

IRISH BEACH WATER DISTRICT
MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, NOVEMBER 14, 1992

- 1 **CALL TO ORDER AND ROLL CALL:** Director Aeschliman called the meeting to order at 10:04 a.m. at the Garcia Grange in Manchester. Directors Aeschliman, Satuloff and Beran were present; Director Heinzer was absent; Director Balzer was present but not seated on the Board. Also present were Joyce Cary, Rick Andrews, Wil Edelbrock, Beth Bartholowe, Bob Winters, Gussie Christensen, Mildred and Reese Tripp, Gene Scaramella, Harriet Burmania, John Acquistapace, Charles Acker, Robert Smith, Dorothy Engles, Betty MacKenzie, Ron Stefkovich, Diane Aeschliman, Al Fisher, David Rosendale, Rex Dunning, William Moores, Jim Reese, Virgil Knoche, the district's attorney Alan Turner, and the district secretary Diane Johnson.
- 2 **APPROVAL OF AGENDA:** A motion to approve the agenda was made by Director Satuloff, seconded by Director Beran, and approved unanimously.
- 3 **DIRECTOR RESIGNATION; APPOINTMENT OF NEW DIRECTOR; SELECTION OF OFFICERS AND CHECK SIGNERS:** Director Aeschliman read Director Balzer's letter of resignation from the Board. Bob Smith spoke in behalf of property owners in appreciation of Mr. Balzer's contribution to the Board. Gene Scaramella suggested a resolution commending Mr. Balzer's contributions to the Board. A motion that a formal resolution of appreciation be written for the next meeting was made by Director Satuloff, seconded by Director Beran, and carried unanimously.

It was stated that no action would be taken at this meeting for an appointment to fill out the balance of Director Balzer's term. It was agreed that the board presidency be rotated each four months, beginning at this meeting. A motion that the presidency be rotated each four months and that Director Satuloff take the first rotation was made by Director Beran, seconded by Director Aeschliman, and carried unanimously. Director Satuloff subsequently chaired the balance of the meeting.

Director Satuloff **moved** that all board members be authorized to sign checks because of the geography of the various board members. The motion was seconded by Director Beran and carried unanimously.
- 4 **APPROVAL OF MINUTES** of regular meeting 9-12-92: The minutes were approved by a motion by Director Aeschliman, seconded by Director Beran, and carried unanimously.
- 5 **PUBLIC INPUT:** No public input was offered.

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6 APPROVAL OF EXPENDITURES for September and October: A motion to approve the expenditures for September and October was made by Director Beran, seconded by Director Aeschliman, and carried unanimously.

7 REPORTS

7A Treasurer's Report: Treasurer Aeschliman felt that financial consideration would be covered under the budget and rate increase items on the agenda.

7B Water Report: Consultant Gene Scaramella reported that the water main at the treatment plant has been relocated in order to build the new fire house; there is a need to charge the correct entity for replacement of destroyed meter boxes during logging in unit 4; the stream flow is better than this time last year; water usage is higher than in October last year; the plant modification is scheduled for December 4-6; no interruption in water supply will occur during the modification.

7C Fire House Report: Fire Chief Rex Dunning reported we now have plans from an architect which should please the county; Coastal Commission approved has been received; when plans return from the county, construction will begin.

* Addendum: Consultant Scaramella said that this would be his last meeting as water operations consultant. At the first of the new year Charles Acker, manager of the Elk water company, in addition to assisting John Acquistapace in plant operation, would take over those areas Mr. Scaramella had been overseeing. Mr. Scaramella would be a stand-by-only plant operator; the district could renew his license if desired when it expires.

A motion to pass a resolution at the next meeting to commend Mr. Scaramella for his contributions to the district was made by Director Beran, seconded by Director Aeschliman, and carried unanimously.

7D Safety Committee/Workshop Report: Dave Rosendale reported that employee "tailgate" safety meetings were held on September 24 and October 27; several safety recommendations made by plant personnel had been acted upon; the Board will investigate acquisition of a recommended two-way radio recommendation. Mr. Rosendale attended insurance carrier Special District Risk Management Authority's (SDRMA) workshop earlier in the week. A new policy mandates the official safety committee meet at least quarterly and report on such meetings to the whole Board in order to retain membership in SDRMA. Rex Dunning agreed to replace ex-Director Balzer on the safety committee and present a proposal for safety training of volunteer fire fighters.

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9B Fiscal year 1992-93 budget review/discussion/approval (out of agenda order): It was felt this agenda item should be consideration before the public hearing on the rate increase.

Treasurer Aeschliman noted that the net district operating loss before non-operating items on the proposed budget is <\$8,300>, with a total loss of <\$18,900> if depreciation is deducted from the <\$43,900> loss listed on the budget as presented. Anticipated capital expenditures for the new fiscal year are \$50,800.

In answer to William Moores' question, Gene Scaramella said that the processing equipment capital expenditure is an update of the treatment plant mandated by new state regulations. Questions on the other capital expenditures and on insurance were answered. Proposed plant operator wages showed an increase because of Charles Acker's assistance to John Acquistapace and his taking over the work which Mr. Scaramella had been doing.

The excessive legal fees resulting from developer problems were discussed. The concentrated face-to-face effort made to solve developer/district conflicts had been unsuccessful. In addition, legal assistance is needed to assure that the district performs legally and appropriately.

No additional comments were offered. A **motion** to accept the budget for fiscal year 1992-93 was made by Director Beran, seconded by Director Aeschliman, and carried unanimously. This approved budget is a part of these minutes.

- 8 **PUBLIC HEARING** on proposed rate increase for water services availability and distribution: Director Aeschliman presented and explained the Projected Cash Flow FY 1992-93 sheet (a part of these minutes). Five property owners had written objections to the increase.

The public hearing was opened. Joyce Cary asked if the increased revenues would be needed after the current capital expenditures were satisfied. Director Satuloff noted that such expenditures are on-going. Gene Scaramella felt a minimum of \$100,000-125,000 cash reserve is needed so that replacement of equipment can be made when needed.

William Moores felt an appraisal on anticipated replacement of equipment is needed. Director Satuloff answered that formal appraisal would be expensive and probably no better than district personnel's appraisal.

Rick Andrews felt there is a need to list the remaining life expectancy on equipment. Attorney Alan Turner said that no board or engineer can project with good accuracy life expectancy of equipment. He felt the present cash reserve was totally inadequate. The district cannot predict state-man-

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dated standards of the future; therefore, required renovations must be made or the district would need to consolidate with another district to comply with required standards. The law allows districts to fix rates, make projections and have cash reserves. Rate **can** go down with future board action when adequate cash reserves are realized.

Wil Edelbrock said that as a property owner he did not like having rates increased, but he felt it was necessary.

Joyce Cary and Rick Andrews asked about each capital expenditure and explanation on each was given. Director Satuloff noted that the processing plant was aging also.

Alan Turner said that the process for any special assessment was substantial. A district may obtain a loan or pass a special assessment.

Bob Smith proposed the board consider a cash reserve amount and consider reducing rates when that reserve is reached, or, perhaps, put a time limit on the increase. Director Aeschliman felt this might be a good idea in the future with consideration of variables such as legal fees, number of new homes constructed, and the number of homes which are permanent and using water full time. It was also noted that the state soon will impose standards on the district after consideration of our five-year report on water usage. At that point the district will have a better handle on standards required by the state.

Alan Turner said that the district can set a policy by resolution for consideration of rates on a regular basis. It was agreed that this would be an agenda item for the next meeting.

Gene Scaramella reported that usage does not necessarily go up with more hookups.

Jim Reese agreed with reviewing rates every 2-3 years so that any increases would be gradual.

Director Satuloff requested that John Acquistapace, Charles Acker and Gene Scaramella formulate the conditions statement for the next meeting on major components.

Director Satuloff read the resolution fixing rates and charges pursuant to California water code section 35470 (a part of these minutes). The resolution fixed the standby/availability charge at \$25 by-monthly, basic service rate at \$56.25 bi-monthly, and usage charge at \$.27 per 100 gallons. A **motion** to approve this resolution was made by Director Beran, seconded by Director Aeschliman, and carried unanimously by roll call vote.

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9 OLD BUSINESS:

9A Second reading of ordinance implementing informal bidding procedures authorized by division two, part three, chapter two, article three, California Public Contract Code sections 22030 et seq.: A motion to waive the reading of the ordinance was made by Director Aeschliman, seconded by Director Beran, and carried unanimously. A motion to adopt the ordinance was made by Director Aeschliman, seconded by Director Beran, and carried unanimously by roll call vote.

9B Fiscal Year 1992-93 budget review/discussion/approval: This item was covered earlier in the meeting.

9C Inn Site discussion and action if needed: Director Heinzer who has been overseeing this item was not in attendance. Director Satuloff noted the need to check the California Department of Forestry's (CDF) recent decision on minimum water requirements for commercial development in Gualala which would affect pipe size of water mains. (Also see after "10A," below.)

10 NEW BUSINESS:

10A Purchase of replacement computer: It was noted that the district's computer hard disk had "crashed," and a new computer would be needed. After a short discussion, a motion to purchase a new computer at a price not to exceed \$2,000 including hardware and software was made by Director Aeschliman, seconded by Director Beran, and carried unanimously.

* Inn Site addendum: William Moores thought that the Board would be considering an agreement on his figures regarding the inn site. Director Aeschliman voiced the board consensus to table any discussion/decision on this subject until an understanding on CDF's regulations mentioned above. Alan Turner stated that usage figures were being developed. Flow rate for fires is needed as well as procedure for annexation before the project discussion may proceed. There is also a need to question if the district can service this site as required by law. Until these questions are resolved, the district would table any discussion and/or decision. Mr. Moores said he had submitted to Director Heinzer the actual number of gallons per day which will be needed. He will contact CDF regarding requirements.

10B Consideration of financial service: Discussion on this item was no longer necessary and was not considered at this meeting.

* Additional items: The Board agreed to have the county auditor audit the books for fiscal year 1991-92.

Diane Johnson, secretary to the Board, will not be able to attend the Board of Director meetings in January and March


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because of other commitments. Since Director Beran would be unable to attend alternate dates those months, it was decided that the Board would obtain someone else to take the minutes for those meetings.

The public was reminded that a new director was needed. Volunteers would be appreciated.

- 11 **ADJOURNMENT:** A motion to adjourn was made at 12:10 p.m. by Director Aeschliman, seconded by Director Beran, and carried unanimously.

Respectfully submitted,



R. J. Beran, Secretary

Prepared by Diane Johnson

ATTEST:



Diane Johnson, Secretary to the Board

IRISH BEACH WATER DISTRICT
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, JANUARY 23, 1993

An executive session of the Board of Directors regarding possible legal action preceeded the public meeting.

- 1 **CALL TO ORDER AND ROLL CALL:** Director Satuloff called the meeting to order at 10:01 a.m. at the Garcia Grange in Manchester. Directors Aeschliman, Satuloff, Beran and Heinzer were all present. One director chair remains unfilled. Director Satuloff chaired the meeting. Also present were David Rosendale, John Acquistapace, Charles Acker, Gene Scaramella, Al Fisher, Diane Aeschliman, Wil Edelbrick, Reuben Balzer, Rex Dunning, Joe Humphrey, the district's attorney Alan Turner, and district secretary Diane Johnson.
- 2 **APPROVAL OF MINUTES** of regular meeting 11-14-92: A **motion** to approve the minutes of November 14, 1992, without correction was made by Director Aeschliman, seconded by Director Heinzer, and carried unanimously.
- 3 **APPROVAL OF EXPENDITURES** for November and December: A **motion** to accept the statement of expenditures was made by Director Heinzer, seconded by Director Beran, and carried unanimously.
- 4 **PUBLIC INPUT:** No public input was offered.
- 5 **REPORTS** and any action necessary:
 - 5A **Treasurer's Report:** Treasurer Aeschliman reported that the district's income is exceeding normal operating expenditures.
 - 5B **Water Report:** Charles Acker reported that December water usage was only 96.37 gallons a day per hookup. Turbidity during the heavy rains necessitated a week's shutdown of the treatment plant with supplement from the well. Use of the well is being tracked. A leak in a water line in unit 4 was repaired. Year-end reports to the State had been sent.
 - 5C **Fire House:** Fire Chief Dunning reported the rains had stalled work on the fire house, but framing had been started. Per the Board's request, Mr. Dunning will track work days and non-work days per the construction contract.
 - 5D **Safety Committee:** Tailgate employee safety meetings were held on December 3, 1992, and January 14, 1993. The goggles and mask recommended at the Setember 24, 1992, Safety Committee Meeting had been received. This committee met on December 15, 1992. A bridge across the upper diversion road is not yet in place [see item 7D below]. Three fire personnel had attended a three-day workshop [see item 7H below]. It

was decided that friends and family of fire personnel may not ride on the fire trucks.

Charles Acker agreed to look into the best type and cost of two-way radios for use by the fire department and by district operations personnel. Director Aeschliman **moved** that the Board approve two-way radio expenses up to \$500 for operations personnel's use only or up to \$1,000 for fire department and operations personnel use. The motion was seconded by Director Heinzer and carried unanimously.

After a short discussion Mr. Rosendale agreed to contact Mr. Lott, Loss Control Officer at Special District Risk Management Authority to ascertain his recommendations regarding a possible fence around tank 3. Gordon Moores will be contacted regarding replacing the chain across the road to the upper diversion as promised. Director Satuloff will notify Gordon Moores--and Bill Moores if necessary--that the back egress from unit 9 must be kept open at all times for emergency exit; Mr Moores' chain across this exit will be continually removed if it is continually installed.

6 OLD BUSINESS:

6A Presentation and discussion of Inn Site and California Department of Forestry figures obtained by developer: On advice of the district's attorney Mr. Turner, this issue is now a part of litigation with William Moores; Mr. Turner advised not addressing this item at this meeting.

7 NEW BUSINESS:

7B Resolution in appreciation of Gene Scaramella's service to the district (out of agenda order): Director Satuloff reported that the district had received Mr. Scaramella's letter of resignation as a consultant effective as of January 31, 1993. He then read the resolution commending Mr. Scaramella's long, dedicated service to the district and highlighting his accomplishments. A **motion** to approve the resolution was made by Director Aeschliman, seconded by Director Heinzer, and carried unanimously.

7A Resolution in appreciation of Reuben Balzer's service to the district (out of agenda order): Director Satuloff read the resolution commending Mr. Balzer's long, dedicated service to the district and highlighting his accomplishments. A **motion** to approve the resolution was made by Director Aeschliman, seconded by Director Beran, and carried unanimously.

It was agreed that copies of these two resolutions would be sent to all property owners.

7C Certification of assessable area within Irish Beach Water District: The Board acknowledged this yearly statement which was then signed by Secretary/Director Beran.

- 7D **Conditions statement on major components:** It was agreed that draining of all tanks to check their interior condition was a part of routine maintenance and should be done as soon as possible. Information was presented regarding purchase of a flatcar for use as a bridge on the upper diversion access road. Mr. Acker felt it was the most viable solution. Authorization of the expenditure had already been given. The consensus of the Board was to proceed with the purchase and installation.
- 7E **Resolution on policy for rates consideration:** Director Satuloff read the resolution resolving that consideration of the fixing of rates and charges by the Board of Directors shall occur not later than two calendar years after the date of any resolution of Directors fixing rates and charges; that more frequent consideration of rates and charges is expressly authorized; and that this resolution does not apply to assessments, bond issues or other statutory means for the lawful generation of capital or revenue which are not rates or charges for service. There was no public input offered. A motion to accept the resolution was made by Director Heinzer, seconded by Director Aeschliman, and carried unanimously.
- 7F **Hiring of consultant regarding legal matters:** Director Satuloff reported that a law suit from William Moores against the district had been received. Attorney Alan Turner is preparing a response to deny all charges. The suit will go to binding arbitration and to court to get a judgment on such things as the validity of the well ordinance and the inn site. Mr. Turner said that in order to answer the suit and go to arbitration and to court, he will need an organization assistance and paralegal help which will realize a cost savings for the district over Mr. Turner's doing all the work himself. Reuben Balzer may be employed in a role of organization assistant. Director Heinzer moved that the Board authorize Mr. Turner to pay for a clerical assistant and to use his discretion in hiring a paralegal, both to be itemized in his billing statements. The motion was seconded by Director Aeschliman and carried unanimously.
- 7G **Approval of employment arrangement with Charles Acker:** A job description and employment arrangement with Mr. Acker had been written to be effective February 1, 1993. Since the Board had not previously had a chance to study the arrangement, it was agreed that it would be discussed at an executive session before the next regularly-scheduled board meeting, making the arrangement retroactive to February 1. Until that time Mr. Acker will be paid with the present arrangement and any differential adjusted after the formal decision.
- 7H **Proposal on safety training of volunteer fire personnel:** This item was covered under item 5D above. The Board re-

requested that a documented training procedure for new volunteer fire personnel be developed.

- 7I **Consideration of flood and/or earthquake insurance:** The proposed insurance from Special District Risk Management Authority (SDRMA) did not make clear whether the \$548 quotation was an annual charge or a monthly charge and what the coverage was. Secretary Diane Johnson will contact SDRMA to get a copy of the policy and a clarification on cost.

* **Additional considerations (not listed on agenda):**

The California Coastal Commission now wants a paved road for access to unit 5. The county planning department should be notified. A copy of the Coastal Commission's requirement will be sent to the county planning department.

The California Coastal Commission has turned over to the counties all responsibility east of Highway 1 with some exceptions such as mounted septic systems.

- 8 **ADJOURNMENT:** At 11:44 a.m. a motion that the meeting be adjourned was made by Director Beran, seconded by Director Heinzer, and carried unanimously.

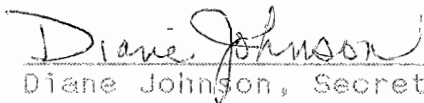
Respectfully submitted,



R. J. Beran, Secretary

Prepared by Diane Johnson

ATTEST:



Diane Johnson, Secretary to the Board

IRISH BEACH WATER DISTRICT
MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS
SATURDAY, MARCH 13, 1993

- 1 CALL TO ORDER AND ROLL CALL: Director Satuloff called the meeting to order at 10:00 a.m. at the Garcia Grange in Manchester. Directors Aeschliman, Satuloff, Beran and Heinzer were all present. Also present were Betty Winters, Gene Scaramella, John Acquistapace, Charles Acker, Bill Moores, Gordon Moores, Tony Lombardi, Al Thompson, Wil Edelbrock, Dave Rosendale, the district's attorney Alan Turner, and Debbie Bridges filling in for the district's secretary.
- 2 APPROVAL OF MINUTES of regular meeting 1-23-93: A motion to accept the minutes as corrected was made by Director Heinzer, seconded by Director Beran, and carried unanimously. Director Satuloff noted that income presently exceeding normal operating expenditures is as planned in order to build up a reserve fund. This was discussed later under Treasurer's Report.
- 3 APPROVAL OF EXPENDITURES for January and February: A motion to approve the expenditures was made by Director Beran, seconded by Director Heinzer, and carried unanimously.
- 4 PUBLIC INPUT: None offered.
- 5 REPORTS and any action necessary:
 - 5A Treasurer's Report: Treasurer Aeschliman discussed the new rates in effect and building a reserve fund over a period of time to cover items such as purchase of a flatcar for a bridge plus its installation and for additional expenses for the fire house which had not been budgeted. There were no questions or comments.
 - 5B Water: Charles Acker only had the January usage total; he had not received the February usage total from the district secretary prior to the meeting. The recently-installed control in the treatment plant worked properly to shut the plant down for those instances when turbidity was too high. The bridge project negotiations are currently underway; the logger has agreed to put the bridge in place and take the old bridge away as soon as weather permits. Water lines which had been routed around the new firehouse have been replaced; normal operation has resumed after the disruption of the construction.
 - 5C Fire Department: Fire Chief Dunning stated that the contractor's part of the firehouse project is about 98% complete. There is some ground work remaining on the far side of the building, and a step is needed at the lower end. Volunteers are completing hanging sheetrock and staining the outside of

the building. The contractor has called for the second installment payment; further payment will be withheld until additional work is completed. A discussion followed regarding contractor payment and weather being the cause of completion coming after the 30 days stated in the contract. Repair has been made to the fire truck; except for the deductible, reimbursement will be made by the insurance carrier.

- 5D Safety Committee: Dave Rosendale reported that the tailgate employee safety meetings were held on January 14, February 4, and March 11. The status of the various safety projects was discussed: The two-way radios have been ordered; the bridge will be completed shortly; a fence around #3 tank would not be required until the fall. Rex Dunning will replace Reuban Balzer on the Safety Committee; the other members are John Acquistapace and Debbie Bridges. A meeting was held on December 18, and the next one will be March 16. The meetings must be held quarterly.

A copy of Policy 92 has been received with the notation, "Member districts should consult counsel as to applicability of the Brown Act as to meetings of committee." Attorney Alan Turner explained that if there is less than one employee, the entire board could be the committee, in which case the Brown Act would apply. Such is not the case for Irish Beach Water District.

There was a discussion regarding the status of the chain to the upper diversion since the logging was finished. Director Satuloff asked Gordon Moores to be sure that the chain is placed back because there is liability to the district if someone uses the road. Flooding a chain with a lock with a common key was considered. Director Satuloff requested that Gordon Moores inform him when the chain is back up.

6 OLD BUSINESS:

- 6A Status of lawsuit filed against the district by William Moores: Director Satuloff reported that the district has been in receipt for a number of weeks of William Moores' claim in the amount of approximately \$112,000. The Board will file its answer to the claim in the next week or two; at that time the answer will be public record. Mr. Turner explained that following filing the answer, there would be a time for motions to be made, discovery, decided on depositions requested, request for production of documents, etc. Then discovery and motions could be completed and a trial date set. This could be either a trial, judicial arbitration, or options for resolution that include something other than a trial of claimants.

7 NEW BUSINESS:

- 7A Approval of employment arrangement with Charles Acker: The Board met in executive session before the public meeting

regarding the employment arrangement with Charles Acker. The job description was to be amended to read "Chief Operator" rather than "John Acquistapace". Director Satuloff asked for a motion to approve Charles Acker's employment retroactive to February 1, 1993. Director Anselman moved with the arrangement to be accepted as amended. The motion was seconded by Director Beran and approved unanimously.

- 75 Consideration of flood and/or earthquake insurance: There was a discussion of the \$549 premium from Special Districts Risk Management Authority (SDRMA) covering the treatment plant and tanks with a 10% deductible up to a maximum of \$28,500 deductible if the entire system were destroyed. Director Satuloff noted that the district is in an "earthquake positive" zone and a potential flood zone. One of the tanks could be destroyed by an earthquake or mudslide. Comments were invited from the floor or Board. Charles Acker felt the entire system could be wiped out by an earthquake. Will Edelbrock questioned whether underground lines would be covered; the policy did not specifically state such coverage but it could be investigated. Subject to clarification on whether the policy covers underground lines, Director Reinzer moved that the district accept the flood/earthquake insurance. The motion was seconded by Director Beran and passed unanimously.

- 76 Ratification of Assembly Bill No. 174 regarding method of election for the Irish Beach Water District: Director Satuloff sketched a background of the bill, explaining how the Board of Directors is now elected by ad valorem. AB174 is specifically for Irish Beach Water District to change the voting discipline to include: anyone who is a registered voter in the district would have a vote; anyone who is not a registered voter in the district but who held title to land would have a vote.

Director Satuloff next presented a theoretical example of Irish Beach home ownership. There can be multiple owners on one title which would theoretically entitle that many votes per house. E.g., if two couples owned a house but did not live in Irish Beach, they could be entitled to four votes; if they rented the house to three renters, that particular household would then be entitled to a total of seven votes. In contrast, if a person held more than one parcel, that person would only have one vote. A long discussion ensued on the pros and cons of the bill, on whether, as private citizens, board members can or cannot be sued, and how it is the Board's responsibility to always act in a manner of good faith. Director Satuloff felt the Board would not be acting in good faith if the district were to support what he felt was a deliberate prejudicial bill.

The floor was opened to comments, followed by much discussion. Director Reinzer felt the bill was fair because with the present situation a new property owner after assessment

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has a vote on the assessed valuation of property which long-term residents do not have; long-term residents have fewer voting power as voting now stands. The new bill was the way to change this; he felt it was prejudicial not to change it.

Gene Scaramella then discussed the specific wording of the bill. He felt it should be amended, asking it comply with the general election laws followed all over the country. Director Satuloff countered with his reasons why he had a problem with that.

Mr. Scaramella stated at length that for several years a solution has been worked on but instead of getting conciliation there is confrontation and not solutions. He felt that the threat of board members being sued has to be withdrawn before anyone will want to be a board member. Director Satuloff stated that removal of such threat was being worked on, but the threat would always remain if the Board did not act in good faith. Mr. Scaramella felt that the Board had always acted in good faith. Director Baran then offered that even though the current system was not very good, the proposal seemed to be at least as bad. He felt that people who end up voting will not be the same people who are paying the water bills and that a lot of people will be disenfranchised by this.

Further discussion followed. In answer to a question, Director Satuloff confirmed that in his contact with Dan Hauser's office he was assured that the bill could be amended and still keep the same hearing date.

William Moores said that he felt the ad valorem system is not good but that the bill, also is not good, stating the pros and cons. Mr. Moores attorney had negotiated with the district's attorney Alan Turner and Mr. Moores had signed an agreement which would effectively hold each director harmless from Mr. Moores' suing them personally. On the basis of that agreement, he said, both will act in a non-personal way and in good faith. A discussion about good faith followed. Mr. Moores felt good faith was one vote per parcel; it was not good faith to essentially disenfranchise people.

Alan Turner then offered commentary about the language of the proposed statute being ambiguous, incorporating definitions from other code sections which are not spelled out in the text of the agreement and which would probably be prejudicial and open to interpretation, leaving open the possibility that there could be an enormous number of votes for one lot while other lots would not have a vote at all, resulting in some inequities. The language did not seem deliberately discriminatory; it was just poor language. A discussion followed on wording.

After additional discussion between the audience and the Board regarding this bill, it was requested that the board

take a non-support position on the current assembly bill as it stands and so notify the assembly. It was then asked that this be amended to read one vote per parcel. Mr. Scaramella questioned the effect on transition. Further discussion followed regarding percentage of non-developer ownership versus private ownership.

Director Aeschliman commented that this might be the one and only time to change this, that in the future no one in the state legislature would want to entertain such legislation because those concerned with Irish Beach might not have a liaison with to sponsor another assembly bill. In addition, he felt that it was inappropriate for the state legislature to be concerned with Irish Beach Water District problems. Director Satuloff interpreted with to mean that we "probably have one shot at changing ad valorem" and there was not sufficient evidence in the way the bill was worded for it to be passable and therefore, if voted down, the district would not have a "second shot at it." The discussion centered again on the wording of the bill.

Director Beran moved that the Board of Directors inform the Assembly that it does not support Assembly Bill #174 in the January 20, 1988, edition. The motion was seconded by Director Aeschliman and passed 3-1 with Director Heinzer opposed. Director Aeschliman moved to update the language to reflect one vote per parcel. The motion was seconded by Director Beran and passed 3-1 with Director Heinzer opposed. Director Satuloff will write a letter to the Assembly stating the Board's decisions regarding this bill; he will review it with each Board member before sending it.

- 4 Consideration on taking title to unit 5 easement (not on the agenda): It was reported that the Coastal Commission and Mendocino County both have affirmed that it is the district right to an easement to provide an extension of Acquistapace Road and Sea Cypress Drive to cross the lots in unit 5 for a fire road. The district already has approximately 100 feet of utility easement. William Moores said he had talked to the district's attorney about the easement. Director Satuloff stated that Mr. Turner has a resolution regarding acceptance of the grant of easement.

A discussion followed with Mr. Moores' request that the district take title to the fire road easement, but Director Satuloff took the position that the Board is not in the business of being a road maintainer, that its business is to supply water and fire protection. He then read the portion of the resolution that would agree to accepting title to the easement with the condition that "Gordon Moores and Sandra Moores shall present to the District a signed written agreement to maintain said easement as an obstruction- and weed-free gravel roadway in a condition suitable for access by fire trucks and other emergency equipment upon terms satisfactory to the President and signed by him." etc. Based on

this, the district would accept title to the easement. A discussion followed on why this was necessary when the Mendocino Department of Planning and Building had already stated their position. Mr. Turner said he had reviewed the California Coastal Commission request but had not seen the county demand. This, he said, is a non-exclusion easement and maintenance and, therefore, is governed under statute, and this particular statute allows people who have non-exclusive easement to agree as to how it will be maintained. After further explanation and discussion, Director Aschliman stated that the resolution was totally new to the Board and felt more information should be obtained before a Board decision made. In addition, the subject was not on the agenda and therefore could not be moved upon. Mr. Scaramella said the Board should not be pressured to act on any decision. After a consensus from the board was requested, a special meeting to cover the question of this easement was called for March 27, 1982. All documents will be requested and available at the special meeting, and the developer will have an opportunity to present his position to the Board and to the public.

- 7D Consideration of request of percentage payment for new joint ownership of rescue vehicles: A used rescue vehicle is being purchased for Garcia Fire and Rescue. Fire Chief Rex Dunning reported that the district's portion of \$900 had already been set aside from various fund raisers; no additional funding is requested. The district will own one-third of the vehicle. Director Heinzer moved that the district permit the funds already collected to be used as planned for the vehicle, Director Beran seconded, and the motion carried.
- 7E Status of fire horse: This item was not discussed.
- * Litigation against Board members by William Moores (not on the agenda): Director Satuloff stated he was in receipt of a letter signed by Mr. Moores stating he will not sue any individual members of the Board of Directors personally and that in no event would he seek recovery from their personal assets. It was requested that Gordon Moores sign the same letter.
- 8 ADJOURNMENT: The meeting was adjourned at 11:10 a.m.

Respectfully submitted,


R. J. Beran, Secretary

Prepared by Deborah Bridges
and Diane Johnson

ATTEST:


Marvin Satuloff, Director

IRISH BEACH WATER DISTRICT
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, MAY 8, 1993

- 1 CALL TO ORDER AND ROLL CALL: Director Satuloff called the meeting to order at 10:06 a.m. at the Garcia Grange in Manchester. Directors Aeschliman, Satuloff, Beran and Heinzer were all present. One director chair remains unfilled. Director Satuloff chaired the meeting. Also present were David Rosendale, Reuben Balzer, Gene Scaramella, John Acquistapace, Dorothy Engle, Bettye Winters, the district's attorney Alan Turner, and district secretary Diane Johnson.
- 2 APPROVAL OF MINUTES of regular meeting 3-23-93 and special meeting 3-27-93: A motion to approved the minutes of both meetings as presented was made by Director Heinzer, seconded by Director Aeschliman and carried unanimously.
- 3 APPROVAL OF EXPENDITURES for March and April: A motion to approve the expenditures for March and April was made by Director Beran, seconded by Director Heinzer and carried unanimously.
- 4 PUBLIC INPUT for items not on the agenda: None offered.
- 5 REPORTS and any action necessary:
 - 5A Treasurer's Report: Treasurer Aeschliman reported that an additional \$2,433 in legal fees had been expended in April. The Mallo Pass annuity fund taken out by former-Director Charles Woodward with the district as beneficiary that has been realizing about 9% interest will have to be rolled over into another fund for the best interest available because of Mr. Woodward's death. In recent months the checking account balance is down over \$20,000 in part because of improvements to the system and construction of the new fire house.
 - 5B Water: Gene Scaramella reported that the average home was using 90 gallons per day and that plant operator Charles Acker was planning to continue to monitor holiday occupation now that the five-year monitoring required by the State has ended.
 - 5C Fire Department: It was reported that only painting the drywall on the new fire house remained before final inspection; an engine overhaul would probably be needed on the older fire truck.
 - 5D Safety Committee: Dave Rosendale reported that since the last meeting of the Board, a Safety Committee meeting had been held on March 18 and an employee safety meetings had

been held on March 11 and April 13. The important items from those meetings were already on the agenda.

5E Other: None.

6 OLD BUSINESS:

6A Chain on road to upper diversion: Director Satuloff reported that he had sent a letter to Gordon Moores regarding replacing the chain across the road. Mr. Moores had responded that he felt the chain was not his responsibility but that he would replace it. Mr. Moores subsequent letter was read questioning the district's right to block access on the road. After discussion, it was decided that the district would determine if an easement exists, if this item is covered under the unit 9 acceptance agreement, and pursue legal access if necessary. Attorney Alan Turner said that, nevertheless, property was destroyed and needed to be replaced.

6B Walkie talkies: The walkie talkies are in shipment from Ukiah.

6C Lawsuit status: Mr. Turner reported that he had just received a response to the district's plea. The hearing will be May 14 to see if William Moores will have to amend his complaint. The firm of Berry and Berry has been retained by the insurance company to take William Moores' deposition on May 19, 20, 21, along with receipt of documents in support of his position. Director Satuloff and former-director Reuben Balzer will get together to explore some items before the hearing. Mr. Turner felt that the district insurance carrier, Special District Risk Management Authority (SDRMA), may eject from the suit after determination, possibly after the May 14 hearing. It is not now known who will pay Berry and Berry; the firm is presently billing through SDRMA. Mr. Turner will ask SDRMA what they propose to do about the cost of the deposition they are requiring to get a better understanding of the case.

7 NEW BUSINESS:

7A Proposed amendment to Second Amended Joint Powers Agreement with Special District Risk Management Authority with regard to eligibility for membership: After a short discussion, a motion to approve the amendment was made by Director Aeschliman, seconded by Director Heinzer and carried unanimously.

7B Amendment to fire ordinance regarding operational garden hoses: Director Aeschliman explained the old wordage of the ordinance which did not require a viable water connection during construction and water remaining on at outside taps for fire safety after construction. A fire during construction had recently occurred; a garden hose is the first line

tion had recently occurred; a garden hose is the first line of defense in a fire. The proposed amendment was read by Director Satuloff. Two small changes were made to the ordinance, so the first reading of the ordinance will be at the next regular meeting of the Board. Fire Chief Rex Dunning will be requested to send a notice to all property owners on the proposed ordinance amendment.

7C **Unit 5 existing fire road maintenance:** The existing road is full of potholes. The county had placed the stipulation on the developer regarding unit 9A that the road be maintained as a fire road. Discussion followed and it was agreed that a letter would be written to the developer regarding the required maintenance on this existing fire road.

* (not on agenda) Concern was expressed regarding Carter Arnold's request to the county to change the zoning classification on his property from range to forest land. Logging to this property adjacent to the district could affect Irish Creek. Director Satuloff will ask Mr. Arnold if only sick trees are to be removed or more drastic logging done. He will also ask the California Department of Forestry for assurance that logging on the property would not compromise availability of water or cause sediment contamination.

* (not on the agenda) Director Satuloff noted a letter from the county regarding probable cuts in augmentation funds in the future. Director Aeschliman reported that the district's budgeted income did not include receipt of such funds.

* (not on agenda) It was announced that an emergency executive session would follow with regard to a personnel matter. Following the short executive session, the Board announced that the secretary to the Board, Diane Johnson, was announcing her resignation which would occur before the next Board meeting. A formal letter of resignation with a termination date was requested. Directors Aeschliman and Satuloff agreed to interview perspective replacements.

7 **ADJOURNMENT:** A **motion** to adjourn was made by Director Beran, seconded by Director Heinzer and carried unanimously.

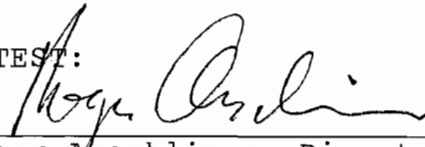
Respectfully submitted,



Marv Satuloff, Director

Prepared by Diane Johnson

ATTEST:



Roger Aeschliman, Director

Irish Beach Water District
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, JULY 17, 1993

An executive session was held prior to the public meeting (9:30 a.m.) to discuss litigation matters. Present were Board Members Marv Satuloff, Roger Aeschliman, Jon Heinzer, and Irish Beach Water District's attorney, Alan Turner.

1. **CALL TO ORDER AND ROLL CALL:** Director Satuloff called the meeting to order at 10:05 a.m. at the Garcia Grange in Manchester. Directors Satuloff, Aeschliman, and Heinzer were present. Director Beran was absent and one director chair remains unfilled. Also present were David Rosendale, Charles Acker, Will Edelbrock, Rex Dunning, William Moores, Alan Turner and Roberta deVaul, the district's secretary.
2. **APPROVAL OF MINUTES:** A **motion** to approve the minutes of the regular meeting held May 5, 1993 without correction was made by Director Aeschliman, seconded by Director Heinzer and carried unanimously. A **motion** to approve the minutes of the special meeting held June 5, 1993 was made by Director Heinzer, seconded by Director Aeschliman and carried unanimously.
3. **APPROVAL OF EXPENDITURES:** All directors voted to table discussion of expenditures until next meeting.
4. **PUBLIC INPUT** for items not on the agenda. There was no response for a request for public input from Director Satuloff.
5. **REPORTS:**
 - A. **Treasurer** - Director Aeschliman reported that there are enough funds in the bank to pay the bills. The investment in Mallo Pass will meet projected obligations. Director Satuloff inquired if a reserve is being built up. Director Aeschliman responded that a reserve is not being built up due to the legal fees which are currently \$11,715.00. Director Satuloff inquired if anything was projected for the growth of reserves. Director Aeschliman indicated no. Director Satuloff indicated his concern. Director Aeschliman indicated that the absence of income for hookups (there have been three) and it had been projected for significantly more than three.
 - B. **Water** - Charley Acker indicated that May usage was average for that season. The June figures were not available. The usage in June was probably up due to the dryness at this time of year but that it is not taxing the system at all. Director Satuloff inquired if the well was used other than for turbidity factors. Mr. Acker indicated that the well was run just enough to keep turbidity down. Director Satuloff inquired about cleaning the insides of the tanks. Mr. Acker has visually inspected the tanks. He indicated that a yearly cleaning is prudent. Director Satuloff asked that a cleaning schedule be provided to the directors and Mr. Acker said that would be available and that after the first rains, when usage was down and the flow was greater, the tanks would be drained and cleaned.
Mr. Acker reported that there were line breaks resulting from work being done by Wander Cable and that a bill had been sent to cover the costs and time required to repair them in the amount of

approximately \$555.00. Director Satuloff requested that the road repair on Navarro be monitored for completion due to the safety factors involved.

Mr. Acker then indicated that John Acquistapace and he were completing the fencing around the district office. The upper diversion bridge which was not completed in May due to the untimely rains was now being stalled due to the untimely death of Spencer Benbow, foreman of the project. Another foreman is now in place and it is expected that the work will be completed at any time now. In terms of Mr. Acker' paperwork two items are being worked on. The map of shutoffs is being updated to conform with the color coding of the shutoffs. The report to the state regarding system improvements is now being completed. Director Satuloff inquired if Mr. Acker has received the census in reference to occupancy and usage completed by himself and Gene Scaramella. Mr. Acker indicated that it was now in the file for completed projects.

C. Fire Department - Fire Chief Rex Dunning reported that the firehouse is now completed and the trucks will be in next week. The five foot strip of concrete in front has to harden and then the trucks will be in. The project took one year. Director Satuloff extended his thanks to Mr. Dunning for the "super-human effort" and indicated that the Garcia Dept. is interested in looking at "our plans". Mr. Dunning then reported that 15 (fifteen) notices of violation of the fire ordinance had been mailed and that 12 (twelve) had responded and been done already. Director Satuloff inquired about requirements for the lots. Chief Dunning replied that the whole lot does not have to be cut, only within 30 feet of a structure. Director Aeschliman inquired about tree trimming. Chief Dunning replied that they were going to start on cutting lower limbs. Director Heinzer asked if the final payment had been made to Virgil Knoche. Chief Dunning said yes and that the structure had been finalized by the county.

D. Safety Committee - David Rosendale reported that the inspection of facilities had been completed on June 24, 1993. Referencing the minutes of the quarterly safety committee Mr. Rosendale noted that most of the pump houses and tanks needed the weeds cleared away, and in particular, the fence at pump house #5 had been damaged by loggers and it was impossible to open the gate. Director Satuloff instructed Mr. Acker to have an estimate for repairs done by a contractor and that the logging contractor be billed. Mr. Rosendale went on to report that a tree had blown down by tank #2 and was threatening to damage the fence. Chief Dunning suggested that there might be a trade-off in having the logging contractor pull the tree away in exchange for the fence damage. Director Aeschliman inquired as to whose responsibility it is to mitigate the damage if the tree falls. Mr. Rosendale indicated that the tree is on our property and that it is our responsibility. Mr. Acker said that he has yet to meet the logging contractor and that an effort is being made to maintain good relations and he will make that effort to get things done in a fair way. A discussion ensued as to what would be the best method to have the tree removed. Mr. Rosendale then continued his report noting that the road to the upper diversion is impassable and is only accessible by walking. Mr. Acker said that the brush had been cleared and slides from the late rains would be cleared. Mr. Rosendale finished up by stating that tailgate safety meetings continue on a monthly basis.

6. OLD BUSINESS:

A. Chain on road to upper diversion. Director Satuloff referenced his letters to Mr. Gordon Moores about replacing the chain and asked William Moores if it had been done. Mr. Moores indicated that he did not think so. After a short discussion about responsibility and legal action in small claims court, Mr. Acker observed that Gordon Moores had done the district a large favor by

allowing disposal of the old bridge on his property, that it would be equitable to exchange favors and that he (Mr. Acker) would be willing to replace the chain himself. After a discussion of the cost of legal action (\$14.00), liability and the smallness of the project, Director Satuloff observed that it seems that we've received more than reasonable value. Director Heinzer made the **motion** that a chain and lock be placed on the road at district expense, Director Aeschliman seconded it and it was unanimously passed. Director Satuloff will write a letter to Gordon Moores and Mr. Acker will see that the chain is replaced.

- B Lawsuit Status** - Alan Turner reported that the first series of depositions have been completed and those scheduled for August are being rescheduled due to unavailability of some of the attorneys. Mr. Turner and Mr. Behnke (William Moores attorney) have met to discuss, in theory, the possibility of a compromise so that litigation will not be the end result. The options being discussed are "just ideas, in general terms". The attorneys determined that the next step would be to approach their clients to see if there is fruit for further discussion. Mr. Turner indicated his opinion that there is at least a framework for resolution and that it is in the best interest of the district to resolve since the parties involved will probably be responsible for their own attorney's fees and the legal fees are substantial. Mr. Turner has also heard from the superior court requesting a case readiness statement because the pleadings are an issue. Since this is a "fast track" case the time frame for litigation will be condensed and it is incumbent upon the parties to proceed with some amount of haste.

Director Satuloff referenced a letter from Berry & Berry, attorneys for Special District Risk Management Authority, who have been involved up to this point presumably to determine what their level of involvement should be. He asked if it was time for the Board to let Berry & Berry know that the district will not be responsible for their fees. Mr. Turner responded by saying that SDRMA had retained the attorneys and had reserved their rights to later charge the district for some or all of their fees. Turner indicated it would be a good idea to contact the insurance company and let them know the district is not in a position to pay these fees and that the district would like to know their position on the case. After a discussion of the pros and cons of having additional counsel on the case Turner offered to contact the insurance company. Director Aeschliman noted that the March 23 letter to Mr. Turner from the Fresno attorneys included an option of obtaining recovery from the district and asked if this could be construed as notification. Turner indicated no, that it just let the insurance company know it was an option and that he expected that they would withdraw their involvement after reviewing Moores' deposition. Directors Satuloff, Aeschliman and Heinzer agreed that Turner should notify the insurance company limiting their involvement at no cost to the district.

- C. Unit 5 - Fire road Easement** - Director Satuloff summarized by saying that his understanding of the status of the fire road easement is that the county is willing to live with a fire access road and that it is a Coastal Commission requirement that it be a general access road. The stance of the district is that it is a water district and not in the position to specify or maintain a road or deal with those who do maintain a road. William Moores asked if he could distribute a proposed letter to the board members. Director Satuloff reminded Mr. Moores that it had been agreed to have items for consideration to the Board before the meeting. The proposed letter was read by Director Satuloff and is included herein. After hearing the letter, Director Aeschliman reiterated his stand that the Board had voted last meeting that all information and documentation be given to the Board ahead of time to review and that we shouldn't consider anything unless it was presented in that fashion. Director Heinzer questioned whether the district comes under the heading "public entity". Mr. Turner indicated that, although the district is a public entity it does not have to

accept the road for dedication and Mr. Moores indicated that the letter states that the district will not accept the road. Director Satuloff expressed concern that the letter is somewhat a "slight of hand" and a discussion ensued as to whether the road would become a defacto public access and who would be responsible to maintain and whether or not the Coastal Commission requirements had been satisfied or not. Mr. Turner indicated that the Coastal Commission has to say at the onset that their requirements have been met. Will Edelbrock asked why the county would not accept this as a county road and Mr. Turner indicated it does not meet their standards of width. Director Satuloff then asked Mr. Moores why he (Mr. Moores) could not take this letter to the Coastal Commission and see what their reaction would be. Mr. Moores responded by saying that the problem is one of sequence with everyone anticipating what somebody is going to do. It is not clear to him that the county does or does not want to receive and dedicate the road and it will be brought to the attention of the Coastal Commission's attention that they have imposed a condition that no public agency wants. There is a physical road that is acceptable to everyone but nobody wants to maintain it. The Coastal Commission permit is only going to be issued if they get a letter from the county saying that no revised map is necessary. Alan Falleri has told Mr. Moores that he will not do anything until he hears from the district. Director Satuloff reminded Mr. Moores that the Board had voted to let the county and the Coastal Commission fight out what kind of road they wanted, that they want two different things and there is no consensus between the county and the Coastal Commission. Mr. Moores indicated that was not true. Will Edelbrock stated that it would be a reasonable and prudent thing to bring the road up to county standards for safety reasons and aesthetic reasons. Mr. Moores replied that all of the underground facilities, now owned by the utility companies, would have to be modified and also that area is involved in the Mallo Pass project. Mr. Edelbrock indicated that Mr. Moores knew this when the land was given to the water district as part of the negotiation. Mr. Moores indicated that the water district accepted responsibility and that they wanted the fire access road and that he had complied with what the district wanted. Mr. Moores went on further to say that it was at this point that the Coastal Commission got involved with their requirements. This proposed letter is relieving the district of the maintenance requirement as well as the any liability exposure. Director Satuloff proposed to ameliorate the situation of only just receiving the letter, to give the letter to two members of the Coastal Commission to have them review it on an informal basis to see what they would do if the district signed off with this kind of letter. The district would then pass upon it at the next regularly scheduled meeting. Director Satuloff wants to be clear on this and maintain good faith to the developer as well as the citizens of Irish Beach and the other public agencies. Mr. Moores comment was that it was a bad idea and proceeded to quote from the minutes in reference to receiving and reviewing documentation prior to the meeting. At this point Director Aeschliman responded by stating that receiving this letter during the meeting violates the prior agreement and asked to be excused. Director Satuloff recessed the meeting. Upon reconvening Director Satuloff stated that all recognized that the letter was not received prior to the meeting and therefore the documentation package was incomplete. Mr. Moores agreed that action would not be taken at this session. Director Satuloff requested Mr. Turner's opinion on going to the Coastal Commission with the letter. Mr. Turner stated that there are two different requirements that still need to be resolved, that the idea of approaching the Coastal Commission with the concept in advance of a formal letter did not offend him and that the Coastal Commission is going to figure out that the district does not want the public road. Director Aeschliman interjected that it was his understanding that local citizens went to the Coastal Commission and they want the public road. Turner agreed but reiterated that no public agency wants to be responsible. He feels that the concerns of the Board would be satisfied. Director Satuloff brought up another concern, that of vehicular egress out of the area, for safety

purposes (i.e., in case of fire). Director Heinzer said that the district had requested a gravel road such as that at the end of Harvest Market that is marked for emergency vehicles only and this is our concern as a fire district. Mr. Moores stated that nobody is going to put anything by anybody but there is a sequence that is going to go through. It is not clear to him if this letter is sent to the county, whether the next step is to go to the Board of Supervisors or whether they will accept the road for dedication. What is clear to him is the process of sending the letter to the county and going through the process. He accepts that Director Aeschliman was correct in wanting the letter in advance and indicated that he was trying to get a feeling for the response of the Board of Directors. What he doesn't like about going to the Coastal Commission is circumventing the Planning Department. Director Satuloff stated that he wants to show cooperation with the public agencies. Will Edelbrock stressed the Board's right and obligation to look at concerns for safety, that there is currently only one access for each section of Irish Beach to Highway One and a road may be needed, for security. Mr. Moores said "You have one and you haven't used it yet, for security". He discussed the complexity of meeting county requirements is more involved than just widening the road. Mr. Moores and Director Aeschliman discussed the odds of whether the road would ever be dedicated. Director Heinzer asked about moving to table discussion of the letter. Director Satuloff requested direction from the Board to pass it by the Coastal Commission. Director Heinzer made the **motion** to have Satuloff do so. Director Aeschliman seconded and the motion passed unanimously.

- D. Unit 5 - Fire road clearing** - Director Satuloff inquired of Mr. Moores whether there was specification on maintenance of the Unit 5 road. Mr. Moores stated there was no ongoing maintenance. Chief Dunning agreed and discussion of a work party ensued.
- E. Loan Refinancing** - Director Aeschliman reported that , by July 29th everything will "be sealed in cement", that the rate of interest is somewhat lower and that Alan Turner had reviewed and forwarded the application to be processed.
- F. Annuity Expiration** - Director Satuloff reported that the annuity that had been in Charles Woodward's name will not expire because he was not the "owner of the annuity" and it will not have to be addressed until June of next year. He requested Ms. deVaul place it on the first quarter 1994 agenda. Director Aeschliman noted that two of the Mallo Pass investments are in Treasury Bonds and that, as the interest rates are going down, bond rates are going up. Since there is about \$190,000 in the Mallo Pass Trust should the district be taking advantage of the high bond prices? Director Satuloff commented to Mr. Turner that, since this is part of the lawsuit there may be a question as to ownership of that interest. Director Aeschliman noted that if the bonds go to maturity that advantage is lost.
- G. Amendment to Fire Ordinance 89-2 regarding operational garden hoses.** - This is considered the first reading. Mr. Turner indicated that reading of the ordinance out loud could be waived if all agreed and that it could be referred to by title. Director Aeschliman noted that it had been sent out for review and that everyone should know about it. Director Satuloff entertained a **motion** that reading of **Ordinance 93-1**, an amendment to **Ordinance 89-2** relating to residential fire protection standards be waived. Director Heinzer made the **motion**. Director Aeschliman seconded and it was unanimously passed. Mr. Turner indicated that the motion to pass the ordinance should be heard at the next reading. Director Aeschliman inquired if there had been responses to the public review. Ms. deVaul indicated that there had and they were both in favor

of the proposed change. Director Satuloff commented that upon passage a letter should be sent to the architectural committee.

7. NEW BUSINESS:

- A. November election of Board of Directors** - Director Satuloff reported that one nomination has been received for the November election of Directors and that Kathleen Poling may be interested in filling the appointee vacancy that is now available. Director Aeschliman asked how many directors' seats are due to expire besides his and Director Satuloff indicated that his expires as well and that there will be three positions open.
- B. Location of future meetings** - Director Satuloff indication that future meetings of the board might be held in the new firehouse but questioned the current availability of toilet facilities. He requested that Ms. deVaul check with the insurance carrier for the firehouse to see if current facilities are acceptable for public meetings and if there is a cost for increased liability. A **motion** was made by Director Aeschliman to obtain white resin chairs, seconded by Director Heinzer and passed unanimously.
- C. Firehouse opening** - At 3:00 p.m. Monday next a worker's party will be held for the Firehouse.
- D. Hillcrest Drive Sign** - Rex Dunning reported that a recent incident involving alcohol and drug usage on Hillcrest Drive resulted in a call to 911 and that the teams responding to the call were unable to locate Hillcrest Drive in a timely manner due to the absence of a sign. It was noted that Hillcrest Drive is a private road and that a letter should be sent to the homeowners about erecting a sign.
- E. Garcia Fire and Rescue** - Director Satuloff commented that a recent article in the ICO indicated that Irish Beach Water District had not responded to the new tri-city agreement and that the City of Point Arena would retract that statement since he had in fact responded requesting a survey of rescue usage. There had been discussion that the Garcia Fire and Rescue may dissolve resulting in a loss of life support system for Irish Beach. There are some questions related to the purchase of a new vehicle.
- 8. Adjournment.** A **motion** was made by Director Heinzer to adjourn the meeting, seconded by Director Aeschliman and unanimously passed.

Respectfully submitted,

Marv Satuloff, Director

Prepared by Roberta deVaul

Attest:

Roberta deVaul, Secretary to the Board

Irish Beach Water District
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, September 11, 1993

1. **CALL TO ORDER AND ROLL CALL:** Director Satuloff called the meeting to order at 10:05 a.m. at the Fire House in Irish Beach (Manchester). Directors Satuloff, Aeschliman, and Heinzer were present. Director Beran was absent and one director chair remains unfilled. Also present were Kathleen Poling, Gene and Mary Scaramella, Diane Heinzer, John Acquistapace, William Moores, Alan Turner and Roberta deVaul, the district's secretary and other members of the public.
2. **APPROVAL OF MINUTES:** A **motion** to approve the minutes of the regular meeting held July 17, 1993 was made by Director Heinzer, seconded by Director Aeschliman and carried unanimously.
3. **APPROVAL OF EXPENDITURES:** A **motion** to approve May, June, July and August expenditures was made by Director Heinzer, seconded by Director Aeschliman and carried unanimously.
4. **PUBLIC INPUT** for items not on the agenda. There was no response to a request for public input from Director Satuloff.
5. **REPORTS:**
 - A. **Treasurer** - Director Aeschliman reported that there are enough funds in the bank to pay the bills. The debt has been refinanced at a savings of \$1400 per year although the rate of interest is somewhat more than hoped (7.125%). Director Satuloff noted that the bank balance seems to be going down not up and Director Aeschliman asked if that could be discussed along with the budget under New Business.
 - B. **Water** - Charles Acker was absent and John Acquistapace spoke for operations. He noted that the flow of Irish Creek was 56 gallons per minute last year at this time (9/1/92). This year on September 1 the flow was 122 gallons per minute. John Acquistapace indicated that the out meter of Tank #1 read 753,603 and the in meter read 927,570, the difference being 173,967 (the tank holds approximately 200,000). 190,000 gallons had been pumped from the well with 204,000 in the in tank (for the month). Director Satuloff asked if the well was being pumped just to keep it going and Mr. Acquistapace indicated that the well is being used a lot right now because water usage is up. Total usage was 958,392 gallons. Director Satuloff asked about average usage per household. The meter reading report figures showed that usage increased each month from May to August, 897,379 gallons were used in August. John Acquistapace note that his figures were higher. Gene Scaramella noted that there were no meters on the storage tanks which would account for the difference in the figures. Director Satuloff reported that he and Mr. Scaramella did an occupancy study on unit one and unit nine over Labor Day weekend with the result being 83%, somewhat down from last year.

John Acquistapace reported that the log at Tank #2 had been removed by the crew working on the bridge and they were told they could keep the log. Cleanup was done around the tank and the tank was repaired around the rim. Director Satuloff then read Mr. Acker's written report (included herein).

C. Fire Department - Fire Chief Rex Dunning was absent. Director Satuloff commented on the convenience of the fire house and the chairs that Mr. Dunning had acquired from S. & B. (specially ordered in green by Allen). He then reported on a fire training practice session that he and Al Thompson had attended two weeks ago in Point Arena and said that it was well worth while since all involved obviously needed the training.

D. Safety Committee - Due to the absence of David Rosendale, a safety committee report was not given.

6. INTERIM DIRECTOR APPOINTMENT. - Director Satuloff stated that the appointment of Kathleen Poling as a director could not be made at this time because the requirement for a fifteen (15) day prior posting had not been met. She will be a director at the next meeting which is after the official election.

7. OLD BUSINESS

A. Upper diversion site status. Director Satuloff pointed out that the status was discussed previously (see Mr. Acker's report above).

B. Unit 5 - Fire road Easement - Director Satuloff started out by indicating that Bill Moores had requested that this item be held off until the next agenda when a full board could be in attendance but that he (Director Satuloff) felt that enough activity had occurred in the meantime that a report was needed. Director Satuloff reported that he had contacted the Coastal Commission to get an understanding, if the District said that they wanted a chain across the road, whether the Coastal Commission would still approve a permit. He then read a letter from the Coastal Commission (included herein). Director Satuloff then referred to the Mendocino County General Plan regarding Irish Beach where it is indicated that minor modifications to the sub-division map and street system are needed (in Irish Beach) to reduce the number of lots that have vehicular access only from Highway One and to connect all lots east of Highway One without requiring use of the highway. Based on that, the District's counsel, Alan Turner was requested to contact the county. Director Satuloff then read Mr. Turner's letter to Alan Falleri (included herein). Director Satuloff stated that it is apparent that it has been turned back to the county. After an interruption by outside noise, John Acquistapace asked for a clarification of the situation. Director Satuloff summarized by stating that the Coastal Commission will not provide a permit unless there is a through public access road, the fire district will not permit a through access road because the district is not in the road maintenance business, the district would have to put a chain across and the coastal commission will not allow that. Therefore, what has to be done, in essence, is put together an acceptable public and vehicular access road through there which obviously would be acceptable to the fire district as well. The district feels that the standards should be left up to the county and Coastal Commission, all the district wants is fire access. Reading the County Master plan, it appears that the county and the Coastal commission want the same thing. Director Satuloff went on to say that he does not know what is required of the Moores. He then

asked Mr. Turner if a vote is necessary at this point regarding the letter Mr. Moores distributed at the last regular meeting. Mr. Turner responded that he did not see any action was required. Director Satuloff said that , in essence, the district is out of the picture because the district does not want liability for the road and if the district puts a chain across it, the Coastal Commission, being the ultimate authority will say "no you won't". Director Heinzer interjected with a comment about not recalling the requirement to put a chain across the road. Mr. Turner indicated that there had been a discussion regarding a limited (fire access) road and that accordance with the Coastal Commission was being explored. Director Heinzer questioned by saying that someplace along here it started with a gravel road and now appears that the district are the owners of a road? Mr. Turner then said that the correspondence from the agencies have indicated that the responsible agency for the road would be Irish Beach Water District. The expectations were that setting standards and maintenance would be the obligation of whoever supervises the road. Director Heinzer inquired if the district in accepting easement had in some way accepted ownership. A discussion ensued about the county width requirements as well as the Coastal Commission requirements. Mr. Moores indicated that standards were originally set when the tentative map was approved and that, in accepting the tentative map, the district accepted the standards. Director Heinzer said that was an easement but that it has now changed. Director Satuloff stated that the Coastal Commission changed it. Director Heinzer said that the letter from the Coastal Commission stated that it should be a road open to the general public use. But what does a road open to the general public use mean? Does anybody know? Does that mean gravel or not? Alan Turner said no, it means that the road must be capable of accommodating vehicular and pedestrian traffic at all times. Director Heinzer: That's what the Coastal Commission says and what does the county say? Alan Turner: As long as the Irish Beach Water District will accept the standards and assume responsibly for it, the county doesn't care either what the standards are. Now there is a question about the district's broad statutory authority, there are provisions in the water code which authorize the district to do any reasonable act in furtherance of its specific purposes, for the water district to provide water, for the fire district to have access to put out a fire, but beyond that establishing road standards and maintaining public thoroughfares is arduously beyond the statutory authority of the district. The question is how far the district should go in accommodating other government agencies who are more properly suited to do what they are being asked to do. Director Satuloff asked if the road were gravel and left it open to general pedestrian/vehicular traffic would we be at risk from a general public liability standard. Alan Turner responded that there would be some arguable risk for the district for improper construction or maintenance of a public thoroughfare if there are injuries resulting therefrom. There is not a shield out there to protect the district from liability. One of the other concerns which hasn't been thoroughly discussed is, if there is an easement shared by various parties the maintenance is apportioned by use. Since the district would not be using the road often, their responsibility would be extremely low but may have the obligation to call on others to contribute their share of maintenance. If taken out of the easement context to public thoroughfare then the question becomes, who is responsible? The correspondence from the various agencies indicate that the responsible entity is going to be the Irish Beach Water District. Does the district want that authority and why? Director Satuloff referred that question to Mr. Moores. Mr. Moores responded by stating that he wants the district to provide a letter to the county regarding compliance with condition #18 but this whole approach has been mis-characterized and is being redirected to an entirely different tactical on the part of the chairman here and the way we

have been pursuing this thing. Mr. Moores indicated that what is being discussed now is a revision of the original intent and requesting going back to the beginning. Initially a "tentative map" required by the planning commission was solicited for comments and then approved (February 1992) and at the subsequent board of supervisors hearing conditions were referred to the county relative to condition #18. Director Aeschliman requested a reading of condition #18. Mr. Moores read condition #18 requesting an emergency access road and indicated that it was adopted by the board of supervisors and the district had agreed with it. He said he had negotiated with the Coastal Commission staff on the wording of their requirement. Mr. Moores indicated that the conditions are now fixed and the part of the process now being addressed is the final map and he has asked the district to write a letter to the county verifying that the district owns the easement that it already owns. The response to that was that an effort was made, particularly by the chairman, to go back and say that the district is not interested in merely fulfilling condition #18, the district wants to go back and completely redesign the sub-division, and indicates that the very condition that was first acceptable are no longer acceptable. Director Aeschliman indicated that the board had never said any of those things. Mr. Moores disputed that. Director Satuloff replied that Mr. Moores had the floor. Mr. Moores went on to say that the last outstanding matter before the board (July 17th meeting) was the letter he requested regarding condition #18 and these issues that are being raised are what he considers being improper about Alan Turner's letter. Mr. Moores said that Marv Satuloff wasn't requested to but he himself requested authorization to go to the Coastal Commission and to verify whether or not the Coastal Commission would accept the water district's vote that it would fulfill their conditions. He went on to say that the previous motion to that was one made by Roger Aeschliman when he made the motion at the March 27th meeting that the district would take no action until the Coastal Commission and the county agreed on what type of road was involved and before action is taken it should be submitted to the district's attorney. After reiterating what Alan Turner's letter had said and whether a tentative map revision was necessary, Mr. Moores went on to say that the county had accepted the road as well as the Coastal Commission and that it was decided that the Irish Beach Water District would set the standards. He agreed with Mr. Turner regarding statute section 846.2 apportioning maintenance to those who use the road. After discussing who is responsible for setting standards and agreeing that the road only needs to be improved to meet condition #18, Mr. Moores went on to say that the whole issue being dealt with is that "certain parties don't want to accept that". If the water district is going to take the position that it is not obligated to provide a letter to the county, Mr. Moores assumed that they want to start the process over. He stated that he is only asking the district to comply with conditions that have already been set.

Director Aeschliman addressed Alan Turner saying that as a layman it appears to him that we are faced with apparent conflicting conditions, interpreted one way by Mr. Moores and another way by the district. Director Aeschliman expressed concern that if the board did what they were being requested to do that they would be in conflict with what is in writing from the filings. Until the points came up from the Coastal Commission and the Mendocino General Plan, he indicated that the board had been in agreement that the gravel road would be fine. Director Aeschliman asked Mr. Turner to research and write a brief that would help the board in its decision.

Director Satuloff addressing Mr. Moores stated that he (Mr. Moores) had accused this chairman (Mr. Satuloff) of bias and wrong-doing and now had the opportunity to retract. Mr. Moores chose not to retract. Director Satuloff then asked Mr. Bill Moores under what

legal right did he represent Mr. Gordon Moores and asked for a written document pre-dating this meeting and all other meetings where William Moores had represented Gordon Moores. William Moores stated that he didn't want to get involved in that. Director Satuloff responded by asking Mr. Moores that he wanted to get involved in accusing the chairman (Mr. Satuloff) of wrong-doing. Mr. Moores said that to be more specific the decision at the last meeting was that Director Satuloff was going to the Mendocino Planning Department of the California Coastal Commission to see if a chain were put across the road, would they have any problem with that. Director Satuloff said that wasn't true and that he said that he (Mr. Satuloff) was going to the commission to see if the letter would be in conflict with what the commission wanted to happen. They then agreed to listen to the tapes at the next meeting to ascertain what had been said. Mr. William Moores and Director Satuloff continued to discuss briefly what had been said, culminating with Director Satuloff stating that Mr. Moores had done a lot of interpretation and that the board needed a brief from Mr. Turner as well as an answer from Mr. Falleri. Director Satuloff requested of Mr. Moores that if, in the future, he (Mr. Moores) were to accuse individual members of the board of wrong-doing in a public meeting that he be on legal grounds to represent someone else.

Director Heinzer said to Mr. Moores that his earlier statement was that the maintenance of the gravel road would fall to the owner of the sub-division but that had gotten lost somewhere. Mr. Moores said that several months prior he had come to the district with a draft of an agreement regarding the maintenance that Alan and Moores had worked out to assure that maintenance was not an issue. He went on to say that with the 17 lots filed the district could be adding \$2500 to its coffers. Gene Scaramella expressed his opinion that the issue of the master plan had not been disclosed at the original hearing, if it had been decisions might have been different. Director Heinzer recalled that at the Planning commission's hearing, one of the commissioners brought up the through road and the 24 foot standard but said they were not going to address that with the full commission. After a short discussion regarding the commission's intent, Director Heinzer made a **motion** to table this issue until the next meeting. Director Aeschliman seconded, passed unanimously. Just before Bill Moores left, Director Satuloff requested that prior to the next meeting Bill Moores have a letter stating his representation of Gordon Moores. Mr. Moores agreed and said that he had asked Director Satuloff the previous Thursday evening if there were pertinent information that he should have and said that he was not aware of Mr. Turner's letter. Director Satuloff said he had not picked the letter up from his box yet and he agreed that Mr. Moores should be copied on such letters.

Director Aeschliman inquired of Mr. Turner what right an individual has to determine what was on the agenda and whether it should be addressed by the full board. Mr. Turner responded that he was not prepared to answer that completely but that the public has the right to put up issues of concern to the board. They cannot dictate the agenda or the board's response. Director Satuloff mentioned that Mr. Moores had contacted him prior to the meeting and asked that this agenda item be held until the next meeting and when Director Satuloff had denied that request Mr. Moores said that he was going to call Mr. Turner. Director Satuloff said that he had already discussed this with Mr. Turner and that in the future when Mr. Moores contacted Mr. Turner he would be charged for that time. Kathleen Poling asked Mr. Turner if he was obligated to speak to Mr. Moores. Mr. Turner responded that he was not (that he takes his instruction from the board) but that Mr. Moores had called several times last year and as part of the learning process he had spoke with Mr. Moores and not billed anyone for that time. When the calls became time-

consuming he took the subject to the board and the board President Mr. Balzer had requested that Mr. Turner not take calls, that they should be directed through the president of the board. That had been Mr. Turner's rule until recently when Mr. Moores' attorney was out of town and Mr. Moores had called Mr. Turner. Mr. Turner said that he then contacted Mr. Moores attorney regarding that contact assuming Mr. Moores' attorney would channel that and make sure it did not occur on a regular basis. Mr. Turner went on to say that a letter reminding Mr. Moores of that directive is a good idea. Director Satuloff said he didn't mind Moores calling Turner, he thought he should pay for the time. Kathleen Poling indicated that Mr. Moores speaking to Alan Turner is a conflict and that if Mr. Moores wants advice he should seek his own counsel. Mr. Turner responded that he did not give Mr. Moores advice and Mr. Satuloff, in agreement with Kathleen Poling said that the directive should be changed and Mr. Moores should not be contacting Mr. Turner at all.

C. Amendment to Fire Ordinance 89-2 regarding operational garden hoses. - This is considered the second reading. Director Satuloff read **Ordinance 93-1**, an amendment to **Ordinance 89-2** relating to residential fire protection standards (copy attached). Director Heinzer made the **motion** that the ordinance be adopted. Director Aeschliman seconded. Director Satuloff asked if there were any discussion. Kathleen Poling inquired as to how the ordinances were distributed. Alan Turner replied that there was a publication requirement. Director Satuloff commented that upon passage a letter should be sent to the architectural committee. Kathleen Poling then asked if it were posted on new construction, how was it enforced? Director Satuloff responded by saying that maybe a copy should be sent in the next water bill. Alan Turner stated that there was a statutory requirement to publish upon passage and that there needed to be a roll call vote. Director Satuloff polled the board as follows: Jon Heinzer - yes, Roger Aeschliman - yes, Marv Satuloff - yes, Rudy Beran - absent. Director Satuloff signed and stated it would be sent out in the next water bill. Gene Scaramella asked if it were necessary to send the whole ordinance. Director Satuloff asked Ms. deVaul to summarize the ordinance. There was an inquiry from the public regarding the district newsletter. Director Satuloff stated that a news-letter used to be sent out but that he didn't have time.

D. November Election of Board of Directors. - Director Satuloff stated that there would be only three candidates on the ballot for the November election, himself, Kathleen Poling and Roger Aeschliman. A letter was sent out requesting candidates, one response nominated a candidate but when asked if he would run, he declined. Director Satuloff said that there would be a full board at the next meeting. Director Heinzer commented that there was some paperwork that needed to be filled out with the department of elections. Kathleen Poling asked if an oath was necessary. Alan Turner replied yes, as well a conflict of interest, financial statement. Roger Aeschliman also said a form had to be sent in regarding expenses. He went on to express an apology regarding a comment (in an attempt to be humorous) he had made regarding the election.

E. Lawsuit Status - Director Satuloff said that the lawsuit has been scheduled for February 7, 1994, although both parties are still negotiating for a settlement. Alan Turner reported that he had written the letter stating the basic approach to negotiation as previously outlined and he believed there would be a confirmation of a meeting. The letter went out the day prior so no response yet. He also expected, by the end of the month to

complete the deposition of William Moores. Mr. Turner went on to comment that the other side proposes to take four to five more depositions before the trial date. He had also just received a copy of a letter from the law firm of Berry & Berry demanding a jury trial, though he had not had an opportunity to discuss that with any third party. There was a short discussion between Mr. Heinzer and Mr. Turner regarding who would be giving depositions. Director Satuloff noted the need to appoint a negotiating committee to meet with Alan Turner, Mr. Moores and his counsel to come up with a potential for settlement and bring it to the board with a recommendation. Director Heinzer requested to be on it as well as Director Satuloff; Director Satuloff requested that Kathleen Poling be on it. Mr. Turner noted that it would be all right until she became a member of the board at which time there would be a forum of the board on the negotiating committee (unacceptable), until that time he would not object to have those three as well as Gene Scaramella. Director Aeschliman made a **motion** to appoint a committee to negotiate the lawsuit consisting of Marvin Satuloff, Jon Heinzer, Kathleen Poling and Gene Scaramella and it was unanimously passed.

8. NEW BUSINESS:

A. Proposed Budget - Since John Acquistapace was preparing to leave, Director Aeschliman proposed to discuss operating expenses first. Director Satuloff requested John, Charlie Acker and Gene Scaramella to discuss the amounts designated for maintenance and repair of distribution, source and treatment plant to assure that enough funds are being allocated. A discussion ensued as to the repairs necessary for Tank #2. After John Acquistapace left, Director Aeschliman went on to state that the district had not realized the number of hookups (at \$1800 each) hoped for due to the economic climate, etc. Shell homes have been completed but they have no hookups. Kathleen Poling asked how the ordinance just passed would impact the shell homes since it required that homes under construction have water. After some discussion, Director Aeschliman referred the question to Mr. Turner and Mr. Turner responded that he was unaware of written policy within the district in reference to the required time for a hookup. Director Aeschliman replied that prior to this time the district did not have a written policy which is why it was changed but the question is whether the change can be retroactive. A further discussion ensued about shell homes, what the county allowed for construction permits, what defined a completed home and whether letters should be sent out requesting compliance. Director Aeschliman resumed the budget discussion by noting that the average house usage is about \$100 per year. The combined income will be approximately \$98,670 per year, taking into account some bad debt problems. Director Aeschliman affirmed with Mr. Turner that California water districts are not able to place liens against a lot and some of the bad debt problems are due to lots going back to the developer.

Director Aeschliman went on to note that administrative expenses have gone up due to an increase in insurance costs to cover the fire house. Legal expenses are budgeted at the same amount for next year (the single largest line item). The fire department, after paying their ten per cent of administrative expenses plus a fire hydrant and several new uniforms, are expected to have a net operating cash profit of \$3000.

Director Aeschliman projected that there would be a net operating "cash" profit of \$7000 which does not take depreciation or capital expenditures into account. He noted that it all stands or falls on two items, hookup fees and legal costs. Director Heinzer made a **motion** to table continued discussion of the budget until next meeting. Director Aeschliman seconded and it passed unanimously.

B. Voucher authorization system (cost control) - Director Satuloff said he had placed this items on the agenda for discussion of limiting non-emergency items to a limit of perhaps \$50. Director Aeschliman suggested that he and Ms. deVaul review the expenses to see what items fall in that category.

C. Resolution - Small claims court - Resolution 93-6 (attached) was read by Director Satuloff and after a short discussion as to the wording was voted upon. Director Heinzer made a **motion** to pass the resolution, Director Aeschliman seconded. The roll call vote was as follows: Aeschliman (yes), Heinzer (yes), Satuloff (yes), Beran (absent).

D. Revision of Late Charge Resolution and handling of bad debts. Director Satuloff delayed discussion of these items to follow discussion of the system rewrite. He then read the proposal submitted by Ms. deVaul to rewrite the billing system at a cost to the district of \$2000 and noted that the capital expenditure budgeted last year for the computer was saved when Ms. deVaul was hired because she uses her own computer. A discussion of Ms. deVaul doing the accounting reports as opposed to Mr. Anderson ensued with Director Aeschliman noting that timeliness and awareness of the district expenditures were the motivating factor. Director Heinzer inquired if the district is required to have a yearly audit; Mr. Turner responded yes, that it is now in process. Director Aeschliman noted that the process has been somewhat delayed due to the system failure experienced by Ward Anderson. Kathleen Poling inquired who the auditor is. Alan Turner replied that Norm Thurston, the present auditor is employed by the county but made available to the districts. A discussion of independent contractor versus in-house services followed, with Ms. Poling inquiring what would happen if Ms. deVaul stopped being an independent contractor or an employee or both. The response was that the function would still be better handled by the district personnel, Director Aeschliman noting that Ms. deVaul's job description could be rewritten to include the function. After some discussion of the portability of the system and how it will be documented, Director Aeschliman made a **motion** to accept the proposal to rewrite the billing system, Director Heinzer seconded. Director Satuloff requested that a contract be written addressing the portability issue. The motion was voted upon and passed unanimously.

Director Aeschliman made a **motion** to accept the proposal to replace the current accounting services, Director Heinzer seconded. Director Satuloff inquired if a contract existed with Mr. Anderson, Director Aeschliman replied no. It was agreed that the change would take place at end of fiscal year (September 30, 1993). The motion was voted upon and passed unanimously.

E. Revision of Septic Resolution - Ms. deVaul presented a requested change to the administrative handling of notices sent to home owners requesting that their septic systems be inspected and pumped if necessary. The current resolution calls for an administrative charge to be made when the first notice is sent out. The requested change would have the administrate fee charged if their is no response after four months. Director Aeschliman made a **motion** to accept the change to modify the resolution, Director Heinzer seconded. Ms. Poling requested clarification on the difference between a resolution and an ordinance with Mr. Turner responding that a resolution is a less formal action by the board primarily for adopting procedures and policies. An ordinance requires more formality in that it is essentially a command for people to do certain things, requires them by law. Mary

Scaramella inquired whose responsibility it is to notify the district. Ms. deVaul responded that O'Neil's Septic Service now notifies the district but other services are used as well and it is the owners responsibility to see that the district is notified. Mr. Turner pointed out that it takes a resolution to modify a resolution. The **motion** was voted upon and passed unanimously.

F. Replacement of Accountant/Bill system rewrite - See above.

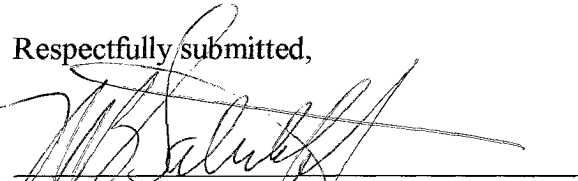
G. Arena Rescue Agreement - Director Satuloff gave some background on emergency rescue services provided by the Arena Rescue Services. Irish Beach had previously had an agreement with Point Arena and Garcia Fire Departments to mutually fund a new rescue vehicle. Irish Beach was to put in \$6000, already set aside in a fund, with the other districts putting in more. This was negotiated prior to a rescue agreement and Point Arena went ahead and bought the vehicle. At that point personality issues between Point Arena and Garcia started to come up and the agreement went on for nine months without being signed. Director Satuloff reported on a meeting held at his home between Eddie Nelson, Fred Morgan and himself at which time it was agreed that Arena Rescue would continue on a one-year basis with a governing board consisting of two members from each of the fire department boards. A majority vote would handle disagreements. Garcia Rescue agreed to it and Point Arena is waiting for Garcia and Irish Beach to sign. Last year Irish Beach spent \$2100 on this service. Director Satuloff said that he felt that Irish Beach should go ahead and sign for the one-year period and see how it works out. He went on to point out Al Fisher's view on it related to Irish Beach paying a one-third portion of the service and that it was felt that this was unfair since Irish Beach does not use it on a one-third basis. The funding issues were not addressed at the above-referenced meeting due to the complexity of the current accounting system and trying to overcome the personality issues. There are monthly fixed and variable costs that could not presently be delineated. It was suggested that after one year, a new accounting system in place, the costs could be tracked and the funding issue addressed. Director Satuloff again encouraged signing the agreement and went on to point out that Garcia was pursuing a much bolder plan to incorporate the fire departments (Point Arena, Garcia and Irish Beach) into a single fire district, the benefits being uniform training and uniform dispatch, this would have to be investigated. Director Heinzer, at the request of Fire Chief Dunning checked on Elk. Elk has two fire trucks and eight emergency medical technicians trained. They charge yearly for these services. They have never been asked to provide just rescue service but have agreed to meet to discuss. Gene Scaramella asked about Garcia pushing for amalgamating services and there was some discussion about combining services. Director Aeschliman asked what would happen if nothing were done until November. Director Satuloff replied that although there was no agreement in place services were being provided and it had been agreed verbally to finance the vehicle and he recommended that the district sign and investigate other alternatives. Kathleen Poling pointed out that there was a clause which allowed for thirty day notice of termination. Director Aeschliman estimated that there was a average population of approximately 100 people in Irish Beach and that the current arrangement is not fair. Director Heinzer made a **motion** to table until November. Director Aeschliman seconded. Director Satuloff abstained.

Late charges - (See item D. Above) - Ms. deVaul summarized the way late charges are currently handled and indicated that there is an ambiguity in the statute and the prior

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resolution as to when the 1.5% interest fee is charged on late accounts. After some discussion of the complicated nature of this "accounting nightmare" it was agreed that the current resolution should be amended to be more specific in how it is handled. Director Satuloff requested Ms. deVaul supply an amended resolution for the November meeting.

9. **Adjournment.** A motion was made by Director Heinzer to adjourn the meeting, seconded by Director Aeschliman and unanimously passed.

Respectfully submitted,


Marv Satuloff, Director

Prepared by Roberta deVaul

Attest:



Rudy Beran, Director

IRISH BEACH WATER DISTRICT
MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, MARCH 27, 1983

1 CALL TO ORDER AND ROLL CALL: Director Satuloff called the meeting to order at the Garcia Grange in Manchester. Directors Aeschliman, Satuloff, Beran and Heinzer were all present. One director chair remains unfilled. Director Satuloff chaired the meeting. Also present were William Moores, Gordon Moores, John Acquistapace, Rex Dunning, Janet Dunning, Kevin Argue, Diane Heinzer, Betty MacEenzie, Bettye Winters, Mr. and Mrs. Pease, Ms. Pauling, Mary Gardner, Barbara Cough, John McBride, Jean McBride, Gene Scaramella, Diane Aeschliman, Wil Efelbrock, Barbara Gakerelli, Al Fisher, Tom Darling, Joyce Austin, and the district's attorney Alan Turner who arrived later in the meeting as noted below.

2 CONSIDERATION OF UNIT 5 EASEMENT: Director Satuloff stated that the specific reason for this meeting was to address the unit 5 development and the fire access road. A copy of pertinent papers from the district and from William Moores was given to everyone who had not previously had access to them. A short time to review the documents was given. Director Satuloff summarized the documents: The county had asked that there be an emergency access road between the end of Acquistapace Road and Sea Cypress Road. The California Coastal Commission (CCC), however, differs with the county in that they want a general vehicular/pedestrian road for fear of the amount of traffic that would be generated. There is a discrepancy between what the county and the CCC want. The CCC had faxed a letter to Director Satuloff which elaborated on their position to say that they would not grant a coastal development permit until such time as a revised subdivision map is generated, showing a vehicular and pedestrian road. The CCC did not say "county acceptable" or "county standards;" they basically say they want a vehicular/pedestrian road.

Mr. Moores had investigated whether or not the district already had a road easement. The document Mr. Moores presented was marked "water line, for non-exclusive easement for the installation, maintenance and use of an underground water line easement." Director Satuloff said that essentially the district already own a road easement through there, but someone has to own the easement other than the owner of the parcels (Gordon and Sandra Moores). The Moores are asking the water district to take ownership of that easement, and they will maintain it into perpetuity.

Read aloud from a 1-13-83 CCC document: "Prior to the issuance of the coastal development permit, the applicant shall submit for the review and approval of the executive director a revised tentative map that has been approved by Mendocino County, if deemed necessary by Mendocino County, showing the

through-road connecting Sea Cypress Drive with Acquistapace Road to allow both pedestrian and vehicular access. The depiction of this through-road shall be placed on the revised tentative map before recordation."

A further clarification letter from the CCC faxed to Director Satuloff states that it is the CCC's desire to have a general vehicular/pedestrian road through there, and that they will not issue a coastal development permit until such time as that happens.

Mr. Moores says that the district has a letter but he has a permit from the CCC. Director Satuloff rebutted that Mr. Moores' document was an "Intent to Issue a Permit."

Comments from the audience and the board members were solicited. Director Heinzer referred to a letter from the district's attorney Alan Turner saying that the CCC wants a "rock-and-paved road." Mr. Moores said that the issue is that the district has an easement; the easement is the same area on which there was a recorded easement he had not been aware of. In addition, the CCC has said that they want a through-road. In the CCC's original staff report, the condition was worded to flat-out require revision to the tentative map requiring the through-road. Mr. Moores stated that he and a CCC staff member agreed this condition would be changed to read the map would only need to be revised if the county of Mendocino determined it needed to be revised. In addition, the reason for that change was the fact that the condition, as worded by the CCC, does not require that it be county-dedicated or to county standards. Because it does not specify standards, it was Mr. Moores' intent to assure that the road has the pedestrian access that the CCC would require be the very same road in the very same location on which the district already has an easement. Mr. Moores asked the CCC staff member what the CCC's position would be if the county communicates to the CCC they do not believe the revised map is necessary. The answer, Mr. Moores said, was that Mr. Moores would then meet the conditions of the CCC. The key, Mr. Moores said, is that the CCC does not specify who is to own or maintain the road, or the standards of the road.

The 3-24-98 letter from CCC planner Jo Sinsberg was discussed. Mr. Moores felt the letter made it clear that the map would definitely have to be revised but the condition "as it is approved" (Mr. Moores' words; not the CCC's) doesn't say that at all; it says it will be revised only if the county determines that it needs to be revised and the letter is not consistent with the CCC condition.

Director Satuloff felt the letter to him states that if the district obtains an easement which does not meet special condition #1, then Mr. Moores would have to get some kind of an easement elsewhere. Mr. Moores felt it was a matter of

conjecture from the district's point of view and substantial conjecture if the 3-24-93 letter is considered.

Director Satuloff said that if the district accepts the easement and then the CCC later comes back and says they want it a dedicated road... Mr. Moores said, "You'll have to change it...we'll have to change it." We would have to go back and start the whole tentative map process all over because of the magnitude of the change.

Director Satuloff questioned the district's responsibility, financially or otherwise, if it becomes the owner of the easement. Mr. Moores felt the district should consider: 1) an indemnification agreement which basically says who is responsible for maintenance, and 2) a letter to the county saying that "the developer should establish and provide for long-term maintenance of an emergency access road between Sea Cypress at its terminus at the easterly terminus of Acquistarpace Road to the satisfaction of the Irish Beach Water District." Mr. Moores suggested that the district sign an agreement that holds the district harmless to maintenance to the road and states what is already on the record: the district owning the easement, the road being constructed within "these easements," with county requirements needed to process the map. He also agreed that the road would be constructed by a licensed contractor.

Gene Scaramella recalled previous major proposals that came before the board with a sense of urgency, causing the board to be "pushed around;" he asked that the board not rush into any decisions, especially with documents not available for perusal prior to a meeting.

Until the expected arrival of attorney Liam Turner, it was assumed that the district owns a road easement between the two lots.

Director Beron questioned: If the CCC prevails and a paved road has to be put through, who owns that road? Mr. Moores: Gordon Moores owns the underlying land; the district has a non-exclusive easement over it; the CCC may ask for an easement themselves; the district can use that easement for its purposes. In order to alleviate the district's concerns, Mr. Moores would waive the rights under the law and will take on the maintenance responsibility. The county will not take any responsibility for the road. A short discussion followed.

Mr. Moores said that the district's job was to worry about maintenance and about whether they have the easement asked for when conditions have been complied with; it is the CCC's worry about the fulfillment of their conditions. He would document the conditions to satisfy the district and he would attend to the conditions of the CCC.

Director Aeschliman: 1) He agreed with Mr. Scaramella that a previous board had been pressured to sign an agreement which has now developed into a \$100,000+ lawsuit with the developer. 2) The developer is in violation of the district's request to communicate everything in writing to the Board, not to individual members of the board. 3) A great part of what Mr. Moores said was hearsay, not in writing. 4) In review of the tapes of the last meeting, a number of things are in conflict which should be resolved in writing. He said that at the correct time in the meeting he moved that before the district acts on this item that all hearsay be confirmed in writing, that the county and Coastal Commission agree in writing, and that the district have a number of days to review all the written material before acting. [The motion was never seconded or acted upon.]

Director Satuloff told Mr. Moores that in sending any kind of a positional letter to the county and CCC we are preempting what is going to happen because the district would be saying that it was satisfied with an easement, be satisfied with a prior access road. Because of the contradiction between the requirements of the county and CCC, those entities can fight it out between themselves and come to some resolution. The district wants egress and ingress fire access and an alternative fire exit for the people on Sea Cypress Road. Agreeing at this time would have the district assuming liability responsibility in addition to maintenance of a vehicular/pedestrian road wanted by the CCC. After county and CCC agreement, the district will determine if it meets the district's needs. Further discussion followed.

Mr. Moores said that if the district would agree to the same easement it agreed to in testifying at the hearing, it would help the county with respect to its position if they don't feel any redesign is necessary.

A discussion followed on the district's and the developer's conception of what the CCC wants. Director Satuloff read from the 2-24-98 CCC letter: "To summarize, the Commission did not approve the subdivision as approved by the County--that is, with an emergency vehicular access only. The Commission found that it was necessary to require a through-road, and required the applicant to provide one that must be shown on a revised tentative map approved by the County. The through-road must be designed to conform to whatever County road standards apply (width, turning radius, etc.). The applicant must redesign his subdivision to provide this through-road." Director Satuloff felt the Board need to take no more action unless the county subsequently requires a full-use road.

Jordan Moores said that in order to file the tentative map, a letter is needed from the district saying it has the easement and that the maintenance is taken care of. He cannot proceed without such a letter.

William Moores was asked if he had access to any documents--most specifically minutes of hearings--with regard to this matter. Further discussion followed without Mr. Moores directly answering the question.

Director Hoinzer moved that the meeting be suspended until the arrival of Alan Turner. The motion was seconded by Director Berea and carried unanimously. Mr. Turner immediately walked to the door; a short break was called until he read the necessary documents.

After the break Mr. Turner was brought up to date on the discussion. William Moores added: "With one exception [that wasn't stated before], that is, if the district is agreeable that the arrangements for long-term maintenance would be an indemnification agreement executed by Gordon Moores, personally responsible for the maintenance of the that easement." This is what he wanted communicated to the county.

Alan Turner: The district's interests are only in fire access; the county and CCC interests are different. As presently designed, the county is not interested in taking the rights and maintenance responsibilities to that road. Liability goes along with the maintenance. If the district has interest only in fire access and that is its only use, it would be onerous for the district to share any responsibility for the public use of that roadway. The problem is that there could be agreements among the parties which limit the district's responsibility and liability, but those agreements have no bearing whatsoever on the possibility of the district being sued. He summarized three CCC communications: 1) a document clearing stating that a through-road was required, 2) a letter which ambiguously says that it depends on what the county does, and 3) a letter which definitively says that unless there is a through-road, there isn't going to a subdivision. The district is caught in the middle because it wants a place to drive its fire trucks in emergencies. If the district, at this meeting, were to comply with the county's requirements--which would simply be to enter into a long-term maintenance agreement for an ingress and egress easement which already exists, the county requirements would apparently be satisfied; the CCC requirements may not be satisfied. What ultimately may happen is a public roadway may go through, the district will have ownership rights in that easement, and the obligations of the district at the present time are not clear if it becomes a public roadway. Mr. Turner said he was a little nervous about that. The present easement is a non-exclusive easement for utilities that does not place a demand to do any more than repairs required for its use. But as one of the owners of a public roadway by grant deed, they are potentially subject to liability. Also, nuisance claims could apply on use by adjacent landowners without limitations on access and use.

Mr. Turner felt the district's only interests are fire protection and liability. He felt it was not the district's problem if redesign of the subdivision might be required by an outside entity.


William Moores asked Mr. Turner if procedure might be that the district might take the position that if the redesign of the subdivision is not necessary and there were an indemnification agreement with the district, the district would agree to the easement as it now is and communicate just that much to the county--without actually getting involved in the indemnification agreement or even adopting one at this point--and then seeing whether there has to be a redesign or not. Mr. Turner said that if the county is told anything, it should be just what was said here: 1) the district's only concern is access for fire protection, 2) the district has concerns about liability and maintenance, and 3) if there is an agreement that satisfies those concerns, the district is satisfied. He did see a problem with the issue of what happens if there is a public roadway. The concluding paragraph would have to say that all bets are off if this were made a public roadway.

Director Satuloff reiterated that the county and CDS should fight out between them as to what they want, after which the district would take their position.

Director Aeschliman moved that until the agreement between the California Coastal Commission and Mendocino County as regards to what type of road is involved that the district take no action and that before action is taken that all documentation is in writing and reviewed by the district's attorney and that the district have such documentation a significant period of time ahead of the meeting in order to review and understand them. The motion was seconded by Director Weitzer and carried unanimously.

3 A motion that the meeting be adjourned was made by Director Weitzer, seconded by Director Aeschliman and carried unanimously.


Respectfully submitted.



R. J. Beran, Secretary

Prepared by Diane Johnson from the tape recordings

ATTEN:



Roger C. Aeschliman, Director

IRISH BEACH WATER DISTRICT
MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, JUNE 5, 1993

1. **CALL TO ORDER AND ROLL CALL:** Director Aeschliman called the meeting to order at the Garcia Grange in Manchester at 10:00 a.m. Directors Aeschliman, Satuloff, and Heinzer were present. Director Beran was absent. One director chair remains unfilled. Director Aeschliman chaired the meeting. Also present was Gene Scaramella.

2. **CONSIDERATION/DECISION ON REFINANCING STATE LOAN.** Director Aeschliman discussed the new loan. The discussion centered on the Gene Green of state approved concept. Mr. Doty, the representative of American Government Financial Services, and Mr. Green had indicated that the loan is a benefit to the Water District. The district must sign the Joint Powers agreement and cannot prepay the loan from the date of the agreement.


There was a motion by Director Aeschliman to appoint acting secretary, Jon Heinzer, in lieu of Director Beran who is absent from the country. The motion was seconded by Director Heizner and approved.

A motion was made by Director Heizner to join Joint Exercise of Powers Agreement. Seconded by Director Aeschliman and approved.

There was a motion made by Director Aeschliman to approve the refinancing of the State loan and sign the loan agreement pending approval of Alan Turner, the Water District's counsel. This was seconded by Director Heizner and approved.

3. Adjournment.

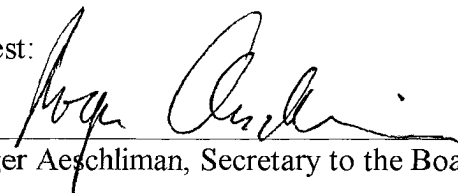
Respectfully submitted,



Marv Satuloff, Director

Prepared by Jon Heinzer

Attest:



Roger Aeschliman, Secretary to the Board