other commercial development that would include hotels and restaurants.

Studies commissioned by Poplar Grove have indicated that connection to the Town sewer system will be by far the most efficient, if not the only financially feasible, solution to the development's sanitary sewer service needs. Those studies have also concluded that connection to the Town's municipal water system for a portion of the development would be the most economical water supply solution for Poplar Grove; the studies recommend that it would be best for the developer if other portions of the development are served by the county's municipal water system.

The Town's water and sewer utility systems are probably capable of supporting the planned Poplar Grove features. However, there are some concerns regarding the water system's reserve capacity due to anticipated growth and recent droughts and nutrient removal requirements imposed on the Town's wastewater treatment plant. Both of these situations would be aggravated by more customers and higher total system usage, but it is understood that the "buildout" of Poplar Grove might not occur within the next 30 years.

The Town's water and sewer system expansion policies are contained in Chapter 17 of the Town Code, and earlier conversations between the Town and Poplar Grove are summarized in letters dated August 24, 2005 and October 20, 2006. In all conversations Poplar Grove has been reminded that all costs associated with this project, including the installation of road, water, sewer and electrical system infrastructure and boundary adjustment, would need to be borne by other parties and specifically not the Town of Amherst.

The three key items discussed by Poplar Grove and the Utilities Committee were potential Poplar Grove requests (1) that the Town grant it access to the Town's utility systems, (2) that the Town's

corporate limits be adjusted to include all lands shown on the attached Schedule A within the Town and that those lands be zoned "Planned Unit Development" and (3) that the Town support Poplar Grove via a Town-created special tax district that would finance about \$10,000,000 of water, sewer, road and electrical system infrastructure.

Positive features of the proposal includes additional tax base for the Town and county from commercial and high-end residential growth. Negative features include additional service demands and costs associated with an increased population (particularly in the area of education for children that would live in the new development), increases in traffic, and impact on water and sewer utility systems. A consensus that has been reached is that the Poplar Grove development, as currently envisioned, will be a net positive feature of the Town, Amherst County and Region 2000 after it builds out in the coming decades.

At this point Poplar Grove has formally asked for some assurance that Town water and sewer utilities will be available to the project prior to it incurring the expense of fully developing a proposal which would include some portion of the utility system design. The Utilities Committee has thoroughly discussed how to balance meeting this request versus protecting the Town's interests which include the authority to time or require any boundary adjustment, limiting the Town's involvement in the creation of the financing vehicle, preserving utility system capacity and protecting the Town's coffers against the usual risks involved in speculative development.

Mr. Wydner made a motion which was seconded by Mr. Bondurant to permit Poplar Grove Resort and Community to connect to the Town's water and sewer systems with the following conditions:

- A. All provisions of the Town's water and sewer system regulations articulated in Chapter 17 of the Town Code will apply without exception.
- B. Poplar Grove will fully fund and actively support the adjustment of the corporate limits so that any or all properties listed on the attached Schedule A will be located inside the Town of Amherst, with the exact location of the adjusted boundary and timing of such adjustment to be determined by the Town.
- C. Per the Town's longstanding "first come, first served" utility access policy, there must be sufficient capacity in the Town's water and/or sewer system, in the sole discretion of the Town of Amherst, prior to the connection of actual water users and/or wastewater generators to the system(s).
- D. No Town of Amherst funds will be pledged or put at risk for this development project. There will be no cost to the Town of Amherst for the boundary adjustment procedure (including legal, surveying and mapping costs) or for the extension of the envisioned water and sewer lines (including engineering, engineering review fees, financing, permits, easements, construction costs and inspection fees).

The motion passed 5-0. Messrs. Bondurant, Kilgore, Mottley, Swisher and Wydner voted "Aye". A copy of Schedule A is attached and made a part of these minutes.

A report from the Town Engineer recommending that the Town award a \$426,600 construction contract to George E. Jones and Sons for the first portion of the S. Main Street Sidewalk was received. Mr. Kilgore made a motion that was seconded by Mr. Swisher to award the contract as recommended. The motion passed 5-0. Messrs. Bondurant, Kilgore, Mottley, Swisher and Wydner voted "Aye".

The Town Manager reminded the Council that it had delayed formal action on the Town Square project at the August 13 meeting. Since that time a Town delegation has met with the Hill Hardware owner/operators and the Board of Supervisors has approved the transfer of the abandoned E. Court Street right of way to the Town. Mr. Wydner made a motion that was

seconded by Mr. Swisher to approve the Town Square design and bid strategy presented in August and to authorize the solicitation of construction bids. The motion passed 4-1. Messrs. Bondurant, Kilgore, Swisher and Wydner voted "Aye" and Mr. Mottley voted "No".

Mr. Swisher made a motion that was seconded by Mr. Kilgore to approve the October 8, 2008 minutes as distributed earlier. The motion passed 5-0. Messrs. Bondurant, Kilgore, Mottley, Swisher and Wydner voted "Aye".

Mayor Bailey advised the Council that the IDA had endorsed a Brockman Park marketing proposal at its meeting on November 3. Mr. Swisher made a motion that was seconded by Mr. Mottley to accept the proposal. The motion passed 5-0. Messrs. Bondurant, Kilgore, Mottley, Swisher and Wydner voted "Aye". A copy of the proposal is attached and made a part of these minutes.

The Town Manager gave a report on a Federal Trade Commission initiative which mandates that the Town implement an identity theft program. Mr. Mottley made a motion that was seconded by Mr. Bondurant to adopt a recommended program with an effective date of January 1, 2009. The motion passed 5-0. Messrs. Bondurant, Kilgore, Mottley, Swisher and Wydner voted "Aye". The document describing the program is attached and made a part of these minutes.

The Town Manager presented a proposal to realign the front office staff by more clearly delineating duties and training expectations and upgrading the job description and pay grade for one position as well as adding an additional part time employee. Mr. Kilgore made a motion that was seconded by Mr. Wydner to authorize the hiring of a Fiscal Assistant at pay grade 12 as well as hiring of an additional part time employee. The motion passed 5-0. Messrs. Bondurant, Kilgore, Mottley, Swisher and Wydner voted "Aye".

Mr. Mottley made a motion that was seconded by Mr. Swisher to appoint Mike Mozingo, a resident of 123 Blue Ridge Lane, to the Planning Commission for a term to expire on June 30, 2011. The motion passed 5-0. Messrs. Bondurant, Kilgore, Mottley, Swisher and Wydner voted "Aye".

The Council discussed the downtown parking issue, including the petition asking for two-hour parking regulation on S. Main Street received in October, the flag holders, a recent informal parking survey and the parking meter art idea. The issue was referred to the Ordinance Committee.

There being no further business, the meeting adjourned at 8:20 P.M.

Jacob P. Bailey
Mayor

Attest:

Clerk of Council

Schedule A: Poplar Grove Property List
October 21, 2008

<u>Description</u>	<u>Map ID</u>	<u>Acreeage</u>	<u>Owner</u>	<u>Assessed Value</u>
Phase I Golf Course	111B 1 A	230.766	Poplar Grove Associates, Inc.	\$3,582,700
Phase I Restaurant Area	111B 1 B	4.408	Poplar Grove Associates, Inc.	\$536,200
Phase I Garden Home Site	111C 1 1-9 & C1	14	Poplar Grove Estates, LLC	\$1,107,000
Phase I Multi-Family	111B 1 C	22.259	Poplar Grove Associates, Inc.	\$890,400
Phase II Multi-Family	111 A 15-16	35	Poplar Grove Associates, Inc.	\$1,400,000
Phase II of Poplar Grove	111 A 1	351.679	Poplar Grove Associates, Inc.	\$14,067,200
Phase I Common Areas	Not Assigned	13.99	Poplar Grove Associates, Inc.	\$0
Phase I Acreage for Lots	Not Assigned	5.7	Poplar Grove Associates, Inc.	\$150,000
Lot #2	111B 1 2	1.042	Poplar Grove Associates, Inc.	\$125,000
Lot #4	111B 1 4	1.056	Poplar Grove Associates, Inc.	\$125,000
Lot #5	111B 1 75	1.03	Poplar Grove Associates, Inc.	\$125,000
Lot #6	111B 1 6	1.044	Poplar Grove Associates, Inc.	\$125,000
Lot #8	111B 1 8	2.784	Poplar Grove Associates, Inc.	\$142,800
Lot #23	111B 1 23	1.296	Poplar Grove Associates, Inc.	\$128,000
Lot #29	111B 1 29	1.09	Poplar Grove Associates, Inc.	\$125,000
Lot #30	111B 1 30	1.021	Poplar Grove Associates, Inc.	\$125,000
Lot #31	111B 1 31	1.015	Poplar Grove Associates, Inc.	\$125,000
Lot #32	111B 1 32	1.08	Poplar Grove Associates, Inc.	\$125,000
Lot #33	111B 1 33	1.253	Poplar Grove Associates, Inc.	\$127,500
Lot #34	111B 1 34	1.253	American Building Company, LLC	\$600,000
Lot #35	111B 1 35	1.063	Poplar Grove Associates, Inc.	\$125,000
Lot #52	111B 1 52	1.173	Poplar Grove Associates, Inc.	\$126,700
Lot #54	111B 1 54	1.161	Poplar Grove Associates, Inc.	\$126,600
Lot #63	111B 1 63	1.174	Poplar Grove Associates, Inc.	\$126,700
Lot #65	111B 1 65	1.412	Poplar Grove Associates, Inc.	\$129,100
Lot #67	111B 1 67	1.19	Poplar Grove Associates, Inc.	\$126,900
Lot #68	111B 1 68	1.136	Poplar Grove Associates, Inc.	\$126,400
Lot #71	111B 1 71	1.075	Poplar Grove Associates, Inc.	\$125,000
Lot #72	111B 1 72	1.022	Poplar Grove Associates, Inc.	\$125,000
Lot #74	111B 1 74	1.15	Poplar Grove Associates, Inc.	\$126,500
Lot #75	111B 1 75	1.271	Poplar Grove Associates, Inc.	\$127,700
Lot #76	111B 1 76	1.074	Poplar Grove Associates, Inc.	\$125,000
Lot #77	111B 1 77	1.131	Poplar Grove Associates, Inc.	\$126,300
Lot #78	111B 1 78	2.171	Poplar Grove Associates, Inc.	\$136,700
Lot #81	111B 1 81	1.128	Poplar Grove Associates, Inc.	\$126,300
Lot #83	111B 1 83	2.148	Poplar Grove Associates, Inc.	\$136,500
Lot #85	111B 1 85	1.088	Poplar Grove Associates, Inc.	\$125,000
Lot #86	111B 1 86	1	Poplar Grove Associates, Inc.	\$125,000
Lot #87	111B 1 87	1.763	Poplar Grove Associates, Inc.	\$132,600
Lot #88	111B 1 88	1.081	Poplar Grove Associates, Inc.	\$125,000
Lot #89	111B 1 89	1.036	Poplar Grove Associates, Inc.	\$125,000
Lot #90	111B 1 90	1.141	Poplar Grove Associates, Inc.	\$126,400
Lot #91	111B 1 91	1.124	Poplar Grove Associates, Inc.	\$126,200
Lot #92	111B 1 92	1.193	Poplar Grove Associates, Inc.	\$126,900
Lot #93	111B 1 93	1.157	Poplar Grove Associates, Inc.	\$126,600
Lot #94	111B 1 94	1.499	Poplar Grove Associates, Inc.	\$130,000
Lot #95	111B 1 95	1.36	Poplar Grove Associates, Inc.	\$128,600
Lot #97	111B 1 97	2.379	Poplar Grove Associates, Inc.	\$138,800
Lot #98	111B 1 98	1.76	Poplar Grove Associates, Inc.	\$132,600
Lot #99	111B 1 99	1.154	Poplar Grove Associates, Inc.	\$126,500
Lot#70	111B 1 70	1.095	Poplar Grove Associates, Inc.	\$125,000
Lot#79	111B 1 79	1.339	Poplar Grove Associates, Inc.	\$128,400
Lot #102	111B 1 102	3.97	Poplar Grove Associates, Inc.	\$154,700
Lot #103	111B 1 103	3.023	Poplar Grove Associates, Inc.	\$145,200
Lot #104	111B 1 104	2.829	Poplar Grove Associates, Inc.	\$143,300
Lot #100	111B 1 100	1.06	Poplar Grove Associates, Inc.	\$125,000
Lot #110	111B 2 110	1.13	American Building Company, LLC	\$126,300
Lot #111	111B 2 111	1	American Building Company, LLC	\$125,000
Lot #112	111B 2 112	1.088	American Building Company, LLC	\$125,000
Lot #113	111B 2 113	1.01	American Building Company, LLC	\$125,000
Lot #114	111B 2 114	3.082	American Building Company, LLC	\$145,800
Lot #116	111B 2 116	1.034	American Building Company, LLC	\$125,000
Lot #117	111B 2 117	1.17	American Building Company, LLC	\$126,800
Lot #118	111B 2 118	1.003	American Building Company, LLC	\$125,000
Lot #119	111B 2 119	1.024	American Building Company, LLC	\$125,000
Residual	111B 1 D	0.576	Poplar Grove Associates, Inc.	\$2,000
Can be sub-divided or multi-family	111B 2 110	8	American Building Company, LLC	\$310,000
Phase II at Union Hill	96 A 25B	62.101	Bell Trust	\$2,484,000
Phase II at Union Hill	96 A 26	20	American Building Company, LLC	\$225,000
	Total	847.514		\$32,560,900

L. BARNES BROCKMAN, SR. BUSINESS AND INDUSTRIAL PARK MARKETING PROPOSAL

MARKETING

1. Review zoning, pricing, RE commission rates, etc. and make appropriate recommendations
2. Develop and place advertising for Region 2000 and Charlottesville
 - Newspaper
 - Mailers
 - Follow-up materials
3. Visit selected businesses and VEDP (builders, manufacturers, accountants, etc.)
4. Develop shell building concept
5. Secure builder and coordinate project
6. Market building to Region 2000 – Charlottesville MSA's and VEDP
7. Negotiate the "deal," conduct economic and workforce analysis, bring proposal to AIDA
8. Provide bi-monthly written reports and meet with AIDA as appropriate
9. Interface with economic development offices in Amherst County, Region 2000 and VEDP

SERVICES AGREEMENT

1. 25 month exclusive agreement for HGP to represent the park, beginning Dec.1, 2008
2. Within Region 2000, HGP agrees to represent the Town of Amherst exclusively during the term of this agreement.
3. AIDA chairman and Town Manager to review all proposals prior to formal AIDA consideration
4. All sales agreements to be made by the full AIDA and Town Council
5. Compensation
 - \$500.00 monthly retainer and to cover daily operating expenses (office, regional travel, proposal development, meetings with clients, limited hosting, etc.)
 - \$ 10,000 to \$12,000 available first year for mailer, advertising, marketing materials, etc.
 - HGP to receive fee for services on value of real property once it is recorded by Amherst County Assessor. Payment due upon recordation of real property value, or paid over a period of 5 years beginning the first year in which taxes are collected on the recorded value.
 - Total fees to HGP to be reduced by 1/2 the amount of the retainer paid to the time of a project's completion, but not to exceed 1/2 the total retainers paid by AIDA in the event of multiple projects.

HGP to receive fee of 3% to the first \$2,000,000 of real property value, 2% for value of \$2,000,001 to \$4,000,000, 1% for value of \$4,000,001 to \$10,000,000, and 0% for real property value exceeding \$10,000,000

Identity Theft Prevention Program

Purpose

The purpose of the program is to establish an Identity Theft Prevention Program designed to detect, prevent and mitigate identity theft in connection with the opening of a covered account or an existing covered account and to provide for continued administration of the Program as required by the Federal Trade Commission through Part 681 of Title 16 of the Code of Federal Regulations which implement Sections 114 and 315 of the Fair and Accurate Credit Transactions Act (FACTA) of 2003.

Definitions

Covered account means:

1. An account that a creditor offers or maintains, primarily for personal, family, or household purposes that involves or is designed to permit multiple payments or transactions. Covered accounts include utility accounts; and
2. Any other account that the creditor offers or maintains for which there is a reasonably foreseeable risk to customers or to the safety and soundness of the creditor from identity theft, including financial, operational, compliance, reputation or litigation risks.

Credit means the right granted by a creditor to a debtor to defer payment of debt or to incur debts and defer its payment or to purchase property or services and defer payment therefor.

Creditor means any person who regularly extends, renews, or continues credit; any person who regularly arranges for the extension, renewal, or continuation of credit; or any assignee of an original creditor who participates in the decision to extend, renew, or continue credit.

Identifying information is any name or number that may be used, alone or in conjunction with any other information, to identify a specific person, including: name, address, telephone number, Social Security number, date of birth, government issued driver's license or identification number, alien registration number, government passport number, employer or taxpayer identification number, unique electronic identification number, computer's Internet Protocol (IP) address, or routing code.

Identity theft means fraud committed or attempted using the identifying information of another person without authority.

Red flag means a pattern, practice or specific activity that indicates the possible existence of identity theft.

The Program

The Town of Amherst hereby establishes an Identity Theft Prevention Program to detect, prevent and mitigate identity theft. The Program shall include reasonable policies and procedures to:

1. Identify relevant red flags for covered accounts it offers or maintains and incorporate those red flags into the program;
2. Detect red flags that have been incorporated into the Program;
3. Respond appropriately to any red flags that are detected to prevent and mitigate identity theft; and

4. Ensure the Program is updated periodically to reflect changes in risks to customers and to the safety and soundness of the creditor from identity theft.

The program shall, as appropriate, incorporate existing policies and procedures that control reasonably foreseeable risks.

Identification of Relevant Red Flags

In order to identify relevant Red Flags, the Town considers the types of accounts that it offers and maintains, the methods it provides to open its accounts, the methods it provides to access its accounts and its previous experience with Identify Theft. The Town identifies the following red flags, in each of the listed categories:

- A. Notifications and Warnings From Credit Reporting Agencies
 - Report of fraud accompanying a credit report;
 - Notice or report from a credit agency of a credit freeze on a customer or applicant;
 - Notice or report from a credit agency of an active duty alert for an applicant; and
 - Indication from a credit report of activity that is inconsistent with a customer's usual pattern or activity.
- B. Suspicious Documents
 - Identification document or card that appears to be forged, altered or inauthentic;
 - Identification document or card on which a person's photograph or physical description is not consistent with the person presenting the document;
 - Other document with information that is not consistent with existing customer information (such as if a person's signature on a check appears forged); and
 - Application for service that appears to have been altered or forged.
- C. Suspicious Personal Identifying Information
 - Identifying information presented that is inconsistent with other information the customer provides (example: inconsistent birth dates);
 - Identifying information presented that is inconsistent with other sources of information (for instance, an address not matching an address on the credit report);
 - Identifying information presented that is the same as information shown on other applications that were found to be fraudulent;
 - Identifying information presented that is consistent with fraudulent activity (such as an invalid phone number or fictitious billing address);
 - Social Security number presented that is the same as one given by another customer;
 - An address or phone number presented that is the same as that of another person;
 - A person fails to provide complete personal identifying information on an application when reminded to do so (however, by law social security numbers must not be required); and
 - A person's identifying information is not consistent with the information that is on file for the customer.
- D. Suspicious Account Activity or Unusual Use of Account
 - Change of address for an account followed by a request to change the account holder's name;
 - Payments stop on an otherwise consistently up-to-date account;
 - Account used in a way that is not consistent with prior use (example: very high activity);
 - Mail sent to the account holder is repeatedly returned as undeliverable;

- Notice to the Town that a customer is not receiving mail sent by the Town;
 - Notice to the Town that an account has unauthorized activity;
 - Breach in the Town's computer system security; or
 - Unauthorized access to or use of customer account information.
- E. Alerts from Others
- Notice to the Town from a customer, identity theft victim, law enforcement or other person that it has opened or is maintaining a fraudulent account for a person engaged in Identity Theft.

Detection of Red Flags

A. New Accounts

In order to detect any of the Red Flags identified above associated with the opening of a new account, the Town staff may take any or all of the following steps to obtain and verify the identity of the person opening the account:

- Require certain identifying information such as name, date of birth, residential or business address, principal place of business for an entity, driver's license or other identification on a form signed by the account holder;
- Verify the new account holder's identity by review of a driver's license or other appropriate identification materials;
- Review documentation showing the existence of a business entity; and
- Independently contact the account holder.

B. Existing Accounts

In order to detect any of the Red Flags identified above for an existing account, the Town staff will take the following steps to monitor transactions with an account:

- Verify the identification of customers if they request information, whether in person, via telephone, via facsimile or via e-mail;
- Require all requests to change billing addresses to be in writing, and verify the validity of those requests; and
- Verify changes in banking information given for billing and payment purposes.
- The Office Manager may waive the requirement to verify the identity of individuals involved in utility service terminations.

Response to suspected identity theft

In the event the Town staff detects any identified Red Flags, such personnel shall take one or more of the following steps, depending on the degree of risk posed by the Red Flag:

- Continue to monitor an account for evidence of Identify Theft;
- Contact the customer;
- Change any passwords or other security devices that permit access to accounts;
- Not open a new account;
- Close an existing account;
- Reopen an account with a new number;
- Notify the Office Manager for determination of the appropriate step(s) to take;
- Notify law enforcement; or
- Determine that no response is warranted under the particular circumstances.

In order to further prevent the likelihood of identity theft occurring with respect to utility accounts, the Town will take the following steps with respect to its internal operating procedures to protect customer identifying information:

- Ensure that its website is secure or provide clear notice that the website is not secure;
- Ensure complete and secure destruction of paper documents and computer files containing customer information;
- Ensure that the office computers are password protected and that computer screens lock after a set period of time;
- Keep offices clear of papers containing customer information;
- Ensure computer virus protection is up to date; and
- Require and keep only the kinds of customer information that are necessary for utility purposes.

Updating the Program

The Program shall be reviewed and updated periodically to reflect changes in risks to customers or to the safety and soundness of the organization from identity theft based on factors such as:

- The experiences of the organization with identity theft;
- Changes in methods of identity theft;
- Changes in methods to detect, prevent and mitigate identity theft;
- Changes in the types of accounts that the organization offers or maintains;
- Changes in the business arrangements of the organization, including mergers, acquisitions, alliances, joint ventures and service provider arrangements.

Administration of Program

- The Office Manager shall be responsible for the development, implementation, oversight and continued administration of the Program.
- The Office Manager shall train staff, as necessary, to effectively implement the Program; and
- The Office Manager shall exercise appropriate and effective oversight of service provider arrangements.

Oversight of the Program

1. Oversight of the Program shall include:
 - a. Assignment of specific responsibility for implementation of the Program to the Town Manager;
 - b. Review of reports prepared by staff regarding compliance; and
 - c. Approval of material changes to the Program as necessary to address changing risks of identity theft.
2. Reports shall be prepared as follows:
 - a. The Office Manager shall make appropriate reports on compliance by the organization with the Program to the Town Manager.
 - b. The report shall address material matters related to the Program and evaluate issues such as:
 - The effectiveness of the policies and procedures in addressing the risk of identity theft in connection with the opening of covered accounts and with respect to existing covered accounts;
 - Service provider agreements;

- Significant incidents involving identity theft and management's response; and
- Recommendations for material changes to the Program.

Oversight of Service Provider Arrangements

In the event the Town engages a service provider to perform an activity in connection with one or more accounts, it will take the following steps to ensure the service provider performs its activity in accordance with reasonable policies and procedures designed to detect, prevent, and mitigate the risk of Identity Theft:

- Require, by contract, that service providers have such policies and procedures in place; and
- Require, by contract, that service providers review the Town's Program and report any Red Flags to the Town Manager.

Duties Regarding Address Discrepancies

Through this Program the Town of Amherst has developed policies and procedures designed to enable the Town to form a reasonable belief that a credit report relates to the consumer for whom it was requested if the organization receives a notice of address discrepancy from a nationwide consumer reporting agency indicating the address given by the consumer differs from the address contained in the consumer report.

The Town may reasonably confirm that an address is accurate by any of the following means:

1. Verification of the address with the consumer;
2. Review of the utility's records;
3. Verification of the address through third-party sources; or
4. Other reasonable means.

If an accurate address is confirmed, the Town shall furnish the consumer's address to the nationwide consumer reporting agency from which it received the notice of address discrepancy if:

1. The organization establishes a continuing relationship with the consumer; and
2. The organization, regularly and in the ordinary course of business, furnishes information to the consumer reporting agency.

Effective January 1, 2009