

**MINUTES OF THE REGULAR MEETING OF THE MCKINLEYVILLE COMMUNITY SERVICES
DISTRICT HELD ON WEDNESDAY, JUNE 1, 2016 AT 7:00PM
AZALEA HALL, 1620 PICKETT ROAD, MCKINLEYVILLE, CA**

AGENDA ITEM A CALL TO ORDER

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

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

Gregory Orsini, General Manager
Colleen M.R. Trask, Finance Director
James Henry, Operations Director
Lesley Frisbee, Recreation Supervisor
Becky Schuette, Board Secretary

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

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

A.4 Approval of the Agenda:

MOTION: It was moved to adopt the agenda.

Motion: John Corbett; Second: David Couch

There was no comment from the Board or the public.

ROLL CALL: Ayes; Corbett, Couch, Mayo and Wheeler. **Absent;** Edwards

MOTION SUMMARY: Motion Passed

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

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

AGENDA ITEM C PUBLIC COMMENT AND WRITTEN COMMUNICATIONS: President Wheeler opened public comment and the following members of the public spoke specifically about Open Space Zone (OSZ) #16 on Camino Way.

Kathy Rodriguez, 1580 Camino Way, requesting the OSZ topic be added to a future agenda in order to work out issues with landscaping.

Linda Adorador, 1571 Camino Way

David Weiss, 1530 Camino Way

After hearing the comments, President Wheeler advised the group that the topic would be placed on an agenda in the future. Director Mayo wanted to clarify that the issue was going to be looked into and brought back for a discussion on a future Board meeting. General Manager Orsini added that the residence of the zone will be notified in ample time when the item is placed on the agenda. Director Couch added that the groups email letters were being received and the Directors are aware of and care about their concerns.

There were no further comments and public comment was closed.

AGENDA ITEM D CONSENT CALENDAR:

- D.1** Consider approval of the Minutes of the Board of Directors' Regular Meeting of May 4, 2016
- D.2** Consider approval of the April 2016 Treasurer's Report
- D.3** Compliance with State Double Check Valve (DCV) Law – Violations
- D.4** Consider approve of 2016 Summer-Fall Recreation Activity Guide and Recreation Program Fees
- D.5** Consider approval of the 2015 Consumer Confidence Report (CCR)

MOTION: It was moved to approve the consent calendar.

Motion: Dennis Mayo; Second: David Couch

There were no comments from the Board or the public.

ROLL CALL: **Ayes;** Corbett, Couch, Mayo and Wheeler. **Absent;** Edwards

MOTION SUMMARY: Motion Passed

AGENDA ITEM E CONTINUED AND NEW BUSINESS:

E.1 Consider approval of a conflict waiver consenting to Mitchell, Brisso, Delaney & Vrieze, LLP's concurrent representation of McKinleyville Community Services District (MCSD) and Green Diamond Resource Company in connection with a real property transaction involving a dedication of certain forest lands to MCSD by and through the Trust for Public Land: District Counsel Russ Gans was not present, therefore General Manager Orsini reviewed the item and made his recommendation. GM Orsini emphasized that the potential future negotiations will technically be with the Trust for Public Land, therefore there would be no conflict with concurrent counsel.

Director Corbett had several concerns regarding the description of the project and completeness of the waiver: There was no mention of the potential for a third party being involved in the sale; there was the potential for problems with timing for tax reasons; and the issue related to the exchange of right of ways. Overall, the agreement does not properly describe the project and does not properly cover some potential conflicts of interest that Director Corbett has previously had negotiating with Green Diamond.

Director Mayo advised that he had done a great deal of research himself and made numerous phone calls regarding the contract, but ultimately agreed with Director Corbett's summation of concerns.

President Wheeler also believed that there would be conflicts with counsel when the process begins. It was the direction of the President for the General Manager to work with Counsel Russ Gans and Director Corbett to work out better language for the agreement that would quell the concerns that the Directors each had. This item was postponed and will return as an agenda item for further discussion at a later date.

There were no comments from the public.

E.2 Consider appointment of applicant John Calkins for vacant position on the Recreation Advisory Committee: Recreation Director Lesley Frisbee reviewed her staff note and read the specific language from the Rules and Regulations regarding appointments to the Recreation Advisory Committee (RAC). She also advised, after queried by the General Manager, that the public had been noticed of the vacancies via Public Service Announcements on three different occasions and vacancies had been posted on the MCSD website. John Calkins was then invited to the podium and he spoke briefly about his interest in the vacancy. There was a lengthy debate about the appointment and Director Mayo requested the appointment be postponed until Director Edwards could be present.

MOTION: It was moved to postpone the vote.

Motion: Dennis Mayo; Second: None

Motion Failed

There was further discussion and debate while Director Mayo spoke at length about his objection to the appointment. Director Corbett then agreed to the postponement due to the controversial statements being made. Director Couch had no objections to the postponement. Mr. Calkins had no problem with the postponement either. The previous motion was seconded.

MOTION: It was moved to continue the vote to the next meeting.

Motion: Dennis Mayo; Second: John Corbett

ROLL CALL: Ayes; Corbett, Couch, and Mayo. **Noes;** Wheeler. **Absent;** Edwards

MOTION SUMMARY: Motion Passed

E.3 Consider authorization for Director Corbett to attend the Annual California Water Law & Policy Mandatory Continued Legal Education (MCLE) Conference in San Francisco June 13-14, 2016: Director Corbett spoke and advised that he believed that this would be a very valuable conference and be quite useful over the next two years based on the topics being offered.

MOTION: It was moved to approve attendance of Director Corbett to the conference.

Motion: Dennis Mayo; Second: David Couch

There was no comment from the public.

ROLL CALL: Ayes; Corbett, Couch, Mayo and Wheeler. **Absent;** Edwards

MOTION SUMMARY: Motion Passed

E.4 Consider adoption of the use of the Special District Leadership Foundation (SDLF) High Performing District checklist for use in areas of Finance and Human Resources: General Manager Orsini reviewed the item notes and then made his recommendation to consider adoption of the checklist and include it in the strategic plan.

MOTION: It was moved to approve the use of the checklist.

Motion: Dennis Mayo; Second: John Corbett

President Wheeler requested clarification on the reference to the P drive in the highlighted section of the charts and an explanation was provided.

ROLL CALL: Ayes; Corbett, Couch, Mayo and Wheeler. **Absent;** Edwards

MOTION SUMMARY: Motion Passed

E.5 Consider approval of FY2016-17 Proposed Budget and Appropriations Limit: Finance Director Colleen Trask advised the Board that there had not been any major changes to any portions of the budget since the time each section had been presented over the past several months. She also advised that the Strategic Plan, which had been previously approved, was included in the budget and that the Org Chart reflected the updated and current vacancies for District staff. Several of the specific funds and the pie charts were pointed out for each of the departments. President Wheeler requested clarification regarding the Fischer Ranch and the \$1.5 million allocated and General Manager Orsini clarified, pointing out the potential for the future purchase of the Piolarsi Ranch. Clarification was also provided by Operations Director Henry regarding the reduction on the sewer project section by \$200,000. He advised this was related to the consideration of several grants that could be used for funding. Director Corbett asked several more questions about projected gain and loss net assets and clarification on the charts.

MOTION: It was moved to approve the budget and then amended to be per staff recommendation.

Motion: John Corbett; Second: David Couch

There was no comment from the public.

ROLL CALL: **Ayes;** Corbett, Couch, Mayo and Wheeler. **Absent;** Edwards

MOTION SUMMARY: Motion Passed

Agenda item E.8 was called out of order at this time and Mitch Weiss with the California Transportation Commission was requested to the podium.

E.8 Presentation by Mitch Weiss, Deputy Director, California Transportation Commission regarding the California Road Charge Pilot Program: A PowerPoint presentation was provided that covered transportation funding, evolution of the fuel economy for vehicles, and current and future standards for increased fuel efficiency in vehicles. Mr. Weiss continued with the topic of what options there were as the fuel tax is reduced due to fuel efficient cars. The Road Charge was explained as being based on vehicle mileage usage, rather than the fuel it is consuming. He continued by describing the methods that are under consideration for reporting of miles. Finally, the time line for implementation, findings and recommendations were provided. There were comments, suggestions and discussion among the Board, the General Manager and staff and any questions were answered by Mr. Weiss.

This item was information only, and there was no action taken.

Director Corbett excused himself from the meeting at 8:57 pm.

E.6 Consider approval of the Memorandum of Understanding (MOU) for Central Avenue Right of Way Landscape Maintenance with Humboldt County Department of Public Works (DPW):

General Manager Orsini provided the topic for discussion and made his recommendation. President Wheeler requested clarification regarding the sidewalk area in front of the property owner's businesses and who was responsible for that area. General Manager Orsini advised that it has always been the property owner's responsibility, but permission to remove trees required a permit from the County and approval of the District. He added that it also required complete removal of the tree and stump and that the trees be replaced with specific types required by the County.

There was no public comment.

MOTION: It was moved to approve the item.

Motion: Dennis Mayo; Second: David Couch

ROLL CALL: **Ayes;** Couch, Mayo and Wheeler. **Absent;** Corbett and Edwards

MOTION SUMMARY: Motion Passed

E.7 Land Transfer Agreement with Humboldt County for North Bank Road Park Property APN 507-141-021: General Manager Orsini reviewed the item and made his recommendation.

MOTION: It was moved to approve the land Transfer Agreement with Humboldt County for the Northbank Road Property APN 507-141-021.

Motion: David Couch; Second: Dennis Mayo

There was no public present for comment and no Board comments.

ROLL CALL: **Ayes;** Couch, Mayo and Wheeler. **Absent;** Corbett and Edwards

MOTION SUMMARY: Motion Passed

E.9 Consider adoption of Resolution 2016-12 amending the Rules and Regulations Rule 45.03.b Facility Use Fees and 45.03.c Event Service Fees: Recreation Director Lesley Frisbee made her recommendation and then reviewed the item and the need for the changes to the fees.

There was no comment from the Board or the public.

MOTION: It was moved to accept staff's recommendation

Motion: Dennis Mayo; Second: David Couch

ROLL CALL: Ayes; Couch, Mayo and Wheeler. **Absent;** Corbett and Edwards

MOTION SUMMARY: Motion Passed

AGENDA ITEM F REPORTS:

F1. Active Committee Reports

- a. **Recreation Advisory Committee (Wheeler/Couch (alternate)):** President Wheeler reported that there had been vehement protest to the Gatorade machine in the Recreation Center. He also advised that John Calkins had attended the RAC meeting and had volunteered to be an alternate.
- b. **Area Fund (John Kulstad/Edwards):** No report.
- c. **Redwood Region Economic Development Commission (Mayo/Edwards (alternate)):** Director Mayo advised that the meeting had been about the general status of RREDC and that they were solid with funding and things were going well. He reported that RREDC had taken a bit of a hit with the sale of the ranch at the end of Baird with 80% of the money coming back.
- d. **McKinleyville Senior Center Advisory Committee (Edwards):** Recreation Director Frisbee advised the Board that the advisory committee had not met.
- e. **Audit (Corbett/Edwards):** Did not meet.
- f. **Employee Negotiations (Couch/Edwards):** Did not meet.
- g. **Water Task Force (Wheeler/Corbett (alternate)):** Did not meet.
- h. **AdHoc No Drugs & Toxics Down the Drain (Wheeler/Couch (alternate)):** Did not meet.
- i. **McKinleyville Municipal Advisory Committee (Edwards/Corbett (alternate)):** General Manager Orsini reported that the committee had met at the end of May. Emily Jacobs from the airport made a presentation regarding the potential uses of areas at the airport. Emily Sinkhorn had also made a presentation discussing the Safe Routes for Schools and the two projects for Morris and McKinleyville High. McKinleyville Avenue from Murray to Gassoway will have bike lanes on both sides and a pedestrian trail will be added on the west side of the street. There will be a paved bike trail on Bates to the south side of Morris school where there is currently only a shoulder.
- j. **Cornerstone Committee (Couch):** Did not meet.
- k. **Groundwater Sustainability Committee (Edwards/Corbett, Mayo):** No report.

F.2 Staff Reports:

- a. **Support Services Department:** Finance Director Colleen Trask reported on the reserves recovery account and that we were in line to remove the surcharge by December 2017. She advised the Board that the principle auditor, Kim Windsor, had retired this year and that the new principle auditor for our audit will be Jeff Trump with Donna Taylor overseeing the audit. Trask advised that the second State Revolving Fund disbursement request had been submitted. The GASB 45 and 68 were also discussed.
- b. **Operations Department:** Operations Director James Henry had nothing to add to his report, however he did provide the Board with a video of the current progress from the cameras at the WWMF upgrade project.
- c. **Parks and Recreation Department:** Recreation Director Lesley Frisbee had nothing further to add to her report.
- d. **General Manager:** General Manager Orsini reported that earlier in the day he had met with Rob Christensen and Jason Klum from Senator McGuire's offices. Jason specializes in grant funding and he and the group had a discussion regarding how to make some of the MCSD projects funded through grants. Letters of support for the generator project were also provided to MCSD by Senator McGuire.

F.3 President's Report: President Wheeler reported that his attendance at the CSDA Legislative Days were very productive and included time spent with Senator McGuire. President Wheeler added that he would like next year's budget include solar for at least one of the District buildings.

F.4 Board comments, announcements, reports and agenda item requests: Director Mayo reported that he had attended the ACWA Conference and one of his breakout sessions was with the USGS. USGS is lacking mapping for the northern area of California. He added that the State Water Board was going to be adding a surcharge on connection fees in order to cover State Water Board administrative fees.

AGENDA ITEM G ADJOURNMENT:

Director Mayo moved to adjourn the meeting and the motion was seconded by Director Couch. President Wheeler adjourned the meeting at 9:36 pm.


Becky Schuette, Board Secretary