

**BROOKTRAILS TOWNSHIP COMMUNITY SERVICES DISTRICT  
BOARD OF DIRECTORS  
Tuesday, July 13, 2010**

The Board of Directors of Brooktrails Township Community Services District met in regular session on July 13, 2010 at 7:00 p.m. at the Brooktrails Community Center.

**A. PLEDGE OF ALLEGIANCE**

**B. ROLL CALL**

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

**REPORT ON CLOSED SESSION**

District Counsel Neary reported that on June 22, 2010, the Board met with counsel regarding existing litigation Brooktrails v. Willits, and also Brooktrails v. Roseman, received information from counsel and gave direction.

On June 24, District Counsel Neary reported, the Board met with counsel regarding existing litigation Brooktrails v. Willits, and also Brooktrails v. Roseman, received information from counsel and gave direction.

This evening, District Counsel Neary reported that the Board met with counsel regarding existing litigation Brooktrails v. Willits, and action was taken to approve making a cure-and-correct demand to City of Willits for a refund of \$407,527.00 forthwith. The Board also met with its counsel regarding a matter of anticipated litigation, received information from counsel and gave direction.

**C. ADDITIONS/ADJUSTMENTS TO THE AGENDA**

None.

**D. MINUTES OF PREVIOUS MEETINGS**

1. June 22 and 24, 2010. Director Orth moved to approve the minutes of the June 22<sup>nd</sup> meeting, adjourned to June 24th. Director Ziady seconded and the motion carried unanimously.

**E. SPECIAL PRESENTATION**

None.

**F. PUBLIC HEARING**

None.

**G. PUBLIC COMMENTS**

None.

**H. CONSENT CALENDAR**

2. Review of Accounts Payable report and authorization to issue checks. General Manager Chapman clarified he would continue to pay City of Willits the same amount that we have in the past; once we have a resolution on the cure-and-correct demand we will have a debit or credit. Director Orth moved to approve payment of the outstanding invoices; General Manager Chapman pointed out that in addition to the outstanding invoices a manual check was issued as a progress payment to Terry Krieg for \$4,800.00; Director Orth moved to expand his motion to include that payment. Director Ziady seconded; the motion was unanimously approved.

**I. ACTION AGENDA**

7. Review of SWOW (garbage) financials for 2009. Solid Waste of Willits President Jerry Ward could not attend. General Manager Chapman reported he had reviewed the finances. He pointed out that CPA Michael Celentano expressed an opinion that the financial statements, taken as a whole, were in conformity with accepted accounting principles and that their information was fairly stated. Net income in 2009 increased dramatically from \$44,000.00 in 2008 to \$254,000.00 in 2009. Operating expenses increased about 4%. The only real weakness he saw was the cash position, which is truly critical in any organization. SWOW cash did drop from \$48,000.00 in 2008 to \$17,000.00 in 2009. Mr. Ward said they had some money set aside for a bond issue for the recovery facility they built a couple of years ago. However, Mr. Chapman said he was always concerned when someone's cash is that low in an organization that big. He reported SWOW did reduce their long-term debt. Tonnage hauled dipped from the prior year. Director Orth said county-wide revenue from the garbage stream is down almost 50% in two years. Mr. Chapman said we received \$26,038.38 [franchise fee] check this May. He reported we

always appreciate what Jerry Ward (SWOW) does for us in our annual cleanup. Mr. Ward reported they expanded from nine to ten drop centers and overhead costs would be spread more favorably in future.

Director Orth moved to accept the SWOW financial statements for December 31, 2009 and 2008 prior to discussion. Director Ziady seconded. Director Orth noted the County had a proposal from Mr. Ward to take over the transfer station. He believed we have a stand-alone franchise contract with SWOW that stands outside of the County and he wanted to make sure Mr. Ward and the public were aware that Brooktrails was a separate contract. Our contract expires in 2016. He asked Mr. Chapman to ask Mr. Ward to make that clear to the County. Director Orth said he hasn't received any complaints.

The motion on the floor carried unanimously.

**J. ADDITIONS TO FUTURE AGENDAS**

Mr. Chapman thought the AES report would be in August. He was still waiting for the LAFCO draft to come back. Vice-President Horrick announced there would be a special meeting on July 19, 2010 for a closed session in Mr. Chapman's office. Counsel Neary said actually there would also be an action item for the Board to approve the 5<sup>th</sup> Amendment to the Willits Sewer Agreement.

**K. SPECIAL REPORTS**

**From Directors:** Director Orth said he attended a meeting with other local representatives and MCOG in which they argued for approval of the Willits bypass money, which we did get, conditional upon the final 401 and 404 permits, to be finalized within the next 30 days. Discussion followed about when the project might break ground. It's a 4-5 year build period.

Director Ziady said Gloria Harden, who has served on the Recreation Committee a very long time, and her husband have left the community and moved out of state. She requested a letter of thanks from the District to them. She reported there will not be a Recreation Committee meeting in July until a new member is recruited. For the public record, she stated that the dirt bike signs have been ordered and staff will be working on the permit with the County. Dog waste stations for the Ohl Grove and the Par Course have been ordered. Lastly, she reported the golf course survey has started.

**From District Counsel:** None.

**From General Manager:** Mr. Chapman said we will send a thank-you letter to the Rancheria for their \$3,000.00 check to the Fire Department. He pointed out a water tender pictured in his report that our Fire Department is looking at. He recommended that we purchase it if we get a chance. Our estimated cost on the 1968 water tender (2500 gallons) was estimated about \$5,000.00.

**L. PUBLIC COMMENTS**

None.

**M. ADJOURNMENT**

Director Ziady moved to adjourn; Vice-President Horrick adjourned the open meeting at 7:24 p.m.

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George Skezas, President

ATTEST:

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MICHAEL V. CHAPMAN