

**MENDOCINO CITY COMMUNITY SERVICES DISTRICT**  
**Post Office Box 1029**  
**Mendocino, CA 95460**  
**Business Phone (707) 937-5790 Treatment Plant (707) 937-5751 Fax (707) 937-3837**

Minutes of March 28, 2011

Regular Meeting was called to order at 7:00 p.m. in the business office at the Wastewater Treatment Plant. Present were Directors Kraynek, Waldman, Schwartz and O'Brien. Also present were Mike Kelley and Jodi Mitchell.

1. Public Comment

2. Approval of Minutes – March 7, 2011

MOTION Schwartz/Kraynek: To approve the minutes of March 7, 2011, as submitted.

ROLL CALL VOTE: AYES: Directors Kraynek, Waldman, Schwartz and O'Brien

NOES: None

ABSENT: None

3. Communications

4. Old Business

a. 44825 Ukiah Street, APN 119-250-41  
Café Beaujolais/Brezge/Gebrez Property - Expansion of Existing Use

Mr. LaMonica's attorney requested that this issue be continued for one month due to illness. The Board agreed that they wanted the issue of the proposed expansion of existing use to be finalized. The secretary would advise Mr. LaMonica's attorney that the Board wanted the issue resolved at their meeting on April 25, 2011.

MOTION Kraynek/Schwartz: At the request of Mr. LaMonica's attorney, this issue was continued to the meeting of April 25, 2011.

ROLL CALL VOTE: AYES: Directors Kraynek, Schwartz and O'Brien

NOES: None

ABSENT: None

ABSTAIN: Director Waldman

5. New Business

a. 2011/2012 Fiscal Year Budget Approval

The Finance Committee met with staff on March 17, 2011 and discussed the proposed 2011/2012 Fiscal Budget. Based on financial reports for the 2010 4<sup>th</sup> quarter, and the current period, staff recommended a 10% monthly sewer fee rate increase. Anticipated line item increases included utilities, repair and maintenance, lab supplies and testing, professional fees, legal fees, and the addition of capital improvement revenue from sewer fees.

The cost of living increase for 2011/12 was 1.6%. The effect of reduced wages and benefit changes for staff were reflected in the budget due to Superintendent's retirement.

Because of expenses from the Dertner lawsuit and pond liner installation, staff recommended collecting additional revenue of \$45,000 from sewer fees for the Capital Improvement fund for 2011/12 instead of increasing the equipment replacement line item. 2011/12

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capital improvements were projected at \$47,000 for pond lining engineering and relocating the berm, and the purchase of a generator for the camera system.

MOTION Schwartz/Waldman: To accept the 2011/2012 Operating Budget.  
ROLL CALL VOTE: AYES: Directors Kraynek, Waldman, Schwartz and O'Brien  
NOES: None  
ABSENT: None  
ABSTAIN: None

b. Resolution No. 218 – To Initiate Prop 218 Procedures for Sewer Charge Increase and Reduction in the Charge for Groundwater Management

Since sewer service and groundwater management charges were property related charges, notice must be given to all property owners in accordance with Proposition 218 and Article XIIIID of the California Constitution for any rate increase.

A public hearing must be held to consider increasing the current baseline monthly sewer fee and the reduction of the monthly charge for groundwater management. The public hearing would be open to the public and anyone interested may appear and be heard on the matter or submit a written statement. At the conclusion of the public hearing, the Board would take action to amend the rate ordinances. If a majority protest existed, the fee or change could not be imposed.

The monthly baseline rate per ESD would increase from \$42.36 to \$46.85. The groundwater management charge would be reduced from \$6.41 per ESD to \$5.15 per ESD, leaving an overall increase of \$3.23 per month per ESD.

Resolution No. 218 was introduced for adoption, to approve initiation of Prop 218 procedures for proposed monthly sewer charge increases and a reduction in the monthly charge for groundwater management.

MOTION Schwartz/Kraynek: To waive the reading of Resolution 218.  
ROLL CALL VOTE: AYES: Directors Kraynek, Waldman, Schwartz and O'Brien  
NOES: None  
ABSENT: None  
ABSTAIN: None

MOTION Schwartz/Kraynek: To Approve Resolution No. 218.  
ROLL CALL VOTE: AYES: Directors Kraynek, Waldman, Schwartz and O'Brien  
NOES: None  
ABSENT: None  
ABSTAIN: None

c. Ordinance No. 11-1 – Ordinance of MCCSD for Special Event Permits

A number of commercial businesses and property owners host special events each year. Special events place an additional wastewater treatment load on the wastewater treatment facilities, and incur additional costs for wastewater treatment. These events were above and beyond normal business or residential activities, and those costs were not currently paid for by the businesses or owners where special events were held. An ordinance was prepared to establish fees and permit requirements for special events. The purpose of the Special Events Ordinance was to protect the health, safety and welfare of the residents and property owners of the District by permitting and establishing requirements for Special Events, and setting equitable fees for the treatment of wastewater from Special Events. The Board made changes to the proposed Ordinance to eliminate parades, flea markets, marathons, walkathons, races, bicycle events, and celebrations from the definition of Special Event. Also, an annual fee would be charged for a Special Event held once a year, and a Special Event Permit would be valid for a period of one year from the date of issuance.

MOTION Kraynek/Schwartz: To waive the reading of Ordinance No. 11-1 for Event Permits.  
ROLL CALL VOTE: AYES: Directors Kraynek, Waldman, Schwartz and O'Brien  
NOES: None  
ABSENT: None  
ABSTAIN: None

MOTION Kraynek/Waldman: To introduce Ordinance No. 11-1 for Special Event Permits.  
ROLL CALL VOTE: AYES: Directors Kraynek, Waldman, Schwartz and O'Brien  
NOES: None  
ABSENT: None  
ABSTAIN: None

d. Discussion Regarding Acquisition of Undeveloped Property for Building a Storage Facility for Plant Equipment

Superintendent Kelley reported that the District had a need for acquiring an undeveloped parcel to construct an equipment storage building. The building would be used to store the Flexible Jetter truck, the one ton service truck, the trailer jetter, sanitary sewer overflow emergency response equipment and dry storage of District records.

Staff was asking for Board approval to investigate the availability of undeveloped land in the district that would be suitable for a storage building. One method might be to place a classified ad in the local paper.

The board suggested exploring other possibilities and entities that may have existing service yards available to MCCSD. Storing District equipment on property with other ownership would diminish control over the equipment, and Director Schwartz was not in favor of going outside the confines of the treatment plant. The Board agreed to explore the possibility and place an ad in the newspaper.

6. Groundwater Management

a. Monthly Groundwater Management Report

Nine first violation letters were mailed for the March 1<sup>st</sup> meter reading. Several of those property owners reported their meter reading after receiving the violation letter.

Two second notices of violation were mailed because no meter reading had been reported for February or March. The Mendocino Café had been sending the meter reading to the incorrect email address. The meter located at property at 44560 Little Lake Road was read by MCCSD staff and the property owner, Geoffrey Gohacki, was billed \$50.00 for the meter reading service.

7. Attorney's Report

8. District Superintendent's Report

a. During the month of March, the treatment plant operated normally. Plant personnel performed routine plant maintenance and equipment repair.

No recycled water was transferred to the Mendocino High School during the month of February 2011.

Staff was working on the enclosure around the bar screen. The split rail pickets would be recycled redwood from the old fence that was scheduled to be removed for installation of the overflow pond liner. The bar screen would be placed into full time operation once the enclosure was completed and the solids hopper was delivered.

The District had contacted three contractors for estimates to move the berm around the overflow pond. So far, only one estimate had been received. The 2011/2012 budget included funds for both the removal of the berm and completion of the engineering of the pond by Kennedy/Jenks.

Staff took their regular monthly safety meeting. The safety meeting was on confined space entry procedures. The Safety Officer also conducted the monthly safety inspection of the plant.

9. Committee Updates

The secretary was asked to report two street light outages; 1) Corner of Kasten and Little Lake Street in front of the Baptist church, and 2) one block North on the corner of Covelo and Little Lake Streets. That light was flickering.

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10. District Secretary's Report

a. Monthly Register of Cash Disbursements

MOTION Schwartz/Kraynek: To approve the Cash Disbursement report and authorizing payment of all bills, with the exception of void check #10064.

ROLL CALL VOTE: AYES: Directors Kraynek, Waldman, Schwartz and O'Brien  
NOES: None  
ABSENT: None  
ABSTAIN: None

b. Superintendent Kelley noted that Bruce with Edward Jones provided information regarding Certificate of Deposits that were currently paying a rate of 2.1% with maturity in 2014. Director Kraynek did not support investing district funds in CD's which did not mature until 2014. Staff would invite Bruce to attend the next meeting and update the Board regarding the current status of laddering the District's Certificate of Deposits.

c. Secretary Mitchell reported that the District's Election would be conducted on Tuesday, November 8, 2011. Potential candidates may obtain their filing forms directly from the office of the Mendocino County Recorder and Elections. Forms were available and the filing period would begin on July 13, 2011 and would end at 5:00 p.m. on August 7, 2011.

The District would have three vacancies; two 4-year terms and one 2-year term.

The meeting adjourned.

Respectfully submitted,

Jodi Mitchell, Secretary