

**GARBERVILLE SANITARY DISTRICT  
BOARD OF DIRECTORS**

**AGENDA  
REGULAR BUSINESS MEETING**

Location: Garberville Sanitary District Office  
919 Redwood Dr.  
Garberville, CA  
Date: August 25, 2015  
Time: 5:00 P.M  
Posted: August 21, 2015

I. CALL TO ORDER

II. ROLL CALL

- \_\_\_ Rio Anderson, Chairperson
- \_\_\_ Doug Bryan, Vice-Chairperson
- \_\_\_ Linda Brodersen, Treasurer
- \_\_\_ Bill Stewart, Director
- \_\_\_ Vacant

III. BOARD MEMBER, COMMITTEE & GM REPORT

1. Directors' Report:

- A. Rio Anderson
- B. Doug Bryan
- C. Linda Brodersen
- D. Bill Stewart
- E. Vacant

2. General Manager Report:

IV. PUBLIC COMMENT

An opportunity for any member of the public to address the Board of Directors on any matter not on the Agenda, but which is within the jurisdiction of the Board. The Board may limit time allowed for each speaker. The public will also be allowed to speak concurrently with the calling of an agenda item following the staff presentation of that item.

Pursuant to the Brown Act, the District Board may discuss an item but may not take action on an item that does not appear on the Agenda.

V. ANOUNCEMENTS AND COMMUNICATIONS

1. Brown Act webinar handout

## VI. CONSENT AGENDA

These matters are routine in nature and will be approved by a single vote. Prior to the meeting, any member of the public may request any member of the Board to pull a particular item for further discussion. Any member of the Board may pull a particular item for discussion. The intent of the consent agenda is to acknowledge that the Board members have read the consent agenda reports and no further discussion is necessary. The consent agenda will be enacted by one motion.

1. Approval of the June - July 28, 2015 Regular Business Meeting Minutes
2. Financials not back from accountant - with new system- took longer to produce
3. Plant, Systems and Safety Report

Motion to Approve Consent Agenda

## VII. ACTION and/or DISCUSSION ITEMS

1. Item #1 (Discussion/Action)  
Resolution #15-007  
Alder Point Tank update: Funding agreement requested
  
2. Item #2  
SWTP update: (information only)
  
3. Item #3 (Discussion/Action)  
Resolution # 15-008  
Connection Fee increase  
Proposed fee for water service is \$8,000  
Ordinance 4.4
  
4. Item #4 (Discussion/Action)  
Resolution # 15-009  
Connection Fee increase  
Proposed fee for sewer service is \$8,000  
Ordinance 6(a)
  
5. Item #5 (Discussion/Action)  
Ordinance updates:  
  
Water Ordinance:  
4.5–Installation of Service  
4.9 (a)–Service connection

6. Item #6 (Discussion/Action)  
Budget update

VIII. ITEMS FOR NEXT BOARD MEETING

IX. ADJOURNMENT OF MEETING

Next Board Meeting Date: September 22, 2015 at 5:00 pm

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Garberville Sanitary District at (707) 923-9566. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting (28 CFR 35.102 - 35.104 ADA Title II).

# Garberville Sanitary District

PO Box 211

Garberville, CA. 95542

(707)923-9566

[remerson@garbervillesd.org](mailto:remerson@garbervillesd.org)

## GENERAL MANAGER REPORT

Date: August 25, 2015

I have been assisting Miranda Community Services District until they fill the wastewater operator position. I have contacted the State Water Board about requirements and am working with MCSD to sign up their laborer as an Operator in Training. I see a very positive opportunity to work together between neighboring Districts while sharing manpower and resources.

I have compared prices and availability of renting a backhoe and have secured a 420 Caterpillar backhoe for a few days, to do necessary work around GSD property, including training and cattail removal from wastewater ponds.

I have met with John Rogers at RCSD about being on an upcoming agenda to discuss collaboration efforts and perhaps a project which would benefit both Districts, He expressed interest in such an opportunity and felt it would be beneficial to have me speak before his Board.

I am working with legal counsel, staff, Wahlund Construction, SHN and Loprest on issues relating to deficient equipment at the SWTP during the warranty period. I will continue to update you and work on resolving the problems we are facing.

Local fires have impacted GSD by requiring a collaborative effort to provide up to 60,000 gpd of water for fire trucks, the fire camp and command center. This has substantially increased water treatment and consumption gallons but we are able to meet this demand.

Tina and I participated in a Brown Act webinar which gave a broad explanation of the law while highlighting changes in the law. Recent changes are that all decisions by the Board need to be reported by the name of each Board Member and how they voted. There are some new codes and numbers which should be updated when listing them on the agenda. The Brown Act was enacted to protect the public from abuse of public officials so it is important that we stay current and comply with the law. I have included the hand out from the meeting.


Respectfully Submitted:

Ralph Emerson


# Understanding the Brown Act: Beyond the Basics

CSDA Webinar  
August 20, 2015

Thomas D. Jex  
Partner



Burke Williams & Sorensen



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## Government in the Sunshine:



Does this look familiar?

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## PRESENTATION OVERVIEW

- I. BROWN ACT ESSENTIALS
- II. LEGAL UPDATES
- III. COMMON MISTAKES (& HOW TO AVOID THEM)
- IV. QUESTIONS



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**I. BROWN ACT ESSENTIALS**

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**∞ Basic Rule:**

- All meetings
- of the legislative body
- of a local agency
- shall be open and public,
- unless an exception applies.

(GC 54953)



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**I. BROWN ACT ESSENTIALS**

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**∞ Meetings Defined:**

- A **"meeting"** is any gathering of a **majority** of the **members** of a legislative body at the same time and location to **hear, discuss, deliberate or take action** upon any item which is within its **subject matter jurisdiction**. (GC 54952.2)
- Watch out for **informal meetings**, where technology or an intermediary is used. (GC 54952(b)(1))



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**I. BROWN ACT ESSENTIALS**

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**∞ Meetings Distinguished:**

- Individual contacts or conversations between a member and any other person.
- Majority of members at certain open and publicized conferences; meeting of another organization or another legislative body of another agency.
- Majority of members at a purely social or ceremonial occasion.

(GC 54952.2.)



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**I. BROWN ACT ESSENTIALS**

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**∞ Agenda Requirement:**

- A **written agenda** must be prepared and posted prior to agency meetings.
- Must provide a **"brief general description"** which generally need not exceed 20 words for each item of business to be **"transacted or discussed,"** including closed session items.
- Must allow for **public comment** on each agenda item, and
- a general comment period.

(GC 54954.2.)



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**I. BROWN ACT ESSENTIALS**

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**∞ Closed Sessions:**

- Closed sessions are an **exception** to the rule that agency meetings must be open and public.
- Only topics authorized under the Brown Act may be discussed in closed session.
- The most common closed session topics are Litigation, Real Estate Negotiations, Personnel Matters, and Labor Negotiations.

(GC 54954.3)



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**I. BROWN ACT ESSENTIALS**

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**∞ Legal Challenges, Remedies and Penalties:**

- Criminal Charges
- Civil Action
- Request to Cure
- Invalidation
- Costs and Attorney's Fees

(GC 54959, 54960, 54960.1)



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**II. LEGAL UPDATES**

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**Proposition 42**

- o Approved June 2014
- o Amends Constitution to add express obligation to follow Brown Act
- o Removes requirement on state to reimburse for costs related to compliance with Brown Act




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**II. LEGAL UPDATES**

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**New Cease and Desist Procedure:**

- o New procedure to request agencies stop engaging in practices that allegedly violate the Brown Act.
- o Requester sends a "cease and desist" letter within 9 months of the alleged violation.
- o Agency has 30 days to issue "unconditional commitment" to stop the past action.
- o If the body fails to respond or issue the commitment, then the requester has 60 days to file a lawsuit.

(SB 1003 (Yee); GC 54960)

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**II. LEGAL UPDATES**

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**Closed Session Statutes Renumbered:**

- o Gov't Code section 54956.9(g) requires that the paragraph that authorizes the closed session for a "Conference with Legal Counsel" be listed on the agenda or publicly announced.
- o The "Conference with Legal Counsel" statutes were renumbered to 54956.9(d)(1)-(4).
- o Don't just cut and paste from old agendas.



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## II. LEGAL UPDATES

### Castaic Lake Water Agency v. Newhall County Water District (July 22, 2015)

- Newhall used old numbering on an agenda for "Conference with Legal Counsel"
- Castaic sued claiming Brown Act violation
- Court held no violation because agenda was in substantial compliance with the Brown Act
- "Castaic's argument is hyper technical and elevates form over substance"




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## II. LEGAL UPDATES

### Put Agendas Online:

- Notice of all meetings, including special meetings, must be **posted on the local agency's website**, if the agency has a website. (GC 54954.2)

### Limit Special Meeting Topics:

- Agencies are **prohibited** from calling a special meeting about an agency executive's **salary, salary schedule, or fringe benefits**. (GC 54956)



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## II. LEGAL UPDATES

### Public Reports

- Legislative bodies must publicly report: (1) any **action taken** and (2) the **vote or abstention** on each action taken by each member.
  - When action is taken by any means other than a roll-call vote, the chair or clerk should state the names of each individual who dissented or abstained so there is a clear record of how the entire body voted.
  - Ensure the minutes reflect the same.
- (SB 751 (Yee); GC 54953)



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**III. COMMON MISTAKES**



80 Hypotheticals:

- o Designed to help you **spot issues** based on real world examples.
- o You'll get the most out of this training if you **actively participate**.
- o Please do not skip ahead in the materials.
- o If you or your agency has made a mistake, change your practice going forward.
- o Train regularly and implement these practice tips to avoid mistakes.

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**III. COMMON MISTAKES**

80 Hypothetical #1:

- o Clockwork Community Services District holds regular meetings on the 1<sup>st</sup> and 3<sup>rd</sup> Tuesday of the month. Board Chair Skip Calendario will be out of town for the next meeting. He tells the Clerk to move the meeting one week later to the 4<sup>th</sup> Tuesday. The Clerk complies and posts a regular meeting agenda 72 hours in advance.
- o What mistake was made?



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**III. COMMON MISTAKES**

80 Answer – This was a **special meeting**, not a regular meeting.

- o The time and place for **regular meetings** of the legislative body is **set by ordinance, resolution or bylaws**. (GC 54944)
- o **Special meetings** may occur at **any time** one is called by the chair or a majority of the board.

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**III. COMMON MISTAKES**

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☞ Practical Tips to Avoid Mistakes:

- Update your agency's ordinance, resolution or bylaws setting the times for regular meetings to allow flexibility.
- Label agendas accurately (regular/special).
- Note that certain actions may only be taken at regular meetings.
- Consider adjourning the regular meeting to a specific time/date and posting notice within 24 hours to create an "adjourned regular meeting."

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**III. COMMON MISTAKES**

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☞ Hypothetical #2:

- Ms. Dee Veloper is meeting with Board members Chatty and Verbose at her proposed project site. After they discuss whether the project would be eligible for a fee waiver, Dee mentions that another Board member, Gabby, liked the project and would support a fee waiver.
- What mistake was made?



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**III. COMMON MISTAKES**

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☞ Answer – The developer was acting as an intermediary in a **serial meeting**.

- "A majority of the members of a legislative body shall not...use a **series of communications** of any kind, directly or through intermediaries, to discuss, deliberate, or take action on any item of business that is within the subject matter jurisdiction of the legislative body.
- Individual contacts or conversations between a board member and any other person are otherwise permissible.

(GC 54952.2.)

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### III. COMMON MISTAKES

#### Practical Tips to Avoid Mistakes:

- o The Brown Act doesn't require board members to stop engaging with the public.
- o But it does prevent them from learning about the other members' perspectives through the public.
- o Before meeting or discussing agency business with the public, warn them that you cannot discuss the other official's views.



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### III. COMMON MISTAKES

#### Hypothetical #3:

- o The Gobbledygook Garbage Disposal District's first business item on the agenda is: "Board Discussion and Direction regarding WALL-E Compaction Project 2014-9"
- o Following a staff presentation, the Board awards a contract to Axiom Technologies to purchase a Waste Allocation Load Lifter.
- o What mistake was made?



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### III. COMMON MISTAKES

#### Answer - Using jargon laden agenda descriptions that don't identify potential action.

- o Case law suggests each independent action of the Board should be agendized, even if it is related to a single project.
- o Other cases have held that the Brown Act was violated when agenda descriptions used internal lingo that was meaningless to the public.



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**III. COMMON MISTAKES**

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☞ Practical Tips to Avoid Mistakes:

- Understand that in some cases, 20 words or less won't be sufficient to let the public know what the Board will consider.
- Use agenda descriptions that would make sense to an out-of-towner.
- Give your agency options by including a range of possible actions.



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**III. COMMON MISTAKES**

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☞ Hypothetical #4:

- The Teamville Transportation District appointed two Board members to act as the Recruitment Committee. The Committee works with staff on an on-going basis to interview all management-level employees and make hiring recommendations to the Board. The Committee meets in private when needed.
- What mistake was made?



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**III. COMMON MISTAKES**

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☞ Answer – All committees established by the Board must comply with the Brown Act, UNLESS it:

- Is ADVISORY, not decision-making; AND
- Includes ONLY Board Members; AND
- Includes LESS than a quorum; AND
- Does NOT have continuing subject matter jurisdiction; AND
- Is NOT meeting on a fixed schedule set by the Board. (GC 54952(b))

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**III. COMMON MISTAKES**

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∞ Practical Tips to Avoid Mistakes:

- Assume all committees formed by the Board need to comply with the Brown Act.
- Most ad hoc committees will be made of 2 board members only and have a short term advisory role.
- If an ad hoc committee's role continues beyond original purpose or term, disband and reform it or comply with the Act.



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**III. COMMON MISTAKES**

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∞ Hypothetical #5:

- Following a lengthy staff presentation, Chair Anita Break of Inclusive Irrigation District asks each Board member individually to express their opinion on the item. A motion and a second is made to approve the project. The Chair opens public comment, hears the testimony of an angry neighbor and two proponents. She closes public comment and calls for a vote on the motion, which passes.
- What mistake was made?



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**III. COMMON MISTAKES**

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∞ Answer – Public comment was taken after significant deliberations occurred.

- The agenda must provide an opportunity for the public to comment on agenda items before or during the consideration of the item.
- Soliciting input after deliberations are concluded arguably does not satisfy this requirement.

(GC 54954.3)



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**III. COMMON MISTAKES**

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➤ Practical Tips to Avoid Mistakes:

- Consider giving the Chair prompts to solicit public comment before deliberations.
- Even if your agency uses speaker cards, and none were submitted, always ask for public comment.
- Close the public comment period once those wishing to comment are done to ensure meeting management.



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**III. COMMON MISTAKES**

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➤ Hypothetical #6:

- Reverend Brimstone regularly comments at Wayward Water District meetings because a Town Crier reporter always attends and he wants publicity. During the comment period of one meeting, he accuses the Chair of being a "sinner" because the District has failed to shut off water service to a certain business that began operating without paying applicable fees. The Clerk turns off the microphone at the Chair's request.
- What mistake was made?



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**III. COMMON MISTAKES**

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➤ Answer - The legislative body cannot prohibit public criticism of policies, procedures, programs, or services of the agency or the omissions of the legislative body itself.

- Expressions of support or opposition to matters before the agency (provided they are not overly disruptive) constitute protected speech.
- The legislative body may not preclude speech based on its content. It may only adopt content-neutral restrictions, such as time limits, on public comments.

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**III. COMMON MISTAKES**

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80 Practical Tips to Avoid Mistakes:

- o The 1<sup>st</sup> Amendment is a highly protected right, so err on the side of allowing speech.
- o Be prepared to receive harsh comments.
- o Let the public use their three minutes as they wish. This avoids escalating the issue and potentially drawing additional criticism.



Free Speech

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**III. COMMON MISTAKES**

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80 Hypothetical #7:

- o After Reverend Brimstone's microphone was cut off, he begins yelling a sermon from the podium. He refuses to leave after the three minute comment period has ended. The Wayward Water District Chair warns him he will clear the board room if he doesn't stop. The Reverend continues yelling so the Chair orders everyone in attendance to leave.
- o What mistake was made?

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**III. COMMON MISTAKES**


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80 Answer – Members of the news media who have not participated in the disturbance must be allowed to continue to attend the meeting.



- o The legislative body may remove persons from a meeting who willfully interrupt proceedings. If order still cannot be restored, the meeting room may be cleared.
- o However, there is an exception for members of the press.

(Gov. Code 54957.9)



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**III. COMMON MISTAKES**

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⌘ Practical Tips to Avoid Mistakes:

- First, warn the member that they are being disruptive and may be ejected.
- Second, warn the member that if they continue to be disruptive you will order a recess.
- Third, take a short break.
- Then, ask the member to leave.

⌘ If they don't leave voluntarily, remove the individual.

⌘ Don't clear the room unless necessary, and let the media stay.



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**III. COMMON MISTAKES**

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⌘ Hypothetical #8:

- The Board of the Revival Reclamation District has a lengthy agenda with a closed session as the last item. The Board goes into closed session to discuss existing litigation at 8:45 P.M. After three hours, the Board finishes the closed session. The members return to an empty boardroom, adjourn the meeting, and head home.
- What mistake was made?



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**III. COMMON MISTAKES**

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⌘ Answers – Failing to announce reportable action from the closed session.

- Brown Act has nuanced requirements for reporting final actions taken in closed session. Consult agency counsel.
- If no reportable action is taken, an announcement to that effect should be made and included in the minutes.

(Gov Code 54957.1)



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**III. COMMON MISTAKES**

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☞ **Practical Tips to Avoid Mistakes:**

- Designate a staff member or official to be in charge of reporting out.
- Make sure to follow up if action is not final until some time after the meeting.



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**III. COMMON MISTAKES**

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☞ **Hypothetical #9:**

- Joe Justice informs the Fused Fire District Board during general public comment that tomorrow is the deadline to comment on a CalTrans EIR for a new highway that would split the District, affecting response times. During the portion of the agenda for "matters from/for the Board," the vice-chair asks staff for more info. The Board discusses the issue and votes to have staff submit a comment letter to CalTrans on behalf of the District.
- What mistake was made?



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**III. COMMON MISTAKES**

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☞ **Answer – Action or discussion on non-agendized items is generally prohibited. Members may only:**

- Briefly respond to statements/questions from the public,
- Ask a question for clarification,
- Make a brief announcement,
- Make a brief report on his or her activities,
- Provide a reference to staff or other sources for factual information,
- Request staff report back at a later meeting, or
- Direct staff to place the matter on a future agenda.

(Gov't Code 54954.2(a)(2).)

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**III. COMMON MISTAKES**

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☞ **Practical Tips to Avoid Mistakes:**

- Let the agenda be your guide of discussions, not comments made by public or staff.
- Review your agenda and evaluate whether general agenda items (such as "matters from/for Board") are potentially traps for Brown Act violations.
- If you wish to keep general agenda items on, note on the agenda that no action will be taken and ensure this rule is followed.



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**III. COMMON MISTAKES**

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☞ **Hypothetical #10:**

- The Hasty Harbor District board meets monthly. At a regular meeting the General Manager advises that Phase I of the Marina Project was completed early and if the contractor starts Phase II now, they'll save tens of thousands of dollars in costs. Director Em Parative moves to add this to the agenda. The motion is seconded and approved. The Board votes to issue a notice to proceed to the contractor.
- What mistake was made?



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**III. COMMON MISTAKES**

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☞ **Answer – The Board didn't make the findings necessary to add an item to the agenda.**

- Items may only be added to an agenda when:
  - A majority decides that an **emergency** situation exists (work stoppage, crippling disaster, etc.); or
  - 2/3 of the Board (or all members if less than 2/3 are present) determine there is a **need to take immediate action** that came to the attention of the agency after the agenda was posted.

(Gov't Code 54954.2(b))

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**III. COMMON MISTAKES**

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**Practical Tips to Avoid Mistakes:**

- o To add an item, the Board should make the following findings:
  - There is an immediate need to take action because of [factual explanation], and
  - That need arose [identify time after agenda posting]; and
  - The agenda was posted on [date].
- o Consider having a cheat sheet for this.
- o If the findings can't be made, hold a special meeting.

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**CONCLUSION**

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**The Brown Act can be a trap for the unwary:**

- Regular training for the Board and staff is an important step to help avoid mistakes.
- Your agency counsel is an important resource to help prevent violations.



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**QUESTIONS?**

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**California Special Districts Association**  
*Districts Stronger Together*

This webinar is provided for general information only and is not offered or intended as legal advice. Attendees should seek the advice of an attorney when confronted with legal issues and attorneys should perform an independent evaluation of the issues raised in this webinar.

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**GARBERVILLE SANITARY DISTRICT  
BOARD OF DIRECTORS**

**REGULAR BUSINESS MEETING MINUTES**

Location: Garberville Sanitary District Office  
919 Redwood Dr. Garberville, CA  
Date: June 23, 2015

**I. CALL TO ORDER**

Chairperson Anderson called the meeting to order at 5:03 pm

**II. ROLL CALL**

Present: Rio Anderson Chairperson, Doug Bryan Vice-Chairperson,  
Linda Brodersen, Treasurer, and Bill Stewart, Director  
Staff: Ralph Emerson, Tina Stillwell, Ron Copenhafer, Dan Arreguin,  
Brian Miller, and Tiffane Baptist-Chavez  
Media: Sandy Feretto.  
Public: Stephen Dazey

**III. BOARD MEMBER, COMMITTEE & GM REPORT**

1 Director's Report

- A. Rio Anderson - No
- B. Doug Bryan - No
- C. Linda Brodersen - No
- D. Bill Stewart \_ No

2. General Manager's Report

Emerson reported almost completed with the Melville water and sewer line installation. Will be splitting the cost of the paving with the county. The districts portion is approximately \$5000.00.

Alderpoint Rd Tank Project update: having some telemetry problems, loss of communication causing false call outs. RSH is doing the underground work right now finishing up with hauling the remaining pile of dirt and putting the new platform pad to place tank on. The previous leak has then been stop. As we expected the Temporary tank is up and running with minimal periods of shut off.

There are two offers for the Redwood Lumber from old Tank. Steve Dazey gave an offer of \$2,500 and Brian Harper for \$500. Emerson suggested we take higher bid of \$2500. Steve Dazey hauled it off and will store it for about 2 years until the value of the Redwood Lumber could be determined or returned to GSD with a refund. Most important the Old Tank is demolished and the leak has been stop and the New Tank Construction can begin.

All board members agreed to take Steve Dazey's offer of \$2500.

Clean up District property:

There were 2 homeless people camping down at Thomas lane pump station. GSD had to clean up about 20- 30 bags of thrash pile up against the building they had accumulated. R. Emerson told them they could not camp there and hired Rick Ruiz to clean up the area. Since then that area has been clean and clear.

GSD have been taking care of Meters around the district. Cleaning and repairing leak detections.

Tooby community Park has informed GSD of a CEQA Environmental Impact report they have in progress for the parks water diversion and usage. Emerson stated he wrote a letter to the Board informing them that he wanted to be apart of the process of this project being the closest public agency down stream of them. He has met with Katherine Labato, Denis Huber and Steve Dazey who is apart of the park board about what they are doing and what they are trying to do and that the district is not trying to stop what they are doing we just trying to be involve in the process. Because what ever they do upstream affect us dramatically a few hundred yards down stream. County officer Michael Richardson says that he will definitely keep us in the loop on what's happening. To ensure protection of the water for our District.

End of Manager report.

#### IV. PUBLIC COMMENT

Chairperson ask for any public comment.

NO Comment

#### V. ANOUNCEMENTS AND COMMUNICATIONS

Chairperson ask for announcements and communications

No Announcements and communications

#### VI. CONSENT AGENDA

1. Approval of the May 2015 Regular Business Meeting Minutes
2. Approval of the May 2015 Financials
3. Plant, Systems and Safety Report

Linda Brodersen made a motion to approved consent agenda. Bill Stewart seconded the motion

Chairperson all in favor; Ayes all around

## VII. ACTION and/or DISCUSSION ITEMS

### 1. Garberville Public Restroom Fees–Discussion/Action

Garberville Redway Public Restroom Working Group (GRPRWG) is working together with the Garberville Town square in implementing a public restroom on the square. They are in the process of formalizing their agreement with the Town Square. GRPRWG understands that the sewer Hookup fees will be increasing in the near future. They are asking the GSD Board to consider “freezing” their cost for the sewer hookup at the current \$1200.00 in case their agreement is not reached with the Town Square until after the hookup fees are increased.

Chairperson moved to discuss the heart of the meeting. Action and discussion items. First issue on the agenda is Garberville Public Restroom Fees.

Would R. Emerson take the lead on this issue.

Emerson stated GSD was approach by the Group (GRPRWG) that is trying to put a Public rest room in the Town Square. Emerson requested that they produce a map or drawing of the location they are planning to place restroom. Emerson informed them there is water already available at the Town Square, all they needed was a sewer connection fee of \$1200. They were also informed that the sewer rate will go up in the near future and to consider making an application as soon as possible to keep the now rate of \$1200. As this group is in the process of securing funds for the project they ask GSD if we could hold that rate until they are able to come up with the secured funding after donation. A few members from the group are here to address the board of Directors about holding the now rate of \$1200 in the case the funding is not secure before rates change in the near future.

Bob Froehlich gave presentation with two other members present Suzel, and Leo Pollard, three other core members of group Dave O, Jim T, and Mike M could not make it to the presentation to the board.

Bob then explained about the groups activities around Garberville and Redway communities. They are a group that have been together about 4 years and would like to put a Public restroom in Garberville.. At first they were working with the Transit department to place the toilet next to the bus stop at the south entrance into Garberville.

However in the end that felt thru. They put up a porta-potty in Redway and a dumpster for a length of time. The group have also had a number of town meetings and eventually this group realize that the town Square would not be able to fund a restroom but the square would be an idea spot to put a public restroom. Bob said we proceeded to meet with the town square board and drew up a MOU with them stating that the Group will go out and fund raise and be responsible for building and getting the money together for putting a



new Restroom up there. Including a new sewer hookup and developing a maintenance plan for maintaining the restroom. The group came to a point where both the Town Square Committee and their Group was going to sign off on the MOU but in the MOU there are two other items that have to be sign off on or the MOU is null or void.

1. The Town Square wanted to have final say about the design of project.
2. The Group(GRPRWG) wanted to sign off on the overall cost of project.

They are then waiting for the design from the Town Square so as to move forward with this project. As the design is key to the funding of the project they are still waiting for all their ducks to be in a row before going out and fundraising. In the process they are hoping not to lose out on the opportunity to acquire the lowest or best possible rate from GSD or even to donate or waive the fee for the sewer connection. The letter that was written to GSD from GRPRWG is asking for a freeze on the now rate until they could get their ducks in a row or waive the fee as a community service would be ideal.

R. Emerson replied cannot grant a waiver on the connection fee as a public agency. What he recommends to the board is have them fill out an application with what the rate is now and then give them a time period they would have to meet, whether it'd be a year or two or something that would be an appropriate time line, until they could get the appropriate funding.

R. Copenhafer Question? Would it be possible to have a person donate the money for their application and if the project did not come thru, can GSD return their money?

R. Emerson; So your saying a kind Samaritans would pay the money on the application and it falls thru. I would think that is possible only if construction have not been started.

Chairperson confirmed with Emerson, they start the application now and in the application we give them two years to do construction. The \$1200 could be the rate with any hookup within the two year time frame.

R Emerson: Yes which would not be unusual for any other customer application that came in and had an empty lot and would be building in the future and apply at this time for sewer hookup. The rate would be what it is now and that would be following the Ordinance that we already have. That is my recommendation.

B. Stewart suggest that we accept their application and make the fee acceptable for now until June 30th 2016. One year.

D. Bryan What if they pay that fee? What would the time line for them to build in.

B. Stewart if they pay the fee he suggest they be given a reasonable time to complete the project. Two years.

D. Bryan confirmed that the application be fill out now with present rate and have a year June 30th 2015 -June 30th 2016 to pay the fee. With an addition 2 years beyond that to complete job.

L. Brodersen suggested that this be in consideration for all other contractors or customers applying for sewer hookups with the going rate of \$1200 with the thought of future building. Being careful to set precedence for all customers and not for one group.

Doug- GSD is looking at changing the rate pretty soon in the next couple of months.

Suzel- made comment that it is a Garberville Sanitary Service project. It is just to help with the Sanitation of Garberville. It is not a money making project and that GSD should keep that in mind when they make this decision.

Chairperson stated that the property is own by the Town square and not GSD and they will be the one signing the application.

B. Stewart made a motion to accept the application by the Town Square at the current fee, with one year to pay the \$1200. to June 30, 2016. Also they will have two years in which to build the restroom.

D. Bryan seconded the motion.

Chairperson: Motion was approved

Chairperson: Mr. Dazey came in to the meeting and he was then inform that he had received the bid for the redwood lumber from the old Alderpoint Road Water Tank. He said he was a big fan of GSD and was happy with GSD decision.

## 2. 2015–2016 Budget Adoption

R. Emerson reported Tina, Linda as a part personnel committee and Jenny have been working on budget and on getting reimbursement for the Drinking water project claim 10 and 11. GSD have fronted some of the money for the drinking water project. We got a loan and grant and we were working on getting the some of that money back we have already received \$343,462.

And on the water budget on the last page, we also have \$311,445 that is expected to be here by the end of July that will help set our cost, expenses, and what we have in reserve for the next years budget. R Emerson stated that is the last off it, we wont have any more reimbursement and we would be operating on our receivables, service charges water and waste water. Also to be able to use this money carefully whether it'd be as a reserve account for emergencies or for matching loans or grants. Keep that as procuring interest for insurance and protection of GSD.

We have in net cash and or reserve \$785,537 and we would like to keep a substantial amount of that large portion for emergency problems, out of this money it was split out, part goes to water and part to waste management.

R Emerson continues to review all aspect of the budget including new projects and wages addition. He explained the wastewater equipment purchases at \$72,021. He said the SCADA would be another \$10,000. He said he wanted to get the Alderpoint Rd Tank completed and learn how to use the hydro jetter. continue on the maintenance.

He then ask the board if there are any questions about the budget that needed clarification. Further discussion was made with board.

The purchase of a backhoe was discussed. Ralph has a friend that will make him a good deal.

Chairperson asked for a motion to approve the 2015-2016 Budget B. Stewart made a motion to approve the 2015-2016 Budget. L. Brodersen seconded the motion. Motion was passed by unanimous vote.

### 3. Approve 5 year salary schedule

R. Emerson presented the salary schedule for approval. After discussion Brodersen made a motion to approve the salary schedule. Bryan seconded the motion. the motion was passed by unanimous vote.

### 4. Hire Brian Miller as a full time employee

R Emerson stated that it was the end of a 3 month evaluation for Brian Miller and that he has met the requirements to be a full time employee with a positive evaluation. Emerson said that Brian is still learning and learning in the right direction. He said, we are happy with his progress he is asking the board to consider him as a full time employee at GSD, with all the benefits.

L. Brodersen made a motion to approve Brian Miller a full time employee, with all the benefits D. Bryan seconded the motion. The motion was passed by unanimous vote.

### 5. A) Wage increase for Administrative Assistant

Emerson reported Tina does a lot of work for the district, she is very customer oriented and have been working together, with that positive evaluation, Emerson recommended to move her up to \$22.00 per hour effective with the next pay period. Brodersen made a motion to increase the Administrative Assistant hour rate to \$22.00. Stewart seconded the motion. The motion was passed by unanimous vote.

### B) Wage increase for water/wastewater operator

Emerson recommended a wage increase for Brian Miller to \$20.00 per hour.

Brodersen made a motion to increase Brian Miller to \$20.00 per hour. Stewart seconded the motion. The motion was passed by unanimous vote.

#### **6. Water Ordinance No. 1 Amendments**

The following sections were amended.

Section 1.1 - Section 1.3

Section 1.8

Section 2.4

Section 2.8

Section 2.11 - Section 2.12

Section 2.14 - Section 2.15

Brodersen made a motion to add the Sewer Ordinance section 13.1 to the agenda. Anderson seconded the motion. The motion was passed by unanimous vote.

#### **Sewer Ordinance Section 13.1 amendment**

Brodersen made a motion to amend the meeting time to 5:00pm commencing June 2015 and to approve the amendments to the water ordinance section 1.1 section 2.15 as presented.

Anderson seconded the motion. The motion was passed by unanimous vote.

### **VIII. ITEMS FOR NEXT BOARD MEETING**

Alderpoint Road tank

Restroom at Town square

DWTP

Ordinance 13.2

Meeting Calendar

### **XI. ADJOURNMENT OF MEETING**

Meeting adjourned at 6:37 pm

Next Board Meeting July 28, 2015 at 5:00 pm

**GARBERVILLE SANITARY DISTRICT  
BOARD OF DIRECTORS**

**REGULAR BUSINESS MEETING  
MINUTES**

Garberville Sanitary District Office  
919 Redwood Dr. Garberville, CA 95542

Date: July 28, 2015

Time: 5:00 pm

**I. CALL TO ORDER**

Chair Anderson called the meeting to order at 5:04 pm

**II. ROLL CALL**

Present: Rio Anderson, Chairperson, Doug Bryan, Vice-Chairperson, Linda Brodersen, Treasurer, Bill Stewart, Director

**III. BOARD MEMBER, COMMITTEE & GM REPORT**

1. Directors' Report:

- A. Rio Anderson - **Nothing to report**
- B. Doug Bryan - **Nothing to report**
- C. Linda Brodersen - **Nothing to report**
- D. Bill Stewart - **Will be interested to hear with the end of the year trial statement what is lined out for next year because we have to shoulder \$60,000 for the Alderpoint Road Tank, how that is going to fit into the program.**

2. General Manager Report:

Emerson reported the Melville apartments are moving along rapidly and that they expect to have people in the apartments by October - November. There is more pavement to done. Brodersen asked when the county is expect to complete the paving. Emerson reported that they could not do it until the apartments had their encroachment road into their driveway done. They finished the driveway today. Emerson was not sure when the county would start the paving, he said that John Neill was setting it up with the county.

Emerson reported that the district has started working on a Capital Improvement Plan.

Director Stewart asked if there was monies available for these projects.

Emerson said we where looking for funding.

Emerson said we are looking into a backhoe and utility truck but not until later in the year, right now he is not in a position to recommend spending money on anything that expensive. Director Stewart said the best time to find equipment is in the winter at the auctions. Emerson said he has been looking at options.

Vice Bryan said at the fire service the California Air Resources Board gives money to retire trucks.

Emerson reported that Ron notified him a lady stepped on a meter box and fell in. She was scratched up but no medial need. Staff repaired the meter box and she was satisfied.

Emerson said there was some questions concerning board eligibility, he contacted several agencies, there will be a judgment after August 7, 2015. If no one puts a application in, the Election office will send a notice that no one applied. The district can appoint someone and the supervisors will decide to make that appointment or not.

Emerson still working with the drought task force, he said this district is very proactive in educating the public about the drought.

3. Tina Stillwell Report on Water Conservation

Stillwell reported that the water usage in June 2015 was approximately 25% less than in June 2013. Although the amount treated was about the same in June as in June 2013.

#### IV. PUBLIC COMMENT

Kathy Eldridge the Chairperson of the Miranda Water District said that they have lost their waste water operator. They need a certified waste water operator to help them run their system. They are asking GSD for help with this. Ralph said that he would have it on the next agenda.

#### V. ANOUNCEMENTS AND COMMUNICATIONS

1. Mrs. Yelle letter - Emerson gave a brief report on the letter

#### VI. CONSENT AGENDA

1. Approval of the June 23, 2015 Regular Business Meeting Minutes- No Minutes
2. Approval of the Draft June 2015 Financials - Brodersen addressed the bad debts and requested that they be brought current. Stewart requested that the bill be sent in an envelope with a return envelope. Emerson said he would look into it.
3. Plant, Systems and Safety Report

Brodersen made a motion to approve the consent agenda with out the minutes. Stewart seconded the motion. The consent agenda was approved by unanimous vote.

#### IX. ACTION and/or DISCUSSION ITEMS

1. Item #1

Alder Point Update-Funding

Emerson reported that this will be on the August Agenda.

Emerson reported the welding is finished next is painting, hooking up pipes and landscaping. Stewart asked if we were going to inspect the paint thickness. Emerson said he would find out.

2. Item #2

SWTP Update (Information Only)

Emerson reported a plant shut down on June 5<sup>th</sup> due to the heat. He contacted the district attorney, engineer, contractors about the problem. The building has no insulation and interior temperature climbs to over 100 degrees. This causes the plant to shut down. He said an air condition unit was going to be installed. Stewart said this will be very expensive for the District in the future. He said the utility rate would increase approximately 3 percent but that it would correct the problem.

3. Item #3

Annexation Update

Emerson reported the legal description are left to do with Dylan Kolstad

4. Item #4

Board Calendar - August–December 2015

Emerson presented the calendar for board approval

Brodersen made a motion to approve the calendar. Anderson seconded the motion. The motion was passed by unanimous vote.

5. Item #6

Ordinance/Policy update

Water Ordinance:

4.1–Application for Service - Approved

4.4–Connection Fee Emerson said this was read only

4.5–Installation of Service - Bring Back

4.7–Size and Location of Service - Approved

4.9–Service Exemptions - Bring back

Brodersen made a motion to approved the amendments to Water Ordinance section 4.1 and 4.7. Stewart seconded the motion. The motion was passed by unanimous vote.

Sewer Ordinance:

Chapter 3–Sewer Materials - Approved with the addition of Poly HDP Pipe

Brodersen made a motion to approve the deletion of the asbestos pipe and add the poly HDP pipe. Andersen seconded the motion. The motion was passed by unanimous vote.

Chapter 7-6A–Connection Fee

6. Item #7

1<sup>st</sup> Reading Connection Fee Increase

Emerson explained currently water is \$1,000 and sewer is \$1,200 and he proposes an increase to \$8000.00 each, the State average is between \$1,500--\$15,000

Emerson explained that connection fees are used to install laterals and upgrade the system.

As material cost have increased. So must the connection fees. The fees are for only new customer and can only be used for capital improvement projects or upgrading the system. The customers on Timber lane may not have to pay a service connection fee because they were part of the project.

**X. ITEMS FOR NEXT BOARD MEETING**

**Ordinance**

**Second reading of the connection fees**

**Alderpoint Road Tank**

**Miranda Community District**

**DWTP**

**XI. ADJOURNMENT OF MEETING**

**Anderson adjourn the meeting at 6:37 pm**

**Next Board Meeting August 25, 2015 at 5:00 pm**





# GARBERVILLE SANITARY DISTRICT

P.O. BOX 211 • GARBERVILLE, CA 95542 • (707) 923-9566

Date: 08/25/15  
To: GSD Board of Directors  
From: Operations Manager  
Subject: Monthly Reports

## Sampling and Testing

07/07/15 BOD = 16 mg/L

07/14/15 BOD = 44 mg/L

07/28/15 BOD = 16 mg/L

No Safety Incidents or near misses.

Ron Copenhafer  
Operations Manager  
Garberville Sanitary District



# GARBERVILLE SANITARY DISTRICT

P.O. BOX 211 • GARBERVILLE, CA 95542 • (707) 923-9566

## BOARD AGENDA MEMORANDUM

Meeting Date: August 25, 2015  
 To: Garberville Sanitary District Board of Directors  
 From: Jennie Short, Consultant Projects Manager  
 Subject: Alderpoint Road Tank Replacement Project Construction Funding

### GENERAL OVERVIEW OF COBANK LOAN

On August 12, 2015 the District received the first draft of the loan documents from CoBank. The documents are at the District office and can be reviewed in detail there if desired. Below is a summary of the specific terms of the credit agreement and promissory note.

	Loan Term Description	Amount
1	Maximum Loan Amount Section 1	\$500,000
2	Term Expiration Date Section 3	August 31, 2016 (last day to draw down all or part of the loan amount)
	Fees Section 9	In consideration of the Commitment, the Borrower agrees to pay to Lender a commitment fee on the average daily unused available portion of the Commitment at the rate of <b>0.250% per annum</b>
3	Security/Collateral 2.3	Statutory first lien on all equity that the District may now own or hereafter acquire or be allocated First priority lien on all real and personal property of the District, whether now existing or hereafter acquired
4	Flood Clearance	Documents necessary to show that every property and easement of the District is either covered by flood insurance or outside of the flood zone.
5	Interest Rate Section 5  1. Variable: currently 2.19%  2. Fixed: 10 years: 3.96% Effective Interest Rate With Patronage: 3.21%	1. One Month LIBOR Rate - 2% above the offering of one-month U.S. dollars deposits, by Bloomberg Information Services adjusted each week 2. At a fixed rate per annum to be quoted by CoBank in its sole discretion in each instance. Under this option, rates may be fixed on such balances and for such periods, as may be agreeable to CoBank in its sole discretion in each instance, provided that: (1) the minimum fixed period will be 180 days; (2) amounts may be fixed in increments of \$100,000.00 or multiples thereof; and (3) the maximum number of fixes in place at any one time will be five.

	Loan Term Description	Amount
6	Repayment Method Section 6	The Borrower promises to repay the unpaid principal balance of the loans in 120 consecutive, monthly installments, payable on the 20th day of each month, with the first installment due on September 20, 2016, and the last installment due on August 20, 2026. The amount of each installment will be the same principal amount that would be required to be repaid if the loan(s) were scheduled to be repaid in level payments of principal and interest and such schedule was calculated <b>utilizing the rate of interest in effect on Term Expiration Date</b> . Principal due on the first payment date will constitute a full month's amortization, regardless of any partial month's interest due in accordance with the provisions set forth herein.
7	Equity in Lender 5.10	Maintain equity in Lender's institution in such amounts and at such times as Lender may from time to time require in accordance with its Bylaws and Capital Plan
8	Debt Service Reserve Account	Establish by June 30, 2016 in the amount of <b>\$60,000</b> The Borrower hereby pledges and grants to Lender a security interest in the Reserve (including all interest earned thereon) as security for the Borrower's obligations to Lender under the Loan Documents.
9	Prepayment Penalty 2.5	the sum of: (i) the present value of any funding losses imputed by Lender to have been incurred as a result of such payment, conversion or failure; <u>plus</u> (ii) a per annum yield of 0.50% of the amount repaid, converted or not borrowed for the period such amount was scheduled to have been outstanding at such fixed rate
10	Negative Covenant for Other Indebtedness 6.1	While this Agreement is in effect, the Borrower will not create, incur, assume or allow to exist, directly or indirectly, any indebtedness or liability for borrowed money (including trade or bankers' acceptances), letters of credit, or for the deferred purchase price of property or services (including leases that should be capitalized on the books of the lessee in accordance with the Accounting Standards) except those listed in section 6.1
11	Negative Covenant for Liens 6.3	While this Agreement is in effect, the Borrower will not create, incur, assume, or allow to exist any mortgage, deed of trust, pledge, lien (including the lien of an attachment, judgment, or execution), security interest, or other encumbrance of <b>any kind</b> upon any of its property, real or personal
12	Negative Covenant for Transfer of Assets 6.8	While this Agreement is in effect, the Borrower will not Sell, transfer, lease, or otherwise dispose of any of its assets, except: (a) in the ordinary course of business; and (b) the sale, transfer or disposal of any obsolete or worn-out assets that are no longer necessary or required in the conduct of the Borrower's business

	Loan Term Description	Amount
13	Property Maintenance	Maintain in good repair, working order and condition (ordinary wear and tear excepted) in accordance with the general practice of other businesses of similar character and size, all of those properties useful or necessary to its business, and make all alterations, replacements, and improvements thereto as may from time to time be necessary in order to ensure that its properties remain in good working order and condition. The Borrower agrees that at Lender's request, which request may not be made more than once a year, <b>the Borrower will furnish to Lender a report on the condition of the Borrower's property prepared by a professional engineer satisfactory to Lender.</b>
14	Business Existence 5.3	Preserve and keep in full force and effect its existence and good standing in the jurisdiction of its incorporation or formation, qualify and remain qualified to transact business in all jurisdictions where such qualification is required, and obtain and maintain all licenses, certificates, permits, authorizations, approvals, and the like that are material to the conduct of its business or required by any Law.
15	Conflicting Agreements 4.5	Neither this Agreement nor any Promissory Note conflicts with, or constitutes a default under, any other agreement to which the Borrower is a party or by which it or any of its property may be bound or affected, and does not conflict with any provision of its bylaws, articles of incorporation or other organizational documents.
16	Compliance; Legal Proceedings 4.2	The District and all property and all of its/their operations are in compliance with all applicable Laws and the terms of the Loan Documents and no Event of Default or Potential Default exists or is continuing. In addition, there are no pending legal, arbitration, or governmental actions or proceedings to which the Borrower or any subsidiary's is a party or to which any of its or any subsidiaries' property is subject which, if adversely determined, might have a material adverse effect on the financial condition, operations, properties, profits, or business of the Borrower or any subsidiary, and to the best of the Borrower's knowledge, no such actions or proceedings are threatened or contemplated
17	Cross Default 8.1 (e/f)	The Borrower should fail to pay when due any indebtedness to any other person or entity for borrowed money or any long-term obligation for the deferred purchase price of property (including any capitalized lease)
18	Intercreditor Agreement 2.3 (a)	The Borrower agrees to take such steps, including, without limitation, the execution and recordation or filing, as applicable, of mortgages, deeds of trust, security agreements, <b>intercreditor or parity agreements</b> , pledge agreements, control agreements, financing statements, and amendments to any of the foregoing, and such other instruments and documents as Lender may require to enable Lender to obtain, perfect, and maintain a lien on such property, and the payment of any applicable mortgage recording, documentary stamp, or intangible taxes

	Loan Term Description	Amount
19	SWRCB Intercreditor Agreement	Take all actions as requested by CoBank necessary or appropriate for deliver to CoBank, of a fully executed Intercreditor Agreement between CoBank and the SWRCB, acknowledged by the Borrower evidencing the <b>shared first lien position</b> with the SWRCB.
20	Evidence of Perfection 3.2 (c)	Such evidence as Lender may require that it has duly perfected liens
21	Evidence of Consents from other loan	Evidence that: (1) the SWRCB has consented to, and agreed to allow parity lien status for CoBank's lien securing, the loan evidenced by this Promissory Note; and (2) all existing unsecured lenders including, the MFC, the RCAC and the SRF have consented to the loan evidenced by this Promissory Note, or provide confirmation from counsel that no consent is required for the Borrower to incur additional debt.
22	Opinions of Counsel	Initial required with loan closing and subsequent letter after collateral perfected

Staff also anticipates that in addition to the \$500,000 loan for construction, approximately \$38,630 will be spent out of the reserve funds for FY 2015/16 and \$ 111,631.78 was spent out of reserve funds in FY 2014/15.

### STAFF RECOMMENDATION FOR BOARD ACTIONS

Staff recommends that the Board:

1. Identify collateral acceptable for use on the loan or give staff parameters
2. Approve Resolution 15-007 and authorize the Chair of the Board to sign the Resolution.
3. Authorize named Board members to sign Incumbency Certificate
4. Direct staff, consultant project manager, and District Counsel to complete the work necessary to revise loan documents as needed to meet the Board's decision

### ATTACHMENTS

Resolution 15-007  
Incumbency Certificate  
Updated Project Budget



# GARBERVILLE SANITARY DISTRICT

P.O. BOX 211 • GARBERVILLE, CA 95542 • (707) 923-9566

## RESOLUTION NO. 15-007

### A RESOLUTION OF THE GARBERVILLE SANITARY DISTRICT DESIGNATING CHAIRMAN, VICE-CHAIRMAN, AND TREASURER OF THE BOARD OF DIRECTORS AS AUTHORIZED SIGNATORIES FOR THE VARIOUS LOAN DOCUMENTS AND DEPOSITORY ACCOUNTS WITH COBANK

**WHEREAS**, the Garberville Sanitary District (the "Borrower") is a Special District that was formed by the Humboldt County Board of Supervisors on April 12, 1932, pursuant to the Sanitary District Act of 1923, after a majority vote was cast in a general election (the "Organizational Documents"), has full power and authority to borrow money, to secure the same with its own property and property delivered to it for marketing or otherwise and to perform all obligations associated therewith.

**WHEREAS**, the determined that it is in the best interest of the Borrower to become a member of CoBank, ACB ("Lender") and to enter into the transactions described in this Resolution.

**WHEREAS**, all prerequisite acts and proceedings preliminary to the adoption of this Resolution have been taken and done in due and proper form, time and manner, with the Board having full power and authority under the Organizational Documents to adopt this Resolution and legally bind the Borrower to the terms hereof.

**NOW, THEREFORE, BE IT RESOLVED**, that each of the following persons or positions: CHAIRMAN, VICE-CHAIRMAN, and TREASURER OF THE BOARD OF DIRECTORS (the "Authorized Signatories") of the Borrower are hereby jointly and severally authorized and empowered to obtain for and on behalf of the Borrower from time to time, from Lender, a loan or loans or other financial accommodations (including, without limitation, interest rate swaps, hedges, caps, collars or similar arrangements designed to protect against fluctuations in interest rates (the "Hedging Transactions"), letters of credit, note purchase agreements and bankers acceptances) (each, a "Loan") and for such purposes:

(1) to execute and deliver such application or applications (including exhibits, amendments or notes thereto) as may be required for such Loan and all borrowings thereunder;

(2) to obligate the Borrower to repay all amounts borrowed and pay such rate or rates of interest as the Authorized Signatories so acting shall deem proper, and in connection therewith to purchase such interest rate risk management products as may be offered from time to time by Lender;

(3) to obligate the Borrower to such other terms and conditions as the Authorized Signatories so acting shall deem proper;

(4) to cause the Borrower to become a member of Lender and to obligate the Borrower to make such investments in Lender as required by Lender;

(5) to execute and deliver to Lender or its nominee all such written loan agreements, interest rate swap, hedge, cap, collar or similar agreement, including any master agreement published by the International Swap and Derivatives Association, Inc. and such other documents and instruments as may be required by Lender in regard to or as evidence of any Loan made or Hedging Transaction entered into pursuant to the terms of this Resolution, and such Loan Documents shall include the Borrower's consent to suit for enforcement of the Loan Documents and all appropriate judicial remedies available at law or equity, even though sovereign immunity may otherwise bar such suit;

(6) to pledge, grant a security interest or lien in, or assign property of the Borrower or property of others on which it is entitled to borrow, of any kind and in any amount as security for any or all obligations (past, present and/or future) of the Borrower to Lender, and to execute and deliver to Lender or its nominee all such security agreements, pledges, mortgages, deeds of trust, financing statements and other documents as may be required by Lender in connection therewith;

(7) from time to time to extend, amend, renew or refinance any such Loan and to execute and deliver all agreements, notes, instruments and other documents as may be required in connection therewith;

(8) to reborrow from time to time all or any part of the amounts repaid to Lender on any Loan made pursuant hereto (whether for the same or a different purpose);

(9) to execute and deliver to Lender such agreements, addenda, documents or instruments as may be required by Lender in the event that the Borrower elects to use Lender's electronic banking system (the "System");

(10) to execute and deliver to Lender any agreements, addenda, authorization forms and other documents or instruments as may be required by Lender in the event that the Borrower elects to use any services or products related to a Loan that are offered by Lender now or in the future, including without limitation an automated clearing house (ACH) service;

(11) to direct and delegate to designated employees of the Borrower the authority to direct, by written or telephonic instructions or electronically, if the Borrower has agreed to use the System for such purpose, the disposition of the proceeds of any Loan authorized herein, and to direct Lender to deliver any property of the Borrower at any time held by Lender; and

(12) to delegate to designated employees of the Borrower the authority to request by telephonic or written means or electronically, if the Borrower has agreed to use the System for such purpose, loan advances and/or other financial accommodations, and in connection therewith, to fix rates and agree to pay fees and to direct the proceeds of advances to authorized accounts.

In the absence of any direction or delegation authorized in (11) or (12) above, all existing directions and/or delegations shall remain in full force and effect and shall be applicable to any Loan authorized herein.

**RESOLVED FURTHER**, that each of the Authorized Signatories is hereby jointly and severally authorized to:

(1) establish a Cash Investment Services Account with Lender;

(2) make such investments therein as any Authorized Signatory shall deem proper;

(3) direct by written or telephonic instructions or electronically, if the Borrower has agreed to use the System for such purposes, the disposition of the proceeds therein;

(4) delegate to designated employees of the Borrower the authority set forth in (2) and (3) above; and

(5) execute and deliver all documents and agreements necessary to carry out this authority.

**RESOLVED FURTHER**, that each of the Authorized Signatories is hereby jointly and severally authorized and directed to do or cause to be done, from time to time, all things which may be necessary or proper to carry out the terms and intent of this Resolution.

**RESOLVED FURTHER**, that every act and action of any person heretofore executing any document or instrument delivered to Lender or its designee or required to create, make, enter into, perform, amend or confirm any obligation of the Borrower to or in favor of Lender, is hereby ratified, approved, adopted and confirmed as if it had been validly and lawfully authorized upon and as of the date of such act or action, notwithstanding any invalidity, defect or insufficiency that may exist or may have existed in the power or authority of such person then executing such document or instrument, and every such person and each of the Authorized Signatories are hereby jointly and delegated all necessary power and authority to effect the foregoing.

**RESOLVED FURTHER**, that any of the Authorized Signatories are hereby authorized and directed to cast the ballot of the Borrower in any and all proceedings in which the Borrower is entitled to vote for the selection of a member of Lender's board of directors or for any other purpose.

**RESOLVED FURTHER**, that this Resolution shall remain in full force and effect until a certified copy of a duly adopted resolution effecting a revocation or amendment, as the case may be, shall have been received by Lender; provided that no such revocation or amendment shall affect the validity of any action or actions made or taken in reliance on such resolution(s) prior to the effective date of revocation. In addition, all authorities herein granted shall apply with equal force and effect to the successors in office of the Authorized Signatories herein named.

**RESOLVED FURTHER**, that effective on the date when this Resolution is delivered to Lender, any and all prior resolutions authorizing and empowering Authorized Signatories of the Borrower to take actions as described herein are hereby revoked; provided that no such revocation shall affect the validity of any action or actions made or taken by Lender prior to the effective date of revocation.

**RESOLVED FURTHER**, that the Secretary or any Assistant Secretary of the Borrower is hereby authorized and directed to certify to Lender a copy of this Resolution, the names and specimen signatures of the Authorized Signatories, and if and when any change is made in the personnel of any Authorized Signatories, the fact of such change and the name and specimen signatures of the new Authorized Signatories. Lender shall be entitled to rely on any such certification until a new certification is actually received by Lender.

Passed and adopted by the Garberville Sanitary District's Board of Directors on **August 25, 2015** during a regular business meeting, by the following vote:

AYES: Directors \_\_\_\_\_

NOES: Directors \_\_\_\_\_

EXCUSED: Directors \_\_\_\_\_

\_\_\_\_\_, Chairperson

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CERTIFICATE

The undersigned, Clerk of the Board of Directors of the Borrower, hereby certifies that: (a) the of the Borrower, at a meeting duly called, noticed, convened and held on the 25th day of August, 2015, did adopt the foregoing resolutions in accordance with the Organizational Documents of the Borrower; (b) all approvals and authorizations required to effect the foregoing resolutions (including without limitation board, member, or stockholder approval, as applicable) have been obtained and remain in full force and effect; and (c) said resolutions are in full force and effect on the date hereof and have not been revoked or amended in any way.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

By: \_\_\_\_\_

Tina Stillwell, Clerk of Board of Directors

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CoBank, ACB  
INCUMBENCY CERTIFICATE

Clerk of the Board

The undersigned, as Secretary of the Borrower named below, hereby certifies that the following persons are the current, duly elected or appointed Authorized Signatories enumerated in applicable Resolutions of the Borrower's Board of Directors.

**AUTHORIZED SIGNATORIES**

NOTE: INSERT THE NAMES AND OBTAIN THE SIGNATURES OF ONLY THOSE AUTHORIZED BY THE RESOLUTION REFERRED TO ABOVE. **THIS INCUMBENCY CERTIFICATE REVOKES AND REPLACES ALL PREVIOUS INCUMBENCY CERTIFICATES.**

<del>PRESIDENT</del> Chairman
_____ Signature
Soren Rio Anderson _____ TYPE or PRINT name
<b>TREASURER</b>
_____ Signature
Linda Brodersen _____ TYPE or PRINT name
<b>GENERAL MANAGER</b>
_____ Signature
_____ TYPE or PRINT name
<b>TITLE:</b> _____
_____ Signature
_____ TYPE or PRINT name

<del>VICE PRESIDENT</del> Chairman
_____ Signature
Doug Bryan _____ TYPE or PRINT name
<b>SECRETARY</b>
_____ Signature
_____ TYPE or PRINT name
<b>MANAGER</b>
_____ Signature
_____ TYPE or PRINT name
<b>TITLE:</b> _____
_____ Signature
_____ TYPE or PRINT name

Dated this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**Annual Meeting Month:** \_\_\_\_\_

**GARBERVILLE SANITARY DISTRICT**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: Secretary

# Alderpoint Road Tank Replacement Project

Project Budget for August 2015 Board Budget Revisions

06/30/15 GL

Updated based upon lowest bid, temp tank, and ATEEM controls

Description	Initial Budget	Revised Project Budget Low Bid	Spent Thru 06-30-15	FY 14-15 Budget	Spent This FY	FY 14-15 Remaining Budget	FY 15/16 Budget Remaining Expenditures
Planning and Environmental	25,000	25,000	24,605	0	0	0	395
Pre engineering	7,500	7,500	5,268	0	0	0	2,232
Property Acquisition & Permitting	5,000	5,000	611	3,500	0	3,500	4,389
Final Design: Surveying Geotechnical Investigation Engineering	60,000	65,976	72,872	22,780	35,247	(12,467)	(6,896)
Construction	310,000	460,000	156,086		156,086	(156,086)	303,914
Temporary Tank		35,825	35,814	13,000	35,814	(22,814)	11
Pump Station Controls - ATEEM	0	15,172	15,172				0
Construction Management	20,000	40,000	2,382	0	2,382	(2,382)	37,618
GSD Staff Time - Project Management & Funding	30,000	40,000	24,540	19,000	18,490	510	15,460
GSD Administration	8,500	8,500	6,079	4,952	4,524	428	2,421
Subtotal	\$ 466,000	\$ 702,973	\$ 343,428	\$ 63,232	\$ 252,542	\$ (189,310)	\$ 359,545
Contingency	69,900	23,000	5%				23,000
Total	\$ 535,900	\$ 725,973	\$ 343,428	\$ 63,232	\$ 252,542	\$ (189,310)	\$ 382,545

**Sec 2.21 Street** shall mean any public highway, road, street, avenue, alleyway, public place, public easement, or right-of-way.

**Sec 2.22 Additional Definitions.** For the purposes of this ordinance, additional terms shall have the meaning indicated in Chapter 1 of the most recent edition of the “Uniform Plumbing Code” adopted by the International Association of Plumbing and Mechanical Officials.

### **ARTICLE 3 NOTICES**

**Sec 3.1 Notice to Customers.** Notice from the District to a customer will normally be given in writing, and either delivered or mailed to him/her at his/her last known address. Where conditions warrant and in emergencies, the District may resort to notification either by telephone or messenger.

**Sec 3.2 Correspondence from Customers.** A customer or their authorized representative may present correspondence to the District Board of Directors or to the District Office.

### **ARTICLE 4 APPLICATION FOR WATER SERVICE**

**Sec 4.1 Application.** A property owner or his/her authorized agent (**who provides authorization letter from owner**) may make an application for Water Service. (See attached application form).

**Sec 4.2 Undertaking of Applicant.** Such application will signify the customer’s willingness and intention to comply with this and other ordinances or regulations relating to the water service and to make payment for water service.

**Sec 4.3 Payment for Previous Service.** An application will not be honored unless payment in full has been made for water service previously rendered to the applicant.

**Sec 4.4 Installation Charges.** New construction of water service will require a deposit of **\$ 8,000.00** to be applied to the actual construction costs. Any remainder of the deposit after construction will be refunded to the customer. (See attached schedule of service connection charge).

(Justification)Connection Fees are used on for capital improvements and can’t be used for anything else which is why the connection fees are designed to install service to customers, maintain those services and replace distribution and collection systems as needed). GSD has very few new connections and only a couple new projections but other than Melville, our entire infrastructure will need to be upgraded in upcoming years.

- a. Renewed Service Connections. The Board may at its discretion require a deposit of \$100.00 for a renewed service connection made after the effective date of this ordinance, which deposit may be applied on any delinquent charges to the District or, if there are no delinquencies, shall be returned to the customer after 2 years with good payment history or when service is discontinued in accordance with this ordinance.

**Sec 4.5 Installation of Service.** **Service installations will be made only to property within GSD boundaries** or abutting property to GSD if circumstances require such connection and approved by the Board. if on distribution mains that have been constructed in public streets, alleys, or easements, or to extensions thereof as herein provided. Services installed, prior to the construction of streets or in advance of street improvement must be accepted by the applicant in the installed location. (Delete everything in Blue) corrected 7/29/15 for august meeting

**Sec 4.6 Changes in Customer Equipment.** Customers making any material change in the size, character, or extent of the equipment or operations utilizing water service, or whose change in operations results in a large increase in the use of water, shall immediately give the District written notice of the nature of the change and, if necessary, amend their application. Changes to existing services is also subject to but not limited to sections 2.6 and 4.4

**Sec 4.7 Size and Location.** The District reserves the right to determine the size of service connections and their locations with respect to the boundaries of the premises to be served.

**Sec 4.8 Curb Cock.** Every service connection installed by the District shall be equipped with a curb cock on the inlet side of the meter. The curb cock is intended for the exclusive use of the District in controlling the water supply through the service connection pipe. If the curb cock is damaged by the consumers use to an extent requiring replacement, such replacement shall be at the customer's expense.

**Sec 4.9 Service Connection.** It shall be unlawful to maintain a connection excepting in conformity with the following rules:

- a. Each building under separate ownership must be provided with a separate service connection and meter. Two or more buildings under same ownership and on the same lot or parcel may be supplied through the same service connection and meter **if authorized by the General Manager or GSD Board.**
- b. Multiple service connections for single parcel with single owner are allowed under these conditions:
  1. A master meter is installed at the property line
  2. Metered service connections are provided for each sub unit. Meters and valves will be supplied and remain property of GSD.
  3. Supply line from master meter to each of the units shall be installed and maintained by owner.
  4. Owner will be responsible for usage on master meter, determined by deducting each sub unit from master meter.
- c. Different Owner. A service connection shall not be used to supply adjoining property of a different owner or to supply property of the same owner across a street or alley.



# GARBERVILLE SANITARY DISTRICT

P.O. BOX 211 • GARBERVILLE, CA 95542 • (707) 923-9566

## RESOLUTION NO: 15-008

RESOLUTION OF GARBERVILLE SANITARY DISTRICT  
AUTHORIZING THE INCREASE OF WATER CONNECTION FEES FROM \$1,000 TO \$8,000 PER EQUIVALENT DWELLING UNIT (EDU) OR SINGLE FAMILY RESIDENCE.

WHEREAS, In the event that there are multiple residences on one parcel of property, GSD staff will determine the connection fees based on EDUs and impact to the system.

WHEREAS, Pursuant to the water ordinance 4.4, the District provides water service for customers within District boundaries for a cost of \$1,000 per EDU

WHEREAS, Connection fees will be evaluated as needed to insure that the fee will offset the costs to install a service connection and upgrade the distribution system as needed.

WHEREAS, It has been determined that the current connection fee has not kept up with inflation nor does it cover costs associated with service connection and upgrades.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED, That the connection fee for a single family residence or EDU will be increased to \$8,000

BE IT FURTHER RESOLVED AND ORDERED, That all multi family or commercial connection fees will be determined on a case by case basis with \$8,000 per EDU used as the base rate.

Passed and adopted by Garberville Sanitary District's Board of Directors on Date: August 25, 2015 by the following vote:

AYES: Directors \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

NOES: Directors \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Title:

Resolution 15-008

## 1. AGREEMENT

The applicant's signature on an application for any permit shall constitute an agreement to comply with all of the sections of this ordinance and the rules and regulations of the District, and with the plans and specifications he has filed with his application, if any, together with such corrections or modifications as may be made or permitted by the District, if any. Such agreement shall be binding upon the applicant and may be altered only by the District upon the written request for the alteration from the applicant.

## 2. FEES, CONNECTION CHARGES

All connection charges, fees and other charges in the District and in areas annexed thereto, rules and regulations as set forth in this ordinance, and the rules and regulations of the District as heretofore or hereafter fixed, shall be paid and complied with in the manner provided in this ordinance, and said rules and regulations. The costs to furnish and install a sewer service line from the District's sewer line to the unit to be served shall be borne by the owner.

## 3. FEES, SEWER CONNECTION

- (a) A connection permit fee shall be paid to the Garberville Sanitary District by any person desiring to connect to the District sewer system. The permit fee shall be \$8,000.00 per EDU (equivalent dwelling unit).

## 4. FEES, COMMERCIAL OR INDUSTRIAL SEWER CONNECTION PERMIT

- (a) A connection permit charge shall be paid to the District by the person desiring connection to the District sewer system.

The applicant for a multi-family residential, commercial or industrial sewer connection permit shall, in addition to all other fees and charges payable pursuant to the rules, regulations and ordinance sections of the District, pay all engineering, inspection and other costs deemed by the District to be necessary, if any, to



# GARBERVILLE SANITARY DISTRICT

P.O. BOX 211 • GARBERVILLE, CA 95542 • (707) 923-9566

## RESOLUTION NO: 15-009

RESOLUTION OF GARBERVILLE SANITARY DISTRICT  
AUTHORIZING THE INCREASE OF SEWER CONNECTION FEES FROM \$1,200 TO \$8,000 PER EQUIVALENT DWELLING UNIT (EDU) OR SINGLE FAMILY RESIDENCE.

WHEREAS, In the event that there are multiple residences on one parcel of property, GSD staff will determine the connection fees based on EDUs and impact to the system.

WHEREAS, Pursuant to the sewer ordinance Chapter 7.6(a), the District provides sewer service for customers within District boundaries for a cost of \$1,200 per EDU

WHEREAS, Connection fees will be evaluated as needed to insure that the fee will offset the costs to install a service connection and upgrade the distribution system as needed

WHEREAS, It has been determined that the current connection fee has not kept up with inflation nor does it cover costs associated with service connection and upgrades.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED, That the connection fee for a single family residence or EDU will be increased to \$8,000

BE IT FURTHER RESOLVED AND ORDERED, That all multi family or commercial connection fees will be determined on a case by case basis with \$8,000 per EDU used as the base rate.

Passed and adopted by Garberville Sanitary District's Board of Directors on Date: \_\_\_\_\_ by the following vote:

AYES: Directors \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

NOES: Directors \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Title:

Resolution: 15-009