

**MENDOCINO CITY COMMUNITY SERVICES DISTRICT**

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Minutes of July 28, 2014

The regular meeting was called to order at 6:00 p.m. at the Community Center of Mendocino, located at the corner of Ukiah and School Streets in Mendocino. Present were Directors Kraynek, Waldman, Stubbs, Hauck and Schwartz. Also present were Superintendent Steve Acker, Mike Kelley, Attorney James Jackson and Secretary Mitchell.

1. Agenda – no changes, additions, or deletions

2. Minutes –June 30, 2014

Corrections: Page 1, Section 4, Paragraph 3, Line 5, .....would be on **August 31<sup>st</sup>** and .....

Page 2, Section 6 (a), Paragraph 3. Clarify paragraph to read: ***There were two reasons for the new well to be drilled and hydrologically tested; 1) to provide water in the event of multiple fire emergencies, and 2) provide MCCSD emergency potable water as a beneficial use for the community in times of drought.***

Page 3, Line 1: The Study which was approved by the Board of directors in 1996, and renewed every two years, ***led the property owner to believe that a Groundwater Extraction Permit could be approved, based on the results of Hydrological Study.***

MOTION Kraynek/Waldman To approve the minutes of **June 30**, 2014, as corrected.

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

NOES: None

ABSENT: None

ABSTAIN: Director Stubbs

3. Communications

4. Public Comment

5. Groundwater Management

a. Groundwater Management Report

The District had received a total of 21.49 inches of rainfall since the 2013/2014 rain year began on October 1<sup>st</sup>. The historical average rain fall total at the end of May was 39.46 inches. The District had approximately 53% of the yearly average rainfall. The rainfall totals for April, May and June had below average.

The MCCSD declared a Stage 4 water shortage on February 24, 2014 based on low rainfall and the Water Shortage Contingency Plan. The Stage 4 remained in effect. On August 31<sup>st</sup> the Water Shortage Stage would be reevaluated using the average depth to water from the 5 indicator wells. The 24 Monitoring Well Field was measured on June 27<sup>th</sup>. The average depth to water was 17.59 ft. On July 24<sup>th</sup>, the Average Depth to Water was 18.26 ft.

Staff reported on the Stage 4 Groundwater Extraction Permit Process. The District had approved 97 applications which were submitted for a Groundwater Extraction Permit. Of that 97, approximately 30 had received final approval, i.e. meter installation and execution of the deed restriction. There were approximately 102 property owners that had not submitted an application for a Groundwater Extraction Permit, and staff was planning to follow up the original request for a Groundwater Extraction Permit. Attorney Jackson would work with staff and review the correspondence, which would outline the District's enforcement actions for non-compliance with District Ordinances.

Rick Keller inquired about the MOU with the County, which he thought was a legal binding document and asked why that document wasn't being enforced for Hills Ranch. MCCSD Board President responded that, at the last meeting, Amanda Pekin stated that the information required by the

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MCCSD attorney was forwarded to Chris Neary, Attorney at Law, and the Board expected to hear the results of his investigation by the July meeting. Attorney Jackson confirmed that Attorney Neary had not discussed the Hills Ranch matter with him, to date. Director Hauck noted that the declaration of Stage 4 affected all property owners, including subdivisions, and the Water Shortage Contingency Plan mandated that all property owners obtain a Groundwater Extraction Permit. Mr. Keller apologized to the Board because he was not aware of that information. The Board was willing to work out a similar arrangement for Hills Ranch, **as done with POV**, however, the District's Ordinance mandates all property owners to submit a Groundwater Extraction Permit, including Subdivisions that do not have a Memorandum of Understanding with the MCCSD.

b. Discussion and Possible MOU with Point of View Mutual Water Company

A Memorandum of Understanding was drafted between the MCCSD and the Point of View Mutual Water Company regarding the enforcement of MCCSD groundwater management requirements. Robert Kerstein, President of the POV Mutual Water Company, met with his Board and they approved the POV MOU with a 3-0 vote in favor.

The distinction with the POV MOU was that the Deed Restriction would be recorded on the deed of the parcel where the water was extracted and the Deed Restriction would reference all properties served by that well. It would also allow for an administrative fee in the sum of \$500.

Attorney Jackson would add a sentence to page 2, Section 3, that *any allotment established by the District is subject to restriction based on District requirements.*

Director Hauck inquired whether the Board would be setting a precedent and if the MOU would be binding with the other Water Companies. Attorney Jackson responded that the MOU would not set a precedent. Further, he recommended the MOU with POV because they demonstrated extensive water use records and the rigor with which POV residents monitor their water use was a factor. He noted that unless he saw similar rigor with water conservation, he would not recommend the MOU for other Subdivisions.

MOTION Waldman/Kraynek To approve the Memorandum of Understanding between the Mendocino City Community Services District and the Point of View Mutual Water Company regarding the enforcement of MCCSD groundwater management requirements.

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

c. Application for Groundwater Extraction Permit – Phil Engelbert  
44825 Pine Street, APN 119-50-41

An application for a Groundwater Extraction Permit for development of a 3-bedroom residence was reviewed by the Board at the last meeting and carried over to the July meeting, pending possible resolution to the question of whether undeveloped parcels within a subdivision were allowed to obtain a groundwater extraction permit for new development during the Stage 4 Water Shortage. Mr. Engelbert had renewed his Hydrological Study Approval every two years since 1996 and he wanted to build a residence. Tom Thomson reiterated that Mr. Engelbert was fully aware of the water situation in Mendocino, and he wanted to build only one residence, even though the Hydrological Study proved enough water extraction for three residences.

The temporary moratorium did not allow for the issuance of new groundwater extraction permits for new groundwater extraction within the District. Attorney Jackson recommended against revision of Ordinance 07-4 but if the Board was inclined to refine the language of the Moratorium, they should do so with a Resolution. If the Board's intent was to allow Groundwater Extraction Permits for undeveloped properties which have an approved hydrological study, then the temporary moratorium could be modified. A Resolution would be on the next meeting agenda for discussion.

The Board continued Mr. Engelbert's application until the next meeting, at which time there may be a resolution introduced and if adopted would allow for approval of Mr. Engelbert's request to obtain a Groundwater Extraction Permit based on an approved Hydrological Study.

d. Hydrological Study Approval Extension

1) Phil Engelbert, 44825 Pine Street, APN 119-150-41

2) Phil Engelbert, 44835 Pine Street, APN 119-150-40

MOTION Stubbs/Hauck: To approve two Hydrological Study Approval Extensions for APN 119-150-41 and APN 119-150-40.

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

7. New Business

a. Alpha Diving Industries-Proposal for Outfall Inspection/Biotic Survey

Alpha Diving Industries provided a quote to MCCSD to provide diving services to complete various tasks in accordance with the 2011 MCCSD Ocean Outfall Biological Survey Work Plan. The estimated cost of the survey was \$18,500.00. Alpha Diving would provide the vessel support, diving personnel, diving equipment and any special equipment required for the project in the scope of the estimated cost. In the event the diffuser must be jettied clear, MCCSD shall provide the jet nozzle and pump as per usual arrangement. The projected time frame for the execution of the project was August 15 through the 31<sup>st</sup>. Historically that was a time of little ocean energy which provided very safe working conditions. A \$1,500 deposit was required for mobilization costs and vessel deposit no later than August 10<sup>th</sup>. Superintendent Acker noted the Outfall Inspection/Biotic Survey would meet NPDES requirements and due before the end of December.

MOTION Hauck/Kraynek: Approve the quote from Alpha Diving Industries to provide diving services to meet tasks in accordance with the 2011 MCCSD ocean Outfall Biological Survey Work Plan.

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

8. Old Business

a. Proposal to Provide Engineering Services for the Upgrade of the MCCSD Wastewater Treatment Facility Installation of a New Blower and Replacement of the Existing Generator

The Superintendent provided a memo dated July 24 regarding the Generator and Blower Replacement. Mike Kelley provided a memo to the Board of Directors dated July 17, 2014, to clarify the SHN Engineering Proposal of June 5, 2014. The Board discussed the estimated 30% construction costs contingency. Mike explained that during the initial development stage, the 30% contingency can only be described as very high, because there were still significant project risk related issues that must be resolved to reduce the contingency to a normal level. The MCCSD plant blower is close to 40 years old and the wiring and main electrical panel would require some level of upgrade. He indicated on an average, engineering firms add around 15% for engineering a project. SHN was proposing a \$48,000 design charge for the engineering the blower/generator upgrades, or a 19% engineering expense. The contingency was most difficult to manage in the design-bid-build process. The Board could insert a contingency amount into the bid documents or tell the bidders in the bid documents that a contingency would be negotiated at the time of award. Any remaining contingency was the owner's, not the contractor's. This would give the contractor incentive to use the contingency responsibly.

MOTION Kraynek/Waldman To authorize the proposal from SHN.

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

9. District Superintendent's Report

During the month of June, the treatment plant operated normally. Plant personnel performed routine plant maintenance.

The June, self monitoring on line report was sent in to the Water Quality Control Board. There were no sanitary sewer overflows in June.

Staff took their regular monthly safety meeting. The Safety Officer also conducted the monthly safety inspection of the plant. Several on line safety courses from Target Solutions had been taken by staff.

There were 9 transfers of recycled water to the High School in July. The total gallons transferred were 260,000.

On July 22<sup>nd</sup>, Mike Kelley met with Steve at the treatment plant and plans were made to install the new clarifier parts. The various pieces of equipment were located. A list of equipment and parts to order was made. The repairs were scheduled for late August. If all goes as planned it would take two or three days to complete.

The outfall inspection and survey of the ocean outfall was required every five years. The outfall survey required by the Water Quality Control Board was due this year and the final report was due by December 12, 2014. The work needed to be done during the summer months when ocean conditions were calmer.

Alpha Diving was contracted and had made a proposal to do the survey and inspection. Alfa Diving did the last survey and has also done several repair jobs on the outfall.

Director Hauck inquired about the status of the new data base to record monthly meter readings. Steve indicated that customer information for approved permits has been entered into the data base, and the meter readings are being recorded as they come in, but there is still more to work out. The developer had created applications so the District can print reports, but refinements are necessary. Director Hauck said that we have a duty to the community to record the data, which is at this time, subject to a temporary 40% reduction. The data base was essential to the Groundwater Management Program and he asked that the program developer wrap it up, so the Board can see the results at the next meeting.

10. Committee Updates

11. District Secretary's Report

a. Monthly Register of Cash Disbursement

MOTION Hauck/Waldman: To approve Cash Disbursements for checks #11862-11902.

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

NOES: None

ABSENT: None

ABSTAIN: None

b. Update on Delinquent Sewer Accounts and Certificate of Liens

The Board of Directors was updated on the delinquent accounts and Certificate of Liens. The District will start billing property at 44871 Suntrap Meadow Circle, which has not been charged due to fire. The house has been re-built and on the market for sale.

12. Matters from Board Members

Since the Board of Directors was criticized for not sufficiently addressing conservation issues, President Schwartz suggested that a committee be formed of community members to advise the Board each month on water conservation issues. Steve Nepove would be asked to head that committee. The committee's suggestions would be reported to the Board of Directors each month, and incorporated into the minutes.

Director Stubbs thanked the Board and staff for reading his letter at the last meeting. He did not feel that his concerns were addressed, and wanted to clarify his point that the quantities of water likely to be required for fire suppression and emergency supplies for the Town could cause harm, even during the

hydrological testing process. The Fire District had an existing 100,000 gallons storage tank and an existing source of water from Hills Ranch. He had asked for an estimate of the quantities of water to be withdrawn for the purposes of the testing process. Staff was not in a position to project the quantity of water and would first need to drill the well(s). The hydrologist would be able to determine the effect to hydrologically contiguous wells and the quantity could be determined.

The meeting adjourned at 10:00 p.m.

Respectfully submitted,

Jodi Mitchell, Secretary