

**MINUTES OF THE REGULAR BOARD MEETING OF THE MCKINLEYVILLE COMMUNITY SERVICES
DISTRICT HELD ON WEDNESDAY, JUNE 4, 2014 AT 6:00PM
AZALEA HALL, 1620 PICKETT ROAD, MCKINLEYVILLE, CA.**

AGENDA ITEM A.1 thru A.2 - CALL TO ORDER And ROLL CALL: The regular meeting of the Board of Directors of McKinleyville Community Services District convened at 6:04 p.m. with the following Directors and staff in attendance:

David Couch, President	Gregory Orsini, General Manager
John Corbett, Vice President	Russ Gans, Attorney at Law
Helen Edwards, Director	Jason Sehon, Parks & Recreations Director
Dennis Mayo, Director	Becky Schuette, Board Secretary
George Wheeler, Director	Sharon Denison, Ret. Board Secretary

There was no comment or discussion and at 6:05 p.m. President Couch announced that the Board would adjourn into closed session for discussion of the following:

A.3.a CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION-MCKINLEYVILLE COMMUNITY SERVICES DISTRICT v COUNTY OF HUMBOLDT, BOARD OF SUPERVISORS OF THE COUNTY OF HUMBOLDT, CASE NO. CV110632 LITIGATION, pursuant to Government Code § 54956.9(a).

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

At 7:00 P.M. the Board adjourned out of closed session and called the regular meeting of the Board of Directors of McKinleyville Community Services District at 7:02 p.m. with the following Directors and Staff in Attendance:

David Couch, President	Gregory Orsini, General Manager
John Corbett, Vice President	Colleen Trask, Finance Director
Helen Edwards, Director	James Henry, Operations Director
Dennis Mayo, Director	Jason Sehon, Parks & Recreations Director
George Wheeler, Director	Becky Schuette, Board Secretary
	Sharon Denison, Ret. Board Secretary

AGENDA ITEM A.4 - REPORT OUT OF CLOSED SESSION: President Couch announced that there were no reportable actions taken during closed session.

AGENDA ITEM A.5 - PLEDGE OF ALLEGIANCE: Helen Edwards led the Pledge of Allegiance

AGENDA ITEM A.6 - ADDITIONS TO THE AGENDA: There were no additions to the Agenda.

AGENDA ITEM A.7 - APPROVAL OF THE AGENDA:

MOTION: It was moved to approve the agenda.

Motion by Corbett; second by Edwards

MOTION VOTE: Ayes: Corbett, Edwards, Mayo, Wheeler and Couch
Nays: None
Absent: None
Abstain: None

MOTION SUMMARY: Motion Passed –5 Ayes; 0 Nays

AGENDA ITEM B - PUBLIC HEARINGS: No public hearings scheduled.

AGENDA ITEM C - PUBLIC COMMENT AND WRITTEN COMMUNICATIONS: President Couch opened public input. General Manager Orsini asked Operations Director James Henry introduce his new employee, Brian Anspach. He added that Brian has a degree in cartography, GIS (Geographic Information System) and Natural Resource Planning from Humboldt State University and is in the process of updating structure and system maps for the District. There were no additional comments received.

AGENDA ITEM D - CONSENT CALENDAR:

- D.1 Consider approval of the minutes of the Board of Directors' Regular Meeting of May 7, 2014
- D.2 Consider approval of April 2014 Treasurer's Report
- D.3 No DCV Violations this month
- D.4 Approve recreation program fees as presented in the 2014 Summer Recreation Activity Guide
- D.5 Approve Consumer Confidence Report for inclusion in June Newsletter

MOTION: It was moved to adopt the consent calendar item D.1 through D.5.

Motion by Corbett; second by Edwards

MOTION VOTE: Ayes: Corbett, Edwards, Mayo, Wheeler and Couch
Nays: None
Absent: None
Abstain: None

MOTION SUMMARY: Motion Passed –5 Ayes; 0 Nays

AGENDA ITEM E - CONTINUED AND NEW BUSINESS:

E.1 Adopt Resolution 2014-18 Proclaiming July as Parks Make Life Better! Month: Parks and Recreation Director Sehon presented information that the Legislature has approved a resolution officially declaring July as Parks Make Life Better! Month and that access to parks, trails, open space, facilities and programs are important to the health of California residents. Sehon referred to statewide public opinion research regarding Californian's use and access to parks and recommended the Board adopt the resolution.

MOTION: It was moved to adopt Resolution 2014-18 proclaiming July as Parks Make Life Better! Month.

Motion by Edwards; second by Corbett

ROLL CALL VOTE: Ayes: Corbett, Edwards, Mayo, Wheeler and Couch
Nays: None
Absent: None
Abstain: None

MOTION SUMMARY: Motion Passed – 5 Ayes; 0 Nays

E.2 Review and consider authorizing approval and execution of the First Amendment to the Special Facilities Agreement between McKinleyville Community Services District, Humboldt Bay Municipal Water District, City of Arcata and City of Eureka: Due to his employment by the City of Arcata, President Couch disqualified himself from participating in any Board discussion or action on this item and excused himself from the room. President Couch passed the gavel to Vice President Corbett who took over as chair for this agenda item. General Manager Orsini presented the information regarding the First Amendment to the Special Facilities Agreement reporting that the City of Arcata has determined that it would be appropriate for them to own and maintain the portion of the intertie due to their sphere of influence, but that MCSD would still own and maintain the area from across the bridge to the pump station. There was no comment by the public.

MOTION: It was moved to approve staff recommendations and authorize General Manager Orsini to execute the First Amendment to the Special Facilities Agreement between McKinleyville Community Services District, Humboldt Bay Municipal Water District, City of Arcata and City of Eureka.

Motion by Edwards; second by Wheeler

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

Nays: None
Absent: None
Abstain: Couch

MOTION SUMMARY: Motion Passed – 4 Ayes; 0 Nays; 1 Abstain

At 7:17 p.m. President Couch returned to chair the meeting.

E.3 Consider Local Agency Formation Commission (LAFCo) Election for Special District Representative:

General Manager Orsini provided information, history and structure of LAFCo and recommended the Board review the list of nominees for the three Representative vacancies on the LAFCo Board, take public comment and place a single vote for their nominee of choice. There was a brief Board discussion with each Director stating their choice for the best qualified representative.

1st MOTION: It was moved cast MCSD's vote for Frank Scolari as Special District Representative to serve on LAFCo.

Motion by Edwards; second by Mayo

VOICE VOTE: Ayes: Edwards, Mayo
Nays: Corbett, Wheeler, Couch
Absent: None
Abstain: None

MOTION SUMMARY: Motion Failed – 2 Ayes; 3 Nays

After additional discussion regarding the varied roles of LAFCo, including regulatory and planning responsibilities and detailed review of law. A second motion was made after which President Couch opened public discussion and Megan O'Brien offered her support for Director Wheeler.

2nd MOTION: It was moved to cast MCSD's vote for George Wheeler as the LAFCo Special District Representative to serve on LAFCo.

Motion by Corbett; second by Wheeler

VOICE VOTE: Ayes: Corbett, Edwards, Mayo, Wheeler and Couch
Nays: None
Absent: None
Abstain: None

MOTION SUMMARY: Motion Passed – 5 Ayes; 0 Nays

E.4 Consider Adopting Procedure to Draft Integrated Pest Management Plan for MCSD: General Manager Orsini reviewed the history of past discussion and direction taken in consideration of developing an Integrated Pest Management Plan (IPM). He then reviewed staff recommendations which included development of a district wide plan. Parks and Recreation Director Sehon led a Power Point presentation regarding the definition of an IPM and its importance to the public, property and the environment.

1st MOTION: It was moved to direct staff to work on developing a district wide Integrated Pest Management Plan and to bring the plan back to the Board for public input and Board discussion and approval as the sections are completed.

Motion by Mayo; second by Edwards

Director Wheeler expressed concern with the public having adequate time for input and comments throughout the process. General Manager Orsini provided options for public input and stressed that the process needed to be 100% transparent and the outcome needed to represent a consensus. President Couch opened the item up to the public. Three members of the public spoke:

1. Megan O'Brien provided her opinion that members of the public do not want pesticides and asked the Board to broadly discuss the IPM and allow public participation.
2. Ken Miller recommended forming a committee composed of a Board member and public members and that they invite public comment. He would like a task force similar to that of the City of Arcata's.

3. Catherine Hanafi (Dr. Catherine Briggs) would like more public involvement and supported a workshop or committee format.

President Couch closed public comment or input.

General Manager Orsini explained his desire for wanting to handle the IPM as an agenda item so that all of the Board members could be present and the public provide their input. Additionally, he suggested that the MCSD website be used to provide information and review to the public as well as allow for the public to provide input to the process. All public input would then be included as part of the board packet so that it could be memorialized as part of the public record.

After a brief discussion, Director Mayo withdrew his motion and Director Edwards withdrew her second.

2ND MOTION: It was moved to approve staff recommendations to develop a district wide pest management plan, develop a public access program to allow website comments to be included in the Board packet and to bring each section of the plan to the Board in workshop format to allow maximum public comment and Board review and discussion.

Motion by Corbett; second by Mayo

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

Nays: None

Absent: None

Abstain: None

MOTION SUMMARY: Motion Passed – 5 Ayes; 0 Nays

E.5 Approve FY 2014/15 Final Budget and Strategic Plan: Finance Director Trask reviewed the final 2014/15 fiscal year Budget and Strategic Plan, updated revenue assumptions and budget components. General Manager Orsini requested that “Other Charges” in the streetlights budget be explained and clarification was provided.

MOTION: It was moved to approve the 2014/15 Final Budget, Strategic Plan and adopt Resolution 2014-19 Establishing Appropriations Limits for FY 2014/15

Motion by Edwards; second by Corbett

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

Nays: None

Absent: None

Abstain: None

MOTION SUMMARY: Motion Passed – 5 Ayes; 0 Nays

AGENDA ITEM F- REPORTS:

F1. ACTIVE COMMITTEE REPORTS

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

Director Wheeler reported the committee had met; Teen Center would be going to bid in July if not sooner; picnic area is opening later this summer; kids are enjoying Peewee basketball league; Youth Leadership Summit went well and they want planned to do it again.

b. Area Fund (John Kulstad)

Nothing to report.

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

Director Mayo reported they did not meet because of the holiday; there was a pulp mill tour; they are still trying to raise money to entice an airline or other large transportation company here; cash mob to meet at 5:30 at the Java Stop this Friday.

d. McKinleyville Senior Center Advisory Committee (Edwards)

Nothing to report.

e. Audit (Corbett/Edwards)

Director Edwards reported a meeting was scheduled for June 5.

f. Employee Negotiations (Couch/Edwards)

Negotiations complete until next year.

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

Director Wheeler reported they did not meet, however he had received an email about an ACWA event happening in July that is hosted by Humboldt Bay Municipal Water District. General Manager Orsini added that information will be in Board packet in July and decision about attending can be authorized by the Board at that time. Director Mayo clarified that HBMWD and MCSD are actually hosting ACWA Region 1 event and that it will be educational.

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

Nothing to report.

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

Director Edwards reported that they did not meet.

F.2 STAFF REPORTS:

a. Support Services Department:

Colleen Trask, Finance Director reported that a check was just sent to the County Trust Fund for the Reserves Recovery; Audit Committee meeting tomorrow; water and wastewater are showing greater than expected revenue; an overview of the Capital Projects and Debt Status was given.

b. Operations Department:

James Henry, Operations Director reported that the streetlights LED project is 100% complete. He advised that Arcata Fire Department used their ladder truck to assist with the last light near Pierson Park. Director Edwards queried Operations Director Henry about the word "megging" and a definition was provided by General Manager Orsini.

c. Parks & Recreations Department:

Jason Sehon, Parks & Recreations Director reported the lights inside Pierson Park were also switched to LED; Pony Express Days began Wednesday night with the Chili Cook-Off which was occurring simultaneously with the Board Meeting. Sehon also reviewed the events for the Pony Express Days planned for the remainder of the week. He reported that six bat boxes created by an Eagle Scout have been installed at the Waste Water Treatment Plant in an effort to help with the mosquitoes; wood duck boxes are being relocated; tree swallow boxes being installed along loop trails; Youth Leadership Summit group is meeting every two weeks and they have decided on two projects; they would like a mural somewhere in McKinleyville, location still undecided and they would also like a book exchange program (bring a book and take a book).

d. General Manager:

Greg Orsini, General Manager reported that the Photovoltaic Feasibility study is now complete, is consistent with the strategic plan and that he is hoping to have a presentation at the next Board Meeting; locations, return on investments, upfront costs and finance availability were all part of the study. Director Wheeler advised he would not be present at the July meeting and he asked the presentation be postponed until the August meeting.

F.3 PRESIDENT'S REPORT:

President Couch reported that Legislative Days in Sacramento were great; the keynote speaker was reassured the attendees that he was not going to allow reserve funds to be accessed. General Manager Orsini advised that the heavily lobbied bill, AB 1897 was shot down and that was important; President Couch advised that he had received a letter from Nancy Horrell with the McKinleyville Land Trust asking for Board support of the Environmental Enhancement and Mitigation Program (EEMP) application for the Chah-GAH-Cho Enhancement Project by Redwood Community Action Agency (RCAA) in partnership with the property owner McKinleyville Land Trust (MLT). General Manager Orsini advised that he was going to draft a letter if the Board was in agreement. There was discussion about whether she needed

individual support letters or if the entire Board could sign one letter; General Manager Orsini will find out which one she needs and draft a letter for Board approval.

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

Director Mayo reported that he planned to attend an ACWA Meeting in Sacramento on September 5. He also advised that he met with Assemblyman McGuire and discussed the water facility, alternate energy and funding; General Manager Orsini advises that he will be extending an invitation to the new Assemblymen and Senator to come to McKinleyville after the November elections.

AGENDA ITEM G - ADJOURNMENT:

MOTION: It was moved to adjourn the meeting at 9:20 P.M.

Motion by Edwards; second by Corbett

MOTION VOTE: Ayes; Corbett, Edwards, Wheeler, Mayo and Couch
Nays; None
Absent; None
Abstain; None

MOTION SUMMARY: Motion Passed-5 AYES; 0 NAYS

Becky Schuette, Board Secretary

PHYSICAL ADDRESS:

1656 SUTTER ROAD
MCKINLEYVILLE, CA 95519

MAILING ADDRESS:

P.O. BOX 2037
MCKINLEYVILLE, CA 95519



mckinleyvillesd.com

MAIN OFFICE:

PHONE: (707) 839-3251
FAX: (707) 839-8446

PARKS & RECREATION OFFICE:

PHONE: (707) 839-9803
FAX: (707) 839-5966

**CONFLICT OF INTEREST CODE
DISQUALIFICATION STATEMENT**

I HEREBY DISQUALIFY MYSELF FROM PARTICIPATING IN ANY BOARD DISCUSSION
OR ACTION PERTAINING TO:

E.2 REVIEW AND CONSIDER AUTHORIZING APPROVAL AND EXECUTION OF THE
FIRST AMENDMENT TO THE SPECIAL FACILITIES AGREEMENT BETWEEN
MCKINLEYVILLE COMMUNITY SERVICES DISTRICT, HUMBOLDT COUNTY, CITY OF ARCATTA AND CITY OF EUREKA.

THIS WRITTEN RECORD IS HEREBY FILED WITH THE SECRETARY OF THE DISTRICT,
TO BECOME A PART OF THE PUBLIC RECORD (MINUTES) IN ACCORDANCE WITH
THE MCKINLEYVILLE COMMUNITY SERVICES DISTRICT CONFLICT OF INTEREST
CODE APPROVED APRIL 24, 1980.

DATE: June 4, 2014

SIGNED: David R. Cook