



## Lake Shastina Community Services District

### RESOLUTION #4-98

#### A RESOLUTION OF THE BOARD OF DIRECTORS OF THE COMMUNITY SERVICES DISTRICT REGARDING JOINT REPRESENTATION BY ITS GENERAL COUNSEL

WHEREAS, Robert Winston of the firm of Kirsher, Winston & Boston, L.C. serves as general counsel to the Association; and

WHEREAS, in the interests of economy and efficiency, Robert Winston also serves as general counsel to certain other Lake Shastina Agencies, including the Rancho Hills Community Association, Lake Shastina Property Owners Association, and Lake Shastina Mutual Water Company; and

WHEREAS, this board has previously approved such joint representation; and

WHEREAS, a lawsuit has been commenced by Robert Bare in the Siskiyou County Superior Court against this Association, the Rancho Hills Community Association, and a number of individuals; and

WHEREAS, Robert Winston and Kirsher, Winston & Boston, L.C., will provide litigation support services to the defendants in the Bare lawsuit, in addition to services as general counsel; and

WHEREAS, this board has been informed that the joint representation of more than one party, and in particular, of more than one party to a lawsuit, may involve conflicts-of-interest, but this board finds that there is no current conflict-of-interest in the joint representation of the aforesaid Lake Shastina Agencies;

NOW THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. Robert Winston and the firm of Kirsher, Winston & Boston, L.C. are authorized to continue to jointly represent the Association along with the Lake Shastina Agencies named above.
2. Robert Winston and the firm of Kirsher, Winston & Boston, L.C. are authorized to provide litigation support services between the Association and outside counsel in regard to the Bare lawsuit.
3. Outside counsel representing this Association are hereby authorized and directed to provide Robert Winston and Kirsher, Winston & Boston, L.C., with copies of any and all pleadings, discovery materials, and communications relating to the Bare lawsuit, provided however, that such outside counsel may withhold disclosure of those confidential communications if, in the opinion of such outside counsel, such

disclosure would constitute a waiver of the attorney-client communication privilege or if outside counsel for any other reason deems the communication to be of such a nature that it should be directed only to this board. This board hereby releases outside counsel from any responsibility resulting from their compliance with this directive.

- 4. This board reserves the right, at any time, to change the Community Services District's general counsel, and/or to terminate or modify its general counsel's duties for litigation support in the Bare lawsuit.
- 5. In the event that an actual conflict-of-interest shall arise as a result of the joint representation authorized herein, Robert Winston shall so notify this board, and take appropriate measures to avoid any prejudice to the Community Services District.

\*\*\*\*\*


I Certify, THE FOREGOING RESOLUTION was introduced and read at a regular meeting of the Board of Directors of the Community Services District on the date indicated and was duly enacted.


ADOPTED THIS 18th DAY OF November 1998

AYES AND IN FAVOR HEREOF: Directors Alan Johns, Jack Dean & Myron Everhart

NOES: AND IN OPPOSITION: None

ABSENT: Directors Marge McDowell & Allen Brezinsky

  
\_\_\_\_\_  
Alan Johns, CSD President

ATTEST:   
\_\_\_\_\_  
Nina Evans, District Secretary

B. Task Force Report:

1. **Building ownership:** Bill Kalagorgevich gave a brief history of the Civic Services building project and land-lease agreement. CSD has paid its 1/3 portion of the building, but has not received a deed, due to the process stopping when it was discovered the property had been designated a deer wintering area. Director Everhart stated the Building Permit should never have been issued as all the paperwork was not complete. A new parcel map needs to be drawn, since the original was never completed or properly recorded. The City Planner for Mt. Shasta, Mark Teague, and Engineer Bill Bradbury can set up a parcel map and report for CSD.  
\* Director Everhart moved to get cost proposals from both Bradbury and Teague for pushing this through the county for approval. The motion was duly seconded by Director Dean and upon vote, **motion carried.**

A five minute break was called was called by President Johns at 3:31 p.m. The meeting reconvened at 3:40 p.m.

2. **Insurance Meeting with staff:** In speaking with Insurance agents, Director Everhart reported briefly what he had learned about harassment. He said it was surprising how little it takes to be construed as harassment and how careful staff and board directors have to be in what they say and do. At board meetings the directors must stick with the issues. Outside the board room directors need to simply be quiet. Accountant Anderson explained he was getting an exciting new insurance quote he would like to present to CSD at their next meeting. He said that by placing all four entities on a policy together, (or being insured by one insurance agency) he could save each entity 20%. Anderson requested the board allow SDRMA speak with him to see if they would like to bid also. Chuck Smith requested that they be sure all companies that bring in a bid issue comparable bids (apples to apples). The board was also warned that it's always a risk to change companies, as often a low bid is given to entice you to change over, then premiums are raised later. Tony Lombard added that in January 1999 SDRMA should be sending the board a letter requesting the board inform SDRMA by April 1, 1999 if they intend to switch their insurance carriers.

- C. **Resolution 4-98; Joint Representation by its General Counsel:** Discussion ensued on the need for, or purpose of the Resolution. Chuck Smith said he thought it was required by law, but to get that checked out. Bill Kalagorgevich added he remembered that a similar document was signed during the LSPOA separation. The Resolution was read in its entirety.

\*

Director Dean moved to approve Resolution 4-98 A RESOLUTION OF THE BOARD OF DIRECTORS OF THE COMMUNITY SERVICES DISTRICT REGARDING JOINT REPRESENTATION BY ITS GENERAL COUNSEL, providing there is a state law determining it is required. Director Everhart duly seconded the motion. General Manager Bare stated there already is a conflict of interest and cited examples. After discussion and with a roll-call vote, motion carried three to zero (3-0), with Directors Dean, Johns and Everhart voting "Aye" and Directors Brezinsky and McDowell absent. President Johns requested Director Dean look into the stipulation as to whether or not it is the law. The District Secretary requested the board instruct her as to if and when the Resolution becomes valid according to Director Dean's research on their stipulation.

**X. PUBLIC COMMENT:**

- Tony Lombard commented that he thought 2 boards should be able to hire and/or fire the General Manager.
- Alan Johns stated a compromise may be reached in the presidents' meeting to require four boards be in agreement to hire and two boards in agreement to fire the General Manager.
- Chuck Smith said the answer is in the agreement itself and that it could be taken to arbitration now. He added that the grounds aren't there to relieve the General Manager of his position.

**XI. NEXT MEETING SCHEDULE:**

- Friday December 4, 1998 will be a Special Meeting for swearing in the newly elected board and election of officers.
- Next regularly scheduled meeting is Wednesday December 16, 1998 @ 2:30 p.m. at the Civic Services Board of Directors Room.

The meeting adjourned to closed session at 4:08 p.m.

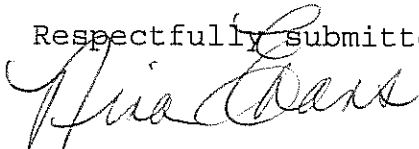
**XII. CLOSED SESSION/SPECIAL MEETINGS:**

Closed session convened at 4:13 p.m.

**XIII. ADJOURNMENT:** The closed session adjourned at 4:36 p.m. with nothing to report out.

Open session convened at 4:37 p.m. and adjourned at 4:38 p.m.

Respectfully submitted,



Nina Evans  
District Secretary