

**MENDOCINO CITY COMMUNITY SERVICES DISTRICT**

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Minutes of February 25, 2013

Regular meeting was called to order at 7:00 p.m. in the business office of the Wastewater Treatment Plant. Present were Directors Kraynek, Stubbs, Waldman, Hauck and Schwartz. Also present were Superintendent Steve Acker and Jodi Mitchell.

1. Public Comment

2. Minutes – January 28, 2013

MOTION Hauck/Stubbs To approve the minutes of January 28, 2013 as written.

ROLL CALL VOTE: AYES: Directors Kraynek, Stubbs, Hauck and Schwartz

NOES: None

ABSTAIN: Director Waldman

ABSENT: None

3. Communication

President Schwartz urged MCCSD Board members to attend the upcoming Town Plan Meeting scheduled for Thursday, February 28th. Director Hauck said he had prepared a letter to the Planning Department and Commissioners commenting on several items of concern to him, including one item related to MCCSD. On page 239 of the proposed Town Plan, dedication of scenic easements, he thought that the zoning of the Palette Street property should be stipulated as Public Facility and the land use map on page 258 should reflect that change. Director Stubbs noted that he had a Degree in City and Regional Planning and said his concern was that the Plan allowed for public facility zoning, but there was no allowance for expansion of public facilities. Edward O'Brien suggested that the District prepare a sketch of the property showing that the District's proposal would be reasonable. Superintendent Acker would attend the Town Plan meeting.

Statement of Economic Interest Form 700 was provided to all Board members and Superintendent Acker for their execution.

4. Public Comment

5. Groundwater Management

The rainfall total as of February 20<sup>th</sup> was 24.37 inches, which was 4.22 inches below the historical average at the end of February. October, November and December 2012 monthly rainfall were all above normal. January and February were, so far, considered below normal. A stage 1 Water Shortage Condition was currently in effect. The next evaluation would be on March 31st. Another 7.63 inches of rain was needed by March 31<sup>st</sup> for a "No Water Shortage" condition. Superintendent Acker recommended that the District continue with the Stage 1 Water Shortage Condition until the March 31 evaluation.

One - #2 violation letter was sent, which will require District personnel to read the water meter, and 6 - #1 violations were sent, as a reminder to submit the meter reading.

6. New Business

Pond Liner Project – Treatment Plant

a. The Board reviewed the Notice Inviting Bids, and the Project Plans and Manual, which outlined the construction details, requirements and the contract award schedule and process for construction of the Pond Liner at Treatment Plant. Superintendent Acker indicated that he, Mike Kelley and Attorney Jackson had reviewed the documents. The Board was concerned that Attorney Jackson had raised a question regarding liquidated damages to determine in advance the estimated damage to the

owner from a contractor's negligence or non-performance, but that clause did not appear to be included in the documents. The Board was uncertain if late performance was covered under a performance bond. The Board carried this discussion over to a Special Meeting for clarification of these issues and any other issues pertinent to the Board's review and approval. Steve said he had just received Kennedy Jenks Consultants proposal to administer the bidding process and details of construction supervision, which would also be discussed at the special meeting.

Director Stubbs and Director Waldman were appointed as an Ad-Hoc Bid Review Committee.

b. Resolution No. 2013-226

The Board of Directors reviewed Resolution No. 2013-226- A Resolution of MCCSD to Withdraw Funds from Edward Jones Investments. The District had determined that Edward Jones was not a "depository" under California Law; therefore, may not be an appropriate entity for holding or investing District funds. All investments shall be limited to investments, which were FDIC insured.

MOTION Kraynek/Waldman: To waive the reading of Resolution 2013-226.

ROLL CALL VOTE: AYES: Directors Kraynek, Stubbs, Waldman, Hauck and Schwartz  
NOES: None  
ABSTAIN: None  
ABSENT: None

MOTION Kraynek/Stubbs: To adopt Resolution 2013-326 to begin withdrawing funds from Edward Jones Investments.

ROLL CALL VOTE: AYES: Directors Kraynek, Stubbs, Waldman, Hauck and Schwartz  
NOES: None  
ABSTAIN: None  
ABSENT: None

c. Review of Delinquent Accounts to consider disconnection of Sewer Service for Non-payment of District Fees and Charges

The Board of Directors reviewed a delinquent account for property located at 44919 Suntrap Meadow Circle, APN 119-510-17. Director Schwartz recommended suspending the disconnection since the Mutual Water Company had cut off the water supply to the residence, and it was his understanding the property was in foreclosure. The Board agreed.

The Board of Directors reviewed a delinquent account for property located at 45300 Ukiah Street, APN 119-215-02. The Board authorized staff to proceed with the disconnection for non-payment of fees and charges, as outlined in District policies.

7. Old Business

8. Attorney's Report

9. Superintendent's Report

a. Monthly Report

During the month of February, the treatment plant operated normally. Plant personnel performed routine plant maintenance. The old sludge pumps were removed and scrapped.

The January self-monitoring online report was sent in to the Water Quality Control Board. The no spill certification for January was posted online.

Staff took their regular monthly safety meeting. The Safety Officer also conducted the monthly safety inspection of the plant.

The California Financing Coordinating Committee Funding Fair was having an event in Sacramento on April 10<sup>th</sup>. Proposals for MCCSD projects were planned to be taken to the fair to find possible sources of funding. There would be several funding agencies present and applications could be obtained from possible sources.

Reports that had been requested by the Board, but not completed were the energy audit and FOG program plan update. Director Schwartz requested the Secretary to list the ongoing issues as a specific agenda item under the Superintendent's Report.

b. Request for Purchases:

1. Pumps for Hills Ranch Lift Station

The two Gorman Rupp pumps at the Hills Ranch Lift Station were nearing the end of their useful lives. They both still functioned, but they were increasingly difficult to prime. Both pumps had been in service for thirty years, and needed to be replaced. Superintendent Acker provided a quote from Thomas and Associates for Gorman Rupp T3A3S-B pumps. This matched the pumps that were currently in service, so that no modifications were needed for installation. The pumps were \$3,695 each and the sales tax and shipping costs were estimated. Total estimated cost was \$8,776.00. The Board suggested that a competitive bid be obtained from another distributor of the same brand.

MOTION Waldman/Stubbs: To approve the Superintendent's recommendation to purchase two Gorman Rupp pumps for the Hills Ranch Lift Station, not to exceed \$10,000.00.

ROLL CALL VOTE: AYES: Directors Kraynek, Stubbs, Waldman, Hauck and Schwartz  
NOES: None  
ABSTAIN: None  
ABSENT: None

2. Materials for the Overflow Pond Pipe Valve Installation

Superintendent Acker reported that the first step in the Pond Liner Project was the installation of a Waterman C-10 gate valve in manhole 9. The installation would be done by MCCSD using staff and a local contractor. The estimated cost for the manhole was \$6,978.00, but tax and shipping was not estimated, so the request for approval was not to exceed \$10,000.00. Director Hauck thought this approval was pre-mature since the prices provided were not from the supplier, but rather an estimate from the Consultants. Steve would contact the supplier, and check on actual prices. If the costs exceed \$10,000, the request must come back to the Board.

MOTION Stubbs Waldman: To approve the purchase of materials for the valve installation as described, not to exceed \$10,000.

ROLL CALL VOTE: AYES: Directors Kraynek, Stubbs, Waldman, and Schwartz  
NOES: Director Hauck  
ABSTAIN: None  
ABSENT: None

10. District Secretary's Report

a. Monthly Register of Cash Disbursements

MOTION Kraynek/Waldman: To approve cash disbursements for checks #11200-11234. Payroll checks #11218, 11219, 11220, and 11221 were deleted.

ROLL CALL VOTE: AYES: Directors Kraynek, Stubbs, Waldman, Hauck and Schwartz  
NOES: None  
ABSTAIN: None  
ABSENT: None

b. The Board was updated on delinquent sewer accounts and certificates of lien.

11. Request by Property Owner to discuss issues related to the use of property at the Nicholson House Inn

Dennis McCroskey addressed the Board of Directors with regard to the current use on his property. Mr. McCroskey explained that the lessee of the property added the two additional residential units without his knowledge. Dennis provided 23 scenarios of water use calculations based on the water use standards, and stated his current use was scenario #4; 3 residences, 2 Visitor Serving Accommodation (VSA) dwelling units (with kitchen), 4 VSA sleeping units (no kitchen) and laundry for the 6 units.

Dennis said he closed the 7<sup>th</sup> VSA unit on December 1, 2012, and the additional residential unit ceased operation January 30. Edward O'Brien noted that in a letter addressed to the Board of Supervisors, dated October 31, 2011 Mr. McCroskey stated that besides the Visitor Serving Accommodation use on the property he still maintained four long-term residential units. Mr. O'Brien noted the right of use and monthly fees were owed because the units existed and were utilized and the property owner was responsible for all fees and charges. Director Schwartz explained to Mr. McCroskey that the District expected a Groundwater Extraction Application to be submitted no later than March 10<sup>th</sup> for the current use on the property, and if one was not submitted then the District would proceed with further legal action for compliance with the District's Ordinances. Further, the District was open to further discussion once the application was submitted.

12. Matters from Board Members

The regular March 25<sup>th</sup> meeting will be rescheduled to April 1<sup>st</sup>

The meeting adjourned.

Respectfully submitted,

Jodi Mitchell, Secretary