

***Mission statement of McKinleyville Community Services District:***  
*“Provide McKinleyville with safe and reliable water, wastewater, lighting, open space, parks and recreation, and library services in an environmentally and fiscally responsible manner.”*

**NOTICE IS HEREBY GIVEN THAT A REGULAR MEETING OF THE  
MCKINLEYVILLE COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS  
WILL BE HELD AT:**

**Azalea Hall  
1620 Pickett Road  
McKinleyville, California**

**Wednesday, September 3, 2014  
7:00 P.M. (Closed Session)  
7:30 PM (Open Session)**

(Call to Order and Agenda Items A.1 – A.3, 7:00 PM through 7:05 PM)  
(Closed Session, Item A.4: 7:05 PM through 7:30 PM)  
(Open Session/Public Meeting (Agenda Items A.5 – G) Reconvenes at 7:30 PM)

**AGENDA**

**A.1 CALL TO ORDER**

**A.2 ROLL CALL**

**A.3 APPOINT REAL PROPERTY NEGOTIATORS: TEEN  
CENTER/IMPROVEMENT PROJECT**

Property: Proposed Teen Center lot/site: Assessor’s Parcel Number  
510-401-015 et seq.

Proposed agency negotiators: MCSD Proposed Negotiators: Greg  
Orsini, General Manager, Albert Reyes (Nossaman, LLP) (MCSD  
Retained Special Counsel) and Russell Gans (MCSD General  
Counsel)

Party with Whom Negotiating: George Diesch, Dean Stephens or other  
Umpqua Bank

Under negotiation: Price and terms of payment for proposed Site  
Lease and Long Term Lease of subject real property to facilitate the  
lease and financing of the Teen Center site and improvement  
construction.

**Pg.6**

**A.4 CLOSED SESSION DISCUSSION**

*At any time during the regular session, the Board may adjourn to closed session to consider existing or anticipated litigation, liability claims, real property negotiations, license and permit determinations, threats to security, public employee appointments, personnel matters, evaluations and discipline,*

*labor negotiations, or to discuss with legal counsel matters within the attorney-client privilege.*

Conference with Real Property Negotiator

Property: Proposed Teen Center lot/site: Assessor's Parcel Number 510-401-015 et seq.

Agency negotiator: Greg Orsini, General Manager, Albert Reyes (Nossaman, LLP) (MCSD Retained Special Bond Counsel) and Russell Gans (MCSD General Counsel)

Negotiating parties: For MCSD: Greg Orsini, General Manager, Albert Reyes (Nossaman, LLP) (MCSD Retained Special Bond Counsel) and Russell Gans (MCSD General Counsel).

For Unpqua Bank: George Diesch, Dean Stephens or other

Under negotiation: Price and terms of payment for proposed Site Lease and Long Term Lease of subject real property to facilitate the lease and financing of the Teen Center site and improvement construction.

**7:30 PM**

*REPORT OUT OF CLOSED SESSION AND RECONVENE INTO OPEN SESSION*

**A.5 PLEDGE OF ALLEGIANCE**

**A.6 ADDITIONS TO AGENDA**

*Items may be added to the Agenda in accordance with Section 54954.2(b)(2) of the Government Code (Brown Act), upon a determination by two-thirds vote of the members of the legislative body present at the time of the meeting, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the McKinleyville Community Services District after the Agenda was posted.*

**A.7 APPROVAL OF THE AGENDA**

**B. PUBLIC HEARINGS**

*These are items of a Quasi-Judicial or Legislative nature. Public comments relevant to these proceedings are invited.*

**NO PUBLIC HEARING SCHEDULED**

**C. PUBLIC COMMENT AND WRITTEN COMMUNICATIONS**

*Any person may address the Board at this time upon any subject not identified on this Agenda but within the jurisdiction of the McKinleyville Community Services District; however, any matter that requires action will be referred to staff for a report of action at a subsequent Committee or Board meeting. As to matters on the Agenda, an opportunity will be given to*

address the Board when the matter is considered. **Comments are limited to 3 minutes.** Letters should be used for complex issues.

#### **D. CONSENT CALENDAR**

*Consent Calendar items are expected to be routine and non-controversial, to be acted upon by the Board of Directors at one time without discussion. If any Board member, staff member, or interested person requests that an item be removed from the Consent Calendar, it shall be removed so that it may be acted upon separately.*

- D.1 Consider approval of minutes of the Board of Directors' August 6, 2014 Regular Meeting **Pg. 8**
  - Attachment D.1 – Draft Board Minutes from August 6, 2014 **Pg. 9**
- D.2 Consider approval of July Treasurer's Report
  - Exhibit D.2 – July 2014 Treasurer's Report **Pg. 13**
- D.3 No DCV Violations this month.
- D.4 Consider approving Regular Board Meeting Dates, Time and Location for the 2015 Calendar Year. **Pg. 35**
  - Attachment 1 – Proposed MCSD 2015 Board Meeting Schedule **Pg. 36**

#### **E. CONTINUED AND NEW BUSINESS**

- E.1 Approve Resolution 2014-25 to adopt the Proposed Mitigated Negative Declaration and associated CEQA Findings; Mitigation, Monitoring and Reporting Program for the MCSD WWMF Improvements Project, approve the project and direct staff to file the Notice of Determination **Pg. 37**
  - Attachment 1 – Resolution 2014-25 w/ Exhibits **Pg. 39**
  - Attachment 2 – Cultural Resources Study Report **Pg. 49**
  - Attachment 3 – Power Point Presentation **Pg. 67**
- E.2 Approve Resolution 2014-26 Financing the acquisition, construction and installation of certain improvements to the Teen and Community Center including the leasing of certain property owned by the MCSD to the Public Property Financing Corporation of California pursuant to a Site Lease and the leasing back of the property by the Corporation to MCSD pursuant to a Lease Agreement. **Pg. 79**
  - Attachment 1 – Resolution 2014-26 w/ Exhibits **Pg. 82**
  - Attachment 2 – Private Placement Financing **Pg. 138**
- E.3 Consider Recreation Advisory Committee's recommendation to revise the Parks & Recreation Master Plan to include a trail system at Fischer Ranch **Pg. 142**

Attachment 1 – Chapter 4 of the Parks & Recreation Master Plan	<b>Pg. 144</b>
Attachment 2 - Chapter 5 of the Parks & Recreation Master Plan	<b>Pg. 152</b>
Attachment 3 – Tentative map of trail	<b>Pg. 158</b>

- E.4 Information pertaining to utilization of Percolation Ponds as salmonid habitat and development of a trail system and approve Board President to sign a letter of support for pursuit of grant funds for said project **Pg. 159**  
Attachment 1 – Draft Letter of Support **Pg. 161**
- E.5 Adopt Resolution 2014-24 for the preparation and submission of an application for grant funding through the Habitat Conservation Fund **Pg. 162**  
Attachment 1 – Resolution 2014-24 **Pg. 164**
- E.6 Consider approving update of the MCSD Records Retention Policy **Pg. 166**  
Attachment 1 – Memo from Attorney Gans with recommended updates **Pg. 167**  
Attachment 2 – Additional updates suggested by staff **Pg. 172**
- E.7 Consider cancelling the October 1, 2014 Regular Board Meeting **Pg. 175**
- E.8 Consider travel to the ACWA 2014 Fall Conference & Exhibition in San Diego, December 2-5, 2014 **Pg. 176**  
Attachment 1 – ACWA 2014 Fall Conference Preliminary Agenda **Pg. 178**  
Attachment 2 – ACWA 2014 Fall Conference Pricing Sheet **Pg. 179**

## **F. REPORTS**

*No specific action is required on these items, but the Board may discuss any particular item as required.*

### **F.1. ACTIVE COMMITTEE REPORTS**

- a. Recreation Advisory Committee (Wheeler/Couch (alternate))
- b. Area Fund (John Kulstad)
- c. Redwood Region Economic Development Commission (Mayo/Edwards (alternate))
- d. McKinleyville Senior Center Advisory Committee (Edwards)
- e. Audit (Corbett/Edwards)
- f. Employee Negotiations (Couch/Edwards)
- g. Water Task Force (Wheeler/Corbett (alternate))
- h. AdHoc No Drugs & Toxics Down the Drain (Wheeler/Couch (alternate))
- i. McKinleyville Municipal Advisory Committee (Edwards/Corbett (alternate))

F.2.	STAFF REPORTS	
a.	Support Services Department (Colleen M.R.Trask)	<b>Pg. 180</b>
b.	Operations Department (James Henry)	<b>Pg. 181</b>
c.	Parks and Recreation Department (Jason Sehon)	<b>Pg. 183</b>
d.	General Manager (Greg Orsini)	<b>Pg. 185</b>
	Attachment 1 – WWMF July 2014	<b>Pg. 187</b>

F.3. PRESIDENT'S REPORT

F.4. BOARD MEMBERS' COMMENTS, ANNOUNCEMENTS, REPORTS  
AND AGENDA ITEM REQUESTS

G. ADJOURNMENT

**Posted 5:00 pm on August 29, 2014**

*McKinleyville Community Services District will, on request, make agendas available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. Individuals who need this agenda in an alternative format or who need a disability-related modification or accommodation in order to participate in the meeting should contact the Board Secretary at (707) 839-3251. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements for accommodations.*