

MENDOCINO CITY COMMUNITY SERVICES DISTRICT  
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Minutes of February 26, 2018

Regular Meeting was called to order by President Schwartz at 7:00 p.m. in the business office at the Wastewater Treatment Plant. Present were Directors Kerstein, Rice, Hauck, and Schwartz. District Superintendent Mike Kelley and Secretary Jodi Mitchell were present.

1. Agenda – There were no changes or additions to the agenda.
2. Approval of Minutes January 29, 2018  
Corrections: Page 2, Section 7 (a), last sentence: ...install one each during fiscal year 2018 and 2019.  
Page 2, Section 9, Paragraph 3, last sentence: ... normally transferred **during the year.**  
Motion Hauck/Kerstein To approve the Minutes of January 29, 2018,  
as amended.  
ROLL CALL VOTE AYES: Directors Kerstein, Rice, Hauck and Schwartz  
NOES: None  
ABSENT: None  
ABSTAIN: None

3. Communications  
Secretary Mitchell reminded the Board that if they had not already submitted their Annual Form 700 Statement of Economic Interests, that they should do so no later than Monday, April 2, 2018.

4. Public Comment  
Jeffrey Stubbs referred to the October 30, 2017 MCCSD Board minutes where SHN would be asked to look at the feasibility of Dan Potash's proposal to transport digester sludge offsite and give a recommendation. Mr. Stubbs commented that he had previously raised specific questions about the drying beds; the expected frequency and quantity of sludge and the capacity of the beds and what times of the year the sludge would be handled. Mr. Stubbs asked if SHN had looked at those issues in depth, and he thought it was unsatisfactory that there had been no reply to the concerns raised by the community. Superintendent Kelley responded that SHN looked at present value analysis, and they recommended that using the drying beds as the redundant system was the most cost-effective method of disposing the sludge, and the Board of Directors supported that recommendation.

Thomas Dertner commented that at the last meeting he offered to provide the Board with telephone numbers of two previous State Employees and he asked if MCCSD had contacted them about the drying beds. Mr. Dertner was troubled because the Board did not ask him for the phone numbers and they were not contacted.

Dan Potash requested a copy of the SHN Analysis regarding the drying beds and suggested the document could be emailed or he would pick it up at the office.

5. Groundwater Management

October 1, 2017 was the beginning of the 2017-2018 rain year. Average precipitation in February was 6.66 inches. By February 19, 2018, Mendocino received .38 inches of rainfall. For this rain year, MCCSD had recorded 16.73 inches of precipitation. The cumulative average rainfall at the end of February was normally 28.57 inches. On February 19, 2018, the District had 58.6% of normal annual precipitation.

The District was still in a No Water Shortage condition. The District would next evaluate drought conditions on March 31, 2018.

Although rainfall was well below normal, it was too early to predict a water shortage for this year. Greater than 14 inches of rainfall on January 31, 2018 meant the District was in an undeclared Stage 1 Water Shortage Condition. The District was now in Stage 3 territory with only 58.6% of normal rainfall. A Water Shortage determination would be made in April or May of 2018. Rainfall would be monitored over the next two months prior to a recommendation by the Superintendent for a Water Shortage declaration by the Board. Based on the rainfall predicted for March, the District could be in a Stage 3 if total rainfall for the rain year on March 31 was between 22 – 26 inches. If rainfall was less than 22” by March 31, the District would be in a Stage 4 Water Shortage Condition.

The average Depth-To-Water (DTW) in the aquifer on February 21, 2017 was 7.22ft. The DTW measurements in the District’s 24 monitoring wells on February 16, 2018 was 14.49 ft. This was the lowest DTW in the aquifer at this time of year since February 2014 just before the District declared the Stage 4 Water Shortage.

6. District Superintendent’s Report

a. Monthly Report

Operators performed routine repair and maintenance at the wastewater treatment plant during February 2018.

There were no MCCSD collection system sanitary sewer overflows during January 2018.

The District did not transfer recycled water to the High School in January or February.

The District submitted the Mendocino Historical Review Board (MHRB) permit application for the new treatment plant chlorine contact tank, underground recycled water tank, and new plant operations building that would be built over the recycled water tank. A letter was mailed by the District to all developed property owners notifying them about the February 5<sup>th</sup> meeting, then MHRB cancelled the February meeting. The District was on the agenda for March 5<sup>th</sup> meeting of the MHRB for approval of the underground tanks and the building’s architecture.

MCCSD applied for an MHRB permit for approval of the new LED streetlights and metal poles. The wooden center borehole poles that accommodate the underground streetlights’ wiring west of Highway 1 would be replaced with metal poles. East of Highway 1, Cree LED replacement streetlights would be mounted on the existing overhead power distribution poles. The LED’s would replace the existing 50-year-old high pressure sodium streetlights. The MHRB would consider the application at their March 5<sup>th</sup> meeting.

The Safety Officer conducted the monthly safety inspection of the plant. The Safety meeting was on February 12, 2018 and was on *Safety Takes Courage*.

7. Old Business

a. Review of 2016/2017 Audited Financial Statements

3/26/18  
The Board of Directors held a conference call with Blake Goranson, Goranson and Associates, regarding the Annual Audited Financial Statements for 2016/2017. She explained that some of the discrepancies were related to last year's adjustments to prior work which included 1.6 million understated land values for Palette Drive property, \$680,000 of overstated accumulated depreciation, and new GASB 68 deferred inflow/outflow for CalPERS. The Board asked questions, and she clarified issues such as adequacy of rates, capital reserves and <sup>their</sup> identification, and prior period adjustments. Ms. Goranson commented that the secretary was doing a good job and recommended the Board start succession planning because she might want to retire someday.

8. New Business

a. Ordinance No. 2018-1 Ordinance of the Mendocino City Community Services District for Special Events Permits

Ordinance No. 2018-1 was written for the purpose of establishing fees, conditions and other District expenses associated with a Special Event on District property located at 10705 Palette Drive. Special Event Permit Guidelines were incorporated by reference. Attachment "A" outlined Standard Insurance Requirements for Special Events.

MOTION Hauck/Kerstein: To waive the reading of Ordinance No. 2018-1.

ROLL CALL VOTE AYES: Directors Kerstein, Rice, Hauck and Schwartz  
NOES: None  
ABSENT: None  
ABSTAIN: None

MOTION Hauck/Kerstein To introduce Ordinance No. 2018-1 Ordinance of the MCCSD for Special Events Permits for action at the next meeting.

ROLL CALL VOTE AYES: Directors Kerstein, Rice, Hauck and Schwartz  
NOES: None  
ABSENT: None  
ABSTAIN: None

9. Attorney's Report

10. Committee Updates

3/26/18  
Superintendent Kelley requested a meeting with the Finance Committee to discuss the proposed 2018/2019 Fiscal Year Budget. The Committee would also provide clarity in understanding how much money was actually available for new capital assets and equipment replacement. The Finance Committee, Directors Kerstein and Schwartz would meet at 10:00 a.m. on Friday, March 2<sup>nd</sup>.

11. District Secretary's Report

a. Monthly Register of Cash Disbursement

MOTION Hauck/Rice To approve disbursements in the amount of \$59,915.65 for checks #13731 – 13767, noting that checks 13754, 13755 and 13757 were void.

ROLL CALL VOTE AYES: Directors Kerstein, Rice, Hauck and Schwartz  
NOES: None  
ABSENT: None  
ABSTAIN: None

Director Hauck suggested the District should consider an appeal to the Board of Supervisors for over \$11,000 of fees charged to the MCCSD for the modified use permit, CDP and MHRB review. He claimed there was no justification for the capricious fees charged by the County Planning and Building Department and was an injustice to the community.

b. Update on Delinquent Sewer Accounts and Certificate of Liens

The Board of Directors reviewed the update on Delinquent Sewer Accounts and Certificates of Lien.

The meeting adjourned at 8:40 p.m.

Respectfully submitted,



Jodi Mitchell  
District Secretary