

**MINUTES OF THE REGULAR MEETING OF THE MCKINLEYVILLE COMMUNITY SERVICES DISTRICT
HELD ON WEDNESDAY, JANUARY 19, 2011 AT 7:00PM AT AZALEA HALL,
1620 PICKETT ROAD, MCKINLEYVILLE**

The regular meeting of the Board of Directors of McKinleyville Community Services District convened at 7:00pm with the following Directors and staff in attendance:

Helen Edwards, Board President

Dennis Mayo, Vice President

David Couch, Director (arrived at 7:02pm)

Bill Wennerholm, Director

John Corbett, Director

Norman Shopay, General Manager

Gregory Orsini, Operations Director

Steve Edmiston, Finance Director

Sharon Denison, Board Secretary

Jason Sehon, Park & Recreation Director

AGENDA ITEM A-CALL TO ORDER, ROLL CALL, PLEDGE OF ALLEGIANCE, ADDITIONS TO THE AGENDA:

At 7:00pm President Edwards called the meeting to order with Directors Corbett, Mayo and, Wennerholm in attendance. Director Couch was absent. There were no additions to the agenda.

AGENDA ITEM B-APPROVAL OF THE AGENDA:

MOTION: It was moved to approve the agenda. Motion by Corbett; second by Mayo.

MOTION VOTE: Ayes: Corbett, Mayo, Wennerholm, Edwards

MOTION SUMMARY: Motion passed-4 AYES; 0 NAYS

AGENDA ITEM C-PUBLIC HEARINGS: none

- Director Couch arrived at 7:03pm

AGENDA ITEM D-CONSENT CALENDAR:

1. Consider approval of minutes of the Board of Directors' Regular Meeting of Dec. 15, 2010
2. Consider approval of Dec. 2010 Treasurer's Report
3. DCV Violations this month
4. Consider Approval of minutes of the Board of Director's Special Meeting of Dec. 29, 2010

MOTION: It was moved to approve consent calendar items D1 through D4. Motion by Corbett; second by Mayo.

President Edwards opened public input and David Elsebusch addressed the Board to request consent calendar item D.2 be pulled for further discussion. President Edwards closed public input. **Director Corbett amended his motion to approve consent items D1, 2 & 4 and Director Mayo agreed to this amended motion.**

MOTION VOTE: Ayes: Corbett, Couch, Mayo, Wennerholm, Edwards

MOTION SUMMARY: Motion passed-5 AYES; 0 NAYS

(In accordance w/Robert's Rules of Order, 10th edition, Pg. 451, Section 48: "Unless the minutes are to be published, they should contain mainly a record of what was done at the meeting, not what was said by the members".)

Consent Calendar Item D.2- Consider Approval of December 2010 Treasurer's Report: As the Directors had no questions President Edwards opened public input and David Elsebusch addressed the Board to express concern with some of the items listed in the check disbursement report. President Edwards closed public input.

MOTION: It was moved to approve consent calendar item D.2. Motion by Corbett; second by Mayo

MOTION VOTE: Ayes: Corbett, Couch, Mayo, Wennerholm, Edwards

MOTION SUMMARY: Motion Passed-5 AYES; 0 NAYS

AGENDA ITEM E.1-PRESENTATION OF MCSD EMPLOYEE OF THE YEAR AWARD TO TONY RUTTEN:

General Manager Shopay explained that this was the second year of this award that is determined by vote by the MCSD employees. He briefly reviewed the criteria for consideration and praised Mr. Rutten for his loyalty and dedication. President Edwards presented the award to him and Tony thanked the Board and employees for their support.

AGENDA ITEM E.2-CONSIDER ADOPTING RESOLUTIONS 2011-01 & 2011-02 INITIATING PROCEEDINGS FOR THE FORMATION OF MEASURE B MAINTENANCE ASSESSMENT DISTRICT RENEWAL:

Park & Recreation Director Sehon briefly reviewed the proposal and the process and reported that this item was continued from the last meeting to allow ample time for staff to work with the consultants to consider and address concerns received at last month's meeting and a subsequent workshop. He turned the meeting over to Mark Mandell, a 218 attorney working with the consultant, who gave a PowerPoint presentation to review all aspects of Measure B, the 218 requirements, procedures to adopt the assessment and answered Board questions and concerns. Park & Recreation Director Sehon thanked the public who attended meetings to help with the process. He then advised the Board that there were a few changes to the engineer's report, directing their attention to both Page 9 and Page 26 to highlight the changes. After a brief Board discussion President Edwards opened public input and thirteen people addressed the Board, with 8 individuals in full support of the Measure and five people expressing concerns. President Edwards closed public input. Director Corbett asked staff and the 218 attorney to address questions and concerns. Finance Director Edmiston concurred with the financial projections presented in the engineer's report.

1ST MOTION: It was moved to adopt Resolution 2011-01 to initiate proceedings for the formation of the Measure B Assessment District Renewal for Parks, Open Space and Recreational facilities. Motion by Corbett; second by Couch.

MOTION VOTE: ROLL CALL VOTE-Ayes: Corbett, Couch, Mayo, Wennerholm, Edwards

MOTION SUMMARY: Motion Passed-5 AYES; 0 NAYS

2ND MOTION: It was moved to adopt Resolution 2011-02 to declare the intention to form Measure B Assessment District renewal for Parks, Open Space and Recreational facilities; accepting the engineer's report with the changes as requested by staff; approving the levy and collection of annual assessments related commencing with FY 2011/2012; ordering a property owner protest ballot proceeding and setting a time and place for the public hearing. Motion by Corbett; second by Couch

MOTION VOTE: ROLL CALL VOTE-Ayes: Corbett, Couch, Mayo, Wennerholm, Edwards

MOTION SUMMARY: Motion passed-5 AYES; 0 NAYS

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AGENDA ITEM E.3-NOTICE OF PREPARATION (NOP) ISSUED BY HUMBOLDT COUNTY FOR SEIR UNDER THE CEQA FOR PROJECT TITLE 2010 HUMBOLDT COUNTY ELEMENT GENERAL PLAN AMENDMENT:

Director Mayo recused himself from discussion on this item. General Manager Shopay reviewed the request received from HCAOG with a deadline for response by January 20, 2011. He expressed his concern with the proposed re-zoning of approximately 41 parcels in McKinleyville to multi-family housing to help the County meet future housing needs of lower income households. He reported that staff was working on a response and asked the Directors for their input. Director Corbett expressed concern that this authority to change land use densities would make it impossible for the District to plan for future infrastructure needs. President Edwards agreed that this was a very serious issue and commended staff for the continued effort to work with County. President Edwards opened public input and 6 individuals addressed the Board expressing serious concern with the proposal and its effect on McKinleyville. It was consensus that this item needed to be addressed in detail in the future and staff was directed to continue to work with the County and to report to the Board on any updates.

At 8:51pm President Edwards adjourned the meeting for a short recess.

At 8:56pm President Edwards called the meeting back to order.

AGENDA ITEM E4-CONSIDER PROPOSALS RECEIVED FOR FISCHER RANCH LEASE AND CONSIDER PROVIDING NOTICE OF TERMINATION OF CURRENT LEASE AGREEMENT:

MOTION: It was moved to approve the Fischer Ranch lease with Mr. Peachey and authorize signature on the lease termination notification letter for Mr. Gomes. Motion by Corbett; second by Wennerholm

MOTION VOTE: Ayes: Corbett, Couch, Mayo, Wennerholm, Edwards

MOTION SUMMARY: Motion passed-5 AYES; 0 NAYS

AGENDA ITEM E5-CONSIDER APPROVAL OF BATTING CAGE DESIGN AND CONSIDER APPROVING A RIGHT OF ENTRY AGREEMENT WITH MCK LITTLE LEAGUE FOR CONSTRUCTION OF BATTING CAGES AT HILLER SPORTS SITE: Park & Recreation Director Sehon reviewed the proposal and noted that while the drawing indicated the cages would be 20 feet wide, that 30 feet was the standard, but that the increased size would not affect overflow parking.

MOTION: It was moved to direct staff to work with the McKinleyville Little League regarding the details of design and maintenance and authorize approval of the right of entry agreement with the MLL for construction of batting cages at the Hiller Sports site.

MOTION VOTE: Ayes: Corbett, Couch, Mayo, Wennerholm, Edwards

MOTION SUMMARY: Motion Passed-5 YES; 0 NAYS

AGENDA ITEM E6-CONSIDER APPROVAL OF RESOLUTION 2011-04 COMMITTING FUNDS FOR THE FINANCING OF THE RAMEY PUMP STATION UPGRADE: Finance Director Edmiston reported that this was the last hurdle for approval of the loan package and the language in the Resolution was their language.

MOTION: It was moved to approve Resolution 2011-04, a Resolution of the MCSD Board to commit funding for the financing of the Ramey Pump Station Upgrade. Motion by Corbett; second by Mayo.

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MOTION VOTE: ROLL CALL VOTE-Ayes: Corbett, Couch, Mayo, Wennerholm, Edwards

MOTION SUMMARY: Motion passed-5 AYES; 0 NAYS

AGENDA ITEM E7-BOARD DISCUSSION OF THE “DRAFT” FISCAL YEAR 2011/2012 CAPITAL

IMPROVEMENT PLAN: Finance Director Edmiston reported that this was informational and for discussion only. He briefly reviewed the draft CIP that would cover the next ten fiscal years and reported this was a group effort from management and staff and will be part of the final budget document to be presented later this year. Director Corbett asked to see more cash flow projections in the future and General Manager Shopay reported that staff was trying to put more detail in the long term planning rather than in the CIP. He added that next month staff will bring the capacity fee information to the Board for consideration of fee increases to cover cost of future growth in McKinleyville.

AGENDA ITEM E.8-DISCUSS BOARD COMMITTEE ASSIGNMENTS FOR 2011: President Edwards asked the Directors if they had any changes to list of proposed committee assignments in the Board packet. As there was no changes desired the assignments were accepted as noted.

MOTION: It was moved to approve the committee assignments as listed below. Motion by Corbett; second by Wennerholm:

- RAC-Couch, alternate-Mayo
- Audit-Corbett, Edwards
- No Drugs down the drain/toxic/oil-Mayo
- Humboldt County Advisory-Edwards, Mayo, alternate-Corbett
- McK Senior Center-Wennerholm
- HBMWD Water Task Force-Mayo, Corbett
- RREDC-Wennerholm, alternate-Edwards
- McK Area Fund-John Kulstad

MOTION VOTE: Ayes: Corbett, Couch, Mayo, Wennerholm, Edwards

MOTION SUMMARY: Motion Passed-5 AYES; 0 NAYS

AGENDA ITEM E.9-CONSIDER APPROVAL OF REVISED BOARD POLICY MANUAL:

MOTION: It was moved to approve the revised Board Policy Manual. Motion by Corbett; second by Mayo.

MOTION VOTE: Ayes: Corbett, Couch, Mayo, Wennerholm, Edwards

MOTION SUMMARY: Motion passed-5 AYES; 0 NAYS

AGENDA ITEM E.10-CONSIDER APPROVAL OF REVISED LAW ENFORCEMENT FACILITY LEASE

ADDENDUM:

MOTION: It was moved to approve the addendum to the existing Law Enforcement Facility Lease agreement. Motion by Mayo; second by Wennerholm

MOTION VOTE: Ayes: Corbett, Couch, Mayo, Wennerholm, Edwards

MOTION SUMMARY: Motion Passed-5 AYES; 0 NAYS

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AGENDA ITEM E.11-CONSIDER APPROVAL OF RESOLUTION 2011-05 DECLARING AUTHORIZATIONS RELATED TO THE ADMINISTRATION OF A CALRECYCLE GRANT:

MOTION: It was moved to approve Resolution 2011-05 approving authorizations related to the administration of a Calrecycle grant. Motion by Corbett; second by Wennerholm

MOTION VOTE: ROLL CALL VOTE: Ayes; Corbett, Couch, Mayo, Wennerholm

MOTION SUMMARY: Motion passed- 5 AYES; 0 NAYS

AGENDA ITEM F-REPORTS:

F1a-RAC: Park & Recreation Director Sehon reported a meeting was scheduled Thursday of next week.

F1b-McK Area Fund: John Kulstad reported they would be meeting was the first week of February and he will report subsequent to that. He added it was an honor to serve as the chair of the MAF.

F1c-RREDC: President Edwards had nothing to report.

F1d-McK Senior Center: Director Wennerholm had nothing to report as the seniors had not met.

F1e-Audit: Director Corbett reported the audit committee will meet February 7th at 10:00am.

F1f-Water Task Force: Director Mayo reported the task force will meet within the next month.

F1g-AdHoc No Drugs & Toxics down the Drain: Director Mayo had nothing to report.

F2a-Support Services Department: Finance Director Edmiston had nothing to add to his written report.

F2b-Operations Department: Operations Director Orsini had nothing to add to his written report.

F2c-Park & Recreation Department: Park and Recreation Director Sehon reported that the Christmas banners have been removed and he was working with the Chamber to design the Pony Express Banners.

F2d-General Manager: General Manager Shopay reported that HBMWD anticipates a 15% rate increase and the District will need to plan for that. Finance Director Edmiston added that the three month trend of a decrease in water use will have to be considered when the HBMWD rates are discussed and this could be an effect from last year's rate increases. Operations Director Orsini reported that the earlier wet season could have had an impact of the water consumption decrease.

F3-Chairman's Report: President Edwards had nothing to report.

F4-Board Members comments, Announcements and Reports: Director Corbett reported that he would like to work with staff regarding small changes to staff recommendations that will make it easier for Directors to clarify their motions. Dennis Mayo explained that he had recused himself from discussion regarding the Housing Element General Plan amendment due to the fact that he will be dealing with the County on this issue. Director Couch commended staff for the completion of the valve exercises.

AGENDA ITEM G-PUBLIC COMMENT AND WRITTEN COMMUNICATIONS: President Edwards opened public input and the following people addressed the Board:

- David Elsebusch expressed concern with not being able to view original documents as requested in his Public Records Act Requests.
- Penny Elsebusch was concerned that original documents were not supplied for PRA requests.
- Jeff Lytle praised the banners but expressed concern with business signs being placed in the landscape zone along Central Avenue.
- Jeff Dunk was impressed with the dedication of staff and supported Tony Rutten as a positive representative for the District.

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President Edwards closed public input.

Director Mayo reported that there are many reasons that original documents are not supplied to the public and that staff was acting on the Board's behalf to protect the District.

AGENDA ITEM H-CLOSED SESSION DISCUSSION: NO CLOSED SESSION

AGENDA ITEM I-ADJOURNMENT:

MOTION: It was moved to adjourn the meeting at 10:00pm. Motion by Corbett; second by Wennerholm.

MOTION VOTE: Ayes: Corbett, Couch, Mayo, Wennerholm, Edwards

MOTION SUMMARY: Motion Passed-5 AYES; 0 NAYS

Respectfully Submitted,

Sharon L. Denison,
Board Secretary

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