

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

AGENDA ITEM A CALL TO ORDER

A.1 Roll Call: The regular meeting of the Board of Directors of McKinleyville Community Services District convened at 7:00 pm with President Corbett, Vice President Wheeler, Directors Couch, Edwards and Mayo present.

John Corbett, President
George Wheeler, Vice President
David Couch, Director
Helen Edwards, Director
Dennis Mayo, Director

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

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

A.3 Assumption of Board Officer's Positions for Calendar Year: Director John Corbett assumed the position as Chair effective January 1, 2015 and Director Wheeler as Vice Chair, pursuant to Board Policy, rule 3.1, formalized through this agenda item.

A.4 Additions to the Agenda: There were no additions to the agenda.

A.5 Approval of Agenda:

MOTION: It was moved to approve the agenda.

Motion: Edwards; Second: Mayo

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

MOTION SUMMARY: Motion Passed – 5 Ayes; 0 Nays

A.6 Closed Session Discussion: There was no closed session scheduled.

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

AGENDA ITEM C PUBLIC COMMENT AND WRITTEN COMMUNICATIONS: President Corbett opened public comment and no members of the public spoke.

AGENDA ITEM D CONSENT CALENDAR:

D.1 Consider approval of minutes of the Board of Directors' Regular Meeting of December 3, 2014

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

D.3 No DCV Violations this month

MOTION: It was moved to adopt the consent calendar item D.1 through D.3.

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

Motion: Edwards; Second: Couch

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

MOTION SUMMARY: Motion Passed – 5 Ayes; 0 Nays

AGENDA ITEM E CONTINUED AND NEW BUSINESS:

E.1 Accept FY2013-14 Audit: The completed annual audit was presented in hard copy by Donna Taylor and Kim Windsor from the accounting office of Hunter, Hunter and Hunt, and distributed to the Board Members by the Board Secretary, Becky Schuette. Donna spoke briefly to the Board, followed by Kim who discussed the report more thoroughly. The sections of the report were explained and several specific "Notes to Financial Statements" were pointed out and explained briefly. There was no public comment and no further discussion from the Board, General Manager or the auditors.

MOTION: It was moved to accept the District's audited financial material as presented

Motion: Edwards; Second: Wheeler

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

MOTION SUMMARY: Motion Passed – 5 Ayes; 0 Nays

E.2 McKinleyville Community Services District Employee of the Year Award Presentation to David

Baldosser: General Manager Orsini presented a brief history of Employee of the Year Award that was followed by several comments of appreciation by Finance Director Colleen Trask and several of the Board Directors. This was an informational item only, no action was taken and there were no public comments.

E.3 California Water Environmental Association (CWEA) Awards: Operations Director James Henry presented information on the awards and read the nomination language for Chris Jones, as written by his supervisor. Staff member Christopher Jones was then presented with the Collection System Person of the Year award. Operations Lead Person Erik Jones was present to receive the MCSD award for Collection System of the Year, which has been given to the District four times. Several of the Board members and General Manager Orsini praised Chris and thanked Erik Jones for the dedication of his crew. This was an informational item only, no action was taken and there were no public comments.

E.4 Consider Assignments and Appointments of Committee Chairs by the Board President for the 2015

Calendar Year: After brief discussion by the Board, President Corbett made the following 2015 Committee Appointments:

1. Recreation Advisory Committee
George Wheeler; alternate David Couch
2. McKinleyville Area Fund
John Kulstad
3. Redwood Region Economic Development Commission
Dennis Mayo; alternate Helen Edwards
4. McKinleyville Senior Center Advisory Committee
Helen Edwards; alternate Dennis Mayo
5. Audit
John Corbett and Helen Edwards
6. Employee Negotiations
David Couch and Helen Edwards
7. Water Task Force
George Wheeler; alternate John Corbett
8. AdHoc No Drugs & Toxics Down the Drain
George Wheeler; alternate David Couch
9. McKinleyville Municipal Advisory Committee
Helen Edwards; alternate John Corbett

E.5 Update Board Officer Rotation Schedule: President Corbett led the discussion about the rotation schedule for the Chair and Vice Chair positions in the coming years. There was some discussion about the elections and its effect on the rotation and the understanding that if election results affected the schedule that it could be revisited in the future. There was no public comment.

MOTION: It was moved to appoint Director Edwards as Vice Chair in 2016 and Chair in 2017, with Director Mayo as Vice Chair in 2017.

Motion: Wheeler; Second: Mayo

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

MOTION SUMMARY: Motion Passed – 5 Ayes; 0 Nays

E.6 Review Recent Teen Center Bid Results. Discuss Alternative and Consider Recommended Path

Forward: General Manager Orsini presented the information on the bids for the construction of an MCSD Teen and Community Center. The lowest responsive bid came in at \$2.115 million, which was significantly over the Architect firm's estimation. General Manager Orsini provided analysis of the bid results explaining the reasons for the high bid. Orsini then presented the Board with three alternative options to continuing with the project, and their respective fiscal impacts, as well as two scenarios. The presentation was followed by a lengthy discussion among Board and Staff, determining that the most suitable option at this point was for Alternative 3, scenario B. Alternative 3 is as follows:

Should the Board choose to rebid, we have discussed and identified several items that may be altered or modified that could be expected to significantly reduce the construction costs. Many of these suggestions could also help reduce long term maintenance costs as well. These items include but are not limited to:

- Overall reduction in square footage – The architect has evaluated several studies which include incorporating the music room into the main building space. This could reduce the facilities square footage by 600 sf. It is anticipated that this move could save up to \$150,000 without significantly altering the overall function or look of the center.
- Use of traditional asphalt/concrete paving in lieu of permeable paving systems. Due to the higher up-front costs of these systems, it may prove cost effective to use traditional paving systems. However, as a trade off, some storm water retention system would have to be enlarged to accommodate excess runoff.
- Modification of some of the interior finishes. These could be modified to reduce the cost of the finishes without compromising the aesthetic integrity or the maintenance aspects of the facility.
- Reduction of items recessed within the floor slab. These are items such as walk-off mats or other finish materials.

This alternative, along with Scenario B:

Revise the drawings to reflect a reduced scope Base Bid (reduced square footage and additional suggestions indicated above). This would be the preferred and better way to provide the most bidding flexibility to the District. In this scenario, the drawings are altered to depict a smaller project, while providing for additive and deductive alternates. We think the best way to do this would be to incorporate the music room into the main structure of the building, which would reduce square footage as well as remove some of the site work from the project. This allows the District the maximum flexibility to know the exact costs of the various parts of the project should we want them to be added or deleted from the project in the future. This could allow the District to custom select the project components they want to build based upon the results on Bid Day. Our architect's experience indicated it is best to limit the amount of alternates to +/- 6 to avoid bidder confusion. Anticipated additional design costs: +/- \$5,000- \$10,000.

A motion was made.

MOTION: It was moved, per staff recommendation, for staff to revise the design to reflect a reduced square footage with addition of other cost saving measures also utilizing additive and deductive alternates to give the highest level of flexibility to control final bid costs with a target cost of less than \$1.7 million.

Motion: Mayo; Second: Wheeler

Prior to the vote, President Corbett opened up public comments. The following member of the public spoke:

Jeff Dunk: Agreed with the motion by the Board

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

MOTION SUMMARY: Motion Passed – 5 Ayes; 0 Nays

E.7 Consider Approval of Law Enforcement Facility (LEF) Lease Agreement with County of Humboldt:

Parks and Recreation Director Jason Sehon presented this item and the lease, offering an amendment to section Article 4, Rent, Section 4.1 in which the language be changed to remove the words “or decrease” in the following sentence: *Regardless of the CPI percentage change the increase or decrease shall be no more than three percent (3%) annually.* A lengthy discussion followed about the length of the lease, the use of the Sheriff’s Work Alternative Program (SWAP) in relation to the language in section 4.2 and measure Z, as well as consideration for long term maintenance of the building. There was no public comment.

MOTION: It was moved to adopt the Law Enforcement Facility lease as amended by the following changes: the deletion of the words “or decrease” in section 4.1; to edit section 4.2 to read “between 2 and 6” SWAP crew members to Lessor each “week” (instead of Saturday) as participant levels allow; the terms of the lease will be between three and five years based on the negotiations of staff with the County.

Motion: Edwards; Second: Mayo

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

MOTION SUMMARY: Motion Passed – 5 Ayes; 0 Nays

E.8 Approve Draft Water Shortage Contingency Plan: This item was not presented and will be continued to the February 4th Board Meeting.

E.9 Consider Approval of the Strategic Plan 2015-2019. This item was not presented and will be continued to the February 4th Board Meeting.

E.10 Wastewater Management Facility Improvement Project Open House Report: This item was not presented and will be continued to the February 4th Board Meeting.

E.11 Consider Authorization for Director Mayo to Attend the Association of California Water Agencies (ACWA) DC 2015 Conference in Washington D.C. February 25-26, 2015: Director Mayo had asked that the Board approve his attendance to the conference and that the District pay only his conference registration fees. There was no discussion by the Board and no comments by the public.

MOTION: It was moved to authorize Director Mayo to Attend the ACWA DC Conference and that the District pays his conference registration fees.

Motion: Edwards; Second: Wheeler

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

MOTION SUMMARY: Motion Passed – 5 Ayes; 0 Nays

E.12 Review of the McKinleyville Community Services District Policy Manual Related to the District of Distinction Application Process and Adopt Resolution 2015-01: A very brief presentation by the Board Secretary Becky Schuette explained why this resolution was needed in order to complete the District of Distinction process in accordance with the Strategic Plan. There was no discussion by the Board and no public comment.

MOTION: It was moved to adopt Resolution 2015-01 to approve without amendments the MCSD Policies and Procedures related to governance, ethics, board conduct, reimbursement/compensation, District finances, and reserves as related to the District of Distinction application process.

Motion: Edwards; Second: Mayo

ROLL CALL VOTE: Ayes; Couch, Edwards, Mayo, Wheeler and Corbett

MOTION SUMMARY: Motion Passed – 5 Ayes; 0 Nays

E.13 Authorize Board President to Sign a Letter of Support for Pursuit of Grant Funds for Salmonid Habitat Restoration and Public Access Project on the Lower Mad River: There was no discussion by the Board and no comments by the public.

MOTION: It was moved to Authorize Board President to Sign a Letter of Support for Pursuit of Grant Funds for Salmonid Habitat Restoration and Public Access Project on the Lower Mad River.

Motion: Mayo; Second: Edwards

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

MOTION SUMMARY: Motion Passed – 5 Ayes; 0 Nays

AGENDA ITEM F REPORTS:

F1. Active Committee Reports

- a. **Recreation Advisory Committee (Wheeler/Couch (alternate))**
Nothing to report, did not meet.
- b. **Area Fund (John Kulstad)**
Nothing to report, did not meet.
- c. **Redwood Region Economic Development Commission (Mayo/Edwards (alternate))**
Director Mayo reported that they were still working on the airport project and that the City of Fortuna had turned them down because they had no money.
- d. **McKinleyville Senior Center Advisory Committee (Edwards)**
Nothing to report, did not meet.
- e. **Audit (Corbett/Edwards)**
The committee met previously to approve the presented audit.
- f. **Employee Negotiations (Couch/Edwards)**
Nothing to report, did not meet
- g. **Water Task Force (Wheeler/Corbett (alternate))**
Nothing to report, did not meet.
- h. **AdHoc No Drugs & Toxics Down the Drain (Wheeler/Couch (alternate))**
Nothing to report, did not meet.
- i. **McKinleyville Municipal Advisory Committee (Edwards/Corbett (alternate))**
Director Edwards reported that the committee met on December 17th and that Sheriff Downey presented plans to expand staffing; a local community watch was present; County Public Works presented the design alternative on Central Avenue which will be brought back in the future; senior mobile home park rent stabilization was also discussed.

F.2 Staff Reports:

- a. **Support Services Department:** Finance Director Colleen Trask reported that the reserves recovery account was currently at \$212,805.
- b. **Operations Department:** Operations Director James Henry had nothing further to report.
- c. **Parks and Recreation Department:** Parks and Recreation Director Jason Sehon reported the floors at Azalea Hall had been redone and the window treatments replaced. Mark Schaffner from Transition Partnership Program, through the Humboldt County Office of Education working

with the California Department of Rehabilitation, spoke briefly to the Board about their relationship with MCSD.

d. General Manager: General Manager Orsini had nothing further to report.

F.3 President's Report: President Corbett stated that he appreciated Director Mayo's funding efforts. He also added that while President he hoped to focus on sewer, solar and grant funding.

F.4 Board comments, announcements, reports and agenda item requests: Director Mayo reported to the Board that the Horses Have the Right-of-Way trail sign had blown down and is requesting the Board and Staff be thinking of a better place to put it.

AGENDA ITEM G ADJOURNMENT:

MOTION: It was moved to adjourn the meeting at 9:39 p.m.

Motion: Edwards; Second: Couch

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

MOTION SUMMARY: Motion Passed – 5 Ayes; 0 Nays



Becky Schuette, Board Secretary