



BROOKTRAILS TOWNSHIP

COMMUNITY SERVICES DISTRICT
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July 14, 2008

Robert Christofferson
Interim City Manager
City of Willits
111 E. Commercial St.
Willits, CA 95490

Dear Mr. Christofferson:

Allow me to welcome you to the area and to wish you the best of luck while you act as the Interim City Manager of the City of Willits.

Brooktrails Township Community Services District ("Brooktrails") and the City of Willits have been discussing a number of issues concerning the agreement between the City and Brooktrails relating to the sewer plant. It would be safe to say that there are a number of pending issues between the City and Brooktrails which are not likely to be effectively addressed or likely resolved during your term as Interim City Manager. However, if you wish to address these issues, we are more than happy to do so.

We have received a letter dated June 18, 2008 from your Sr. Accountant suggesting that it would be appropriate to change the monthly payments from \$18,827 to \$39,185. In the absence of the City's having provided audited financial information and, indeed the failure to provide the contracted audited information, and with reference to the several pending issues, Brooktrails will continue to pay the sum of \$18,827 until we reach an agreement otherwise. We will, of course, maintain a reserve for the difference should events transpire that this increase is demonstrated to be appropriate.

I am enclosing the sum of \$18,827 representing the July payment in accord with this letter. If you have any questions concerning this, please feel free to call.

Yours truly,

Mike Chapman
General Manager

cc: Chris Neary - Esq. ✓
Lori Mayo - Finance Asst.