



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
WEDNESDAY, MARCH 4, 2015 AT 7:00pm
Azalea Hall, 1620 Pickett Road
McKinleyville, California**

AGENDA

A. CALL TO ORDER

A.1 Roll Call

A.2 Pledge of Allegiance

A.3 Additions to the Agenda

A.4 Approval of the Agenda

A.5 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.

NO CLOSED SESSION SCHEDULED

B. PUBLIC HEARINGS

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

B.1 Conduct Public Hearing for the Annual Levy of Assessments (Fiscal Year 2015/2016) for the Measure B Maintenance Assessment District -- Renewal for Parks, Open Space, and Recreational Facilities

Consider adopting Resolution 2015-05; Approving the Annual Engineer's Report; Fiscal Year 2015/2016; McKinleyville Community Services District; Measure B Maintenance Assessment District (Renewal for Parks, Open Space, and Recreational Facilities), including the assessment diagram connected therewith

Consider adopting Resolution 2015-06; Ordering the levy and Collection of Assessments within the Measure B Maintenance Assessment District (Renewal for Parks, Open Space, and Recreational Facilities) for Fiscal Year 2015/2016

Attachment 1 – Resolution 2015-05

Attachment 2 – Resolution 2015-06

Attachment 3 – Engineer's Report

Pg. 5

Pg. 8

Pg. 10

Pg. 13

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 the Minutes of the Board of Directors Regular Meeting of February 4, 2014 **Pg. 44**

Attachment 1 – Draft Minutes from February 4, 2015 **Pg. 45**

D.2 Consider approval of January 2015 Treasurer's Report **Pg. 50**

D.3 DCV Violations this month **Pg. 72**

D.4 Consider approval of update of the fee schedule for Hiller Sports Complex **Pg. 73**

Attachment 1 – Fee Schedule **Pg. 75**

E. CONTINUED AND NEW BUSINESS

E.1 Consider Adoption of Resolution 2015-04 Recognizing, honoring and commending Diane Sloane for twenty (20) years of service **Pg. 76**

Attachment 1 – Resolution 2015-04 **Pg. 77**

E.2 Approve Resolution 2015-07 amending the Rules and Regulations, Rules 40.01.c & 40.01.d MEMBERSHIP and Rule 40.04.c. TERMS OF OFFICE **Pg. 78**

Attachment 1 – Resolution 2015-07 **Pg. 80**

E.3 Consider appointments for vacant positions on the Recreation Advisory Committee between four (4) applicants (Bill Prescott, Addison O'Hanen Jenny Bowen and Mary Burke) **Pg. 82**

Attachment 1 – Letter of Interest from Bill Prescott **Pg. 85**

Attachment 2 – Letter of Interest from Addison O'Hanen **Pg. 86**

Attachment 3 – Letter of Interest from Jenny Bowen **Pg. 87**

Attachment 4 – Letter of Interest from Mary Burke **Pg. 88**

- E.4 Consider participation in Household Hazardous Waste Collection Event at Pierson Park on July 18, 2015. **Pg. 89**
Attachment 1 – Humboldt Waste Management Authority Letter or Request **Pg. 91**
- E.5 Consider authorization for the General Manager to enter into a contract agreement with Rural Community Assistance Corporation for a median income survey for the McKinleyville Community Services District sewer service area **Pg. 92**
Attachment 1 - Proposal from Rural Community Assistance Corporation for a Third Party Income Survey **Pg. 94**
- E.6 Consider approval of Senior Center Management Services and Usage Agreement **Pg. 96**
Attachment 1 – Senior Center Management Services and Usage Agreement **Pg. 98**
Attachment 2 – Schedule for Use of Azalea Hall **Pg. 109**
- E.7 Consider authorizing the Board Secretary to apply for the Recognition in Special District Governance on behalf of the three eligible Directors **Pg. 110**
Attachment 1 – Recognition in Special District Governance Application **Pg. 112**
- E.8 Consider authorization to attend the 2015 Special District Legislative Days (SDLD) on May 19 & 20, 2015 in Sacramento, CA **Pg. 114**
Attachment 1 – Legislative Days Brochure **Pg. 116**
- E.9 Consider travel and attendance for the Association of California Water Agencies (ACWA) 2015 Spring Conference and Exhibitor Showcase in Sacramento, May 5-8, 2015 **Pg. 118**
Attachment 1 – ACWA Spring Conference Preliminary Agenda **Pg. 120**
Attachment 2 – Pricing Reference Sheet **Pg. 121**
Attachment 3 – Registration Terms & Conditions **Pg. 122**
- E.10 Consider discussion of the FY2015-16 Draft Capital Improvement Plan for the Operational Funds: Water, Wastewater, and Streetlights **Pg. 123**
Attachment 1 – Draft Capital Improvement Plan for Operations **Pg. 125**
Attachment 2 – Draft Operations CIP Narrative **Pg. 128**
- E.11 Consider approval of Hiller Sports Complex Facility Use Agreement Contracts **Pg. 131**
Attachment 1 – 2015 ASA Agreement **Pg. 133**
Attachment 2 – 2015 Babe Ruth Agreement **Pg. 148**
Attachment 3 – 2015 McKinleyville Little League Agreement **Pg. 163**

F. REPORTS

F.1 ACTIVE COMMITTEE REPORTS

- a. Recreation Advisory Committee (Wheeler/Couch)
- b. Area Fund (John Kulstad)
- c. Redwood Region Economic Development Commission (Mayo/Edwards)
- d. McKinleyville Senior Center Advisory Committee (Edwards)
- e. Audit (Corbett/Edwards)

- f. Employee Negotiations (Couch/Edwards)
- g. Water Task Force (Wheeler/Corbett)
- h. AdHoc No Drugs & Toxics Down the Drain (Wheeler/Couch)
- i. McKinleyville Municipal Advisory Committee (Edwards/Corbett)

F.2 STAFF REPORTS

- a. Support Services Department (Colleen M.R. Trask) **Pg. 178**
- b. Operations Department (James Henry) **Pg. 179**
- c. Parks & Recreation Department (Jason Sehon) **Pg. 183**
- d. General Manager (Greg Orsini) **Pg. 185**
- Attachment 1 – WWMF January 2015 Self Monitoring Report **Pg. 187**

F.3 PRESIDENT’S REPORT

F.4 BOARD MEMBER COMMENTS, ANNOUNCEMENTS, REPORTS AND AGENDA ITEMS REQUESTS

G. ADJOURNMENT

Posted 5:00 pm on February 27, 2015

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.

McKinleyville Community Services District

BOARD OF DIRECTORS

March 4, 2015

TYPE OF ITEM: **ACTION**

ITEM: B.1 **Conduct Public Hearing for the Annual Levy of Assessments (Fiscal Year 2015/2016) for the Measure B Maintenance Assessment District -- Renewal for Parks, Open Space, and Recreational Facilities**

Consider adopting Resolution 2015-05; Approving the Annual Engineer's Report; Fiscal Year 2015/2016; McKinleyville Community Services District; Measure B Maintenance Assessment District (Renewal for Parks, Open Space, and Recreational Facilities), including the assessment diagram connected therewith

Consider adopting Resolution 2015-06; Ordering the levy and Collection of Assessments within the Measure B Maintenance Assessment District (Renewal for Parks, Open Space, and Recreational Facilities) for Fiscal Year 2015/2016

PRESENTED BY: **Jason Sehon, Parks & Recreation Director**

TYPE OF ACTION: **Roll Call Vote**

Recommendation:

Staff recommends that the Board of Directors ("Board") follow the below process related to the proposed Annual Levy of Assessments for Fiscal Year 2015/2016 of the Measure B Assessment District.

1. Public Hearing
 - a. Listen to Staff comments and recommendation to Board.
 - b. Open public testimony and consider any public input and written protests.
2. Close the Public Hearing
3. Staff recommends the Board adopt Resolution 2015-05 & 2015-06:
 - a. Resolution 2015-05; Approving the Annual Engineer's Report; Fiscal Year 2015/2016; McKinleyville Community Services District; Measure B Maintenance Assessment District (Renewal for Parks, Open Space, and Recreational

Facilities); including the assessment diagram connected therewith.

- b. Resolution 2015-06; Ordering the levy and Collection of Assessments within the McKinleyville Community Services District; Measure B Maintenance Assessment District (Renewal for Parks, Open Space, and Recreational Facilities) for Fiscal Year 2015/2016.

Discussion:

In 1992, McKinleyville voters approved the Measure B Assessment District with a 20-year duration for the purpose of funding the development and maintenance of public recreation facilities including the McKinleyville Activity Center, Azalea Hall and Hiller Sports Site. The Board authorized collection of the assessments in each year beginning in Fiscal Year 1992/1993.

In 2011, a property owner protest ballot proceeding was conducted pursuant to the provisions of the California Constitution Article XIID for the levy of annual assessments for the Measure B Maintenance Assessment District -- Renewal for Parks, Open Space, and Recreational Facilities ("District") which replaced and extend for another 20-year duration the assessments previously approved by voters in 1992. The proposed assessments were approved by the property owners (55.9% in favor, 45.1% opposed) and the new assessments were levied on the Humboldt County tax rolls for Fiscal Year 2011/2012 (first year's assessment)

In accordance with the provisions of the Landscaping and Lighting Act of 1972 of the California Streets and Highway Code (the 1972 Act), in order to levy the assessments each fiscal year an Engineer's Report must be prepared and filed with the Board regarding the proposed assessments and the Board must conduct a noticed Public Hearing regarding these matters prior to approving and adopting the assessments for the upcoming fiscal year.

On February 04, 2015, the Board adopted Resolution 2015-02 which initiated the annual levy process and preparation of the Engineer's Report; and Resolution 2015-03 which declared the Board's intention to levy the assessments for Fiscal Year 2015/2016 and set March 4, 2015 as the date for the public hearing.

Since the proposed assessments (assessment rate) to be levied for Fiscal Year 2015/2016 are equal to or less than the maximum assessments originally approved in 2011 through the property owner protest ballot proceeding, in accordance with Chapter 3 Section §22626 of the 1972 Act, notice of the public hearing shall be given by causing such notice to be published one time in a newspaper of general circulation at least 10 days prior to the date of hearing pursuant to Chapter 1, Article 3 Sections 22552 and 22553 of the Act.

Alternatives:

Staff analysis consists of the following potential alternative

- Open the Public Hearing to accept public testimony
- Continue the public hearing as need
- After accepting all public testimony, close the public hearing, but take no action on the Resolutions

Fiscal Analysis:

The Fiscal Year 2015/2016 Engineer's Report anticipates that Measure B assessment revenues to be levied and collected on the tax rolls will be approximately \$208,253 based on the 5,556 parcels to be assessed on the tax rolls and proposed assessment rate of \$30.00 per equivalent benefit unit (rate unchanged from last year). This assessment revenue represents approximately 37% of the total estimated \$551,500 budgeted for Fiscal Year 2015/2016 to fund the operation and maintenance of MCSD's parks and recreation facilities and begin construction of the new Teen & Community Center. In addition to the those costs identified as general benefit (\$275,750 not assessed), MCSD will contribute an additional estimated \$63,788 from other revenue sources for the proportional assessments calculated for non-taxable parcels and parcels assessed through other similar district assessments, as well as the additional funding that is need but not collected through the assessments.

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – Resolution 2015-05
- Attachment 2 – Resolution 2015-06
- Attachment 3 – Engineer's Report

RESOLUTION 2015-05

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MCKINLEYVILLE
COMMUNITY SERVICES DISTRICT, AMENDING AND/OR APPROVING THE FINAL
ENGINEER'S ANNUAL LEVY REPORT FOR THE MEASURE B MAINTENANCE
ASSESSMENT DISTRICT — RENEWAL FOR PARKS, OPEN SPACE, AND
RECREATIONAL FACILITIES FOR FISCAL YEAR 2015/2016**

THE BOARD OF DIRECTORS OF THE MCKINLEYVILLE COMMUNITY SERVICES DISTRICT DOES HEREBY FIND, DETERMINE, AND RESOLVE AS FOLLOWS:

Section 1: The Board of Directors (the “Board”) of the McKinleyville Community Services District (“MCSD”), pursuant to the provisions of the Landscaping and Lighting Act of 1972 (Streets & Highways Code Section 22500 *et. seq.*) (the “Act”) did by previous resolution, order the preparation and filing of an Engineer’s Report in accordance with Article 4 of Chapter 1 of the Act for the annual levy and collection of assessments for the district known and designated as the **“Measure B Maintenance Assessment District — Renewal for Parks, Open Space, and Recreational Facilities”** (the “Assessment District”) for the fiscal year commencing July 1, 2015 and ending June 30, 2016.

Section 2: Whereas, the Board proposes to levy and collect assessments against lots and parcels of land within the Assessment District for Fiscal Year 2015/2016 to pay the annual costs and expenses of the Assessment District improvements that may include all improvements, services and activities authorized by the Act for the ongoing operation, maintenance, servicing, acquisition, construction, and installation and incidental expenses, including any debt service issued to finance capital improvements, related to the parks, trails, open space and recreational facilities associated with the Assessment District that provide special benefits to such lots and parcels of land.

Section 3: Whereas, the Assessment Engineer of Work (the “Engineer”), has prepared and filed with the Secretary of the Board of Directors and the Secretary has presented to the Board of Directors such report entitled “Annual Engineer’s Report; Fiscal Year 2015/2016; McKinleyville Community Services District; Measure B Maintenance Assessment District, Renewal for Parks, Open Space, and Recreational Facilities” (the “Report”) in connection with the proposed levy of the Assessment District assessments for Fiscal Year 2015/2016.

Section 4: The Report as presented, in accordance with Chapter 1, Article 4 of the Act, consists of the following:

- (a) Plans and specifications for the improvements
(A description of the Assessment District and Improvements)
- (b) An estimate of the costs of the improvements.
(The budget identifying the estimated costs and expenses for Fiscal Year 2015/2016)
- (c) A diagram for the Assessment District
(Assessment District Diagram showing the exterior boundaries of the Assessment District).

- (d) An assessment of the estimated costs of the improvements.

(A description of the method of apportionment and resulting assessment rate for the fiscal year)

- (e) If bonds or notes will be issued, an estimate of their principal amount.

Section 5: The Board of Directors has carefully examined and reviewed the Report as presented, and is satisfied with the plans and specifications, each of the budget items and documents as set forth therein, and is satisfied that the proposed annual assessments have been spread in accordance with the special benefits received from the improvements, operation, maintenance and services to be performed within the Assessment District, and the Assessment District consists of all parcels that receive such special benefits as set forth in said Report and such assessments are made in accordance with the Act and the California State Constitution, Article XIIIID.

Section 6: The Report as presented, is hereby approved (as submitted or amended herein by Board action), and is ordered to be filed in the offices of the MCSD as a permanent record and to remain open to public inspection.

Section 7: The Board Secretary shall certify to the passage and adoption of this Resolution and the minutes of this meeting shall so reflect the presentation and final approval of the Report.

Now, therefore, be it resolved that the McKinleyville Community Services District

ADOPTED, SIGNED AND APPROVED at a duly called meeting of the Board of Directors of the McKinleyville Community Services District on the 4th day of March, 2015 by the following polled vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

John Corbett, Board President

Attest:

Becky Schuette, Board Secretary

RESOLUTION 2015-06**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MCKINLEYVILLE COMMUNITY SERVICES DISTRICT, ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS WITHIN THE MEASURE B MAINTENANCE ASSESSMENT DISTRICT — RENEWAL FOR PARKS, OPEN SPACE, AND RECREATIONAL FACILITIES FOR FISCAL YEAR 2015/2016****THE BOARD OF DIRECTORS OF THE MCKINLEYVILLE COMMUNITY SERVICES DISTRICT DOES HEREBY FIND, DETERMINE, AND RESOLVE AS FOLLOWS:**

Section 1: Whereas, The Board of Directors (the “Board”) of the McKinleyville Community Services District (“MCSD”), has by previous Resolutions initiated proceedings and declared its intention to levy special benefit assessments against parcels of land within the **“Measure B Maintenance Assessment District — Renewal for Parks, Open Space, and Recreational Facilities”** (the “Assessment District”) for the fiscal year commencing July 1, 2015 and ending June 30, 2016; pursuant to the provisions of the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code, commencing with Section 22500 (the “Act”) to pay the annual costs and expenses for the ongoing operation, maintenance, servicing, acquisition, construction, and installation and incidental expenses, including any debt service issued to finance capital improvements, related to the parks, trails, open space and recreational facilities associated with the Assessment District.

Section 2: The Assessment Engineer of Work (the “Engineer”) selected by the Board of Directors has prepared and filed with the Board Secretary, and the Secretary has presented to the Board of Directors the Annual Engineer’s Report for fiscal year 2015/2016 (the “Report”) in connection with the proposed levy and collection of special benefit assessments upon eligible parcels of land within the Assessment District, and the Board of Directors did by previous Resolution approve said Report.

Section 3: Following notice duly given, the Board of Directors has held a full and fair Public Hearing regarding the Assessment District, the levy and collection of assessments, the Annual Engineer’s Report prepared in connection therewith, and considered any oral and written statements, protests and communications made or filed by interested persons regarding these matters.

Section 4: Based upon its review (and amendments, as applicable) of the Report, a copy of which has been presented to the Board of Directors and which has been filed with the Board Secretary, the Board of Directors hereby finds and determines that:

a) The land within the Assessment District will receive special benefit by the operation, maintenance, servicing, acquisition, construction, and installation and incidental expenses, including any debt service issued to finance capital improvements, related to the parks, trails, open space and recreational facilities associated with and within the boundaries of the Assessment District.

b) The Assessment District includes all of the lands receiving such special benefit.

c) The net amount to be assessed upon the lands within the Assessment District is in accordance and apportioned by a formula and method which fairly distributes the net amount among eligible parcels in proportion to the special benefit to be received by each parcel from the improvements and services for the fiscal year commencing July 1, 2015 and ending June 30, 2016.

d) The Report and assessment as presented to the Board of Directors and on file in the office of the Board Secretary comply with the applicable provisions of the Act and the California State Constitution Article XIII D and are hereby confirmed as filed.

Section 5: The annual operation, maintenance, servicing, acquisition, construction, and installation and incidental expenses, including any debt service issued to finance capital improvements, related to the parks, trails, open space and recreational facilities shall be performed pursuant to the Act including . The Board of Directors hereby orders the proposed improvements to be made, which improvements are more fully described in the Report which by reference is made part of this resolution.

Section 6: The County Auditor of Humboldt County shall enter on the County Assessment Roll opposite each eligible parcel of land the amount of levy, and such levies shall be collected at the same time and in the same manner as the County taxes are collected, pursuant to Chapter 4, Article 2, Section 22646 of the Act. After collection by the County, the net amount of the levy shall be paid to the MCSD Treasurer.

Section 7: The MCSD Treasurer shall deposit all money representing assessments collected by the County for the Assessment District to the credit of a fund for the Measure B Maintenance Assessment District — Renewal for Parks, Open Space, and Recreational Facilities, and such money shall be expended only for the improvements, services and activities outlined in the Report and briefly described in Section 5.

Section 8: The adoption of this Resolution constitutes the Assessment District levy for the fiscal year commencing July 1, 2015 and ending June 30, 2016.

Section 9: The Board Secretary, or their designate, is hereby authorized and directed upon adoption of this Resolution, to file the levy of assessments for fiscal year 2015/2016 with the County Auditor at the time and in the manner required by the County Auditor for the levy of such assessments.

Now, therefore, be it resolved that the McKinleyville Community Services District

ADOPTED, SIGNED AND APPROVED at a duly called meeting of the Board of Directors of the McKinleyville Community Services District on the 4th day of March, 2015 by the following polled vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

John Corbett, Board President

Attest:

Becky Schuette, Board Secretary



MCKINLEYVILLE COMMUNITY SERVICES DISTRICT

MEASURE B MAINTENANCE ASSESSMENT DISTRICT (RENEWAL FOR PARKS, OPEN SPACE, AND RECREATIONAL FACILITIES)

2015/2016 PRELIMINARY ENGINEER'S ANNUAL LEVY REPORT

Intent Meeting: February 4, 2015

Public Hearing: March 4, 2015

27368 Via Industria
Suite 200
Temecula, CA 92590
T 951.587.3500 | 800.755.6864
F 951.587.3510



**McKinleyville Community Services District
Measure B Maintenance Assessment District — Renewal for
Parks, Open Space, and Recreational Facilities**

Fiscal Year 2015/2016

County of Humboldt, State of California

This Report and the enclosed descriptions, budgets and diagram outline the proposed improvements and assessments associated with the McKinleyville Community Services District Measure B Maintenance Assessment District — Renewal for Parks, Open Space, and Recreational Facilities for Fiscal Year 2015/2016. Said District includes each lot, parcel, and subdivision of land within the boundaries of the McKinleyville Community Services District, as they existed at the time this Report was prepared and the passage of the Resolution of Intention. Reference is hereby made to the Humboldt County Assessor's maps for a detailed description of the lines and dimensions of parcels within the McKinleyville Community Services District Measure B Maintenance Assessment District — Renewal for Parks, Open Space, and Recreational Facilities. The undersigned respectfully submits the enclosed Report as directed by the McKinleyville Community Services District Board of Directors.

Dated this _____ day of _____, 2015.

Willdan Financial Services

Assessment Engineer

On Behalf of the McKinleyville Community Services District

By: _____

Jose Ometeotl
Project Manager

By: _____

Richard Kopecky
R. C. E. # 16742

TABLE OF CONTENT

<i>I. INTRODUCTION.....</i>	<i>1</i>
<i>PART I — PLANS AND SPECIFICATIONS.....</i>	<i>5</i>
Improvements Authorized by the 1972 Act	5
District Improvements.....	6
<i>PART II — METHOD OF APPORTIONMENT.....</i>	<i>9</i>
Proposition 218 Benefit Analysis	9
General Benefits	10
Special Benefit	12
Assessment Methodology	13
<i>PART III — BUDGET.....</i>	<i>17</i>
Description of Budget Items.....	17
Expenditures:.....	17
Revenues:	17
District Budget	18
Assessment Calculations	19
<i>PART IV — DISTRICT DIAGRAM.....</i>	<i>21</i>
<i>PART V — ASSESSMENT ROLL</i>	<i>23</i>
<i>APPENDIX A: TOTAL PROGRAM BUDGET DETAIL.....</i>	<i>24</i>
<i>APPENDIX B: PROPOSED ANNUAL ASSESSMENTS.....</i>	<i>25</i>

I. Introduction

The McKinleyville Community Services District (hereafter referred to as “CSD”), in the County of Humboldt, was established on April 14, 1970, pursuant to the Community Services District Law (California Government Code Section 61000 et seq.) (“CSD Law”), to provide water and sewer services. The services of the CSD were expanded in 1972 to include street and lighting; again in 1985 to include park and recreation; and then in 1995 to include the construction of the McKinleyville Library. The boundaries of the CSD include approximately 12,140 acres from North Bank Road to Patrick Creek.

In 1991, Measure B was passed by voters, authorizing the CSD to collect annual assessments in order to construct a new community center, to purchase land for sports fields and to provide for the maintenance and operation of park and recreational facilities. The 1991 Measure B Assessment District was formed to levy and collect annual assessments on the County tax rolls pursuant to the Landscape and Lighting Act of 1972 (California Streets and Highways Code §22500 et seq.) (hereafter referred to as “1972 Act”) for a period of twenty (20) years. With the original Measure B Assessment District and assessments set to expire (sunset) in 2012 (the end of Fiscal Year 2011/2012), the continued operation and maintenance of the park and recreational improvements and facilities provided to the community by the CSD including the McKinleyville Activity Center, Hiller Sports Complex and Azalea Hall, would be jeopardized.

Therefore in 2010, the McKinleyville CSD Board of Directors (“Board” or “Board of Directors”) initiated proceedings to reestablish a special benefit assessment district within the CSD designated as the:

McKinleyville Community Services District Measure B Maintenance Assessment District — Renewal for Parks, Open Space, and Recreational Facilities

for the purpose of providing and continuing a stable revenue source, coupled with available grants and donations from other sources, to fund the ongoing operation, maintenance, expansion, enhancement, construction, renovation and rehabilitation of the CSD park and recreational improvements including parks, wilderness parklands, open space, trails, sports facilities, recreation and activity centers and facilities (collectively referred to as “Improvements”) that provide special benefits to properties within the CSD, including incidental expenses and debt services for any bond(s), loans or other repayment plans incurred to finance capital improvements. The Board of Directors proposed to form (reestablish) the Measure B Maintenance Assessment District — Renewal for Parks, Open Space, and Recreational Facilities (“District”) for another twenty (20) year period, and to levy and collect annual assessments on the County tax rolls to fund in whole or in part the improvements including related debt service on bonds that may be issued or loan agreements to finance the authorized improvements.

Pursuant to the requirements of the California Constitution, Article XIID Section 4 and the provisions of the 1972 Act, the Board of Directors called for an Engineer’s Report to be prepared regarding the proposed formation of the District and conducted a property owner protest ballot proceeding for the proposed levy of the new assessments. In conjunction with this ballot proceeding, a noticed public hearing was held on March 16, 2011 to consider public testimonies, comments and written protests regarding the formation of the District and the levy of assessments. Upon conclusion of the public hearing, protest ballots received were opened and tabulated to determine whether majority protest existed (with ballots weighted based on

proportional assessment amounts), and the Board of Directors confirmed the results of that ballot tabulation, with approximately 54.9% of the weighted ballots being in favor of the assessments and 45.1% being opposed. Finding that majority protest did not exist, the Board approved and adopted the formation of the District and order the levy and collection of assessments for Fiscal Year 2011/2012 (first year's annual assessments).

The assessment rate and method of apportionment established in the Engineer's Report at the time of formation of the District and as described herein, became effective commencing in Fiscal Year 2011/2012 and may be levied annually pursuant to the provisions of the 1972 Act for up to twenty (20) years (through Fiscal Year 2031/2032). The annual assessments each fiscal year are based on the estimated revenues needed to support the ongoing operational and maintenance costs of the Improvements (collectively referred to as "maintenance"); the long term repairs, renovations and rehabilitation costs associated with the improvements as well as possible acquisitions, expansion or construction of new improvements or facilities including a new Teen/Family Center (collectively referred to as "capital improvements"); and estimated incidental expenses associated with the administration of the assessments and of bonds or loans issued to finance improvements and facilities.

The authorized improvements may include, but are not limited to, operation, maintenance, acquisitions, upgrades and construction of existing and/or new facilities to enhance or expand the McKinleyville CSD park and recreational system, facilities and activities that will provide special benefits to properties within the District that would otherwise be reduced, postponed or abandoned due to limited funding sources. The improvements and annual District assessments for Fiscal Year 2015/2016 as outlined herein, have been established in accordance with the 1972 Act which may include the issuance of bonds pursuant to the Improvement Bond Act of 1915 (California Streets and Highways Code §8500 et seq.) ("1915 Act") and in compliance with the substantive and procedural requirements of the California State Constitution Article XIII D ("California Constitution" or "Article XIII D"). This Engineer's Report ("Report") has been prepared in connection with the proposed levy and collection of District assessments for Fiscal Year 2015/2016, pursuant to Chapter 2 Article 1 Sections §22585 and §22586 in accordance with Chapter 1, Article 4 beginning with §22565 of the 1972 Act.

The District includes all lots and parcels of land within the McKinleyville CSD as identified by the Humboldt County Assessor's Office at the time this Report was prepared. The word "parcel," for the purposes of this Report, refers to an individual property assigned its own Assessor's Parcel Number (APN) by the Humboldt County Assessor's Office. The Humboldt County Auditor/Controller uses Assessor's Parcel Numbers and a specified Fund Number to identify properties to be assessed on the tax roll for the special benefit assessments described herein.

This Report describes the District; identifies the improvements including any proposed changes to such improvements to be provided; the estimated expenditures; and the resulting special benefit assessments to be levied and collected on the County tax rolls for Fiscal Year 2015/2016. The total annual assessments presented herein is based on an estimated budget (estimated expenses) and the assessment revenues required to fund in whole or in part the park and recreational improvements, facilities and related activities deemed to be of special benefit to properties in the District and have been identified as essential recreational and conservation objectives which property owners and residents of the CSD have supported.

While the revenues generated by the annual assessments are currently being used primarily to fund the annual operation and maintenance of the existing park and recreational improvements within the CSD, a portion of the annual assessments (both now and in the future) may also be

utilized and pledged to pay debt service and related costs associated with the issuance of bonds or other loans to finance capital improvement projects for the upgrade or renovation of existing improvements and facilities, or the acquisition and/or construction of new park and recreational improvements or facilities for the special benefit of properties within the District. The allocation of assessment revenue funds amongst the various improvements, services and activities to be provided will be prioritized by the McKinleyville CSD staff based on available assessment revenues generated by the District, the total funding needed for each authorized improvement and projects, the impact each improvement will have on the overall park and recreational system that benefit properties in the District, and the timing of any outside revenues that may become available to offset the cost of such improvements or projects.

This Report pursuant to Chapter 1, Article 4 of the 1972 Act, consists of five (5) parts:

Part I

Plans and Specifications: A description of the District boundaries and the proposed improvements associated with the District. Generally the District improvements consist of each of the park and recreational improvements and facilities in McKinleyville CSD.

Part II

The Method of Apportionment: A discussion of the general and special benefits associated with the overall park and recreational improvements to be provided within the CSD (Proposition 218 Benefit Analysis). This part also includes a discussion of the proportional costs of the special benefits upon which the assessments are determined and separation of costs considered to be of general benefit (and therefore not assessed). This section of the Report also outlines the method of calculating each property's proportional special benefit and annual assessment utilizing a weighted benefit comparison and proportionality among the different property types within the District.

Part III

Estimate of Improvement Costs: An estimate of the annual cost to fund the improvements for Fiscal Year 2015/2016. The District assessments are intended and will fund only a portion of the costs needed to provide the various improvements, and are not designated to fully fund any specific improvement. This estimate of the improvement costs (budget) includes an estimate of the total annual maintenance and operation costs for the existing park and recreational improvements within the CSD; an estimate of annual funding collected for planned capital improvement expenditures to fund expansion, enhancement, renovation or rehabilitation of the parks, trails and related recreational facilities within the CSD (including acquisitions and new construction); and authorized incidental expenses including, but not limited to county fees, professional services related to administration of the District and/or bonds. The estimated expenditures and assessment rate identified in this Report budget and the resulting parcel assessments for Fiscal Year 2015/2016 are based on the estimated net annual cost to fund the improvements and activities for the year (Balance to be Levied), and the method of apportionment established for the District, and such assessments shall not exceed the maximum assessment (Rate per Equivalent Benefit Unit) established when the District was formed.

Part IV

District Diagram: A Diagram showing the exterior boundaries of the District is provided in this Report and includes all parcels that will receive special benefits from the improvements. These boundaries are coterminous with the boundaries of the McKinleyville CSD. Parcel identification, the lines and dimensions of each lot, parcel and subdivision of land within the District, are inclusive of all parcels within the CSD as shown on the Humboldt County Assessor's Parcel Maps as they existed at the time this Report was presented to the Board of Directors for the adoption of the Resolution of Intention, and shall include all subsequent subdivisions, lot-line adjustments or parcel changes therein. Reference is hereby made to the Humboldt County Assessor's maps for a detailed description of the lines and dimensions of each lot and parcel of land within the District.

Part V

Assessment Roll: A listing of the proposed assessment amount to be levied and collected for each parcel within the District for Fiscal Year 2015/2016. The assessment amount for each parcel is based on the parcel's calculated proportional special benefit as outlined in the method of apportionment and the assessment rate established in the budget for Fiscal Year 2015/2016.

Part I — Plans and specifications

The boundaries of the District are coterminous with the McKinleyville CSD boundaries. The purpose of this District is to provide a stable revenue source, coupled with available grants and donations from other sources, to fund the ongoing operation, maintenance, expansion, enhancement, construction, renovation and rehabilitation of the McKinleyville CSD park and recreational improvements including parks, wilderness parklands, open space, trails, sports facilities, recreation and activity centers and facilities (collectively referred to as “Improvements”) that provide special benefits to properties within the CSD, including incidental expenses and debt services for any bond(s), loans or other repayment plans incurred to finance capital improvements.

Improvements Authorized by the 1972 Act

The 1972 Act permits assessments proceeds to be spent on the following:

- The installation or planting of landscaping.
- The installation or construction of statuary, fountains, and other ornamental structures and facilities.
- The installation or construction of public lighting facilities.
- The installation or construction of any facilities which are appurtenant to any of the foregoing or which are necessary or convenient for the maintenance or servicing thereof, including, but not limited to, grading, clearing, removal of debris, the installation or construction of curbs, gutters, walls, sidewalks, or paving, or water, irrigation, drainage, or electrical facilities.
- The installation of park or recreational improvements, including, but not limited to, all of the following:
 - Land preparation, such as grading, leveling, cutting and filling, sod, landscaping, irrigation systems, sidewalks, and drainage.
 - Lights, playground equipment, play courts, and public restrooms.
- The maintenance or servicing, or both, of any of the foregoing.
- The acquisition of land for park, recreational, or open-space purposes.
- The acquisition of any existing improvement otherwise authorized pursuant to this section.
- The acquisition or construction of any community center, municipal auditorium or hall, or similar public facility for the indoor presentation of performances, shows, stage productions, fairs, conventions, exhibitions, pageants, meetings, parties, or other group events, activities, or functions, whether those events, activities, or functions are public or private.
- Incidental expenses associated with the improvements including, but not limited to:
 - The cost of preparation of the report, including plans, specifications, estimates, diagram, and assessment;
 - The costs of printing, advertising, and the publishing, posting and mailing of notices;
 - Compensation payable to the County for collection of assessments;

- Compensation of any engineer or attorney employed to render services;
 - Any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements;
 - Any expenses incidental to the issuance of bonds or notes pursuant to Section 22662.5.
 - Costs associated with any elections held for the approval of a new or increased assessment.
- Where the cost of improvements (other than maintenance and operations) is greater than can be conveniently raised from a single annual assessment, the 1972 Act permits an assessment to be levied and collected in annual installments. In that event, the governing body may choose to do any of the following:
- Provide for the accumulation of the moneys in an improvement fund until there are sufficient moneys to pay all or part of the cost of the improvements.
 - Provide for a temporary advance to the improvement fund from any available and unencumbered funds of the local agency to pay all or part of the cost of the improvements and collect those advanced moneys from the annual installments collected through the assessments.
 - Borrow an amount necessary to finance the estimated cost of the proposed improvements. The amount borrowed, including amounts for bonds issued to finance the estimated cost of the proposed improvements.

District Improvements

The District assessments will fully or partially fund various improvements and activities that specially benefit properties within the District. It is the goal and intent for this District to provide a stable revenue source that will allow the McKinleyville CSD to partially fund the on-going maintenance of the various park and recreational facilities for the community and endeavors to improve the overall park and recreational system that directly affect the properties and quality of life for residents, tenants, employees and owners of properties within the CSD. To the full extent permitted by the 1972 Act, the improvements, projects and expenditures to be funded by the assessments may include:

- **Operation and Maintenance:** operation and maintenance of park and recreational improvements throughout the District.
- **Acquisitions:** The acquisition of land or facilities for park or recreational purposes.
- **Resource Development:** The construction, installation and/or expansion of various park sites, trails, open spaces, halls/activity centers ("community centers") and related recreational facilities within the District.
- **Facility Enhancements/Rehabilitation:** Periodic repairs and renovations of recreational sites and facilities (parks, trails, community centers) including but not limited signage, playground and tot-lot equipment; sports field fencing; portable soccer goals; ball fields; tennis courts; basketball courts; sports facility lighting; parking facilities; restrooms, kitchens and related equipment and amenities such electrical, irrigation and drainage systems, tables benches, etc.

- **Capital Improvements:** Major repairs of recreational buildings and facilities that may include repair or replacement roofs, interior building repairs, replacement of permanent fixtures, structural repairs, internal building remodels, as well as the construction and installation of new facilities.

Based on current facility needs and planned capital improvement projects (park and recreational enhancements), an estimated annual budget for Fiscal Year 2015/2016 has been developed for the overall McKinleyville CSD park and recreation improvement program, which has been prioritized based on the overall impact each improvement or facility will have on the overall park and recreational system within the CSD, and the timing and availability of any outside revenues that may be utilized to offset certain costs. Based on this budget, revenues collected through the annual assessments will be apportioned approximately twenty-three percent (23%) for park and sports complex maintenance; sixteen percent (16%) for hall/activity center operation and maintenance; six percent (6%) for trail and open space maintenance; fifty percent (50%) for capital improvement projects; and five percent (5%) for incidental expenses including administration and fees. However, it is likely this apportionment of assessment revenues may be altered over the proposed twenty-year duration of the District and may even be adjusted during the course of Fiscal Year 2015/2016 based on changing needs.

A summary of the improvements that have been identified by the CSD as planned park and recreational maintenance and/or enhancements that will be funded in whole or in part through the District assessments is provided below, as well as in Appendix A. Specific details regarding these improvements and projects are on file in the Office of the McKinleyville CSD District Manager and by reference these documents are made part of this Report.

Improvements to be maintained in whole or in part by District assessments for Fiscal Year 2015/2016 may include, but are not limited to:

- Maintenance, servicing and operation of existing parks and park facilities, including:
 - Landscape Maintenance of approximately 91,571 square feet of irrigated turf in Pierson Park, 75,000 square feet within Hiller Park West, and 498,112 square feet within the Hiller Sports Complex.
 - Landscape Maintenance of approximately thirty-five (35) acres of non-irrigated/natural vegetation within Hiller Park West.
 - Maintenance of eight (8) sports fields within the Hiller Sports Complex.
 - Maintenance of approximately 17,157 square feet of parking lot area within Pierson Park, 9,770 square feet within Hiller Park West, and 35,000 square feet within the Hiller Sports Complex.
 - Maintenance and operation of approximately 2 restroom facilities each, within Pierson Park, Hiller Park West, and the Hiller Sports Complex.
 - Maintenance of 4 playground structures within Pierson Park, and 3 playground structures within Hiller Park West.
- Operation, servicing and maintenance of existing halls/activity centers including:
 - Azalea Hall: including maintenance of approximately 200 square feet of landscaping area; 13,800 square feet of parking lot area maintenance; and operation and

maintenance of an approximately 9,500 square foot hall, including men and women restroom facilities, commercial sized-kitchen, 3,000 square foot hall available as reception area, stage, storage for social events. Azalea Hall is located along Pickett Road, within Pierson Park.

- McKinleyville Activity Center (“MAC”): including maintenance of approximately 19,174 square feet of landscaping and parking lot areas; operation and maintenance of an approximately 10,000 square foot hall, including men and women restroom facilities; and operation and maintenance of a 7,000 square foot gym, office, and storage space. MAC is located along Gwin Road within Pierson Park.
- Maintenance of existing trails:
 - Landscaping and trail maintenance of approximately 7,000 feet of trails, including maintenance/repairs to trails, benches, and asphalt.
- Maintenance of existing open space, including:
 - Hewitt Ranch: Landscaping and maintenance of open space area.
- Acquisition and/or development and construction of a Teen/Family Center.
- Operation and maintenance of future park and recreational facilities, including the Teen/Family Center and other park or recreational facilities that may be acquired or developed over the duration of the District assessments.

The improvements listed above are inclusive of the improvements and facilities identified in the Engineer’s Report prepared in connection with the formation of the District, and no significant changes are proposed or anticipated for Fiscal Year 2015/2016.

Part II — METHOD OF APPORTIONMENT

The 1972 Act permits the establishment of assessment districts by agencies for the purpose of providing certain public improvements, including the acquisition, construction, installation and servicing of park and recreational facilities. The 1972 Act requires that the cost of these improvements be levied according to benefit rather than assessed value:

“The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements.”

The method of apportionment described in this Report for allocation of special benefit assessments utilizes commonly accepted engineering practices and is the same method of apportionment utilized and established when the District was formed. The formulas used for calculating assessments reflect the composition of parcels within the District and the improvements and activities to be provided, and have been designed to fairly apportion costs based on a determination of the proportional special benefits to each parcel, consistent with the requirements of the 1972 Act and the provisions of Article XIII D of the California Constitution.

Proposition 218 Benefit Analysis

The costs of the proposed improvements have been identified and allocated to properties within the District based on special benefit. The improvements to be provided by this District and for which properties will be assessed have been identified as essential recreational objectives for the CSD, which the property owners and residents have expressed a high level of support.

The District was formed to provide an overall park and recreational enhancement program that affects and will directly benefit all parcels to be assessed within the District. The assessments and method of apportionment is based on the premise that the assessments will be used for the annual maintenance, as well as expansion and enhancement of the CSD’s park and recreation system, and the revenues generated over the duration of the District will be used for park and recreational facilities throughout the District.

In conjunction with the provisions of the 1972 Act, the California Constitution Article XIID addresses several key criteria for the levy of assessments, notably:

Article XIID Section 2d defines District as follows:

“District means an area determined by an agency to contain all parcels which will receive a special benefit from a proposed public improvement or property-related service”;

Article XIID Section 2i defines Special Benefit as follows:

“Special benefit” means a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large. General enhancement of property value does not constitute “special benefit.”

Article XIID Section 4a defines proportional special benefit assessments as follows:

“An agency which proposes to levy an assessment shall identify all parcels which will have a special benefit conferred upon them and upon which an assessment will be imposed. The proportionate special benefit derived by each identified parcel shall be determined in relationship to the entirety of the capital cost of a public improvement, the maintenance and operation expenses of a public improvement, or the cost of the property related service being provided. No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel.”

The method of apportionment (method of assessment) set forth in the Report is based on the premise that each assessed property receives special benefits from local park and recreational improvements that are funded by the assessments, and the assessment obligation for each parcel reflects that parcel's proportional special benefits as compared to other properties that receive special benefits.

To identify and determine the proportional special benefit to each parcel within the District, it is necessary to consider the entire scope of the improvements provided as well as the properties that benefit from those improvements. The improvements and the associated costs described in this Report, have been carefully reviewed and have been identified and allocated based on a benefit rationale and calculations that proportionally allocate the net cost of only those improvements determined to be of special benefit to properties within the District. The various public improvements and the associated costs have been identified as either “general benefit” (not assessed) or “special benefit”.

General Benefits

Assessments are established on the basis of calculated proportional special benefit to properties within a district. Because general benefits are not assessable, the general benefit costs are excluded from the assessment calculation. With respect to this District, although the various McKinleyville CSD park and recreational improvements including designated parks, wilderness parklands, open space, trails, sports facilities, recreation and activity centers and facilities that will be maintained, expanded and/or enhanced through the District's assessment revenues are located throughout the CSD and clearly provide a special benefit to properties within the District, it is also recognized that these are public facilities that will occasionally be utilized by the general public and may even be in proximity to some properties outside the District boundaries that are not assessed. The fact that these improvements and facilities are available to the general public would suggest that at least a portion of the cost to provide the improvements is of general benefit.

When the District was formed in Fiscal Year 2011/2012 a detailed review and analysis of the improvements and surrounding properties revealed that all properties within the District boundaries were located within two and a half miles (2½ miles) of an existing park, wilderness parkland, open space, trail, sports facility, recreation and activity center and other facilities provided by the CSD, which is well within the broader 3-4 mile sphere of influence commonly associated with such improvements. This analysis revealed that properties within the broader 3-4 mile area, but outside the 2½ mile service area associated with District parcels was predominately undeveloped land consisting of agricultural, timber, mining and open space properties. So, based on this information, it was reasonable to conclude that the improvements and facilities serve primarily the 2½ mile service area.

Within the 2½ mile service area, there were approximately 6,715 parcels of which, 5,638 parcels or eighty-four percent (84%) were identified in Fiscal Year 2011/2012 as being within the boundaries of the District, comprising roughly 12,140 acres of land. The remaining parcels (those parcels outside the District) represented approximately forty-two percent (42%) of the total acreage within the identified 2½ mile service area (approximately 8,800 acres of land). However, this area outside the District boundaries, but within the 2½ mile service area is, largely comprised of agricultural, timber production and gravel mining properties (approximately 6,835 acres or 78% of that total area) and these properties clearly have very limited direct utilization or need for the District improvements. In addition, approximately 575 acres, (6.5% of the total acreage outside the District, but within the 2½ mile service area), is identified as open space/public areas which offer similar recreational opportunities to the properties outside the District. The remaining developed properties (residential and non-residential) located outside of the District boundaries (approximately 1,390 acres) represent the equivalent of approximately six percent (6%) of the total developed residential and non-residential properties within the overall 2½ mile service area. While many of these parcels are likely served more directly by park and recreational facilities outside of the CSD, these properties have proximity to the improvements associated with the District and it can be assumed that the owners, residents and employees of these parcels may occasionally utilize or reasonably have access to the improvements within the CSD. These overall statistics have not changed significantly since Fiscal Year 2011/2012 and therefore, it was and still is, reasonable to assume that six percent (6%) of the total cost to provide the improvements is non-assessable and of general benefit.

In quantifying other general benefit considerations, it is more difficult to quantify benefits to people living and working outside of the 2½ mile service area (benefits to the general public). While the parks, trails and open space areas, and, to a lesser extent the community centers, are certainly available and may be utilized by the general public, the overall McKinleyville CSD area is clearly considered a rural area and not typically a destination point for tourism and travel. This observation is supported by the limited amount of non-residential development (commercial enterprises) in the area, comprising less than three percent (3%) of the parcels within the District and represents less than 4% of the acreage, of which less than 10% have been identified as travel related business (i.e. hotels, motels and service stations). As such, it is reasonable to conclude that the District improvements provide very limited general benefit to the public at large, statistically, less than 0.4% of the total acreage (10% of the 4%) and less than 0.3% of the total parcels (10% of the 3%). Based on this analysis, conservatively, the general benefit to the public at large is certainly no greater than four percent (4%) of the cost to provide the improvements. Therefore based on the preceding analysis, collectively, the benefit to properties outside the District and to the public at large represents no more than ten percent (10%) of the total cost to provide the improvements.

As noted above, the District improvements clearly provide some measure of general benefit to properties outside the District and to the public at large, but it is also recognized that park and recreational improvements inherently provide general benefit to properties and people within the District. While much of the benefits to people are more directly tied to Recreational Programs (which are not part of the funding provided by the District or contemplated by this Report), the park and recreational facilities themselves provide general benefits to properties and people within the District such as:

- ❖ Health, social and self-improvement benefits derived from utilizing the facilities;

- ❖ Increased social opportunities and active involvement for children, teens and senior citizens;
- ❖ Group participation, character building, mentoring, and coaching for the youth in the community, that provides a positive atmosphere and reduces idle time that might otherwise result in criminal activities;
- ❖ Family and group activities that help to strengthen family value and reduce ethnic and social tensions.

These indirect benefits may be considered more general than special, but are difficult to measure quantitatively. The need for, and the utility of, park and recreational improvements is created by the development of residential and non-residential land uses. The facilities extend the utility of concentrated land development, such as occurs in the McKinleyville CSD (which is an island of developed land uses largely surrounded by large areas of undeveloped land). Benefits to people are largely secondary benefits created by the primary benefits of increased recreational access of more concentrated developments and conservatively, it is estimated that no more than one-third (33%) of the cost to provide and maintain such improvements is attributable or considered a general benefit to properties and people within the District.

Based on the preceding discussion, collectively, it has been determined that approximately forty-three percent (43%) of the costs to provide the District improvements is attributable to general benefit, but for purposes of establishing proportional special benefit costs, it was established at the time of the District formation in Fiscal Year 2011/2012 and this Report assumes a more conservative approximation of general benefit to be fifty percent (50%) or half of the total annual cost to provide the improvements.

Special Benefit

McKinleyville CSD's recreational system (parks, wilderness parkland, trails, community centers, and recreational facilities and equipment) provide properties within the District the special benefit of nearby access to recreational facilities and spaces which are too specialized and/or large to be maintained within the individual properties and would be cost prohibitive to include within individual property development, including:

- ❖ Exercise facilities/space such as sports complexes, parkland areas and trails not typically found on individual parcels.
- ❖ Substantial outdoor areas increase the available recreational space and outdoor facilities, (picnic areas, playground equipment, open turf areas, sports fields and full size courts, etc.), that are typically limited on individual parcels.
- ❖ Facilities (activity centers, parks) available for large gatherings, meetings and community events that could otherwise not be accommodated by the individual properties.

These facilities expand the use of each property within the CSD by providing these properties with access to desirable recreational facilities beyond those that can conveniently be included on a home or businesses lot. The common-use development of these facilities by the CSD, frees property-owners from the burden of having to provide extensive privately owned recreation facilities or having a property that lacks access to such facilities. The

availability and proximity of the facilities is a distinct special benefit to the assessed parcels because the assessed parcels, unlike most parcels outside the District are within the immediate service area of the facilities and can easily use the facilities as a substitute for (and enhancement of) recreational facilities that would otherwise need to be provided on the parcel (or simply foregone). Because each assessed parcel is within the service area of the improvements and facilities offered by the McKinleyville CSD, these park and recreation improvements are like an extension of the front and back lawns of the parcels. They are not remote, but available for frequent and everyday use with minimal travel. We estimate this special benefit to represent at least half (1/2) of the total benefits created by the facilities.

Assessment Methodology

The method of apportionment (method of assessment) developed for this District is based on the premise that each of the property to be assessed receives a direct and special benefit from the improvements and recreational facilities to be financed by the District assessments.

To assess benefits equitably it is necessary to calculate each property's relative share of the special benefits conferred by the funded service. The method of apportionment for this District calculates the receipt of special benefit from the respective improvements based on the actual or proposed land use of the parcels within the District. The special benefit received by each lot or parcel is equated to the overall land use of parcels within the District based on the parcel's actual land use or proposed development. All costs associated with the improvements are distributed among the parcels based upon a calculation of the proportional special benefit received by each parcel. The benefit formula used to determine the assessment obligation is therefore based upon both the improvements that benefit the parcels within the District as well as the use and relative characteristics of each property as compared to other parcels that benefit from those specific improvements.

The Equivalent Benefit Unit (EBU) method of assessment apportionment establishes a basic unit (base value) of benefit and then calculates the benefit derived by each assessed parcel as a multiple (or a fraction) of the basic unit.

For the purposes of this Engineer's Report, an EBU is the quantum of benefit derived from the funded programs and facilities by a single family residential parcel or unit. Thus, the "benchmark" property (the single family residential parcel/unit) derives one (1.0) EBU of benefit. All other land uses are proportionately weighted (assigned an EBU) based on an assessment formula that equates the property's specific development to that of the benchmark property (single-family residential unit). This proportional weighting may be based on several factors that may include, but are not limited to: the type and status of development (land use), size of the property, development plans or restrictions, typical development densities, population densities or other property related factors. Generally for most districts the calculation of each parcel's proportional special benefit can be reasonably determined by applying one or more of these factors.

Based on an overall evaluation of the properties within the District and the proposed annual cost of providing the improvements, it has been determined that several key property related factors should be considered in the determination of the proportional special benefit of each parcel. These factors include: the various land uses within the District and the relative size (units or acreage) of each parcel. The following discussion provides a summary of these factors and basis upon which each property's proportional special benefit and EBU has been determined.

Residential Property (Developed) — This land use is defined as fully developed residential property which includes single-family residential properties, mobile/manufactured residential properties, apartments, duplexes, and triplexes or other multi-family residential developments. For purposes of establishing equivalent benefit units for all other land uses in this District, the residential land use is designated as the basic unit of assessment and is assigned a land use benefit of 1.0 EBU per residential unit. Convalescent and long term-care facilities (of which there is currently one in the District), will be classified as residential land use, however, this unique residential property will be assigned 0.5 EBU per bed to reflect the quasi-residential nature/use of the property and the fact that a bed represents a smaller increment of measure (both in size and population) than a residential unit.

Non-Residential/Commercial Property (Developed) — This land use is defined as a developed property with structures that are used or may be used for non-residential purposes, whether those structures are occupied or not. This land use does not include parcels for which the primary use of the property is considered residential. This land use classification includes all types of non-residential uses and commercial enterprises including but not limited to, commercial retail; food services; shopping centers; office buildings, and professional buildings, churches, as well as industrial properties including warehousing and manufacturing. This land use classification also includes any parcel that may incorporate a single residential unit, but is also used in whole or in part for commercial purposes.

Based on the average development densities for residential properties in the District, (the average single-family residential property being approximately 1.06 units per Acre), it is reasonable to assume that non-residential properties if developed as residential, would have resulted in approximately 1.00 benefit unit per Acre. Therefore, it has been determined that assigning this land use classification 1.0 EBU per gross acre provides a proportional representation of benefit for this land use type with some limitations:

- ❖ Because each non-residential parcel typically represents a separate and independent commercial enterprise or business, parcels less than one acre shall be assigned 1.0 EBU (minimum EBU).
- ❖ It is also recognized that larger non-residential properties typically have portions of the property that have less intense use/development (such as parking areas, private landscaped areas, outdoor storage, areas with development restrictions etc.) and it is reasonable to assume that the benefit derived from the Improvements does not necessarily increase by the same proportion as the size of property.

As such, parcels identified as Non-Residential Property shall be assigned 1.00 EBU for the first two (2) acres with a minimum of 1.00 EBU assignment; 0.5 EBU per Acre for the next two (2) acres (acreage between 2 and 4 Acres); 0.25 EBU per Acre for the following two (2) acres (acreage between 4 and 6 acres), 0.125 EBU per Acre for the next two (2) acres (acreage between 6 and 8 acres), and 0.00 EBU per Acre for acreage above eight (8) acres. Further, for commercial properties providing private recreation, such as golf properties, the acreage of outdoor recreation space (such as the golf course itself) will be excluded from the calculation of assessable acreage.

Vacant Property — This land use is defined as undeveloped property. Such parcels benefit from the existence of the funded facilities because park and recreational

improvements improve the potential development of such parcels. Recognizing this benefit to property, but also its immediate need for such improvements, each Vacant Property is assigned 1/3 of an EBU per parcel (\$10.00 per parcel).

Exempt Property — This land use identifies properties that are not assessed and are assigned 0.00 EBU. This land use classification may include but is not limited to:

- ❖ Lots or parcels identified as public streets and other roadways (typically not assigned an APN by the County);
- ❖ Dedicated public easements including open space areas, utility rights-of-way, greenbelts, parkways, parks or other publicly owned properties that are part of the District improvements or may provide similar or other public services or benefits to private properties within the District; and
- ❖ Private properties that cannot be developed independently from an adjacent property, such as common areas, sliver parcels or bifurcated lots or properties with very restrictive development use;

Because these properties either provide a public service that is comparable to public recreation or are dependent on another property or development, these types of parcels have no direct need for public recreational facilities and are considered to receive little or no special benefit from the improvements. Therefore these properties are exempted from assessment, but shall be reviewed annually by the assessment engineer to confirm the parcels current development status.

Government owned properties, quasi-government entity owned properties, or public properties (collectively referred to as “Public Property”) are not necessarily exempt properties and will be allocated special benefit unless the parcel otherwise qualifies for exempt status. The proportional special benefit and resulting assessment obligation for such parcels will be calculated as if the parcel were not Public Property. However, because Public Property, often is identified by the County as non-taxable (tax bills are not generated on the regular tax rolls), the McKinleyville CSD will provide a contribution from other available revenue sources to pay those assessments.

The following table provides a summary of each land use described above and related EBU's. The determination of each parcel's land use and property characteristics shall be based on the data available from the most recent Humboldt County Assessor's Secured Roll, or as identified by the McKinleyville CSD, if the information is different than that provided by the Humboldt County Assessor's Office.

Land Use Description	Assessment Formula	No. of Parcels	EBU Units
Residential	1.000 EBU per Unit	4,919	6,619.00
	0.500 EBU per Bed ⁽¹⁾	1	36.00
	Residential Total	4,920	6,655.00
Non-Residential/Commercial	1.000 EBU per Acre for first 2 Acres (minimum 1 EBU per parcel); 0.500 EBU per Acre for next 2 acres (between 2 and 4 acres); 0.250 EBU per Acre for next 2 acres (acreage between 4 and 6 Acres); 0.125 EBU per Acre for next 2 acres (acreage between 6 and 8 Acres); 0.000 EBU per Acre for Remaining Acres (acreage exceeding 8 acres)	134	184.11
Vacant	(1/3) EBU per Parcel (0.333 EBU)	518	170.94
Exempt	0.000 EBU per Parcel	115	53.64
Totals ⁽²⁾		5,687	7,063.69

(1) For Fiscal Year 2015/2016 there is one parcel in the District identified as a Convalescent/long term-care facility, and this residential property although classified as a Residential Property, is assigned 0.5 EBU per bed for a total of 36.00 EBU (refer to method of apportionment).

(2) Of the total 5,687 parcels in the District representing a total of 7,063.69 EBU, in addition to the 115 parcels identified above as exempt representing 53.64 EBU (which are non-taxable parcels generally owned by government agencies) there are 16 parcels representing 70 EBU's (being assessed for park and recreational improvements through another revenue source) that are currently identified as properties that will not be assessed on the County tax rolls. The proportional special benefit obligation for these parcels will not be collected on the tax rolls, the CSD will annually pay from its general fund an amount equal to the assessment obligation that would otherwise accrue to these parcels. Therefore, there are currently a total of 5,556 parcels representing 6,940.05 EBUS that are proposed to be applied to the tax rolls for Fiscal Year 2015/2016.

The total assessment amount for each parcel in the District will be collected on the County tax rolls pursuant to the 1972 Act. The amount that may be collected annually cannot exceed the amount that may be levied at the Maximum Assessment Rate, which was presented to property owners of record in a balloting process.

Part III — BUDGET

Description of Budget Items

The following provides a brief description of the line items on the District Budget that follows:

Expenditures:

Operation and Maintenance: The estimated annual costs associated with the operation and maintenance of the improvements, including, maintenance wages and supplies.

Capital Improvements: An estimate of funds required annually for costs associated with the design, construction of the Teen/Family Center, as well as costs of major rehabilitation projects of existing facilities. These funds may be used for debt service or to build a reserve for projects to occur over the life of the assessment.

Incidental Expenses: The estimated annual costs related to administration of the assessment, such as contracting with professionals to provide legal, or engineering services for preparation of the annual report and resolutions; conducting noticing or balloting; creation and submission of the annual levy; County Fees for the collection of assessments; and similar administrative costs.

Revenues:

General Benefit Funding: These are funds to be contributed by the McKinleyville CSD for the portion of the District Budget determined to be General Benefit. These funds are from revenue sources available to the CSD other than the Measure B Maintenance Assessment District assessments.

Additional Funding From Sources Other Than Assessment: Additional funds contributed by the McKinleyville CSD from other available revenue sources that are necessary to meet the difference between the annual expenditures and revenues supported by the General Benefit Obligation and the Measure B assessments.

Measure B Special Benefit Assessments: The proportional special benefit obligation and proposed annual assessment revenue calculated for the Measure B Maintenance Assessment District. This amount divided by the Total Equivalent Benefit Units calculated for all benefiting parcels (7,063.69 EBU) establishes the proposed maximum annual assessment rate ("Assessment Rate per EBU") of \$30.00.

Non-Taxable Property Adjustment: Funds to be contributed by the McKinleyville CSD from other revenue sources to pay the calculated assessment obligation for benefiting non-taxable parcels. As noted previously, 115 parcels representing 53.64 EBU are currently identified as non-taxable parcels and the assessments for these parcels (\$3,709.20) cannot be collected on the tax rolls. Therefore, in addition to other contributions, the CSD will annually pay the assessment obligation for the identified non-taxable parcels that receive special benefits.

Fund Balance (Capital/Rehabilitation Improvements):

Provides a summary of District funds being collected and/or spent for capital improvement projects, major rehabilitation projects or to build a reserve for such projects over the life of the assessments. These fund balances incorporate and include the

amount of any surplus or deficit in the improvement fund to be carried over from a previous fiscal year.

District Budget

The following Budget shows the full estimated annual cost of the improvements and facilities for Fiscal Year 2015/2016 that will be partially funded with the assessment. The total special benefit assessment amount to be collected for the improvements is based on the following budget information and results in a total annual assessment obligation of approximately \$211,962.00 at an assessment rate of \$30.00 per Equivalent Benefit Unit based on 7,063.69 EBU, of which approximately \$208,253 (6,940.05 EBU) is proposed to be collected on the County tax rolls based on current property information:

Mckinleyville CSD FY1516 District Budget

Expenditures:

Operation and Maintenance:

Pierson Park	\$ 52,850
Hiller Park West	39,300
Hiller Sports Complex	87,000
Larissa Park	-
Azalea Hall	78,500
McKinleyville Activity Center	79,000
Trails	51,000
Open Space	9,500
Future Parks & Facilities (including Teen/Family Center) ⁽¹⁾	11,000

Operation and Maintenance Sub-total: **\$ 408,150**

Capital Improvements ⁽²⁾ **126,500**

Total Program Budget **\$ 534,650**

Incidental Expenses **16,850**

Total Annual Expenditures: **\$ 551,500**

Revenues:

General Benefit Obligation **\$275,750**

Additional Non-Assessed Funding ⁽³⁾ **63,788**

Non-Assessment Revenue Sub-total: **\$ 339,538**

Non-Taxable Special Benefit Assessment Revenue ⁽⁴⁾ **\$ 3,709**

Taxable Special Benefit Assessment Revenue(Collected on Tax Rolls) **\$ 208,253**

Total Measure B Special Benefit Assessments **\$ 211,962**

Total Annual Revenues: **\$ 551,500**

Fund Balance (Capital/Rehabilitation Improvements):

Estimated Beginning Fund Balance (As of 07/01/2015) **\$131,870**

Estimated Fund Collection ⁽²⁾ **\$126,500**

Estimated Expenditures **\$0**

Estimated Ending Fund Balance **\$258,370**

(1) The annual maintenance & operation of the Teen/Family Center is estimated to be approximately \$33,000 per year. However, since construction of the facility is anticipated to be completed in the fall of 2015, the amount budgeted for maintenance & operation reflects an estimate of the expenses for only a portion of the fiscal year. Any maintenance funding surplus or deficit will be applied to the funds collected for Capital Improvements.

(2) The amount budgeted and collected for Capital Improvements includes funds collected for future Renovations/Rehabilitation Projects as well as funding for the design, acquisition, construction of the Teen/Family Center or other future District facilities, including, but not limited to the repayment of any future debt service issued and/or loan(s).

(3) Additional Funding from sources other than assessments, necessary to fund the annual expenses above those identified as General Benefit funding.

(4) Contribution from MCSD general fund to cover amount that would otherwise be assessed against 115 non-taxable parcels and 16 parcels already being assessed for park and recreational improvements through another revenue source, which that collectively represent approximately 123.64 EBU's.

Assessment Calculations

Applying the method of apportionment outlined in Part II of this Report and the budget estimates for Fiscal Year 2015/2016 results in the following calculation of assessments:

$$\text{\$211,962.14} \div \text{7,063.69 EBU's} = \text{\$30.00 per EBU}$$

Therefore, a single benefit unit or the Annual Assessment Rate for Fiscal Year 2015/2016 (Applicable to a typical Residential Dwelling Unit) will be \$30.00.

Assessment Summary

Total Measure B Special Benefit Assessments	\$ 211,962.00
Total Equivalent Benefit Units	÷ \$ 7,063.69
Assessment Rate per EBU	\$ 30.00

Assessment Breakdown of Non-Taxable Properties

EBU of Non-Taxable Properties	123.64
Assessment Rate per EBU	x \$ 30.00
Non-Taxable Property Adjustment ⁽¹⁾	\$ 3,709.20

⁽¹⁾ This amount represents the calculated special benefit assessment for the parcels identified as non-taxable. This amount shall be paid by a contribution from MCSD general fund.

Assessment Breakdown of Taxable Properties

Total Equivalent Benefit Units	7,063.69
EBU of Non-Taxable Properties ⁽¹⁾	- 123.64
Equivalent Benefit Units Levied on Tax Rolls	6,940.05
Balance to be collected on Tax Rolls ⁽²⁾	208,253.14
Equivalent Benefit Units Levied on Tax Rolls	÷ 6,940.05
Assessment Rate per EBU	30.00

⁽¹⁾ This number represents the combined total EBU that will not be assessed on the County tax rolls. In addition, 115 parcels representing 53.64 EBU's (which are non-taxable parcels generally owned by government agencies) and 16 parcels representing 70 EBU's (being assessed for park and recreational improvements through another revenue source) currently identified as properties that will not be assessed on the County tax rolls. Because the proportional special benefit obligation for these parcels will not be collected on the tax rolls, the CSD will annually pay from its general fund an amount equal to the assessment obligation that would otherwise accrue to these parcels.

⁽²⁾ Difference due to rounding.

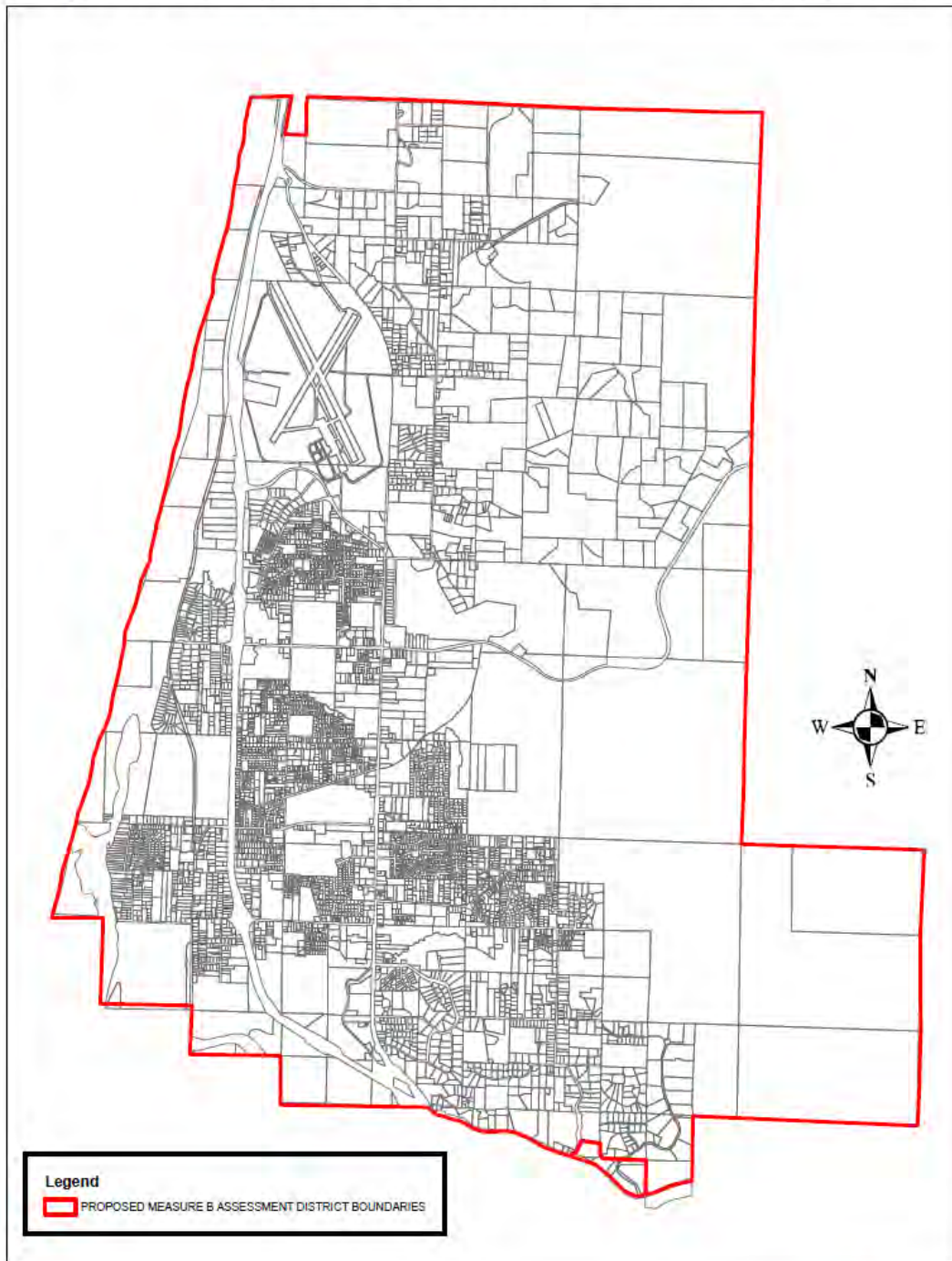
Therefore, the anticipated annual assessment revenue to be collected on the tax rolls is approximately \$208,253.14.

Part IV — DISTRICT DIAGRAM

The following is a Diagram showing the boundaries of the McKinleyville Community Services District Measure B Maintenance Assessment District — Renewal for Parks, Open Space, and Recreational Facilities, which is coterminous with the McKinleyville CSD boundaries. The dimensions of all lots, parcels and subdivisions of land within the District are the same as the lines and dimensions of the parcels shown on the Humboldt County Assessor's Parcel Maps (APN Maps) and by reference these Maps are made part of this Report and Assessment Diagram as they existed at the time of the passage of the Resolution of Intention. Each of the subdivisions of land, parcels, or lots on the Assessment Diagram subject to the annual assessment are identified by an Assessor's parcel Number (APN) by the Humboldt County Assessor's and these APN's corresponds with the assessment number shown on the Assessment Roll (Part V of this Report).

The Boundary Map and Assessment Diagram in a reduced-scale format follows.

McKinleyville CSD Proposed Boundaries of Measure B Assessment District



Part V — ASSESSMENT ROLL

Parcel identification for each lot or parcel within the District, shall be the parcel as shown on the Humboldt County Secured Roll for the year in which the Report is prepared and reflective of the Assessor's Parcel Maps. A complete listing of the parcels within this District, along with each parcel's assessment amount to be levied for Fiscal Year 2015/2016 is provided under Appendix B ("Proposed Annual Assessments").

These assessments will be submitted to the County Auditor/Controller to be included on the property tax roll for Fiscal Year 2015/2016. If any parcel submitted for collection is identified by the County Auditor/Controller to be an invalid parcel number for the fiscal year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County. The assessment amount to be levied and collected for the resubmitted parcel or parcels shall be recalculated based on the method of apportionment and assessment rates as approved herein by the McKinleyville CSD Board of Directors.

APPENDIX A: TOTAL PROGRAM BUDGET DETAIL

Below is the Total Program Budget, a portion of which will be funded by the Measure B Assessment District assessments, with the remainder being funded by other revenue sources.

	Maintenance Wages	Maintenance Supplies	Planned Capital Improvement Funding	Totals
PARK ENHANCEMENTS				
Pierson Park	\$ 46,000	\$ 6,850	\$ -	\$ 52,850
Hiller Park West	35,000	4,300	-	39,300
Hiller Sports Complex	80,000	7,000	-	87,000
Larissa Park	-	-	-	-
<i>subtotal:</i>	\$ 161,000	\$ 18,150	\$ -	\$ 179,150
HALLS/ACTIVITY CENTERS				
Azalea Hall	\$ 73,000	\$ 5,500	\$ -	\$ 78,500
McKinleyville Activity Center	77,000	2,000	-	79,000
<i>subtotal:</i>	\$ 150,000	\$ 7,500	\$ -	\$ 157,500
TRAILS				
School Road Trail	\$ -	\$ -	\$ -	\$ -
Hiller Loop Trail	40,000	1,000	-	41,000
Other Trails	10,000	-	-	10,000
<i>subtotal:</i>	\$ 50,000	\$ 1,000	\$ -	\$ 51,000
OPEN SPACE				
Hewitt Ranch	\$ 8,000	\$ 1,500	\$ -	\$ 9,500
<i>subtotal:</i>	\$ 8,000	\$ 1,500	\$ -	\$ 9,500
FUTURE PARKS & FACILITIES ⁽¹⁾				
Renovations/Rehabilitation Projects	\$ -	\$ -	\$ -	-
Teen/Family Center ⁽²⁾	10,000	1,000	126,500	137,500
<i>subtotal:</i>	\$ 10,000	\$ 1,000	\$ 126,500	\$ 137,500
Grand Totals:	\$ 379,000	\$ 29,150	\$ 126,500	\$ 534,650

(1) Future Parks & Facilities includes funds being collected for future Renovations/Rehabilitation Projects as well as funding for the design, acquisition, construction, operation and maintenance (wages and/or supplies) of future District facilities, including, but not limited to the Teen/Family Center. These expenses may include repayment of any future debt service issued and/or loan(s) utilized to finance such improvements.

(2) It is anticipated that the annual maintenance & operation of the Teen/Family Center will be approximately \$33,000 per year. However, construction of the facility is anticipated to be completed in the fall of 2015 and the amount budgeted for maintenance & operation reflects expenses for only a portion of a full fiscal year. Any maintenance funding surplus or deficit will be applied to the funds collected for Capital Improvements.

APPENDIX B: Proposed Annual Assessments

The following proposed assessments for each parcel within the District will be submitted to the County Auditor/Controller to be included on the property tax roll for Fiscal Year 2015/2016. If any parcel listed herein for collection is identified by the County Auditor/Controller to be an invalid parcel number for the fiscal year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County. The assessment amount to be levied and collected for the resubmitted parcel or parcels shall be recalculated based on the method of apportionment and assessment rates as approved herein by the McKinleyville CSD Board of Directors.

Assessor's Parcel Number	EBU	LandUse	Special Benefit Assessment ⁽¹⁾	Applied Charge
507-061-007-000	0.33	8000	\$10.00	\$0.00
507-141-001-000	0.33	8000	10.00	0.00
507-141-033-000	0.33	8000	10.00	0.00
507-141-034-000	0.33	8000	10.00	0.00
508-021-006-000	0.33	8000	10.00	0.00
508-021-007-000	0.33	8000	10.00	0.00
508-041-006-000	0.33	8000	10.00	0.00
508-051-010-000	0.33	8000	10.00	0.00
508-091-038-000	0.33	8000	10.00	0.00
508-211-051-000	0.33	8000	10.00	0.00
508-211-055-000	0.33	8000	10.00	0.00
508-211-057-000	0.33	8000	10.00	0.00
508-224-036-000	0.33	8000	10.00	0.00
508-224-038-000	0.33	8000	10.00	0.00
508-224-039-000	0.33	8000	10.00	0.00
508-224-048-000	0.33	8000	10.00	0.00
508-242-008-000	0.33	8000	10.00	0.00
508-242-043-000	0.33	8000	10.00	0.00
508-242-044-000	0.33	8000	10.00	0.00
508-371-009-000	0.33	8000	10.00	0.00
508-371-027-000	0.33	8000	10.00	0.00
509-021-046-000	0.33	8000	10.00	0.00
509-021-047-000	0.33	8000	10.00	0.00
509-021-054-000	0.33	8000	10.00	0.00
509-171-061-000	0.33	8000	10.00	0.00
509-191-031-000	0.33	8000	10.00	0.00
509-191-047-000	0.33	8000	10.00	0.00
510-091-039-000	4.00	9921	120.00	0.00
510-091-040-000	4.00	9921	120.00	0.00
510-091-041-000	4.00	9921	120.00	0.00
510-091-042-000	4.00	9921	120.00	0.00

Assessor's Parcel Number	EBU	LandUse	Special Benefit Assessment ⁽¹⁾	Applied Charge
510-091-043-000	4.00	9921	120.00	0.00
510-091-044-000	4.00	9921	120.00	0.00
510-091-045-000	6.00	2120	180.00	0.00
510-091-046-000	4.00	9921	120.00	0.00
510-091-047-000	4.00	9921	120.00	0.00
510-091-048-000	0.33	8000	10.00	0.00
510-091-049-000	4.00	9921	120.00	0.00
510-091-050-000	4.00	9921	120.00	0.00
510-091-051-000	4.00	2120	120.00	0.00
510-091-052-000	4.00	9921	120.00	0.00
510-091-053-000	4.00	2120	120.00	0.00
510-091-054-000	6.00	9922	180.00	0.00
510-091-055-000	6.00	9922	180.00	0.00
510-101-079-000	0.33	8000	10.00	0.00
510-101-080-000	0.33	8000	10.00	0.00
510-161-002-000	0.33	8000	10.00	0.00
510-161-003-000	0.33	8000	10.00	0.00
510-211-079-000	0.33	8000	10.00	0.00
510-211-081-000	0.33	8000	10.00	0.00
510-221-002-000	0.33	8000	10.00	0.00
510-271-015-000	0.33	8000	10.00	0.00
510-271-077-000	0.33	8000	10.00	0.00
510-271-079-000	0.33	8000	10.00	0.00
510-281-023-000	0.33	8000	10.00	0.00
510-341-031-000	0.33	8000	10.00	0.00
510-341-032-000	0.33	8000	10.00	0.00
510-341-034-000	0.33	8000	10.00	0.00
510-372-005-000	0.33	8000	10.00	0.00
510-401-004-000	0.33	8000	10.00	0.00
510-401-012-000	0.33	8000	10.00	0.00
510-401-013-000	0.33	8000	10.00	0.00
510-401-015-000	0.33	8000	10.00	0.00
510-401-017-000	0.33	8000	10.00	0.00
510-401-019-000	0.33	8000	10.00	0.00
510-401-020-000	0.33	8000	10.00	0.00
510-401-021-000	0.33	8000	10.00	0.00
510-401-025-000	0.33	8000	10.00	0.00
510-451-043-000	0.33	8000	10.00	0.00
510-461-052-000	0.33	8000	10.00	0.00
510-461-053-000	0.33	8000	10.00	0.00
510-461-054-000	0.33	8000	10.00	0.00
511-011-001-000	0.33	8000	10.00	0.00

Assessor's Parcel Number	EBU	LandUse	Special Benefit Assessment ⁽¹⁾	Applied Charge
511-011-003-000	0.33	8000	10.00	0.00
511-011-005-000	0.33	8000	10.00	0.00
511-011-008-000	0.33	8000	10.00	0.00
511-011-015-000	0.33	8000	10.00	0.00
511-011-016-000	0.33	8000	10.00	0.00
511-061-001-000	0.33	8000	10.00	0.00
511-061-005-000	0.33	8000	10.00	0.00
511-071-005-000	3.75	8000	112.50	0.00
511-082-003-000	0.33	8000	10.00	0.00
511-082-004-000	1.00	8000	30.00	0.00
511-082-007-000	0.33	8000	10.00	0.00
511-082-008-000	0.33	8000	10.00	0.00
511-082-009-000	0.33	8000	10.00	0.00
511-082-010-000	0.33	8000	10.00	0.00
511-084-002-000	0.33	8000	10.00	0.00
511-084-003-000	0.33	8000	10.00	0.00
511-111-023-000	0.33	8000	10.00	0.00
511-111-025-000	0.33	8000	10.00	0.00
511-111-060-000	0.33	8000	10.00	0.00
511-121-001-000	0.33	8000	10.00	0.00
511-121-002-000	3.75	8000	112.50	0.00
511-202-001-000	0.33	8000	10.00	0.00
511-241-008-000	0.33	8000	10.00	0.00
511-241-022-000	1.00	8000	30.00	0.00
511-251-017-000	1.00	8000	30.00	0.00
511-261-003-000	0.33	8000	10.00	0.00
511-291-015-000	0.33	8000	10.00	0.00
511-291-016-000	0.33	8000	10.00	0.00
511-291-017-000	0.33	8000	10.00	0.00
511-291-024-000	0.33	8000	10.00	0.00
511-291-025-000	0.33	8000	10.00	0.00
511-291-026-000	0.33	8000	10.00	0.00
511-291-036-000	0.33	8000	10.00	0.00
511-291-038-000	0.33	8000	10.00	0.00
511-301-001-000	0.33	8000	10.00	0.00
511-301-018-000	0.33	8000	10.00	0.00
511-301-019-000	0.33	8000	10.00	0.00
511-301-020-000	0.33	8000	10.00	0.00
511-331-001-000	0.33	8000	10.00	0.00
511-331-002-000	0.33	8000	10.00	0.00
511-331-004-000	0.33	8000	10.00	0.00
511-331-005-000	0.33	8000	10.00	0.00

Assessor's Parcel Number	EBU	LandUse	Special Benefit Assessment ⁽¹⁾	Applied Charge
511-341-001-000	0.33	8000	10.00	0.00
511-341-002-000	0.33	8000	10.00	0.00
511-341-004-000	0.33	8000	10.00	0.00
511-341-007-000	0.33	8000	10.00	0.00
511-341-040-000	0.33	8000	10.00	0.00
511-341-041-000	0.33	8000	10.00	0.00
511-351-001-000	0.33	8000	10.00	0.00
511-351-002-000	0.33	8000	10.00	0.00
511-351-005-000	0.33	8000	10.00	0.00
511-351-007-000	0.33	8000	10.00	0.00
511-351-009-000	3.75	8000	112.50	0.00
511-351-010-000	3.75	8000	112.50	0.00
511-381-025-000	0.33	8000	10.00	0.00
511-441-041-000	0.33	8000	10.00	0.00
511-443-008-000	0.33	8000	10.00	0.00
511-450-030-000	0.33	8000	10.00	0.00
Total	123.64		\$3,720.00	\$0.00
Parcel Count				131

(1) These assessments amounts represent the calculated special benefit assessment for the parcels identified as non-taxable or otherwise assessed. These assessment amounts shall be paid by a contribution from Mckinleyville CSD general fund and collectively represent \$3,709.20. Difference is due to rounding.

McKinleyville Community Services District

BOARD OF DIRECTORS

March 4, 2015

TYPE OF ITEM: **ACTION**

ITEM: D.1 **Consider Approval of Minutes from the Board of Directors' February 4, 2015 Regular Meeting**

PRESENTED BY: **Becky Schuette, Board Secretary**

TYPE OF ACTION: **Voice Vote-Consent Calendar**

Recommendation:

Staff recommends that the Board review the draft minutes from the February 4, 2015 Regular Board Meeting, recommend edits and adopt.

Discussion:

The Draft Minutes are attached for the above listed meeting.

Alternatives:

Staff analysis consists of the following potential alternative

- Take No Action

Fiscal Analysis:

Not applicable

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – Draft Minutes from February 4, 2015 Board Meeting

**MINUTES OF THE REGULAR MEETING OF THE MCKINLEYVILLE COMMUNITY SERVICES
DISTRICT HELD ON WEDNESDAY, FEBRUARY 4, 2015 AT 7:00PM
AZALEA HALL, 1620 PICKETT ROAD, MCKINLEYVILLE, CA**

AGENDA ITEM A CALL TO ORDER

A.1 Roll Call: The regular meeting of the Board of Directors of McKinleyville Community Services District convened at 7:01 pm with President Corbett, Directors Couch, Edwards and Mayo present. Vice President Wheeler was absent.

John Corbett, President
David Couch, Director
Helen Edwards, Director
Dennis Mayo, Director

Gregory Orsini, General Manager
Colleen M.R. Trask, Finance Director
James Henry, Operations Director
Jason Sehon, Parks & Recreation Director
Becky Schuette, Board Secretary

A.2 Pledge of Allegiance: The Pledge of Allegiance was led by Director Edwards

A.3 Additions to the Agenda: There were no additions to the agenda.

A.4 Approval of Agenda:

MOTION: It was moved to approve the agenda.

Motion: Helen Edwards; Second: Couch

VOICE VOTE: Ayes: Couch, Edwards, Mayo, and Corbett;

MOTION SUMMARY: Motion Passed

A.5 Closed Session Discussion: There was no closed session scheduled.

AGENDA ITEM B PUBLIC HEARINGS: There were no public hearings scheduled.

AGENDA ITEM C PUBLIC COMMENT AND WRITTEN COMMUNICATIONS: President Corbett opened public comment and the following member of the public commented:

Pat Higgins commented on the Parks space near Azalea Park and the Ramey Pump Station.

Jodie Ellis, 1656 Fischer Ave, Mckinleyville- Comments on the Integrated Pest Management Plan was allowed although it was agendaized because she said she would not be able to stay at the meeting.

President Corbett allowed it but did not want to set a precedent for future public comments.

There were no further comments from the public.

AGENDA ITEM D CONSENT CALENDAR:

D.1 Consider approval of minutes of the Board of Directors' Regular Meeting of January 7, 2015

D.2 Consider approval of December 2014 Treasurer's Report

D.3 DCV Violations this month

D.4 Consider approval of 2015 Spring/Summer Recreation Activity Guide and Recreation Program Fees

D.5 Consider approval of Senior Center Management Services and Usage Agreement

MOTION: It was moved to adopt the consent calendar item D.1, D.2 & D.4. Items D.3 and D.5 were pulled for further discussion.

There were no objections and no comment by the public.

Motion: Helen Edwards; Second: Mayo

VOICE VOTE: Ayes: Couch, Edwards, Mayo, and Corbett

MOTION SUMMARY: Motion Passed

D.3 DCV Violations this month – Director Mayo requested a 30 day postponement for the DCV corrections for 4124 Bush as a hardship for the elderly resident.

MOTION: It was moved to approve 17-540-000 and 19-565-000 of the DCV violations

Motion: Helen Edwards; Second: Mayo

VOICE VOTE: Ayes: Couch, Edwards, Mayo, and Corbett

MOTION SUMMARY: Motion Passed

General Manager Orsini proposed the account be brought back to the next Board meeting as part of the consent calendar, unless repairs have been made, at which time the owner may still be given a 30 day postponement for repairs. There were no objections by the Board.

D.5 Consider approval of Senior Center Management Services and Usage Agreement – Director Edwards requested clarifying language of Section 2, subsection 2.01 regarding the term “services to the District”. Edwards would like the “services” to be specified in the language. Parks and Recreation Director Jason Sehon requested an amendment to the language naming specifically “tours” but not limiting the services they may be required to provide. The item will be returned to the next Board Meeting with edits and revisions.

No objections were made and there was no comment by the public.

AGENDA ITEM E CONTINUED AND NEW BUSINESS:

E.1 Consider adopting Resolutions 2015-02 & 2015-03 initiating proceedings for the Measure B Maintenance Assessment District -- Renewal for Parks, Open Space, and Recreational Facilities annual levy and collection of assessments for Fiscal Year 2015/2016; Declaring Intention to Levy and Collect the Fiscal Year 2015/2016 Annual Assessments for the Measure B Maintenance Assessment District -- Renewal for Parks, Open Space, and Recreational Facilities, Accepting and approving the Engineer's Report and setting the Public Hearing: Parks & Recreation Director Sehon provided a review of the item history and Measure B. There were no questions or comments by the Board and no public comments at this time.

MOTION: It was moved to adopt Resolutions 2015-02 and 2015-03.

Motion: Edwards; Second: Mayo

The following member of the public was allowed to speak at this time:

Jodi Ellis - regarding trees beside some of the trails near the treatment plant.

Roll Call Vote: Ayes: Couch, Edwards, Mayo, and Corbett; Nays: None

MOTION SUMMARY: Motion Passed

E.2 Hold public workshop and consider approval of Sections 1, 2 & 3 of the Integrated Pest Management Policy: A workshop was conducted involving public input on sections 1 & 2 of the IPM with the following members of the public participating:

Meighan O'Brien

Patrick Higgins

Jodie Ellis

Jeff Dunk

Collin Fisk

Ken Miller

A lengthy workshop proceeding with both Board, staff and public input regarding the language in sections 1 & 2. Section 3 was never covered and sections 1 & 2 were read aloud with the recommended changes. A “straw vote” was conducted approving sections 1 & 2 with Directors Couch, Edwards, Mayo and President Corbett all affirming approval of the two sections.

A ten minute break was declared at 9:01 p.m.

E.3 Consider Attendance to the Association of California Water Agencies 2015 Legislative Symposium in Sacramento on March 4, 2015

MOTION: It was moved to adopt recommendation to allow interested Board members to attend the ACWA Legislative Symposium in Sacramento on March 4, 2015.

Motion: Helen Edwards; Second: Mayo

Director Mayo will be attending at part of his Vice Presidency position on the ACWA Board. President Corbett stated that he was considering attending. A brief discussion occurred with input by Director Mayo and President Corbett. There was no public comment. The Directors were reminded that March 4, 2015 is also a regularly scheduled MCSD Board Meeting.

VOICE VOTE: Ayes; Couch, Edwards, Mayo, and Corbett

MOTION SUMMARY: Motion Passed

E.4 Consider discussion of the Draft Capital Improvement Plan for the Parks and General Fund, Fiscal Year Ending June 30, 2016:

The item was presented by Finance Director Colleen Trask. This was an informational item; however, there was a discussion about the table reflecting the narrative portion in Parks and Trails Projects section of the CIP. There was no public comment.

E.5 Approve Draft Water Shortage Contingency Plan: Operations Director James Henry reviewed the item and pointed out a few specific sections of the plan; he specifically read the three bullet point options at the end of section 7, Analysis of revenue and expenditures impacts.

MOTION: It was moved per staff recommendation to accept the Draft Water Shortage Contingency Plan as the MCSD Water Shortage Contingency Plan.

Motion: Helen Edwards; Second: Couch

President Corbett pointed out that in preferred bullet point choice 2 which stated: During the next rate study develop a water shortage surcharge (rate structure) that automatically goes into effect upon declaration of a specific stage of water shortage emergency. General Manager Orsini agreed and requested that this choice be added to the Strategic Plan. There was no public comment.

VOICE VOTE: Ayes; Couch, Edwards, Mayo, and Corbett

MOTION SUMMARY: Motion Passed

E.6 Consider Approval of the Strategic Plan 2015-2019: Prior to the Board Meeting two corrections were made; one to section 4.1 removing a floating "2514" from a paragraph and also adding the McKinleyville Municipal Advisory Committee (MMAC) to the list of groups in section 5.3. These items were pointed out to the Board by General Manager Orsini. Director Edwards is requesting adding an item to the Strategic Plan in relation to an annual review of the Board similar to the General Manager's review process. President Corbett agreed and there were no objections by the Board.

MOTION: It was moved to approve the 2015-2019 Strategic Plan as amended.

Motion: Edwards; Second: Couch

The following member of the public spoke:

Meighan O'Brien spoke about the LED street lights in her neighborhood.

VOICE VOTE: Ayes; Couch, Edwards, Mayo, and Corbett

MOTION SUMMARY: Motion Passed

E.7 Wastewater Management Facility Improvement Project Open House Report: Operations Director James Henry reviewed the item and briefly commented on the attachment photos of the new WWMF. There was no public comment. This was an informational item only.

AGENDA ITEM F REPORTS:

F1. Active Committee Reports

a. Recreation Advisory Committee (Wheeler/Couch (alternate))

General Manager Orsini spoke on behalf of George Wheeler indicating that he would have a report at the next meeting.

b. Area Fund (John Kulstad)

Director Edwards reported that request for proposals have gone out and are expected to be returned by February 26 and review and recommendation should be made around March 4 with presentations to follow.

c. Redwood Region Economic Development Commission (Mayo/Edwards (alternate))

Director Mayo reported that the committee met and elected new officers; they had received two offers for a default loan; there is one million plus in reserves fund; and that the subcommittee continues to look into a commuter service for the Humboldt County Airport.

d. McKinleyville Senior Center Advisory Committee (Edwards)

Nothing to report, did not meet.

e. Audit (Corbett/Edwards)

Nothing to report, did not meet

f. Employee Negotiations (Couch/Edwards)

Nothing to report, did not meet

g. Water Task Force (Wheeler/Corbett (alternate))

Nothing to report, did not meet.

h. AdHoc No Drugs & Toxics Down the Drain (Wheeler/Couch (alternate))

Nothing to report, did not meet.

i. McKinleyville Municipal Advisory Committee (Edwards/Corbett (alternate))

Director Edwards reported that the committee submitted a "Do not support" letter to the County in regards to rent stabilization for McKinleyville.

F.2 Staff Reports:

a. Support Services Department: Finance Director Colleen Trask reported that the reserves recovery account was in excess of \$200,000; she was going to be publishing a list of the MCSD unclaimed checks as required by law, with customer number information rather than customer names to protect customer privacy.

b. Operations Department: Operations Director James Henry had nothing further to report.

- c. **Parks and Recreation Department:** Parks and Recreation Director Jason Sehon had nothing further to report.
- d. **General Manager:** General Manager Orsini reported that he would be activating the employee negotiations committees; he has a meeting with the residents of Anderson Road on Friday regarding street lights on Anderson; he and Operations Director Henry were going to meet with students at HSU for engineering projects that will benefit the District.

F.3 President's Report: President Corbett reported that he had officially retired on February 2.

F.4 Board comments, announcements, reports and agenda item requests: Director Mayo reported that President Corbett had done a good job at the Boyd Road Annexation hearing; Director Mayo added that he has become Vice President of ACWA and is now an official voting member of their Board and next year he will be the President. Director Mayo also spoke of not knowing how the Urban Water Plan may impact us and how the Salt & Nutrient Management Plan was a scare to the Santa Rosa area last year. He also reported that the Governor's office is considering a statewide water tax that may force larger districts such as ours to consolidate with satellite districts and that ACWA is against the consideration. Director Edwards reported that she had been appointed to the Measure Z Committee for a four year term and that they had met once.

AGENDA ITEM G ADJOURNMENT:

The meeting was adjourned at 10:01 by President Corbett.

Becky Schuette, Board Secretary

**McKinleyville Community Services District
Treasurer's Report
January 2015**

Table of Contents

Page 2	Investments & Cash Flow Report
Page 3	Consolidated Balance Sheet by Fund
Page 4	Activity Summary by Fund
Page 6	Selected Graphic Comparisons
Page 11	Capital Expenditure Report
Page 12	Summary of Long-Term Debt Report
Page 13	Reserves Graph
Page 14	Cash Disbursement Report

McKinleyville Community Services District
Investments & Cash Flow Report
As of January 31, 2015

Petty Cash & Change Funds 940.00

Cash

Operating & Money Market - Beginning Balance 411,029.30

Cash Receipts:

Utility Billings	356,016.31
Money Market Account Interest	22.67
Transfers from County Funds #2560, #4240	228,765.00
Other Cash Receipts	96,299.62

Total Cash Receipts 681,103.60

Cash Disbursements:

Payroll Related Expenditures	(206,416.46)
Debt Service	(26,229.44)
Capital & Other Expenditures	(571,782.45)

Total Cash Disbursements (804,428.35)

Operating & Money Market - Ending Balance 287,704.55

Total Cash 288,644.55

Investments (Interest and Market Valuation will be re-calculated as part of the year-end close, if material)

LAIF - Beginning Balance	128,485.66	
Interest Income	82.33	
LAIF - Ending Balance		128,567.99

Humboldt Co. #2560 - Beginning Balance	1,372,059.54	
Property Taxes and Assessments	-	
Transfer to/from Operating Cash	-	
Interest Income	868.97	
Humboldt Co. #2560 - Ending Balance		1,372,928.51

Humboldt Co. #4240 - Beginning Balance	4,089,804.56	
Property Taxes	-	
Transfer to/from Operating Cash	(228,765.00)	
Interest Income	2,629.74	
Humboldt Co. #4240 - Ending Balance		3,863,669.30

Humboldt Co. #9390 - Beginning Balance	323,389.69	
Reserves Recovery Deposits	23,918.10	
Interest Income	-	
Humboldt Co. #9390 - Ending Balance		347,307.79

USDA Bond Reserve Fund - Beginning Balance	130,085.99	
Bond Reserve Payment	7,395.83	
Debt Service Payment	-	
Interest Adjustment	2.17	
USDA Bond Reserve Fund - Ending Balance		137,483.99

Market Valuation Account (180.00)

Umpqua Bank Meas.B Loan Proceeds - Beginning Balance	1,402,330.02	
Net Transfer to/from Loan Cash Holding Acct	-	
Interest Income	115.26	
Umpqua Bank Meas.B Loan Proceeds - Ending Balance		1,402,445.28

Total Investments 7,252,222.86

Total Cash & Investments - Current Month 7,540,867.41

Total Cash & Investments - Prior Month 7,857,944.76

Net Change to Cash & Investments This Month (317,077.35)

Cash & Investment Summary

Cash & Cash Equivalents	6,645,356.22
Davis-Grunsky Loan Reserve	598,540.46
Waste Water Capital Reserve	99,486.74
USDA Bond Reserve	137,483.99
I-Bank Loan Reserve	60,000.00

Total Cash & Investments 7,540,867.41

McKinleyville Community Services District
Consolidated Balance Sheet by Fund
As of January 31, 2015

	Governmental Funds			Proprietary Funds		
	Parks & General	Measure B	Streetlights	Water	Wastewater	Total (Memorandum Only)
ASSETS						
Current Assets						
Unrestricted cash & cash equivalents	\$ 808,950.55	\$ 218,476.98	\$ (142,049.56)	\$ 1,656,627.33	\$ 2,671,786.80	\$ 5,213,792.10
Accounts receivable	3,426.17	-	100,673.71	311,531.92	202,541.78	618,173.58
Prepaid expenses & other current assets	12,607.62	-	1,070.00	79,146.25	38,846.73	131,670.60
Total Current Assets	824,984.34	218,476.98	(40,305.85)	2,047,305.50	2,913,175.31	5,963,636.28
Noncurrent Assets						
Restricted cash & cash equivalents	176,826.92	-	-	658,540.46	236,970.73	1,072,338.11
Other noncurrent assets	3,076.00	-	-	-	-	3,076.00
Capital assets (net)	-	-	-	6,837,506.01	12,975,989.05	19,813,495.06
Total Noncurrent Assets	179,902.92	-	-	7,496,046.47	13,212,959.78	20,888,909.17
TOTAL ASSETS	\$ 1,004,887.26	\$ 218,476.98	\$ (40,305.85)	\$ 9,543,351.97	\$ 16,126,135.09	\$ 26,852,545.45
LIABILITIES & FUND BALANCE/NET ASSETS						
Current Liabilities						
Accounts payable & other current liabilities	\$ 74,048.55	\$ 14,811.06	\$ 1,008.68	\$ 207,388.97	\$ 125,758.71	\$ 423,015.97
Accrued payroll & related liabilities	94,059.26	-	-	35,172.27	35,172.27	164,403.80
Total Current Liabilities	168,107.81	14,811.06	1,008.68	242,561.24	160,930.98	587,419.77
Noncurrent Liabilities						
Long-term debt	-	-	-	3,072,475.63	911,158.16	3,983,633.79
Other noncurrent liabilities	3,076.00	1,400,000.00	-	279,671.03	281,819.18	1,964,566.21
Total Noncurrent Liabilities	3,076.00	1,400,000.00	-	3,352,146.66	1,192,977.34	5,948,200.00
TOTAL LIABILITIES	171,183.81	1,414,811.06	1,008.68	3,594,707.90	1,353,908.32	6,535,619.77
Fund Balance/Net Assets						
Fund balance	91,344.30	(1,196,334.08)	(41,314.53)	-	-	(1,146,304.31)
Net assets	742,359.15	-	-	2,183,613.69	2,707,395.88	5,633,368.72
Investment in capital assets, net of related debt	-	-	-	3,765,030.38	12,064,830.89	15,829,861.27
Total Fund Balance/Net Assets	833,703.45	(1,196,334.08)	(41,314.53)	5,948,644.07	14,772,226.77	20,316,925.68
TOTAL LIABILITIES & FUND BALANCE/NET ASSETS	\$ 1,004,887.26	\$ 218,476.98	\$ (40,305.85)	\$ 9,543,351.97	\$ 16,126,135.09	\$ 26,852,545.45
Difference in Reclass from Cap Assets to Net Assets:						
Investment in General Capital Assets	\$ 3,335,062.42					
General Long-term Liabilities						
PG&E Streetlights Loan	96,012.95					
Meas. B Loan: Teen/Community Center	1,468,929.00					
OPEB Liability	206,637.23					
Accrued Compensated Absences	40,783.04					
TOTAL GENERAL LONG-TERM LIABILITIES	\$ 1,812,362.22					

McKinleyville Community Services District
Activity Summary by Fund, Original Budget
January 2015

Department Summaries	January	YTD	Original YTD Budget	Over (Under) YTD Budget	Over (Under) YTD Budget %	Notes
<u>Water</u>						
Water Sales	237,638	1,683,376	1,711,164	(27,788)	-1.62%	
Other Revenues	19,418	261,985	144,750	117,235	80.99%	Includes YTD Capacity Fees of \$128,756
Total Operating Revenues	257,057	1,945,361	1,855,914	89,447	4.82%	
Salaries & Benefits	64,666	447,960	467,898	(19,938)	-4.26%	
Water Purchased	64,636	469,832	503,865	(34,033)	-6.75%	
Other Expenses	25,454	196,659	227,821	(31,162)	-13.68%	Other variable expenses curtailed with lower customer demand
Depreciation	25,300	177,050	192,500	(15,450)	-8.03%	
Total Operating Expenses	180,056	1,291,501	1,392,084	(100,583)	-7.23%	
Net Operating Income	77,001	653,860	463,830	(11,136)		
Interest Income	952	8,591	2,862	5,729	200.19%	Interest rate higher than originally estimated
Interest Expense	(6,166)	(44,651)	(49,583)	(4,932)	-9.95%	
Net Income (Loss)	71,786	617,800	417,109	200,691		
<u>Sewer</u>						
Sewer Service Charges	173,153	1,201,295	1,108,333	92,962	8.39%	
Other Revenues	25,397	241,272	172,066	69,206	40.22%	Includes YTD Capacity Fees \$181,771
Total Operating Revenues	198,550	1,442,567	1,280,399	162,168	12.67%	
Salaries & Benefits	68,337	479,586	466,479	13,107	2.81%	
Other Expenses	44,391	260,867	320,571	(59,704)	-18.62%	Other variable expenses curtailed with lower customer demand
Depreciation	38,560	269,910	280,000	(10,090)	-3.60%	
Total Operating Expenses	151,288	1,010,363	1,067,050	(56,687)	-5.31%	
Net Operating Income	47,262	432,204	213,349	218,855		
Interest Income	1,747	12,793	11,667	1,126	9.65%	
Interest Expense	(3,242)	(23,275)	(24,219)	(944)	-3.90%	
Net Income (Loss)	45,767	421,722	200,797	220,925		
Enterprise Funds Net Income (Loss)	117,554	1,039,522	617,906	421,616		

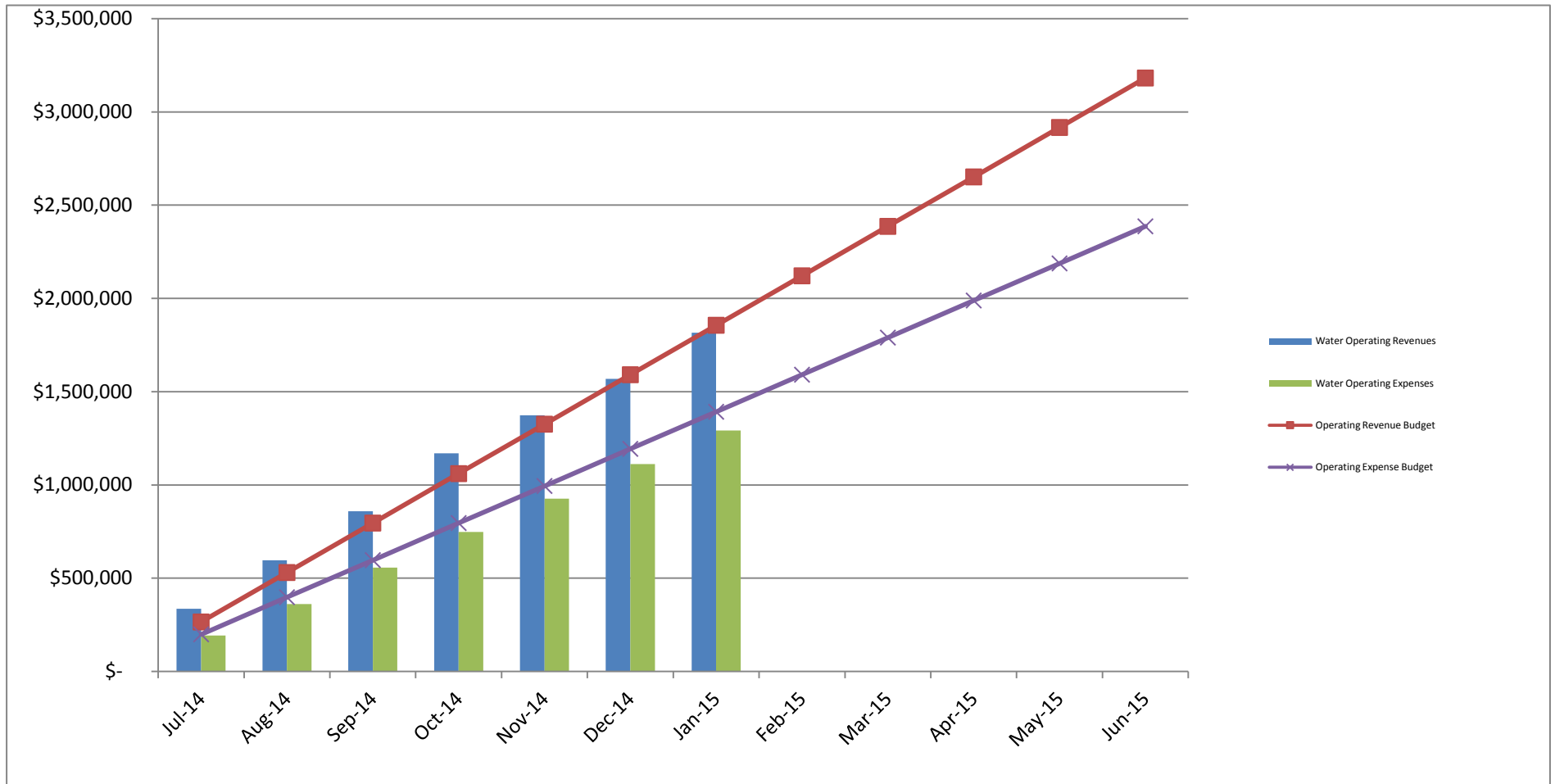
McKinleyville Community Services District
Activity Summary by Fund, Original Budget
January 2015

Department Summaries	January	YTD	Original YTD Budget	Over (Under) YTD Budget	Over (Under) YTD Budget %	Notes
<u>Parks & Recreation</u>						
Program Fees	26,088	169,903	229,273	(59,370)	-25.89%	Budget is spread evenly across 12 months, but actuals vary with programs
Rents & Related Fees	14,317	40,747	51,100	(10,353)	-20.26%	Budget is spread evenly across 12 months, but actuals vary with rentals
Property Taxes	-	261,567	297,500	(35,933)	-12.08%	County Tax remittance scheduled in December and April
Other Revenues	7,118	61,452	110,717	(49,265)	-44.50%	Budget is spread evenly across 12 months, but actuals vary
Interest Income	880	3,945	1,750	2,195	125.43%	Interest rate higher than originally estimated
Total Revenues	48,403	537,615	690,340	(152,725)	-22.12%	
Salaries & Benefits	79,500	471,973	496,917	(24,944)	-5.02%	
Other Expenditures	20,482	126,441	125,929	512	0.41%	
Capital Expenditures	4,461	61,608	67,083	(5,475)	-8.16%	
Total Expenditures	104,442	660,022	689,929	(29,907)	-4.33%	
Excess (Deficit)	(56,039)	(122,407)	411	(122,818)		
<u>Measure B Assessment</u>						
Total Revenues	139	194,993	124,847	70,146	56.19%	Includes Loan Proceeds income totalling \$68,929 County Tax remittance scheduled in December and April
Salaries & Benefits	7,604	56,949	58,951	(2,002)	-3.40%	
Other Expenditures	4,961	91,526	3,500	88,026	2515.03%	Loan Issuance costs, set against Loan Proceeds Income
Capital Expenditures	5,023	38,907	61,250	(22,343)	-36.48%	Teen Center - actuals will vary with project progress
Total Expenditures	17,588	187,382	123,701	63,681	51.48%	
Excess (Deficit)	(17,448)	7,611	1,146	6,465		
<u>Street Lights</u>						
Total Revenues	22,370	70,216	52,359	17,857	34.11%	Includes PG&E rebate for LED project \$16,750
Salaries & Benefits	2,995	20,110	24,250	(4,140)	-17.07%	Lower utility wages required for LED fixtures
Other Expenditures	2,887	18,924	28,041	(9,117)	-32.51%	Lower utility expenses for LED fixtures
Capital Expenditures	-	-	-	-	#DIV/0!	
Total Expenditures	5,882	39,034	52,291	(13,257)	-25.35%	
Excess (Deficit)	16,488	31,182	68	(31,114)		
Governmental Funds Excess (Deficit)	(56,999)	(83,613)	1,625	(85,238)		

McKinleyville Community Services District

January 2015

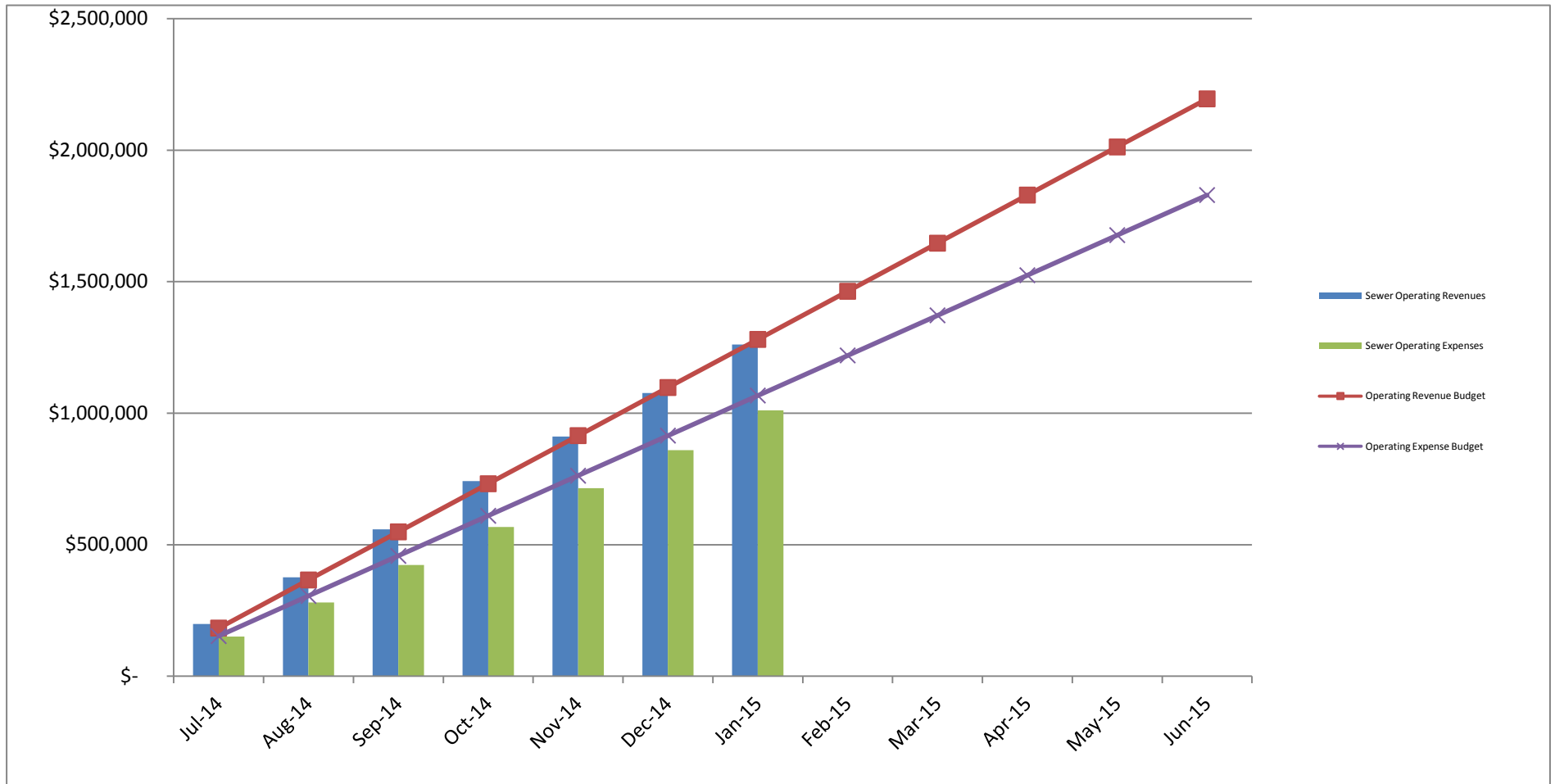
Comparison of Water Fund Operating Revenues & Expenses to Budget



McKinleyville Community Services District

January 2015

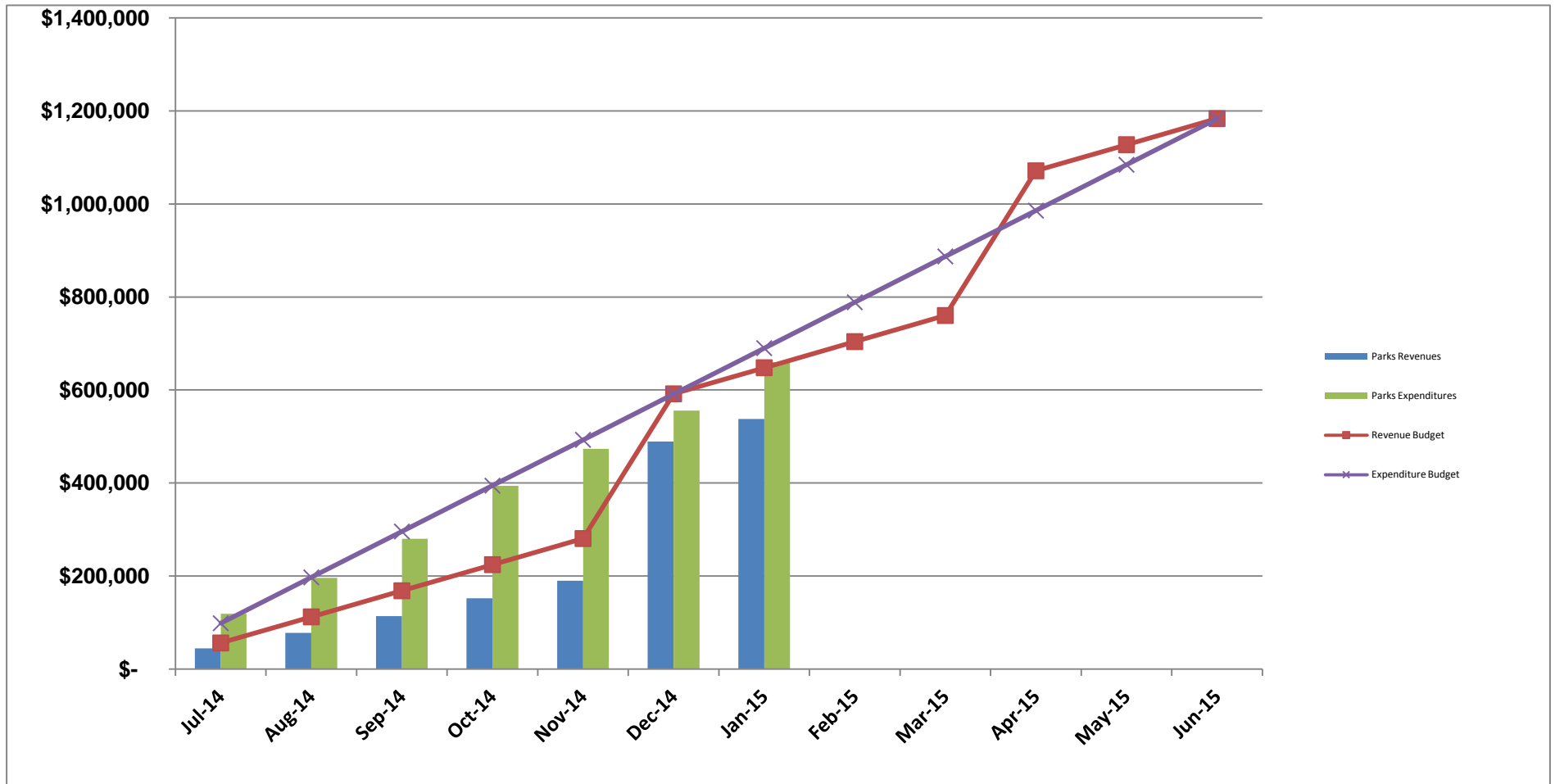
Comparison of Sewer Fund Operating Revenues & Expenses to Budget



McKinleyville Community Services District

January 2015

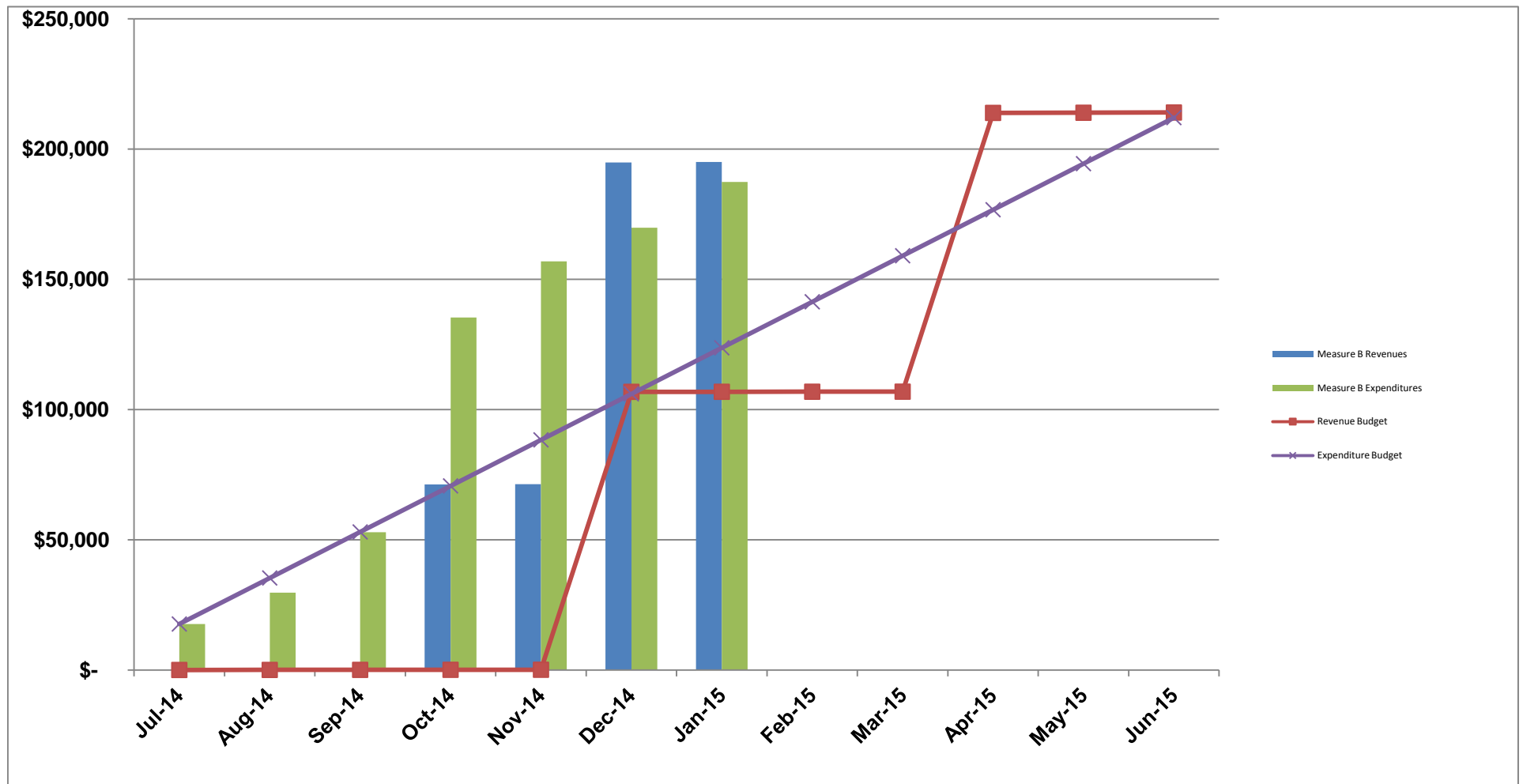
Comparison of Parks & Recreation Total Revenues & Expenditures to Budget



McKinleyville Community Services District

January 2015

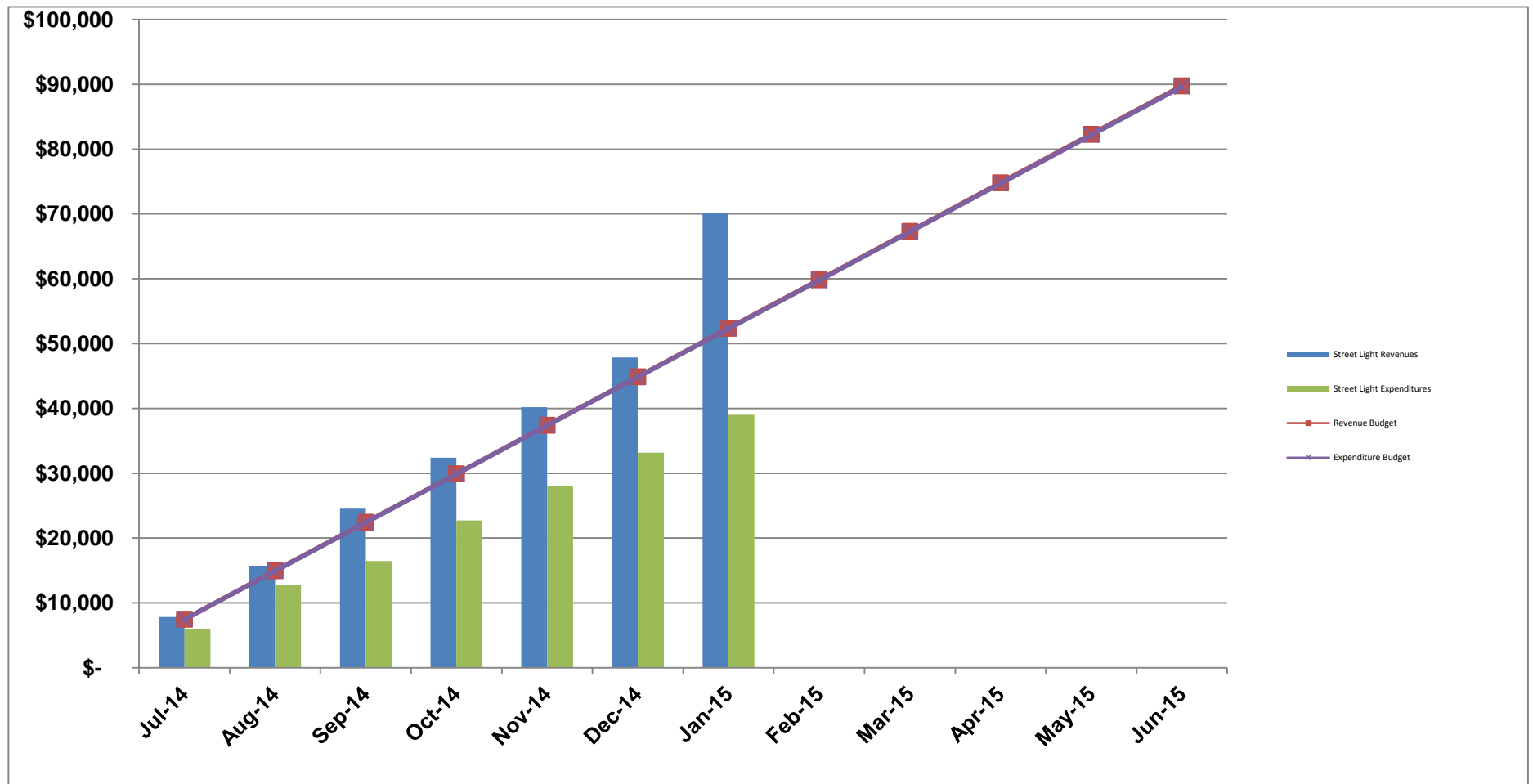
Comparison of Measure B Fund Total Revenues & Expenditures to Budget



McKinleyville Community Services District

January 2015

Comparison of Street Light Fund Total Revenues & Expenditures to Budget



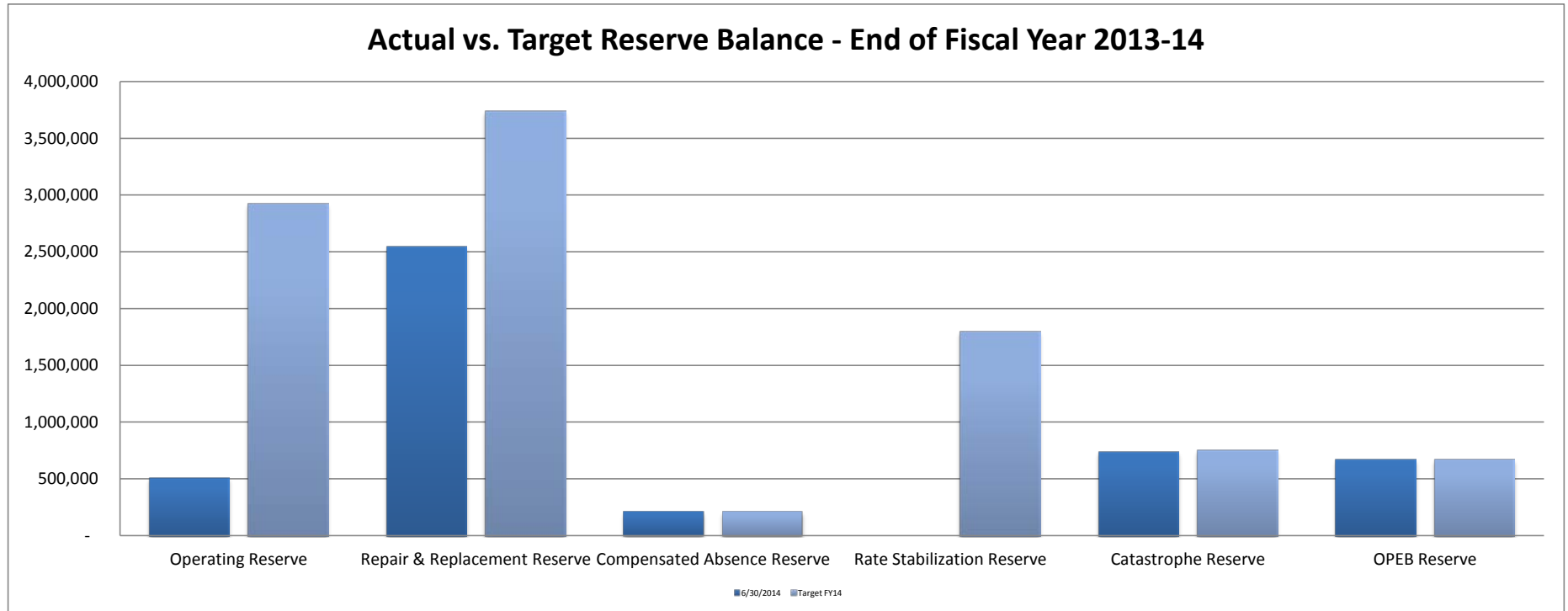
McKinleyville Community Services District
Capital Expenditure Report
As of January 31, 2015

	January	YTD Total	FY 14-15 Budget	Remaining		
				Budget \$	Budget %	Notes
<u>Water Department</u>						
Emergency Water Line River Crossing	-	1,404	150,000	148,596	99%	Emergency Line Intertie Proj
Water Tank Upgrade	-	-	350,000	350,000	100%	Tank Painting
Production Meter Replacements		6	-	(6)	#DIV/0!	Production Meter Replacement
Emergency Water Supply		1,240	100,000	98,760	99%	Emergency Water Supply
Fire Hydrant System Upgrade	-	-	9,000	9,000	100%	Fire Hydrant System Upgrade
Customer Radio Meter Replacements	74	314	90,000	89,686	100%	Radio meters purch/install
Water Main Rehab & Replacement			20,000	20,000	100%	Water Main Rehab
Property Purchase & Improvements		-	185,000	185,000	100%	Property Purch/Improvements
Subtotal	74	2,964	904,000	901,036	100%	
<u>Sewer Department</u>						
Sewer Main Rehab & Replacement	-	-	50,000	50,000	100%	Sewer Main Rehab
WWMF Biosolids Project	-	903,512	900,000	(3,512)	0%	Biosolids Project
WWMF & Fischer Lift Stn Grinder Upgrade	-	-	20,000	20,000	100%	WWMF/Fischer Lift Stn Grinder
WWMF Upgrade/CEQA/Permitting	76,112	536,871	5,000,000	4,463,129	89%	WWMF design & start construction
Radio Telemetry Upgrade	-	-	45,000	45,000	100%	Radio Telemetry upgrade
Customer Radio Meter Replacements	74	74	90,000	89,926	100%	Radio meters purch/install
Underground Locator Pipe & Camera		-	5,000	5,000	100%	
Subtotal	76,185	1,440,457	6,110,000	4,669,543	76%	
<u>Water & Sewer Operations</u>						
Heavy Equipment	-	-	100,000	100,000	100%	Dump Truck, Tractor attachmts
Utility Vehicles	-	-	60,000	60,000	100%	Car, 3/4 or 1-ton Pickup Truck
Office, Corporate Yard & Shops		-	20,000	20,000	100%	Facilities upgrade/sealcoat
Computers & Software	-	19,596	14,000	(5,596)	-40%	File Server Upgrade
GIS/SEMS/CADD Equipment/Software	2,617	5,993	10,000	4,007	40%	SCADA, AutoCAD, GIS computer
Fischer Ranch -Disposal Site Upgrade	-	-	1,000,000	1,000,000	100%	Disposal Site Upgrade
Small Equipment & Other	-	-	20,000	20,000	100%	Ops Office Eq./Emergency Eqp
Subtotal	2,617	25,589	1,224,000	1,198,411	98%	
Enterprise Funds Total	78,876	1,469,010	8,238,000	6,768,990	82%	
<u>Parks & Recreation Department</u>						
Pierson Park Upgrades	-	-	-	-	#DIV/0!	
Azalea Hall Projects	-	-	-	-	#DIV/0!	
McKinleyville Activity Center Upgrades	-	-	-	-	#DIV/0!	
Projects Funded by Quimby/Other Funds	2,623	28,782	75,000	46,218	62%	Covered Picnic Area
Projects Funded by Measure B Renewal	6,860	43,006	105,000	61,994	59%	Teen Center Project
Other Parks Projects & Equipment	-	23,855	40,000	16,145	40%	New Pk Improvmt, mower,truck
Subtotal	9,484	95,642	220,000	124,358	57%	
<u>Streetlights</u>						
LED	-	-	-	-	#DIV/0!	
Subtotal	-	-	-	-	#DIV/0!	
Governmental Funds Total	9,484	95,642	220,000	124,358	57%	
All Funds Total	88,359	1,564,652	8,458,000	6,893,348	82%	

McKinleyville Community Services District
Summary of Long-Term Debt Report
As of January 31, 2015

				Principal Maturities and Scheduled Interest				
		Maturity		Balance - Dec	Balance - Jan 31,			
	%	Date		31, 2014	2015	FY-15	FY-16	Thereafter
Water Fund:								
I-Bank		8/1/30	P	842,084.87	842,084.87	-	40,571.37	801,513.53
Interest	3.37%		I			14,189.13	27,694.63	219,225.52
State of CA Energy Commission (ARRA)		12/22/26	P	140,457.60	140,457.60	5,471.17	11,125.84	123,806.70
Interest	1.0%		I			693.36	1,325.20	6,926.83
State of CA (Davis Grunsky)		1/1/33	P	1,783,306.35	1,783,306.35	-	79,660.44	1,703,645.91
State of CA (Davis Grunsky) Deferred Interest		1/1/33	P	306,626.81	306,626.81	-	17,035.12	289,591.69
Interest	2.5%		I			23,071.60	44,582.66	408,486.72
Total Water Fund-Principal				3,072,475.63	3,072,475.63	5,471.17	148,392.77	2,918,557.83
Total Water Fund-Interest						37,954.09	73,602.49	634,639.07
Total Water Fund				3,072,475.63	3,072,475.63	43,425.26	221,995.26	3,553,196.90
Sewer Fund:								
State of CA WRCB (SCEP I)		4/15/16	P	81,840.20	81,840.20	40,920.10	40,920.10	-
Interest	0.0%		I			-	-	
State of CA WRCB (SCEP II)		3/27/18	P	104,695.51	104,695.51	25,184.26	25,838.70	53,686.60
Interest	2.6%		I			2,722.08	2,067.64	2,102.41
Umpqua Bank		12/4/17	P	153,566.95	149,622.45	19,908.98	49,848.42	79,721.79
Interest	5.5%		I			3,313.42	5,885.34	3,506.57
USDA (Sewer Bond)		8/1/22	P	575,000.00	575,000.00	-	60,000.00	515,000.00
Interest	5.0%		I			15,125.00	27,250.00	90,875.00
Total Sewer Fund-Principal				915,102.66	911,158.16	86,013.34	176,607.22	648,408.39
Total Sewer Fund-Interest						21,160.50	35,202.98	96,483.98
Total Sewer Fund				915,102.66	911,158.16	107,173.84	211,810.20	744,892.37
Meas. B Fund: Teen/Comm Center Loan				1,468,929.00	1,468,929.00	36,228.00	75,508.00	1,357,193.00
	3.55%	11/1/29	P			29,549.96	50,217.82	362,864.53
			I					
Total Principal				5,456,507.29	5,452,562.79	127,712.51	400,507.99	4,924,159.22
Total Interest						88,664.55	159,023.29	1,093,987.58
Total				5,456,507.29	5,452,562.79	216,377.06	559,531.28	6,018,146.80

McKinleyville Community Services District
Board Designated Reserve Balances
As of January 31, 2015



- Utility Accounts Receivable Turnover Days As of January 31, 2015 14.1 Days
- YTD Breakeven Revenue, Water Fund: 1,139,783.59 - YTD Actual Water Sales: 1,683,375.60
- Days of Cash on Hand - Operations Checking Account 22.3 Days

McKinleyville Community Services District
Cash Disbursement Report
For the Period January 1 through January 31, 2015

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
Accounts Payable Disbursements						
24686	2/4/2015	\W025	Ck# 024686 Reversed KW	(25.52)	000B20401u	Ck# 024686 Reversed KW
25199	1/28/2015	\S012	Ck# 025199 Reversed SP	(2.82)	000B20801u	Ck# 025199 Reversed SP
29058	1/6/2015	*0001	YOUTH BASKETBALL CANCELLED RC	65.00	B50105	YOUTH BASKETBALL CANCELLED RC
29059	1/6/2015	*0002	YOUTH BASKETBALL CANCELLED JB	45.00	B50105	YOUTH BASKETBALL CANCELLED JB
29060	1/6/2015	ADV01	ADVANCED SECURITY SYSTEM	450.00	B50105	SECURITY SYSTEMS
29061	1/6/2015	C&S01	C & S FIRE-SAFE SERVICES	475.00	36098	REPAIRS/ SUPPLIES
29062	1/6/2015	COA01	COASTAL BUSINESS SYSTEMS	363.78	16305587	MONTHLY PAYMENT
29063	1/6/2015	COR01	CORBIN WILLITS SYSTEMS, INC	858.42	B41215	MOMS SOFTWARE MONTHLY PAYMENT
29064	1/6/2015	COR07	JOHN W. CORBETT	125.00	B50106	BOARD MTG 12/3/2014
29065	1/6/2015	COS03	COSTCO WHOLESALE	238.49	B50105	REC PROGRAM/ OFFICE SUPPLIES
29066	1/6/2015	COU09	DAVID R. COUCH	125.00	B50106	BOARD MTG 12/3/14
29067	1/6/2015	CRO03	CROWN TROPHY PETALUMA	112.04	20968	OFFICE SUPPLIES
29068	1/6/2015	EDW01	HELEN L. EDWARDS	125.00	B50106	BOARD MTG 12/3/2014
29069	1/6/2015	EUR07	Eureka Rubber Stamp Co.	16.23	A15936	OFFICE SUPPLIES
29070	1/6/2015	HIG01	HIGH YIELD IND. PRODUCTS	216.50	171100	REPAIRS/ SUPPLIES
29071	1/6/2015	HUM01	HUMBOLDT BAY MUNICIPAL WATER DISTRICT	66,508.78	B50105	WATER PURCHASED IN DEC 2014
29072	1/6/2015	HUM08	HUMBOLDT SANITATION	976.50	B50105	TRASH SERVICE
29073	1/6/2015	IBS01	IBS OF THE REDWOODS	75.20	180010417	WWMF UPGRADE

McKinleyville Community Services District
Cash Disbursement Report
For the Period January 1 through January 31, 2015

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
29074	1/6/2015	MAY02	DENNIS MAYO	125.00	B50106	BOARD MTG 12/03/14
29075	1/6/2015	MAY03	DENNIS MAYO	46.00	B41223	ACWA REGION 1 BOARD MEETING
29076	1/6/2015	MIL04	JESSE MILES	74.21	B50105	REC PROGRAM REIMBURSEMENT
29077	1/6/2015	NEC01	NEC FINANCIAL SERVICES,LLC	373.92	B50106	PHONE SERVICES
29078	1/6/2015	SUD01	SUDDENLINK	134.95	B50105	INTERNET SERVICES
29079	1/6/2015	USB01	U.S. BANK TRUST N.A.	7,395.83	B50106	SEWER BOND PAYMENT
29080	1/6/2015	WHE02	GEORGE A. WHEELER JR.	125.00	B50106	BOARD MTG 12/3/2014
29081	1/6/2015	\B010	MQ CUSTOMER REFUND FOR BA	12.68	000B50101	MQ CUSTOMER REFUND FOR BA
29082	1/6/2015	\C008	MQ CUSTOMER REFUND FOR CH	69.41	000B50101	MQ CUSTOMER REFUND FOR CH
29083	1/6/2015	\E007	MQ CUSTOMER REFUND FOR EA	135.86	000B50101	MQ CUSTOMER REFUND FOR EA
29084	1/6/2015	\G007	MQ CUSTOMER REFUND FOR GO	15.66	000B50101	MQ CUSTOMER REFUND FOR GO
29085	1/6/2015	\G008	MQ CUSTOMER REFUND FOR GR	46.16	000B50101	MQ CUSTOMER REFUND FOR GR
29086	1/6/2015	\G012	MQ CUSTOMER REFUND FOR GU	72.94	000B50101	MQ CUSTOMER REFUND FOR GU
29087	1/6/2015	\J003	MQ CUSTOMER REFUND FOR JE	43.13	000B50101	MQ CUSTOMER REFUND FOR JE
29088	1/6/2015	\J004	MQ CUSTOMER REFUND FOR JL	53.45	000B50101	MQ CUSTOMER REFUND FOR JL
29089	1/6/2015	\K011	MQ CUSTOMER REFUND FOR KI	49.71	000B50101	MQ CUSTOMER REFUND FOR KI
29090	1/6/2015	\M010	MQ CUSTOMER REFUND FOR MA	73.69	000B50101	MQ CUSTOMER REFUND FOR MA
29091	1/6/2015	\S030	MQ CUSTOMER REFUND FOR ST	33.93	000B50101	MQ CUSTOMER REFUND FOR ST
29092	1/6/2015	\S040	MQ CUSTOMER REFUND FOR ST	73.55	000B50101	MQ CUSTOMER REFUND FOR ST
29093	1/6/2015	\W007	MQ CUSTOMER REFUND FOR WE	64.93	000B50101	MQ CUSTOMER REFUND FOR WE

McKinleyville Community Services District
Cash Disbursement Report
For the Period January 1 through January 31, 2015

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
29094	1/6/2015	\Y003	MQ CUSTOMER REFUND FOR YO	63.29	000B50101	MQ CUSTOMER REFUND FOR YO
29095	1/12/2015	*0003	REC PROGRAM REFUND VW	136.50	B50108	REC PROGRAM REFUND VW
29096	1/12/2015	ACW01	CB&T/ACWA-JPIA	12,100.83	B50108	GRP. HEALTH INS
29097	1/12/2015	AIR01	AIRGAS USA, LLC.	110.30	903484207	SMALL TOOL PURCHASE
29098	1/12/2015	AME01	AMERICAN SOCCER CO. INC.	125.10	6333191	REC PROGRAM SUPPLIES
29099	1/12/2015	ARC02	Arcata Stationers	199.02	B50107	OFFICE SUPPLIES
29100	1/12/2015	CRE02	CREATIVE DECORATING	1,328.00	B50107	REPAIRS/ SUPPLIES
29101	1/12/2015	HAC01	HACH COMPANY	1,509.98	9149763	LAB SUPPLIES
29102	1/12/2015	HAR03	HARVEY M. HARPER CO.	431.29	B50106	VEHICLE REPAIRS
29103	1/12/2015	IND01	INDEPENDENT BUS. FORMS	118.72	29159	OFFICE SUPPLIES
29104	1/12/2015	KEN02	KENNEDY/JENKS CONSULTANTS	121,661.50	87309	WWMF UPGRADE
29105	1/12/2015	LES01	LES SCHWAB TIRE CENTER	20.02	B50106	REPAIRS/ SUPPLIES
29106	1/12/2015	MAN01	MANNING ENVIRONMENTAL,INC	88.60	5618	REPAIRS/ SUPPLIES
29107	1/12/2015	MCK01	MCKINLEYVILLE CHAMBER OF COMMERCE	75.00	3587	SUBSCRIPTIONS
29108	1/12/2015	MCK04	MCK ACE HARDWARE	401.53	B50107	REPAIRS/SUPPLY
29109	1/12/2015	MEN01	MENDES SUPPLY CO.	1,460.80	B50108	REPAIRS/SUPPLY/JANITORIAL
29110	1/12/2015	MIL01	Miller Farms Nursery	212.06	B50107	REPAIRS/SUPPLY/ WWMF UPGRADE
29111	1/12/2015	MIL03	THE MILL YARD	3,979.16	B50107	REPAIRS/ SUPPLIES/
29112	1/12/2015	MIT01	Mitchell, Brisso, Delaney	1,344.92	35555	LEGAL SERVICES

McKinleyville Community Services District
Cash Disbursement Report
For the Period January 1 through January 31, 2015

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
29113	1/12/2015	NOR02	NORTH COAST JOURNAL, INC.	215.00	WG2015-7	AD FOR AZALEA HALL
29114	1/12/2015	NOR13	NORTHERN CALIFORNIA SAFETY CONSORTIUM	1,560.00	B50107	TRAINING/SAFETY
29115	1/12/2015	PGE01	PG & E (Office & Field)	15,067.90	B50107	GAS & ELECTRIC
29116	1/12/2015	PRE08	PRECISION INTERMEDIA	23.75	15-21	PROFESSIONAL SERVICES
				47.50	14-3430	PROFESSIONAL SERVICES
			Check Total:	<u>71.25</u>		
29117	1/12/2015	REN01	RENNER PETROLEUM	4,331.09	B50107	FUEL FOR DEC 2014
29118	1/12/2015	SIN01	SINGING TREE GARDENS	350.88	WHO-11	REPAIRS/ MAINTENANCE SUPPLIES
29119	1/12/2015	SYN01	SYNAGRO-WWT, INC.	228,765.00	03-11566	WWMF BIOSOLIDS PROJECT
29120	1/12/2015	THO02	Thomas Home Center	793.47	B50108	REPAIRS/SUPPLY
29121	1/12/2015	UMP03	UMPQUA BANK--VISA	125.74	DEC-01	REC PROGRAM SUPPLIES/ TRAVEL
				1,059.43	DEC-02	TRAVEL/MEALS
				61.73	DEC-03	MEALS/ OFFICE SUPPLIES
				580.02	DEC-04	WWMF UPGRADE, REPAIRS/ SUPPLIES
				2,476.80	DEC-05	TRAINING/TRAVEL/MEALS/OFFC SUPPL
				18.65	DEC-06	TRAVEL/MEALS
			Check Total:	<u>4,322.37</u>		
29122	1/12/2015	UPS01	UPS	133.27	B50107	LAB SHIPMENT
29123	1/12/2015	VER01	VERIZON WIRELESS	124.51	B50107	CELL PHONES FOR DEC 2014
29124	1/20/2015	*0004	REC PROGRAM REFUND SS	60.00	B50119	REC PROGRAM REFUND SS
29125	1/20/2015	*0005	REC PROGRAM REFUND MM	49.50	B50119	REC PROGRAM REFUND MM
29126	1/20/2015	*0006	REC PROGRAM REFUND CR	55.00	B50119	REC PROGRAM REFUND CR
29127	1/20/2015	*0007	REC PROGRAM REFUND GS	55.00	B50119	REC PROGRAM REFUND GS
29128	1/20/2015	*0008	REC PROGRAM REFUND CH	65.00	B50119	REC PROGRAM REFUND CH

McKinleyville Community Services District
Cash Disbursement Report
For the Period January 1 through January 31, 2015

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
29129	1/20/2015	*0009	REC PROGRAM REFUND CB	55.00	B50119	REC PROGRAM REFUND CB
29130	1/20/2015	*0010	REC PROGRAM REFUND JC	70.00	B50119	REC PROGRAM REFUND JC
29131	1/20/2015	*0011	REC PROGRAM REFUND LR	65.00	B50119	REC PROGRAM REFUND LR
29132	1/20/2015	*0012	AZALEA HALL DEPOSIT REFUND CS	100.00	B50119	AZALEA HALL DEPOSIT REFUND CS
29133	1/20/2015	*0013	AZALEA HALL DEPOSIT REFUND RP	100.00	B50119	AZALEA HALL DEPOSIT REFUND RP
29134	1/20/2015	ACW02	ASSOC. OF CALIFORNIA WATER AGENCIES	625.00	INV001374	ACWA DC REGISTRATION
29135	1/20/2015	ATT01	AT&T	1,669.26	B50119	JANUARY PHONE SERVICES
29136	1/20/2015	BAS01	BASIC LABORATORY INC.	713.50	1411778	LAB TESTING
29137	1/20/2015	BOR01	BORGES & MAHONEY CO.	139.84	136157	REPAIRS/ SUPPLIES
29138	1/20/2015	CAM01	CAMPTON ELECTRIC SUPPLY	177.81	2280-4162	OFFICE SUPPLIES
29139	1/20/2015	COA01	COASTAL BUSINESS SYSTEMS	907.83	16370685	SHARP COPIER PAYMENT
29140	1/20/2015	COU07	DAVID COUCH	264.00	B50114	SDLA LEADERSHIP ACADEMY
29141	1/20/2015	CSD01	CSDA	600.00	33643	BOARD SECRETARY/CLERK CONFERENCE
29142	1/20/2015	DEL02	DELFINO, MADDEN, O'MALLEY	105.00	2405	LEGAL SERVICES
29143	1/20/2015	DEP05	DEPARTMENT OF JUSTICE	64.00	B50120	FINGERPRINTING REC PROGRAM
29144	1/20/2015	EDW03	HELEN EDWARDS	264.00	B50114	SDLA LEADERSHIP ACADEMY
29145	1/20/2015	EUR05	Eureka Oxygen Co	90.13	BO 67582	SAFETY SUPPLIES
29146	1/20/2015	HAR13	The Hartford - Priority A	396.68	B50119	GRP LIFE INSURANCE
29147	1/20/2015	HEL01	KEVIN HELD	375.00	B50106	DJ FOR JR HIGH SCHOOL DANCE

McKinleyville Community Services District
Cash Disbursement Report
For the Period January 1 through January 31, 2015

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
29148	1/20/2015	HUM26	HUMBOLDT FASTENERS	77.93	B50106	PIERSON PARK PAVILION
29149	1/20/2015	IBA01	I-BANK WELLS FARGO BANK,	14,189.13	B50107	LOAN PAYMENT
29150	1/20/2015	IND02	Industrial Electric Service	519.74	IN14401	REPAIRS/SUPPLY
29151	1/20/2015	MAY03	DENNIS MAYO	122.00	B50119	ACWA BOARD OF DIRECTORS MTG
29152	1/20/2015	MCS01	MCSD C/O HUMBOLDT COUNTY	23,918.10	B50119	REVENUE RECOVERY SURCHARGE
29153	1/20/2015	MUN01	Munnell & Sherrill, Inc.	908.52	120692	WWMF UPGRADE
29154	1/20/2015	NOR03	NO. COAST VETERINARY HOSPITAL	270.00	8145	GOAT MAINTENANCE/ TREATMENT
29155	1/20/2015	NOR36	NORTH COAST PARTS & SUPPLIES	102.65	B50107	REPAIRS/ SUPPLIES
29156	1/20/2015	NOR40	NORTHCOAST EMPLOYER ADVISORY COUNCIL	40.00	1124	SUBSCRIPTIONS
29157	1/20/2015	NYL01	NYLEX.NET	144.00	76391	PROFESSIONAL SERVICES
				376.25	B50107	PROFESSIONAL SERVICES
			Check Total:	<u>520.25</u>		
29158	1/20/2015	ORS01	GREG ORSINI	264.00	B41117	SDLA LEADERSHIP ACADEMY
29159	1/20/2015	PRO01	PROFESSIONAL CREDIT SERVICES	40.16	B50107	RECOVERED BAD DEBTS
29160	1/20/2015	REM01	REMY, MOOSE AND MANLEY,LLC	1,075.00	B50109	LEGAL SERVICES
29161	1/20/2015	S&S02	S & S WORLDWIDE, INC.	585.69	B50119	SUPPLIES PURCHASED
29162	1/20/2015	SAF04	SAFEWAY INC. FILE # 72905	69.14	B50119	WWMF OPEN HOUSE/ MTG SUPPLIES
29163	1/20/2015	SHE03	SHERWIN-WILLIAMS CO.	127.71	B50107	REPAIRS/ SUPPLIES
29164	1/20/2015	STA11	STAPLES CREDIT PLAN	317.33	B50120	OFFICE SUPPLIES
29165	1/20/2015	STO02	THE STOVE DOCTORS	455.70	200	PIERSON PARK UPGRADES
29166	1/20/2015	THR01	THRIFTY SUPPLY COMPANY	4,922.65	B50107	REPAIRS/ SUPPLIES

McKinleyville Community Services District
Cash Disbursement Report
For the Period January 1 through January 31, 2015

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
29167	1/20/2015	UPS01	UPS	758.19	B50119	LAB SHIPMENT
29168	1/20/2015	WHE03	GEORGE WHEELER	264.00	B50119	SDLA LEADERSHIP ACADEMY
29169	1/27/2015	*0014	HOLLY HENSHER	30.00	B50126	FINGERPRINTING REIMBURSEMENT
29170	1/27/2015	*0015	DANIEL KALIS	20.00	B50126	FINGERPRINTING REIMBURSEMENT
29171	1/27/2015	*0016	ANGELA COPELAND	20.00	B50126	FINGERPRINTING REIMBURSEMENT
29172	1/27/2015	*0017	SCOTT TURNER	30.00	B50126	FINGERPRINTING REIMBURSEMENT
29173	1/27/2015	*0018	ANTOINETTE MCGAUGHEY	30.00	B50126	FINGERPRINTING REIMBURSEMENT
29174	1/27/2015	*0019	BRIAN LORENZEN	30.00	B50126	FINGERPRINTING REIMBURSEMENT
29175	1/27/2015	ADV01	ADVANCED SECURITY SYSTEM	139.50	288555	SECURITY SYSTEM AT THE LIBRARY
29176	1/27/2015	AJI01	HAIDER AJINA	45.00	B50126	CONTRACTED REFEREE PAYMENT
29177	1/27/2015	CON09	CONSTANT CONTACT	168.00	B50126	MEMBERSHIP RENEWAL
29178	1/27/2015	EUR07	Eureka Rubber Stamp Co.	11.20	A16350	OFFICE SUPPLIES
29179	1/27/2015	IBS01	IBS OF THE REDWOODS	333.09	B50127	REPAIRS/ SUPPLIES
29180	1/27/2015	JAC04	JACKSON & EKLUND, INC.	720.00	181124	PROFESSIONAL SERVICES
29181	1/27/2015	KEN02	KENNEDY/JENKS CONSULTANTS	38,521.50	88126	WWMF UPGRADE
29182	1/27/2015	LDA01	LDA PARTNERS	5,022.97	#24/635-1	MCK TEEN/COMMUNITY CENTER
29183	1/27/2015	MCK12	MCKINLEYVILLE UNION SCHOOL DISTRICT	2,119.50	B50119	AFTER SCHOOL PROGRAM SUPPLIES
29184	1/27/2015	PGE02	PACIFIC GAS & ELECTRIC	1,254.69	B50127	STREETLIGHTS, JAN 2015
29185	1/27/2015	USP02	USPS: ARCATA BMEU	1,500.00	B50127	BULK MAIL, PERMIT 202

McKinleyville Community Services District
Cash Disbursement Report
For the Period January 1 through January 31, 2015

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
29186	1/27/2015	WEI01	WEIRUP LANE ASSOCIATION	93.00	B50126	ANNUAL ROAD MAINTENANCE
29187	1/27/2015	WEN02	WENNERHOLM CHIROPRACTIC	75.00	B50127	DMV PHYSICALS
29188	1/28/2015	NOR01	NORTH COAST LABORATORIES	5,001.00	B50128P	LAB TESTS
				592,647.86		
Total Disbursements, Accounts Payable:				592,647.86		

Payroll Related Disbursements

12464	1/5/2015	Employee	3,836.49		Payroll Hand Check
12465-12487	1/9/2015	Various Employees	15,666.87		Payroll Checks
12488	1/8/2015	CAL12	CalPERS 457 Plan	4,262.88	B50108 RETIREMENT
			311.35	1B50108	PERS 457 LOAN PMT
		Check Total:	4,574.23		
12489	1/8/2015	DIR01	DIRECT DEPOSIT VENDOR- US	29,537.57	B50108 Direct Deposit
12490	1/8/2015	EMP01	Employment Development	416.80	B50105 STATE INCOME TAX
			1,762.24	B50108 STATE INCOME TAX	
12490	1/8/2015	EMP01	Employment Development	56.84	1B50105 SDI
			549.16	1B50108 SDI	
		Check Total:	2,785.04		
12491	1/8/2015	EMP02	Employment Dev Department	1,069.26	B41231 SUI
12492	1/8/2015	HUM29	UMPQUA BANK--PAYROLL DEP.	1,578.80	B50105 FEDERAL INCOME TAX
			5,608.89	B50108 FEDERAL INCOME TAX	
			783.08	1B50105 FICA	
			7,558.80	1B50108 FICA	
			183.14	2B50105 MEDICARE	
			1,767.78	2B50108 MEDICARE	
		Check Total:	17,480.49		
12493	1/8/2015	ACW01	CB&T/ACWA-JPIA	46,211.99	B41231 MED & DENTAL INSUR

McKinleyville Community Services District
Cash Disbursement Report
For the Period January 1 through January 31, 2015

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
12494	1/8/2015	AFL01	AFLAC	43.30	B41231	AFLAC (PRE-TAX)
12495	1/8/2015	PUB01	Public Employees PERS	18,651.81	B41231	PERS PAYROLL REMITTANCE
12496-12524	1/23/2015		Various Employees	17,101.43		Payroll Checks
12525	1/22/2015	CAL12	CalPERS 457 Plan	5,065.32	B50122	RETIREMENT
				311.35	1B50122	PERS 457 LOAN PMT
			Check Total:	<u>5,376.67</u>		
12526	1/22/2015	DIR01	DIRECT DEPOSIT VENDOR- US	27,165.40	B50122	Direct Deposit
12527	1/22/2015	EMP01	Employment Development	1,627.75	B50122	STATE INCOME TAX
				544.23	1B50122	SDI
			Check Total:	<u>2,171.98</u>		
12528	1/22/2015	HUM29	UMPQUA BANK--PAYROLL DEP.	5,478.45	B50122	FEDERAL INCOME TAX
				7,509.32	1B50122	FICA
				1,756.16	2B50122	MEDICARE
			Check Total:	<u>14,743.93</u>		
			Total Disbursements, Payroll:	<u><u>206,416.46</u></u>		
			Total Check Disbursements:	799,064.32		

McKinleyville Community Services District

BOARD OF DIRECTORS

March 4, 2015

TYPE OF ITEM: **ACTION**

ITEM: D.3 **Compliance with State Double Check Valve Law**

PRESENTED BY: **James Henry, Operations Director**

TYPE OF ACTION: **Voice Vote-Consent Calendar**

Recommendation:

Staff recommends that authorize staff to provide these customers with formal notice that their water service will be discontinued in one month if they have not come into compliance with state law regarding water service cross-connection in accordance with MCSD Rules 7 and 10.

Discussion:

Customers listed below are not now in compliance with State Law regarding cross connection control for water customers with an alternate water supply. These customers have been notified of their respective violations as noted and have been provided notification of this meeting.

1st Notice	January 19, 2015
10 Day Notice	February 18, 2015
Board Meeting	March 4, 2015
Lock	April 6, 2015
ROUTE 1	

Account #	Address	Model of DCV	Date s/o out
1-795-000	1106 Azalea	Febco	
1-905-000	2400 Hewitt	Wilkins	2/25/15

Updated 2/26/15

McKinleyville Community Services District

BOARD OF DIRECTORS

March 4, 2015

TYPE OF ITEM: **ACTION**

ITEM: D.4 **Consider approval of update of the Fee Schedule for Hiller Sports Complex**

PRESENTED BY: **Jason Sehon, Parks & Recreation Director**

TYPE OF ACTION: **Voice Vote – Consent Calendar**

Recommendation:

Staff recommends that the Board listen to staff's presentation, air questions, take public comment and approve the biennial update of the Fee Schedule for Hiller Sports Complex.

Discussion:

Every couple years staff reviews and determines whether fees for Hiller Sports Complex shall be increased or not. After careful research and review, staff is proposing the following fee increases:

<u>Usage:</u>	<u>2014 Fees:</u>	<u>Proposed 2015</u>
Turf Field Use	\$20/hour	\$22/hour
Turf Field Use (Youth Groups)	\$6.75/hour	\$7/hour
Baseball & Softball	\$23/hour	\$25/hour
Baseball & Softball (Youth Groups)	\$6.75/hour	\$7/hour

<u>Additional Usage:</u>	<u>2014 Fees:</u>	<u>Proposed 2015</u>
Field preparation	\$20/hour	\$32/hour
Concession Stand (weekdays)	\$5/day	\$10/day
Concession Stand (Weekends)	\$15/day	\$25/day
Concession Stand (Tournaments)	\$15/day	\$30/day

Staff feels these fee's are reasonable and will help with covering expenses related to the maintenance and operation of Hiller Sports Complex.

Alternatives:

Staff analysis consists of the following potential alternative

- Take No Action

Fiscal Analysis:

Fees are reviewed and fee increases are considered every couple years. Fees are calculated to cover costs and are used to offset the cost to maintain Hiller Sports Complex.

Concession Stand fees are exclusive to long term agreements and are not available to the general public.

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – Proposed Fee Schedule for Hiller Sports Complex

MCKINLEYVILLE COMMUNITY SERVICES DISTRICT
Hiller Sports Site Master Facility Fee Schedule

Revised March 4, 2015

Facility Use Fees

<u>Turf Field Use</u>	\$22/hour per field
<u>Turf Field Use (Youth groups)</u>	\$7/hour per field
<u>Baseball Field Use</u>	\$25/hour per field
<u>Baseball Field Use (Youth groups)</u>	\$7/hour per field
<u>Softball Field Use</u>	\$25/hour per field
<u>Softball Field Use (Youth groups)</u>	\$7/hour per field

Baseball/Softball Tournament Use

50% reduction from regular hourly rates. Tournaments must have a minimum of 4 teams and 8 hours of continuous play per day.

Additional Fees

<u>Field Preparation- Ball Fields</u>	\$32/hour per field
<u>Field Preparation- Turf Areas</u>	\$32/hour per field
<u>Concession Stand Use- Regular weekdays</u>	\$10/day
<u>Concession Stand Use- Regular weekends</u>	\$25/day
<u>Concession Stand Use- Tournaments</u>	\$30/day
<u>Insurance (if provided by District)</u>	Variable
<u>Facility Usage Deposit</u>	Variable

McKinleyville Community Services District

BOARD OF DIRECTORS

March 4, 2015

TYPE OF ITEM: **ACTION**

ITEM: E.1 **Consider Adoption of Resolution 2015-04 Recognizing, Honoring and Commending Diane Sloane for Twenty (20) years of service**

PRESENTED BY: **Colleen M.R. Trask, Finance Director**

TYPE OF ACTION: **Roll Call Vote**

Recommendation:

Staff recommends that the Board of Directors consider adoption of Resolution 2015-04 honoring Diane Sloane for her twenty (20) continuous years of service at the McKinleyville Community Services District.

Discussion:

Attached for the Board of Directors' review is Resolution 2015-04 recognizing, honoring, and commending Diane Sloane for her twenty (20) continuous years of service. Please join us in presenting Diane Sloane with a Resolution and longevity award acknowledging her for her continuing outstanding contributions to the McKinleyville Community Services District.

Alternatives:

Staff analysis consists of the following potential alternative

- Take No Action

Fiscal Analysis:

Not applicable

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – Resolution 2015-04

RESOLUTION 2015 - 04

A RESOLUTION RECOGNIZING, HONORING, AND COMMENDING DIANE SLOANE FOR SERVING MCKINLEYVILLE COMMUNITY SERVICES DISTRICT FOR TWENTY (20) CONTINUOUS YEARS.

WHEREAS, DIANE SLOANE, having faithfully served twenty (20) continuous years as an employee of the McKinleyville Community Services District (the "District") from February 27, 1995 to February 27, 2015; and

WHEREAS, throughout her years of service, Diane has demonstrated unwavering loyalty, commitment, and dedication; and

WHEREAS, Diane lends her talents, experience, and leadership to the District, having capably served our customers as a Customer Service Representative and Assistant Business Manager and equally capably served her fellow employees as manager of Payroll and Human Resources; and

WHEREAS, Diane continually demonstrates an outstanding commitment to accuracy and timeliness in payroll, and a thoughtful willingness to assist her fellow employees with payroll-related issues; and

WHEREAS, Diane provides support to the General Manager and Department Heads in matters of human resources and takes initiative to improve the morale of office staff ; and

WHEREAS, Diane diligently pursues continuing education in her chosen profession that greatly benefits the District in managing the complex topics related to payroll and human resources; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the McKinleyville Community Services District hereby confers upon Diane Sloane its highest commendation for the dedicated service she has performed for the District and the community, and further marks her historic accomplishment as a McKinleyville Community Services District employee for twenty (20) years.

ADOPTED, SIGNED AND APPROVED at a duly called meeting of the Board of Directors of the McKinleyville Community Services District on the 4th day of March 2015 by the following polled vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

John Corbett, Board President

Attest:

Becky Schuette, Board Secretary

McKinleyville Community Services District

BOARD OF DIRECTORS

March 4, 2015

TYPE OF ITEM: **ACTION**

ITEM: E.2 **Approve Resolution 2015-07 amending the Rules and Regulations, Rules 40.01.c & 40.01.d MEMBERSHIP and Rule 40.04.c. TERMS OF OFFICE**

PRESENTED BY: **Jason Sehon, Parks & Recreation Director**

TYPE OF ACTION: **Voice Vote**

Recommendation:

Staff recommends that the Board listen to staff's presentation, air questions, take public comment and approve Resolution 2015-07 amending the Rules and Regulations, Rules 40.01.c & 40.01.d MEMBERSHIP and Rule 40.04.c. TERMS OF OFFICE.

Discussion:

According to the current Rules and Regulations, the RAC membership is limited to six (6) regular positions and one (1) alternate position. We currently have four (4) McKinleyville residents who are interested in serving on the Committee; however, there is only one (1) alternate position available.

Staff would like to increase the membership so that all four members are able to serve on the Committee. Staff is recommending the Board amend the Rules and Regulations so that it reads as follows:

Rule 40.01. MEMBERSHIP. The McKinleyville Community Services District Recreation and Parks Advisory Committee shall consist of ten (10) members who shall serve without compensation selected as follows:

- (a) One (1) member shall be a member of the District Board.
- (b) One (1) member shall be a member of the McKinleyville Area Fund Board of Directors nominated by the McKinleyville Area Fund Board of Directors.
- (c) One-Two (21) positions shall be alternate members.
- (d) Seven-Nine (97) adult members shall be resident electors of the District and the one-two (21) high school members (nominated by the McKinleyville High School principal) shall be a resident of the District; representing to the extent possible various recreational interests of the community including but not limited to business, environmental, equestrian, sports, seniors, trails and youth. Recommendations for appointment may be made by the then current members of the committee.

Rule 40.04. TERMS OF OFFICE. The committee members shall serve terms as follows:

a. Appointment of District Board Members shall be for a term of one (1) year. Such member shall be a non-voting member.

b. Appointment of McKinleyville Area Fund members and community members shall be for a term of four (4) years.

c. Appointment of the two (2) high school student members shall be for a term of up to four (4) years, depending on their graduation date.

At the February 20, 2015 RAC meeting, there was no quorum to make an official recommendation to the Board. After taking a straw vote, all members present agreed with staff's recommendation.

Alternatives:

Staff analysis consists of the following potential alternative

- Take No Action

Fiscal Analysis:

Not applicable

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Resolution 2015-07

RESOLUTION 2015-07

**A RESOLUTION OF THE MCKINLEYVILLE COMMUNITY SERVICES DISTRICT
AMENDING THE RULES AND REGULATIONS, RULES 40.01.C & 40.01.D MEMBERSHIP
AND RULE 40.04.C. TERMS OF OFFICE**

WHEREAS, the Board wishes to provide quality parks and recreation services to its constituents; and

WHEREAS, the Board recognizes the importance of having community members serve on the Recreation Advisory Committee; and

WHEREAS, the Board has determined that it is necessary to increase the membership on the Recreation Advisory Committee; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of McKinleyville Community Services District hereby amends the MCSD Rules and Regulations as follows:

Rule 40.01. MEMBERSHIP. The McKinleyville Community Services District Recreation and Parks Advisory Committee shall consist of ten (10) members who shall serve without compensation selected as follows:

- (a) One (1) member shall be a member of the District Board.
- (b) One (1) member shall be a member of the McKinleyville Area Fund Board of Directors nominated by the McKinleyville Area Fund Board of Directors.
- (c) Two (2) positions shall be alternate members.
- (d) Nine (9) adult members shall be resident electors of the District and the two (2) high school members (nominated by the McKinleyville High School principal) shall be a resident of the District; representing to the extent possible various recreational interests of the community including but not limited to business, environmental, equestrian, sports, seniors, trails and youth. Recommendations for appointment may be made by the then current members of the committee.

Rule 40.04. TERMS OF OFFICE. The committee members shall serve terms as follows:

- a. Appointment of District Board Members shall be for a term of one (1) year. Such member shall be a non-voting member.
- b. Appointment of McKinleyville Area Fund members and community members shall be for a term of four (4) years.
- c. Appointment of the two (2) high school student members shall be for a term of up to four(4) years, depending on their graduation date.

ADOPTED, SIGNED AND APPROVED at a duly called meeting of the Board of Directors of the McKinleyville Community Services District on the 4th day of March 2015 by the following polled vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

John Corbett, Board President

Attest:

Becky Schuette, Board Secretary

McKinleyville Community Services District

BOARD OF DIRECTORS

March 4, 2015

TYPE OF ITEM: **ACTION**

ITEM: E.3 **Consider appointments for vacant positions on the Recreation Advisory Committee between four (4) applicants (Bill Prescott, Addison O'Hanen Jenny Bowen and Mary Burke)**

PRESENTED BY: **Jason Sehon, Parks & Recreation Director**

TYPE OF ACTION: **Voice Vote**

Recommendation:

Staff recommends that the Board listen to staff's presentation, air questions, take public comment and appoint the following individuals to the Recreation Advisory Committee (RAC):

Addison O'Hanen as a regular member
Mary Burke as a regular member
Bill Prescott as an alternate member
Jenny Bowen as an alternate member

Discussion:

With the assumption that item E.2 was approved at tonight's meeting, there are currently two (2) regular openings and two (2) alternate openings on the RAC. Staff has posted sufficient notice through local media and at District facilities of the vacancies for the RAC.

Alternate members have the ability to substitute as a voting member if any other members of the Committee are absent during a meeting.

I have received letters of interest from Bill Prescott, Addison O'Hanen, Jenny Bowen and Mary Burke.

Bill Prescott:

Bill moved to McKinleyville in 2013. While new to the area, Bill says he is impressed with the parks and recreation facilities available in McKinleyville. In his previous town, bill served on a similar committee for thirteen (13) years. He says while there are differences in the two committees he also believes that "working with a group in an advisory capacity to management is the same".

Addison O'Hanen:

Addison was appointed to the RAC as a student member by the Board of Directors on September 4, 2013 and has served since. Addison's term ended on January 31, 2015. Prior to serving on the RAC Addison completed an Eagle Scout project for the District at Norton Creek Wildlife Area. The project included installing a park bench overlooking the pond area as well as making improvements to the gravel trail system throughout the open space zone.

Jenny Bowen:

Jenny was born in Humboldt County and says she enjoys the parks, trails and beaches. Jenny says she is raising a young family in McKinleyville and that she has a vested interest in how and where youth spend their time.

Jenny has been the Executive Director for the Arcata Chamber of Commerce as well as other positions where she was able to reach out to students, families and the entire community; working to improve the lives of our youth, and support a healthy and economically vibrant place to live and work.

Jenny said that working with the community as well as the youth is essential in the planning and development of any new or existing space and that she was impressed that both a middle school and high school student were also being recruited to serve in this capacity.

Mary Burke:

Mary says she's a long time appreciator of McKinleyville parks and open space and that she grew up visiting the Mad River Bluffs. She says she wants to participate in the RAC in order to be sure that McKinleyville continues to protect areas where children can play and connect with nature.

Mary has written successful grant for public access and trails. Most recently she worked with a team including MCSD staff to successfully receive grant funding from the Fisheries Restoration Grant Proposal to prepare engineering designs to connect the Mad River to 4.25 acres of flood plane to provide critical juvenile salmonid rearing habitat for coho salmon.

She is currently serving as the president of the Board of the Friends of the Arcata Marsh. Mary says that she can think creatively about building spaces that are beautiful and functional and that appeal to multiple senses.

Alternatives:

Staff analysis consists of the following potential alternative

- Take No Action

Fiscal Analysis:

Not applicable

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – Letter of Interest (Bill Prescott)
- Attachment 2 – Letter of Interest (Addison O'Hanen)
- Attachment 3 – Letter of Interest (Jenny Bowen)
- Attachment 4 – Letter of Interest (Mary Burke)

2895 Little Pond Street
McKinleyville, CA 95519

January 16, 2015

Mr. Jason Sehon
Parks and Recreation Director
McKinleyville Community Services District
P.O. Box 2037
McKinleyville, CA 95519

Dear Mr Sehon:

I would like to apply for the position on the Recreation Advisory Committee as advertised in the January 11, 2015 Times Standard.

I am new to the area, having moved here in June of 2013. As I explored my new town, I was immediately impressed with the parks and recreation facilities available here in McKinleyville. In time, I have taken advantage of a few of the resources, particularly enjoying the Hammond Trail and Hiller Park (with my grandson).

In my previous town, I served on a similar committee for about 13 years. Although there are significant differences between the two places, working with a group in an advisory capacity to management is the same. In addition to this previous experience, as a retiree, I have the time to devote to the needs of the committee during business hours. Also, as a new comer, I might see things differently thereby offering a new solution to an old problem.

Thank you for your consideration.

Very truly yours.


Bill Prescott

Dear Jason,

It would be an honor to sit on the MCSD Recreation Advisory Committee for another term. This last year it was quite interesting to be on the board as a youth member . In my scouting experience I have enjoyed holding multiple positions in my Boy Scout Troop; including Senior Patrol Leader and Junior Assistant Scout Master. Through this, and my Eagle Scout project, I have learned valuable leadership skills and much about decision making for the greater good of the troop and community. I believe sitting on this committee would give me the opportunity to use the skills I have learned in scouting in a practical way for the community as well as further developing these leadership skills. Thank you for considering me for this position, I am truly hoping I may be selected and am looking forward to this experience.

Prepared to serve,

Addison O'Hanen

1935 Acacia Court
McKinleyville, CA 95519

Dear Jason Sehon and Members of the Board,

I'm interested in serving as a regular member of the Recreation Advisory Committee. Born and raised in Humboldt County, I chose to move back to this area after a decade of travels and living in San Diego. I love this region and feel we're so lucky to live in McKinleyville in particular, with amazing access to quality parks, trails and beaches. I'm now raising a young family in this community and therefore have a vested interest in how and where our youth spend their time.

I feel like I could add value to the group and due to my previous experiences, would be a good liaison to the Board. I've served as Executive Director of the Arcata Chamber of Commerce, managed and consulted for many local non-profits, and currently serve as the Community Outreach & Marketing Lead for the Decade of Difference, Humboldt County Office of Education. The nature of my work centers around reaching out to students, families and the broader community; working to improve the lives of our youth, and support a healthy and economically vibrant place to live and work.

I believe working with the broader community as well as the youth is essential in the planning and development of any new or existing space and was impressed that both a middle and high school student were also being recruited to serve in this capacity. As someone who works regularly with the K-12 youth in this community, I think their voice will add value to the success of this process.

Please feel free to contact me with any questions or follow up needs. Thank you for your consideration and I look forward to hearing from you.

Sincerely,

A handwritten signature in black ink, appearing to read "Jenny Bowen", with a long, sweeping horizontal line extending to the right.

Jenny Bowen

834-3432

Jason Sehon
Parks & Recreation Director
CPRS Region 1 Rep, Recreation Supervisors Section
McKinleyville Community Services District
1656 Sutter Road, McKinleyville, CA 95519

February 12, 2015

To Jason Sehon,

I am writing to express my interest and qualifications for a position on the Recreation Advisory Committee (RAC). I am a life-long appreciator of McKinleyville parks and open space and I recently became homeowner in my preferred neighborhood on lower School Road. I grew up visiting the Mad River Bluffs where the trails and forest were a formative piece of my development. I know that I am one of the few lucky people who's small piece of the natural world that I played in as a child is still intact. I want to participate in the RAC in order to be sure that McKinleyville continues to protect areas where children can play and connect with nature.

In my work capacity, I have written successful grants for public access and trails. I serve as the President of the Board of the Friends of the Arcata Marsh and understand the importance of finding intersections in the landscape that allow for multiple uses and objectives. I am an athlete and believe in the great benefits of sports for all ages. I am an artist and have experience working with the land and many different materials – and I can think creatively about building spaces that are beautiful and functional and that appeal to multiple senses.

Thank you for considering this letter of application for a position on the Recreation Advisory Committee. Please contact me using the information listed below for more information about my experience and interest.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Mary C. Burke', with a stylized, flowing script.

Mary C. Burke

Mary C. Burke
581 School Road
McKinleyville, CA 95519
(707) 599-1212
mburke5@gmail.com

McKinleyville Community Services District

BOARD OF DIRECTORS

March 4, 2015

TYPE OF ITEM: **ACTION**

ITEM: E.4 **Consider participation in the Household Hazardous Waste collection event to be held at Pierson Park on July 18, 2015**

PRESENTED BY: **Gregory Orsini, General Manager**

TYPE OF ACTION: **Voice Vote**

Recommendation:

Approve participation in the household hazardous waste collection event to be held at Pierson Park on Saturday July 26, 2014 by approving a 30% cost share not to exceed \$10,000 for those households that can be actually identified and verified to be within the MCSD service area.

Discussion:

The previous household hazardous collection event held at Pierson Park in July 2014 saw a total of 72% participation by 197 households within the MCSD service area with an overall participation count of 272 vehicles served. This level of response shows a 16% increase over the 2013 event.

The staff at HWMA believes that this trend indicates that the availability of these events is allowing participants a collection mechanism that discourages illegal or inappropriate disposal of their home generated hazardous waste. This is of obvious benefit to the MCSD wastewater treatment system and the Mad River watershed.

HWMA is planning another event in McKinleyville on Saturday, July 18, 2015 at Pierson Park. Last year's event was once again made possible by a cost sharing agreement between MCSD and Humboldt Waste Management Authority (HWMA) with MCSD contributing \$4,110.00. The total cost of the event was \$14,094.00.

HWMA is requesting that the Board approve a 30% cost share not to exceed \$10,000 total.

Alternatives:

Staff analysis consists of the following potential alternative

- Take No Action

Fiscal Analysis:

Not to exceed \$10,000 but was less than \$5000 last year and will be budgeted in the Wastewater Fund

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – HWMA Letter of request



February 6, 2015

Mr. Greg Orsini
General Manager
McKinleyville Community Services District
P.O. Box 2037
McKinleyville, CA 95519

RECEIVED
FEB - 9 2015
McK. C.S.D.

Dear Mr. Orsini:

We are planning the annual Household Hazardous Waste event in McKinleyville, currently slated for Saturday, July 18th at Pierson Park, and would again ask for a thirty percent cost share allocation from MCSD. Last year your contribution totaled \$4,110.00, set against a total event cost of \$14,094.

The July 2014 collection event saw 72% participation by 197 households within the MCSD service area, with an overall participation count of 272 vehicles served. This level of response shows a 16% increase over the 2013 event.

The staff at HWMA believes that this trend indicates that the availability of these events is allowing participants a collection mechanism that discourages illegal or inappropriate disposal of their home generated hazardous waste. This is of obvious benefit to the MCSD wastewater treatment system and the Mad River watershed.

Your staff was kind enough to place us on the MCSD Board agenda for the March 4th meeting and we look forward to discussing the upcoming event with the directors and staff at that time. Again, we thank you for being such gracious hosts for these events.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tiffany Ibbs", with a long, sweeping flourish extending to the right.

Tiffany Ibbs
Senior Hazardous Materials Technician

**Humboldt Waste
Management
Authority**
1059 West Hawthorn Street
Eureka, California 95501

707-268-8680
FAX 707-268-8927
www.hwma.net

McKinleyville Community Services District

BOARD OF DIRECTORS

March 4, 2015

TYPE OF ITEM: **ACTION**

ITEM: E.5 **Consider authorization for the General Manager to enter into a contract agreement with Rural Community Assistance Corporation for a median income survey for the McKinleyville Community Services District sewer service area**

PRESENTED BY: **Greg Orsini, General Manager**

TYPE OF ACTION: **Voice Vote**

Recommendation:

Staff recommends the Board review the information presented, take public comment and authorize the General Manager to execute a professional services agreement with RCAC for a median income survey for the McKinleyville Community Services District sewer service area for a fee not to exceed \$35,600.

Discussion:

As we are all aware the District is nearing completion of the WWMF Improvement Project design and will require a funding source to cover the cost of the project.

The Clean Water State Revolving Fund (CWSRF) was determined to be the best funding source for the Improvement Project. A combination of low interest loan and grant funds are being pursued.

To be eligible for grant funding through CWSRF we will be required to meet certain criteria that would establish us a disadvantaged community:

- A median income for the sewer service area (SSA) <80% of the state wide average and
- Monthly sewer rate 1.5% of the monthly median income for our SSA.

If we meet these criteria we have the potential to receive up to \$4 million in grant funding.

State Water Board (SWB) uses the American Community Survey to determine median income. The state wide median income is \$61,094. The median income for the McKinleyville area was determined to be \$49,001. In order for McKinleyville to be considered disadvantaged, <80% of the state median income would needed to have been \$48,875 for McKinleyville. Since the calculated median income for McKinleyville survey area was \$126 over the annual income McKinleyville is not considered a disadvantaged community.

I propose we question the calculated median income for our SSA; we can accomplish this in one of the two ways presented in the attachment.

A formal request from MCSD to the SWB has already been made to conduct a block group analysis of McKinleyville. This analysis will use income data for the MCSD SSA to more accurately reflect the demographic for median income. I have supplied SWB staff with geospatial data necessary to conduct the block group analysis and would not execute the third party survey until we have the results of the analysis.

This agenda item, which offers the alternative for verifying the median income of MCSD SSA is to secure Board authorization to commission a survey by a third party. The Rural Community Assistance Corporation (RCAC) would conduct an income survey for the MCSD SSA using a methodology that is acceptable to many funding agencies including SWB.

Scenario 1 proposed survey will be conducted on approximately 6800 households by mailing survey forms and a letter explaining the survey to all of the households in the survey group. Scenario 2 proposed second mailing to collect additional responses may or may not be necessary; hence two Scenarios in the proposal. If we conduct reasonable customer outreach prior to the survey being conducted by RCAC, it is expected that the required 10 percent of responses (~680 responses) will be received.

Again the necessity for this survey will not be determined until the result of the block group analysis is reviewed.

Alternatives:

Staff analysis consists of the following potential alternative

- Take No Action

Fiscal Analysis:

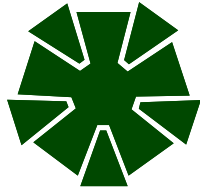
If Scenario 2 is necessary and RCAC must attend a community outreach event or a Board of Directors meeting the cost for services will not exceed \$35,600 but the potential reward would be up to \$4 million in grant funding.

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – Proposal from Rural Community Assistance Corporation for a Third Party Income Survey



Rural Community Assistance Corporation

2/25/2015

The Rural Community Assistance Corporation (RCAC) is pleased to submit this proposal to conduct an income survey for the McKinleyville Community Services District (MCSD), in accordance with the document *Guidance for Median Household Income Calculations and Income Surveys* that was adopted by the California Department of Public Health (CDPH) and amended in December 2013. This survey methodology is acceptable to the funding agencies represented in the California Financing Coordination Committee, including CDPH, USDA Rural Utilities Services, and the California State Water Resources Control Board (SWRCB), *with the possible exception of* the Community Development Block Grant (CDBG) program. The survey will be conducted on approximately 6800 households.

The survey will be conducted by mailing survey forms and a letter explaining the survey to all of the households in the District. A second mailing to collect additional responses may or may not be necessary. If the McKinleyville Community Services District (MCSD) conducts reasonable customer outreach prior to the survey being conducted by RCAC, it is expected that the required 10 percent of responses (~680 responses) will be received.

This proposal is therefore written to reflect two scenarios.

Scenario 1 – The survey will be conducted by mailing the survey form and a letter explaining the survey to residents.

Scenario 2 – If the required 10% of the initial surveys are not returned by mail after the first mailing a second round of mailings will be needed to complete the survey.

Whether or not a sufficient survey response percentage is achieved in one mailing depends heavily on the customer outreach MCSD performs before the survey. RCAC staff will be happy to consult with MCSD staff about appropriate customer outreach.

Survey guidelines require that every household in the service area be contacted. If a significant number of additional households are discovered that are not on the mailing list provided to RCAC, such as multifamily units or additional dwellings on customer lots, the costs estimates contained herein are invalid.

RCAC will provide all mailing services, communications with funding agencies to assure validity of the survey, compilation of results, and preparation of draft and final survey reports.

The McKinleyville CSD will provide a comprehensive electronic mailing list of all households in the utility service area, including multi-unit and mobile home park addresses. MCSD will also perform appropriate customer outreach to ensure that an acceptable number of valid survey responses are collected by RCAC. This will include at a minimum a letter on MCSD letterhead explaining the need to conduct the survey and introducing RCAC as the contractor who will conduct the survey. RCAC staff will consult with COM staff about the content of that letter, and advise on any additional customer outreach efforts that may be made.

Scenario 1 costs - The total cost of the survey to COM shall not exceed \$23,200. RCAC requests payment of \$5,000 after the first mailing is sent, with the balance payable after completion of the work.

Scenario 2 costs – The total cost of the survey shall not exceed \$33,500. Again, RCAC requests payment of \$5,000 after the first mailing is sent, with the balance payable after completion of the work.

If MCSD requires an RCAC staff person to attend a community meeting locally to discuss the survey methodology or results, the cost to MCSD will be \$2,100 IN ADDITION to the costs outlined in scenario one or two.

This quote is good for 30 days from the date of this proposal.

If you have any additional questions or require additional information regarding this proposal, please contact Stevan Palmer at 775/750-1884

McKinleyville Community Services District

BOARD OF DIRECTORS

March 4, 2015

TYPE OF ITEM: **ACTION**

ITEM: E.6 **Senior Center Management Services and Usage Agreement**

PRESENTED BY: **Jason Sehon, Parks & Recreation Director**

TYPE OF ACTION: **Voice Vote**

Recommendation:

Staff recommends that the Board listen to staff's presentation, air questions, take public comment and approve the Senior Center Management Services and Usage Agreement for a term of One (1) year and authorize the Board President to execute the Agreement.

Discussion:

For the past several years, the District and the McKinleyville Senior Center (MSC) have worked under a Management Services and Usage Agreement for the MSC use of Azalea Hall and the Meeting Room.

At the February 4, 2015 Board meeting, the Board pulled this item from the Consent Calendar for discussion. After discussion, the Board asked staff to modify section 2.01 to be more specific as well as not limiting the services the Senior Center may be required to provide. Staff has made revisions to section 2.01 as highlighted below:

- 2.01. During the term of this Agreement, the District may request MSC to provide certain services to the District. MSC will not assume any obligation to provide any services in excess of those stated in this Agreement unless a written amendment to this Agreement is executed by both parties. ~~Such services may include but are not limited to giving tours of the facility for prospective renters.~~ Such services may include giving tours of the facility for prospective renters as well as other tasks as agreed upon by both parties.

This agreement has been reviewed by Legal Counsel and therefore staff is also recommending the following additions be added to the Agreement:

- 15.01. DISTRICT Coordination and Staffing: DISTRICT shall designate a Parks & Recreation employee who shall be the primary contact person with the MSC.
- 15.02. MSC Meeting and Coordination Requirements: During the term of this Agreement the MSC shall maintain an active Executive Board of Directors

which shall meet no less than quarterly during each year this Agreement is in effect. The District's General Manager and Parks & Recreation Director shall be invited to each meeting of the the MSC Board of Directors, and an item shall be included at the beginning of each MSC meeting agenda to address Azalea Hall and issues pertinent to this Agreement.

- 15.03. District's Board of Directors shall maintain a standing committee, McKinleyville Senior Center Advisory Committee chaired by a District Board Member. This advisory position will attend all MSC executive and regular board meetings and report back to District's Board of Directors to facilitate communications between the two entities.

Alternatives:

Staff analysis consists of the following potential alternative

- Take No Action

Fiscal Analysis:

MSC shall pay to DISTRICT an amount, agreed upon by both parties, of \$450.00 per month, for utilities and janitorial supplies as provided in Section 4. The utility and janitorial supplies charge may be adjusted by DISTRICT, on an annual basis, in consultation with MSC.

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 - Senior Center Management Services and Usage Agreement
- Attachment 2 – Schedule For Use of Azalea Hall

McKINLEYVILLE COMMUNITY SERVICES DISTRICT

Azalea Hall – Senior Center

Management Services and Usage Agreement

This AGREEMENT, made and entered into this 4th day of March, 2015 by and between the McKinleyville Community Services District (DISTRICT), a California Community Services District, and the McKinleyville Senior Center (MSC), a non-profit organization, with reference to the following facts, which are acknowledged as true and correct by each of the parties:

- (a) DISTRICT is the owner of Azalea Hall located at 1620 Pickett Road in McKinleyville.
- (b) MSC desires to occupy and use the Meeting Room at Azalea Hall as its primary base of operations and is willing to provide certain services to DISTRICT in consideration of said use and occupancy; and
- (c) MSC and DISTRICT each desires to secure and enter into an AGREEMENT in accordance with the foregoing; and
- (d) As used in this AGREEMENT, the following terms shall have the following definitions:
 - 1. “AGREEMENT” shall mean the Management Services and Usage Agreement.
 - 2. “DISTRICT” shall mean the McKinleyville Community Services District.
 - 3. “MSC” shall mean the McKinleyville Senior Center.
 - 4. “Azalea Hall” shall mean the DISTRICT owned facility located at 1620 Pickett Road.
 - 5. “Facility Use Guidelines” shall mean those guidelines established in Article IV of the McKinleyville Community Services District Rules and Regulations, contained in the District Facility Use Handbook, and attached as Exhibit A, as well as any amendments to said documents the District may adopt during the term of this Agreement.
 - 6. “Executive Director” shall mean the employee of the McKinleyville Senior Center serving in said capacity.
 - 7. “Parks & Recreation Director” shall mean the employee of the DISTRICT serving in said capacity.

8. "Board of Directors" shall mean the five elected members of the McKinleyville Community Services District Board of Directors.
 9. "Article IV of the McKinleyville Community Services District Rules and Regulations" shall mean the then current portion of the document containing the Rules and Regulations of the DISTRICT as adopted by the Board of Directors.
- (e) The documents which are part of the AGREEMENT, and each of which are incorporated herein by this reference as though set forth in full, are the following:
1. Exhibit A: Article IV of the MCSD Rules and Regulations
 2. Exhibit B: McKinleyville Senior Center Schedule for Use of Azalea Hall

NOW, THEREFORE, in consideration of their mutual covenants and promises set forth herein, the parties hereto agree to as follows:

Section 1. Grant of Facility Use

- 1.01. DISTRICT grants MSC use of Azalea Hall as specifically described in Attachment 1. Facility use is subject to modification as a result of the provisions described in Section 20.
- 1.02. MSC shall adhere to the most current facility usage guidelines as adopted by DISTRICT and attached as Exhibit A. The District's Board of Directors shall have the right to modify the guidelines, from time to time, in its sole discretion and any modifications shall become binding on MSC immediately after adoption.

Section 2. Required MSC Services

- 2.01. During the term of this Agreement, the District may request MSC to provide certain services to the District. MSC will not assume any obligation to provide any services in excess of those stated in this Agreement unless a written amendment to this Agreement is executed by both parties. Such services may include giving tours of the facility for prospective renters as well as other tasks as agreed upon by both parties.

Section 3. Maintenance

- 3.01. DISTRICT shall maintain Azalea Hall and provide repairs as needed.
- 3.02. MSC shall insure that any portion of Azalea Hall used by MSC shall be kept clean and well maintained on a daily basis, so that Azalea Hall is, at all times, in suitable condition for use by others.

Section 4. Utilities

- 4.01. MSC shall be responsible for the payment of telephone charges incurred by MSC in its usage of Azalea Hall.
- 4.02. DISTRICT shall pay all utility charges incurred to provide heat, water, electricity, and telephone services to Azalea Hall except those utilities specifically agreed to be paid by MSC as outlined in this section.

Section 5. Equipment and Supplies Storage

- 5.01. Storage of MSC's equipment at Azalea Hall shall be at MSC's sole risk and DISTRICT shall not warrant security of stored materials.

Section 6. Facility Use and Access

- 6.01. MSC agrees to comply with DISTRICT's established facility use guidelines, as defined in Article IV of the McKinleyville Community Services District Rules and Regulations, and attached as Exhibit A and incorporated by reference herein.
- 6.02. MSC will sign for facility access keys; maintain custody of all keys during the term of this AGREEMENT; and return all keys upon completion of the term of this AGREEMENT. MSC shall not duplicate any keys or provide security codes to any other party. MSC will follow the procedures established by DISTRICT in opening building and closing building including activation and deactivation of alarm system. MSC will pay any charges levied resulting from false alarms caused by MSC's failure to comply with DISTRICT's security procedures. MSC will pay DISTRICT's actual cost to re-key Azalea Hall should MSC lose any key.
- 6.03. Should this AGREEMENT be terminated, MSC will surrender to DISTRICT, MSC's keys on or before the last day the AGREEMENT is still valid. Should this AGREEMENT be terminated, MSC also acknowledges that MSC's security codes will expire at Midnight on the last full day the Agreement is valid.

Section 7. Use of Equipment

- 7.01. MSC agrees not to use equipment owned by those other than MSC and DISTRICT and stored at Azalea Hall without first obtaining written approval from the owner of said equipment. A copy of written approval must be provided to the DISTRICT.

Section 8. Entry by DISTRICT

- 8.01. MSC shall permit DISTRICT, and DISTRICT's agents and assigns, at all reasonable times, to enter Azalea Hall (and those portions occupied by MSC), for the purposes of inspection, compliance with the terms of this AGREEMENT, exercise of all rights under this AGREEMENT, posting notices, and all other lawful purposes.

Section 9. Use Compatibility

- 9.01. MSC agrees that all use of Azalea Hall by MSC shall be conducted in a manner within the intended use of Azalea Hall and compatible with respect to the surrounding neighborhood and community.

Section 10. Site Improvements

- 10.01. Should MSC desire to have specific site improvements installed at Azalea Hall, MSC must first obtain written approval from the DISTRICT for such improvements and pay for all costs related to any pre-approved improvements.
- 10.02. It is understood and agreed between the parties that all installations, additions, and improvements erected or installed at any time at Azalea Hall during the term of this AGREEMENT shall immediately become the property of and belong to the DISTRICT upon such erection or installation.

Section 11. Prohibited Actions

- 11.01. MSC shall not:
- 11.01.a Use Azalea Hall for any purpose other than as authorized in this AGREEMENT and described in Attachment 1 and authorized by DISTRICT; and
 - 11.01.c Do or permit to be done anything which may interfere with the effectiveness and accessibility of Azalea Hall; nor do or permit to be done anything which may interfere with free access and passage in Azalea Hall or the public areas adjacent thereto; or hinder police, fire fighting, or other emergency personnel in the discharge of their duties; and
 - 11.01.d Rent, sell, lease, or offer any space for any articles whatsoever within or on Azalea Hall without the prior written consent of the DISTRICT; and
 - 11.01.e Place any additional lock of any kind upon any door, cabinet, or storage space, unless a key therefore is provided to the

DISTRICT, and, upon expiration or termination of this AGREEMENT, to surrender to DISTRICT any and all keys, and in the event of loss of any keys furnished by DISTRICT, MSC shall pay DISTRICT the cost for replacement thereof; and

- 11.01.f Use or allow Azalea Hall to be used for any improper purposes or for purposes in violation of Article IV of the McKinleyville Community Services District Rules and Regulations, as the same may be modified from time to time by the District.

Section 12. Equal Opportunity and Non-Discrimination Clause

- 12.01. MSC shall not discriminate in its offering of programs and use of Azalea Hall and all duties related to such offering and use on the basis of race, color, national origin, religious creed, ancestry, sex, age, or physical handicap and shall comply with all applicable state and federal statutes and regulations pertaining to such matters.

Section 13. Americans with Disabilities Act Compliance

- 13.01. DISTRICT shall indemnify, defend, and hold harmless MSC from any fines or penalties which may be imposed on MSC pursuant to the Americans with Disabilities Act as a result of DISTRICT's failure to make any required improvements to the premises as required by the Americans with Disabilities Act.
- 13.02. MSC shall be responsible for compliance with any and all requirements of the Americans with Disabilities Act with respect to the operation of MSC programs and use of Azalea Hall for which MSC is responsible. MSC shall indemnify, defend, and hold harmless DISTRICT from any fines or penalties which may be imposed upon it pursuant to the Americans with Disabilities Act as a result of MSC's failure to comply with any requirement of the Americans with Disabilities Act with respect to the operation of MSC programs and use of Azalea Hall for which MSC is responsible.

Section 14. Compliance with Law

- 14.01. MSC shall comply with and conform to all laws and regulations, state, and federal, and any and all requirements and orders of any state, or federal board or authority, present or future, in any way relating to the condition or use of Azalea Hall throughout the entire term of this AGREEMENT.

Section 15. Coordination, MSC Board and Staffing Requirements

- 15.01. DISTRICT Coordination and Staffing: DISTRICT shall designate a Parks & Recreation employee who shall be the primary contact person with the MSC.

- 15.02. MSC Meeting and Coordination Requirements: During the term of this Agreement the MSC shall maintain an active Advisory Board of Directors which shall meet no less than quarterly during each year this Agreement is in effect. The District's General Manager and Parks & Recreation Director shall be invited to each meeting of the MSC Board of Directors, and an item shall be included at the beginning of each MSC meeting agenda to address Azalea Hall and issues pertinent to this Agreement.
- 15.03. District's Board of Directors shall maintain a standing committee, McKinleyville Senior Center Advisory Committee chaired by a District Board Member. This advisory position will attend all MSC executive and regular board meetings and report back to District's Board of Directors to facilitate communications between the two entities.

Section 16. Compensation

- 16.01. MSC shall pay to DISTRICT an amount, agreed upon by both parties, of \$450.00 per month, for utilities and janitorial supplies as provided in Section 4. The utility and janitorial supplies charge may be adjusted by DISTRICT, on an annual basis, in consultation with MSC.
- 16.02. Additional facility use fees to be paid by MSC shall be outlined on Attachment 1.
- 16.03. Payment Procedure
- 16.03.a. MSC shall pay DISTRICT all sums required under this Agreement within thirty (30) days after receipt by MSC of payment statement for each month (or partial month) for which payments are due.
- 16.04. Delinquent Payment
- 16.04.a. In the event MSC shall be delinquent by more than fifteen (15) days in the payment of any sums due under the terms of this Section, such shall be considered to be a breach of this AGREEMENT.

Section 17. Insurance

- 17.01. Minimum Scope
- 17.01.a. MSC shall obtain and maintain throughout the term of this AGREEMENT, at MSC's cost, comprehensive general public liability insurance issued by an admitted carrier with a Best Company Rating of no less than A and acceptable to DISTRICT, which shall provide coverage for MSC's actions in performing

this AGREEMENT and use of Azalea Hall and insuring DISTRICT against loss or liability caused by or connected with MSC's occupation and use of Azalea Hall under this AGREEMENT in amounts of not less than \$1,000,000.00 per occurrence. DISTRICT, its officers, agents, assigns, and employees shall be designated as additional insureds pursuant to said policy.

17.02. Proof of Insurance

17.02.a. MSC shall cause DISTRICT to be given written notification, prior to the commencement of this AGREEMENT, from the insurance carrier of the existence of such policies and shall provide a certificate of insurance and separate endorsement in the amounts listed in 17.01. prior to the inception of the term which shall provide that coverage provided by the policy shall not be canceled or amended until the DISTRICT is first provided with at least thirty (30) days written notice concerning such cancellation or notice.

Section 18. Indemnity

18.01. Hold Harmless

18.01.a. Except for the active negligence or willful misconduct of DISTRICT, MSC undertakes and agrees to defend, indemnify, and hold harmless DISTRICT and all its officers, agents, assigns, and employees from and against any and all suits, actions, and causes of action, claims, liens, demands, obligations, proceedings, loss or liability of every kind and nature in connection with or arising directly or indirectly out of this AGREEMENT whatsoever, for death or injury to any person including DISTRICT's officers, agents, assigns, and employees, or damage or destruction of any property of either party hereto or of third parties arising out of or in any manner by reason of, or incident to, the performance of this AGREEMENT on part of MSC, its officers, agents, assigns, and employees of any tier.

Section 19. Unavoidable Delays

19.01. The provisions of this Section shall be applicable if there shall occur, during the term of this AGREEMENT, any (a) inability to obtain labor or materials, or reasonable substitutes (other than lack of funds); or (b) acts of God, governmental restriction, regulations or controls, enemy or hostile government, civil commotion, fire, or other casualty; or (c) other conditions similar to those enumerated in this Section beyond reasonable control of the party obligated to perform (other than lack of funds). If DISTRICT or MSC shall, as the result of any of the above-described

events, fail to provide or perform any obligation on its part under this AGREEMENT, then upon written notification to the other within ten (10) days of such event, such failure shall be excused and not be a breach of this AGREEMENT by the party claiming unavoidable delay, but only to the extent occasioned by such event. Notwithstanding anything contained herein to the contrary, this Section shall not be applicable to the obligation of the DISTRICT or MSC to pay any sums, monies, costs, charges, or expenses required paid pursuant to the terms of this AGREEMENT.

Section 20. Amendments and Assignments

- 20.01. This AGREEMENT contains the complete and final AGREEMENT between the DISTRICT and the MSC. No AGREEMENT or other understanding in any way purporting to modify, add to, or superseded the terms and conditions hereof shall be binding upon either party unless made in writing and duly executed by authorized representatives. This provision shall not limit or restrict the District's right to modify the Facility Use Guidelines, from time to time during the term of this Agreement, in its discretion.
- 20.02. This AGREEMENT may not be assigned or transferred, in whole or in part, by MSC without first obtaining the written consent of DISTRICT which may be withheld, for any reason, in the DISTRICT's sole discretion.
- 20.03. This AGREEMENT may not be assigned or transferred, in whole or in part, by DISTRICT without first obtaining written consent of MSC and approval by MSC's Executive Director and Executive Board of Directors which may be withheld, for any reason, in the MSC's sole discretion.
- 20.04. Furthermore, the DISTRICT agrees that proposals for amendments and assignments to this AGREEMENT shall not be submitted in any DISTRICT Board or Committee meeting packet, given to any Board or Committee member, or otherwise posted unless such amendments and assignments have been presented in writing to MSC's Executive Board of Directors.

Section 21. Taxes

- 21.01. MSC shall be solely responsible for the payment when due for any possessory interest or other unsecured tax levied by any governmental authority with respect to the use and occupancy of Azalea Hall by MSC.

Section 22. Resolution of Disputes

- 22.01. Process for Resolution

22.01.a. Any dispute arising under the terms of this AGREEMENT, which is not resolved within a reasonable period of time by authorized representatives of the DISTRICT and the MSC shall be brought to the attention of the District General Manager (or designated representative) of the DISTRICT and the Board President (or designated representative) of the MSC for joint resolution of the dispute through these means is pursued without success, either party may seek resolution employing whatever remedies exist in law or equity beyond this AGREEMENT. Despite an unresolved dispute, the DISTRICT and MSC hereto shall continue without delay to perform its obligations under this AGREEMENT.

22.02. Attorney's Fee's

22.02.a. In the event of any litigation arising between the parties regarding the terms of this AGREEMENT, the prevailing party shall be entitled to recover reasonable attorney's fees in addition to other relief provided by law.

Section 23. Law Governing

23.01 The AGREEMENT shall be governed exclusively by the provisions hereof and by the laws of the State of California.

Section 24. Notices

24.01 Any notice, demand, or communication under, or in connection with, this AGREEMENT, may be served upon DISTRICT by personal service, or by mailing the same by certified mail in the United States Post Office, postage prepaid, and directed to the DISTRICT as follows:

Parks & Recreation Director
McKinleyville Community Services District
1656 Sutter Road / P.O. Box 2037
McKinleyville CA 95519

And may likewise be served on MSC by personal service or by so mailing the same addressed to MSC as follows:

Executive Director
McKinleyville Senior Center
1620 Pickett Road
McKinleyville CA 95519

Either DISTRICT or MSC may change such address by notifying the other party in writing as to such new address as DISTRICT or MSC may desire used and which address shall continue as the address until further written notice.

Section 25. Term and Extensions

25.01 Term and Extensions

- 25.01.a. Subject to the provisions of this AGREEMENT, the term of this AGREEMENT shall commence on the date herein and shall continue through and including the 28th day of February 2016.

Opportunities shall be made for DISTRICT and MSC to review this AGREEMENT on a yearly basis to enact amendments and assignments to this AGREEMENT as provided in Section 20 of this AGREEMENT.

25.02. Termination by DISTRICT

- 25.02.a. Notwithstanding the foregoing, DISTRICT, in the case of MSC's breaches, may terminate this AGREEMENT by giving MSC written notice to the address herein set forth which notice shall identify MSC's deficiencies in performance of this AGREEMENT. If, within thirty (30) days of the date of said notice, MSC has not cured the deficiency in performance, DISTRICT may, by further written notice, terminate this AGREEMENT to be effective sixty (60) days following the date of said second written notice.

In the event this AGREEMENT is so terminated, it shall be lawful for DISTRICT immediately hereafter to remove all persons and property from the premises.

25.03. Termination by MSC

- 25.03.a. Notwithstanding the foregoing, MSC, in the case of DISTRICT's breaches, may terminate this AGREEMENT by giving DISTRICT written notice to the address herein set forth which notice shall identify DISTRICT's deficiencies in performance of this AGREEMENT. If, within thirty (30) days of the date of said notice, DISTRICT has not cured the deficiency in performance, MSC may, by further written notice, terminate this AGREEMENT to be effective sixty (60) days following the date of said second written notice.

25.04. Obligations Upon Expiration or Termination

- 25.04.a. Upon the expiration or termination of this AGREEMENT for any reason whatsoever, MSC shall promptly deliver the following to the DISTRICT's appointed agent:

All access keys and codes to Azalea Hall.

25.05. Disposition of Certain Property

25.05.a. MSC hereby acknowledges and agrees that any and all equipment not directly owned by MSC and all DISTRICT-owned equipment and materials used in connection with Azalea Hall shall remain the property of the DISTRICT, and MSC acknowledges that it shall not be entitled to remove such property from Azalea Hall upon the expiration or termination of this AGREEMENT, regardless of reason.

IN WITNESS WHEREOF, the parties have executed this AGREEMENT as of the day and year first above written.

McKinleyville Community Services District

McKinleyville Senior Center

By:_____

By:_____

John Corbett, President
MCSD Board of Directors

Chairman, MSC Board of Directors

Date:_____

Date:_____

Attest:

By:_____

Becky Schuette, Secretary to the Board of Directors

McKINLEYVILLE SENIOR CENTER Schedule For Use of Azalea Hall

1. The McKinleyville Senior Center (MSC) shall have exclusive use of the Meeting Room located in Azalea Hall as follows:

Monday through Friday	8:00 am – 4:00 pm
Saturdays	12:30 pm – 3:30 pm
Sundays	6:00 pm – 10:00 pm

Additional Use: MSC shall have exclusive use on the third Wednesday of July, October, January, and April from 4:00 pm – 7:00 pm.

2. MSC shall have exclusive use of the Hewitt Room and Kitchen in Azalea Hall for nine (9) hours per month as per scheduled and approved by the Parks & Recreation Director. Furthermore, the MSC agrees to pay DISTRICT \$16.00 per hour for any use in the Azalea Hall Kitchen that exceeds nine (9) hours per month.
3. MSC may use Azalea Hall during other unreserved times for any normal operation or activity; whether spontaneous, scheduled, or ongoing at no charge to MSC.
4. MSC shall have exclusive use of the Azalea Hall Office Monday through Friday, from 9:00 am – 1:00 pm. The District shall have exclusive use of the Azalea Hall Office Monday through Friday, from 1:00 pm – 5:00 pm, evenings, and weekends.
5. MSC agrees to inform DISTRICT of scheduled or ongoing use so DISTRICT may include such events on the Azalea Hall facility use calendar. However, if DISTRICT, a DISTRICT-approved vendor, special event, or recreation program require use of the Hewitt Room during those times, except times granted to MSC in number 1 above, such use shall have priority over use of the Hewitt Room by MSC. Furthermore, MSC agrees to reschedule, move, or make alternative arrangements for any cancellation resulting from such use at no cost to DISTRICT.
6. Acknowledging that the participants in MSC programs are a viable and important part of the community, DISTRICT shall consider, respect, and adhere to MSC's scheduled and ongoing use of the Hewitt Room when scheduling and planning recreation programs for the community. Furthermore, DISTRICT agrees that all such scheduling of the Hewitt Room for DISTRICT's recreation programs shall result in consultation with the Executive Director of the MSC and DISTRICT's Parks and Recreation Director.
7. MSC shall not charge a usage fee to any group or organization for the use of Azalea Hall Kitchen or Hewitt Room without gaining prior authorization from the Parks & Recreation Director.
8. MSC shall pay for the use of Azalea Hall Hewitt Room and/or Kitchen for any profitable fee based class or event held outside of the allotted times listed in #1 & #2 above.

McKinleyville Community Services District

BOARD OF DIRECTORS

March 4, 2015

TYPE OF ITEM: **ACTION**

ITEM: E.7 **Consider authorizing the Board Secretary to apply for the Recognition in Special District Governance on behalf of the three eligible Directors**

PRESENTED BY: **Becky Schuette, Board Secretary**

TYPE OF ACTION: **Voice Vote**

Recommendation:

Staff recommends that the Board review the information, allow public comment and authorize the Board Secretary to apply for the Recognition in Special District Governance on behalf of the three eligible Directors.

Discussion:

The Recognition in Special District Governance was designed to acknowledge special district board members/trustees that have taken the time and made the effort to get core governance training and continuing education. The program is comprised of two distinct parts: the CSDA Special District Leadership Academy and at least 10 hours of continuing education from the California Special Districts Association (CSDA) or another statewide association specializing in local government.

Although this is an individual recognition, the District may receive special recognition as well; when we have a majority of the board holding recognitions, we will receive Silver Recognition from the Foundation. When all Board members have their recognition certificates, we will then be eligible for the Gold Recognition.

Special District Governance recognition is for a lifetime. Director Mayo received his in December of 2013. Having completed the Leadership Academy in January, Directors Edwards, Couch and Wheeler are now also eligible to apply.

Alternatives:

Staff analysis consists of the following potential alternative:

- Take No Action

Fiscal Analysis:

The individual application fee is \$65; therefore it will be \$195 to apply for all three Directors.

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – Recognition in Special District Governance Application



FOR DIRECTORS AND TRUSTEES

Recognition in Special District Governance

This recognition is an opportunity for staff, board members and trustees to demonstrate to their constituents and colleagues the extent of their commitment and dedication to providing the best possible service to the communities they serve.

Requirements

☐ CSDA SPECIAL DISTRICT LEADERSHIP ACADEMY

Requires completion of all four modules of the California Special Districts Association (CSDA) Special District Leadership Academy within the last two years:

Module 1: Governance Foundations

Module 2: Setting Direction & Community Leadership

Module 3: Board's Role in Finance & Fiscal Accountability

Module 4: Board's Role in Human Resources

☐ ELECTIVE COURSES

Requires at least 10 hours of continuing education from the California Special Districts Association (CSDA) or another statewide association specializing in local government.

Frequently Asked Questions (FAQs)

What is the Recognition program?

Recognition in Special District Governance was designed to acknowledge special district board members/trustees that have taken the time and made the effort to get core governance training and continuing education. The program is comprised of two distinct parts: the CSDA Special District Leadership Academy, and at least 10 hours of continuing education from the California Special Districts Association (CSDA) or another statewide association specializing in local government.

Who should apply?

This is an individual recognition. Special district board members, trustees and staff are encouraged to apply.

What do you receive?

Upon completion and verification of the application and submission of the one-time fee, you will be recognized by receiving a custom certificate in a beautiful padded folder, along with the recognition at an upcoming event should you be able to attend.

Is there a way for my district to be recognized also?

In addition to recognitions given to individual directors/trustees and staff, there is also a District Recognition. Districts that have a majority of their governing board holding recognitions will receive a Silver Recognition, and districts with their entire board holding recognitions will receive a Gold Recognition. District Recognitions will be presented at an upcoming event should representatives be able to attend.

How long is the recognition good for?

This is recognition for a lifetime. All you need to do is keep SDLF current anytime you change address, jobs, etc.

Fees

Individual Recognition: \$65

District Recognition: free of charge

Submit Application

Submit this application along with all required documentation and payment of \$65 for individual recognition (additional District Recognition is free of charge) to:

SPECIAL DISTRICT LEADERSHIP FOUNDATION

1112 I Street, Suite 200

Sacramento, CA 95814

Phone: 916-231-2939 • Fax: 916-442-7889 • www.sdlf.org

NAME:		
DISTRICT:		
CONTACT NAME:		
CONTACT TITLE:		
MAILING ADDRESS:		
CITY:	STATE:	ZIP:
PHONE:	FAX:	
EMAIL:	WEBSITE:	

CSDA SPECIAL DISTRICT LEADERSHIP ACADEMY

MODULE	DATE TAKEN
MODULE 1: GOVERNANCE FOUNDATIONS	
MODULE 2: SETTING DIRECTION/COMMUNITY LEADERSHIP	
MODULE 3: BOARD'S ROLE IN FINANCE & FISCAL ACCOUNTABILITY	
MODULE 4: BOARD'S ROLE IN HUMAN RESOURCES	

ELECTIVES* (AT LEAST 10 HOURS REQUIRED WITHIN THE LAST TWO YEARS)

COURSE TITLE & SPONSORING ORGANIZATION	DATE TAKEN	HOURS
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		

**Please attach any verifying documentation. Use additional pages if necessary.*

PAYMENT	
TOTAL: \$	<input type="checkbox"/> CHECK <input type="checkbox"/> VISA <input type="checkbox"/> MASTERCARD <input type="checkbox"/> DISCOVER <input type="checkbox"/> AMERICAN EXPRESS
ACCT. NAME:	ACCT. NUMBER:
EXPIRATION DATE:	AUTHORIZED SIGNATURE:

McKinleyville Community Services District

BOARD OF DIRECTORS

March 4, 2015

TYPE OF ITEM: **ACTION**

ITEM: E.8 **Consider authorization to attend the 2015 Special District Legislative Days (SDLD) on May 19 & 20, 2015 in Sacramento, CA**

PRESENTED BY: **Becky Schuette, Board Secretary**

TYPE OF ACTION: **Voice Vote**

Recommendation:

Staff recommends that the Board review the information provided; take public comment and consider authorization for interested Board Member(s) to attend the Special District Legislative Days in Sacramento CA, on May 19 & 20, 2015.

Discussion:

The California Special District Association (CSDA) is sponsoring a two day conference titled Special District Legislative Days. The conference will be held at the Sheraton Grand Hotel in Sacramento May 19 & 20, 2015.

Attendees will gain insights on policy changes impacting our agencies and will have the opportunity to meet with legislators, key issue speakers and California's policy leaders. The conference is designed to allow participants to:

- Exchange ideas with legislators and discuss priority legislation at pre-arranged visits
- Hear directly from state leadership on hot topics affecting local services and infrastructure
- Explore how decisions are really made in the Capitol and how you can influence outcomes
- Get answers to questions at issue-focused industry specific roundtable sessions

General Manager Orsini will be attending the SDLD conference as a requirement of being on the CSDA Board of Directors and several Directors' attended this informational conference last May.

Alternatives:

Staff analysis consists of the following potential alternative

- Take No Action

Fiscal Analysis:

Early bird registration is \$175 before April 17, 2015 and hotel costs are \$172 a night excluding taxes. The District vehicle could be utilized for attendees. An approximate total cost, including per diem is \$750 per attendee.

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – Legislative Days Brochure



SPECIAL DISTRICTS LEGISLATIVE DAYS

EARLY BIRD PRICING – REGISTER ON OR BEFORE APRIL 17, 2015

- **CSDA Member - \$175 Early Registration / \$225 Regular Registration**
- **Non-Member - \$275 Early Registration / \$325 Regular Registration**

Three Ways to Register

- **Online:** Visit csda.net/conferences
- **Fax number:** 916.520.2465. All faxed forms must include credit card payment
- **Mail:** CSDA, 1112 I Street, Suite 200, Sacramento, CA 95814. Please include registration form and payment
Checks should be made payable to: California Special Districts Association.

Who qualifies for "member" rates?

All California Special Districts Association and Special District Risk Management Authority members.

Not sure if you are a member? Simply contact Cathrine Lemaire at cathrine@csda.net or call toll-free at 877-924-2732.

It's not too late to become a CSDA member.

Registration includes the evening reception, legislative visits arranged by CSDA, written materials and meals as indicated in the agenda.

Payment must accompany registration in order to process.

☐ CSDA Member: \$175/EARLY BIRD

☐ Non-Member: \$225/EARLY BIRD

☐ CSDA Member: \$275/AFTER APRIL 17

☐ Non-Member: \$325/AFTER APRIL 17

Total \$:

Name/Title:

District:

Address:

City:

State:

ZIP:

Phone:

Fax:

Email:

Emergency Contact Name/Phone Number:

LEGISLATIVE VISITS

CSDA will make every attempt to schedule meetings with your region's legislative representatives or staff.

☐ Yes, I want to participate in prearranged meetings in the Capitol

☐ No, I do not want to participate in prearranged meetings in the Capitol

PAYMENT

☐ Check ☐ Visa ☐ MasterCard ☐ Discover ☐ American Express

Acct. name:

Acct. Number:

Expiration date:

Authorized Signature:

SPECIAL NEEDS

☐ Vegetarian ☐ Other:

CANCELLATION POLICY: Cancellations must be made IN WRITING and received via fax or mail three days prior to event. All cancellations made within the specified time will be refunded less a \$75 processing fee. NO EXCEPTIONS.



CSDA

California Special Districts Association
1112 I Street, Suite 200
Sacramento, CA 95814

A proud California Special Districts Alliance partner.

PRSRT STD
U.S. Postage
PAID
Permit No. 2472
Sacramento, CA

Agenda At A Glance

Agenda subject to change

TUESDAY, MAY 19

9:30 – 10:00 a.m.	REGISTRATION
10:00 – 10:15 a.m.	WELCOME
10:15 – 10:45 a.m.	LOCAL GOVERNMENT PANEL
11:00 a.m. – 12:00 p.m.	LEGISLATIVE BRIEFING
12:00 – 2:00 p.m.	LUNCH & CAPITOL INSIGHTS
2:00 – 5:00 p.m.	LEGISLATIVE VISITS
5:00 – 6:30 p.m.	LEGISLATIVE RECEPTION

WEDNESDAY, MAY 20

7:45 – 8:30 a.m.	DISTRICT NETWORKS CAFÉ
8:30 – 8:40 a.m.	WELCOME
8:40 – 8:50 a.m.	LEGISLATOR OF THE YEAR AWARD
8:50 – 9:35 a.m.	KEYNOTE
9:35 – 10:20 a.m.	PANEL
10:35 a.m. – 12:00 p.m.	ROUNDTABLES
12:00 – 1:15 p.m.	LUNCH & PRIORITIES OVERVIEW
1:15 – 1:30 p.m.	CLOSING REMARKS

HOTEL INFORMATION

Sheraton Grand Sacramento Hotel

1230 J Street
Sacramento, CA
95814

\$172 CSDA room
rate. Call to
reserve at
1-800-325-3535.

5:00 p.m. cut-off
on April 17, 2015.



@SPECIALDISTRICT
#SDLD2015



FACEBOOK.COM/SPECIALDISTRICT



California Special
Districts Association

Districts Stronger Together

SPECIAL DISTRICTS LEGISLATIVE DAYS



Take advantage of this opportunity to meet with legislators, key issue experts and California's leaders to hear first-hand about the latest legislative proposals directly affecting the delivery of essential local services. **Explore** how decisions are really made in the Capitol and how you can **influence** outcomes.

EARLY BIRD DISCOUNT!

Register at csda.net/conferences

May 19-20, 2015

TO BE HELD AT THE GRAND

1215 J Street • Sacramento, CA 95814



McKinleyville Community Services District

BOARD OF DIRECTORS

March 4, 2015

TYPE OF ITEM: **ACTION**

ITEM: E.9 **Consider travel and attendance for the ACWA 2015 Spring Conference and Exhibitor Showcase in Sacramento, May 5-8, 2015**

PRESENTED BY: **Becky Schuette, Board Secretary**

TYPE OF ACTION: **Voice Vote**

Recommendation:

Staff recommends that the Board review the information provided for the Association of California Water Agencies (ACWA) 2015 Spring Conference in Sacramento, CA; take public comment and consider authorization for interested Board Member(s) to attend the ACWA 2015 Spring Conference.

Discussion:

The Director Mayo is seated as Vice President on the ACWA Region 1 Board. Region members serve for 2-year terms. The 2-year term ends December 31, 2015. As discussed at the June 12, 2013 Board meeting a Region Board Member will participate in at least two region membership meetings to be held at each of the ACWA Conferences and periodic Region Board meetings done telephonically. The expenses incurred to attend the ACWA Conferences as a member of ACWA Region 1 Board shall be borne to the District.

This year's ACWA 2015 Spring Conference will be held in Sacramento, CA from May 5, 2015 to May 8, 2015. Attached for your review is the ACWA 2015 Spring Conference Pricing Sheet. Regular registration and cancellation deadline is April 10, 2015 by 4:30pm.

Alternatives:

Staff analysis consists of the following potential alternative

- Take No Action

Fiscal Analysis:

Full conference registration is \$525 (excluding meals); Per diem for five days will be \$305; hotel costs for the event at either the Hyatt Regency or Sheraton Grand in Sacramento will be approx \$200 per night (including taxes) for a total of four nights. The District vehicle can be utilized for travel to Sacramento utilizing the fuel card. An approximate total for the five day conference will be \$1630 per attendee.

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – ACWA Spring Conference 2015 Preliminary Agenda
- Attachment 2 – ACWA Spring Conference 2015 Pricing Reference Sheet
- Attachment 3 – ACWA Spring Conference 2015 Terms and Conditions



ACWA 2015 Spring Conference & Exhibition

PRELIMINARY AGENDA

Sacramento, California

MAY
5-8
2015

ACWA/JPIA - MONDAY, MAY 4

8:30 – 10:00 AM

- Employee Benefits Program Committee Meeting

10:15 – 11:15 AM

- ACWA/JPIA Executive Committee

1:30 – 4:00 PM

- ACWA/JPIA Board of Directors

4:00 – 5:00 PM

- ACWA/JPIA Town Hall

5:00 – 6:00 PM

- ACWA/JPIA Reception

TUESDAY, MAY 5

8:00 AM – 6:00 PM

- Registration

8:30 – Noon

- ACWA/JPIA: Seminars

10:00 – 11:45 AM

- Water Management Committee
- Water Quality Committee

11:00 AM – Noon

- Outreach Task Force

Noon – 2:00 PM

- ACWA 101 & Luncheon
- Committee Lunch Break

1:00 – 1:30 PM

- Scholarship & Awards Subcommittee

1:00 – 2:45 PM

- Energy Committee
- Finance Committee
- Groundwater Committee

1:45 – 2:45 PM

- Social Media & Website Workgroup

2:00 – 4:00 PM

- SDLF Special District Administrator Certification Test

1:30 – 3:30 PM

- ACWA/JPIA: Sexual Harassment Prevention for Board Members & Managers (AB 1825)

3:00 – 4:45 PM

- Business Development Committee
- Communications Committee
- Federal Affairs Committee
- Local Government Committee
- Membership Committee

5:00 – 6:30 PM

- Welcome Reception in the Exhibit Hall

WEDNESDAY, MAY 6

7:30 AM – 5 PM

- Registration

8:00 – 9:45 AM

- Opening Breakfast *(Ticket Required)*

9:00 AM – Noon & 1:30 – 5:00 PM

- Exhibit Hall

10:00 – 11:30 AM

- Attorneys Program
- Communications Committee Program
- Energy Committee Program
- Exhibitor Technical Presentations
- Finance Program
- Human Resources Program
- Region Issue Forum
- Statewide Issue Forum

11:30 – 11:45 AM

- Prize Drawing in Exhibit Hall

11:45 AM – 1:45 PM

- General Session & Luncheon *(Ticket Required)*

2:00 – 3:15 PM

- Attorneys Program
- Finance Program
- Human Resources Program
- Local Government Program
- Region Program
- Town Hall
- Water Industry Trends Program

3:15 – 3:45 PM

- Cash Prize Drawing & Snack Break in Exhibit Hall

3:45 – 5:00 PM

- Aquatics Resources Subcommittee
- Energy Committee Program
- Exhibitor Technical Presentations
- Statewide Issue Forum
- Water Industry Trends Program

4:00 – 6:00 PM

- Legal Affairs Committee

5:30 – 7:00 PM

- CH2MHILL Hosted Reception

THURSDAY, MAY 7

7:30 AM – 4 PM

- Registration

8:00 AM – Noon

- Exhibit Hall

8:00 – 9:15 AM

- Networking Continental Breakfast *(Ticket Required)*

9:30 – 11:00 AM

- Attorneys Program
- Exhibitor Technical Presentations
- Finance Program
- Human Resources Program
- Region Issue Forum
- Statewide Issue Forum
- Water Industry Trends Program

9:30 – 11:45 AM

- Ethics Training (AB 1234)

11:00 – 11:30 AM

- Prize Drawings in Exhibit Hall

11:45 AM – 1:45 PM

- General Session & Luncheon *(Ticket Required)*

2:00 – 3:15 PM

- Attorneys Program
- Exhibitor Technical Presentations
- Federal Issues Forum
- Statewide Issue Forum
- Water Industry Trends Program

3:30 – 5 PM

- Regions 1 – 10 Membership Meetings

6:00 – 7:00 PM

- New Water Professionals Reception

7:00 – 9:30 PM

- Dinner & Entertainment *(Ticket Required)*

FRIDAY, MAY 8

8:00 – 9:30 AM

- Registration

8:30 – 10 AM

- ACWA's Hans Doe Past Presidents' Breakfast in Partnership with ACWA/JPIA *(Ticket Required)*

OTHER EVENTS

THURSDAY, MAY 7

6:45 – 8:30 AM

- San Joaquin Valley Agricultural Water Committee

All conference programs are subject to change.

PRICING REFERENCE SHEET



ACWA 2015 Spring Conference & Exhibition

REGISTRATION, MEALS & HOTEL PRICING

Sacramento Convention Center & Surrounding Hotels

MAY
5-8
2015

Register online @ acwa.com

Regular registration and cancellation deadline is April 10, 2015 • 4:30 p.m. (PST)

NEW!! CREATE YOUR ACWA PORTAL PROFILE

You must have an ACWA portal profile in order to register for ACWA events through the new ACWA Member Portal. **If you haven't already, please be sure to create your profile at <https://portal.acwa.com>**

REGISTRATION FEES & OPTIONS	REGULAR	ONSITE
Advantage (For ACWA public agency members, affiliates & associates ONLY)	(ends 4/10/15)	
Full Conference Registration & Meals Package	\$695	Not Avail.
Full Conference Registration Only (meals sold separately)	\$535	\$560
One-Day Conference Registration (meals sold separately): Wednesday 5/6 -OR- Thursday 5/7	\$300	\$325
<i>Wednesday registration includes Welcome Reception on Tuesday evening.</i>		
<i>Thursday registration includes ability to purchase a ticket for Friday breakfast.</i>		
Standard (Applies to non-members of ACWA)		
Full Conference Registration Only (meals sold separately)	\$805	\$830
One-Day Conference Registration (meals sold separately): Wednesday 5/6 -OR- Thursday 5/7	\$450	\$475
<i>Wednesday registration includes Welcome Reception on Tuesday evening.</i>		
<i>Thursday registration includes ability to purchase a ticket for Friday breakfast.</i>		
Guest (Guest registration is not available to anyone with a professional reason to attend.)		
Guest Conference Registration (meals sold separately)	\$45	\$45
MEAL FUNCTIONS	REGULAR	ONSITE
Wednesday – May 6		
Opening Breakfast	\$45	\$50
Wednesday Luncheon	\$50	\$55
Thursday – May 7		
Networking Continental Breakfast	\$35	\$40
Thursday Luncheon	\$50	\$55
Thursday Dinner	\$65	\$70
Friday – May 8		
Friday Breakfast	\$45	\$50

HOTEL INFORMATION

Reservations will not be accepted until February 23

You must be registered for the ACWA conference in order to receive hotel reservation information and conference special room rate. Conference special rate is available February 23 – April 13, based on availability.

Special Hotel Rates

Hyatt Regency Sacramento Single/Double \$194
Subject to 12.00075% occupancy tax per room per night plus \$3 county tourism assessment fee.

Sheraton Grand Sacramento Single/Double \$194
Subject to 12.00075% occupancy tax per room per night plus \$3 county tourism assessment fee.

Important Dates:

For those **registering for conference prior to February 23**, hotel information will be provided via e-mail on February 23.

For those **registering for conference from February 23 to April 10**, your confirmation e-mail will include hotel reservation information and an opportunity to receive a conference special hotel rate.

Hotel Reservation Questions?

Email Joline Pudoff at jpudoff@visitsacramento.com

Questions? Contact us at 916.441.4545, toll free 888.666.2292.

Conference terms and conditions available at acwa.com in the event section.

REGISTRATION TERMS & CONDITIONS

ACWA 2015 Spring Conference & Exhibition Sacramento Convention Center & Surrounding Hotels

MAY
5-8
2015

Register online @ acwa.com

Regular registration and cancellation deadline is April 10, 2015 • 4:30 p.m. (PST)

WHO IS ELIGIBLE FOR "ACWA ADVANTAGE" PRICING?

ACWA Advantage pricing is available to the following registrants:

- An officer or director of an ACWA member agency.
- A person directly employed by an ACWA public agency member, affiliate or associate organization. This does not include independent contractors, service providers, or third-party vendors.
- Any ACWA board member whose fee is paid for by member agency.
- Any state or federal administrative or legislative personnel in elected, appointed or staff positions.
- Staff of ACWA/JPIA and Water Education Foundation.
- Any individual or honorary life member of ACWA.

ONE-DAY REGISTRATION

By choosing a Wednesday registration, you are entitled to attend the Welcome Reception on Tuesday evening and all programs on Wednesday. By choosing a Thursday registration, you are entitled to attend all programs on Thursday and the capability to attend the Friday closing breakfast, with the purchase of a meal ticket.

MEMBERSHIP INFORMATION – *Become a Member & Save on ACWA Events*

If you are interested in learning more about becoming an Associate Friend of ACWA, contact Jacob Rowe at jacobr@acwa.com. For public agency membership, please contact Tiffany Giammona at tiffanyg@acwa.com.

CANCELLATIONS & CHANGES

All registration changes and cancellations must be made in writing by the event registration deadline. Valid cancellation requests will receive a refund of any registration fees paid minus a \$75 processing charge. For payments originally made by credit card, refunds can be issued back onto the credit card within 60 days. Otherwise, a refund will be issued by check. No refunds or registration changes will be granted after the registration deadline. Submit request in writing to Avon Alfaro at avona@acwa.com.

SUBSTITUTIONS

Event registrations are transferable from one participant to another within the same organization. Please submit your request in writing before the event registration deadline to Avon Alfaro at avona@acwa.com. Include the original registrant's name, the new person's name, title and email address with your request. After the registration deadline, substitutions will be handled on-site. Only one substitution is permitted per original registrant. The individual submitting the substitution request is responsible for all financial obligations (including any balance due) associated with the original registration. There is no fee to transfer an eligible registration.

SPECIAL REQUESTS & ACCOMMODATIONS

Special requests must be submitted in writing to Avon Alfaro at avona@acwa.com. Participants are encouraged to submit special requests as soon as possible.

If you have a disability that requires an accommodation, please contact Avon Alfaro at avona@acwa.com or call toll free at (888) 666-2292 to discuss your needs.

REFUNDS

Except as otherwise provided in this document, all payments and fees are nonrefundable after the registration deadline.

MEAL TICKETS

After registration deadline, meal tickets are not eligible for exchange, refund or credit.

NONATTENDANCE

Registrants who fail to attend the event, in part or in whole, are not eligible for a refund or credit and will be billed for any balance due.

GUEST REGISTRATION

Guest registration is available to a spouse, companion or guest of an ACWA event registrant. Guest registration is not available to any employees of a public agency, associate or affiliate/mutual water company. Guest registration is also not available to anyone with a professional reason to attend for purposes of learning or business. The guest registration includes admission to the Exhibit Hall, the opening reception and the ability to purchase meal tickets and attend meal functions. **Guest registrants are not eligible for cash or prize drawings.**

Questions? Contact us at 916.441.4545, toll free 888.666.2292.

McKinleyville Community Services District

BOARD OF DIRECTORS

March 4, 2015

TYPE OF ITEM: **INFORMATIONAL**

ITEM: E.10 **Consider discussion of the FY2015-16 Draft Capital Improvement Plan for the Operational Funds: Water, Wastewater, and Streetlights**

PRESENTED BY: **Colleen M. R. Trask, Finance Director and James Henry, Operations Director**

TYPE OF ACTION: **None, Information Only**

Recommendation:

Staff recommends that the Board review and discuss the Draft Capital Improvement Plan for the Water, Wastewater, and Streetlights Funds

Discussion:

The Draft Capital Improvement Plan for Fiscal Year 2015-16 for Water, Wastewater, and Streetlights Funds is attached. The majority of budgeted expenditures for the Wastewater Fund is related to the Wastewater Management Facility upgrade. At this time, we are expecting to be able to secure loan funding for this project from the State Water Resources Control Board.

The Water Fund's primary budgeted expenditures are related to tank recoating, property procurement for the new tank site, radio meter upgrades and rehabilitation and replacement of McKinleyville's water mains. This will likely be paid from reserves, and smaller projects can be funded directly from operations. There are no major Capital Improvement Projects planned for the Streetlights Fund in the coming fiscal year.

The attached Narrative further explains underlying details. The final CIP will be brought back to the Board for review and approval with the complete Budget for Fiscal Year 2015-16 in June 2015.

Alternatives:

Take Action

Fiscal Analysis:

See attached schedules

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 - Draft Capital Improvement Plan for the Fiscal Years ending June 30, 2016 - 2025 for the Water, Wastewater, and Streetlights Funds.
- Attachment 2 - Draft Capital Improvement Plan Narrative for Fiscal Year 2015-16.

Attachment 1

McKinleyville Community Services District
Enterprise Fund Capital Improvement Projects
For the Fiscal Years Ending June 30, 2016 - 2025

	1	2	3	4	5	6	7	8	9	10
(All numbers in \$000s)										
	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
1. Heavy Equipment										
Hydrocleaner (Sewer Fund) and appurtenances		300								
Backhoe			60							
Dump Truck	90						80			
Tractor and Attachments	10			10		50				
Air Compressor and appurtenances					20					
Totals:	100	300	60	10	20	50	80	0	0	0
2. Utility Vehicles										
3/4 or 1-Ton Pickup	32	33	33	33		34	34	34	33	34
CCTV Truck	30									
Car	0								30	
Light Duty Utility Truck			22	22	22					
Totals:	62	33	55	55	22	34	34	34	63	34
3. Water System										
4.5m New Tank	30	700	3,500				50	3,200		
Property Purchase/Improvements										
Emergency Water Line River Crossing										
Water Tank Upgrades	350	400				400		400		
Ramey Pump Upgrades										
Emergency Water Supply	40		50							
Radio Telemetry Upgrade		15		20						
Meter Reader Upgrade			15							
McCluski Tank 3 Roof Upgrades										
Tank Seismic Actuators					10					
Fire Hydrant System Upgrade	13	14	7	7						
Water Main Rehabilitation and Replacement	100		600		1,000					
Customer Radio Meter Replacements	131	260								
Totals:	664	1,389	4,172	27	1,010	400	50	3,600	0	0

Attachment 1

McKinleyville Community Services District
Enterprise Fund Capital Improvement Projects
For the Fiscal Years Ending June 30, 2016 - 2025

	1	2	3	4	5	6	7	8	9	10
(All numbers in \$000s)										
	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
4. Sewer System										
WWMF Engr Study		80	80							
WWMF Upgrade/CEQA/Permitting	13,000	3,000								
WWMF Fencing and Gate			10			40				
WWMF SO2/Chlorine Injector Controllers			10	10						
WWMF SO2/Chlorine Shut Off		25								
WWMF Sludge Disposal & handling		240	240	240	240	240	240	240	240	240
Customer Radio Meter Replacements	131	260								
Collection System Upgrades					250	250	250	250		
Sewer Main Rehabilitation and Replacement	50						1,000			
Sewer Lift Stn. Pump & Generator Replacement	175	320	20		20					
Sewer Lift Station Upgrades-Other										
Radio Telemetry Upgrade	30		10	10						
Meter Replacement: WWMF, FIS		7								
WWMF & Fischer Lift Station Grinder Upgrade	15			16		16			17	
Sewer Main Camera Unit	30			30						
Underground Pipe Locator & Camera	5				5					
WWMF Roof Replacement										
SCBA Apparatus and Bottles	6				6					
Totals:	13,442	3,932	370	306	521	546	1,490	490	257	240
5. Office, Corporation Yard & Shops										
Facility Upgrades and Sealcoat		10		10						
Office Building	150	150								
Property Purchase							400			
Building Roofs					10					
Totals:	150	160	0	10	10	0	400	0	0	0
6. Computers, Software & Equipment										
PCs, Software, & Printers	5		5		5					
File Server Upgrade	4	4	4	4	5					

Attachment 1

McKinleyville Community Services District
Enterprise Fund Capital Improvement Projects
For the Fiscal Years Ending June 30, 2016 - 2025

(All numbers in \$000s)

	1	2	3	4	5	6	7	8	9	10
	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
MOM Upgrade and Replacement	0	125								
Office Equipment		5		5						
GIS/SEMS/CADD Equipment and Software	4		4		5					
Totals:	13	134	13	9	15	0	0	0	0	0

7. Fischer Ranch

Barn and Fence Upgrades	5									
Irrigation Pipe and Fittings										
Property purchase	1,500									
Reclamation Site Upgrade										
Underground Valving and Piping										
Totals:	1,505	0	0	0	0	0	0	0	0	0

8. Small Equipment & Other

Misc./ Emergency Equipment Replacement	15	15	15	15	15					
GPS Surveying Equipment			20							
Mobile Radio Replacement										
Office Emergency Generator					22					
Emergency Response Equipment										
Totals:	15	15	35	15	37	0	0	0	0	0

Total Planned Expenditures

15,951	5,963	4,705	432	1,635	1,030	2,054	4,124	320	274
---------------	--------------	--------------	------------	--------------	--------------	--------------	--------------	------------	------------

Departmental Allocations:

Water Fund	834	1,560	4,254	77	1,062	442	307	3,617	32	17
Sewer Fund	15,117	4,403	452	356	573	588	1,747	507	289	257
Total	15,951	5,963	4,705	432	1,635	1,030	2,054	4,124	320	274

0 0 0 0 0 0 0 0 0 0

***The Draft Capital Improvement Program
Water and Sewer Funds
Fiscal Year 2015-2016***

Water and Sewer Fund capital asset purchases and projects depend largely on grants, loans, and the strategic use of District Reserves. The Board has made a commitment to not defer scheduled maintenance, repair, and replacement of current service delivery systems. This must be balanced against the Board's equal commitment to fiscal responsibility. Under the leadership of the General Manager and Finance Director, staff has taken steps to honor both of these commitments in the budget process by ensuring that the potential financing sources of each project are discussed at the time of project proposal and included with each project's detail notes.

CAPITAL IMPROVEMENT PROGRAM PROJECT DISCUSSION

Heavy Equipment and Utility Vehicles

In 1998, the Board adopted a Fleet Replacement Plan to insure that MCSD's fleet of heavy equipment and utility vehicles would be replaced in an approximately ten-year cycle. At present, the Operations Funds are planning to replace one utility truck and the five yard dump truck this next fiscal year, with others being replaced later in sequence. Various options are being discussed for replacement of the camera vehicle. The District will consider leasing these assets rather than purchasing outright but will maintain the pay-go policy when reserves are sufficient. The District has started to exchange some of the heavier utility vehicles with light compact trucks for savings in both capital and operating costs.

Water System

The largest proposed Water project for FY2015-16 is recoating the Cochran Tank 1B, which will cost approximately \$350,000. This project will mirror the Norton Tank 2B that was completed in 2012. Each tank recoating will cycle around every 10 years as preventative maintenance to avoid corrosion and structural integrity.

Other projects currently proposed for the Water Fund include a soils study for the new tank site. The overall project cost of the new 5 million gallon storage tank is estimated to be a little over \$4 million, with a timeline extending through 2018. Work will continue on the changeover to Radio-read meters for our customers (up to \$131,000 for Fiscal Year 2015-16). The fire hydrant system is scheduled to be upgraded at a cost of \$26,000; however, the Arcata Fire Protection District is covering half of this cost, so the cost to the District will total only \$13,000. If the Arcata Fire Protection District does not have sufficient budget for this project, it will be delayed until they do. Humboldt State University's Engineering Department is assisting the District with our Water Main

Rehabilitation/Replacement project, which may significantly decrease District cost for this project. Funding for these projects will come from the Reserves created by the Board for maintenance and replacement of capital infrastructure.

The District is pursuing an alternative water source study for the Dow's Prairie area (\$40,000), in partnership with HSU's Engineering Department. The SCADA computer and software update has been included in the upgrade of the Wastewater Management Facility, which will also provide cost-savings to the District.

Sewer System

The Waste Water Management Facility (WWMF) Improvement Project design and construction takes the greatest share of the Sewer Fund CIP budget for FY2015-16 through FY16-17. Design scope of work has been completed in FY2014-15, with the design phase ending and construction beginning in calendar 2015. Project financing will be done through a loan from the State Water Resources Control Board, and grants are being pursued, dependent on a study of median household income in McKinleyville.

Another important project is the replacement of the generator and pump at the Letz Sewer Lift Station. Current estimated cost for this project is \$175,000. Other projects totaling about \$267,000 include regularly scheduled repair and replacement of sewer mains, pumps, SCBA apparatus, and radio telemetry. Funding for these projects will come from the Reserves created by the Board for maintenance and replacement of capital infrastructure.

Office, Corporation Yard, Computers and Software

One item is currently budgeted for the Main Office in FY2015-16 which includes facility upgrades. There are also funds budgeted for regularly scheduled upgrades of computers and printers.

Fischer Ranch

As regulations change, methods for land application will undoubtedly become more stringent. Additional land procurement for reclamation is being considered, as it becomes feasible and an economically sound alternative.

Small Equipment and Other

The main capital expense in this category is the planned acquisition or building of a special pump to use as a sewer lift station bypass, as part of the Overflow Emergency Response Plan.

Streetlights

The LED Streetlights conversion project is complete. No further Capital Improvement Projects are planned for this fiscal year in the Streetlights Fund.

Note on Attachment 1 – Water & Sewer Funds Draft Capital Improvement Program

Attachment 1 contains the summaries of the Water and Sewer Funds Capital Improvement Program's planned capital expenditures (in thousands: 10 = \$10,000). The planning horizon for the Program is 10 years. It should be noted that all estimated replacement costs are in current year dollars, as future inflation is unknown. Since the CIP is a dynamic plan that is updated annually, future costs will be regularly evaluated.

DRAFT

McKinleyville Community Services District

BOARD OF DIRECTORS

March 4, 2015

TYPE OF ITEM: **ACTION**

ITEM: E.11 **Consider approval of Hiller Sports Complex Facility Use Agreement Contracts**

PRESENTED BY: **Jason Sehon, Parks & Recreation Director**

TYPE OF ACTION: **Voice Vote**

Recommendation:

Staff recommends that the Board listen to staff's presentation, air questions, take public comment and approve the 2015 Facility Use Agreement Contracts and authorize the Board President to sign those contracts.

Discussion:

Three (3) organizations have requested the use of Hiller Sports Complex (HSC) for the spring and summer of 2015. The District requires organizations using HSC annually to complete and sign a Facility Use Agreement Contract prior to the start of their season.

Attached, please find copies of the 2015 Facility Use Agreements for each organization. These Agreements have been reviewed by Legal Counsel. No changes are being proposed to the main bodies of the agreements from last year.

Complete Facility Use Agreement Contracts with attachments are available at the District Office for any Board member or member of the public who would like to review them.

Alternatives:

Staff analysis consists of the following potential alternative

- Take No Action

Fiscal Analysis:

In August 2006, the MCSD Board set a fee schedule for HSC of \$6.50 per hour for all youth sports organizations. In 2012, the Board approved increasing the fees by approximately 4% to make it \$6.75 per hour. A portion of that fee includes the cost of janitorial supplies used at the site. Organizations are responsible for shared cleaning the facility (restrooms, bleachers, parking lot, etc.) based on their percentage of use.

Each organization will be charged a percentage of utilities (propane & PG&E) at the end of the season. These percentages are based on field usage.

The Parks & Recreation Director will provide a cleaning schedule to each organization prior to the start of their season. Each user group is responsible for cleaning their own dugouts and bleacher areas after each use.

Staff is proposing fee increases for field use, concessions use, and field preparation; which are included in item D.4 of this agenda.

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – ASA Softball Agreement
- Attachment 2 – Babe Ruth Agreement
- Attachment 3 – McKinleyville Little League Agreement

MCKINLEYVILLE COMMUNITY SERVICES DISTRICT

HILLER SPORTS COMPLEX FACILITY USE AGREEMENT

This HILLER SPORTS COMPLEX FACILITY USE AGREEMENT (this “Agreement”), is made and entered into this 4th day of March 2015, by and between the McKinleyville Community Services District (DISTRICT), a Community Services District formed under the laws of the State of California, and the ASA Softball (ORGANIZATION), a non-profit youth sports organization, reference to the following facts, which are acknowledged as true and correct by each of the parties:

Recitals

- (a) DISTRICT is the owner of Hiller Sports Complex located at 880 Columbus Road in McKinleyville; and
- (b) DISTRICT desires to maximize financial self sufficiency of the maintenance of Hiller Sports Complex; and
- (c) DISTRICT desires to maximize community access to recreation programs at Hiller Sports Complex; and
- (d) ORGANIZATION desires to offer recreation programs to the community at Hiller Sports Complex; and
- (e) ORGANIZATION proposes to operate recreation programs, in accordance with the terms and conditions of this Agreement which supersedes all other previous documents; and
- (f) ORGANIZATION and DISTRICT each desire to secure and enter into an AGREEMENT in accordance with the foregoing; and
- (g) The documents which are part of the Agreement, and each of which are incorporated herein by this reference as though full, are the following:

- 1. Cover Page: Facility Use Agreement Supplement
- 2. Exhibit A: Hiller Sports Complex Map
- 3. Exhibit B: Article IV – Rules and Regulations
- 4. Exhibit C: Hiller Sports Complex Master Facility Fee Schedule
- 5. Exhibit D: Operation & Maintenance Responsibilities

- 6. Exhibit E: Guidelines for Field Cancellations
- 7. Exhibit F: "In Kind Work" & Field Modification Request Form

Definitions

As used in this Agreement, the following terms shall have the following definitions:

- 1. "Agreement" shall mean Hiller Sports Complex Facility Use Agreement.
- 2. "DISTRICT" shall mean the McKinleyville Community Services District.
- 3. "ORGANIZATION" shall mean ASA Softball.
- 4. "Hiller Sports Complex" shall mean the nineteen acre parcel of property located at 880 Columbus Road on the east side of the entry way into Hiller Park. Such property contains 2 little league fields, a regulation softball field, a practice softball field, a Babe Ruth field, two collegiate size soccer fields, concession stand, bleachers, drinking fountains, walkways, and a parking lot.
- 5. "Recreation Advisory Committee" shall be the said committee operating under the jurisdiction of the McKinleyville Community Services District Board of Directors.
- 6. "Facility Use Request" shall mean all periods of time, including practices, games, assessment days, tournaments, etc., for which a party desires to utilize Hiller Sports Complex and requested via the DISTRICT Hiller Sports Complex Facility Use Request Form.
- 7. "Facility Use Schedule" shall mean the most current schedule for use of Hiller Sports Complex.
- 8. "Board of Directors" shall mean the five members of the McKinleyville Community Service District Board of Directors.
- 9. "Parks and Recreation Director" shall mean the individual employed in said position with the McKinleyville Community Services District.
- 10. "Article IV- Rules and Regulations" shall mean the portion of the document containing the Rules and Regulations of the McKinleyville Community Services District as adopted by the Board of Directors.

NOW, THEREFORE, in consideration of their mutual covenants and promises set forth herein and incorporating the foregoing recitals of fact, the parties hereto agree as follows:

Agreement

Section 1. Facility Development

The DISTRICT and ORGANIZATION agree to collaborate, assist, and support one another and individual efforts in maintaining Hiller Sports Complex.

Section 2. Grant of Field Use

- 2.1 Grant of Use. The DISTRICT grants the ORGANIZATION field use for recreational and sports activities At Hiller Sports Complex. ORGANIZATION shall be responsible for: (a) setup of Hiller Sports Complex for ORGANIZATION's use, unless otherwise specified; (b) for storing any equipment following ORGANIZATION's use; and (c) for restoring Hiller Sports Complex to the appropriate condition as found prior to ORGANIZATION's use. ORGANIZATION shall not utilize Hiller Sports Complex prior to the start of the contracted time set forth in the most current Facility Use Schedule and shall vacate the playing area by the end of the contracted time set forth in said schedule.
- 2.2 Facility Use Schedule. ORGANIZATION shall provide DISTRICT with ORGANIZATION's most current field user schedule including team names, coaches/managers & names of individuals to contact in the case of game cancellations; list of official representatives of the organization; game, practice, tournament dates and times; and other scheduled use (attachment 9).
- 2.3 Cancellation. Provided cancellation of use by inclement weather or other unforeseen conditions, DISTRICT shall endeavor to make the decision of said cancellation by 3:00 p.m. of the day for which cancellation shall take place.
- 2.4 Additional Field Use Request. Provided cancellation of use by inclement weather or other unforeseen conditions, ORGANIZATION must notify the DISTRICT of said cancellation and request of additional field use (if needed) within twenty-four (24) hours. DISTRICT shall be responsible to administer and coordinate all additional facility use requests provided such requests do not conflict with the most current Facility Use Schedule of other approved users.
- 2.5. Access
DISTRICT shall provide the ORGANIZATION with one (1) set of keys to Hiller Sports Complex. It is the responsibility of the ORGANIZATION's responsibility to produce copies and issue keys.

Section 3. Scheduling of Facility

- 3.1 Site Development, Management and Scheduling:
All development, scheduling, maintenance, and use of Hiller Sports Complex shall be coordinated with the Parks & Recreation Director.
- 3.2 Facility Use Requests
ORGANIZATION is responsible to submit a District Facility Use Form to the Parks & Recreation Director. The Parks and Recreation Director shall compile a draft Facility Use Schedule resulting from such requests. Parties currently having and maintaining an Agreement with DISTRICT shall be designated for priority use when said schedule is drafted. The draft Facility Use Schedule shall delineate any dates and times with facility scheduling conflicts. The Parks & Recreation Director shall be charged with resolving any scheduling conflicts, in his or her discretion.

ORGANIZATION shall have first priority of Fields 1 & 2 (baseball) and Field 3 (softball), based on schedules submitted in advance to MCSD, from March 1 through July 31.

3.3 Facility Use Scheduling Protests

ORGANIZATION and those parties granted facility use by the DISTRICT shall retain the right to protest the facility use. For all protests, refer to Section 16: Resolution of Disputes.

Section 4. Operational Standards

4.1 Conduct and Disorderly Persons

ORGANIZATION agrees to uphold and remain in compliance, at all times, with the current rules and regulations of the recreation and park system as established by the DISTRICT and outlined in Article IV of the DISTRICT's Rules and Regulations.

4.2 Staffing

ORGANIZATION agrees to ensure that an official representative(s) of ORGANIZATION shall be present at all times and shall be responsible for overseeing all use at all times on those dates and times for which use of Hiller Sports Complex is being conducted by ORGANIZATION.

4.3 Equipment and Supplies Storage

Storage of ORGANIZATION's equipment at Hiller Sports Complex shall be at the DISTRICT'S approval and at the ORGANIZATION's sole risk, DISTRICT will not warrant security of stored materials. ORGANIZATION shall unilaterally bear all risks of loss, theft, damage and other casualty incidental to using and/or storing equipment at the Hiller Sports Complex, and will indemnify and defend the DISTRICT from and against all losses arising out using and/or storing equipment at the Hiller Sports Complex.

4.4 Safety

ORGANIZATION agrees to comply with the DISTRICT's established facility use guidelines, as defined in Article IV of the DISTRICT's Rules and Regulations and attached as Exhibit B, and incorporated by reference herein.

4.5 Use of Equipment

ORGANIZATION agrees not to use equipment owned by others and stored at Hiller Sports Complex without first obtaining written approval from the owner of said equipment. A copy of written approval must be provided to the DISTRICT.

ORGANIZATION agrees not to remove or replace equipment provided at Hiller Sports Complex by DISTRICT without the prior written consent of the Parks & Recreation Director.

4.6 Entry by DISTRICT

ORGANIZATION shall permit DISTRICT, and DISTRICT's agents and assigns, at all reasonable times, to enter the premises, for the purposes of inspection, compliance

with the terms of this Agreement, exercise of all rights under this Agreement, posting notices, and all other lawful purposes.

4.7 Environmental Sensitivity

ORGANIZATION agrees that all use by ORGANIZATION shall be conducted in a manner within the intended use of Hiller Sports Complex and with respect to the surrounding neighborhood and community. ORGANIZATION shall abide by all rules and regulations established, from time to time, by the DISTRICT regarding the use (or nonuse) of pesticides, herbicides and related products at the Hiller Sports Complex and surrounding areas.

4.8 Equal Opportunity and Non-Discrimination Clause

ORGANIZATION shall not discriminate in its offering of programs at Hiller Sports Complex and all duties related to such offering on the basis of race, color, national origin, religious creed, ancestry, sex, age, or physical handicap and shall comply with all applicable state and federal statutes and regulations prohibiting discriminatory practices and/or conduct.

4.9 Americans with Disabilities Act Compliance

DISTRICT shall indemnify, defend, and hold harmless ORGANIZATION from any fines or penalties which may be imposed upon it pursuant to the Americans with Disabilities Act as a result of DISTRICT's failure to make any required improvements to the premises as required by the Americans with Disabilities Act.

ORGANIZATION shall be responsible for compliance with any and all requirements of the Americans with Disabilities Act with respect to the operation of recreation programs outlined in Attachment 1 for which ORGANIZATION is responsible. ORGANIZATION shall indemnify, defend, and hold harmless DISTRICT from and against any and all claims, causes of action, damages, fines and/or penalties pursuant to the Americans with Disabilities Act arising, in whole or in part, as a result of the ORGANIZATION's failure or alleged failure to comply with any requirements of the Americans with Disabilities Act with respect to operation of recreation programs which ORGANIZATION is responsible.

4.10. Compliance with Law

ORGANIZATION and DISTRICT shall comply with and conform to all laws and regulations, state and federal, and any and all requirements and orders of any state or federal board or authority, present or future, in any way relating to the condition or use of Hiller Sports Complex throughout the entire term of this Agreement.

4.11. District Coordination

DISTRICT shall employ a Parks and Recreation Director who shall be the primary contact person with the ORGANIZATION.

Section 5. Prohibited Actions

ORGANIZATION shall not:

- a) Use of Hiller Sports Complex for any purpose other than as authorized in this Agreement and as authorized in the most current Facility Use Schedule; and;
- b) Do or permit to be done anything which may interfere with the effectiveness or accessibility of Hiller Sports Complex, nor do or permit to be done anything which may interfere with free access and passage in Hiller Sports Complex or the public areas adjacent thereto, or in the streets or trails adjoining Hiller Sports Complex, or hinder police, fire fighting, or other emergency personnel in the discharge of their duties; and
- c) Interfere with the public's enjoyment and use of Hiller Sports Complex for any purpose which is not essential to public safety; and
- d) Rent, sell, lease, or offer any space for any articles whatsoever within or on Hiller Sports Complex without the written consent of the DISTRICT; and
- e) Place any additional lock of any kind upon any door, cabinet, or storage bin, unless a key therefore is provided to the DISTRICT, and upon expiration or termination of this Agreement; and
- f) Erect, construct, or place any permanent structure upon any portion of the premises without written authorization from DISTRICT; and
- g) Use or allow Hiller Sports Complex to be used for any improper or unlawful purposes or for purposes in violation of Article IV of the McKinleyville Community Services DISTRICT's Rules and Regulations.
- h) Allow vehicles access to the concession area via the 10 foot sidewalk driveway access point except for loading and unloading only. The sidewalk driveway area must be kept clear for access to emergency vehicles. All vehicles must park in the Parking area.

Section 6. Insurance

6.1. Minimum Scope

ORGANIZATION shall obtain and maintain throughout the term of this Agreement, at ORGANIZATION's cost, comprehensive general public liability insurance issued by insurance carriers acceptable to DISTRICT naming the ORGANIZATION as insured and the DISTRICT as an additional insured against any injuries or damages to persons or property caused by or arising out of ORGANIZATION's occupation and use of Hiller Sports Complex under this Agreement in amounts of not less \$1,000,000.00 for any individual claimant and \$2,000,000.00 per occurrence.

6.2. Proof of Insurance

ORGANIZATION shall cause DISTRICT to be given written notification, prior to the commencement of this Agreement, from the insurance carrier of the existence of such policies and shall provide a certificate of insurance and separate endorsement in the amounts listed in 6.01 prior to the inception of the term which shall provide that coverage provided by the policy shall not be canceled or amended until the DISTRICT

is first provided with at least thirty (30) days written notice concerning such cancellation or notice.

Section 7. Hold Harmless, Indemnity and Release Forms

7.1. Hold Harmless and Indemnity

Except for the active negligence or willful misconduct of DISTRICT, ORGANIZATION undertakes and agrees, to the fullest extent permitted by law, to defend, indemnify, and hold harmless DISTRICT and all its officers, agents, assigns, and employees from and against any and all suits, actions and causes of action, claims, liens, demands, obligations, proceedings, loss or liability of every kind and nature in connection with or arising directly or indirectly out of this Agreement whatsoever and/or ORGANIZATION's use of the Hiller Park Complex (and surrounding areas), for death or injury to any person including DISTRICT's officers, agents, assigns, and employees, or damage or destruction of any property of either party hereto or of third parties arising out of or in any manner by reason of, or incident to, the performance of this Agreement on part of ORGANIZATION and/or ORGANIZATION's use of the Hiller Park Complex (and surrounding areas), by its officers, agents, assigns, program participants and employees of any tier.

7.2. Participant Liability Release Forms

ORGANIZATION shall provide to DISTRICT a master copy of the liability release form used for ORGANIZATION's program defending, indemnifying, and holding harmless, DISTRICT, its officers, agents, assigns, and employees from and against any and all suits, actions and causes of action, claims, liens, demands, obligations, proceedings, loss or liability of every kind and nature whatsoever, for death or injury to any person including DISTRICT's officers, agents, assigns, and employees, or damage or destruction of any property of either party hereto or of third parties arising out of or in any manner by reason of, or incident to, the program or programs sponsored by ORGANIZATION and conducted at the Hiller Sports Complex.

Section 8. Utilities

8.1. Water

The DISTRICT shall be responsible for all water and sewer related expenses at the site.

8.2. Gas and Electric

ORGANIZATION shall be required to pay a fee partially based on electrical use for the concession stand, low site lighting, and/or any other type of sporting equipment, which utilizes electricity. This cost will be reimbursed at the end of the season, based on a percentage of field use.

Section 9. Maintenance

9.1 Ongoing Facility Maintenance

DISTRICT shall provide for all ongoing maintenance of Hiller Sports Complex. ORGANIZATION shall be required to pay a fee based on expenses related to ongoing

maintenance as approved by Parks & Recreation Director. ORGANIZATION shall be allowed to decrease their portion of the maintenance fee through the use of volunteer labor to assist with maintenance of the site. Financial credit for approved volunteer labor shall be granted only for labor completed for facility maintenance. Credit shall not be granted for volunteer labor completed for game preparation. DISTRICT shall assign specific financial value to one volunteer labor hour. DISTRICT shall base ORGANIZATION's maintenance fee on the total financial value of documented volunteer labor hours subtracted from the total financial value of site use. The financial value of volunteer labor, if in excess of the total maintenance fee, is not allowed to be placed as a credit toward future facility use.

Should ORGANIZATION provide volunteers to perform facility maintenance, all said volunteers must attend a facility maintenance orientation seminar. Such seminars shall be organized and presented by DISTRICT staff throughout the year and at times reasonable for ORGANIZATION. In addition, ORGANIZATION's with volunteer maintenance staff must have a designated representative attend facility maintenance meetings as arranged by the DISTRICT. ORGANIZATION must provide a proposed monthly volunteer maintenance schedule by the 15th of each preceding month. All such schedules must be approved by the DISTRICT prior to implementation.

Volunteers not attending a facility maintenance orientation seminar shall not be authorized to perform facility maintenance duties at Hiller Sports Complex. Furthermore, said volunteers of ORGANIZATION are not to be considered volunteers or employees of DISTRICT.

ORGANIZATION agrees to perform all maintenance of the fields, including but not limited to, mowing grass once per week, trimming along the fence lines, field preparation before games, grounds cleanup, bathroom cleanup, re-stocking janitorial supplies, general cleanup of the concession stand & parking lot, and trash disposal. These operation and maintenance responsibilities are further explained in Exhibit D, and some may be in lieu of payment for field and concession use during the period of March 1 through November 30, 2015.

9.2. Facility Damages and Repairs

The ORGANIZATION shall be held responsible for all damage or vandalism to District facilities occurring during the ORGANIZATION'S use of the facilities. Upon notification by the DISTRICT, the ORGANIZATION is responsible to repair all damages immediately, or within a schedule approved by the DISTRICT. If ORGANIZATION is unable or unwilling to repair damage immediately, the DISTRICT reserves the right to make the necessary repairs and bill ORGANIZATION for all costs. The ORGANIZATION is responsible to reimburse the DISTRICT within thirty days (30) of presentation of the bill. Exception: The concession and snack bar area is the sole responsibility of the ORGANIZATION during the entire period of this Agreement. Repair of any and all damage occurring to the concession stand during the Agreement period is the sole responsibility of the ORGANIZATION.

Damaged and unsafe fields shall be unavailable for use until repairs are completed. The assignment of other fields during such time is at the discretion of the DISTRICT.

9.3. Site Improvements

Any ORGANIZATION desiring to perform site improvements must first obtain written approval from the DISTRICT for such improvements and pay for all costs related to approved improvements.

It is understood and agreed between the parties that all installations, additions, and improvements erected or installed at any time at Hiller Sports Complex during the term of this Agreement shall immediately become the property of and belong to the DISTRICT upon such erection or installation; provided, however, this provision does not apply to participant playing equipment and concession equipment installed and belonging to ORGANIZATION. ORGANIZATION must remove all participant playing equipment and concession equipment prior to the expiration or other termination of this Agreement. Any portion of the premises affected by removal shall be immediately restored and repaired.

Section 10. Purchasing

10.1 DISTRICT shall have the responsibility to purchase all grounds maintenance and field preparation supplies needed to maintain Hiller Sports Complex.

10.2 ORGANIZATION shall be fully responsible for all expenses related to purchase of all supplies needed to operate the programs including supplies needed for field preparation should ORGANIZATION choose to prepare fields for their use and of any supplies needed for operations conducted in the concession stand.

Section 11. Sales

11.1. Participant Registration

ORGANIZATION shall be allowed to retain all revenue related to participant registration fees.

DISTRICT shall provide space for applications and flyers provided by ORGANIZATION at DISTRICT's office and at the Activity Center. DISTRICT shall not otherwise register applicants or provide directions regarding ORGANIZATION's program.

ORGANIZATION shall be responsible for promotion and sale of ORGANIZATION's program to customers. Upon provision by ORGANIZATION, DISTRICT shall provide copies of flyers and promotional materials to customers.

11.2. Advertising

DISTRICT recognizes the importance of advertising revenue to ORGANIZATION and desires to afford ORGANIZATION opportunities to obtain revenue for support of ORGANIZATION's program. However, ORGANIZATION shall first obtain written permission from DISTRICT and allow DISTRICT to review any such advertising prior to installation, placement, distribution, or maintenance of any type of advertising or agreement with any other vendor involving promotion or advertising of their products or services on and at Hiller Sports Complex. All such advertising placed in accordance

with the aforementioned must be removed upon the conclusion of ORGANIZATION's program at a time agreed to by both parties.

11.3. Concessions

ORGANIZATION shall be allowed to retain all proceeds related to operation of a concession stand during granted facility use hours provided concession use fees are paid in full.

Approval for requests for use of the concession stand by ORGANIZATION will be granted only when said request is concurrent with the most current facility use schedule as approved. ORGANIZATION shall not utilize the concession stand prior to the start of the contracted time set forth in the most current facility use schedule and shall vacate the concession stand by the end of the contracted time set forth in said schedule.

Upon issuance of the most current Facility Use Schedule and concession stand use request approvals, should additional concession stand use be available during scheduled events, those ORGANIZATIONS having and maintaining a current Agreement with DISTRICT shall be given priority for additional concession stand use requests. Such requests will be awarded on a first come, first serve basis.

Section 12. Licenses and Permits

- 12.1 ORGANIZATION shall apply for, obtain, and maintain all licenses, permits, and other accreditations required in connection with the management and operation of programs, site improvements as approved per 9.03., and as needed for development of the facility. ORGANIZATION shall be responsible to pay the cost of all such licenses and permits.

Section 13. Unavoidable Delays

- 13.1 The provisions of this Section shall be applicable if there shall occur, during the term of this Agreement, any (a) inability to obtain labor or materials, or reasonable substitutes (other than lack of funds); or (b) acts of God, governmental restrictions, regulations or controls, enemy or hostile government, civil commotion, fire, or other casualty; or (c) other conditions similar to those enumerated in this Section beyond the reasonable control of the party obligated to perform (other than lack of funds). If DISTRICT or ORGANIZATION shall, as the result of any of the above-described events, fail to provide or to perform any obligation on its part under this Agreement, then upon written notification to the other within ten (10) days of such event, such failure shall be excused and not be a breach of this Agreement by the party claiming unavoidable delay, but only to the extent occasioned by such event. Notwithstanding anything contained herein to the contrary, this Section shall not be applicable to the obligation of the DISTRICT or ORGANIZATION to pay any sums, monies, costs, charges, or expenses required paid pursuant to the terms of this Agreement, or to fulfill any hold harmless and/or indemnity obligations created by Section 7.1 or elsewhere in this Agreement.

Section 14. Amendments and Assignments

- 14.1 This Agreement contains the complete and final agreement between the DISTRICT and the ORGANIZATION. No agreement or other understanding in any way purporting to modify, add to, or supersede the terms and conditions hereof shall be binding upon either party unless made in writing and duly executed by authorized representatives.
- 14.2 This Agreement may not be assigned or transferred, in whole or in part, by ORGANIZATION without first obtaining the written consent of DISTRICT which may be withheld, for any reason, in the DISTRICT's sole discretion.

Section 15. Taxes

- 15.1 ORGANIZATION shall be solely responsible for the payment when due of any possessory interest or other unsecured tax levied by any governmental authority with respect to the use and occupancy of Hiller Sports Complex by ORGANIZATION.

Section 16. Resolution of Disputes

16.1. Process for Resolution

Any dispute arising under the terms of this Agreement which is not resolved within a reasonable period of time by authorized representatives of the DISTRICT and the ORGANIZATION shall be brought to the attention of the General Manager (or designated representative) of the DISTRICT and the Board President (or designated representative) of the ORGANIZATION for joint resolution.

If joint resolution of the dispute through these means is pursued without success, ORGANIZATION shall seek to resolve the dispute by filing a written grievance with the General Manager (or designated representative). Upon receipt of a written grievance, the General Manager (or designated representative) shall research and investigate the grievance and set an agenda item for the next DISTRICT Board of Directors meeting. At the meeting, the ORGANIZATION or a representative thereof can appear and be heard. The DISTRICT Board of Directors shall consider the item and act thereon, and may adopt, reject, or amend the recommendation.

If resolution of the dispute as adopted by the DISTRICT Board of Directors is not satisfactory, ORGANIZATION may seek resolution employing whatever remedies exist in law or equity beyond this Agreement. Despite an unresolved dispute, the DISTRICT and ORGANIZATION hereto shall continue without delay to perform its obligations under this Agreement.

In the event of any breach or violation of this Agreement by ORGANIZATION, the DISTRICT may employ whatever remedies exist in law or equity to enforce this Agreement, without resorting to the dispute resolution protocol described above.

16.2. Attorney's Fees

In the event of any litigation arising between the parties regarding the terms of this Agreement, the prevailing party shall be entitled to recover reasonable attorney's fees in addition to other relief provided by law.

Section 17. Notices

- 17.1 Any notice, demand, or communication under, or in connection with, this Agreement, may be served upon DISTRICT by personal service, or by mailing the same by certified mail in the United States Post Office, postage prepaid, and directed to the DISTRICT as follows:

Parks and Recreation Director
McKinleyville Community Services District
P.O. Box 2037
McKinleyville, CA 95519

and may likewise be served on ORGANIZATION by personal service or by so mailing the same addressed to ORGANIZATION as follows:

ASA Softball

Address_____

City/State/Zip_____

Either DISTRICT or ORGANIZATION may change such address by notifying the other party in writing as to such new address as DISTRICT or ORGANIZATION may desire used and which address shall continue as the address until further written notice.

Section 18. Compensation

- 18.1. Funding for Facility Development
Should ORGANIZATION grant DISTRICT monies for development in an amount of more than \$5,000, said monies shall be dedicated to the development of facilities illustrated in Hiller Sports Complex Master Plan, which would fulfill the needs of ORGANIZATION. Monies granted by ORGANIZATION for development in amount less than \$5,000 shall be dedicated to the general overall development of facilities illustrated in Hiller Sports Complex Master Plan.

- 18.2. Facility Use and Additional Fees
ORGANIZATION shall pay DISTRICT fees in accordance to Hiller Sports Complex Master Facility Fee Schedule as adopted by the Board of Directors and outlined in Exhibit C.

ORGANIZATION agrees to pay a Cleaning/Damage deposit in the amount of \$1,500.00 to MCSD for the use of Hiller Sports Complex. MCSD may use the Cleaning/Damage deposit for reimbursement of any costs related to additional cleaning requirements, additional turf maintenance, and/or field & turf damages during the use of ORGANIZATION (see Exhibit D). This deposit must be paid in full prior to the start of the season.

ORGANIZATION is responsible for the cost to change the locks at the end of each season. This cost will be reimbursed at the end of the season, based on a percentage of field use.

In the event DISTRICT shall provide maintenance at the expense of ORGANIZATION, or the DISTRICT is required to respond to a call-out at a time outside the DISTRICT'S regular business hours, the ORGANIZATION agrees to reimburse the DISTRICT according to the following rates:

Labor:	Variable, depending on employee
Mower:	\$25.00/hour
Utility Vehicle:	\$35.00/hour
Tractor:	\$40.00/hour
Backhoe:	\$70.00/hour
Dump Truck:	\$50.00/hour
Boom Truck:	\$81.00/hour

18.3. Delinquent Payment

In the event ORGANIZATION shall be delinquent by more than fifteen (15) days in the payment of any sums due under the terms of section 18.02, DISTRICT shall cancel all future scheduled and yet to be scheduled use of DISTRICT-owned facilities until past due payments are paid in full.

Section 19. Law Governing

This Agreement shall be governed exclusively by the provisions hereof and by the laws of the State of California.

Section 20. Term

20.1. Term and Extensions

Subject to the provisions of this Agreement, the term of this Agreement shall commence on the date herein and shall continue through and including the 31 day of December, 2015.

Opportunities shall be granted for ORGANIZATION and DISTRICT to review this Agreement on a yearly basis to enact amendments and assignments to Agreement as provided in Section 14 of this Agreement. Any proposed amendments and assignments may be refused by ORGANIZATION or DISTRICT at said parties own discretion.

20.2. Termination by DISTRICT

Notwithstanding the foregoing, DISTRICT, in the case of ORGANIZATION's breaches, may terminate this Agreement, with thirty (30) days notification, by giving the ORGANIZATION written notice of any material breach under this Agreement, if:

- a) said breach is curable by the payment of money and remains uncured thirty (30) days after said notice; or

- b) said breach is not curable by the payment of money but is otherwise curable within thirty (30) days after said notice and remains uncured after said thirty (30) days; or
- c) said breach is neither curable by the payment of money nor otherwise reasonably curable within thirty (30) days after said notice and ORGANIZATION fails both to commence said cure within said thirty (30) days and to prosecute diligently said cure to completion thereafter; or
- d) ORGANIZATION files a voluntary petition in bankruptcy or insolvency or otherwise seeks relief as a debtor, or, if an involuntary petition therefore is filed against ORGANIZATION and such petition is not dismissed within ninety (90) days; or
- e) ORGANIZATION fails to remain in compliance with any and all terms of this Agreement; or
- f) ORGANIZATION shall disband.

In the event this Agreement is so terminated, it shall be lawful for DISTRICT immediately hereafter to remove all persons and property from the premises.

20.3. Termination by ORGANIZATION

Notwithstanding the foregoing, ORGANIZATION, in the case of DISTRICT's breaches, may terminate this Agreement by giving the DISTRICT written notice of any material breach under this Agreement, if:

- a) said breach is curable by the payment of money and remains uncured thirty (30) days after said notice; or
- b) said breach is not curable by the payment of money but is otherwise curable within thirty (30) days after said notice and remains uncured after said thirty (30) days; or
- c) said breach is neither curable by the payment of money nor otherwise reasonably curable within thirty (30) days after said notice and DISTRICT fails both to commence said cure within said thirty (30) days and to prosecute diligently said cure to completion thereafter; or
- d) DISTRICT fails to remain in compliance with any and all terms of this Agreement.

20.4. Disposition of Certain Property

ORGANIZATION hereby acknowledges and agrees that any and all equipment and all DISTRICT purchased equipment and materials used in connection with Hiller Sports Complex shall remain the property of the DISTRICT, and ORGANIZATION acknowledges that it shall not be entitled to remove such property from Hiller Sports Complex upon the expiration or termination of this Agreement, regardless of reason.

IN WITNESS WHEREOF, the parties have executed this AGREEMENT as of the day and year as written herein.

MCKINLEYVILLE COMMUNITY SERVICES DISTRICT

John W. Corbett, President of the Board of Directors

ATTEST: _____
Becky Schuette, Secretary to the Board of Directors

ASA SOFTBALL

President of McKinleyville ASA Softball

The Facility Use Agreement Checklist

Please note: This contract is not considered complete until the user ORGANIZATION submits the following information to MCSD.

<u>Item:</u>	<u>Attachment #:</u>	<u>Completed:</u>	<u>Date:</u>
Completed District Facility Use Form	Attachment 1		
League Schedule	Attachment 2		
Tournament Schedule	Attachment 3		
Practice Schedule	Attachment 4		
Proof of Insurance	Attachment 5		
Phone List of Managers and Board Members	Attachment 6		
Facility (emergency) Cell Phone #	Attachment 7		
All Other Field Usage Requests	Attachment 8		
Coach/Manager Contact Information	Attachment 9		

MCKINLEYVILLE COMMUNITY SERVICES DISTRICT

HILLER SPORTS COMPLEX FACILITY USE AGREEMENT

This HILLER SPORTS COMPLEX FACILITY USE AGREEMENT (this “Agreement”), is made and entered into this 4th day of March 2015, by and between the McKinleyville Community Services District (DISTRICT), a Community Services District formed under the laws of the State of California, and the McKinleyville Babe Ruth (ORGANIZATION), a non-profit youth sports organization, reference to the following facts, which are acknowledged as true and correct by each of the parties:

Recitals

- (a) DISTRICT is the owner of Hiller Sports Complex located at 880 Columbus Road in McKinleyville; and
- (b) DISTRICT desires to maximize financial self sufficiency of the maintenance of Hiller Sports Complex; and
- (c) DISTRICT desires to maximize community access to recreation programs at Hiller Sports Complex; and
- (d) ORGANIZATION desires to offer recreation programs to the community at Hiller Sports Complex; and
- (e) ORGANIZATION proposes to operate recreation programs, in accordance with the terms and conditions of this Agreement which supersedes all other previous documents; and
- (f) ORGANIZATION and DISTRICT each desire to secure and enter into an AGREEMENT in accordance with the foregoing; and
- (g) The documents which are part of the Agreement, and each of which are incorporated herein by this reference as though full, are the following:

- 1. Cover Page: Facility Use Agreement Supplement
- 2. Exhibit A: Hiller Sports Complex Map
- 3. Exhibit B: Article IV – Rules and Regulations
- 4. Exhibit C: Hiller Sports Complex Master Facility Fee Schedule
- 5. Exhibit D: Operation & Maintenance Responsibilities

- 6. Exhibit E: Guidelines for Field Cancellations
- 7. Exhibit F: "In Kind Work" & Field Modification Request Form

Definitions

As used in this Agreement, the following terms shall have the following definitions:

- 1. "Agreement" shall mean Hiller Sports Complex Facility Use Agreement.
- 2. "DISTRICT" shall mean the McKinleyville Community Services District.
- 3. "ORGANIZATION" shall mean McKinleyville Babe Ruth.
- 4. "Hiller Sports Complex" shall mean the nineteen acre parcel of property located at 880 Columbus Road on the east side of the entry way into Hiller Park. Such property contains 2 little league fields, a regulation softball field, a practice softball field, a Babe Ruth field, two collegiate size soccer fields, concession stand, bleachers, drinking fountains, walkways, and a parking lot.
- 5. "Recreation Advisory Committee" shall be the said committee operating under the jurisdiction of the McKinleyville Community Services District Board of Directors.
- 6. "Facility Use Request" shall mean all periods of time, including practices, games, assessment days, tournaments, etc., for which a party desires to utilize Hiller Sports Complex and requested via the DISTRICT Hiller Sports Complex Facility Use Request Form.
- 7. "Facility Use Schedule" shall mean the most current schedule for use of Hiller Sports Complex.
- 8. "Board of Directors" shall mean the five members of the McKinleyville Community Service District Board of Directors.
- 9. "Parks and Recreation Director" shall mean the individual employed in said position with the McKinleyville Community Services District.
- 10. "Article IV- Rules and Regulations" shall mean the portion of the document containing the Rules and Regulations of the McKinleyville Community Services District as adopted by the Board of Directors.

NOW, THEREFORE, in consideration of their mutual covenants and promises set forth herein and incorporating the foregoing recitals of fact, the parties hereto agree as follows:

Agreement

Section 1. Facility Development

The DISTRICT and ORGANIZATION agree to collaborate, assist, and support one another and individual efforts in maintaining Hiller Sports Complex.

Section 2. Grant of Field Use

- 2.1 Grant of Use. The DISTRICT grants the ORGANIZATION field use for recreational and sports activities At Hiller Sports Complex. ORGANIZATION shall be responsible for: (a) setup of Hiller Sports Complex for ORGANIZATION's use, unless otherwise specified; (b) for storing any equipment following ORGANIZATION's use; and (c) for restoring Hiller Sports Complex to the appropriate condition as found prior to ORGANIZATION's use. ORGANIZATION shall not utilize Hiller Sports Complex prior to the start of the contracted time set forth in the most current Facility Use Schedule and shall vacate the playing area by the end of the contracted time set forth in said schedule.
- 2.2 Facility Use Schedule. ORGANIZATION shall provide DISTRICT with ORGANIZATION's most current field user schedule including team names, coaches/managers & names of individuals to contact in the case of game cancellations; list of official representatives of the organization; game, practice, tournament dates and times; and other scheduled use (attachment 9).
- 2.3 Cancellation. Provided cancellation of use by inclement weather or other unforeseen conditions, DISTRICT shall endeavor to make the decision of said cancellation by 3:00 p.m. of the day for which cancellation shall take place.
- 2.4 Additional Field Use Request. Provided cancellation of use by inclement weather or other unforeseen conditions, ORGANIZATION must notify the DISTRICT of said cancellation and request of additional field use (if needed) within twenty-four (24) hours. DISTRICT shall be responsible to administer and coordinate all additional facility use requests provided such requests do not conflict with the most current Facility Use Schedule of other approved users.
- 2.5. Access
DISTRICT shall provide the ORGANIZATION with one (1) set of keys to Hiller Sports Complex. It is the responsibility of the ORGANIZATION's responsibility to produce copies and issue keys.

Section 3. Scheduling of Facility

- 3.1 Site Development, Management and Scheduling:
All development, scheduling, maintenance, and use of Hiller Sports Complex shall be coordinated with the Parks & Recreation Director.
- 3.2 Facility Use Requests
ORGANIZATION is responsible to submit a District Facility Use Form to the Parks & Recreation Director. The Parks and Recreation Director shall compile a draft Facility Use Schedule resulting from such requests. Parties currently having and maintaining an Agreement with DISTRICT shall be designated for priority use when said schedule is drafted. The draft Facility Use Schedule shall delineate any dates and times with facility scheduling conflicts. The Parks & Recreation Director shall be charged with resolving any scheduling conflicts, in his or her discretion.

ORGANIZATION shall have first priority of Fields 1 & 2 (baseball) and Field 3 (softball), based on schedules submitted in advance to MCSD, from March 1 through July 31.

3.3 Facility Use Scheduling Protests

ORGANIZATION and those parties granted facility use by the DISTRICT shall retain the right to protest the facility use. For all protests, refer to Section 16: Resolution of Disputes.

Section 4. Operational Standards

4.1 Conduct and Disorderly Persons

ORGANIZATION agrees to uphold and remain in compliance, at all times, with the current rules and regulations of the recreation and park system as established by the DISTRICT and outlined in Article IV of the DISTRICT's Rules and Regulations.

4.2 Staffing

ORGANIZATION agrees to ensure that an official representative(s) of ORGANIZATION shall be present at all times and shall be responsible for overseeing all use at all times on those dates and times for which use of Hiller Sports Complex is being conducted by ORGANIZATION.

4.3 Equipment and Supplies Storage

Storage of ORGANIZATION's equipment at Hiller Sports Complex shall be at the DISTRICT'S approval and at the ORGANIZATION's sole risk, DISTRICT will not warrant security of stored materials. ORGANIZATION shall unilaterally bear all risks of loss, theft, damage and other casualty incidental to using and/or storing equipment at the Hiller Sports Complex, and will indemnify and defend the DISTRICT from and against all losses arising out using and/or storing equipment at the Hiller Sports Complex.

4.4 Safety

ORGANIZATION agrees to comply with the DISTRICT's established facility use guidelines, as defined in Article IV of the DISTRICT's Rules and Regulations and attached as Exhibit B, and incorporated by reference herein.

4.5 Use of Equipment

ORGANIZATION agrees not to use equipment owned by others and stored at Hiller Sports Complex without first obtaining written approval from the owner of said equipment. A copy of written approval must be provided to the DISTRICT.

ORGANIZATION agrees not to remove or replace equipment provided at Hiller Sports Complex by DISTRICT without the prior written consent of the Parks & Recreation Director.

4.6 Entry by DISTRICT

ORGANIZATION shall permit DISTRICT, and DISTRICT's agents and assigns, at all reasonable times, to enter the premises, for the purposes of inspection, compliance

with the terms of this Agreement, exercise of all rights under this Agreement, posting notices, and all other lawful purposes.

4.7 Environmental Sensitivity

ORGANIZATION agrees that all use by ORGANIZATION shall be conducted in a manner within the intended use of Hiller Sports Complex and with respect to the surrounding neighborhood and community. ORGANIZATION shall abide by all rules and regulations established, from time to time, by the DISTRICT regarding the use (or nonuse) of pesticides, herbicides and related products at the Hiller Sports Complex and surrounding areas.

4.8 Equal Opportunity and Non-Discrimination Clause

ORGANIZATION shall not discriminate in its offering of programs at Hiller Sports Complex and all duties related to such offering on the basis of race, color, national origin, religious creed, ancestry, sex, age, or physical handicap and shall comply with all applicable state and federal statutes and regulations prohibiting discriminatory practices and/or conduct.

4.9 Americans with Disabilities Act Compliance

DISTRICT shall indemnify, defend, and hold harmless ORGANIZATION from any fines or penalties which may be imposed upon it pursuant to the Americans with Disabilities Act as a result of DISTRICT's failure to make any required improvements to the premises as required by the Americans with Disabilities Act.

ORGANIZATION shall be responsible for compliance with any and all requirements of the Americans with Disabilities Act with respect to the operation of recreation programs outlined in Attachment 1 for which ORGANIZATION is responsible. ORGANIZATION shall indemnify, defend, and hold harmless DISTRICT from and against any and all claims, causes of action, damages, fines and/or penalties pursuant to the Americans with Disabilities Act arising, in whole or in part, as a result of the ORGANIZATION's failure or alleged failure to comply with any requirements of the Americans with Disabilities Act with respect to operation of recreation programs which ORGANIZATION is responsible.

4.10. Compliance with Law

ORGANIZATION and DISTRICT shall comply with and conform to all laws and regulations, state and federal, and any and all requirements and orders of any state or federal board or authority, present or future, in any way relating to the condition or use of Hiller Sports Complex throughout the entire term of this Agreement.

4.11. District Coordination

DISTRICT shall employ a Parks and Recreation Director who shall be the primary contact person with the ORGANIZATION.

Section 5. Prohibited Actions

ORGANIZATION shall not:

- a) Use of Hiller Sports Complex for any purpose other than as authorized in this Agreement and as authorized in the most current Facility Use Schedule; and;
- b) Do or permit to be done anything which may interfere with the effectiveness or accessibility of Hiller Sports Complex, nor do or permit to be done anything which may interfere with free access and passage in Hiller Sports Complex or the public areas adjacent thereto, or in the streets or trails adjoining Hiller Sports Complex, or hinder police, fire fighting, or other emergency personnel in the discharge of their duties; and
- c) Interfere with the public's enjoyment and use of Hiller Sports Complex for any purpose which is not essential to public safety; and
- d) Rent, sell, lease, or offer any space for any articles whatsoever within or on Hiller Sports Complex without the written consent of the DISTRICT; and
- e) Place any additional lock of any kind upon any door, cabinet, or storage bin, unless a key therefore is provided to the DISTRICT, and upon expiration or termination of this Agreement; and
- f) Erect, construct, or place any permanent structure upon any portion of the premises without written authorization from DISTRICT; and
- g) Use or allow Hiller Sports Complex to be used for any improper or unlawful purposes or for purposes in violation of Article IV of the McKinleyville Community Services DISTRICT's Rules and Regulations.
- h) Allow vehicles access to the concession area via the 10 foot sidewalk driveway access point except for loading and unloading only. The sidewalk driveway area must be kept clear for access to emergency vehicles. All vehicles must park in the Parking area.

Section 6. Insurance

6.1. Minimum Scope

ORGANIZATION shall obtain and maintain throughout the term of this Agreement, at ORGANIZATION's cost, comprehensive general public liability insurance issued by insurance carriers acceptable to DISTRICT naming the ORGANIZATION as insured and the DISTRICT as an additional insured against any injuries or damages to persons or property caused by or arising out of ORGANIZATION's occupation and use of Hiller Sports Complex under this Agreement in amounts of not less \$1,000,000.00 for any individual claimant and \$2,000,000.00 per occurrence.

6.2. Proof of Insurance

ORGANIZATION shall cause DISTRICT to be given written notification, prior to the commencement of this Agreement, from the insurance carrier of the existence of such policies and shall provide a certificate of insurance and separate endorsement in the amounts listed in 6.01 prior to the inception of the term which shall provide that coverage provided by the policy shall not be canceled or amended until the DISTRICT

is first provided with at least thirty (30) days written notice concerning such cancellation or notice.

Section 7. Hold Harmless, Indemnity and Release Forms

7.1. Hold Harmless and Indemnity

Except for the active negligence or willful misconduct of DISTRICT, ORGANIZATION undertakes and agrees, to the fullest extent permitted by law, to defend, indemnify, and hold harmless DISTRICT and all its officers, agents, assigns, and employees from and against any and all suits, actions and causes of action, claims, liens, demands, obligations, proceedings, loss or liability of every kind and nature in connection with or arising directly or indirectly out of this Agreement whatsoever and/or ORGANIZATION's use of the Hiller Park Complex (and surrounding areas), for death or injury to any person including DISTRICT's officers, agents, assigns, and employees, or damage or destruction of any property of either party hereto or of third parties arising out of or in any manner by reason of, or incident to, the performance of this Agreement on part of ORGANIZATION and/or ORGANIZATION's use of the Hiller Park Complex (and surrounding areas), by its officers, agents, assigns, program participants and employees of any tier.

7.2. Participant Liability Release Forms

ORGANIZATION shall provide to DISTRICT a master copy of the liability release form used for ORGANIZATION's program defending, indemnifying, and holding harmless, DISTRICT, its officers, agents, assigns, and employees from and against any and all suits, actions and causes of action, claims, liens, demands, obligations, proceedings, loss or liability of every kind and nature whatsoever, for death or injury to any person including DISTRICT's officers, agents, assigns, and employees, or damage or destruction of any property of either party hereto or of third parties arising out of or in any manner by reason of, or incident to, the program or programs sponsored by ORGANIZATION and conducted at the Hiller Sports Complex.

Section 8. Utilities

8.1. Water

The DISTRICT shall be responsible for all water and sewer related expenses at the site.

8.2. Gas and Electric

ORGANIZATION shall be required to pay a fee partially based on electrical use for the concession stand, low site lighting, and/or any other type of sporting equipment, which utilizes electricity. This cost will be reimbursed at the end of the season, based on a percentage of field use.

Section 9. Maintenance

9.1 Ongoing Facility Maintenance

DISTRICT shall provide for all ongoing maintenance of Hiller Sports Complex. ORGANIZATION shall be required to pay a fee based on expenses related to ongoing

maintenance as approved by Parks & Recreation Director. ORGANIZATION shall be allowed to decrease their portion of the maintenance fee through the use of volunteer labor to assist with maintenance of the site. Financial credit for approved volunteer labor shall be granted only for labor completed for facility maintenance. Credit shall not be granted for volunteer labor completed for game preparation. DISTRICT shall assign specific financial value to one volunteer labor hour. DISTRICT shall base ORGANIZATION's maintenance fee on the total financial value of documented volunteer labor hours subtracted from the total financial value of site use. The financial value of volunteer labor, if in excess of the total maintenance fee, is not allowed to be placed as a credit toward future facility use.

Should ORGANIZATION provide volunteers to perform facility maintenance, all said volunteers must attend a facility maintenance orientation seminar. Such seminars shall be organized and presented by DISTRICT staff throughout the year and at times reasonable for ORGANIZATION. In addition, ORGANIZATION's with volunteer maintenance staff must have a designated representative attend facility maintenance meetings as arranged by the DISTRICT. ORGANIZATION must provide a proposed monthly volunteer maintenance schedule by the 15th of each preceding month. All such schedules must be approved by the DISTRICT prior to implementation.

Volunteers not attending a facility maintenance orientation seminar shall not be authorized to perform facility maintenance duties at Hiller Sports Complex. Furthermore, said volunteers of ORGANIZATION are not to be considered volunteers or employees of DISTRICT.

ORGANIZATION agrees to perform all maintenance of the fields, including but not limited to, mowing grass once per week, trimming along the fence lines, field preparation before games, grounds cleanup, bathroom cleanup, re-stocking janitorial supplies, general cleanup of the concession stand & parking lot, and trash disposal. These operation and maintenance responsibilities are further explained in Exhibit D, and some may be in lieu of payment for field and concession use during the period of March 1 through November 30, 2015.

9.2. Facility Damages and Repairs

The ORGANIZATION shall be held responsible for all damage or vandalism to District facilities occurring during the ORGANIZATION'S use of the facilities. Upon notification by the DISTRICT, the ORGANIZATION is responsible to repair all damages immediately, or within a schedule approved by the DISTRICT. If ORGANIZATION is unable or unwilling to repair damage immediately, the DISTRICT reserves the right to make the necessary repairs and bill ORGANIZATION for all costs. The ORGANIZATION is responsible to reimburse the DISTRICT within thirty days (30) of presentation of the bill. Exception: The concession and snack bar area is the sole responsibility of the ORGANIZATION during the entire period of this Agreement. Repair of any and all damage occurring to the concession stand during the Agreement period is the sole responsibility of the ORGANIZATION.

Damaged and unsafe fields shall be unavailable for use until repairs are completed. The assignment of other fields during such time is at the discretion of the DISTRICT.

9.3. Site Improvements

Any ORGANIZATION desiring to perform site improvements must first obtain written approval from the DISTRICT for such improvements and pay for all costs related to approved improvements.

It is understood and agreed between the parties that all installations, additions, and improvements erected or installed at any time at Hiller Sports Complex during the term of this Agreement shall immediately become the property of and belong to the DISTRICT upon such erection or installation; provided, however, this provision does not apply to participant playing equipment and concession equipment installed and belonging to ORGANIZATION. ORGANIZATION must remove all participant playing equipment and concession equipment prior to the expiration or other termination of this Agreement. Any portion of the premises affected by removal shall be immediately restored and repaired.

Section 10. Purchasing

10.1 DISTRICT shall have the responsibility to purchase all grounds maintenance and field preparation supplies needed to maintain Hiller Sports Complex.

10.2 ORGANIZATION shall be fully responsible for all expenses related to purchase of all supplies needed to operate the programs including supplies needed for field preparation should ORGANIZATION choose to prepare fields for their use and of any supplies needed for operations conducted in the concession stand.

Section 11. Sales

11.1. Participant Registration

ORGANIZATION shall be allowed to retain all revenue related to participant registration fees.

DISTRICT shall provide space for applications and flyers provided by ORGANIZATION at DISTRICT's office and at the Activity Center. DISTRICT shall not otherwise register applicants or provide directions regarding ORGANIZATION's program.

ORGANIZATION shall be responsible for promotion and sale of ORGANIZATION's program to customers. Upon provision by ORGANIZATION, DISTRICT shall provide copies of flyers and promotional materials to customers.

11.2. Advertising

DISTRICT recognizes the importance of advertising revenue to ORGANIZATION and desires to afford ORGANIZATION opportunities to obtain revenue for support of ORGANIZATION's program. However, ORGANIZATION shall first obtain written permission from DISTRICT and allow DISTRICT to review any such advertising prior to installation, placement, distribution, or maintenance of any type of advertising or agreement with any other vendor involving promotion or advertising of their products or services on and at Hiller Sports Complex. All such advertising placed in accordance

with the aforementioned must be removed upon the conclusion of ORGANIZATION's program at a time agreed to by both parties.

11.3. Concessions

ORGANIZATION shall be allowed to retain all proceeds related to operation of a concession stand during granted facility use hours provided concession use fees are paid in full.

Approval for requests for use of the concession stand by ORGANIZATION will be granted only when said request is concurrent with the most current facility use schedule as approved. ORGANIZATION shall not utilize the concession stand prior to the start of the contracted time set forth in the most current facility use schedule and shall vacate the concession stand by the end of the contracted time set forth in said schedule.

Upon issuance of the most current Facility Use Schedule and concession stand use request approvals, should additional concession stand use be available during scheduled events, those ORGANIZATIONS having and maintaining a current Agreement with DISTRICT shall be given priority for additional concession stand use requests. Such requests will be awarded on a first come, first serve basis.

Section 12. Licenses and Permits

- 12.1 ORGANIZATION shall apply for, obtain, and maintain all licenses, permits, and other accreditations required in connection with the management and operation of programs, site improvements as approved per 9.03., and as needed for development of the facility. ORGANIZATION shall be responsible to pay the cost of all such licenses and permits.

Section 13. Unavoidable Delays

- 13.1 The provisions of this Section shall be applicable if there shall occur, during the term of this Agreement, any (a) inability to obtain labor or materials, or reasonable substitutes (other than lack of funds); or (b) acts of God, governmental restrictions, regulations or controls, enemy or hostile government, civil commotion, fire, or other casualty; or (c) other conditions similar to those enumerated in this Section beyond the reasonable control of the party obligated to perform (other than lack of funds). If DISTRICT or ORGANIZATION shall, as the result of any of the above-described events, fail to provide or to perform any obligation on its part under this Agreement, then upon written notification to the other within ten (10) days of such event, such failure shall be excused and not be a breach of this Agreement by the party claiming unavoidable delay, but only to the extent occasioned by such event. Notwithstanding anything contained herein to the contrary, this Section shall not be applicable to the obligation of the DISTRICT or ORGANIZATION to pay any sums, monies, costs, charges, or expenses required paid pursuant to the terms of this Agreement, or to fulfill any hold harmless and/or indemnity obligations created by Section 7.1 or elsewhere in this Agreement.

Section 14. Amendments and Assignments

- 14.1 This Agreement contains the complete and final agreement between the DISTRICT and the ORGANIZATION. No agreement or other understanding in any way purporting to modify, add to, or supersede the terms and conditions hereof shall be binding upon either party unless made in writing and duly executed by authorized representatives.
- 14.2 This Agreement may not be assigned or transferred, in whole or in part, by ORGANIZATION without first obtaining the written consent of DISTRICT which may be withheld, for any reason, in the DISTRICT's sole discretion.

Section 15. Taxes

- 15.1 ORGANIZATION shall be solely responsible for the payment when due of any possessory interest or other unsecured tax levied by any governmental authority with respect to the use and occupancy of Hiller Sports Complex by ORGANIZATION.

Section 16. Resolution of Disputes

16.1. Process for Resolution

Any dispute arising under the terms of this Agreement which is not resolved within a reasonable period of time by authorized representatives of the DISTRICT and the ORGANIZATION shall be brought to the attention of the General Manager (or designated representative) of the DISTRICT and the Board President (or designated representative) of the ORGANIZATION for joint resolution.

If joint resolution of the dispute through these means is pursued without success, ORGANIZATION shall seek to resolve the dispute by filing a written grievance with the General Manager (or designated representative). Upon receipt of a written grievance, the General Manager (or designated representative) shall research and investigate the grievance and set an agenda item for the next DISTRICT Board of Directors meeting. At the meeting, the ORGANIZATION or a representative thereof can appear and be heard. The DISTRICT Board of Directors shall consider the item and act thereon, and may adopt, reject, or amend the recommendation.

If resolution of the dispute as adopted by the DISTRICT Board of Directors is not satisfactory, ORGANIZATION may seek resolution employing whatever remedies exist in law or equity beyond this Agreement. Despite an unresolved dispute, the DISTRICT and ORGANIZATION hereto shall continue without delay to perform its obligations under this Agreement.

In the event of any breach or violation of this Agreement by ORGANIZATION, the DISTRICT may employ whatever remedies exist in law or equity to enforce this Agreement, without resorting to the dispute resolution protocol described above.

16.2. Attorney's Fees

In the event of any litigation arising between the parties regarding the terms of this Agreement, the prevailing party shall be entitled to recover reasonable attorney's fees in addition to other relief provided by law.

Section 17. Notices

- 17.1 Any notice, demand, or communication under, or in connection with, this Agreement, may be served upon DISTRICT by personal service, or by mailing the same by certified mail in the United States Post Office, postage prepaid, and directed to the DISTRICT as follows:

Parks and Recreation Director
McKinleyville Community Services District
P.O. Box 2037
McKinleyville, CA 95519

and may likewise be served on ORGANIZATION by personal service or by so mailing the same addressed to ORGANIZATION as follows:

McKinleyville Babe Ruth

Address_____

City/State/Zip_____

Either DISTRICT or ORGANIZATION may change such address by notifying the other party in writing as to such new address as DISTRICT or ORGANIZATION may desire used and which address shall continue as the address until further written notice.

Section 18. Compensation

- 18.1. Funding for Facility Development
Should ORGANIZATION grant DISTRICT monies for development in an amount of more than \$5,000, said monies shall be dedicated to the development of facilities illustrated in Hiller Sports Complex Master Plan, which would fulfill the needs of ORGANIZATION. Monies granted by ORGANIZATION for development in amount less than \$5,000 shall be dedicated to the general overall development of facilities illustrated in Hiller Sports Complex Master Plan.

- 18.2. Facility Use and Additional Fees
ORGANIZATION shall pay DISTRICT fees in accordance to Hiller Sports Complex Master Facility Fee Schedule as adopted by the Board of Directors and outlined in Exhibit C.

ORGANIZATION agrees to pay a Cleaning/Damage deposit in the amount of \$1,500.00 to MCSD for the use of Hiller Sports Complex. MCSD may use the Cleaning/Damage deposit for reimbursement of any costs related to additional cleaning requirements, additional turf maintenance, and/or field & turf damages during the use of ORGANIZATION (see Exhibit D). This deposit must be paid in full prior to the start of the season.

ORGANIZATION is responsible for the cost to change the locks at the end of each season. This cost will be reimbursed at the end of the season, based on a percentage of field use.

In the event DISTRICT shall provide maintenance at the expense of ORGANIZATION, or the DISTRICT is required to respond to a call-out at a time outside the DISTRICT'S regular business hours, the ORGANIZATION agrees to reimburse the DISTRICT according to the following rates:

Labor:	Variable, depending on employee
Mower:	\$25.00/hour
Utility Vehicle:	\$35.00/hour
Tractor:	\$40.00/hour
Backhoe:	\$70.00/hour
Dump Truck:	\$50.00/hour
Boom Truck:	\$81.00/hour

18.3. Delinquent Payment

In the event ORGANIZATION shall be delinquent by more than fifteen (15) days in the payment of any sums due under the terms of section 18.02, DISTRICT shall cancel all future scheduled and yet to be scheduled use of DISTRICT-owned facilities until past due payments are paid in full.

Section 19. Law Governing

This Agreement shall be governed exclusively by the provisions hereof and by the laws of the State of California.

Section 20. Term

20.1. Term and Extensions

Subject to the provisions of this Agreement, the term of this Agreement shall commence on the date herein and shall continue through and including the 31 day of December, 2015.

Opportunities shall be granted for ORGANIZATION and DISTRICT to review this Agreement on a yearly basis to enact amendments and assignments to Agreement as provided in Section 14 of this Agreement. Any proposed amendments and assignments may be refused by ORGANIZATION or DISTRICT at said parties own discretion.

20.2. Termination by DISTRICT

Notwithstanding the foregoing, DISTRICT, in the case of ORGANIZATION's breaches, may terminate this Agreement, with thirty (30) days notification, by giving the ORGANIZATION written notice of any material breach under this Agreement, if:

- a) said breach is curable by the payment of money and remains uncured thirty (30) days after said notice; or

- b) said breach is not curable by the payment of money but is otherwise curable within thirty (30) days after said notice and remains uncured after said thirty (30) days; or
- c) said breach is neither curable by the payment of money nor otherwise reasonably curable within thirty (30) days after said notice and ORGANIZATION fails both to commence said cure within said thirty (30) days and to prosecute diligently said cure to completion thereafter; or
- d) ORGANIZATION files a voluntary petition in bankruptcy or insolvency or otherwise seeks relief as a debtor, or, if an involuntary petition therefore is filed against ORGANIZATION and such petition is not dismissed within ninety (90) days; or
- e) ORGANIZATION fails to remain in compliance with any and all terms of this Agreement; or
- f) ORGANIZATION shall disband.

In the event this Agreement is so terminated, it shall be lawful for DISTRICT immediately hereafter to remove all persons and property from the premises.

20.3. Termination by ORGANIZATION

Notwithstanding the foregoing, ORGANIZATION, in the case of DISTRICT's breaches, may terminate this Agreement by giving the DISTRICT written notice of any material breach under this Agreement, if:

- a) said breach is curable by the payment of money and remains uncured thirty (30) days after said notice; or
- b) said breach is not curable by the payment of money but is otherwise curable within thirty (30) days after said notice and remains uncured after said thirty (30) days; or
- c) said breach is neither curable by the payment of money nor otherwise reasonably curable within thirty (30) days after said notice and DISTRICT fails both to commence said cure within said thirty (30) days and to prosecute diligently said cure to completion thereafter; or
- d) DISTRICT fails to remain in compliance with any and all terms of this Agreement.

20.4. Disposition of Certain Property

ORGANIZATION hereby acknowledges and agrees that any and all equipment and all DISTRICT purchased equipment and materials used in connection with Hiller Sports Complex shall remain the property of the DISTRICT, and ORGANIZATION acknowledges that it shall not be entitled to remove such property from Hiller Sports Complex upon the expiration or termination of this Agreement, regardless of reason.

IN WITNESS WHEREOF, the parties have executed this AGREEMENT as of the day and year as written herein.

MCKINLEYVILLE COMMUNITY SERVICES DISTRICT

John W. Corbett, President of the Board of Directors

ATTEST: _____
Becky Schuette, Secretary to the Board of Directors

MCKINLEYVILLE BABE RUTH

Catherine Wainwright, President of McKinleyville Babe Ruth

The Facility Use Agreement Checklist

Please note: This contract is not considered complete until the user ORGANIZATION submits the following information to MCSD.

<u>Item:</u>	<u>Attachment #:</u>	<u>Completed:</u>	<u>Date:</u>
Completed District Facility Use Form	Attachment 1		
League Schedule	Attachment 2		
Tournament Schedule	Attachment 3		
Practice Schedule	Attachment 4		
Proof of Insurance	Attachment 5		
Phone List of Managers and Board Members	Attachment 6		
Facility (emergency) Cell Phone #	Attachment 7		
All Other Field Usage Requests	Attachment 8		
Coach/Manager Contact Information	Attachment 9		

MCKINLEYVILLE COMMUNITY SERVICES DISTRICT

HILLER SPORTS COMPLEX FACILITY USE AGREEMENT

This HILLER SPORTS COMPLEX FACILITY USE AGREEMENT (this “Agreement”), is made and entered into this 4th day of March 2015, by and between the McKinleyville Community Services District (DISTRICT), a Community Services District formed under the laws of the State of California, and the McKinleyville Little League (ORGANIZATION), a non-profit youth sports organization, reference to the following facts, which are acknowledged as true and correct by each of the parties:

Recitals

- (a) DISTRICT is the owner of Hiller Sports Complex located at 880 Columbus Road in McKinleyville; and
- (b) DISTRICT desires to maximize financial self sufficiency of the maintenance of Hiller Sports Complex; and
- (c) DISTRICT desires to maximize community access to recreation programs at Hiller Sports Complex; and
- (d) ORGANIZATION desires to offer recreation programs to the community at Hiller Sports Complex; and
- (e) ORGANIZATION proposes to operate recreation programs, in accordance with the terms and conditions of this Agreement which supersedes all other previous documents; and
- (f) ORGANIZATION and DISTRICT each desire to secure and enter into an AGREEMENT in accordance with the foregoing; and
- (g) The documents which are part of the Agreement, and each of which are incorporated herein by this reference as though full, are the following:

- 1. Cover Page: Facility Use Agreement Supplement
- 2. Exhibit A: Hiller Sports Complex Map
- 3. Exhibit B: Article IV – Rules and Regulations
- 4. Exhibit C: Hiller Sports Complex Master Facility Fee Schedule
- 5. Exhibit D: Operation & Maintenance Responsibilities

- 6. Exhibit E: Guidelines for Field Cancellations
- 7. Exhibit F: "In Kind Work" & Field Modification Request Form

Definitions

As used in this Agreement, the following terms shall have the following definitions:

- 1. "Agreement" shall mean Hiller Sports Complex Facility Use Agreement.
- 2. "DISTRICT" shall mean the McKinleyville Community Services District.
- 3. "ORGANIZATION" shall mean McKinleyville Little League.
- 4. "Hiller Sports Complex" shall mean the nineteen acre parcel of property located at 880 Columbus Road on the east side of the entry way into Hiller Park. Such property contains 2 little league fields, a regulation softball field, a practice softball field, a Babe Ruth field, two collegiate size soccer fields, concession stand, bleachers, drinking fountains, walkways, and a parking lot.
- 5. "Recreation Advisory Committee" shall be the said committee operating under the jurisdiction of the McKinleyville Community Services District Board of Directors.
- 6. "Facility Use Request" shall mean all periods of time, including practices, games, assessment days, tournaments, etc., for which a party desires to utilize Hiller Sports Complex and requested via the DISTRICT Hiller Sports Complex Facility Use Request Form.
- 7. "Facility Use Schedule" shall mean the most current schedule for use of Hiller Sports Complex.
- 8. "Board of Directors" shall mean the five members of the McKinleyville Community Service District Board of Directors.
- 9. "Parks and Recreation Director" shall mean the individual employed in said position with the McKinleyville Community Services District.
- 10. "Article IV- Rules and Regulations" shall mean the portion of the document containing the Rules and Regulations of the McKinleyville Community Services District as adopted by the Board of Directors.

NOW, THEREFORE, in consideration of their mutual covenants and promises set forth herein and incorporating the foregoing recitals of fact, the parties hereto agree as follows:

Agreement

Section 1. Facility Development

The DISTRICT and ORGANIZATION agree to collaborate, assist, and support one another and individual efforts in maintaining Hiller Sports Complex.

Section 2. Grant of Field Use

- 2.1 Grant of Use. The DISTRICT grants the ORGANIZATION field use for recreational and sports activities At Hiller Sports Complex. ORGANIZATION shall be responsible for: (a) setup of Hiller Sports Complex for ORGANIZATION's use, unless otherwise specified; (b) for storing any equipment following ORGANIZATION's use; and (c) for restoring Hiller Sports Complex to the appropriate condition as found prior to ORGANIZATION's use. ORGANIZATION shall not utilize Hiller Sports Complex prior to the start of the contracted time set forth in the most current Facility Use Schedule and shall vacate the playing area by the end of the contracted time set forth in said schedule.
- 2.2 Facility Use Schedule. ORGANIZATION shall provide DISTRICT with ORGANIZATION's most current field user schedule including team names, coaches/managers & names of individuals to contact in the case of game cancellations; list of official representatives of the organization; game, practice, tournament dates and times; and other scheduled use (attachment 9).
- 2.3 Cancellation. Provided cancellation of use by inclement weather or other unforeseen conditions, DISTRICT shall endeavor to make the decision of said cancellation by 3:00 p.m. of the day for which cancellation shall take place.
- 2.4 Additional Field Use Request. Provided cancellation of use by inclement weather or other unforeseen conditions, ORGANIZATION must notify the DISTRICT of said cancellation and request of additional field use (if needed) within twenty-four (24) hours. DISTRICT shall be responsible to administer and coordinate all additional facility use requests provided such requests do not conflict with the most current Facility Use Schedule of other approved users.
- 2.5. Access
DISTRICT shall provide the ORGANIZATION with one (1) set of keys to Hiller Sports Complex. It is the responsibility of the ORGANIZATION's responsibility to produce copies and issue keys.

Section 3. Scheduling of Facility

- 3.1 Site Development, Management and Scheduling:
All development, scheduling, maintenance, and use of Hiller Sports Complex shall be coordinated with the Parks & Recreation Director.
- 3.2 Facility Use Requests
ORGANIZATION is responsible to submit a District Facility Use Form to the Parks & Recreation Director. The Parks and Recreation Director shall compile a draft Facility Use Schedule resulting from such requests. Parties currently having and maintaining an Agreement with DISTRICT shall be designated for priority use when said schedule is drafted. The draft Facility Use Schedule shall delineate any dates and times with facility scheduling conflicts. The Parks & Recreation Director shall be charged with resolving any scheduling conflicts, in his or her discretion.

ORGANIZATION shall have first priority of Fields 1 & 2 (baseball) and Field 3 (softball), based on schedules submitted in advance to MCSD, from March 1 through July 31.

3.3 Facility Use Scheduling Protests

ORGANIZATION and those parties granted facility use by the DISTRICT shall retain the right to protest the facility use. For all protests, refer to Section 16: Resolution of Disputes.

Section 4. Operational Standards

4.1 Conduct and Disorderly Persons

ORGANIZATION agrees to uphold and remain in compliance, at all times, with the current rules and regulations of the recreation and park system as established by the DISTRICT and outlined in Article IV of the DISTRICT's Rules and Regulations.

4.2 Staffing

ORGANIZATION agrees to ensure that an official representative(s) of ORGANIZATION shall be present at all times and shall be responsible for overseeing all use at all times on those dates and times for which use of Hiller Sports Complex is being conducted by ORGANIZATION.

4.3 Equipment and Supplies Storage

Storage of ORGANIZATION's equipment at Hiller Sports Complex shall be at the DISTRICT'S approval and at the ORGANIZATION's sole risk, DISTRICT will not warrant security of stored materials. ORGANIZATION shall unilaterally bear all risks of loss, theft, damage and other casualty incidental to using and/or storing equipment at the Hiller Sports Complex, and will indemnify and defend the DISTRICT from and against all losses arising out using and/or storing equipment at the Hiller Sports Complex.

4.4 Safety

ORGANIZATION agrees to comply with the DISTRICT's established facility use guidelines, as defined in Article IV of the DISTRICT's Rules and Regulations and attached as Exhibit B, and incorporated by reference herein.

4.5 Use of Equipment

ORGANIZATION agrees not to use equipment owned by others and stored at Hiller Sports Complex without first obtaining written approval from the owner of said equipment. A copy of written approval must be provided to the DISTRICT.

ORGANIZATION agrees not to remove or replace equipment provided at Hiller Sports Complex by DISTRICT without the prior written consent of the Parks & Recreation Director.

4.6 Entry by DISTRICT

ORGANIZATION shall permit DISTRICT, and DISTRICT's agents and assigns, at all reasonable times, to enter the premises, for the purposes of inspection, compliance

with the terms of this Agreement, exercise of all rights under this Agreement, posting notices, and all other lawful purposes.

4.7 Environmental Sensitivity

ORGANIZATION agrees that all use by ORGANIZATION shall be conducted in a manner within the intended use of Hiller Sports Complex and with respect to the surrounding neighborhood and community. ORGANIZATION shall abide by all rules and regulations established, from time to time, by the DISTRICT regarding the use (or nonuse) of pesticides, herbicides and related products at the Hiller Sports Complex and surrounding areas.

4.8 Equal Opportunity and Non-Discrimination Clause

ORGANIZATION shall not discriminate in its offering of programs at Hiller Sports Complex and all duties related to such offering on the basis of race, color, national origin, religious creed, ancestry, sex, age, or physical handicap and shall comply with all applicable state and federal statutes and regulations prohibiting discriminatory practices and/or conduct.

4.9 Americans with Disabilities Act Compliance

DISTRICT shall indemnify, defend, and hold harmless ORGANIZATION from any fines or penalties which may be imposed upon it pursuant to the Americans with Disabilities Act as a result of DISTRICT's failure to make any required improvements to the premises as required by the Americans with Disabilities Act.

ORGANIZATION shall be responsible for compliance with any and all requirements of the Americans with Disabilities Act with respect to the operation of recreation programs outlined in Attachment 1 for which ORGANIZATION is responsible. ORGANIZATION shall indemnify, defend, and hold harmless DISTRICT from and against any and all claims, causes of action, damages, fines and/or penalties pursuant to the Americans with Disabilities Act arising, in whole or in part, as a result of the ORGANIZATION's failure or alleged failure to comply with any requirements of the Americans with Disabilities Act with respect to operation of recreation programs which ORGANIZATION is responsible.

4.10. Compliance with Law

ORGANIZATION and DISTRICT shall comply with and conform to all laws and regulations, state and federal, and any and all requirements and orders of any state or federal board or authority, present or future, in any way relating to the condition or use of Hiller Sports Complex throughout the entire term of this Agreement.

4.11. District Coordination

DISTRICT shall employ a Parks and Recreation Director who shall be the primary contact person with the ORGANIZATION.

Section 5. Prohibited Actions

ORGANIZATION shall not:

- a) Use of Hiller Sports Complex for any purpose other than as authorized in this Agreement and as authorized in the most current Facility Use Schedule; and;
- b) Do or permit to be done anything which may interfere with the effectiveness or accessibility of Hiller Sports Complex, nor do or permit to be done anything which may interfere with free access and passage in Hiller Sports Complex or the public areas adjacent thereto, or in the streets or trails adjoining Hiller Sports Complex, or hinder police, fire fighting, or other emergency personnel in the discharge of their duties; and
- c) Interfere with the public's enjoyment and use of Hiller Sports Complex for any purpose which is not essential to public safety; and
- d) Rent, sell, lease, or offer any space for any articles whatsoever within or on Hiller Sports Complex without the written consent of the DISTRICT; and
- e) Place any additional lock of any kind upon any door, cabinet, or storage bin, unless a key therefore is provided to the DISTRICT, and upon expiration or termination of this Agreement; and
- f) Erect, construct, or place any permanent structure upon any portion of the premises without written authorization from DISTRICT; and
- g) Use or allow Hiller Sports Complex to be used for any improper or unlawful purposes or for purposes in violation of Article IV of the McKinleyville Community Services DISTRICT's Rules and Regulations.
- h) Allow vehicles access to the concession area via the 10 foot sidewalk driveway access point except for loading and unloading only. The sidewalk driveway area must be kept clear for access to emergency vehicles. All vehicles must park in the Parking area.

Section 6. Insurance

6.1. Minimum Scope

ORGANIZATION shall obtain and maintain throughout the term of this Agreement, at ORGANIZATION's cost, comprehensive general public liability insurance issued by insurance carriers acceptable to DISTRICT naming the ORGANIZATION as insured and the DISTRICT as an additional insured against any injuries or damages to persons or property caused by or arising out of ORGANIZATION's occupation and use of Hiller Sports Complex under this Agreement in amounts of not less \$1,000,000.00 for any individual claimant and \$2,000,000.00 per occurrence.

6.2. Proof of Insurance

ORGANIZATION shall cause DISTRICT to be given written notification, prior to the commencement of this Agreement, from the insurance carrier of the existence of such policies and shall provide a certificate of insurance and separate endorsement in the amounts listed in 6.01 prior to the inception of the term which shall provide that coverage provided by the policy shall not be canceled or amended until the DISTRICT

is first provided with at least thirty (30) days written notice concerning such cancellation or notice.

Section 7. Hold Harmless, Indemnity and Release Forms

7.1. Hold Harmless and Indemnity

Except for the active negligence or willful misconduct of DISTRICT, ORGANIZATION undertakes and agrees, to the fullest extent permitted by law, to defend, indemnify, and hold harmless DISTRICT and all its officers, agents, assigns, and employees from and against any and all suits, actions and causes of action, claims, liens, demands, obligations, proceedings, loss or liability of every kind and nature in connection with or arising directly or indirectly out of this Agreement whatsoever and/or ORGANIZATION's use of the Hiller Park Complex (and surrounding areas), for death or injury to any person including DISTRICT's officers, agents, assigns, and employees, or damage or destruction of any property of either party hereto or of third parties arising out of or in any manner by reason of, or incident to, the performance of this Agreement on part of ORGANIZATION and/or ORGANIZATION's use of the Hiller Park Complex (and surrounding areas), by its officers, agents, assigns, program participants and employees of any tier.

7.2. Participant Liability Release Forms

ORGANIZATION shall provide to DISTRICT a master copy of the liability release form used for ORGANIZATION's program defending, indemnifying, and holding harmless, DISTRICT, its officers, agents, assigns, and employees from and against any and all suits, actions and causes of action, claims, liens, demands, obligations, proceedings, loss or liability of every kind and nature whatsoever, for death or injury to any person including DISTRICT's officers, agents, assigns, and employees, or damage or destruction of any property of either party hereto or of third parties arising out of or in any manner by reason of, or incident to, the program or programs sponsored by ORGANIZATION and conducted at the Hiller Sports Complex.

Section 8. Utilities

8.1. Water

The DISTRICT shall be responsible for all water and sewer related expenses at the site.

8.2. Gas and Electric

ORGANIZATION shall be required to pay a fee partially based on electrical use for the concession stand, low site lighting, and/or any other type of sporting equipment, which utilizes electricity. This cost will be reimbursed at the end of the season, based on a percentage of field use.

Section 9. Maintenance

9.1 Ongoing Facility Maintenance

DISTRICT shall provide for all ongoing maintenance of Hiller Sports Complex. ORGANIZATION shall be required to pay a fee based on expenses related to ongoing

maintenance as approved by Parks & Recreation Director. ORGANIZATION shall be allowed to decrease their portion of the maintenance fee through the use of volunteer labor to assist with maintenance of the site. Financial credit for approved volunteer labor shall be granted only for labor completed for facility maintenance. Credit shall not be granted for volunteer labor completed for game preparation. DISTRICT shall assign specific financial value to one volunteer labor hour. DISTRICT shall base ORGANIZATION's maintenance fee on the total financial value of documented volunteer labor hours subtracted from the total financial value of site use. The financial value of volunteer labor, if in excess of the total maintenance fee, is not allowed to be placed as a credit toward future facility use.

Should ORGANIZATION provide volunteers to perform facility maintenance, all said volunteers must attend a facility maintenance orientation seminar. Such seminars shall be organized and presented by DISTRICT staff throughout the year and at times reasonable for ORGANIZATION. In addition, ORGANIZATION's with volunteer maintenance staff must have a designated representative attend facility maintenance meetings as arranged by the DISTRICT. ORGANIZATION must provide a proposed monthly volunteer maintenance schedule by the 15th of each preceding month. All such schedules must be approved by the DISTRICT prior to implementation.

Volunteers not attending a facility maintenance orientation seminar shall not be authorized to perform facility maintenance duties at Hiller Sports Complex. Furthermore, said volunteers of ORGANIZATION are not to be considered volunteers or employees of DISTRICT.

ORGANIZATION agrees to perform all maintenance of the fields, including but not limited to, mowing grass once per week, trimming along the fence lines, field preparation before games, grounds cleanup, bathroom cleanup, re-stocking janitorial supplies, general cleanup of the concession stand & parking lot, and trash disposal. These operation and maintenance responsibilities are further explained in Exhibit D, and some may be in lieu of payment for field and concession use during the period of March 1 through November 30, 2015.

9.2. Facility Damages and Repairs

The ORGANIZATION shall be held responsible for all damage or vandalism to District facilities occurring during the ORGANIZATION'S use of the facilities. Upon notification by the DISTRICT, the ORGANIZATION is responsible to repair all damages immediately, or within a schedule approved by the DISTRICT. If ORGANIZATION is unable or unwilling to repair damage immediately, the DISTRICT reserves the right to make the necessary repairs and bill ORGANIZATION for all costs. The ORGANIZATION is responsible to reimburse the DISTRICT within thirty days (30) of presentation of the bill. Exception: The concession and snack bar area is the sole responsibility of the ORGANIZATION during the entire period of this Agreement. Repair of any and all damage occurring to the concession stand during the Agreement period is the sole responsibility of the ORGANIZATION.

Damaged and unsafe fields shall be unavailable for use until repairs are completed. The assignment of other fields during such time is at the discretion of the DISTRICT.

9.3. Site Improvements

Any ORGANIZATION desiring to perform site improvements must first obtain written approval from the DISTRICT for such improvements and pay for all costs related to approved improvements.

It is understood and agreed between the parties that all installations, additions, and improvements erected or installed at any time at Hiller Sports Complex during the term of this Agreement shall immediately become the property of and belong to the DISTRICT upon such erection or installation; provided, however, this provision does not apply to participant playing equipment and concession equipment installed and belonging to ORGANIZATION. ORGANIZATION must remove all participant playing equipment and concession equipment prior to the expiration or other termination of this Agreement. Any portion of the premises affected by removal shall be immediately restored and repaired.

Section 10. Purchasing

10.1 DISTRICT shall have the responsibility to purchase all grounds maintenance and field preparation supplies needed to maintain Hiller Sports Complex.

10.2 ORGANIZATION shall be fully responsible for all expenses related to purchase of all supplies needed to operate the programs including supplies needed for field preparation should ORGANIZATION choose to prepare fields for their use and of any supplies needed for operations conducted in the concession stand.

Section 11. Sales

11.1. Participant Registration

ORGANIZATION shall be allowed to retain all revenue related to participant registration fees.

DISTRICT shall provide space for applications and flyers provided by ORGANIZATION at DISTRICT's office and at the Activity Center. DISTRICT shall not otherwise register applicants or provide directions regarding ORGANIZATION's program.

ORGANIZATION shall be responsible for promotion and sale of ORGANIZATION's program to customers. Upon provision by ORGANIZATION, DISTRICT shall provide copies of flyers and promotional materials to customers.

11.2. Advertising

DISTRICT recognizes the importance of advertising revenue to ORGANIZATION and desires to afford ORGANIZATION opportunities to obtain revenue for support of ORGANIZATION's program. However, ORGANIZATION shall first obtain written permission from DISTRICT and allow DISTRICT to review any such advertising prior to installation, placement, distribution, or maintenance of any type of advertising or agreement with any other vendor involving promotion or advertising of their products or services on and at Hiller Sports Complex. All such advertising placed in accordance

with the aforementioned must be removed upon the conclusion of ORGANIZATION's program at a time agreed to by both parties.

11.3. Concessions

ORGANIZATION shall be allowed to retain all proceeds related to operation of a concession stand during granted facility use hours provided concession use fees are paid in full.

Approval for requests for use of the concession stand by ORGANIZATION will be granted only when said request is concurrent with the most current facility use schedule as approved. ORGANIZATION shall not utilize the concession stand prior to the start of the contracted time set forth in the most current facility use schedule and shall vacate the concession stand by the end of the contracted time set forth in said schedule.

Upon issuance of the most current Facility Use Schedule and concession stand use request approvals, should additional concession stand use be available during scheduled events, those ORGANIZATIONS having and maintaining a current Agreement with DISTRICT shall be given priority for additional concession stand use requests. Such requests will be awarded on a first come, first serve basis.

Section 12. Licenses and Permits

- 12.1 ORGANIZATION shall apply for, obtain, and maintain all licenses, permits, and other accreditations required in connection with the management and operation of programs, site improvements as approved per 9.03., and as needed for development of the facility. ORGANIZATION shall be responsible to pay the cost of all such licenses and permits.

Section 13. Unavoidable Delays

- 13.1 The provisions of this Section shall be applicable if there shall occur, during the term of this Agreement, any (a) inability to obtain labor or materials, or reasonable substitutes (other than lack of funds); or (b) acts of God, governmental restrictions, regulations or controls, enemy or hostile government, civil commotion, fire, or other casualty; or (c) other conditions similar to those enumerated in this Section beyond the reasonable control of the party obligated to perform (other than lack of funds). If DISTRICT or ORGANIZATION shall, as the result of any of the above-described events, fail to provide or to perform any obligation on its part under this Agreement, then upon written notification to the other within ten (10) days of such event, such failure shall be excused and not be a breach of this Agreement by the party claiming unavoidable delay, but only to the extent occasioned by such event. Notwithstanding anything contained herein to the contrary, this Section shall not be applicable to the obligation of the DISTRICT or ORGANIZATION to pay any sums, monies, costs, charges, or expenses required paid pursuant to the terms of this Agreement, or to fulfill any hold harmless and/or indemnity obligations created by Section 7.1 or elsewhere in this Agreement.

Section 14. Amendments and Assignments

- 14.1 This Agreement contains the complete and final agreement between the DISTRICT and the ORGANIZATION. No agreement or other understanding in any way purporting to modify, add to, or supersede the terms and conditions hereof shall be binding upon either party unless made in writing and duly executed by authorized representatives.
- 14.2 This Agreement may not be assigned or transferred, in whole or in part, by ORGANIZATION without first obtaining the written consent of DISTRICT which may be withheld, for any reason, in the DISTRICT's sole discretion.

Section 15. Taxes

- 15.1 ORGANIZATION shall be solely responsible for the payment when due of any possessory interest or other unsecured tax levied by any governmental authority with respect to the use and occupancy of Hiller Sports Complex by ORGANIZATION.

Section 16. Resolution of Disputes

16.1. Process for Resolution

Any dispute arising under the terms of this Agreement which is not resolved within a reasonable period of time by authorized representatives of the DISTRICT and the ORGANIZATION shall be brought to the attention of the General Manager (or designated representative) of the DISTRICT and the Board President (or designated representative) of the ORGANIZATION for joint resolution.

If joint resolution of the dispute through these means is pursued without success, ORGANIZATION shall seek to resolve the dispute by filing a written grievance with the General Manager (or designated representative). Upon receipt of a written grievance, the General Manager (or designated representative) shall research and investigate the grievance and set an agenda item for the next DISTRICT Board of Directors meeting. At the meeting, the ORGANIZATION or a representative thereof can appear and be heard. The DISTRICT Board of Directors shall consider the item and act thereon, and may adopt, reject, or amend the recommendation.

If resolution of the dispute as adopted by the DISTRICT Board of Directors is not satisfactory, ORGANIZATION may seek resolution employing whatever remedies exist in law or equity beyond this Agreement. Despite an unresolved dispute, the DISTRICT and ORGANIZATION hereto shall continue without delay to perform its obligations under this Agreement.

In the event of any breach or violation of this Agreement by ORGANIZATION, the DISTRICT may employ whatever remedies exist in law or equity to enforce this Agreement, without resorting to the dispute resolution protocol described above.

16.2. Attorney's Fees

In the event of any litigation arising between the parties regarding the terms of this Agreement, the prevailing party shall be entitled to recover reasonable attorney's fees in addition to other relief provided by law.

Section 17. Notices

- 17.1 Any notice, demand, or communication under, or in connection with, this Agreement, may be served upon DISTRICT by personal service, or by mailing the same by certified mail in the United States Post Office, postage prepaid, and directed to the DISTRICT as follows:

Parks and Recreation Director
McKinleyville Community Services District
P.O. Box 2037
McKinleyville, CA 95519

and may likewise be served on ORGANIZATION by personal service or by so mailing the same addressed to ORGANIZATION as follows:

McKinleyville Little League

Address_____

City/State/Zip_____

Either DISTRICT or ORGANIZATION may change such address by notifying the other party in writing as to such new address as DISTRICT or ORGANIZATION may desire used and which address shall continue as the address until further written notice.

Section 18. Compensation

- 18.1. Funding for Facility Development
Should ORGANIZATION grant DISTRICT monies for development in an amount of more than \$5,000, said monies shall be dedicated to the development of facilities illustrated in Hiller Sports Complex Master Plan, which would fulfill the needs of ORGANIZATION. Monies granted by ORGANIZATION for development in amount less than \$5,000 shall be dedicated to the general overall development of facilities illustrated in Hiller Sports Complex Master Plan.

- 18.2. Facility Use and Additional Fees
ORGANIZATION shall pay DISTRICT fees in accordance to Hiller Sports Complex Master Facility Fee Schedule as adopted by the Board of Directors and outlined in Exhibit C.

ORGANIZATION agrees to pay a Cleaning/Damage deposit in the amount of \$1,500.00 to MCSD for the use of Hiller Sports Complex. MCSD may use the Cleaning/Damage deposit for reimbursement of any costs related to additional cleaning requirements, additional turf maintenance, and/or field & turf damages during the use of ORGANIZATION (see Exhibit D). This deposit must be paid in full prior to the start of the season.

ORGANIZATION is responsible for the cost to change the locks at the end of each season. This cost will be reimbursed at the end of the season, based on a percentage of field use.

In the event DISTRICT shall provide maintenance at the expense of ORGANIZATION, or the DISTRICT is required to respond to a call-out at a time outside the DISTRICT'S regular business hours, the ORGANIZATION agrees to reimburse the DISTRICT according to the following rates:

Labor:	Variable, depending on employee
Mower:	\$25.00/hour
Utility Vehicle:	\$35.00/hour
Tractor:	\$40.00/hour
Backhoe:	\$70.00/hour
Dump Truck:	\$50.00/hour
Boom Truck:	\$81.00/hour

18.3. Delinquent Payment

In the event ORGANIZATION shall be delinquent by more than fifteen (15) days in the payment of any sums due under the terms of section 18.02, DISTRICT shall cancel all future scheduled and yet to be scheduled use of DISTRICT-owned facilities until past due payments are paid in full.

Section 19. Law Governing

This Agreement shall be governed exclusively by the provisions hereof and by the laws of the State of California.

Section 20. Term

20.1. Term and Extensions

Subject to the provisions of this Agreement, the term of this Agreement shall commence on the date herein and shall continue through and including the 31 day of December, 2015.

Opportunities shall be granted for ORGANIZATION and DISTRICT to review this Agreement on a yearly basis to enact amendments and assignments to Agreement as provided in Section 14 of this Agreement. Any proposed amendments and assignments may be refused by ORGANIZATION or DISTRICT at said parties own discretion.

20.2. Termination by DISTRICT

Notwithstanding the foregoing, DISTRICT, in the case of ORGANIZATION's breaches, may terminate this Agreement, with thirty (30) days notification, by giving the ORGANIZATION written notice of any material breach under this Agreement, if:

- a) said breach is curable by the payment of money and remains uncured thirty (30) days after said notice; or

- b) said breach is not curable by the payment of money but is otherwise curable within thirty (30) days after said notice and remains uncured after said thirty (30) days; or
- c) said breach is neither curable by the payment of money nor otherwise reasonably curable within thirty (30) days after said notice and ORGANIZATION fails both to commence said cure within said thirty (30) days and to prosecute diligently said cure to completion thereafter; or
- d) ORGANIZATION files a voluntary petition in bankruptcy or insolvency or otherwise seeks relief as a debtor, or, if an involuntary petition therefore is filed against ORGANIZATION and such petition is not dismissed within ninety (90) days; or
- e) ORGANIZATION fails to remain in compliance with any and all terms of this Agreement; or
- f) ORGANIZATION shall disband.

In the event this Agreement is so terminated, it shall be lawful for DISTRICT immediately hereafter to remove all persons and property from the premises.

20.3. Termination by ORGANIZATION

Notwithstanding the foregoing, ORGANIZATION, in the case of DISTRICT's breaches, may terminate this Agreement by giving the DISTRICT written notice of any material breach under this Agreement, if:

- a) said breach is curable by the payment of money and remains uncured thirty (30) days after said notice; or
- b) said breach is not curable by the payment of money but is otherwise curable within thirty (30) days after said notice and remains uncured after said thirty (30) days; or
- c) said breach is neither curable by the payment of money nor otherwise reasonably curable within thirty (30) days after said notice and DISTRICT fails both to commence said cure within said thirty (30) days and to prosecute diligently said cure to completion thereafter; or
- d) DISTRICT fails to remain in compliance with any and all terms of this Agreement.

20.4. Disposition of Certain Property

ORGANIZATION hereby acknowledges and agrees that any and all equipment and all DISTRICT purchased equipment and materials used in connection with Hiller Sports Complex shall remain the property of the DISTRICT, and ORGANIZATION acknowledges that it shall not be entitled to remove such property from Hiller Sports Complex upon the expiration or termination of this Agreement, regardless of reason.

IN WITNESS WHEREOF, the parties have executed this AGREEMENT as of the day and year as written herein.

MCKINLEYVILLE COMMUNITY SERVICES DISTRICT

John W. Corbett, President of the Board of Directors

ATTEST: _____
Becky Schuette, Secretary to the Board of Directors

MCKINLEYVILLE LITTLE LEAGUE

Catherine Wainwright, President of McKinleyville Little League

The Facility Use Agreement Checklist

Please note: This contract is not considered complete until the user ORGANIZATION submits the following information to MCSD.

<u>Item:</u>	<u>Attachment #:</u>	<u>Completed:</u>	<u>Date:</u>
Completed District Facility Use Form	Attachment 1		
League Schedule	Attachment 2		
Tournament Schedule	Attachment 3		
Practice Schedule	Attachment 4		
Proof of Insurance	Attachment 5		
Phone List of Managers and Board Members	Attachment 6		
Facility (emergency) Cell Phone #	Attachment 7		
All Other Field Usage Requests	Attachment 8		
Coach/Manager Contact Information	Attachment 9		

McKinleyville Community Services District

BOARD OF DIRECTORS

March 4, 2015

TYPE OF ITEM: **INFORMATION**

ITEM: F.2.A **Finance Director's Report for January 2015**

PRESENTED BY: **Colleen M. R. Trask, Finance Director**

TYPE OF ACTION: **None**

FINANCIAL, AUDIT, & BUDGET INFORMATION

The District has deposited \$236,723.31 to date into the Trust Account for reserves recovery.

Budget Update: Operations has submitted a draft Capital Improvements Plan to the Board this month for review and discussion.

Treasurer's Report Highlights: The January Treasurer's Report revenue includes capacity fees of \$128,756 for the Water Fund and \$181,771 for the Sewer Fund respectively. No capital assets have been received by the Board to date this fiscal year.

Streetlights Fund revenue includes a rebate from PG&E for the LED project the District completed last year.

Other Updates:

We have published a list of unclaimed checks, per California Government Code § 50050. If the checks remain unclaimed for 50 days from the date of publication (the law requires between 45 and 60 days) the District will be able to void them and remove them from our books permanently. Since many of these checks are customer refunds, we have not published the customers' names. Instead, we listed the customer ID number and will check the ID of any claimants against the identity listed in our billing system.

The final invoice for Synagro was paid in January, completing the Biosolids project in preparation for the new Wastewater Management Facility.

McKinleyville Community Services District

BOARD OF DIRECTORS

March 4, 2015

TYPE OF ITEM: **INFORMATION**

ITEM: F.2.B **Operations Department – January 2015 Report**

PRESENTED BY: **James Henry, Operations Director**

TYPE OF ACTION: **None**

Water Department:

◇ **Water Statistics:**

The district pumped 33 million gallons of water in January.
Four water quality complaints were investigated and rectified.
Daily, weekly and monthly inspections of all water facilities were conducted.

◇ **Double Check Valve Testing:**

Annual routine testing was completed in Route 1 and a minimal number of retests were completed. Customers with failed DCVs were notified to make repairs and call the office to schedule a retest. The semi-annual well cap inspection was performed on all customer well caps to verify the caps are still in place and they are in compliance.

◇ **Average and Maximum Water Usage:**

The maximum water usage day was 1.4 million gallons and the average usage per day was 1.1 million gallons.

◇ **Water Distribution Maintenance:**

Annual Hydrant inspections is 70% completed. Hydrants will be exercised, inspected and documented in the log book. Any discrepancies will be flagged to generate work orders for repairs. There were three service line leaks that were repaired or replaced that were caused by bad crimping or bedding. New water services installed in 2014 were GPS located and updated within the GIS. New subdivisions were incorporated into the District's water asbuilts. Two angle-stops were replaced due to not functioning properly and customer damage. Customer was billed for repairs. Paving was completed on several leak repair and service installation patches.

◇ **Water Station Maintenance:**

String trimming and mowing was conducted at the North Bank Pump Station along with pressure washing. Pump parts that were part of the old system were hauled to the corporation yard to be parted out. Intellimac back-up ram batteries were replaced at all water stations as part of the annual preventative maintenance. Pumps and piping were painted at the Cochran tank site.

As of July 2014, the District is required to submit a Public Water Monthly Monitoring Report to compare water usage to last year's usage in the same month. I will keep the Board updated each month using the Table below.

Water Usage Comparison in Million Gallons

	2013	2014	% Reduction	2014 Recycled
July	54.757	50.668	7	14.297
August	55.908	46.600	17	13.040
September	45.702	40.619	12	17.434
October	39.439	36.393	8	16.077
November	34.879	30.795	12	13.807
December	35.203	33.146	6	0
	2013	2015	% Reduction	2015 Recycled
January	38.263	32.781	14	0

*Recycled water is reclaimed water that is used for irrigating crops.

◇ **New Construction Inspections:**

Central Estates Phase 2C, GRS installed sewer mains, water mains and valves. Testing will be completed after PG&E installs their facilities. CVS; waiting on the contractor's schedule on when they will be conducting the hot tap for the fire service.

Sewer Department:

Waste Water Statistics:

30.7 million gallons of wastewater was collected and pumped to the W.W.M.F. 33.1 million gallons of wastewater was treated and discharged to land disposal or reclamation in January. Daily, weekly and monthly inspections of all sewer facilities were conducted.

◇ **Sewer Station Maintenance:**

One of the grit pumps at the Fischer Lift Station was removed, rebuilt and put back into service due to seal and bearing failure. Intellimac back-up ram batteries were replaced at all sewer stations as part of the annual preventative maintenance. Another attempt at stealing diesel fuel took place at the Letz Station. Staff reacted quickly to the alarm which resulted in preventing a major diesel spill. The Sheriff was dispatched and OES was notified due to the 2-3 gallons that did spill. An inspection of staff's clean-up was conducted and signed off by OES. The Vandals were caught by surprise when the alarm sounded which resulted in leaving their tools and bicycle trailer behind. Quarterly wet well washing was conducted at the B Street Sewer Lift Station. This is done to prevent grease and rags from plugging up the pumps.

◇ **Sewer Collection System:**

Grease traps were inspected at required facilities. Customers that are out of compliance were notified to have their traps pumped and possibly shorten their pumping schedule. The Hach Sigma flow totalizer was placed in numerous manholes to collect wet weather flow data due to the recent rain events. This information is compared against dry weather flow data to look for I&I in the collection system. A new sewer service was installed on Murray Road. New sewer services installed in 2014 were GPS located and updated within the GIS. New subdivisions were incorporated into the District's sewer asbuilts.

Wastewater Management Facility:

The Chlorine Contact Basin was drained and cleaned with fire hoses. A pump is still being used to pump water from Pond 1A. The annual sludge depths were performed and documented on Pond 1B. Pennywort, which is an invasive floating broadleaf that multiplies rapidly, was removed from Pond 4 as part of the preventative maintenance.

◇ **Daily Irrigation and Observation of Reclamation Sites:**

Weekly well monitoring was conducted at the Fischer Ranch tree farm as part of the tree farm pilot study.

◇ **Street Light Department:**

Three lights were retrofitted on Kirsten Way due to landscaping shading the photo cells and not allowing them to turn off.

◇ **Promote Staff Training and Advancement:** Weekly tailgate meetings and training associated with job requirements. Staff participated in Confined Space training.

Special Notes:

Tractors, Dump Truck and Vac-con were greased and lubed to prevent unnecessary wear.

Operations Department continued working on the new park picnic pavilion.

Monthly river samples were completed.

Monthly Discharge and Self monitoring reports (DMR/SMR) were submitted.

Public Water Monthly Monitoring report was submitted.

Monthly Water Quality report was sent to the Dept. of Health.

Monthly Pesticide applicator report was submitted to Department of Agriculture.

Acute Toxicity samples were collected and sent to the lab.

Staff is working on the Individual Development Plans (IDP's).

A Grade 4 Wastewater Operator is required for the new plant upgrade. Correspondence courses through Sac State were completed in order to have the credits to take the exam.

Staff reviewed and incorporated several comments for the IPM Policy.

Staff reviewed the 2015/2016 CIP.

Staff worked on compiling data for the WWMF annual report.

Staff attended a meeting with the HSU Engineering Department students who want to work on District projects. They broke into 3 teams of four covering alternative energy, wetlands and infrastructure. A tour was presented to two of the groups along with data they have requested.

WWMF upgrade status:

Final designs are expected to arrive at the District by the end of February.

Staff is continuing to pump water out of Pond 1A. The Pond is approximately 99% drained. At this time staff is slowly pulling the water out of the remaining sludge. The tractor was used to move some of the sludge around in the pond to allow channels for the water to flow to the pumps suction hose.

McKinleyville Community Services District

BOARD OF DIRECTORS

March 4, 2015

TYPE OF ITEM: **INFORMATION**

ITEM: F.2.C **Parks & Recreation Director's Report for March 2015**

PRESENTED BY: **Jason Sehon, Parks & Recreation Director**

TYPE OF ACTION: **None**

GARDEN CLUB:

Staff has been working with a Community member to consider developing a Garden Club in McKinleyville.

At the January 15, 2015 Recreation Advisory Committee (RAC) meeting, community member Julie Lee spoke about the possibility of forming a garden club in McKinleyville. The idea for the club would be to get residents together to help maintain some of MCSD's parks and facilities. A club could also host educational meetings and organize community work days.

Staff is recommending that as a first step, that the RAC develop a Garden Club Ad Hoc Committee and assign a Chairperson to work with staff and community members.

HILLER SPORTS COMPLEX:

Staff has been making repairs to turf and infields at Hiller Sports Complex in preparation of the spring 2015 baseball and softball seasons.

PIERSON PARK COVERED PICNIC AREA PROJECT:

A majority of this project is being completed in house. Funding for this project will come from a Land & Water Conservation Fund matching grant (\$25,000) and Quimby Inland Parkland Dedication Fund (\$50,000). This project is nearing completion.

SHERIFF WORK ALTERNATIVE PROGRAM (SWAP):

MCSD and County staff worked out an agreement to keep a SWAP crew working twelve (12) days per year. In addition, the County has agreed to provide between two (2) and five (5) individual SWAP members to report to work for MCSD each Saturday. This partnership is still working very well.

COMMUNITY SERVICE WORKERS:

Our Parks staff continues to utilize the Community Service Worker (CSW) program daily. This program helps us to maintain Pierson Park, Hiller Park, Hiller Sports Complex, Azalea Hall, and the McKinleyville Activity Center.

WORK EXPERIENCE (CalWORKS PROGRAM)

We currently have two (2) CalWORKS staff members working within the Parks Department. We are still seeking additional individuals interested in working for the park maintenance crew. This is a great program for the workers and for MCSD. It gives

the employees great on the job experience and it aids MCSD in its daily operations. The County pays all wages for a six-month period (with possible extensions of time), and workers compensation is also under the County's umbrella.

GRAFFITI & VANDALISM UPDATE:

Someone drove a vehicle and damaged the turf at Pierson Park sometime on the evening of February 18, 2015. Staff has sectioned off the area and re-seeded it.



McKinleyville Community Services District

BOARD OF DIRECTORS

March 4, 2015

TYPE OF ITEM: **INFORMATION**

ITEM: F.2.D General Manager's Report for March 2015 Meeting

PRESENTED BY: Gregory Orsini, General Manager

TYPE OF ACTION: Information Only

A summary of activity for the month of February 2015

Cost Savings Related to District Activities – The following is a summary of some of the recent cost savings opportunities District staff identified for the previous month:

• Staff caught a discount missed by AT&T	\$1,064
• SWAP Crews	\$4,600
• Northern Humboldt Employment Services	\$600
• Community Service Workers	\$1,500
• CalWORKS employee	\$7,000
• Volunteers	\$1,000
• In House Repair to turf at Pierson	\$800
• Newsletter & Activity guide preparation	\$1,500
• Fischer Grit Pump Rehab	\$1,200
• Phone System UPS Repair	\$150
• Unit 7 Repairs	\$1,300
• Photo Cell Street Light Repair	\$400
• Prop 50 Grant Funding for Intertie	\$901,000

Total cost savings for January are \$922,114

The cumulative cost saving to the District to date from July 1, 2014 is \$1,063,354

District staff are recognized and commended for their continued efforts in looking for cost savings, the use of internal labor and grant opportunities that result in real savings for the District, rate payers, and the community.

Coho Habitat Restoration Project – The funding for the design project grant was approved by the department of Fish and Wildlife. The next step will be entering into a contract and a kickoff meeting.

Teen and Community Center – Staff is reviewing the concept changes for the reduction of costs for the Teen Center. Material choices and 450 square footage reductions will be the primary means for project cost control.

Wastewater Management Facility (WWMF) Improvement Project Design – Rate analysis and funding procurement accounted for the majority of work by staff this month. The 100% design package was delivered by mail while preparing for the board meeting. Review of the packet will take place the week of the meeting.

Integrated Pest Management Plan – During the three days prior to the February Board meeting the majority of my time was devoted to fielding emails and formulating responses from a group that thought it inappropriate the Board hear the agenda item related to this subject due to a board member absentee. During the meeting it was determined staff should switch gears to develop a Draft Board Policy, which was completed this month and will be ready for review in the near future. The changes agreed upon in the plan were also incorporated into Sections 1 and 2.

Central Ave. Open Space MOU – Work continues on this as time permits. The Open Space Maintenance zone will be renewed later this year. We hope to have the MOU in place prior to an agreement with the property owners.

Solar Power Analysis – Staff is in the process of reviewing the sensitivity analysis with another presentation by Beutler scheduled for April. I received notification that David Houseworth has accepted a new position and will be leaving Beutler. The GM for that division of Beutler will now be the lead on our project.

Capstone Program at HSU – This month we conducted site tours and provided information vital to the scope of work for the selected projects. Next month I will include a summary of the projects being accomplished by the students related to our systems.

Meetings – The General Manager attended various meetings this month and a full day seminar on the California Environmental Quality Act in February, coincidentally one of the presenters was Tiffany Wright who has provided much support to MCSD related to this subject. The main focus was new regulations with a focus on water and tribal issues.

Exhibits/Attachments

- Attachment 1 – WWMF January 2015 Self Monitoring Report

PHYSICAL ADDRESS:

1656 SUTTER ROAD
McKINLEYVILLE, CA 95519

MAILING ADDRESS:

P.O. BOX 2037
McKINLEYVILLE, CA 95519



mckinleyvillesd.com

MAIN OFFICE:

PHONE: (707) 839-3251
FAX: (707) 839-8456

PARKS & RECREATION OFFICE:

PHONE: (707) 839-9003
FAX: (707) 839-5964

R.W.Q.C.B. NORTH COAST REGION
5550 SKYLANE BLVD., SUITE A
SANTA ROSA, CA 95403

February 24, 2014

RE: MONTHLY MONITORING REPORT

Dear Charles:

Enclosed is the Monthly Monitoring Report for January 2015 for McKinleyville Community Services District Wastewater Management Facilities WDID NO. 1B82084OHUM, operating under Order Number WQ 2011-0008-DWQ.

The normal discharge of effluent was 31 days discharge to Monitoring Location M-002. The required monitoring and water quality constituents that were tested and reported were in compliance in January.

The requirement for BOD is 45 mg/L, 604 lbs/day and 65 % removal for the monthly average with four weekly tests in January that represent eleven criteria. The BOD results for January are in compliance.

The requirement for TSS is 83 mg/L, 1108 lbs/day and 65% removal for the monthly average with four weekly tests in January which represent three criteria. The TSS results for January are in compliance.

The requirement for Nitrate as Nitrogen in the effluent is a monthly average of 10 mg/L. One test was conducted in January and was in compliance.

Total Coliform Organisms MPN/100 ml. The Monthly Median not to exceed MPN of 23 and the daily maximum not to exceed MPN of 230. The reported results for the month of January are as follows. Median was <1.8 and a Maximum of <4.5. Four samples were collected in the month of January and were in compliance.

Monthly River Monitoring was conducted in January.

Acute testing for January was conducted using Rainbow Trout and C.Dubia. Rainbow Trout had a 100% survival and C.Dubia had a 90% survival. The 2 November follow up testing meeting the 14 day and 21 day deadline which are serving as a dual sample with the December testing have been sent to the lab. The 14 day sample came back with a C.Dubia survival of 85% and a Rainbow Trout survival of 100%. The 21 day sample results came back with a C.Dubia survival rate of 100%. Staff conducted a third sample for the November retest which came back at 90% survival. This satisfies the November retests and brings the District current. The District was just notified that Sierra Foothills Lab is discontinuing their Toxicity testing program, therefore we will be sending our samples to Pacific Ecorisk in the future.

WWMF Upgrade Status: Kennedy/Jenks has finished the final draft which we are expecting to show up next week. The District will review and send back comments. Pond 1A has been 99% drained.

Semi-annual Pollutants of Concern, Quarterly Disinfection Byproducts and the Annual CTR Pollutants were tested in January. Quarterly monitoring well sampling was also conducted in January.

**McKINLEYVILLE COMMUNITY SERVICES DISTRICT
WASTEWATER MANAGEMENT FACILITY
MONITORING DATA**

MONTH: JANUARY

YEAR: 2015

DATE	INFLUENT FLOW M.G.D.	EFFLUENT FLOW M.G.D.	EFFLUENT MAXIMUM GPM	RIVER CFS	INFLUENT MONITORING		EFFLUENT MONITORING							3X5 TOTAL COLIFORM	
					B.O.D. mg/L	N.F.R. mg/L	pH	(C°) TEMP	B.O.D. mg/L	NFR mg/L	AMMONIA	CL ₂ RES.	RIVER CL ₂ RES		SETTLABLE SOLIDS
1	1.062	1.871	1310	1090			7.6	10.4				1.9	0.00		
2	1.042	1.517	1302	979			7.6	9.8			30.0	2.1	0.00	<0.1	
3	1.047	1.070	755	901			7.7	9.9				1.5	0.00		
4	1.089	1.066	918	840			7.4	10.2				2.9	0.00		
5	1.011	1.047	737	783			7.1	11.1			26.0	3.3	0.00		<1.8
6	0.977	1.045	738	746			7.3	9.7			32.0	2.8	0.00		
7	0.965	1.041	735	642			7.1	10.4			32.0	2.9	0.00		
8	0.948	1.041	735	594			7.1	10.7			32.0	2.8	0.00		
9	0.936	1.040	734	569	210	190	7.2	10.5	11	11	36.0	1.8	0.00	<0.1	
10	0.974	1.039	731	534			7.1	12.0				1.0	0.00		
11	1.027	1.048	734	436			7.2	12.9				0.4	0.00		
12	0.953	0.510	730	383			6.8	12.9			32.0	0.6	0.00		4.5
13	0.926	0.150	1406	361			7.1	12.3			30.0	1.1	0.00		
14	0.926	0.572	658	343			7.1	11.3			28.0	1.0	0.00		
15	0.910	0.915	647	326			7.1	12.5			30.0	0.8	0.00		
16	0.950	1.013	816	376	310	290	7.2	11.7	13	14	36.0	2.2	0.00	<0.1	
17	0.980	1.159	813	722			7.1	12.4				1.7	0.00		
18	1.247	1.138	806	2670			7.0	12.7				1.5	0.00		
19	1.144	1.137	807	2270			7.0	13.0			26.0	4.0	0.00		<1.8
20	1.038	1.147	817	1390			7.0	12.9			30.0	4.5	0.00		
21	1.011	1.145	821	1090			7.2	12.8			30.0	2.6	0.00		
22	0.981	1.136	802	994			7.1	12.1			30.0	2.2	0.00		
23	0.949	1.139	810	874	280	280	7.1	11.4	12	8.6	32.0	2.4	0.00	<0.1	
24	1.002	1.139	802	795			7.1	11.8				2.6	0.00		
25	1.042	1.141	804	734			7.2	11.8			32.0	2.4	0.00		
26	0.982	1.143	804	687			7.0	12.4			28.0	2.0	0.00		<1.8
27	0.935	1.143	801	648			7.1	12.5			34.0	1.4	0.00		
28	0.928	1.141	803	554			6.9	11.8			32.0	1.2	0.00		
29	0.926	1.143	807	492			7.1	12.2			30.0	1.7	0.00		
30	0.896	1.137	807	411	260	200	6.9	12.0	13	5.8	30.0	1.3	0.00	<0.1	
31	0.949	1.147	811	383			7.1	11.8				2.1	0.00		

MONTHLY TESTS			
DATE	TDS	AMMONIA	NITRATE
1/31/2015	230	56.0	ND
			BORON
			210

Semi-Annual Tests		Value in ug/l
Bis phthalate		DNQ
alpb-BHC		ND
4,4'-DDT		ND
carbon tetrachloride		ND

Quarterly Tests		Value in ug/l
Dichlorobromomethane		DNQ
Bromofom		ND
Chlorodibromomethane		ND
Chlorofom		0.64

30 DAY AVERAGE

SPILLS:				
None to report				
BOD	BOD	BOD	N.F.R.	N.F.R.
mg/L	LBS/DAY	% Removal	mg/L	LBS/DAY
12	111	95	10	88
				96

ACUTE TOXICITY	
DATE	% Survival
1/6/2015	100%
1/27/2015	90%

Rainbow Trout
C. dubia

Indicates Permit Exceedance

REMARKS: There was an exceedance on the Chronic Toxicity testing.

CHRONIC TOXICITY	
TESTED	SURVIVAL
Mitrow	13
C. Dubia	13
Algae	1
	TUC

Total Coliform	
Monthly	MEDIAN
<1.8	
Daily	
Maximum	4.5

**McKINLEYVILLE COMMUNITY SERVICES DISTRICT
WASTEWATER MANAGEMENT FACILITY
EFFLUENT DISCHARGE DISPOSAL**

JANUARY 2015

Discharge Monitoring	002 M-003	002 M-003	004 M-005	003 M-004	006 M-007	005 M-006	001 M-002				
DATE	INFLUENT MGD	EFFLUENT MGD	MAXIMUM GPM	N.POND MGD	S.POND MGD	FISCHER MGD UPPER	FISCHER MGD LOWER	PIALORSI MGD	HILLER MGD	IRRGATE TOTAL MGD	RIVER MGD
1	1.062	1.871	1310							0.000	1.871
2	1.042	1.517	1302							0.000	1.517
3	1.047	1.070	755							0.000	1.070
4	1.089	1.066	918							0.000	1.066
5	1.011	1.047	737							0.000	1.047
6	0.977	1.045	738							0.000	1.045
7	0.965	1.041	735							0.000	1.041
8	0.948	1.041	735							0.000	1.041
9	0.936	1.040	734							0.000	1.040
10	0.974	1.039	731							0.000	1.039
11	1.027	1.048	734							0.000	1.048
12	0.953	0.510	730							0.000	0.510
13	0.926	0.150	1406							0.000	0.150
14	0.926	0.572	658							0.000	0.572
15	0.910	0.915	647							0.000	0.915
16	0.950	1.013	816							0.000	1.013
17	0.980	1.159	813							0.000	1.159
18	1.247	1.138	806							0.000	1.138
19	1.144	1.137	807							0.000	1.137
20	1.038	1.147	817							0.000	1.147
21	1.011	1.145	821							0.000	1.145
22	0.981	1.136	802							0.000	1.136
23	0.949	1.139	810							0.000	1.139
24	1.002	1.139	802							0.000	1.139
25	1.042	1.141	804							0.000	1.141
26	0.982	1.143	804							0.000	1.143
27	0.935	1.143	801							0.000	1.143
28	0.928	1.141	803							0.000	1.141
29	0.926	1.143	807							0.000	1.143
30	0.896	1.137	807							0.000	1.137
31	0.949	1.147	811							0.000	1.147
TOTAL	30.753	33.120		0.000	0.000	0.000	0.000	0.000	0.000	0.000	33.120
AVERAGE	0.992	1.068	832	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1.068
MAXIMUM	1.247	1.871	1406	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1.871
MINIMUM	0.896	0.150	647	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.150
DAYS	31	31		0	0	0	0	0	0	0	31
DAYS WITH NO DISCHARGE = 0											

MCKINLEYVILLE COMMUNITY SERVICES DISTRICT
 WASTEWATER MANAGEMENT FACILITY
 RIVER CFS - EFFLUENT FLOWS -

M-004

RIVER DILUTION

M-005

M-006

JANUARY 2015

DATE	M-INF INFLUENT MGD	M-001 EFFLUENT MGD	EFFLUENT MAXIMUM GPM	M-003 PERK PONDS MGD	M-007 IRRIGATE MGD	M-002 RIVER MGD	RIVER DILUTION 100:1	MAXIMUM G.P.M. DISCHARGE FOR 100:1	RIVER FLOW IN CFS	RIVER FLOW IN GPS
------	--------------------------	--------------------------	----------------------------	-------------------------------	--------------------------	-----------------------	----------------------------	---	-------------------------	-------------------------

1	1.062	1.871	1310			1.871	373	4893	1090	8154
2	1.042	1.517	1302			1.517	338	4394	979	7324
3	1.047	1.070	755			1.070	536	4044	901	6740
4	1.089	1.066	918			1.066	411	3770	840	6284
5	1.011	1.047	737			1.047	477	3515	783	5858
6	0.977	1.045	738			1.045	454	3348	746	5581
7	0.965	1.041	735			1.041	392	2882	642	4803
8	0.948	1.041	735			1.041	363	2666	594	4444
9	0.936	1.040	734			1.040	348	2554	569	4257
10	0.974	1.039	731			1.039	328	2397	534	3995
11	1.027	1.048	734			1.048	267	1957	436	3262
12	0.953	0.510	730			0.510	235	1719	383	2865
13	0.926	0.150	1406			0.150	115	1620	361	2701
14	0.926	0.572	658			0.572	234	1540	343	2566
15	0.910	0.915	647			0.915	226	1463	326	2439
16	0.950	1.013	816			1.013	207	1688	376	2813
17	0.980	1.159	813			1.159	399	3241	722	5401
18	1.247	1.138	806			1.138	1487	11985	2670	19974
19	1.144	1.137	807			1.137	1263	10189	2270	16982
20	1.038	1.147	817			1.147	764	6239	1390	10399
21	1.011	1.145	821			1.145	596	4893	1090	8154
22	0.981	1.136	802			1.136	556	4462	994	7436
23	0.949	1.139	810			1.139	484	3923	874	6538
24	1.002	1.139	802			1.139	445	3568	795	5947
25	1.042	1.141	804			1.141	410	3295	734	5491
26	0.982	1.143	804			1.143	384	3084	687	5139
27	0.935	1.143	801			1.143	363	2909	648	4848
28	0.928	1.141	803			1.141	310	2487	554	4144
29	0.926	1.143	807			1.143	274	2208	492	3681
30	0.896	1.137	807			1.137	229	1845	411	3075
31	0.949	1.147	811			1.147	212	1719	383	2865

TOTAL	30.753	33.120		0.000	0.000	33.120				
AVERAGE	0.992	1.068	832	0.000	0.000	1.068	435	3564	794	5941
MAXIMUM	1.247	1.871	1406	0.000	0.000	1.871	1487	11985	2670	19974
MINIMUM	0.896	0.150	647	0.000	0.000	0.150	115	1463	326	2439
DAYS	31	31	31	0	0					

DAYS WITH NO DISCHARGE TO THE MAD RIVER = 0