

MINUTES

IRISH BEACH WATER DISTRICT

August 17, 1985

In compliance with paragraph 5.1 of the By-Laws, a regular meeting of the Board of Directors of Irish Beach Water District was held, August 17, 1985 at the Irish Beach Office, a notice thereof having been sent to each member and publicly posted August 7, 1985.

Board Members present: Robert Smith, K. H. McKaig, Hays Hickey, Ken Hofer
Absent: Jack Swartz

Also attending: John Acquistapace, Systems Mgr., Ruth Lyman, Secretary

Audience: Reuben Balzer, Nancy Menken, Chester Engle, Bill Moores and Gordon Moores

The meeting was called to order at 9:40 a.m. by Chairman Smith.

Minutes of the previous meeting had been previously distributed to and read by each Board member. Director Hickey moved they be accepted as written along with Addendums with one correction. (Dir. Smith stated Addendum #2 indicated Dir Swartz was not available to vote on the Water Treatment Plant Bldg, but in fact he was contacted by phone and did vote yes.) Motion to approve seconded by Dir. McKaig. All approved.

✓ Status of Water Treatment Building - Chairman Smith said that as a result of the telephone meeting and vote 7/12/85, the contract for the building had been awarded to Richard Graydon and construction is well under way.

✓ Treasurer's Report - Director McKaig who will be leaving the Board in November called the Board's attention to the most recent Operating Statement and reminded them of their obligation to place \$10,600 in the Reserve Fund annually as approved by previous action. This transaction has not taken place for the current fiscal year which ends September 30, 1985 and should be kept in mind.

The Board members had copies of the statement and had had an opportunity to study it. Director Smith noted that since the statement was made up, a \$500 delinquent account had been collected, improving the delinquent total substantially.

Treasurer McKaig pointed out the new Cash Flow format included for the first time and also a summary sheet on the State Loan expense to date. After general discussion, Hays Hickey moved the report be accepted, Seconded by McKaig.

Chairman Smith called the attention of those present to Chet Engle who had just arrived, thanking him for his speedy and efficient response to a fire in the District the previous day.

✓ Status of Water Treatment Plant - Smith explained that only one bid was received on this project and the Department of Water Resources advised the District to get a legal opinion. John Ruprecht was consulted and he researched the matter forwarding to the District a letter which concluded "The District may lawfully award the bid to Rescue Engineers in the amount stated in Aqua Resources, Inc. letter of July 5, 1985 to the Department of Water Resources." Ruprecht also prepared an urgency resolution for approval by the Board, a copy of which will be sent to the Department of Water Resources after being signed by the Board.

A copy of the letter was sent to DWR and their legal counsel agreed with Ruprechts opinion. A letter was to be sent to IBWD to this effect.

✓ Dir. Smith read the resolution and the engineer's accompanying letter to DWR explaining the circumstances of the bidding and asked if there were any questions. There being no questions, Dir. Hickey moved the adoption of the resolution as amended to read "Regular Meeting" rather than "Special Meeting" as written by Ruprecht. Seconded by Dir. McKaig. In favor, Hickey, McKaig and Smith. (Dir Hofer read the resolution upon his arrival at 10:25 and also voted aye.)

Status of Tank Painting Bid - Chairman Smith related that 8 Invitation to Bid packets had gone out to seven painters and one cathodic protection firm. He had called additional people to see if they were interested in order to insure a large field of bidders. So far, only one painter, James-Carl Co. of Eureka and the cathodic protection firm have responded. The general manager of James-Carl Co. came to Irish Beach last week and inspected the job and subsequently gave a bid of \$43,600 for the painting inside and outside of the two tanks and \$10,000 for the cathodic protection.

Smith's concern was that the District is now faced with another instance of a single bid and asked the other Board members for their feelings on the matter, as time is running out so far as weather is concerned and the time frame of the loan.

McKaig said it was not a comfortable situation, but a maximum effort has been made. Hickey stated that if out of 8 people, there was only one bid, and he feels the District is following the proper procedures in obtaining bids, they have no choice but to go ahead with the one bid. McKaig agreed that in terms of the red tape a political agency generates, some qualified bidders will be scared off, but that is the way it is and if the Board is going to have to settle for one bid, it is good to have all the bases covered in writing in a formal way in the event anything goes wrong on his performance. "I don't like it, but what choice do we have?" he said. Hickey agreed, "We have no choice but to follow the system."

Reuben Balzer from the audience asked if the letter from Attorney Ruprecht would apply to this situation. Smith said it would. All agreed that part of the problem is that the jobs are small and Irish Beach is isolated, making it unattractive to bidders.

Director Hofer arrived and was filled in on what was being discussed and the Boards dilemma.

✓ Director McKaig then moved that unless there are additional bidders on the tank painting job within the next 10 days for two weeks and we are again faced with accepting a job with only one bidder, that the Board approve awarding the tank job to James-Carl Co. based on his bid of \$43,600 for the painting of both tanks inside and out, and \$10,000 for the cathodic protection.

Director Hickey amended the motion to the effect that the Board should direct the President to again contact the most interested bidders on the list once more by phone and if that fails, then accept the James-Carl Co. bid. Second Hickey. All voting aye.

Improvements to Lower Diversion - For some time the Board has been seeking a solution to the problem of a pump which needs to be replaced. The elevation has now been determined and now it is known a 10 HP Pump is required and the service is single phase. A two-stage pump for the single phase would cost \$3,125.00 and would be only 7½ HP, according to an estimate received. As an alternative, Director Smith said he found a 10 HP Pump single-stage would cost \$1,095.00 and an estimate is forthcoming on the installation of three phase service. He believed it wouldn't be over \$750 to \$800 - under \$1,000 - the total job about \$2,100 vs \$3,125 and the District would have a more efficient and cheaper to operate pump.

✓ Director McKaig said this job should have high priority as the creek is getting low. Director Hickey moved we approve the installation of three phase and purchase of the 10 HP single-stage pump with a limit of \$2,500 for the project. Seconded - McKaig, All aye.

Election of Board Members - Two Terms Expiring November 1985

Incumbents K. H. McKaig and Ken Hofer whose terms expire in November have not filed nomination papers. One person, Wilfred Edelbrock has filed nomination papers with the County Clerk, Elections Dept. Mr. Edelbrock is eminently qualified and has declared his interest in serving. No others having filed, Ken Hofer said he would serve until the next election if appointed.

✓ Director Hickey said there will be no election since only one person has filed and there are two vacancies. He moved that a letter be written to the County Clerk, Elections Dept. stating that the Board endorses Mr. Edelbrock for the four year term for which he has filed and recommends Mr. Hofer be appointed by the Board of Supervisors for a two year term. Second - McKaig All aye.

Dir. McKaig stated that he had talked in some depth with Mr. Edelbrock about the directorship and felt he would be a real asset to the District. He urged the other board members to encourage him as much as possible.

Other Matters:

- (1) Tree Problems - John Acquistapace related to the board the recent problem caused by tree roots cutting off the water line in unit 4. He said this is the second incidence of this nature in the past two months. There are many more trees too close to water lines and more trouble can be anticipated unless they can be removed.

There was a general discussion on what jurisdiction the District has in this regard and it was noted that the Health and Safety Code states:

64403 - Responsibility (a) It is the responsibility of each water supplier to:

1. Exercise due care and diligence to protect the water sources under his control.
2. Provide and effectively operate and maintain treatment and distribution facilities.
3. Take whatever investigative or corrective action is necessary to assure that a pure, wholesome and potable water is continuously supplied to the users.

Director McKaig stated he felt a policy should be established now to cover this situation in the future. He emphasized that a policy should be established to

cover future damage to the water system caused by trees specifically and any other thing for which the property owner is liable, which results in damage to the distribution system.

After some discussion, Director Hickey moved that the Board set a Policy that Trees and any other thing which might cause damage to the water delivery system will be the liability of the property owner. Emergency repairs will be made by the District and the owner will be billed for the cost of tree removal and repairs to the system. Seconded by Dir. McKaig. All voting aye.

Chairman Smith said he would include in his next news letter a brief account of what has happened and strongly urge property owners to remove at least the first row of trees, and advise them of the policy.

- (2) Director McKaig called the attention of the Board to the Special District Board Administration Seminar which will be held September 27 and 28 in Sacramento. The seminar is designed especially for the Board Secretary and the District Office staff. He recommended that the Board send Secretary Ruth Lyman to the seminar. He had read the program schedule which covers subjects of direct importance to Irish Beach Water District. The cost, he said would be approximately \$520 including registration and travel expense. He urged the Districts participation in this because it is the employees who give stability to the operation and he believes it would be of great value to the District to make this training available.

Director Hickey moved the Board incur the necessary expense for Mrs. Lyman to attend. Seconded by McKaig. All aye.

- (3) Budget - 1985/86 FY - Treasurer McKaig presented copies of the budget for 1985/86 which he had prepared, going over each item and answering questions. He pointed out specifically a new item suggested by Director Hofer which establishes a Reserve for the Construction of a Fire House - \$4,000 budgeted for 1985/86. He also noted an increase in salary for the Systems Manager, the meter reader and the secretary, with a change from hourly to salary basis for the secretary. The rate of pay effective October 1, 1985 recommended for all three employees to be \$8.00 per hour. The administrative position salary to be based on 80 hours per month.

He also reminded the Board that the Reserve figure of \$10,600 is an annual commitment and has not yet been made for this fiscal year. At that time, Director Hickey moved the Board implement that previous motion and see that the necessary transfer is made before the end of the Fiscal Year. Sec. McKaig All voting aye.

A motion on the Fire House Reserve was made by Director Hofer to the effect that the Board establish a reserve account for the specific purpose of a Fire House and that a minimum of \$4,000 a year be allocated for this account. Second - Hays Hickey, All voting aye.

Director McKaig reminded the Board that an assessment will have to be established to cover the cost of the Loan. This cannot be done until the costs are known, but in the meantime, he has prepared a study sheet indicating a number of options which could be considered, depending on how much of the loan is spent.

After some discussion, Director Hickey moved the Budget for 1985/86 be adopted. Second - Director Hofer. All voting in favor.

The Board thanked Director McKaig for the excellent job of preparing the budget and the revenue forecast and also for the outstanding work he has done for the District while on the Board.

President Smith said, "We appreciate the work you have done. You have brought order out of chaos in the matter of our bookkeeping and our budget and our numbers. Its remarkable that you have taken time to do all this and you have done a marvelous job." He asked if McKaig planned to go through this budget and related projects with Mr. Edelbrock should he be appointed and McKaig stated that Edelbrock had asked if he could be available for advice from time to time should he take the job. McKaig said he would be agreeable to that but only with the Boards knowledge and agreement. All agreed that they would be delighted to approve that. Smith suggested perhaps McKaig could be a "committee of one" to assist the Treasurer. Attendance at meetings would not be required, he assured McKaig.

- (4) Trudi Collins EMT-I - President Smith told the Board that Trudi Collins who has been attending EMT I training classes for 6 months with over 300 hours has now completed the course. The district paid for her books and travel expense. She will soon be going for EMT-II and he believes the district should underwrite her on this in the same manner. All the Board members felt Mrs. Collins should be commended for dedication and effort and President Smith said he would write a letter to that effect.

Smith said he thought he should also write a letter to Ken McKaig thanking him for his service. There was agreement from all present that McKaig had done a remarkable job and would be hard to replace.

From the audience, Reuben Balzer said he would like to say that from the "outsiders" point of view, McKaig had done a terrific job.

The meeting was adjourned at 12:01 p.m. on motion of Hays Hickey

Irish Beach Water District

POST OFFICE BOX 67

MANCHESTER, CALIFORNIA 95459

NOTICE OF TIME AND PLACE OF SPECIAL MEETING OF THE IRISH BEACH WATER DISTRICT

NOTICE IS HEREBY GIVEN that pursuant to the By-Laws of the Irish Beach Water District, Section V, Paragraph 5.3, a Special Meeting will be held by the Board of Directors in conjunction with its Regular meeting on Saturday, June 1, 1985 at 1 p m at the Irish Beach Office, Irish Beach, California.

The purpose of the Special Meeting is to discuss the loan from the State Safe Drinking Water Bond Fund. J. F. Bajsarowicz, Engineer from Aqua Resources, Inc. and B. David Clark, District Engineer, Department of Health Services will be present to answer questions.

Please note - Time of meeting is 1 p m. This is later than the usual meeting hour.

AGENDA :

Regular Meeting

1. Minutes of previous meeting
2. Treasurers report
3. Any other matters which should properly come before the Board at its regular meeting.

Special Meeting

1. Project Feasibility Meeting as described in the attached notice, a copy of which was publicly posted and mailed to all customers on May 1, 1985

Dated May 20, 1985

PUBLIC NOTICE

The Irish Beach Water District will conduct a Public Meeting to discuss the proposed improvements to the Water System.

This project includes construction of a sand filter, repainting steel tanks, replacing pumps and construction of a small warehouse, office building.

Financing will come from a loan under the State of California Safe Drinking Water Bond Law of 1976.

Meeting will be held on June 1, 1985 at 1:00 p.m. in the Irish Beach Office

Any written comments must be received before May 27, 1985. Mail address: P.O. Box 67, Manchester, Ca. 95459

Irish Beach Water District

ROBERT H. SMITH, President
Board of Directors

Irish Beach Water District

POST OFFICE BOX 67

MANCHESTER, CALIFORNIA 95459

May 2, 1985

SUBJECT: MEETING OF BOARD OF DIRECTORS

TO: MEMBERS OF BOARD OF DIRECTORS

Due to the necessity to hold several Special Meetings of the Board of Directors in the past few months, and because it is essential that another Special Meeting of the Board has been set for June 1, 1985, the regularly scheduled meeting of May 18, 1985 will be rescheduled to concur with the Special Meeting of June 1, 1985.

The June meeting will be concerned with the State Loan from Safe Drinking Water Bond money to improve the quality of water delivered to users.

Mr. B. David Clark, District Engineer for the State of California, Department of Health Services, will be in attendance to answer any questions concerning the need for the improvements, as will the representative of Aqua Resources, Inc., the engineering firm designing the improvements.

This will be a Public Meeting required by the State of California Department of Water Resources as a condition to insure the loan.

Your attendance is invited.

Robert H. Smith
President

MINUTES
IRISH BEACH WATER DISTRICT
PROJECT FEASIBILITY MEETING
JUNE 1, 1985

In compliance with paragraph 5.1 and 5.2 of the By-Laws, a regular meeting of the Board of Directors was held, June 1, 1985 at the Irish Beach Office, a notice thereof having been sent to each board member and publicly posted May 2, 1985. In conjunction with the regular meeting, a Special Meeting and Project Feasibility Meeting as prescribed by the State Department of Water Resources was held.

Board Members present: Robert Smith, K. H. McKaig, Hays Hickey, Ken Hofer and Jack Swartz.

Also attending: John Acquistapace, Systems Mgr, Ruth Lyman, Secretary, Mark J. Bartson, Dept. of Health Services and J. F. Bajsarowicz, Engineer, Aqua Resources, Inc.

Property Owners attending: Beatrice Breese, Gertrude Elder, Marge Luback, Betty Woodward, Miles and Judith Esrig, Charles and Mildred Linville, Reese and Mildred Tripp, Richard and Margaret Daugherty, David Rosendale, Griffith Sieber, Bill Moores and Gordon Moores.

The meeting was called to order by President Robert Smith at 1:10 P.M.

The main purpose of the meeting being the Special Meeting, Director Hickey moved the Board accept the minutes of the previous meeting as written and dispense with the Treasurers report. Second, Director McKaig.

Chairman Smith explained that the topic of the meeting is to describe what the District plans to do with the Loan money from the Safe Drinking Water Bond loan and answer any questions. He introduced Mark Bartson from the Dept of Health Services who was attending to explain the need for the improvements to the system and John Bajsarowicz, Engineer from Aqua Resources, who has been hired to design the facilities and write the specifications for painting the tanks. He listed the basic projects as:

1. Rapid Sand Filter
2. Painting and Cathodic Protection of two steel tanks
3. A small building to house the sand filter and an office, workshop and storage.

He explained that Mr. Bajsarowicz had brought with him the designs and specifications he had been hired to do and that copies had been given to Mr. Bartson to take back to the State Department of Health Services for approval. Once they are approved, they will go to bid. The engineers will handle that aspect for the District. The meeting was turned over to Mr. Bajsarowicz for questions and answers. He explained that the specs are what is known as performance specs. and once they are approved, they will make any required changes and finalize them. Then they will go to bid. He then described the bidding process.

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Mr. Bajsarowicz described the rapid sand filter for those present and Mr. Bartson explained the need for the filter, explaining what turbidity is and also the wide concern about Giardia. He stated that chlorination alone will not kill these cysts. Filtration and chlorination are both required.

From the audience, Reese Tripp inquired what the design capacity of the filter system would be. Mr. Bajsarowicz said it was designed for 50 gal per minute though at the present time the maximum required is only about 35 gal per minute. Additional units could be added to enlarge the capacity, he said, which is one of the nice things about a rapid sand filter. He reminded the District that the current source, however is limited, and there might eventually be a need to develop another source.

There was a discussion of the building proposed by the Board as compared with the minimum structure the engineer had included in his drawings. The drawings and plans for both were laid out for inspection by those present.

Returning to the subject of an additional source of water should it become necessary, Beatrice Breese inquired if the proposed filter plant could handle that. The engineer said he believed water could be carried from Mallo Pass to the existing line & pumped from there to the filtration plant. He suggested the District might want to look at that.

The turbidity problem historically with the system was discussed by the Board and the Engineers and the Systems Manager in answer to questions from the audience.

The questions was raised as to whether or not the water shed could be effected by logging and cattle raising. It was agreed that there was no guarantee for the future, but at the present time there is little cattle raising and the timber is too small for logging.

Mrs. Tripp inquired if there would be a 35 year guarantee on the system since there is a 35 year loan. Pres. Smith replied that that is part of the State's requirement that whatever is built must have a life of 35 years. Mr. Bartson mentioned the possibility of paying it off in a shorter time with higher payments.

Bill Moores spoke in favor of building adequate housing for the filtration equipment at this time, but not using the loan money for a fire house building. Speaking for himself, he said he felt the District should consider the priorities of the filtration plant and the tank repair first and do as much as they can without raising the rates. Pres. Smith reminded him that the Board does already have a priority list in which the building is last and that it is possible to stop the loan at less than the committed amount after the filter plant and the tank projects are completed. However, he said, "We will have to make a special assessment to service the loan, because that is a requirement of the state." "We can't take it out of our water rates." The Dept of Health representative, Mr. Bartson remarked that what they want to see done is the filter plant and the inside of those tanks. If the District decides to do something else because its in their best interests, they will support it, but not require it.

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Chairman Smith asked if there were other comments regarding the building... Marge Lubeck stated that she was aware that the Fire Chief was against having the fire equipment that far away from the central portion of the District, but she questioned if the Board might not be "penny wise and pound foolish" to not go for this in this time of rising expenses. She said she felt the fire equipment should be protected and she would like to see the Board go for as much financing as they can get because the rates are so low. Director Smith reminded the audience that the approved use of the store room is just that. Storage. In this regard, Mrs. Lubeck said that if nothing more the room could be used to dry fire hoses and thereby save the District money for replacement which has always been a problem.

Mr. Bajsarowicz cautioned the Board that they must have adequate estimates on everything they might want to do, because if they don't go for enough money, they cannot go back to the State for more. So whatever they have to do, do it now, because that kind of money will not be available again.

Director McKaig, Board Treasurer, responded that the District does have money of its own and on each of these items, the Board will make a determination as time goes by reviewing the whole picture as to which of these items the loan money will be used for. The water treatment plant, without question will come from state money.

Director Smith said, once the bids are in and we see the numbers, certainly on the filter system and the tanks, then we can decide, if there is a large portion of the money left whether to try to get by with a \$15,000 building instead of a \$65,000 building. He said he would really like to see an office for the District as the requirements are increasing all the time. The District has always relied on the courtesy of the Moores to allow us to use their meeting room and it is appreciated. But, he said, he felt the district should have its own office and meeting room.

The question was asked about the Districts Reserve fund. Director McKaig stated the fund is now \$35,000 but the District is committed to adding to it at a rate of \$10,000 per year in order to build up a replacement reserve. The total system is now valued at \$900,000 and we need to have reserves to meet major expense requirements.

On the subject of the painting and cathodic protection of tanks, Director Smith said he had had some comments as to why this was so expensive. Mr. Bajsarowicz said that from his experience, this was not unreasonable at all. He then explained for the audience what cathodic protection is. He recommended that one contractor should be responsible for the sandblasting and painting and cathodic protection because of the coordination required. He also said it would be worthwhile to engage an independent engineer to test the installation once it is completed. He proposed the district budget an additional \$1,000 for that.

There was a general discussion of the bidding process and the procedures to follow. Chairman Smith asked the Board if they had any questions for the Engineers at this time. There were none. Mr. Bartson said he hoped to get the Department's review and comments back to the Board by the middle of next week.

It was decided that the Board would get some estimates on its own on the larger building as opposed to the minimum building be prepared with some numbers when needed. Meanwhile the engineers will go to the State with the plans for the water treatment plant and the cathodic protection of the tanks.

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The Board had received nine written responses to its notice regarding the meeting. Most of them supporting the Board for its past and future efforts. One questioned the future use of Mallo Pass as a source. One questioned the cost of the tank painting. Chairman Smith read some of the letters to the audience.

✓ Mrs. Elder asked for a clarification of how the loan would be repaid. Dir. Smith said that a special assessment would appear on the bill for each lot every month. Probably about \$3.30 if the entire amount is borrowed.

Since the matter of the building was not yet resolved, as the Board members felt there was insufficient information on which to make a decision, Chairman Smith agreed to contact a local contractor for a rough estimate to be used as reference only and get back to each of the Board members individually by phone.

Director McKaig expressed his concern that whatever was built should take into account the best use of the site since it is the only piece of property the District owns.

The meeting was adjourned at 2:55 p.m. on motion of Director Swartz, Seconded by Director Hickey.

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6/24/85

ADDENDUM TO THE MINUTES OF THE BOARD OF DIRECTORS MEETING
IRISH BEACH WATER DISTRICT - JUNE 1, 1985

Water Treatment Building

✓ As agreed at the meeting, President Smith consulted with a local contractor, Richard Graydon to get an estimate of the cost of a minimum building to house the sand filter. Graydon suggested a figure of approximately \$8,000.00

✓ Smith then relayed this information individually to the other Board members who had then had an opportunity to study the proposed plans for the larger building being considered, and it was decided by a vote of four to one to proceed with the smaller building.

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7/12/85

ADDENDUM TO THE MINUTES OF THE BOARD OF DIRECTORS MEETING.
IRISH BEACH WATER DISTRICT - June 1, 1985

Water Treatment Building - Addendum #2

Due to the necessity to begin construction as soon as possible and the next regular meeting of the Board of Directors being scheduled for August 17, 1985, an Emergency Telephone meeting was held with Chairman Smith polling each of the Board Members regarding the bids received on the Water Treatment Building.

Plans and specifications were made available to all interested bidders and the results are as follows.

Richard D. Graydon	\$ 8,468.00
Austin Hall	12,647.00
William J. O'Keefe, Jr.	13,330.00
Rescue Engineers, Inc.	14,350.00

Richard Graydon's bid was the lowest and also, he said he could begin construction immediately.

Board Members voting for Graydon's bid; McKaig, Smith, Hickey and Hofer. Not available Swartz.

A copy of Graydon's formal proposal is attached.

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MINUTES
IRISH BEACH WATER DISTRICT
SPECIAL MEETING - APRIL 19, 1985

In compliance with the By-Laws of the Irish Beach Water District, a Special Meeting of the Board of Directors was held, April 19, 1985 at the Irish Beach Office, a notice thereof having been sent to each Board member and publicly posted, April 14, 1985.

Present: Directors Hays Hickey, Ken Hofer, K. H. McKaig, and Robert Smith. Systems Mgr., John Acquistapace and Secretary, Ruth Lyman.

Audience: Margaret Daugherty, Richard Daugherty, Griffith Sieber, Beatrice Breese, Nancy Menken, Harry Sammis, Gordon Moore, and Bill Moores.

Also present: J. F. Bajsarowicz P. E., Principal, Aqua Resources, Inc.

The meeting was called to order at 12:16 P.M. by Chairman Robert Smith, who introduced Mr. Bajsarowicz of Aqua Resources, Inc., the engineering firm in Berkeley which the Board had hired to design a sand filter. Smith explained that ARI had been asked to design a slow sand filter for Irish Beach, but after on-site visits by their staff, their recommendation was for a rapid sand filter. He said, Mr. Bajsarowicz had been asked to attend the meeting to discuss this recommendation so that the Board could determine which way to go.

Smith said he had talked with Dave Clark of the Health Dept. after learning of ARI's recommendation and Clark said that if a rapid sand filter is properly designed and operated, it is in his judgment a good way to go. He did not say that the slow sand filter would not work.

Mr. Bajsarowicz responded to this by saying that the policy of the Health Dept is not to recommend anything. He felt they would have no objection to either system so long as it is properly designed and the engineers have the same policy. He said, "We are not trying to push you one way or another. We are just trying to tell you what the options are, how much its going to cost, and in our judgment, it would be better for you people to have a pressure (rapid) sand filter."

He realized, he said, that some of the concern of the District is operation. He said he wanted to reassure the Board that it is not as big a problem as some people perceive it to be, and explained briefly the chemicals and procedures involved. Whatever type of sand filter you go with, he said, you should worry about (1) The ultimate cost of installation and (2) Operational costs.

He said he had not seen the proposed sites himself, but understands from his staff that two are unacceptable and the other could be made suitable, but would ultimately end up costing more money because of the leveling and reinforcement required. In his judgment, the slow sand filter would end up costing quite a bit more than the rapid sand filter.

His estimate, he said, was conservative because in his experience, you always run into problems, so you don't want to give an estimate and then have to come back and say its going to cost another 25%. So we want to give you a realistic estimate and would rather over estimate than under estimate.

✓ He recommended developing "performance specs and drawings" which would provide general specifications, flow diagrams, general location drawings etc. This allows you to get bids from several contractors and you get lower bids that way.

✓ The engineers then evaluate the bids and recommend the best one. Also, they will make sure that once the work is started, there will be somebody there for at least a couple of days to inspect and make sure everything is correctly put together. Once the system is operational, they will send someone to teach the System Manager how to use the chemicals and run the system.

After a general discussion of the technicalities of the rapid sand filter, chemicals etc., Director McKaig asked Mr. Bajsarowicz if he could review for the benefit of those present the benefits and disadvantages of the slow vs the rapid sandfilter. Which would be best on the long haul considering that usage can be expected to increae.

One advantage, Mr. Bajsarowicz explained, (of the slow sand filter) is that operation is minimal. You have to add chemicals, but you don't have to go there every day and make sure everything is functioning... but **every** once in a while you are going to have to clean it up and cleaning up is a real mess, because basically, what you have to do is take the sand out and wash it or throw it out. He then described this procedure, commenting that the equipment to clean the sand is relatively expensive. Also, it is an exposed system effected by rainfall, leaves etc and has to be cleaned out. It is just an old way of doing things, he said. The major problem with a slow sand filter at Irish Beach, however, is the location. There is just not enough space.

Bill Moores from the audience, inquired what makes the difference in the estimate now when the impression previously given was that the slow sand filter would be less costly.

Mr. Bajsarowicz replied that the cost was mainly in the construction of the container. He said his firm would not be willing to give the District some sort of a half-finished job. "We would have to design it so that it would stand." The cost of developing the site was another factor, he said.

It was suggested that he go and look at the site himself, and he said he would and would reserve final judgment until then, but stated he would not get ARI involved in this job unless it was done properly.

✓ Continuing the comparison of slow vs rapid sand filter, Mr. Bajsarowicz said it is easier in the long run to operate a rapid sand filter. John Acquistapace inquired about the costs of chemicals etc. The engineer replied that the cost of chemicals was about the same. Its the installation.

✓ Director McKaig asked which is the simplest to enlarge, if it is necessary to increase the capacity of the filtering system. The engineer said it is easier to do that with the rapid sand filter. Another tank would double the capacity. The slow sand filter, in contrast, is designed for 50 GPM and if 55 GPM was needed, another big container would have to be built. A problem in this csse as there is no place to go.

At 12:55 at McKaig's suggestion, the meeting was adjourned for a half hour so that Mr. Bajsarowicz and anyone else who wished could take a look at the site.

At 1:28 PM, the meeting was reconvened by Chairman Smith who said to Mr. Bajsarowicz "You have seen the site. Tell us what you saw."

Mr. Bajsarowicz said, "I still think our estimate is reasonable. As I mentioned earlier, we are conservative here." He said he thought the site was tight. A lot of site work there. Potential problems with maintenance. The slope might be stable but he wouldn't know without geotechnical investigations. Some trees would have to be removed and a fence built around it. He said he still thought his estimate was valid, saying the District would pay more for the slow sand filter and get less for it.

✓ Director Hickey moved - "I move that we proceed with the Rapid Sand Filter."
Director McKaig - Seconded. All voting aye.

Director Smith then said that now needed are 3 bids on the performance specs the engineer would supply, reminding Mr. Bajsarowicz of the June 30, 1985 deadline. Mr. Bajsarowicz said that would be no problem. His firm would evaluate the 3 bids and give the Board a recommendation including a design and the cost of construction supervision and start-up training.

✓ Director Hickey moved - "That we authorize Aqua Resources, Inc. to proceed,
based on this preliminary cost estimate."

Director Hofer - Seconded. All voting aye.

Mr. Bajsarowicz said he would like to get the specs to the Board by the end of May and give the contractors say 2 weeks to submit the bids.

June 1, 1985 at 1 PM was tentatively set as the time for The Project Feasibility Meeting, subject to the approval of the Department of Water Resources and the Department of Health Service.

The meeting was adjourned at 2 PM on motion of Director McKaig. Second, Hofer.

Irish Beach Water District

POST OFFICE BOX 67

MANCHESTER, CALIFORNIA 95459

NOTICE OF SPECIAL MEETING

Pursuant to the By-Laws of Irish Beach Water District, a Special Meeting of the Board of Directors will be held on Sunday, April 14, 1985 at the Irish Beach Office at 9:30 A.M.

The Agenda is as follows:

1. Discussion of priorities for improvements with State Loan.
2. Discussion of draft by William Moores on Mallo Pass project.
3. Discussion of policy regarding leaks which occur between the meter and house. A recent leak, undetected for 10 to 12 days, put 219,000 gallons through the meter while homeowners were on vacation.
4. Any other matter which may properly come before the Board.

ROBERT H. SMITH
President

Dated April 7, 1985

EMERGENCY AGENT ?
FIRE FIGHT
WATER METER LEAK
STATE LOAN STATE
EMERGENCY AGENT ?

MINUTES

IRISH BEACH WATER DISTRICT

SPECIAL MEETING - APRIL 14, 1985

In compliance with the By-Laws of the Irish Beach Water District, a Special Meeting of the Board of Directors was held, April 14, 1985 at the Irish Beach Office; a notice thereof having been sent to each Board Member and publicly posted April 7, 1985.

Directors present: Robert Smith, K. H. McKaig, Ken Hofer and Hays Hickey.
Absent: Jack Swartz.

Also present: John Acquistapace, Systems Mgr., Ruth Lyman Secretary.

Audience: Rueben Balzer, Nancy Menken, Richard Daugherty, Margaret Daugherty, Griffith Sieber, Charles Linville, Mildred Linville, Beatrice Breese, Gordon Moores and Bill Moores.

The meeting was called to order at 9:35 A.M. by President Robert Smith. Smith began the meeting by saying that when he sent out the notice he anticipated that the State engineer for the loan project would be able to attend but plans had not developed fast enough to make that possible. However, he said the Board would still consider the priority list of the loan and would be glad to answer any questions from the audience. Another meeting will have to be held, he said where specifications for all the projects the Board intends to do will be available and the engineer will be here to explain why they are needed.

Smith said he had recently met with Dave Clark, Senior engineer for the Dept. of Health in Santa Rosa and had got a pretty good indication of what he expects us to do, and what we can and cannot use the loan money for.

The #1 thing on the State engineers list of priorities, Smith said was a sand filter. A must. Either a slow or rapid. He said that at a previous meeting the Board had authorized Aqua Resources, Inc. to proceed with the preliminary design for a sand filter and their report had just been received. Copies had been given to the Board members for their study.

In order of priority, the other items on the list are:

- #2 - Sand blast and paint the two steel tanks
- #3 - Install cathodic protection to the two steel tanks including extension of 115 V service to the tank in unit #3. A previous bid of about \$10,000 not including the electrical service has been received. The cost of the electrical work is being investigated. In that it is such a small amount of electricity, there are a number of alternate solutions.
- #4 - Pump installation at the lower diversion to replace the submersible pump that failed. There are no recent figures, but an earlier estimate on this was in the nature of \$2,000.
- #5 - Replace the pump that services Unit 8 tank... Present pump is undersized and overheats. Looking at a \$1,500 number there.
- #6 - Attempt to box in a spring near the upper diversion. An estimate of \$1,500, mostly back hoe work and rock.
- #7 - Shut-off valve or overflow line for unit #3 tank. \$300 to \$500 Maximum.

#8 - Last thing - Building housing an office, chlorinating room, storage or workshop area to be located near the 200,000 gal tank in unit 4. Smith said preliminary designs have been made up and noted that they were available at the meeting for the audience to look at. He also stated that the Health Engineer had said he would approve the building, but that it would be the last thing on the list he would approve. We have got to fix the water first and all things pertaining to it, Smith said.

✓ Because of an extension which has been granted, the present time frame for all these projects is starting date, June 30 and completion December 31, 1985.

✓ Director McKaig interjected at this point, that the Board needs to keep in mind that in this same time frame, not necessarily a part of the loan package, the matter of the Mallo Pass diversion project must be resolved. The deadline established by the State is December 1, 1987 and if the District does not have facilities in that stream at that time, it will lose the water rights.

There followed a general discussion with audience participating of sand filters, slow vs rapid, their costs and effectiveness. It was noted that over the years that the District has been considering a sand filter, 4 out of 5 engineers consulted had recommended a rapid sand filter.

Rueben Balzer inquired if the reason the Board was not now considering the slow sand filter was because of the lay of the land. Smith replied that the engineers said it could be done, but that there would have to be some geodetic work done.

In response to a question about the effectiveness of the rapid sand filter system, Smith said this type of system is in common use about the state. About 98% of filter systems in business in California are the rapid sand filters. Slow sand filtering, he said is an old concept, a good concept, but it requires a lot more space. The State, he said, feels that we need pretreatment, filtration and chlorination to satisfy the Health Dept.

Dir. McKaig said he was not yet satisfied with the engineers reasoning. Bill Moores agreed, saying that at the meeting with Dave Clark, Clark had indicated a slow sand filter would be acceptable. Quick calculations at that time indicated a cost much lower than the figure the Engineering firm is now estimating.

Dir. Smith said he would be meeting with the engineers on April 16th and would try to get some more answers.

✓ McKaig said he was in favor of getting the engineers up here on the site and have them meet with the Board. Such a meeting should be as soon as possible and be an "on the spot evaluation".. The Board agreed and a date of Friday April 26 was selected.

POLICY REGARDING LEAKS - Smith explained a problem recently encountered regarding a leak between the meter and the house and pointed out that there is no present policy to cover this event, since before the present system of billing for metered usage, a flat rate was in effect. Mrs. Lyman had made some inquiries among other water districts and private water companies in the area to determine how they handled this problem. Smith read her report.

Director Hickey said "We have had no policy up to this point and in this case, I think there should be an adjustment."

4/14/85 J-V

Another instance was cited where the occupant of the house went off and left the hose running and it was not discovered for several days. It was agreed that this would not be the same type of situation.

Hickey remarked, "If its between the meter and the house, although that is certainly the owners responsibility,(everything beyond the meter), its the sort of thing that would be difficult to catch right at first.

✓ Director Hofer moved that the Board establish a policy to the effect that: "Should a leak occur between the meter and the house through no apparent fault of the homeowner, the bill will be adjusted to the average for the previous 6 months usage." Seconded by Dir. Hickey. All approved.

MALLO PASS PROJECT - Bill Moores had presented to the Board a draft of a proposed agreement between Irish Beach Water District and himself regarding the steps necessary to develop the Mallo Pass Diversion Project.

Prior to discussion Director Hofer stated that he had a question regarding the basic principle behind the water district, a public entity going into an agreement with a private individual cost sharing for a project which would eventually be financially beneficial for the private party.

✓ Dir. Smith explained that the agreement reads that whoever uses the water pays for it and pays for that portion of the facilities. Hofer replied that he thought there would be problems. Smith continued that the proposal says that the diversion in Mallo Pass will be accomplished by the water district and paid for by the water district but it does pin down the developers responsibility should he develop Unit 9 and the Inn site. These parts of the cost he will pay for at that point. Hofer, questioned the reason for considering it now.

Dir. McKaig said he did not think the District should sign anything now on any of the projects in the proposal. They should be developed individually.

Dir. Smith agreed that before the Board signs any document, they will seek legal and engineering advice, but that the agreement could serve as a road map for all the things the Board will eventually have to face.

There followed a general discussion with audience participation regarding water rights, the need for additional sources and the various problems which the District has faced and will face in the future. It was suggested that with metered usage and the repairs to the tanks etc an additional diversion might not be necessary.

✓ Director McKaig said he was not comfortable with what Irish Gulch can supply, as he once was. As time goes on he is less convinced that anybody can guarantee us that we have enough water.

Beatrice Breese from the audience said that she would generally agree with those who had spoken in opposition earlier, but believed that "In this day and time, if you have any source of water, hold on to it."

Dir. McKaig said that additional tanks and reservoirs would cost a lot more than hooking up to Mallo Pass and he hates to see any water rights go out of our hands.

After a lengthy discussion of the various points of the proposal no action was taken. The meeting was adjourned on motion of Director Hickey at 11:23 A.M.

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NOTICE

Pursuant to the By-Laws of Irish Beach Water District, paragraphs 5.1 and 5.2, a regular meeting of the Board of Directors will be held on Saturday, March 2, 1985 at the Irish Beach office at 9:30 A.M.

The Agenda is as follows:

- ✓ 1. Minutes of the previous meeting.
- ✓ 2. Treasurer's Report - McKaig
- ✓ 3. Discussion of Reconnection Fee following disconnection for non-payment of water services bill.
- ✓ 4. Revision of Policy Letter of Rates and Billing Procedures to include new rates established November 17, 1984 and reaffirm policy of billing owner of record only.
- ✓ 5. Update on State Safe Drinking Water Bond Loan project - Smith
- ✓ 6. Letter from Tom's Plumbing re: Monitoring Septic Tank Maintenance Program - Smith.
- ✓ 7. Report on action taken in personnel matter - Special Meeting, January 12, 1985 - Smith.
- ✓ 8. Demand for payment of damages of property from William Moores - McKaig.
- ✓ 9. Mallo Pass water diversion project.
- ✓ 10. Request from Ruth Lyman for reimbursement for office space used in her home for IBWD business - McKaig.
- ✓ 11. Status of Irish Beach Volunteer Fire Department - Hofer
- ✓ 12. Occupancy Agreement from Moore - Fire Dept - Improvements to building by District. (rust - leaks)
- ✓ 13. Fire Hydrant installation.
- ✓ 14. Turbidity Equipment installation. *f*
- ✓ 15. Development of Springs - Upper Irish Gulch.
16. Any other such matters which should properly come before the Board for consideration.

Dated 2/22/85

resolution on new proposal to be added to agenda
Annexed Sub. Decision

MINUTES
IRISH BEACH WATER DISTRICT
March 2, 1985

In compliance with paragraph 5.1 and 5.2 of the By-Laws, a regular meeting of the Board of Directors was held, March 2, 1985 at the Irish Beach Office, a notice thereof having been sent to each board member and publicly posted February 22, 1985.

Board Members present: Robert Smith, K. H. McKaig, Hays Hickey, Ken Hofer and Jack Swartz.

Also attending: John Acquistapace, Systems Mgr, Ruth Lyman, Secretary and in the audience, Gordon Moores, Bill Moores, Marge Lubeck and Frank Collins.

Prior to the beginning of the meeting, each Board Member received a copy of the minutes of the previous regular meeting and the special meeting held January 12, 1985 as well as other pertinent documents pertaining to the agenda.

The meeting was called to order at 9:38 A.M. by Chairman Smith.

Minutes of the previous meeting were read by Secretary Ruth Lyman and there being no additions or corrections, they were approved as read on motion of Director Hofer, seconded by Director Swartz.

Treasurers Report - Director McKaig reported that the most recent financial report showed year to date figures for income - \$18,300 and expense - \$16,600, so that the District is operating in the black for the time being. Interest income year to date is \$1,561 and going down. He said that 2/3 of the budget has been spent on pumping system improvements, principally due to the purchase of pipe and also water meters. The cost of the meters will come back to the district as meters are sold, however.

Report on the Fire Department was deferred until later in the meeting, as Director Hofer said Frank Collins who had indicated he would accept the post as Fire Chief would appear later and would report.

Reconnection Fee following disconnect for non-payment of water charges was discussed. This fee was previously \$275 when the hook-up fee was \$275. In light of the fact that the connection charge is now \$600, it was moved by ✓ Director McKaig the Board establish a policy that we do not apply the \$600 connect fee to an account that we have had to disconnect, but that we retain the previous \$275 fee. Seconded by Director Hickey. Motion carried.

Another billing policy matter called to the attention of the Board was the procedure of billing owner of record only. Current District policy states "Owner of record will be billed for all services supplied by the District and will be solely responsible for payment in full." In the past an exception ✓ had been made in the case of the duplex owned by Bill Moores. It was moved by Director Hickey that the District reaffirm and adhere to the policy as written. Seconded by Director McKaig. A letter to go to Mr. Moores explaining the policy. Motion carried.

A letter from Rick O'Neil of Tom's Plumbing was read by President Smith. The letter suggested that O'Neils Septic Service be allowed to put the District's septic tank records on his computer with the idea that he could be responsible for keeping track of when tanks need pumping and notify the property owners,

3/2/85 J

and IBWD. Property owners would not be obligated to engage his services for the pumping. The ramifications of this proposal were discussed at length by the Board and it was decided to adhere to the present policy in which the Board has the responsibility for record keeping and enforcement of the scheduled septic tank pumping. Director Swartz volunteered to begin a program of notification with the assistance of Director Hofer. Director McKaig said he felt once the system was set up, it could be administered by the Secretary. Smith said he would write Mr. O'Neil and thank him for his suggestion, but at the present time the Board is going to decline his offer.

Occupancy Agreement - Moores/Fire Dept. Director Smith said the District plans to put in a wood and wire partition between the Fire Truck and the other two bays of the building. The door to be put on rollers. He said he and Gordon Moores had looked at the building together and Gordon is in agreement.

✓ Director McKaig reminded the Board that previously they had requested the Moores to write up an occupancy agreement outlining the conditions of the District's occupancy of the building in question. He stated that this makes good sense and there is protection for all parties if we have a document of that nature. It was agreed by the Board to again request such a letter from Gordon Moores and in the meantime proceed with the work discussed.

✓ Fire Hydrant Installation - Director Smith said he had gone to Bell Industries in Santa Rosa and arranged for materials needed to install two hydrants. He read the list of materials required which he said would be available in 4 to 6 weeks after establishment of credit. Director McKaig commented that the purpose of putting the item on the agenda was to prompt a discussion about who is going to make the installation. Whether to use the services of a plumbing company, a bid having been received from a company in Fort Bragg for \$3,600 including materials, or to have it done by District personnel.

John Acquistapace said he would need to know what was involved and what tools would be required. McKaig said the plans are available and that he had hoped to save the District money by having it done by our personnel as well as giving work to local people.

✓ About \$1,200 total would be needed for materials and it was agreed that the purchase of a 6" transite cutter would be a good idea to have for the district's use. There was a general discussion of the methods of installation and it was felt that 2 men could do each hydrant in 2 days. Director Smith said the materials could be ordered the following week and in the meantime, if District personnel find they cannot do the work more bids from other contractors will be secured on the basis of labor only.

Turbidity Equipment Installation - The equipment is now on hand and Director Swartz said he would plan to help the Systems Manager, John Acquistapace make the installation on March 23rd, when he would have some free time.

✓ Report on Action Taken in Personnel Matter - Chairman Smith reported that as a result of the personnel meeting on January 12, 1985, the Board had severed the employment of Bill Morrissy with the water district as far as part-time help and reading meters. At that time, the district did not ask him to resign as Fire Chief. Since then, however, for personal reasons, he has moved from Irish Beach and has therefore resigned as Fire Chief.

✓ Demand for Payment of Damages - Smith also reported that the other item discussed at the special meeting was the demand for payment of damages on the property of Bill Moores. At that meeting no action was taken, but in the interim, the matter has been referred to the District's insurance company and they are handling it.

3/2/85 J

Mr. Moores, who was present, said the insurance people had already contacted him.

Request for Reimbursement for Office Space - A letter from Ruth Lyman was read by Director Smith in which she requested \$50 a month reimbursement for the use of office space and facilities in her home. Director McKaig said he had done some numbers on the request after consulting with Mrs. Lyman and found there would be a net savings of approximately \$16 a month in mileage expense due to the change in location of her office. He listed the equipment being used in the home office belonging to the District and that provided by Mrs. Lyman including heat and light, saying "so that will give the picture and you can relate it to what position we would be in if we had to furnish all that."

Director Hofer said he was opposed in the general principle of it. He agreed that the water board should provide space, but there should be some alternative - one would be to build a fire house and make the space available, and that they should proceed with this. In the interim, however, he said, he is not opposed to paying Ruth the \$50 a month for the use of her house, but he does not think it is the long term answer. Again, he said, he is opposed to it on the basic principle.

Director Hickey said, "I'm not." "I think that until such time as we do get in position to provide adequate facilities, she should have reimbursement." "I move that we grant \$50 a month as reimbursement for the use of her room and facilities as an interim office for IBWD" Secended by Director Swartz. Motion carried.

Update on Safe Drinking Water Bond Loan Project - Director Smith said there were several items to discuss on the proposed project.

- (1) At the last meeting, the \$4,000 proposed by the engineer to design a building was rejected as too much. Since then a preliminary drawing has been submitted by Richard Perkins who visited the site and agreed to furnish the necessary plans not to exceed \$500. Director Smith produced the preliminary drawings which were spread out on the conference table and there was a period of open discussion and suggestions on the proposed facility. The building is to house a shop, a store room, an office with meeting room and a garage.
- (2) Another item which the board found unacceptable in the engineering report was Cathodic Protection costs of \$21,500. Smith said a direct call to Wallace and Tiernan had resulted in a quote of under \$10,000 including the engineering or 1/2 of the previous engineers estimate.
- (3) Horizontal wells - The District has learned that the mountain where the wells were proposed is on the Biaggi property and not on the Moores'. An alternative which has been proposed by Pete Bishop which might work is a "Box spring" which would involve 3 or 4 hours of back hoe work as the major expense. There is one site in particular that appears to have significant water. Director Hickey said he thought it was worth the effort. Smith said if the Board approved, they would go ahead. Hofer inquired if that meant all horizontal wells were out and Smith replied, "Yes". John Acquistapace said that Pete Bishop who has had experience with horizontal wells does not recommend them as they clog up and also you might drive a shaft in there and miss the water completely.
- (4) Filters - A recent conversation with another engineer who was in the area corroborated the general opinion that sand filters are labor intensive and tricky to operate for a small district. He recommended box springs. Director McKaig reminded the board that the only engineering input we have had in a formal way is from A.R.I. and when their engineer came up and saw

these springs, he changed his line of reasoning from sand filters to "lets develop these springs first". Not only do they not require treatment but they can increase your flow of water in dry year conditions. Develop these and perhaps eliminate the need for a sand filter. McKaig said since this idea came from a qualified engineer, he is in favor of developing the springs that can be hooked up to the pipeline and perhaps eliminate a big expenditure on some kind of filtration system.

- (5) April 30 is the date by which all the data must be ready for presentation to the state. McKaig urged the Board to get the package ready with the help of an engineer if necessary. It was suggested that the Board talk with Dave Clark and find out just how close we are to approval with the plans already available.

The question was raised once again as to whether or not the loan is needed and McKaig reminded them that at the very last moment, the Board can decline the loan, but all these requirements must be met first. Smith said as soon as the plans are complete for the building, he will take them and the plans for the paint and the cathodic to Mr. Clark and see what the next step is.

Mallo Pass Water Diversion Project - Agreement with Moores - Director Smith asked Bill Moores to explain the project to the Board. Mr. Moores said he was basically interested in tying the project in with Unit #9 should there be one. Some permits are already granted, other matters could take some time. What he is basically concerned with at this point is what agreements between Irish Beach Water District and himself need to be worked out, regarding cost share etc.

Moores had a detailed list of points which he felt needed to be discussed and Director Smith requested he put all these suggestions in written form so that the Board could study them, add any proposals of their own and then be able to go over it with Dave Clark before the next meeting. A special meeting was set for Sunday, April 14 at 9:30 A.M.

Fire Department - Frank Collins was present and informed the board that there had been a reorganization meeting. He has taken over as Fire Chief again, Buzz Hofer is Asst Chief and Ralph Lubeck will be Training Officer and Captain. if this meets with the approval of the Board. He also said, he wished to go on record after seeing the plans for the new building, that he would not be satisfied with it as a permanent location for the fire house, mainly because it is not a central location. He appreciates the effort being made however.

Referring to the fire which had occurred the day before starting in the brush-pile of a lot being cleared, he expressed his concern about letters going out from the Architectural Committee at this time concerning tree removal. He felt it is bad timing because of dry conditions and creates a hazard. There was a discussion of various possible solutions to the tree removal problem. Collins said he would check with CDF on possible regulations.

At this point Director McKaig said he would like to make a formal motion confirming the appointment of Frank Collins as Fire Chief, Buzz Hofer as Asst Chief and Ralph Lubeck as Training Officer and Captain. Seconded by Hays Hickey. Motion carried. It was also suggested that Collins and Hofer should plan to meet with the Architectural Committee at their next meeting.

Other matters - Gordon Moores informed the Board that LAFCO requires a resolution from IBWD saying it annexes the property where the Inn Site is and saying where the water is coming from. Also need a letter from the District saying the water will be coming from Mallo Pass or from the well in unit #3 and will not be coming from the existing source.

Hays Hickey moved adoption of a resolution to annex the Inn parcel on the North end of Unit #1, Irish Beach Subdivision, the water to service that parcel to be supplied by the developer. Seconded by Swartz. Motion carried

In other matters, Director McKaig made a brief report on the first months experience with metered rates, reporting an increase in income of \$675 for the month of January alone.

Meeting was adjourned at 12:10 on motion of Director Hickey. The next meeting to be a special meeting on Sunday, April 14, 1985 at 9:30 A.M.

MINUTES

IRISH BEACH WATER DISTRICT

SPECIAL MEETING - JANUARY 12, 1985

In compliance with the By-Laws of the Irish Beach Water District, a Special Meeting of the Board of Directors was held, January 12, 1985 at the Irish Beach Office, a notice thereof having been sent to each Board member and publicly posted December 28, 1984.

Present: Directors Hays Hickey, Ken Hofer, K. H. McKaig, Robert Smith and Jack Swartz; Secretary Ruth Lyman.

Audience: Gordon Moores and Bill Moores

The meeting was called to order by President Robert Smith at 12:35 P.M. Chairman Smith explained that the purpose of the meeting was to discuss the proposal for Engineering Design presented by Aqua Resources, Inc.

Before discussing the proposal, however, Chairman Smith noted that Frank Collins, resident and former Fire Chief had been waiting for some time to speak to the Board and allowed him to proceed.

Collins expressed his concern regarding the condition of the Fire truck and the equipment and inquired if the District had any plans for a Fire House. The Board told him it is being considered, but there are no plans at present.

Director McKaig asked Collins if he had some specific suggestions in mind. Collins said his concern was that the truck and equipment were deteriorating because of rust and mildew. The building presently being used has a dirt floor and the roof leaks and there is no way to get the moisture out. He reminded the Board that lives depend on that equipment.

There was some discussion that sensitive equipment could be kept in a cabinet with a light bulb to help keep it dry. The Board reviewed some of the past obstacles to building a fire house and their future prospects.

Director McKaig told Collins the Board would be glad to hear any suggestions he might have to improve the present situation. One suggestion, Collins said would be more support from other volunteers on maintenance.

Chairman Smith suggested that all the volunteers get together for a training session, a reorganization meeting to talk about what needs to be done.

The Board thanked Collins for his continued interest and moved then to the agenda item - Aqua Resources, Inc.

Agenda item - Discussion of Report from Aqua Resources, Inc.

Each Board member had received a copy of the Proposal to Provide Engineering Design Services for the Water System Improvements dated January 3, 1985 and had had an opportunity to study it.

The concensus of the Board was that the majority of the engineering costs outlined were way out of line with the possible exception of that for the cathodic protection of the tank.

✓ There was particular concern for the estimated cost of the design of a small building and it was decided to explore other sources for a design. All that is required, the Board felt was a plan sufficient to meet county specifications.

Chairman Smith said he would write a strong letter to Aqua Resources pointing out the costs which the Board feels are excessive. Also, he said, he planned to call Dave Clark about the proposal. He feels from information he has that engineering on small jobs such as this should not exceed 15% - not such numbers as in this proposal.

After a discussion of the proposed small building and the availability of plans, the meeting was adjourned at 1 PM on motion of Dir. Hofer.

The next regular meeting was set for March 2, 1985.

1/12/85 J.V.

RESOLUTION NO. 100-100-100
1/8/85

June 12, 1985

THE FOLLOWING
~~SEVERAL~~ MATTERS, REGARDING THE IRISH BEACH VOLUNTEER FIRE DEPARTMENT (IBVFD),
SHOULD BE ADDRESSED BY THE BOARD AND FORMALLY ADOPTED AS
IRISH BEACH WATER DISTRICT POLICY.

~~FIRE CHIEF~~

FIRE CHIEF

APPOINTMENT - A FIRE CHIEF SHALL BE APPOINTED BY THE IRISH BEACH
WATER BOARD WITH A MAJORITY VOTE. THE BOARD RESERVES
THE RIGHT TO TERMINATE THAT APPOINTMENT, WITH A MAJORITY
VOTE OF THE BOARD, AT ANY TIME WITHOUT CAUSE.

DUTIES - THE DUTIES OF THE FIRE CHIEF SHALL INCLUDE, BUT NOT
LIMITED TO, THE FOLLOWING

- PROVIDE REGULAR TRAINING SESSIONS FOR THE VOLUNTEER PERSONELL
- MAINTAIN ALL REQUIRED RECORDS

EQUIPMENT

- ALL EQUIPMENT PURCHASED BY THE I.B.W.D AND ISSUED TO I.B.V.F.D PERSONELL SHALL REMAIN THE PROPERTY OF THE DISTRICT.
- THE DISTRICT RESERVES THE RIGHT TO RECALL ANY AND ALL EQUIPMENT AT ANY TIME WITHOUT CAUSE
- ALL EQUIPMENT SHALL BE RETURNED TO THE DISTRICT WHEN PERSONELL IN I.B.V.F.D. ARE NO LONGER ACTIVE IN THE DEPARTMENT.

DD

IRISH BEACH WATER DISTRICT

N O T I C E

Pursuant to the By-Laws of the Irish Beach Water District, Section V Paragraph 5.3, a Special Meeting of the Board of Directors will be held Saturday, October 27, 1984 at the Irish Beach Office at 9:30 A. M.

The Agenda is as follows:

1. Resolution authorizing transfer of funds to Savings Account.
2. Approval of Preliminary Budget for 1984/85.
3. Discussion of proposed water rate increase.

Following the Special Meeting, a Public Hearing regarding an increase in water service rates will be held, formal notice of such Public Hearing having been previously posted.

Dated October 10, 1984

NOTICE OF TIME AND PLACE OF SPECIAL MEETING AND PUBLIC HEARING
OF IRISH BEACH WATER DISTRICT TO INCREASE
WATER RATE CHARGE

NOTICE IS HEREBY GIVEN that on Saturday, October 27, 1984 at 9:30 A.M. at the Irish Beach Sales Office, Irish Beach, California 95459, the Board of Directors of the Irish Beach Water District, Mendocino County, California will hold a Special Meeting and conduct a Public Hearing proposing to increase the water rates charged for water service pursuant to Water Code S35470.

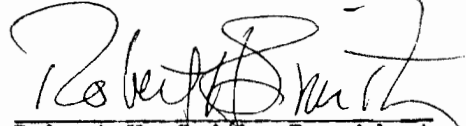
In addition to agenda items for the Special Meeting, the Board of Directors will discuss a proposed increase of the water service rate. The actual amount of the rate increase will be determined by the Board after considering ordinary operating costs, maintenance expenses, and other lawful District purpose costs.

At the Public Hearing, the Board of Directors shall hear and receive oral or written protests, objections, or evidence which may be made, presented or filed with the Board. Any interested person may appear at the hearing and present any matters material to the increase of the water service rate.

Dated : September 11, 1984

IRISH BEACH WATER DISTRICT

By:


Robert H. Smith, President
Board of Directors

Budget & Rates

WMM

MINUTES

IRISH BEACH WATER DISTRICT

SPECIAL MEETING AND PUBLIC HEARING

OCTOBER 27, 1984

In compliance with the By-Laws of the Irish Beach Water District a Special Meeting of the Board of Directors was held, October 27, 1984 at the Irish Beach Office, a notice thereof having been sent to each Board member and publicly posted October 10, 1984.

Following the Special Meeting, a Public Hearing proposing to increase water service rates was held in accordance with Water Code §35470, a notice of said Public Hearing having been mailed to each property owner and publicly posted September 11, 1984.

Directors present: Robert Smith, Ken Hofer, Hays Hickey and Jack Swartz
Also present: John Acquistapace, Systems Manager, Ruth Lyman, Secretary

The following Irish Beach property owners were present:

Beatrice Breese	Dorothy Engles	Griffith Sieber
Norman Collignon	Marge Lubeck	Bill Moores
Ruth Collignon	Ralph Lubeck	Gordon Moores
Margaret Daugherty	James McKenzie	
Gertrude Elder	Junene Mivelaz	

The Board also had received letters from James and Phyllis Axtell, Reuben Balzer and Nancy Menken.

The meeting was called to order by President Robert Smith at 9:40 A.M.

Smith explained to all present that the meeting was called basically to discuss the new budget and the necessary water rates to support the new budget.

Before going into that, however, he asked for a motion on the agenda item transferring \$25,000 in capital reserve funds to savings. He explained that the funds now in a Time Deposit with Bank of America could be earning a much better rate of interest elsewhere. It was moved by Hays Hickey and seconded by Jack Swartz that the \$25,000 in capital reserve funds be transferred to Home Federal Savings and Loan for a period of one year at the highest rate available. All in favor.

Before beginning the discussion of the budget, Smith inquired of each of the Board members if they had a copy of the preliminary figures and the supporting documents, each answering in the affirmative.

Smith also thanked the audience for coming out and saying he wanted to start the meeting on a "real plus" note, read a letter the Board received from property owners James and Phyllis Axtell which thanked the Board for its efforts and pledged their support of the over-all improvements to the Irish Beach Water District system.

Turning to the budget discussion, Smith said the two significant items on this years budget were (1) \$31,600 to sandblast and coat the two steel tanks; fence the sediment tank; and provide erosion control for the 80,000 gal tank, and (2) \$5,700 Source of Supply repairs- painting of the 80,000 gal tank; pump maintenance; road maintenance; tree removal and silt removal.

Smith explained that the proposal is to sandblast the interior of the two steel tanks and coat them with 3 part poly-urethane coating. He said that the large tank was drained this year and was found to be tremendously rusty inside, pitted and if something is not done now, could be lost and instead of the Districts paying \$31,000 they will be paying \$150,000 or \$160,000.

Regarding the fence around the sediment tank, in Irish Gulch, Smith said, it is a gunited tank and there are a lot of pipes coming in and out and the Board felt it should protect it, mainly from kids, perhaps. It is a small item, \$1,600 but the Board feels it is necessary.

The other item, the \$2,000 for 1,600' of 3" PVC pipe leading away from the tank on the hill is so that if and when the pump hangs up as it has done twice before, it pumps out 60,000 gallons down the hill and washes away the hill. The installation of the pipe would be to correct that.

* 90,201 President Smith interjected at this point that "Incidentally for your information the total budget is \$84,088. The budget, as you know, is just a road map. This is the way we are proposing to go if we can. If we can't, we won't be able to do some of these things."

He continued going over the proposed budget item by item in detail offering explanations if needed. Commenting that the Insurance figure of \$2,400 can now be reduced to \$800 as it has been learned that the County will pay \$1,600, the Fire District portion of the total.

* In explaining the new item "Reserve", Smith commented "Heres a new item. The Board has never had a reserve in the District and as you know, we have a plant that is worth \$590,000 to replace today. (Round numbers 600,000) We have in our reserve account at the present time, only \$25,000. We do have \$40,000 in our (reserve account) not committed, drawing interest.. and we had about \$5,000 in our checking account (at the end of the FY 83/84). We have \$30,000 in our Special Fee Account - the one that we collected for 2 years for improving the creek so we have in reality, about \$100,000 total, but only \$25,000 is committed to reserves at this point. So we are proposing to add \$6,000 per year to that reserve account for a period of 22 years and at that point in time... if we went 22 years, \$6,000 at 10% (and who knows whether you are going to get 10% over 22 years) but if theoretically we did, we would collect the \$590,000 to replace our entire plant. Now we probably wouldn't have to do that, but since we have such a low budget and since everything we buy costs about double what we think - here's an example - last year we budgeted \$2,000 to put in 2 fire hydrants... the first bid I got was \$3,465 ... Anyway that is the reason for the reserve. It doesn't make sense when you have a \$600,000 piece of equipment that you don't budget to maintain it and eventually replace it."

Ralph Lubeck from the audience said he applauded the Boards effort. This is something that needs to be done.

Director Hickey agreed that we should have been doing this all along.

Director Smith replied that in effect we did because we had extra money in a reserve account, but we didn't earmark it and once its in the reserve account and all interests raised from that reserve account go back into the reserve account, it can only be spent for capital replacement. 'This is the function of it.' So care should be taken not to put too much in there and not have money needed for an emergency. This amount, however, is what the District proposed. Smith noted that originally the budgeted amount for reserves had * been \$10,600 per year, but when it was learned how much \$10,600 at 10% compounded would do, the Board found they could drop it to \$6,000 and still accomplish the replacement goal in 22 years.

Mrs. Elder asked what the \$40,000 was. Smith explained it was a general savings account - uncommitted money at this point. He also remarked that of the \$30,000 left in the Special Fee Account, the Board was proposing to use \$6,000 this year and put the other \$24,000 immediately into the Reserve and kick it up to about \$50,000 this year, because we have about accomplished everything we need with that Special Fund.

The Fire Department Budget was discussed in detail, with board members agreeing that the items while all necessary are increasing in cost each year. Items include 2 fire hydrants, additional turn-out gear, back-up hose, communications equipment, new tires, a generator, a hydrant adaptor and truck fuel and maintenance.

Mrs. Elder commented that the light was being left on a lot in the shed.

Bill Moores inquired what the hydrant adapter was. Director Hickey explained it was brass and made to fit on the hydrant so hoses can be interchanged. A quick-change deal.

The last item on the budget "Job A & B" expense which will come from Special Funds as previously mentioned is not included in the total.

No { The total proposed budget ended up at \$84,088, Director Smith said. He said the Board had been working on this budget and this water rate project for about 4 or 5 or 6 months. What they did, he said, was to get an estimate of the budget, an idea of what major expenses the District is facing like painting the tanks etc. and then each Board member "went through the mill and did the number system and came up with a proposal of how we would set up a budget." Preliminary. - These varied sort of drastically, he said, depending on what numbers they started with for the budget, but the more they worked with it, the easier it seemed to become.

Smith then asked each Board member present in turn if he wished to give any other background, or if they had any comments to make about anything that had been done or if they disagreed drastically with anything, before they got to what was actually being proposed.

Director Hofer said the only thing was he thought the Fire budget was a little high. \$10,000 being almost twice what it was last year.

Director Hickey disagreed. He said you don't have to spend it just because its budgeted, but you do have to allow for some of those things. The turnout gear he remarked is awfully expensive and getting more so all the time. Smith reminded the Board that some of the turn-out gear now on hand is not approved by OSHA and must be replaced to be legal.

Ralph Lubeck at this point said he would like the Board to consider that they should have an employee for that Fire division and that person should be one who acts as Chief or coordinator. He realized they can't do it in this budget but it seems to him that for the responsibilities expected of that person there should be some recompense. The job requires a lot of time and devotion and at present is being done almost entirely by one person.

From the audience, the question was asked if the Fire hydrants were in the budget twice. Director Smith explained that they were in the Fire Dept. budget only, but that he had used them as an example of price increases earlier, which may have been confusing.

Returning to the Fire Dept. budget, Smith asked Director Hofer about his comment that the Fire budget was too high. Hofer said he believed the additional back-up hose would be nice but not essential. The board members discussed use of the hose in practice. Director Hays stated he believed some back-hose should be purchased, but perhaps not the entire budgeted amount. It was decided to leave the item as is.

Director Smith explained the method used to come up with an operating budget; starting with the \$90,000 budget and taking out the \$1,600 which will come back from the county for the insurance and reducing the Reserve to \$6,000 from \$10,600. Then the board looked at the big number items; the \$18,000 to paint the inside of the tank; the \$10,000; the \$1,600 for the fence; the \$2,000 for erosion control and the \$4,500 to paint the exterior of the tank. That came to \$36,100. Smith said that his thinking was that the \$1,600 item could be taken out of the Special Fund as it applies to Irish Gulch; the \$2,000 for erosion control out of the General fund.

He then related that the Irish Beach Water District has been approved to get a loan from the State to build a water treatment plant that's needed. "This is in addition to everything else we are talking about here," he said. "After talking to the chief engineer for this district in Santa Rosa," Smith continued, "We find that we can use some of this money, which is \$161,000 for some of these things that should be fixed in our own system now. In other words, we are not going to spend \$161,000 for a new treatment plant. (One of the things the State required us to do is to develop a 5 year plan for the District,) instead of running by the seat of our pants. He said, listen, you've got to know what has to be done, how much it costs, when you are going to do it and how you are going to fund it. He recommended a firm in Berkeley called Aqua Resources and we made an agreement with them to do a preliminary survey."

Smith said Aqua Resources sent a young engineer up. He spent about a half a day here and we have his report of his visit. Subsequently Smith met with the president of the company, a hydraulic engineer with 15 to 20 years experience with Bechtel as a senior engineer. After looking it over, he came up with some rough proposals. He had some good ideas. In fact one of our Board Members had come up with the same idea. Jack has suggested that we build wells along our creek to augment the water supply. The engineer suggested what he calls horizontal wells into the mountain into the bank with perforated pipe. He said we might collect 5 to 10 gallons a minute. Smith said the "big plus" of this thing is that this stuff is already filtered so it won't increase the turbidity and won't require a filter plant, maybe. The engineer has budgeted \$10,000 for these wells. John Acquistapace said this figure was for 300' of total drilling.

The engineer has also recommended a slow sand filter - \$20,000. That's for 30 gallons a minute. and a rapid sand filter at \$30,000. Smith explained the difference and stated the slow sand filter was preferable. The engineer said the same thing, Smith said.

Another recommendation by the engineer is a new pump station. Smith said the engineer "tells us that we ought to augment that pump station over here on Sea Cypress because if it goes down, we are out of business out there, practically."

Another recommendation, recoating the steel tanks. Engineer had allocated \$45,000 based on earlier estimates the District got. Recent quotes even with painting the outside would bring this down to \$32,000.

Cathodic protection for the steel tank, \$20,000. Smith said one of the problems with steel tanks is that electrolysis eats away at it. "When we opened that tank up, you could see little shiny spots on the wall... eating into the tank, maybe as big around as your thumb nail." "What they do, is they put zinc cathodes in the bottom and they eat away at the zinc instead of the tank." Smith said he felt \$20,000 was high. Director Swartz remarked it would be cheaper than a new tank.

The other item suggested by the Engineers was a replacement booster pump at a cost of \$1,000. The above recommendations do not include engineering costs which can run 10 or 12%.

Regarding the engineering report as it relates to the State loan, Smith stated, "Whatever he puts in his report as recommended, the State engineer will O.K. for payment out of budget including the engineering fees. So some of these things having nothing to do with a Water Treatment plant will solve some of our long term problems for money that we just can't solve any other way, as I look at it."

James McKenzie from the audience inquired how the loan would be repaid. Dir. Smith explained that the state requires that there be a separate collection for that purpose identified as such. In this case, it would amount to \$3.35 per month for 35 years to repay that loan. He then read to the audience the list of procedures the District is required to follow prior to receiving the loan, including public meetings at which property owners would have an opportunity to participate.

Returning again to the method the Board used in making the operating budget, and taking into consideration the point of view of the home owner and the lot owner, Smith said what the Board did was to make their best efforts to factor out what percentage of each line item in the budget should go to home owners and what percentage to lot owners. "This is a judgement call," he said. Using a round number of \$48,000 for the budget, the total broke out to 59% or \$28,000 for the home owner and 41% or \$20,000 for the lot owner. Dividing these dollar amounts by the number of users (110) and lot owners (294) respectively, a minimum per month of \$21.50 per house and \$5.60 per lot was arrived at.

"Then", Smith queried, "How do you determine how to raise that \$21.50 from a user. Part of it of course is by allocating a graduated rate for the amount of water they use. The more they use, the more they pay. But you have to

start with a pretty healthy service fee to cover a lot of it to make sure you get most of your money to keep going." Director Hickey agreed.

Smith continued "This is not set up firm. This is the way we propose to get it up. This is a method that we are going to use. The numbers could vary a little bit.....everyone that does this has a different way to go."

"Lets just start with the homes," Smith said, "We want to raise \$21.50 from the 110 connections we've got (and that includes a garden and includes a park, so they are in this deal). If we start with a service fee of \$15.00 a month, and here is a proposed structure on the cost."

Up to 2,000 gals,	16¢ per 100 gals	16 x 2000 = 3.20	
2,100 to 4,000 gals	19¢ per 100 gals	19 x 2000 = 3.61	3911 GAL.
4,100 to 20,000 gals	22¢ per 100 gals		
21,000 to 40,000 gals	24¢ per 100 gals		
Use over 40,100 gals per month, pay 26¢ per 100 gals			

"The average user, homeowners, people who live here all the time, people who come up once a month, people who rent their homes is about 4,000 gallons a month approximately (3,911 actually)- That would break out this way:

Service Charge	\$15.00	
0 to 2,000 gpm @ .16¢	= 3.20	
2,100 to 3,911 gpm @ .19	= 3.63	
	<u> </u>	
	\$21.83 (Average)	

Thats \$21.83 per month that a homeowner is going to pay if he uses the average (3,911 gals mer month.) But theres a lot of people here, surprisingly 38 rentals here average less than 3,911 gals a month, 4 average less than 2,000 gals a month - 41 weekenders, all 41 average less than 3,900 gals a month. 25 of these are less than 2,000."

Smith explained that detailed records of water usage by individual meter had been kept for the past two years giving some examples of high and low usage - figures only. He told the audience if any person wanted to know his own usage the figures would be available to him.

Other sources of possible income were discussed; Augmentation to the Fire budget by the County - has been \$2,800 in past years; interest from \$40,000 General Fund savings; and hook-ups.

Regarding the hook-up charge, Smith told the audience, the District now has a \$275 charge and the State average is \$1,200. "So we are proposing to increase this hook-up charge along with this other package to between \$500 and \$700 hook-up for every new house in the future. We are estimating that if we put it at \$600 which is right in the medium and we got 4 houses a year, that would be \$2,400. Thats \$10,200 that we might get this year!(including the interest) ✓

"Additional consideration," Smith said, "Once the State loan is accepted, the monthly service charge per lot will be \$3.35 per month. That's not in this thing at this point. We are going to have to go through that and tell you about it. That would kick this thing up to pretty near \$25.00 per month for the

average homeowner from the present \$15.00." A member of the audience asked for clarification and Smith repeated \$25.00. He then said "It will kick the lot owners up to over \$8.00, almost \$9.00."

The Board is checking into the legality of imposing a Fire Service monthly fee to cover that portion of the budget. Since the Fire Dept is a major portion of the budget, instead of putting it all on the Water District, some of the cost would be a Fire service charge - the total would end about the same.

In reviewing the methods the Board used in arriving at the figures discussed, Smith said, "The problem is that we are compacting into such a short time frame all these things that if we had done them over the 15 years, perhaps we wouldn't have to play "catch-up" this hard. But if you look at the budget and take out these big items and the \$6,000 reserve which we never budgeted before, there is not a significant difference from last years budget. \$42,000 vs \$38,000."

Returning to the proposed water rate schedule, Smith said, "the average persons, I would say 90% of us, would pay in the range of just under \$20, - \$18 to \$20 with this budget."

Addressing the board, Smith suggested that at this meeting, they should decide if this is the methodology they wish to use and if they are going to go with this range and number of levels. He recalled that "In Mac's proposal, he had only two levels. He had 0 to 2,000 and 2,000 and up." Considering the administrative time and the fact that the district doesn't have a computer yet, he suggested that they might say they would have a two level rate. "But it has to be figured," he said. "I think it would be better and it would be more descriptive to use the really heavy user and make him pay more. Because what we want to do is cause those big end guys to cut back....We want to cut back. One of the things the engineering report tells us is that we are not "fat" with water. We can't waste up here, really. Its almost a luxury to be able to afford a garden up here. Not from the money standpoint...but from the fact that we are using up water that we shouldn't be using to water a garden, if we are going to really service the people for the normal uses."

Smith said he is going to suggest that the Board write some recommendations for the future regarding low maintenance ground cover. There is already a policy requesting low flush toilets, which will be insisted upon in all future homes, working through the Architectural Committee. "We must do everything we can to conserve water, because it is too costly to develop new sources."

James McKenzie inquired if there was a possibility that the water that overflows from the tank could be hooked in so that it recirculates back. In the summertime that could be important.

John Acquistapace commented that this overflow only happens about once a year. There was some discussion about the cause - apparently the pump did not shut off.

Marge Lubeck inquired if more secretarial time would be required with this new billing procedure and if the District would be billing once a month. Smith said the plan is to bill bi-monthly now to improve cash-flow instead of quarterly. Every two months. This will add more administration cost which has been budgeted.

The question was also asked if the District was thinking of encumbering some of the reserve money with the idea of eventually going to a computer. Smith said the Board had been considering it for sometime, in fact two years ago Dir. Swartz had a tentative program drawn up for the billing. He said he feels eventually as the District gets bigger, we will definitely go that way.

Mickey Elder said she was thinking about all this "painting" that was going to go on. What would that come out of? Smith said, "I propose that we get it out of the State loan fund." Elder said "What about the \$30,000 left over from the Special Fund." Smith replied, "Well we've got that, but we felt that we would add that into the reserve. We are going to spend \$7,000 of that to put a fence around and repair the wash out in that upper diversion. So there will be about \$24,000 in that. We could use that, that's an option we have." "We are very flexible between the General Fund, that Special Fund Reserve and the loan package. We have lots of ways to go."

Another thing which had not been discussed at this meeting, Smith said, was a possible diversion in Mallo Pass Creek. He explained that the District had a permit and it was cancelled and we felt we needed it, so it has been extended for two more years. The District would have to go in conjunction with Bill Moores and spend some money for that diversion and pump it up the hill.

Ralph Lubeck said, "Will you be putting that expense into the loan?"

Smith - "We can because in this report, he mentioned the fact that we might have to go to Mallo Pass. He said we should as a matter of fact." We didn't budget that this year. We considered it. We didn't budget a fire house. We need a fire house, also. In our five year plan there is going to be Mallo Pass and a fire house. Two major items we are going to have to consider.

Lubeck asked if the fire house could come out of the loan. Smith said he had inquired if we could get a small building for a water district office out of the loan. He said the engineer is looking into it. One of the problems would be finding a place suitable to put it.

Mrs. Elder suggested that since it looks like she won't be maintaining a garden, perhaps she could afford to dedicate some land where the garden is for a fire house. There was some discussion about the water usage in the garden and the park.

Ralph Lubeck remarked he was going to propose that since the Improvement Club had given the Water District money to improve the fire warning system, they ought to donate the water free at the park.

In summarizing the need to increase the rates, Smith acknowledged that he did not like to do it. He has to pay the bill, too and he knows how everybody feels, but there is no alternative. He said if anyone has an alternative the Board would be glad to hear from them. He quoted Director Swartz who in his proposal had stated, "Our problem is, we don't have enough customers to defray our expenses."

Ralph Lubeck asked if there was a possibility of working with the Engineer to develop some kind of storage for water. Smith said this was being considered, but that it would require a slow sand filter.

Mrs. Elder inquired just what the loan would be used for. Smith explained it was originally for a fast sand filter at \$140,000. Now the District has learned there is an alternative of putting in a slow sand filter for much less and use the extra money for other desperately needed projects.

Director Swartz stated that "This winter we are trying a scheme of controlling the intake water to avoid the turbidity problem we have had. That's why we need the sand filter. If this works out, we may be able to convince the State we don't need to put the filter in."

Mrs. Elder continued, "Supposing we find we don't have a turbidity problem - that we don't need either a fast or a slow filter, then we don't get any of the money?"

Smith answered, "Its up to us, if we don't want to take the loan, we won't."

Mrs. Elder, "In other words, the loan is not contingent on our having a filter?"

Smith said, "...its not only for a filter. Lets put it that way. But I think if we try to paint tanks with it, build a diversion at Mallo Pass and put up fences and don't do a thing about anything to clear up the turbidity in the water, we may get in trouble. So thats why I feel it might be really in our interest to put \$30,000 to \$40,000 in a slow sand filter regardless."

Director Hickey commented that the primary purpose of that loan is for water quality. Smith agreed, but basically for water treatment.

"So thats where we stand, people. Any other questions that we can answer while we are here?" Smith said.

Ralph Lubeck asked, "Are you going to make a motion today to approve one of these rate schedules?"

✓ Smith answered, "I believe we are going to make a motion to approve this budget."

✓ Hays said, "The preliminary budget."

X ✓ Smith continued, "Accept this budget and go on the basis of our method here to establish firm rates. As you know, Ken McKaig is in the hospital having some tests, and hes the man who is our paper mill guy. Hes the guy who dug out all the numbers for the budget and did a lot of preliminary studies and made it a lot easier for the rest of us to understand what we have to do. "

Lubeck asked, "Will you have another meeting then, for adopting the rates?"

✓ Smith said, "I don't think we should set a rate today. Mac would say, set a rate today."

Hickey commented, "...But you are supposed to have two hearings and..we'll set it at the second hearing."

Smith remarked, "Incidentally, this rate will not go into effect until January 1st. We don't want to interrupt our quarters here. We have already billed for the last quarter. This will be effective January 1st. So I think there are two things we can do today. If you please, we can adopt this tentative budget and we can set the rate for hook-ups on houses. You remember at the last meeting, we said it would be in the range of \$500 to \$700. So do I hear a motion on the budget .."

Director Hickey said, "Only one thing Bob - If Prop 36 passes, you are going to have to have a minimum 2/3 vote to even raise the rate to this." Smith said "You can't even raise it." He than explained about a meeting he had attended regarding the proposition and its implications for the District. Hickey and Smith agreed it could be disasterous for the District.

Bill Moores inquired, "Is there any reason legally why you can't change rates today?"

Smith replied, " We can change it, but if that bill passes, any changes are retroactive to August 13, 1983 and they have to be rebated with 13% interest on the money.

Moore suggested it might be worse to wait until after the bill passes, if it passes, then to do it now, even if its retroactive....

Smith said, "We don't have any option, we have to do what we have to do."

Director Swartz said, "Why don't we adopt this as proposed today. If we find that there is some way we can reduce them, we can always lower them and we'll protect ourselves."

Bill Moore "Subject to revision next time, but adopt for now."

Smith "If the proposition passes....."

Director Hofer remarked, "Why don't we just wait until next time"

✓ Smith said, "I think we ought to adopt the budget anyway."

✓ Hofer - "We'll adopt the budget, but not set the rate."

Hickey - "Since the rates would not be effective till January 1st anyway, we could adopt them safely, without...."

Smith - "Subject to review after the election. Hows that?"

Hickey - "No, this is true."

Smith said, "Alright, I'll entertain a motion to ..."

✓ Director Swartz said, "I'll make a motion to adopt this whole thing, as you fixed it." ("Tentative," Smith said,) "With the addition that we also set a hook-up fee of lets say \$600 or something of that nature and further that we aggressively pursue water conservation in new construction," Swartz concluded.

There was some discussion about water conservation in general and world-wide.

Ralph Lubeck said, "Bob, for clarification, I don't know if you have a motion before you or not, .." Hofer said, "Not right now." Lubeck continued, "When you are saying you are going to approve the whole thing, you talked about two rate structures. Which rate structure are you talking about approving?" The structure with many steps or the rate structure...."

✓ Smith said, "Thats why I would say, Jack, that we could adopt in general the methodology we used and come close to this, but it may be after we consider this, we will want to keep that into two lumps."

Swartz said, "Actually with a table that you could put together, calculating water rates is pretty straight forward."

Smith said, "Yes, I see that. Alright, say that motion again."

Motion by Swartz - "I move that we adopt the proposed budget, and the rate structure, the Hook-up fee of \$600, and that we also encourage water conservation on new construction." "Anything else I should include?"

Motion seconded by Director Hickey. Motion passed

Chairman Smith thanked the audience again for the nice turn-out and invited them to come more often. The next regular meeting will be November 17, 1984.

Director Hickey moved the meeting be adjourned at 11:25 A.M.

MINUTES
IRISH BEACH WATER DISTRICT
November 17, 1984

In compliance with paragraph 5.1 of the By-Laws, a regular meeting of the Board of Directors was held, November 17, 1984 at the Irish Beach Office, a notice thereof having been sent to each Board Member and publicly posted November 3, 1984.

Present: Directors Hickey, Hofer, McKaig and Swartz; Systems Manager John Acquistapace, Secretary Ruth Lyman.

Audience: Bill Moores, Gordon Moores and Ralph Lubeck

Prior to the beginning of the meeting, each Board Member received a copy of the minutes of the previous regular meeting and the special meeting held 10/27/84 as well as other pertinent documents pertaining to agenda items.

The meeting was called to order at 9:35 A.M. - Director Jack Swartz presiding in the absence of President Robert Smith.

Each Board Member having received and read the minutes of the previous meeting, after a brief discussion, Director Hickey moved they be accepted as clarified. Seconded by Director Hofer. Motion carried.

Treasurer's Report - Each member received a copy of the Monthly Operating Statement for October. Director McKaig commented that there was nothing unusual to report as it was the first statement of the new fiscal year and was published right after the billing period so reflected that income exceeded expenses considerably.

In response to Director Hickey's question regarding the new billing procedures, there was a discussion about the forms, tables and methods to be used. Dir. McKaig explained that Ruth Lyman was talking with other districts and would inquire of the County auditor about technicalities. She is working on sample forms and is hoping to be able to convert the present system without too much difficulty or expense.

It was agreed that the newsletter which will go out with the January 1, 1985 billing for water services for October, November and December 1984 should include information on the new system, as that billing will be the last on the old system.

While the exact procedures are not yet determined, Dir. McKaig moved to formally adopt the new bi-monthly billing system previously discussed, saying, "I move the Board adopt a new billing procedure relating to meter reading; bi-monthly billing starting in January 1985. This procedure applies to lots as well as houses." Seconded by Hickey, All voting Aye.

Agenda Item 2 - Discussion and consideration of water rates adopted 10/27/84. Director McKaig who was unable to attend the 10/27 meeting stated he was confused about what was established.

Director Swartz explained that the figures used were arrived at, as he understood it, using budget figures presented at the special meeting. His motion, he said, was not to adopt any particular budget, but to get some rate structure out on the floor and get it adopted, and probably in hindsight, it is not the correct structure. He recalled that part of what they were doing at the special meeting was trying to beat the possibility of Proposition 36 passing.

Director McKaig reminded the Board that the whole exercise has to start with the budget and that the budget proposal as originally presented was changed during the course of the previous meeting somehow. He said he was puzzled as to how and why the change occurred and if the Board had adopted it.

Director Hickey said he thought the budget adopted was the budget as submitted by McKaig. Swartz agreed.

McKaig said if this was the case, then the rate should be re-examined as the rate must support the budget. He reminded the Board that the typed copy of the budget had been presented to each of them and the items are exactly the same as the proposed budget except for the reduction in the insurance due to an anticipated reimbursement by the County of \$1,600 and the change in the Reserve figure from \$10,600 to \$6,000 and that is the only change. He said he was concerned that regular budget items such as Erosion Control and Tank painting were not included in the budget total approved at the previous meeting, thus giving an inaccurate budget total on which to base a rate structure.

There was a discussion about the items which can come from Special Funds and Director Hofer inquired why items budgeted last year appeared again. McKaig explained that the work had not been done.

Director McKaig again reminded the Board that the rate established should be one that would support the budget for at least 5 years without change.

Director Swartz asked the Board members if they had discussed the outcome of the previous meeting with Director Robert Smith to determine his preception of what had taken place.

Director McKaig said the minutes were not available at the time he talked with Dir. Smith, who is now out of town. He could not recall the actual words, but felt Smith believed the Board left it open, meaning that he (Smith) thought that at the special meeting, rates had not been established. McKaig did not recall if Smith stated the budget had or had not been established. He said he reminded Smith at that time that the purpose of the meeting was to establish rates and it had not been done.

Director Hickey interjected that the purpose of the meeting was to have a hearing on rates not to actually establish them.

Director Swartz said his motion at the 10/27 meeting was to establish some rates as a starting point because of Prop. 36. "The motion was to use that structure I happened to have in my hand at the time as a starting point," he said. "Now that doesn't mean we can't go back and change the rates any-time we want to," he continued.

Speaking to McKaig, Swartz said, " Now if we re-affirm that we established your budget today, and if we adjust the rates to reflect your budgetary numbers, would there be a conflict?"

McKaig again said he believed Director Smith thought the matter had been left open and when the data was developed, Smith had never expressed any disagreement.

Swartz remarked the only matter on which there might be a disagreement was the loan and how it would be used. McKaig said all that was subject to Board approval. If we have a loan and what it would be spent on. Right now, McKaig said, the Board was addressing the budget and the rates and that has not yet been determined and from the minutes, he is confused.

From the audience, Bill Moores remarked to Swartz that the minutes did not show what paper Swartz was waving as he made his motion.

Swartz said, "Well, lets go back and fix the problem then. Do I hear a motion?"

Director Hickey moved - "I move that we accept the budget as presented by our treasurer for the FY 84/85. A copy of this is to be placed in the minutes along with the motion. The total figure of the operating budget to be \$54,488." Motion seconded by Dir. McKaig.

Discussion - Dir. Hofer inquired if the budget adopted at the previous meeting was going to be recinded and Swartz said there was a real question as to whether or not they had actually adopted the budget as a copy of it was not placed in the minutes. McKaig again stated that the budget discussed at the previous meeting had items deleted that must stay in the budget as originally presented. After further discussion, the vote was taken. In favor, Hickey, McKaig, Swartz; Opposed, Hofer.

Director Hickey then handed the copy of the budget just adopted to the secretary for inclusion in the minutes.

Director Swartz said that at that point the Board should talk about rates. "In order to cover the budget, we need to make an adjustment in certain areas," he said.

At this point, Director McKaig handed out an expanded version of the rate proposal he had previously presented to the Board, commenting that his original proposal was pretty simple in regard to tiers and some of the data generated by other Board members had brought to his attention the District's need to discourage "big users", so he had made a new rate structure. He stuck with the \$55,000 budget in all of his data, he said, dividing users share and lots share. Sticking to the same target and the same numbers resulted in his reducing the user rate schedule by gallons but putting in 3 more tiers. There has to be some additional income as a result of these higher tiers. There would be no change in the \$15.00 service charge as this base rate is the primary source of income.

McKaig stated that this budget is unusually high, but it is a true budget. It is the base line of trying to create rates that will not have to be changed for 5 years. He further explained that this rate, if adopted will generate a profit for at least 3 years and would build up the bank accounts. Then as inflation rates and cost of goods and services continue to mount, the District will end up by the 4th or 5th year actually requiring \$55,000 a year to operate.

The reason for building up the bank accounts is to put the District in a position to "pay as we go" for some of these major items.

As an example, the proposed \$160,000 State loan is in reality a \$508,000 loan of which the District can only spend \$160,000. Dir. McKaig said he would like to increase the options in terms of using the District's own money and less of the loan.

Ralph Lubeck inquired if there was an option to use a portion of the loan. McKaig replied that any part the district does not use can be sent back and the loan reduced.

Director Swartz asked for a motion to adopt the rate schedule presented by Director McKaig today. Hickey moved - "I move that we adopt the rate structure as submitted to the Board today with a 5 tier rate and a \$6.46 per month flat rate (for lots). A copy of the structure to be included in the minutes." Seconded by McKaig. All in favor.

In answer to a question regarding how this new rate will effect users, McKaig said it represents a percentage increase of 64% to the user and 19% to the lot owner.

In response to an earlier question by Ralph Lubeck, the Board moved to Agenda Item #6.- Review of Loan Status. Director McKaig stated that work has to be completed by October 31, 1985. The Board reviewed the time table for engineering, public meetings, permits, budgets etc which must be accomplished by April 30, 1985. On this subject, Dir. McKaig commented that he had searched the loan package and could find no mention of a requirement for a 5 year plan as had been mentioned at the previous meeting. He also said at present there is no engineering data except preliminary which brings us to Agenda Item 3. Discussion of Report from Aqua Resources, Inc.

The Board members each had a copy of the most recent report by Aqua Resources and discussed it at length as it encompasses a number of agenda items including Loan status, Mallo Pass, sand filters, horizontal wells etc.

Director McKaig said that in addition to the printed report, he had had a phone call from Senior Engineer Nelson stating an estimated cost figure of \$15,000 to \$20,000 to create plans and specifications to fit the engineering study and another \$15,000 to \$20,000 to create plans and specifications for Mallo Pass in relation to the Nichols ranch. McKaig felt these numbers constitute a big problem. He said, "We are working in a small time frame and already we have hit a big snag in terms of engineering costs."

After some discussion, it was agreed that the biggest problem is deciding what the district needs. McKaig said there was a need to talk to the Principals. The State Water Resources people and the engineer. "We need to have them here to get some answers," he suggested.

After further discussion, the motion was made by Director Hickey that the Board authorize Director Swartz to contact Senior Engineer Nelson in Berkeley and discuss the District's problems with him and then if a meeting with the Board seemed necessary to tell the engineer the Board would pay his hourly \$50 fee plus his expense to attend such a meeting. Seconded by Swartz. Approved

A tentative date of December 15 was set for the meeting.

Agenda Item 5. - Repair Plans and Status of Upper Diversion

McKaig called to the Boards attention Aqua Resources report of October 26 which recommended the use of gabions rather than cement to repair the Upper Diversion. There was some discussion of what gabions are, how they work and why they are preferable to cement. McKaig said they had wanted to get this repair work done before the winter which is already here. However, Director Smith has been getting bids from local companies on the rock required. Labor and equipment such as back-hoes etc will have to be hired. John Acquistapace will supervise. Estimated cost is \$3,000 for material and \$5,000 for labor.

McKaig said we need approval from the Board to pay the Engineer for the work already done - \$1,000 including a visit on the job and to proceed on that basis.

Director Hofer moved that the Board proceed with putting gabions on the lower side of the dam in the upper diversion. Seconded by Hickey. All voting Aye.

Agenda Item 7. - Reserve. Director McKaig reviewed with the Board the computations involved to arrive at the annual Reserve requirement of \$6,000 as it appeared in the budget for FY 84/85 as approved. These figures were based on the \$10,000 profit from 1983/84 going into the reserve now or the \$6,000 annual figure will not hold up, he said.

✓ He moved that the \$10,000 be deposited in the Reserve account now which will give the District a total Reserve of \$35,000. That way our computations of creating a reserve of \$590,000 in 22 years is possible if interest rates average 10%. Seconded by Dir. Hickey. All voting Aye.

Other items: Director McKaig informed the Board that an EMT #1 training program has been under way for a couple of months. Bill Morrissy and Trudi Collins are attending and he recommends their mileage and the cost of their books be paid by the District and also that they should be recognized for this effort which is something which may benefit all. The Board agreed.

Progress report on automatic turbidity installation. Dir. Swartz and John Acquistapace said the valves are delivered and the tubing, also. All that is needed is the pipe.

Fire Hydrants- Due to the high cost of estimates received, it was suggested that the District purchase the material and get bids on installation. Preliminary estimates are \$500 material and \$500 labor for each.

Dir. Hofer moved the Board purchase the material for the installation of two hydrants and then get bids on having a plumber install them. Seconded by Hickey. Approved.

Motion to Adjourn - Hickey.

Next regular meeting February 16, 1985

IRISH BEACH WATER DISTRICT

B U D G E T

FISCAL YEAR 1984/85

51100	Source of Supply - Improvements		\$ 31,600
	✓ Repair 210,000 gal tank - \$18,000	} cash or Leak	
	✓ Repair 80,000 gal tank - 10,000		
	✓* Fence sediment tank - 1,600	- Spec. Fund	
	* Erosion, 1600'-3" PVC pipe 80,000 gal tank - 2,000		
51200	Source of Supply - Repairs		5,700
	Paint 80,000 gal tank - 4,500		
	Pump Maintenance 500		
	Road Maintenance 300		
	Tree Removal 200		
	Silt Removal 200		
52100	Pumping - Salaries (J.A.)		8,400
52110	Pumping - Mileage (J.A.)		1,020
52200	Pumping System - Improvements New #8 Pump		996
52201	Pumping System - Repairs		1,200
	Pipeline Repair 600		
	Pump Repair 600		
52300	Pumping Utilities		1,440
	P.G. & E. 1,236		
	Telemeter (Pacific Bell) 204		
53300	Water Treatment		1,512
	Filters (24-3 cases) 864		
	Chlorine 288		
	Laboratory 360		
55150	Customer Accounts - Meters		420
55151	Customer Accounts - Mileage		48
56100	Administration - Salary		6,000
56200	Administration - Office Expense		1,920
56220	Administration - Telephone		192
56230	✓ Administration - Insurance (County to Reimburse \$1,600) (\$1,000,000 Body & Property-\$30,000 Uninsured Motorist)		2,400
56231	Administration - W. C. Insurance (\$1,192 deposited)		648
56240	Administration - Legal		1,200
56500	Administration - Payroll Tax		1,200
56810	Administration - Mileage		648
57310	Other Expense		1,204
59300	✓ Reserve (Reduce to \$6,000)		10,600

IRISH BEACH WATER DISTRICT
BUDGET - FISCAL YEAR 84/85

59401	Fire Department Expense	\$ 10,740
	W. C. Insurance	1,680
	* 2 Fire Hydrants	2,004
	Turn-out gear	1,008
	Communication Equip.	
	4 Beepers etc.	1,500
	Back up hose	1,008
	4 new tires	516
	Hydrant Adapter	600
	Truck Fuel & Maint	900
	Generator	1,008
	Radio Vault - Repeater	516
59900	Engineering Expense	1,200
59910	Job A & B : <u>Special Fund</u> :- (not included)	(6,000)
		\$ 90,288 (\$7,524
	TOTAL BUDGET F Y 84/85	per month
	✓ Late Budget Adjustment - <u>Reduction</u>	-35,800
		\$ 54,488
	OPERATING BUDGET	\$ 54,488

* Items Budgeted last year.