

**BROOKTRAILS TOWNSHIP COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS
Tuesday, May 27, 2008**

The Board of Directors of Brooktrails Township Community Services District met in regular session on May 27, 2008 at 7:14 p.m. at the Brooktrails Community Center.

A. PLEDGE OF ALLEGIANCE

B. ROLL CALL

Roll call showed the following directors present: Williams, Ziady, Orth, Horrnick and Skezas. Also present were General Manager Chapman and District Counsel Neary.

REPORT ON CLOSED SESSION

From closed session held at end of April 22, 2008 meeting: District Counsel Neary reported the Board met with its counsel on a matter of anticipated litigation (Godt).

From this evening's closed session: District Counsel Neary said the Board met with its counsel on two matters of anticipated litigation. The Board authorized litigation against Mr. Godt concerning timber trespass in the greenbelt. In the other matter, the Board authorized a letter from Mr. Neary to Willits City Counsel concerning the sewer agreement.

C. ADDITIONS/ADJUSTMENTS TO THE AGENDA

General Manager Chapman said the District needed a motion to remove timber regarding the Godt matter. Director Orth moved to add an agenda item to the meeting's agenda regarding clearance of the timber fire hazard by June 15, 2008. Director Ziady seconded. Roll call vote was as follows:

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

D. MINUTES OF PREVIOUS MEETINGS

1. May 13, 2008. Director Orth moved to approve the minutes; Director Horrnick seconded and the motion carried unanimously.

E. SPECIAL PRESENTATION

2. Richard Estabrook – Water Supply Projection for Balance of 2008. Mr. Estabrook briefly presented his data with slides, contrasting a normal projection year with an end supply of about 65 ac-ft and 2008, with an estimated end supply of 52 ac-ft. For the rubber spillway project, we have to be down 9 feet for the rubber spillway construction. Mr. Estabrook felt we would be about 13 ac-ft on the plus side by that point (August 1st), assuming Lake Ada Rose is full on July 26th (which, he said, is a huge assumption). We should then have just over 200 ac-ft of storage. The range of final storage volumes would be between 27 – 77 ac-ft.

Mr. Estabrook presented a graph of water supply: rainfall and creek flow during the year. The last rainfall that significantly moved the creek was February 27th. Mr. Chapman said our creek is now running .5cfs which is similar to the rate in August. Mr. Estabrook said we are well behind our 2007 creek flow. However, actual water usage last year was much less than the predicted use. He felt this was due to really good conservation efforts. For this year's projection, he factored in this conservation. His projected use for any month is the average of the past three year's use for that month, or last year's use, whichever is greater. This year's expected conservation significantly offset the creek flow problem.

Mr. Estabrook then showed an 11-year history of District production and sales in the dry season, June-November. In the late '90s we were running 230-240 gpd/SFR in sales; last year it was about 170 gpd/SFR. Water production has also dropped significantly which indicated improvement in the leak detection program.

Wallace Stahle asked if some of the production went to non-sold use and Mr. Chapman advised we typically have a loss percentage of 22%. Mr. Estabrook said our line loss has improved since the late '90s.

President Skezas thanked Mr. Estabrook for his presentation.

F. PUBLIC HEARINGS

3. Draft Ordinance 136 amending Ordinance 63 by removing Romero parcel from list of greenbelt parcels. President Skezas opened the public hearing at 7:30 p.m. Clay Romero said he appreciated this action very much and said he had gathered a significant amount of facts on his rights, the District's rights, and others' rights regarding the property. He said he had presented a paper showing that Brooktrails had quitclaimed the property in July 1985. He said for the foreseeable future he would try to do what he could to fix up the road, and about clearing out a lot of the brush from downed trees. When he eventually puts

gates up on his borders, he said, he would make a key available to Brooktrails personnel to get to the two parcels to the north of him. At some point, he said he would like to address the Board on the other information he had obtained, not directly related to this issue. Mr. Chapman said we made an honest attempt to remove the name "Meadowlark Trail" from the website and our own map. Mr. Romero said on the website, if you go to the California Forest Improvement Program it identified his property as being owned by Brooktrails by APN. [Note: Mr. Romero referenced the CFIP inventory prepared by Sternberg/Garvey which the Board did not adopt].

As a comment Mr. Romero said the parcel was dedicated to Brooktrails as a school site in 1966; it could not be used as a school site because of airport proximity, so it was recognized as being abandoned from that public use. It went through a quiet title action and reverted to Bank of California, but during that action it was transferred from Brooktrails to the Willits Unified School District and the Mendo-Lake College District. Mr. Romero wasn't sure why that was done as that was a mistake, because any property dedicated to Brooktrails by Bank of California was required to go back to the Bank. It was at the Willits Unified School District for awhile and then it went to Bank of California, which had it until about December 2002. Then it went to Ohl Holdings, and in 2005, he believed, it went to California Land Trust, in the name of Brian Ohl, and Mr. Romero purchased it from Brian Ohl in 2007.

Mr. Neary said he recalled being involved in the transaction with the school board. There were active efforts to put Blosser Lane School at that site, and the Willits Airport Commission pointed out that the site was a dedicated crash site. A couple years later, the Bank of California, acting as trustee, filed an action to quiet title on this parcel designated as a school site and another parcel dedicated as a dump site (Parcel A-2). The notion was that because it could not be used for its intended purpose, it reverted back to the bank. There was an actual lawsuit proposed by Brooktrails; the result was a settlement where the developers agreed to contribute \$70,000.00 total to the School District and the College District. Brooktrails would then allow the property to revert. The deed Mr. Romero referred to was mistakenly recorded and at some point was undone. If you look at the Brooktrails Subdivision Map you will see the dedication of all of the greenbelt parcels, and this is Parcel A-1.

Director Orth said he didn't remember the Board taking action in '85. He did remember that it was always a school site and never considered a greenbelt site.

Mr. Romero said he has all documents related to the property, the quiet title, Brooktrails minutes referring to it, etc. He noted in the minutes in 1999, "Director Whitney also submitted the letter submitting the school site transfer of development rights project." He felt there was misinformation passed down for years. He again offered to show all of his information to the Board at a later point.

President Skezas closed the public hearing at 7:45 p.m.

G. PUBLIC COMMENTS

None.

H. CONSENT CALENDAR

4. Review of Accounts Payable report and authorization to issue checks. Director Orth moved to approve payment of the outstanding invoices; Director Horrnick seconded. The motion carried unanimously.

5. Retroactive approval of check for camcorder purchase. Director Orth moved to retroactively approve the check for purchase of the camcorder; Director Horrnick seconded. The motion carried unanimously.

I. ACTION AGENDA

6. Appeal of multiplex meter requirement – Richard Halsted and Karla Downing. Ms. Downing confirmed they have already complied regarding the duplex; this appeal is primarily regarding the fourplex. Ms. Downing expressed appreciation for the work of the Board. She said she and Mr. Halsted work half-time in the city, although they raised their children here; they bought these buildings as an investment. They do not make any money on them and barely break even. They were having a special hardship at this time as they had two very bad renters at the start of the year, and then they got the notice to comply and they felt the time to comply was insufficient. They had the plumbers come, and the duplex cost \$2,000.00 plus the meters and they could do that due to its construction. The fourplex, however, was plumbed in a way that was never meant to have separate meters and the estimate is between \$6,000.00 -7,000.00. The meters were in and they are being charged the base rates, which she and Mr. Halsted are paying.

Ms. Downing said they have a laundry room; they aren't being allowed a water meter for it, and this was a hardship for the tenants. She said she understood a deadline of August 1, 2008 but just don't have the money. They will in fact be renting their house in Willits and move to the city to save some money. She then asked for (1) a meter for the laundry room; (2) that they are not charged base rates until the meters are hooked up; and (3) extension of the deadline to January 2009 to comply.

Mr. Halsted said when they bought the building they had no knowledge of any of this and having no laundry room will greatly devalue the property; there's no place inside the apartments for laundries.

He said they are being forced to put in meters which they don't really want to do; they'd be happy to get their tenants to comply with reduced water and to shut down the laundry room during times of shortage, and asked that they at least be left in the same condition as they started. He felt it was \$30,000.00 value for a laundry room. His tenants take public transportation and have no easy way to do their laundry.

Mr. Chapman said he had had a number of discussions with Bruce Burton of the California Department of Health Services (DHS). His direction has always been that DHS recognized connections for single family residences, based on kitchen units, but not on laundry rooms. In fact, three or four years ago we had someone turn in his water meter for his laundry room because he didn't want to be charged the base rate. Mr. Chapman said he had not been aware that the appellants had a laundry room. He said he could see some mitigation on the request for extension of time, but the engineers could come to us at any time and tell us to lower the water level, and that would trigger a rationing program, and the appellants would only have basically one meter hooked up until next year. Mr. Chapman didn't know how to mitigate the laundry room, and certainly not the charges. Mr. Halsted said from their perspective it's an arbitrary ruling, that the District will give you water meters you don't want but won't allow you to have the one you do really want.

Director Ziady said there was a way around the Department of Health Services ruling; the laundry room can be connected to one apartment, and be coin-operated, and the person paying the bill gets the money. Mr. Stahle voiced you could put in your own sub-meter as well and bill the tenants separately. Director Williams said you're talking to the wrong people about the laundry room; it's not our fault. Director Orth said only in a declared emergency do we have restricted use; we don't want to put a restrictor on one of the four units. He said he felt the extension to January was reasonable.

Director Ziady said she had an obligation to those who have already hooked up and dealt with the financial burden, and noted they are chipping in for the future water projects. She said the base rates should be kept but they could arbitrate time for construction. Mr. Halsted said the base rates are for water they're not even using. Director Ziady said you need to pay for having those meters there; it is your request to take longer to comply. Director Orth said he hadn't charged the connection costs, which are very substantial. He felt the Board could grant the 2009 request. He felt the laundry room problem should be handled internally by them. He suggested getting a plumber's advice on the laundry room, about using a separate sub-meter or coin operation. Mr. Halsted again protested the base rates since they are not using the meters. Director Orth said the reason for the meters was to spread the costs to each user on the system. Mr. Halsted protested paying \$7,000.00 plus three additional meters on the fourplex. Director Ziady said every fourplex owner has had to deal with this issue. Mr. Halsted said why not show some sympathy; Director Ziady said they were. Director Williams said as a landlord you always face the prospect that buying four living units as an investment will have some unexpected problems, but the state is in a water crisis. Their buildings are occupied by six families and we have to spread the cost among the six and control the water usage of the six, and having every family on a meter is the only way to do it, and we have to do it that way. The laundry room issue was not one we can control.

Director Orth moved regarding the fourplex at 25366 Daphne Way to extend the compliance to January 2009. Director Horrick seconded. Director Ziady said that the base rate should be continued and the laundry room was subject to the Department of Health Services. Director Orth said he would amend his motion. Discussion followed about the style of the motion, since the action was taken only to extend the compliance deadline. The motion carried unanimously.

7. Consideration of REMADE Community Energy Authority resolution. Director Orth said REMADE was an organization he started to form a joint powers energy authority; the County has authorized their CEO to work with him on finding money to create a joint energy authority and come back and they will support it. He said he met with the Willits Energy Committee last week and the City of Willits and Fort Bragg have him on their future agendas. All feedback has been good. The CEA would include special district representation. Director Orth asked the Board to pass the draft resolution which he would formally take to the cities and the county. His goal was to have this formed by February 2009 and start on applying for grant funding, including to pay for the Strategic Energy Plan process. He said he received both liberal and conservative support.

Director Orth provided more details of how the CEA would work in response to directors' questions. He said it would immediately allow the JPA to sign contracts with PG&E and for energy conservation programs. They would also be able to include any energy projects in their territory for inclusion in a bond. Projects like sewer pumping and water pumping could have priority. Director Ziady expressed support for the idea but with a reservation; she noted we have joined one JPA with no results, and she would want to work with the design, and the obligations and liabilities for Brooktrails. She recalled the problems with receiving money when we joined the water bond. Director Orth said this is quite different. You have to form a CEA to have the authority to do a strategic energy plan which is adopted by all users. The priority could be to power utilities and emergency services first.

President Skezas said he had a problem with Article 9 in AB 1659 saying an authority cannot operate any public utilities except by agreement with the public utility. Director Orth said he talked to both PG&E legislative aides. This is the protection clause for the public utilities because if we want to join in their project, it has to be mutual agreement. The PG&E wave energy proposal doesn't have to

go through a public hearing under that clause unless they agree. However, with the CEA we have a much better negotiating tool with them, and it's likely we will be buying and selling energy through them as well. He stressed the importance of the CEA adding a transparency factor, including public hearings, to energy project proposals.

Director Orth moved approval of Resolution 2008-19 in support of REMADE's proposal for formation of a community energy authority, with the changes included on the revised draft. Director Horrick seconded. Wallace Stahle protested the striking of the language in the draft resolution regarding global warming, stating global warming presented a threat to our local economy and citizens. He asked the motivation behind restricting the resolution to an economic statement only. Director Horrick said there was controversy over the question of global warming. Director Williams said we are all conscious of climate change, but he felt the JPA was better off avoiding controversy and simply using common sense to get off the grid if possible. Mr. Stahle said he was concerned about the focus on cost-effectiveness instead of sustainability, as with the Wave Project which disregarded the impact on fish. Director Orth said he started with a generic resolution and let the deciding body change it as desired. Once the JPA is formed, under state law AB 32, we can answer any state mandates under that law. Director Ziady agreed with Mr. Stahle on the issue of global warming and felt the science behind it was strong.

Director Williams asked about the striking of the last paragraph and what legislation authorizes the CEA. Director Orth said it dates from an earlier oil crisis and is not available electronically. The County had already been told by the State Attorney General that they must include an energy component in the General Plan. Director Williams asked if Director Orth would agree to reinsertion of the stricken language; Director Orth said he was complying with Director Horrick's request to remove it, and that it wasn't necessary to have that language to move it forward. Director Williams said he would drop the requested amendment. Roll call vote was as follows:

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

8. Consideration of draft Ordinance 136. Director Orth moved to adopt Ordinance 136 amending Ordinance 63 by removing APN 097-330-02 from Exhibit A to Ordinance 63 (Parcels Constituting Brooktrails Redwood Park). Director Horrick seconded. Roll call vote was as follows:

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

9. Consideration of resolution establishing tax appropriations limit for FY 2008-09. Mr. Chapman said this is an annual task; we follow a formula provided by the State. Director Orth moved to adopt Resolution 2008-20 establishing the annual tax appropriations limit for Fiscal Year 2008-09 at \$2,707,574.89. Director Ziady seconded. Roll call vote was as follows:

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

10. Action taken as a result of closed session regarding timber trespass [item added to agenda]. Mr. Chapman explained a vote was needed to hire Curt Johnson, LTO, to remove 37 trees that have been felled on the greenbelt and an adjacent property owned by KLM Investments. The quote presently was \$6,770.00. Director Williams moved to approve hiring Mr. Johnson at that quote; Director Ziady seconded. She commented for the audience that these trees were removed and damaged because they were shading a wooded area where the person wanted to grow a garden. We will be trying to recover our costs from him. The Fire Department was called in because of the noise of timber falling; these very large trees are a great loss to us and because of the way they were felled they were not as merchantable. She hoped District action would correct the situation and let people know the greenbelt needs to be respected. The location was generally described. Director Ziady said there are many other costs that will come up in this matter. Mr. Stahle asked if this was removing the trees already felled and was advised yes. Directors commented some of the trees were over 100 years old; the largest was 32 inches in diameter and 130 feet high and estimated 150 years of age. The motion carried unanimously.

J. ADDITIONS TO FUTURE AGENDAS

None.

K. SPECIAL REPORTS

From Directors: None.

From District Counsel: Mr. Neary said we responded to the protests to our water rights application and he would provide copies. In the Crothers' matter, a settlement check had been issued in

the amount of \$11, 130.24 but returned to us; this check would be voided and a new check for final settlement would be \$14,352.82.

From General Manager: Mr. Chapman reported we received OES/FEMA checks of about \$42,000.00 for the golf course sewer project. He pointed out that the 1/5th mile section of Ridge Road that was impassable a year ago has now been cleared by CalFIRE crews and can now be driven through with a 4-WD vehicle. In other news the old fence at the Ohl Grove has been moved and 14 - 15 trees have been transplanted which will provide shade. He noted that the City of Willits had not yet applied for their 401, 404, and 1600 permits for sewer plant construction for Phase II & III, and it takes a very long time to typically get those permits, as we have just experienced on our own projects. He told the Board the rubber spillway project construction area was going to be off limits to the general public. Regarding the state budget and potential property tax seizures, while there is no word that the parole system funds transfer will happen, the bad news is that now that the legislature is aware of this revenue source (water/sewer districts), they might try to capture it for any purpose.

L. PUBLIC COMMENTS

Bob Terry of CERT said the Sheriff obtained a grant for emergency response containers and our Fire Department has accepted one, which might possibly be sited at the airport. The CERT group has been asked to list desirable items for a command center: food, medical supplies, etc. Some funding would be needed; he felt initial seed money from the District would be desirable. Directors commented on types of and sources for such supplies.

M. ADJOURNMENT

Director Horrick moved to adjourn the meeting; President Skezas declared the meeting of May 27, 2008 adjourned at 9:01 p.m.

GEORGE SKEZAS, President

ATTEST:

MICHAEL V. CHAPMAN