

**Irish Beach Water District
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY November 11, 2000**

I. OPEN MEETING

1. CALL TO ORDER AND ROLL CALL: President Ron Frame called the meeting of the Irish Beach Water District Board of Directors to order at 10:05am at the Fire House in Irish Beach (Manchester). Directors Frame, Burmania, Lubeck, Poling and Whitaker were present. Also present was Charles Acker, Operations Manager, and Dorothy Cong, the District's Secretary. Members of the public in attendance were: Tom and Peggy Brennan, Nick and Judy Pigati, Loretta and Al Thompson, Kathy and Will Edelbrock, Dave Smith, Sue Whitaker, Bud and Priscilla Huff, Dorothy Engle, Gene and Ruth Cady, Bob and Nancy Tillish, Margaret Ballou, Dorothy Landsburg, Roger Aeschliman, and Gordon Moores.

2. APPROVAL OF MINUTES: Director Whitaker moved and Director Burmania seconded that the minutes of the October 14, 2000 meeting be approved as presented. The minutes were accepted as presented.

3. COMMUNICATION AND CORRESPONDENCE:
Nothing to Report.

4. PUBLIC INPUT:
Nothing to Report.

5. REPORTS:

A. Treasurer - Report on Finances/Approval of Expenditures:

Treasurer Ralph Lubeck reviewed the financial reports distributed to the Directors covering expenses and income for the months of September and October 2000, balances in the various funds, period Trial Balances, Check Registers, Fire-Water Fund Reconciliation, and synopsis of highlights over the past two months. Highlights of expenses for the months of September and October as follows: most significant were legal costs totaling \$11,982.94. Litigation related fees were \$7,827.39 and the remaining \$4,155.55 for general counsel. The Water District also paid the \$12,560.19 back to the fire department it had borrowed to cover refund expenses. The Hook up CD was closed and the funds transferred to the checking account. Funds from this CD were used to cover capital expenses for the Forest View Loop. A copy of the Trail Balance for the end of Fiscal Year October 1, 1999 through September 30, 2000 was provided, as was a Year to Date Actual vs. Budget report. Director Poling moved that the Treasurer's report be accepted as presented. Director Burmania seconded the motion and the report was accepted as presented.

B. Water - Following are highlights of the water report presented by Operations Manager, Charles Acker:

Mr. Acker reported that operations ran smoothly over this past two month period. Time was spent on normal system checks, monthly reports, follow up on the Zamboni connection. Most of Mr. Acker's efforts were associated with finding a solution to the water filtration issue. Since there were so many members of the public in attendance, Mr. Acker took the opportunity to discuss usage during the winter months and the reasons behind the Water District's shortage of water during heavy rains.

C. Safety: Charles Acker reported that a safety meeting was held on October 12 with personnel reviewing another video on confined space entry as well as a video covering "Using Your Eyes Effectively" while driving. The effort of the safety committee is to cover both work related issues as well as non work related safety concerns, such as driving safety, etc. Mr. Acker has located in a catalog the gear the District will purchase for entry into tanks.

D. Fire Department: Fire Chief Dorothy Cong reported the following:

1.) Things were quiet - no call outs for Irish Beach. 2.) The Parlin Forks crew has completed clearing brush around the firehouse, office and treatment plant, but they need to return to burn the brush piles as time permits. 3.) Irish Beach has been taking part in the Chief's meeting with the south coast fire departments where the focus is on working together regarding equipment and medical purchases, provide a list of personnel, training needs and strengths, and developing a "disaster plan." 4.) Landing zones have been mapped within Irish Beach for emergency services agencies. 5.) Henry I from the Sonoma County Sheriff's Department came for a training session. They explained what their emphasis was and covered their needs should they have to land in the area.

6. OLD BUSINESS

A. Superior Court Case #SCUK-CVG-0083939: William M. Moores and Tona E. Moores v. Irish Beach Water District; Superior Court of California, County of Mendocino: "Verified Complaint to Quiet Title and for Declaratory Relief." (Lindgren) Board President Ron Frame reported on the behalf of the District's general counsel that the District's attorney is in the process of trying to find out what the plaintiff wishes. There were several comments from members of the audience expressing concern over law suits and wondering what the problem was. President Ron Frame stated that Mr. Moores interests are not necessarily the interests of the Water District, and when they differ, Mr. Moores sues. The audience inquired about the building of the Mallo Pass facility and what it is that triggers its construction which generated a lot of interest. There was also concern over what would happen should the Department of Water Resources *not* renew the permit for the Mallo Pass water rights to the District and the number of constructed water hookups equals 197.

B. Steel Water Tanks Inspection / Replacement: Mr. Acker reported that he has gotten in contact with another company.

C. Microfiltration Plant Research: (combined with New Business item A: Diatomaceous Plant Research: Pros & Cons, Cost, Financing (Acker). Operations Manager Charles Acker provided a detailed report of the visit from Tom Kiernan of GNT Filter Co. and Glenn Reynolds of Water Solutions, Inc. The purpose of their visit was to provide information regarding the diatomaceous earth treatment option that GNT Filter Co. provides, its cost, benefits, etc. (Mr. Acker included a paper detailing the items along with his verbal report.) A side benefit of the visit was several suggestions by Mr. Reynolds, an engineer, on how to improve the existing plant at minimal cost. Mr. Acker can do those modifications on an incremental basis as time permits. Based upon the needs of this district, Mr. Kiernan and Mr. Reynolds indicated that the district could run with its current system most of the time and switch to diatomaceous earth as needed during the winter months. They quoted a cost in the neighborhood of \$60,000.00 to install this system. Regarding financing options, Mr. Acker expressed that local private banks get a tax break for loaning money to public agencies. The cost to borrow \$60,000.00, for example, could roughly run in the neighborhood of \$800.00 per month and equate to around \$5.00 per connection per month for 10 years. The Board directed Mr. Acker to provide a "filtered" down report for a more formal presentation for the next meeting.

D. Benefit Assessment Analysis: (Burmania/Frame)

For the benefit of the audience, President Ron Frame explained that the District is presently working toward coming up with an assessment on vacant lots. Proposition 218 has a process the District must follow to apply these fees. Director Burmania has been working with the district's general counsel and an engineer in an effort to come up with a dollar amount, and has prepared a first draft for review by district's counsel covering: A.) intent, B.) background, and C.) Discussion. These fees would have to be voted on by the bare lot owners and a simple majority would be sufficient to win. A second option, should the first one fail, would be to substantially increase connection fees. All efforts will be based upon sound engineering studies and supported by any legal requirements, laws, codes, and covenants. There was some discussion surrounding the complexities of an election.

E. Status of annexation of the Irish Beach Volunteer Fire Department by the Redwood Coast Fire Protection District. Dorothy Cong reported that she has not heard anything back from LAFCO and that it was reiterated once again to her by members of the Board of Directors of Redwood Coast that they feared a lawsuit from Mr. Bill Moores if annexation is pursued. Director Poling explained the District's options for members of the audience: 1.) Annex with Redwood Coast, 2.) Create our own Fire District, 3.) Continue to have a fire department under the water district but seek alternative funding.

F. Resolution 2000-7: An Urgency Resolution Adopting a Moratorium on the Drilling of Wells Within District Boundaries (Lindgren): President Ron Frame provided background information for the benefit of the audience. A member of the audience expressed that she was unclear whether the Water District had the authority to adopt such a resolution. Members of the board stated that district general counsel had written the resolution. The purpose of this temporary moratorium is simply to provide the district with sufficient time to draft a well planned "Well Ordinance." President Ron Frame read the resolution. Director Poling moved Resolution 2000-7 be adopted as read by the Chair and as amended (make "well" *plural* on last WHEREAS on pg. 1 of Resolution). The Board voted as follows: AYE: Directors Poling, Burmania, Lubeck, Whitaker, and Frame. NAY: none. There were no abstentions and no absentees.

F. Well Ordinance: President Ron Frame stated that the District's counsel, Adam Lindgren, is in the process of developing a well ordinance. Mr. Gordon Moores expressed several concerns. Director Poling asked that discussion be deferred until the ordinance is actually written. Mr. Acker indicated that the Mendocino City Community Services District has a strong groundwater extraction ordinance. The Board stressed that an ordinance can be drafted that is not punitive and that is scientific.

President Ron Frame called a short recess at 12:17pm. The meeting reconvened at 12:27pm.

7. NEW BUSINESS:

A. Discussed with Old Business item 6C.

B. Review of staff letter regarding incurring of liabilities on behalf of the District and billing the District after the fact: Nothing to report.

C. Request for easement over District property to lot north of Firehouse (Aeschliman): Mr. Roger Aeschliman is requesting the Irish Beach Water District Board of

BOARD OF DIRECTORS MEETING Sat Nov. 11, 2000

Directors revisit the subject of use of Water District property on the hillside above the Water District complex. In January of 1996 the District had voted "No." Mr. Aeschliman expressed that the lot is unbuildable unless the owners can build a driveway above the leach field. Because of space constraints, a driveway can only be constructed by encroaching onto District property. A benefit to the District would be additional revenue once a home is constructed. Mr. Aeschliman further stated that the lot owners would pay all legal costs and recording of an easement. The board indicated they wish to have general counsel review the matter to determine if such an easement/purchase is even allowable. Mr. Aeschliman marked the area of requested easement with cord on the hillside.

President Ron Frame did not adjourn the meeting to Executive Session.

8. ADJOURN to Executive Session: : Conference with legal counsel regarding existing legal matters: Gov't Code Section 54956.9a.

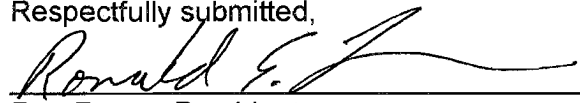
1. William M. Moores and Tona E. Moores v. Irish Beach Water District Superior Court of California, County of Mendocino Case #: SCUJ-CVG-0083930.

9. **Reconvene to Open Session:** The meeting was *not* adjourned to executive session.

10. **Adjournment:**

Director Lubeck moved the meeting be adjourned. Director Whitaker seconded the motion and the meeting was adjourned at 12:46pm.

Respectfully submitted,



Ron Frame, President

Prepared by Dorothy Cong

Attest:



Director Steve Whitaker, Secretary to the Board

Board Meeting Minutes - 1/13/01
Irish Beach Water District
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY January 13, 2001

I. OPEN MEETING

1. CALL TO ORDER AND ROLL CALL: President Ron Frame called the meeting of the Irish Beach Water District Board of Directors to order at 10:00am at the Fire House in Irish Beach (Manchester). Directors Frame, Lubeck, and Whitaker were present. Directors Burmania and Poling were absent. Also present was Charles Acker, Operations Manager, and Dorothy Cong, the District's Secretary.

Members of the public in attendance were: Dorothy Engle, Al Thompson, Tom Kiernan from GNT Filter Company, Gordon Moores, and another couple.

2. APPROVAL OF MINUTES: Director Lubeck moved and Director Poling seconded that the minutes of the December 9, 2000 meeting be approved as presented.

3. COMMUNICATION AND CORRESPONDENCE:

Letter from LAFCO pertaining to LAFCO Budget Expenses and funding. Adam Lindgren, the district's counsel, explained a little about the legislative changes. According to the letter, the costs will be born in equal thirds by cities, special districts, and the County. The District's 1/3 share will be apportioned according to each district's revenues. There will be some impact for IBWD. It is unknown at this time what IBWD will be charged. There will have to be a budget line item in the future for this LAFCO expense.

4. PUBLIC INPUT:

Public input was offered and none was given.

5. REPORTS:

A. Treasurer - Report on Finances/Approval of Expenditures:

Treasurer Ralph Lubeck reviewed the financial reports distributed to the Directors covering expenses and income for the months of November and December 2000, balances in the various funds, period Trial Balances, Check Registers, Fire-Water Fund Reconciliation, and synopsis of highlights over the past two months. Total income was \$20,000.00. Total expenses were \$18,800.00. (These figures are rounded). Highlights of expenses for the months of November and December were as follows: the single largest expense was the loan payment of \$5,106.05 (\$3,932.29 was interest and \$1,173.76 was principle). The 1st installment to Mr. Hubik for auditing expense was \$1,475.00. Workman's Compensation totaled \$1,020.25. \$646.00 was annual dues paid to three organizations and the remaining expenses were normal things such as payroll, utilities, etc. Director Whitaker moved that the Treasurer's report be accepted as presented Director Lubeck seconded the motion and the report was so accepted

B. Water - Following are highlights of the water report presented by Operations Manager, Charles Acker:

Mr. Acker reported: 1) continued to review information pertaining to treatment possibilities, 2) work with Paulson re: telephone and water lines in Unit #5, 3) trouble with water gauge on the large tank, 4) identify boundary between water and the Trujillo property, 5) broken water main Unit 7A Due to landscaper driving a steel fence post through the large water main, 6) break in water line up the canyon.

C. Safety: Charles Acker reported that the safety committee had not met since the last water board meeting in December.

D. Fire Department: Fire Chief Dorothy Cong reported the following:

1.) Two medical and two fire call outs, 2) training twice a month per schedule, 3) various projects assigned for work on fire hydrants, 4) hose house to be built up at the condos, 5) emergency documents that go in homes to be revised and replaced, 6) schedule for driving trucks prepared, 7) engine #7681 needs both batteries replaced, 8) training videos ordered, 9) map completed and distributed to emergency services agencies.

6. OLD BUSINESS

A. Superior Court Case #SCUK-CVG-0083939: William M. Moores and Tona E. Moores v. Irish Beach Water District; Superior Court of California, County of Mendocino: "Verified Complaint to Quiet Title and for Declaratory Relief." (Lindgren) The District's counsel Mr. Adam Lindgren reported that there was no substantive news. The attorneys are still in the process of discovery. They are still trying to clarify the issues as the plaintiff is raising claims that are difficult to understand.

B. Steel Water Tanks Inspection / Replacement: Mr. Acker reported that he has received prices from 3 different companies that do cleaning and repairs. Mr. Acker had nothing new to report.

C. Diatomaceous Earth Plant (DE): RFP/Proposals/Funding - Loans, Grants (Acker):

DE plant presentation: Mr. Thomas Kiernan of the GNT Filter Company was present and gave an overview of diatomaceous treatment plant operations and benefits. His report was well received.

RFP Proposal: Mr. Kiernan provided the district with a sample bid proposal. Mr. Lindgren stressed that a proper legal public bid process had to be undertaken for this project. The bid documents could not be so specific that other providers would be excluded. Mr. Acker expressed that he did not want to go to an outside engineer to write the specifications for the bid proposal because the cost would be exorbitant, so he asked Mr. Kiernan for assistance in drawing up a sample bid proposal. Mr. Kiernan provided the district with a sample that could be modified to exclude specifics. Questions considered were: 1.) Does the District need a performance bond? Could a partial payment (i.e. 50%, 25%, 25%) approach be used in lieu of a performance bond? 2.) How does the bid proposal need to go out - public or specific?

A key thing to remember is that the State Department of Health Services are the ones who give the final OK. Any plan to construct a plant must be submitted to the State Department of Health Services prior to construction. This is standard operating procedure. They monitor the process, inspect and sign off and in a timely way. It is the responsibility of whatever firm gets the contract to contact Health Services and get the final signoff.

Funding: The cost of the DE plant the District is considering runs in the neighborhood of \$45,000.00 to \$50,000.00. Mr. Lubeck reported on the contacts he was responsible for regarding financing: 1) Washington Mutual does not grant commercial loans. 2) Dean Witter does not lend money either. The District's two CDs could be cashed out in \$1,000.00 increments without penalty. Mr. Acker expressed that the Savings Bank of Mendocino would loan the money, but wanted an individual or group of individuals to guarantee the loan. Mr. Lindgren inquired whether Mr. Acker had spoken with the Department of Health (DHS) to see if there were any grants available. Mr. Acker responded expressing the down side of available grants from his experience, but would inquire. Mr. Lubeck suggested the District use its CD money.

President Ron Frame called a short recess at 12:07pm. The meeting resumed at 12:17pm.

D. Benefit Assessment Analysis: (Burmania/Frame)

Mr. Adam Lindgren, District's counsel, summarized the "Request for Proposals for Water Rate Assessment Structure Analysis and Engineering Study" prepared by him and Director Burmania. Their effort was to come up with a structure to equitably distribute total cost of supplying water between connected and unconnected parcels. The proposal requests two things: 1.) Provide a structure with a fee for unconnected parcels because they receive a benefit from water being available. 2.) Provide a second option (revised connection fee) should the first not be accepted by property owners. The cost for this study will range anywhere from \$7,000.00 to \$15,000.00. Mr. Lindgren suggested the proposal to be distributed to a minimum of 10 engineering firms. Director Lubeck moved that Board accept the "Request for Proposal,..." as presented. Director Whitaker seconded the motion. All favored.

E. Status of annexation of the Irish Beach Volunteer Fire Department by the Redwood Coast Fire Protection District. Dorothy Cong reported that she had met with the Board of Directors of the Redwood Coast Fire Protection District on Tuesday, January 9. The Board confirmed that they wished to proceed with annexation. They will provide a lead agent as requested by LAFCO within 30 days. They do not wish to share expenses for the project.

F. Well Ordinance: Mr. Adam Lindgren reported that he and Mr. Acker would be working on a final version of a well ordinance and would have something substantive for the next meeting. Mr. Acker indicated that there are now regulations in place where you *have* to have well protection plans in place.

7. NEW BUSINESS:

A. Resolution 2001-1: A Resolution of the Irish Beach Water District commending Alan Turner for his contributions to the water district):

President Ron Frame read Resolution 2001-1. Directors Frame, Lubeck and Whitaker voted "Aye." Directors Burmania and Poling were absent. The resolution was passed as presented.

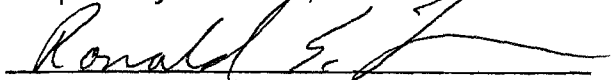
B. Expense Reimbursement (Poling): The Directors decided they wanted to check the District's by laws to see if reimbursement of Directors pertains. This item is to be tabled until the next board meeting.

President Ron Frame did not adjourn the meeting to Executive Session.

10. Adjournment:

Director Lubeck moved the meeting be adjourned. Director Whitaker seconded the motion and the meeting was adjourned at 12:49 p.m.

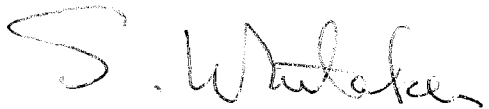
Respectfully submitted,



Ron Frame, President

Prepared by Dorothy Cong

Attest:



Director Steve Whitaker, Secretary to the Board

Board Meeting Minutes - March 10, 2001
Irish Beach Water District
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY March 10, 2001

I. OPEN MEETING

1. CALL TO ORDER AND ROLL CALL: President Ron Frame called the meeting of the Irish Beach Water District Board of Directors to order at 10:00am at the Fire House in Irish Beach (Manchester). Directors Frame, Whitaker, Burmania, Lubeck and Poling were present. Also present was Charles Acker, Operations Manager, and Dorothy Cong, the District's Secretary. Members of the public in attendance were: Dorothy Engle, Suzanne Whitaker, Will and Kathy Edelbrock.

2. APPROVAL OF MINUTES: Director Lubeck moved and Director Whitaker seconded the motion that the minutes of the February 10, 2001 meeting be accepted as amended. Amendments were as follows: 1) Last sentence of paragraph 7A struck. 2) Item #1 6D modified to read as follows at the request of Director Burmania: "1) Provide a structure that levies periodic fees on all connected and unconnected parcels within the district for the ownership support and maintenance of the water district." The minutes were accepted as amended.

3. COMMUNICATION AND CORRESPONDENCE:

1.) Letter from Mr. Robert Tozier regarding hazardous condition of neighboring property. Chief Dorothy Cong explained background information about what has been done in an effort to get the owner to clear their property of fire hazards. Last year CDF even sent them a citation. Chief Dorothy is awaiting a ruling from the District's counsel regarding whether or not the Irish Beach Volunteer Fire Department has authority to clear the property and collect the billing on the county tax rolls. The board also suggested the following: 1) Write a letter to the Code Enforcement Officer for the County of Mendocino. 2) Again - contact CDF early in the season. 3) Write a letter to the Architectural Committee.

2.) Notice of proposed timber operations of adjacent landowner: Mr. Acker expressed that he will respond that the main water source for Irish Beach does have the possibility of being adversely affected because a portion of the timber harvest is just above the lower diversion.

4. PUBLIC INPUT:

Public input was offered and none was given.

5. REPORTS:

A. Treasurer - Report on Finances/Approval of Expenditures:

Treasurer Ralph Lubeck reviewed the financial reports distributed to the Directors covering expenses and income for the months of January and February 2001, balances in the various funds, period Trial Balance, Check Register, Fire-Water Fund Reconciliation, and synopsis of highlights over the past two months. Total deposits came to \$17,822.56 with \$8,943.86 belonging to the Fire Department. Expenses totaled 21,501.39 Highlights of expenses for January and February were as follows: the single largest expense was legal amounting to \$6,526.00. Next was the 2nd installment to the District's auditor, Mr. Hubik totaling \$1,475.00. Workman's Compensation totaled \$1,631.00. \$371.00 was coded to software - training in Quickbooks for Dorothy and tax table update. The remaining expenses were normal things such as payroll, utilities, etc. Director Poling moved that the Treasurer's report be accepted as presented. Director Burmania seconded the motion and the report was so accepted.

B. Water - Following are highlights of the water report presented by Operations Manager, Charles Acker: Operations main activity was associated with balancing water production relative to rain and turbidity. So far ops has been able to keep up with no need to issue a boil water order. Fortunately there has been very little rainfall this year. Other activities dealt with normal system checks, monthly reports and compiling the RFP for the DE plant.

C. Safety: Charles Acker reported that the safety committee had met twice since the January meeting covering ladder safety and chain saw safety and maintenance.

D. Fire Department: Fire Chief Dorothy Cong reported the following:

1) Things have been quiet in terms of call outs. 2) Training is continuing with an effort to train on those things required annually by volunteer fire departments. CDF is cooperating and providing extensive assistance on fire basics. The chief also has experts scheduled to train on several specialty items. 3) Engine 7681 got two new batteries. 4) Working with Howard Forest on updating their 911 database. 5) Discussion of home that presents a major fire hazard covered in Correspondence above.

6. OLD BUSINESS

A. Superior Court Case #SCUK-CVG-0083939: William M. Moores and Tona E. Moores v. Irish Beach Water District; Superior Court of California, County of Mendocino: "Verified Complaint to Quiet Title and for Declaratory Relief." (Lindgren)

The District's attorneys have submitted interrogatories to the plaintiffs. They have responded and we have submitted objections to those responses. The District just received a summary and written recommendations from counsel on how to proceed.

B. Steel Water Tanks Inspection / Replacement: Nothing to report.

C. Diatomaceous Earth Plant (DE): RFP/Proposals/Funding - Loans, Grants (Acker):

Mr. Acker prepared the RFP and a copy was provided to each director. Director Poling moved that Mr. Acker's draft bid proposal be accepted subject to review and approval of the District's counsel and subject to review and additional comments from Director Burmania or any director within one week. Thereafter, Mr. Acker will be able to submit the RFP for public review. President Ron Frame wished an amendment that the original RFP be signed by the President of the Board of Directors. The above motion was thus repeated with the amendment stipulated. Director Whitaker seconded the motion. The motion passed unanimously as amended.

D. Benefit Assessment Analysis - "Request for Proposals for Water Rate Assessment Structure Analysis and Engineering Study": (Burmania/Frame)

Fifteen RFPs were mailed to engineering firms. There was only a single response other than two firms stating they were not interested in the project. Director Burmania believed that more firms should have responded and suggested that the engineering firms be personally contacted a second time. There were differing opinions whether or not the District could in fact extend the time for response. The decision was that Director Burmania would contact Adam Lindgren for a ruling whether it would be legal to call the firms and extend the deadline for response. Director Burmania will have something definitive to report at the April board meeting.

E. Status of annexation of the Irish Beach Volunteer Fire Department by the Redwood Coast Fire Protection District. Dorothy Cong reported that she attended the Redwood Coast Board of Directors meeting on Feb. 20, 2001. Fred Patton, the "lead agent" for Redwood Coast and Dorothy have scheduled a preliminary meeting on Friday, March 23 at 1:00pm. A suggestion was presented about the possibility of contracting services with Redwood Coast. It

was agreed this was a good suggestion, but that it would not be addressed unless annexation is determined not to be a viable solution.

F. Financing of the Diatomaceous Earth Plant (Whitaker):

Director Whitaker expressed that the purchase and installation of a diatomaceous earth treatment facility in the very near future will deplete the District's discretionary capital funds. Director Whitaker believes that this money should be repaid to the District by an additional surcharge to each connected parcel. All members of the Board agreed. The District's secretary was directed to communicate with Adam Lindgren, the District's counsel, to write a resolution expressing the following: add an additional \$5.00 surcharge per month to each connection for 5 years. Adam is to write this resolution quickly so that it can be properly noticed and agendized for a public hearing at the next water board meeting to be held on Sat. April 14.

7. NEW BUSINESS:

A. Resolution 2001-2: Ground Water Regulations (Lindgren):

President Ron Frame expressed that counsel Adam Lindgren will have a draft resolution prepared for the water board meeting in April.

Brief announcement prior to adjournment to Executive Session. Operations Manager Charles Acker will be on vacation from March 21 through April 20. Ron Bloomquist and John Acquistapace will be in charge.

President Ron Frame declared a brief recess at 12:14pm. The meeting was reconvened to open session at 12:20 and subsequently adjourned to executive session.

7. ADJOURN TO EXECUTIVE SESSION:

A. Conference with legal counsel regarding Superior Court Case #SUCK-CVG-0083939: William M. Moores and Tona E. Moores v. Irish Beach Water District; Superior Court of California, County of Mendocino: "Verified Complaint to Quiet Title and for Declaratory Relief." Pr Gov't Code Section 54956.9a


President Ron Frame reconvened open session at 12:56 p.m.

President Ron Frame announced that the board discussed recommendations from the District's counsel and a determination was made on the direction to proceed with the litigation.

10. Adjournment:

Director Whitaker moved the meeting be adjourned. Director Poling seconded the motion and the meeting was adjourned at 12:57 p.m.

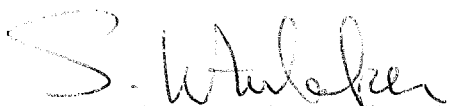
Respectfully submitted,



Ron Frame, President

Prepared by Dorothy Cong

Attest:



Director Steve Whitaker, Secretary to the Board

Board Meeting Minutes - May 12, 2001
Irish Beach Water District
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY May 12, 2001

I. OPEN MEETING

- 1. CALL TO ORDER AND ROLL CALL:** President Ron Frame called the meeting of the Irish Beach Water District Board of Directors to order at 10:00am at the Fire House in Irish Beach (Manchester). Directors Frame, Whitaker, Lubeck and Poling were present. Also present was Mr. Charles Acker, Operations Manager. Dorothy Cong, the District's Secretary, was not present. *Bormania absent w/ prior notification*
Members of the public in attendance were: John Steiner.

- 2. APPROVAL OF MINUTES:** It was moved and seconded that the minutes of the April 14, 2001 meeting be accepted as presented.

- 3. COMMUNICATION AND CORRESPONDENCE:**
NTR.

4. PUBLIC INPUT:

John Steiner expressed a concern about water conservation. He stated he would contact Dorothy for information pertaining to water usage in order to do some analysis. Heavy users will emerge from the analysis. Playing with different scenarios will enable the District to discern if perhaps it might be practical to implement some sort of a "tiered" rate structure on usage. Data from the study may also be of value to incorporate into the rate structure analysis study.

5. REPORTS:

A. Treasurer - Report on Finances/Approval of Expenditures:

Treasurer Ralph Lubeck reviewed the financial reports distributed to the Directors covering expenses and income for the months of March and April 2001, balances in the various funds, period Trial Balance, Check Register, Fire-Water Fund Reconciliation, and synopsis of highlights over the past two months. Total deposits came to \$18,035.54 with \$1,944.52 belonging to the Fire Department. The Fire Department also received \$5,052.89 from the County of Mendocino (Fund 211 funds). Expenses totaled \$22,268.02, Highlights of expenses for March and April are as follows: the single largest expense was legal amounting to \$11,358.70. Next was the charge for annual testing from Alpha Labs totaling \$612.00. The remaining expenses were normal things such as payroll, utilities, etc. The Treasurer's report was accepted as presented.

B. Water - Following are highlights of the water report presented by Operations Manager, Charles Acker: Other than normal system checks and monthly and annual reports, Mr. Acker spent a significant amount of time in activities associated with the DE filter system: 1.) writing the proposal for the water filter (DE) system, and 2) measuring space at the plant where the filter system would be located.

C. Safety: Charles Acker reported that the safety committee had not met.

D. Fire Department: Fire Chief Dorothy Cong had prepared the following report:

1) Only a single call out that should have been for Elk. Stayed with CHP until 2nd officer arrived on scene at vicious bulls. He had three men in cuffs and the fourth had escaped. 2) New member on the department - Tom Dimaggio. 3) Filled out forms for a FEMA grant in two categories: a) equipment b) personal protective gear. 4) Bruce Craig to clear around Sieber house. 5) Soon time for ride around to check for fire hazards in IB (around the first of June).

6. OLD BUSINESS

A. Superior Court Case #SCUK-CVG-0083939: William M. Moores and Tona E. Moores v. Irish Beach Water District; Superior Court of California, County of Mendocino: "Verified Complaint to Quiet Title and for Declaratory Relief." (Lindgren)

Nothing to report.

B. Steel Water Tanks Inspection / Replacement: Nothing to report.

C. Status of Diatomaceous Earth Plant (Acker): GNT responded to the proposal to provide a DE plant. The estimate was \$49,000.00. The Board made the decision to postpone installing the diatomaceous earth plant until the report from Bartle Well Associates on the water rate assessment analysis and long range financial planning has been received. The reasoning is that the District cannot afford both the study (\$18,000.00) and the DE plant (\$49,000.00) at the same time. Charlie agreed to visit a DE plant in Pittsburg, CA (prior to the next meeting?).

D. Status of annexation of the Irish Beach Volunteer Fire Department by the Redwood Coast Fire Protection District. Dorothy Cong reported that she met with Fred Patton on Friday, April 27. Fred has many of the required forms for annexation on his computer and will modify some of them in preparation for this annexation project. Dorothy will contact an engineer to prepare a map and the county for a complete printout of parcels within the sphere of influence. The next meeting is scheduled for Friday, May 25th.

7. NEW BUSINESS:

A. Status on Bartle Wells Associates Water Rate Assessment Structure Analysis and Long-Range Financial Plan: President Ron Frame stated that a Mr. Dave Dove is the engineer who will be assuming the project. The Board directed Charlie Acker to get in touch with Mr. Dove for a *reality check* so to speak. Mr. Acker will do this prior to the next board meeting.

President Ron Frame announced that the board would adjourn to executive session at 12:00pm.

8. Adjourn to Executive Session to discuss Superior Court Case #SCUK-CVG-0083939: William M. Moores and Tona E. Moores v. Irish Beach Water District; Superior Court of California, County of Mendocino: "Verified Complaint to Quiet Title and for Declaratory Relief."

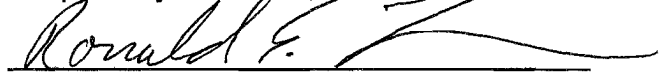
9. Reconvene to Open Session

The Board announced that the lawsuit was discussed but no decisions were made.

10. Adjournment

Director Lubeck moved the meeting be adjourned. Director Burmania seconded the motion and the meeting was adjourned at 12:15 pm.

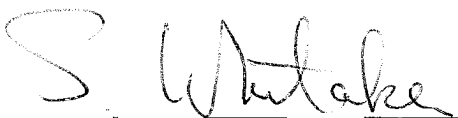
Respectfully submitted,



Ron Frame, President

Prepared by Dorothy Cong

Attest:



Director Steve Whitaker, Secretary to the Board

Irish Beach Water District

**MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY July 14, 2001**

I. OPEN MEETING

- 1. CALL TO ORDER AND ROLL CALL:** President Ron Frame called the meeting of the Irish Beach Water District Board of Directors to order at 10:00am at the Fire House in Irish Beach (Manchester). Directors Burmania, Frame, Lubeck, Poling and Whitaker, were present Also present were Mr. Charles Acker, Operations Manager and Dorothy Cong, the District's Secretary.

Members of the public in attendance were: Will and Kathy Edelbrock, Al and Loretta Thompson, Dorothy Engle and Suzanne Whitaker.

- 2. APPROVAL OF MINUTES:** Director Whitaker moved and Director Poling seconded that the minutes of the June 9, 2001 meeting be accepted as presented.

- 3. COMMUNICATION AND CORRESPONDENCE:**
NTR.

- 4. PUBLIC INPUT:**
Public input was offered but none was given.

5. REPORTS:

A. Treasurer - Report on Finances/Approval of Expenditures:

Treasurer Ralph Lubeck reviewed the financial reports distributed to the Directors covering expenses and income for the months of May and June 2001, balances in the various funds, period Trial Balance, Check Register, Fire-Water Fund Reconciliation, and summary of highlights over the past two months. Total deposits came to \$17,876.52 with \$1,933.28 belonging to the Fire Department. The Fire Department also received \$309.78 from the County of Mendocino (Fund 211 funds). Expenses totaled \$40,293.55, Highlights of expenses for May and June are as follows: legal was on the low side this time amounting to \$2,111.58. But litigation expenses for this fiscal year total \$20,730.60. Total legal expense this fiscal year: \$30,755.61. The bi annual loan payment of \$5,106.05 was paid; insurance payment to SDRMA came due totaling \$3,543.80 (57% fire). The District paid \$1,570.00 to Bartle Well Associate. The Treasurer's report was accepted as presented.

B. Water - Following are highlights of the water report presented by Operations Manager, Charles Acker: Aside from normal system checks, Mr. Acker visited a GNT Filter facility and installation, cleared upper diversion road and improved upper diversion flow. He spent considerable effort on the "Consumer Confidence Report" (the annual water report) which has been mailed to home owners. Mr. Acker also spent some more effort on the DE plant (*see 6B below*).

C. Safety: Charles Acker reported that the safety committee had not met.

D. Fire Department: Fire Chief Dorothy Cong presented the following report:

1) The department went on two calls for grass fires, but was cancelled. 2) A CDF trainer from Howard Forest was at one training session and at another session "Bugeye" trained on initial patient assessment. 3) New radio purchased and installed for engine 7681. 4) The annual "ride around" was done by Dorothy, Paul and Rex. 29 notices were mailed. 5) Followed up on status of FEMA grant - won't hear anything until at least October 2001. 6) New member added to the department - Michael Fiorito who is only 26. 7) Worked several hours on identifying all parcels within the Irish Beach Water District / Fire Department sphere of influence for the annexation project with Redwood Coast. 8) Talked with Layton Nelson of Southcoast

who is willing to train IB volunteers on Engine 7681.

Dorothy mentioned during the fire hazard check that she also checked for two 50' hoses with nozzle affixed at each home. One of the homes in violation is the Tratchen house (shell house in Unit 7). In the case of property under construction, a single hose with nozzle is required. The new owners were informed of the regulation and said they didn't have the money to install a meter at this time. Ms. Cong was directed to issue them a follow up letter from the Fire Department stating that a hose and nozzle were required. The Water District will also write a letter to them.

6. OLD BUSINESS

A. Superior Court Case #SCUK-CVG-0083939: William M. Moores and Tona E. Moores v. Irish Beach Water District; Superior Court of California, County of Mendocino: "Verified Complaint to Quiet Title and for Declaratory Relief." (Lindgren)

Nothing to report.

B. Status of Diatomaceous Earth Plant (Acker): At a prior meeting the Board of Directors had postponed the installation of the DE plant temporarily due to lack of funds and high cost of loans. Mr. Acker pursued other financing options with GNT Filter Co and provided the Board with a copy of Lease proposal. Following extensive discussion, Director Poling moved that "the treasurer be authorized to transfer \$20,000.00 from the Fire Department CD to the Water District Capital Fund with the proviso the Water District will install 4 hydrants plus the necessary lines for those hydrants no later than October 2006. Director Poling further moved that the \$20,000.00 transferred to the Water District will be applied to the purchase of the DE treatment plant to be ordered forthwith." Director Whitaker seconded the motion. Roll call vote was as follows: Director Frame: "Aye", Director Burmania: "Aye", Director Lubeck: "Aye", Director Whitaker: "Aye", and Director Poling: "Aye." Dorothy Cong will transfer funds shortly and Charlie Acker will sign the previous document from GNT Filter for **purchase** of the DE plant and order it without delay. All were reminded that effective with new fiscal year October 1, 2001 - September 30, 2002, the \$5.00 per month surcharge voted into effect at the board meeting on Saturday, April 14, 2001 (Resolution 2001-3) will be applied to all homeowners until such time as the total cost of the DE Plant has been reimbursed (about 5 years).

C. Status of annexation of the Irish Beach Volunteer Fire Department by the Redwood Coast Fire Protection District. Dorothy Cong reported that she has worked on identifying all parcels within the IBVFD sphere of influence that would be transferring to Redwood Coast Fire Protection District. She also discussed mylar map preparation with Tom Herman who suggested that in order to possibly conserve on cost that we attempt to find out who drew the map when Redwood Coast and Point Arena merged as half of the work would already have been completed. Dorothy will try to get this information from Fred Patton.

D. Status on Bartle Wells Associates Water Rate Assessment Structure Analysis and Long-Range Financial Plan: Mr. Doug Dove, the engineer from Bartle Wells Associates working on the District's funding project, gave a presentation regarding progress to date. Mr. Dove expressed that the goal was to set up a long term solution with respect to rates and charges and make it as bullet proof as possible. Mr. Dove provided an excellent summary of background, object of study, object of the meeting, options for cost allocation, categories of expenses, and so on,.... (presentation package on file). The presentation was simply a status to date - no decisions were made.

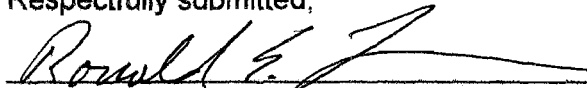
7. NEW BUSINESS:

A. Election: The terms of office of the following directors will be expiring in November of 2001: Chico Burmania, Ralph Lubeck and Steve Whitaker. Board members were notified of all the specifics as to when and where to pick up their Declaration of Candidacy papers should the decide to run again. Notices were posted on the three kiosks in Irish Beach as well as an ad run in the ICO.

8. Adjournment

Director Poling moved the meeting be adjourned. Director Whitaker seconded the motion and the meeting was adjourned at 12:36 pm.

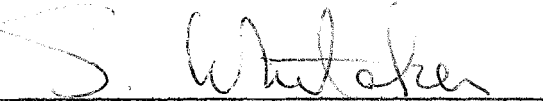
Respectfully submitted,



Ron Frame, President

Prepared by Dorothy Cong

Attest:



Director Steve Whitaker, Secretary to the Board

**Irish Beach Water District
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY September 8, 2001**

I. OPEN MEETING

1. **CALL TO ORDER AND ROLL CALL:** President Ron Frame called the meeting of the Irish Beach Water District Board of Directors to order at 10:00am at the Fire House in Irish Beach (Manchester). Directors Burmania, Frame, Lubeck, Poling and Whitaker, were present. Also present were Mr. Charles Acker, Operations Manager and Dorothy Cong, the District's Secretary.

Members of the public in attendance were: Will Edelbrock, Dorothy Engle, Dean Wolfe and Ruth Cady.

2. **APPROVAL OF MINUTES:** Director Lubeck moved and Director Whitaker seconded that the minutes of the August 11, 2001 meeting be accepted as presented. They were so accepted.

3. **COMMUNICATION AND CORRESPONDENCE:**

A letter had been received from Mr. William Moores pertaining to standby fees outlining his position regarding various categories. There was no comment.

4. **PUBLIC INPUT:**

Public input was offered but none was given.

5. **REPORTS:**

A. Treasurer - Report on Finances/Approval of Expenditures:

Treasurer Ralph Lubeck reviewed the financial reports distributed to the Directors covering expenses and income for the months of July and August 2001, balances in the various funds, period Trial Balance, Check Register, Fire-Water Fund Reconciliation, and summary of highlights over the past two months. Total deposits came to \$20,044.75 with \$1,933.28 belonging to the Fire Department. Expenses totaled \$18,653.14. Highlights of expenses for July and August were: legal very low side totaling only \$77.50. Litigation expenses for this fiscal year total \$20,731.00. Total legal expense this fiscal year: \$31,000.00. The most significant single non-operating expense was a check for \$25,794.00 issued to GTE Filter Company from the water district capital account for the first installment for the DE treatment plant. Further, the Fire Department provided a "grant" of \$20,000.00 to the water district to help cover expenses related to the DE plant. In turn the water district must install 4 new fire hydrants within Irish Beach by 2006.

B. Water - Following are highlights of the water report presented by Operations Manager Charles Acker: The bulk of operations efforts pertained to the Diatomaceous earth plant with operations personnel making some modifications to the current plant (map included in directors packet). Operations did a great deal of clean up work around the facility and took a load of junk to the Albion dump. A space has been located to place the generator and its trailer. On July 11 Charlie had to pump water to Unit 8. To avoid having to do this manually, Mr. Acker is considering the purchase of some sort of a radio switch so it can be done automatically. On July 20 operations had an emergency repair to a broken water main in Unit 7A. The break occurred where lines from PG&E and Pacific Bell converged with the water main. The water main was bent over the top of the other two lines eventually causing a wrinkle in the line. Repaired OK. Measurements were taken of the lower diversion flow, but calculations not completed yet. Operations checked for a leak at the home of Jan Green but could find nothing. Mr. Acker feels the water accumulating under Ms. Green's home is most likely the result of a natural seepage. There appears to be a leak near the water meter at the rental office which operations will look into. Mr. Acker has also completed the form requesting the Parlin Forks

prison crew to clear brush along the water lines.

Mr. Charles Acker reported that he had completed the pre-application for the safe drinking water state revolving fund loan. Completing the pre-application does not commit the district to anything, but positions it in case a loan or grant becomes available. A resolution will have to be drafted giving Mr. Acker authority to fill out and sign a loan/grant application should one become available. This Resolution will appear on the agenda for the upcoming meeting in October.

C. Safety: Charles Acker reported that the safety committee had met and the following items were discussed: 1) clean up around the plant and the old chemicals that were found, 2) the district will need to be prepared to address the safety issues relative to the new diatomaceous earth plant once it has been installed, 3) a weed killer had been mistakenly stored within the treatment plant, 4) a folder is being prepared that deals with the products used by the water district, i.e. polymer, chlorine, various tablets, diatomaceous earth, The safety committee selected 3 safety videos they would like to see.

D. Fire Department: Fire Chief Dorothy Cong presented the following report:

1) The department was called for 3 incidences: A) Hot tub fire on Navarro Way - mother board burned. Renter extinguished fire before department arrived. IB called off Redwood Coast; B) Septic alarm triggered on Navarro Way. To the owners embarrassment, a neighbor called 911. IB fireman assisted owner in turning off the alarm; c) Brush/grass fire on Mountain View Road. The department also cleaned the firehouse, greased and painted several hydrants and cut some brush around the fire house. A mount has been ordered to place the tools in on engine 7680 for the safety of personnel.

6. OLD BUSINESS

A. Superior Court Case #SCUK-CVG-0083939: William M. Moores and Tona E. Moores v. Irish Beach Water District; Superior Court of California, County of Mendocino: "Verified Complaint to Quiet Title and for Declaratory Relief." (Lindgren)

Nothing to report.

B. Status of Diatomaceous Earth Plant (Acker): The contract was signed with GTE Filter Company, the \$25,794.00 deposit sent and work has been started both building the filter at GTE plus making the necessary modifications at the existing treatment plant to accommodate it. Delivery has slipped to early October.

C. Status of annexation of the Irish Beach Volunteer Fire Department by the Redwood Coast Fire Protection District. Dorothy Cong reported that a package of information has been sent to Tom Herman, the engineer who will be preparing the required maps for the annexation project. Dorothy has also sent a list of "facts" requested by Fred Patton of Redwood Coast.

D. Status on Bartle Wells Associates Water Rate Assessment Structure Analysis and Long-Range Financial Plan: Director Chico Burmania reported that he provided all the necessary data to Bartle Wells Associates and has been interfacing with them on a regular basis. He indicated they expect to have a solid preliminary report ready for the next board meeting on October 13, 2001. They are presently looking at legal issues and determining ways to conduct a vote.

E. Water District Budget Fiscal Oct. 1, 2001 - Sept. 30, 2002 - revised: Dorothy Cong the District's secretary had made some revisions to the budget in the arena of engineering and legal expenses. Director Poling moved the board adopt the revised budget. Director Whitaker

seconded the motion. All favored and the budget was adopted as revised.

7. NEW BUSINESS:

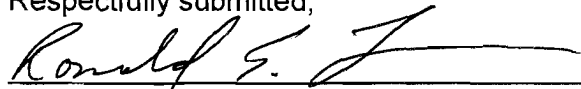
A. Fire Department Budget for Fiscal Oct. 1, 2001 - Sept. 30, 2002: Director Poling moved and Director Burmania seconded the motion that the operating budget for the fire department be adopted as presented. All favored and the budget passed as presented.

B. Suggested Schedule to Install Fire Hydrants: As a matter of formality, Fire Chief Dorothy Cong presented the District with a schedule and a diagram of when and where to install the 4 fire hydrants as agreed upon by the water district in the July board meeting. All agreed the schedule was reasonable.

8. Adjournment

Director Whitaker moved the meeting be adjourned. Director Poling seconded the motion and the meeting was adjourned at 11:23 am.

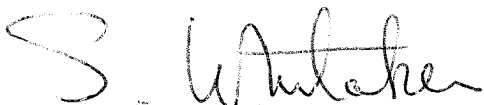
Respectfully submitted,



Ron Frame, President

Prepared by Dorothy Cong

Attest:



Director Steve Whitaker, Secretary to the Board

**IRISH BEACH WATER DISTRICT
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, October 13, 2001**

I. OPEN MEETING

1. **CALL TO ORDER AND ROLL CALL:** Vice President Kathy Poling called the meeting of the Irish Beach Water District Board of Directors to order at 10:00am at the Fire House in Irish Beach (Manchester). Directors Lubeck, Burmania, Whitaker and Poling were present. Director Frame was delayed but reported into the meeting later. Also present was Mr. Charles Acker, Operations Manager, Adam Lindgren general counsel and Sophia Skoda engineer from Bartle Wells Associates. Dorothy Cong, the District's Secretary, was absent with prior notice. Some members of the public were also present.
2. **APPROVAL OF MINUTES:** The minutes of the September 8, 2001 meeting were accepted as presented..
3. **COMMUNICATION AND CORRESPONDENCE:**
NTR.
4. **PUBLIC INPUT:**
Public input was offered but none given.

There were no reports this meeting.

5. OLD BUSINESS

A. Superior Court Case #SCUK-CVG-0083939: William M. Moores and Tona E. Moores v. Irish Beach Water District; Superior Court of California, County of Mendocino: "Verified Complaint to Quiet Title and for Declaratory Relief." (Lindgren)
NTR.

B. Status of Diatomaceous Earth Plant (Acker): Mr. Acker reported that the machine has been built. Representatives from the GTE filter company will be coming up in a few days to check out the layout of the plant. An engineer will also be coming along who will be writing the report that the State requires pertaining to the plant.

C. Status of annexation of the Irish Beach Volunteer Fire Department by the Redwood Coast Fire Protection District. Dorothy Cong left a document to read into the minutes pertaining to the status of the annexation project. She stated that a meeting has been set in Ukiah to be held on October 24. The attendees will be Fred Patton from Redwood Coast, Tom Herman, engineer, Frank McMichael of LAFCO and Dorothy Cong representing Irish Beach. The purpose of the meeting is to assay what LAFCO expects in order to proceed with the project.

D. Status on Bartle Wells Associates Water Rate Assessment Structure Analysis and Long-Range Financial Plan (Burmania). NTR.

6. NEW BUSINESS:

A. Resolution 2001-4 authorizing Mr. Charles Acker to complete and sign application for the safe drinking water state revolving fund grant/loan. Resolution 2001-4 was read as presented. The board requested input from counsel who had no comment. The Resolution was adopted and signed. AYES: Directors Poling, Lubeck, Whitaker and Burmania. Absent: Director Frame.

Vice President Kathy Poling announced that the meeting would be adjourned to Executive Session.

7. ADJOURN TO EXECUTIVE SESSION:

A. Conference with legal counsel regarding Superior Court Case #SUCK-CVG-0083939: William M. Moores and Tona E. Moores v. Irish Beach Water District; Superior Court of California, County of Mendocino: "Verified Complaint to Quiet Title and for Declaratory Relief." Pr Gov't Code Section 54956.9a

8. Reconvene to Open Session:

Vice President Kathy Poling adjourned the executive session and reconvened open session.

Adam Lindgren, general counsel for the District, announced that the Board of Directors had received a report from general counsel and did not provide any specific additional direction.

9. Adjournment:

Director Lubeck moved and it was seconded that the meeting be adjourned.

Respectfully submitted,

Ron Frame, President
Prepared by Dorothy Cong

Attest:

Director Steve Whitaker, Secretary to the Board

**IRISH BEACH WATER DISTRICT
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, November 10, 2001**

I. OPEN MEETING

1. CALL TO ORDER AND ROLL CALL: President Ron Frame called the meeting of the Irish Beach Water District Board of Directors to order at 10:00am at the Fire House in Irish Beach (Manchester). Directors Burmania, Frame, Poling and Whitaker were present. Director Ralph Lubeck was absent due to illness. Also present was Mr. Charles Acker, Operations Manager, and Dorothy Cong, the District's Secretary. Adam Lindgren, District's counsel, Doug Dove and Sophia Skoda, engineers working on the rate restructure project from Bartle Wells Associates, were added to the meeting via conference call about 11:30am.

Members of the public present were Russell Passqualetti, Al and Loretta Thompson, Dorothy Engle, Sue Whitaker and Dean Wolfe.

2. APPROVAL OF MINUTES: Director Whitaker moved and Director Poling seconded that the minutes of the October 13 meeting be approved as presented. The minutes were so approved.

3. COMMUNICATION AND CORRESPONDENCE:

There was some brief discussion pertaining to the unauthorized hookup to the water line in Unit 7.

4. PUBLIC INPUT:

Public input was offered but none given.

5. REPORTS:

A. Treasurer - Report on Finances/Approval of Expenditures:

Secretary Dorothy Cong reviewed the financial covering expenses and income for the months of September and October 2001, balances in the various funds, period Trial Balance, Check Register, Fire-Water Fund Reconciliation, and summary of highlights over the past two months. Total deposits from customer billing came to \$18,319.31 with \$1,933.28 belonging to the Fire Department. Refunds from Workman's Compensation Insurance totaled \$2,224.30. Expenses totaled \$16,656.42. Highlights of expenses for September and October were: legal: \$1,902.50. Litigation expenses for this fiscal year total \$20,879.60. Total legal expense this fiscal year: \$32,872.61. Engineering expenses came to \$2,138.32. State Compensation was \$526.17. Fire Department expenses were \$2,138.32 - \$728.23 for painting of the exterior of the firehouse, \$308.08 for vehicle maintenance, \$276.24 the FD share of workman's comp. insurance and the remaining for miscellaneous small equipment and supplies for the department. 172 connections were billed in September and 173 in October (Zamboni was temporarily connected again). Accounts receivables for October billing period totaled \$20,336.99. Starting in October, \$5.00 will be collected on each connection which will go toward repayment of the capital fund for purchase of the DE treatment plant.

Director Poling moved the Treasurers report be accepted and Director Burmania seconded the motion. The report was so accepted.

B. Water - Following are highlights of the water report presented by Operations Manager Charles Acker: Much of operations efforts have been related to treatment plant preparation, i.e. building a shed for the generator which was housed in the treatment plant, meeting with GNT engineers, reviewing filter plans and so on. The polymer contact vessel was moved out of the existing plant to

make more room and Mr. Acker is attempting to find a buyer for it. There was a sizeable leak near the real estate office caused by electrolysis. Mr. Acker expressed the hope this was an isolated situation, but it could possibly be happening anywhere.

C. Safety: NTR.

D. Fire Department: Fire Chief Dorothy Cong presented the following report:

1) The department responded to 3 incidences: A) Trailer fire at Pacific View. IBWD first engine on scene. B.) Grassfire caused by vulture hitting power line on road to AT&T plant in Manchester. C.) Trailer fire at Manchester Rancheria. Training: auto extrication at Point Arena Rancheria and hose handling and pumper training provided by CDF. Attended chief's meeting in Elk. Did not get the grant the department put in for so ordered additional hose.

5. OLD BUSINESS

A. Superior Court Case #SCUK-CVG-0083939: William M. Moores and Tona E. Moores v. Irish Beach Water District; Superior Court of California, County of Mendocino: "Verified Complaint to Quiet Title and for Declaratory Relief." (Lindgren)

NTR.

B. Status of Diatomaceous Earth Plant (Acker): Mr. Acker reported that the tentative date to install the DE plant is at the end of the month. Mr. Acker stressed there were some issues that need to be discussed. In terms of compliance, the new DE filter plant is OK. However, that does not mean the existing plant is up to standards. A new turbidity measuring device is needed which costs around \$1,500.00. The problem with the existing device is that the chart recorder quit functioning. The hope was that all the water would be going through the new plant, but sometimes we may need to use both so operations does need to purchase a new measuring device to bring the District into compliance.

Mr. Acker further stated that a chlorine analyzer should be added onto the new plant. This would allow operations to be able to better control the amount of chlorine added to the system so they are not putting in anymore than needed. This is not mandatory, but is well worth the expense. New standards will be coming into effect in the near future which the district will have to comply with. It is best to incorporate them now rather than later.

There is one additional enhancement that costs about \$3,000.00. This is the installation of an automated system. The 3K includes a PC and all the connections. The software collects data pertinent to running the plant and enables operations to pick up the data on line. The plant can be monitored from a remote location. Presently daily checks require someone to be on location. The installation of this system would automate system checks, reports, etc. and result in fewer operator hours, potentially a savings in payroll. It would also put Irish Beach on the cutting edge of technology.

Mr. Acker expressed that he felt it was best to go ahead and include the enhancements along with installation of the plant. *Should* the District lose one operator, then the plant could be managed from a distance. The total cost of the add on amounts to about \$6,500.00. Due to financial concerns, the Board balked at installation of the enhancements now. Director Poling moved that the basic plant be installed but that all prep work for the enhancements be put in place at the time of installation so they can be added at a later date. Director Whitaker seconded the motion. The

motion passed as presented.

C. Status of annexation of the Irish Beach Volunteer Fire Department by the Redwood Coast Fire Protection District. Dorothy Cong provided a status to date on the annexation project stating that she, Fred Patton of Redwood Coast Fire Protection District, Frank McMichael of LAFCO and Tom Herman, an engineer who will draw the maps, had met in Ukiah. The first concern of the group was how the district would go about divesting itself from its fire protection powers. The question was resolved by county counsel, Peter Klein, as well as the district's counsel. Redwood Coast is the lead agency and is in the process of preparing the "Proposal Application and Justification" and the "Plan for Service." There is likelihood that this project will qualify for a Categorical Exemption under CEQA. Fred Patton is preparing a list of the assessed properties for LAFCO that lie within the proposed area to be annexed and within 300' of its boundaries. He will be providing Frank McMichael with zoning and mailing addresses. LAFCO also requires a list of registered voters which Dorothy Cong has obtained from the county and will send to Mr. McMichael. Adam Lindgren, District counsel, prepared a "draft" Resolution of Intent. Director Poling discussed the draft resolution and noted some changes, i.e.: RCFPD should replace Irish Beach Water District in the last paragraph. Directors Poling, Burmania and Dorothy Cong were authorized and directed to act on behalf of the Board of Directors and their names are to be inserted into the Resolution. The Board directed Dorothy to send a copy of the resolution to Frank McMichael for his review. The resolution will be on the agenda to be voted on at the next meeting. *(Documents related to this discussion are in the Director's packets).*

D. Status on Bartle Wells Associates Water Rate Assessment Structure Analysis and Long-Range Financial Plan (Burmania). Director Burmania reported that the project is approximately 90% completed but that there were still some issues up in the air. This is a very complicated project. There is a possibility that the District will soon be able to present it to the public at large.

6. NEW BUSINESS:

A. Nothing

President Ron Frame announced that the meeting would be adjourned to Executive Session at 11:37am.

7. ADJOURN TO EXECUTIVE SESSION:

A. Conference with legal counsel regarding Superior Court Case #SUCK-CVG-0083939: William M. Moores and Tona E. Moores v. Irish Beach Water District; Superior Court of California, County of Mendocino: "Verified Complaint to Quiet Title and for Declaratory Relief." Pr Gov't Code Section 54956.9a

8. Reconvene to Open Session:

President Ron Frame adjourned the executive session and reconvened open session at 1:00pm. President Ron Frame announced that the Board of Directors had received a report from general counsel and did not provide any specific additional direction.

9. Adjournment:

It was moved and seconded that the meeting be adjourned.

Respectfully submitted,

Board Meeting Minutes - November 10, 2001

Ron Frame, President
Prepared by Dorothy Cong

Attest:

Director Steve Whitaker, Secretary to the Board

**IRISH BEACH WATER DISTRICT
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, December 8, 2001**

I. OPEN MEETING

1. CALL TO ORDER AND ROLL CALL: President Ron Frame called the meeting of the Irish Beach Water District Board of Directors to order at 10:03am at the Fire House in Irish Beach (Manchester). Directors Burmania, Frame, Poling and new director Wolfe were present Also present was Mr. Charles Acker, Operations Manager, and Dorothy Cong, the District's Secretary. Members of the public present were Ralph Lubeck, Kathy Edelbrock, Dorothy Engle, and Brad and Casey Dyson. The first order of business was an introduction by President Ron Frame of new board member, Mr. Dean Wolfe.

2. APPROVAL OF MINUTES: The minutes of the November 10, 2001 meeting were approved as presented.

3. COMMUNICATION AND CORRESPONDENCE:

Dorothy presented a document relating her conversation with a customer she had taken to small claims just to apprise the Directors of the attitude of the individual.

4. PUBLIC INPUT:

Public input was offered but none given.

5. REPORTS:

No reports this meeting.

6. OLD BUSINESS

A. Superior Court Case #SCUK-CVG-0083939: William M. Moores and Tona E. Moores v. Irish Beach Water District; Superior Court of California, County of Mendocino: "Verified Complaint to Quiet Title and for Declaratory Relief." (Lindgren)

Directors Burmania and Poling reported that there will be a "mediation" meeting on December 17, 2001 in Santa Rosa. Director Poling explained the mediation process.

B. Status of Diatomaceous Earth Plant (Acker): Mr. Acker reported that the new plant has been installed and is making clean water. The old plant would have been shut off at present due to the heavy rains. Mr. Acker further reported on the various activities associated with installing the plant and bringing it up and running. One turbidity unit was added so incoming water could be read. Some plumbing was added so water could go either through the new plant or directly to the old system. Mr. Acker explained about the handling of diatomaceous earth, the product the plant runs on.

Currently during the winter months the system needs to produce about 15 GPM maximum. With the new system, when running side by side with the old, operations can produce up to as much as 40 - 50 GPM.

Mr. Acker discussed the possible "computer upgrade" to the plant. It is not a State requirement, but the reports it generates are. Charlie explained the current process whereby John Acquistapace take one sample per day. The State says that now we will have to take six samples per day and they would like us to be taking samples on a 15 min. interval. Operations now has to monitor 3

turbidimeters and Schott (from the State) wants us to install a 4th. With a computer upgrade, all the monitoring can be accomplished automatically. Charlie stated that Glenn Reynolds has waived the \$3,000.00 installation fee, but a \$135.00 per month operating cost would be associated with a computer upgrade. This fee would cover equipment repair or replacement. The Board directed Dorothy to prepare an amendment to the budget incorporating the increased \$135.00 per month operating cost for the next budget meeting.

Mr. Acker briefly discussed the water permits for both Irish Creek and Mallo Pass. They have both expired. Charlie filed for renewals last year and has to prepare an environmental checklist prior to renewal.

B. Status of annexation of the Irish Beach Volunteer Fire Department by the Redwood Coast Fire Protection District. Dorothy Cong provided a status to date on the annexation project. A resolution of intent has been prepared and is on the agenda (Item 7A). We need to meet to discuss asset transfer, insurance and hydrant maintenance. Directors Poling and Burmania will meet with Dorothy following the board meeting to discuss these items.

D. Status on Bartle Wells Associates Water Rate Assessment Structure Analysis and Long-Range Financial Plan (Burmania). Director Burmania reported that he and Director Poling met with William Moores and the attorneys for both parties in Santa Rosa because the lawsuit significantly affects the rate restructure. The basic document is in reasonably good condition, but there are some inputs that will affect the final numbers: i.e. the \$135.00 operating expense and the increased income from the new hookups.

7. NEW BUSINESS:

A. Resolution 2001-5: Irish Beach Water District Resolution of Intent whereby the Irish Beach Water District intends to express its support for the annexation by Redwood Coast Fire Protection District of the area within the Irish Beach Water District into its fire protection district for purposes of providing fire protection services to said area, and its inhabitants.

Director Poling moved the resolution be adopted. Director Burmania seconded the motion and the resolution was passed as written. Votes were as follows: Director Poling: Aye, Director Burmania: Aye, Director Frame: Aye, Director Wolfe: Aye. Director Whitaker was absent.

B. Resolution 2001-6: Commending and thanking Mr. Ralph Lubeck for his services to the Irish Beach Water District

The board formally expressed its gratitude to Mr. Lubeck for his many years of service as director and treasurer of the board. Director Poling moved the resolution be passed as presented. Director Burmania seconded the motion and the resolution was passed as written. Votes were as follows: Director Poling: Aye, Director Burmania: Aye, Director Frame: Aye, Director Wolfe: Aye. Director Whitaker was absent.

C. Possible procurement of grants for infrastructure items within the Irish Beach Water District: Operations Manager Charlie Acker explained that gathering of the data to write a grant request is an arduous task. The Elk Water District has hired a consultant who has been 100% successful in securing grant funds for Elk. He has looked at the data for Irish Beach and feels that Irish Beach fits the population income and unemployment figures even better than Elk. Mr. Acker would like to have the consultant present a contract at the next board meeting for the board to give him approval to look for a grant. His fees are \$50.00 per hour and are covered under the grant. There will be some minimal attorney work involved.

D. Election of officers of the Board of Directors: Tabled until the January 2002 meeting.

President Ron Frame announced that the meeting would be adjourned to Executive Session at 11:37am.

8. ADJOURN TO EXECUTIVE SESSION:

A. Conference with legal counsel regarding Superior Court Case #SUCK-CVG-0083939: William M. Moores and Tona E. Moores v. Irish Beach Water District; Superior Court of California, County of Mendocino: "Verified Complaint to Quiet Title and for Declaratory Relief." Pr Gov't Code Section 54956.9a

9. Reconvene to Open Session:

President Ron Frame adjourned the executive session and reconvened open session at 12:41pm. Vice President Kathy Poling announced that the Board of Directors discussed litigation and gave no instructions.

10. Adjournment:

Director Burmania moved the meeting be adjourned. Director Wolfe seconded the motion and the meeting was adjourned at 12:42.

Respectfully submitted,

Ron Frame, President
Prepared by Dorothy Cong

Attest:

Director Steve Whitaker, Secretary to the Board

**IRISH BEACH WATER DISTRICT
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, January 12, 2002**

I. OPEN MEETING

1. CALL TO ORDER AND ROLL CALL: President Ron Frame called the meeting of the Irish Beach Water District Board of Directors to order at 10:04am at the Fire House in Irish Beach (Manchester). Directors Burmania, Frame, Poling, Whitaker and Wolfe were present. Also present was Mr. Charles Acker, Operations Manager, and Dorothy Cong, the District's Secretary. Members of the public present were Russell Passqualetti, Dorothy Engle, Betty Winters, Kathy Edelbrock, Sally Thompson and Lou Gardner.

2. APPROVAL OF MINUTES: Director Whitaker moved and Director Poling seconded that the minutes of the December 8, 2001 meeting be approved as presented. The minutes were so approved.

3. COMMUNICATION AND CORRESPONDENCE:

Dorothy Cong related that at least two customers had communicated to her about the high fees they have to pay to the district because they have a water meter on their vacant lot. They were wondering what could be done to cease paying this monthly fee. Dorothy suggested one possibility would be to have the water meter removed. There is nothing specifically relating to a procedure on how to handle this issue. Director Dean Wolfe and Dorothy had discussed this matter. Out of this discussion Director Wolfe prepared a draft resolution suggesting a means of handling this question. It could not be addressed at this time and will be on the agenda at the February meeting.

4. PUBLIC INPUT:

Public input was offered but none given.

5. REPORTS:

A. Treasurer - Report on Finances/Approval of Expenditures:

Secretary Dorothy Cong reviewed the financial report covering expenses and income for the months of November and December 2001. She reviewed balances in the various funds, period Trial Balance, Check Register, Fire-Water Fund Reconciliation, and summary of financial activities over the past two months. 177 connections were billed in December 2001 (Zamboni still connected). Total income from customer billing, Fire Department augmentation funds from the County of Mendocino and two new hookups was \$31,141.00. Expenses for November and December totaled \$41,887.00.

Capital and operating expenses, except for legal expenses were reported to be within budget. Legal expenses are significantly over-budget. Dorothy reported that there are insufficient funds in the District's checking account to pay the most recent legal bill of \$14,900 in the month of January 2002. A significant discussion was held regarding this situation. Dorothy related that when District customers pay recently mailed water bills, there will be sufficient funds in the account to meet this payment. It was decided to delay paying the most recent legal bill until District income can provide the funds required. Also consideration should be given to drawing from reserves (currently invested in CDs) to pay this bill.

Dorothy also reported about three very delinquent accounts which combined total almost \$2,000. One account has already been taken to small claims with the court ruling in the district's favor. The second delinquent account is in Chapter 13. Dorothy reported that she plans to take the third delinquent account to small claims. A discussion of these delinquent accounts proceeded with a

general discussion of District policy regarding delinquent accounts. See New Business item 6E for details.

The treasurer's report was accepted as presented.

B. Water: Following are highlights of the water report presented by Operations Manager Charles Acker: Operations repaired a break in the water line up Irish Creek. The County Health Department inquired about a high bacteria count from Mr. Zamboni's water tank. The cause was not water from Irish Beach, but something in his tank. The bulk of Mr. Acker's report dealt with the DE plant which was installed in December. See Old Business Item #5B.

C. Safety: The Safety Committee met and most discussion centered around safety issues involving the new DE plant. The new safety concern deals with handling of the diatomaceous earth itself requiring a basic 3M mask.

D. Fire Department: Fire Chief Dorothy Cong presented the following report:

- 1) The department responded to 1 incident - a trailer fire New Year's Eve at Point Arena Rancheria. Called out at 4:10am to fully engulfed structure fire (arson related).
- 2) 1,600 feet of new fire hose was received and last training session devoted to marking and replacing old hose on both trucks with the new. We now have nearly 100% backup of good quality hose.

5. OLD BUSINESS

A. Superior Court Case #SCUK-CVG-0083939: William M. Moores and Tona E. Moores v. Irish Beach Water District; Superior Court of California, County of Mendocino: "Verified Complaint to Quiet Title and for Declaratory Relief." (Lindgren)

There was a mediation meeting in Santa Rosa on December 17, 2001..

B. Status of Diatomaceous Earth Plant (Acker): Mr. Acker reported that the Diatomaceous Earth Plant has been installed, and at a time when we were getting very heavy rains (which was fortunate). The DE plant got a true stress test, as did the operators, in learning how to understand the plant and balance the type of diatomaceous earth vis-à-vis our type of turbidity. It has been a challenge, but the plant has already proved itself. The district would have been very close to having to issue a "boil water order" if not for the new plant. When asked if the plant was reliable, Mr. Acker stated that the longest time the DE filter was able to be kept on line to date was 50 hours before it required attention. He also stated the filter is performing tolerably, but it has not been producing water at the designed flow rate of 15gpm. The engineer, Tom Kirnan, is examining the pump size and flow control device that regulates it. He will be doing some modifications before the end of January to correct the problem. Mr. Acker expressed that the flow rate will have to meet the design standard before he signs off on the project as complete. Mr. Acker also stated that there are still additional modifications being made to the existing plant to make it more efficient; i.e.: the polymer contact system is being revised and there are revisions being made to the turbidimeters.

Mr. Acker's Operations Report showed that for the month of December he had worked 111 hours. This was 61 hours beyond his contracted amount of 50 hours per month. The board stated that Mr. Acker should be paid for his extra hours (*the rate is \$20.00 per hour*).

C. Status of annexation of the Irish Beach Volunteer Fire Department by the Redwood Coast Fire Protection District. Dorothy Cong reported that the *ad hoc* committee to discuss asset transfer, insurance and hydrant maintenance had met. Some progress has been made in terms of

coming up with dollar amounts, but nothing formal has yet been drafted. Nor has the committee met with Redwood Coast. Director Poling was replaced on the committee by Director Frame. Because of dissent from the developers, Director Frame was requested by the board to write a letter to Margaret and Gordon asking them to participate in the negotiations.

D. Status on Bartle Wells Associates Water Rate Assessment Structure Analysis and Long-Range Financial Plan (Burmania). Director Burmania reported that the rate restructure effort is nearly done but some issues remain up in the air. This is a very complicated project. The District will probably be prepared to discuss it at the February meeting and present it to the public at the March meeting.

6. NEW BUSINESS:

A. Election of officers to the Board of Directors: Director Poling nominated Ron Frame for President and Steve Whitaker for Secretary. Dean Wolfe nominated Kathy Poling for Vice President. Chico Burmania nominated Dean Wolfe for Treasurer. Director Whitaker seconded the slate of nominations. Votes were as follows: Poling, Aye; Burmania, Aye; Frame, Aye; Whitaker, Aye; Wolfe, Aye. The officers to the board for this coming year are: Ron Frame, President; Kathy Poling, Vice President; Steve Whitaker, Secretary; Dean Wolfe, Treasurer.

B. Formally add computer upgrade to DE plant: Mr. Acker explained that installation and equipment charges of \$3,000.00 were waived by GTE Filter as mentioned in the last board meeting. The board is to formally make the decision today if it wants to proceed to have the computer upgrade installed and pay the \$135.00 operating cost per month. Mr. Acker stated that we have to sign up for a minimum of one year. Director Burmania moved the Mr. Acker be authorized to proceed with the computer upgrade to work with the diatomaceous earth plant. The motion was seconded, passed unanimously and Mr. Acker was so authorized to proceed immediately. He indicated the installer would be on prem. in about one week.

C. Budget Revision: Dorothy Cong revised the budget as directed by the board at the December meeting. She explained the revisions which incorporates the monthly income for the 5 new hookups and adds in the operating cost of the computer enhancement to the DE plant. Director Poling moved to accept the budget revisions. Director Whitaker seconded the motion and it passed unanimously.

D. Review contract from consultant to look for a grant for IBWD: Mr. Acker brought a draft copy of a contract from Mr. Ross Mayfield who is a grant writer. Mr. Mayfield has been 100% successful in obtaining grants for Elk. In his contract he suggests that his cost would not exceed \$2,000.00. The Board directed Mr. Acker to provide a resume on Mr. Mayfield for the next board meeting. Director Burmania moved to table this topic until the February meeting of the board. All agreed.

E. Delinquent accounts: Director Wolfe presented a draft of a resolution pertaining to the standard steps to follow for processing delinquent accounts. The document itself could not be specifically reviewed since it was not on the agenda, but since its contents directly pertain to the subject of delinquent account, it was discussed in general. The district currently has procedures it follows in dealing with delinquent customers, but they are not detailed in a single document and this resolution would do just that. In addition, since the district already has a contract with the County of Mendocino to collect delinquent fees, this resolution specifically states that is what will be done. It goes further to handle reconnection fees and a security deposit. This will be on the agenda at the

February meeting.

President Ron Frame announced that the meeting would be adjourned to Executive Session at 12:08pm

7. ADJOURN TO EXECUTIVE SESSION:

A. Conference with legal counsel regarding Superior Court Case #SUCK-CVG-0083939: William M. Moores and Tona E. Moores v. Irish Beach Water District; Superior Court of California, County of Mendocino: "Verified Complaint to Quiet Title and for Declaratory Relief." Pr Gov't Code Section 54956.9a

8. Reconvene to Open Session:

President Ron Frame adjourned the executive session and reconvened open session at 2:20pm. President Ron Frame announced that the Board of Directors was presented with a proposed mediation settlement to the lawsuit and it was voted to accept the settlement.

9. Adjournment:

Director Wolfe moved and Director Whitaker seconded that the meeting be adjourned at 2:25pm.

Respectfully submitted,

Ron Frame, President
Prepared by Dorothy Cong

Attest:

Director Steve Whitaker, Secretary to the Board

Board Meeting Minutes - February 9, 2002

IRISH BEACH WATER DISTRICT MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS SATURDAY, February 9, 2002

I. OPEN MEETING

1. **CALL TO ORDER AND ROLL CALL:** President Ron Frame called the meeting of the Irish Beach Water District Board of Directors to order at 10:10am at the Fire House in Irish Beach (Manchester). Directors Burmania, Frame, Whitaker and Wolfe were present. Director Poling was absent with prior notice. Also present was Mr. Charles Acker, Operations Manager, and Dorothy Cong, the District's Secretary. Member of the public present was Bettye Winters.
2. **APPROVAL OF MINUTES:** Director Whitaker moved the minutes of the January 12, 2002 meeting be approved as presented. Director Burmania seconded the motion and the minutes were so approved.
3. **COMMUNICATION AND CORRESPONDENCE:**
NTR.
4. **PUBLIC INPUT:**
Public input was offered, but none given.
5. **REPORTS:**
No reports this meeting.
6. **OLD BUSINESS**

A. Superior Court Case #SCUK-CVG-0083939: William M. Moores and Tona E. Moores v. Irish Beach Water District; Superior Court of California, County of Mendocino: "Verified Complaint to Quiet Title and for Declaratory Relief." (Lindgren)

Director Burmania reported that there was a mediation meeting between the two parties in Santa Rosa on December 17, 2001. Directors Burmania and Poling attended that meeting along with the District's counsel. An outline agreement was approved. However, the finalization of the agreement has been in a state of flux ever since the first draft was received. Much of the final language has to do with "usage" issues.

B. Status of Diatomaceous Earth Plant (Acker): Mr. Acker reported that the diatomaceous earth plant has had several successful runs. It has not been in use constantly because weather has been mild. The final detail associated with the plant installation is to submit a permit revision incorporating the new data about the treatment plant. Mr. Acker has been working on the permit language. The District has received the final bill which will be reviewed by the Treasurer, Director Wolfe, with Mr. Charles Acker prior to payment.

C. Status of annexation of the Irish Beach Volunteer Fire Department by the Redwood Coast Fire Protection District. Dorothy Cong reported that the engineering firm of Tom Herman & Associates, Inc. has nearly completed the finalization of the sphere on influence map for the Irish Beach Water District. Some fairly specific details have been outlined as a starting point to negotiate

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with Redwood Coast. President Ron Frame is to issue a letter to the Moores offering to them the opportunity to express their concerns and provide positive input.

D. Status on Bartle Wells Associates Water Rate Assessment Structure Analysis and Long-Range Financial Plan (Burmania). Director Burmania prepared a flow chart that capsulated the complicated cost allocation study onto a single page. The flow chart clarified how funds are to be allocated between connected and unconnected parcels for both "maintenance and operations expenses" and "capital improvement and replacement costs." Great pains have been taken in an effort to distribute costs as equitably as possible. Director Burmania has met with all of the Moores regarding the study in an effort to address issues the developers may have. For example, Bill Moores questioned how the loan was structured originally between connected verses unconnected parcels (*weighted 2/3 connected parcels and 1/3 unconnected parcels*). The rate study currently has the payments divided equally between the two. Director Burmania stated that he hopes the completed package will be out in one or two meetings.

7. NEW BUSINESS:

A. Review contract from grant consultant Ross Mayfield. Operations Manager Charlie Acker did not obtain a resume from Mr. Mayfield. However, Mr. Acker stated that he can continue to process the paperwork for the grant himself. He suggested that the District not bind itself to a contract, but only purchase the necessary data from Mr. Mayfield. Mr. Acker indicated he already has the document nearly to the draft stage. He expressed that the District's counsel will need to sign off the document he prepares attesting to the type of district we are. Three items needed are: 1) population figures, average income and unemployment figures, 2) legal formation of the district, and 3) why the project is needed including an engineered prospectus. Mr. Acker will have Mr. Mayfield review the draft for completeness. Director Burmania suggested that Mr. Acker proceed to prepare the paperwork for the grant himself. All agreed.

B. Resolution 2002-1: Resolution Establishing A Policy for the Processing of Customer Requested Disconnection and Termination of Service (Wolfe)

The impetus behind this resolution is that there are several vacant parcels that have had meters installed. Due to increasingly high fees on connected parcels, some customers have inquired if they could have their meter removed. There is no procedure to follow regarding this question. In an effort to resolve this issue, Director Wolfe prepared Resolution 2002-1. The essence of the resolution is how to handle an account that wishes to disconnect its water meter. The Board suggested the resolution be rewritten to *clearly pertain to vacant lots only*. It will be presented for a vote at the next board meeting on March 9, 2002.

C. Resolution 2000-2: Resolution Establishing A Standard Procedure for Processing of Delinquent Accounts: (Wolfe)

This resolution consolidates into a single document how the District handles delinquent accounts (late fees, interest charges, termination of service, turning accounts over to the County of Mendocino for collection on the tax rolls). In addition, it provides for a tampering charge, an increased reconnection fee (if service has been terminated) and a security deposit to be held by the District for a five year period which would applied toward a customers bill at the termination of that period. For more details, see the resolution itself. The Board analyzed the resolution and suggested some changes. The resolution will be rewritten and presented at the next board meeting on March 9, 2002 for a vote.

D. Renewal of contract with District auditor Bob Hubik: The district's auditor prepared an audit

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engagement proposal and contract for the 2002, 2003, and 2004 audit periods. The document was read by board members. Director Burmania moved the board approve the renewal of the contract. Director Whitaker seconded the motion. All favored and the motion passed unanimously. Director Poling was absent.

E. Audit fiscal year 2000-2001: The District's Office Manager, Dorothy Cong, said this was only on the agenda because the audit has been completed. Directors will be receiving a copy for review prior to the presentation to the board by Mr. Hubik.

F. Consider heating system for firehouse: Dorothy Cong stated that she had Robertson Heating from Fort Bragg submit a proposal for a heating solution to the firehouse. The recommendation was a propane hanging unit heater at a cost of \$1,575.00. Dorothy said she realizes this is not a good time fiscally to actually do the work, but thought it would be worthwhile in order to get some idea what it would cost should the district have any financing in the future. This item was tabled for the present time.

8. Adjournment:

Director Whitaker moved the meeting be adjourned. Director Burmania seconded the motion and the meeting was adjourned at 12:43pm.

Respectfully submitted,

Ron Frame, President
Prepared by Dorothy Cong

Attest:

Director Steve Whitaker, Secretary to the Board

**IRISH BEACH WATER DISTRICT
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, March 9, 2002**

I. OPEN MEETING

1. CALL TO ORDER AND ROLL CALL: President Ron Frame called the meeting of the Irish Beach Water District Board of Directors to order at 10:03am at the Fire House in Irish Beach (Manchester). Directors Burmania, Frame, Poling, Whitaker and Wolfe were present. Also present was Mr. Charles Acker, Operations Manager, and Dorothy Cong, the District's Secretary. Members of the public present were Bettye Winters, Kathy Edelbrock, Jan Greene, Dorothy Engle, Steve Thompson, Ralph Lubeck, Paul DeVaul, Patty Wolfe, Nicholas Epanchin, Al and Loretta Thompson and Mackie Pease.

2. APPROVAL OF MINUTES: Director Whitaker moved and Director Burmania seconded that the minutes of the February 9, 2002 meeting be approved as presented. The minutes were so approved.

3. COMMUNICATION AND CORRESPONDENCE:
NTR

4. PUBLIC INPUT:
Public input was offered but none given.

5. REPORTS:

A. Treasurer - Report on Finances/Approval of Expenditures:

Treasurer Dean Wolfe presented an in-depth report based upon various financial documents, historical analysis and interviews with District personnel. The scope of his report was: current nonrestricted fund asset status, cash flow analysis, over budget items, historical analysis, potentially restricted fund analysis, problem and related issues summary, problem analysis and recommendations.

The District had a negative cash flow for January and February experiencing an operating loss of \$14,319.00. The District's total "unrestricted cash assets" amount to \$49,915 with \$12,829 belonging to water and \$37,087 to fire.

Director Wolfe focused on over budget items and suggested the District

- 1) Place a "Stop Work" on all Non-essential activities.
- 2) Budget Estimates be prepared for Directors approval prior to any further expenses on: DE Plant (Charlie Acker), Legal support for rate study (Chico Burmania), Legal support for current law suit (Kathy Poling), Routine water board legal support (Kathy Poling), Accounting system upgrade (Dorothy Cong)
- 3) Restructure District Rate Structure for operating expenses relative to water/fire.
- 4) Propose passing law suit related legal costs to rate payers as they occur, beginning with all outstanding legal bills.

Further recommendations suggested by Treasurer Wolfe for implementation by 10/1/02:

- 1) Convert all budgeting and accounting to Quickbooks.
- 2) Adopt a uniform cost estimating policy.
- 3) Adopt a defensible Project Management & Accounting policy supported by Quickbooks.
- 4) Prepare next year's budget in alignment with the rate study and master plan.

5) Document budgeting, accounting and cost control system.

For implementation by 3/1/03:

- 1) Convert to Windows based billing system that interfaces with Quickbooks.
- 2) Document billing system.

Further projects recommended for implementation by 10/1/02:

- 1) Create a Director's Manual
- 2) Commence Update of Bylaws and cleanup existing resolutions.

Note: The complete Treasurer's report is in the Director's packet.

B. Water: Operations Manager Charles Acker reported that most activities associated with the DE plant have been normal operating and start up processes. It is operating well. There have been some storm events where there was a need to start up the plant and it worked as was expected. There should not be any further significant expenses associated with the DE plant. The computer has not yet been installed to monitor the plant remotely. The engineer is expected to meet with Mr. Acker in March to proceed with that project.

C. Safety: The Safety Committee met on February 26, 2002. Safety issues dealing with the DE plant were discussed. Tom Kiernan informed Charlie that the little paper respirators operations is using are the correct part number. Charlie also stated that he would find the correct procedures for disposing of the diatomaceous earth "cake."

D. Fire Department: Fire Chief Dorothy Cong presented the following report:

- 1) There have not been any fire call outs for IBVFD since the first of January.
- 2) Training as usual - twice per month. A training calendar for 2002 is being put together.
- 3) Dorothy will attend the Coastal Emergency Services Agency Group meeting on March 12 in Gualala.

5. OLD BUSINESS

A. Superior Court Case #SCUK-CVG-0083939: William M. Moores and Tona E. Moores v. Irish Beach Water District; Superior Court of California, County of Mendocino: "Verified Complaint to Quiet Title and for Declaratory Relief." (Lindgren)

Efforts have been continuing to refine the mediation document. The Board will discuss this item in Executive Session.

B. Status of Diatomaceous Earth Plant (Acker): Mr. Acker reported that he is in the process of updating the District's water permit incorporating the DE plant and the water well. He provided a copy of the document to the Directors spelling out the capacities of the District's water sources. Mr. Acker also reviewed the permit procedure process.

C. Status of annexation of the Irish Beach Volunteer Fire Department by the Redwood Coast Fire Protection District. Dorothy Cong reported that Tom Herman and Associates have just about completed the sphere of influence map. Redwood Coast has passed their resolution of intent. A meeting to discuss asset transfer will be set up soon between RCFPD and IBWD between representative of both board of directors. Dorothy wrote a memo to Mr. Moores asking for a written document outlining his reservations to annexation and what he would propose in lieu of annexation. Battalion Chief Dean Watson met with Dorothy regarding annexation and is completely in favor the

project. Dorothy spoke with Frank McMichael in LAFCO who related his discussions with Bill Moores. Mr. McMichael informed Dorothy that he had written to County Counsel requesting an opinion on several items of concern to him relative to the annexation process. Dorothy does not have a copy of the document at this time.

D. Status on Bartle Wells Associates Water Rate Assessment Structure Analysis and Long-Range Financial Plan (Burmania). Director Burmania reported that the rate restructure project is 80% complete. He expressed that they have run into some structural problems that need to be resolved. The project is on hold until the litigation issue is resolved.

6. NEW BUSINESS:

A. Grant Status: Mr. Acker stated that the new date to submit the application for the grant is September 1, 2002.

B. Resolution 2002-01: Resolution Establishing A Policy for the Processing of Customer Requested Disconnection and Termination of Service: Director Burmania moved the board adopt the resolution and Director Poling seconded the motion. Voting was as follows: Ayes: Director Kathy Poling, Director Chico Burmania, Director Ron Frame, Director Steve Whitaker, Director Dean Wolfe. Resolution 2002-01 was hereby formally adopted unanimously.

C. Resolution 2002-02: Resolution of the Board of the Irish Beach Water District Establishing a Standard Procedure for Processing of Delinquent Accounts: Director Poling moved the board adopt the resolution and Director Burmania seconded the motion. Voting was as follows: Ayes: Director Kathy Poling, Director Chico Burmania, Director Ron Frame, Director Steve Whitaker, Director Dean Wolfe. Resolution 2002-02 was hereby formally adopted unanimously.

D. Newsletter: Director Poling brought to the Board's attention that articles would need to be written for the spring issue of the IBWD newsletter which will be mailed along with the IBIC newsletter. Dorothy brought a "sign-up" sheet. She requested that the articles be submitted to her by March 25.

President Ron Frame announced a short recess at 11:59am.

At 12:15pm President Ron Frame announced that the meeting would be adjourned to Executive Session.

7. ADJOURN TO EXECUTIVE SESSION:

A. Conference with legal counsel regarding Superior Court Case #SUCK-CVG-0083939: William M. Moores and Tona E. Moores v. Irish Beach Water District; Superior Court of California, County of Mendocino: "Verified Complaint to Quiet Title and for Declaratory Relief." Pr Gov't Code Section 54956.9a

8. Reconvene to Open Session:

President Ron Frame adjourned the executive session and reconvened open session at 2:00pm. President Ron Frame announced that the Board of Directors considered a possible settlement to the lawsuit and took action in order to move forward.

9. Adjournment:

Director Whitaker moved and Director Wolfe seconded that the meeting be adjourned at 2:01pm.

Respectfully submitted,

Board Meeting Minutes - March 9, 2002

Ron Frame, President
Prepared by Dorothy Cong

Attest:

Director Steve Whitaker, Secretary to the Board

Board Meeting Minutes - May 11, 2002
**IRISH BEACH WATER DISTRICT
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, May 11, 2002**

I. OPEN MEETING

1. **CALL TO ORDER AND ROLL CALL:** President Ron Frame called the meeting of the Irish Beach Water District Board of Directors to order at 10:00am at the Fire House in Irish Beach (Manchester). Directors Burmania, Frame, Poling, Whitaker and Wolfe were present. Also present was Mr. Charles Acker, Operations Manager, and Dorothy Cong, the District's Secretary. Several members of the public were present.

2. **APPROVAL OF MINUTES:** Director Whitaker moved and Director Burmania seconded that the minutes of the April 13, 2002 meeting be approved as presented. The minutes were so approved.

3. **COMMUNICATION AND CORRESPONDENCE:**
NTR

4. **PUBLIC INPUT:**
Public input was offered but none given.

5. REPORTS:

A. Treasurer - Report on Finances/Approval of Expenditures:

Treasurer Dean Wolfe reported that the District had a favorable cash flow for March and April 2002 with a net District cash flow of \$11,430.00. The District's total "unrestricted cash assets" amount to \$84,982.00 with \$42,063.00 belonging to water and \$42,919 to fire. However, Director Wolfe stressed that the District's accounts payable is currently \$19,643.00 broken down as follows: Legal \$13,129.00; DE Plant \$5,249.00; Unclaimed property \$1,265.00. Therefore, this brings the District's uncommitted assets to only \$22,421 for water and a total of \$65,340.00.

Treasurer Wolfe further stressed "over budget items."

B. Water: Operations Manager Charles Acker reported that the most significant single item accomplished since the last meeting was the installation of the "Water Eye System." Mr. Acker brought a lap top to the meeting to display an on-line readout he had downloaded. The water eye provides a much finer look at what is happening with the system. Already a 'mystery' has been resolved - that of why the water pressure surges from time to time in selected areas within the subdivision. Through analysis of data provided by the water eye, it was discovered the surge is related to when one of the pumps comes on. Not all phases of the water eye are yet in place and there is still some fine tuning to do.

Mr. Acker further reported that there are a couple of compliance issues not yet completed. 1) Installation of the serpentine pipe system. All the parts have been purchased and paid for. 2) Another "T" needs to be installed in the line because we are out of speck on contact time for polymer in terms of water delivery.

C. Safety: The Safety Committee met on March 26, 2002. However, there was no report prepared for this board meeting. It will be covered at the next meeting.

D. Fire Department: Fire Chief Dorothy Cong reported that things have been very quiet and training is proceeding as usual. There was one call out for a chimney fire on Friday, May 10 at the Morgan House. The new trainees arrived on scene to assist Redwood Coast and CDF. Basically the fire was put out by the property owners prior to arrival of fire personnel.

6. OLD BUSINESS

A. Status on Bartle Wells Associates Water Rate Assessment Structure Analysis and Long-Range Financial Plan (Burmania). Director Burmania reported that he and Director Wolfe had met with the engineers who will present the subcommittee with a draft of a timeline for balloting purposes by May 24, 2002. This is to be reviewed and returned to the engineers by May 31, 2002. The timeline is to allow the voting process to be completed by the end of the current fiscal year (September 30). The vote has nothing to do with basic operations. It is a vote for capital expenditures and replacements. Connected users are to pay for all operations and the fee is up to the discretion of the board. Capital expenditures are the responsibility of every property owner within the District. Director Burmania believes that the developers realize it is in their best interest to vote in favor of the assessment. If defeated, Irish Beach Water District will only supply water to the number of homes it has the resources for, probably somewhere around 200. The District would have to put a moratorium on hookups to the system. A negative vote would mean Irish Beach cannot grow. Director Burmania said he would refer the voting format to the District's counsel for their review.

B. Status of annexation of the Irish Beach Volunteer Fire Department by the Redwood Coast Fire Protection District. NTR

C. DE Plant and Renewal of the water license: Mr. Acker reported that Mr. Schott from the State who does the license renewals is expected to visit our plant the end of May. He stated that the polymer mixing might become an issue (see water report above). Director Wolfe requested that once Mr. Schott sees the plant perhaps he could provide us with a preliminary "OK" so we can pay the remaining \$5,249.00 to GTE Filter.

D. Review of Action Items: The action items were reviewed and status provided. Director Burmania and Charlie Acker were responsible for checking with the Zamboni's regarding an easement over their property for the Mallo Pass pipeline. All routes have problems and will have to be analyzed very carefully.

7. NEW BUSINESS:

A. Audit Review for Fiscal Year 2000 - 2001: Mr. Hubik, the District's auditor, gave an overview on his audit results for the past fiscal year. The financial statements still give a good picture of the water district's finances. The single largest issue is Mallo Pass investments and the lawsuit settlement. Mr. Hubik strongly advised the Water District to issue a 1099 Misc. Mr. Hubik stated the board has no policy regarding hook up fees. Director Wolfe volunteered to write a policy regarding hookup fees by the next board meeting. Mr. Hubik expressed concern about the Fire Department checking account. Director Wolfe moved that Mr. Hubik's report be accepted with profuse thanks. Director Poling seconded the motion. All favored. Director Whitaker was not present having had to leave the meeting at 12:22pm.

B. Response to audit findings: Director Wolfe provided each member of the Board and the District's auditor with a formal response to the audit findings. The document states the action taken on each reportable item. Mr. Hubik insisted the district have a written policy pertaining to hookup fees which Director Wolfe volunteered to write for the next board meeting (See 7A) and revise the District comments accordingly.

C. Budget Revision FY 2001 - 2002 Water & Fire:

Part 1: Budget Revision submitted for specific items: Budget revisions were submitted for the following items:

2002-1). Legal Services for General Counsel \$4,500.00 and litigation \$6,500.00. Increase beyond existing overrun of about \$11,000.00;

2002-2). Water rate structure analysis and financial plan: a) legal support of \$14,421.00; b) election costs totaling \$2,720.00;

2002-3). Administrative costs due to accounting conversion and director's manual: a) accounting consultant \$270.00, b) administrative supplies \$235.00, c) accounting software training \$300.00. Director Wolfe moved the board approve the budget revisions submitted above and that they be incorporated into the revised budget to carry the district through the end of this fiscal year. Director Burmania seconded the motion. The vote was as follows: Ayes: Burmania, Frame, Poling, Wolfe. Absent: Whitaker.

Part 2: Overall Water and Fire Budget Revisions:

2002-4 Revised Water Operating Budget for FY 2001-2002. Director Wolfe presented an overview of each budget item for the Water District.

2002-5 Revised Fire Operating Budget for FY 2001 - 2002. Dorothy Cong explained budget revisions for the Fire Department.

The budgets generated a great deal of discussion and input from Mr. Hubik! Due to an effort to both *revise* and *restructure* the water and fire budgets at the same time, it became simply too complex. Mr. Hubik, as other auditors in the past, has encouraged the District to completely separate water from fire 100%. He stressed that the District *cannot* collect fire fees on the water bills. Bearing this in mind, an effort was made to comply with those wishes and revise the fire budget to have its only income derive from County Augmentation funds. Mr. Hubik strongly advised the District to hold an election to apply an assessment for fire. Due to the complexities involved, Director Wolfe suggested that more work would be done in an effort to construct a defensible and realistic budget for the next meeting.

When the suggestion was made to add sufficient funds to the water rate assessment for legal fees and cost of voting, Mr. Hubik pointed out that any legal fees and costs associated with a rate study are normal operating expense and cannot be applied to the assessment charges.

D. Resolution 2002-3: Revising Water District Asset and Water Rate Structure: Tabled until the next meeting.

E. Resolution 2002-4: Cost Control and Project Management: Tabled until the next meeting.

F. Resolution 2002-5: Director's Manual: Director Poling suggest that she could donate her copy of the water code and her subscription to the District for maintenance in the District office. Everything dealing with Proposition 218 needs to be replaced with the appropriate constitutional reference. Everyone needs to read this resolution very carefully and be prepared to discuss it thoroughly at the next board meeting.

G. Resolution 2002-6: Standard procedure for Water Board publications: Director Burmania submitted the context of a resolution that all articles written for publication by a member of the Board representing the views, tenants and positions of the Water Board be reviewed and edited by the Secretary of the Board of Directors prior to publication. The vote was as follows: Aye: Burmania, Poling, Wolfe. Nay: Frame. Absent: Whitaker.

8. Adjournment:

Director Poling moved and Director Burmania seconded that the meeting be adjourned at 2:19pm.

Board Meeting Minutes - May 11, 2002

Respectfully submitted,

Ron Frame, President
Prepared by Dorothy Cong

Attest:

Director Steve Whitaker, Secretary to the Board

**IRISH BEACH WATER DISTRICT
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, June 8, 2002**

I. OPEN MEETING

1. **CALL TO ORDER AND ROLL CALL:** President Ron Frame called the meeting of the Irish Beach Water District Board of Directors to order at 10:05am at the Fire House in Irish Beach (Manchester). Directors Burmania, Frame, Poling, Whitaker and Wolfe were present. Also present was Mr. Charles Acker, Operations Manager, and Dorothy Cong, the District's Secretary. Dorothy Engle was present as a member of the public.
2. **APPROVAL OF MINUTES:** Director Wolfe moved and Director Burmania seconded that the minutes of the May 11, 2002 meeting be approved as presented. The minutes were so approved.
3. **COMMUNICATION AND CORRESPONDENCE:**
NTR
4. **PUBLIC INPUT:**
Public input was offered but none given.
5. **REPORTS:** None

6. OLD BUSINESS

A. Review of Action Items: The action items were reviewed and status provided. Add "newsletter articles" to action items.

A. Status on Bartle Wells Associates Water Rate Assessment Structure Analysis and Long-Range Financial Plan (Burmania). Director Burmania reported that the District has received a semi-final draft of the engineers water rate assessment report from Bartle & Wells. Directors Burmania and Wolfe reviewed the draft and noted several errors and changes. The document has been returned to Bartle & Wells to incorporate these modifications. Another draft will be provided the board within a week and each Director will be given a copy for review. The objective is to have the report finalized for acceptance by Resolution at the July 13 Board meeting. Then the balloting process can begin. Ballots will be mailed in mid July. The public hearing will be held in conjunction with the September 14 Board meeting at which time all protests will be considered and ballots tabulated.

B. Status of annexation of the Irish Beach Volunteer Fire Department by the Redwood Coast Fire Protection District. NTR

C. DE Plant and Renewal of the water license: Mr. Acker reported that the Department of Health Services is reviewing both Elk and Irish Beach. Elk was completed first because it did not have compliance issues. A few things remain to be completed to get our system into compliance, i.e. the polymer loop. Most materials have already been purchased at a cost of \$350.00. The area around the back fence where the serpentine pipe will be installed has been cleared. Operations just has to do the work. Mr. Acker also said that Tom Kiernan was on prem again making some changes to the way data is being collected at the request of Health Services.

D. Easement over Zamboni Property for Mallo Pass. NTR.

7. NEW BUSINESS:

A. Water Budget Revisions FY Oct. 1, 2001 - Sept. 30, 2002: Director Poling noted that there was a budget deficit. She suggested that the following two items be incorporated into the budget prior to approval: 1.) Add \$350.00 to capital expenses for compliance activities at the treatment plant. 2.) transfer reserves to the income category to match expenses. The Board voted as follows: Ayes: Poling, Burmania, Frame, Whitaker, Wolfe. The budget passed as modified.

B. Resolution 2002-3: Revising Water District Asset and Water Rate Structure: Resolution 2002-3 was read by Director Wolfe. The purpose of the resolution is to *completely* separate fire department and water district funds in order to bring the District into compliance with recommendations made by District auditors for several years. Funds will no longer be provided the fire department by the water district. Fire department funds from this point on will come only from the County of Mendocino. There were several changes suggested to the Resolution as written, i.e. the title, clarify that the resolution is to bring the District into compliance with District auditors recommendations, Director Whitaker moved to accept the Resolution with changes. Director Burmania seconded the motion. The vote was as follows: Aye: Director Poling (with the caveat the changes are to be incorporated as discussed), Burmania, Frame, Whitaker, Wolfe.

8. Adjournment:

Director Poling moved and Director Wolfe seconded that the meeting adjourn at 11:50am.

Respectfully submitted,

Ron Frame, President
Prepared by Dorothy Cong

Attest:

Director Steve Whitaker, Secretary to the Board

Board Meeting Minutes - July 13, 2002
**IRISH BEACH WATER DISTRICT
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, July 13, 2002**

I. OPEN MEETING

1. **CALL TO ORDER AND ROLL CALL:** President Ron Frame called the meeting of the Irish Beach Water District Board of Directors to order at 10:00am at the Fire House in Irish Beach (Manchester). Directors Burmania, Frame, Poling, Whitaker and Wolfe were present. Also present was Mr. Charles Acker, Operations Manager, and Dorothy Cong, the District's Secretary. Dorothy Engle, Al and Loretta Thompson, Steve Thompson, and Julie of the Independent Coast Observer were also present.
2. **APPROVAL OF MINUTES:** Director Whitaker moved and Director Wolfe seconded the motion that the minutes of the June 8, 2002 meeting be approved as presented. The minutes were so approved.

3. **COMMUNICATION AND CORRESPONDENCE:**
NTR

4. **PUBLIC INPUT:**
Public input was offered but none given.

5. REPORTS:

A. Treasurer - Report on Finances/Approval of Expenditures:

Treasurer Dean Wolfe reported on the status of Irish Beach Water District cash assets. Director Wolfe's new reports reflect the implementation of Resolution 2002-3 approved by the Board in the June meeting. This resolution completely separated any commingling of water and fire funds. Director Wolfe stressed that the figures for the fire department are preliminary only and need further analysis to fine tune. Director Wolfe also reviewed modifications made to the budget as approved in the June meeting and as reflected in the year to date report. Director Wolfe stated that the District looks a lot healthier than it did 6 months earlier. Director Poling moved that the Director's report be accepted as presented. Director Burmania seconded the motion and the report was so accepted.

B. Water: Operations Manager Charles Acker reported that the focus of operations the past couple of months has been planning and preparation for the installation of the serpentine loop pipe project for the treatment plant. Mr. Acker also reported that operations loosened up gravel at the upper diversion to get a better flow after the winter. Mr. Tom Kiernan was on site checking out plant monitoring. Samples have been taken for annual chemical tests. There have been some new requirements added in to check for and the cost of these tests have increased significantly.

C. Safety: The Safety Committee met on March 26, 2002 and again on May 30, 2002. Two videos were viewed from SDRMA insurance company. They dealt with eye and ear protection. This brought up the need for a sink and facility for cleaning because chemicals are handled at the treatment plant. It further brought up the need to have ear muffs available for employees to use when the compressor is running.

D. Fire Department: Fire Chief Dorothy Cong reported that Irish Beach Volunteer Fire Department responded to a small grassfire west of Hwy 1 at Pacific View. Checks have been made in several units within Irish Beach for fire hazards and notices mailed. Homes were also audited at the same time for two hoses with nozzles affixed in working order. Volunteers have painted and greased fire hydrants and repaired the roofs on the hose houses in Unit 9.

E. **Other:** Office Manager Dorothy Cong stated that septic notices have been mailed.

6. OLD BUSINESS

A. **Review of Action Items:** Operations Manager Charlie Acker met with Walt Stornetta about his pump station at Mallo Pass. This station has a road and electricity already there. Mr. Stornetta seemed to be receptive to the possibility of working out an arrangement with the Irish Beach Water District.

B. **Status on Bartle Wells Associates Water Rate Assessment Structure Analysis and Long-Range Financial Plan (Burmania).** Director Burmania reported that the engineer's report has been completed and has been reviewed by the District's counsel for compliance - not technical data. Director Burmania expressed he thought the report was fair and equitable and that he expected a positive response from Irish Beach folks and the developers. Director Poling stated she thought it was an excellent report. The Board further acknowledged that Director Burmania had done an extremely excellent job and expressed their gratitude.

C. **Status of annexation of the Irish Beach Volunteer Fire Department by the Redwood Coast Fire Protection District.** NTR

D. **DE Plant and Renewal of the water license:** Mr. Acker reported that the DE plant is complete. The Department of Health Services wants to look at not only the treatment plant, but the entire water system. He anticipates they will do this within the next month.

President Ron Frame called a brief recess at 10:45am. The meeting resumed at 10:54am.

7. NEW BUSINESS:

A. **Resolution 2002-5: 1.) Accepting the Rate Study, 2) Conducting an Assessment Ballot Process, 3) Set Time and Place for a Public Hearing: (Burmania)** Director Burmania read Resolution 2002-5 which was prepared to formally accept the rate study, the ballot process and setting the date and time for the public hearing. Director Wolfe moved to accept the resolution as read and Director Whitaker seconded the motion. Votes cast as follows: Ayes: Directors Poling, Burmania, Frame, Whitaker and Wolfe. Nays: zero. The Resolution passed unanimously.

B. **Notice of Assessment and Public Hearing (Burmania):** Director Frame informed the public that there has been extensive effort made to develop a document that is iron-clad with respect to Proposition 218. This process has not been done by small water districts before because many had their rates grandfathered, but we could not. The report and all supporting documentation is a very conservative approach so that the District could have no legal vulnerability in terms of complying with the law. Director Wolfe moved the board accept the "Notice of Assessment and Public Hearing" as authored. Director Whitaker seconded the motion. Directors Poling, Burmania, Frame, Whitaker and Wolfe voted in favor of the motion. The document was accepted as presented.

C. **Assessment Ballot (Burmania):** Director Whitaker moved the board accept the ballot as presented. Director Wolfe seconded the motion. Directors Poling, Burmania, Frame, Whitaker and Wolfe voted in favor and the ballot was so accepted.

D. **Letter to Property Owners advocating the "Yes" vote on the assessment (Burmania):** Director Burmania reported that District's counsel said the letter cannot be included in the mailing

along with the ballots and report to all property owners. The Board of Directors has to remain neutral. However, each director can solicit votes. Mr. Al Thompson from the public asked "What's the bottom line if it doesn't pass." Director Burmania responded that the District can currently serve a little over 200 houses. Because an assessment is the only mechanism legally available to finance expansion of the capacity of the water system, the Water District would be forced to put a moratorium on furnishing any more hook-ups beyond the licensed capacity of the system if the assessment fails. Property values may drop dramatically for bare lot owners. Failure to pass would also limit the District's ability to improve the existing system. The District would have to patch it together. In the long run it will be more costly to the homeowners. For example, if the big tank at the treatment plant would fail, the homeowners would have to pay the entire cost of replacement which would be very expensive.

E. Resignation of Fire Chief: President Ron Frame read the letter of resignation of Fire Chief Dorothy Cong to be effective on July 31, 2002. Ron expressed gratitude on behalf of the Board of Directors to Dorothy for having served as fire chief for the past 2 1/2 years. Dorothy stated that none of the volunteers wished to serve as chief. She has contact Mike Suddith to see if he would be interested in assisting the department. She has also notified CDF Battalion Chief, Dean Watson. Director Frame stated that he would take over the annexation project in lieu of the chief.

F. Review and Approval of Final Payment to Vendor for DE Plant (Wolfe/Acker): Director Wolfe stated that the vendor has done a tremendous job in getting the plant up and running. It does what we want it to do and the vendor has been very supportive. Director Burmania moved the board make the final payment of slightly over \$5,000.00 to the vendor. Director Wolfe seconded the motion. Operations Manager Charlie Acker recommended the District pay. The vote went as follows: Aye: Directors Poling, Burmania, Whitaker and Wolfe. Nay: Director Frame. The Office Manager will pay the vendor by Monday, July 15.

G. Newsletter Assignments: Director Poling stated that Monday, August 12, 2002 was the deadline to have the water district newsletter to Loretta Thompson. The board decided that the only item in this newsletter would be a modified version of the Notice of Assessment and Public Hearing. Director Burmania agreed to modify the document. Director Frame stated that he would write a small article for the newsletter as well.

President Ron Frame announced that the meeting would be adjourned to Executive Session at 12:05PM.

8. ADJOURN TO EXECUTIVE SESSION:

Executive session for the purpose of discussion of personnel matters.

9. Reconvene to Open Session:

President Ron Frame adjourned the executive session and reconvened open session at 12:41pm. President Frame announced that the Board of Directors discussed employee matter and took no action.

10. Adjournment:

Director Poling moved and Director Whitaker seconded that the meeting be adjourned at 1:00pm.

Respectfully submitted,

Ron Frame, President
Prepared by Dorothy Cong

Attest:

Director Steve Whitaker, Secretary to the Board

**IRISH BEACH WATER DISTRICT
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, August 10, 2002**

I. OPEN MEETING

- 1. CALL TO ORDER AND ROLL CALL:** President Ron Frame called the meeting of the Irish Beach Water District Board of Directors to order at 10:05am at the Fire House in Irish Beach (Manchester). Directors Burmania, Frame, Poling, and Wolfe were present. Director Whitaker was absent with prior notification. Also present was Mr. Charles Acker, Operations Manager, and Dorothy Cong, the District's Secretary. Members of the public in attendance were: Dorothy Engle, Al and Loretta Thompson, Will and Kathy Edelbrock, Ralph Lubeck, Patty Wolfe and Paul DeVaul.
- 2. APPROVAL OF MINUTES:** Director Poling moved and Director Wolfe seconded the motion that the minutes of the July 13, 2002 meeting be approved as corrected. (*The word 'Director' was replaced with 'Treasurer' in the Treasurer's report.*) The minutes were so approved.
- 3. COMMUNICATION AND CORRESPONDENCE:**

President Ron Frame referred to a memo sent to the District from Workman's Compensation that their rates would be increasing. Director Burmania moved and Director Wolfe seconded the motion that President Frame write a letter to State Compensation Insurance protesting the increase in rates on behalf of the Board of Directors. The motion passed.

An email note from Mr. Walt Rush was read. He asked two questions. 1) If something happened to one of the wells or tanks, is it covered by the insurance of Irish Beach Water District? 2) What type of guarantee do we have if we vote yes to the proposal the money will end up being used for the purposed (sic) intention rather than ending up in someone else's pocket? The second message was sent by Roger Aeschliman, the summary of which was that Roger would vote no on the assessment because of the Mallo Pass "expansion" element. He believes that because of drainage problems the number of buildable lots will decrease in the future. He further believes the District can provide water for far more than 200 homes with its current water sources.
- 4. PUBLIC INPUT:**

Mr. Will Edelbrock requested a copy of the mediation agreement.
- 5. REPORTS: (None this month)**
- 6. OLD BUSINESS**
 - A. Review of Action Items:** Action items were quickly reviewed and status' noted.
 - B. Status of annexation of the Irish Beach Volunteer Fire Department by the Redwood Coast Fire Protection District.** NTR
 - C. Replacement of Fire Chief:** Dorothy Cong indicated she was attempting to meet with Mike Suddith relative to the possibility that he might oversee the IB volunteers. She also noted that there will be further discussion with all volunteers at a fire meeting about distributing tasks and assigning responsible parties.
 - D. Review Newsletter Articles:** Director Burmania prepared a summary of the "Notice of

Proposed Property Assessment and Public Hearing" document that was mailed to all property owners for the newsletter. Four bullet items were to be removed. President Ron Frame prepared a message regarding the assessment for the newsletter. Some modifications were requested by board members. Director Wolfe moved that the board approve the notice and the letter as modified. Director Poling seconded the motion and it passed unanimously.

7. NEW BUSINESS:

A. Draft Budget for Fiscal 2002-2003: (Wolfe) Treasurer Wolfe provided an overview of the budget process. He began by showing the income source for the category of expenditure. **1.** Expenditures for Capital improvement, **2.** Capital replacement >40 year life, **3.** 66% of the loan repayment and **4.** Mallo Pass development will derive from the assessment if it is approved. Operating costs, 33% of the loan repayment, capital replacement <40 year life and capital improvement *not defined* are all funded by water rates.

Director Wolfe stressed that the District's budget is crucial as it drives the water rates. Based upon the budget, Director Wolfe said rates may need to be reviewed annually and if necessary, revised. He stated that operating expenses fall into two basic categories, fixed expenses and variable expenses. He further emphasized that each budget item will be reviewed and a determination made if it is fixed or variable as well as showing its designated source (i.e. rates, assessment or reserves). Director Wolfe stressed that water rates are based upon board approval and assessments require board approval followed by voter approval. Reserves are based upon board approval. Everything the board spends will go through the budget process and is subject to board approval. Director Wolfe emphasized that the budget is the control point and has to drive the water rates, the District's only variable source of income.

Each general category will be in separate accounts, i.e. assessment funds, reserves, and operating funds. When the operating reserves reach the goal established by the board of directors, then conceivably water rates could go down.

Director Wolfe finished his report by going over the budget schedule. At the September meeting he will have a draft budget ready for board approval. Also at the September meeting, based upon the budget, he will have a water rate for Board approval. At the October meeting, Director Wolfe stated there will be a public hearing regarding water rates provided there is a need to change the rates.

Discussion led to the public hearing coming up at the September meeting. Director Wolfe moved to have a representative from the engineering firm present at the public meeting. Director Poling seconded the motion and it passed unanimously. Director Poling moved that District's counsel be asked to be present at the public hearing. Director Frame seconded the motion. The vote was as follows: Ayes: Director Poling and President Frame; Nays: Directors Burmania and Wolfe. President Frame stressed that the District cannot afford *not* to have the attorney at the meeting. Director Poling will contact Adam Lindgren and Director Burmania will contact Doug Love. The District's Office Manager, Dorothy Cong, will search for a 'disinterested party' to count votes.

B. Policy Regarding Designation of Hookup Fees (Wolfe) Director Wolfe prepared a policy pertaining to the designation of funds received from hookup fees. In sum, \$150.00 of the hookup fee shall be considered as direct costs of establishing water service. Fees in excess of the direct costs shall be applied toward and restricted to capital improvements within the District. Director Wolfe moved to accept the policy as written. Director Burmania seconded the motion. All favored and the policy passed as written.

8. ADJOURN TO EXECUTIVE SESSION:

Executive session for the purpose of discussion of personnel matters.

The board adjourned to executive session at 12:07pm. Director Poling requested to be excused from the executive session. Her request was so granted.

9. Reconvene to Open Session:

President Ron Frame adjourned the executive session and reconvened open session at 1:55pm. President Frame announced that the Board of Directors met regarding personnel matters. A decision was made on salary changes to be recommended for the next fiscal year.

10. Adjournment:

Director Burmania moved and Director Wolfe seconded that the meeting be adjourned at 1:56pm.

Respectfully submitted,

Ron Frame, President
Prepared by Dorothy Cong

Attest:

Director Steve Whitaker, Secretary to the Board

**IRISH BEACH WATER DISTRICT
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, September 14, 2002**

I. OPEN MEETING

- 1. CALL TO ORDER AND ROLL CALL:** President Ron Frame called the regular meeting of the Irish Beach Water District Board of Directors and the Public Hearing Regarding Proposed Property Assessment to order at 10:00am at the Fire House in Irish Beach (Manchester). Directors Burmania, Frame, Poling, Whitaker and Wolfe were present. Also present was Adam Lindgren, counsel for the District, Doug Dove, District engineer from Bartle & Wells, Mr. Charles Acker, Operations Manager, and Dorothy Cong, the District's Secretary. The public was well represented there being approximately 50 people in attendance.
- 2. APPROVAL OF MINUTES:** Director Poling moved and Director Wolfe seconded the motion that the minutes of the August 10, 2002 meeting be approved. The minutes were approved as presented.

President Ron Frame announced that the meeting would proceed to the

Public Hearing Regarding the Proposed Property Assessment.

President Frame opened the public hearing noting that 4 ballots had come in envelopes different from those provided in the packet that was mailed to property owners. Not realizing they were ballots, the 4 envelopes were inadvertently opened. Only one ballot was seen. The individual was told and had the opportunity to have the district toss the old ballot and vote again. The other 3 ballots were not seen. Following President Fame's opening remarks, Doug Dove from Bartle & Wells presented an overview of the engineering study to the audience and entertained questions.

Many members of the public expressed a great deal of concern over the possibility of future litigation. Other questions asked were: Why did the District gave up \$357,000.00 as part of the last settlement agreement? What will happen if the ballot assessment does not pass? Has the permit been renewed for Mallo Pass and can it be taken away? How many lots can be developed if the ballot does not pass?

When members of the audience had exhausted their questions, President Ron Frame announced that voters had the opportunity to submit or change their votes. Once this was accomplished, President Frame announced the closure of the public hearing and directed Secretary of the Board Steve Whitaker to manage opening and counting of the ballots.

Doug Dove and Adam Lindgren opened the ballot envelopes and tallied the votes.

The property assessment passed by a vote of 180 "Yes" to 113 "No." 61 properties neglected to check the box for support or opposition. 1 ballot was disqualified because it was a copy. 1 ballot was disqualified because it was received after the closure of the public input partion of the hearing. The public hearing was terminated at 2:06pm.

Director Dean Wolfe agreed to prepare a Resolution to incorporate the results of the election into the District's budget.

Director Frame announced that the public portion of the regular meeting was suspended and that the meeting would continue on Sunday, September 15 at 10:00am at the Firehouse. The Board adjourned to Executive Session at 2:12 pm.

- 8. Executive Session: Conference with legal counsel regarding significant exposure to litigation pursuant to Government Code Sec. 54956.9(b)**

9. Reconvene Open Session: At 3:42pm the executive session was adjourned and open session reconvened. District's counsel Adam Lindgren announced that the board had discussed possible litigation and that no direction was given.

Director Poling moved that the board meeting be recessed until Sunday. Director Wolfe seconded the motion. The meeting was recessed at 3:44pm.

**IRISH BEACH WATER DISTRICT
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
Reconvened on
Sunday, September 15, 2002**

I. OPEN MEETING

1. CALL TO ORDER AND ROLL CALL: President Ron Frame recalled the regular meeting of the Irish Beach Water District Board of Directors to order at 10:00am at the Fire House in Irish Beach (Manchester). Directors Burmania, Frame, Poling, Whitaker and Wolfe were present. Also present was Mr. Charles Acker, Operations Manager, and Dorothy Cong, the District's Secretary. Members of the public in attendance were: Margaret Ballou, Al & Loretta Thompson, Dorothy Engle, Paul DeVaul and Patty Wolfe.

3. COMMUNICATION AND CORRESPONDENCE:

President Ron Frame referred to a memo from Mr. Bill Moores in which he protested the rate proposal as inconsistent with legal requirements. President Frame drafted a letter to Mr. Moores in response and read it publicly.

4. PUBLIC INPUT:

Dorothy Cong stated that she had received notice from the Department of Planning that the Trujillos have requested to merge their two lots in a single parcel.

5. REPORTS:

A. Treasurer - Report on Finances/Approval of Expenditures:

Treasurer Dean Wolfe reported on the status of Irish Beach Water District cash assets providing a summary of cash flow for the months of July - August. He stressed that all past due bills (legal and DE plant) have been paid. Treasurer Wolfe focused on items that exceeded budget and explained why. He also provided a year to date report.

B. Water: Operations Manager Charles Acker reported that the polymer system has been completed. He stated that work was done at the upper diversion site to optimize water being caught and the stream was measured. The readings were 60 gallons per minute in the lower diversion and 30 gallons per minute in the upper diversion.

Mr. Acker met with Mr. Walt Stornetta to discuss using his pumping station at Mallo Pass, crossing the old highway bridge and then veer across the Zamboni property. Both landowners seem to be open minded to the idea. No specifics have been discussed.

On September 10 PG&E caused a break in the water line near the Acquistapace residence.

C. Safety: NTR

D. Fire Department: President Ron Frame reported that some changes have been made. Committees have been formed to handle training, equipment, administration, and maintenance. President Frame is now the interim Fire Chief.

6. OLD BUSINESS

A. Review of Action Items: NTR

B. Status of annexation of the Irish Beach Volunteer Fire Department by the Redwood Coast Fire Protection District. Ron will take over responsibility for the annexation project. Dorothy provided him with the data which he has not yet had the chance to review.

C. Replacement of Fire Chief: See 6B

7. NEW BUSINESS:

(Director Poling let the meeting at 12:05 due to a previous engagement.)

A. Draft Budget for Fiscal 2002-2003: (Wolfe) Treasurer Wolfe read Resolution 2002-6 (Resolution of the Board of the Irish Beach Water District Approving Levying of the District-wide Capital Improvement Assessment) which was prepared for adoption as part of the budget approval for Fiscal Year 2002-2003. Director Whitaker moved the resolution be approved as modified. (The modification was to insert the word 'to' between Treasurer and include in the next to the last paragraph) Director Burmania seconded the motion. The vote was as follows: Aye: Directors Burmania, Frame, Whitaker and Wolfe. Absent: Director Poling.

Treasurer Wolfe gave a very comprehensive and detailed explanation of the budget starting with a "Summary and Approach." He covered significant changes from past years and goals for operational reserves. Treasurer Wolfe reviewed each item on the proposed budget and the revenue source for each item. He further provided a little chart demonstrating how the water rates were calculated. More details on the budget are available from the District office.

Following discussion and the suggestion the District upgrade its computer, Director Burmania moved the Board accept the proposed budget as presented. Director Whitaker seconded the motion. Treasurer Dean Wolfe said he would look to modify the budget as presented to include upgrading the administrative computer. The vote was as follows: Aye: Directors Burmania, Frame, Whitaker and Wolfe. Absent: Director Poling.

B. Draft Budget for Fire Department fiscal 2002-2003: Treasurer Dean Wolfe moved the fire budget be approved as presented with the caveat that President Ron Frame will negotiate annexation costs. Director Burmania seconded the motion. The vote was as follows: Aye: Directors Burmania, Frame, Whitaker and Wolfe. Absent: Director Poling.

10. Adjournment:

Director Wolfe moved and Director Whitaker seconded that the meeting be adjourned at 12:54pm.

Respectfully submitted,

Ron Frame, President
Prepared by Dorothy Cong

Attest:

Director Steve Whitaker, Secretary to the Board

**IRISH BEACH WATER DISTRICT
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, November 9, 2002**

I. OPEN MEETING

1. **CALL TO ORDER AND ROLL CALL:** President Ron Frame called the regular meeting of the Irish Beach Water District Board of Directors to order at 10:07am at the Fire House in Irish Beach (Manchester). Directors Burmania, Frame, Poling, Whitaker and Wolfe were present. Also present was Mr. Charles Acker, Operations Manager and Dorothy Cong, the District's Secretary. Members of the public present were: Al and Loretta Thompson, Dorothy Engle and Sue Whitaker.
2. **APPROVAL OF MINUTES:** Director Whitaker moved and Director Poling seconded the motion that the minutes of the October 12, 2002 meeting be approved as offered. All favored and the minutes were accepted as presented.
3. **COMMUNICATION AND CORRESPONDENCE:**
 - 1.) President Ron Frame noted that a memo had been received from Mr. Moores requesting copies of several documents.
 - 2.) Dorothy indicated that a document had been received from VierraMoore, Inc. requesting information about water service pertaining to Units 1, 2, 3, & 4.
 - 3.) A letter was received from Mr. Bill Moores regarding the Redwood Coast Annexation Proposal (See old business 6B)
4. **PUBLIC INPUT:**

Input was offered but none was given.
5. **REPORTS:**
 - A. **Treasurer - Report on Finances/Approval of Expenditures:**

Treasurer Dean Wolfe reported on the status of Irish Beach Water District cash assets providing a summary of cash flow for the month of October 2002. He provided a report showing Water Operations funds, Water Assessment Funds and Fire Funds. He stated that the District is now using Quickbooks having converted away from DOS based ACCPAC Accounting. Director Wolfe pointed out the income earned based upon the October billing.

Director Wolfe the District's counsel lowered their September bill to the contract amount for the attendance of Adam at the water board meeting. He also indicated that the District had never received any document about the statute of limitations although time allocated to research was on the September bill. Director Poling said she would follow up with the attorneys.
 - B. **Water:** Operations Manager Charles Acker reported that a water line had broken up the canyon. He said that Tom Kiernan was here to install another switch on the turbidometer as required by the state. The main effort the past month has been associated with the State Department of Health Services inspection of District facilities to renew permits. The first phase of the inspection was running of the filtration plant both in parallel and series. The inspector said it was some of the cleanest water he has ever measured. Some upgrades need to be done but they are already budgeted for. Phase 2 will be looking at the storage tanks. The DHS will be doing an assessment of the District's sources and will calculate how many houses we can serve.

Mr. Acker also reported that the consultant has started to work on preparation of the grant to

replace two tanks.

C. Safety: Mr. Acker reported that the safety committee had met on October 13, 2002. A copy of the minutes from that meeting is included in the packet. Of note are items the District needs that are included in the budget for this fiscal year: 1) wash station, 2) tripod and harness for confined space entry. Charlie also said that operations will purchase a new dispensing pump for chlorine. The containers the chlorine now comes in require that it be handled twice.

Mr. Acker stated that he had spoken with Mr. Rick Paige from MESA regarding arranging a SEMS compliant class for the Elk and Irish Beach Water Boards

D. Fire Department: President Ron Frame reported that the Fire Department had radio training by Jeff Roy from Elk and pumper training by Rich Anderson who maintains the fire trucks. The latter was videoed. There was only 1 call out when a power line went down Thursday morning, Oct. 7 in Irish Beach.

6. OLD BUSINESS

A. Review of Action Items: All action items were reviewed and status provided.

B. Status of annexation of the Irish Beach Volunteer Fire Department by the Redwood Coast Fire Protection District. President Ron Frame reported that he had made an effort to contact both LAFCO and Redwood Coast without success. Mr. Moores letter regarding the Redwood Coast Annexation Proposal was discussed. Director Poling stressed that the District has had several public water board meetings at which various alternatives were presented: 1) Forming our own fire district; 2) Contracting with Redwood Coast; and 3) Annexation. Each option was explored with the Board deciding ultimately to pursue annexation. President Frame was directed to issue a letter to Mr. Moores about annexation.

C. Water District information on IBIC Web Site: Director Poling presented both the disclaimer and the overview she had prepared about the Water District for the IBIC Web Site. Some minor modifications were suggested. Director Poling will provide the document to Eric Kemper for the web site. She stated that the only items for the water district that will be on the IBIC site will be the disclaimer, her brief article and the agendas and meeting minutes. Mr. Acker stated that the district has email with mcn, but it does not come with space for a web site. Director Burmania moved to approve Director Poling's document as modified. Director Whitaker seconded the motion and it passed unanimously.

C. Ad hoc committee report (Frame / Wolfe): President Ron Frame reported that the *ad hoc* committee had met with Mr. Moores. Director Wolfe had done a tremendous amount of work but Mr. Moores is still questioning the contract with the company in Eureka for work on the water tank. Mr. Moores feels that some of his figures were better than the Water District's figures. There will be one more meeting focusing on the assessment on Mallo Pass. Mr. Moores believes his expenses for engineering should be included in the Mallo Pass assessment. Director Frame appointed Directors Burmania and Wolfe to meet with Mr. Moores and appointed himself as an alternate. Director Poling moved that this be the last meeting with Mr. Bill Moores and that there will be no mediation. Director Whitaker seconded the motion and it passed unanimously.

7. NEW BUSINESS:

A. Resolution 2002-8: Establishing a Policy for Funding Operational Reserves (Wolfe): The resolution was read formalizing a district policy to fund its operational reserves. Director

Board Meeting Minutes - November 9 2002

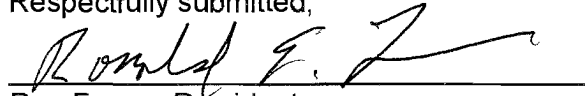
Poling moved the resolution be adopted. Director Whitaker seconded the motion. The vote was as follows: Ayes: Poling, Burmania, Frame, Whitaker, Wolfe. Noes: None.

B. Document request from Mr. Moores: The Board directed the secretary to provide certain documents to Mr. Moores, but that others were either already provided in the past or were considered as research.

10. Adjournment:

Director Poling moved and Director Burmania seconded that the meeting be adjourned at 12:15pm.

Respectfully submitted,



Ron Frame, President

Prepared by Dorothy Cong

Attest:


Director Steve Whitaker, Secretary to the Board

**IRISH BEACH WATER DISTRICT
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, January 11, 2003**

I. OPEN MEETING

1. CALL TO ORDER AND ROLL CALL: President Ron Frame called the regular meeting of the Irish Beach Water District Board of Directors to order at 10:03am at the Fire House in Irish Beach (Manchester). Present were Directors Burmania, Frame, Poling, Whitaker and Wolfe as well as Mr. Charles Acker, Operations Manager and Dorothy Cong, the District's secretary. Members of the public present were: Sue Whitaker, Patty Wolfe, Walt Rush, Al and Loretta Thompson, Steve Thompson and Dorothy Engle.

2. APPROVAL OF MINUTES: Director Burmania moved and Director Wolfe seconded the motion that the minutes of the December 14, 2002 meeting be approved as presented. All favored and the minutes were accepted.

3. COMMUNICATION AND CORRESPONDENCE:

- 1.) Correspondence from Burmania to Moores re: road maintenance - see item 7I
- 2.) Document from County Counsel regarding changes in Brown Act/Open Meeting Law.

4. PUBLIC INPUT:

Input was offered but none was given.

5. REPORTS:

A. Treasurer - Report on Finances/Approval of Expenditures:

Treasurer Dean Wolfe provided a synopsis of significant financial activities for Fiscal Year Oct. 1, 2001 – Sept. 30, 2002. He reviewed contributing factors to the decrease in the district's cash account values, major cost issues contributing to budget income shortfall, and other major activities impacting income and expenses. A copy of the Treasurer's summary sheet is attached to these meeting minutes.

Treasurer Wolfe also reported on the District's financial status year-to-date providing the amount of cash in each bank account (checking, operations reserve, water assessment and fire), unclaimed property, accounts receivable and prepayments and insurance deposits. In sum, 1.) "First quarter of FY2002/03 going well for the District. 2.) Budget over runs explained and more than offset by budget under runs, at this point, expect to meet overall Budget goals. 3.) Implementation of new systems proceeding well – a) implementation of new Quickbooks accounting system and reports working well and should result in time savings through standard reports. b) Implementation of new account codes needs further work, but we are close to resolution of remaining issues."

Director Poling moved and Director Whitaker seconded that the Treasurer's report be accepted as presented.

B. Water: Operations Manager Charles Acker reported on the following key items. 1) The water eye meter is far more accurate than the new brass meter recently installed. It is accurate within 5% whereas the brass meter is within 25%. 2.) A malfunctioning flow switch was replaced. 3) The calibration cylinders have been installed as required for the permit. This allows more accurate measurements on chemical doses. 4) In mid December operations started to see the affects of high water; the plant was not able to handle the high turbidity at first and we had not preordered a coarser DE material. Then power outages came. Being unable to make water, we were down to only 10' in the tank. The coarser DE material arrived and once the proper mix of coarse DE material with finer DE material was determined, the plant was once again on line. The mix changes depending upon the

amount of turbidity. 5) There was one contaminated water sample (probably due to the high turbidity). New samples were taken within the required 24 hours and were all clear. 6) Mr. Acker is in the process of developing a new sampling plan which is basically an update of the existing plan to bring it current.

C. Safety: NTR

D. Fire Department: President Ron Frame reported that the Fire Department had no call outs. Training is proceeding according to schedule. On Jan. 23 firefighters will have their annual CPR training. Director Burmania expressed that he wishes to hire a consultant to define what training is needed and to define physical requirements for firefighters. President Frame appointed Directors Wolfe and Burmania to look into the requirements for fire training.

6. OLD BUSINESS

A. Review of Action Items: All action items were reviewed and status provided. Director Wolfe requested assistance in determining what the current by laws were.

B. Status of annexation of the Irish Beach Volunteer Fire Department by the Redwood Coast Fire Protection District. President Ron Frame reported that the Redwood Coast representative, Fred Patten, was going on vacation. Director Wolfe expressed a concern that the annexation will take a considerable time to complete. He stated that it has been three years since the effort was initiated and it has yet to happen. MCP has indicated that they are not in favor of annexation and will probably throw a monkey wrench into the process, further slowing it down (apparently MCP has already been having discussions with Redwood Coast). Meanwhile our volunteer fire department is under funded and apparently has had difficulty accomplishing minimum required training. Director Wolfe expressed a concern about overall training and qualification of the firefighters and would like an evaluation of our fire fighter training, physical qualification and readiness against state and/or federal standards (this discussion was held in conjunction with "Reports D" above.) President Frame appointed Directors Wolfe and Burmania to look into the requirements for fire fighter training and qualification.

C. SDHS and IBWD Water Permit: Operations Manager Charlie Acker reported that the District now has the final copy of the permit. In order to get it the district had to bring a number of things up to date. Mr. Acker went through a list of additional items that need to be completed in 2003 providing a brief explanation of each. Director Wolfe expressed concerns over the budget. Director Poling suggested that Mr. Acker draw up an implementation plan to timeline the additional items to be completed in 2003. Director Wolfe and Mr. Acker will get together to review the list, timeline and budget considerations.

President Ron Frame called a recess at 11:45am. The meeting resumed at 12:00pm.

7. NEW BUSINESS:

A. Return to Water Board meetings on the odd numbered months (Poling): Tabled.

B. Legal Counsel Performance and Responsiveness (Wolfe): Director Wolfe presented a summary of his concerns with our legal support. He noted that the District's counsel, Adam Lindgren, had called him and indicated he does wish to correct the situation and is agreeable to working out another contract with the District. Director Poling moved the District invite Adam Lindgren to an Executive Session at the May meeting to discuss our concerns and have him provide some alternative to the existing situation. Director Burmania seconded the motion. It passed unanimously. Director Poling is responsible for inviting Mr. Lindgren to the May board meeting

C. Development of the Lower Diversion (Burmania / Wolfe): Director Burmania stated that the new water permit says the District can provide 345 connections once the Lower Diversion is on line. By the time the District has 179 active connections, it must be ready to cut over the Lower Diversion. We currently have 165 *active* connections. Director Burmania suggested that Operations Manager, Charlie Acker, put together a staff report to implement the Lower Diversion which will include cost estimates and a timeline. This is to be prepared for the June meeting. Mr. Acker expressed that the old estimate was \$7,200.00. He further said that much of the necessary “infrastructure” is already in place to bring the Lower Diversion on line.

D. Resolution 2003-1: Basic contents of the Director’s Manual (Wolfe): Director Wolfe reviewed the resolution and there was considerable issue with it as written. The discussion centered on an objection that Director Poling raised. Director Poling was in objection to the provision that a 45 days public notice be provided for Resolutions to give the public an opportunity to provide input and that an over 50% public objection would stop a resolution. Director Wolfe stated that this requirement originates in water code and the state constitution and whether or not it is stated in the resolution, it was required. Director Poling maintained her objection and requested that the sections of the water code and state constitution be presented for review. Director Wolfe said he would provide the citations to the board for review. Director Poling volunteered to do some research to help determine some verbiage for the resolution. Director Poling moved the resolution be tabled until the June meeting. Director Whitaker seconded the motion. Directors Poling and Whitaker favored the motion. Director Wolfe voted against the motion and Directors Burmania and Frame abstained.

E. Resolution 2003-2: Record Maintenance (Wolfe): Director Wolfe read the resolution which provides for identification, retention, logging and indexing of records, storage of documents and records and access to and security of District documents and records. A list was attached to the resolution naming the types of records in the District. It was the decision of the Board that all Directors would carefully review the resolution and provide comments to Director Wolfe. The resolution will then be further reviewed at the February meeting with revisions as necessary. Once it is in an agreed upon format, it will be submitted to County Counsel.

F. Resolution 2003-3: A Resolution formalizing District water rates in conjunction with acceptance of the annual budget for fiscal year 10/1/02 – 9/30/03 (Wolfe): Director Wolfe read the resolution which formalizes all information about current District rates into a single document. Director Poling moved the resolution be adopted as presented. Director Burmania seconded the motion. The vote was as follows: Ayes: Poling, Burmania, Frame, Whitaker and Wolfe. The resolution was adopted unanimously.

G. Grant Proposal (Acker): Operations Manager Charlie Acker said that he ground out the grant material and got it filed on time. He needed outside assistance on three elements: 1) The District’s ability to enter into a contract which needed a letter from District counsel Adam Lindgren, 2) Update cost data regarding the water tanks which was provided by a prior engineer of the District, Mr. Tom Yokoi, and 3) Population figures in terms of census data, median incomes and unemployment rates. This material was provided by a Mr. Ross Mayfield. Mr. Acker explained that it is an open ended filing period but there are different funding cycles. If there are elements of the grant proposal that need to be modified, then the request moves into the next funding cycle. Note that the District would not qualify for the grant if the median income exceeds \$40 thousand per year or the unemployment rate is below 9%. Completing the grant and preparing the filing was an extensive amount of work and Director Poling said that Mr. Acker should be applauded for his efforts.

H. Connected vacant lot owners (Wolfe): Director Wolfe stated that there are several vacant lot owners who have water meters connected to the system and felt that they should be given the

opportunity to opt out. After a very brief discussion, the subject was dropped.

I. Road Maintenance (Burmania): The letter written by Mr. Moores in response to Director Burmania's letter requesting several pieces of documentation was reviewed. Director Burmania will issue another letter to Mr. Moores reaffirming that until the information requested in his original letter is provided, the District cannot do anything regarding an agreement.

J. Newsletter (Poling): Suggestions for newsletter articles are to be provided to President Ron Frame who will write them. They will be reviewed for approval at the March 8th Board meeting then given to Dorothy for final preparation. The final publication must be submitted to Loretta Thompson by March 31st.

K. Irish Gulch Timber Harvest Plan (Wolfe): Operations Manager Charlie Acker presented a copy to the Board of the preliminary Timber Harvest Plan by MRC near Irish Gulch. It was felt that the District should issue a letter to the California Department of Forestry expressing its concerns about the timber harvest. Mr. Acker suggested that a copy of the zero waste discharge resolution be attached to the letter. President Ron Frame will write the letter.

L. Operations Upcoming Expenses:

1. Sanitary Survey Bids
2. Tank Cleaning bid contract
3. Chlorine Analyzer purchase order

Mr. Acker stated that he has 2 bids for the sanitary survey, one for \$5,000.00 and another for \$10,000.00. Director Burmania requested that Charlie get one more bid.

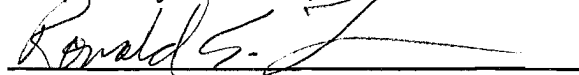
Mr. Acker said the company will be here by Jan 23rd or 24th to analyze the water tanks.

The chlorine analyzer will be purchased soon. Dorothy has to provide some information to the company prior to issuing a purchase order.

10. Adjournment:

Director Poling moved and Director Burmania seconded that the meeting be adjourned at 2:00pm.

Respectfully submitted,



Ron Frame, President
Prepared by Dorothy Cong

Attest:



Director Steve Whitaker, Secretary to the Board

**IRISH BEACH WATER DISTRICT
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, March 8, 2003**

I. OPEN MEETING

- 1. CALL TO ORDER AND ROLL CALL:** President Ron Frame called the regular meeting of the Irish Beach Water District Board of Directors to order at 10:08am at the Fire House in Irish Beach (Manchester). Present were Directors Burmania, Frame, Poling, Whitaker and Wolfe as well as Mr. Charles Acker, Operations Manager and Dorothy Cong, the District's secretary. Members of the public present were Russell Pasqualetti, Patti Wolfe, Roger Bean, Dorothy Engle, Al Thompson and Sue Whitaker.
- 2. APPROVAL OF MINUTES:** Director Wolfe moved and Director Whitaker seconded the motion that the minutes of the Feb 8, 2003 meeting be approved as presented. All favored and the minutes were accepted.
- 3. COMMUNICATION AND CORRESPONDENCE:**
 - 1.) Correspondence from LAFCO stating that fees will increase from \$184 to \$525 per year.
 - 2.) State Fund regarding terrorism risk insurance.
 - 3.) Letter from Mr. Moores re: road maintenance; see 6D below.

4. PUBLIC INPUT:

Input was offered but none was given.

5. REPORTS:

A. Treasurer - Report on Finances/Approval of Expenditures:

- 1.) Treasurer Dean Wolfe provided an update of budget revisions as a result of modifications made at the January meeting. He explained the revisions, some of which were account codes only.
 - 2.) Director Wolfe reviewed the summary of the District's cash assets which show that the District is now becoming healthy.
 - 3.) The Year to Date budget vs actual income and expenses were reviewed.
- Director Burmania moved the Treasurer's report be accepted as presented. Director Whitaker seconded the motion. The report was so accepted.

B. Water: Operations Manager Charles Acker reported on the following key items. 1) The DE facility has been temperamental, but operations finally figured out the problem was associated with the body feed pump. Mr. Acker rebuilt the existing pump; a second pump was purchased which will serve as backup. 2.) The tank cleaning people were here. One concern out of their review was that both of the tanks are situated on potentially unstable hillsides. It would behoove the District to get a geologist to analyze the hillsides and budget for this next year. This became a concern because a portion of one of the hillsides slid, but the material that slid was all side cast stuff. 3) Pump Station A burned up and has been repaired.

C. Safety: Mr. Acker reported that several items were purchased that were safety issues; 1) a small eye wash station, 2) appropriate goggles, 3) appropriate masks for the DE material.

D. Fire Department: President Ron Frame reported that the Fire Department had one call out which was "car vs cow" just south of Irish Gulch. Training was as usual.

6. OLD BUSINESS

- A. **Review of Action Items:** All action items were reviewed and status provided.
- B. **Status of annexation of the Irish Beach Volunteer Fire Department by the Redwood Coast Fire Protection District.** President Ron Frame reported that he made an effort to contact the engineering firm but has not been able to get in touch with Tom Herman.
- C. **Resolution 2003-_: Record Maintenance:** Tabled until May meeting.
- D. **Road Maintenance (Burmania):** Director Burmania's reported that Mr. Moores was continuing to press the District about the issue of sharing road maintenance costs. He stated that Charlie Acker maintains a log of trips made to the tanks and well. The District travels about 40 miles per year on the roads. Director Burmania read the letter he wrote in response to Mr. Moores last correspondence. In the document he detailed the mileage traveled and suggested that Mr. Moores drop the subject. Director Poling moved the letter be accepted with the modification of the last paragraph to state there will be no further correspondence on the issue. Director Wolfe seconded the motion and it passed unanimously.
- E. **Legal Counsel Performance and Responsiveness (May 2003):** Not addressed at this meeting.
- F. **Development of Lower Diversion:** Director Poling stated that the Board needs an easement over the property that comes off the end of the paved driveway. The parcel # is 132-150-05 (William Charles Slagle)
- G. **Newsletter articles (March 2003):** President Frame provided the articles he had written. Some minor revisions were suggested. Director Wolfe moved the articles be accepted with the minor revisions. Director Whitaker seconded the motion and the articles were accepted unanimously.
- H. **Water Permit – timeline, cost estimates and status of projects (Acker):** Operations Manager Charles Acker reported that there were no changes regarding the water permit other than operations is working toward complying with the modifications required by the state as presented at the Feb. meeting.

7. NEW BUSINESS:

- A. **Resolution 2003-3: Establishing the Time and Place of Regular Board Meetings (Poling):** Director Poling read the context of the resolution which states in essence that there is no longer a need for monthly board meetings. The Board will return to the schedule provided in the by-laws and shall be held on the second Saturday of the odd numbered months at 10:00am at the Fire House in Irish Beach. Director Poling moved the resolution be accepted. Director Burmania seconded the motion. The vote was as follows: Ayes: Directors Poling, Burmania, Frame, Whitaker and Wolfe. The resolution passed unanimously as presented.
- B. **Review of Resolution 2002-4 Establishing A Standard Operating Procedure for Publications of the Board (Poling):** Tabled until the May meeting.
- C. **Director's Compensation (Burmania):** Director Burmania expressed that members of the Board of Directors often expend a great deal of time and effort on water board issues and that some token remuneration might be provided. Director Poling volunteered to look into how to amend the bylaws to include compensation for directors. She will present her findings at the May meeting.

D. Negotiate with Zamboni for easement over property: See below.

E. Negotiate with Stornetta re: use of Mallo Pass pump station, etc.: At this point nothing further other than the initial contact has been made. The Board of Directors instructed operations manager Charles Acker to actively pursue with Mr. Zamboni and Mr. Stornetta the terms under which they would grant an easement. One reason is to illustrate to the State that the District is actively pursuing some activity regarding Mallo Pass in order to continue to be granted the permit.

10. Adjournment:

Director Poling moved and Director Burmania seconded that the meeting be adjourned at 12:00 pm.

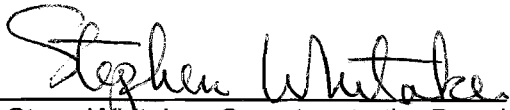
Respectfully submitted,



Ron Frame, President

Prepared by Dorothy Cong

Attest:



Director Steve Whitaker, Secretary to the Board

**IRISH BEACH WATER DISTRICT
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, May 10, 2003**

I. OPEN MEETING

- 1. CALL TO ORDER AND ROLL CALL:** President Ron Frame called the regular meeting of the Irish Beach Water District Board of Directors to order at 10:10am at the Fire House in Irish Beach (Manchester). Present were Directors Burmania, Frame, Poling, Whitaker and Wolfe as well as Mr. Charles Acker, Operations Manager, Adam Lindgren, the District's Counsel and Dorothy Cong, the District's secretary. Members of the public present were Jim Albert, Paul DeVaul, Al Thompson, Thayer Prentice, Coleen Dulaney and "Hig" Higgenbotham, Kathy and Will Edelbrock, Sue Whitaker, Patty Wolfe, Loretta Thompson, Dorothy Engle, Mark Rapelje, and Walt Rush.
- 2. APPROVAL OF MINUTES:** Director Poling moved and Director Burmania seconded the motion that the minutes of the March 8th meeting be approved as presented. All favored and the minutes were accepted.
- 3. COMMUNICATION AND CORRESPONDENCE:**
 - 1.) Correspondence from State Fund regarding Workman's Compensation.
- 4. PUBLIC INPUT:**

Input was offered but none was given.
- 5. REPORTS:**
 - A. Treasurer - Report on Finances/Approval of Expenditures:**
 - 1.) Director Wolfe reviewed the summary of the District's cash assets.
 - 2.) The Year to Date budget vs actual income and expenses were reviewed emphasizing where we were over and under budget.

Director Wolfe stressed that input is needed for budget items by the next meeting in order to prepare for next year's budget. He also commented that next fiscal year the assessment on all parcels will be on the county tax rolls. The County charges 2% which will be an operational expense.

Director Burmania moved the Treasurer's report be accepted as presented. Director Whitaker seconded the motion. The report was so accepted.
 - B. Water:** Operations Manager Charles Acker reported on the following key items: 1) The chlorine analyzer is now "on line" but it still needs to be connected into the alarm system. 2) Operations main challenge during March and April was the heavy rains which caused extremely high turbidity. The water could not be cleaned, but the well carried the district through. The DE plant will work properly only up to a certain threshold. The turbidity being experienced exceeded that threshold.
 - C. Safety:** Mr. Acker reported that he has a preliminary estimate on replacing the roof on Tank 1 and bringing the ladder up to proper safety standards at the same time.
 - D. Fire Department:** President Ron Frame reported that the Fire Department had one major call out which was the fire at the condos on Hillcrest. Irish Beach was first on scene, immediately realized the gravity of the situation and called for mutual aid, and started squirting water. President Frame stated that he felt Irish Beach efforts were very instrumental in saving the 2 units at the west end. Three resignations have been received from the fire department which can definitely affect the ability of the department to respond.

6. OLD BUSINESS

- A. Review of Action Items:** Mr. Acker said that with regard to SEMS, he is trying to set up a meeting for Elk, Irish Beach and Redwood Coast but no date has been established yet. The Sanitary Survey will be complete by August.
- B. Status of annexation of the Irish Beach Volunteer Fire Department by the Redwood Coast Fire Protection District.** President Ron Frame reported that he and Redwood Coast are attempting to come up with a mutually acceptable date for a joint board meeting.
- C. Resolution 2003-_: Record Maintenance:** To be placed with action items and removed from the agenda.
- D. Development of the lower diversion:** Operations Manager Charlie Acker reported that he will be working of this project in June. In the meantime the District needs to address securing an easement over the Slagle property. Mr. Acker committed to provide Director Poling with all the pertinent information so she can address the issue with the Slagles.
- E. Water permit projects – timeline, cost estimates, status (Acker):** Operations is making some progress on the “water permit projects.” The chlorine analyzer is installed. However, the flow meter and the operations plan still needs to be updated as does the emergency disinfection plan.
- F. Compensation for Directors (Burmania):** Director Burmania stated his reasons why he felt that the Directors should be compensated \$50.00 per meeting. Director Poling commented that the current by-laws state that the Directors do not receive any compensation except reimbursement for expenses. The by-laws would need to be modified and the change approved by 2/3 of the District OR 4/5 of the Board of Directors and approval of the Mendocino County Supervisors. If approved compensation would only be effective after the end of the Director’s term of office. At least 2 of the directors are not in favor of compensation. The topic will be removed from the agenda and no further action taken.
- G. Negotiation with Zamboni and Stornetta for easements for Mallo Pass (Acker):** Mr. Acker met with Walt Stornetta who gave him permission to look at the pump intake. Mr. Stornetta suggested using the old highway crossing to cross the creek then continue on the old highway to the Zamboni place. From there the water could be pumped directly into Tank 3. Mr. Acker thought perhaps Mr. Stornetta might negotiate for water as compensation rather than cash. No logistics have been worked out yet.
- H. Timber Harvest Plan by MRC above Irish Beach (Frame):** President Ron Frame reported that the District had received a comment from Mendocino Redwood (MRC) pertaining to the District’s concerns about their logging plan. MRC insisted they would take every precaution to prevent any contamination of the water source. Mr. Acker expressed that MRC was always very cooperative with water districts. He said that he would contact one of their foresters and arrange a field trip to the forest for interested Board members.
- I. Road Maintenance (Burmania):** Director Burmania stated that he did not want a maintenance agreement with Mr. Moores. He read the concluding paragraph of his letter to Bill to the audience and indicated that the District has received no further correspondence on the subject.
- J. Review of Resolution 2002-4 “Establishing A Standard Operating Procedure for Publications of the Board (Burmania):** Director Burmania stated and the other directors concurred that the

"collective thought" of the Board needs board review, i.e.: newsletter. Correspondence such as on an *ad hoc* committee does not need complete board review.

7. NEW BUSINESS:

A. Review of Audit for the October 1, 2001 – September 30, 2002 fiscal year (Hubik): Bob Hubik, the District's auditor, provided an overview of his findings for the last fiscal year. He started by explaining he cannot attest to the accuracy of past capital assets. Further, he stressed that the cash assets of the fire department have never been audited. He also discussed the complete separation of Fire and Water on the District's books. Director Poling moved to accept the audit report. Director Wolfe seconded the motion and the report was accepted as presented.

President Ron Frame called a short recess at 12:21pm. The meeting resumed at 12:30.

B. Refinancing of Loan (Wolfe): Director Wolfe explained that a company had contacted the District with regards to refinancing of the District's loan. After investigation it was determined that the cost of a loan was prohibitively high. Director Burmania said he also contacted Doug Dove of Bartle & Wells. Mr. Dove is researching potential refinancing options.

C. Meetings in the fire house (Frame): President Frame expressed concern about the District opening itself up for some liability risks by allowing meetings to be held in the firehouse and suggested that as a board we do not allow other organizations to use the firehouse as a meeting place. Director Burmania stated he felt this was petty and punitive. The item was dropped with no action taken.

President Ron Frame announced that the meeting would be recessed to executive session at 1:01 pm.

8. Adjourn to executive session:

A. Public Employee Performance Evaluation, (General Counsel), pursuant to Government Code Section 54957.

9. Reconvene to Open Session:

President Ron Frame adjourned the executive session and reconvened open session at 2:10pm. President Frame announced that the Board of Directors conducted and completed a performance review and no action was taken.

10. Adjournment:

Director Burmania moved the meeting be adjourned. Director Wolfe seconded the motion and the meeting was adjourned at 2:11pm.

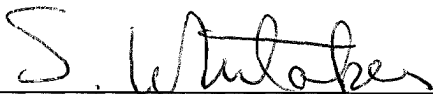
Respectfully submitted,



Ron Frame, President

Prepared by Dorothy Cong

Attest:



Director Steve Whitaker, Secretary to the Board

**IRISH BEACH WATER DISTRICT
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, July 12, 2003**

I. OPEN MEETING

1. **CALL TO ORDER AND ROLL CALL:** President Ron Frame called the regular meeting of the Irish Beach Water District Board of Directors to order at 10:00am at the Fire House in Irish Beach (Manchester). Present were Directors Burmania, Frame, Poling, Whitaker and Wolfe as well as Mr. Charles Acker, Operations Manager, and Dorothy Cong, the District's secretary. Members of the public present were Jim Albert, Paul DeVaul, Al and Loretta Thompson, Thayer Prentice, Kathy Edelbrock, Sue Whitaker, Patty Wolfe, Dorothy Engle, Marge Lubeck, Walt and Sue Rush and Russell Pasqualetti. Three representatives of the Redwood Coast Fire Protection District were also in attendance.
2. **APPROVAL OF MINUTES of the Regular Meeting of the Board of Directors:** Director Poling moved and Director Whitaker seconded the motion that the minutes of the May 10th meeting be accepted as presented. All favored and the minutes were so accepted.
Approval of Minutes of the Special Meeting of the Board of Directors held following the regular meeting on Saturday, May 10, 2003. Director Poling moved and Director Wolfe seconded the motion that the minutes of the Special Meeting on May 10th be accepted as presented. All favored and the minutes were so accepted.
3. **COMMUNICATION AND CORRESPONDENCE:**
 1. Directors Dean Wolfe and Chico Burmania read their notice of resignation which are to take place following the November 8, 2003 regularly scheduled water board meeting. No comment was given.
 2. Dorothy Cong distributed and briefly summarized information regarding SB 1207 which changes the legal definition of volunteer firefighters to government employees making them subject to California Codes of Regulations and a host of other rules and regulations. The impact on volunteer firefighters is dramatic in terms of training alone (possibly between 400 – 800 hours per year). Furthermore, this law makes the fire chiefs and their training officers liable to personal lawsuits if there are injuries and the training does not completely meet OSHA standards. It will be implemented on January 1, 2004. This law may potentially have serious repercussions on volunteer fire departments.
4. **PUBLIC INPUT:**

Input was offered but none was given.
5. **REPORTS:**
 - A. **Treasurer - Report on Finances/Approval of Expenditures:**
 - 1.) Treasurer Wolfe reviewed the summary of the District's cash assets.
 - 2.) Treasurer Wolfe also provided a copy of the Year to Date budget report highlighting those items where the District's expenditures deviated significantly from what was budgeted, either over or under...
 - 3.) Treasurer Wolfe stressed that he and Dorothy will be making end of year adjustments regarding transfers for assessments and operations reserves.
 - 4.) The fire department is running way under budget because we were showing annexation expenses which did not happen.Director Burmania moved that the Treasurers reports be accepted as presented. Director Whitaker seconded the motion. The report was unanimously accepted as presented.

B. Water: Operations Manager Charles Acker reported on the following key items: 1) Mr. Acker has been working with the Department of Health Services regarding chlorine by-products testing. 2.) The most significant event was the occurrence of a break in the water line in Irish Gulch. There were some minor repairs in the treatment plant. All In all it has been a routine two months. There were 4 meter installations during this period.

C. Safety: Mr. Acker reported that the safety committee had met on Thursday June 19, 2003 in which the new safety program as outlined by Special Districts Workers Compensation Authority (SDWCA) was the main topic. At that meeting the decision was made that the committee would ask Director Steve Whitaker to assist in revamping the District's existing safety program to come into line with the requirements of SDWCA. Director Whitaker agreed to take over this responsibility.

D. Fire Department: President Ron Frame reported that the Fire Department had one medical call within Irish Beach.

6. OLD BUSINESS

A. Review of Action Items: President Ron Frame stated that he will be talking with a forester from MRC to schedule a "field trip" of the proposed logging area.

B. Status of annexation of the Irish Beach Volunteer Fire Department by the Redwood Coast Fire Protection District (Frame). Judy Seymore, President of the Board of Directors of the Redwood Coast Fire Protection District (RCFPD) and Fred Patten, Business Manager were in attendance to discuss annexation. Judy expressed that RCFPD is anxious to progress with annexation as indicated by a letter dated July 1, 2003. As expressed in their letter, they are serving our area without recognition or benefit of tax revenues or a fee for services provided. LAFCO is willing to come and meet with the two boards and answer any questions. Frank McMichaels, LAFCO official, is just waiting for a statement from IBVFD stating we want Redwood Coast to proceed and that RCFPD will take the lead. The Irish Beach Board of Directors authorized President Ron Frame to re-issue a letter to LAFCO stating the desire of Irish Beach to be annexed by the RCFPD and that Redwood Coast will take the lead.

C. Development of Lower Diversion (Acker): Director Burmania and Ops Manager Charles Acker reported that the pipe already exists for the lower diversion. The District needs to have PG&E install an electrical meter and hookup across from 15600 Forest View Road Forest View Road. The lower diversion can be activated by connecting a pump and re-energizing the meter. Director Burmania felt that a budget of \$7,800.00 would be adequate to cover the cost of the project.

The discussion then centered around access across the Slagle lot to reach the pump station. Operations Manager Acker informed the Directors that only infrequent access would be needed for foot traffic and that an easement may not be necessary. It was pointed out that the water code gives district employees the right to cross private lands to do Water District business. Director Poling will attempt to obtain the owner's permission for occasional access.

Director Burmania stated that at the rate homes are being constructed, in the relatively near future the District will be close to reaching its maximum capacity for the existing plant as provided by the water permit. Director Burmania, therefore, moved to reprioritize the Lower Diversion project from a priority 3 to a priority 1. This will enable the District to provide water to about 345 active connections. Director Wolfe seconded the motion. All favored and the motion passed. Director Wolfe was requested to establish a cost tracking account for the Lower Diversion project which he stated will be done for next year's budget.

- D. Water Permit – Timeline, cost estimates and status of projects (Acker)** Operations Manager Charlie Acker reported that he needs to prepare a cross connection resolution which the District must have in place to prevent cross contamination. He will have it ready for the next water board meeting. Mr. Acker also said that he needs to install a pressure switch for Tank #2.
- E. Negotiate with Stornetta and Zamboni for easements (Acker):** Director Burmania and Operations Manager Charles Acker met with Luciano and Pauline Zamboni. Prior to drawing up an easement with them, the District must have the Mallo Pass water permit finalized. The paperwork to renew the permit was submitted many months ago but the Department of Water Resources has not acted upon it.

Mr. Acker will: 1.) Meet with Water Resources. 2.) Contact a qualified consultant to prepare an environmental impact report. 3.) Start doing monthly flow rates. Mr. Acker will report on progress of the water permit at the September meeting.

President Ron Frame called a short recess at 11:12am. The meeting resumed at 11:21am.

7. NEW BUSINESS:

- A. Refinancing of Loan (Burmania):** Director Burmania reported that he contacted Bartle and Wells regarding refinancing of the loan. Data from Bartle & Wells indicates that the District would save around \$32,000.00. The current loan payment is \$10,212.12 annually and the refinanced payment will be \$10,850.00. Adam Lindgren, the District's attorney, reviewed the proposed refinancing options. Director Poling moved the District adopt Resolution 2003-6 "Authorizing the Execution and Delivery of a Loan Agreement, and Authorizing and Directing Certain Actions in Connection with the Refinancing of a Prior Loan" accepting the refinancing plan and authorizing the execution of any documents affecting the same forthwith. Director Wolfe seconded the motion. The vote was as follows: AYES: Directors Poling, Burmania, Frame, Whitaker and Wolfe. There was no opposition. The resolution passed unanimously. President Frame was directed to call Sophia Skoda of Bartle & Wells to proceed with the loan.
- B. Election for Board of Directors – 3 seats expire Nov. 2003:** Dorothy Cong, the District's Secretary reviewed the letter from the Registrar of Voters pertaining to those items that needed to be executed by the District 125 days prior to the election. The letter also stated when potential candidates may obtain their filing forms.
- C. Manner in which certain costs are charged to the District by District's attorneys:** The District's attorneys offered an alternative way to charge fees for costs associated with providing legal services, i.e.: duplicating, facsimile fees, long distance telephone charge, postage, etc. Director Wolfe recommended the attorney's continue the current practice of charging a percentage. All agreed and Director Wolfe volunteered to contact Adam Lindgren.
- D. Request by Bertoli's for a "variance" on water fees due to fire:** The Bertoli's own one of the condos on Hillcrest adjacent to those that burned. Due to the fire they were without power or water for 41 days. Director Poling moved the District give the Bertolis a variance of 41 days on their bill. Late fees on the assessment must remain. Director Burmania seconded the motion. The vote was as follows: Ayes: Poling, Burmania, Frame, Wolfe. Nays: Whitaker. The motion passed.
- E. Possible need to hire new part time operations technician:** Operations manager Charles Acker announced that Ron Bloomquist resigned as the 3rd licensed operator. Ron said he would continue to read the meters until a replacement could be found. Charlie said he had to prepare a

new job description, possibly two, if Ron's job will be divided into two parts, i.e.: responsibilities relative to a Grade #1 operator and general maintenance work such and weed eating and painting, The Board directed Charlie to post a notice on the kiosks describing the position and stating the wage.

- F. Preliminary Water District budget considerations for fiscal year 10/1/2003 – 9/30/2004:** Director Wolfe reported that he is currently working on the budget and needs additional input on some items such as capital projects to be done next year, capital projects not done this year that will be moved to next year, major maintenance items, summary of equipment retired or replaced,

Director Wolfe moved that the District assign collection of assessment funds to the County of Mendocino for the 10/1/2003 – 9/30/2004 fiscal year at the cost of approximately \$1,600.00 (the County charges 2%). Director Frame seconded the motion. The vote was as follows: AYES: Directors Poling, Frame, Whitaker and Wolfe. NAYS: Director Burmania.

Director Wolfe reported that the assessment would be increased by ~~1.5%~~ 1.8% on 3 of the 4 components as voted. Director Wolfe further stated that both capital equipment lists (<40 year and >40 year) need to be updated.

Correction
X

- G. Preliminary Fire Department budget considerations for fiscal year 10/1/2003 – 9/30/2004:** Director Wolfe indicated that there are no significant changes to the fire budget for the next fiscal year although he does anticipate that annexation costs will probably be considerably less since Redwood Coast will share the expenses with the District. He will structure a budget based upon this year's budget.
- H. Draft Resolution 2003-____: A Resolution approving the Water District and Fire Department Budgets and approving the District water rates in response to the annual Water District budget for fiscal year 10/1/2003 – 9/30/2004:** Director Wolfe provided an outline of the contents of the resolution. This year we need to consider what has been added or subtracted to the system. We need to do it because it will adjust our goals for our assessment accounts. We also need to reflect the engineering news record consumption cost index changes in next year's budget. We need to increase our assessment for this year by that figure. Resolution will contain our operating budget. It will contain the rates calculated to support the budget. Director Wolfe said he will present the resolution at the next meeting and will provide it to the Directors for review 2 weeks prior to the meeting.
- I. Internet web page revisions and updating:** Director Burmania expressed concern that the agendas and meeting minutes on the IBIC web page are very outdated. Secretary Cong stated she has sent files to be put up on the web and does not know why they are not there.
- J. Resolution 2003 – 7: Consideration of a Resolution Authorizing the Use of Absentee Ballots in Lieu of Voting by Proxy at the November 4, 2003 Election for vacant Director Office.** President Frame recommended the Board of Directors adopt using absentee ballots in the upcoming election. He stressed that this resolution would also pertain to any future elections. Proxy ballots may still be used as well. Director Poling moved the resolution approving the use of absentee ballots be approved. Director Burmania seconded the motion. AYES: Directors Poling, Burmania, Frame, Whitaker and Wolfe. The resolution passed unanimously.
- K. Taking of water from fire hydrants without prior approval from water district:** Operations Manager Charles Acker noticed that workers on the home being constructed in Unit 5 had been taking water from a fire hydrant. When he questioned them about it, they informed him they had

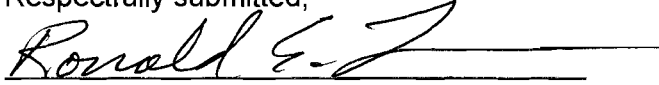
been told by the owner that they could do so. Mr. Acker informed them it was a misdemeanor and against District policy. However, he would install a meter when an application and the hookup fee were received. Director Burmania recommended the Board of Directors send the developer a letter outlining the circumstances of taking water from the fire hydrant in Unit 5 and that if it happens again it will be reported to the law. Directors Whitaker and Wolfe also suggested a letter be sent to the District Attorney relating past history and the present offense. The Board directed Mr. Acker to help research issues, dates, etc and work with President Frame who will write the letters.

- L. **Consideration of Purchase of Parcel Quest:** Parcel Quest is software that a contains a database of all parcels in the County. The District needs to verify County vs. its own records occasionally and Parcel Quest is a tool that facilitates that task. Director Wolfe suggested that it be put in the budget for next fiscal year.

8. Adjournment:

Director Poling moved the meeting be adjourned. Director Whitaker seconded the motion and the meeting was adjourned at 12:44pm.

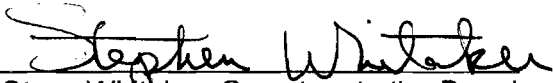
Respectfully submitted,



Ron Frame, President

Prepared by Dorothy Cong

Attest:



Director Steve Whitaker, Secretary to the Board

**IRISH BEACH WATER DISTRICT
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, September 13, 2003**

I. OPEN MEETING

1. CALL TO ORDER AND ROLL CALL: President Ron Frame called the regular meeting of the Irish Beach Water District Board of Directors to order at 10:02am at the Fire House in Irish Beach (Manchester). Present were Directors Burmania, Frame, Poling, Whitaker and Wolfe as well as Mr. Charles Acker, Operations Manager, and Dorothy Cong, the District's secretary. Members of the public present were Judy Murray, Jim Albert, Sue and Walt Rush, Paul DeVaul, Sally and Steve Thompson, Sue Whitaker, Gene and Ruth Cady, Lynn Danner, Kathy and Will Edelbrock.

2. APPROVAL OF MINUTES of the Regular Meeting of the Board of Directors on July 12, 2003: Director Whitaker moved and Director Poling seconded the motion that the minutes of the regular July 12th meeting be approved as corrected (Paragraph 7F pg. 4 should have read "1.8%"). The minutes were accepted as corrected.

Approval of Minutes of the Special Meeting of the Board of Directors held on Saturday, September 6, 2003 for the purpose of discussing issues relative to the method of conducting the election. Director Whitaker moved and Director Poling seconded the motion that the minutes of the Special Meeting on September 6th be accepted as presented. Poling, Frame and Whitaker voted to accept the minutes as presented. Burmania and Wolfe abstained.

3. COMMUNICATION AND CORRESPONDENCE:

1. President Frame presented a "discussion" he had with Mr. Hunolt, a property owner in Unit 7. He stated that the District had been negotiating with Mr. Hunolt to bury the water pipe deeper that crosses his property.. Mr. Hunolt was willing to pay for and excavate a trench in addition to pay the cost of any materials. However, his project got red tagged for not having a permit to excavate. Mr. Hunolt contacted President Frame wanting to continue with the water main work while he was waiting for his permit. President Frame stated the District preferred to wait for the permit after which Mr. Hunolt bellowed a torrent of abusive language to President Frame. President Frame followed up the "discussion" with a letter to the Planning and Building Services requesting that any permit that was issued to Mr. Hunolt ensure that "no work be done" "without the express permission and direct supervision of the Irish Beach Water District." Operations Manager Charlie Acker indicated he would talk to Mr. Hunolt and arrange a contract in writing prior to proceeding with any work once Hunolt acquired his emergency permit.

4. PUBLIC INPUT:

Input was offered but none was given.

5. REPORTS:

A. Treasurer - Report on Finances/Approval of Expenditures:

- 1.) Treasurer Wolfe provided a review of current cash assets.
- 2.) Treasurer Wolfe also provided a copy of the Year to Date Budget vs. Actual highlighting those items where the District's expenditures deviated significantly from what was budgeted, either over or under...
- 3.) Also presented was a review of the Fire Department Year to Date Budget vs. Actual...
- 4.) Treasurer Wolfe requested status from operations on the few small capital expenditure items remaining, i.e. confined space equipment, paint for one of the water tanks ...
- 5.) Treasurer Wolfe reported the District is doing well financially.

Director Burmania moved that the Treasurer's reports be accepted as presented. Director Whitaker seconded the motion. The report was unanimously accepted as presented.

B. Water: Operations Manager Charles Acker reported on the following key items: 1) The Consumer

Confidence Report was completed and mailed. 2) Both John and Charlie had their D1 licensing renewed. 3) The inmate crew from Parlin Forks cleared the trail from the treatment plant to the upper diversion opening up areas that had not been accessible for years. Their activity exposed some weaknesses in the pipe which were repaired. 4) The sanitary survey has been completed but the District has not yet received the report. 5) A leak was discovered on O'Rorey's Roost on the east side on the road. It was in a connection box and had been leaking for what appears to be several years. 6) Mr. Hunolt broke the 6" water main while using his backhoe (the district has an easement across his property). It was repaired quickly. The two events were in some ways a benefit because in doing the repairs the District learned where it could isolate a major section of pipe just by adding a valve at minimal cost thus facilitating testing for leaks in the future.

The Board directed Charlie to break down operations time and materials spent on the break of the main by Mr. Hunolt. The cost of the repair needs to be paid by Mr. Hunolt. Also, Charlie is to set up a resolution stating a procedure for landowner projects.

There was some concern over the usage by Mr. Zamboni. He is using far more water than contracted for. Charlie will discuss with him with the consideration that the existing contract may need to be redone.

C. Safety: Director Whitaker presented a report on what had been covered in the September 9 safety meeting: Of note was that the District still needs to purchase a large wash station. Confined space entry equipment has been ordered. Ladders for the water tanks are not "OSHA" approved. The roof of Tank #1 is hazardous – the steel beams on one side of the roof are nearly rusted through. Pamphlets provided by SDRMA through a consultant were covered during the meeting: "How to lift, Move and Carry Things" and "The Hazard Communication Standard: Protecting You on the Job." Director Whitaker will develop a binder containing the District's hazard communication program. And finally Director Whitaker announced that Jim Emerson, a representative from Lapidus Safety Consulting, will provide an "on prem" safety inspection on Monday, October 20.

D. Fire Department: President Ron Frame, acting fire chief, reported that there were three incidents: 1) A child had fallen at the Kraft house. 2) A man fell and broke his ankle at Irish Beach. 3) Both Irish Beach units responded to brush fires resulting from lightening strikes 9 miles east of Irish Beach. The question arose whether Irish Beach would be reimbursed for their response to the brush fires in CDF territory. In order to bill CDF, the District must have an ordinance for reimbursement for fire services.

6. OLD BUSINESS

A. Review of Action Items: Action items were reviewed.

B. Status of annexation of the Irish Beach Volunteer Fire Department by the Redwood Coast Fire Protection District (Frame). President Ron Frame met with Redwood Coast Fire Protection District. Lease of the firehouse was discussed to be \$1,500.00 per year to start with and to be reviewed each year. RCFPD needs: 1) an excel file with a list of property in the sphere. 2) A copy of the title to both fire trucks. 3) An inventory of small items. RCFPD will have an application completed by mid-October. They want a letter of assurance that if the project does not pass, Irish Beach Water District will still pay its share. LAFCO will call the project a "reorganization" and not an annexation. The cost may run as high as \$20,000 which is to be split equally between RCFPD and Irish Beach. President Frame further stated that there was an opinion by the Attorney General that stated the LAFCO hearing process approximates the Proposition 218 process closely enough that it can be considered a Proposition 218 process. The joining of Irish Beach with Redwood Coast is actually moving and all are motivated to get it done.

C. Development of Lower Diversion (Acker): Operations Manager Charles Acker reported that there have been no changes since the last meeting. He still has to apply to PG&E for power. Director Poling requested Mr. Acker to prepare a letter to Mr. Slagle about the lower diversion project. Director Burmania suggested the District get the Parlin Forks crew to come in and develop a path down our existing easement. Mr. Acker said he would check the path of the old easement and would investigate alternative routes to the

lower diversion. He also emphasized there is no water crisis.

D. Water Permit – Timeline, cost estimates and status of projects (Acker) Operations Manager Charlie Acker presented the Board with a cross connection ordinance which will be redrafted as a resolution for the next meeting. However, he will submit it as a draft to DHS so we can proceed with the permit. The Sanitary Survey is complete but the paper work has not been sent yet. The pressure control switch has been purchased and it will be installed soon. By September 30, 2003 the District should have completed everything as required for the permit.

E. Negotiate with Stornetta and Zamboni for easements (Acker): Operation Manager Charles Acker stated that the District is in a renewal situation with the Mallo Pass permit. The request for renewal was submitted several months ago. Prior to getting the renewal, an environmental impact report is required. Charlie is soliciting consultants for the project. The report will basically be a "negative declaration", but it is required. The cost of the report will be incorporated into the cost of the Mallo Pass Project and will be paid from the assessment fund.

F. Status of Refinancing of the Loan (Frame): A letter with a list of instructions and timelines was received from Sophia Skoda. The loan process is underway and at a very beneficial rate of 4.75% thanks to Director Burmania.

G. General Election: President Ron Frame outlined the four (4) ways of doing the election: 1) Do nothing. 2) District conducts. 3) Have outside firm conduct. 4) Have the County conduct. Directors Burmania and Wolf suggested that the Board negotiate with the Moores family that one of them would be appointed to fill a vacancy on the Board resulting from Dean or Chico's resignation if they withdrew from the election. Everyone noted that in many instances they would have to recuse themselves on any issues that are a conflict of interest. This option is not possible because the election has been called and must be held by November 4.

President Frame outlined the saga of the unsuccessful attempt to get the County to conduct the election. Marsha Wharf steadfastly refuses and has the backing of County Counsel. The County "compromise" was that the District hire an outside firm to conduct the election and the county would provide a letter saying the company was nonbiased and fair. President Frame contacted at least 5 or 6 election companies who, for a variety of reasons, would not conduct the election. After much discussion Director Burmania moved the District proceed to conduct the election for the Board of Directors scheduled for November 4, 2003. Director Whitaker seconded the motion. The motion passed unanimously.

7. NEW BUSINESS:

A. Water District budget for fiscal year 10/1/03 – 9/30/04: (Wolfe):

B. Fire Department budget for fiscal year 10/1/03 – 9/30/04 (Wolfe):

C. Resolution 2003-12 documenting the approval of the District's F"Y2003/04 Budget and Water Rates: Items A, B & C were covered as a single item. Treasurer Dean Wolfe explained the budgets for both water and fire. Since anticipated expenses will be less than in the prior year, the District will be lowering user rates. Availability will be \$43.63 per month. Usage will be \$0.24 per gallon. Resolution 2003-12 was read. Director Whitaker moved the resolution be adopted as presented. Director Burmania seconded the motion. The roll was called as follows: Ayes: Directors Poling, Burmania, Frame, Whitaker and Wolfe. There were no dissenting votes. The resolution passed unanimously to go into effect on October 1, 2003.

D. Resolution 2003-11 Revising and Updating asset listings, assessment fees, and operating reserves for inflation and operating/maintenance activities: Treasurer Dean Wolfe read the context of the resolution which dealt with "the update of asset listings, adjustment of Assessment fees and [adjustment] of operating reserves by the annual change reflected in the January 2003 ENR-CCI of 1.8%". The assessment rate for Fiscal Year 2003-2004 will be \$179.16. Director Poling moved the

resolution be adopted as presented. Director Whitaker seconded the motion. The vote was as follows: Ayes: Poling, Burmania, Frame, Whitaker, Wolfe. There were no dissenting votes. The resolution passed unanimously to go into effect on October 1, 2003.

- E. Resolution 2003-10 approving an agreement for the collection by the County of Mendocino of assessments charged by the Irish Beach Water District (Wolfe):** Treasurer Dean Wolfe presented the resolution as requested by the County of Mendocino to authorize the assessor's office to collect the water district assessment fees on the County property tax rolls. Director Whitaker moved the resolution be adopted as presented. Director Burmania seconded the motion. The roll call was as follows: Ayes: Directors Poling, Burmania, Frame, Whitaker, and Wolfe. There were no dissenting votes. The resolution passed unanimously to go into effect on October 1, 2003.
- F. Authorize Fire Chief to reimburse the NEST organization for funds expended in support of the Fire Department volunteers on Thursday, September 4, 2003 (Frame):** President Frame reported that NEST had prepared sandwiches and drinks for the firefighters battling the fires caused by the lightning strikes east of Irish Beach, and it would be a nice gesture to reimburse them for their expenses. Director Burmania moved the Fire Department reimburse NEST. Director Wolfe seconded the motion. The motion passed unanimously.
- G. Two letters issued by residents of Irish Beach (Burmania):** Director Burmania expressed displeasure over two letters issued by residents of Irish Beach. One was a request to the Board of Supervisors of the County of Mendocino requesting the County conduct the upcoming election because the citizens did not believe the Irish Beach Water District was qualified to do so. The second letter was issued to all Irish Beach property owners pertaining to the upcoming election and applauding the Board of Directors. President Frame stated that the people of Irish Beach can write whatever they want and it was not up for discussion by the Board of Directors.
- H. Board Secretary Training for Special Districts (Cong):** Dorothy stated that there was a class for Board Secretaries on October 8th she would like to attend because it appeared to cover some items she was interested in and it would be a good overview of what a board secretary's responsibilities are. The cost is \$165.00. The Board gave their approval.

8. Adjournment to Executive Session: Public Employee appointment pursuant to California Government Code Sec. 54957.

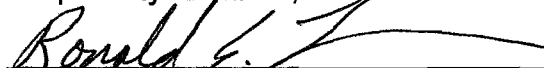
A. Consider appointment of Water Treatment Plant Operator Grade 12 (in training) and Water Treatment Distribution Operator Grade D1 (in training).

9. Reconvene to Open Session:

A. The Board reported that it had made a decision in executive session to hire Walt Rush as Water Treatment Plant Operator Grade 12 (in training) and Water Treatment Distribution Operator Grade D1 (in training) at the rate of \$12.50 per hour to be increased to \$15.00 per hour when he is licensed.

10. Adjournment: It was moved and seconded the meeting be adjourned. All favored and the meeting was adjourned at 1:41pm.

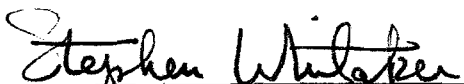
Respectfully submitted,



Ron Frame, President

Prepared by Dorothy Cong

Attest:



Director Steve Whitaker, Secretary to the Board

**IRISH BEACH WATER DISTRICT
MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, September 6, 2003**

I. OPEN MEETING

1. **CALL TO ORDER AND ROLL CALL:** President Ron Frame called the special meeting of the Irish Beach Water District Board of Directors to order at 10:00am at the Fire House in Irish Beach (Manchester). Present were Directors, Frame, Whitaker and Poling as well as Dorothy Cong, the District's secretary. Absent was Director Wolfe with prior notice and Director Burmania. Members of the public present were: Russell Pasqualetti, Thayer Prentice, Sue Rush, Sue Whitaker, Jan Green, Sally and Steve Thompson, Dorothy Engle, Al and Loretta Thompson, Jim Albert, John Acquistapace, Lynn Danner, Ruth Cady, Judy Murray and James Ballou.
2. **PUBLIC INPUT:** There was no public input
3. **NEW BUSINESS:**

A. Options and Issues Relative to the Method of Conducting the Election to fill three (3) seats on the Irish Beach Water District Board of Directors. President Ron Frame provided basic background information regarding the election such as filing deadlines, etc. Following the completion of the filing of the five candidates for the three (3) seats on the Board, Marsha Wharff, County Clerk / Recorder notified the Board of Directors in a letter dated August 14th that her office would not be conducting the District's landowner election per Election Code Section 10502. She further stated that the District should contact its legal counsel and she provided the name of an outside vendor to contact who is in the business of conducting special district elections. In a letter dated August 25, 2003 Ms. Wharff further stated that her office would not determine which parcels are eligible to vote and that the District must seek legal counsel.

President Frame then described that following the receipt of that letter, the District then contacted its general counsel, Adam Lindgren, regarding the situation. Mr. Lindgren issued a letter to Ms. Wharff stating that per Elections Code Section 10502(b), the county elections official has a mandatory obligation to conduct the election for a landowner district providing the District, by resolution, requests assistance and agrees to reimburse the county for the costs of the election. Further, Mr. Lindgren *informed* the County elections official *that it* was obligated to prepare a list of landowners eligible to participate in the Board election if the District Board, by resolution, determines that a county elections official is better prepared than the district secretary to identify qualified voters.

President Frame then informed the Board that according to the information he had received and because of the Clerk-Recorder's position, The District has 4 means of managing the upcoming election: 1.) The District can conduct the election itself; 2.) The District can contact an outside firm to conduct the election; 3.) The District can, by resolution, request the County of Mendocino to conduct the election and determine who is qualified to vote; or 4.) The District can choose to do nothing in which case the public could request the Mendocino County Board of Supervisors to conduct the election.

The Directors, after discussion agreed that one major concern of the District is to ensure that the election is conducted in such a way as to provide the maximum amount of fairness for all parties. A second crucial concern is to insulate the District as much as possible from any costly legal challenges. The Board realizes that the election will be more expensive if either the County of Mendocino or an outside vendor handles it rather than the District itself. The Board also must act quickly because the general

election is on November 4, 2003 and there are a lot of deadlines that need to be met for the election to be held on or around that date.

B. Resolution 2003-8: Consideration of a Resolution of the Irish Beach Water District Board of Directors Authorizing the Mendocino County elections official to conduct an election of behalf of the Irish Beach Water District and authorizing the water district to reimburse the county for the actual costs incurred in conducting the election. President Ron Frame read the resolution aloud. Director Poling moved that the Board adopt the resolution with no changes. Director Whitaker seconded the motion. The vote was as follows: Ayes: Directors Poling, Whitaker, and Frame. Absent: Directors Burmania and Wolfe.

C. Resolution 2003-9: Consideration of a Resolution of the Irish Beach Water District requesting the Mendocino County elections official to determine those qualified to vote in the landowner district election. President Ron Frame read the resolution aloud. Director Poling moved that the Board adopt the resolution with no changes. Director Whitaker seconded the motion. The vote was as follows: Ayes: Directors Poling, Whitaker, and Frame. Absent: Directors Burmania and Wolfe.

The Board directed staff to: 1.) Check into a couple of firms that conduct elections; 2.) Send copies of the two resolutions to Marsha Wharff, County Clerk – Recorder mentioning that the District would be open to the possibility of a total mail-in ballot.

4. Adjournment:

Director Whitaker moved and Director Poling seconded that the meeting be adjourned at 11:46am.

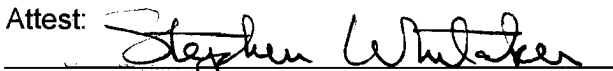
Respectfully submitted,



Ron Frame, President

Prepared by Dorothy Cong

Attest:



Director Steve Whitaker, Secretary to the Board

**IRISH BEACH WATER DISTRICT
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, November 8, 2003**

I. OPEN MEETING

1. CALL TO ORDER AND ROLL CALL: President Ron Frame called the regular meeting of the Irish Beach Water District Board of Directors to order at 10:00am at the Fire House in Irish Beach (Manchester). Present were Directors Burmania, Frame, Poling, Whitaker and Wolfe as well as Mr. Charles Acker, Operations Manager, and Dorothy Cong, the District's secretary. Members of the public present were Walt Rush, Bob Winters, Gene Cady, Dorothy Engle, Kathy Edelbrock, Wally and Bobbie Crafford, Russell Pasqualetti, Lynn Danner, Al and Loretta Thompson, Donald Jassowski, Steve and Sally Thompson, Judy Murray, Rick and Marylou Morton, Su Whitaker, and Thayer Prentice.

2. APPROVAL OF MINUTES of the Regular Meeting of the Board of Directors on September 13, 2003: Director Whitaker moved and Director Poling seconded the motion that the minutes of the regular September 13 meeting be approved as presented

3. COMMUNICATION AND CORRESPONDENCE:

1. As a result of a memo from Dorothy Cong to the water board, President Frame presented the gist of a conversation with a customer who was concerned the district was running out of water and he had better get his hook up request in right away. The end result was that the Board directed the District secretary to issue a memo to Ron Trathen requesting that he refer any questions pertaining to water to the water district.

2. Dorothy wrote a memo to the board suggesting it was time to put out a newsletter and recommended several topics. Individuals decided the subject they would write on and turn in an article to Dorothy to prepare a newsletter.

4. PUBLIC INPUT:

Input was offered but none was given.

5. REPORTS:

A. Treasurer - Report on Finances/Approval of Expenditures:

Treasurer Wolfe explained his report would focus on the fiscal year Oct. 1, 2002 – Sept. 30, 2003.

1.) Treasurer Wolfe provided a review of current cash assets comparing where the District was at the beginning of the fiscal year vs where the district was as of September 30, 2003.

2.) Treasurer Wolfe also reported on the Cash Flow Budget Performance for the fiscal year and a review of the Water Budget vs Actual for the same period.

3.) Also presented was a review of the Fire Department Budget vs Actual for the fiscal year Oct. 1, 2002 – Sept. 30, 2003.

4.) Treasurer Wolfe explained how the district made end of year adjustments on certain accounts rather than do so monthly.

5. Treasurer Wolfe expressed that overall the District did well in keeping within the budget with a performance of within 1% to 2% of the budget. Unanticipated expenses

associated with the election amounting to slightly over \$6,900 (mostly legal) resulted in a negative cash flow of -\$2,398.00. Treasurer Wolfe further stressed the importance of getting estimates in advance from the district's attorney for projects and attempting to keep them within the guidelines.

B. Water: Operations Manager Charles Acker reported on the following key items: 1) "Hunolt Project" has been completed. The purpose was to bury the water line deeper as requested by Mr. Hunolt who paid for all labor and materials related to his portion of the project. The District did some upgrades, i.e. installing a valve, at the same time. 2.) Operations repaired a leak in Unit 5. 3.) Operations changed the measuring process for the lower diversion to a more accurate process with the end result being an increase from 35 to 46 gallons per minute. All other work was routine system checks, etc..

C. Safety: Director Whitaker reported that the most significant item related to safety was the on sight occupational safety & health program review and hazard identification survey. Director Whitaker noted that Emerson Consultants will be issuing an extensive report within 60 to 90 days. See New Business 7F for further information.

D. Fire Department: President Ron Frame, acting fire chief, reported that he had met with Dean Watson, CDF Battalion Chief and filled out forms to get a \$1,500.00 reimbursement for fighting fire as a result of lightening strikes. There were two call outs: 1) Ron and Gene responded to a motorcycle vs car. There were no injuries. 2.) There was an unattended fire in Pomo Lake Park.

6. OLD BUSINESS

A. Review of Action Items: Action items were reviewed. All on the agenda.

B. Status of annexation of the Irish Beach Volunteer Fire Department by the Redwood Coast Fire Protection District (Frame). President Ron Frame reported that he had met a couple of times with Redwood Coast. They have re-prepared the application to LAFCO. There were apparently changes in the form since the original preparation.

C. Development of Lower Diversion (Acker): Operations Manager Charles Acker reported that he found all the easements in the files. The easement over the Slagle property was only temporary for the purpose of construction in 1982 of the lower diversion. The District has a 7 ½' permanent easements on both lots 17 and 18 and a small easement on Unit 22. No additional easements are necessary. In extenuating circumstances the District can cross someone's property as authorized under California Water Code if needed. Charlie reported that he just needs to complete the application for the PG&E.

D. Water Permit – Timeline, cost estimates and status of projects (Acker) Operations Manager Charlie Acker reported that the Sanitary Survey is nearly done; the company just needed a couple more forms. The Cross Connection resolution needs to be passed.

E. Status of water permit renewal for Mallo Pass and related activities associated with the development of Mallo Pass Project (Acker): Operations Manager Charles Acker stated that the request for renewal of the water permit was put in along time ago. He has

spoken with some consultants about the required “environmental impact study.” Mr. Acker also reported that he had to prepare an “open channel” method of measuring. The Board directed Mr. Acker to follow up with the Department of Water Resources about the Mallo Pass permit.

F. Status of Refinancing of the Loan (Frame): All paperwork has been signed.

G. General Election: Status of Finalizing the Election:

Director Poling moved to accept and file the certification of the Declaration of Candidates Elected at the Irish Beach Water District election held in the Irish Beach Water District on November 4, 2003. Director Whitaker seconded the motion. The vote was as follows: Ayes: Directors Poling, Burmania, Frame, Whitaker and Wolfe. There were no dissenting votes.

Director Poling moved to amend the prior motion to include the Certificate of Secretary of Irish Beach Water District to result of the canvass of the Irish Beach Water District election held in the Irish Beach Water District on November 4, 2003. Director Whitaker seconded the motion. The vote was as follows: Ayes: Directors Poling, Burmania, Frame, Whitaker, and Wolfe.

The Board directed the Secretary, Dorothy Cong, to mail a copy of the above mentioned documents to each candidate. The Board further directed the Secretary to send a letter to Marsha Wharf, Mendocino County Registrar of Voters, indicating the results of the election.

7. NEW BUSINESS:

A. Resolution 2003-13: Adopting a Cross-Connection Control Program as required by the State of California Department of Health Services (Acker): This cross connection resolution is one of the requirements by the State of California to renew the District’s water permit. Director Burmania moved the resolution be adopted. Director Whitaker seconded the motion. The vote was as follows: Ayes: Directors Poling, Burmania, Frame, Whitaker and Wolfe. The resolution is to go into effect immediately.

B. Resolution 2003__ Adopting procedures for handling landowner projects (Acker): The Board agreed to table this subject until the next regular board meeting.

C. Contract with Zamboni regarding water usage (Acker): Operations Manager Charles Acker reported that the excessively high usage by Mr. Zamboni was due to a faulty float. Charlie repaired it so usage should drop significantly. The contract was not reconsidered.

D. Resolution 2003__ pertaining to reimbursement for fire services (Acker): This resolution has not yet been prepared and the Board agreed to table it until the next meeting.

E. Hunolt Project Status (Acker): The project has been completed.

F. Safety Issues largely resulting from outside consultant on-site visit (Whitaker): Director Whitaker provided a draft document outlining several key points Jim Emerson of Emerson Consultants noted during his on-site safety inspection, i.e.: need SCBAs for entry

into confined spaces, fall protection for climbing into tanks, need to go through the illness & Injury Prevention Program line-by-line, MSDS sheets need to be available where they are needed, Tank #1 needs repair soon, an emergency action plan needs to be prepared, need a defensive driving course, operations building in violation of safety in several ways, tank #4 needs repair, ... and so on. Director Whitaker stressed the importance of safety and the fact that some of the hazards identified will definitely have to be addressed and they will cost some money. Emerson Consultants will provide a complete report in two or three months.

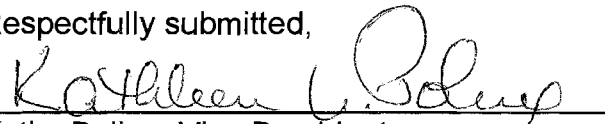
G. Precinct Board Stipend (Cong): Secretary Dorothy Cong in her capacity as having conducted the election for the Irish Beach Water District suggested that members of the precinct board be paid a stipend, as is done by the counties, the amount to be decided by the Board of Directors. It was moved and seconded that the Board compensate the precinct workers \$70.00 for their efforts. The vote was as follows: Ayes: Directors Poling, Frame and Whitaker. Nays: Director Burmania. Abstain: Director Wolfe. The motion passed.

H. Filling vacancies as a result of resignation of two board members: Director Poling stated that according to California Government Code 1780 the vacancies resulting from the resignations of Directors Wolfe and Burmania must be filled within 60 days from today's date, November 8th. Director Poling suggested the board call a special meeting to discuss this matter. The Board decided to call a special meeting to be held on Sunday, November 9 at 12:30pm at the firehouse.

President Frame thanked Dean Wolfe and Chico Burmania for their efforts during their service on the water board.

10. Adjournment: Director Poling moved and Director Whitaker seconded that the meeting be adjourned.

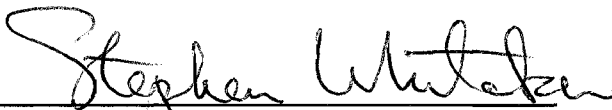
Respectfully submitted,



Kathy Poling, Vice President

Prepared by Dorothy Cong

Attest:



Director Steve Whitaker, Secretary to the Board

**IRISH BEACH WATER DISTRICT
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, January 10, 2004**

I. OPEN MEETING

1. CALL TO ORDER AND ROLL CALL: Vice-President Kathy Poling called the regular meeting of the Irish Beach Water District Board of Directors to order at 10:03am at the Fire House in Irish Beach (Manchester). Present were Directors Danner, Murray, Poling and Whitaker as well as Mr. Charles Acker, Operations Manager, and Dorothy Cong, the District's secretary. Members of the public present were Suzanne Whitaker, Jon Heinzer, John Acquistapace, Ruth and Gene Cady, Al and Loretta Thompson, Steve and Sally Thompson, Bettye Winters, Kathy Edelbrock, RJ Dial, Russ Pasqualetti, and Nick Epanchin.

2. APPROVAL OF MINUTES of the Regular Meeting of the Board of Directors on Saturday, November 8, 2003 and the Special Meeting held on Sunday, November 9, 2003: Director Whitaker moved and Director Murray seconded the motion that the minutes of the regular board meeting held on November 8, 2003 be approved as presented. The minutes were so approved. Director Whitaker moved and Director Murray seconded the motion that the minutes of the special meeting held on Sunday, November 9, 2003 be approved as presented. The minutes were so approved.

Note: At this point Vice President Poling exercised the prerogative to move **New Business agenda item #7A (Discussion and possible action regarding an appointment to the Irish Beach Water District Board of Directors (pursuant to Government Code 1780(a))** to the head of the meeting. Vice President Poling requested Director Whitaker to address this topic. Director Whitaker moved the board appoint Mr. Jon Heinzer to fill the vacancy created by the death of Ron Frame. Director Danner seconded the motion. Vice-President Poling called for discussion. There being none, a roll call vote was taken. Ayes: Directors Danner, Murray, Poling and Whitaker. Noes: none; Abstentions: none.

Mr. Heinzer was sworn in immediately and was duly seated as a member of the water board.

3. COMMUNICATION AND CORRESPONDENCE:

Director Whitaker presented a draft letter he had prepared to Supervisor Colfax, the Secretary to the Board of Supervisors and Anne Holden, Assistant Registrar thanking them for their cooperation in expediting the appointment to bring the water district to quorum on Tuesday, January 6, 2004. The board requested Director Whitaker complete the process.

4. PUBLIC INPUT:

Input was offered but none was given.

5. REPORTS:

A. Treasurer - Report on Finances/Approval of Expenditures:

Since the board had not yet appointed a Treasurer, Board Secretary Dorothy Cong provided an overview of the current cash assets for the district's five accounts. She provided some detail for the most significant income and expense items. Dorothy also reported that the

total cost of the election was \$12,258, close to \$8,200 of which was legal expense. Only \$3,000 was budgeted for the election. Director Danner moved the financial report be accepted as presented. Director Heinzer seconded the motion. The report was unanimously accepted as presented.

B. Water: Operations Manager Charles Acker reported on the following key items: 1) There occurred a major leak in Unit 1 near the rental office which was difficult to repair. The cause was electrolysis which had eaten through a “saddle” in the water main. This is the second such instance. 2) December had lots of heavy rain causing heavy turbidity. 3) The water line up Irish Gulch had to be repaired due to a tree dropping on it. This is the second such incident. 4) Operations personnel attended a training program in Elk as part of their licensing requirements by the State. 5) The DE filters need to be repacked in the treatment plant. One company provided an estimate of \$16,000. Mr. Acker suggested the job could be done “in-house” for \$1,500.

Further discussion ensued regarding electrolysis in Unit 1. Director Danner suggested the District develop an estimate regarding the replacement of saddles in that unit. There is 1 saddle for every 2 connections.

Mr. Acker also discussed putting in new pipe from the upper diversion to the treatment plant. Construction of the line could be accomplished by Parlin Forks.

C. Safety: Director Whitaker reported that we are a little behind on our safety meetings. The December meeting was interrupted by another pressing situation. The early January meeting had to be cancelled due to circumstances beyond anyone’s control. The District has not yet received the Emerson report.

D. Fire Department: Board Secretary Dorothy Cong reported that the fire department responded to one calls. 1) Ron Frame. Dorothy stated she activated another call 911 after having been called by Jim Albert to assist him with Sharon. She further reported that there remained only 4 members on the fire department due to a couple of resignations and a couple of deaths recently. This leaves the fire department in a very slim situation.

6. OLD BUSINESS

A. Status of annexation of the Irish Beach Volunteer Fire Department by the Redwood Coast Fire Protection District (Frame). Board Secretary Dorothy Cong reported that Fred Patten of Redwood Coast provided status on the annexation project. 1) A draft agreement between Redwood Coast and Irish Beach will be prepared shortly and will be sent to County Counsel and Irish Beach for review. 2) According to Frank McMichael, LAFCO official for Mendocino County, Mr. William Moores has contacted LAFCO several times and has threatened lawsuits. 3) Mr. Patten estimates that, at the outside, it will be 5-6 months before an application will be formally sent to LAFCO. Following that, Frank will have to conduct a “service review” thereby possibly taking another 4-6 months to finalize. 4) Redwood Coast will send periodic invoices to IBWD for its share of the costs associated with the annexation process. Director Heinzer volunteered to work with Redwood Coast on the annexation project.

B. Development of Lower Diversion (Acker): Operations Manager Charles Acker reported that an application has been submitted to PG&E for electrical hookup. All easements, pipeline, and pump station are in place. A full chemical test will have to be done prior to going on-line

(estimated cost of \$3,000). Director Heinzer mentioned that in the past there was a problem with cows and their proximity to the lower diversion. Mr. Acker stated that the water will be processed through the treatment plant which will destroy any organisms.

C. Water Permit – Timeline, cost estimates and status of projects (Acker) Operations Manager Charlie Acker reported that the only outstanding item is the upgrade of the filter media.

D. Status of water permit renewal for Mallo Pass and related activities associated with the development of Mallo Pass Project (Acker):

1. **Bids from consultants for Environmental Impact Report:** Operations Manager Charles Acker reported that he has contacted a consultant regarding the required environmental impact study. He also indicated he needed a specific type of tool to measure the flow of water in Mallo Pass so he can start collecting data. The cost is approximately \$500. Secretary Cong pointed out that all expenses associated with the Mallo Pass project would be paid from the assessment funds for that purpose.
2. **Stornetta/Zamboni Easements:** Director Poling stated she would assist in developing easement documents.

E. Resolution 2004__ Adopting procedures for handling landowner projects (Acker): The needs to be a policy on how to handle situations when a property owner requests extraneous projects from the water district. Director Lynne Danner volunteered to assist Charlie in developing a policy.

F. Resolution 2004__ pertaining to reimbursement for fire services (Acker): Mr. Acker agreed to get a copy of the resolution prepared by the Elk Fire Department for the next meeting.

G. Safety Issues largely resulting from outside consultant on-site visit (Whitaker): Director Whitaker provided an overview of the on-site safety survey conducted by Emerson Consultants. Director Whitaker stated the District will be on notice for several things and that some of them may be costly. The formal report has not yet been received from Emerson Consultants.

7. NEW BUSINESS:

B. Appointment of Treasurer to the IBWD Board of Directors: Director Poling moved and Director Whitaker seconded the motion to appoint Director Judy Murray to the position of Treasurer to the Board. The roll call vote was as follows: Ayes: Directors Poling, Whitaker, Danner, Heinzer and Murray. Noes: none. Abstain: None.

C. Select board members to be authorized signers on all District checking and investment accounts: The Board determined that all Directors should be on the signature cards for all the District's accounts. Board Secretary Dorothy Cong was directed to start the process with the bank immediately.

D. IBWD Water Resources Seminar (Whitaker): Director Whitaker reported that he was disappointed with the misinformation disseminated at the last election. Therefore, he believes the Water District should organize a seminar for the general public that they

might learn about the district and its water resources. The seminar would be held on a weekend after the rainy season is over. Operations Manager Charlie Acker would give an overview of the system followed by “field trips” to both the upper and lower diversions as well as the treatment plant. Following the tours time will be available for Q&A and discussion. Coffee, tea and pastries should be provided as well.

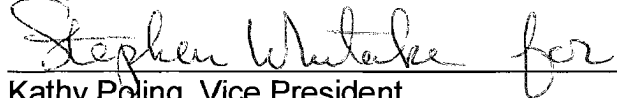
This seminar would be posted as a “special meeting” to be in alignment with the letter of the Brown Act.

E. Newsletter:

A list of potential newsletter articles and authors was reviewed. Articles are to be submitted to the District Secretary by January 14, 2004. The newsletter will be mailed by January 22, 2004.

8. Adjournment: Director Heinzer moved and Director Danner seconded that the meeting be adjourned at 12:10pm.

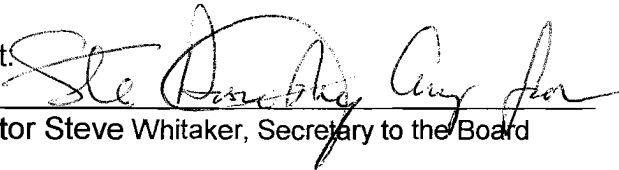
Respectfully submitted,



Kathy Poling, Vice President

Prepared by Dorothy Cong

Attest:


Director Steve Whitaker, Secretary to the Board

**IRISH BEACH WATER DISTRICT
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, March 13, 2004**

I. OPEN MEETING

1. CALL TO ORDER AND ROLL CALL: Vice-President Kathy Poling called the regular meeting of the Irish Beach Water District Board of Directors to order at 10:00am at the Fire House in Irish Beach (Manchester). Present were Directors Heinzer, Murray, Poling and Whitaker. Director Danner was absent with prior knowledge. Also present was Mr. Charles Acker, Operations Manager. The District Secretary, Dorothy Cong, was absent with prior knowledge. Several members of the public were also in attendance.

2. APPROVAL OF MINUTES of the Regular Meeting of the Board of Directors held on Saturday, January 10, 2004 and the Special Meeting held on Wednesday, January 7, 2004. Director Whitaker moved and Director Heinzer seconded the motion that the minutes of both meetings be approved as presented. The minutes were so approved.

3. COMMUNICATION AND CORRESPONDENCE:

- 1) Letter of resignation from the fire department from Dorothy Cong.
- 2) Letter to Gordon Moores requesting 2 keys to the locked gate on Alta Mesa for RCFPD.
- 3) Letter to IBIC requesting 2 gate passes for RCFPD.
- 4) Notice that effective January 1, 2004 Cal/OSHA covers volunteer firefighters.
- 5) Letter from Bill Moores regarding some agenda items.

4. PUBLIC INPUT:

Input was offered but none was given.

5. REPORTS:

A. Treasurer - Report on Finances/Approval of Expenditures:

Treasurer Judy Murray reported on the status of Irish Beach Water District cash assets. She noted that the District has received its first installment from the County of Mendocino and the amount is reflected on the current cash assets. Also provided was a printout of the year to date budgets (budget vs actual) for both water and fire. Director Heinzer moved the Treasurer's report be accepted as presented. Director Whitaker seconded the motion and the report was so accepted.

B. Water: Operations Manager Charles Acker reported that operations has been running fairly smoothly during the rainy period. The DE filtering system has been doing a good job. He further reported that after 3 years in operation, he at last has a very good understanding of the DE plant. The single most important project occupying operations at present is getting the filters ready to be repacked and to get some new valves at the plant.

C. Safety: Director Whitaker reported that the safety committee had been unable to meet and that a meeting is scheduled for March 16th at 10am at the water district office.

D. Fire Department: It was reported that a notice had been sent to the 3 remaining members of the Irish Beach volunteer fire department stating that Irish Beach and Redwood Coast were negotiating an interim contract to be in effect until annexation takes place. Effective with the signing of that agreement Irish Beach will no longer have a fire department. The volunteers were encouraged to consider if they will transfer to Redwood Coast.

6. OLD BUSINESS

A. Status of annexation of the Irish Beach Volunteer Fire Department by the Redwood Coast Fire Protection District (Heinzer). The draft annexation document is currently with County Counsel for review. At this time in the meeting Director Heinzer elected to discuss the status of his negotiations with Redwood Coast relative to contracting with them on an interim basis until annexation takes place. He provided a document prepared by Judy Seymore, President of Redwood Coast Fire Protection District, detailing the essence of a contract. Director Whitaker moved Director Heinzer continue to work out the agreement with the stipulation that Irish Beach pay Redwood Coast no more than \$1,500.00 per month rather than the \$1,685.00 being proposed. Director Murray seconded the motion and it passed unanimously. The Board applauded Director Heinzer for his tremendous efforts.

B. Development of Lower Diversion (Acker): Operations Manager Charles Acker reported that the application is with PG&E to re-energize the electrical circuits for the lower diversion. Once power is in place operations will do the necessary tests of the water and install the pump. Mr. Acker has also submitted a request to Parlin Forks for the inmate crew to improve the trail to the lower diversion. As a courtesy, he will notify the adjacent owners that the easement will be cleared. It is anticipated the project should be up and running prior to the end of summer.

C. Water Permit – Timeline, cost estimates and status of projects (Acker) Operations Manager Charlie Acker reported again that the only outstanding item is the upgrade of the filter media and the State will not allow us to ignore the condition of the main filters any longer. The filters need to be repacked about every 10 years. Mr. Acker stressed that there were several safety issues dealing with confined space entry plus problems may arise that could make the project a difficult one. He recommended that an outside firm be hired to pack the filters. Mr. Acker has contacted a company who stipulated they will do the work for \$5,521.00. The cost could be higher if any unforeseeable problems are encountered. Director Whitaker moved that Mr. Acker proceed and get a signed contract for the stipulated amount. Director Murray seconded the motion. The motion was approved unanimous vote. The board also directed that verbiage be incorporated into the contract that the work will be accepted subject to Department of Health Services approval.

D. Status of water diversion permit renewal for Mallo Pass and related activities associated with the development of Mallo Pass Project (Acker):

- 1. Bids from consultants for Environmental Impact Report:** Operations Manager Charles Acker stated that this environmental report is really a “negative declaration.” He believes he would be qualified to prepare the report having just gone through the same exercise in Elk and knows a hydrologist who could review it and sign off on the report.
- 2. Stornetta/Zamboni Easements:** The board suggested to Mr. Acker that although both Stornetta and Zamboni have verbally agreed to provide the Irish Beach Water

District with an easement to traverse their property, he prepare a paper document to be signed by all parties.

- E. **Resolution 2004__ Adopting procedures for handling landowner projects (Acker):**
NTR
- F. **Resolution 2004__ pertaining to reimbursement for fire services (Acker):** It was agreed that this topic may be a moot point in view of the contract agreement and annexation.
- G. **Safety Issues largely resulting from outside consultant on-site visit (Whitaker):**
Director Whitaker reported that we are behind in prioritizing our safety issues because we have not yet received the report from Emerson Consulting.
- H. **Water Resources Seminar (Whitaker):** Director Whitaker proposed the seminar be tabled at this time for consideration at a later date if needed. He emphasized that Operations Manager Charlie Acker is always willing to tour anyone around the District's facilities on an informal basis with prior appointment.

7. NEW BUSINESS:

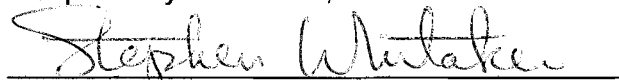
- A. **Installation of Water Meter for Mr. Hunolt:** Operations Manager Charles Acker stated that Mr. Hunolt was asking for 2 meter connections which are located within the District but are outside of the service area. Mr. William Moores had sent the District a document in which he pointed out that it would not be fair to simply connect Mr. Hunolt to the system because other parcel owners had to pay various charges over the years to "buy into the system." The Directors believe Mr. Moores concern is valid and the District will need to get a professional opinion pertaining to the fees for connection to the system. The board directed Mr. Acker to: 1) Contact Bartle and Wells inquiring how much it would cost to do a study pertaining to this question and find out the scope of what the District is likely to get into in dealing with this type of issue. The Board wants a report by the May meeting detailing costs and steps necessary. 2) Write to Mr. Hunolt stating that to provide water will require an engineered study, attorney fees and a deposit and inquire whether he still wants it.
This subject brought to the fore that 1) The District needs to reexamine its contract with Mr. Zarnboni who was provided water on an emergency basis and 2) A policy needs to be written whereby the District has a guideline to follow when such requests are made.
- B. **Budget revision to accommodate filter media upgrade (Acker-Murray):** Treasurer Murray moved the Board approve a transfer from the Water Reserve account to pay for the filter media upgrade not to exceed \$8,000.00. Director Heinzer seconded the motion and it passed unopposed.
- C. **Election of Officers:** Director Poling nominated Director Whitaker as President. Director Heinzer seconded the nomination. The vote was as follows: Ayes: Directors Poling, Heinzer, Murray, and Whitaker. Noes: None. Abstain: None. Absent: 1. Director Whitaker was duly elected as President and immediately assumed office. Director Heinzer nominated Lynne Danner as Secretary and Kathy Poling remain as Vice President. Director Whitaker seconded the nominations. The vote was as follows: Ayes:

Directors Poling, Whitaker, Murray, and Heinzer. Noes: None, Abstain: None, Absent: 1.

- D. Consideration of draft annexation agreement between RCFPD and IBWD (Heinzer)**
This item was previously covered. See Old Business 6A.
- E. Consideration of an interim contract between RCFPD and Irish Beach Water District until annexation (Heinzer):** This item was previously covered. See Old Business 6A.
- F. Consideration of purchase of a maintenance vehicle to be used by operations for system maintenance (Acker):** District operations personnel have been using their personal vehicles as well as many of their personal tools when working for the Irish Beach Water District. There was general agreement to do some preliminary work and come up with a dollar figure for the purchase of a vehicle prior to the next budget round. Director Heinzer stated he would check with the State for availability of surplus vehicles.
- G. Audit Fiscal Year ending September 30, 2003 (Murray):** Treasurer Murray reported that the auditor will attend the next water board meeting on May 8, 2004 and comment upon his findings.
- H. Consideration of construction of an office building and storage complex on IBWD property adjacent to the corporation yard (Whitaker):** President Whitaker indicated that the District needs to move stored materials out of the treatment facility for safety reasons. He provided a document showing what a storage building might look like and supporting material showing cost. Mr. William Moores wrote the District stating that the property next to the corporation yard was deeded to the Irish Beach Water District “specifically as part of the designed water treatment plant for the Mallo Pass Water Diversion Project” and “may only be used for that purpose.” The Board directed that the deed be check for any restrictions.

8. Adjournment: Director Heinzer moved and Director Poling seconded that the meeting be adjourned at 12:30pm.

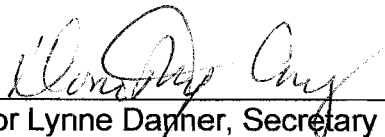
Respectfully submitted,



Steve Whitaker, President

Prepared by Dorothy Cong

Attest:



Director Lynne Danner, Secretary to the Board

**IRISH BEACH WATER DISTRICT
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, May 8, 2004**

I. OPEN MEETING

1. **CALL TO ORDER AND ROLL CALL:** President Steve Whitaker called the regular meeting of the Irish Beach Water District Board of Directors to order at 10:09am at the Fire House in Irish Beach (Manchester). Present were Directors Danner, Heinzer, Murray, Poling and Whitaker. Also present was Mr. Charles Acker, Operations Manager and District Secretary, Dorothy Cong. Members of the public in attendance were Walt Rush, John Acquistapace, Sue Whitaker, Russ Pasqualetti, Betty Winters, Jim Albert, Loretta Thompson, Chico Burmania and Paul DeVaul.

2. **APPROVAL OF MINUTES of the Regular Meeting of the Board of Directors held on Saturday, March 13, 2004.** Director Poling moved and Director Danner seconded the motion that the minutes be approved as presented. The minutes were so approved.

3. COMMUNICATION AND CORRESPONDENCE:

Director Whitaker noted that two letters had been received from Mr. Chico Burmania and Mr. Dean Wolfe relative to the Water District's consideration of purchase of a District maintenance vehicle for operations use. Their points were considered under Old Business 6H.

4. PUBLIC INPUT:

Input was offered but none was given.

5. REPORTS:

A. Treasurer - Report on Finances/Approval of Expenditures:

Treasurer Judy Murray reported on the financial status of Irish Beach Water District cash assets. She provided a recap of the budget Year to Date overviews for both water and fire explaining any deviations and unusual income and expenses The District remains financially healthy. Director Poling moved the Treasurer's report be accepted as presented. Director Heinzer seconded the motion and the report was approved unanimously.

Treasurer Murray pointed out that a budget committee needed to be appointed to prepare a draft budget for July 10 water board meeting. It was agreed that the committee will consist of Treasurer Murray, Charlie Acker, Dorothy Cong and Board President Steve Whitaker. Ms. Murray will schedule a meeting the first part of June.

B. Water: Operations Manager Charles Acker reported that he is having difficulty maintaining his hours at 50 per month. He stated that his backlog is stacking up. Mr. Acker expressed the desire to add an employee for the summer to assist with general manual labor. The prospective individual is a college student who would receive \$10.00 per hr. working a maximum of 20 hours per month. The Board agreed to allow Charlie to add an employee but maintain labor costs within budget.

Mr. Acker reported that the Parlin Forks inmate crew worked in Irish Beach for three days in March cleaning around the tanks, the well, and clearing the easement to the lower diversion site.

The most significant project in April was the filter upgrade project. The District contracted with ERS Industrial Services, Inc. to perform the work. In addition to the filter performing better, operations learned an improved method of backwashing. Both Charlie and Steve Whitaker stressed that there was a major safety issue of entering into the filter tank. Prior to any work being done in the future, the District will have to bring itself into compliance regarding confined space entry.

C. Safety: Director Whitaker reported that the District has received the extensive safety report compiled by Emerson Consultants. More on safety under item 6G.

D. Fire Department: Director Heinzer reported that an interim agreement to provide emergency services to Irish Beach was signed with the Redwood Coast Fire Protection District on April 14, 2004. This agreement is in effect until December 31, 2004 or until annexation occurs, whichever comes first. Three volunteers from Irish Beach joined the Redwood Coast crew. Irish Beach agreed to pay RCFPD \$1,400 per month under the agreement and RCFPD pays IBWD \$1,362 per year in addition to insuring the fire equipment.

6. OLD BUSINESS

A. Status of annexation of the Irish Beach Volunteer Fire Department by the Redwood Coast Fire Protection District (Heinzer). Director Heinzer reported that the annexation project is proceeding on schedule.

B. Status of interim contract between RCFPD and Irish Beach Water District until annexation (Heinzer): See fire report above. The District's insurance company, SDRMA, has been provided a copy of the agreement because it will affect billing. Director Whitaker volunteered to prepare a resolution regarding holding meetings in the firehouse. Ms. Cong was directed to write a letter to SDRMA requesting that they confirm in writing their verbal statement that the District was insured for meetings held in the firehouse.

C. Development of Lower Diversion water source from Irish Creek (Acker): Mr. Acker reported that PG&E has the application to connect power for the lower diversion. He indicated PG&E did not want the District to install a pump over 5 hp. A new pump will need to be purchased. All costs associated with connecting the lower diversion will be paid from assessment funds.

D. Water Operating Permit - status of projects (Acker).

1. **Filter Upgrade:** The filter upgrade project has been completed. All requirements have been met.

E. Status of water diversion permit renewal for Mallo Pass and related activities associated with the development of Mallo Pass Project (Acker):

1. **Bids from consultants for Environmental Impact Report:** NTR

2. **Stornetta/Zamboni Easements:** No change. Purchase of equipment to measure water flow in Mallo Pass will be paid out of assessment funds.

F. Resolution 2004__ Adopting procedures for handling landowner projects

(Acker/Danner): NTR

- G. Safety Issues resulting from outside consultant on-site visit (Whitaker):** Director Whitaker provided a one page summary of the content of Emerson Consultant, Inc. extensive report based on their on-site safety review of District operations and premises. Director Whitaker's presentation was broken down into three categories: 1) SDRMA Liability Program, 2) SDRMA Workers Compensation Program, and 3) Observations. Director Poling volunteered to assist with the writing of a loss control program for the district and any other items of that nature.
- H. Consideration of purchase of a maintenance vehicle to be used by operations for system maintenance (Heinzer/Acker)** Director Heinzer reported he had called the State of California Department of General Services and secured a contact for the District. The Irish Beach Water District does not intend to purchase a vehicle immediately, but needs to weigh the pros and cons in consideration of the future. Ops Manager Acker pointed out that he uses his own 4 wheel drive vehicle, and in most instances, his own tools for District work. Mr. Acker's concern is that should something happen to him, the District has very few tools and no proper vehicle to traverse some of the roads. He stated that the Elk Water District used to own a vehicle, but found it was in fact more cost effective to have an employee own their own vehicle and reimburse them for its use. The Board directed Mr. Acker to consider the needs of operations in terms of tools for the future purchasing some in this upcoming fiscal year. Job descriptions also need to be reviewed; does the operations job description that Mr. Acker holds state that an employee is expected to use his own vehicle and provide the tools?
- I. Installation of water meter for Mr. Hunolt (Acker):**
- 1. Document to Mr. Hunolt regarding requisites to installing a meter.** The board wished this item removed from the agenda.
- J. Consideration of construction of office building and storage complex on IBWD property adjacent to the Corporation Yard (Heinzer):** A copy of the grant deed from Mr. William Moores to IBWD for the parcel adjacent to the corporation yard was provided in the director's packet. The deed did stipulate the recipient (IBWD) agrees to use the lands only for a water treatment plant for Mallo Pass and related facilities.

7. NEW BUSINESS:

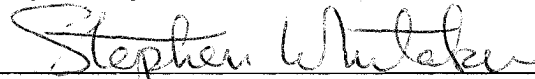
- A. Audit Fiscal Year ending September 30, 2003 (Hubik, Murray):** Bob Hubik, the District's auditor, provided a report on the annual audit for the fiscal year ending September 30, 2003. The essence of his report was that everything is basically all right but there were some minor recommendations the District should implement. In addition, Mr. Hubik stated that he has provided the District a revised contract to cover the cost of his future work based upon new criteria he must deal with. He asked the Board to consider his revised contract and make a decision whether the District will wish to continue with his services.
- B. Re-examination of Zamboni contract:** Mr. Acker reported that he had spoken with Bartle and Wells about the cost of connecting someone who is outside the system. One

engineer stated that \$4,500.00 might be a suggested fee although she did not do a complete analysis. President Whitaker volunteered to prepare a draft letter to both Hunolt and Zamboni. The letter to Mr. Zamboni would state that his contract with the District has expired. To both Hunolt and Zamboni the letter would state in effect that in order to contract with the District for water services, an engineering study would need to be done by the District's engineers, Bartle & Wells. B&W fees would be born by Hunolt and Zamboni. They are to be asked if they wish to participate.

C. Newsletter: Director Whitaker volunteered to prepare articles about annexation and safety. Charles Acker will write a report about operations.

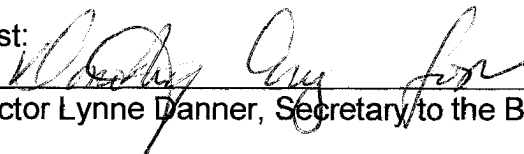
8. Adjournment: Director Poling moved and Director Danner seconded that the meeting be adjourned at 1:35pm.

Respectfully submitted,



Steve Whitaker, President
Prepared by Dorothy Cong

Attest:


Director Lynne Danner, Secretary to the Board

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IRISH BEACH WATER DISTRICT MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS SATURDAY, July 10, 2004

I. OPEN MEETING

1. **CALL TO ORDER AND ROLL CALL:** President Steve Whitaker called the regular meeting of the Irish Beach Water District Board of Directors to order at 10:09am at the Fire House in Irish Beach (Manchester). Present were Directors Heinzer, Murray, Poling and Whitaker. Director Danner was missing with no prior notice. Also present was Mr. Charles Acker, Operations Manager and District Secretary, Dorothy Cong. Members of the public in attendance were Walt Rush, Diane Heinzer, Su Whitaker, Dorothy Engle, Betty Frame and Margaret Ballou.

2. **APPROVAL OF MINUTES of the Regular Meeting of the Board of Directors held on Saturday, May 8, 2004.** Director Poling moved and Director Heinzer seconded the motion that the minutes be approved as presented. The minutes were so approved.

3. COMMUNICATION AND CORRESPONDENCE:

Director Whitaker noted that a memo had been received from Mr. William Moores regarding his concern over a need for an Environmental Impact Report (EIR) for the Mallo Pass Project. Mr. Moores is of the opinion that there is already an EIR report on file and he believes another report is not necessary.

4. PUBLIC INPUT:

Input was offered but none was given.

5. REPORTS:

Prior to presentation of the reports, Director Poling moved that the Board review the agenda and consider if any items could be tabled due to the number of topics on the agenda. Director Heinzer seconded the motion. All favored. Very little could be tabled.

A. Treasurer - Report on Finances/Approval of Expenditures:

Treasurer Judy Murray reported on the financial status of Irish Beach Water District cash assets. She provided a recap of the budget Year to Date overviews for both water and fire explaining any deviations and unusual income and expenses. The District remains financially healthy. Director Poling moved the Treasurer's report be accepted as presented. Director Heinzer seconded the motion and the report was approved unanimously.

B. Water:

Operations Manager Charles Acker reported the most significant events since the last meeting:

- 1) A line broke under the road in Unit 3 across from Mike Suddith's home. Operations did a temporary fix so that Mike could get water. Charlie reported that probably the easiest fix would be to break through the county road and repair the line. This project would require a permit from the County of Mendocino and will not be inexpensive.

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2) On June 18th a significant leak appeared in the system about 7:00pm. About 5:00am it became a major flood until it was turned off at 7:30am resulting in 150,000 gallons of water draining from Tank #1. There was also a second slower leak adjacent to the big leak. The leak occurred in the middle of the night and by the time it was discovered many thousands of gallons of water had already drained from the tank. Operations responded quickly once they were aware of the leak, repaired it and began refilling Tank #1. This event prompted an analysis of how District personnel might be notified quickly of a problem before it became a crisis. See New Business 7D.

3) In Unit #8 a glue joint came apart in the water line causing the water to drain from Tank #2. This happened during construction work, but there had already been a slow leak at the joint so the contractor was not charged. The water was finally shut off after a great deal of difficulty. (See Old Business #6H)

Operations took this opportunity to clean Tank #2 and then refill it.

C. Safety: Director Whitaker reported that the Safety Committee met. The topic discussed was how to avoid back problems.

6. OLD BUSINESS

A. Status of annexation of the Irish Beach Volunteer Fire Department by the Redwood Coast Fire Protection District (Heinzer). Director Heinzer reported that there was a meeting on Friday, July 9, 2004 at the Redwood Coast FPD office in Manchester to cover the Application for Reorganization packet prepared by Fred Patten and to discuss the LAFCO process. Fred expressed that Redwood Coast is still waiting for copies of the final maps from the engineering company. A public meeting was tentatively scheduled for Friday, September 10, 2004 pending approval of both boards, to be held at the Veteran's Hall in Point Arena starting at 2:00pm.

B. Development of Lower Diversion water source from Irish Creek (Acker): Mr. Acker reported that he has been urging PG&E trying to move along on the project. Mr. Acker said the District will need to purchase a new pump to install at the lower diversion. The project should be completed by the end of the summer.

C. Status of water diversion permit renewal for Mallo Pass and related activities associated with the development of Mallo Pass Project (Acker):

1. **Bids from consultants for Environmental Impact Report:** Mr. Acker expressed that he has ordered the device to do flow rate measurements at Mallo Pass and will start preparations once it has been received. He still needs to talk with the Department of Water Resources regarding an Environmental Impact Report and will get something in writing from them.
2. **Stornetta/Zamboni Easements:** No change although the District believes Stornetta is willing to see the project go forward.

D. Consideration of adopting procedures for handling landowner projects (Acker/Danner): Tabled.

E. Safety Issues resulting from outside consultant on-site visit (Whitaker): Director

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Whitaker presented the list of priority #1 items. Charlie said he would scan the complete Emerson report into an OCR file.

F. Consideration of purchase of a maintenance vehicle to be used by operations for system maintenance (Heinzer/Acker) NTR.

G. Consideration of construction of office building and storage complex on IBWD property adjacent to the Corporation Yard (Heinzer): NTR.

H. Issue of keys to acreage parcels (Whitaker) The issue of access through the locked gates became paramount when there was a leak in Unit 8 and the Water District was locked out and unable to get through to the water tank. Director Poling moved President Whitaker send another letter to the Moores stressing the Irish Beach Water District needs instant access to the roads, Redwood Coast needs access, and homeowners need access for safety reasons. Director Heinzer seconded the motion. The motion passed unanimously. Mr. Whitaker will send the letter to Gordon Moores, Bill Moores and Margaret Ballou.

I. Newsletter articles (All) Director Poling moved the articles by Director Whitaker be part of the next newsletter. Mr. Acker needs to prepare his input for the newsletter.

7. NEW BUSINESS:

A. Resolution 2004 ___: Establishing a Policy for the use of the Rex Dunning Firehouse for Community Activities (Whitaker) Director Heinzer moved and Director Poling seconded the motion that the resolution be accepted with the following changes: 1) Insert contact information. 2) Insert "IBWD will reserve the right to cancel authorized use." The vote was as follows: Ayes: Directors Poling, Heinzer, Whitaker and Murray. Noes: none; Absent: Danner.

B. Hunolt and Zamboni Projects: Consideration of each individual's request for water from the Irish Beach Water District: (Whitaker) The Board directed President Whitaker to issue a letter to the District's attorney to clarify the following:

- 1) What does it mean to have a "sphere of influence?"
- 2) How does one define "best interest?"
- 3) How does one define an appropriate rate? Is an engineering study required? Why?
- 4) Should those who receive surplus water be required to "buy in" to the system or should they be required to pay a higher rate for their water?

C. Consideration of audit contract engagement for next three years with Bob Hubik (Murray) Director Heinzer moved the District go to bid for an auditor. Director Poling seconded the motion and it passed unanimously. The Board directed Secretary Dorothy Cong to contact other auditors and have additional bids by the next board meeting.

D. Satellite Paging System: Consideration of a paging system that will allow warnings to be sent directly to Operations personnel (Acker/Whitaker) The major leak dumping 150,000 gallons of water from tank #1 in June caused District personnel to consider ways of notifying operations personnel of a problem before it may become a crisis. Mr. Acker expressed that the "water eye" keeps track of 8 different aspects of the system. There is a technology

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available that can connect to the water eye. Via satellite paging it will email to a computer or a pager when a problem occurs based upon preset thresholds. Director Heinzer moved Charlie proceed to acquire the satellite paging system. Director Poling seconded the motion with the qualification that the initial cost would not exceed \$300 and the monthly rate would not exceed \$60.00. The motion with qualification passed unanimously.

E. Well Drilling Program: Consideration of the possibility of drilling a second well (Acker/Whitaker) A paper briefly covering the advantages of well water over surface water was presented in the board packet. Most significantly, well water is free of turbidity and bacterial contaminants and filtration is not normally required. An additional well might be an excellent source of back up to the present well and the water system in general. Director Poling moved and Director Heinzer seconded the motion that Operations manager Charlie Acker prepare a written feasibility study which would take into consideration location, permit costs, drilling expense, power, delivery, ... and report back to the board. The motion passed unanimously.

F. Consideration of revised Fire District Budget for remainder of current fiscal year due to changes resulting from contract for emergency services with Redwood Coast (Murray) Director Heinzer moved and Treasurer Murray seconded the motion that the revised fire district budget be adopted as presented.

G. Draft Budget for both Fire and Water for Fiscal Year Oct. 1, 2004 – Sept. 30, 2005 (Murray) Board Secretary Dorothy Cong provided an overview of the cash flow for the upcoming fiscal year. She covered operating income expectations as well as operating expenses based upon meetings of the budget committee and anticipated projects. A cost of living increase in salaries, rising insurance costs, the cost of projects that must be done, and pay back to operations reserve will potentially result in an increase in water rates. Dorothy also reviewed the new assessment rates which will increase by 2.8% and cost of collection. She further explained that several capital projects in the next fiscal year would be financed from the assessment funds. Several decisions must be made prior to preparation of a finalized budget.

H. Consideration of Draft Resolution 2004 _____ Documenting the Approval of the District's FY2004/05 Budget and Water Rates (Murray) Tabled until the next meeting.

I. Resolution 2004 _____ Revising and Updating Asset Listings, Assessment Fees, and Operating Reserves for Inflation and Operating/Maintenance Activities (Murray) Director Poling moved the Board adopt the proposed 2.8% increase in the assessment. Director Heinzer seconded the motion. The vote was as follows: Ayes: Directors Poling, Heinzer, Whitaker and Murray. Noes: none. Absent: Director Danner.

J. Consideration of a date to conduct a joint public meeting to consider the adoption of a Resolution of Application to the Mendocino Local Agency Formation Commission for a reorganization of RCFPD and IBWD for emergency services. The Board agreed with the committee decision to hold a public meeting of the two boards, IBWD and RCFPD, at the Veteran's Hall in Point Arena of Friday, September 10, 2004 at 2:00pm.

K. Discuss filling vacancy on water board as a result of anticipated resignation of one board member due to home sale. Since Director Lynn Danner's home is in escrow, the board

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felt it best to take steps in preparation of appointment of a board member to replace Director Danner. Director Poling moved President Whitaker be named as the Director to serve on the *ad hoc* committee and have full discretion to select committee members. Director Heinzer seconded the motion and it passed unanimously. Prior candidates are to be sent letters asking if they wish to be considered for the vacant position.

L. Draft Resolution 2004 _____ by the Irish Beach Water District requesting the Local Agency Formation Commission to approve a reorganization of the District which will include: 1) Sphere of Influence update, 2) Removal of IBWD's ability to provide fire protection services, 3) Annexation of IBWD territory by Redwood Coast for fire protection. Tabled at this time.

8. ADJOURN TO EXECUTIVE SESSION: At 1:55pm the open meeting adjourned to executive session.

A. Closed session for the purpose of discussing the issue of Public Employee Performance Evaluation of Operations Manager, Systems Operators, and District Secretary, pursuant to Gov't Code Section 54957.

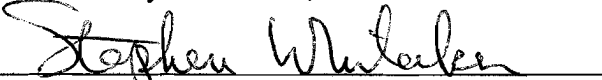
9. RECONVENE TO OPEN SESSION:

President Steve Whitaker adjourned the executive session and reconvened open session at 2:15pm. President Whitaker announced that Director Jon Heinzer and Director Judy Murray are to explore the issue of performance appraisals with public employees and report back to the board at 10:00am in executive session at the September 11, 2004 meeting.

9. Adjournment:

Director Poling moved and Director Murray seconded that the meeting be adjourned at 2:19pm.

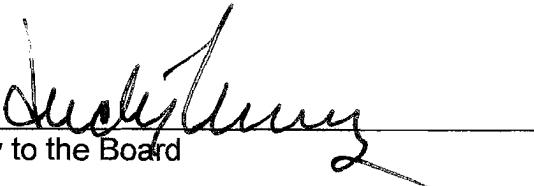
Respectfully submitted,



Steve Whitaker, President
Prepared by Dorothy Cong

Attest:

Secretary to the Board



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IRISH BEACH WATER DISTRICT MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS SATURDAY, September 11, 2004

I. OPEN MEETING

1. **CALL TO ORDER AND ROLL CALL:** President Steve Whitaker called the regular meeting of the Irish Beach Water District Board of Directors to order at 10:02am at the Fire House in Irish Beach (Manchester). Present were Directors Heinzer, Murray, Poling and Whitaker. Also present was Mr. Charles Acker, Operations Manager and District Secretary, Dorothy Cong. Members of the public in attendance were Diane Heinzer, Gene Cady, Jim Albert, Dorothy Engle and Sue Whitaker.
2. **ADJOURN TO EXECUTIVE SESSION:** For the purpose of public employee Performance Evaluation of Operations Manager, Systems Operators, and District Secretary, and pursuant to Gov't Code Section 54957, the board adjourned to executive session at 10:03am.
3. **RECONVENE TO OPEN SESSION:** The board reconvened to open session at 10:29am. President Steve Whitaker announced the following. The board discussed personnel evaluations and salaries. The following salary changes were made: Charles Acker increase to \$30.00; Walt Rush increase to \$12.80; Dorothy Cong increase to \$20.00; John Acquistapace will remain at the same salary. The Board noted that the District was fortunate to have outstanding support it has from its employees and was very grateful to them.

Prior to continuing the meeting a moment of silence was held in memory of the terrorist attack on the school in Russia.

4. **APPROVAL OF MINUTES of the Regular Meeting of the Board of Directors held on Saturday, July 10, 2004.** Director Poling moved and Director Heinzer seconded the motion that the minutes from the July 10, 2004 meeting be approved as presented. The minutes were so approved.

3. COMMUNICATION AND CORRESPONDENCE:

There was some correspondence from Mr. William Moores and RCFPD pertaining to the reorganization project. Mr. Moores also requested copies of water and fire budgets and some other documents. He again reiterated that he did not think the District needed another EIR on Mallo Pass since one was completed around 1973.

4. PUBLIC INPUT:

President Whitaker, speaking as a member of the public, reported on the issue of some sort of a white powder around Pomo Lake which has prompted a number of rumors. The Irish Beach Water District does have the water rights to the lake. Mr. Acker stated that the appropriate agency to contact in the case of a suspected chemical spill is the County of Mendocino Health Department. Mr. Acker said he would contact the Health Department.

Prior to presentation of the reports, President Whitaker expressed that he would go directly to

Board meeting minutes September 11, 2004

New Business item D "Discussion and possible action regarding an appointment to the Irish Beach Water District Board of Directors (*pursuant to Government Code 1780(a)*). Director Heinzer moved the Board of Directors appoint Russell Pasqualetti to take the seat on the Board vacated by Lynne Danner. Director Poling seconded the motion. The motion passed unanimously. Mr. Pasqualetti was immediately sworn in by Kathy Poling who is a public notary and Mr. Pasqualetti was asked to take his seat. Director Whitaker requested to address New Business Item E: Appointment of Secretary to the IBWD Board of Directors. Director Murray moved that Mr. Pasqualetti be appointed as Secretary of the Board. Director Heinzer seconded the motion and it passed unanimously.

5. REPORTS:

A. Treasurer - Report on Finances/Approval of Expenditures:

Treasurer Judy Murray reported on the financial status of Irish Beach Water District cash assets detailing Operations checking and operating reserves accounts, the "restricted" assessment account and the fire department funds. She provided a recap of the budget Year to Date overviews for both water and fire explaining any deviations and unusual income and expenses. The District remains financially healthy. The Treasurer's report was accepted as presented.

B. Water:

Operations Manager Charles Acker reported that

- 1) PG&E has OK'd the power connection for the lower diversion and a meter should be installed within a few days.
- 2) Paulson's crew attempted to drill under the road at the "Suddith Site" to repair the leak in the pipe," but their tool failed.
- 3) Charlie provided an interesting graph from the on-line system in the treatment plant which demonstrated the effects of dry weather on water flows from Irish Gulch plus the impact of a full Irish Beach over the Labor Day weekend.
- 4) Charlie expressed he was having some personnel issues. His summer-hire has not worked out and he is in the difficult situation of not being able to catch up on some maintenance projects in addition to the extra projects to comply with the Emerson safety compliance report. Mr. Rush helps out a great deal, but has to cut back on his hours due to his jewelry work. Charlie said that the District is close to not having enough licensed operators. He has also been bringing Steve Acker to Irish Beach for a couple of hours on Sundays to assist him with some of the technical operations. Adding Steve to the crew will be an agenda item in November. Charlie added that Dorothy Cong and Paul DeVaul will be assisting with meter reading and maintenance work.

C. Safety: Director Whitaker reported that the Safety Committee met. The topic discussed was electrical hazards. Following the core topic, the committee covered various safety issues that needed to be addressed around the treatment plant, i.e.: clean up storage buildings behind the tank, boxes stacked on shelf inside the plant...

6. OLD BUSINESS

A. Status of annexation of the Irish Beach Volunteer Fire Department by the Redwood Coast Fire Protection District (Heinzer). Director Heinzer reported there was a special Joint

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Board Meeting of the Redwood Coast Fire Protection District and the Irish Beach Water District at the Veterans' Memorial Building in Point Arena on Friday, September 10, 2004 at 2:00pm for the purpose of conducting a public hearing to receive comments and to consider the adoption of Resolutions of Application to the Mendocino Local Agency Formation Commission for a Reorganization of the districts. Only a single written negative comment was submitted by William Moores who did not attend the meeting to explain his statements which were confusing to both boards. Both Boards passed their resolution of application requesting that the LAFCO approve a reorganization of the District (Irish Beach resolution 2004-3).

B. Development of Lower Diversion water source from Irish Creek (Acker): Mr. Acker reported that PG&E will be here the week of September 13th to connect the meter to the Lower Diversion. The flow rate was 37½ gallons per minute on Friday, Sept. 10th. The District already has a 5 hp pump to set in place. The State Health Department only requires a simple bacteria test to start up the Lower Diversion, but is requiring the District have a turbidometer which will cost in the neighborhood of \$900.00.

C. Status of water diversion permit renewal for Mallo Pass and related activities associated with the development of Mallo Pass Project (Acker):

- 1. Bids from consultants for Environmental Impact Report:** Mr. Acker stated that the District has purchased the flow meter and has permission from Walt Stornetta to set it up. He did not yet get a document in writing from the Department of Water Resources regarding an Environmental Impact Report.
- 2. Stornetta/Zamboni Easements:** No change.

D. Consideration of adopting procedures for handling landowner projects (Acker/Danner): Tabled.

E. Safety Issues resulting from outside consultant on-site visit (Whitaker): Director Whitaker reported that the small building behind the tank was cleaned and organized. The faulty heater has been discarded. We are slowly making progress.

F. Consideration of purchase of a maintenance vehicle to be used by operations for system maintenance (Heinzer/Acker) NTR.

G. Consideration of construction of office building and storage complex on IBWD property adjacent to the Corporation Yard (Heinzer): NTR.

H. Issue of keys to acreage parcels (Whitaker) Director Heinzer moved the District get a title search regarding use of the back roads. Director Poling seconded the motion and it passed unanimously. Director Heinzer will check and the District will see what it has on hand in terms of easements.

I. Hunolt and Zamboni Projects: Consideration of each individuals request for water from the Irish Beach Water District: (Whitaker) Mr. Hunolt has one connection to the District's service. The Board determined that based upon California Water Code §35425 it is not in the District's best interest to enter into a contract to provide water. Director Poling moved that all further discussion with Mr. Hunolt cease. Director Heinzer seconded the motion. President

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Whitaker volunteered to send Mr. Hunolt a letter stating that he should explore annexation to the District if he wants water.

Mr. Zamboni currently has a contract with the District for water. Director Poling volunteered to update the contract which will include a statement that Zamboni shall not object to an easement that runs through his land.

J. Well Drilling Program: Feasibility study of a well drilling program to augment existing IBWD water supply (Acker/Whitaker): President Whitaker presented his overview on drilling wells which would have several positive results. Well water does not need to be treated nor does it require a permit for water rights as does extracting from a stream. Charlie Acker suggested that he can immediately think of two locations where it would be feasible to explore for wells; 1) Near the current Unit 9 well. 2) In the area around Tank #4. PG&E facilities are located close to each site. Charlie is to continue exploring the options..

7. NEW BUSINESS:

A. Consideration of audit contract bids for next three years (Murray): Treasurer Murray presented the bids of Mr. Hubik, the District's current auditor, and Ms. Boise. Director Poling moved the District accept Boise for auditing services for the fiscal years ending September 30, 2004 through September 30, 2006. Director Heinzer seconded the motion and it passed unanimously.

B. Budget for both Fire and Water for Fiscal Year Oct. 1, 2004 – Sept. 30, 2005 (Murray):

C. Consideration of Draft Resolution 2004-4 Documenting the approval of the District's FY2004/05 budget and Water Rates (Murray):

New business items B and C were considered jointly. The budgets were reviewed in depth at the July 10, 2004 water board meeting. Issues presented at that time were resolved, i.e.: audit contract, wages, reserve payments and reflected in the new budget. Director Heinzer moved Resolution 2004-4 documenting the approval of the District's FY2004/05 budget and water rates be approved. Water rates increased to .30 per 100 gallons on usage and to \$48.52 on availability. Director Poling seconded the motion. The vote was unanimous as follows: Ayes: Poling, Heinzer, Pasqualetti, Whitaker, Murray. Director Poling moved the fire budget be adopted as presented. Director Heinzer seconded the motion. All favored and the budget was unanimously accepted as presented.

D. and E: Addressed at beginning of the meeting. See page #1.

F. Consideration of rescinding Resolution 2002-4 which established a standard operating procedure for Publications of the Board. Director Poling moved this item be tabled. Director Heinzer seconded the motion and it passed unanimously.

G. Letter from Bob and Leigh Aldrich requesting a review of their June water bill which reflected 150,000 gallons of usage. Aldrich's usage on the June bill was 150,000 gallons. A look around the premises did not reveal any obvious cause of the leak. The Aldrich's considered the use excessive and that they could not have been responsible for using that much water and asked for a reduction on their bill. Director Whitaker did an extensive study on water leaving the

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tank compared to customer usage and presented his findings in a letter he wrote to the Aldrich's. In addition, an analysis of the water meter itself demonstrates that it is physically impossible for the meter to read too high. District findings indicate there is no basis for discarding the readings. Director Poling moved the Aldrich request for consideration be rejected. Director Heinzer seconded the motion and it passed unanimously. Director Whitaker is responsible for notifying the Aldrich's of the board's decision.

H. Sea Cypress Repairs:

1.) **Request from Mike Suddith asking for a reduction on water bill because of inconvenience resulting from make shift connection due to leak under county road.** Director Poling moved this item be tabled and that late fees be waived on this customer's bill until the full extent of the repairs is known.

2.) **Options on how to repair the broken water line.** Operation's Manager Charles Acker is working on repairing the line. He is focusing on efforts to complete the repair without cutting a trench across the county road which would cost approximately \$10,000.00.

9. Adjournment:


Director Pasqualetti moved and Director Heinzer seconded that the meeting be adjourned at 1:12pm.

Respectfully submitted,



Steve Whitaker, President
Prepared by Dorothy Cong

Attest:



Secretary to the Board