

**Irish Beach Water District
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, November 9, 1996**

I. OPEN MEETING

- 1. CALL TO ORDER AND ROLL CALL:** President Ron Frame called the meeting of the Board of Directors to order at 9:30am at the Fire House in Irish Beach (Manchester). Directors Beran, Frame, Lubeck, Poling, and Scaramella were present. Also present was Alan Turner, the District's lawyer and Dorothy Cong, the District's Secretary. The meeting was adjourned to Executive Session at 9:31 am.

EXECUTIVE SESSION:

A. MCP v. IBWD Mendo Co. Superior Court Case No. 71850. The District's attorney, Alan Turner, provided an update on the status of the above mentioned litigation. The trial remains temporarily on hold while the parties make an effort to develop a rate structure and settle the litigation outside of court. Mr. Turner provided the Directors with a draft settlement proposal he has just received for the Directors review and discussion.

At 9:55 am the Executive Session was adjourned. A short recess was taken.

II. OPEN SESSION RECONVENES:

The open meeting of the Irish Beach Water District Board of Directors reconvened to Open Session at 10:00 am. Several members of the public were in attendance:

- 2. APPROVAL OF MINUTES:** Director Beran requested that **Section 6C** on page 2 be revised to read "Director Beran brought a copy of "a" policy binder." Director Poling moved to approve the minutes of the regular meeting held on September 14, 1996 as amended. Director Lubeck seconded the motion and the minutes were approved as amended.
- 3. APPROVAL OF EXPENDITURES:** Treasurer Ralph Lubeck explained expenditure items. Director Beran moved that the expenditures for September and October be approved. Director Scaramella seconded the motion and expenditures were approved as presented.
- 4. COMMUNICATION AND CORRESPONDENCE:**
1. G. Moores re: Update information in DRE report. Status: A draft has been written. Ron will complete it before the week is out.
 2. Bill Moores: History of Mallo Pass investments. Partially complete. Dorothy needs to complete final response. Waiting for auditor to review.
- 5. PUBLIC INPUT:** Bill Moores gave the Directors a copy of another DRE letter that pertains to Unit #5. Ron indicated that letter would be completed at the same time as the one for Units 1,2,3,4, & 8.

6. REPORTS:

A. Treasurer -

1. Director Ralph Lubeck reviewed the various funds and their balances. He expressed that one concern remains and that is the high balance still in our operating checking account receiving such a low rate of interest.

B. Water - Charles Acker, Operations Manager, provided both a written and oral status of significant events/items in the Operations department over the past two months. The most significant and time consuming project has been the painting of Tank #1. It has been completed and the equipment is being moved to Tank #3 where it is hoped the top of the tank can be painted before the stormy season sets in. Since the county dumped the dirt from cleaning the ditches in Irish Beach at the back of the parking area at the treatment plant, the backwash set up had to be redone. Valve boxes needed to be marked for the project as well. Only one was damaged and the County was good about helping out with materials and replacing it. As a result of this exercise of marking the valve boxes, Charlie ordered some location markers that will be permanently placed to mark where the valves are.

On November 1, Charlie, Gene and Gordon Moores made a "field trip" to the acreage parcels to review the situation there in terms of water distribution.

Charlie drafted a letter to Bill Moores as directed by the Board concerning the leak in Unit #5. The letter was informing Bill that the leak had emerged simultaneously with the heavy equipment being there. The leak was not huge, but has to be repaired. All problems will be kept track of and reimbursement will be discussed. The Board approved Charlie's letter.

Director Lubeck inquired about the condition of the top of tank #1 because Ron had expressed to him that it was considerably damaged. Charlie explained that it was repaired and is on a par with the rest of the tank. He suggested that a consultant be hired to go inside both of the big tanks, analyze them and give estimates for repairs if any are needed. This is important especially with regard to the District's long term development plan. Such an analysis will give some insight into the life expectancy of the tanks. The cost is \$900.00 for each tank. The Board suggested reviewing budgeted amount vs. actual spent on the paint project to see if any funds could be transferred to analyze the tanks. Charlie further noted that the top of the tank can be replaced if need be.

C. Safety: Charlie Acker, District safety coordinator, reported that we are current on our safety meetings. The tank project and safety issues related with it i.e. scaffolding and so on, were covered in our meetings. Another impromptu safety awareness item was setting of emergency brakes. Every one of us had an experience of a vehicle running away through failure to properly set our brakes.

D. Fire Department - Fire Chief Rex Dunning reported

The Fire District had a meeting with the Redwood Coast Fire District from Manchester. One emphasis in the meeting was communication. Manchester suggested that Irish Beach have a hand held radio to enable Rex to respond to the dispatcher promptly. At present in order to respond to the dispatcher Rex has to drive up to get the fire truck and take it down by Pomo Lake. This is all time consuming. Rex could respond immediately if he had a radio at his home. Director Lubeck moved that Rex be authorized to take money from the budget not to exceed \$1000.00 that was set aside for a fire hydrant and apply it toward the purchase of a radio. Director Beran seconded the motion. It passed unanimously.

6. OLD BUSINESS

A. Status: Re: existing litigation MCP v. IBWD Mendo Co. Sup Ct. Case No. 71850. Alan Turner, the District's attorney, reported that a draft proposal for settlement has been received. It is somewhat complex in that it extends into future District policies and ordinances. As it is presented it is not acceptable.

B. Kiosks: Director Lubeck expressed he had nothing more to do with the kiosks. Charlie will proceed with the installation as time permits.

C. Irish Beach Policy Binder: A copy of a policy binder from another water district was provided to each Director prior to this meeting. It is very comprehensive. The Board decided that a workshop would have to be set up to analyze the document and extract what applies to Irish Beach Water District. The date set was December 27 at 10:00am in the firehouse. This will in essence be an open meeting so notices will be posted as appropriate. Dorothy will provide each Director with a list of Resolutions and Ordinances prior to the meeting.

D. Long Term Water Development (Acker): Mr. Yokoi sent a fax detailing progress to date which Charlie provided to each Director. Mr. Yokoi has just about completed gathering data have collected material from Charlie and Gene as well as having done some field visits. He needs the exact locations of wells, tanks, etc. which Charlie will provide using a device that pinpoint longitude and latitude. He has discussed with Alan Turner that a meeting will be set up with Bill Moores, but not until all analysis is complete and reviewed by the Board.

E. Unit #9 Fire Access Road/Gate Open or Closed (Acker): Charlie recommended that the access gate remain locked based upon discussions with fire services, Bill Moores and drawing upon his own experience in Elk. Keys or the combination to the lock would be available to those people who need it on the hill as well as to the Fire District. Director Beran moved the Board accept Charlie's recommendation; Director Lubeck seconded the motion and it passed unanimously.

F. Fuel Spill and contaminated soil: Charlie called Janice Golden from the Regional Water Quality Control Board for a status and was informed that a plan for clean up has been filed. The garbage has been moved and soil samples have been taken and tested. Charlie requested that the water district be added to the "cc" list.

G. Road Maintenance Agreement: Bill Moores had provided the Board of Directors with another revised draft of a Road Maintenance Agreement for Unit #5. There were several issues with the agreement which Alan Turner detailed in a memo to the Directors. All were in agreement that the agreement was very convoluted, confusing, unclear, and unworkable as written. Alan expressed that the draft agreement was inconsistent, unenforceable in some instances, and illegal in some instances. Board members were unwilling to sign an agreement to which they were not certain what it was they were agreeing to. The District wants an agreement that expressly exempts IBWD from maintenance expenses, where all property owners of Unit #5 share the costs of maintaining the access road, and the negotiated standards are to be included. Board members were uncomfortable with the word "user" since it was never defined in the document. Bill stated he used this term in order to provide for the possibility of recovering costs for damage. Mr. Turner and Director Poling both stated that the road maintenance association would be an entity, thereby having a life of its own in which case it could sue for damages if need be. Alan Turner was instructed by the Board of Directors to formally forward his concerns to Bill Moores along with the recommendation that the agreement be drawn up by an attorney and simplified. The Board said that simply another version of an agreement drawn by Bill would not work. Bill was concerned about the urgency of getting the agreement signed at the next board meeting. The Board reiterated that Alan Turner was to submit comments to Bill. Bill was to get an attorney to draw up a simplified and clearly stated agreement. Alan Turner was authorized to review the new version. If all this was accomplished prior to the December 27th workshop of the Board, the members could at least have their copies by that time. Although the Board could not promise voting on the agreement in the January meeting, if all the homework is done and a new agreement reaches them in time for review and further changes should they be necessary, then there is a possibility a vote will be taken.

H. Future water service to acreage parcels (15 mins.): Both Bill and Gordon Moores left the meeting, so this item was tabled and to be removed from the agenda until requested again. However, Mr. Scaramella did report on the field trip he and Charlie Acker had taken with Gordon Moores to the eleven acreage parcels on Friday, November 1, 1996 to look at the sites for the hook up arrangements that would be required if they are built on. Bill Moores had provided the location map. Five of the 11 parcels would be supplied by tank 5. That line would be about a mile long and would include the Martin parcel. He mentioned that tank 5 only has a capacity of 10,000 gallons and it is doubtful that it would meet existing fire regulations. Three of the other six parcels could be hooked directly to the existing main, but would require that since those server lines are relatively long, they meet pipe line construction standards. The supply source for the three parcels above tank 2 will have to have special provisions for their water source and a new service line. Since the project appears to be more complicated than he anticipated, Director Scaramella suggested that Engineer Yokoi be requested to consider these developments as a part of his long term plan. He also suggested that no lines be approved until a building plan is under consideration and that the existing Martin line not be accepted because it was not built by a licensed contractor. No further discussion ensued at this time.

I. Review final audit: Dorothy Cong provided each Director a copy of a letter she wrote responding to the auditors letter following her completion of audits for the years 1993-94 and 1994-95. Dorothy was somewhat chagrined that much of what was in the letter no longer pertained, but that no acknowledgment was even hinted at. Dorothy expressed that the billing system was changed over and that the District was also now converted to a different system for accounting - a system that was acceptable to the county auditors. The next audit, to begin in mid-November, should prove to have significantly improved results.

7. NEW BUSINESS:

A. Mowing of empty lots: This item was brought up by a member of the public at the last meeting to be a discussion item. Since the member was not in attendance at the meeting it was decided to drop discussion and remove the item from the agenda.

B. Financial Considerations:

1. Fire District Plan re: capital reserves: All recognized the importance of detailing out what any reserves will be used for. Rex will provide Dorothy with a plan for capital expenditures, i.e. replacing of fire equipment, new equipment, new truck, and so on, by Friday, November 7.

2. Water District plans re: capital depreciation: Director Gene Sacramella expressed concern over the amount of depreciation incurred each year without the Water District somehow making up for somehow. Gene and Ralph will continue to review this issue and come up with some suggestions

8. ADJOURNMENT: Director Beran moved the meeting be adjourned and Director Lubeck seconded the motion. All favored and the regular meeting of the Irish Beach Water District was adjourned at 1:35pm.

Respectfully submitted,

Ron Frame, President

Prepared by Dorothy Cong

Attest:

Rudy Beran, Secretary

Irish Beach Water District
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, January 11, 1997

I . OPEN MEETING

- 1. CALL TO ORDER AND ROLL CALL:** President Ron Frame called the meeting of the Board of Directors to order at 9:40am at the Fire House in Irish Beach (Manchester). Directors, Frame, Lubeck, , and Scaramella were present. Directors Poling and Beran were absent. Also present was Alan Turner, the District's lawyer and Dorothy Cong, the District's Secretary. The meeting was adjourned to Executive Session at 9:41 am.

EXECUTIVE SESSION:

A. MCP v. IBWD Mendo Co. Superior Court Case No. 71850. The District's attorney, Alan Turner, provided an update on the status of the above mentioned litigation. The trial remains temporarily on hold while the parties continue to make an effort to develop a rate structure and settle the litigation outside of court. There remains the need to accomplish a viable rate structure before closing out the litigation. The board directed Alan Turner to "get the engineers going." and to tell Moores that if he does not want to pay attention to the engineers, then he can go ahead and sue.

At 10:05 am the Executive Session was adjourned. and the open meeting reconvened. The District's attorney announced that no action was taken by the board during the executive session. Those in attendance in addition to the aforementioned were Charlie Acker, Rex Dunning,, Bill Moores, Gordon Moores, and Roger Aeschliman.

- 2. APPROVAL OF MINUTES:** Director Lubeck moved to approve the minutes of the regular meeting held on November 9, 1996. Director Scaramella seconded the motion and the minutes were approved as written.
- 3. APPROVAL OF EXPENDITURES:** Treasurer Ralph Lubeck explained expenditure items. Director Scaramella moved that the expenditures for November and December be approved. Director Lubeck seconded the motion and expenditures were approved as presented.

4. COMMUNICATION AND CORRESPONDENCE:

1. G. Moores re: Update information in DRE report. Status: Completed
2. B. Moores re: History of Mallo Pass Investments. Status: Completed

- 5. PUBLIC INPUT:** There was no input from the audience.

6. REPORTS:

A. Treasurer -

1. Director Ralph Lubeck covered the balances of the various funds. It was mentioned that the Fire District has provided some plans for expending of their reserve funds. Ralph pointed out that the District will be investing its high reserve funds in its checking into an investment that can be drawn upon easily if needed.

B. Water - Charles Acker, Operations Manager, provided both a written and oral status of significant events/items in the Operations department over the past two months. To highlight, he spent considerable time gathering more data for the engineering study being conducted by Tom Yokoi. December had some heavy rains, so he frequently checked on the water system to insure all was in order. He also attended a Treatment Operators Class in Willits. A copy of Charlie's daily activities is included in the Director's package. Director Lubeck stressed getting an analysis done on the tanks. This would come out of the paint budget if any funds are left when the next tank is completed.

C. Safety: Charlie Acker, District safety coordinator, reported that we are current on our safety meetings. Safety issues being discussed have been the fuel spill, meter lids, paint project because of scaffolding, ladders, chemical issues,... Charlie stated that he will be getting a new safety manual for use by the Safety Committee. A consultant

reviewed our current manual and said no longer fulfilled all of OSHA's requirements. Charlie will bring the new manual to the next regular board meeting for official approval by the Directors.

D. Fire Department - Fire Chief Rex Dunning reported

All has been fairly quiet in Irish Beach.

1. The Department had only one call out due to a PG&E wire that was flaring.
2. Rex has been in contact with a used fire truck broker and has had some leads, but nothing that would work out so far for our Fire District.
3. He purchased a new radio (this was approved by the Board at the November meeting)

At 10:45am Director Frame called a short 10 min. recess and the meeting reconvened at 10:55am

6. OLD BUSINESS

A. Status: Re: existing litigation MCP v. IBWD Mendo Co. Sup Ct. Case No. 71850. Alan Turner, the District's attorney, reported that the status of the litigation has not changed. It is off of the trial calendar pending continued efforts to reach a settlement.

B. Irish Beach Policy Binder: Director Lubeck reported that the subcommittee had met in December and reviewed the policy binder. Dorothy was directed to integrate existing information from current District ordinances into the policy binder. Fundamentally, the policy binder will be augmenting what we currently have, but in a more readable format. Dorothy reported that she has already completed the manual portion of her project.

C. Long Term Water Development (Acker): Charlie Acker provided a memorandum from Tom Yokoi giving a brief status on the Master Water Plan and the Cost Distribution Plan. A copy of it is included in the Director's packet. By the end of January or early February he will be ready to meet with Bill, Charlie and a District director about his findings.

D. Fuel Spill and contaminated soil: The case was settled. Alan Turner had a copy of the judgment and read it to the Board. A copy of the report is attached to these minutes.

E. Road Maintenance Agreement: Alan Turner reported that Bill Moores has been working with him and that the agreement is getting close to being satisfactory. Most of his qualifications relate to form as opposed to substance. Alan had the concern that the possibility could exist in the future that the road maintenance association might not want to do maintenance. If that board says they do not want to enforce it, Alan stated that additional words should be added into the agreement that the Water District can enforce maintenance and recover its costs, including attorney's fees. Director Scaramella moved that Alan be authorized to add in the above mentioned verbiage. Director Lubeck seconded the motion and it passed. Director Scaramella moved that the draft settlement submitted to the board be approved as modified and subject to qualifications stated by the District's attorney. Further, upon approval of the final form by the District's attorney, the President of the Board is authorized to sign the agreement on behalf of the Irish Beach Water District. Director Lubeck seconded the motion and it passed.

F. Future water service to acreage parcels: Director Scaramella opened this item by reading his comments from the meeting minutes for November 9. Charlie indicated he had forwarded on to Tom Yokoi a copy of the map Bill Moores had provided him, for the acreage parcels. Bill provided a historical scenario. He emphasized that he feels the water district probably would not want to own the lines. They are very long. Bill feels the best way to handle the situation is to put a meter at the existing lines and the owners would then install and maintain their own lines up to that point. It was brought out that each property owner can provide their own private fire facility/storage. The Water District maintains that the lines must be built to their standards. Would this be simply county standards as exists today from meter to home? The Board of Directors does not want to discuss the issue further until our engineers reports are in and his analysis can be reviewed.

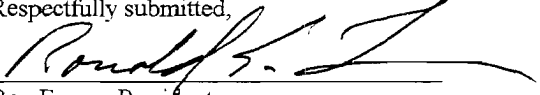
G. Financial Considerations: Water District plans re: capital depreciation (Scaramella & Lubeck): The fact is that our plant is depreciating every year. The District should create an "Asset Replacement Fund." Actually this requires harmonizing our accounting and engineering. It is best to await our long term engineering plan prior to developing an approach.

7. NEW BUSINESS:

A. Review Final Audit: The audit for fiscal year 1995-96 was reviewed and approved as submitted. There remains the need to develop thorough plans for future reserves for both the Water and Fire Districts.

8. ADJOURNMENT: Director Lubeck moved the meeting be adjourned and Director Scaramella seconded the motion. All favored and the regular meeting of the Irish Beach Water District was adjourned at 12:15 pm.

Respectfully submitted,



Ron Frame, President

Prepared by Dorothy Cong

Attest:



Rudy Beran, Secretary

Irish Beach Water District
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, March 8, 1997

I. OPEN MEETING

1. **CALL TO ORDER AND ROLL CALL:** President Ron Frame called the meeting of the Board of Directors to order at 9:50am at the Fire House in Irish Beach (Manchester). Directors, Frame, Lubeck, Poling, and Scaramella were present. Director Beran was absent. Also present was Alan Turner, the District's lawyer and Dorothy Cong, the District's Secretary. The meeting was adjourned to Executive Session at 9:51 am.

EXECUTIVE SESSION:

A. MCP v. IBWD Mendo Co. Superior Court Case No. 71850. The District's attorney, Alan Turner, provided an update on the status of the above mentioned litigation. The trial remains temporarily on hold while the parties continue to make an effort to develop a rate structure and settle the litigation outside of court. A meeting will be held with District representatives (Charlie Acker and Gene Scaramella), the District's rate structure engineer, and Bill Moores to discuss rate structure philosophy and implementation for our type of District.

At 10:08 am the Executive Session was adjourned. and the open meeting reconvened. The District's attorney announced that no action was taken by the board during the executive session. Those in attendance in addition to the aforementioned were Charlie Acker, Rex Dunning,, Roger Aeschliman, and a few other members of the public.

2. **APPROVAL OF MINUTES:** Director Scaramella moved to approve the minutes of the regular meeting held on January 11, 1997. Director Lubeck seconded the motion and the minutes were approved as written.
3. **APPROVAL OF EXPENDITURES:** Treasurer Ralph Lubeck explained expenditure items emphasizing the move of \$20,000.00 from the District's checking account into a 120 day CD with American Savings. Some minor questions were addressed relative to expenditures. Director Scaramella moved that the expenditures for January and February be approved. Director Poling seconded the motion and expenditures were approved as presented.
4. **COMMUNICATION AND CORRESPONDENCE:**
Nothing to report.
5. **PUBLIC INPUT:** There was no input from the audience.
6. **REPORTS:**

A. Treasurer -

1. Director Ralph Lubeck covered the balances of the various funds. It was mentioned that the Fire District has provided some plans for expending of their reserve funds. The issue of the purchase of a new fire truck will be discussed under New Business.

B. Water - Charles Acker, Operations Manager, provided both a written and oral status of significant events/items in the Operations department over the past two months. To highlight, he said the pump was repaired at Station B; the air compressor needed repair in the Treatment Plant because the valve regulating the rinse water was sticking. The electrician put in the switch at the well in Unit 9. Now the station will be positively safe because no power can go back through the PG&E service. The office was wired and is now ready for dry wall, etc. A plug was wired at Station C so an air compressor could be used for the big paint job up there later this spring. Director Scaramella brought up the question of when the kiosks would be put up and Charlie is to work on getting this project accomplished. Charlie said that water usage was low as is typical for this time of year.

C. Safety: Charlie Acker, District safety coordinator, reported that we are current on our safety meetings. Safety issues being discussed have been the fuel spill, meter lids, paint project because of scaffolding, ladders, chemical issues,... Charlie brought in the new safety manual the safety committee had adopted for the Board's review. Dorothy reported that she had attended a one day Safety Workshop in Ontario. This workshop was required by SDRMA, the District's insurance carrier.

D. Fire Department - Fire Chief Rex Dunning reported

1. The Department had purchased a fire truck and proceeded to describe it. It replaces the old truck that was hardly functional and this one should last the District anywhere from 20 to 30 years. Rex explained that extra hose was provided with the purchase of the truck - something that he had intended to purchase as soon as possible anyway. Also included on the truck is a "monitor" or a deluge canon which will shoot an extreme amount of water a tremendous distance. The hoses are also protected with an aluminum hose cover which is a nice added feature. Along with the purchase of this new truck, Irish Beach will now be able to assist the Redwood Coast Fire District.

6. OLD BUSINESS

A. Status: Re: existing litigation MCP v. IBWD Mendo Co. Sup Ct. Case No. 71850. Alan Turner, the District's attorney, reported that the status of the litigation has not changed. It is off of the trial calendar pending continued efforts to reach a settlement. A meeting is scheduled for Thursday, January 16 to discuss rate structure and appropriate connection fees.

B. Irish Beach Policy Binder: Dorothy said she had made some progress on typing of the manual, but it is not yet completed.

C. Long Term Water Development (Acker): Charlie Acker explained that the main thrust of the District's engineer has been directed toward the existing litigation about water connection fees. Still ultimately the effort is toward developing a long term plan with cost and allocation process.

D. Road Maintenance Agreement: Alan Turner reported that Bill Moores has been continuing to work with him and that the agreement is getting close to being satisfactory. The Board of Directors instructed Alan Turner to stick to the language already submitted and give him broad powers to act on the District's behalf. A question was that if the board accepts the responsibility of enforcing the agreement, then the county will accept it. the board does not want to assume responsibility for maintaining the road if the "Road Committee" defaults on its duty. It was suggested by Alan that by making the District a 3rd party beneficiary. Director Scaramella moved that Alan Turner incorporate language into the agreement that the District be made a third party beneficiary. Director Poling seconded the motion. Directors Scaramella, Lubeck, and Poling voted in favor of the proposed language being added to an amendment. Director Frame opposed.

Director Scaramella moved that the president of the Board be authorized to sign the agreement when revised by council as directed by the Board. Director Lubeck seconded the motion and it passed unanimously.

E. Financial Considerations: Water District plans re: capital depreciation (Scaramella & Lubeck): Director Lubeck explained that last year depreciation amounted to \$16K. He stressed that it was critical the District put aside at least that amount each year. He suggested that the District might consider setting aside an unrestricted capital fund at least in the amount of its annual depreciation. The Irish Beach Water District has incorporated into its rate structure an allocation for fire.

At 11:18am President Ron Frame suggested a short break. the meeting reconvened at 11:26am.

7. NEW BUSINESS:

A. Safety Manual: Director Poling moved the Board approve the new safety manual adopted by the Safety Committee. Director Scaramella seconded the motion and it passed unanimously.

B. Approval of Fire Truck & Payment Method. Director Scaramella commended Fire Chief Rex Dunning for persevering for several months in his hunt for an acceptable fire truck for the District at a good price. Director

Scaramella further moved that the treasurer be authorized to pay the balance due of \$33,610.00 on the fire engine. Director Poling seconded the motion and it passed unanimously. The balance due will come out of the funds invested in Dean Witter. Director Lubeck, on behalf of the Board, commended those who went to pick up the fire engine - Rex Dunning, Ron Frame and Marv Satuloff.

C. Resolution 97-1 Designating Dorothy Cong as "Designated Person" to determine the timeliness and/or sufficiency of claims filed against the District.

D. Resolution 97-2 Designating Charles Acker as "Designated Person" to determine the timeliness and/or sufficiency of claims filed against the District.

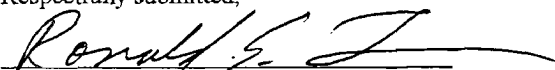
Director Poling moved the board pass the above mentioned resolutions which are highly recommended by the District's insurance carrier for ease of processing paperwork associated with claims. Director Lubeck seconded the motion. Ayes: were Directors Poling, Lubeck, Frame and Scaramella. Director Beran was absent. Both of the above mentioned resolutions were passed.

E. Disposal of Old Fire Truck: Before the truck could be disposed of, the board first of all must declare it as a surplus item. Director Lubeck moved the old fire engine be declared surplus. Director Scaramella seconded the motion and it passed unanimously. Mr. Martin who owns property and a home on the acreage parcels expressed an interest in acquiring the old fire truck. Having a truck up on the hill would be of benefit to him and would in turn benefit the District. He would prefer that it be given to him, but he would consider purchasing it. Before any further action could be taken, a base line value needs to be determined. Director Lubeck recommended that when Desi, the broker through whom the District purchased their new truck, comes to Irish Beach within a few days that he check out the truck and provide an estimate of its value. This item will be further discussed at the next meeting.

F. Back up for Dorothy: Dorothy suggested that it might be practical to have someone trained to back up for her in case she decided to go on an extensive vacation or should something happen. Charlie and Dorothy were authorized to discuss the matter and come up with a plan.

8. ADJOURNMENT: Director Lubeck moved the meeting be adjourned and Director Poling seconded the motion. All favored and the regular meeting of the Irish Beach Water District was adjourned at 12:15 pm.

Respectfully submitted,


Ron Frame, President

Prepared by Dorothy Cong

Attest:



Rudy Beran, Secretary

Irish Beach Water District
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, May 10, 1997

L . **OPEN MEETING**

1. **CALL TO ORDER AND ROLL CALL:** President Ron Frame called the meeting of the Board of Directors to order at 9:40am at the Fire House in Irish Beach (Manchester). Directors Beran, Frame, Lubeck, Poling, and Scaramella were present. Also present was Alan Turner, the District's lawyer and Dorothy Cong, the District's Secretary. The meeting was adjourned to Executive Session at 9:41 am.

EXECUTIVE SESSION:

A. MCP v. IBWD Mendo Co. Superior Court Case No. 71850. The District's attorney, Alan Turner, provided an update on the status of the above mentioned litigation. Just prior to the meeting, the Board received a draft of a proposed settlement which was reviewed and rejected. The fundamental issue remains the old connection fee and that it was not developed properly, plus the District still maintains that the statute of limitations had run out well before the litigation was ever undertaken.

At 10:08 am the Executive Session was adjourned and the open meeting reconvened. The District's attorney announced that during the Executive Session, the Board of Directors declined to accept a draft settlement proposal submitted by Mr. Moores attorney.

Those in attendance for the regular sessions, in addition to the aforementioned were Charlie Acker, and Dorothy Engle.

2. **APPROVAL OF MINUTES:** Director Lubeck moved to approve the minutes of the regular meeting held on March 8, 1997 with modifications as pointed out by Board members. Director Beran seconded the motion and the minutes were approved as modified
3. **APPROVAL OF EXPENDITURES:** The Board had been provided a new format of financial reports based on true accrual accounting as provided by the "new" accounting system which we have finally completely converted to and with which we are in accordance with State law. They generated some discussion because of their unfamiliarity. They really aren't as easy to read as the old reports out of Quickbooks. Both Dorothy and Ralph worked at clarifying the reports. Director Poling inquired about the petty cash from the copy machine in the office. Dorothy explained that the cash was in a jar in her desk and she had approval from Director Lubeck to use it to buy stamps and so on. The County auditor was also aware the jar was kept at Dorothy's desk. The Directors suggested that a "Petty Cash" entry be added under financial assets to accurately account for the amount of petty cash on hand. Ultimately Director Beran moved to approve the expenditures for March and April. Director Scaramella seconded the motion and the expenditures were accepted as presented.
4. **COMMUNICATION AND CORRESPONDENCE:**
Dorothy had presented the Directors with a copy of a letter from Gordon Moores received on May 8 (dated March 8th) requesting various documents. She provided Gordon with a copy of the budget for fiscal 96-97.. A letter had been received from the County of Mendocino about getting an encroachment permit. Charlie Acker said he would be responsible for getting one for Irish Beach.

5. **PUBLIC INPUT:** There was no input from the audience.

6. REPORTS:

A. Treasurer -

1. Director Ralph Lubeck covered the balances of the various funds. Most of the report information had been previously discussed under No. 3 above.

B. Water - Charles Acker, Operations Manager, provided both a written and oral status of significant events/items in the Operations department over the past two months. Charlie had attended a MESA meeting. He explained that this meeting dealt with the process and chain of command for emergencies within Mendocino County. Charlie reported that there had been some problems with valves being corroded and getting stuck in the treatment plant simply due to their age. He rebuilt all of them. One more kiosk was installed, but Charlie was unsure exactly where to erect the second one and requested that members of the Board tell him following this meeting. Someone in Elk may be interested in purchasing the old 6" pipe the District has laying around up at the treatment plant. Director Scaramella moved that the Board declare the old pipe and fittings surplus so Charlie can sell them between 20 to 25% of their actual value. Director Beran seconded the motion and it passed unanimously. Charlie brought up that there had been a couple of sizable leaks since the last board meeting. Discussion ensued about District Policy pertaining to leaks. Dorothy stated that according to a board resolution, the customer is 100% responsible for any leaks that occur on their side of the meter and must pay for all the usage. However, since some of the leaks have been very significant and expensive, Dorothy had sought approval to "compromise" with the customer on several occasions. The outcome of this discussion was that Dorothy would provide the Board with a copy of the current Resolution 91-1 regarding excessive water usage. Additional discussion pertained to how district personnel handle a "leak situation." Dorothy and Charlie both explained how high usage was handled. However, at present there is no formal policy established. Dorothy and Charlie are responsible for developing a policy on leaks for the water district prior to the next board meeting.

C. Safety: Charlie Acker, District safety coordinator, reported that we are current on our safety meetings. Issues being discussed are the fuel spill which is still not cleaned up. Charlie said he will notify the Water Quality Control people in the County about this. More meter lids have been purchased. A new issue that has come about deals with entry into a confined space and Charlie will be checking out the OSHA procedures so we will be in compliance when someone needs to enter, i.e. tank, pump house, Dorothy checked with our insurance carrier which requires the District to hold only 4 safety meeting per year. At present the safety committee is holding a regular monthly meeting in addition to a quarterly meeting - that's 16 meeting per year. At the next safety committee meeting the number of meetings will be modified.

D. Fire Department - Fire Chief Rex Dunning was not present because he was on vacation. Dorothy reported that Rex and Al had done an inspection of all property in Irish Beach and as a result 12 notices were sent out to property owners who were in violation of various sections of Fire Ordinance 89-2.

6. OLD BUSINESS

A. Status: Re: existing litigation MCP v. IBWD Mendo Co. Sup Ct. Case No. 71850. Alan Turner, the District's attorney, reported that the status of the litigation has not changed. A settlement conference is scheduled in June and negotiations are continuing. A trial date has been set for July.

B. Irish Beach Policy Binder: Dorothy said she has completed typing approximately 40% of the policy manual.

C. Long Term Water Development (Acker): A draft of Master Plans was provided by Tom Yokoi. The Board directed each of its members to submit their individual comments on the plans to Dorothy who would compile them and forward on to Brelje & Race.

D. Road Maintenance Agreement: A revised copy of the Road Maintenance Agreement had been distributed to each member of the Board of Directors. However, in the meantime, Alan Turner had received an even newer revision which he felt was all right. No action was taken.

E. Disposal of old fire truck: On behalf of Fire Chief Rex Dunning, Director Lubeck expressed that the broker through whom the District purchased the diesel fire truck said the old one is worth between \$2,000 and \$3,000. He stated the broker would advertise it. Representatives from Timber Cove looked over the truck, but were not interested. Alan Turner suggested the District take the truck to an auction and that Mendocino County had one periodically. Director Scaramella suggested the District purchase a cover to protect the truck or store it in a warehouse until it could be sold. Fire Chief Dunning is responsible for protecting the truck and actively finding a buyer.

E. Financial Considerations: Water District plans re: capital depreciation (Scaramella & Lubeck): Director Lubeck stated that individual departmental operating budgets will need to be presented prior to the July meeting. It came to the Boards attention that they were not really aware of what assets the District had. The financial report does indicate assets, but not detailed. The Board of Directors decided that an inventory needed to be taken. Rex Dunning is responsible for the Fire Department inventory and Charlie Acker is responsible for an inventory of operations.

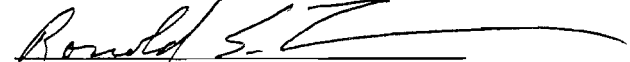
7. NEW BUSINESS:

A. Budget Considerations for fiscal 1997-98: Director Lubeck said that a budget committee needed to be appointed. The Board appointed Ron Frame, Charlie, Rex, Ralph and Dorothy. Ralph will schedule a meeting of the committee to develop a preliminary budget prior to the next board meeting

B. Presentation by representative from Redwood Coast Fire Department re: upcoming election. No representative from Redwood Coast Fire Department was present at the meeting.

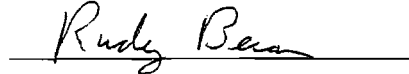
8. ADJOURNMENT: Director Beran moved the meeting be adjourned and Director Poling seconded the motion. All favored and the regular meeting of the Irish Beach Water District was adjourned at 12:40 pm.

Respectfully submitted,


Ron Frame, President

Prepared by Dorothy Cong

Attest:



Rudy Beran, Secretary

Irish Beach Water District
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
SATURDAY, July , 1997

I. OPEN MEETING

- 1. CALL TO ORDER AND ROLL CALL:** President Ron Frame called the meeting of the Board of Directors to order at 9:40am at the Fire House in Irish Beach (Manchester). Directors Frame, Lubeck, Poling, and Scaramella were present. Director Beran was absent. Also present was Alan Turner, the District's lawyer and Dorothy Cong, the District's Secretary. The meeting was adjourned to Executive Session at 9:41 am.

EXECUTIVE SESSION:

- A. MCP v. IBWD Mendo Co. Superior Court Case No. 71850.** The District's attorney, Alan Turner, provided an update on the status of the above mentioned litigation.

At 9:55am the Executive Session was adjourned for a short recess. The open meeting reconvened at 10:00am.

Those in attendance for the regular sessions, in addition to the aforementioned were Charlie Acker and Dorothy Engle.

- 2. APPROVAL OF MINUTES:** Director Poling moved to approve the minutes of the regular meeting held on May 10, 1997 with one noted correction. Director Lubeck seconded the motion and the minutes were approved as corrected

- 3. APPROVAL OF EXPENDITURES:** Expenditures for May and June were reviewed. Director Lubeck moved that the expenditures be approved. Director Poling seconded the motion and expenditures were approved as presented.

4. COMMUNICATION AND CORRESPONDENCE:

1. The District had received a letter from a law firm pertaining to a class action suit against the State agency that handled our water loan. After reviewing the letter, Alan determined that it would be to the benefit of the District not to participate.

2. A letter was sent to the District from the County of Mendocino about our "Conflict of Interest" Resolution. This was forwarded on to Alan since he had already prepared a resolution last year. To make a long story short, in order to satisfy the County, Alan reworked our "Conflict of Interest" resolution in the format the County wanted but with the same terms as in last year's resolution. This will be up for vote the next Board meeting in September.

3. A letter was sent to Vierra and Associates in Sacramento who were requesting information concerning fire protection.

4. The County of Mendocino sent correspondence notifying us that two board positions were up for election this year. The proper paperwork has been completed and is in order.

- 5. PUBLIC INPUT:** There was no input from the audience.

6. REPORTS:

A. Treasurer -

1. Director Ralph Lubeck covered the balances of the various funds.

B. Water - Charles Acker, Operations Manager, provided both a written and oral status of significant events occurring in the Operations department over the past two months. Following receipt of the draft "Master Water Plan", comments were compiled and mailed to Tom Yokoi for him to consider in preparing a revised edition. Charlie detailed several leaks that occurred in the subdivision; one occurred in Unit 4 caused by contractors doing work for the phone company and hitting a main. In Unit 5 there was a major leak that took several days to repair. It required bringing in an outside contractor and has proven to be quite costly to the District. Another big leak happened in Unit one when a water line broke near a property owner's house.

C. Safety: Charlie Acker, District safety coordinator, reported that we are current on our safety meetings. He reported that the safety committee decided to hold 6 meetings per year. The fuel spill still hasn't been taken care of and Charlie will contact Water Quality Control and the District Attorney. Forty meter lids have been replaced with new ones. OSHA still has not issued the "confined space entry" guidelines. Charlie noted that he became aware of a safety issue recently where the wooden lids are rotten covering the openings on the drain culverts. They are a County of Mendocino responsibility and he will follow up with them to be replaced.

D. Fire Department - Fire Chief Rex Dunning reported that he and Al Fisher did their annual tour checking for violations of the fire ordinance. A follow-up check found all cleared except for one and the district will arrange to have the lot cleaned and bill the owner. There have been 3 training sessions with the new fire truck. The Fire District participated in the Fourth of July Parade in Point Arena.

Prior to the start of Old Business, Ron called a 5 min. recess at 10:55 the meeting reconvening at 11:00am

6. OLD BUSINESS

A. Status: Re: existing litigation MCP v. IBWD Mendo Co. Sup Ct. Case No. 71850. The District's attorney, Alan Turner, announced that the above mentioned case went to court on Monday, July 7 with Judge Cox presiding. The Judge requested both sides to submit a final brief in early August and a decision would be forthcoming from the court within 60 days following submission of the briefs.

B. Irish Beach Policy Binder: NTR.

C. Long Term Water Development (Acker): Mr. Tom Yokoi attended the meeting and brought with him a revision of the Master Water Plan. Mr. Yokoi's work is broken down into two categories: 1) the Master Water Plan and 2) Cost Distribution Plan. Mr. Yokoi first gave a general overview of the Master Water Plan which details a number of projects that need to be done. Table 1 of the printed document provides a Master Water Plan Summary which highlights those items he recommends be done, and has them prioritized as Priority 1,2, or 3. The plan covers the needs of the District and implementation will be based on two criteria: 1) rate of development and 2) financing. A number 1 priority according to Mr. Yokoi is that the District work on its treatment facility and he recommends putting in a microfiltration system which is very effective, even taking care of giardia and chryposperidium. He said the current plant is now legally acceptable, but the problem is when we have high turbidity it clogs filters and backwashing is required frequently. In fact, the plant often cannot be used at all in the winter months and the District has to rely on the well. A second priority that needs to be done within the next year or so is putting in a check valve and bypass on Alta Mesa Road because of extremely high pressure. Other number 1 priorities are improvements at Pump Stations A, B, and C, Pump Station H at Tank T1 and work on the Forest View Road Loop because of very low fire flows. Pertaining to the acreage parcels, the District has the responsibility for developing water and providing service. If we do not wish to accept the Martin Line there are two options, 1) build a new line or 2) set up meters with the customer being responsible to put in their own system and hook up to the meter. Having summarized enough of the Master Plan and entertained questions from the Directors, Mr. Yokoi then proceeded to review the Cost Distribution Plan which contains several variations of accumulating funds. Without going into detail here, Mr. Yokoi recommended that perhaps the most satisfactory option would be "Basic + 20% found on Page 7 of the plan document.

The District now has a well engineered plan for now and the future providing some direction and an idea of the costs involved. The next step is to determine what to do, establish "priorities within the priorities," and when the time approaches, hold public hearings on the financing of the projects.

President Ron Frame called a recess at 1:20pm and the meeting reconvened at 1:25pm.

D. Road Maintenance Agreement: ~~The road maintenance has been incorporated into the map conditions.~~ Alan brought some letters with him. *regard notice of agreement.*

E. Disposal of old fire truck: The broker through whom the Fire District purchased the diesel truck suggested the old fire truck could sell for between \$2,000.00 and \$3,000.00. Director Scaramella moved the old 1967 fire truck be declared surplus and offered up for fair market value of between \$2,000.00 and \$3,000.00. Director Lubeck seconded the motion and it passed unanimously.

7. NEW BUSINESS:

A. Draft of Budget for Fiscal '97-'98: The budget committee comprised of Charlie, Rex, Ron, Ralph and Dorothy met and put together a suggested budget for the next fiscal year. Ron provided a brief overview. At this time there were no significant questions. The budget will need to be reviewed carefully for the September meeting and any water plan priorities will need to be considered.

B. Draft Resolution 97-3 revising charges for excessive water bills on customers side of meter" Tabled until the next meeting.

C. Policy regarding leaks: Tabled until the next meeting.

D. Election: Director Ralph Lubeck and Director Gene Scaramella both agreed they will pick up their forms from the County to run for re-election. No one else has expressed an interest in serving on the Board.

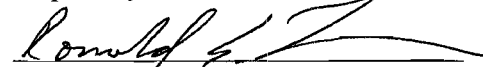
E. Overtime guidelines: No overtime guidelines were presented in writing. The discussion came about because of the large number of extra hours Charlie Acker put in because of the leaks discussed earlier in the meeting. Director Lubeck moved that the District pay Charlie at the straight time rate of \$20.00 per hour for the extra 35 hours he put in with the understanding that the District will consider an overtime policy in the future and he will be reimbursed (if need be) when one is developed. Director Scaramella seconded the motion and it passed unanimously.

F. Newsletter: Director Poling reported that the deadline for the newsletter is August 6. Dorothy said she would need input from Rex and the Directors by August 4 to get the material typed and handed on to Al and Loretta Thompson.

G. Bill's bill: Bill Moores submitted a bill to the District for reimbursement of expenses associated with maintenance on the road sections used by the District east of Unit #9 and Unit #8. Mr. Moores calculated the District share as coming to \$3,343.00 payable within 60 days of the date of his letter (dated June 30, 1997). This amounts to 1/3 of the total cost. Alan Turner expressed that by statute the District does share the expense, and that the share paid is based upon the distribution and character of use. Charlie pointed out that the road was being used by a logging operation and the water district uses it less than once a week. Further, the road repair was prompted because CDF got after Bill for poor road maintenance and violation of the Timber Harvest Plan. The portion of the road that goes to the well is not maintained at all and the road to the upper diversion had water bars put in it which now makes it nonnegotiable. Charlie is to review the road work and to come up with an average of District access over a year's time. Alan will review the statutes.

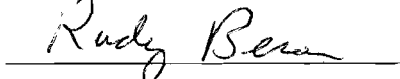
8. ADJOURNMENT: Director Poling moved the meeting be adjourned and Director Lubeck seconded the motion. All favored and the regular meeting of the Irish Beach Water District was adjourned at 2:20 pm.

Respectfully submitted,


Ron Frame, President

Prepared by Dorothy Cong

Attest:



Rudy Beran, Secretary