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, MAY 3, 2017
Special Meeting 6:00 pm
Regular Meeting 7:00 pm
Azalea Hall, 1620 Pickett Road
McKinleyville, California

AGENDA
Special Meeting 6:00 pm

Board Member Portraits and Group Photograph

A. CALL TO ORDER; 6:15 pm

A.1 Roll Call

A.2 Closed Session Discussion; 6:30 pm

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.

a. PUBLIC EMPLOYEE PERFORMANCE EVALUATION (California Government Code § 54954.5 and 54957) Title: General Manager—Gregory Orsini

A.3 Report out of Closed Session

AGENDA
Regular Meeting 7:00 pm

A. CALL TO ORDER

A.1 Roll Call

A.2 Pledge of Allegiance

A.3 Additions to the Agenda

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

A.4 Approval of the Agenda

B. PUBLIC HEARINGS

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

NO PUBLIC HEARING SCHEDULED

C. PUBLIC COMMENT AND WRITTEN COMMUNICATIONS

Any person may address the Board at this time upon any subject not identified on this Agenda but within the jurisdiction of the McKinleyville Community Services District; however, any matter that requires action will be referred to staff for a report of action at a subsequent Committee or Board meeting. As to matters on the Agenda, an opportunity will be given to address the Board when the matter is considered. ***Comments are limited to 3 minutes.*** *Letters should be used for complex issues.*

D. CONSENT CALENDAR

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

D.1	Consider Approval of the Minutes of the Board of Directors Regular Meeting of April 5, 2017	**Pg. 6**
	Attachment 1 – Draft Minutes from April 5, 2017	**Pg. 7**
D.2	Consider approval of March 2017 Treasurer's Report	**Pg. 13**
D.3	Compliance with State Double Check Valve (DCV) Law – No Violations	

E. CONTINUED AND NEW BUSINESS

E.1	Consider Authorization for Participation in and Approval of a 30% Cost Share for the Household Hazardous Waste (HHW) Collection Event at Pierson Park on July 15, 2017	**Pg. 35**
	Attachment 1 – Humboldt Waste Management Authority Letter of Request	**Pg. 37**
E.2	Review Redwood Coast Energy Authority's (RCEA) Humboldt County Community Choice Energy Program	**Pg. 38**
	Attachment 1 – RCEA Community Energy PowerPoint Presentation	**Pg. 40**
E.3	Consider Adopting Resolution 2017-13 Dissolving the Camino Way	**Pg. 48**

Open Space Maintenance Zone (OSMZ #16)
Attachment 1 – Resolution 2017-13 **Pg. 50**
Attachment 2 – Ordinance 42 **Pg. 51**
Attachment 3 – Resolution 1997-33 **Pg. 56**

E.4 Review Information Related to the Facility Use Fee for the McKinleyville Senior Center's use of the Azalea Hall Meeting Room, Office Space and Storage Spaces and MCSD Board Assignee's Responsibilities to Chair the Senior Center Advisory Committee **Pg. 57**

E.5 Consider Approval of REVISED Operating Budget FY2016-17 **Pg. 60**
Attachment 1 - FY2016-17 REVISED Budget Summary and Fund Budgets **Pg. 62**

E.6 Consider Adopting Resolution 2017-12 Approving the Application for Grant Funds for California Climate Investments Urban Greening Program **Pg. 67**
Attachment 1 – Resolution 2017-12 **Pg. 69**
Attachment 2 – 2017 Urban Greening Pre-Proposal McKinleyville Community Forest **Pg. 71**
Attachment 3 – Urban Greening Grant Application **Pg. 72**

E.7 Consider Approval of Professional Services Agreement for GHD to Provide Construction Management Service for MCSD Digital Control Upgrade and Authorize General Manager to Execute Contract **Pg. 82**
Attachment 1 – Professional Services Agreement **Pg. 83**

E.8 Review Leak Adjustment Policy, Impacts, and Policy Comparison Matrix **Pg. 93**
Attachment 1 – Leak Adjustment Impacts Comparison FY14-15, FY15-16 and FY16-17 year-to-date **Pg. 94**
Attachment 2 – Leak Adjustment Policy Comparison Matrix **Pg. 95**

E.9 Review Operations Draft Budget for Water, Wastewater, and Streetlights Funds FY2017-18 **Pg. 97**
Attachment 1 – FY2017-18 Draft Operating Budgets for Water, Wastewater and Streetlights Funds **Pg. 98**

E.10 Discussion of 2016 Wastewater Management Facility Annual Report to the Regional Water Quality Control Board (RWQCB) **Pg. 101**
Attachment – Summary of 2016 Wastewater Management Facility Annual Report **Pg. 103**

E.11 Review Parks & General Fund DRAFT Operating Budget FY2017-18 **Pg. 112**
Attachment – FY2017-18 DRAFT Operating Budget for the Parks/General Fund and for Measure B Fund, with prior year comparison **Pg. 114**

E.12 Discuss and Update Board Officer Rotation Schedule **Pg. 115**

E.13 Consider Approval of Resolution 2017-14 Adopting MCSD's Debt Management and Capital Financing Policy **Pg. 117**
Attachment 1 – Resolution 2017-14 with Exhibit "A" the MCSD Debit Management and Capital Financing Policy **Pg. 118**

E.14 Consider Extension of General Manager's (GM) Contract through January 1, 2021 **Pg. 122**
Attachment 1 – General Manager Contract **Pg. 123**
Attachment 2 – General Manager Contract, First Amendment **Pg. 134**
Attachment 3 – General Manager Contract, Second Amendment **Pg. 137**

F. REPORTS

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

F.1 ACTIVE COMMITTEE REPORTS

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

F.2 STAFF REPORTS

a. Support Services Department (Colleen M.R. Trask) **Pg. 139**
b. Operations Department (James Henry) **Pg. 141**
c. Parks & Recreation Department (Lesley Frisbee) **Pg. 146**
Attachment 1 – Community Survey for Master Plan Update **Pg. 149**
d. General Manager (Greg Orsini) **Pg. 162**
Attachment 1 – WWMF Monthly Self Monitoring Report **Pg. 165**

F.3 PRESIDENT'S REPORT

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

G. ADJOURNMENT

Posted 5:00 pm on April 28, 2017

Pursuant to California Government Code Section 54957.5. this agenda and complete Board packet are available for public inspection on the web at McKinleyvillecsd.com/minutes or upon request at the MCSD office, 1656 Sutter Road, McKinleyville. A complete packet is also available for viewing at the McKinleyville Library at 1606 Pickett Road, McKinleyville. If you would like to receive the complete packet via email, free of charge, contact the Board Secretary at (707)839-3251 to be added to the mailing list.

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

May 3, 2017 TYPE OF ITEM: **ACTION**

ITEM: D.1 **Consider Approval of the Minutes of the Board of Directors Regular Meeting on April 5, 2017**

PRESENTED BY: **Emily Abfalter, Board Secretary**

TYPE OF ACTION: **Roll Call Vote – Consent Calendar**

Recommendation:

Staff recommends that the Board review the draft minutes from April 5, 2017 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 April 5, 2017

MINUTES OF THE SPECIAL/REGULAR MEETING OF THE MCKINLEYVILLE COMMUNITY SERVICES DISTRICT HELD ON WEDNESDAY, APRIL 5, 2017 AT 6:30 PM/7:00 PM AZALEA HALL, 1620 PICKETT ROAD, MCKINLEYVILLE, CA

AGENDA ITEM A. CALL TO ORDER

President Mayo called the special meeting of the Board of Directors of McKinleyville Community Services District to order at 6:30 pm.

A.1 Introduce March 14, 2017, Election Results, Administer Oath of Office to Newly Elected Director and Adopt Resolution 2017-09, Accepting Election Results and Seating Newly Elected Director. Board Secretary, Emily Abfalter, presented item, administered the Oath of Office and had Mary Burke sign the Certification of Oath for County Elections. Barbara Brimlow of McKinleyville expressed her happiness for Mary Burke.

Motion: Approve Resolution 2017-09, accepting the election results and seating Mary Burke as the newly elected Director.
Motion By: Director Corbett; Second: Director Wheeler
Roll Call: Ayes: Corbett, Couch, Mayo and Wheeler Nays: None Absent: None
Motion Summary: Motion Passed

A.2 Roll Call: The following Directors and staff in attendance:

Dennis Mayo, President
Mary Burke, Director
David Couch, Director
John Corbett, Director
George Wheeler, Director

Gregory Orsini, General Manager
Emily Abfalter, Board Secretary

At 6:42 pm President Mayo announced that the Board would recess into closed session for discussion of the following item:

A.3 Closed Session Discussion - PUBLIC EMPLOYEE PERFORMANCE EVALUATION (California Government Code § 54954.5 and 54957) Title: General Manager—Gregory Orsini

A.4 Report out of Closed Session: No reportable action.

AGENDA ITEM A. CALL TO ORDER

A.1 Roll Call: The regular session of the Board of Directors of McKinleyville Community Services District reconvened at 7:00 pm with the following Directors and staff in attendance:

Dennis Mayo, President
Mary Burke, Director
David Couch, Director
John Corbett, Director
George Wheeler, Director

Gregory Orsini, General Manager
Colleen Trask, Finance Director
James Henry, Operations Director
Lesley Frisbee, Recreation Director
Emily Abfalter, Board Secretary

A.2 Pledge of Allegiance: The Pledge of Allegiance was led by Board Secretary, Emily Abfalter.

A.3 Additions to the Agenda: General Manager Orsini requested an addition to the agenda, Consider Support for AB 968 and AB 1654 Urban Water Management Planning and Approve Board President and General Manager to Sign Letter of Support.

F.3 PRESIDENT'S REPORT: At this time, President Mayo shared a video by California Forest Watershed Alliance, a group picture from the 2017 ACWA DC Conference and a picture of himself receiving ACWA's Outreach award on behalf of MCSD.

A.4 Approval of the Agenda:

Motion: It was moved to approve the agenda with the requested addition to Consider Support for AB 968 and AB 1654 Urban Water Management Planning and Approve Board President and General Manager to Sign Letter of Support.
Motion By: Director Couch; Second: Director Corbett
There were no comments from the Board or Public.
Roll Call: Ayes: Burke, Corbett, Couch, Mayo and Wheeler Nays: None Absent: None
Motion Summary: Motion Passed

AGENDA ITEM B. PUBLIC HEARINGS:

B.1 Conduct Public Hearing for the Annual Levy of Assessments (Fiscal Year 2017/2018) for the Measure B Maintenance Assessment District -- Renewal for Parks, Open Space, and Recreational Facilities; Consider Adopting Resolution 2017-10; Approving the Annual Engineer's Report; Fiscal Year 2017/2018; 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 2017-11; Ordering the Levy and Collection of Assessments within the Measure B Maintenance Assessment District (Renewal for Parks, Open Space, and Recreational Facilities) for FY 2017/2018. Item presented by General Manager Orsini. President Mayo opened the public hearing, no comments from the public. No additional comments from the Board or staff.

Motion: Adopt Resolutions 2017-10 and 2017-11 per staff recommendation.
Motion By: Director Corbett; Second: Director Wheeler
Roll Call: Ayes: Burke, Corbett, Couch, Mayo and Wheeler Nays: None Absent: None
Motion Summary: Motion Passed

AGENDA ITEM C. PUBLIC COMMENT AND WRITTEN COMMUNICATIONS: President Mayo opened the public comment portion of the meeting. There were no public comments.

AGENDA ITEM D. CONSENT CALENDAR:

D.1 Consider Approval of the Minutes of the Board of Directors' Regular Meeting on March 1, 2017
D.2 Consider Approval of February 2017 Treasurer's Report
D.3 Compliance with State Double Check Valve (DCV) Law – No Violations

Motion: It was moved to approve the consent calendar.
Motion By: Director Corbett; Second: Director Couch
Roll Call: Ayes: Burke, Corbett, Couch, Mayo and Wheeler Nays: None Absent: None
Motion Summary: Motion Passed

AGENDA ITEM E. CONTINUED AND NEW BUSINESS:

E.1 Consider Approval of Humboldt Bay Municipal Water District's (HBMWD) Contract for Supply of Water. Presented by General Manager Orsini and John Friedenbach of HBMWD. Mr. Friedenbach reviewed the information provided in the staff note and General Manager Orsini gave additional information about the attachments. President Mayo opened for Board questions or comments. Director Corbett asked for clarification in regards to peak rate calculations. Additional discussion between Board and staff. Mr. Friedenbach passed out a video of the history of HBMWD to each Director. Public comment opened, none received, public comment closed.

Motion: Approve and authorize Board President to sign HBMWD's Contract for Supply of Water.
Motion By: Director Corbett; Second: Director Wheeler
Roll Call: Ayes: Burke, Corbett, Couch, Mayo and Wheeler Nays: None Absent: None
Motion Summary: Motion Passed

E.2 Presentation from American Red Cross Regarding the Emergency Shelter Drill on April 28-29, 2017 at Azalea Hall. Presented by Recreation Director, Lesley Frisbee and Christina Jones-Koczera of the American Red Cross. Christina discussed the timeline for event and participation information. The event will not be open to the general public. Board comments by President Mayo, Director Corbett and Director Burke. Information item only, no action taken.

E.3 Consider Approval of Boys & Girls Club of the Redwoods(BGCR), McKinleyville Teen Club Request to Install a Public Yarn Storm Installation at Pierson Park May 31-June 4, 2017. Recreation Director, Lesley Frisbee, introduced Jesse and Cynthia from BGCR. Jesse and Cynthia presented a PowerPoint to illustrate yarn art and where they propose to install at Pierson Park. President Mayo provided suggestions for advertising the event. Public comment opened, Charlie Caldwell of McKinleyville thanked the BGCR, public comment closed. Discussion by Board and staff regarding keeping yarn up for a longer term. President Mayo liked the idea of leaving yarn up longer than Pony Express Days.

Motion: Approve BGCR's request to implement a yarn art installation in Pierson Park May 31-June 4, 2017.
Motion By: Director Wheeler; Second: Director Burke
Roll Call: Ayes: Burke, Corbett, Couch, Mayo and Wheeler Nays: None Absent: None
Motion Summary: Motion Passed

E.4 Humboldt Skate Park Collective (HSPC) Presentation of Plan Proposal for the Development of a Skate Park in McKinleyville. Recreation Director, Lesley Frisbee, reviewed item. Charlie Caldwell of the Humboldt Skate Park Collective presented a PowerPoint to outline the timeline, funding, and additional information related to the proposed McKinleyville Skate Park. Board comments and questions by Director Corbett, Director Burke and President Mayo. Public comment opened, six members of the public spoke in favor of constructing the McKinleyville Skate Park at Pierson Park, public comment closed. The Recreation Advisory Committee will hold a Public Input Meeting April 20th at 6:30pm at the Teen Center for input on the potential skate park development. Informational item only, no action taken.

E.5 Reassessment or Dissolution of Camino Way Open Space Maintenance Zone (OSMZ) #16. Item presented by General Manager Orsini. Board comments by Director Corbett and President Mayo. Additional discussion by Board and staff regarding County requirements around open space maintenance zones. Director Corbett asked if there is a better process for handling OSMZs in the future and President Mayo asked for staff to get clarification from County.

Motion: It was moved to bring back a resolution to dissolve Camino Way OSMZ and remove the assessment.
Motion By: Director Wheeler; Second: Director Corbett
Roll Call: Ayes: Burke, Corbett, Couch, Mayo and Wheeler Nays: None Absent: None
Motion Summary: Motion Passed

E.6 Appoint Alternate Members of the Recreation Advisory Committee or Elect to Advertise Vacancies and Accept Applications to Fill the Vacant Regular Member Seats. Presented by Recreation Director, Lesley Frisbee. Public comment opened, none received, public comment closed. Director Burke asked if any applications for the Recreation Advisory Committee had been received, to which Recreation Director Frisbee responded that none have been submitted. Director Wheeler commented that the alternates are deserving to fill the vacant seats.

Motion: It was moved to place alternates in vacant seats on the Recreation Advisory Committee.
Motion By: Director Wheeler; Second: Director Corbett
Roll Call: Ayes: Burke, Corbett, Couch, Mayo and Wheeler Nays: None Absent: None
Motion Summary: Motion Passed

E.7 Letter to the Board of Directors of the Boys & Girls Club of the Redwoods. Recreation Director, Lesley Frisbee, reviewed the item. Public comment opened, none received, public comment closed. President Mayo commented and commended Recreation Director Frisbee for the well written letter.

Motion: Authorize Board President to sign letter addressed to the Boys and Girls Club of the Redwoods.
Motion By: Director Corbett; Second: Director Burke
Roll Call: Ayes: Burke, Corbett, Couch, Mayo and Wheeler Nays: None Absent: None
Motion Summary: Motion Passed

E.8 Consider Attendance at the 2017 Special District Legislative Days in Sacramento, May 16-17, 2017. Presented by Board Secretary, Emily Abfalter. Director Wheeler noted his interest in attending the event. President Mayo requested that interested Board members let the Board Secretary know as soon as possible if they wish to attend. Additional Board discussion regarding the importance of attending events such as this.

Motion: Approve interested Board members to attend the 2017 Special District Legislative Days in Sacramento.
Motion By: Director Couch; Second: Director Corbett
Roll Call: Ayes: Burke, Corbett, Couch, Mayo and Wheeler Nays: None Absent: None
Motion Summary: Motion Passed

E.9 Review Parks & General Fund Draft Operating Budget, FY2017-18. Finance Director, Colleen Trask, reviewed item. Board comments by Director Wheeler, Director Corbett and President Mayo. Director Corbett requested to see side by side comparisons, with previous year, when presenting budget items, as well as the potential impact on reserves that running at a deficit could cause. Additional discussion by Board and staff in regards to increasing income for the Parks and Recreation Department. Informational item only, no action taken.

E.10 Consider Approval or Modification of the Senior Center Management Services and Usage Agreement. Presented by Recreation Director, Lesley Frisbee. General Manager Orsini highlighted that the monthly fee charged has not been increased since 2015 and the true market value of the space should be calculated to determine monthly charge, keeping in mind the value of services provided by the Senior Center. Board comments by Director Wheeler and Director Corbett. Director Corbett recommended delaying a decision and asked that suggested changes to the contract be presented at next month's meeting. No action taken.

E.11 Initiate Process for General Manager's Performance Evaluation. Board Secretary, Emily Abfalter, reviewed the item and advised the Board that the Director and Staff evaluation packets and the unsealed confidential envelopes containing them would be handed out at the end of the meeting. Director Corbett was nominated to consolidate the evaluations by President Mayo and a timeline was set. Evaluations will be due back in the sealed envelopes to the Board Secretary no later than Friday, April 14, 2017. Director Corbett would then compile the results and return them to the Board Secretary by Friday, April 21, 2017. A review of evaluations will be held at closed session at the May 3, 2017 Regular Board Meeting.

E.12 Revisit Committee Assignments and Appointment of Committee Chairs by the Board President for the Remainder of the 2017 Calendar Year. President Mayo reviewed the list of current

committees and assignments. On his authority as President, the following committee assignments were made:

- Recreation Advisory Committee (RAC) – **Couch/Wheeler (alternate)**
- McKinleyville Area Fund – **John Kulstad/Burke (alternate)**
- Redwood Region Economic Development Commission (RREDC) – **Mayo/Corbett (alternate)**
- McKinleyville Senior Center Advisory Committee – **Wheeler/Burke (alternate)**
- Audit – **Corbett/Couch**
- Employee Negotiations – **Couch/Corbett**
- Water Task Force – **Wheeler/Burke (alternate)**
- AdHoc No Drugs & Toxins Down the Drain – **Wheeler/Burke (alternate)**
- McKinleyville Municipal Advisory Committee (MMAC) – **Corbett/Mayo (alternate)**
- Cornerstone Committee – **Couch/Wheeler (alternate)**
- Groundwater Sustainability Committee – **Corbett/Burke**

E.13 Consider Support for AB 968 and AB 1654 Urban Water Management Planning and Approve Board President and General Manager to Sign Letter of Support. President Mayo noted that General Manager Orsini does not need approval to sign, however he has been also been asked to sign the letter which requires Board approval. Board discussion about AB 968 and AB 1654. Director Corbett will abstain due to the complexity of the bills, without sufficient time to read. General Manager Orsini added that both ACWA and CSDA support the bills.

Motion: Approve Board President to sign letter of support for AB 968 and AB 1654.
Motion By: Director Wheeler; Second: Director Couch
Roll Call: Ayes: Couch, Mayo and Wheeler Nays: None Absent: None Abstain: Burke and Corbett
Motion Summary: Motion Passed

AGENDA ITEM F. REPORTS

F.1 ACTIVE COMMITTEE REPORTS

a. **Recreation Advisory Committee (Wheeler/Couch):** Director Wheeler reported that they met and the primary focus was the proposed skate park.

b. **Area Fund (John Kulstad):** Not present.

c. **Redwood Region Economic Development Commission (Mayo/Wheeler):** President Mayo commented that the last meeting was interesting. There is a new source of funding from the federal government. A representative from EDD presented information about the current housing shortage.

d. **McKinleyville Senior Center Advisory Committee (Wheeler, Mayo):** Did not meet.

e. **Audit (Corbett/Couch):** Nothing to report.

f. **Employee Negotiations (Couch/Corbett):** Nothing to report.

g. **Water Task Force (Wheeler/Corbett):** Did not meet.

h. **AdHoc No Drugs & Toxics Down the Drain (Wheeler/Couch):** Did not meet.

i. **McKinleyville Municipal Advisory Committee (Corbett /Wheeler):** Meeting was cancelled.

j. **Cornerstone Committee (Couch):** Did not meet.

k. **Groundwater Sustainability Committee (Corbett, Mayo):** Did not meet.

F.2 STAFF REPORTS

a. **Support Services Department (Colleen M.R. Trask):** Finance Director, Colleen Trask, highlighted the State Revolving Fund requests, noted that the liability insurance renewal was submitted timely and an Emergency Operations tabletop exercise was attended by General Manager and Department Heads on March 16th.

b. **Operations Department (James Henry):** Operations Director, James Henry, had nothing further to add to his written report. Director Corbett expressed concern about smell from the treatment plant. General Manager Orsini responded that the smell is due to the construction process. Director Burke inquired if MCSD has received any communication from residents on Cochran Road related to road conditions. Operations Director Henry responded that MCSD has not received any complaints about wear and tear to the road.

c. **Parks & Recreation Department (Lesley Frisbee):** Recreation Director, Lesley Frisbee, had nothing further to add to her written report.

d. **General Manager (Greg Orsini):** General Manager Orsini mentioned that Board photos will be taken at next month's meeting and briefly discussed issues at the dog park. He also noted the outcome of the Cal/OSHA inspection.

F.4 BOARD MEMBER COMMENTS, ANNOUNCEMENTS, REPORTS AND AGENDA ITEM REQUESTS: Board discussion regarding PRA for personal email and phone.

G. ADJOURNMENT: 11:52pm
Motion to adjourn made by Director Wheeler; Second: Director Corbett.

_____
Emily Abfalter, Board Secretary

DRAFT

McKinleyville Community Services District
Treasurer's Report
March 2017

Table of Contents

Page 2	Investments & Cash Flow Report
Page 3	Consolidated Balance Sheet by Fund
Page 4	Activity Summary by Fund with 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 March 31, 2017

Petty Cash & Change Funds		8,892.60
Cash		
Operating & Money Market - Beginning Balance		1,968,820.36
Cash Receipts:		
Utility Billings & Other Receipts	587,178.96	
Money Market Account Interest	344.73	
Transfers from County Funds #2560, #4240, CalTRUST, Meas. B	-	
Other Cash Receipts (incl. WWMF SRF Loan disbursements)	-	
Total Cash Receipts		587,523.69
Cash Disbursements:		
Transfers to County Funds #2560, #4240, CalTRUST	-	
Payroll Related Expenditures	(198,209.93)	
Debt Service	(41,893.72)	
Capital & Other Expenditures	(773,999.21)	
Total Cash Disbursements		(1,014,102.86)
Operating & Money Market - Ending Balance		1,542,241.19
Total Cash		1,551,133.79
Investments *(Interest and Market Valuation will be re-calculated as part of the year-end close, if material)*		
LAIF - Beginning Balance	129,705.83	
Interest Income	-	
LAIF - Ending Balance		129,705.83
Humboldt Co. #2560 - Beginning Balance	1,234,126.22	
Property Taxes and Assessments	-	
Transfer to/from Operating Cash	-	
Interest Income (net of adjustments)	1,162.14	
Humboldt Co. #2560 - Ending Balance		1,235,288.36
Humboldt Co. #4240 - Beginning Balance	2,900,896.35	
Transfer to/from Operating Cash	-	
Transfer to/from Biosolids Reserve	-	
Interest Income	2,084.99	
Humboldt Co. #4240 - Ending Balance		2,902,981.34
Humboldt Co. #9390 - Beginning Balance	839,274.60	
Reserves Recovery Deposits/Other Bal Withdrawals	24,395.73	
Interest Income	-	
Humboldt Co. #9390 - Ending Balance		863,670.33
USDA Bond Reserve Fund - Beginning Balance	143,295.22	
Bond Reserve Payment	7,687.50	
Debt Service Payment, Principal/Interest	-	
Interest Adjustment	62.42	
USDA Bond Reserve Fund - Ending Balance		151,045.14
CalTRUST - Beginning Balance	1,242,587.67	
Net Transfer to/from Meas. B Teen Ctr Funds	-	
Net Transfer to/from Water Fund Capacity Fees Acct	-	
Net: Interest Income/Unrealized Gain/Loss	(129.44)	
CalTRUST - Ending Balance		1,242,458.23
Total Investments		6,531,166.71
Total Cash & Investments - Current Month		8,082,300.50
Total Cash & Investments - Prior Month		8,473,166.33
Net Change to Cash & Investments This Month		(390,865.83)
Cash & Investment Summary		
Cash & Cash Equivalents		7,165,030.51
Davis-Grunsky Loan Reserve		604,102.16
Waste Water Capital Reserve		102,122.69
USDA Bond Reserve		151,045.14
I-Bank Loan Reserve		60,000.00
Total Cash & Investments		8,082,300.50

McKinleyville Community Services District
Consolidated Balance Sheet by Fund
As of March 31, 2017

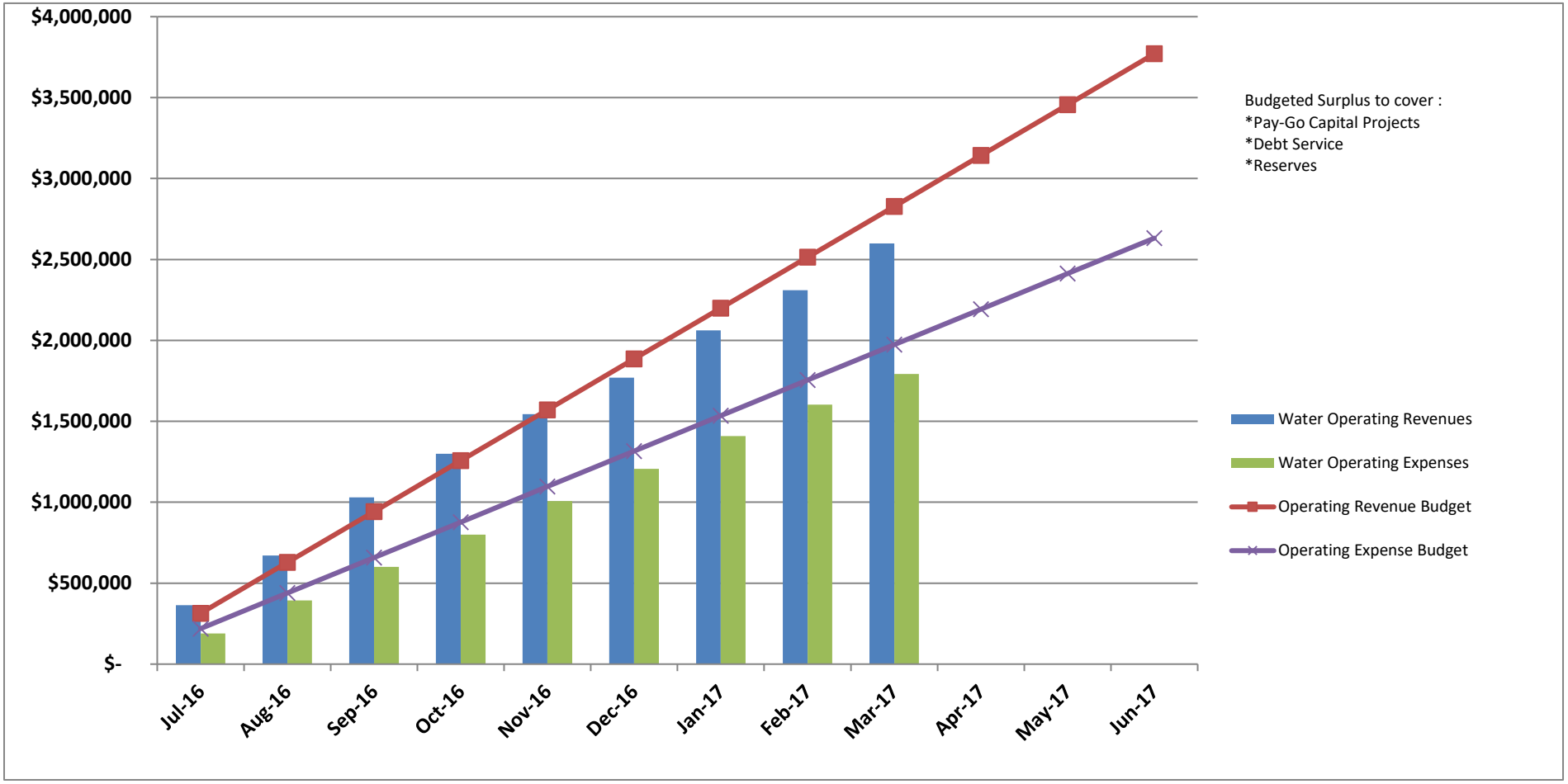
	Governmental Funds			Proprietary Funds		
ASSETS	Parks & General	Measure B	Streetlights	Water	Wastewater	Total (Memorandum Only)
Current Assets						
Unrestricted cash & cash equivalents	$ 982,028.37	$ (528,997.41)	$ (24,709.81)	$ 3,634,328.84	$ 3,148,017.17	$ 7,210,667.16
Accounts receivable	73,496.66	-	4,759.12	297,836.87	281,256.74	657,349.39
Prepaid expenses & other current assets	18,379.64	-	642.21	89,265.29	35,790.24	144,077.38
Total Current Assets	1,073,904.67	(528,997.41)	(19,308.48)	4,021,431.00	3,465,064.15	8,012,093.93
Noncurrent Assets						
Restricted cash & cash equivalents	124,578.92	-	-	664,102.16	253,167.83	1,041,848.91
Other noncurrent assets	-	-	-	38,216.52	41,750.04	79,966.56
Capital assets (net)	-	-	-	8,063,815.11	22,349,950.60	30,413,765.71
Total Noncurrent Assets	124,578.92	-	-	8,766,133.79	22,644,868.47	31,535,581.18
TOTAL ASSETS	$ 1,198,483.59	$ (528,997.41)	$ (19,308.48)	$ 12,787,564.79	$ 26,109,932.62	$ 39,547,675.11
LIABILITIES & FUND BALANCE/NET ASSETS						
Current Liabilities						
Accounts payable & other current liabilities	$ 71,733.57	$ 953.21	$ 465.96	$ 245,955.19	$ 274,274.44	$ 593,382.37
Accrued payroll & related liabilities	104,114.42	-	-	42,244.94	42,331.93	188,691.29
Total Current Liabilities	175,847.99	953.21	465.96	288,200.13	316,606.37	782,073.66
Noncurrent Liabilities						
Long-term debt	-	-	-	2,772,327.59	7,860,185.09	10,632,512.68
Other noncurrent liabilities	-	-	-	898,973.99	948,294.66	1,847,268.65
Total Noncurrent Liabilities	-	-	-	3,671,301.58	8,808,479.75	12,479,781.33
TOTAL LIABILITIES	175,847.99	953.21	465.96	3,959,501.71	9,125,086.12	13,261,854.99
Fund Balance/Net Assets						
Fund balance	(8,888.20)	(529,950.62)	(19,774.44)	-	-	(558,613.26)
Net assets	1,031,523.80	-	-	3,536,575.56	2,495,080.99	7,063,180.35
Investment in captial assets, net of related debt	-	-	-	5,291,487.52	14,489,765.51	19,781,253.03
Total Fund Balance/Net Assets	1,022,635.60	(529,950.62)	(19,774.44)	8,828,063.08	16,984,846.50	26,285,820.12
TOTAL LIABILITIES & FUND BALANCE/NET ASSETS	$ 1,198,483.59	$ (528,997.41)	$ (19,308.48)	$ 12,787,564.79	$ 26,109,932.62	$ 39,547,675.11
Difference in Reclass from Cap Assets to Net Assets:				-	-	
Investment in General Capital Assets	$ 3,262,455.69					
General Long-term Liabilities						
PG&E Streetlights Loan	54,558.33					
Meas. B Loan: Teen/Community Center	1,312,046.00					
OPEB Liability	384,500.56					
CalPERS Pension Liability/Deferred Inflows-Outflows	525,363.06					
Accrued Compensated Absences	74,391.78					
TOTAL GENERAL LONG-TERM LIABILITIES	$ 2,350,859.73					

McKinleyville Community Services District
Activity Summary by Fund, Original Budget
March 2017

Department Summaries	March	% of Year 75.00% YTD	Original YTD Budget	Over (Under) YTD Budget	Over (Under) YTD Budget %	Notes
Water						
Water Sales	274,957	2,499,388	2,581,598	(82,210)	-3.18%	
Other Revenues	27,949	210,875	246,404	(35,529)	-14.42%	Includes YTD Capacity Fees of $110,880. No Contrib.Construction at this time
Total Operating Revenues	302,906	2,710,263	2,828,002	(117,739)	-4.16%	
Salaries & Benefits	62,859	596,712	652,955	(56,243)	-8.61%	
Water Purchased	76,759	705,301	725,427	(20,126)	-2.77%	
Other Expenses	20,715	231,834	332,917	(101,083)	-30.36%	Emergency Repairs not yet required; Election costs not yet rec'd from County
Depreciation	29,000	259,200	262,500	(3,300)	-1.26%	
Total Operating Expenses	189,333	1,793,047	1,973,799	(180,752)	-9.16%	
Net Operating Income	113,573	917,216	854,203	(298,490)		
Interest Income	1,792	20,269	10,125	10,144	100.19%	Higher-than-predicted interest rates on the County Trust Account
Interest Expense	(5,587)	(52,440)	(52,580)	(140)	-0.27%	
Net Income (Loss)	**109,777**	**885,045**	**811,748**	**73,297**		
Wastewater						
Wastewater Service Charges	255,465	2,278,722	2,289,935	(11,213)	-0.49%	
Other Revenues	24,400	262,191	336,652	(74,461)	-22.12%	Includes YTD Capacity Fees of $176,352.00. No Contrib.Construction at this time
Total Operating Revenues	279,865	2,540,913	2,626,587	(85,674)	-3.26%	
Salaries & Benefits	81,783	651,095	701,735	(50,640)	-7.22%	
Other Expenses	33,798	368,480	533,617	(165,137)	-30.95%	Emergency Repairs not yet required; Election costs not yet rec'd from County
Depreciation	40,000	359,150	360,000	(850)	-0.24%	
Total Operating Expenses	155,581	1,378,725	1,595,352	(216,627)	-13.58%	
Net Operating Income	124,284	1,162,188	1,031,235	130,953		
Interest Income	1,851	19,438	15,000	4,438	29.59%	Higher-than-predicted interest rates on the County Trust Account
Interest Expense	(11,958)	(78,723)	(21,353)	57,370	268.68%	interest on the SRF WWMF constr.draw will show if budget revision is approved
Net Income (Loss)	**114,177**	**1,102,903**	**1,024,882**	**78,021**		
Enterprise Funds Net Income (Loss)	**223,954**	**1,987,948**	**1,836,630**	**151,318**		

McKinleyville Community Services District
March 2017

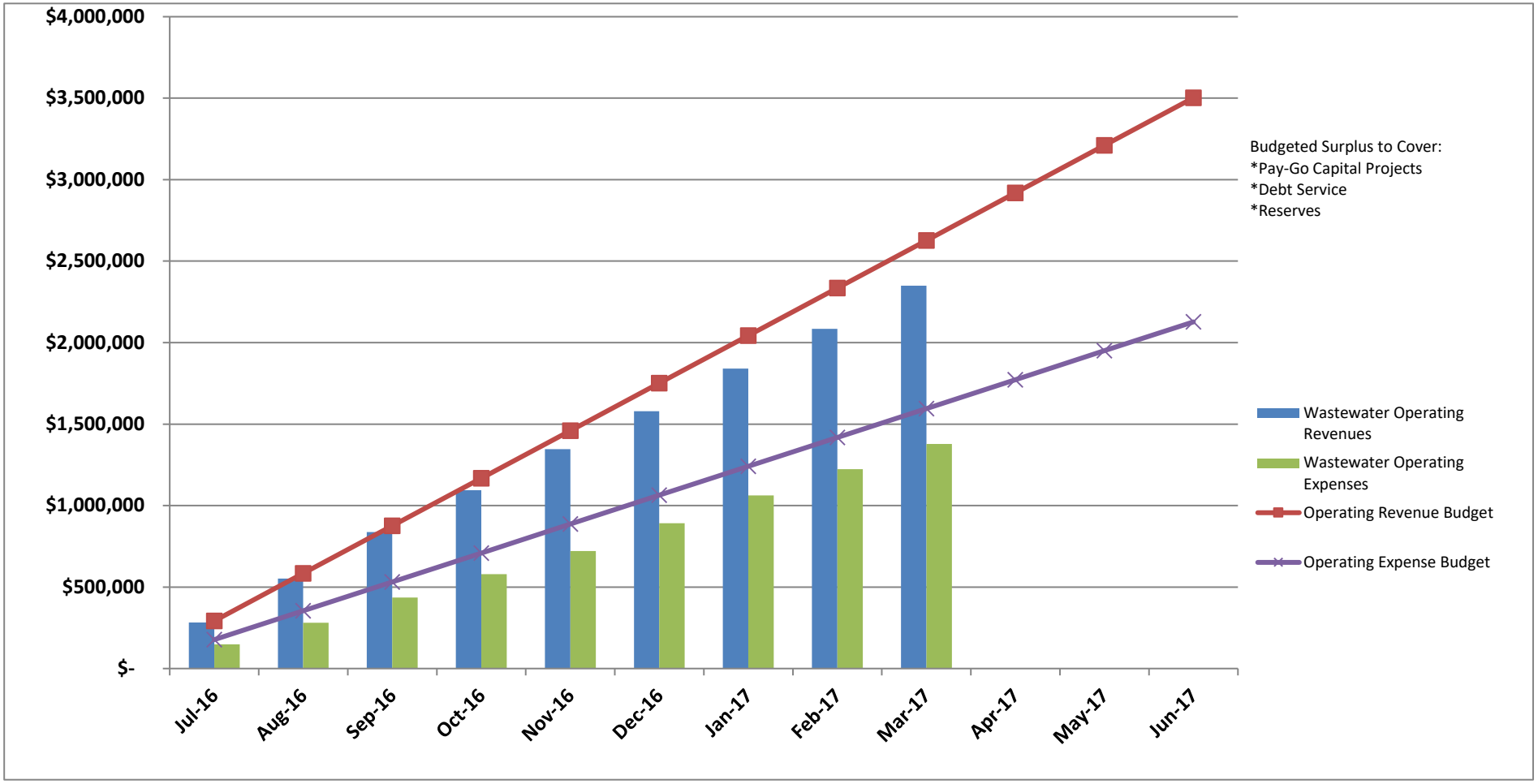
Comparison of Water Fund Operating Revenues & Expenses to Budget



Treasurer's Report Page 5, Selected Graphic Comparisons

McKinleyville Community Services District
March 2017

Comparison of Wastewater Fund Operating Revenues & Expenses to Budget



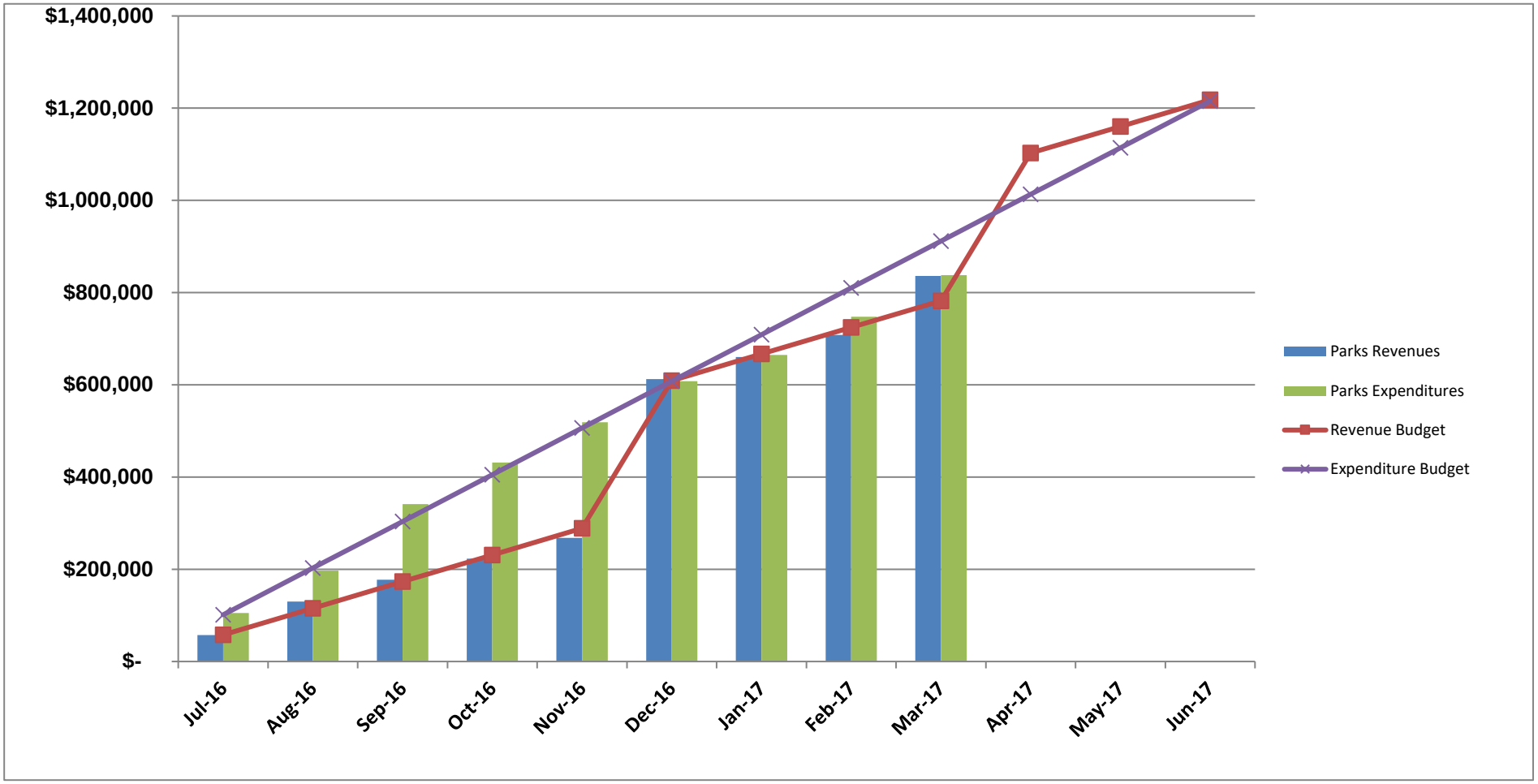
Treasurer's Report Page 6, Selected Graphic Comparisons

McKinleyville Community Services District
Activity Summary by Fund, Original Budget
March 2017

Department Summaries	March	% of Year 75.00% YTD	Original YTD Budget	Over (Under) YTD Budget	Over (Under) YTD Budget %	Notes
Parks & Recreation						
Program Fees	38,670	314,119	280,042	34,077	12.17%	Collection of fees for Kid's Club After School program
Rents & Related Fees	9,007	72,707	83,042	(10,335)	-12.45%	Budget is spread evenly across 12 months, but actuals vary by month
Property Taxes	-	289,115	393,750	(104,635)	-26.57%	County Tax remittance December/April/June
Other Revenues	78,996	148,686	149,258	(572)	-0.38%	
Interest Income	1,175	11,375	7,500	3,875	51.67%	Interest on County Trust Account higher than anticipated.
Total Revenues	127,848	836,003	913,592	(77,589)	-8.49%	
Salaries & Benefits	64,436	658,824	684,098	(25,274)	-3.69%	
Other Expenditures	25,583	179,081	194,240	(15,159)	-7.80%	
Capital Expenditures	-	-	33,240	(33,240)	-100.00%	Parking lot resurfacing project delayed, emergency repairs not yet required
Total Expenditures	90,019	837,904	911,578	(73,674)	-8.08%	
Excess (Deficit)	**37,829**	**(1,902)**	**2,014**	**(3,916)**		
Measure B Assessment						
Total Revenues	(97)	119,601	160,125	(40,524)	-25.31%	Interest & unrealized gains/losses; County Tax remittance December/April/June
Salaries & Benefits	6,202	34,470	41,820	(7,350)	-17.58%	Payroll Budget for emergency repairs on facilities not yet utilized
Other Expenditures	918	29,430	22,688	6,742	29.72%	Teen Center interior furnishings (non-capital) greater cost than estimated
Capital Expenditures/Loan Repayment	64,737	160,659	95,588	65,071	68.07%	Teen Center kitchen/interior furnishings/landscaping
Total Expenditures	71,858	224,559	160,096	64,463	40.27%	
Excess (Deficit)	**(71,955)**	**(104,959)**	**29**	**(104,988)**		
Street Lights						
Total Revenues	8,711	75,995	71,894	4,101	5.70%	
Salaries & Benefits	3,579	26,550	30,786	(4,236)	-13.76%	Payroll Budget for emergency repairs not yet utilized
Other Expenditures	2,543	23,070	24,479	(1,409)	-5.75%	
Capital Expenditures/Loan Repayment	1,655	14,899	16,399	(1,500)	-9.15%	LED Project Debt repayment
Total Expenditures	7,778	64,519	71,664	(7,145)	-9.97%	
Excess (Deficit)	**934**	**11,476**	**230**	**(11,246)**		
Governmental Funds Excess (Deficit)	**(33,192)**	**(95,384)**	**2,273**	**(97,657)**		

McKinleyville Community Services District
March 2017

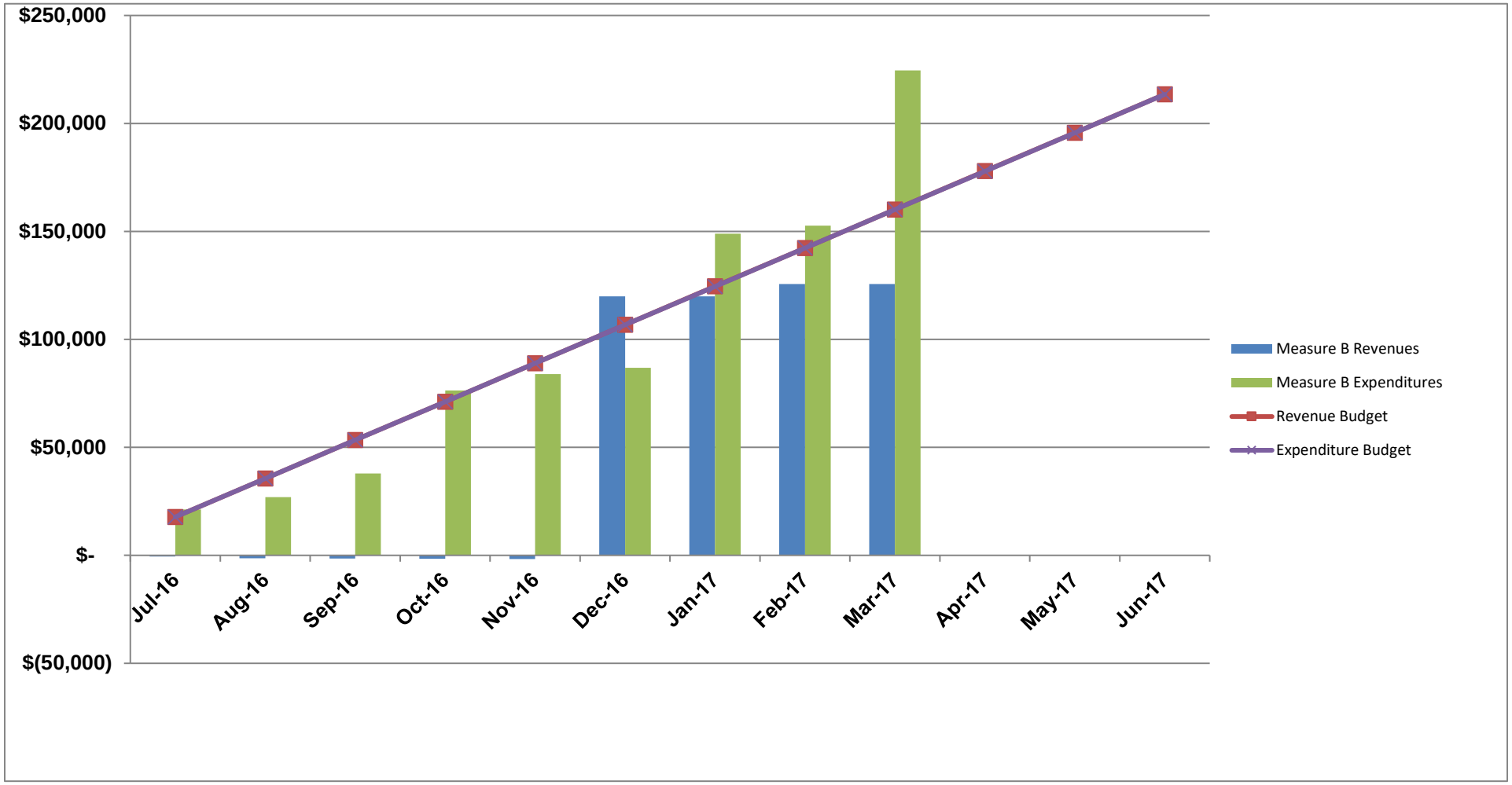
Comparison of Parks & Recreation Total Revenues & Expenditures to Budget



Treasurer's Report Page 8, Selected Graphic Comparisons

McKinleyville Community Services District
March 2017

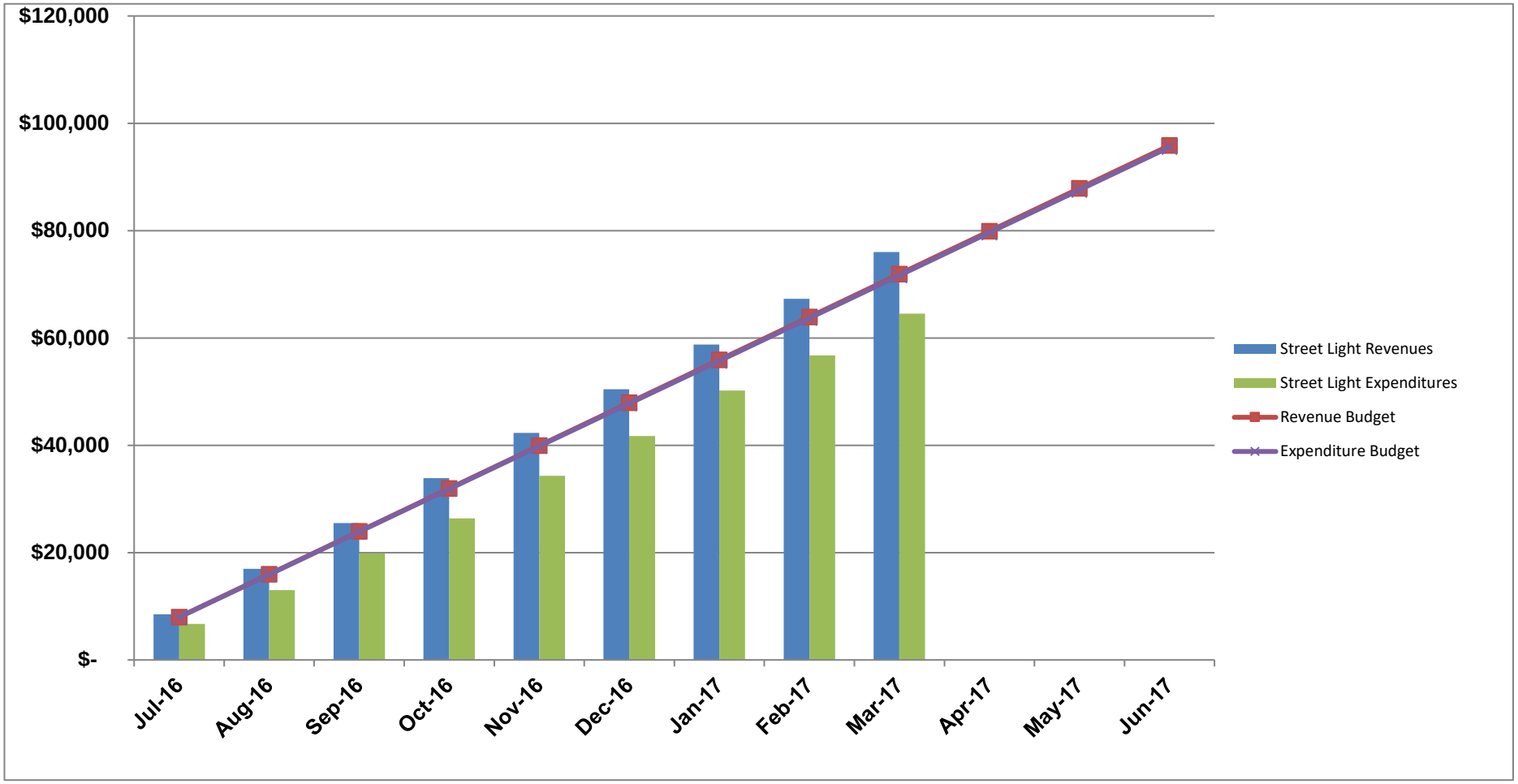
Comparison of Measure B Fund Total Revenues & Expenditures to Budget



Treasurer's Report Page 9, Selected Graphic Comparisons

McKinleyville Community Services District
March 2017

Comparison of Street Light Fund Total Revenues & Expenditures to Budget



Treasurer's Report Page 10, Selected Graphic Comparisons

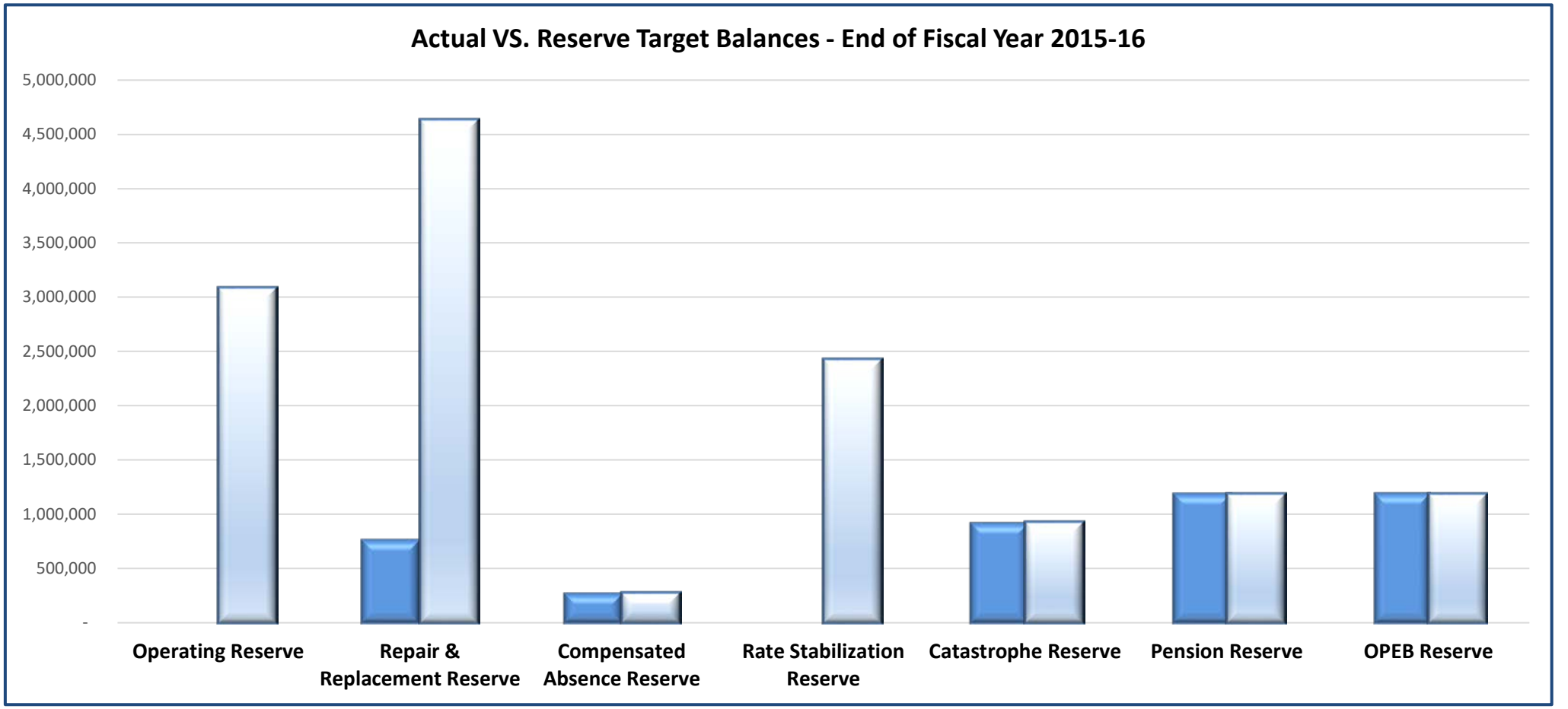
McKinleyville Community Services District
Capital Expenditure Report
As of March 31, 2017

	March	YTD Total	FY 16-17 Budget	Remaining Budget $	Remaining Budget %	Notes
Water Department						
Ramey Pump Upgrades		-	-	-	#DIV/0!	
Water Tank Upgrade	1,256	306,600	491,600	185,000	38%	Tank Painting
4.5m New Water Tank	-	-	700,000	700,000	100%	Drilling, LACO Assoc.
Production Meter Replacements	-	-	8,000	8,000	100%	Production Meter Replacement
Emergency Water Supply	-	6,235	40,000	33,765	84%	Emergency Water Supply
Emergency Response Equipment		-	50,000	50,000	100%	Emergency Generator
Fire Hydrant System Upgrade	-	-	14,000	14,000	100%	Fire Hydrant System Upgrade
Customer Radio Meter Replacements	13,284	114,949	260,000	145,051	56%	Radio meters purch/install
Radio Telemetry Upgrade		-	-	-	#DIV/0!	Equipment purchased
Meter Reading Equipment Replacement		-	-	-	#DIV/0!	Equipment purchased
Water Main Rehab & Replacement	3,698	5,618	100,000	94,382	94%	Water Main Rehab
Property Purchase & Improvements	-	-	200,000	200,000	100%	Property Purch/Improvements
Subtotal	**18,238**	**433,403**	**1,863,600**	**1,430,197**	**77%**	
Wastewater Department						
Sewer Main Rehab & Replacement	3,582	5,442	100,000	94,558	95%	Sewer Main Rehab
WWMF Biosolids Project	-	-	240,000	240,000	100%	to County Trust Acct#9390
Collection System Upgrades	-	-	-	-	#DIV/0!	
Fischer Lift Station Generator	-	2,309	80,000	77,692	97%	Fischer Lift Stn Generator
Sewer Main Camera Unit	-	-	30,000	30,000	100%	
WWMF Upgrade/CEQA/Permitting	514,515	5,855,222	13,000,000	7,144,778	55%	WWMF construction
WWMF Engineering Study	-	-	-	-	#DIV/0!	
Radio Telemetry Upgrade	-	3,123	30,000	26,877	90%	Radio Telemetry upgrade
WWMF Engr Study (next NPDES Permit)	-	-	50,000	50,000	100%	
Customer Radio Meter Replacements	12,866	111,329	260,000	148,671	57%	Radio meters purch/install
Underground Locator Pipe & Camera	-	-	5,000	5,000	100%	
Biofiltration (Tree Farm) proj		1,156	5,000	3,844	77%	Biofiltration (Tree Farm) proj
SCBA Apparatus and Bottles		-	6,000	6,000	100%	
Subtotal	**530,962**	**5,977,424**	**13,806,000**	**7,828,576**	**57%**	
Water & Wastewater Operations						
Heavy Equipment	-	-	410,000	410,000	100%	Hydrocleaner; Tractor attachmt
Utility Vehicles	2,316	14,807	63,000	48,193	76%	CCTV truck, 3/4 or 1-ton Pickup
Office, Corporate Yard & Shops	-	-	10,000	10,000	100%	Facilities upgrade/sealcoat
Computers & Software	-	5,033	65,000	59,967	92%	Server, PCs, GIS/SEMS/CADD
Fischer Ranch - Reclamation Site Upgrade (tr	-	11,416	5,000	(6,416)	-128%	Match to 3rd party grant funding
Fischer Ranch - Barn & Fence upgrades, Und	-	1,850	17,000	15,150	89%	Underground valving/piping
Fischer Ranch -Disposal Site Upgrade	-	3,276	1,500,000	1,496,724	100%	Disposal Site Upgrade
Small Equipment & Other		-	20,000	20,000	100%	Ops Office Eq./Emergency Eqp
Subtotal	**2,316**	**36,382**	**2,090,000**	**2,053,618**	**98%**	
Enterprise Funds Total	**551,516**	**6,448,365**	**17,759,600**	**11,312,391**	**64%**	
Parks & Recreation Department						
Hiller Park & Sports Complex	-	-	5,000	5,000	100%	Other Equipment & Signage
Azalea Hall Projects	-	-	11,000	11,000	100%	PA sys, Parking Lot resurfacing
McKinleyville Activity Center Upgrades	-	-	-	-	#DIV/0!	
Law Enforcement Facility Improvements	-	-	5,000	5,000	100%	Paving/Sealing
Projects Funded by Quimby/Other Funds	-	-	-	-	#DIV/0!	Covered Picnic Area
Projects Funded by Measure B Renewal	35	115,098	237,000	121,902	51%	Teen Center Constr&Loan svc
Other Parks Projects & Equipment	-	-	23,000	23,000	100%	Vehicles and Equipment
Subtotal	**35**	**115,098**	**281,000**	**165,902**	**59%**	
Streetlights						
Pole Replacement	-	-	2,000	2,000	100%	Pole Replacement
Subtotal		**-**	**2,000**	**2,000**	**100%**	
Governmental Funds Total	**35**	**115,098**	**283,000**	**167,902**	**59%**	
All Funds Total	**551,552**	**6,563,464**	**18,042,600**	**11,480,293**	**64%**	

McKinleyville Community Services District
Summary of Long-Term Debt Report
As of March 31, 2017

	%	Maturity Date		February 28, 2017	Balance - March 31, 2017	Principal Maturities and Scheduled Interest FY-17	Thereafter
Water Fund:							
I-Bank		8/1/30	P	759,574.85	759,574.85	-	759,574.90
Interest	3.37%		I			-	192,921.18
State of CA Energy Commission (ARRA)		12/22/26	P	118,202.22	118,202.22	5,636.03	112,565.98
Interest	1.0%		I			589.39	5,716.71
State of CA (Davis Grunsky)		1/1/33	P	1,621,993.95	1,621,993.95	-	1,621,993.95
State of CA (Davis Grunsky) Deferred Interest		1/1/33	P	272,556.57	272,556.57	-	272,556.57
Interest	2.5%		I			21,179.20	365,895.58
Total Water Fund-Principal				2,772,327.59	2,772,327.59	5,636.03	2,766,691.40
Total Water Fund-Interest						21,768.59	564,533.47
Total Water Fund				2,772,327.59	2,772,327.59	27,404.62	3,331,224.87
Wastewater Fund:							
WWMF SRF Loan		7/31/47	P	7,347,322.00	7,347,322.00	-	24,724,009.73
Interest	1.6%		I			-	
State of CA WRCB (SCEP II)		3/27/18	P	53,686.10	27,175.60	-	27,176.10
Interest	2.6%		I			-	706.57
Umpqua Bank		12/4/17	P	45,140.57	40,687.49	13,445.73	27,061.53
Interest	5.5%		I			487.71	433.07
USDA (Sewer Bond)		8/1/22	P	445,000.00	445,000.00	-	445,000.00
Interest	5.0%		I			11,125.00	66,875.00
Total Wastewater Fund-Principal				7,891,148.67	7,860,185.09	13,445.73	25,223,247.36
Total Wastewater Fund-Interest						11,612.71	68,014.64
Total Sewer Fund				7,891,148.67	7,860,185.09	25,058.44	25,291,262.00
Meas. B Fund: Teen/Comm Center Loan		11/1/29	P	1,312,046.00	1,312,046.00	39,281.00	1,277,225.00
	3.55%		I			23,468.10	315,381.41
Streetlights Fund: LED Proj Loan, PG&E			P	56,213.73	54,558.33	7,887.00	49,961.75
	0.0%		I				-
Total Principal				12,031,735.99	11,999,117.01	66,249.76	29,317,125.51
Total Interest						56,849.40	947,929.52
Total				**12,031,735.99**	**11,999,117.01**	**123,099.16**	**30,265,055.03**

McKinleyville Community Services District
Board Designated Reserve Balances
As of March 31, 2017



- Utility Accounts Receivable Turnover Days As of March 31, 2017 15.0 Days

- YTD Breakeven Revenue, Water Fund: 1,515,366.86 - YTD Actual Water Sales: 2,499,388.22

- Days of Cash on Hand - Operations Checking Account 114.5 Days

McKinleyville Community Services District
Cash Disbursement Report
For the Period March 1 through March 31, 2017

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
			Accounts Payable Disbursements			
25884	3/14/2017	\K002	Ck# 025884 Reversed DK	(39.40)	000B30101u	Ck# 025884 Reversed DK
26019	3/14/2017	\G011	Ck# 026019 Reversed JG	(57.20)	000B30201u	Ck# 026019 Reversed JG
26033	3/14/2017	\T012	Ck# 026033 Reversed CT	(15.70)	000B30201u	Ck# 026033 Reversed CT
26275	3/14/2017	\C011	Ck# 026275 Reversed SC	(27.56)	000B30401u	Ck# 026275 Reversed SC
26283	3/14/2017	\M049	Ck# 026283 Reversed CM	(44.30)	000B30401u	Ck# 026283 Reversed CM
26292	3/14/2017	\W033	Ck# 026292 Reversed NW	(22.65)	000B30401u	Ck# 026292 Reversed NW
26468	3/14/2017	\L006	Ck# 026468 Reversed NL	(36.17)	000B30501u	Ck# 026468 Reversed NL
26471	3/14/2017	\S017	Ck# 026471 Reversed JS	(28.07)	000B30501u	Ck# 026471 Reversed JS
26585	3/14/2017	\C015	Ck# 026585 Reversed RC	(56.41)	000B30601u	Ck# 026585 Reversed RC
26597	3/14/2017	\S019	Ck# 026597 Reversed SA	(48.93)	000B30601u	Ck# 026597 Reversed SA
26600	3/14/2017	\T001	Ck# 026600 Reversed MT	(16.79)	B30603u	Ck# 026600 Reversed MT
26601	3/14/2017	\W018	Ck# 026601 Reversed CW	(33.62)	000B30601u	Ck# 026601 Reversed CW
26729	3/14/2017	\F006	Ck# 026729 Reversed DF	(47.72)	000B30701u	Ck# 026729 Reversed DF
26734	3/14/2017	\L023	Ck# 026734 Reversed SL	(81.64)	000B30701u	Ck# 026734 Reversed SL
26738	3/14/2017	\M051	Ck# 026738 Reversed CM	(17.05)	000B30701u	Ck# 026738 Reversed CM

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
26882	3/14/2017	\E001	Ck# 026882 Reversed SE	(16.84)	000B30801u	Ck# 026882 Reversed SE
26887	3/14/2017	\H012	Ck# 026887 Reversed JH	(15.84)	000B30801u	Ck# 026887 Reversed JH
27029	3/14/2017	\M021	Ck# 027029 Reversed KM	(42.46)	000B30901u	Ck# 027029 Reversed KM
27285	3/14/2017	\B046	Ck# 027285 Reversed CB	(76.27)	000B31101u	Ck# 027285 Reversed CB
27292	3/14/2017	\M059	Ck# 027292 Reversed SM	(83.07)	000B31101u	Ck# 027292 Reversed SM
27293	3/14/2017	\M060	Ck# 027293 Reversed JM	(60.00)	000B31101u	Ck# 027293 Reversed JM
32303	3/7/2017	*0066	AZALEA HALL DEPOSIT REFUND ES	100.00	B70302	AZALEA HALL DEPOSIT REFUND ES
32304	3/7/2017	BAL01	DAVID BALDOSSER	40.00	B70307	NOTARY COMMISSION TRAINING
32305	3/7/2017	BAS01	BASIC LABORATORY INC.	1,864.75	1701881	LAB TESTING
32306	3/7/2017	COA01	COASTAL BUSINESS SYSTEMS	369.40	20199893	COPIER MAINTENANCE PMT
32307	3/7/2017	COA02	COASTAL BUSINESS SYSTEMS	38.75	113625	PRINTING REPAIRS'
32308	3/7/2017	COR01	CORBIN WILLITS SYSTEMS, INC	888.42	B70303	MOMS MONTHLY PMT
32309	3/7/2017	FAN01	RODRIGO FANTI	358.00	B70303	CONTRACT INSTRUCTOR PMT
32310	3/7/2017	HAR13	The Hartford - Priority A	426.02	B70303	GRP LIFE INSURANCE
32311	3/7/2017	HUB02	HUB INTERNATIONAL INSURANCE	100.18	B70307	SPECIAL EVENT INSURANCE
32312	3/7/2017	HUM01	HUMBOLDT BAY MUNICIPAL WATER DISTRICT	76,332.62	B70303	WTR PURCHASED
32313	3/7/2017	MAY02	DENNIS MAYO	125.00	B70302	BOARD MTG 02/01/17
32314	3/7/2017	MCK03	MCKINLEYVILLE OFFICE SUPPLY	53.78	B70303	POSTAGE-WWMF UPGRADE
32315	3/7/2017	STA04	CWSRF ACCOUNTING OFFICE	27,906.34	B70206	SRF SCEP II LOAN PMT

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
32316	3/7/2017	USB01	U.S. BANK TRUST N.A.	7,687.50	B70307	SEWER BOND PMT
32317	3/7/2017	\A010	MQ CUSTOMER REFUND FOR AV	55.74	000B70301	MQ CUSTOMER REFUND FOR AV
32318	3/7/2017	\M010	MQ CUSTOMER REFUND FOR MO	30.04	000B70301	MQ CUSTOMER REFUND FOR MO
32319	3/7/2017	\N001	MQ CUSTOMER REFUND FOR NA	94.89	000B70301	MQ CUSTOMER REFUND FOR NA
32320	3/7/2017	\P008	MQ CUSTOMER REFUND FOR PH	58.64	000B70301	MQ CUSTOMER REFUND FOR PH
32321	3/7/2017	\S012	MQ CUSTOMER REFUND FOR SA	100.00	000B70301	MQ CUSTOMER REFUND FOR SA
32322	3/13/2017	*0067	AZALEA HALL DEPOSIT REFUND NC	100.00	B70308	AZALEA HALL DEPOSIT REFUND NC
32323	3/13/2017	*0068	AZALEA HALL DEPOSIT REFUND JS	100.00	B70308	AZALEA HALL DEPOSIT REFUND JS
32324	3/13/2017	*0069	AZALEA HALL DEPOSIT REFUND RM	77.50	B70308	AZALEA HALL DEPOSIT REFUND RM
32325	3/13/2017	ACW01	CB&T/ACWA-JPIA	9,783.12	B70313	GRP. HEALTH INS
32326	3/13/2017	BAN01	BANKCARD CENTER	1,551.97	B70313	TRAINING/ TRAVEL/ OFFICE SUPPL
32327	3/13/2017	GHD01	GHD	641.25	77008	PROFESSIONAL SERVICES
				95.50	77282	PROFESSIONAL SERVICES
			Check Total:	736.75		
32328	3/13/2017	HAC01	HACH COMPANY	603.16	10343032	LAB TESTING SUPPLIES
32329	3/13/2017	HAR03	HARPER MOTORS CO.	990.37	B70309	HARPER MOTORS
32330	3/13/2017	HEL01	KEVIN HELD	400.00	B70303	DJ JR HIGH DANCE
32331	3/13/2017	HEN03	JAMES G. HENRY	153.00	B70308	WASTEWATER OPERATOR CERT.
32332	3/13/2017	HUM08	HUMBOLDT SANITATION	1,429.80	B70303	TRASH SERVICE
32333	3/13/2017	KEN02	KENNEDY/JENKS CONSULTANTS	55,858.54	108904	WWMF UPGRADE

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
32334	3/13/2017	MAY03	DENNIS MAYO	199.34	B70313	ACWA 2017 WASHINGTON DC C
32335	3/13/2017	MCB02	BILL MCBROOME	153.00	B70308	WASTEWATER OPERATOR CERT
32336	3/13/2017	MCK04	MCK ACE HARDWARE	351.94	B70309	REPAIRS/SUPPLY
32337	3/13/2017	MEN01	MENDES SUPPLY CO.	817.45	B70309	REPAIRS/SUPPLY
32338	3/13/2017	MIL01	Miller Farms Nursery	766.39	B70309	REPAIRS/SUPPLY
32339	3/13/2017	NOR13	NORTHERN CALIFORNIA SAFETY CONSORTIUM	1,308.00	23060	TRAINING
32340	3/13/2017	ORE01	O'REILLY AUTOMOTIVE, INC.	100.86	B70309	REPAIRS/SUPPLY
32341	3/13/2017	ORI01	ORIENTAL TRADING CO. INC.	226.50	682501801	REC PROGRAM SUPPLIES
32342	3/13/2017	OSC01	OSCAR LARSON & ASSOCIATES	8,500.51	8805	COCHRAN TANK RECOATING
32343	3/13/2017	PGE01	PG & E (Office & Field)	19,925.59	B70313	GAS & ELECTRIC
32344	3/13/2017	RED03	REDWOOD MARINE INC.	10,664.50	13424	ENCLOSED TRAILER
32345	3/13/2017	REN01	RENNER PETROLEUM	1,950.38	B70309	GAS/OIL/LUBE
32346	3/13/2017	S&S02	S & S WORLDWIDE, INC.	1,171.98	9522501	REC PROGRAM SUPPLIES
32347	3/13/2017	SAF04	SAFEWAY INC. FILE # 72905	31.44	B70313	SUPPLIES PURCHASED IN FEB
32348	3/13/2017	SEC03	SECURITY LOCK & ALARM	456.30	102156	REPAIRS/ SUPPLIES
32349	3/13/2017	SUD01	SUDDENLINK	315.29	B70313	INTERNET SERVICES FOR FEB
32350	3/13/2017	VER01	VERIZON WIRELESS	54.13	B70313	CELL PHONES FOR FEB 2017
32351	3/20/2017	ALL03	ALLSTAR FIRE EQUIPMENT	354.44	196606	SAFETY SUPPLIES
32352	3/20/2017	ATT01	AT&T	759.30	B70320	PHONE SERVICES

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
32353	3/20/2017	AUB01	AUBURN CONSTRUCTORS, INC.	-	12	Ck# 032353 Reversed
32354	3/20/2017	BEA01	DUANEE BEAUX	45.00	B70320	SERVICES/STIPND YOUTH BB
32355	3/20/2017	BOR01	BORGES & MAHONEY CO.	272.56	138639	REPAIRS/ SUPPLIES
				5.68	138705	REPAIRS/ SUPPLIES
			Check Total:	278.24		
32356	3/20/2017	COA01	COASTAL BUSINESS SYSTEMS	978.13	20288743	COPIER MAINTENANCE PMT
32357	3/20/2017	COA04	COASTAL TREE SERVICE	175.00	1040	PROFESSIONAL SERVICES
32358	3/20/2017	COS03	CAPITAL ONE COMMERCIAL (COSTCO)	333.86	B70309	REC & OFFICE SUPPLIES
32359	3/20/2017	GDT01	GD TRACTORS, INC.	114.34	22372	REPAIRS/ SUPPLIES
32360	3/20/2017	GRA03	PARKER GRAY	75.00	B70320	SERVICES/STIPND YOUTH BB
32361	3/20/2017	LES01	LES SCHWAB TIRE CENTER	1,587.28	B70303	VEHICLE REPAIRS
32362	3/20/2017	MCK11	MCKINLEYVILLE SENIOR CENTER	42.39	B70309	Parks/Rec SHARE OF INTERNET
32363	3/20/2017	NAT06	NATIONAL METER & AUTOMATION	22.63	S1080303	REPAIRS/ SUPPLIES
				7,244.25	S1081271	REPAIRS/ SUPPLIES
				1,111.86	S1081414	REPAIRS/ SUPPLIES
			Check Total:	8,378.74		
32364	3/20/2017	NOR01	NORTH COAST LABORATORIES	3,980.00	B70309	LAB TESTS
32365	3/20/2017	NOR13	NORTHERN CALIFORNIA SAFETY CONSORTIUM	80.00	23125	SAFETY TRAINING
32366	3/20/2017	NYL01	NYLEX.NET	49.44	3101	PROFESSIONAL SERVICES
				105.00	3134	PROFESSIONAL SERVICES
			Check Total:	154.44		
32367	3/20/2017	PAC05	PACIFIC ECORISK	1,746.41	12933	LAB TESTING
				1,760.08	13013	LAB TESTING

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
			Check Total:	3,506.49		
32368	3/20/2017	PGE06	PG&E-STREETLIGHTS	14.66	B70320	STREETLIGHTS MARCH 2017
32369	3/20/2017	PGE07	PG&E STREETLIGHTS	911.40	B70320	GAS & ELECTRIC
32370	3/20/2017	PGE08	PG&E STREETLIGHTS	13.99	B70320	GAS & ELECTRIC S.L.-
32371	3/20/2017	PGE09	PG&E-STREETLIGHTS	71.14	B70320	GAS & ELECTRIC S.L
32372	3/20/2017	PGE10	PG&E STREETLIGHTS	3.02	B70320	STREETLIGHTS MARCH 2017
32373	3/20/2017	PRO01	PROFESSIONAL CREDIT SERVICE	100.52	B70320	RECOVERY OF BAD DEBT
32374	3/20/2017	RES05	RESERVE ACCOUNT	1,500.00	B70320	POSTAGE METER
32375	3/20/2017	SIE02	SIERRA CHEMICAL CO.	4,714.48	B70313	CHLORINE/ CONTAINER DEPOSIT
32376	3/20/2017	STA01	STATEWIDE TRAFFIC	184.09	B70313	UTILITY TRUCK-SUPPLIES
32377	3/20/2017	STA11	STAPLES CREDIT PLAN	304.24	B70320	OFFICE SUPPLIES
32378	3/20/2017	THO02	Thomas Home Center	216.87	B70313	REPAIRS/SUPPLY
32379	3/20/2017	TRI02	TRINITY DIESEL INC.	515.00	B70313	YEARLY INSPECTIONS
32380	3/20/2017	WEC01	WECO INDUSTRIES, LLC	620.26	38203-IN	REPAIRS/ SUPPLIES
32381	3/20/2017	WEN02	WENNERHOLM CHIROPRACTIC	80.00	B70320	DMV PHYSICALS
32382	3/20/2017	ZEP01	ZEP MANUFACTURING CO.	741.04	900296987	REPAIRS/ SUPPLIES
32383	3/21/2017	AUB01	AUBURN CONSTRUCTORS, INC.	455,223.85	012P	WWMF UPGRADE
32384	3/28/2017	*0070	AZALEA HALL DEPOSIT REFUND BF	100.00	B70327	AZALEA HALL DEPOSIT REFUND BF
32385	3/28/2017	*0071	P.PARK RESERVATION CANCEL JK	95.00	B70327	P.PARK RESERVATION CANCEL JK

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
32386	3/28/2017	*0072	AZALEA HALL DEPOSIT REFUND WJ	100.00	B70327	AZALEA HALL DEPOSIT REFUND WJ
32387	3/28/2017	CRO03	CROWN TROPHY PETALUMA	669.01	25846	REC PROGRAM SUPPLIES
32388	3/28/2017	IND01	INDEPENDENT BUS. FORMS	1,424.37	33802	OFFICE SUPPLIES
32389	3/28/2017	ISE01	I-SECURE INC.	39.00	52878	ONSITE SHREDDING
32390	3/28/2017	JAC04	JACKSON & EKLUND, INC.	1,398.00	187991	PROFESSIONAL SERVICES
				373.00	188516	PROFESSIONAL SERVICES
			Check Total:	1,771.00		
32391	3/28/2017	JON04	ERIK M. JONES	1,148.60	B70327	WONDERWARE TRAINING REIMB
32392	3/28/2017	KEN02	KENNEDY/JENKS CONSULTANTS	1,110.00	109774	WWMF UPGRADE
				52,122.63	109776	WWMF UPGRADE
			Check Total:	53,232.63		
32393	3/28/2017	MAR01	ERIC MARTIN	173.59	B70322	SAFETY SUPPLIES REIMB
32394	3/28/2017	MAY03	DENNIS MAYO	96.00	B70309	ACWA BOARD OF DIRECTOR'S
32395	3/28/2017	MCB02	BILL MCBROOME	48.49	B70322	EMPLOYEE REIMBURSEMENT
32396	3/28/2017	MCK03	MCKINLEYVILLE OFFICE SUPPLY	29.54	B70327	OFFICE SUPPLIES
32397	3/28/2017	MIT01	Mitchell, Brisso, Delaney	471.00	39012	LEGAL SERVICES
32398	3/28/2017	NAT06	NATIONAL METER & AUTOMATION	19,933.75	0S1079441	RADIO READ METERS
				6,215.98	0S1080303	RADIO READ METERS
			Check Total:	26,149.73		
32399	3/28/2017	NOR35	NORTHERN HUMBOLDT EMPLOYMENT SVCS	903.53	B70328	CENTRAL AVE/ OPEN SPACE MAINT
32400	3/28/2017	PGE05	PG&E	1,975.52	B70322	STLT LOAN AGMT 4190997497
32401	3/28/2017	PGE11	PG&E STREETLIGHTS	26.63	B70327	STREETLIGHTS

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
32402	3/28/2017	PGE12	PG&E	16.83	B70327	GAS & ELECTRIC HILLER SPO
32403	3/28/2017	PGE13	PG&E	10.51	B70327	GAS & ELECTRIC OPEN SPACE
32404	3/28/2017	S&S02	S & S WORLDWIDE, INC.	43.05	9548792	REC PROGRAM SUPPLIES
32405	3/28/2017	SAF04	SAFEWAY INC. FILE # 72905	53.76	B70327	SUPPLIES PURCHASED MARCH
32406	3/28/2017	UPS01	UPS	272.09	B70327	LAB SHIPMENT
D00003	3/7/2017	COU09	DAVID R. COUCH	125.00	B70302	BOARD MTG 02/01/17
				125.00	B70302	BOARD MTG 02/01/17
			Check Total:	250.00		
				809,697.28		
			Total Disbursements, Accounts Payable:	**809,697.28**		

Payroll Related Disbursements

14381-14408	3/9/2017		Various Employees	11,265.06		Payroll Checks
14409	3/9/2017	CAL12	CalPERS 457 Plan	6,283.65	B70309	RETIREMENT
				508.70	1B70309	PERS 457 LOAN PMT
			Check Total:	6,792.35		
14410	3/9/2017	DIR01	DIRECT DEPOSIT VENDOR- US	27,221.55	B70309	Direct Deposit
14411	3/9/2017	EMP01	Employment Development	1,227.68	B70309	STATE INCOME TAX
				494.16	1B70309	SDI
			Check Total:	1,721.84		
14412	3/9/2017	HEA01	HEALTHEQUITY, ATTN: CLINT	92.00	B70309	HSA
14413	3/9/2017	HUM29	UMPQUA BANK--PAYROLL DEP.	4,658.76	B70309	FEDERAL INCOME TAX
				6,798.52	1B70309	FICA
				1,589.94	2B70309	MEDICARE
			Check Total:	13,047.22		

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
14414	3/9/2017	ACW01	CB&T/ACWA-JPIA	52,564.81	B70228	MED-DENTAL-EAP INSUR
14415	3/9/2017	PUB01	Public Employees PERS	15,761.99	B70228	PERS PAYROLL REMITTANCE
14416-14433	3/20/2017		Various Employees	13,554.49		Payroll Checks
14434	3/20/2017		Voided Payroll Checks	-		Voided Payroll Checks
14447-14448	3/20/2017		Voided Payroll Checks	-		Voided Payroll Checks
14449	3/20/2017	CAL12	CalPERS 457 Plan	6,556.49	B70320	RETIREMENT
				508.70	1B70320	PERS 457 LOAN PMT
			Check Total:	7,065.19		
14450	3/20/2017	DIR01	DIRECT DEPOSIT VENDOR- US	31,573.85	B70320	Direct Deposit
14451	3/20/2017	EMP01	Employment Development	1,561.94	B70320	STATE INCOME TAX
				573.27	1B70320	SDI
			Check Total:	2,135.21		
14452	3/20/2017	HEA01	HEALTHEQUITY, ATTN: CLINT	92.00	B70320	HSA
14453	3/20/2017	HUM29	UMPQUA BANK--PAYROLL DEP.	5,589.23	B70320	FEDERAL INCOME TAX
				7,888.32	1B70320	FICA
				1,844.82	2B70320	MEDICARE
			Check Total:	15,322.37		
			Total Disbursements, Payroll:	**198,209.93**		
			Total Check Disbursements:	**1,007,907.21**		

McKinleyville Community Services District

BOARD OF DIRECTORS

May 3, 2017 TYPE OF ITEM: **ACTION**

ITEM: E.1 **Consider Authorization for Participation in and Approval of a 30% Cost Share for the Household Hazardous Waste (HHW) Collection Event at Pierson Park on July 15, 2017**

PRESENTED BY: **Gregory Orsini, GM / Brent Whitener and Loral Uber, Humboldt Waste Management Authority**

TYPE OF ACTION: **Roll Call Vote**

Recommendation:

Staff recommends the Board consider the information provided, listen to the presentation, take public comment, discuss and consider participation in the household hazardous waste collection event to be held at Pierson Park on Saturday, July 15, 2017 by approving a 30% cost share, not to exceed $10,000, for those households that can be identified and verified to be within the MCSD service area.

Discussion:

Humboldt Waste Management Authority (HWMA) is planning a household hazardous collection event on Saturday, July 15, 2017 at Pierson Park and is requesting that the Board approve a 30% cost share not to exceed $10,000 total. The annual collection events held in McKinleyville over the past five years have seen attendance ranging from 120 to 275 vehicles. The community of McKinleyville remains the strongest participant among HHW mobile events.

Last year's collection event saw a total of 78% participation by 101 households within the McKinleyville Community Services District (MCSD) service area, with an overall participation count of 129 vehicles served. The 6,650 pounds of hazardous waste collected and shipped was made possible by a cost sharing agreement between MCSD and HWMA, with MCSD contributing $2960.15. The total cost of the event was $9,867.15.

The staff at HWMA believes 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.

Alternatives:

Staff analysis consists of the following potential alternative

- Take No Action

Fiscal Analysis:

Not to exceed $10,000 but was less than $3000 last year and will be budgeted in the Wastewater Fund.

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – Humboldt Waste Management Authority Letter of Request

hwma

April 3, 2017

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

RECEIVED
APR 5 2017
McK. C.S.D.

Dear Mr. Orsini:

We are planning the annual Household Hazardous Waste event in McKinleyville, currently slated for Saturday, July 15th at Pierson Park, and would again ask for a thirty percent cost share allocation from MCSD.

The July 2016 collection event saw 78% participation by 101 households within the MCSD service area, with an overall participation count of 129 vehicles served. Each of the annual collection events held in McKinleyville over the past five years has seen attendance range from 120 to 275 vehicles. The community of McKinleyville remains the strongest participant among HHW mobile events.

The July, 2017 event will mark the ninth year that MCSD customers and other local residents have been afforded an opportunity for appropriate disposal of materials that might have very adversely affected the surface waters of northern Humboldt County. Your staff was kind enough to place us on the MCSD Board agenda for the May 3rd 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,

Brent Whitener
Director Operations and Facilities Management

CC: J K Duffy, Executive Director
HHW File

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

May 3, 2017 TYPE OF ITEM: **INFORMATIONAL**

ITEM: E.2	**Review Redwood Coast Energy Authority's (RCEA) Humboldt County Community Choice Energy Program**
PRESENTED BY:	**Gregory Orsini, GM / Richard Engel and Patrick Owen, RCEA**
TYPE OF ACTION:	**None – Information Only**

Recommendation:

Staff recommends that the Board review information regarding Humboldt County Community Choice Energy program, as presented by RCEA Director of Power Resources, Richard Engel and RCEA Account Manager, Patrick Owen, discuss and take public comment.

Discussion:

In December 2016, Matthew Marshall, RCEA presented to the MCSD Board regarding RCEA establishing a Community Choice Energy (CCE) program. The CCE program for Humboldt County will bring more local renewable energy and lower energy prices to Humboldt County residents and businesses.

This month RCEA is back to brief MCSD on the CCE program as it specifically pertains to our energy demands. Beginning May 2017, residents and businesses will be automatically transitioned to RCEA's CCE program. While the transition is automatic, MCSD will have three options to choose from:

- Stay with RCEA's default electricity service called REpower, which costs slightly less than PG&E and contains a slightly higher percentage of renewable energy.
- Opt up to RCEA's premium service called REpower+, which is 100% renewable energy for only one cent more per kWh than the standard REpower service.
- Opt out of the program and remain a "bundled customer" of PG&E.

To allow the Board to make a fully informed decision, RCEA will present an overview of their CCE program, provide a preliminary rate comparison between PG&E service and RCEA's 40% renewable and 100% renewable options, including impact of Peak Day Pricing, as well as discuss solar programs including RES-BCT, feed-in tariff, and net energy metering.

Alternatives:

Not applicable

Fiscal Analysis:

To be determined

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – RCEA Community Energy PowerPoint Presentation

Community Choice Energy

Presentation to McKinleyville Community Services District Board – May 3, 2017

Lower rates · Local control · Same reliable service

REDWOOD COAST EnergyAuthority

AMERICORPS

REDWOOD COAST EnergyAuthority

City of Arcata

City of Blue Lake

City of Eureka

City of Fortuna

County of Humboldt

City of Rio Dell

City of Trinidad

What is a Community Choice Energy Program?

Allows local governments to procure electricity for customers within their boundaries in partnership with the existing utility (PG&E), which continues to provide transmission, distribution, and customer services and programs.

Why Community Choice Energy?

- Lower rates
- Same reliable service
- Local control
- 5% more renewable energy than PG&E
- 5% lower greenhouse gas emissions than PG&E

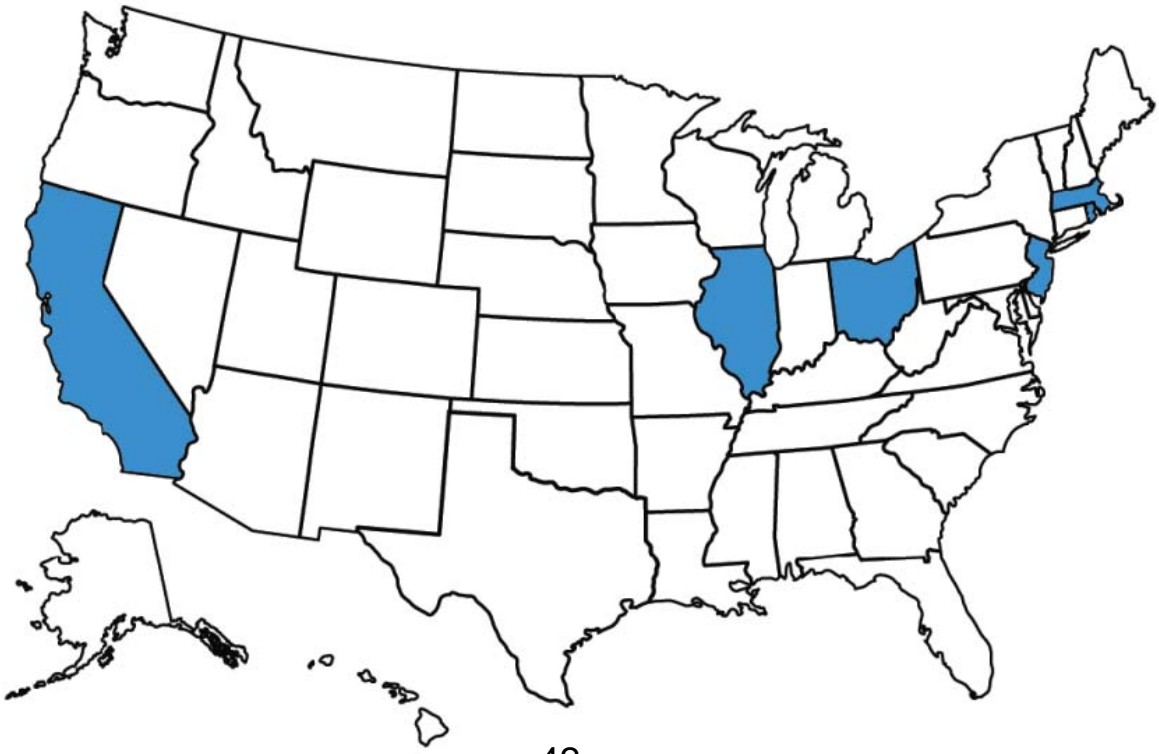
Does this replace PG&E?

? Pacific Gas and Electric Company® ?

No – PG&E will still:

- maintain the lines,
- read the meters,
- do billing,
- operate their own plants, including Humboldt Bay
- offer income-qualified discount programs (CARE, FERA)
- continue to offer rebates and energy efficiency services

Over 1,000 community choice programs in operation



Financial Targets

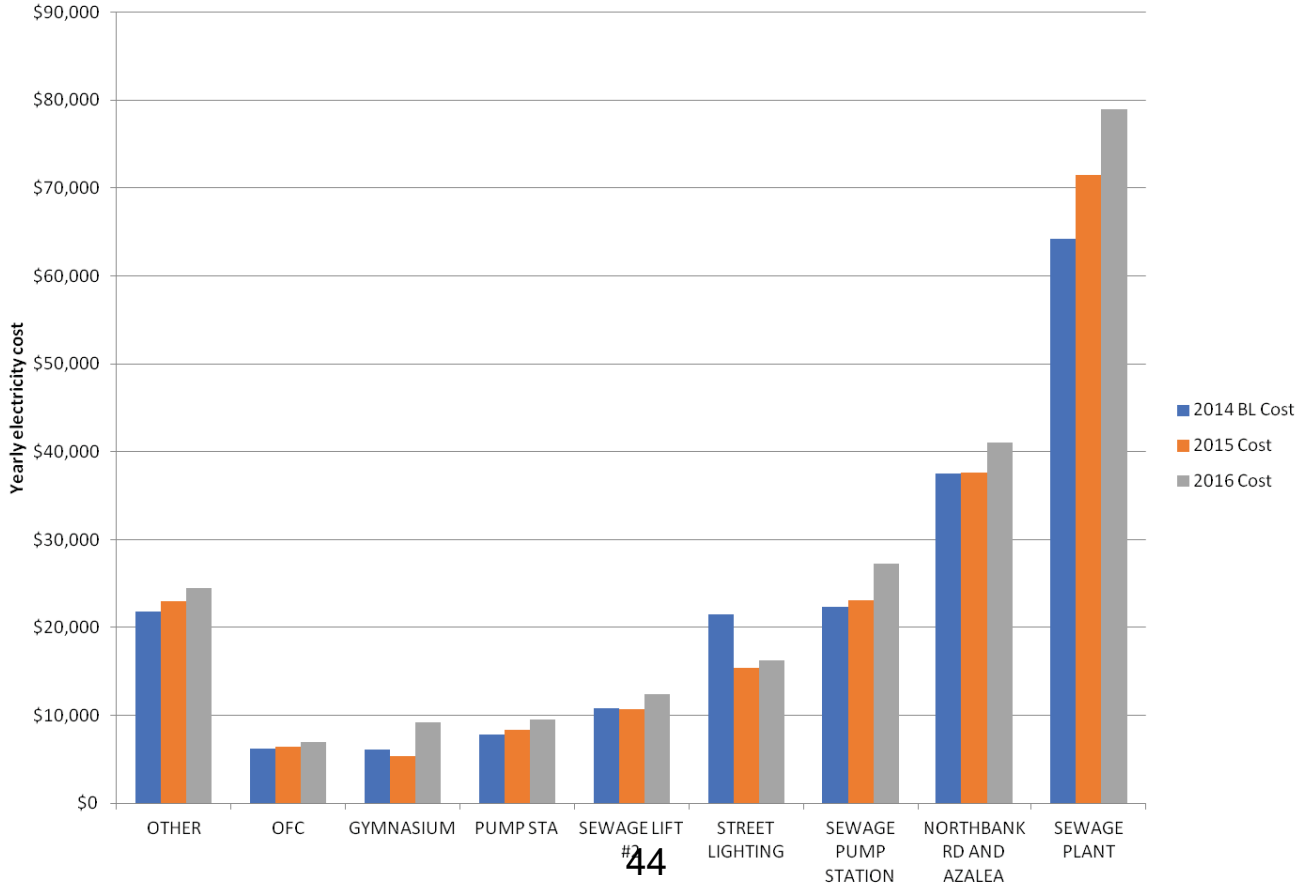
- Cumulative customer rate savings averaging at least $2 million per year over first 5 years
- Build a minimum $10 million reserve/contingency fund over the first 5 years

Dollars Kept in Humboldt County Target

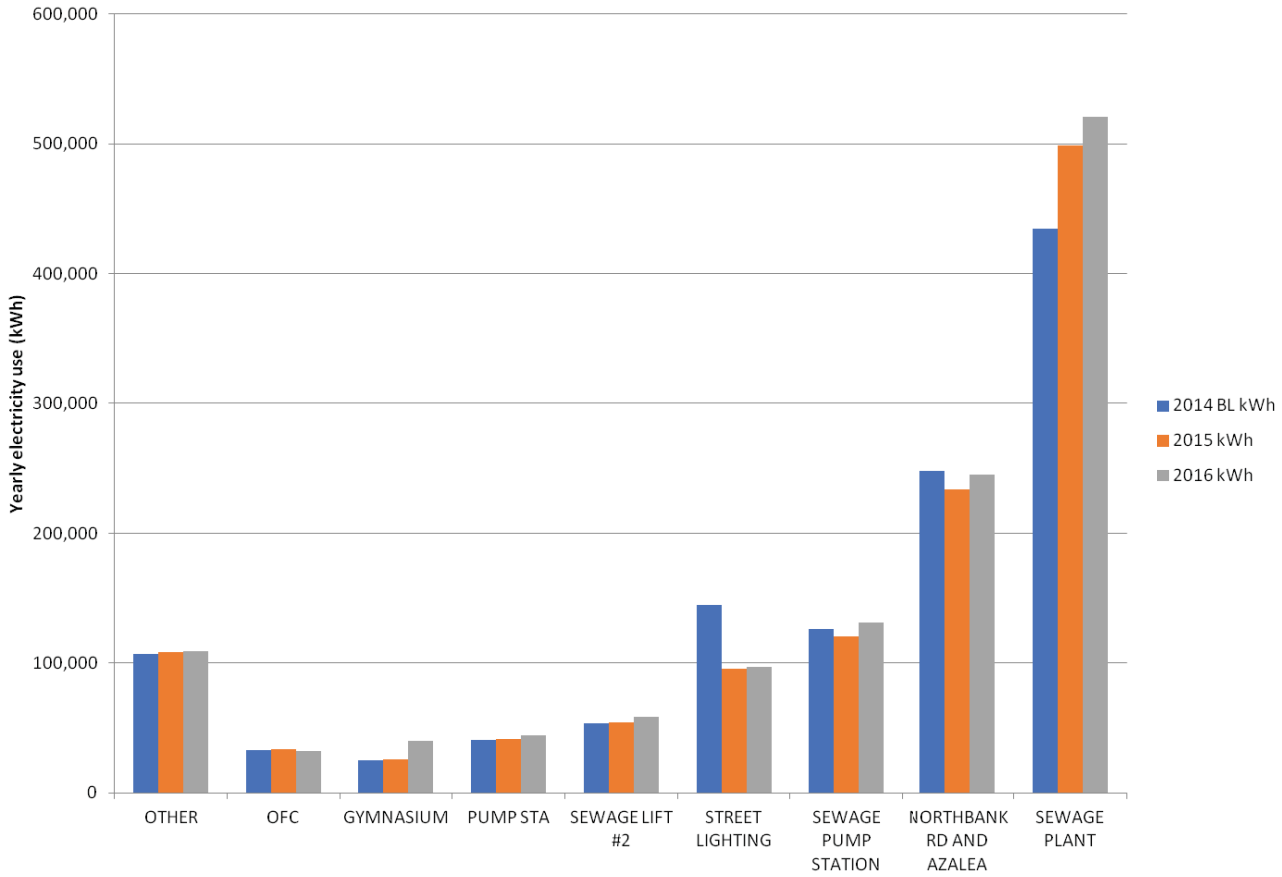
Total local procurement, rate savings, and reserves over the first 5 years:

>$100 million

MCSD Recent Electricity Cost Trends



MCSD Recent Electricity Use Trends



MCSD Cost Impact Estimates

Account	Rate	PG&E	REpower	REpower+
Sewage Treatment	E-19 PDP	$83,190	$82,890	$88,235
Northbank Rd & Azalea	E-19 PDP	$41,717	$41,974	$44,430
Sewage Pump Station	A10	$29,027	$28,658	$30,023
Total		**$153,934**	**$153,523**	**$162,689**

- Assumes current PG&E and RCEA rates, and usage from April 2016- March 2017
- PDP = Peak Day Pricing, an optional PG&E rate add-on not available to CCE customers
- For rates on Peak Day Pricing, assumed average usage values during Peak Events
- Impact of PDP depends on usage patterns, maximum savings approximately 3% for Sewage Treatment if no energy is used during Peak Events
- Moderate usage during Peak Events can eliminate program savings

Public Purpose Programs

- One community choice energy program, MCE in Marin County, has become a CPUC Program Administrator, accessing the same public goods charge ratepayer dollars PG&E uses to deliver energy efficiency programs
- RCEA does not plan to follow this model for now
- However, RCEA will continue to deliver efficiency services through our successful and long-standing Energy Watch partnership with PG&E

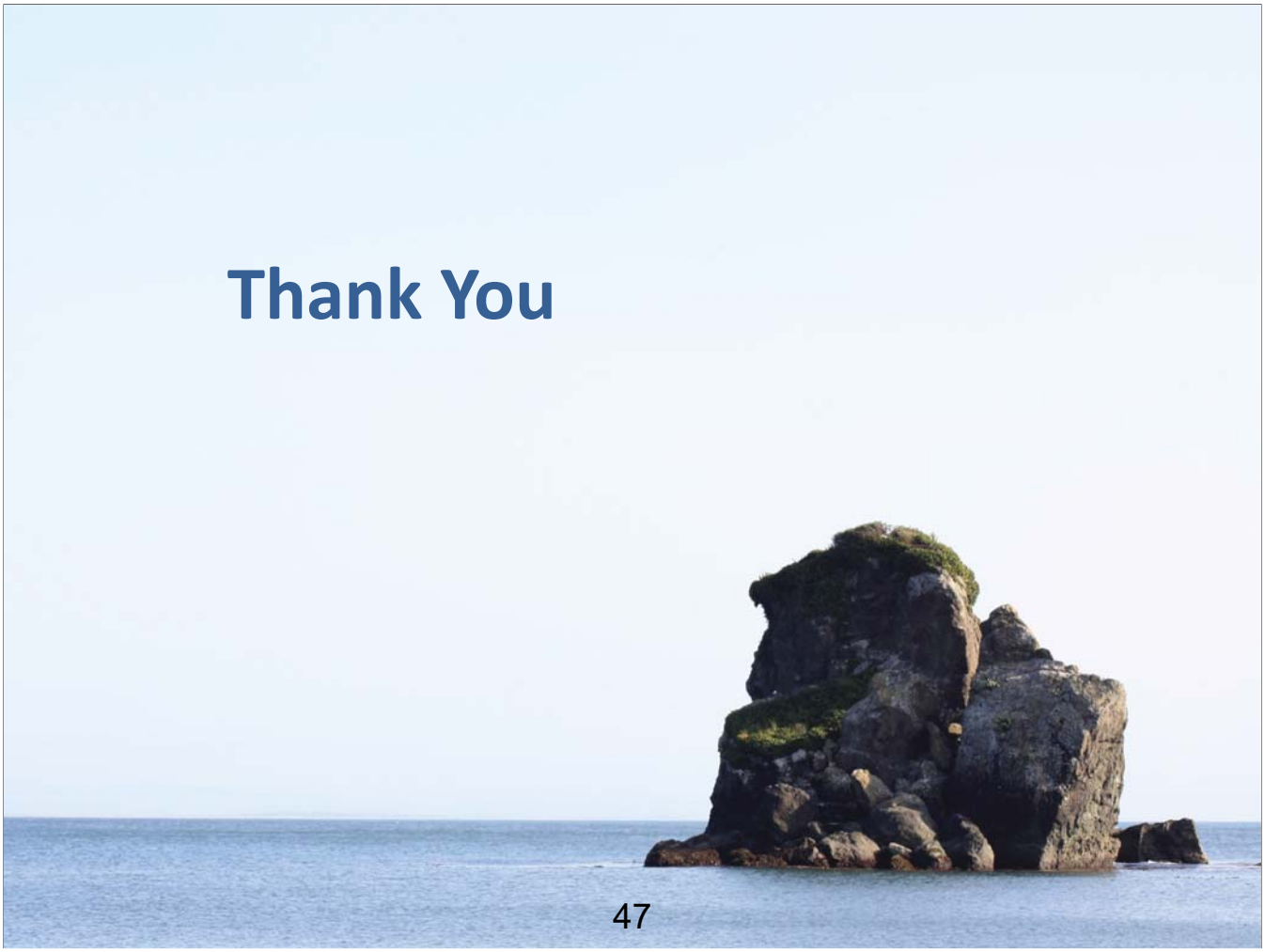
New Generation: Utility-Scale Solar

- Target of 5MW of local solar online before the end of 2018
- 15MW online by the end of year 5
- Currently evaluating financing and development options, including feed-in tariffs
- RES-BCT option for local government may not be available to CCE participants – more information to come on this

Learn more!

- **redwoodenergy.org**
  - Ongoing public meetings
  - Detailed information on the history of CCE and future plans for the CCE program
- **Staff contacts**
  - Richard Engel rengel@redwoodenergy.org
  - Patrick Owen powen@redwoodenergy.org
  - 707-269-1700

Thank You



McKinleyville Community Services District

BOARD OF DIRECTORS

May 3, 2017 TYPE OF ITEM: **ACTION**

ITEM: E.3 **Consider Adopting Resolution 2017-13 Dissolving the Camino Way Open Space Maintenance Zone (OSMZ #16)**

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

TYPE OF ACTION: **Roll Call Vote**

Recommendation:

Staff recommends that the Board review the information provided, discuss, take public comment and approve Resolution 2017-13 to dissolve the OSMZ #16, **Attachment 1**.

Discussion:

During the July 6, 2016 Board meeting, the Board directed the General Manager to contact the County to get written confirmation that the District is able to dissolve the OSMZ #16 and to contact District Counsel to determine if funds collected can be used discretionarily or transferred to the General Fund.

In correspondence with the County, Bob Bronkall from the Department of Public Works, shows no open space dedications on the Camino Way Subdivision map, allowing for a dissolution. According to District Counsel, if dissolved, the funds collected for the zone are required to be transferred to the general fund.

On January 18, 2017, a neighborhood survey was mailed to the residents of Camino Way in an effort to capture a majority preference. Of the twenty households who reside on Camino Way, seventeen responded to the survey. Nine voted in favor of reassessment, while eight voted in favor of dissolution. The survey proved to be inconclusive as it does not reflect a true majority or the opinion of all residents.

On March 9, 2017, the residents were mailed a letter with the results of the survey and notified that the decision to reassess or dissolve will go to the Board for a vote.

During the April 5, 2017 Board meeting, the Board approved to bring back a resolution to dissolve the OSMZ #16 and remove the assessment.

Process for Dissolving a Zone and Assessment Under the Landscaping and Lighting Act.

The dissolution process of a zone created under the Landscaping and Lighting Act is fairly simple. Section 22605 states that the legislative body may order the dissolution of an existing assessment district. (There is no specific process laid out for the dissolution of a zone *within* an assessment district, but prudence

dictates that the process for dissolution of a district should be followed.) Most organizational changes must be conducted in accordance with the section regarding the *formation* of an assessment district; however, with respect to dissolution, the legislative body may dispense with the resolution and report required.

To proceed with the dissolution of OSMZ #16

- We will initiate dissolution proceedings merely by the adoption of a resolution of intention. (Sts. & Hy. Code, § 22610.)
- This resolution should declare the intention of the legislative body to dissolve the zone, as well as describe the location of the zone and reasons for dissolution. (See, Sts. & Hy. Code, § 2587.)
- Posted and mailed notice of hearing is unnecessary. (Sts. & Hy. Code, § 22610.)
- Upon dissolution, any moneys in the improvement fund for that zone shall be transferred to the general fund. (Sts. & Hy. Code, § 22610.)

Alternatives:

Staff analysis consists of the following potential alternative

- Take No Action

Fiscal Analysis:

To be determined

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – Resolution 2017-13
- Attachment 2 – Ordinance 42
- Attachment 3 – Resolution 1997-33

RESOLUTION 2017 – 13

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE MCKINLEYVILLE COMMUNITY SERVICES DISTRICT
DISSOLVING THE CAMINO WAY OPEN SPACE MAINTENANCE ZONE**

WHEREAS, the McKinleyville Community Services District ("District") is a Community Services District organized and operating entirely within the County of Humboldt pursuant to California Government Code section 61000 et seq; and

WHEREAS, on April 11, 1991, the Board adopted Ordinance 42 which establishes a process for administration of open space maintenance services; and

WHEREAS, Ordinance 42 reserves in the District the right to accept or reject maintenance responsibility for any area of land; and

WHEREAS, on August 14, 1997, the Board passed Resolution 1997-33 forming the Camino Way Open Space Maintenance Zone (zone #16) and authorizing the District General Manager to provide maintenance services in the zone and to collect the charges for such services from the owners of property in the related subdivision; and

WHEREAS, the Board now wishes to dissolve the Camino Way Open Space Maintenance Zone (zone #16).

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the McKinleyville Community Services District does hereby find, determine and/or declare, as follows:

1. Each of the foregoing is true and correct.

2. The Camino Way Open Space Maintenance Zone (zone #16) is dissolved.

3. The General Manager is authorized to take steps necessary to discontinue maintenance of the Camino Way Open Space Maintenance Zone (zone #16) and to remove charges for future maintenance (now discontinued) from water bills of relevant customers.

ADOPTED, SIGNED AND APPROVED at a duly called meeting of the Board of Directors of the McKinleyville Community Services District on March 3, 2017 by the following polled vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Dennis Mayo, Board President

Attest:

_____
Emily Abfalter, Board Secretary

ORDINANCE 42

AN ORDINANCE OF THE MCKINLEYVILLE COMMUNITY SERVICES DISTRICT AMENDING THE DISTRICT'S RULES AND REGULATIONS TO ESTABLISH PROCEDURES FOR ADMINISTERING OPEN SPACE MAINTENANCE SERVICES AND ASSESSMENTS

THE BOARD OF DIRECTORS OF THE MCKINLEYVILLE COMMUNITY SERVICES DISTRICT DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. Article VII is added to the rules and regulations to read:

"ARTICLE VII - OPEN SPACE MAINTENANCE

REGULATION 60.- GENERAL PROVISIONS - OPEN SPACE MAINTENANCE

Rule 60.01. PURPOSE AND POLICY. This article sets forth the standards, processes and fees associated with open space maintenance services. The District desires to encourage the long term maintenance of undeveloped or recreational land under District ownership where the maintenance is either required by Humboldt County or requested by residents of a specific area. This article is intended to implement the provisions of the Landscaping and Lighting Act of 1972 (Streets and Highway Code Section 22500 et seq) herein referred to as the "Act."

REGULATION 61. - MAINTENANCE STANDARDS

Rule 61.01. ACCEPTANCE OF UNDEVELOPED LAND. The District reserves the right to accept or reject ownership and maintenance responsibility for any area of land. Nothing herein set forth shall be construed as a limitation upon the power vested in the District's Board of Directors by virtue of the Act or by other provisions of law. The District will not accept environmentally impaired land unless the environmental impairment is resolved by the donor.

Rule 61.02. ESTABLISHMENT OF MAINTENANCE LEVEL. The District reserves the right to set the type of maintenance work and the level of maintenance effort necessary to adequately maintain each specific piece of property for which maintenance services are proposed. The District will not accept maintenance responsibility for road or drainage facilities on such lands.

Rule 61.03. OWNERSHIP INTEREST. The District must own each specific piece of property in fee simple title before the District will supply maintenance services to that piece of property except for property for which fee simple title ownership is not possible. Where District fee simple title

ownership is not possible the District may supply maintenance services on deeded easements. Sufficient access rights must accompany the title to facilitate the District's maintenance responsibility.

Rule 61.04. MAINTENANCE ASSESSMENTS. An assessment district which includes and describes the properties responsible for paying maintenance assessments adequate to fund future maintenance responsibility must be established before the District will supply maintenance services to any parcel.

Rule 61.05. DIVISION OF COSTS. The monthly maintenance assessment for each property located in an assessment district shall be equal to the total monthly maintenance charges for that district, including administrative charges as prescribed by Rule 63.03, apportioned among the properties within the assessment district in a manner which fairly allocates the costs among the properties on the basis of the relative benefits received by each lot or parcel.

REGULATION 62.- ASSESSMENT DISTRICT FORMATION

Rule 62.01. APPLICATION TO FORM ASSESSMENT DISTRICT. Any person may apply to form an assessment district by filing the form provided by the District and paying the prescribed fees. The application shall include all required information and documentation. Applications to form assessment districts within inhabited areas shall be signed by at least fifty percent of the property owners within the proposed assessment district.

Rule 62.02. PROPOSAL. The application to form an assessment district shall be accompanied by a detailed proposal describing the land to be the subject to maintenance services or other improvements, the type of maintenance services or improvements requested and the level of maintenance effort proposed. The proposal shall be accompanied by a survey compiled by an independent consultant documenting the presence or absence of environmental impairments including toxic wastes. The proposal shall be reviewed by the manager who shall determine if it is complete. If the manager determines that the proposal is not complete, the applicant shall submit additional information until the application is deemed complete.

Rule 62.03. STAFF REPORT. Once the application is deemed complete, it shall be presented to the Board for consideration of the adoption of a resolution pursuant to Streets and Highway Code Section 22585. Upon adoption of a resolution, the Board shall order the preparation of a report pursuant to Section 22565 of the Act.

Rule 62.04. FORMATION OF ASSESSMENT DISTRICT. Once the report has been completed by the manager, the report shall be presented to the Board at the next available Board meeting. The Board may approve, deny or amend the report. Upon approval of the report, the Board shall proceed to adopt a resolution of intention pursuant to section 22587 of the Act.

Rule 62.05. RESOLUTION OF FORMATION. Following the adoption of a resolution of intention, the Board shall conduct further proceedings in accordance with the Act. Levies of assessments shall be assessed against the properties within the assessment district pursuant to a resolution of formation of the assessment district adopted pursuant to Section 22594 of the Act.

Rule 62.06. APPLICATION FEE. The application fee for formation of a maintenance zone shall be twenty ($20) dollars.

REGULATION 63. - RATES AND CHARGES

Rule 63.01. BASIS FOR DETERMINATION OF CHARGES. The District business manager will determine the charge for each month for each property owner residing in an assessment district based on the total monthly maintenance charges for that assessment district as set forth in rule 63.02, the number of property owners in the assessment district, the formula for division of costs as set forth in the assessment district formation resolution and the current administrative charge as set forth in Rule 63.03.

Rule 63.02. MAINTENANCE CHARGES. Where the District opts to directly conduct the work, total monthly maintenance charges shall be based on the manpower, supply, insurance and replacement requirements for the assessment district detailed in the final maintenance plan multiplied by the then current cost per increment of each such components as set forth annually by the Board by resolution. Where the District opts to retain a private vendor to contract for the maintenance work, total monthly maintenance charges shall be based on the vendors bid to complete the work plus the district's manpower cost to supervise the vendor, and the insurance and replacement requirements for the assessment district detailed in the final maintenance plan multiplied by the then current costs per increment of each such component as set forth annually by the Board by resolution. Copies of the current resolution shall be posted at the District office.

Rule 63.03. ADMINISTRATIVE CHARGES. The District shall charge a fifty cent ($.50) administrative charge per customer per month.

Rule 63.04. NOTIFICATION. The District business manager shall notify each property owner of changes in the maintenance charge or administrative charges.

Rule 63.05. ADMINISTRATION. Opening and closing bills for less than a normal billing period shall be prorated on a daily use basis. Bills for assessments levied shall be rendered at the beginning of each billing period and are payable upon presentation, except as otherwise provided. Every owner of property is liable for maintenance charges for any premises they have rented in the event that any tenant thereof does not pay the assessment.

Rule 63.06 CONSOLIDATED BILL. The District will collect its assessments with the rates for other utility services furnished. The assessment charges shall be itemized, billed upon the same bill, and collected as one item, together with and not separately from such utility service charges.

Rule 63.07. DISCONTINUING SERVICE. If all or any part of the bill described in rule 63.05 is not paid when due, the District may discontinue water or sewer service until such bill is paid.

Rule 63.08 COLLECTION ON TAX ROLL. The District may provide for collection of all such delinquent charges upon the tax roll in the manner provided by law therefore.

Rule 63.09. COLLECTION. All laws applicable to the levy, collection and enforcement of general taxes of the District, including but not limited to those pertaining to the matters of delinquency, correction, cancellation, refund and redemption are applicable to assessments levied pursuant to this article.

Rule 63.10. USE OF REVENUE. Revenues derived under this article shall be used only for maintenance costs and the administration of maintenance services.

Rule 63.01. Processing Fee. Prior to commencing service a non-refundable fee of $10 (ten dollars) will be required of all customers."

Section 2. Rule 54.04 is amended in whole to read:

Rule 54.04. Protest Hearing. Any property owner in the proposed zone may protest the formation of a zone by filing their signed form prior to or at the protest hearing. Property owners who have protested may withdraw their protest prior to the conclusion of the hearing. After closing the hearing, the Board may consider the adoption of a resolution initiating formation of a street lighting zone. Such resolution may exclude property owners who have protested

formation of the zone if the Board finds that the protesting property owner will not benefit from the street lighting. The resolution will further direct staff to revise the draft Manager's Report to adjust for excluded properties."

Section 3. Rule 54.06 is amended by deleting the last three sentences.

Section 4. This ordinance when effective shall be added to the Rules and Regulations of the District as a codified ordinance of the Board of Directors of the McKinleyville Community Services District.

On the Motion of Director ESTES and seconded by Director SHEPHERD, the foregoing ordinance is duly adopted on second reading this 11TH day of APRIL, 1991 by the following vote:

AYES: ESTES, HARLING, RAMEY, SHEPHERD, WALUND

NOES: NONE

ABSENT: NONE

Joe Walund
President, Board of Directors
McKinleyville Community Services District

ATTEST:

Barbara L. Bethel
Secretary, Board of Directors
McKinleyville Community Services District

I, BARBARA L. BETHEL, Secretary to the Board of Directors of the MCKINLEYVILLE COMMUNITY SERVICES DISTRICT, hereby certify that the foregoing is a full, true, and correct copy of an ordinance duly adopted this 11TH day of APRIL, 1991.

Barbara L. Bethel
Secretary to the Board of Directors of McKinleyville Community Services District

POSTED_____BY____
REMOVED_____BY____

RESOLUTION 1997-33

A RESOLUTION OF THE MCKINLEYVILLE COMMUNITY SERVICES DISTRICT FORMING THE CAMINO WAY OPEN SPACE MAINTENANCE ZONE (ZONE #16)

Whereas, the District Board on May 9, 1991 adopted Ordinance 42 which establishes a process for administration of open space maintenance services,

Whereas, the Board on June 12, 1997 reviewed a draft maintenance plan and adopted a resolution of initiating formation of an open space maintenance zone,

Whereas, the property owner was notified of the Public Hearing held on August 14, 1997.

NOW, THEREFORE BE IT RESOLVED that the Board:

1. Forms the Camino Way Open Space Maintenance Zone (zone #16) as described in the Draft Report.
2. Authorizes the manager to provide the open space maintenance services described in the plan as soon as the developers installs the required weed barrier in the landscape areas.
3. Authorizes the manager to collect the charges for these services from the current and future property owners/service customers in Subdivision.

PASSED AND ADOPTED at a duly called meeting of the Board of Directors of the McKinleyville Community Services District on the 14th day of August 1997 by the following polled vote:

AYES; Estes, Harling, Shepherd, Walund

NOES; None

ABSENT; Klein

Edward E. Estes

Edward E. Estes, President
of the Board of Directors

ATTEST;

Sharon Denison

Sharon Denison, Secretary
to the Board of Directors

McKinleyville Community Services District

BOARD OF DIRECTORS

May 3, 2017 TYPE OF ITEM: **INFORMATION**

ITEM: E.4 **Review Information Related to the Facility Use Fee for the McKinleyville Senior Center's use of the Azalea Hall Meeting Room, Office Space and Storage Spaces and MCSD Board Assignee's Responsibilities to Chair the Senior Center Advisory Committee**

PRESENTED BY: **Lesley Frisbee, Recreation Director**

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

Recommendation:

Staff recommends that the Board review the information provided; take public comment, and discuss the possible fee increase as well as the Senior Center Advisory Committee Chair assignment details, to be included in the usage agreement for the McKinleyville Senior Center's use of Azalea Hall.

Discussion:

Between 2011 and 2014, McKinleyville Senior Center paid $400 per month for the use and occupation of Azalea Hall. In 2015, the rate increased to the current rate of $450 per month. Historically the monthly use fee for McKinleyville Senior Center's use of Azalea Hall has been set for a 3 to 4-year period and adjusted by $50 when increased. This method of increase is inefficient and does not allow the District to adequately account for the costs of facility use in the fee charged. Currently, the monthly cost for supplies, repairs, security, trash and utilities at Azalea Hall total $1616 per month.

Staff recommends, that given the level of use and occupation of Azalea Hall by the McKinleyville Senior Center of 35 hours per week, the use fee be set to cover approximately 1/3 the cost of supplies, repairs, security, trash and utilities. 1/3 of current cost is $538.67. Realizing that an almost $89 per month increase is a rather high increase to make as it is an approximately 20% increase from the current rate of $450 per month, staff recommends increasing the fee to $502.29 per month beginning July 1, 2017 and implementing an annual increase each fiscal year to the fee that will bring the use fee up to covering 1/3 the facility costs. The recommended fee equates to a per square foot charge of $0.67 with a credit of $360 per month for hosting services provided by Senior Center Volunteers, as shown in the calculations below.

In determining a fee recommendation, staff researched local rates for commercial rental space and determined that most commercial space rents for $1.90 per

square foot to $0.75 per square foot. Additionally, MCSD uses $0.75 per square foot to determine an imputed rent value to the Boys & Girls Club of the Redwoods for the Teen Center.

Staff considered the following information and calculations to determine whether or not 1/3 the cost of supplies, repairs, security, trash and utilities was within the market of commercial rental space:

The McKinleyville Senior Center use of Azalea Hall includes the 1118 square foot meeting room (includes storage room), the 99 square foot office behind the desk, and a 70 square foot storage room off of the stage. Total square footage exclusively occupied by the Senior Center is 1287 square feet.

Below are 4 price per month scenarios to consider for the rental rate of the Senior Center use at Azalea Hall.

- 1287 x $0.75 = $965.25
- 1287 x $0.70 = $900.90
- 1287 x $0.67 = $862.29
- 1287 x $0.65 = $836.55

MCSD recognizes that the presence and occupation of Azalea Hall during the weekday hours provides a valuable service to the District. We estimate that on average Senior Center volunteers spend 5 hours a week, providing information, tours and/or assistance to other users of the facility. As such, MCSD will credit the Senior Center at the same hourly rate charged to users for staffing the facility ($18 per hour) for 5 hours per week. $18 x 5 hrs = $90 per week x 4 weeks = $360 per month.

- 1287 x $0.75 = $965.25 - $360 = $605.25 per month
- 1287 x $0.70 = $900.90 - $360 = $540.90 per month
- 1287 x $0.67 = $862.29 - $360 = $502.29 per month
- 1287 x $0.65 = $836.55 - $360 = $476.55 per month

Staff recently presented section 15.03 of the Facility Usage Agreement between MCSD and the McKinleyville Senior Center, outlining the MCSD Board Assignee's responsibilities to the Senior Center Advisory Committee at the April 20th meeting of the Senior Center Advisory Committee.

"15.03. DISTRICT 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."

The Senior Center Board Chair, was very supportive of the MCSD Board Member chairing the Senior Center Advisory Committee. Returning to the MCSD Board Assignee responsibility of chairing the Senior Center Advisory Committee might offer strategic benefit to the Senior Center and a point of oversight to ensure the vitality and longevity of a very important program and service for our seniors.

Staff will be bringing the Facility Usage Agreement for the McKinleyville Senior Center to the MCSD Board for approval and renewal in June. Please provide staff with direction as to whether or not the MCSD Board assignee should assume the responsibility of chairing the Senior Center Advisory Committee, so that the agreement can be drafted in a manner that represents the intentions of the Board.

Alternatives:

Not applicable

Fiscal Analysis:

McKinleyville Senior Center 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.

Utility and supply costs for Azalea Hall average $1616 per month.

Environmental Requirements:

Not applicable

Exhibits/Attachments:

None

McKinleyville Community Services District

BOARD OF DIRECTORS

May 3, 2017 TYPE OF ITEM: **ACTION**

ITEM: E.5 **Consider Approval of REVISED Operating Budget FY2016-17**

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

TYPE OF ACTION: **Roll Call Vote**

Recommendation:

Staff recommends that the Board review the information provided; discuss, take public comment, and approve the following revisions to the District's Operating Budget for Fiscal Year 2016-17.

- Increase Board Travel Expenditure 52% to $18,200
- Increase Interest Expense 72% to $251,058

Discussion:

There are two areas of adjustment in the current fiscal year's budget revision.

First is a 52% adjustment in Travel Expenditure for the Board. This is allocated across all Funds.

The second adjustment is an increase in Wastewater Fund interest expense required to accommodate a provision in the loan agreement with the State Revolving Fund that became active after the Board had already passed the budget for the current fiscal year. The District is not required to pay out this interest expense until FY2018-19, but per the terms of the loan, we must post it now as we accrue it by drawing on the loan funds to pay for the construction costs of the new Wastewater Management Facility. Overall, this additional expense increases the Interest line item by 72%.

Questions from the Directors on any category, line item, or on the budget overall are welcome and may be discussed at this time or brought to the General Manager for discussion at a future meeting.

Alternatives:

Staff analysis consists of the following potential alternative

- Take No Action

Fiscal Analysis:

See attached REVISED FY2016-17 Budget – all Funds

Environmental Requirements:

Not applicable

Exhibits/Attachments:

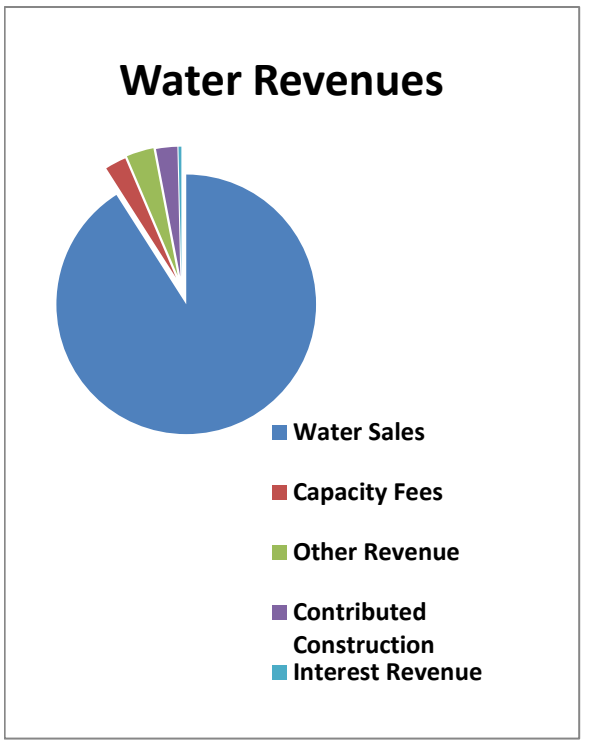
- Attachment 1 - FY2016-17 REVISED Budget Summary and Fund Budgets

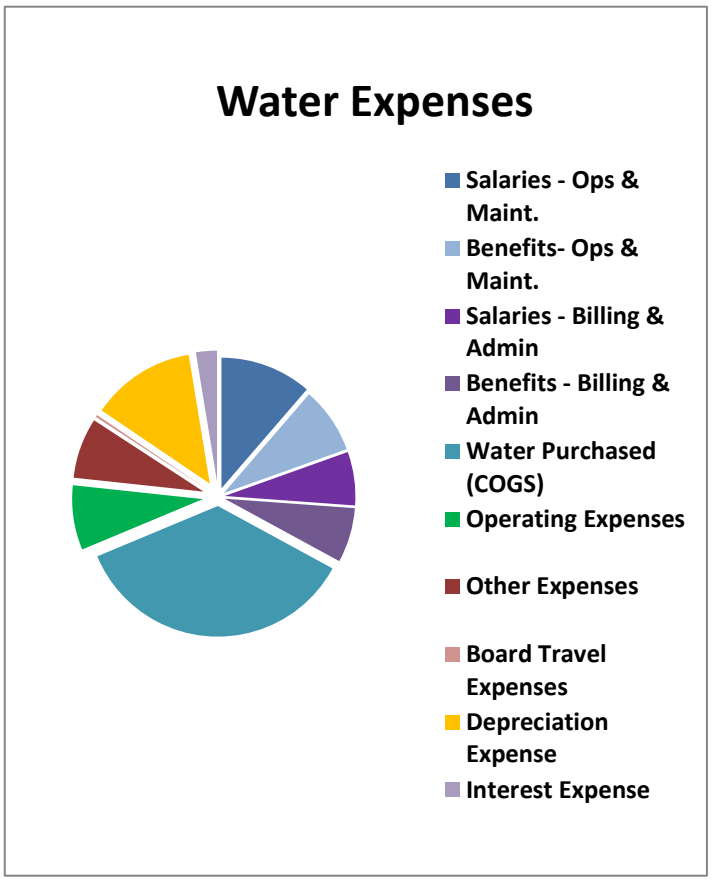
McKinleyville Comunnity Services District
Summary REVISED Budgets - All Funds
FY 2016-17

Description	Water Fund	Wastewater Fund	Streetlights Fund	Gen'l/Parks & Meas. B Funds	Total (Memorandum Only)
Revenues					
Water Sales	3,442,130				3,442,130
Sewer Service Charges		3,053,247			3,053,247
Capacity Fees	100,000	120,000			220,000
Streetlight Charges			79,084		79,084
Program Fees	-			373,389	373,389
Facility Fees	-			109,300	109,300
Property Taxes	-			525,000	525,000
Measure B Assessment	-			210,000	210,000
Open Space Fees	-			103,500	103,500
Contributions & Other Program	-			1,500	1,500
Other Revenue	128,539	78,869	16,750	18,932	243,090
Contributed Construction	100,000	250,000		-	350,000
Proceeds from Long Term Debt (Gov't only)			-	-	-
Quimby Fees/Capital Proj. Grants	-			80,000	80,000
Interest Revenue	13,500	20,000	25	10,000	43,525
Total Revenues	**3,784,169**	**3,522,116**	**95,859**	**1,431,621**	**8,833,765**
Expenditures					
Salaries & Benefits - Operations & Maint.	528,273	589,085	2,554		1,119,912
Salaries & Benefits - Billing & Admin	362,332	366,559	38,492		767,383
Salaries & Benefits - Rec Programs	-			340,727	340,727
Salaries & Benefits- Parks Maintenance	-			274,624	274,624
Salaries & Benefits- Parks&Rec Admin	-			352,537	352,537
Water Purchased (COGS)	967,236				967,236
Water & Electrical Expense		219,200			219,200
Operating Expenses	216,400	269,950	14,700		501,050
Other Expenses	202,690	197,540	17,458		417,688
Other Expenditures - Rec Programs	-			42,449	42,449
Other Expenditures - Parks Maintenance	-			139,316	139,316
Other Expenditures - Parks&Rec Admin	-			105,870	105,870
Depreciation Expense	350,000	480,000			830,000
Board Travel Expense 52% incr	**7,280**	**7,280**	**728**	**2,912**	18,200
Debt Service			19,865	79,968	99,833
Interest Expense 72% incr. SRF Loan	70,106	**133,469**		47,483	251,058
Parks/Meas.B Capital 337% incr Teen Ctr	-		2,000	**154,320**	156,320
Total Expenditures	**2,704,317**	**2,263,083**	**95,797**	**1,540,206**	**6,603,403**
Excess (Deficit)	**1,079,852**	**1,259,033**	**62**	**(108,585)**	**2,230,362**
Fund Balance - July 1, 2015	**6,731,632**	**14,517,317**	**(39,896)**	**2,559,092**	**23,768,145**
Projected Excess (Deficit) FY2015-16	1,174,229	1,324,787	5,965	(1,867,621)	637,360
Debt Principal FY2015-16 (Enterprise only)	(148,393)	(176,607)			(325,000)
New Borrowing FY2015-16(Enterprise only)	-	-			-
Capital Expenditure FY2015-16(Enterprise)	(199,680)	(1,594,299)			(1,793,979)
Projected Fund Balance June 30, 2016	**7,557,788**	**14,071,197**	**(33,931)**	**691,471**	**22,286,526**
Budgeted Excess (Deficit) FY2016-17	1,079,852	1,259,033	62	(108,585)	2,230,362
Anticipated Borrowing FY2016-17(Enterprise)	-	19,839,730			19,839,730
Capital Project grant funding (contingent)	-	-			-
Debt Principal FY2016-17 (Enterprise only)	(151,886)	(149,171)			(301,057)
Capital Expenditure FY2016-17(Enterprise)	(2,006,000)	(15,807,000)			(17,813,000)
Projected Fund Balance June 30, 2017	**6,479,754**	**19,213,790**	**(33,869)**	**582,886**	**26,242,561**

McKinleyville Community Services District
Enterprise Funds: Water Summary Budget REVISED
FY 2016-17

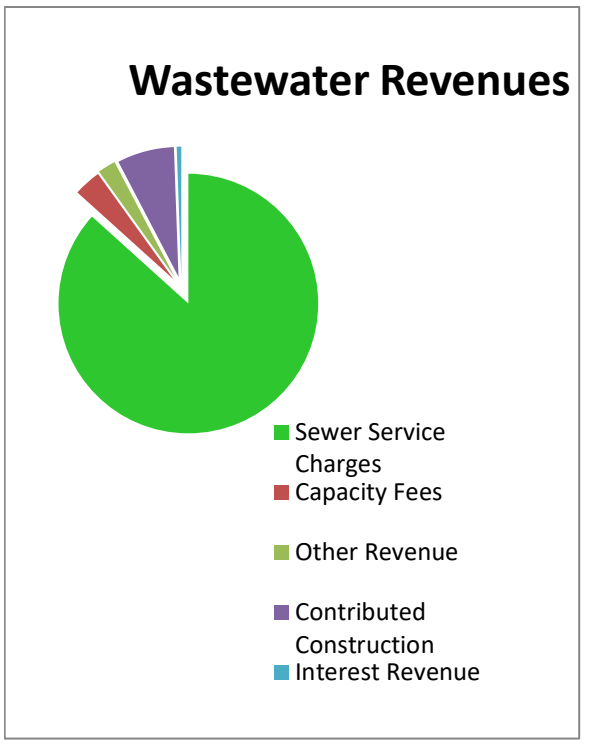
Description	Water Fund	
Water Revenues		
Water Sales	3,442,130	91%
Capacity Fees	100,000	3%
Other Revenue	128,539	3%
Contributed Construction	100,000	3%
Interest Revenue	13,500	0%
Total Revenues	**3,784,169**	**100%**
Water Expenses		
Salaries - Ops & Maint.	306,519	11%
Benefits- Ops & Maint.	221,754	8%
Salaries - Billing & Admin	179,096	7%
Benefits - Billing & Admin	183,236	7%
Water Purchased (COGS)	967,236	36%
Operating Expenses	216,400	8%
Other Expenses	202,690	7%
Board Travel Expenses	**7,280**	0%
Depreciation Expense	350,000	13%
Interest Expense	70,106	3%
Total Expenses	**2,704,316**	**100%**
Excess (Deficit)	**1,079,853**	





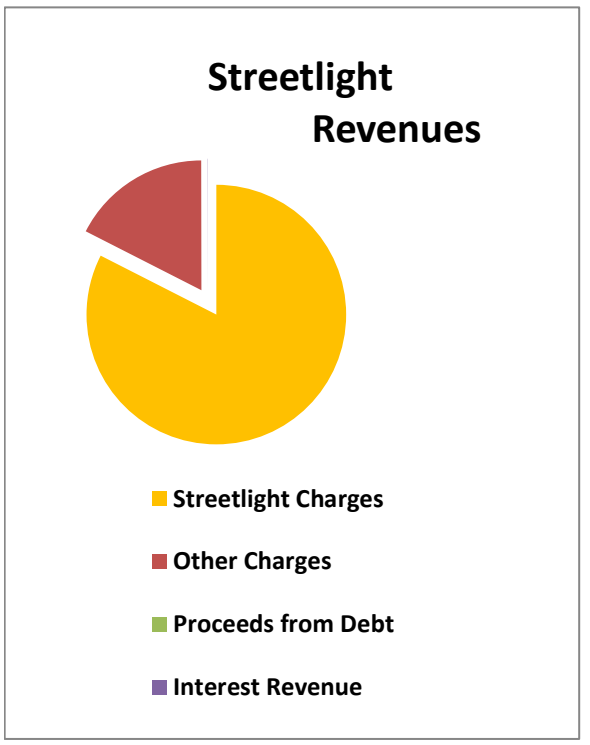
McKinleyville Community Services District
Enterprise Funds: Wastewater Summary Budget REVISED
FY 2016-17

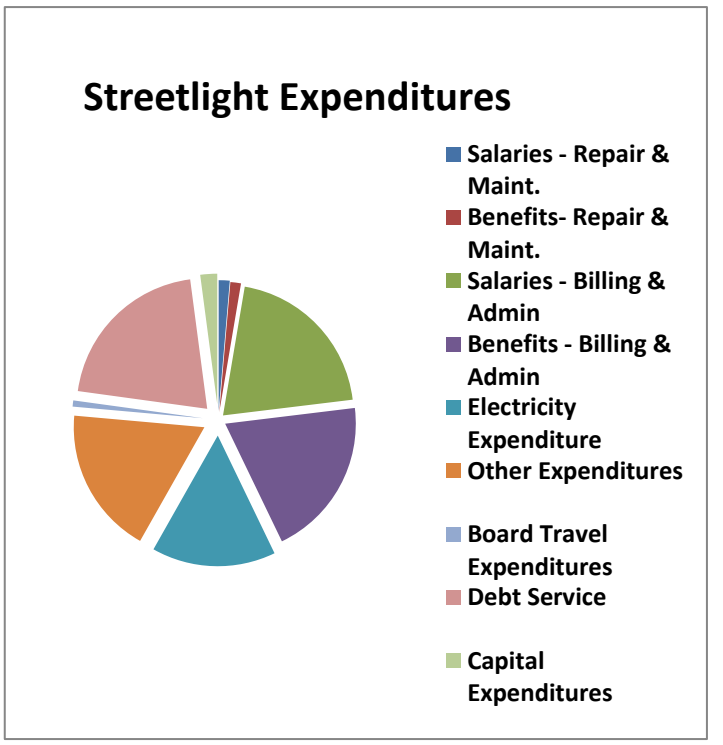
Description	Wastewater Fund	
Wastewater Revenues		
Sewer Service Charges	3,053,247	87%
Capacity Fees	120,000	3%
Other Revenue	78,869	2%
Contributed Construction	250,000	7%
Interest Revenue	20,000	1%
Total Revenues	**3,522,116**	**100%**
Wastewater Expenses		
Salaries - Ops & Maint.	341,257	15%
Benefits- Ops & Maint.	247,828	11%
Salaries - Billing & Admin	181,587	8%
Benefits - Billing & Admin	184,972	8%
Water & Electrical Expense	219,200	10%
Operating Expenses	269,950	12%
Other Expenses	197,540	9%
Board Travel Expense	**7,280**	0%
Depreciation Expense	480,000	21%
Interest Expense	**133,469**	6%
Total Expenditures	**2,263,083**	**100%**
Excess (Deficit)	**1,259,033**	



McKinleyville Community Services District
Governmental Funds: Streetlights Budget REVISED
FY 2016-17

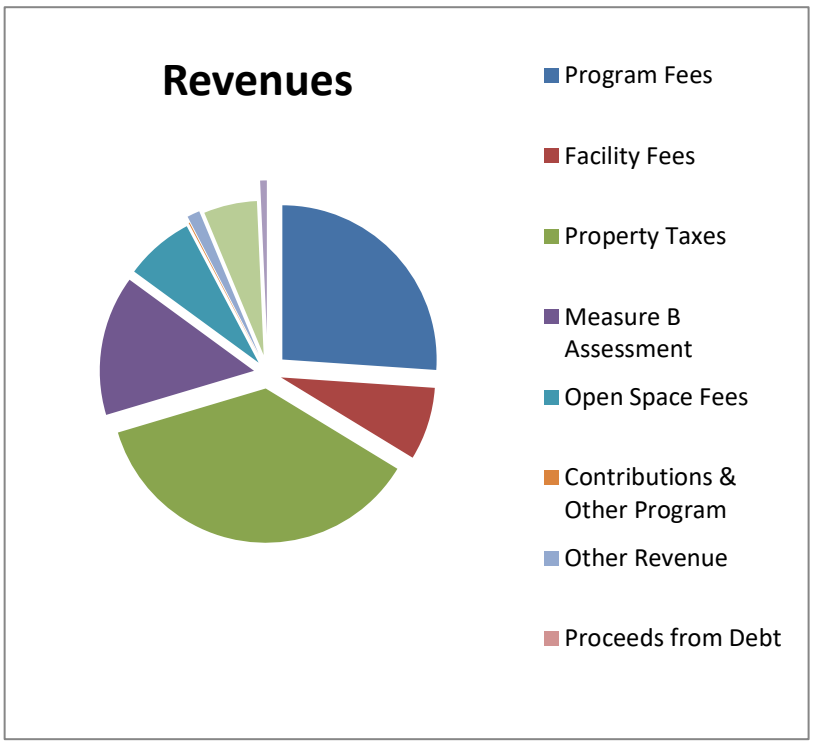
Description	Streetlights Fund	
Streetlight Revenues		
Streetlight Charges	79,084	83%
Other Charges	16,750	17%
Proceeds from Debt	-	-
Interest Revenue	25	0.0%
Total Revenues	**95,859**	**100%**
Streetlight Expenditures		
Salaries - Repair & Maint.	1,302	1%
Benefits- Repair & Maint.	1,252	1%
Salaries - Billing & Admin	19,549	20%
Benefits - Billing & Admin	18,943	20%
Electricity Expenditure	14,700	15%
Other Expenditures	17,458	18%
Board Travel Expenditures	**728**	1%
Debt Service	19,865	21%
Capital Expenditures	2,000	2%
Total Expenditures	**95,797**	**100%**
Excess (Deficit)	**62**	

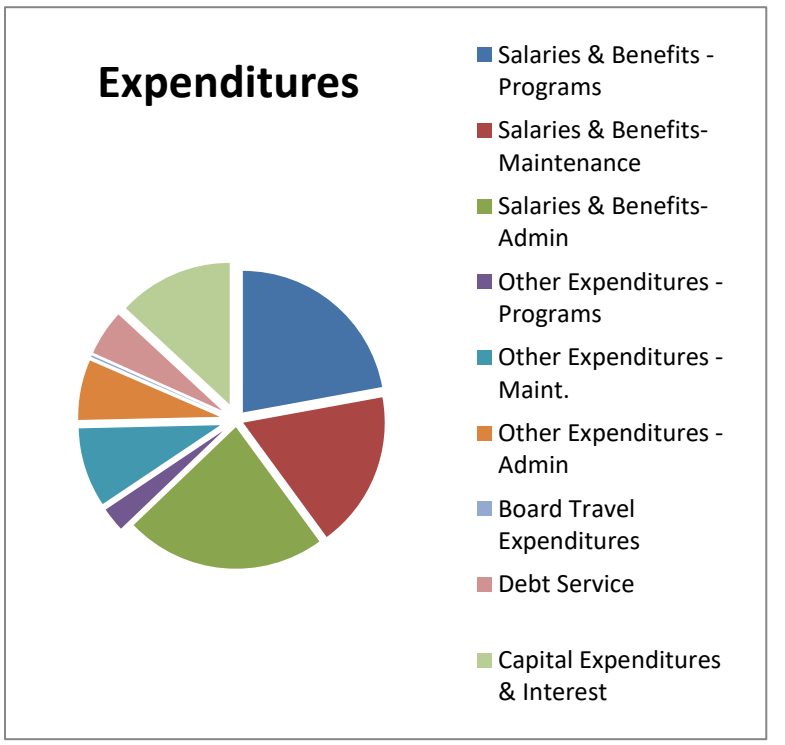




McKinleyville Comunnity Services District
Governmental Funds Operating Budget - REVISED
FY 2016-17

Description	Parks/General Fund		Measure B Assessment Fund		Total (Memorandum Only)	
Revenues						
Program Fees	373,389	31%	-	-	373,389	26%
Facility Fees	109,300	9%			109,300	8%
Property Taxes	525,000	43%	-	-	525,000	37%
Measure B Assessment	-	-	210,000	98%	210,000	15%
Open Space Fees	103,500	8%	-	-	103,500	7%
Contributions & Other Program	1,500	0%	-	-	1,500	0%
Other Revenue	15,432	1%	3,500	2%	18,932	1%
Proceeds from Debt	-	-	-	0%	-	0%
Quimby Fees/ Grants/Loans	80,000	7%	-	0%	80,000	6%
Interest Revenue	10,000	0.8%	-	-	10,000	0.7%
Total Revenues	**1,218,121**	**100%**	**213,500**	**100%**	**1,431,621**	**100%**
Expenditures						
Salaries & Benefits - Programs	340,727	28%	-		340,727	22%
Salaries & Benefits- Maintenance	218,865	18%	55,759	17%	274,624	18%
Salaries & Benefits- Admin	352,537	29%	-		352,537	23%
Other Expenditures - Programs	42,449	3%	-		42,449	3%
Other Expenditures - Maint.	109,066	9%	30,250	9.4%	139,316	9%
Other Expenditures - Admin	105,870	9%	-	0.0%	105,870	7%
Board Travel Expenditures	**2,912**	0%	-	0.0%	2,912	0%
Debt Service	-	-	79,968	24.7%	79,968	0.05
Capital Expenditures & Interest	44,320	4%	**157,483**	49%	201,803	13%
Total Expenditures	**1,216,746**	**100%**	**323,461**	**100%**	**1,540,207**	**100%**
Excess (Deficit)	**1,375**		**(109,961)**		**(108,586)**	





FY 2016-17 REVISED Budget
Exhibit 5

McKinleyville Community Services District

BOARD OF DIRECTORS

May 3, 2017 TYPE OF ITEM: **ACTION**

ITEM: E.6 **Consider Adopting Resolution 2017-12 Approving the Application for Grant Funds for California Climate Investments Urban Greening Program**

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

TYPE OF ACTION: **Roll Call Vote**

Recommendation:

Staff recommends that the Board review the information provided; discuss, take public comment and adopt Resolution 2017-12 to approve the application for grant funds for California Investments Urban Greening Program.

Discussion:

In September 2016, the State of California passed Senate Bill 32 which allocated $1.2 billion to create a cap and trade program to reduce Greenhouse Gas (GHG) emissions. The California Natural Resources (CNR) Agency was allocated $80 million to fund green infrastructure projects that reduce GHG emissions. The CNR Agency created an Urban Greening Program to fund grants to cities, counties, and other entities such as non-profit organizations in urban settings, with a requirement that 75% of the funding be spent in economically disadvantaged communities.

The Urban Greening Program, funded by the Greenhouse Gas Reduction Fund, will fund projects that transform the built environment into places that are more sustainable, enjoyable, and effective in creating healthy and vibrant communities by establishing and enhancing parks and open space, using natural solutions to improving air and water quality and reducing energy consumption, and creating more walkable and bike-able trails.

McKinleyville Community Services District, in cooperation with The Trust for Public Land, submitted an application for grant funding with the Urban Greening Program for a community forest in McKinleyville. Applications were due by May 1, 2017 and required an authorizing Resolution. Due to timing, a draft Resolution was submitted with the application, however prior to any recommendation of funding, an adopted copy is required. This Resolution, **Attachment 1**, in no way commits MCSD funds but is an assurance to the California Natural Resources Agency that the application for grant funding was approved by our Board.

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 2017-12
- Attachment 2 – 2017 Urban Greening Pre-Proposal McKinleyville Community Forest
- Attachment 3 – Urban Greening Grant Application

RESOLUTION 2017 – 12

A RESOLUTION OF THE MCKINLEYVILLE COMMUNITY SERVICES DISTRICT ("APPLICANT") APPROVING THE APPLICATION FOR GRANT FUNDS FOR CALIFORNIA CLIMATE INVESTMENTS URBAN GREENING PROGRAM

WHEREAS, the Legislature and Governor of the State of California have provided funds for the program shown above; and

WHEREAS, the California Natural Resources Agency has been delegated the responsibility for the administration of this grant program, establishing necessary procedures; and

WHEREAS, said procedures established by the California Natural Resources Agency require a resolution certifying the approval of application(s) by the Applicants governing board before submission of said application(s) to the State; and

WHEREAS, the Applicant, if selected, will enter into an agreement with the State of California to carry out the Project.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the McKinleyville Community Services District does hereby

1. Approves the filing of an application for the McKinleyville Community Forest;

2. Certifies that applicant understands the assurances and certification in the application, and

3. Certifies that applicant or title holder will have sufficient funds to operate and maintain the project consistent with the land tenure requirements; or will secure the resources to do so, and

4. Certifies that it will comply with the provisions of Section 1771.5 of the State Labor Code, and

5. If applicable, certifies that the project will comply with any laws and regulations including, but not limited to, legal requirements for building codes, health and safety codes, disabled access laws, environmental laws and, that prior to commencement of construction, all applicable permits will have been obtained, and

6. Certifies that applicant will work towards the Governor's State Planning Priorities intended to promote equity, strengthen the economy, protect the environment, and promote public health and safety as included in Government Code Section 65041.1, and

7. Appoints the General Manager or designee, as agent to conduct all negotiations, execute and submit all documents including, but not limited to applications, agreements, payment requests and so on, which may be necessary for the completion of the aforementioned project(s).

ADOPTED, SIGNED AND APPROVED at a duly called meeting of the Board of Directors of the McKinleyville Community Services District on May 3, 2017 by the following polled vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Dennis Mayo, Board President

I, the undersigned, hereby certify that the foregoing Resolution Number 2017-12 was duly adopted by the McKinleyville Community Services District.

_____
Emily Abfalter, Board Secretary

2017 URBAN GREENING PRE-PROPOSAL

McKinleyville Community Forest

The McKinleyville Community Forest Project: The McKinleyville Community Services District, in cooperation with The Trust for Public Land, is considering the submittal of a request of $3 million to the Urban Greening Program for the McKinleyville Community Forest Project (the Project), a 556+/- -acre public community forest adjacent to the urbanized community of McKinleyville in Humboldt County, California. The project will provide recreational opportunities for the community of McKinleyville by establishing trails for hiking, biking and equestrian use. Matching funds may come from other public and potentially private sources. This project follows the successful and highly popular Eureka Community Forest, 20 miles south, completed in 2015.

GHG project activities: The project will reduce greenhouse gas emissions (GHGs) by reducing commuter vehicle miles traveled by providing non-motorized access within the McKinleyville community, a rapidly growing and underserved area of Humboldt County. The Project also will reduce recreational vehicle miles traveled by providing new open space/park acreage to a community with only 1.52 park acres per 1,000 residents. Present mileage from downtown McKinleyville to significant open space (Arcata Community Forest) or Mad River County Park is 14-15 miles round trip. The Project will also reduce GHGs by planting significant numbers of trees over 20 acres of the project area within the grant term.

Statutory Requirements: The Project acquires and creates a new community space and improved management will use natural systems to achieve multiple benefits.

Statutory Priorities:

1. The Project provides recreational benefits to the park-deficient community of McKinleyville. The project area currently provides only 1.52 acres of parkland per 1,000 residents.
2. The Project will further develop partnerships with local community organizations.
3. The Project will create a new public recreational resource for the community of McKinleyville and to nearby schools of all grade levels and several local small parks.

Determination of Urban: The project is located in within the McKinleyville Community Plan Boundary (Humboldt County General Plan)

Determination of DAC: n/a

The project can be completed by May 1, 2020.

FOR MORE INFORMATION:
Katherine Jones, Public Grants Manager
The Trust for Public Land
415.800.5187
katherine.jones@tpl.org

Project Evaluation Questions- McKinleyville Community Forest Urban Greening Project

Statutory and Program Requirements

1. **Explain how project meets criteria of 1) acquiring, creating, enhancing, or expanding community parks and green spaces, and/or 2) using natural systems, or systems that mimic natural systems.** The project meets both criteria. The McKinleyville Community Services District (District) will work with The Trust for Public Land (TPL), to acquire 556 +/- acres of working timberlands adjacent to the community of McKinleyville, in Humboldt County, and convert it into a greenbelt and community forest for public use and enjoyment. The proposed McKinleyville Community Forest sits in a strategic location close to schools, shopping, residential neighborhoods, and other urban amenities, and lies within the McKinleyville Community Plan Area under the Humboldt County General Plan.

   Community forests are an innovative approach to forest management aimed at better integrating social and ecological considerations. Working forest areas are balanced with ecological management areas, and timber harvest revenues are used to fund habitat restoration and management of recreational uses. TPL has been successful in creating or expanding several community forests in other areas of Humboldt County, including the 1,001-acre McKay Community Forest in Eureka, and the 2,350-acre Arcata Community Forest. When managed as a community forest, trees in designated areas will be allowed to grow older and larger; streams will be better protected by wider, no-harvest buffers; ecological factors such as connectivity and habitat structure will be valued higher; views will be protected; and forest roads will be repurposed as non-motorized trails.

   The community forest property includes the headwaters of Widow White Creek, a stream inhabited by cutthroat trout and two threatened salmonids: coho salmon and steelhead. Upper reaches of Mill Creek are also on the property and inhabited by salmonids. Management of these drainages for resource protection will greatly improve stream water quality and fish habitat.

   The community forest will also establish a permanent linear greenbelt of forestland at the edge of McKinleyville by removing the development potential that now exists on these lands.

2. **Describe which of the three project activities is proposed and how the proposed strategy will result in a net GHG benefit.** The project will reduce GHGs through two of the three project activities:
   Sequestered Carbon. During the grant period, 350 native redwood and Douglas fir trees will be planted on over 10 acres of historically forested grassland, where appropriate forest soils are present. As these long-lived trees grow and assume their massive mature sizes, they will provide over 1,757 tons of GHG sequestration over 40 years. Even more significant than this will be the GHG benefit from the new, more sustainable forest management practices on the 556+/- acres of community forest. (Described in question 3 below.)
   Reduced Vehicle Miles Traveled. Over 5 miles of well-maintained fire roads which have been historically private and inaccessible to the public will be opened for public use as new bicycle, pedestrian, and equestrian trails. These will create interconnections with various neighborhoods, commercial centers, and all three public schools in McKinleyville. Five different access points in McKinleyville are planned. In addition to commuting, nearby residents will also use the nearby trails for recreation and enjoyment of natural habitats, instead of driving longer distances for these amenities. Though this does not reduce "commuter" miles per the program's definition, it will effectively reduce GHG emissions from personal vehicles.

3. **How does your project result in a GHG benefit?** By planting 350 redwood and Douglas fir saplings (1 and 2-year stages), the project will result in **1,757.09 tons** of total carbon stored at maturity (using the CTCC ARB quantification methodology). The project also links 13 activity

centers within a half-mile of the newly public Class I trail, avoiding a major four lane road with 14,000 average daily automobile trips and yielding a GHG benefit under the ARB CTCC methodology of **168.95 tons** of carbon. Total qualifying GHG benefit (subtracting GHG emissions) is **1838.18 tons** of carbon. Although not calculated for this grant, even more significant will be the GHG benefit from new, more sustainable forest management practices on the 556+/- acres of community forest. We estimate that the existing forestland on the property, which is 90% forested, will sequester over 2000 tons of carbon every year.

4. **Explain how the project provides multiple benefits.**
   c. Non-motorized urban trails that provide safe routes for both recreation and travel between residences, workplaces, commercial centers, and schools. The community of McKinleyville is one of Humboldt County's four major population centers[1], and is experiencing about 50% of the growth in the County[2]. McKinleyville's community planning area encompasses 14 square miles, 48% of which is urbanized[3]. Bikeways in the community are limited and more are proposed in various master plans (see below, 5.c.2.). The proposed acquisition includes existing, well-maintained forest roads that will be made available to the public, providing 5 miles of safe, Class I bicycle/pedestrian/equestrian trails entirely isolated from motorized traffic. The main trail runs along the eastern edge of McKinleyville, and is close to the center of town, schools, churches, and other common destinations. The project also provides a new, safe route between two of the largest population centers in Humboldt County, Arcata and McKinleyville. The southern terminus of the trail is within 5 miles of Humboldt State University and its heavily bicycle-oriented population.
   e. Neighborhood, city, regional, or county parks and open space. The proposed McKinleyville Community Forest is located in a critically underserved, park-poor community (0 park acres per 1,000 population). In one stroke, it adds 556 +/-acres of public green space, and 5 miles of safe, multi-purpose trail, within the mapped McKinleyville Community Boundary. The southern end of the community forest is within a half-mile of the Arcata city limits, a university town just south of McKinleyville. The forest will be immediately accessible from five existing access points within McKinleyville. Exceeded in size in the Humboldt Bay metro area only by the Arcata and Humboldt Community Forests, it will form a new public facility of regional importance, and will be easily reached by visitors from all directions, providing a variety of public recreation amenities. The community forest will also serve as a critical greenbelt between the communities of McKinleyville and Fieldbrook, shielding significant open space, scenic, and biological resources from development.

5. **Answer the corresponding questions for the two examples selected in Question 4.**
   c. **Non-motorized urban trails that provide safe routes for both recreation and travel between residences, workplaces, commercial centers, and schools.**
   1. How will the project extend trails or routes for recreational and/or commuter purposes? Describe the intended users.
      Planned users of the proposed trail include recreational users (bicycle, pedestrian, and equestrian), intercity commuters, and short-distance commuters. The main proposed trail is a relatively straight forest road that runs along the eastern edge of a significant part of the community of McKinleyville. There are multiple options for access points from urbanized areas to the trail, all of which offer connections to the trail that are less than 0.5 miles in length. So the trail will offer close access to a forest wilderness trail experience for

[1] Humboldt County. 2016. *Humboldt General Plan – Planning Commission Approved Draft*. Section 1.7 Population.
[2] McKinleyville Community Services District. 2012. Parks & Recreation Master Plan.
[3] Humboldt County. 2002. Humboldt County General Plan, McKinleyville Community Plan – Volume II.

recreational users. Because the trail runs along the length of much of the community, short-distance commuters can use it as a non-motorized, safe option for travel to destinations in different parts of McKinleyville. Major destinations include the Central Avenue shopping area, three schools (elementary, junior, and high), a public library, Azalea Hall Community Center, Hiller Park, Hammond Trail, and Midtown Trail.[4] Activity centers within a half-mile of the community forest include a library, natural foods store, Native American health clinic, feed store, recycling center, hardware store, garden store, golf course, and three churches[5]. Intercity commuters (such as Humboldt State University students/employees) will be able to make use of the trail as part of their commute by bicycle between McKinleyville and Arcata. Using revenues from the operation of the community forest, over time the District will be able to significantly expand interconnection options to the trail from McKinleyville, thereby making commuter use of the trail even more attractive.

2. Describe how the trail increases connectivity of the active transportation network such as filling gaps or otherwise completing routes in a bike or trail plan or a low-stress bikeway network.
   The trail runs on the edge of the urbanized area in McKinleyville, and increases connectivity by providing a safe, low-stress, off-highway, non-motorized option for traveling from various areas within the town. Using existing road connections, the trail also connects with routes to the neighboring City of Arcata.
   The need for a trail of this type is referenced in several public active transportation plans. A goal in the McKinleyville Community Plan is: "Provide a network of safe pedestrian and bike trails through off-road linear greenbelts and pathways throughout McKinleyville to supplement the on-road bike paths and bike lanes to be implemented as part of the circulation element"[6]. Another goal is: "2. To increase participation in bicycling, horseback riding, and hiking activities which can provide physical, social, environmental, and economic benefits for community residents and tourists."
   The McKinleyville Parks & Recreation Master Plan states: "Of all Humboldt County communities, McKinleyville residents have expressed the need for trails, particularly equestrian trails, far more than residents in other areas."[7] It also specifically mentions the opportunities for trails in the propsed Community Forest (although, as private land, these trails could not be constructed at the time).
   In summarizing community input for the development of the Humboldt Regional Trails Master Plan, the plan states: "The results indicate that although participants believe all four facility types are a necessary component of an active transportation system, they would prefer the majority of trail development and maintenance dollars be spent on multipurpose and Class I facilities."[8]
   These plans further note bottlenecks in active transportation routes between Arcata and McKinleyville, and, as noted above, trails are mapped across the proposed property to fill gaps within the network or to allow bicycle traffic to avoid dangerous, high-velocity roads.
3. What construction materials will be used? The forest roads that will comprise the new trails already exist. They are in good condition, suitable for pedestrian or bicycle use. Roads are either unpaved dirt or gravel; both are permeable. Future maintenance and improvement will be funded elsewhere.

---

[4] Humboldt Co. Assoc. of Governments. *Humboldt Regional Bicycle Plan – Update 2012*.

[5] Activity center mapping by The Trust for Public Land.

[6] Humboldt County. 2002. Humboldt County General Plan, McKinleyville Community Plan – Volume II.

[7] McKinleyville Community Services District. 2012. Parks & Recreation Master Plan.

[8] Humboldt County Association of Governments. 2010. Humboldt County Regional Trails Master Plan.

4. What percentage of the proposed trail system will be ADA accessible? About 1.5 miles (30%) of the proposed trail have minimal grade appropriate for ADA accessibility, though ADA connections do not now exist. Pursuing ADA accessibility for the trail will become a priority in the District's recreation facility planning, as governed by Objective 4 in the District's Parks & Recreation Master Plan (2014), which states that opportunities to implement Universal Design principles should be applied to all facilities.
5. How many miles of trail will be created or enhanced? Over 5 miles of trail will be created by providing public access to existing, well-maintained forest roads.
6. Does the trail connect to or between parks, open space, or green infrastructure?
   Yes. To the east, the community forest is adjacent to 2500+ acres of private forest, providing ecological connections (see conservation easement discussion, below). To the south, the new trail will connect to the Mad River and the California State Azalea Reserve using existing public road connections. To the west, a planned trail along Widow White Creek (proposed under the Humboldt County Master Plan), a portion of which has been constructed and is open to the public, would allow a future connection to the popular Hammond Trail (part of the California State Coastal Trail) and a variety of coastal recreation amenities.
   TPL is working with the same landowner on the purchase of a conservation easement on 2,500 acres immediately to the east of the proposed community forest. The easement lands will form a habitat bridge to the 2000-acre Van Eck Forest to the northeast, which is permanently protected under a conservation easement, and is sustainably managed by Pacific Forest Trust. The connection of these protected and sustainably managed forestlands would create significant, high-quality habitat connectivity.
7. Does the trail improve safety for bicyclists and/or pedestrians, which may lead to increased biking or walking?
   Yes. Transportation planners have identified substantial demand for multipurpose and Class I trails in the County of Humboldt[9]. The 2010 Humboldt County Regional Trails Master Plan states: "The results [of community trail planning workshops] indicate that although participants believe all four facility types are a necessary component of an active transportation system, they would prefer the majority of trail development and maintenance dollars be spent on multipurpose and Class I facilities." The addition of this significant new regional, multipurpose, safe, Class I trail would directly satisfy a long-awaited need, which would certainly increase biking in the community.
   Safety will be improved as bicyclists use the trail to bypass portions of Murray Road, a high-speed road which offers no bike lane and little shoulder, and Business 101 (Central Avenue), a busy commercial street with many turning movements. Average daily automobile trips for these roads are as follows: Central Avenue (US 101 Business): 16,000, Murray Avenue: 3,000.[10]
   The trail will also allow the public to access a new natural area for walking or biking in close proximity to McKinleyville. This will remove the necessity for car travel of approximately 10miles to the closest forested park resource in Arcata.

e. **Neighborhood, city, regional, or county parks and open space.**

1. Describe the environmental condition of the park/open space. Does the project protect rare, threatened, or endangered species and their habitats?
   The land has been managed as productive timberland for decades. It is currently 90% forested, and contains areas in different stages of forest regrowth, along with mature stands of Sitka spruce, redwood and Douglas fir. In compliance with an Aquatic Habitat

[9] Humboldt County Association of Governments. 2010. Humboldt County Regional Trails Master Plan.
[10] Data provided through personal communication with Humboldt County staff

Conservation Plan that guides the operations of the current landowner, Green Diamond Resource Company (GDRC), many stream buffers presently exceed 150 feet in width. Trees are allowed to grow older in these buffers, helping to improve water quality, species diversity, and ecosystem functions.

The headwaters of two perennial creeks used by threatened salmonids are on the property: Widow White Creek and Mill Creek. Occurrences of threatened Chinook and coho salmon have been documented in these streams, along with steelhead and coastal cutthroat trout.[11][12] Forests in the area provide habitat for northern spotted owl, and GDRC is regulated by a Habitat Conservation Plan for the Northern Spotted Owl.

2. How will the project convert the property into a park/open space? Include plans for recreational and scenic amenities. Through these funds, MCSD would upgrade gates and access area at the Murray location to allow pedestrian, bicycle and equestrian access. In the future, numerous neighborhood accesses would be developed after community outreach to afford the same type of access and include parking. Trail development and kiosks would be developed. Scenic overlooks and picnic areas would also be considered.

   The acquisition will convert private forestlands into a greenbelt and community forest with public trails accessible from multiple points in McKinleyville, including Murray Road, Babler Road, Gwin Road, and Sutter Road. (These access points coincide with Community Plan recommendations.) Management as a community forest will balance timber harvesting with protection and restoration of forests for ecosystem resiliency and public enjoyment. Management goals will be heavily weighted toward growth of larger, older trees; protection of scenic views; and safe and well-used trails. The project is intended to provide a largely natural outdoor experience. Upper reaches of the community forest will afford views over the coastal plain to the Pacific Ocean. Future improvements are expected to include trail surface upgrades, parking, bench installation, safety features, and educational signage.

   The community forest will serve as a critical open space buffer between the communities of McKinleyville and Fieldbrook, an area that has long been considered an important greenbelt. This satisfies several of the guiding principles of the McKinleyville Community Plan, including:

   > "H. Each community should have a well-defined edge, such as agricultural greenbelts or wildlife corridors, permanently protected from development."
   >
   > "J. Wherever possible, the natural terrain, drainage and vegetation of the community should be preserved with superior examples contained within parks or greenbelts."[13]

   The development rights on the existing land (zoned Timberland Production), now allow for subdivision into 160-acre parcels; however, the McKinleyville Community Plan clearly encourages conservation of these timberlands for long-term economic utilization, as well as for their open space, biological, and scenic resource values, as well as the reduction in stormwater runoff they provide[14]. This project will ensure that the long strip of forest that now forms a visual backdrop for the community will be shielded from development and continue to provide these significant benefits.

3. Will the project protect agricultural lands or features of archaeological or historical value? The project will continue to protect over 500 acres of working, productive forest, subject to future planning for no-harvest reserve units in critical ecological areas.
4. Describe any limits such as parking, hours of operation, available staffing, user fees, seasonal restrictions or other ecological considerations.

---

[11] Green Diamond Resource Company. 2006. Aquatic Habitat Conservation Plan and Conservation Agreement with Assurances. Vol. 1

[12] Green Diamond Resource Company. 2017. Map of Threatened Aquatic Species Detections.

[13] Humboldt County. 2002. Humboldt County General Plan, McKinleyville Community Plan – Volume II.

[14] Humboldt County. 2002. Humboldt County General Plan, McKinleyville Community Plan – Volume II.

The community forest will be open from sunrise to sunset. Staffing will be provided by the District. No user fees will be charged. Seasonal restrictions may apply, such as if trails need to be protected from users during heavily saturated conditions. The planned access points provide many opportunities for parking on adjacent streets. New parking is planned by the District in the future, after the need has been identified and planning is complete. Central to management as a community forest will be designating areas for special ecological protection; the details of this will be determined following the development of a Forest Management Plan—one of the early implementation steps.

5. How many acres of green space/park will be created or enhanced?
   556+/- acres of new green space will be created.
6. How many acres of green space/park will be acquired? 556+/- acres will be acquired.

Statutory and Program Priorities

a. **Provide park or recreational benefits to a critically underserved community or DAC.**
   1. Identify whether/how project will expand acreage and/or access to open space in a critically underserved or DAC. The project will provide 556+/- acres of easily accessible open space to the adjacent community of McKinleyville, which is critically underserved for park space (0 acres per 1,000 population) and qualifies as disadvantaged per SB 859 (MHI of $48,070).
   2. Describe each recreational element planned for the project. The project makes available 5 miles of existing, well-maintained forestry road as public pedestrian/bicycle/equestrian trail. The trail is set in a forested landscape, and offers passive recreation opportunities such as wildlife viewing, photography, enjoyment of scenic views, and exploration of natural habitats. As an existing trail that will be managed as part of a community forest, environmental compatibility could not be greater. The trail will significantly expand recreational opportunities and wellness benefits to the surrounding critically underserved community—satisfying the project's overall recreation objectives. A Class I, multiuse trail was prioritized as the type of trail most desired by the community in recent transportation planning workshops[15]. The community forest model is based upon active participation of the community, so residents will have opportunities in the future to expand upon recreational elements offered, such as ecology learning programs.

b. **Proposed by a critically underserved community or disadvantaged community.**
   1. Identify whether project is proposed by a critically underserved or disadvantaged community. The project is proposed by a critically underserved community, in fact it is proposed by the main provider of recreation facilities and services to that community: the McKinleyville Community Services District. California State Parks' Community Fact Finder tool was used to make this determination, and the location chosen was a central point on the property near adjacenet urban neighborhoods although many other locations produce the very same results). Community Fact Finder also shows that income in that community is less than 80% of state MHI, qualifying it as disadvantaged per SB 859. See questions 5c and 5e above for descriptions of related policy directives proposed by the community.
   2. How will the project benefit said proposed community? The project will provide needed open space and recreational opportunities for the community through the opening up of 556+/- acres of forestland and 5 miles of multi-use trail, including 1.5 miles of Class I trail. The specific open space and recreation benefits are thoroughly described in questions 5c and 5e. In addition, the economic benefits are described below in question b3.

[15] Humboldt County Association of Governments. 2010. Humboldt County Regional Trails Master Plan.

3. Describe the importance of the project to the community. Is there any opposition to the project? This project has widespread community support. The Community Services District and The Trust for Public Land (TPL) created a partnership in 2015 to aid in creation of the community forest. At the Nov. 3, 2015 meeting of the Humboldt County Board of Supervisors, a presentation was made about the proposed community forest, and the board unanimously moved to support the McKinleyville forest concept. At the Nov. 4, 2015 meeting of the McKinleyville Community Services District, their board voted to begin searching for funding for the project. At the Nov. 18, 2015 meeting of the McKinleyville Municipal Advisory Committee, the committee voted in support of the concept of a McKinleyville Community Forest. There is no known opposition to the project.
   Humboldt County Supervisor for the Fifth District, Ryan Sundberg, is an advocate of the project. Senator McGuire, (2nd District covering the North Coast California), visited the District in 2015, and noted his special interest in the potential for the community forest and requested a tour of the property. In addition, over the past two decades, the voters of McKinleyville have passed four ballot measures supporting the acquisition of parkland tracts.

Disadvantaged Communities per SB 535

1-8. How is a disadvantaged community applicable to this project? The project is neither located within nor serves a disadvantaged community per SB 535. However, the project is located within and serves a disadvantaged community per SB 859, and is critically underserved community for park space.

Statewide Park Development and Community Revitalization Act of 2008

1-4. Was this project eligible to receive funding from the SPDCRA of 2008? This project was eligible to receive funding from the Act, but did not receive such funding.

Additional Project Characteristics

1. **How does the project address environmental, social, economic, or public health issues or provide benefits not previously discussed.**
   Economic benefits. The new community forest will be a remarkable economic asset in a community with limited revenue streams. As with other large parks and community forests, it will be a recreational draw due its trail system that will support hiking, biking, horseback riding, and wildlife viewing. Local business will benefit from visitor spending, including hotels, restaurants, gas stations, nature/biking guides, and retail shops (e.g., gift, sports, bike, art). Maintenance of these large tracts in working forestland will help to stabilize the timber-based economy of the area and protect forestry jobs, among the best paid in this disadvantaged area. And the sale of carbon offsets could become an important revenue stream for the forest.
   Flood management benefits. Large forest tracts that include areas of continuous tree canopy serve to slow the rate of runoff and sedimentation into streams, limit the destructive effects of flooding, and minimize sedimentation.
   Clean water benefits. Sustainable management of the forest will include better protections of streamside buffers, which will improve stream water quality and aquatic habitat.
2. **Describe how project might be used as a model.** Community forests are relatively rare in the western United States, but in recent years the model has proven to be highly replicable in the Pacific Northwest. The model uses sustainable forest management, which provides some or all of the funds needed for ongoing operations and management, while allowing retention of jobs and education of the public about forestry. TPL has successfully helped create or expand several

community forests in Humboldt County, including the new 1,001-acre McKay Community in Eureka, and the 2,350-acre Arcata Community Forest. The Arcata Community Forest has been a highly successful and economically self-sustaining project, and is a model for the McKinleyville Community Forest.
This project will add to the growing list of community forest models in the Pacific Northwest, and its successes and challenges can be shared to help with the planning of future projects. TPL's actively shares information and knowledge on its community forests work at the annual series of West Coast Community Forest Conferences held in Portland, Oregon.

3. **What type of irrigation system will be installed?** Irrigation is not needed. Trees will be planted to take advantage of the area's significant winter rainfall for initial establishment.
4. **How will appropriate security and safety be provided?** The District is experienced in providing security and safety services, and will manage and operate the community forest.
5. **Describe how the project uses anti-displacement strategies.** This project seeks to serve the current community and relies on county policies to avoid displacement; however, the District does work with the county to support their displacement prevention policies and programs. These include rent control and stabilization, just-cause eviction, and incentives for inclusionary zoning. All new development in McKinleyville includes HCD approved ratios for low and very low income housing. McKinleyville is a leader in Humboldt County for low income housing new construction. Humboldt County voters recently passed Measure V, which ensures rent control in mobile home parks.

Project Readiness

1. **Identify and describe the steps to be taken immediately following the grant award.**
   1. Finalize appraisal
   2. Complete due diligence: title, survey, minerals, Phase I (if not completed)
   3. Acquire tract

   Post-acquisition steps (not funded as part of this grant) include
   1. Open at least 2 miles of the existing trail to the public
   2. Conduct community/stakeholder outreach and meetings to gather input about trail, planned access points, priority improvements
   3. Issue Request for Proposals for forest management plan
   4. Work with the selected forestry contractor, Humboldt State University, and the community to create a forest management plan to guide harvesting and maintenance on the community forest.
2. **Have performance measure standards been established to quantify the success of the project?** Project performance measures have not yet been established. The District will work with the community to prepare a forest management plan, which will include performance measures. These measures may include: % increase in canopy cover, survival rate of new trees, number of recreation visitors, and number of commuter trail users. GHG reduction through carbon sequestration and vehicle miles reduced will be quantified and reported.
3. **Provide the status of the following:**
   Preliminary design plans including plant palettes: A plant palette and planting (afforestation) plan, prepared by a registered professional forester, are complete. A letter from a registered professional forester is attached. ***CEQA compliance***: The project is categorically exempt (CEQA Guidelines Section 15325). A draft Notice of Exemption is included with the application and will be completed prior to grant award. ***Permits***: No permits are needed for acquisition or tree planting. ***Commitments from project partners***: TPL is the main project partner; commitment is secure. The District has agreed to fund O&M for the requisite 25 years. ***Detailed appraisal;***

preliminary title report; negotiations with a willing seller. A Willing Seller Letter is attached. An appraisal is planned for Fall 2017. Preliminary title report complete. Minerals are intact.

4. **What other factors may affect the project's timeline and completion?** No other factors affecting the timeline are expected.
5. **Is there any toxic contamination resulting from prior mine-related or other industrial activity on the property?** The property has been operated as pure forestland for over 100 years, and no mills or industrial installations have ever operated on or near the property. The State Water Board's GeoTracker map indicates no sites with hazardous or toxic materials in the vicinity of the project.
6. **Describe any due diligence regarding abandoned mines.** Mineral rights are intact (owned by the landowner). The California Department of Conservation, Division of Mine Reclamation's interactive "Mines Online" map viewer was consulted. It showed no abandoned mines in the vicinity of the project.
7. **List other sources of funding and amounts already committed to project and expected timing.** The landowner (GDRC) has pledged a donation of $250,000 toward the project, which will be made available upon project funding. The value of in-kind volunteer labor for trail maintenance and other tasks is estimated at $50,000.
8. **Indicate any other grant funding requests.** No other funding requests have been made. If this grant is awarded, it will be sufficient (with the landowner match noted above) to fund the entire project.
9. **What other options are available to meet the project objectives if grant request is not successful?** We will seek funding from other public and private sources as appropriate.
10. **What is the contingency plan for implementation if project exceeds the budget?** Since the project will be subject to an approved appraisal, it is most unlikely that the project will exceed the budget significantly. The District will absorb minor cost overruns. Significant overruns, though not expected, may be dealt with by appropriate adjustments to acreage, which are expected to be limited to 25%. (Acreage adjustments, if decided upon, will not affect GHG calculations, since these adjustments will not occur in areas contributing to GHG sequestration.)

Organization Capacity

1. **Organization's experience in completing this type of project?** The District has provided development and management of parks and recreation facilities to the community for over 25 years, including operation of multiple parks and recreation facilities. The District has over 35 full-time employee equivalents, including 30 part-time recreation and parks staff, and an annual budget of $6.5 million.
   Project partner TPL will help acquire the property from its current private landowner and its subsequent conveyance to the District. TPL has been active in acquiring land for public use for over 40 years and has acquired millions of acres across the country, including 415 park projects. TPL has a dedicated Parks for People Program, which is specifically intended to help address the need for green space for the 80% of Americans who live in cities and metropolitan areas. TPL has been instrumental in assisting local government agencies in Humboldt County with protection of forestland within and surrounding urban limits, and has developed an excellent working relationship with the current landowner, GDRC.
   Humboldt County is a leader in the Northwest in the development and management of community forests, so the District can draw from considerable local expertise for project implementation.
2. **Plan to keep the community informed and involved in the project.** By definition, community forests are intended to have ongoing community involvement. Once the community forest property is acquired, the District will develop a forest management plan, which will be

done through an open and transparent community process that will gather input from a wide range of stakeholders. Residents of McKinleyville and surrounding communities are very supportive of the community forest model, and have been and will no doubt continue to be actively engaged in planning and management decisions. Hosting volunteer workdays, using volunteer trail stewards to lead tours and nature hikes, outreach newsletters, and periodic special public meetings will support going community engagement. In addition, public input is solicited by the District at each monthly public meetings of their board of directors.

3. **Who will perform long-term maintenance?** The District will provide long-term maintenance of the community forest. The District has considerable experience in long-term parks management. They operate multiple parks and recreation facilities, including a 36-acre park of natural areas, forests, and trails; and a 14-acre site of forests and streams for recreation. Costs for maintenance of the property and trails beyond the grant timeline are built into the design of the community forest model—where revenue from timber sales (and possibly carbon offsets) is used to offset management of the community recreation assets.
4. **Describe how your proposed project will be sustained.** The District will be responsible for the plantings. Sustainability is built into the innovative community forest model, which specifically balances revenue generation, with improved protection of sensitive ecosystems, and community access and engagement. The forest will be more sustainable because of expanded habitat protections, and the community green space/recreation assets will be sustainable because of maintenance revenues from sale of forest products. For example, the nearby 2,100-acre Arcata Community Forest generates $500,000-$700,000 of revenue annually from timber harvesting, of which $245,000 covers management costs and $20,000 supports ranger salary.[16]
5. **How will the project be protected from vandalism and deterioration**? The District's recreation staff will monitor the community forest for vandalism and deterioration. Given the minimal nature of the improvements, significant deterioration is neither expected nor likely.
6. **Explain methods for estimating costs and project cost-effectiveness.** As an acquisition project, the only costs are directly related to the purchase of the property, and these costs were estimated based upon TPL's extensive knowledge of similar transactions and comparable sales in the area. Going forward, having access to revenues from the sale of timber products for ongoing maintenance and management makes this a highly cost-effective project. The Arcata Community Forest, for example, benefits from considerable excess revenue, beyond management costs, each year.[17]
7. **Do you have a fiscal sponsor?** N/A
8. **Has the applicant received a prior grant from the California Natural Resources Agency?** While the District has not received a prior grant from CNRA, Project partner TPL has received numerous awards through a variety of programs including Environmental Enhancement and Mitigation Program, River Parkways Program, Urban Rivers Program, and Urban Greening program (Prop 84). TPL has received the following Urban Greening Program grants: Harbour to 8th Greenway (small grant; 2014), Kellogg Park Development Project (2014), Avalon Green Alley Pilot Project (2012), Ocean Meadows/Upper Devereux Slough (2012), and the LA River & Aliso Creek Confluence Park (2011).

[16] Communities Committee. 2008. *Acquiring and Managing a Community-Owned Forest: a Manual for Communities.*

McKinleyville Community Services District

BOARD OF DIRECTORS

May 3, 2017 TYPE OF ITEM: **ACTION**

ITEM: E.7 **Consider Approval of Professional Services Agreement for GHD to Provide Construction Management Service for MCSD Digital Control Upgrade and Authorize General Manager to Execute Contract**

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

TYPE OF ACTION: **Roll Call**

Recommendation:

Staff recommends that the Board review the information provided, take public comment and consider authorizing the General Manager to execute the Professional Services Agreement for GHD, **Attachment 1**, not to exceed $40,000 with a 10% ($4,000) contingency totaling $44,000.

Discussion:

MCSD and GHD agreed to expand the scope of work pertaining to the Digital Control Upgrade Project (Project), to assist the District in the bidding and awarding of contract and to provide construction assistance during construction of the Project. The Project will upgrade the District's existing digital controls that are part of the Supervisory Control and Data Acquisition (SCADA) system. GHD will provide assistance in the bidding and bid review process, in addition to construction assistance for the design and installation of the Digital Control System upgrades.

Alternatives:

Staff analysis consists of the following potential alternative

- Take No Action

Fiscal Analysis:

Contract amount is $40,000 plus 10% contingency totaling $44,000. No Budget amendment is necessary as this amount was included in the Operations Budget but the amount exceeds the General Manager's discretionary spending limit.

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – Professional Services Agreement

McKinleyville Community Services District
PO Box 2037, McKinleyville California 95519
Telephone (707) 839-3251 - FAX (707) 839-8456

Professional Services Agreement

This Professional Services Agreement (this "Agreement") is made and entered between the parties listed below as of the date(s) set forth below. For your protection, make sure that you read and understand all provisions before signing. The terms recited as sections a through u on Pages 3 through 7 are incorporated in this document and, along with this page, constitute material terms and conditions of the Agreement between the parties.

TO: GHD

718 Third Street

Eureka, Ca. 95519

DATE: 5/4/2017

Agreement No. 2017-05

The undersigned Consultant offers to furnish the following services (the "Services"):

As described in the proposal submitted by Consultant dated March 29, 2017, which is attached hereto as **Exhibit A** and incorporated herein by reference. The Services shall be provided on a time and materials basis not to exceed the amounts described in **Exhibit A**, which is attached hereto and incorporated herein by reference. The scope of work for this project includes the following:

Assist the District with the Bid, Design, and Construction process for your Digital Control System Upgrade project. GHD will assist the District during the bid process by distributing the contract documents to selected contractors, attending the pre-bid meeting, answering questions and preparing bid addendum. We will also review the bid documents received and provide input on the final Contractor Selection. GHD will also assist during the design and construction phase by providing review and input on the design proposed by the selected Contractor, reviewing and issuing change orders, responding to Requests for Information, reviewing and commenting on Pay Requests, attending construction meetings as required.

Contract price Not to Exceed $40,000.00

Completion date _____

Payment Intervals:
Monthly
Instructions: Sign and return original. Upon acceptance by McKinleyville Community Services District, a copy will be signed by its authorized representative and promptly returned to you. Insert below, the names of your authorized representative(s).

Accepted: McKinleyville CSD	Consultant:GHD
	_____
	(Business Name)
By Gregory Orsini	By Pat Kaspari
Title General Manager	Title Associate Engineer
Other authorized representative(s):	Other authorized representative(s):
James Henry	
_____	_____

Consultant agrees with McKinleyville Community Services District that:

a. **Indemnification.** To the fullest extent permitted by law and consistent with California Civil Code §2782.8(a), Consultant will, indemnify and hold harmless McKinleyville Community Services District, its directors, officers, employees, and authorized volunteers (collectively "District") from and against all claims, demands and damages of all persons and entities that arise out of the Consultant's negligent acts or omissions, recklessness, or willful misconduct in the performance (or non-performance) of the Services under this Agreement. Consultant shall not be obligated to defend or indemnify the District from and against all claims, demands and damages that arise out of, pertain to, or relate to the District's own negligent acts or omissions, recklessness, or willful misconduct or the negligent acts or omissions, recklessness, or willful misconduct of others.

b. **Standard of Care.** In providing the Services under this Agreement, Consultant shall exercise that degree of skill and care ordinarily used by other reputable members of Consultant's profession, practicing in the same or similar locality and under similar circumstances.

c. **Workers Compensation Insurance.** By his/her signature hereunder, Consultant certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and that Consultant will comply with such provisions before commencing the performance of the professional services and work under this Agreement. Consultant and sub-consultants will keep workers' compensation insurance for their employees in effect during all Services covered by this Agreement.

d. **Professional Liability Insurance.** Consultant will file with McKinleyville Community Services District, before beginning professional services, a certificate of insurance satisfactory to the McKinleyville Community Services District evidencing professional liability coverage of not less than $1,000,000 per claim and annual aggregate, requiring 30 days notice of cancellation (10 days for non-payment of premium) to McKinleyville Community Services District. Coverage is to be placed with a carrier with an A.M. Best rating of no less than A-:VII, or equivalent, or as otherwise approved by McKinleyville Community Services District. The retroactive date (if any) is to be no later than the effective date of this Agreement. Consultant shall maintain such coverage continuously for a period of at least three years after the completion of the contract Services. Consultant shall purchase a one-year extended reporting period i) if the retroactive date is advanced past the effective date of this Agreement; ii) if the policy is canceled or not renewed; or iii) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement. In the event that the Consultant employs other consultants (sub-consultants) as part of the Services covered by this Agreement, it shall be the Consultant's responsibility to require and confirm that each sub-consultant provides insurance coverage deemed appropriate by Consultant for the role of the subconsultant under this contract.

e. **Insurance Certificates.** Consultant will file with McKinleyville Community Services District, before beginning professional services, certificates of insurance satisfactory to McKinleyville Community Services District evidencing general liability coverage of not less than $1,000,000 per occurrence ($2,000,000 general and products-completed

operations aggregate (if used)) for bodily injury, personal injury and property damage; auto liability of at least $1,000,000 for bodily injury and property damage each accident limit; workers' compensation (statutory limits) and employer's liability requiring 30 days (10 days for non-payment of premium) notice of cancellation to McKinleyville Community Services District. The general liability coverage is to state or be endorsed to state "such insurance shall be primary and any insurance, self-insurance or other coverage maintained by McKinleyville Community Services District, its directors, officers, employees, or authorized volunteers shall not contribute to it". The general liability coverage shall give McKinleyville Community Services District, its directors, officers, employees, and authorized volunteers insured status using ISO endorsement CG2010, CG2033, or equivalent. Coverage is to be placed with a carrier with an A.M. Best rating of no less than A- :VII, or equivalent, or as otherwise approved by McKinleyville Community Services District. In the event that the Consultant employs other consultants (sub-consultants) as part of the Services covered by this Agreement, it shall be the Consultant's responsibility to require and confirm that each sub-consultant has in place levels of insurance deemed appropriate by the Consultant for the risk associated with the role of each subconsultant under this contract.

f. **Renewal Certificates.** If any of the required coverages expire during the term of this Agreement, the Consultant shall deliver the renewal certificate(s) including the general liability additional insured endorsement to McKinleyville Community Services District at least ten (10) days prior to the expiration date.

g. **General Manager Authority.** Consultant shall not accept direction or orders from any person other than the General Manager or the person(s) whose name(s) is (are) inserted on Page 1 as "other authorized representative(s)" on behalf of McKinleyville Community Services District.

h. **Payment Intervals.** Payment, unless otherwise specified on Page 1, is to be 30 days after acceptance of a written invoice by McKinleyville Community Services District.

i. **Permits and Licenses.** Permits and licenses required by governmental authorities in connection with Consultant's services will be obtained at Consultant's sole cost and expense, and Consultant will comply with applicable local, state, and federal regulations and statutes including Cal/OSHA requirements.

j. **Amendments and Modifications.** Any change in the scope of the professional Services to be done, method of performance, nature of materials, work provided or price thereof, or to any other matter materially affecting the performance or nature of the Services will not be paid for or accepted unless such change, addition or deletion is approved in advance, in writing by a supplemental Agreement executed by McKinleyville Community Services District. Consultant's "authorized representative(s)" has (have) the authority to execute such written change for Consultant.

k. **Representations.** Consultant represents that it is now, and will remain for the duration of its Services, properly licensed, qualified, experienced, and equipped to perform the Services. Consultant also represents that the Services shall be completed in accordance with this Agreement. Consultant further represents that the Services and the sale or use of the Services shall not infringe, directly or indirectly, on any valid patent, copyright or trademark, and Consultant shall, at Consultant's sole cost and expense, indemnify, and hold harmless McKinleyville Community Services District from and against any and all

claims and causes of action based on infringements thereof. These representations shall survive the expiration or termination of this Agreement, and are in addition to any warranties provided by law. No payment to Consultant for any Services performed hereunder (including, without limitation, final payment) shall constitute a waiver of any Claims by McKinleyville Community Services District against Consultant relating to the Services.

l. **Ownership of Drawings and Samples.** Consultant shall submit promptly for all drawings, details, samples and other data required or specifically requested by McKinleyville Community Services District in connection with provision of the Services, and such drawings, details, samples and other data created in connection with performance of the Services and provision of the work shall constitute the property of the McKinleyville Community Services District.

m. **Compliance with Law/Safety.** In performance of the Services, Consultant shall, at its expense, exercise due professional care, comply strictly with, and cause all sub-consultants to comply strictly with, all laws, orders, rules and regulations of governmental authorities, including those relating to the storage, use or disposal of hazardous wastes, substances or materials, and including the procurement and payment for all necessary permits, certificates and licenses required in connection with the Services. If either Consultant or McKinleyville Community Services District receives notice of any violation by Consultant of any laws relating to Consultant or McKinleyville Community Services District receives notice of any violation by Consultant of any laws relating to Consultant's (or sub-consultants) services or work provided hereunder, such party shall promptly inform the other party in writing of the existence thereof. Consultant shall comply with all applicable laws relating to safety, including without limitation the Occupational Safety and Health Act of 1970 as it may be amended from time to time, and all regulations and standards issued pursuant thereto. Consultant shall conform to the current prevailing standards of safety practice.

n. **Equal Opportunity.** In the performance of the Services there shall be no discrimination on account of race, religion, sex, sexual orientation, age or national origin and Consultant shall comply with applicable federal, state and local laws and regulations pertaining to fair employment practices, including without limitation the provisions of Executive Order 11246 as amended by the President of the United States and the rules and regulations issued pursuant thereto, unless exempted.

o. **Termination.** McKinleyville Community Services District may, at its option, terminate this Agreement without cause at any time. If at the time of any such termination, any Services have already been provided by Consultant but are unpaid for, McKinleyville Community Services District's only obligation, if Consultant is not in default, shall be to pay for such Services actually provided by Consultant prior to the date of termination. Upon receipt of notice of termination, Consultant shall immediately stop all performance hereunder except as otherwise directed by McKinleyville Community Services District, and if Consultant is not in default, McKinleyville Community Services District shall pay to Consultant (a) the prorata portion of the agreed price based on the percentage completion of the Services which was satisfactorily completed at the time of termination, and (b) the actual net costs incurred by Consultant directly connected with the Services that was not completed prior to the date of termination; provided, however, that under no circumstances shall the total under (a) and (b) exceed the contract price stated on page one (1) of this Agreement, above. Upon such payment, title to any such items or uncompleted Services shall, at McKinleyville Community Services District's option, pass to McKinleyville Community Services District.

p. **Default.** Upon any default by Consultant hereunder, or in the event of proceedings by or against Consultant in bankruptcy or for the appointment of a receiver or trustee or an assignment for the benefit of creditors, McKinleyville Community Services District may, at its option, terminate this Agreement without penalty or liability (except for payment for any Services completed and accepted by McKinleyville Community Services District). Consultant shall be liable to McKinleyville Community Services District for all expenses incurred by McKinleyville Community Services District in finishing the Services and any damage incurred through any default, which at the option of McKinleyville Community Services District, may be charged against any amounts due from McKinleyville Community Services District to Consultant hereunder, but Consultant's liability hereunder shall not be limited thereby and such liability shall survive the expiration or termination of this Agreement. Any remedies provided for in this Agreement are cumulative and shall be in addition to, and not in limitation of, any other rights and remedies that may be available at law or in equity. Neither party shall be in default of this Agreement until such party has received three (3) days written notification (except in the instance of a health or safety concern, in which case failure to immediately remediate the health or safety violation shall be grounds to declare a default of this Agreement), and an opportunity to cure, or in the case of an alleged default which requires more than three (3) days to cure, a reasonable time so long as the alleged defaulting party commences the remediation of the default immediately, and thereafter diligently prosecutes the same to completion.

q. **Notices.** Notices, requests, demands, and other communications hereunder shall be in writing and delivered personally, sent by reputable overnight courier or mailed by first class, United States mail, with postage prepaid, to McKinleyville Community Services District, **PO Box 2037, McKinleyville California 95519**, **Attention: Gregory Orsini**, and to Consultant at the address set forth below its signature, or at any other address that may be given by either party to the other in the manner provided above. Notices delivered personally or sent by overnight courier shall be deemed delivered upon receipt. Notices delivered by mail shall be deemed delivered upon the earlier of (i) receipt or (ii) the date five (5) U.S. mail delivery days after the notice was placed in the United States mail as provided above.

r. **Headings.** All section headings are provided for convenience only, and shall not be deemed to constitute material terms and conditions of this Agreement.

s. **Interpretation.** Both Consultant and McKinleyville Community Services District are deemed to have jointly participated in the negotiation and preparation of this Agreement. Consequently, both Consultant and McKinleyville Community Services District are considered to have drafted this Agreement in equal parts and, if any ambiguity is found to exist, all rules of law and evidence requiring ambiguities to be interpreted to the detriment of the drafting party shall not apply.

t. **Attorneys Fees and Venue for Disputes.** If litigation becomes necessary to enforce the terms and provisions of this Agreement or as a result of any breach by Consultant or District of this Agreement, the prevailing party in any such litigation shall be entitled to recover reasonable attorney's fees and costs. The Humboldt County Superior Court for the State of California shall have exclusive jurisdiction over any dispute arising out of this Agreement or Consultant's provision of Services hereunder, and shall serve as the venue for any such dispute. All parties expressly consent to this designation of jurisdiction and venue.

u. MUTUAL UNDERSTANDING OF SERVICES. McKinleyville Community Services District and Consultant agree that the purpose of value engineering is the identification and presentation of recommendations for improvement of project or process value, for consideration by the McKinleyville Community Services District and their other professional advisors. Both parties understand that as a part of these services, Consultant does no design work and makes no project decisions. McKinleyville Community Services District and Consultant agree that Consultant will be liable to the McKinleyville Community Services District only for damages arising from Consultant's negligence in the performance of the Value Analysis or Value Engineering work itself, and only to the extent that such negligence directly damages the McKinleyville Community Services District.

March 29, 2017

Ref: 11136534

James Henry
Operations Director
McKinleyville Community Services District
P. O. Box 2037
1656 Sutter Rd
McKinleyville, CA 95519

Re: Scope and Budget for Digital Control System Upgrade Bid and Construction Assistance

Dear James,

Per your request, GHD has prepared this scope and budget to assist the District with the Bid, Design, and Construction process for your Digital Control System Upgrade project. GHD will assist the District during the bid process by distributing the contract documents to selected contractors, attending the pre-bid meeting, answering questions and preparing bid addendum. We will also review the bid documents received and provide input on the final Contractor Selection. GHD will also assist during the design and construction phase by providing review and input on the design proposed by the selected Contractor, reviewing and issuing change orders, responding to Requests for Information, reviewing and commenting on Pay Requests, attending construction meetings as required. We have attached a detailed scope and cost estimate to this letter. Please let me know if you have any questions.

We look forward to working with MCSD and appreciate your consideration for this project.

Sincerely,
GHD

Patrick Kaspari, PE
Project Manager

Enclosures: Scope and Budget for Digital Control System Upgrade, Bid & Construction Assistance

GHD Inc.
718 Third Street Eureka CA 95501 USA
T 1 707 443 8326 F 1 707 444 8330 E eureka@ghd.com W www.ghd.com

Scope and Budget
For Digital Control System Upgrade Bid & Construction Assistance

We have provided the following scope and tasks as discussed in the March 6, 2017 meeting with Greg Orsini and James Henry, and based on our understanding of the District's Digital Control System Upgrade project.

The following is a scope and cost estimate to provide bidding and construction assistance for the Digital Control System Upgrade project. The specifications and draft contract documents for the Digital Control System Upgrade have been completed and submitted to the District for final approval and releasing for bid. This completes GHD's scope of work for the existing Digital Control System contract with the District. The project will likely be bid and awarded in the spring of 2017, and the construction is likely to extend through the spring/summer of 2017 into the District's 2017/18 Fiscal Year. The following scope of services is for providing assistance to the District in the bidding and awarding of the contract and to provide construction assistance during project construction. The scope of work is detailed below:

Task 1 –Bidding and Construction Assistance

Task 1a – Bidding Assistance
This task would consist of GHD providing assistance in the bidding and bid review process. GHD will issue the bid package, providing copies to the Humboldt County, Shasta, and Sacramento Builders Exchange and selected contractors. It is assumed that the District will supply the Advertisement to an appropriate newspaper for publishing and also upload the Bid Documents to their website if they wish. GHD will maintain a Plan Holders List, and respond to contractor questions during the bid period and issue any necessary Bid Addenda. GHD will also attend the Bid Walk and respond to questions that come up during the Bid Walk with Bid Addendums that we will send out to all the Plan Holders. GHD will facilitate the bid opening at the District's offices, and review and make recommendations on the final contract awarding. GHD will then assist in the contract award process and will prepare draft Notice of Award and Notice to Proceed documents for the District to submit to the selected Contractor. GHD will facilitate the construction scheduling and initial project Kick-off meetings with the Contractor and the District.

Deliverables:
- Electronic version of Contract Documents to Humboldt, Shasta, & Sacramento Builder's Exchanges and selected contractors
- Plan Holders List
- Bid Addendums
- Final award recommendations
- Draft Notice of Award
- Draft Notice to Proceed

Task 1b –Construction Assistance
GHD will provide construction assistance for the design and installation of the Digital Control System upgrades. The intent of this subtask will not be to provide traditional Construction Monitoring services (e.g. daily monitoring of the Contractors progress and work product, preparation of As-builts, etc.) but to provide as needed assistance and input during the construction process as well as assist with responses to Requests for Information, Change Orders, and Progress Payment requests. As a part of this task GHD will organize and facilitate a construction Kick-off Meeting including scheduling the meeting with the Contractor and District Staff. GHD will prepare the agenda, lead the meeting, and prepare and distribute meeting minutes. GHD will also attend construction meetings throughout the construction process; however, it is also assumed that GHD will not have to attend all of the weekly Construction Meetings during the actual installation phase. GHD will be available as needed, but it is assumed that many of the meetings will consist of coordination between the District and the Contractor on the shutdown of various pump stations, and GHD's attendance will not be required at such meetings.

GHD will also review, respond to, and track Contractor Submittals and Requests for Information (RFI) and will prepare and submit Fieldwork Directives as necessary. GHD will also review and comment on the final proposed design submitted by the Contractor as part of the proposed work. GHD will review and comment on the design, but it is also assumed that we will not perform redesign on any part of the proposed installation. We will also not certify or stamp whether any of the design will function as intended, the sole responsibility of which will lie with the Contractor.

GHD will also negotiate, coordinate, prepare, review and track Change Orders during the design and construction phases. GHD will also review and comment on Contractor's pay requests and confirm submission of Certified Payrolls.

Deliverables:

- Kick-off construction meeting Agendas and Minutes
- Contractor Submittal and RFI review and response
- Contract Change Orders
- Field Work Directives
- Contractor Payment Request and Certified Payroll review and recommendations
- Review and comment on Contractor's final design plans.

General Assumptions/Exclusions

This proposal is based on the following assumptions:

1. The District will run the advertisement in a paper of their choice.
2. Assumes GHD will not have to provide hardcopies of the Bid Documents to any contractors.
3. The budget assumes a 6 month design/construction schedule
4. Does not include any permitting or reporting that may be required by regulatory agencies.
5. This budget does not include any detailed engineering design or analysis to determine with the final plan proposed by the Contractor will function as desired.
6. Does not include the preparation of any As-Built type documents.
7. Does not include any daily Construction Monitoring or Observation tasks such as confirmation of quantities installed by the Contractor, collection of field notes on work installed, photographs of work progress, or preparation of any final work submittals, punch lists or operations manuals.

Schedule

This work will be performed within the requirements of the construction schedule as established by the Contractor and the District.

Professional Service Fee

GHD will provide the above described scope of services on a Time and Material Basis at our Standard Labor Rates in place at the time of execution of the work, and in accordance with the terms and conditions of the Master Service Agreement in place between GHD & MCSD, for the estimated, Not to Exceed amount of:

Task 1 – Bid and Construction Assistance $ 40,000

McKinleyville Community Services District

BOARD OF DIRECTORS

May 3, 2017 TYPE OF ITEM: **INFORMATIONAL**

ITEM: E.8 **Review Leak Adjustment Policy, Impacts, and Policy Comparison Matrix**

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

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

Recommendation:

Staff recommends that the Board review the information provided, take public comment, and discuss whether any changes to the District's Leak Adjustment Policy should be returned for formal Board action at a future Board meeting.

Discussion:

The District's leak adjustment policy is similar in nature and scope to the policies of other providers of water utility service. However, there are two areas where the District's current policy differs sharply from others.

One area is the amount of time calculated in the adjustment. The District currently calculates adjustments for one month only. If a time restriction is stated in other policies at all, it is a minimum of two months or two billing periods. The difficulties sometimes experienced by customers in tracking down and repairing leaks in water systems seems to be a common issue.

The second area of difference lies in authorization. The District's policy is the only one that sets a specifically low dollar limit ($500.00) on approval and automatically creates an appeal to the full Board for any adjustment above that dollar amount. Only one other policy even lists appeal authorities. No other policy sets a dollar limit on the adjustment, other than the limitations that are set on the position tasked with making the adjustment decision.

Alternatives:

Take Action

Fiscal Analysis:

Not applicable

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – Leak Adjustment Impacts Comparison FY14-15, FY15-16 and FY16-17 year-to-date
- Attachment 2 – Leak Adjustment Policy Comparison Matrix

McKinleyville Community Services District
Leak Adjustment Cost Comparison, Prior and Current Years
Attachment 1

		FY14-15 Budget	FY14-15 Actuals	
Water Adjs	501-62120	3,000.00	2,375.28	79.2%
Sewer Adjs	551-62120	2,500.00	1,599.70	64.0%

		FY15-16 Budget	FY15-16 Actual	
Water Adjs	501-62120	6,500.00	11,719.33	180.3%
Sewer Adjs	551-62120	2,500.00	1,158.58	46.3%

		FY16-17 Budget	FY16-17 Actual YTD	75.0%
Water Adjs	501-62120	12,000.00	13,166.24	109.7%
Sewer Adjs	551-62120	2,800.00	3,204.59	114.4%

Leak Adjustment Policies Matrix

	Frequency	Adjustment Qualification	Calculated Max
McKinleyville	Once every two years	No minimum, but adjustment calculated for 1 month only	Half the difference between 1-month leak amount and prior 12-month avg
Eureka	Once every five years	At least 4 times average consumption	Calculation not specified. Payment of wholesale water rate required.
Fortuna	One Water adj every two years. One Sewer Adj per year	At least 4 times average consumption	not available
Humboldt Community Services District	Once every five years	At least 3 times (300%) average usage	Half the difference between disputed amount and 3-mo avg from prior year
Santa Rosa	Once every three years	At least 50% higher than same billing period in prior years, & must exceed Tier 2 charges. Adjustment calculated 2 billing periods only	Adjustment equivalent to the discount between Tier 3 and Tier 2 for Single-family Residential on the amount of excess usage
Scott Valley	Not Stated	No minimum, but adjustment calculated for up to 2 months only	75% of the difference between leak period and same period prior year. (or alternate method)
Morgan Hill	Once every two years	No minimum; Applicant must be a customer for at least 12 months; account must be current	Reduction to the lower, Tier 1 rate for the usage attributed to the leak, with additional credit given for perchlorate surcharge

Leak Adjustment Policies Matrix

	Approval Limitations	Verification	Other Limitations
McKinleyville	GM allowed to approve leak adjs up to $500. Over that amount goes to Board	Leak must be fixed and verified with a re-read. Receipts must be provided.	None stated.
Eureka	Water Billing Department approves, no position specified	Leak repair must be verified by two or more months normal usage.	None stated.
Fortuna	not available	not available	not available
Humboldt Community Services District	GM or designee is authorized to adjust.	None stated.	None stated.
Santa Rosa	Revenue Operations Supervisor or delegate may approve. Appeals to Director of Utilities, Utilities Board, then City Council	Receipts must be provided & request made no later than 60 days after the loss month	Sewer adjs allowed on 'outside' leaks only; allows one 'unexplained' adj per the life of the account
Scott Valley	GM has final authority to approve or disapprove	Receipts must be provided & request made no later than 30 days after repair month	ineligible leak types: toilets, faucets, irrigation valves or sprinkler heads
Morgan Hill	Utility Billing Office approves, no position specified	Receipts must be provided.	adjs for maintenance problems (toilets, faucets, irrigation valves or sprinkler heads) are ineligible

McKinleyville Community Services District

BOARD OF DIRECTORS

May 3, 2017 TYPE OF ITEM: **INFORMATIONAL**

ITEM: E.9 **Review Operations Draft Budget for Water, Wastewater, and Streetlight Funds, FY2017-18**

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

TYPE OF ACTION: **Information Only**

Recommendation:

Staff recommends that the Board review the FY2017-18 Draft Operating Budget for the Water, Wastewater, and Streetlights Funds.

Discussion:

The budget was developed based on current costs, trends, and best estimates. Information from the Capital Improvements draft budget that was previously presented to the Board is incorporated into this budget. Questions from the Directors on any category item or on the budget overall are welcome and may be brought to the General Manager. The finalized budget will be presented to the Board for formal approval in June.

Alternatives:

Take Action

Fiscal Analysis:

See attached FY2017-18 Draft Operating Budgets for Water, Wastewater, and Streetlights Funds

Environmental Requirements:

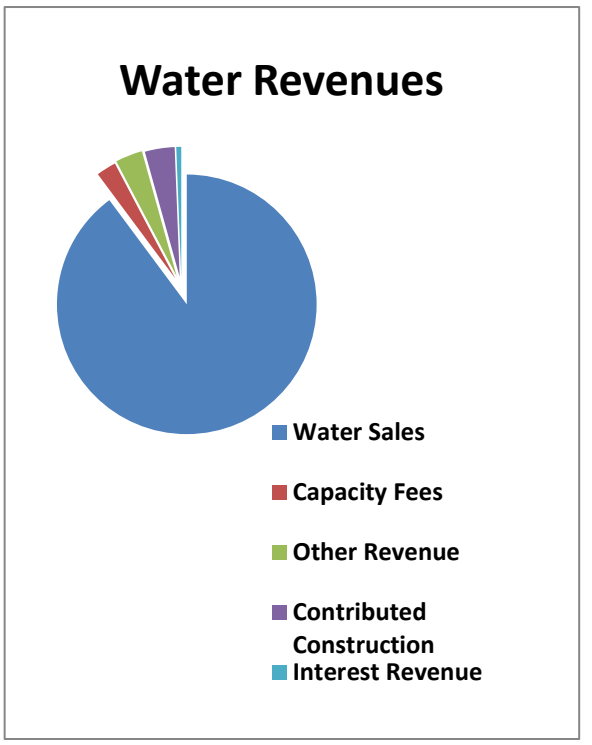
Not applicable

Exhibits/Attachments:

- Attachment 1 – FY2017-18 Draft Operating Budgets for Water, Wastewater, and Streetlights Funds

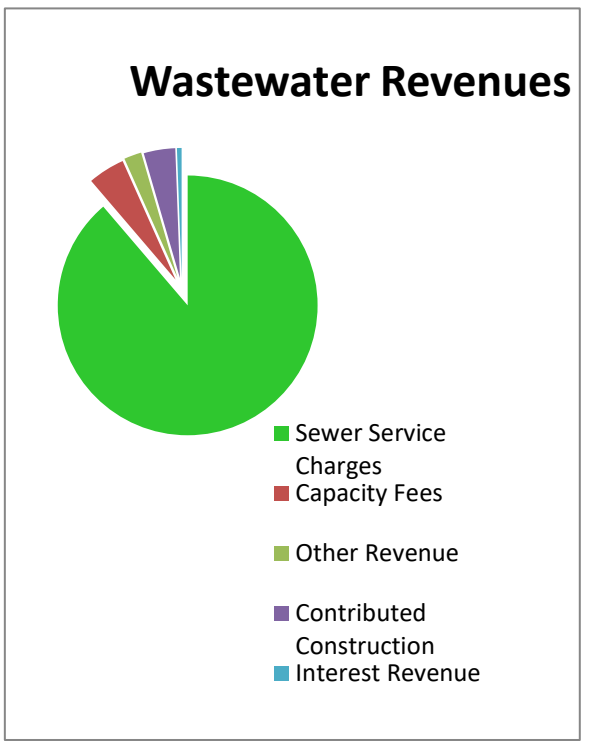
McKinleyville Community Services District
Enterprise Funds: DRAFT Water Summary Budget
FY 2017-18

Description	Water Fund	
Water Revenues		
Water Sales	3,633,137	90%
Capacity Fees	100,000	2%
Other Revenue	136,356	3%
Contributed Construction	150,000	4%
Interest Revenue	25,000	1%
Total Revenues	**4,044,493**	**100%**
Water Expenses		
Salaries - Ops & Maint.	312,341	11%
Benefits- Ops & Maint.	229,979	8%
Salaries - Billing & Admin	188,191	7%
Benefits - Billing & Admin	194,041	7%
Water Purchased (COGS)	1,005,260	36%
Operating Expenses	227,300	8%
Other Expenses	235,776	8%
Board Travel Expenses	13,200	0%
Depreciation Expense	350,000	12%
Interest Expense	67,000	2%
Total Expenses	**2,823,087**	**100%**
Excess (Deficit)	**1,221,406**	



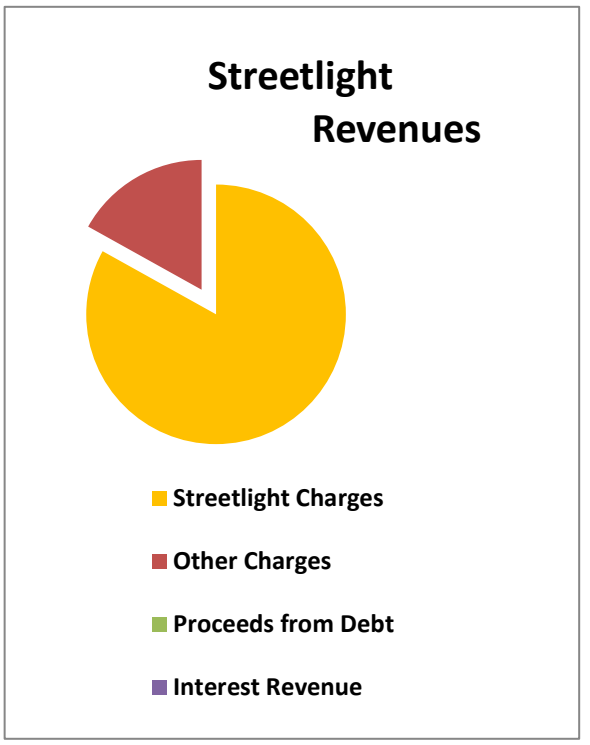
McKinleyville Community Services District
Enterprise Funds: DRAFT Wastewater Summary Budget
FY 2017-18

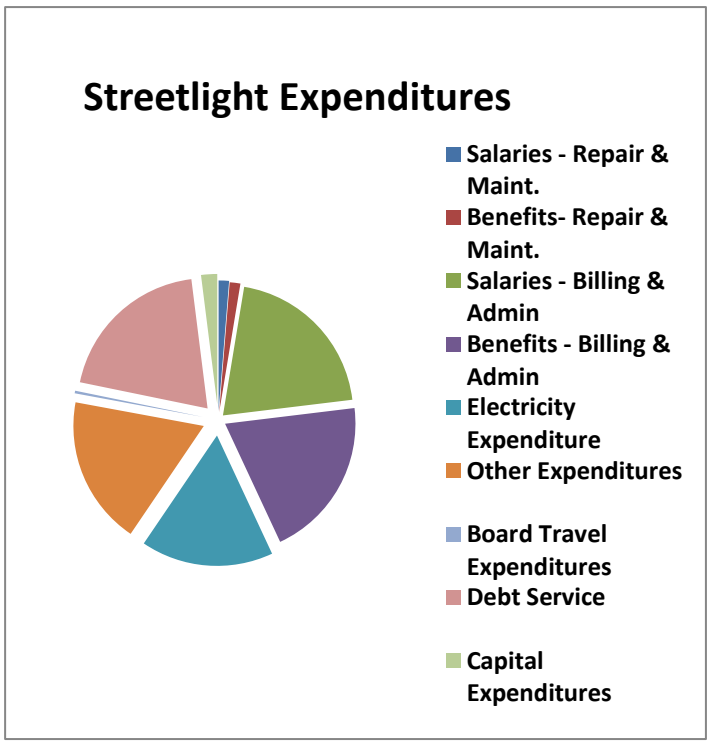
Description	Wastewater Fund	
Wastewater Revenues		
Sewer Service Charges	3,392,157	89%
Capacity Fees	175,000	5%
Other Revenue	83,300	2%
Contributed Construction	150,000	4%
Interest Revenue	22,000	1%
Total Revenues	**3,822,457**	**100%**
Wastewater Expenses		
Salaries - Ops & Maint.	346,863	11%
Benefits- Ops & Maint.	257,760	8%
Salaries - Billing & Admin	190,783	6%
Benefits - Billing & Admin	195,559	6%
Water & Electrical Expense	225,600	7%
Operating Expenses	280,250	9%
Other Expenses	252,168	8%
Board Travel Expense	3,200	0%
Depreciation Expense	495,000	16%
Interest Expense	932,069	29%
Total Expenditures	**3,179,252**	**100%**
Excess (Deficit)	**643,205**	



McKinleyville Community Services District
Governmental Funds: DRAFT Streetlights Budget
FY 2017-18

Description	Streetlights Fund	
Streetlight Revenues		
Streetlight Charges	83,500	83%
Other Charges	17,000	17%
Proceeds from Debt	-	-
Interest Revenue	-	0.0%
Total Revenues	**100,500**	**100%**
Streetlight Expenditures		
Salaries - Repair & Maint.	1,293	1%
Benefits- Repair & Maint.	1,326	1%
Salaries - Billing & Admin	20,555	20%
Benefits - Billing & Admin	20,063	20%
Electricity Expenditure	16,500	16%
Other Expenditures	18,501	18%
Board Travel Expenditures	320	0%
Debt Service	19,865	20%
Capital Expenditures	2,000	2%
Total Expenditures	**100,422**	**100%**
Excess (Deficit)	**78**	





McKinleyville Community Services District

BOARD OF DIRECTORS

May 3, 2017 TYPE OF ITEM: **INFORMATIONAL**

ITEM: E.10 **Discussion of 2016 Wastewater Management Facility Annual Report to the Regional Water Quality Control Board (RWQCB)**

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

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

Recommendation:

Staff recommends that the Board review report, air questions and take public comment.

Discussion:

The District reports annually to the Regional Water Quality Control Board by February of each year. The report reviews the performance of the treatment plant for the past year, the progress of any projects, provides details of our required discharge testing results, makes note of any compliance failures, and provides a general discussion of performance and future expansions or projects.

The District was in compliance throughout the year with all testing except for Chronic Toxicity testing.

The Chronic Toxicity monitoring bioassay criteria requires a 96-hour static renewal or 96-hour static non-renewal testing which cannot exceed the chronic toxicity trigger of 1.0 Chronic Toxic Unit (TUc). Test species for chronic testing are a vertebrate, the fathead minnow, Pimephales promelas (larval survival and growth test), an invertebrate, the water flea, Ceriodaphnia dubia (survival and reproduction test), and a plant, the green alga, Selanastrum capricornutum (growth test). The District conducted chronic toxicity testing twice during the 2016 discharge season. The testing results for Chronic Testing are detailed in Table 4 of attachment 1 and show that these tests had failed. Chronic Toxicity accelerated testing was not conducted due to it not being possible to pass the test due to high ammonia. A Toxicity Reduction Evaluation (TRE) was required to identify the toxicant and was conducted in 2009 by SHN which confirmed that chronic failure was due to high ammonia.

The new WWMF upgrade will provide reliable ammonia removal as part of the upgrade. Once the facility improvements have been completed, we anticipate that the chronic toxicity test results will be in compliance.

The complete 85 page report can be viewed on the District website or at the District office. The 9 page summary is attached as **Attachment 1**.

Alternatives:

Take Action

Fiscal Analysis:

Not applicable

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – Summary of 2016 Wastewater Management Facility Annual Report

McKinleyville Community Services District

ANNUAL WASTEWATER MANAGEMENT FACILITY MONITORING & DISCHARGE REPORT FOR 2016

NPDES No. CA0024490
WDID No. 1B820840HUM

McKinleyville Community Services District
P.O. Box 2037
McKinleyville CA 95519
Phone: 707.839.3251
Fax: 707.839.8685
Email: mcsdgm@mckinleyvillecsd.com

PHYSICAL ADDRESS:

1656 SUTTER ROAD
McKINLEYVILLE, CA 95519

MAILING ADDRESS:

P.O. BOX 2037
McKINLEYVILLE, CA 95519

McKINLEYVILLE COMMUNITY SERVICES DISTRICT

mckinleyvillecsd.com

MAIN OFFICE:

PHONE: (707) 839-3251
FAX: (707) 839-8456

PARKS & RECREATION OFFICE:

PHONE: (707) 839-9003
FAX: (707) 839-5964

February 24, 2017

Regional Water Quality Control Board, North Coast Region
5550 Skylane Blvd., Suite A
Santa Rosa, California 95403

McKINLEYVILLE COMMUNITY SERVICES DISTRICT
WASTEWATER MANAGEMENT FACILITY ANNUAL REPORT, FOR 2016

The McKinleyville Community Services District operates the wastewater collection, treatment, and disposal facilities that serve 6332 customer units in the unincorporated area of McKinleyville in Northern Humboldt County. The system operates under Order Number WQ 2011-0008-DWQ, National Pollution Discharge Elimination System (NPDES) Permit No. CA0024490, WDID No. 1B820840HUM and issued by the California State Water Resources Control Board.

Tables 1 and 2 summarize the existing permit elements for reference.

Table 1. Effluent Limitations for Discharge Point 001

Parameter	Units	Effluent Limitations				
		Average Monthly	Average Weekly	Maximum Daily	Instantaneous Minimum	Instantaneous Maximum
Biochemical Oxygen Demand 5-day @ 20°C	mg/L	45	65			
	lbs/day	604	873			
Total Suspended Solids	mg/L	83				
	lbs/day	1108				
pH	pH Units				6.5	8.5
Settleable Matter	mg/L	0.1		0.2		
Chlorine Residual	mg/L	0.01		0.02		
Nitrate as Nitrogen	mg/L	10				
4,4'-DDT	ug/L	0.00059		0.0027		
bis(2-ethylhexyl) phthalate	ug/L	1.8		3.6		

Table 2. Summary of Monitoring Location Names and Descriptions.

Discharge Point Name	Monitoring Location Name	Monitoring Location Description
	M-INF	Treatment facility headworks
All	M-001	Chlorine contact chamber following dechlorination
001	M-002	Outfall to the Mad River under the Hammond Trail railroad bridge
002	M-003	Outfall to Mad River percolation ponds
003	M-004	Recycled wastewater irrigation of Lower Fisher Ranch
004	M-005	Discharge to land on Upper Fisher Ranch
005	M-006	Recycled wastewater irrigation of Hiller Storm Water Treatment Wetland
006	M-007	Recycled wastewater irrigation of Pialorsi Ranch
	M-008	Overflow from the Hiller Storm Water Treatment Wetland
	R-001	Mad River at Highway 101 Bridge
	R-002	North bank of Mad River as close as possible to the discharge point under the Hammond Trail Bridge
	W-001	Well M-1 adjacent to Fisher Road
	W-002	Well M-2 on the SW corner of the intersection of School and Fisher Roads
	W-006	Well M-6 south of W-9 and west of W-7
	W-007	Well M-7 in the upper portion of the Fisher parcel
	W-008	Well M-8 400 feet west of the intersection of School and Fisher Roads
	W-009	Well M-9 adjacent to School Road
	W-014	Well down gradient of the Hiller Storm Water Treatment Wetlands
	W-015	Well within the Lower Fisher Ranch irrigation area
	W-016	Well within the Pialorsi Ranch irrigation area

Compliance:

Biochemical Oxygen Demand (BOD) Testing:

Discharge Point 001 requirement for BOD are 45 mg/L, 604 lbs/day and 65% removal for the monthly average and a weekly average limit of 65 mg/L and 873 lbs/day. Discharge Point 002 requirement for BOD is 45 mg/L monthly average and a weekly average limit of 65 mg/L. Discharge Point 003- 006 requirements for BOD are 45 mg/L monthly.

BOD limitations for 2016 were not exceeded.

Total Suspended Solids Testing (TSS):

Discharge Point 001 requirement for TSS is 83 mg/L, 1108 lbs/day and 65% removal for the monthly average. Discharge Points 002- 006 requirements are 83 mg/L for the monthly average.

TSS limitations for 2016 were not exceeded.

3x5 Total Coliform/ Disinfection Testing:

The effluent limitations for coliform 3x5 testing is a maximum monthly median, a most probable number (MPN) of 23 per 100 milliliters and a daily maximum of 230 MPN and are the same for Discharge Point 001- 006. Coliform limitations for Monthly Median and Daily Maximum were in compliance in 2016.

Settleable Matter Testing:

The effluent limitations for settable Matter testing are listed in Table 1 and are for Discharge Point 001. Settable Matter limitations for 2016 were not exceeded.

Chlorine Residual Testing:

The effluent limitations for Chlorine Residual testing are listed in Tables 1 and are for Discharge Point 001. Residual limitations for 2016 were not exceeded.

Nitrate as Nitrogen Testing:

The effluent limitations for Nitrate as Nitrogen testing are listed in Tables 1 and are for Discharge Point 001 and 002. Nitrate as Nitrogen limitations for 2016 were not exceeded.

4,4'-DDT; bis(2-ethylhexyl) phthalate and carbon tetrachloride Testing:

The effluent limitations for these constituents are Table 1 and are for Discharge Point 001. The limitations for 2016 were in compliance.

Acute Toxicity Monitoring:

The acute toxicity monitoring bioassay criteria for Discharge Point 001 requires a 96-hour fish bioassay test conducted at M-001 in undiluted effluent. Two test species were required, Ceriodaphnia dubia (C.dubia) and Rainbow Trout. The method for conducting this test require the laboratory maintain the test sample the same pH as when the effluent sample was collected and that ammonia, pH and temperature be recorded on 24-hour intervals and reported with the bioassay test results.

During the year Pacific EcoRisk conducted the C. dubia testing using MOPS buffering to control the fluctuation of test solution pH over the course of the test. This made it possible to adjust the pH to the initial effluent pH at the time of sampling. This procedure has been working and isn't affecting the already sensitive C. dubi

The minimum compliance for any one test is 70% survival. The median for all bioassays during any calendar month is at least 90%. If the results of any 96-hour bioassay test are not in compliance a follow up test is required within 7 day of notification. The results for Acute Testing were in compliance in 2016.

Acute Toxicity Testing
The Requirement for Acute Toxicity testing is a minimum of 70% survival for any one test and median for all tests in one month of 90%. Acute Testing remained in compliance throughout the calendar year for Rainbow Trout and C. dubia.

Table 3 Monthly and Accelerated Testing

Date Collected	Test	Trout Survival	Cerio Survival
1/19/2016	Monthly	100%	100%
2/10/2016	Monthly	100%	95%
3/2/2016	Monthly	100%	100%
4/4/2016	Monthly	100%	100%
5/9/2016	Monthly	100%	100%
11/8/2016	Monthly	95%	100%
12/13/2016	Monthly	100%	100%

Conclusion

The District, with concurrence of the Regional Board, decided to run the acute toxicity as a side by side comparison with the second testing criteria at 20ºC for C. dubia along with daily renewal of effluent which is consistent with the method. After running several side by side tests, it was chosen to use the 20ºC criteria.

Chronic Toxicity Monitoring:

The chronic toxicity monitoring bioassay criteria for Discharge Point 001 requires a 96-hour static renewal or 96-hour static non-renewal testing. The sample is a 24-hour composite and is representative of the volume and quality of the discharge. The sampling is conducted at M-001 WWMF Effluent. Test species for chronic testing are a vertebrate, the fathead minnow, Pimephales promelas (larval survival and growth test), an invertebrate, the water flea, Ceriodaphnia dubia (survival and reproduction test), and a plant, the green alga, Selanastrum capricornutum (growth test). The District conducted chronic toxicity testing twice during the 2016 discharge season. The testing results for Acute Testing are detailed in Table 4

Table 4 Chronic Toxicity Testing for 2016

Dilution Water	Date	Test Species				
		Flathead minnow		Water flea		Algea
		Survival	Growth	Survival	Reproduction	Growth
Diluted w/ Lab Control Water	January 2016	TUc = 2	TUc = 4	TUc = 1	TUc = 1.3	1
Diluted w/ Lab Control Water	November 2016	TUc = 2	TUc = 2	TUc = 1	TUc = 2	1.3

Accelerated Monitoring Requirements:

If the result of any chronic toxicity test exceeds the chronic toxicity trigger of 1.0 TUc and the testing meets all test acceptability criteria, the District shall initiate accelerated monitoring. Accelerated monitoring shall consist of four additional effluent samples, one test conducted approximately every week, over a four–week period. Testing shall commence within 14 days of receipt of the sample results of the exceedance of the chronic toxicity effluent limitation. The following protocol was used for accelerated monitoring and the TRE implemented and detailed in a study submitted during the 2009 discharge season.

Conclusion:

It was concluded that the mortality experienced in regular testing and verified in the monitoring study was due to ammonia. Ammonia toxicity has been addressed in the 20 Year Facility Plan and a preferred alternative has been identified for the plant upgrade that will reliably remove ammonia. Design began in early 2013 with construction beginning in February 2016 and projected completion date of July 2017.

Other Projects and Commentary on the Treatment Process:

Treatment Process Trends:

The success of a particular process can be gauged by tracking the removal of BOD and TSS. Chart 1 demonstrates average BOD concentration in mg/L from 2006 through 2016. The average BOD in 2016 was 20 mg/L and continues to remain well below 45mg/L, our current limit.

Chart 1Annual Average BOD Concentrations

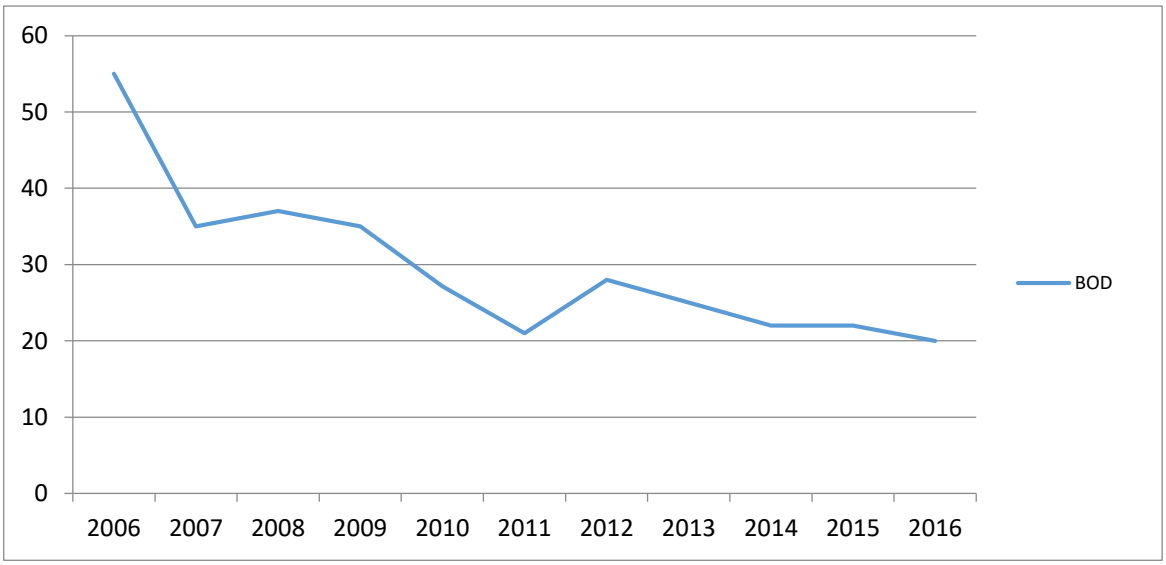


Chart 2 demonstrates average TSS concentration in mg/L from 2006 through 2016. The average TSS in 2016 was below30 mg/L and is well below the level it was in 2006. There was an increase in 2016 possibly due to the draining of Pond A to build the new plant which diverts flow and nutrient to one digester instead of two, along with the additional aerators placed in Pond B.

Chart 2 Annual Average TSS Concentrations

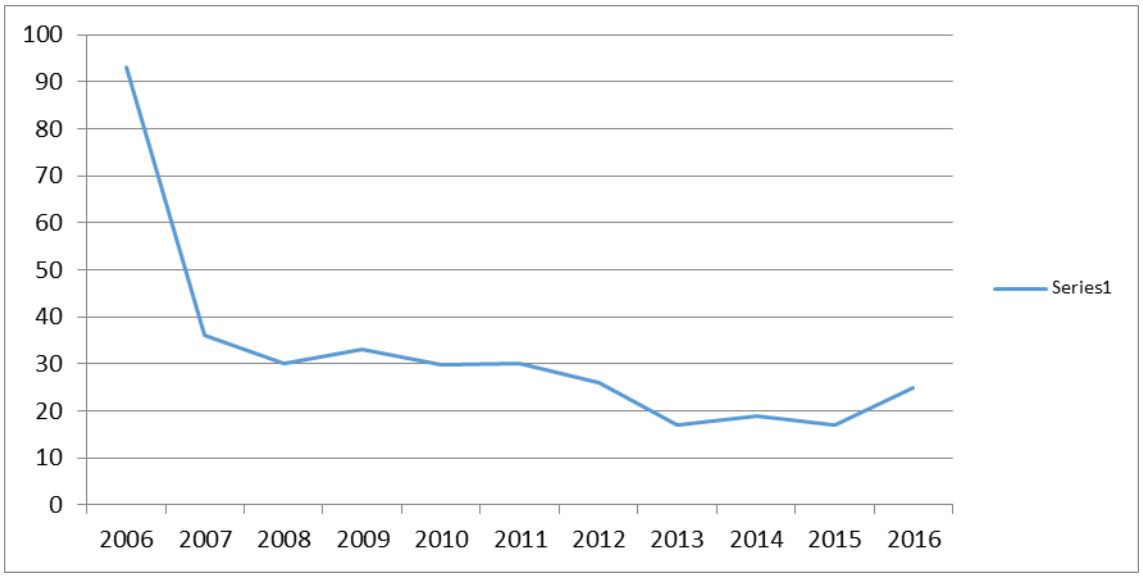
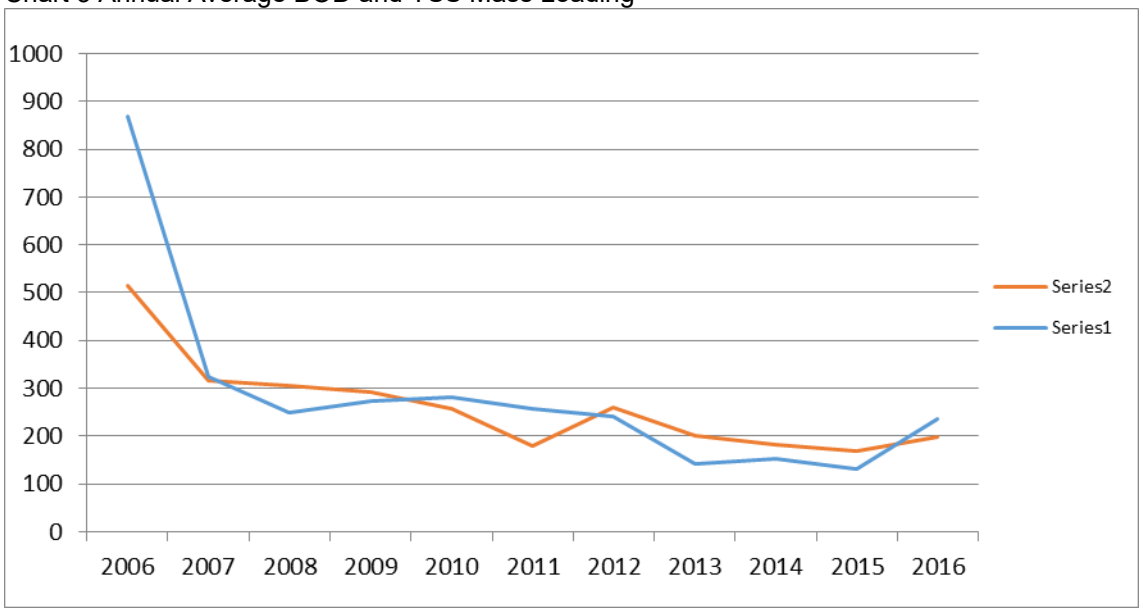


Chart 3 is the product of the flow and the concentration, is identified as mass loading and measured in pounds per day.

Chart 3 Annual Average BOD and TSS Mass Loading



Charts 1-3 demonstrate the steady trend downward of BOD and TSS from 2006 when the treatment marsh upgrade project was completed. From 2006 through 2007 the performance of the treatment process can be demonstrated by the drastic improvement. From 2007 through 2011 the efficiency of the process continues to trend down. The blip upward in BOD experience in 2012 but trended back down in 2014 and continued to trend down in 2015. There was another blip upward in 2016 possibly due to the draining of Pond A to build the new plant which diverts flow and nutrient to one digester instead of two, along with the additional aerators placed in Pond B.

Main Area of Concern:

Nitrogen Removal

Ammonia has been identified as the main area of concern as demonstrated through biological testing and the appearance of Nitrate in the ground water ajacent to the irrigation sites. Though our permit does not directly limit ammonia we recognize the importance of addressing the concern. The District is committed to reversing the trend of ammonia toxicity in our effluent stream. The 20 Year Facility Plan directly addresses and is dedicated to the removal by treatment of this constituent. The District is in the process of constructing a new treatment plant which will addressed this issue. The projected completion date for the Upgrade is July 2017.

Summary of Work Completed in 2016

WWMF Upgrade: Attachment 1

In 2013 MCSD contracted Kennedy/ Jenks to design the WWMF upgrade. The Design was completed in 2015 after several rounds of comment between the District and the engineers. Invitation to bidders went out and several were received. The low bidder, which was Auburn Contructors, was awarded the bid. The bids were reviewed by engineers and the State Revolving Fund. After the District received their approval, a notice to proceed was signed. Starting on January 4, 2016, the contractors have 521 days to complete the upgrade. The District has been attending weekly progress meeting discussing schedules and submittals. The contractors broke ground by the end of March 2016 and are scheduled for completion by July 2017 with a few items such as biosolids removal extending to September. A layout of the upgrade is provided as Attachment 1. The

extreme rainfall has slowed the project down which affected Auburn from completing ahead of schedule. The following is a summary of where the project is at during this time.
The Aeration basin 1 is completed and lined, while Aeration basin 2 is pending on backfill. The maintenance building exterior is 100% completed and the interior is 80% completed. The emergency generator has been installed and secured in place. The Secondary Clarifiers have been poured, tested and are in the process of having mechanical equipment installed. The biosolids basin is lined and completed. The headworks concrete has been poured and currently being fitted for mechanical parts. The Calcium Hydroxide pad has been poured along with the installation of the metering system. The next big phase will be completing the backfill at the west end of Aeration basin 2 and get it lined, installing the rest of the underground and tying into the existing facility. The District has installed a time lapse camera to capture the project. I have enclosed a few pictures from the camera as Attachment 2.

20 Year Facilities Plan

The final draft of the facilities plan was published in January 2012 and accepted by the District board on February 1, 2012. The full document can be located at the District web site by following this link.
http://mckinleyvillecsd.com/document-library/20%20Year%20Facilities%20Plan

INDEX OF ATTACHMENTS and EXHIBITS

ATTACHMENT 1: WWMF Upgrade Layout PG 10

ATTACHMENT 2: Pictures from time lapse camera PG 14

EXHIBIT A: Tabular and Graphical Data PG 17

Influent and Effluent Monthly Totals
Influent and Effluent Maximum Day

EXHIBIT B: Tabular PG 19

CFS, River Dilution, Effluent Flow and Effluent Distribution

EXHIBIT C: Tabular and Graphical Data PG 24

Monthly Totals for Effluent Flow and Discharge Disposal Locations
Annual Effluent Distribution Pie Chart
Daily Totals for Effluent Flow and Discharge Disposal Locations

EXHIBIT D: Tabular Data PG 37

Monthly Monitoring Report (Permit exceedances highlighted in yellow)

EXHIBIT E: Tabular Data PG 49

Influent and Effluent Testing Monthly Averages

EXHIBIT F: Tabular and Graphical Data PG 62

30-day Average BOD and NFR Worksheet
30 Day BOD and NFR Maximum, Minimum and Average Chart
BOD and NFR 30 Average Concentration Chart
BOD and NFR 30 Average lbs/day Chart
BOD and NFR 30 Day Average Removal Comparisons
BOD Influent, Effluent and Terminal Pond Comparisons

BOD and NFR 30 Average Concentration Chart
BOD and NFR 30 Average lbs/day Chart
BOD and NFR 30 Day Average Removal Comparisons
BOD Influent, Effluent and Terminal Pond Comparisons

EXHIBIT G: Tabular and Graphical Data PG 67

Monthly Averages for pH, temperature Ionized and Unionized Ammonia
Influent and Effluent Average Total Ammonia Chart
Relationship between Temperature and Ammonia Percent Removal Chart

EXHIBIT H: Tabular Data PG 70

Well Monitoring Data
Discharge Data R-001, R-002 and M-001

EXHIBIT I: Tabular Graphical Data PG 72

Pond Sludge Depths
Remaining Sludge Capacity Chart
Monthly/ Annual Averages for Pond Ammonia
Monthly/ Annual Averages for Pond Temperature
Monthly/ Annual Averages for Pond pH
Monthly/ Annual Averages for Pond Dissolved Oxygen
Monthly/ Annual Averages for Pond Level

EXHIBIT J: Tabular and Graphical Data PG 79

Monthly Total Aerator Hours
Monthly Total Aerator Hours versus Ammonia % Removal Chart
Monthly Total Aerator Hours versus Effluent BOD Chart
Monthly Total Aerator Hours versus BOD Percent Removal Chart

EXHIBIT K: Tabular Data PG 83

Monthly Total Electric, Cl_2, SO_2, and Rain Gage Data
TKN, Alkalinity, and Nitrate Special Testing

If you have any questions, please contact this office.

"I CERTIFY UNDER PENALTY OF LAW THAT THIS DOCUMENT AND ALL ATTACHMENTS WERE PREPARED UNDER MY DIRECTION OR SUPERVISION IN ACCORDANCE WITH A SYSTEM DESIGNED TO ASSURE THAT QUALIFIED PERSONNEL PROPERLY GATHER AND EVALUATE THE INFORMATION SUBMITTED. BASED ON MY INQUIRY OF THE PERSON OR PERSONS WHO MANAGE THE SYSTEM, OR THOSE PERSONS DIRECTLY RESPONSIBLE FOR GATHERING THE INFORMATION, THE INFORMATION SUBMITTED, IS, TO THE BEST OF MY KNOWLEDGE AND BELIEF, TRUE, ACCURATE, AND COMPLETE. I AM AWARE THAT THERE ARE SIGNIFICANT PENALTIES FOR SUBMITTING FALSE INFORMATION, INCLUDING THE POSSIBILITY OF FINE AND IMPRISONMENT FOR KNOWING VIOLATIONS."

GREGORY ORSINI, GENERAL MANAGER

McKinleyville Community Services District

BOARD OF DIRECTORS

May 3, 2017 TYPE OF ITEM: **INFORMATIONAL**

ITEM: E.11 **Review Parks & General Fund DRAFT Operating Budget FY2017-18**

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

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

Recommendation:

Staff recommends that the Board review the DRAFT Operating Budget for the Parks/General Fund and Measure B Fund.

Discussion:

This budget was developed based on current costs, trends, and best estimates. Additional information requested by the Board during the April 2017 Board meeting has been included. The Budget Summary page includes the FY2015-16 approved budget for purposes of comparison. A table listing the Parks/General Fund Balance each year from FY2011-12 to current is included below in the Fiscal Analysis section. The impact on that Fund Balance of each year's surplus or deficit is shown.

Questions from the Directors on any category item or on the budget overall are welcome and may be brought to the General Manager. The finalized budget will be presented to the Board for formal approval in June.

Alternatives:

Take Action

Fiscal Analysis:

See attached FY2017-18 Parks/General Fund and Measure B Fund DRAFT Operating Budgets, with prior year comparison.

Reserves Impact table:

Parks/General Fund Balance						Projected	Budgeted
	FY11-12	**FY12-13**	**FY13-14**	**FY14-15**	**FY15-16**	**FY16-17**	**FY17-18**
FiscalYearStart	863,135	852,621	1,108,665	956,394	924,617	1,095,228	1,124,743
Surplus(Deficit)	(10,514)	(64,502)	(152,271)	(31,777)	170,611	29,515	(34,411)
Restatements		320,546					
FiscalYearEnd	**852,621**	**1,108,665**	**956,394**	**924,617**	**1,095,228**	**1,124,743**	**1,090,332**
Includes Quimby							

Environmental Requirements:

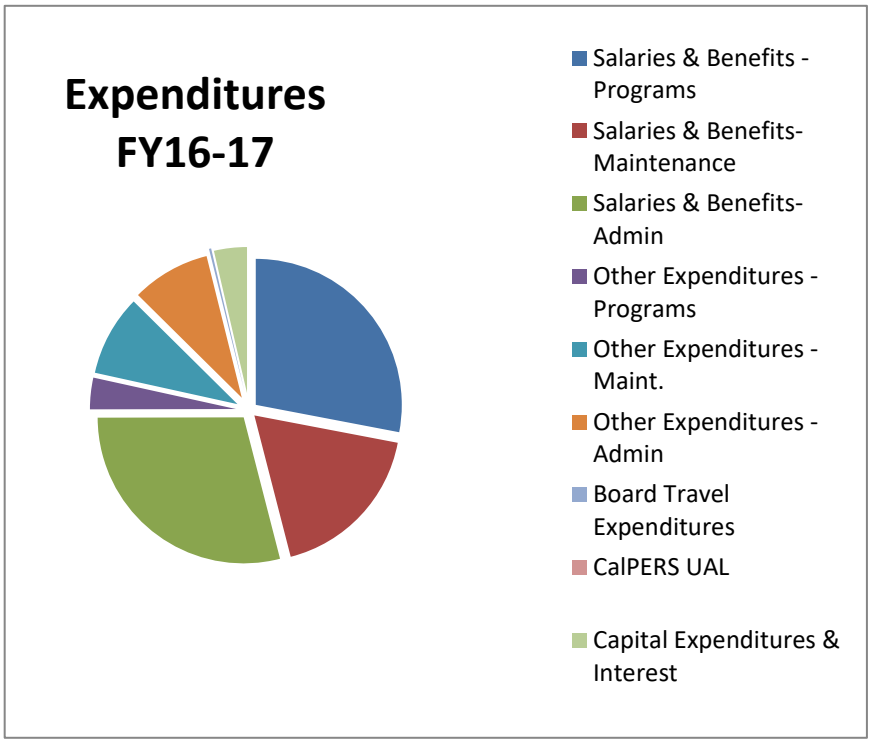
Not applicable

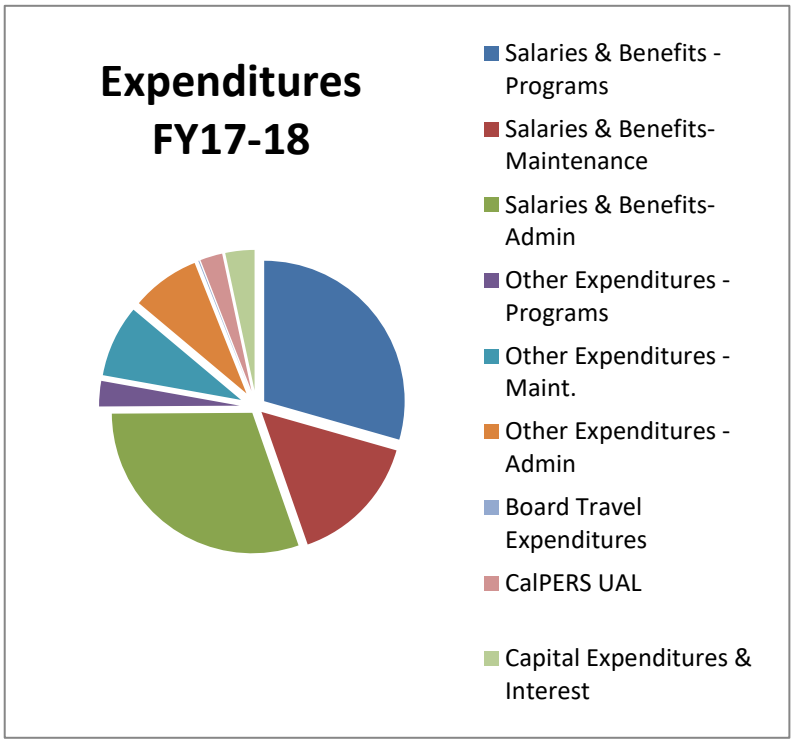
Exhibits/Attachments:

- Attachment 1 - FY2017-18 DRAFT Operating Budget for the Parks/General Fund and for Measure B Fund, with prior year comparison

McKinleyville Comunnity Services District
Parks/General Fund Operating Budget
Comparison FY2016-17 to FY 2017-18

Description	FY2016-17		FY2017-18		Difference	
Revenues						
Program Fees	377,889	31%	418,939	34%	41,050	3.5%
Facility Fees	109,300	9%	118,000	10%	8,700	0.7%
Property Taxes	525,000	43%	525,000	43%	-	0.1%
Open Space Fees	103,500	8%	104,077	9%	577	0.1%
Contributions & Other Program	1,500	0%	2,000	0.2%	500	0.0%
Other Revenue	15,432	1%	16,232	1%	800	0.1%
Quimby Fees/ Grants/Loans	80,000	7%	25,000	2%	(55,000)	-4.5%
Interest Revenue	10,000	0.8%	10,000	0.8%	-	0.0%
Total Revenues	**1,222,621**	**100%**	**1,219,248**	**100%**	**(3,373)**	0.00%
Expenditures						
Salaries & Benefits - Programs	340,727	28%	368,610	29%	27,883	1.4%
Salaries & Benefits- Maintenance	218,865	18%	190,921	15%	(27,944)	-2.7%
Salaries & Benefits- Admin	352,537	29%	379,001	30%	26,464	1.3%
Other Expenditures - Programs	42,449	3%	36,585	3%	(5,864)	-0.6%
Other Expenditures - Maint.	109,066	9%	103,820	8.3%	(5,246)	-0.7%
Other Expenditures - Admin	105,870	9%	98,616	7.9%	(7,254)	-0.8%
Board Travel Expenditures	2,912	0.2%	1,280	0.1%	(1,632)	-0.1%
CalPERS UAL	-	0%	32,106	2.6%	32,106	2.6%
Capital Expenditures & Interest	44,320	4%	42,000	3%	(2,320)	-0.3%
Total Expenditures	**1,216,746**	**100%**	**1,252,939**	**100%**	**36,192**	0.00%
Excess (Deficit)	**5,875**		**(33,691)**			





McKinleyville Community Services District

BOARD OF DIRECTORS

May 3, 2017 TYPE OF ITEM: **ACTION**

ITEM: E.12 **Discuss and Update Board Officer Rotation Schedule**

PRESENTED BY: **Emily Abfalter, Board Secretary**

TYPE OF ACTION: **Roll Call Vote**

Recommendation:

Staff recommends that the Board discuss and consider updating the existing Board Officer Rotation Schedule to fill Vice Chair for 2018 and 2019 and Chair for 2019.

Discussion:

The Board Policy Manual, Rule 3.1 states "*Annually, at the regular January Board Meeting, the Board shall update the rotation schedule for the coming years. Appointment of officers shall be subject to the affirmative vote of the Board with a strong preference for a rotation schedule.*"

While the rotation schedule is typically updated in January of each year, due to the resignation of Helen Edwards, the Board Officer Rotation Schedule was last updated at the August 3, 2016 meeting and the Board approved the following:

1. Rotation schedule reflecting Vice Chair elect becomes the Chair the subsequent year;
2. Director Mayo to Vice Chair in 2016;
3. Director Couch to Vice Chair in 2017

Pursuant to policy and taking into account newly seated Director Burke, it is important that the Board discuss and update the rotation schedule for the coming years.

Current Board Officer Rotation Schedule:

Term Expiration	2017	2018	2019	2020	2021	2022	2023	2024
Corbett								
Burke								
Mayo	C							
Couch	VC	C						
Wheeler								

C = Chair VC = Vice Chair

Past Officer Rotation Schedule Approved by Board:

Term Expiration	2013	2014	2015	2016	2017	2018	2019	2020	2021
Corbett		VC	C						
Edwards				VC	C				
Mayo	C				VC	C			
Couch	VC	C							
Wheeler			VC	C					

C = Chair VC = Vice-Chair

Alternatives:

Staff analysis consists of the following potential alternative

- Take No Action

Fiscal Analysis:

Not applicable

Environmental Requirements:

Not applicable

Exhibits/Attachments:

None

McKinleyville Community Services District

BOARD OF DIRECTORS

May 3, 2017 TYPE OF ITEM: **ACTION**

ITEM: E.13 **Consider Approval of Resolution 2017-14 Adopting MCSD's Debt Management and Capital Financing Policy**

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

TYPE OF ACTION: **Roll Call Vote**

Recommendation:

Staff recommends the Board review and adopt Resolution 2017-14 to accept the MCSD Debit Management and Capital Financing Policy.

Discussion:

In order to comply with Senate Bill 1029 (SB 1029), which provides for the adoption of a debt policy to oversee proposed debt service, and because McKinleyville Community Services District (MCSD or the District) may borrow money and incur or assume indebtedness, and issue bonds or other evidences of indebtedness, the District has determined that it is advisable to create a Debt Management and Capital Financing Policy (Policy).

MCSD is also required to submit an adopted Debit Management and Capital Financing Policy as part of a grant application which is time sensitive. District's Legal Counsel has reviewed the Policy and finds it to meet the requirements set by SB 1029.

Find attached as Exhibit "A" the MCSD Debit Management and Capital Financing Policy for acceptance by Resolution 2017-14, **Attachment 1**.

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 2017-14 with Exhibit "A" the MCSD Debit Management and Capital Financing Policy

RESOLUTION 2017 – 14

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE MCKINLEYVILLE COMMUNITY SERVICES DISTRICT
ADOPTING A DEBT MANAGEMENT AND CAPITAL FINANCING POLICY**

WHEREAS, pursuant to Senate Bill 1029 ("SB 1029"), which was signed by the California Governor on September 12, 2016, requires California public agencies that issue debt to adopt debt management policies that meet certain criteria; and

WHEREAS, in response to SB 1029, and in order to adhere to sound financial management practices, McKinleyville Community Services District (MCSD) find it desirable to adopt and maintain a debt management and capital financing policy; and

WHEREAS, there has been presented to this meeting a proposed Debt Management and Capital Financing Policy (attached as "Exhibit A" and incorporated herein).

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the McKinleyville Community Services District does hereby approve and adopt the MCSD Debt Management and Capital Financing Policy, as attached hereto as **Exhibit "A"**.

ADOPTED, SIGNED AND APPROVED at a duly called meeting of the Board of Directors of the McKinleyville Community Services District on May 3, 2017 by the following polled vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Dennis Mayo, Board President

Attest:

_____
Emily Abfalter, Board Secretary

McKinleyville Community Services District
DRAFT Debt Management and Capital Financing Policy

In order to comply with Senate Bill 1029, which provides for the adoption of a debt policy to oversee proposed debt service, and because McKinleyville Community Services District (MCSD or the District) may borrow money and incur or assume indebtedness, and issue bonds or other evidences of indebtedness, the District has determined that it is advisable to create a Debt Management and Capital Financing Policy.

Public Purpose

- There will be a clearly articulated public purpose for the issuance of long-term financings by the District, where the District states why this form of financing is preferred over other funding options.

- Public improvements help to achieve clearly identified community facility and infrastructure goals in accordance with the District's adopted facility and infrastructure plans. These are set forth in key policy documents such as the Strategic Plan or Capital Improvement Plan. Such improvements include the study, design, construction and/or acquisition of:
    - Water supply, distribution, and treatment systems
    - Waste collection and treatment systems
    - Parks, trails, community centers, and other recreational facilities
    - Other governmental facilities and improvements such as offices, information technology systems, and telecommunication systems

Capital Financing

- The McKinleyville Community Services District will use debt-financing for capital improvement projects where project revenues or specific resources will be sufficient to service the long-term debt.

- Debt financing will NOT be considered for any recurring purpose such as current operating and maintenance expenditures.

- Capital Improvements will be financed primarily through user fees, services charges, assessments, or developer agreements when benefits can be specifically attributed to users of the asset.

- *Criteria for Pay-go Financing*:
    - Per the District's current policy, capital projects less than $500,000.00 are to be financed from regular revenue sources.
    - Outside funding sources are not available for the project.
    - Current revenues and adequate fund balances are available.
    - Paying for the project will not adversely affect the debt parity ratios required to be maintained for current District indebtedness.

- *Criteria for Long-Term Financing*:
  - Revenues available for debt-service are deemed sufficient and reliable, such that long-term financings, if chosen, could be marketed with investment-grade credit ratings.
  - Other sources such as low-interest loans and/or grants are available for specific projects.
  - Market conditions present favorable interest rates and demand for District financings.
  - Project is mandated by state or federal requirements, and resources to fund those mandates are insufficient or unavailable.
  - Project is immediately required to meet or relieve capacity needs, and current resources are insufficient or unavailable.
  - The life of the project or asset to be financed is 10 years or longer.

Debt Management

- The District will avoid the General Fund to secure long-term financings except when marketability can be significantly enhanced.

- A feasibility analysis will be prepared for each long-term financing which analyzes the impact on current and future budgets for debt service and operations.

- The District will generally conduct financings on a competitive basis; however, negotiated financings may be used due to market volatility or the use of an unusual or complex financing or security structure.

- The District staff will monitor all forms of debt annually, coincident with the review process and preparation of the District's Financial Statements. Concerns, if any, and recommended remedies to address those concerns, will be reported to the Board of Directors.

- The District will diligently monitor its compliance with bond covenants and loan conditions to ensure its adherence to federal arbitrage regulations.

- The District shall maintain rates, charges, and assessments sufficient to generate revenues in the amounts necessary to cover operation and maintenance costs, and shall ensure net revenues sufficient to meet or exceed 1.10 times the annual debt service in each fiscal year, except when an indebtedness requires a higher debt parity ratio.

Accounting Policy

- The McKinleyville Community Services District will establish and maintain accounting systems according to Generally Accepted Accounting Principles (GAAP) and the standards of the Government Accounting Standards Board (GASB).

- An annual audit will be performed by an independent public accounting firm that will issue an opinion of the annual financial statements. Total indebtedness, including direct and overlapping

debt will be analyzed in determining financial condition. All legally required full disclosures will be provided in the financial statements and bond representations.

- Target debt ratios will be calculated annually and reviewed for conformity with legal requirements, lender stipulations, and this policy.

- Financial systems will be maintained to monitor expenditures and revenues on a monthly basis, with thorough analysis and adjustments (if required).

Independent Disclosure Counsel

- The District will retain the services of a bond and/or disclosure counsel in conjunction with specific project financings under the following circumstances:

    - The financing will be negotiated, and the funding agency or underwriter has not separately engaged an underwriter's counsel for disclosure purposes.

    - The revenue source for repayment is not under the management or control of the District.

    - The bonds will not be rated or insured.

    - The funding agency, bond counsel, or underwriter requires the District retain an independent disclosure counsel based on the circumstances of the financing.

McKinleyville Community Services District

BOARD OF DIRECTORS

May 3, 2017 TYPE OF ITEM: **ACTION**

ITEM: E.14 **Consider Extension of General Manager's (GM) Contract through January 1, 2021**

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

TYPE OF ACTION: **Roll Call Vote**

Recommendation:

Staff recommends the Board take public comment, discuss and consider approval of the extension of the Employment Contract with Gregory Orsini effective May 3, 2017 and authorizing MCSD Board President Mayo to execute Amendment 2 of the GM's Employment Contract, **Attachment 3**.

Discussion:

Consistent with the Brown Act, modifications to the GM Contract must be discussed in an open meeting and approved in a duly noticed regular meeting of the Board of Directors.

The Board has discussed an Employment Contract extension with the GM. This would be the second amendment to the GM Employment Contract and would extend the term of the contract from June 30, 2019 to January 1, 2021.

The terms of the contract were discussed between the GM and the MCSD Board at a Special Closed Session Meeting held on April 5, 2017.

The GM and Board will work together to craft a succession plan so an executive search and replacement for the GM is achieved in a timely manner as to not impact the continuity of MCSD business by the end of the term of amendment 2.

The Employment Contract, **Attachment 1** and the First Amendment, **Attachment 2** were included for reference and Second Amendment, **Attachment 3** was reviewed by MCSD General Counsel and is acceptable.

Alternatives:

Staff analysis consists of the following potential alternative

- Take No Action

Fiscal Analysis:

No impact to annual budget

Exhibits/Attachments:

- Attachment 1 – General Manager Contract
- Attachment 2 – General Manager Contract, First Amendment
- Attachment 3 – General Manager Contract, Second Amendment

COPY

McKINLEYVILLE COMMUNITY SERVICES DISTRICT
GENERAL MANAGER EMPLOYMENT AGREEMENT

This Employment Agreement ("Agreement") is made and effective as of July 1, 2014 by and between the McKinleyville Community Services District, a local public agency (hereinafter referred to as "District"), and Gregory P. Orsini (hereinafter referred to as "Employee," and also in pertinent part as "General Manager").

RECITALS

WHEREAS, the District desires to employ the services of Employee as General Manager of the McKinleyville Community Services District; and

WHEREAS, Employee has the necessary education, experience, skills and expertise to serve as the General Manager of the District; and

WHEREAS, it is the desire of the Board of Directors of the District ("Board") to provide certain benefits, establish certain conditions of employment, and set working conditions of Employee; and

WHEREAS, Employee desires to accept employment as General Manager of the McKinleyville Community Services District on the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the following mutual promises, the foregoing recitals, and the covenants, conditions and agreements contained herein, the parties agree as follows:

1. Employment.

District hereby hires and appoints Employee to serve as its General Manager, upon the terms and conditions as hereinafter set forth. Employee hereby accepts such appointment upon the terms and conditions as hereinafter set forth.

2. Term.

The initial term of this Agreement is five (5) years, commencing July 1, 2014 and ending June 30, 2019, unless terminated earlier pursuant to Paragraph 9 of this Agreement. This Agreement may be amended and extended as the parties mutually agree in writing.

3. Duties and Responsibilities of the General Manager.

a. Employee shall be the chief executive officer of the District and be responsible to the Board for the proper administration of the District's affairs.

b. Employee shall perform all of the duties of the General Manager as set forth in section 61051 of the California Government Code, and District policies and procedures approved by the Board, as may be provided from time to time.

c. Unless otherwise agreed to by the Board in writing, all services provided under this Agreement shall be rendered by Employee. Such services shall include, but not be limited to, the following:

(i) To perform all functions and duties of the General Manager, as set forth in the District codes, ordinances, resolutions, minute orders and written policies, and in state law;

(ii) To perform such services on an exclusive full-time basis for the District, and to be available as needed to properly perform such services, including attendance at all regular and special Board meetings and other meetings as needed for the conduct of District business;

(iii) To carry out all other legally permissible and proper assignments as the Board from time to time may direct. Employee, in exercising his best professional judgment, shall recommend policies, programs and budgets to the Board which he considers necessary to promote the best interests of the District; and

(iv) To keep the Board timely and regularly apprised of the status of operational and project activities of the District.

4. Duties and Responsibilities of Board.

a. The Board sets policy for the governance and administration of the District, and implements its policies through the General Manager.

b. The Board recognizes that to meet the challenges facing the District it must exercise decisive policy leadership. As one step in carrying out this leadership responsibility, the Board commits to spending time each year outside of regular District Board meetings to work with Employee and District staff on setting goals and

priorities for the District, and to work on those issues that may be inhibiting the maximal achievement of District goals.

c. Except for the purposes of inquiry, the Board and its Members shall deal with all subordinate District employees, contractors, and consultants solely through the General Manager or the General Manager's designee, and neither the Board nor any members thereof shall give orders to any subordinates of the General Manager, either publicly or privately.

d. The Board agrees none of its individual members will order the appointment or removal of any persons to any office or employment under the supervision and control of the General Manager.

e. The Board agrees that any criticism of any District staff member shall be done privately through the General Manager.

f. At least annually and as part of the General Manager's evaluation, the Board shall discuss with Employee the working relationships, expectations, goals, objectives, and priorities between Employee and the Board; and evaluate Employee's performance, as provided in Paragraph 8 of this Agreement.

g. The Board shall provide General Manager with direction at Board meetings and support in implementing Board policies and objectives.

5. Compensation and Benefits.

The District shall pay or provide the following as total compensation to Employee:

a. The District shall pay Employee for his services rendered pursuant hereto a monthly base salary of $9,828.00 per month ($117,936 annual) payable at the same intervals and in the same manner as applicable to full-time employees of the District. Deductions from this base salary will be made for withholding taxes, and any other deductions Employee authorizes in writing and/or that the District may be required to make under state or federal laws and regulations; provided that the District shall pay Employer's share of the FICA taxes on the same terms as it pays for such taxes for other full-time employees of the District.

b. The District shall provide to Employee the benefits described below. The District may provide other benefits in the discretion of the Board, as are determined to be appropriate by the Board from time to time.

Benefits and benefits accruals will commence upon Employee's first day of employment with the District.

(i) The District shall pay or provide Employee with a District credit card, which shall be used solely for District business, including travel, meetings, and training programs as are budgeted or approved in advance by the Board, and in accordance with adopted Board policies and procedures.

(ii) The District shall pay for such institutional dues and service club dues as are budgeted or approved in advance by the Board. In addition, Employee shall be reimbursed for such conference, seminar or other meetings, travel, and subsistence expenses (lodging and meals) and other necessary job affiliated, non-personal expenses incurred in the conduct of District business ("District Business Expenses") as are budgeted or approved in advance by the Board. Meal expenses, not covered in registration fees as part of the meeting or conference, shall be reimbursed consistent with the provisions adopted Board policies and procedures regarding the reimbursement of meal expenses of other officials and employees of the District. Employee's expense reimbursement claims shall be supported by vouchers, receipts, statements or personal affidavits, and shall be submitted in accordance with adopted Board policies and procedures.

(iii) Except when absent on scheduled vacation or other authorized leave, Employee is on call twenty-four hours per day, and shall be given use consistent with the District's Employee Handbook of a District vehicle selected by Employee from the District's fleet or purchased by the District specifically for the General Manager's use. The General Manager may reassign the vehicle for temporary use to other District staff members for District business purposes, as needed. Employee shall not loan the District vehicle to family members, acquaintances or other persons who are not District employees. Should the vehicle be unavailable, and Employee uses his own vehicle to attend District functions or to attend to other District business, the District shall reimburse use of Employee's personal vehicle at the mileage rate set by the Internal Revenue Service at the time of use. District shall be responsible for obtaining and paying for insurance on the District vehicle, and for the costs of operation, maintenance and repair of said vehicle. Employee shall ensure that maintenance of the District's

vehicle is performed as required to keep said vehicle in proper working order. Employee shall maintain insurance on his personal vehicle and provide proof of such insurance as may be required.

(iv) The District shall provide Employee and eligible dependents with District paid health and dental insurance benefits, or other benefits on the same terms and conditions that such benefits are provided to other regular employees of the District, consistent with guidelines adopted by the Board and as set forth in the District's Employee Handbook or other personnel policies and regulations approved by the Board.

(v) The District will provide the Employee term life insurance, and pay the premium on such policy, with coverage in the amount of 1.5 times base salary.

(vi) Employee shall maintain the existing vacation that has been accrued from the District and shall continue to accrue vacation at a rate consistent with the District's Employee Handbook. Vacation accrual shall not be limited during the term of this Agreement.

(vii) Employee shall be entitled to accrue and use sick leave and other leaves or benefits not otherwise provided in this Agreement as provided in the District's Employee Handbook.

(viii) Employee shall receive paid holidays as provided in the District's Employee Handbook.

(ix) Employee shall be entitled to ten (10) days of paid Administrative Leave per year.

(x) Employee shall be entitled to participate in the District's retirement program through PERS, on the same basis as other regular employees of the District participate in such program.

(xi) Employee shall be eligible to participate in the District's Section 457 Deferred Compensation Plan on the same basis as other regular employees of the District participate in such program.

(xii) Employee shall be entitled to any and all benefits available to a regular full-time employee, consistent with the policies and procedures of the District, including, but not limited to,

any across-the-board annual Cost of Living (COLA) or benefits increases granted to regular full-time employees of the District.

On or about each anniversary date of the effective date of this Agreement, the Board shall consider a salary and/or benefits increase for Employee based on the results of the annual performance evaluation described in Paragraph 8 of this Agreement. The determination regarding whether or not to extend a salary and/or benefits increase to Employee is vested in the discretion of the Board, and may be withheld for any reason, including reasons not directly related to Employee's performance such as budget constraints and other circumstances. Employee shall not be entitled to any compensation other than that set forth in this Paragraph 5.

6. Time at Work.

Employee is an exempt employee but is expected to engage in those hours of work that are necessary to fulfill the obligations of the General Manager's position.

It is recognized that Employee must devote a great deal of time to the business of the District outside the District's customary office hours, and to that end Employee's schedule of work each day and week shall vary in accordance with the work required to be performed. Employee acknowledges that he is a managerial employee who works on a salaried basis and is thus exempt from laws governing payment of overtime, and shall have no rights to accrue or receive overtime compensation. Employee shall spend sufficient hours on site to perform the General Manager's duties; however, Employee has the discretion over Employee's work schedule and work location.

7. Outside Activities.

Employee shall not engage in any activities which conflict with or are otherwise incompatible with his duties and responsibilities as the District's General Manager.

8. Performance Evaluation.

a. The Board shall review and evaluate Employee's performance at least annually in advance of the anniversary of the effective date of this Agreement. In addition, during the first year of his employment, the Board will evaluate Employee's performance after three (3) months and six (6) months of service. Said reviews and evaluations shall be in accordance with specific criteria developed by the Board, utilizing the performance evaluation procedures established in the board policy manual. Guidelines published by California Special Districts Association (CSDA), International City Management Association (ICMA) or other recognized municipal governance association for evaluating executive level managers may be used where appropriate. The President of the Board shall

provide Employee with a written performance evaluation of the Board and provide an adequate opportunity for Employee to discuss his evaluation with the Board. Failure of the Board to provide an evaluation under this section shall not prevent the District from terminating Employee in accordance with Paragraph 9 of this Agreement.

b. On or before each anniversary date of the effective date of this Agreement, the Board and Employee shall define in writing such goals and performance objectives as they deem necessary for the proper operation of the District, the attainment of the Board's policy objectives and the development of Employee's knowledge and skills.

9. Termination and Severance Pay, and Voluntary Resignation.

a. Paragraph 2 of this Agreement provides for a fixed initial term of five (5) years, during which term the Board may terminate this Agreement and Employee's employment with the District as follows:

i. Termination for "Good Cause." The District may terminate Employee's employment at any time for "good cause" without penalty or obligation to Employee other than payment of all accrued salary and benefits. In the event Employee is terminated for good cause following notice and the opportunity to be heard, the District shall have no obligation to pay any severance pay; provided, however, Employee shall be entitled to any salary and unused vacation and other benefits accruals earned up to the date of termination, consistent with the provisions of this Agreement. For the purposes of this Agreement, "good cause" for employment termination shall include, but not necessarily be limited to, any of the following:

ai. A material breach of the terms of this Agreement, following notice and a reasonable opportunity to correct any noted deficiency or breach, if correction is feasible or reasonably possible;

aii. Misfeasance or malfeasance in office, established pursuant to notice and an opportunity for Employee to respond in accordance with reasonable due process procedures and this Agreement; or

aiii. A conviction of any felony, misdemeanor or other offense involving a violation of Employee's official duties, or any other offense the conviction of which by statute provides for Employee's removal from office or the forfeiture of his position. A criminal conviction entered against Employee which by statute provides for Employee's removal from office and/or forfeiture of his position shall be conclusive evidence of cause for termination of this Agreement, without further notice, hearing or severance pay. A conviction of any misdemeanor crime involving moral turpitude. A conviction of any misdemeanor or felony involving driving a District vehicle under the influence of alcohol, drugs or other intoxicants.

ii. Termination "Without Cause." Alternatively, the Board may, in its discretion, terminate this Agreement and Employee's employment at any time without cause by paying the Employee severance, which shall constitute employee's exclusive remedy, as hereinafter set forth. The Board may terminate Employee's employment without cause at any time on three (3) months' advance written notice to Employee. Employee shall continue to work and receive his base salary and other compensation during the notice period. At the conclusion of the three (3) month notice period, employee shall receive a single lump sum cash payment equal to three (3) months' base salary (severance pay after notice) and any unused vacation and other benefits accruals accrued up to the last day of employment. In the alternative and at its sole discretion, the Board may terminate Employee's employment immediately, without notice and without cause at any time, in which event the District shall pay Employee a lump sum cash payment equal to six (6) months' base salary (severance pay without notice) and any unused vacation and other benefits accruals accrued up to the date of termination. Notwithstanding the foregoing, Employee's employment shall not be terminated without cause during the one hundred and twenty (120) day period preceding or following any election for membership on the Board of Directors, or during the one hundred and twenty (120) day period following any change in membership of the Board of Directors in the event an interim change occurs without an election.

b. In the event of voluntary resignation in good standing, Employee shall give the Board three (3) months' advance written notice. During this three-month period, Employee shall, while continuing his management functions, summarize District operations and projects and provide the Board with a written report thereof, including professional observations and recommendations, and provide briefings and training to staff and any chosen successor. Nothing in this paragraph shall prevent the District from having the Employee separate before expiration of the three (3) month notice period, provided the District pays Employee for any remaining portion of the three (3) month period not worked, in addition to the severance pay as provided for hereinabove.

10. Defense and Indemnity.

District agrees to extend to Employee, as to any action or proceeding on account of any act or omission of Employee within the course and scope of services provided to the District pursuant to this Agreement, those rights of indemnification, as provided by law, and the right to provision for defense of actions or proceedings that are granted to employees of a public entity pursuant to the provisions of Part 7, Division 3.6 of Title 1 of the California Government Code.

The Board, in its sole discretion and within the limits of the law, may refuse such defense and indemnity as provided by law, including, but not limited to, where the act or omission in question falls within the purview of Government Code section 995.2 (i.e., not within the scope of employment, fraud, corruption, malice, or conflict of interest), Government Code section 995.4 (District action against Employee), Government Code section 995.6 (administrative proceedings), or Government Code section 995.8 (criminal actions).

11. Entire Agreement.

This Agreement is freely and voluntarily entered into by the parties. This Agreement constitutes the entire agreement between the parties relating to the subject matters hereof. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force and effect. The parties, in entering into this Agreement, do not rely on any inducements, promises, or representations made by each other, their representatives, or any other person, other than those inducements, promises, and representations contained in this Agreement. Any amendment to this Agreement shall be of no force and effect unless it is in writing and approved by the Board and General Manager. To the extent any policies or procedures referenced or integrated in this Agreement, Employee acknowledges that the Board retains all rights to amend or modify said policies and procedures, from time to time, and Employee will observe and abide by said policies and procedures, as amended.

12. Waiver of Rights.

Any waiver at any time by either party hereto of its rights with respect to a breach or default, or any other matter arising in connection with this Agreement, shall not be deemed to be a waiver with respect to any other breach, default or matter.

13. Remedies Not Exclusive.

The use by either party of any remedies specified herein for the enforcement of this Agreement is not exclusive and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law.

14. Headings.

The paragraph headings used in this Agreement are for reference only, and shall not in any way limit or amplify the terms and provisions hereof, nor shall they enter into the interpretation of this Agreement.

15. Cooperation.

Each party to this Agreement agrees to do all things that may be necessary, including, without limitation, the execution of all documents which may be required hereunder, in order to implement and effectuate this Agreement.

16. Interpretation.

The parties acknowledge that each party has reviewed, negotiated, and had an opportunity to discuss with counsel this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any document executed and delivered by any party in connection with transactions contemplated by this Agreement.

17. Notices.

Any notice to be given to Employee will be sufficiently served if given to him personally, or if deposited in the United States Mail, regular pre-paid mail, addressed to him at his most recent residence address as shown on the District payroll records. If mailed, notice shall be deemed received two (2) days following the date notice is delivered to and deposited in the custody of the United States Post Office. Any notice to be given to the District will be addressed and delivered or mailed to the District Board of Directors at the District office.

18. Counterparts and Signature.

This Agreement may be executed in counterparts, each of which shall be considered an original and all of which taken together shall constitute one and the same instrument. Facsimile and/or electronically scanned signatures shall be deemed to constitute originals. A party will not be deemed to have consented to this Agreement or be bound by its terms until the party (or its authorized representative) has duly executed a counterpart of this Agreement.

WHEREFORE, the parties hereto have executed this Agreement as follows:

McKINLEYVILLE COMMUNITY SERVICES DISTRICT

By: _____
David R. Couch
President, Board of Directors

ATTEST:

By: _____
Becky Schuette
Secretary of the Board of Directors

EMPLOYEE

By: _____
Gregory P. Orsini

FIRST AMENDMENT TO McKINLEYVILLE COMMUNITY SERVICES DISTRICT GENERAL MANAGER EMPLOYMENT AGREEMENT

COPY

This First Amendment to McKinleyville Community Services District General Manager Employment Agreement (hereinafter this "First Amendment") is made and shall be effective as of August 1, 2015, by and between McKinleyville Community Services District, a local public agency, hereinafter referred to as "District" and Gregory P. Orsini, hereinafter referred to as "Employee" or "General Manager", both of whom understand as follows:

RECITALS

A. WHEREAS, District and General Manager have both executed that certain written agreement entitled McKinleyville Community Services District General Manager Employment Agreement (hereinafter the "General Manager Employment Agreement"), effective July 1, 2014;

B. WHEREAS, District and General Manager mutually intend to amend and modify the General Manager Employment Agreement as stated in this First Amendment; and

C. WHEREAS, the Board of Directors of the District ("Board") approved the modifications to the General Manager Employment Agreement recited in this First Amendment at its duly noticed public meeting occurring on August 5, 2015.

NOW, THEREFORE, in consideration of the mutual covenants recited herein, District and the General Manager agree to amend and modify the General Manager Employment Agreement as follows:

AGREEMENT

1. Amendment to Section 5.a. of the General Manager Employment Agreement.

The existing language in Section 5.a. of the General Manager Employment Agreement shall be deleted in its entirety. The following italicized language shall be deemed substituted in its place and Section 5.a. of the General Manager Employment Agreement shall hereafter be read and interpreted as if the following text appears in said Agreement:

> *"For the 2015/2016 Fiscal Year the District shall pay Employee for his services rendered pursuant hereto a monthly base salary of $10,599.33 per month ($127,192.00 annually) payable at the same intervals and in the same manner as applicable to full-time employees of the District.*

Deductions from this base salary will be made for withholding taxes, and any other deductions Employee authorizes in writing and/or that the District may be required to make under state or federal laws and regulations; provided that the District shall pay Employer's share of the FICA taxes on the same terms as it pays for such taxes for other full-time employees of the District.

For the 2016/2017 Fiscal Year Employee's annual base salary shall be increased by two percent (2%).

For the 2017/2018 Fiscal Year Employee's annual base salary shall be increased by an additional two percent (2%)."

2. Amendment to Section 5.b.(vi) of the General Manager Employment Agreement.

The existing language in Section 5.b.(vi) of the General Manager Employment Agreement shall be deleted in its entirety. The following italicized language shall be deemed substituted in its place and Section 5.b.(vi) of the General Manager Employment Agreement shall hereafter be read and interpreted as if the following text appears in said Agreement:

"Employee shall maintain all existing vacation that has been accrued prior to the Effective Date of this First Amendment. Prior to execution of this First Amendment, the Board President will confirm and acknowledge Employee's total accrued paid vacation as of the Effective Date. From and after the Effective Date of this First Amendment, Employee shall accrue additional paid vacation at the rate of sixteen (16) days per year."

3. Amendment to Section 5 of the General Manager Employment Agreement.

The following underlined sentence appearing in the last paragraph of Section 5 of the General Manager Employment Agreement shall be deemed deleted:

"On or about each anniversary date of the effective date of this Agreement, the Board shall consider a salary and/or benefits increase for Employee based on the results of the annual performance evaluation describe in Paragraph 8 of this Agreement."

In place of the forgoing sentence, the following italicized sentence shall be deemed substituted in its place and the last paragraph of Section 5 of the General Manager Employment Agreement shall hereafter be read and interpreted as if the following text appears in said Agreement:

"On or about July, 2018, the Board shall consider a salary and/or benefits increase for Employee for the 2018/2019 Fiscal Year based on the results of the annual performance evaluation described in Paragraph 8 of this Agreement."

4. Continuation of General Manager Employment Agreement. Except as amended by this First Amendment, all terms and conditions of the General Manager Employment Agreement shall remain and continue to govern the obligations of the parties to said Agreement.

EMPLOYEE

By: _____ Date: 6 AUG 2015
Gregory P. Orsini
General Manager

MCKINLEYVILLE COMMUNITY SERVICES DISTRICT

By: _____ Date: August 5, 2015
John Corbett
President, Board of Directors

ATTEST:

By: _____
Becky Schuette
Secretary of the Board of Directors

SECOND AMENDMENT TO McKINLEYVILLE COMMUNITY SERVICES DISTRICT GENERAL MANAGER EMPLOYMENT AGREEMENT

This Second Amendment to McKinleyville Community Services District General Manager Employment Agreement (hereinafter this "Second Amendment") is made and shall be effective as of May 3, 2017, by and between McKinleyville Community Services District, a local public agency, hereinafter referred to as "District" and Gregory P. Orsini, hereinafter referred to as "Employee" or "General Manager", both of whom understand as follows:

RECITALS

A. WHEREAS, District and General Manager have both executed that certain written agreement entitled McKinleyville Community Services District General Manager Employment Agreement, effective July 1, 2014 as amended by that certain First Amendment to McKinleyville Community Services District General Manager Employment Agreement, effective August 1, 2015 (hereinafter collectively referred to as the "General Manager Employment Agreement");

B. WHEREAS, District and General Manager mutually intend to amend and modify the General Manager Employment Agreement as stated in this Second Amendment; and

C. WHEREAS, the Board of Directors of the District ("Board") approved the modifications to the General Manager Employment Agreement recited in this Second Amendment at its duly noticed public meeting occurring on May 3, 2017.

NOW, THEREFORE, in consideration of the mutual covenants recited herein, District and the General Manager agree to amend and modify the General Manager Employment Agreement as follows:

AGREEMENT

1. Amendment to Section 2 of the General Manager Employment Agreement.

The term of the General Manager Employment Agreement recited in Section 2 shall be extended through January 1, 2021.

2. Continuation of General Manager Employment Agreement.

Except as amended by this Second Amendment, all terms and conditions of the General Manager Employment Agreement shall remain and continue to govern the obligations of the parties to said Agreement.

EMPLOYEE

By: _____ Date:_____
Gregory P. Orsini
General Manager

MCKINLEYVILLE COMMUNITY SERVICES DISTRICT

By: _____ Date:_____
Dennis Mayo
President, Board of Directors

ATTEST:

By: _____
Secretary of the Board of Directors

McKinleyville Community Services District

BOARD OF DIRECTORS

May 3, 2017 TYPE OF ITEM: **INFORMATION**

ITEM: F.2.A **Support Services - April 2017 Report**

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

TYPE OF ACTION: **None**

FINANCIAL, AUDIT, & BUDGET INFORMATION

The District has deposited $863,670.33 to date into the Trust Account for reserves recovery as of March 31, 2017. This represents 79.4% of the $1,087,684.00 total reserve that need to be recovered.

The District has $324,329.49 to date in the Trust Account for the next Biosolids Disposal project.

Customer adjustments year-to-date total $12,792.67, which represents 6.6% over the annual $12,000 budget for this sub-item. (GL# 501-62120)

Total Board Travel year-to-date equals $13,112.82, which represents 9.3% over the approved $12,000 budget for this item. (GL# 001/005/501/551 62090-888)

Budget Update: The Draft Operating budget for Parks/General Fund has been brought back as part of this month's Board Packet, with the FY15-16 budget comparison, and an overview of Fund Balance impact of surpluses/deficits back to FY11-12. The Operations Department Draft operating budget is also included, to be reviewed and discussed, with the final budget being presented for approval next month.

Treasurer's Report Highlights: Water Fund capacity fees of $13,964.00 were collected during March, for a year-to-date total of $110,880.00. Wastewater Fund capacity fees increased by $16,037.00 for a total of $192,389.00. Neither Capital Contributions nor Capacity fees are included in the income vs. expenses graphs of the Treasurer's Report.

The Balance Sheet shows the assets and liabilities for each major Fund. Assets are listed first, in the order of liquidity. Subtotal lines are provided for the major categories of assets: cash and cash equivalents, accounts receivable, and prepaid expenses. Capital asset totals are listed last. Liabilities are shown in the next section. Current liabilities consist of Accounts Payable and Payroll Payables. Long-term debt and other non-current liabilities are listed for the Water and Wastewater Funds.

Of note is the fact that the governmental funds do not show either non-current assets or non-current liabilities. Generally Accepted Accounting Principles and the Government Accounting Standards Board both require a modified accrual basis of accounting for governmental funds. That means current financial resources are set against current financial requirements, and long-term assets or debt are listed separately. In this case, a net total value for General Capital Assets is shown at the bottom of the Balance Sheet report. General Long-term Liabilities are also shown there.

OTHER UPDATES

The eighth disbursement from the State Revolving Fund loan for construction costs related to the new Wastewater Management Facility was received at the beginning of April. Disbursement request #09 has been sent for review and payment by the State Revolving Fund. Disbursement request #10 is being processed and will be sent to Kennedy-Jenks for review shortly. On the Debt page of the Treasurer's Report, the loan principal amounts will be accumulated until the SRF provides a final loan amount after construction is finished in FY2017-18.

The District has submitted its Public Employment and Payroll report to the U. S. Census Bureau. The Special District Compensation Report due to the California State Controller's Office has also been submitted by the deadline.

McKinleyville Community Services District

BOARD OF DIRECTORS

May 3, 2017 TYPE OF ITEM: **INFORMATION**

ITEM: F.2.B **Operations Department – March 2017 Report**

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

TYPE OF ACTION: **None**

Water Department:

Water Statistics:
The district pumped 34.8 million gallons of water in March.
Nine 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 conducted in Routes 5 and 6 along with a minimal number of retests. Customers with failed DCV's were notified to make repairs and call the office to schedule a retest.

Average and Maximum Water Usage:
The maximum water usage day was 1.6 million gallons and the average usage per day was 1.1 million gallons.

Water Distribution Maintenance:
Weekly Bacteria Samples were collected on Schedules 1,2,3 and 4 which represent different locations in the water system. The schedules are made up of a sample taken in each pressure zone. The meter replacement program has started back up and will continue thru the summer. The entire system is approximately 60% completed. A service line leak was repaired on Johnson Lane due to an old crimp in the service. A service leak was repaired on Central due to a bad fitting. The service line feeding Holiday Inn developed a leak due to a failed glue fitting. Staff was able to repair the leak and minimize the time that the Hotel was out of service to less than 2 hours. They were notified in advance for the repairs needed and staff scheduled accordingly.

Water Station Maintenance:
The Cochran Road 1.5 Million Gallon Tank Painting Project is in process. The contractors and coating inspectors were scheduled to come back at the beginning of April to prep and paint the exterior, but due to weather, it was pushed back a few weeks. Staff will be monitoring the weather along with engineers to look for a window to complete the project. The timer that controls the compressor for the hydro pneumatic tank at Blake failed. Staff replaced timer and reprogrammed the compressor's start settings. The semi-annual Pressure Reducing Valve station inspections were completed. Valves are exercised, inspected and pressures adjusted if needed. The

pressure readings were then recorded in the log book. All station pumps and motors were lubed as part of the semi-annual inspection.

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	**2016**	**% Reduction**	**2016 Recycled**	R-GPCD
January	38.241	33.054	14	0	49
February	33.751	31.319	9	0	51
March	36.244	33.761	7	0	49
April	39.755	34.892	13	0	51
May	49.407	36.635	26	11.3	53
June	51.337	44.589	14	22	61
July	54.757	47.992	13	14.7	61
August	55.908	46.442	17	16.1	64
September	45.702	45.201	2	6	69
October	39.439	36.613	8	14.7	59
November	34.879	33.224	5	0	50
December	35.203	34.782	2	0	49
	2013	**2017**	**% Reduction**	**2016 Recycled**	R-GPCD
January	38.241	35.670	7	0	50
February	33.751	31.146	8	0	54
March	36.244	34.828	4	0	43

*Recycled water is reclaimed water that is used for irrigating crops.

New Construction Inspections:
Central Estates Phase 2D; All water main and services have been installed. All sewer mains and laterals have been installed. PG&E have started their underground installation. Testing will continue once they are done. McKinleyville BMW Expansion; A 4" fire service was tapped and installed. DCV and sampling still remains on the check list. Grocery Outlet; The water main crossing Central Avenue should happen soon.

Sewer Department:

Waste Water Statistics:
50 million gallons of wastewater were collected and pumped to the W.W.M.F. 58 million gallons of wastewater were treated and discharged to land disposal or reclamation in March.

Daily, weekly and monthly inspections of all sewer facilities were conducted.

Sewer Station Maintenance:
Kelly and Hiller Package Stations wet wells were washed along with pump shimming, lubing the motors, changing oil in the pumps and replacing belts. Letz station pump 2 received new belts due to wear, along with check valves inspected and cleaned in all three pumps. This was part of the semi-annual maintenance along with finding issues during the monthly inspections.

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. Staff has been spending a majority of the time inspecting manholes for Inflow and Infiltration during the wet winter due to influent flows rising. Staff has found and repaired several leaks which has resulted in stopping a lot of unwanted rain water. A sewer main in Knox Cove was hydro-cleaned due to a build-up of toilet paper.

Wastewater Management Facility:
The Chlorine Contact Basin was drained and cleaned with fire hoses. Two aerators were pulled from the ponds, taken in to the rewind shop and repaired due to the motors drawing in moisture. This was done by staff.

Daily Irrigation and Observation of Reclamation Sites:
Weekly well monitoring was conducted along with the Fischer Ranch tree farm as part of the tree farm pilot study. An irrigation plan is still pending. Wells will be used to monitor the uptake of each tree species.

Street Light Department:
Two streetlight complaint were reported in March due to bad photo cells.

Promote Staff Training and Advancement:
Weekly tailgate meetings and training associated with job requirements. Staff members attended the annual HAZWOPER training. Staff attended flagger training
Staff participated in the Quantitative respirator fit testing.

Special Notes:
Erik attended Wonderware training in Sacramento
James and Bill took the Grade 4 wastewater exam in Redding
Tractors, Dump Truck and Vac-con received their annual DOT inspection.
Monthly river samples were completed.
Monthly 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.
IPM group held a couple meetings to work on the Matrix.
Acute samples were collected and sent to the lab.
Staff members attended an Emergency Operations meeting.
Staff worked on Operations operating budget.
Quarterly sampling was conducted as per the NPDES requirements
Disinfection by-products sample was conducted as per SWRCB.

WWMF upgrade status:
The Clarifiers have been water tested and backfilled around the exterior walls. The mechanical equipment has been installed in each clarifier. The maintenance building, Vac-con dump area and headworks are approximately 90% completed. Piping from mixed liquor to Aeration basin is being installed along with running wire. Aeration basin 2 is still under construction. The contractors have been dealing with wet weather and trying to keep the site manageable. The time lapse camera footage is still being collected and will continue through the construction phase. Weekly meetings have been held to discuss progress and scheduling. PG&E installed the new transformer required for the upgrade.

Parks:
Several open space zones received mowing, hedging and maintenance as part of the Open Space Maintenance Zone agreements. The Facilities were mowed and cleaned as part of the weekly schedule along with rental events. A downed tree was removed at the Hiller Sports Site. Maintenance and repairs have been taking place at the Hiller Sports Site to prepare the facility for baseball season. This includes painting, french drain repair and backstop repairs.

GIS:

Management Plans:
Began Developing MCSD Disinfection Plan:

- Began researching the MCS Hypochlorite System.
- Met with Bill to go over basic startup procedures for Hypochlorite system at North Bank Station.
- Corresponded with Mendes Supply and Humboldt Bay Municipal Water District.

Annual review of the MCSD Heat Illness Prevention Plan (HIPP)

- Reviewed MCSD plan and California Code of Regulations for any required updates. No updates were necessary.
- Updated Plans and Programs binder, log, and HIPP cover page.

Developed Industrial User (IU) Survey Form:

- Developed Survey Form.
- Created informational cover letter for IUs.
- Created cover page for survey.

Began preparing for CalARP Program's scheduled updates:

- Reviewed CalARP Risk Management Plan for required updates and reviews.
- Began correspondence with Risk Management Professionals for Process Hazard Assessment, Hazard Assessment, and Seismic Assessment:

Email correspondence, phone conference, and acquired quotes for projected services.
Updated Plans and Programs (PP) binder to reflect added plans to binder and recent safety meeting trainings.
Continued developing Outlook calendar to track necessary reviews, audits, and trainings for MCSD programs/plans.
Began compiling Standard Operating Procedures for Operation Crew's vehicle binder.

Maps Completed:
Created multiple maps for USAN.
Created Maps of Potential Skate Park Sites.
Created Maps of MCSD Facilities for CalTrans Utility Verification Project EA #01-0F820.
Created map for Parcel #510-371-046.
Began researching capacity for water discharge for new developments in MCSD service area.
Misc. Work Completed
Service Orders.
Weekly safety meetings

McKinleyville Community Services District

BOARD OF DIRECTORS

May 3, 2017 TYPE OF ITEM: **INFORMATION**

ITEM: F.2.C **Parks & Recreation Director's Report for April 2017**

PRESENTED BY: **Lesley Frisbee, Recreation Director**

TYPE OF ACTION: **None**

TEEN & COMMUNITY CENTER:
To date, the following funding has been secured for the Teen & Community Center:

Organization	Amount	Purpose
Mad River Rotary-Donation	$25,000	Commercial Kitchen
Mad River Rotary-Grant (2015)	$2,000	Commercial Kitchen
Mad River Rotary-Grant (2016)	$3,000	Music equipment
McKinleyville Area Fund (2014)	$3,000	Audio-Sound System
McKinleyville Area Fund (2016)	$2,500	TV's and Blue Ray player
McKinleyville Area Fund (2017)	$3,075	Kitchen Equipment
McKinleyville Lions Club	$1,000	Kitchen Equipment
Humboldt Area Foundation	$10,000	Tables & Chairs for Classrooms
McKinleyville Kiwanis Club	$2,000	Computer equipment
Legacy Path & Giving Tree donations	$22,595	Unrestricted
Karaoke Night event	$593	Unrestricted
Pints for Non-Profits	$743	Unrestricted
Umpqua Bank	$1,200	Landscaping
TOTAL:	**$76,706**	

Staff continue to solicit donations for the Teen & Community Center through brick and leaf sales. The second order of bricks have been delivered. Staff plans to have the second round of bricks installed by May 2017.

Boys & Girls Club of the Redwoods Teen Club in McKinleyville is serving 35-40 youth per day in the after school hours. Most of these youth are in the middle school age range. BGCR staff continue to reach out to the high school to increase connections with high school age teens.

Staff continue to meet with the BGCR Teen Club Site members regularly to ensure adequate information sharing and exchange in regard to programs as well as shared facility use. Staff of both organizations also continue to explore collaborative event offerings as well as fundraising opportunities to support teen programs and activities. Recently staff of both organizations created a list of possible events and selected 3 to implement in the next 12 months.

RECREATION ADVISORY COMMITTEE:
The Recreation Advisory Committee met on Thursday, April 20, 2017 at the McKinleyville Teen & Community Center where a public input process for assessing and ranking possible locations for the development of a skate park in Mckinleyville. Approximately 40 people attended and participated in the process. The data and information collected will be presented to the Recreation Advisory Committee at the May 18, 2017 meeting. The compiled information will be used by the RAC in making a recommendation to the Board of Directors.

RECREATION PROGRAM UPDATES:

- Kids' Club After School Program-*the program is full at Dows Prairie and at 90% capacity at Morris. The participation of Americorp 1-2 days per week at the program is going very well and is proving to be a very helpful partnership.*
- Playgroup-*the program continues to have 20-30 families attending each day it is offered. The First 5 Humboldt Commission approved funding for the 2017-2018 fiscal year. It is anticipated that the funding for such programs across the state will be severely limited within the next 3-5 years, due to dwindling tobacco tax dollars.*
- Jiu Jitsu-*the current session which began Tuesday, April 25th.*
- *Breakout-the Spring Break program ran April 17-21, and served 40-50 youth per day.*
- Pee Wee Basketball-*Is an introductory basketball league that serves youth in Kindergarten thru 2nd grade. The program began April 17 and run thru June 10, 2017. There are 125 youth enrolled this year. Participation is down from last year which served 139 youth.*
- Drop in Pickleball-*Wednesday morning pickleball has remained steady, and Friday evening pickleball had to take short break during the youth basketball season, but began running again on Friday, March 31, 2017.*
- Drop in Basketball-*continues to serve 25-30 participants per Sunday evening.*
- Tot-letics-*the first run of our Tot-letics program, replacing KinderSports, began April 8. The program is full at 32 participants. The first month of the program has gone very well. It is a 6 week program. The next session will feature the sport of tee-ball.*
- Adult Basketball-*Team registration for our new 5 on 5 Adult Basketball league has been extended and the start date has been postponed until enough teams sign up. We have fielded several calls from interested participants, and have extended the registration deadline in order to encourage more participation. $500 per team. Up to 11 players per team.*
- Futsal-*Adult futsal began March 15. There are 46 adults playing in the league this Spring. The program will run thru May 24th.*

OTHER UPDATES:

- The Recreation received an individual donation of $1000 to go towards the Teen & Community Center.
- Community Survey for use in updating the Parks & Recreation Master Plan (Attachment 1) is ready to be mailed to 500 randomly selected McKinleyville

residents. It will go out the first week of May. All surveys returned with contact information or completed online will be entered to win a gift card good at a local McKinleyville business.

- Request of $70,000 from the inland park dedication Quimby funds was made to be used toward the cost of the kitchen at the Teen & Community Center.

Attachments:

- Attachment 1 - Community Survey for Master Plan Update

PHYSICAL ADDRESS:

1656 SUTTER ROAD
McKINLEYVILLE, CA 95519

MAILING ADDRESS:

P.O. BOX 2037
McKINLEYVILLE, CA 95519

McKINLEYVILLE COMMUNITY SERVICES DISTRICT

mckinleyvillecsd.com

MAIN OFFICE:

PHONE: (707) 839-3251
FAX: (707) 839-8456

PARKS & RECREATION OFFICE:

PHONE: (707) 839-9003
FAX: (707) 839-5964

April 2017

Dear McKinleyville Resident:

You have been randomly selected to participate in a community survey for the McKinleyville Parks & Recreation Master Plan Update. The enclosed survey will take approximately 15-20 minutes to complete. If you choose to provide your name and contact information along with your completed survey, you will be entered in a drawing to win one of four $50 gift card/certificate to one of McKinleyville's locally owned businesses.

The data collected from the completed surveys will be used to inform the Parks & Recreation Master Plan Update which is the guiding document for Parks & Recreation planning and implementation. The Master Plan Update will be published in 2018.

Completed surveys can be mailed to:
MCSD Parks & Recreation
P.O. Box 2037
McKinleyville, CA 95519

Or Hand delivered to the MCSD offices at:
1656 Sutter Rd.
McKinleyville, CA 95519
(There is a drop box in the parking lot at the District Office)

If you wish to complete the survey online, you may do so by going to:

https://goo.gl/forms/XojYqLRugYTVUSti1

Completing the online version of the survey will also enter you to win a $50 gift card.

Please submit completed survey by June 2, 2017. Thank you for your time and consideration. Your input is valued and appreciated.

Sincerely,

Lesley Frisbee
Recreation Director

Community Survey for
McKinleyville Parks and Recreation Department:

Usage:

1. How often would you say you and/or, the members of your household use the following parks and recreation FACILITIES in McKinleyville?

	Daily	Weekly	Monthly	Annually	Never
Hiller Park					
Pierson Park					
Larissa Park					
Hiller Sports Complex					
Trails					

2. How often would you say you and/or, the members of your household use the following parks and recreation PROGRAMS in McKinleyville?

PROGRAMS	Daily	Weekly	Monthly	Annually	Never
Toddler Programs (Kinder Sports, Kinder Sports Jr., Playgroup)					
Youth Programs (Youth Sports, Kids Club Afterschool Program, KidsCamp, Breakout Day Camp)					
Teen Programs (Youth Driven, Jr. High School Dances, LIT Programs, 3 on 3 Basketball)					
Adult Programs (Sports League, Drop-In Sports)					
Leisure Classes (Simply Fit Fitness Program, Delilah's Top Dog Puppy & Dog Training Classes, North Coast Agility & Dog Training Classes, Jiu Jitsu)					
Birthday Party Program					

3. If you rarely or never utilize park or recreation opportunities in McKinleyville what is the main reason you do not take advantage of the parks and recreation opportunities? Circle all that apply.
   a. Nothing of Interest offered
   b. Cost of Participation
   c. Lack of Transportation
   d. Unaware opportunities exist
   e. Other (please describe): _____

   _____

   _____

   _____

4. What are your priority uses for Parks and Recreation? What types of facilities and programs you use most often? Circle your top 2 **in each** category.

Who		What
Children age 0-5		Park-Playgrounds
School Age children 5-12		Sport fields-facilities
Teen age youth 13-18		Nature/Scenery (hiking/biking/trails)
Adults age 18-50		Dog Park
Adults age 50-65		Senior Center
Seniors age 65		Library

5a. Below is a list of leisure activities that you may or may not engage in. Regardless of where you do it, please check those activities that you participated in at least five times during the last year?

Walking or Hiking	Jogging	Bicycling	Swimming
Fishing	Boating/Kayaking	Paddle Boarding	Birdwatching
Basketball	Soccer/Futsal	Softball/Baseball	Dance
Martial Arts	Volleyball	Surfing	Tennis
Skateboarding	Roller Skating	Hunting	Golfing
Bingo	Drawing/painting	Photography	Zumba
Horseback Riding	Gymnastics	Lawn Games	Scrapbooking
Picnics/BBQ's at parks	Gardening	Tai Chi	Disc Golf
Knitting/Crocheting	Pickleball	Yoga/Pilates	Cross Fit
Trips/Travel	Live Theater	Live Music	BMX
Other:			

5b. Are there any activities on the above list that you'd like to do more of if there were adequate opportunities? Please list below

_____

_____

_____

Level of Satisfaction:

Just like in school, use the grading system A, B, C, D, or F for the following questions. ("A" means excellent and "F" means failure.) If you're not sure, that's okay too, select "not applicable" (N/A).

6a. Please assign a grade to the below listed functions/services performed by McKinleyville Community Services District, Parks & Recreation Dept.

Providing places for the enjoyment of active sports	A	B	C	D	F	N/A
Operating parks and facilities that are safe	A	B	C	D	F	N/A
Providing places for indoor recreation and fitness activities	A	B	C	D	F	N/A
Operating parks and facilities that are clean/well maintained	A	B	C	D	F	N/A
Providing recreational programs for Youth	A	B	C	D	F	N/A
Providing recreational programs for Adults	A	B	C	D	F	N/A
Providing recreational programs for Seniors	A	B	C	D	F	N/A
Other:	A	B	C	D	F	N/A

6b. If you assigned a poor grade ("D" or "F") to any of the performances of the functions/services listed above, please share your recommendations for our improvement in the space below.

_____

_____

_____

_____

_____

7. Please assign a grade to the below listed community qualities and characteristics.

Safe and nurturing environment for families	A	B	C	D	F	N/A
McKinleyville's image to outsiders	A	B	C	D	F	N/A
Opportunities for recreation and leisure	A	B	C	D	F	N/A
Attractiveness of neighborhoods	A	B	C	D	F	N/A
Access to nature and wildlife viewing	A	B	C	D	F	N/A
Friendliness amongst and between community members	A	B	C	D	F	N/A
Ease of getting around town	A	B	C	D	F	N/A
Accessibility to open spaces	A	B	C	D	F	N/A
Accessibility to trails	A	B	C	D	F	N/A
Fiscal oversight of public funds by the District	A	B	C	D	F	N/A
Fiscal oversight of public funds by the County	A	B	C	D	F	N/A

Comment:_____

_____

_____

8a. MCSD currently owns 3 undeveloped properties that are reserved for park and recreation developments. In your opinion how should the development of these properties be Ranked?
Please assign a priority to each property and list what kind of park or recreation opportunity you most wish to see developed at the property. *(Select HIGH, MED or LOW only once).*

	HIGH	MED	LOW	What kind of recreation development?
3.1 Acres at School Rd. & Washington Ave.				
33 Acres on North Bank Rd. along the Mad River				
14 Acres of forest land between Cochran Rd. and Bryan Ln.				

8b. Soap Box: If you could see the McKinleyville Parks & Recreation department direct future funding toward one thing, what would it be?

_____

_____

_____

_____

9. Please rate your agreement to the following statements:

	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
Public spaces and parks should be maintained Pesticide Free.					
I support increasing use fees/assessment fees in order to pay additional cost of pesticide free maintenance strategies for public spaces and parks.					

Accessibility and Communication:

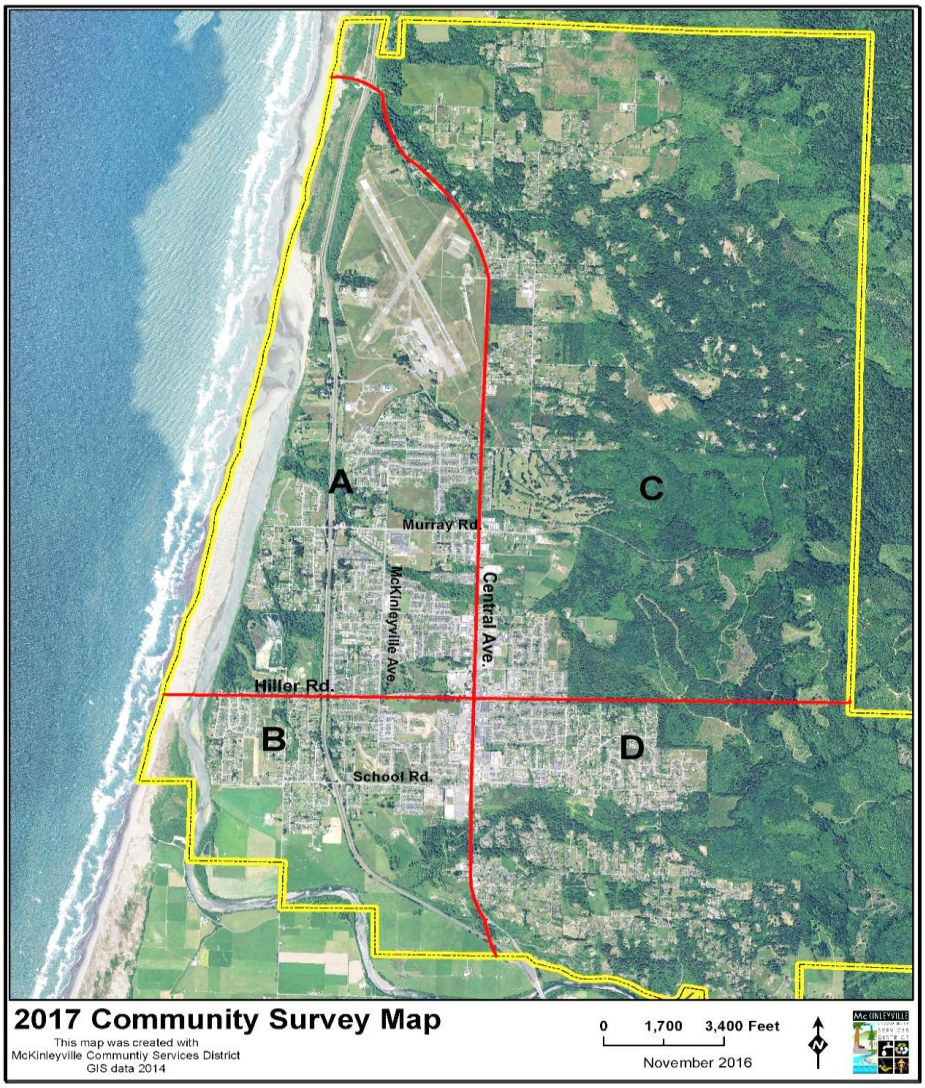
10. Where in McKinleyville do you live? See the map below that divides McKinleyville into the following areas.

a. North of Hiller Road and West of Central Avenue

b. South of Hiller Road and West of Central Avenue

c. North of Hiller Road and East of Central Avenue

d. South of Hiller Road and East of Central Avenue



11a. Please rank the following McKinleyville amenities in terms of their accessibility to YOU and those in YOUR household. Just like in school rank your level of access on a letter grade scale where ("A" means easy access and "F" means very difficult to access) If you're not sure, that's okay too, select "not applicable" (N/A).

Access to the beach and ocean	A	B	C	D	F	N/A
Access to biking trails	A	B	C	D	F	N/A
Access to hiking trails	A	B	C	D	F	N/A
Access to horse trails	A	B	C	D	F	N/A
Access to parks	A	B	C	D	F	N/A
Access to playgrounds	A	B	C	D	F	N/A
Access to athletic fields	A	B	C	D	F	N/A
Access to dog parks or dog friendly spaces	A	B	C	D	F	N/A
Access to the community center	A	B	C	D	F	N/A

11b. Overall, would you say you have any challenges with access to recreation and leisure activities that are important to you?

( ) Yes

( ) No

11c. If you selected yes, please let us know why – select all that apply

( ) Lack of transportation

( ) Cost

( ) Programs are too far away

( ) No available programs of interest

( ) Unaware of available programs

( ) Other (specify)_____

12. Which modes of transportation do you use to get to the events, amenities, and services offered by the McKinleyville Parks & Recreation Department?

( ) Car

( ) Bus

( ) Bicycle

( ) Walking

( ) Other: _____

13. Please rank your level of satisfaction with the following elements of the community's parks and recreation program?

	Very Satisfied	Satisfied	Neutral	Dissatisfied	Very Dissatisfied	I don't know
a. Public transportation to McKinleyville Parks & Recreation facilities						
b. Disability access at McKinleyville Parks & Recreation facilities, programs, and events						
c. Availability of information regarding McKinleyville Parks & Recreation Department events, amenities, and services?						
d. The level of public involvement in Parks & Recreation decisions about programs and facilities						

14. Parks and recreation managers would like to know how people learn about programs and services so that they can improve the quality of information. Please choose your top two information sources.

( ) Personal experience

( ) Friends or relatives

( ) Magazine articles

( ) Newspaper articles

( ) Maps

( ) Social Media

( ) Community board

( ) McKinleyville Community Services District Newsletter and Activity Guide

( ) McKinleyville Parks & Recreation Department website

( ) Other_____

15. How would you like to receive information about events, amenities, and services offered by the McKinleyville Parks & Recreation Department? Choose your top two preferences.

( ) McKinleyville Community Services District Newsletter & Activity Guide via USPS mail

( ) Local newspapers

( ) Facebook

( ) Twitter

( ) Email

( ) In Person

( ) Phone/Text

( ) Website

( ) Mail

( ) Other _____

If by email provide email address _____

16. How do you feel the public could be more involved in parks and recreation decisions?

_____

_____

_____

_____

Demographic Questions:

17. What is your gender?
( ) Male
( ) Female
( ) Other/Prefer not to answer

18. Please select your age range.
( ) 18-25
( ) 26-35
( ) 36-55
( ) 56-70
( ) 71 or older

19. How long have you lived in McKinleyville?
( ) less than 1 year
( ) 1-5 years
( ) 6-10 years
( ) 11-15 years
( ) greater than 16 years

20. Do you rent or own your current residence?
( ) Rent
( ) Own

21. What is your current type of residence?
( ) Single-Family
( ) Multi-family
( ) Apartment

22. Are you a member of any local community organizations?
( ) Yes ( ) No
If yes, please list the organization(s) in which you participate:

_____

_____

_____

_____

23. What is your employment status?
( ) Employed full-time
( ) Employed part-time
( ) Unemployed
( ) Student
( ) Retired

24. What is your race/ethnicity? Check all that apply.
( ) White
( ) Hispanic or Latino
( ) Black or African American
( ) American Indian or Alaskan native
( ) Asian or Pacific Islander
( ) Other _____

25.How many children under the age of 18 live in your home?

____

26.How many adults over the age of 18 live in your home?

____

27.What is your family or individual income level?
( ) Less than $10,000
( ) $10,000- $30,000
( ) $30,000-$60,000
( ) $60,000-$100,000
( ) greater than $100,000

28.What is the highest level of education you completed?
( ) Elementary School
( ) Middle School
( ) High School
( ) College
( ) Post-graduate

29. Is there anything we should have asked on this survey but did not?

_____

_____

_____

_____

_____

_____

Optional Information: *If you complete the survey and provide your name and contact information as outlined below, you will be entered to win a $50 Gift Card.*

*Name:*_____

*Phone #:*_____

*Email:*_____ ***OR***

*Mailing Address:*_____

_____

Thank you for taking the time to complete this survey.

Your input is greatly appreciated and will serve to inform the Update to the McKinleyville Parks & Recreation Master Plan

McKinleyville Community Services District

BOARD OF DIRECTORS

May 3, 2017 TYPE OF ITEM: **INFORMATION**

ITEM: F.2.D **General Manager's Report for May 2017 Meeting**

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

TYPE OF ACTION: **Information Only**

A summary of activity for the month of April 2017

Cost Savings Related to District Activities – The following is a review of some of the recent cost savings opportunities District staff identified for the previous month:

• Office Supplies Discount	$58
• In-house Rewind of Two Aerator Motors	$960
• Alarm Wiring Upgrade at Teen Center	$2,500
• SWAP	$4,480
• Community Service Workers	$812
• Northern Humboldt Employment Services	$3,358

Total cost savings for **April** are $12,168

The cumulative cost savings to the District to date from July 1, 2016 is $172,760

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, ratepayers, and the community.

Water and Wastewater Mainline Upgrade, Replacement and Rehabilitation Facility Plan – The consultant assisting with the Plan is in the process of analyzing all the information provided by MCSD. In the past month, we have fielded questions generated by this process and provided accurate data to fill in any gaps or inaccurate data.

Integrated Pest Management Plan – The IPM narrative, the Guide to Reduced Toxicity Pesticide List, Control Alternatives and Cost Assumptions and supporting appendices have been completed and are on the website for review. Staff has not requested comments but have received a few. As workload allows staff will prepare the item to be presented to the Board following public comment.

Teen Center – On May 1st, the Arcata Fire Protection District Fire Marshal will conduct the final test of the fire suppression system, upon successful completion of the testing, the sheet metal contractor will finish the metal flashing installation. Inspection by County Health will be the last requirement to have the kitchen certified for commercial use.

Camino Way OSMZ – This matter will be brought back to the Board at the May meeting to accept a Resolution of Dissolution.

WWMF Improvements – A weekly meeting is attended by staff to discuss the three-week rolling schedule, submittals for materials, requests for information and progress to that point. Due to the seasonally high precipitation rates, work was impacted significantly. In April the General Contractor continues to install wire in the conduits that will provide control signals to the process equipment. PG&E has installed the new electrical service that is now operating the power to the facility and the emergency generator has been tested by the vender and General Contractor. Testing of the logic controllers responsible for recording telemetry and provide supervisory control to the process was also completed. Staff is working with the consultant and contractor to finalize the biosolids removal plan for the removal of solids in the remaining ponds. Discussions continue related to the scheduled start up, commissioning and completion of the project.

National Pollutant Discharge Elimination System Permit Renewal- In parallel with the WWMF Improvement Project startup, MCSD will be receiving an updated NPDES Permit. MCSD's current permit has been expired since April 2016. Due to the improvements that will result from the upgrade, MCSD and the Regional Board agreed to honor the existing permit until the new plant was up and running. Components of the new permit will include more stringent discharge limitations, sampling and discharge locations, biosolids disposal and studies that will be necessary during the next permit cycle. MCSD staff and Regional Staff are in the process of discussing components of the new permit; this process is efficient because it has saved administrative time necessary to issue an interim permit. Staff expects to have a draft permit for review shortly. The review process will be significant and it is critical we are diligent during the process as the permit term is five years.

Library and Law Enforcement Facility – Staff received notice that the U.S. Department of Justice is investigating the County of Humboldt related to ADA compliance standards and numerous county owned and leased facilities. The Law Enforcement Facility and Library have been identified as not being in compliance. Staff will be working with the County to resolve these issues.

Digital Control, SCADA and Telemetry Upgrade Project – A week after the project advertisement MCSD conducted a mandatory pre-bid meeting for all interested electricians and system integrators. Five firms attended the meeting that will conclude with proposals to a design/ build proposal for updated telemetry on all of our water and wastewater stations.

Alternative Energy – Nate McKeever of McKeever Electrical invited the GM to tour the Blue Lake Casino alternative energy operation. The facility includes a photovoltaic array, biomass hydrogen cell operation, emergency generator and storage batteries. The entire system operates in such a way that the casino and hotel depend entirely on the storage batteries. Electricity from the grid is only used when another source is not available.

McKinleyville Community Forest – The last two weeks of April were busy for MCSD and Trust of Public Lands as we worked to complete an application for an Urban Greening Grant through the State of California. The online application deadline was May 1st and the application, solicitation of support and environmental documentation were hurriedly assembled. Background documentation, the applications and a resolution of support are included in the May agenda. The Grant applications is for funds sufficient to purchase the property, begin with a tree-planting program and minor trailhead improvements.

Meetings – The General Manager attended various meetings this month including a CSDA Board of Directors Meeting in Sacramento. The GM met with Project Manager, Charles Wright, Kennedy Jenks to conduct a site tour of the WWMF Improvement Project. GM also met with staff to discuss the Operations operating budget, IPM and Skate Park on several occasions. GM and our staff met with SH Cowell, the Boys and Girls Club Staff to discuss the next round of grants from Cowell. The Board President and GM met with Director Burke for a Board Orientation session. The GM also attended the quarterly Senior Center Advisory Meeting where we discussed the leadership transition at the center and renewal of the facility agreement.

Exhibits/Attachments

- Attachment 1 – WWMF Monthly Self Monitoring Report

PHYSICAL ADDRESS:

1656 SUTTER ROAD
McKINLEYVILLE, CA 95519

MAILING ADDRESS:

P.O. BOX 2037
McKINLEYVILLE, CA 95519

McKINLEYVILLE COMMUNITY SERVICES DISTRICT

mckinleyvillecsd.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

March 23, 2017

RE: MONTHLY MONITORING REPORT

Dear Justin:

Enclosed is the Monthly Monitoring Report for February 2017 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 27 days to Discharge Point 001. The required monitoring and water quality constituents that were tested and reported were in compliance in February.

The requirement for BOD is 45 mg/L, 604 lbs/day and 65% removal for the monthly average with four weekly tests in February that represent eleven criteria. The BOD results for February 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 February which represent three criteria. The TSS results for February 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 February 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 February are as follows. Median was 2 and a Maximum of 4.5. Four samples were collected in the month of February and were in compliance.

Monthly River Monitoring was conducted in February.

Acute testing for February was conducted using Rainbow Trout and C.Dubia. Rainbow Trout had a 100% survival and C.Dubia had a 100% survival.

WWMF Upgrade Status: Clarifier “A” and “B” mechanical equipment is installed. The headworks and maintenance building are 85% completed. Piping from Mixed liquor to Aeration basin is being installed along with running wire. Aeration basin 2 is still under construction. The biosolids basin is lined. The rain has slowed the project down a little. Backfilling around the clarifiers is near completion. Weekly meetings have been conducted with District staff, contractors, engineers and the project manager. Contractors have 521 days to complete the project. They have projected to be completed by July 2017.

"I CERTIFY UNDER PENALTY OF LAW THAT THIS DOCUMENT AND ALL ATTACHMENTS WERE PREPARED UNDER MY DIRECTION OR SUPERVISION IN ACCORDANCE WITH A SYSTEM DESIGNED TO ASSURE THAT QUALIFIED PERSONNEL PROPERLY GATHER AND EVALUATE THE

McKINLEYVILLE COMMUNITY SERVICES DISTRICT
WASTEWATER MANAGEMENT FACILITY
EFFLUENT DISCHARGE DISPOSAL FEBRUARY 2017

Dischrange Monitoring DATE	**M-INF** INFLUENT MGD	**M-001** EFFLUENT MGD	MAXIMUM GPM	**002 M-003** N.POND MGD	**002 M-003** S.POND MGD	**004 M-005** FISCHER MGD UPPER	**003 M-004** FISCHER MGD LOWER	**006 M-007** PIALORSI MGD	**005 M-006** HILLER MGD	IRRGATE TOTAL MGD	**001 M-002** RIVER MGD
1	1.143	1.641	1148							0.000	1.641
2	1.118	1.357	1134							0.000	1.357
3	1.200	1.240	995							0.000	1.240
4	1.284	1.408	986							0.000	1.408
5	1.364	1.411	987							0.000	1.411
6	1.414	0.567	984							0.000	0.567
7	1.488	0.000	0		Washed CCB					0.000	0.000
8	1.498	0.950	1077							0.000	0.950
9	1.717	1.596	1152							0.000	1.596
10	1.611	1.771	1390							0.000	1.771
11	1.528	2.051	1469							0.000	2.051
12	1.512	2.128	1499							0.000	2.128
13	1.378	2.161	1516							0.000	2.161
14	1.313	2.171	1526							0.000	2.171
15	1.349	2.158	1510							0.000	2.158
16	1.821	2.122	1493							0.000	2.122
17	1.712	2.145	1505							0.000	2.145
18	1.774	2.152	1517							0.000	2.152
19	1.834	2.175	1522							0.000	2.175
20	1.930	2.157	1507							0.000	2.157
21	1.975	2.134	1515							0.000	2.134
22	1.868	2.193	1553							0.000	2.193
23	1.876	2.237	1584							0.000	2.237
24	1.685	2.279	1602							0.000	2.279
25	1.687	2.285	1604							0.000	2.285
26	1.706	2.303	1619							0.000	2.303
27	1.714	2.321	1626							0.000	2.321
28	1.636	2.312	1625							0.000	2.312
TOTAL	44.135	51.425		0.000	0.000	0.000	0.000	0.000	0.000	0.000	51.425
AVERAGE	1.576	1.837	1344	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1.837
MAXIMUM	1.975	2.321	1626	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2.321
MINIMUM	1.118	0.000	0	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
DAYS	28	27		0	0	0	0	0	0	0	27

DAYS WITH NO DISCHARGE = 1

McKINLEYVILLE COMMUNITY SERVICES DISTRICT
WASTEWATER MANAGEMENT FACILITY
RIVER CFS - EFFLUENT FLOWS - RIVER DILUTION

February 2017

DATE	M-INF INFLUENT MGD	M-001 EFFLUENT MGD	EFFLUENT MAXIMUM GPM	M-003 PERK PONDS MGD	M-004 M-005 M-006 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	1.143	1.641	1148			1.641	864	9920	2210	16533
2	1.118	1.357	1134			1.357	863	9785	2180	16309
3	1.200	1.240	995			1.240	1525	15171	3380	25286
4	1.284	1.408	986			1.408	4689	46233	10300	77054
5	1.364	1.411	987			1.411	4066	40128	8940	66880
6	1.414	0.567	984			0.567	5474	53863	12000	89772
7	1.488	0.000	0		Washed CCB	0.000	0	62840	14000	104734
8	1.498	0.950	1077			0.950	6377	68676	15300	114459
9	1.717	1.596	1152			1.596	6546	75408	16800	125681
10	1.611	1.771	1390			1.771	6426	89323	19900	148872
11	1.528	2.051	1469			2.051	4033	59250	13200	98749
12	1.512	2.128	1499			2.128	2827	42372	9440	70621
13	1.378	2.161	1516			2.161	2147	32542	7250	54237
14	1.313	2.171	1526			2.171	1712	26124	5820	43539
15	1.349	2.158	1510			2.158	1409	21276	4740	35460
16	1.821	2.122	1493			2.122	2637	39365	8770	65608
17	1.712	2.145	1505			2.145	2058	30971	6900	51619
18	1.774	2.152	1517			2.152	2101	31869	7100	53115
19	1.834	2.175	1522			2.175	1722	26213	5840	43689
20	1.930	2.157	1507			2.157	1722	25944	5780	43240
21	1.975	2.134	1515			2.134	4918	74511	16600	124185
22	1.868	2.193	1553			2.193	3584	55659	12400	92764
23	1.876	2.237	1584			2.237	2695	42687	9510	71144
24	1.685	2.279	1602			2.279	1760	28188	6280	46981
25	1.687	2.285	1604			2.285	1254	20109	4480	33515
26	1.706	2.303	1619			2.303	909	14723	3280	24538
27	1.714	2.321	1626			2.321	867	14094	3140	23490
28	1.636	2.312	1625			2.312	773	12568	2800	20947
TOTAL	44.135	51.425		0.000	0.000	51.425				
AVERAGE	1.576	1.837	1344	0.000	0.000	1.837	2713	38208	8512	63679
MAXIMUM	1.975	2.321	1626	0.000	0.000	2.321	6546	89323	19900	148872
MINIMUM	1.118	0.000	0	0.000	0.000	0.000	0	9785	2180	16309
DAYS	28	28	27	0	0					

DAYS WITH NO DISCHARGE TO THE MAD RIVER = 1

McKINLEYVILLE COMMUNITY SERVICES DISTRICT
WASTEWATER MANAGEMENT FACILITY
MONITORING DATA

MONTH: FEBRUARY

YEAR: 2017

DATE	INFLUENT FLOW M.G.D.	EFFLUENT FLOW M.G.D.	EFFLUENT MAXIMUM GPM	RIVER CFS	INFLUENT MONITORING B.O.D. mg/L	INFLUENT MONITORING N.F.R. mg/L	pH	(C°) TEMP	B.O.D. mg/L	NFR mg/L	AMMONIA	CL_2 RES.	RIVER CL_2 RES	SETTLEABLE SOLIDS	3X5 TOTAL COLIFORM
							EFFLUENT MONITORING								
1	1.143	1.641	1148	2210			6.6	10.6			26	1.4	0.00		
2	1.118	1.357	1134	2180			6.7	10.3			24	1.0	0.00		
3	1.200	1.240	995	3380	210	270	6.6	11.1	16	11	28	1.8	0.00	<0.1	
4	1.284	1.408	986	10300			6.8	12.1				1.2	0.00		
5	1.364	1.411	987	8940			6.7	11.7				1.6	0.00		
6	1.414	0.567	984	12000			6.6	11.9			26	2.2	0.00		<1.8
7	1.488	0.000	0	14000			Washed CCB								
8	1.498	0.950	1077	15300			7.1	13.6			24	2.1	0.00		
9	1.717	1.596	1152	16800			6.5	13.4			26	1.6	0.00		
10	1.611	1.771	1390	19900	210	210	6.7	12.2	13	11	30	5.2	0.00	<0.1	
11	1.528	2.051	1469	13200			6.8	11.9				6.2	0.00		
12	1.512	2.128	1499	9440			7.0	11.6				2.6	0.00		
13	1.378	2.161	1516	7250			6.9	11.5			24	2.1	0.00		4.5
14	1.313	2.171	1526	5820			6.9	11.4			30	1.6	0.00		
15	1.349	2.158	1510	4740			7.0	12.4			30	0.5	0.00		
16	1.821	2.122	1493	8770			7.0	12.4			28	1.1	0.00		
17	1.712	2.145	1505	6900	190	210	6.9	12.3	18	10	28	2.8	0.00	<0.1	
18	1.774	2.152	1517	7100			6.8	12.6				3.1	0.00		
19	1.834	2.175	1522	5840			6.8	12.4				2.1	0.00		
20	1.930	2.157	1507	5780			7.0	12.4				1.7	0.00		
21	1.975	2.134	1515	16600			6.7	12.2			26	3.3	0.00		<1.8
22	1.868	2.193	1553	12400			6.7	11.9			26	2.8	0.00		
23	1.876	2.237	1584	9510			6.9	10.9			30	3.9	0.00		
24	1.685	2.279	1602	6280	140	120	6.8	10.5	16	19	24	1.5	0.00	<0.1	
25	1.687	2.285	1604	4480			6.7	11.3				1.4	0.00		
26	1.706	2.303	1619	3280			6.6	11.7				1.8	0.00		
27	1.714	2.321	1626	3140			6.5	10.9			26	1.9	0.00		2
28	1.636	2.312	1625	2800			7.1	10.3			26	1.6	0.00		

MONTHLY TESTS

DATE	TDS	AMMONIA	NITRATE	BORON
2/15/2017	190	25.0	ND	150

SPILLS:

None to report

	BOD mg/L	BOD LBS/DAY	BOD % Removal	NFR mg/L	NFR LBS/DAY	NFR % Removal
30 DAY AVERAGE	16	246	91	13	204	93

Semi-Annual Tests	Value in ug/l
Bis phthalate	N/A
alph-BHC	N/A
4,4' -DDT	N/A
carbon tetrachloride	N/A

Quarterly Tests	Value in ug/l
Dichlorobromomethane	N/A
Bromoform	N/A
Chlorodibromomethane	N/A
Chloroform	N/A

ACUTE TOXICITY

	DATE	% Survivial
Rainbow Trout	2/14/2017	100%
C. dubia	2/14/2017	100%

CHRONIC TOXICITY

TESTED	SURVIVAL
Minnow	N/A
C. Dubia	N/A
Algae	N/A
	TUc

Total Coliform Monthly MEDIAN
2
Daily Maximum
<1.8

SIGNATURE: _____

REMARKS:

Indicates Permit Exceedance