

Irish Beach Water District
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, November 13, 1993

1. **CALL TO ORDER AND ROLL CALL:** Director Satuloff called the meeting to order at 10:05 a.m. at the Fire House in Irish Beach (Manchester). Directors Satuloff, Aeschliman, Heinzer, Beran and Poling were present. Gene and Mary Scaramella, John Acquistapace, William Moores, Alan Turner and Dorothy Cong, the district's secretary and other members of the public were in attendance.. Director Satuloff read a letter he had just received from Roger Aeschliman giving notice of his resignation effective 10:00am, November 13, 1993. He expressed that IBWD just lost a valued member, expressed appreciation for the services Roger provided, and hoped that Roger's talents would still be utilized.

2. **APPROVAL OF MINUTES:** A **motion** to approve the minutes of the regular meeting held on September 11, 1993 was made by Director Heinzer, seconded by Director Poling and carried unanimously.

3. **APPROVAL OF EXPENDITURES:** A **motion** to approve September and October expenditures was made by Director Beran, seconded by Director Heinzer and carried unanimously.

4. **PUBLIC INPUT** for items not on the agenda. There was no response to a request for public input from Director Satuloff. Director Satulof pointed out that the legislature of the State of California signed a number of bills regarding the Brown Act and that in the future the board will not be able to discuss anything that has not already been publicized during the meeting on the agenda. Director Satulof also introduced Dorothy Cong as the new Secretary to the Board.

5. **REPORTS:**
 - A. **Treasurer** - Director Aeschliman reported there was sufficient money in the bank and that he would continue to do the things that have to be done until the board could appoint another treasurer.

 - B. **Water** - Charles Acker was absent and John Acquistapace spoke for operations. He noted that the flow of Irish Creek was 77 gallons per minute on the 1st of November. John Acquistapace indicated that 743,300 gallons flowed through the plant from Irish Creek. The outgoing usage through the meter was 589,875 gallons with a difference of 153,000 gallons. Mr. Scaramella explained that the difference was due to double pumping further

complicated by the fact that there are no gauges on the water tanks. Unit 9 well pumped 56,545 gallons in October and 60,000 gallons went into the #4 tank. John further reported that he and Charles had made the disconnect at the shed as well as put in a new standby and a new water service so that should there be a need to hookup it will be easy.

C. Fire Department - Fire Chief Rex Dunning reported that last week the department put out a couple of fires; one in unit 3 due to a citizen burning, and the second a call out at midnight to put out a fire on the beach. Both fires were doused and the response time of the department was good. Rex stated that he had ordered some new gear for a couple of the volunteers at a good price. Rex mentioned that the spouses were being organized to start calling around to everybody while the volunteer is responding. He said light jackets were ordered for the spouses of the volunteers so while the volunteers are en route to the fire, they could assist in directing the other areas that respond (i.e. Point Arena and Garcia). He also noted that some films have been ordered dealing with fires and safety and that they should be here next month. There was some discussion of the burn piles and Rex stated that Benbow has made arrangements with CDF.

D. Safety Committee - David Rosendale reported that all safety meetings are on schedule and that we are in compliance with Cal OSHA requirements. Dave said that he had attended a safety workshop on November 1 and 2 in Sacramento. He briefly covered a couple of the seminars he attended on the first day of the workshop. Dave attended the 2nd day of the workshop even though it was optional since attendance qualifies toward the credit incentive program for the insurance year of 1994-95 reducing the insurance premium. The emphasis this year was on driver education stressing SDRMA's policy regarding employees, volunteers and board members pertaining to use of their own car on District business. The policy requires that the district certify that the drivers are capable, without drunk driving or accident prone records, that they are licensed and adequately insured. SDRMA may have no responsibility insofar as damages to a car if involved in an accident, but they could have liability responsibility. If their policy is not followed, the SDRMA will cancel the insurance. Therefore, to bring the District into compliance with SDRMA policy, IBWD will obtain a copy of driver's licenses, proof of insurance, and a statement that the individual is not an "at risk" driver from each member of the board, employee or volunteer fireperson who may use their personal vehicle while on District business. These will be submitted to Dorothy.

6. OLD BUSINESS

A. Approval of 1993-1994 Budget: Director Satuloff opened by bringing up the question left over from the September meeting as to whether or not there was sufficient funds allocated in the budget for maintenance and repair on the water system for the year. Gene mentioned that there will be more tests required than in the past so the cost may be higher than in the past, but it should not be significant. Director Poling raised a question pertaining to the categories where items were budgeted as opposed to what was spent. Roger explained that the accounting distribution of where monies are spent do not

necessarily reflect properly - the codes don't always match. Director Heinzer moved that the budget for '94 be accepted; it was seconded by Director Beran and [passed unanimously.

B. Voucher system: Director Satuloff next brought up the issue of instituting a voucher system, or an advance approval of expenditures. After some discussion it was decided that since most checks issued are repetitive, i.e. PG&E, Pacific Bell, ... or are to the same suppliers, instituting a voucher system would not be feasible at this time. Director Heinzer moved to forget the voucher system, Director Beran seconded the motion and it passed unanimously. The issue of signing checks arose during the discussion since Roger had resigned and the District at the moment did not have the ability to pay anyone (two signatures are required on all checks and Roger's was one of those signatures). Director Poling pointed out that per the California Water District Code Section 34711 a treasurer may be appointed by the board and serve at its pleasure. Director Poling moved that the board appoint Roger Aeschliman as treasurer; it was seconded by Director Beran and passed unanimously. Director Satuloff then brought up that an assistant treasurer should be named at some time so that there will be someone available to sign checks should one of the current signators not be available. Director Satuloff requested that Roger check with the bank to see if some checks could be one signature and others two, i.e. repetitive checks require one signature, and perhaps two signatures need be required only if the amount of the check exceeds a certain amount of money.

C. Unit 5 - Fireroad Easement : Director Satuloff opened up discussion of the Unit 5 Fireroad Easement issue by reading from page 5 of the minutes of the last meeting as follows: "Director Satuloff requested that prior to the next meeting Bill Moores have a letter stating his representation of Gordon Moores." Director Satuloff asked Mr. Moores if he had such a letter and Mr. Moores stated that he did not (have a letter); he did not recall such a requirement. Director Satuloff said that we will assume then that this is a public discussion without the principal being here. Director Satuloff proceeded to state that the Board had met in Executive Session with its attorney in the morning and came up with a potential compromise - a letter that we will propose to write to the county with a few modifications. Director Satuloff gave Mr. Moores a copy of the letter with the changes noted. The key paragraph of the letter was read to the public by Director Satuloff: "The IBWD has been and continues to be willing to specify and develop a maintenance and insurance agreement for a gravel road for the sole purpose of fire access. We understand that owners of the land will offer the road for a dedication to any public entity that will accept and maintain the road to fulfill the California Coastal Commission's condition for regular unimpeded passage of vehicles and pedestrians. The IBWD will not accept the offer of dedication but has no problem with the road being offered to any other public entity so long as the road continues to be passable by the IBWD fire equipment. Until such time as another public entity accepts dedication, the IBWD will restrict the road to fire access and for use by other easement owners only. Again the issue that has come up here, and the only issue, is the fact that the Coastal Commission has put a restriction that they want a through general vehicular and pedestrian access road; and the IBWD is not in a position to either specify or maintain such a general use road in perpetuity. So we have said we accept the gravel road, but would have to restrict its access. This letter is intended

to facilitate your efforts to obtain issuance of the coastal permit and to proceed with the final amount of processing. We will inform you when we are satisfied that the road improvements and maintenance agreement have been completed to the IBWD specifications." Mr. Moore's commented that the only part that bothered him was the last sentence in Paragraph 3. "The coastal commission will reject the concept of the water district to restrict fire access for use for fire only or for use by other easement holders." Mr. Moores stated he was not familiar with offering something for dedication and that was the part he was worried about. He further said, "the District has the right to use the easement and they have acquired that as a non exclusive right. I don't like the idea of having a sentence in here where it indicates the district is going to restrict it when it is well known that the Coastal Commission wants to make sure it is unrestricted. That's the only sentence that I didn't care for. I might add that the section pertaining to the maintenance obligation that section 845 protects the district from maintenance responsibility that 's not related to the Districts fire use of it. So I don't think you are exposing yourself to a maintenance obligation. I am very much worried that having the language that says the district is going to restrict the use of the road is going to be a big red flag to the Coastal Commission. The part about offering it for dedication doesn't bother me so much as that last sentence." At this point Mr. Turner pointed out that "the character of the right of way now is a non-exclusive easement and there are a couple of owners of that at the present time, so the language of the letter does not change the character of that. The only people entitled to use that are the holders of the non-exclusive easement and that we just simply reaffirm that passage will be restricted to holders of that non-exclusive easement. At such time as the character of that easement is changed to a public thoroughfare it makes no difference to the district in any event because they would have fire equipment access through any public roadway. They are not doing any more than saying that this is the character of the easement. We intend that that be preserved as the nonexclusive use for holders of the easement." Mr. Turner explained to Mr. Moores that a dedication is essentially a conveyance. "The language simply says its a non-exclusive right of way and preserve it for that purpose. If it becomes a public roadway then that's different." Mr. Moores said that his answer is to try and see if it will work and if it works fine. He stated that his only objection is anticipating what somebody is going to do with it after we hand it over to them. "This may work; I hope it does." Following some minor discussion, Mr. Moores accepted the letter. Director Heinzer moved that we send this letter to the Mendocino County Planning Department if the principal has no objection. Director Beran seconded the motion and it passed unanimously.

D. Accounting and Billing System: In the September meeting a resolution had been voted to provide Bobbie DeVaul the opportunity to redo the Accounting and Billing System. Due to Bobbie's resignation, it was moved by Director Poling and seconded by Director Beran that we rescind the resolution to have Bobbie redo the system.

E. Approval and Signing of Septic Resolution: Because of excessive time spent on the Unit 5 Fireroad easement, this resolution had not been sufficiently reviewed. It was decided that it would be on the agenda for the next meeting of the board.

F. Lawsuit Status: Director Satuloff stated that there would be an executive session following this meeting to decide where to go from here pertaining to the Mallo Pass Agreement lawsuit. It had been discussed in an earlier meeting that we had asked to negotiate a settlement based on a cash settlement for a fixed amount for the development of the water system here plus a negotiated settlement on the Inn Site, the well project and the distribution facilities. The filing party has refused to negotiate a cash settlement on the development of the water system. Instead they want to negotiate everything. We will meet in executive session to determine a direction. Allan Turner stated that the trial is set for March 7, 1994. Director Satuloff commented that we have spent in excess of \$13,000 of the District's money on this litigation and this thing is getting very expensive.

G. Arena Rescue Agreement: The Arena Rescue renewed agreement is dead. They still have the services and will respond to emergency requests at Irish Beach. Garcia Fire and the Point Arena Fire Department are negotiating to create a single fire district and all their equipment and services would be under the one. We were invited to see if our fire district would want to or could legally join so we could create a whole central coast fire district. Since we are already a fire district we cannot join with another one. What we will do is contract with the new district for emergency services. We still have mutual agreement to call upon Point Arena or Elk for help should we get into a fire problem we can't handle.

7. NEW BUSINESS:

A. Results of Director Appointments: Director Satuloff said there is now a board member opening. The question came up as to whether or not we could appoint or if we have to go to a special election. Allan Turner said that we could appoint a new member. We will now have to solicit other members from the community; an appointee does have to be a landowner.

B. Sphere of Influence: Director Satuloff indicated that LAFCO had asked us to draw our sphere of influence on a large map. A sphere of influence is that area for which we are responsible for providing water, fire service, metering and sewage. He took it upon himself without consulting the Board to respond to LAFCO's letter and submitted a map showing our sphere of influence to be the existing Irish Beach without the Inn Site, but which does include Unit 5 and Unit 9. The Nichol's Ranch and the Arnold property are not included. After Marv asked for comments, there was considerable discussion particularly pertaining to the benefits of perhaps expanding the sphere of influence (without annexing) - a benefit being that the District may at least have some voice as to what occurs within its sphere of influence. Mr. Turner said that ordinarily a public entity will have a fixed boundary and beyond that a sphere of influence - not exercising authority there, but a voice and a bit of control about what goes on around it as well as establishing the right to annex should the need arise to do so. Therefore Allan Turner suggested that perhaps the Inn Site, the Carter Arnold property and the Nichol's Ranch might be well included within the sphere of influence of Irish Beach so that the District will have some say about what goes on should the developers start doing something. Director Poling brought up that if we have

any obligation under the 1988 agreement to provide service to the Inn Site, for instance, by not including it within our sphere of influence, we are in fact negating the opportunity to annex. Mr. Turner mentioned that there would be a couple of ways to serve the Inn Site - one is to contract with it on an annual basis for a sale of surplus water and secondly to annex it and make it a part of the District. There was some discussion about the obligations of the District under the 1988 agreement. Director Poling proposed that Director Satuloff's submission to LAFCO be reviewed and that this issue be tabled until the next meeting. Director Satuloff was concerned that the "window" may have been closed and Mr. Turner mentioned that the formal proceeding to change the sphere of influence has not taken place as far as he knew. Director Satuloff said that he will call and find out if the window is still open, find out what it is that we did and if we have an opportunity reconsider.

C. Resolution - Small claims court - Resolution 93-7 authorizing Dorothy Cong to represent the District in small claims court for the purpose of collecting on water bills was read by Director Satuloff. Director Poling moved and Director Beran seconded the motion. Directors Poling, Beran and Satuloff all voted "yes."

D. Family Leave Law: The California Family Leave Law pertains to our employees. Director Satuloff added in some other legislative updates pertaining to the Brown Act. The new legislation means that an executive meeting must be open to the public. The definition of a meeting was expanded to include conference calls and video teleconferences.

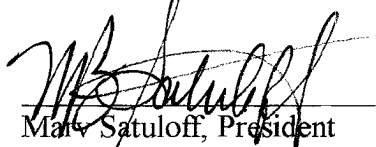
E. Public Use of Fire House: Director Satuloff opened by saying that the Architectural Committee held a meeting in the firehouse and gave the district a \$25.00 "donation" for its use. The question arose as to whether our use permit authorizes the public use of this firehouse. Also if we allow the firehouse for public use, what about parking issues, i.e. parking space, handicapped parking,... If we can have meetings we would like to continue to accept donations and use the money to buy supplies, such as a heater, coffee pot. The first step is to investigate our use permit and Director Satuloff asked Rex to follow through on this matter. Rex mentioned that as far as handicapped parking is concerned, the District is all right except that there is no sign posted. Director Beran stated that it is better to have a sign.

F. Overdue Bills/Collection Agency: Director Satuloff brought up the next item of using a collection agency to collect unpaid obligations. Allan Turner had suggested RLS as a collection agency because they are used by other public agencies. There was some discussion pertaining to our bad debt. Roger Aeschliman said that at this point there is about \$3000.00 outstanding. Director Poling brought up that there is a statutory provision to get the county to collect for standby water fees through the tax system. Roger drew attention to the fact that our ability to collect is frustrated by our inability to put a lien on the property. Director Poling volunteered to look further into the feasibility of having the county collect standby fees through the tax system. In the interim it was decided to go

ahead and write a letter to the delinquent customers stating that if their bill is not paid we will forward their account to a collection agency which will incur excessive costs. It was decided that should the letter not work, once the amount owing is 120 days past due, we will forward the account to a collection agency. Roger pointed out the one challenge for a collection agency is that many of our people are not living in Irish Beach; they live all over. A motion was made to turn anything over 120 days past due to the RLS Collection Agency.

- 8. Adjournment.** A motion was made by Director Beran to adjourn the meeting, seconded by Director Poling and unanimously passed.

Respectfully submitted,



Mary Satuloff, President

Prepared by Dorothy Cong

Attest:



Rudy Beran, Secretary

Irish Beach Water District
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, January 8, 1994

1. **CALL TO ORDER AND ROLL CALL:** Director Satuloff called the meeting to order at 10:05 a.m. at the Fire House in Irish Beach (Manchester). Directors Satuloff, Heinzer, Beran and Poling were present. Alan Turner, Dorothy Cong, the district's secretary and other members of the public were in attendance.
2. **APPROVAL OF MINUTES:** A **motion** to approve the minutes of the regular meeting held on November 13, 1993 was made by Director Heinzer, seconded by Director Poling and carried unanimously.
3. **APPROVAL OF EXPENDITURES:** A **motion** to approve November and December expenditures was made by Director Beran, seconded by Director Heinzer and carried unanimously.
4. **PUBLIC INPUT** for items not on the agenda. There was no response to a request for public input from Director Satuloff. Director Satuloff pointed out that effective April 1, 1994 recent changes to the Brown Act will prevent us from entertaining items not on the agenda. However, it is felt that the public can still bring up items of interest/concern and ask that they be placed on a future agenda.

5. REPORTS:

A. Treasurer - Roger Aeschlimann reported the following:

1. Letters have been sent to all delinquent accounts with some progress in receiving payments as a result of that mailing.
2. The District has been overbilling one large property owner for quite some time on some lots with a refund due of somewhere between \$3,000 and \$5,000.
3. Dorothy Cong will be the third person authorized to sign checks. This was verified with the county auditors and found to be acceptable.

B. Water - Charles Acker reported on

1. Water consumption. Average daily use in Dec. was 92 gallons per day (gpd), Nov. 105 gpd, Oct. 144 gpd. This is in line with past years.
2. Flow of Irish Creek was 161 gal. per min.. At this time of year one would expect it to be unmeasurable but rain has been scant.
3. A broken water line was repaired.
4. Charles Benbow wants to replace boxes broken in Unit 4 with the District probably providing the labor to install.
5. Yearly testing was completed and all is in order. The cost for the Cathodic Protection Program is exhorbitant (\$540.00) for the amount of work involved. Charlie will

look into the possibility of the District doing their own testing and then notifying them if there is a problem.

6. The letter of notification from the Department of Health requesting a copy of our emergency procedures is being followed up on. The District does have such procedures and they should be on file with the Department.

C. Fire Department - Assistant Fire Chief Al Fisher reported

1. There is a breakdown in communications in emergency situations, particularly with regard to rental homes. The Fire Department is working with Gordon Moores to require all rental homes have: a.) working telephones, b.) fire extinguishers, and c.) smoke alarms. In addition, a form is being prepared to be placed in all rentals detailing where fire extinguishers are as well as outlining procedures to follow in case of an emergency.

2. On February 1 the Fire Department will begin auditing all homes for compliance with the requirement to have 2 50' hoses with an affixed nozzle close at hand. At the same time they will audit addresses.

D. Safety Committee - Charlie Acker, who took on the responsibility of safety coordinator, reported that all safety meetings are on schedule and that we are in compliance with Cal OSHA requirements. The damaged chain link fence was repaired and a new first aid kit acquired. A file has been set up to comply with SDRMA requirements that each individual who may use their personal vehicle in conjunction with District business must provide the District with a copy of a valid driver's license, proof of insurance and a statement that they are not an at risk driver. It was suggested that a letter of commendation be written for Dave Rosendale who did such an outstanding job as safety coordinator and turned over the responsibilities to Charlie in wonderful order.

6. OLD BUSINESS

A. Unit 5 - Fireroad Easement: Allan Turner reported on a meeting with representatives of the building and planning commission. The County took the position that it was not satisfied with a road not built to county standards because of liability concerns. The County Counsel took the position it was not inclined to approve a long term maintenance agreement on a substandard roadway. There were 2 options agreed to by all: a.) redesign the road to meet county standards, b.) have a homeowners association take responsibility for maintaining, as long as liability protection could be secured, i.e. insurance. Allan Turner contacted a homeowners association consultant inquiring whether or not an insurance company would be willing to insure for roads not built to county standards, and the initial contact indicated an unfavorable response, but he will check further. He would not recommend that the Improvement Club participate in such a program unless he was satisfied that adequate insurance for a non-standard roadway is readily available so liability would not fall upon the Irish Beach Improvement Club.

Bill Moores said that there was another potential solution to this issue - that the road will not be made available for use until an irrevocable offer of dedication has been accepted. Bill said the issue is now before the Coastal Commission.

It was agreed this item will be dropped from the agenda until Mr. Moores submits it again. It was again formally requested by Director Satuloff that the Board of Directors receive some official authorization in writing that Bill Moores is authorized to represent Gordon Moores as the principal in this issue.

B. Approval and Signing of Septic Resolution: Resolution 93-5 amending prior septic resolutions was read and approved. Roll call went as follows: Beran, Poling, Heinzer and Satuloff all voted "Aye" in favor of accepting the resolution.

C. Lawsuit Status: Allan Turner stated the following:

1. Depositions have been taken of Ruben Balzar, Fran Layton and D. Counihan.
2. The trial is scheduled for March 26, 1994.
3. There is a settlement conference scheduled for February and still a possibility of further negotiations toward a settlement prior to trial, but the possibility is limited. An advantage of settlement before trial is that it limits the possibility of further litigation in addition to expense savings.
4. A letter will go out with the next water bill to all property owners bringing them up to date on the litigation.

D. Sphere of Influence: President Marv Satuloff said he had drawn up a sphere of influence map and submitted it to LAFCO without consulting with the Board of Directors. Since the last meeting of the board, he inquired if modifications could be made and LAFCO said a "soft 'no.'" A Sphere of Influence can extend beyond the boundaries the District serves; it is an area in which the District wants to keep abreast of what is happening, have input into issues that come up, and annex should the need arise. Marv drew up the sphere of influence to include only the area presently served by the District. It was moved by Director Poling and seconded by Director Beran that we pursue amending the Sphere of Influence.

E. Public Use of Fire House: The question here is whether or not our insurance covers the use of the firehouse as a public facility and if our use permit allows it. Since Mr. Dunning was not at the meeting it was tabled until the next meeting.

F. Feasibility of standby water fees being collected through county tax system: Director Poling reported that she had spoken with the County Counsel, Tax Collector and the County Auditor and all agree that collecting standby fees via the tax system is a feasible option. There would be an initial set-up fee ranging from \$100.00 to \$200.00 depending upon the number of data entries involved. The charges would go out on the tax bills and would be paid in 2 installments. An advantage to having the county tax system collect revenues is that it cuts down on administrative time and expense once the mechanism has been set up. A major question is with regard to cash flow; do we have enough cash flow to change from a bi-monthly to semi-annual system?

Director Poling stated that there was also a provision allowing the District to collect delinquent accounts through the tax system. This could be a possible option as opposed to either small claims court or a collection agency.

At this point there are several possibilities for which the District may choose to use the county tax system as a means to bill our customers: 1.) availability and fire charges on lots only, 2.) availability and fire charges on homes and lots (Director Poling was looking into only vacant lots at this time, 3.) delinquents only.

Allen Turner stated that there is some issue that bothers him about using the county tax system as a vehicle to collect the standby fees; he will research it and report at the next meeting. Director Heinzer moved that the topic be analyzed in further detail. The motion was seconded. Director Poling will provide an in-depth report at the next meeting of the Board of Directors.

7. NEW BUSINESS:

A. Open position on the Board of Directors: Director Satuloff stated that there were 2 volunteers for the position on the Board. A subcommittee consisting of Directors Satuloff and Poling was appointed to interview both volunteers (Ron Frame and Donna Dell), make recommendations, and notify the other Board members so an appointee could be selected.

B. Authorization of 3rd person to sign checks. Director Beran moved and Director Poling seconded that Dorothy Cong be the 3rd person authorized to sign checks for IBWD. The motion carried.

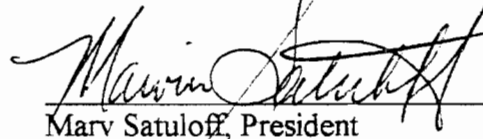
C. Fire Department Cash Account: Al Fisher spoke for Rex Dunning pertaining to the issue of separating the Fire Department account from the Water District account. Gene Scaramella provided some history pertaining to the joining of the two accounts, - primarily a cash flow issue. Allan Turner pointed out that separating the two would put an additional burden on the Board of Directors who would then have to administer them under 2 separate code structures - the Calif. Water District law and Health and Safety Code. If we administer them separately, then we no longer have the umbrella protection of the statute that started the fire protection district. It would potentially bring up alot of issues, i.e.: would a separate and distinct system have to be set up to collect fire funds, ... Allan Turner said he would talk to Rex. Director Heinzer moved the issue be tabled; Director Poling seconded the motion and it was carried.

D. Hiring a "Manager" for the District: Director Satuloff stated that all members of the Board are volunteers and are not abreast of all the laws and rules governing fire and water districts. There is the potential risk of the District incurring liabilities for something inadvertently. Hiring a part-time manager would alleviate this risk. Director Beran suggested that a job description be written specifying responsibilities of a manager as the initial step in. Director Satuloff and Gene Scaramella agreed to work on a job description with input from Ruben Balzar as well. Allen Turner expressed he had some familiarity with part-time managers in other districts, would make some calls to see what's available and report at the next meeting of the Board.

Board of Directors Meeting Jan. 8, 1994

8. **ADJOURNMENT.** A **motion** was made by Director Heinzer to adjourn the meeting, seconded by Director Beran and unanimously passed.

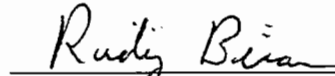
Respectfully submitted,



Marv Satuloff, President

Prepared by Dorothy Cong

Attest:


Rudy Beran, Secretary

Irish Beach Water District
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, March 12, 1994

I. OPEN MEETING

1. **CALL TO ORDER AND ROLL CALL:** Director Satuloff called the meeting to order at 10:05 a.m. at the Fire House in Irish Beach (Manchester). Directors Satuloff, Heinzer, Beran, Poling and Frame were present. Alan Turner, Dorothy Cong, the district's secretary and other members of the public were in attendance.
2. **APPROVAL OF MINUTES:** A **motion** to approve the minutes of the regular meeting held on January 8, 1994 was made by Director Poling, seconded by Director Heinzer and carried unanimously.
3. **APPROVAL OF EXPENDITURES:** A **motion** to approve January and February expenditures was made by Director Beran, seconded by Director Heinzer and carried unanimously.
4. **PUBLIC INPUT** for items not on the agenda. There was no response to a request for public input from Director Satuloff. Director Satuloff pointed out that effective April 1, 1994 recent changes to the Brown Act will prevent us from acting upon items not on the agenda, but the public can still bring up items of interest/concern and ask that they be placed on a future agenda.

5. REPORTS:

A. Treasurer - Roger Aeschlimann provided the following information for Director Satuloff to report:

1. The District's cash position is adequate at the present time. There has been a minor shortfall as budgeted because there have been no hookups as forecast.
2. The Accounts Receivable has improved somewhat due to having received several payments from past due accounts.
3. The billing program is inadequate and Marv is looking into alternatives.
4. Insurance: The District is currently insured by SDRMA. The policy comes due on August 1, 1994. SDRMA is quite costly so there is consideration of looking at an alternative company, i.e. Norcoast. Apparently based upon the experience of some other Districts, Norcoast is considerably less expensive than SDRMA. However, SDRMA seems to provide a number of services that may not be offered under a different insurer.
5. Septic Inspection/Pumping. The District is responsible for insuring that septic tanks are examined every 5 years. Because of the considerable expense incurred by homeowners in having their septic systems inspected/pumped, there will be an attempt to get rates reduced by grouping. Roger Aeschliman, Bob Smith, O'Neil Septic and a representative from county sanitation will be meeting in an effort to come up with an agreement. It was suggested that other septic companies i.e., Sequoia, be given the opportunity to "bid" for a contract as well. Another suggestion was to see if perhaps

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someone locally could be qualified as an inspector and provide that service for Irish Beach homeowners.

6. Roger intends to retire as treasurer at the end of the fiscal year.

B. Water - Charles Acker reported on

1. Water consumption. Average daily use in January and February exceeded 100 gals. per day - up considerably from the November/December usage, but not as high as in the drought years.

2. Charlie is working on a new map and developing a "blue dot" system showing where the various valves are located to facilitate identifying them during an emergency situation.

3. The gate pieces have been ordered that are to go into the openings on either side of the firehouse.

4. There is some rust on the filter outlet tank and it will be sanded and painted.

5. The road to the new bridge is fine.

C. Fire Department - Fire Chief Rex Dunning reported

1. Results of the inspection of homes under Ordinance 93-1. Rex gave a readout of the variances. It was stressed that it be verified with the Architectural Committee that at the time a permit is issued to construct a home that they have a water tap installed. There was some discussion of homeowners complaining that the volunteer fire personnel were on their property doing the inspection. According to our legal counsel, under statutory provision the VFD personnel have the legal right to be on their property to do the inspection.

2. Irish Beach had EMT service from the Arena Rescue, but now Point Arena is creating its own district. At this point they are still covering us for EMT services. We need to clarify if possible exactly what is going on in terms of the new organization and how do we get emergency services? Will it be on a contracted per call basis?

D. Safety Committee - Charlie Acker reported

1. The District is in compliance in terms of safety meetings.

2. There are currently no outstanding safety issues.

3. The issue of cost was brought up pertaining to the inspections done by Cathodic Protection Services (\$540.00 for 2 tests annually). John and Charlie are to determine whether or not the District can do their own testing.

4. Thorough tank inspections should be undertaken. Charlie and John are to determine a) to drain the tanks and inspect or b) send a diver down to inspect.

6. OLD BUSINESS

A. Lawsuit Status: Alan Turner provided an update on the lawsuit. The District amended its answer in its cross complaint based on discovery from depositions and document production adding 1.) breach of contract regarding the amount of funds on deposit for professional services - claiming \$16,000. 2.) fraud based on changes on the plans approved by the board. 3.) fraud due to the failure of the developer to disclose the existence of a geological shear zone near some of the District's facilities to be built. The Superior Court granted the motion to amend the pleas based on the newly acquired

information and vacated the March 28 trial date. The Court further imposed the condition that if it is necessary for Moores to take additional depositions of people already deposed, the District will have to bear the cost up to \$2,000.00. A mandatory settlement conference was convened on Wednesday, March 9 with each party and their attorneys present and a court appointed trial settlement judge presiding. The settlement conference has been continued with another meeting scheduled on Monday, March 28. The judge instructed the parties to negotiate further. No trial date has been set given the possibility that the matter may be settled by binding arbitration as opposed to jury trial. The District was instructed to establish parameters for settlement. At the settlement conference to be held on the 28th of March, Bill Moores and his attorney will have to come up with an offer.

B. LAFCO Sphere of Influence: President Marv Satuloff said that we have been given until the end of the year to revise our sphere of influence submission to LAFCO.

C. Public Use of Fire House: Rex met with the individual in Fort Bragg who issued the "use permit" and according to him he did not see any problem in having our public meetings there. Marv requested that Rex get a letter so stating for our records. It is not yet clear if our insurance policy allows such use of the firehouse or not.

D. Feasibility of standby water fees being collected through county tax system: The proposal is to have the county collect standby fees (water and fire lumped together) for vacant lots only. There was some discussion about the cost effectiveness of having the county do this. It was decided to postpone making a decision until a financial picture could be compiled providing a cost analysis.

E. Job Description of "Manager" for the District: There had been no time to work on this topic due to other pressing priorities.

F. Fire Department Cash Account: There was considerable discussion regarding the history of the fire and water accounts, bookkeeping issues and so on, and why the fire account was merged with the water account while at the same time maintaining its own bank account which basically has not been used. The decision was made to keep the separate Fire Department account open as a volunteer fire department account and the money can be used at the discretion of the volunteers. However, the bulk of the money in the account will be moved over to the "merged" account. Revenues will continue to be kept separate via bookkeeping.

7. NEW BUSINESS:

A. Resolution 94-1 commending Dave Rosendale: Since Dave was not present at the meeting the commendation was postponed until the next Board meeting.

B. Septic Inspection/Pumping: This item was discussed at length under the Treasurer's report.

C. Review Brooktrails Resolution No. 1993-39 re: LAFCO membership and Special Districts: The issue has come to the fore because AB13 confirmed upon LAFCO increased authority, among which is the power to consolidate small districts. In light of that, small districts feel they should be represented. This resolution is a request to require small district representation on LAFCO. The resolution was passed unanimously.

D. Erection of a Kiosk for notices: There was some brief discussion pertaining to joining together with the Architectural Committee, IBIC and the rental office to put up one or more kiosks. Each of these entities are in agreement that some place is sorely needed to post announcements. Jon Heinzer volunteered to work with these other groups in determining the specifics, i.e.: how many kiosks, where, design, cost, type of announcements,...

E. Billing (Consider whether bill should be sent to owner or renter): There is some difficulty in collecting fees from renters. Per statutory authority, owners are ultimately responsible. It is much cleaner to collect water fees from the owners who in turn can collect from their renters. The decision was made to change our billing policy to bill the owners. A letter will be going out to owners to that effect.

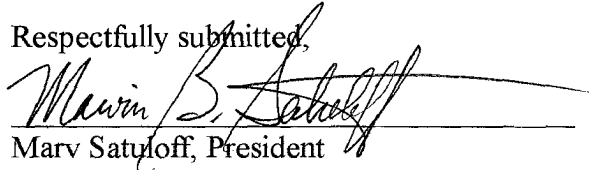
END OF OPEN SESSION:

II.

EXECUTIVE SESSION

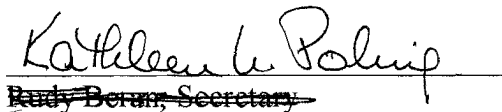
On advice of counsel, pursuant to Government Code 5496.9(b), the Board of Directors of Irish Beach Water District held a closed session meeting to consider resolution of legal claims against the District filed in the Mednolino County Superior Court (Case No. CV66212) by William and Tona Moores.

8. ADJOURNMENT. A **motion** was made by Director Heinzer to adjourn the meeting, seconded by Director Beran and unanimously passed.

Respectfully submitted,

Marv Satuloff, President

Prepared by Dorothy Cong

Attest:


~~Rudy Beran, Secretary~~

Attachments

Irish Beach Water District
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, May 14, 1994

I. OPEN MEETING

1. **CALL TO ORDER AND ROLL CALL:** Director Satuloff called the meeting to order at 10:00 a.m. at the Fire House in Irish Beach (Manchester). Directors Satuloff, Heinzer, and Poling were present. Alan Turner, the District's lawyer and other members of the public were in attendance.
2. **APPROVAL OF MINUTES:** A **motion** to approve the minutes of the regular meeting held on March 12, 1994 was made by Director Heinzer, seconded by Director Poling and carried unanimously.
3. **APPROVAL OF EXPENDITURES:** A **motion** to approve March and April expenditures was made by Director Poling, seconded by Director Heinzer and carried unanimously.
4. **PUBLIC INPUT** for items not on the agenda. There was no response to a request for public input from Director Satuloff.

5. REPORTS:

A. Treasurer -

1. Roger addressed the most significant expenses incurred by the District as reflected on the financial reports. Litigation fees are draining each month. The other significant bill was a loan payment and the refund item (**The refund item was what the District owed the Moores for incorrect billing*).
2. Accounts receivable is significantly improved. There is primarily only one major outstanding balance close to \$600.00 on one lot.

B. Water - Charles Acker reported on

1. Water consumption. Average daily use in March was 83 GPD and April was 123 GPD. This is an expected increase in usage because of the season.
2. The inlet meter in the treatment plant was changed.
3. The fence/gate behind the firehouse has been completed.
4. The tank has been prepped for painting.
5. Cathodic Protection Services has been contacted pertaining to their contract to test our tanks and the resultant cost. After some discussion it was decided that it was good "insurance" to continue with CPS. Director Heinzer moved to continue our contract with CPS and Director Poling seconded the motion. It carried unanimously.
6. Benbow has billed the District for burning of brush adjacent to the firehouse lot (for slash cleaned on the lot), but the District has been holding the bill because Benbow has not yet replaced the broken boxes. Charlie has been trying to contact Charles Benbow without success. In the meantime, the District will not pay the Benbow bill until we get a response from Benbow on the boxes.

C. Fire Department - Fire Chief Rex Dunning reported

1. The request by Marv that he secure a signature from a county agent that the firehouse can be used for public meetings. Rex was unwilling to get the signature and Director Heinzer pointed out that our use permit does not in fact allow public meetings. It is all right for firemen to meet in the firehouse, but to get a change in the use permit would be extremely costly just for the permit to say nothing of expenses that would be incurred to provide such things as a handicapped restroom, parking and so forth. Director Poling checked our insurance policy and there was nothing in the policy that would prevent a claim from being honored. After some discussion it was decided that the water board would continue to meet at the firehouse, but that other groups would not be allowed to do so.
2. It was brought up by the board that fire engines can be picked up very reasonably due to the base closings, and that perhaps this should be looked into.

D. Safety Committee - Charlie Acker reported

1. The District is in compliance in terms of safety meetings.
2. Two issues are outstanding
 - A. Clearing brush along the water line
 - B. Inspection of the water tanks.

There was considerable discussion about how to go about getting the two outstanding items taken care of. The two options mentioned were 1) hire a licensed contractor and 2) hire someone as an employee temporarily. Allan is to provide guidance to the District as to the best option to follow.

6. OLD BUSINESS

A. Lawsuit Status: Alan Turner provided an update on the lawsuit. The District has been involved in negotiations; Moores and attorney have until June 1 to respond in writing to the latest proposal. The District was given notice to file a case readiness statement and as it stands now, the District will file a "supplemental readiness statement". It appears that Mr. Moores may be willing to accept the language Marv drafted to amend the Mallo Pass agreement. It also appears as though the case will be taken to arbitration as opposed to a jury trial which would limit the issues resolved as well as save the cost of a trial. Gene Scaramella interjected that the document Marv had drawn needs some clarification with respect to "source;" it should be amended to read "complete system." At this point it appears that the case will go into arbitration sometime in July or August.

B. LAFCO Sphere of Influence: President Marv Satuloff said that he contacted LAFCO regarding redrawing our Sphere of Influence and based upon what he was told, we now need some clarification as to what we would be doing if we were to draw our sphere of influence outside the district. LAFCO told us that extending our sphere of influence would indicate a desire to service those areas. If we were to refuse service, we may then incur some liabilities. We understood it to mean only that it would allow us to participate and have influence on what goes on in those areas. At this point there is confusion regarding sphere of influence and Allan will be clarifying it for us. The fire sphere of influence has already been passed upon so we are considering only water.

C. Public Use of Fire House: Public use of the firehouse was discussed under Dunnings report.

D. Feasibility of standby water fees being collected through county tax system: A financial analysis was submitted showing costs to bill standby accounts which came to about \$820.00 per year. It was decided to table the proposal for the time being because it would not appear to be terribly cost effective although the District would realize some small savings by having the County do the billing. It would have an adverse affect upon our cash flow and our accounts receivable is in a fairly good position.

E. Job Description of "Manager" for the District: Marv prepared a job description for the position and provided copies for each of the board members. At this time the District is not able to hire anyone from a financial perspective - at least until we settle the lawsuit. However, we still need to consider a paid manager because we are possibly exposing ourselves in alot of areas just because we do not know something.

F. Fire Department Cash Account: There was no discussion.

G. Resolution 94-1 commending Dave Rosendale: Marv provided a copy of the resolution commending Dave Rosendale for his outstanding work as safety coordinator for the District. The resolution was passed unanimously.

H. Septic Inspection/Pumping: Roger met with O'Neils Septic Service, a representative from the Irish Beach Community and Erhler from the County. O'Neils agreed to lower their price for pumping if two locations can be combined in a day. The decision was made at the meeting to qualify Earl Lange to inspect septic tanks. The District is not responsible for hiring Earl or contacting the Septic companies; this is still the duty of the property owner. The District only keeps records and notifies their customers when their tanks are due for inspection as a courtesy in order to ensure compliance with the County Health and Safety Ordinance.

I. Kiosk: Jon Heinzer had the responsibility of looking into sites for constructing a kiosk. After some discussion it was decided that logical places to erect a kiosk might be 1) just below Reese's house, 2) Sea Cypress by the pump house and 3) In front of the fire house. Jon will take this suggestion to the Architectural Committee. Additional places where the District might put notices are on the bulletin boards at the Post Office in Manchester and S&B Market.

J. Report on billing homeowners vs renters: It was decided to send the property owners bills for water expenses incurred by their renters.

7. NEW BUSINESS:

A. Garcia Rescue: Since our current agreement with Garcia Area Rescue is now defunct, we are in the position of having to contract with either Point Arena or Garcia for emergency services. Point Arena has not provided us with a proposal yet, nor has Garcia though they have come up with a cost of what might be fair. They suggested \$54.00 per run, which would enable them to recover their costs.

Since we invested 1/3 into the Arena Rescue we should probably get something back from it. This is currently being analyzed.

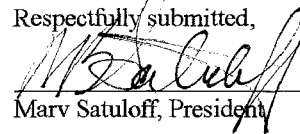
Allan brought up that Garcia is not an entity so he views it risky to contract with them. He also brought up that a method needs to be in place for the District to recover its costs for those people served. Such costs are normally covered by insurance companies. Kathy Poling suggested that someone else work in conjunction with Rex and analyze who to contract with. We want proposals from both groups and statements of their capabilities. Ron Frame will be assigned to work with Rex.

B. Obtain water district easement of lot to north of Water District complex: Roger asked that the two lots on the hill above the district complex be given an easement across district property so they can have a driveway access. They would have to share parts of the District driveway. There was considerable discussion around this issue pointing out that it might not be a good idea to share an emergency vehicle driveway with a lot owner. However, the president requested that the lot owners make such a request themselves, or that Roger have formal appointment as their agent.

C. Easement for access to lower diversion site: The District's temporary easement allowing access to the lower diversion site has expired and we do need to obtain another easement so we can have legal access to it. An easement might make the lot unsuitable for building so there are some issue at stake. Allan is to look into it.

8. ADJOURNMENT. A **motion** was made by Director Heinzer to adjourn the meeting, seconded by Director Poling and unanimously passed.

Respectfully submitted,



Marv Satuloff, President

Prepared by Dorothy Cong

Attest:


Rudy Beran, Secretary

Attachments

Irish Beach Water District
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, July 9, 1994

I. OPEN MEETING

1. **CALL TO ORDER AND ROLL CALL:** Director Satuloff called the meeting to order at 10:05 a.m. at the Fire House in Irish Beach (Manchester). Directors Satuloff, Beran, Frame, Heinzer, and Poling were present. Alan Turner, the District's lawyer and other members of the public were in attendance.
2. **APPROVAL OF MINUTES:** A **motion** to approve the minutes of the regular meeting held on March 12, 1994 was made by Director Heinzer, seconded by Director Frame and carried unanimously.
3. **APPROVAL OF EXPENDITURES:** There was considerable discussion over the financial report focusing primarily on the formatting of legal fees, and confusion over how the retainer is broken down into IBWD and litigation categories. The confusion was clarified and Dorothy agreed to include a summary of litigation fees in the financial packet for each meeting. Director Satuloff mentioned that soon it would be time to review our water rates; all agreed that an appropriate time to do so would be when our litigation is over and not before. A motion to approve May and June expenditures was made by Director Beran, seconded by Director Heinzer and carried unanimously.
4. **PUBLIC INPUT** for items not on the agenda. There was no response to a request for public input from Director Satuloff.

5. REPORTS:

A. Treasurer - Roger Aeschlilman

1. submitted the financial reports and stated that even though our bank balance appears good, we need to consider that \$21,000 of that total is designated to the Fire District. Further, we need to consider acquiring a better fire truck for the Fire District.
2. stressed that we need to start defining our budget for 1995 and that the financial reports we need to provide year to date figures.

B. Water - Charles Acker reported :

1. Water consumption. Consumption in May was 484,028 total gallons and in June was 743,972 gallons. This is in line with past years.
2. John and Charlie are continuing to paint the water tanks, both inside and outside.
3. John and Charlie are working on the valves paying particular attention to the crossover situation between unit 1 and 3 in an effort to find the problem that has been creating a "surge" condition. One valve was found to be barely open and may have contributed to the pulsing problem.

C. Fire Department - Fire Chief Rex Dunning reported:

1. It has been a quiet two months - no fires, no emergencies.
2. There was a water pressure problem in unit 1 where the hydrant was providing only 250 gals. per min whereas the hydrant in unit 3 gushed at 700 gal per min. Charlie explained that there was a valve that was closed and may be the cause of the poor pressure. He is to check out why the valve is closed. This does pose a safety problem.
3. There is a need for 4 additional fire hydrants eventually, but for 2 right away. Rex is to show Charlie where the hydrants are to be installed. The cost is approximately \$1,000 each.

D. Safety Committee - Charlie Acker reported:

1. The District is current on safety meetings.
2. The gate behind the firehouse is now locked. The big gate will soon have a combination lock on it.
3. On Monday, July 11 there will be a SDRMA workshop in Eureka that Charlie will be attending representing the Water District.

6. OLD BUSINESS

A. Lawsuit Status: Alan Turner provided an update on the lawsuit. After extensive court mandated negotiations we have been unable to come to any agreement about compromise on Moores reimbursement on Mallo Pass. At the time of this meeting there is a new proposed settlement that remains to be discussed with the settlement committee; if the committee cannot agree with Moores settlement language, then all issues will be litigated. The court has set a new trial date of October 31. Alan stated that at least there are hopes to resolve the conceptual issues prior to litigation and then the trial will deal only with numbers issues. Marv expressed that he definitely was not pleased with the language of the new settlement proposal; Kathy indicated she has not yet seen the proposal and would like to review it to see if anything acceptable could be drafted.

B. LAFCO Sphere of Influence: As a result of the water district and LAFCO having different understandings as to what "sphere of influence" meant, Alan Turner was to provide some clarification. In summary, Marv submitted the existing boundaries of the Irish Beach Water District to LAFCO as our sphere of influence. Alan thought perhaps that the district should extend its sphere of influence beyond its boundaries as a means of protecting its interests and for planning. LAFCO said that a sphere of influence is a way of controlling growth. So, it is not necessary to have a sphere of influence beyond district boundaries. The problem arises when there is some prospective growth outside of district boundaries and the district knows it is going to be called upon to provide service. Then it is incumbent to ask for a sphere outside existing boundaries so that those plans can be accommodated. The district has to look what future growth needs will be and expand accordingly. There are some growth issues here: 1) the Inn Site and 2) the Nichols Ranch. The most important of these two from the Districts perspective at this time is the Inn Site. There is a contractual agreement with respect to the Inn Site. The Inn Site cannot be annexed into the District unless it is within its sphere of influence. There was considerable discussion regarding whether or not to expand the District's sphere of influence to include the Inn Site or not. One option presented by Marv was that we can provide the Inn Site water on an annual contractual basis because our agreement is to provide water to the Inn Site providing we have a surplus reserve to handle it. Kathy Poling interjected that we are not obligated to annex the Inn Site even if it is within our sphere of influence. Failure to incorporate it into our sphere of influence may send some wrong signals. An additional option available to the District is to apply to LAFCO to include the Inn Site in our sphere of influence at the same time as we apply to annex it when the time arises. More discussion ensued and it was finally moved by Director Poling that the District's sphere of influence be changed to include the Inn Site. Director Beran seconded the motion. Directors Heinzer and Frame voted in favor of the motion while Director Satuloff abstained. The motion carried.

C. Seuring fire equipment from base closures: Rex Dunning reported that letters had been written to Governor Wilson, Senators Feinstein and Boxer and Representative Hamburg inquiring about the possibility of securing fire equipment from military base closures. Up to the time of the meeting he had received no response from his inquiries.

D. Job Description of "Manager" for the District: It was decided to table the hiring of a temporary manager at this time because of financial considerations.

F. Fire Department Cash Account: The Director's discussed the fire department cash account which, unlike the Fire District account that is combined with the Water District, is for small miscellaneous items not critical to the maintenance and running of the fire district itself. It was suggested that the volunteers perhaps have a "friends of the fire department" volunteer organization and handle this small account on their own, independent of Irish Beach Water District. It was moved by Director Poling and seconded by Director Beran that the fire department cash account be dropped from the agenda. The motion passed unanimously.

G. Kiosk: Director Heinzer reported that he had sent a letter and a form to Reese Tripp asking for permission to put a "bulletin board" on his property. A letter was also sent to the architectural committee. Up to the present time we are only in the process of securing approvals.

H. Garcia Rescue: On June 30, 1994 our contract with Arena Rescue for emergency services ended. Arena has not stated what they want to do in terms of providing emergency services to Irish Beach, but Garcia Rescue has indicated they are willing to do it for \$1.00 per year. Some discussion ensued pertaining to the equipment that Arena has, part of which is owned by Irish Beach, and whether or not Irish Beach should request a refund from Arena on 1/3 of the depreciated value of the equipment. Director Beran moved that Director Satuloff write a letter to Arena Rescue asking for a refund of the depreciated value of our equipment which we think might be about

\$2,000. Director Heinzer seconded the motion. The motion passed with one against, Director Frame voting "nay." There was some further discussion on the agreement with Garcia. The general feeling was that it did not seem fair that they would have an agreement with us at \$1.00 per year, but that perhaps we could negotiate a "per cost" agreement. In order to insure that emergency services are available for Irish Beach residents, all felt we should accept the agreement with Garcia, but request that we renegotiate with them for a "per call" agreement. Director Heinzer moved to accept the agreement with Garcia, subject to renegotiation as stated above. Director Beran seconded the motion and it passed unanimously.

I. Easement for access to lower diversion site: Upon the advice of counsel, the Directors agreed that the District does not need an easement to the lower diversion site. It was decided to table this issue.

7. NEW BUSINESS:

A. Request for easement over water district land for lot north of Water District complex: Roger, Aeschliman, informally representing the property owner, explained some of the difficulties in building a driveway on the property should the owner ever wish to build. In order to clarify why an easement was being requested, the Board temporarily rescessed to go outside and look at the property in question. There were two issues that concerned the Board; 1) liability and 2) the District's existing driveway. The Board unanimously agreed that the driveway is an emergency driveway and must remain open at all times; it will not consider use of the existing driveway at all. A straw poll was taken regarding whether the Board would consider other options with the results as follows: Directors Satuloff and Beran against, Directors Heinzer, Frame and Poling open. The Directors agreed to table the issue.

B. Water District policy on consolidation of adjacent lots into a single parcel: The Directors agreed that if a property owner goes to the county and gets two adjacent parcels combined into a single parcel, then as far as the water district is concerned, we will bill the property owner for a single parcel.

C. Selection of a new Treasurer: Marv stated that he had asked Ron Frame to consider the position of treasurer to replace Roger when his resignation is effective at the end of the fiscal year.

D. Unit 5 Fire Access Road: Director Satuloff reported that Unit 5 Fire Access road is on the agenda not to make any decision, but because of a letter written by William M. Moores to the California Division of Forestry, a copy of which was forwarded to the Board. For the record, Marv read the letter written to Mr. Ed Baxman, Calif. Division of Forestry, Willits, CA. The subject was condition compliance on Unit 5 at Irish Beach. (A copy of the letter is attached.) Director Satuloff stated that that he had two comments regarding Mr. Moores letter:

1) Mr. Moores quoted Director Satuloff as having spoken with the California Division of Forestry when in fact Director Satuloff has never spoken with anyone at CDF regarding the Unit 5 Fire Access Road nor did Mr. Moores do the courtesy of copying the Board with this letter. 2) Mr. Moores furnished CDF with a draft copy of an interim maintenance agreement that was never signed by the District. Director Satuloff requested that Mr. Moores cease and desist, and to never again use the chairman's name in quotes without notifying him; also not to use the draft document of an agreement that was never signed or agreed to by the District.

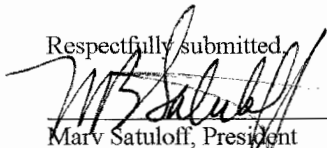
E. Replacement of billing system: Dorothy Cong reported that a new billing system has been purchased and installed. Conversion activities will begin soon and are expected to take a considerable amount of time. It is anticipated that the new system will provide a more stable billing environment and will more easily facilitate reporting various data in the detail needed for revenue reporting. Director Heinzer moved that Dorothy be provided some extra compensation for conversion activities and Director Beran seconded the motion. It passed unanimously.

F. County auditor to audit IBWD books (1991-92 and 1992-93): Dorothy Cong reported that the county auditor, Norm Thurston, notified the District that within a few weeks he would be auditing the District's books and will expect to spend a considerable amount of time. Since he will be auditing 2 years, it could be fairly costly - in excess of \$3,000.00

BOARD OF DIRECTORS MEETING 7/9/94

8. ADJOURNMENT. A **motion** was made by Director Heinzer to adjourn the meeting, seconded by Director Beran and unanimously passed.


Respectfully submitted,



Marv Satuloff, President

Prepared by Dorothy Cong

Attest:



Rudy Beran, Secretary

Attachments

Irish Beach Water District
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, September 10, 1994

I. OPEN MEETING

1. **CALL TO ORDER AND ROLL CALL:** Director Satuloff called the meeting to order at 10:00 a.m. at the Fire House in Irish Beach (Manchester). Directors Satuloff, Beran, Frame, and Poling were present; Director Heinzer was absent. Alan Turner, the District's lawyer, Dorothy Cong, the District's Secretary and Gene Scaramella were also in attendance.
2. **APPROVAL OF MINUTES:** A **motion** to approve the minutes of the regular meeting held on July 9, 1994 was made by Director Poling, seconded by Director Beran and unanimously approved.
3. **APPROVAL OF EXPENDITURES:** There was some discussion pertaining to formatting of the financial reports. Roger Aeschliman explained the reinvestment of the Kidder Annuity with Jones as a Treasury Bill. Director Poling inquired about the Fire Department "overhead" expense and how this expense was determined. Director Poling also wished to see an entry on the financial reports each month showing the Fire District being debited for its share of the Administrative expenses. No final decision was made regarding the suggested changes. Director Beran moved the July and August expenditures be approved; Director Poling seconded the motion and it carried unanimously.
4. **PUBLIC INPUT** for items not on the agenda. There was no response to a request for public input from Director Satuloff.

5. REPORTS:

A. Treasurer - Roger Aeschliman

1. stressed that even though our bank balance appears to be adequate, in reality we are just barely treading water when the expenses to be incurred during the new fiscal year are considered.

B. Water - Dorothy Cong reported for Charles Acker:

1. Water consumption. Consumption in August was high - 918,129 total gallons. This was the highest usage we have seen in Irish Beach. Some contributing factors were a) a significant leak at the Brown home when a valve broke and b) very dry season requiring a lot of watering.
2. The upper diversion site has plenty of water available - John measured 57 GPM which is excellent for this time of year.
3. Gravel is to be replaced at the upper diversion site; the work is to be done by a licensed contractor.
4. The repair of the break in the Alta Mesa pipeline is complete.
5. Fire hydrant installations are pending at 2 locations.

Marv noted that he had compiled an availability and usage model and provided everyone a copy to be reviewed at the next board meeting.

C. Fire Department - Al Fisher reported for Fire Chief Rex Dunning:

1. There is concern that there is no water connection at the picnic area, which is a fire/safety hazard. Al expressed that the fire department would like the water district to install a meter. Because this was not an agenda item it could not be voted on at this meeting - it will appear on the next agenda.
2. Marv reported the latest option under consideration by the Garcia / Irish Beach / Point Arena Fire Departments; it is now being considered that all three areas will go in with CDF, who will provide fire captains. The expenses will be shared by the three departments. CDF will provide 24 hour a day, 7 day per week coverage. Nothing has been finalized as of this meeting.

D. Safety Committee - Dorothy Cong reported for Charlie Acker:

1. The District is current on safety meetings.
2. Charlie attended a safety workshop presented by SDRMA in Eureka. This fulfilled the District requirement with SDRMA for this year.

3. Eddy Velasquez has been hired to clear the brush along the upper diversion pipeline.
4. The Fire District cleared the weeds around the firehouse to keep the safety hazard minimized.

6. OLD BUSINESS

A. Lawsuit Status: Alan Turner provided an update on the litigation between the District and William Moores regarding the Mallo Pass Agreement.. He reported:

1. Both parties have agreed to arbitrate the majority of contested items.
2. The case will be arbitrated by 1 of 2 retired judges located in Oakland.
3. There is the possibility of resolution of Mallo Pass issues by agreement.
4. Motions have been made by both parties for summary judgment
 - A. The District filed contending that Mr. Moores, as an unlicensed person, cannot collect any claims, damage or compensation arising out of his construction of the well project or Unit 9 pipeline.
 - B. Moores filed asking to have our allegation of fraudulent conduct relating to plan changes dismissed on the theory that the statute of limitations had expired before the District filed it cross-complaint.

The motion of summary judgment hearing is scheduled for September 30.

5. The most likely date for the hearing for arbitration is now December 5. Everyone expects the matter to be resolved by the end of the year.

B. LAFCO Sphere of Influence: Director Satuloff reported that LAFCO accepted our amended Sphere of Influence to include the Inn Site, all of Irish Beach and the Nichols Ranch. The change the District submitted was to add the Inn Site.

C. Securing fire equipment from base closures: Al Fisher reporting for Rex Dunning as follows:

1. Barbara Boxer's representative responded to our request with a couple of suggestions. The Fire District followed up on the suggestions only to find any equipment available was already gone.
 2. Senator Feinstein's office is contacting the GSA and will be in touch with us.
 3. Governor Wilson's office said the request was not within its jurisdiction since it was a federal matter.
 4. The Fire District has not heard from Representative Hamburg's office.
- In sum, up to this point the Fire District has not acquired a fire engine from base closures.

D. Kiosk: Director Poling reported that plans for the kiosks have been developed and costs established. David Dell agreed to build the kiosks. The plans are scheduled to be reviewed by the Architectural Committee at their next meeting.

E. Garcia Rescue: This item was discussed under the Fire Department report.

F. Replacement of billing system - status.

1) Frequency of meter reading: Dorothy reported her progress to date in converting data to the new billing system. Dorothy suggested that perhaps meter readings be done bi-monthly since we bill bi-monthly. This generated discussion primarily because 1) monthly reading of meters is a customer service because a leak may be detected and 2) monthly usage reports are prepared. The Board decided to table this issue for the next meeting.

G. Selection of a new Treasurer: Ron Frame consented to take on the responsibility of Treasurer. Director Beran moved that Ron Frame become the Treasurer effective October 1, 1994; Director Poling seconded the motion and it carried unanimously.

7. NEW BUSINESS:

A. Length of retention of B of D meeting tapes: Director Poling stated that she did not see any reason why the District maintains the taped record of the B of D meetings forever. There is no legal requirement to tape meetings. Allan Turner stated that since the District does tape the meetings, we are required by law to retain the tapes for 30 days only. He further stated that most water districts do not retain their tapes. Director Poling moved that the Irish Beach Water District retain the taped recording of the B of D meeting a minimum of 30 days or until the minutes have been approved by the Board of Directors. Director Beran seconded the motion and it passed unanimously. The new procedure will take effect immediately but is not retroactive.

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Prepared by Dorothy Cong

Attest:



Rudy Beran, Secretary

Attachments

B. Repair of Alta Mesa leak: Director Satuloff reported that a leak had occurred in the Alta Mesa pipeline and that contractually, Mr. Moores was obligated to repair the leak. Director Satuloff notified Mr. Moores of the leak and stated at the time that a licensed contractor had to perform the work. As it turned out, Mr. Moores did not hire a licensed contractor. Allan Turner stated that in not hiring a licensed contractor, Mr. Moores was in violation of Section 7028 of the Business and Professions Code which requires that the District have a licensed contractor do the work. Failure to do so makes the responsible party subject to citation by the registrar of contractors of the State of California and is in clear violation of the law. Since the process taken to repair the Alta Mesa pipeline was in violation of the code, the District *must* take action or it too is in violation. After some discussion, the Board directed Mr. Turner to write a letter to Mr. Moores giving him the opportunity to have a licensed contractor check the work and certify that it is or is not done according to proper specifications and that the licensed contractor provide the District with a written certification so stating. The District will also request that a District representative be on site at the time of the inspection. If the work is not done per specifications, then Mr. Moores must have it redone. If Mr. Moores does not respond, the District will hire a licensed contractor and bill Mr. Moores and concurrently pursue the matter with the State and the District Attorney.

C. Review of 1994-95 Budget: The Directors decided to table the budget and review it at the next meeting.

D. Payment of Fran Layton bill: Fran Layton billed the Irish Beach Water District for all of her time spent preparing for and giving a deposition, although the deposition was at the request of Mr. Benhke, Mr. Moores lawyer. The Board decided to compromise and pay her 1/2 have of the bill which totaled slightly in excess of \$3,700.00.

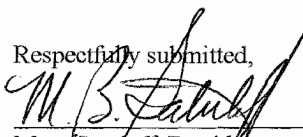
E. Administrative fees for customer special requests for copies; i.e. tapes, minutes, other materials. The District currently has no clear policy covering requests for copies of materials. The Board decided that it would be appropriate to check with other agencies for what they charge. Mr. Turner suggested that a resolution be adopted for a schedule of charges. Dorothy has the responsibility for calling other agencies, SDRMA perhaps and the California Rural Water Association for a comprehensive set of rules and regulations, policies, etc. that the District might adapt. The item was tabled until the next meeting.

A **motion** was made by Director Satuloff to adjourn the meeting to Executive session, seconded by Director Poling and unanimously passed.

EXECUTIVE SESSION: WILLIAM MOORES VS IBWD LITIGATION: Superior Court Case CV6612:

An executive session was held to discuss more in depth the litigation. Director Beran moved and Director Poling seconded the motion to adjourn from executive session back to the public meeting. The motion was unanimously approved.

8. ADJOURNMENT: Director Poling moved to adjourn the public meeting. Director Frame seconded the motion and it passed unanimously. The meeting was adjourned at 12:00pm.

Respectfully submitted,


Marv Satuloff, President

Prepared by Dorothy Cong

Attest:


Rudy Beran, Secretary

Attachments