

MENDOCINO CITY COMMUNITY SERVICES DISTRICT

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Minutes of June 30, 2008

Regular meeting was called to order at 7:00 p.m. in the business office at the Wastewater Treatment Plant. Present were Directors Ball, Kraynek, Schwartz and O'Brien. Director Dill was absent. Also present were Superintendent Mike Kelley and Secretary Jodi Mitchell.

1. Minutes of May 19, 2008

Correction: Page 3, Section 8, Paragraph 7, Line 1. Certificates of Compliance.....

Correction: Page 4, Section 11, Paragraph 2, Last line. Exceptional Quality

MOTION Schwartz/Kraynek: To approve the minutes of May 19, 2008, as corrected.

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

NOES: None

ABSENT: Director Dill

ABSTAIN: None

2. Communications

A copy of the Mendocino Beacon editorial was provided to the Board pertaining to financial challenges the District faced. Based on information provided by the District's Auditor and Engineering Consultants, the Board decided that the only way to responsibly protect the treatment plant would be to set aside considerable funds for inevitable future equipment replacement s and repairs, and voted to raise sewer fees, which would be effective on July 1st.

Correspondence was sent to Ms. Tam M. Doduc, Board Chair; State Water Resources Control Board regarding State Water Quality Order No. 2004-0012DWQ. The letter explained the history and the current biosolids disposal practices. The District requested their support for modification of legislation, and asked that their staff review the law to determine if any progress was being made to eliminate the current restrictions on the use of exceptional quality biosolids, so the District could dispose of locally by land application at a new permitted site within the county.

3. Public Comment

Matt O'Halloran reported that overall, the District's Plant was in very good condition. His painting crew washed and bleached all buildings, scraped loose paint, caulked, primed, and painted. He pointed out a few issues that he thought the Board should be aware of: 1) there was dry rot on the south facing wall, past the eye wash station, which was bonded and painted. At some point, the siding may need to be replaced. 2) He noticed a bug infestation at a couple of locations around the perimeter, which could be evidence of an old termite infested area. 3) The vent above the eyewash station needed a copper screen to avoid any bat habitat, 4) Gfi outside plugs were corroded, 5) The back side of the equipment storage shed needed a new window trim because it was rotten, and, 6) in the future, Matt would like to volunteer for a fee dispose of old paints in the far back shed.

Matt said they had great weather, and it was a wonderful place to work.

4. Old Business

a. Discussion and Possible Action on the Lift Stations Improvements

Kelley Grimes was present to discuss the lift station improvements, and he asked about specifics regarding the siding, painting and roofing materials. The Board discussed several

issues, and Kelly Grimes was asked to update the maps to reflect the changes as discussed: vertical board and bat siding, relocate vents and electrical panels and wiring, and install an I-beam above the concrete holding tank, with a chain trolley and winch capable of lifting 1,000 lbs. The District would continue using manual operation for the generator when it was moved over to the new proposed building. Once the maps were updated, then a meeting would be scheduled with the State Parks. With their approval, the District could proceed with their application to the Mendocino Historical Review Board, and other required agencies.

Two estimates for road improvements at the Main Street and Heeser Drive Stations were provided by AKEFF Construction Services, Inc. and Baxman's Gravel Co., Inc. The Board was provided with Lift Station maps, a typical road section map, and a legal memorandum from Jackson Law Offices regarding district purchases. AKEFF Construction Services bid for the Heeser Drive Station was \$3,050.00, while Baxman's bid was \$12,023.00. AKEFF Construction Services bid for the Main Street Lift Station was \$13,455, while Baxman's bid was \$27,810.00. Since the bids were so different in price, the Board suggested that the bids should reference the typical road section, which was provided to both parties to use for their estimate. This issue would be brought back to the next meeting.

5. Groundwater Extraction Permit Administrative Approvals

1. JoAnn Grant, 10550 Kasten Street, APN 119-232-09

An allotment was established in the amount of 320 gallons per day, for installation of a foundation under the existing residence.

2. Thomas and MaryAnne Thomson, 45081 Cahto Street, APN 119-160-15

A 300 gallons per day allotment was established for construction of a one-bedroom single family residence, and a two-bedroom guest cottage.

3. Greg and Jana Strong, 45116 Ukiah Street, APN 119-232-08

A 400 gallon per day allotment was established for two single family residences, following the sale of real property.

6. New Business

a. Introduction of Ordinance No. 08-2 – Sewer Design Standards

Superintendent Kelley reported that the Clean Water Act, EPA regulations, and the Statewide General Waste Discharge Requirements for sanitary sewer systems required the implementation of design and construction standards and specifications for the installation of new sanitary sewer systems and pump stations and appurtenances, and for the rehabilitation and repair of existing sanitary sewer systems. Oscar Larson and Associates and Attorney Jackson had reviewed the Ordinance. A Summary of the Ordinance was published, in accordance with publishing requirements.

MOTION Schwartz/Ball: To waive the reading of Ordinance 08-2 – Sewer System Design Standards

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

MOTION Kraynek/Schwartz: To introduce Ordinance No. 08-2 – Sewer System Design Standards.

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

b. Discussion and Possible Amendments to Personnel Policies – Section IV Benefits

Director O'Brien explained that the current policy for employee dental and optical care was to provide up to \$500 per year, to be divided between dental and vision, for each employee and each employee's dependent(s). Any unused Dental/Optical allotment would carry over to the beginning of the fiscal year. Director O'Brien said that this had been a more cost efficient way to offer an allotment to employees in the past, but suggested that the committee review the current dental/vision allotment versus a group plan. Director O'Brien thought the allotment was deficient for basic annual routine dental and vision care. The issue was referred to the Personnel and Management Committee to review all options for dental and vision plans.

Staff recommended that the personnel policies be changed to reflect an increase for reimbursement when employees were required to use a private vehicle on District business. The request would be an increase from \$.25 cents per mile to \$58.5 cents, according to the IRS standard mileage rates.

MOTION Kraynek/Schwartz: To change the Personnel Policy regarding transportation on District business, to reflect the current IRS allowance.

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

7. Water Management

a. Discussion and Possible Declaration of a Stage 2 Water Shortage

Based on the rainfall record through May 31, 2008, Mendocino was in a Stage 1 Water Shortage. During March, April and May, the amount of rainfall that was measured by MCCSD was significantly below normal, and Mendocino received only 31.50 inches of rainfall during the 2007-08 rain year. Due to the timing of the precipitation (low rainfall during March, April and May), as a precautionary measure the Board may declare a Stage 2 Water Shortage, which was considered a moderate water shortage. If the Board decided to declare a Stage 2 Water Shortage, the residents of the District would be asked to voluntarily reduce their water use by 15%. It would be important for property owners to continue to make conservation efforts to extend the water supply for the community.

If the Board adopted the Resolution declaring a Stage 2 Water shortage Emergency Condition, then a letter would be sent to property owners within the District notifying them of the current situation, and a press release to alert the public about the water shortage.

On August 31, November 30, and December 31, the drought stage would be re-evaluated based on depth to water in 5 indicator wells and rainfall records.

MOTION Schwartz/Kraynek: To waive the reading of Resolution 207 – Resolution of the MCCSD to Declare a Stage 2 Water Shortage Emergency Condition

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

MOTION Schwartz/Ball: To Adopt Resolution 207 – Resolution of the MCCSD to Declare a Stage 2 Water Shortage Emergency Condition.

ROLL CALL VOTE AYES: Directors Kraynek, Ball, Schwartz and O'Brien
NOES: None
ABSENT: Director Dill

ABSTAIN: None

b. Possible Revocation of Groundwater Extraction Permit Application Approval for Non-compliance/Noah Sheppard, Jed Ayres, Megan Ayres, 45130 Albion Street

President O'Brien stated that this issue was on the agenda, because the applicants had failed to complete the Groundwater Extraction Permit process in a timely manner. The applicants had avoided compliance since June of 2007, when they failed to make application for a Groundwater Extraction Permit, following the Sale of Real Property, and claimed there was no change of ownership since 1% of the ownership was retained by the current owner. An application was completed in August of 2007, and deemed complete in November. It took the applicant three months to supply maps, which were deficient. The approval was issued on December 18, 2007. The District had sent numerous correspondences to the applicants, and the most recent certified mail was dated April 25, 2008, and clearly explained the conditions of the approval that needed to be met, actions needed to validate the Groundwater Extraction Permit approval, and informing the applicant of penalties for violations. The applicant waited until the afternoon of tonight's meeting to report that the water meter had been installed, which had not yet been inspected by MCCSD personnel. The application approval required that a water meter be installed within 30 days, and according to the Ordinance, the applicant has 90 days to complete the conditions and obtain a final permit.

The Board was concerned that this issue was not discussed at the April 28th meeting, and asked staff to keep a time file to track specific conditions for approvals, and report all compliance issues once they have become delinquent.

MOTION Schwartz/Ball: To revoke the Groundwater Extraction Permit Application approval for 45130 Albion Street for non-compliance, and request a new application, \$100 fee and that a meter be installed and inspected within 30 days, and refer the issue to legal counsel for enforcement action in Section 15 of the Groundwater Extraction Permit Ordinance.

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

c. Groundwater Management Report – Meter Reading Compliance

Superintendent Kelley provided a memo regarding the June 2008 Groundwater Management Report.

The Groundwater Extraction Permit Ordinance provided District staff with the authority to read water meters if the property owner failed to provide monthly meter readings. Attorney Jackson had suggested a three-step process to obtain a meter reading if the property owner did not provide readings. The correspondence, as prepared in accordance with Attorney Jackson's recommendation, would include a first notice of violation offering the property owner to participate in the District's meter reading service for a fee, and also notify them of the penalties for non compliance. If a timely meter reading was not forthcoming, District staff would read the meter at the owner's expense. The second notice would inform the owner that MCCSD personnel would be entering their property at a certain time and date. The applicant would be asked to be present at that time to identify the location of the meter, and there would be a \$25.00 fee for the service to read the meter.

On May 14, 2008 staff sent a letter to Mendocino County Planner, Dennis Chatty, requesting notification of new applications for Certificates of Compliance and Boundary Line Adjustments. She explained that MCCSD was concerned that several hundred new parcels may be created through Certificates, and that the property owners were not required to prove water on

these parcels by performing a hydrological study or to obtain a sewer connection. Future owners of these parcels may not be able to develop them without adequate groundwater and sewer capacity.

8. District Superintendent's Report

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

Matt O'Halloran Painting completed emergency repairs and painting on the treatment plant buildings. The work took about six days to complete. The scope of the original work was to touchup painting over rusting nails and peeling window sills that exposed the underlying wood frame. Additional work was done on the building fascias, trim, and siding. The roll up doors were caulked, sealed, primed and re-painted when cracks were found in the door panels. The crew repainted the entrance doors to the buildings to seal cracks that would have permitted water to seep into the doors. Most of the south facing exterior walls had to be re-painted. The final bill for the five man crew for six days was \$8,259.00.

223,533 gallons of recycled water was transferred to the Mendocino High School during the month of May 2008.

Alpha Diving had scheduled the ocean outfall repair for July 10-12. The construction of a repair claim had been completed.

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

Mike reported that the Mendocino Unified School District asked if they could use recycled H2O for compaction and dust control at the School's construction site on Little Lake Road. Mike checked with the California Regional Water Quality Board, who explained that Title 22 could be used for dust control if it met certain standards, which the District would. Apparently, there was some resistance from the School Administration because their contract required use of potable water.

9. District Secretary's Report

a. Conflict of Interest code – 2008 Biennial Notice

The Political Reform Act of 1974 requires every local government agency to review its Conflict of Interest Code biennially, in even numbered years, to determine if it was accurate, or alternatively, that the code must be amended. Once the determination had been made, a notice must be submitted to the code reviewing body no later than October 1st. In June of 2006, the Board of Directors reviewed the District Conflict of Interest Code, and by Board action, determined that the MCCSD Ordinance 91-2, the District's Conflict of Interest Code, did not require amendment and directed staff to report to the county that to the County Clerk.

A motion was made and seconded that the Conflict of Interest Code was not in need of amendment at this time.

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

b. Monthly Register of Cash Disbursements

The Board inquired about lab expenses, specifically checks # 8308 for \$1,760.00 and also, #8347 in the amount of \$5,300.00. Superintendent Kelley explained that the charges were for re-testing of abalone and top smelt and also, necessary testing required for the 5-year NPDES Permit. Mike noted that the State Regional Water Quality Control Board was issuing violations for past years. There would be no fines attached to three violations noted for MCCSD in 2001, 2005 and 2007.

10. Matter's From Board Members

Director O'Brien reported that when the Jarvis Nichols Building had the recent fire, he assumed that there was no sewer service to the two existing residences, and thought they might request from the Board a reduction in their monthly sewer service fee. The secretary noted that the parcel had established sewer use for one residence, not two, and a recent real estate advertisement noted the property as having four apartments. Superintendent Kelley was asked to send a letter to Jarvis Nichols Partnership and ask them to submit a Groundwater Extraction Permit and a Change of Use.

The meeting adjourned.

Respectfully submitted,

Jodi Mitchell
District Secretary