

Minutes

Buzztail Community Services District Board Meeting
Saturday, February 7, 2015 at 5:00 PM
Location: Tooker Residence, 4501 Wilder Dr.

The meeting was called to order at 5:07 PM.

Consent Agenda

1. Meeting minutes from the last meeting were not available, and approval was tabled until the next board meeting.
2. Financial Statements February 5, 2015 were reviewed. Balances are \$109,127.76 in the road account and \$47,160.05 in the water account. Financial statements were unanimously approved. Robin Wilder motioned for approval and William Ward seconded.

Old Business

There were no agenda items regarding old business.

New Business:

1. In order to facilitate the sale of the Buzztail Water Company to Del Oro Water Company, Robin Wilder asked that the board approve the following motion:

The Board of Directors of the Buzztail Community Services District hereby grants Richard N. Tooker the authority, without further Board approval, to complete all necessary steps, including the creation and signing of documents and the authorization of payment of funds, to complete the sale of the Buzztail Water Company to Del Oro Water Company. The board requests that Richard keep them informed on steps taken and the status of approval on a timely basis.

William Ward seconded the motion, and it was passed unanimously.

2. Richard Tooker requested that the board approve a resolution, attached to these minutes as Exhibit A, asking Butte County LAFCO to divest the district of its responsibility to provide water to the residents. Robin Wilder motioned that the resolution be approved, and Matt Wallen Seconded. The resolution was unanimously adopted.
3. Scott Armstrong presented the finished District financial audit for 2013 to the board, and it was reviewed by the board.
4. The board discussed the community's garbage removal needs, due to be renewed with the supplier in July. After many years of service, Terry Borne has asked to be relieved of the responsibility for managing the supplier. The board generally agreed that the responsibility for collection of fees should be transferred to A+ Accounting, the District's accounting firm. Also,

based on news reports, we may need to switch suppliers because our present supplier may no longer be approved by the county to service the geographical area the District is in. Scott Armstrong was asked by the board look into the subject, determine how management of the service should be migrated, and report his findings to the board.

5. There was a general discussion of the need to make the entrance to the community off Highway 32 more attractive. Richard Tooker agreed to discuss that subject with Hall-Isom Ranch, who owns the property, and report back to the board.

Meeting Attendees: Richard Tooker, William Ward, Robin Wilder, Matt Wallen, Scott Armstrong.

The meeting was adjourned at 5:52 PM.

Exhibit A

RESOLUTION BY THE BOARD OF DIRECTORS OF THE BUZZTAIL COMMUNITY SERVICES DISTRICT OF APPLICATION TO REQUEST THE INITIATION OF THE DIVESTITURE OF POWER TO PROVIDE WATER SERVICES

WHEREAS, on May 9, 2014, the Board of Directors of the Buzztail Community Services District, a California Community Services District (the "CSD") entered into an agreement to sell the Buzztail Water Company to Del Oro Water Company, a California Corporation (Del Oro); and

WHEREAS, on December 3, 2014, LAFCo requested that the CSD provide a resolution requesting that LAFCo initiate the divestiture of CSD's power to provide potable water; and

WHEREAS, the Act, at Government Code section 56654, subdivision (b), provides that any "proposal for . . . the divestiture of the power to provide particular functions or classes of services, within all or part of the jurisdictional boundaries of a special district, shall only be initiated by the legislative body of that special district in accordance with the Government Code, at [s]ections 56824.10, 56824.12 and 56824.14"; and

WHEREAS, Government Code sections 56824.10, 56824.12 and 56824.14 set forth the requirements for this Resolution and the required procedure to accomplish the divestiture of CSD's power to provide water services; and

WHEREAS, under Government Code section 56824.12, this Resolution must

contain certain matters specified in Government Code section 56700, to wit:

(1) This Resolution is made pursuant to part 3 of the Act.

(2) The purpose of this Resolution is to request that LAFCo divest the CSD of its power to provide water services and any related activities, so that the services can be provided by Del Oro Water Company.

(3) Attached as Exhibit A to this Resolution is a copy of the Agreement of Purchase and Sale of Assets between the CSD and Del Oro, which agreement describes the assets that are a part of the above-referenced Agreement.

(4) The divestiture should occur when Del Oro completes the purchase of the Buzztail Water Company as provided for in the above-referenced Agreement.

(5) The reason for the requested initiation of divestiture is to avoid duplication of water services to the water rights holders of the CSD.

(6) The chief petitioner of this Resolution to request LAFCo initiate divestiture proceedings is the CSD.

(7) The CSD requests that proceedings be taken for the initiation of the divestiture pursuant to part 3 of the Act.

(8) The proposal is consistent with the sphere of influence of any affected district or city.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE BUZZTAIL COMMUNITY SERVICES DISTRICT that:

(1) The matters set forth in the recitals above are incorporated herein by reference.

(2) Pursuant to the matters and plan for services and as conditioned herein, the CSD requests that LAFCo initiate proceedings to divest the CSD of its power to provide potable water services.

(3) The CSD consents to the waiver of any applicable protest proceedings, whether under the Act or as otherwise required by law so that LAFCo may proceed directly to divest the CSD of its power to provide potable water services.

Upon motion of CSD board member Robin Wilder and seconded by CSD Board Member Matt Wallen, the CSD adopts the foregoing resolution on this 7th day of February, 2015.



Richard N. Tooker
Richard N. Tooker
President of the Board of Directors
Buzztail Community Services District

ATTEST: