

**EXHIBIT D.1**  
**MINUTES OF THE SPECIAL MEETING OF THE MCKINLEYVILLE COMMUNITY**  
**SERVICES DISTRICT HELD ON TUESDAY, SEPTEMBER 13, 2011 AT 5:00PM AT DISTRICT**  
**OFFICE, 1656 SUTTER ROAD, MCKINLEYVILLE**

The special meeting of the Board of Directors of McKinleyville Community Services District convened at 5:00pm with the following people in attendance:

Helen Edwards, President  
Dennis Mayo, Vice-President  
David Couch, Director  
Bill Wennerholm, Director  
John Corbett, Director

Norman Shopay, General Manager  
Jason Sehon, Park & Recreation Director  
Sharon Denison, Board Secretary  
Russell Gans, District Legal Counsel

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

At 5:00PM President Edwards called the meeting to order and asked Director Mayo to lead the pledge of allegiance. Directors Corbett, Couch and Wennerholm were also present.

**AGENDA ITEM B-APPROVAL OF THE AGENDA:** The agenda was approved as written.

**AGENDA ITEM C-PUBLIC HEARINGS-NO PUBLIC HEARING WAS SCHEDULED.**

**AGENDA ITEM D-CONSENT CALENDAR-NO CONSENT ITEMS SCHEDULED.**

**AGENDA ITEM E.1-CONSIDER ACQUISITION OF ALL OR A PORTION OF REAL PROPERTY LOCATED AT/NEAR THE JUNCTION OF SCHOOL ROAD AND WASHINGTON AVENUE, MCKINLEYVILLE (APN 508-242-008):** Park and Recreation Director Sehon briefly reviewed the property location and proposal to be discussed in closed session tonight.

**AGENDA ITEM F-REPORTS-NO REPORT ITEMS SCHEDULED.**

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

1. Ben Shepherd encouraged the Board to proceed forward with H.1 scheduled for closed session discussion.
2. David Elsebusch supported the purchase of a portion of the property on School Road and expressed his concern with the management of the District.
3. Penny Elsebusch agreed with David on the purchase of a portion and expressed concern with the rezoning proposed by the County.
4. George Wheeler came to talk about the Fischer Ranch spraying and expressed his concern with recent Board action in regards to that.

President Edwards closed public input and announced the Board would be going into closed session shortly after the room was cleared.

**AGENDA ITEM H-CLOSED SESSION DISCUSSION:** The Board went into closed session at 5:18PM for discussion of the following noticed items:

H.1 CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Initiation of litigation pursuant to subdivision (c) of Section 54956.9: (Number of Cases = One (1)).

H.2 CONFERENCE WITH REAL PROPERTY NEGOTIATORS -  
(Per Government Code Section 54956.8) Property: 1700 Washington Avenue, McKinleyville, California. Under Negotiation: Purchase of the above-referenced property. MCSD negotiators: Norman Shopay, General Manager; Jason Sehon, Parks and Recreation Director, Russell Gans, District legal counsel. Parties with whom MCSD may negotiate: Dena McCullough, Superintendent, McKinleyville Union School District (MUSD), MUSD Board of Trustees, Stephen L. Hatsell, General Counsel. Instructions to negotiators include both price and terms of payment.

**TIME OUT OF CLOSED SESSION:** The Board came out of closed session at 7:00PM.

President Edwards made the following announcements:

H.1-There was nothing to report.

H,2-Instructions were given to the negotiators to proceed with negotiations.

**AGENDA ITEM D-ADJOURNMENT:** With all business complete President Edwards adjourned the meeting at 7:03PM.

Respectfully Submitted;

Sharon L. Denison,  
Board Secretary