

MENDOCINO CITY COMMUNITY SERVICES DISTRICT
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Minutes of January 26, 2009

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

1. Minutes of November 24, 2008

MOTION Dill/Kraynek: To approve the minutes of November 24, 2008, as presented.

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

Minutes of December 15, 2008

MOTION Dill/Kraynek: To approve the minutes of December 15, 2008, as presented.

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

Minutes of January 21, 2009-Special Meeting

The minutes of January 21, 2009 would be available for approval at the next regular meeting.

2. Communications

3. Public Comment

William Imhoff, commercial property owner and resident within the District, commented that he would like to see the MCCSD establish a more equitable sewer fee based on actual water consumption, so he would be able pass that savings on to his tenants. He noted that his tenants were not using nearly the amount of water which was allocated, and he looked for a more equitable solution and a user fee billing system based on actual water use. He suggested that the District hire a water meter reader to streamline the reporting process, and base the sewer charges on actual water consumption. He thought the burden should be borne by those who take advantage of the use and not those who conserve. Director O'Brien noted that the District had been working on this issue for years, and it was impossible to base sewer loading on actual water use. Superintendent Kelley noted that sewer loading was not based on water use, and there were two separate issues; sewer plant loading and groundwater management.

Connie Korbell raised a point of order that this issue should be on the agenda for discussion. If requested, this issue would be placed on a future agenda for discussion.

4. New Business

a. Wendy Boise – Annual Review of 2007/2008 Audited Financial Statements

Wendy Boise presented the 2007 2008 Audited Financial Statements. The Board reviewed the Management Discussion and Analysis. Wendy pointed out that the net income for the final budget results was just over \$36,000, although capital expenditures were over \$60,000, which was not immediately recognized in the net income. The net cash flow for the year was a minus \$2,261, which was insignificant in financial terms.

The Board reviewed and discussed the Statement of Net Assets, and Statement of Revenue and Expenses. As suggested by Director Kraynek Wendy agreed to provide future comparative statements to see if that would be helpful to the Board.

Audit recommendations were reviewed. The District had started a plan for infrastructure and equipment replacement by doing a study of current replacement cost. Wendy encouraged the District to continue updating and reviewing that plan. She also agreed to assist Jodi to employ more extensive capabilities of the software program. Given the economic outlook, especially of the State, the District should continue its conservative approach to spending, while maintaining the ability to adequately serve the District's needs. A difficult balancing act was in the near future, and some costs that were certain to increase. There were potential opportunities to take advantage of the economic situation by replacing items that were nearing the end of their useful lives. There had not been any indication that the State would "borrow" from special districts again. Every indication was that staff was doing a thorough job of weighing all of these factors and providing the Board with good information with which to make decisions.

Wendy's contract for services would be presented at the next meeting for approval.

b. Mendocino County Planning Team Presentation

Director O'Brien announced that the Mendocino County Planning Team was currently working with the MCCSD regarding data information sharing. The MCCSD planned to schedule a special meeting with the Planning Team to discuss the Mendocino County Planning Team's proposal for a comprehensive biennial agency cross-check of MCCSD data for the Town of Mendocino. A tentative meeting has been scheduled for February 6, 2009, at 8:30 a.m.

c. Introduction of Ordinance No. 09-1 – Ordinance of the Mendocino City Community Services District Establishing a Charge to Property Owners for District Staff to Read Water Meters

Ordinance No. 09-1, an Ordinance of the MCCSD establishing a policy to charge property owners for District staff to read water meters was presented. The Ordinance established a policy to charge \$120.00 when requested by a District property owner to have their meter read on an annual bases, and charge \$50 per meter reading to property owners who do not comply with their obligation to read their meter and report groundwater extraction readings on a consistent basis, thus requiring MCCSD staff to read the water meter on an occasional basis as a result of the property owner's noncompliance with District Requirements. The charge was based on actual cost of providing the service.

MOTION Kraynek/Dill: To waive the reading of Ordinance No. 09-1.

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

Mr. Imhoff reiterated that the District should hire a meter reader to read all meters, and suggested that everyone should have a meter. He stated again, that sewer charges should be based on actual water consumption, instead of penalizing those who are metered.

MOTION Dill/Kraynek: To Introduce Ordinance No. 09-1.

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

5. Groundwater Management

a. Hydrological Study and Groundwater Extraction Permit Approval
Judith Chapman, APN 119-100-01, 10651 Gurley Lane

On October 14-17, 2005, a 77-hr. aquifer pump test was conducted for a hydrological study of a 2.0 acre undeveloped parcel. The test well was pumped at an average rate of .53 gpm (763 gal/day) during the 77-hour pump test. The three day discharge from the pump test proved an adequate water supply for a maximum allotment equal to 305 gallons per day. Lawrence and Associates reviewed the Hydrological Study to evaluate compliance with the District's Groundwater Extraction Permit Ordinance 07-1. No deficiencies were found in the hydrological study. Additional information was requested from Questa to satisfy Lawrence & Associates.

Field data obtained during the aquifer pump test and the Hydrological Study data analysis provided proof that there was an adequate water supply for future development of the parcel for a single family residence. The neighboring wells that were monitored during the aquifer test were not affected. The Study indicated that there would be a negligible impact on the local aquifer by the development of a new residence, and test data indicated that annual groundwater extraction on the parcel would be recharged by percolation of rainfall from within the confines of the property.

Staff recommended approval of the Hydrological Study for future development of the parcel with conditions.

Based on the aquifer test data and the conclusions of the Hydrological Study it was recommended that the allotment for future development should not exceed 305 gpd. When an application was for development of the parcel was submitted and approved by the District, a deed restriction would be recorded for an allotment based on the size and type of development, based on the District's Water Use Standard.(not to exceed 305 gpd). Installation of a water meter would be required prior to extraction from the parcel wells, and monthly meter readings must be submitted to the District following water meter installation.

Ms. Chapman submitted an application for a Groundwater Extraction Permit for development of a three bedroom single family residence.

MOTION Dill/Kraynek: To approve the Judith Chapman Hydrological Study, and Groundwater Extraction Permit application for development of a three bedroom single family residence, including a 260 groundwater extraction allotment.

AMENDMENT: The applicant shall comply with conditions of the approval.

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

NOES: None

ABSENT: Director Schwartz

ABSTAIN: None

b. Hydrological Study Approval Extension

1. William Marcus Miller, APN 119-217-01, 45321 Ukiah Street

William Marcus Miller and Brenda Hughes Miller made application for a 2-year Hydrological Study Approval Extension. The Hydrological Study Approval was approved on February 5, 2001, and has been extended in 2003, 2005 and 2007. A hydrological Study automatically expires by its own terms if the applicant does not apply for a GWEP within two years of the approval. The Board may extend a Hydrological Study Approval for an additional period of two years if it was determined that the conclusions of the hydrological study are still valid.

MOTION Dill/Kraynek:To approve the Hydrological Study Approval Extension for William Marcus and Brenda Hughes Miller for APN 119-217-01, located at 45321 Ukiah Street.

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

NOES: None

ABSENT: Director Schwartz

ABSTAIN: None

2. Charles Baughn, APN 119-170-13, 10970 Ford Street

Charles Baughn made application for a two year Hydrological Study Approval Extension. The original date of the Hydrological Study approval was February 28, 2005 and an extension was approved in 2007.

MOTION Dill/Kraynek:To approve the Hydrological Study Approval Extension for a period of two years as applied for by Charles Baughn.

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

NOES: None

ABSENT: Director Schwartz

ABSTAIN: None

In response to discussion of future Hydrological Study Approval Extensions, Superintendent Kelley noted that future 2-year extensions could be affected if the safe or perennial yield of the aquifer was exceeded, or if there was inadequate sewer capacity for new development.

c. Groundwater Extraction Permit Approval Extension
John Murphy, APN 119-170-13, 10740 Calypso Lane

In March of 1998, the Board approved a Hydrological Study in support of a minor land division and development of a single family residence. Based on the conclusions of the Hydrological Study an allotment was established, not to exceed 530 gallons per day.. On March 5, 2007, John Murphy was issued administrative approval for a Groundwater Extraction Permit for development of three-bedroom residence. A 260 gallon per day allotment was established and based on the Water Use Standard. Since the residence was not completed, Mr. Murphy requested a 2-year renewal of his Goundwater Extraction Permit Approval.

MOTION Dill/Kraynek:To approve the Groundwater Extraction Permit application
Approval Extension for John Murphy and Karmen Fairbourn.

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

d. Groundwater Management Report

Superintendent Kelley discussed the January Groundwater Management Report. The Stage 2 Water shortage was declared on June 30, 2008. The drought stage was evaluated on December 31, 2008, which was based on both rainfall and depth to water in the District's drought indicator wells. On December 31, the average depth to water in the wells was 23.6 ft. and rainfall total was 9.87 inches, which was 34% below normal. Based on the Water Shortage Contingency Plan, both the depth to water and rainfall indicated an ongoing Stage 2 Water Shortage. Based on the Water Shortage Contingency Plan, if Mendocino had less than 14 inches of total rainfall by the end of January, the water shortage should be increased to Stage 3. A Stage 3 was considered a severe drought. The Water shortage contingency plan called for a reduction in allotments by 20% and a moratorium of Groundwater Extraction Permits that require a hydrological study would be prohibited during a Stage 3 drought. Since the drought stage wouldn't be evaluated again until March 31, which was after the March regular meeting, the Board agreed to consider adoption of a Resolution at the February 6 Special Meeting, to declare a Stage 3 Water Shortage Emergency Condition.

6. Old Business

7. Attorney's Report

In response to the board's concern regarding any pending non-compliance cases in the District, Attorney Jackson responded that there was one single case of non-compliance. Owner of property at 10540 Carlson Street had not obtained a Groundwater Extraction Permit since the sale of real property. Attorney Jackson sent correspondence dated October 15, 2008, with follow up correspondence from MCCSD in November. Based on the continuing history of non-compliance by this owner, a recommendation was made to impose penalties provided by Section 15 of the Ordinance and assess a penalty of \$100 for the violation. Each day of non-compliance would be deemed a separate violation and would become a lien against the real property. Attorney Jackson would advise the property owner that he would be facing \$100 per day penalties unless he promptly completed the Groundwater Extraction Permit Process. Draft correspondence was provided for Board review.

8. District Superintendent's Report

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

Staff was re-locating the manholes with the new GPS unit that had sub-foot accuracy. The new map would be used for the engineering study of the collection system for one of the elements of the Sanitary Sewer Management Plan.

The District received the new sewer camera.
No recycled water was transferred to the Mendocino High School during the month of January 2009.

Road work at the Main Street Lift Station and the Heeser Drive Lift Station was completed during January.

Steve Gauch from US Jetting performed a jetter demo at the treatment plant on January 21, 2009, and he high pressure washed several sewer mains. Purchase of a jetter is part of the Sanitary Sewer Management Plan.

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

9. Committee Updates

The Operations Committee met with Superintendent Kelley and reviewed the Fats, Oils, and Grease Program. The minutes of that committee meeting would be distributed to the Board. Attorney Jackson was reviewing the proposed Ordinance.

10. District Secretary's Report

a. Monthly Register of Cash Disbursements

MOTION Kraynek/Dill: To pay disbursements for checks #8651-8727, noting that checks #8698, 8699, and 8715 were void.

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

b. Quarterly Report of Income and Expenses Ending December 31, 2008

The quarterly report of income and expenses for the period of October through December 2008 was submitted for review. Total operating net income was \$31,327. After including non operating income and deducting sewer debt annual service, dryer loan payments, capital improvements and equipment replacement, the total cash margin for the period was \$42,537.

c. Monthly Report of Past Due Sewer Use Fees

The monthly report of past due sewer use fees were reviewed. The Board directed staff to file a Certificate of Lien on property located at 10470 Hill Road, for non-payment of sewer fees for the total amount due. No payment had been received for Russian Gulch for the months of November, December, and January. The secretary would contact Russian Gulch to inquire about the delinquency, and status of payment.

The Board directed Staff to file a lien against property owned by Debra Rodgers at 10470 Hills Road for the total amount due of \$1,572.58.

11. Matters from Board Members

The meeting adjourned.

Respectfully submitted,

Jodi Mitchell
District Secretary