

BROOKTRAILS TOWNSHIP COMMUNITY SERVICESDISTRICT
BOARD OF DIRECTORS
Tuesday, October 24, 2006

The Board of Directors of Brooktrails Township Community Services District met in regular session on October 24, 2006 at 7:00 p.m. at the Brooktrails Community Center.

A. PLEDGE OF ALLEGIANCE

B. ROLL CALL

Roll call showed the following directors present: Williams, Ziady, Orth, and Horrick. President Skezas was absent with notice and therefore Vice-President Horrick presided. Also present were General Manager Chapman and District Counsel Neary.

REPORT ON CLOSED SESSION

Vice-President Horrick said that on October 23, 2006 a closed session regarding a personnel matter (appeal of dismissal) had been held and would be continued on October 30. Tonight's closed session regarded approving the twenty-second agreement with District Counsel Neary for legal services.

C. ADDITIONS/ADJUSTMENTS TO THE AGENDA

D. MINUTES OF PREVIOUS MEETINGS

1. October 10, 2006. Director Orth moved to approve the minutes; Director Ziady seconded and the motion carried unanimously.

E. SPECIAL PRESENTATION

None.

F. PUBLIC HEARING

None.

G. PUBLIC COMMENTS

Fred Shropshire asked about how the water moratorium was coming and when they could build. They said they owned a piece of property on the lake since 1993. General Manager Chapman said we would be in the moratorium until we could increase our reservoir capacity, and this was controlled by regulators; he said there were too many variables to put an exact timetable on it. Mr. Shropshire asked if there would be any compensation for lot owners such as himself. Mr. Chapman said that would be a further policy discussion of the Board. Director Orth voiced since their lot was lakeside, it would be potentially impacted by future projects. District Counsel Neary advised he was not sure that their property would be impacted and the maps should be consulted. Mr. Shropshire was urged to come to the office for full information.

H. CONSENT CALENDAR

2. Review of Accounts Payable report and authorization to issue checks. Director Orth moved to approve payment of the outstanding invoice report; Director Williams seconded and the motion carried unanimously.

I. ACTION AGENDA

3. Ron Runberg – Annual Report of Golf Course Operations. Mr. Chapman said the Golf Course has been an asset to the community since 1962. Mr. Runberg reported that the three main demographics of users are juniors, seniors and women. He said things have gone very well and have turned the corner and he appreciated his volunteer help. He reviewed some of the improvements of the past year including a new practice bunker, a Golf Course logo for flags and shirts, tee markers and benches at every hole, a portable bathroom, and improvements purchased with intensive trash recycling. USGA visited at a cost of \$1,500 for 4 hours and did a soil review. Aeration has been increased to 9" from 4-1/2" to improve both compaction and drainage. He noted that former water usage of 120,000 gallons a night was reduced to 17,000 and is now 8,000; extra water is used on the front areas to give a good visual impression.

The subject turned to next year. He said the 2007 water project would affect his income stream. Mr. Runberg understood the need to cut the golf course off for the water project, but he felt the course could only last a week and mentioned his contract would require the District to rebuild the greens. He then explained that the golfers play about 14,000 rounds a year and you can't just reseed it — if so it would be three to six months before you could play on the greens. He proposed renting a water truck, getting water from the City of Willits, and watering with two 2,000 gallon loads per day, 5-6 days a week. He said operations could continue this way and hopefully annual membership would not be lost. He felt it would cost \$15,000.00 - \$16,000.00 to use the water truck. Mr. Runberg also talked about a rental water tank for \$100.00 a month. Director Orth mentioned the need for the Board to agendaize for discussion raw water for irrigation. An audience member asked where tanks could be rented; Mr. Runberg said Aquarian Water

Service. Director Orth said when we do the dams we might be in the same situation, so anything we do next year will prepare us for that. Mr. Runberg provided more details about bulk buying of water for Claudia Reed, who questioned whether this would be treated or raw water. Director Orth noted that the City of Willits is facing its own water shortage.

Director Ziady noted the amount of charity work done by Mr. Runberg and his self-reliance, which she appreciated greatly.

Director Orth moved to accept and file the annual Golf Course report; Director Ziady seconded and the motion carried unanimously.

4. Consideration of reserve for future Wildland Interface grant (CDF) match. General Manager Chapman informed that Mark Tolbert, Ukiah Battalion Chief, called him to report that the \$233,000.00 WUI grant was unsuccessful, even though we were listed 6th out of 34 applicants. This grant was to create a 218-acre fuel break along Ridge Road and involved five years of future maintenance. The question for discussion with the Board was how much the Board would be willing to commit to for such maintenance in the future. As background, when we were notified by Chief Tolbert about the pending application in September 2006, he said we needed to commit at least \$2,000/year for this future maintenance. Mr. Chapman said, given that the General Fund should improve due to the state stopping future ERAF shifts [Note: \$116,000 per year], he felt we could commit more money to WUI grants in the future, especially if we were able to leverage the money by utilizing CDF labor crews.

Director Ziady discussed that a firebreak on Ridge is part of the Stewardship Plan, and endorsed leveraging a minimal amount of money for an amazing amount of return. She pointed out the need to protect the watershed with this firebreak. She said we need to be committed to the maintenance and otherwise a firebreak is useless. She felt we should encumber \$4,000.00 a year for such maintenance in next year's budget so that the next time an August grant is written, it is already pre-approved by the Board. Mr. Chapman felt we could go with a higher encumbrance figure. Mr. Chapman said he would still have to bring the grant back to the Board, but the funds would already be encumbered. Director Orth said the reserve should be for matching funds for grants. Vice-President Horrick asked if action was needed and was told no.

5. Annual update of investment and indebtedness policies. General Manager Chapman noted the resolutions presented to carry out this annual procedure. Director Orth moved to adopt Resolution 2006-26 updating the investment policy; Director Ziady seconded. Director Williams received some explanation of the process and LAIF, a statewide local agency investment pool managed by the State Treasurer's Office. District Counsel Neary explained that the state requires this annual review of these policies and that the principles in the draft resolutions reflect the principles of LAIF. Director Williams asked if any of the investments were guaranteed by the state and was informed they are not, but District Counsel Neary said he felt the investment policy was so conservative that there was little risk. Roll call vote was as follows:

AYES: Directors: Williams, Ziady, Orth, Horrick
NOES: Directors: None
ABSENT: Directors: Skezas

Director Orth moved to adopt Resolution 2006-27 updating the indebtedness policy. General Manager Chapman briefly summarized the debts. Director Orth asked about the interest rate for the rubber spillway project; Mr. Chapman said USDA had called him back and we are currently looking at 4.375%. Director Williams seconded the motion. Roll call vote was as follows:

AYES: Directors: Williams, Ziady, Orth, Horrick
NOES: Directors: None
ABSENT: Directors: Skezas

6. Consideration of Birmingham lot donation. General Manager Chapman reported that this donation would result in a loss in assessments of about \$120.00 per year. Director Orth asked if this lot provided potential access to the west side of Willits Creek; Mr. Chapman said he did not know the terrain. Director Orth said he wanted it to be looked at with an eye to future projects. Director Williams asked where the lot was on Primrose relative to other streets. General Manager Chapman said he would report back. Director Orth moved to adopt Resolution 2006-28 accepting the grant deed from James Birmingham; Director Ziady seconded. Director Williams asked what we do with these lots. Mr. Chapman said it could be classified as a surplus lot and we could sell some of them, via Board approval, and reimburse our lot merger program. Director Orth said another potential use was perhaps trading lots in the situation where lots were affected by raising the lakes. Director Ziady said another use was for trail access. Director Williams asked how many there were; Mr. Chapman said there were a total of about 350 total of merged and donated lots. Roll call vote was as follows:

AYES: Directors: Williams, Ziady, Orth, Horrick
NOES: Directors: None
ABSENT: Directors: None

7. Consideration of replacement of District telephone system. General Manager Chapman said the system was deteriorating and the office has had some real problems when the phone stops working, particularly overnight. Robert Melliush spoke from the audience to note that the phones go to the answering

service after hours and if they are not working, there is no way to reach the District. Two bids were solicited, and Mr. Chapman said he would recommend the Panasonic system even though it was the higher bid, based on Finance Assistant Joanne Cavallari's research. Director Orth voiced that the Panasonic brand is a good and dependable product. Vice-President Horrick asked how this related to the budget. Mr. Chapman said he didn't have a specific line item on it but it would be going into Administration, as was the case with the unanticipated computer purchase of 2005. Director Ziady said we were a public utility and people need to be able to reach us. Mr. Chapman said this expense would not sink the General Fund.

Director Orth moved to approve the purchase of the telephone system from Telecom Services for \$4,732.27; Director Ziady seconded. Director Williams asked how Mr. Chapman had chosen between a purchase and a lease; Mr. Chapman said the choice was for a purchase via the recommendation from Ms. Cavallari, whereas an item like a backhoe was considered for lease. Director Williams asked about the service agreement. Mr. Chapman said he did not have that information other than the two years parts and labor guarantee. Director Williams asked if the directors wanted to give the General Manager discretion to proceed. After discussion, Director Orth said his motion still stood, but then said he would amend it to give the General Manager discretion to decide. Director Williams seconded the amended motion. Director Ziady pointed out again that the District needed to receive emergency calls, and with Director Orth said the direction should be to investigate, get the phones fixed so they are reliable, and report in the next General Manager report. The motion carried unanimously.

8. Consideration of defining budget line item for Lake Ada Rose Engineering. General Manager Chapman noted that since the budget was prepared, the Lake Ada Rose project has now trumped Lake Emily in priority. We are working on four different projects simultaneously, and we need to be able to separate out costs involved in Lake Ada Rose for the auditor. He recommended separating \$25,000.00 from the existing \$45,000.00 line item (i.e., contract services, engineering, bonding) for costs specifically associated with raising Lake Ada Rose. Director Orth moved to approve a \$25,000.00 contract services/engineering line item for the Lake Ada Rose project within the 2006-07 budget. Director Williams seconded. The motion carried unanimously.

9. Consideration of LAFCO representative nomination. Director Orth said he was the current alternate to the LAFCO board. He is supposed to be notified by the regular Board member when his attendance is needed, but this has not been happening as it should, although he waits each Monday to see if he will be needed to attend. He had therefore decided to seek nomination himself for the open LAFCO board seat rather than run again for his current alternate seat, which would be required this year anyway. The District Board would have one vote in the election. There are 52 special districts, each with one vote. Thirty voted in the last election. To meet the nomination deadline, the nomination would have to be made at this meeting. Director Orth explained there are two supervisors and an alternate, two city representatives with an alternate, two district representatives with an alternate, and a public representative with an alternate—a seven-member board, with alternates. Director Williams moved to nominate Director Orth as a candidate for the vacant seat on the LAFCO commission. Director Ziady seconded and the motion carried unanimously. Director Orth explained that the Board President or Vice-President would need to sign a letter of nomination and get it to LAFCO by noon on October 30, 2006.

10. Advance authorization for repair of deflected sewer line by Golf Course Hole #3. General Manager Chapman said we have a potentially serious situation with continued delay in being able to diagnose and repair this sewer line. He reviewed that the Board had authorized hiring Kevin Bouthillier to place a manhole for the diagnosis, but this manhole may not arrive for two weeks or more. Mr. Chapman said we need to get this fixed before the winter rains, and because of this he needed to discuss with the Board about going straight to the informal bidding procedure once the manhole was in place. The estimated repair could be as high as \$30,000.00. Mr. Chapman said there were three weeks until the November meeting, and therefore he would request a motion authorizing him to solicit proposals from the District contractor list as soon as the scope of work was known, and accept the lowest responsible bid up to \$30,000.00. Robert Melluish clarified from the audience that the manhole will simply allow for the camera survey of the line. He said we were actually purchasing two manholes, one to be held as a spare. Mr. Chapman said the problem area is only 150 feet from Willits Creek, and FEMA turned us down for reimbursement despite this being our #1 storm damage project. Payment will come from reserves. Director Orth so moved and Director Williams seconded. The motion carried unanimously.

11. Consideration of sedimentation survey of Lake Emily – SHN. General Manager Chapman said this was in response to Richard Estabrook's issue of how much sedimentation now exists in Lake Emily after the heavy floods of last winter. Due to the lake's low level now, a survey could give us a more accurate figure. This will prepare us to calculate our supply for next year's water rationing. Mr. Chapman said this project should be commenced as soon as possible. Director Orth said he felt that knowing how much sedimentation came in per annum could help us get future grant funding for the watershed. He moved to approve the General Manager's signing a contract with SHN in an amount not to exceed \$10,000.00 to resurvey Lake Emily; Director Ziady seconded. Discussion followed. The motion carried unanimously. Mr. Chapman said the project would start the next day.

J. ADDITIONS TO FUTURE AGENDAS

Director Orth asked for a discussion of raw water and allowing temporary tanks for irrigation during the water emergency. Director Ziady said a lot of public comments have been made about charging a lesser rate for those not using much water. Mr. Chapman voiced concern because Greg Aanestad from USDA Rural Development, our lender, looked at the base rate plus Tier 1 as a critical item — in essence we are essentially trying to run the water enterprise fund basically from that revenue stream. Director Williams voiced the question was how many people use less than Tier 1 water quantity. Mr. Chapman said he'd have to research this. Director Ziady said let's look at it because seniors were having trouble paying the rates. Director Williams then recalled comments that when we have to draw down the reservoir, there would be an opportunity for everyone to maximize their water retention on their property. He thought that they could delay getting the tank until just before the time of the drawdown from Lake Emily, it will save money and you don't have to start renting a tank in November. Mr. Chapman said it was a valid issue and that we don't want water just going down the creek. Director Orth said to make this a future agenda item.

K. SPECIAL REPORTS

From Directors: Director Orth said California Transportation Commission/MCOG's "Highway 101 Corridor North of the Gate" draft plan lists all the identified projects along this corridor and the Brooktrails second access project is now identified in this study. This report will be finalized by January. Director Ziady said the Recreation Committee would hold its last meeting of the year on Thursday and would have a speaker on community gardens.

From District Counsel: District Counsel Neary thanked the Board for renewing his contract.

From General Manager: General Manager Chapman reported that a low angle rescue kit for the fire department would be presented to the Board in a few weeks. Richard Estabrook's newest graph showed 9 acre-feet to the good. The District has had a 400-amp electric panel donated which would be used for the Redwood Grove. He then discussed the recent concern by Greg Aanestad USDA that permitting (i.e., USA Corp of Engineers) would not act quickly enough for the rubber spillway project. Also, USDA had requested that a CEQA element on "economic justice for minorities" be included in the Initial Study. Mr. Chapman reported that Scott Harris of CA Fish & Game reported to AES that construction could not continue past November 1 without a special alteration permit; this was also true for the RWQCB 401 permit. Either we get these special alternate permits, or we will have to start spillway construction sooner, even on July 20, 2007 as opposed to August 15, 2007.

L. PUBLIC COMMENTS

An audience member asked about increasing the 2,500-gallon limit for private water tanks. Mr. Chapman said that issue was decided by the Specific Plan Advisory Committee after considering larger tanks and finding aesthetic problems with them. Director Orth said getting deliveries of raw water would solve that problem, and you could even have a smaller tank.

M. ADJOURNMENT

Director Orth moved to adjourn, and Vice-President Horrick declared the meeting of October 24, 2006 closed at 8:34 p.m.

GEORGE SKEZAS, President

ATTEST:

MICHAEL V. CHAPMAN