

MENDOCINO CITY COMMUNITY SERVICES DISTRICT  
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Minutes of May 29, 2018

Regular Meeting was called to order by President Schwartz at 7:00 p.m. at the Community Center of Mendocino located at 10525 School Street. Present were Directors Kerstein, Rice, Hauck, and Schwartz. District Superintendent Mike Kelley and Secretary Jodi Mitchell were present.

1. Agenda – No changes were made to the agenda.
2. Approval of Minutes April 30, 2018  
Correction: Page 2, Section 6(b), Line 3: ...of April was normally ~~34.63~~ 37.52 inches.  
Motion Hauck/Kerstein To approve the Minutes of April 30, 2018, as corrected.  
ROLL CALL VOTE AYES: Directors Kerstein, Rice, Hauck and Schwartz  
NOES: None  
ABSENT: None  
ABSTAIN: None

3. Communications

4. Public Comment

5. New Business

- a. Public Hearing Regarding Proposition 218 Notice of Proposed Charge for Groundwater Management

President Schwartz thanked the audience for attending the Prop 218 Public Hearing to determine if there was a majority protest to the proposed increase in the groundwater management charge, and he opened the Public Hearing for comments. Approximately 20 people were in attendance. Superintendent Kelley provided information regarding the use of the GWM charge, the calculation of the charge, the Prop 218 Procedure for increasing a property related charge, the protest procedure, substantive requirements, and the timeline.

A relatively new property owner in Mendocino said he believed in Groundwater Management, however, he voted No to the proposed increase in water management. He thought the sewer fees were extremely high for his 3-bedroom residence, and noted he probably used less than 50 gallons per day of water. He suggested that consideration should be given individually for an exception to the exorbitant fees proposed. Staff responded that over the years, the charge for GWM has been increased and decreased depending on the annual budget, and this was considered an unusual single event which occurred. The fee could be lowered when the legal issue had been resolved. If a majority protest did not exist, the monthly charge for groundwater management (GWM) would be increased from \$5.57 to \$10.63 per ESD.

Edward O'Brien introduced himself and noted he served as President and a member of the MCCSD Board for 22 years. He explained that in 1987 the "water wars" began, where part of the community demanded that the District find a municipal water system source, and the other half of the community said no, don't, but instead protect our shallow wells. Through legislation, the District obtained Water Powers and after years of exploration and expenses totaling over \$300,000 in search of a water source, the Board made the decision that water management was the best solution. The Groundwater Extraction Permit Ordinance originally protected people with a shallow well. The Ordinance also required that if you made any change of use on your property, you were regulated and required to install a water meter. In 2014, during the Stage 4 Water Shortage Condition declaration, all parcel owners within the District were required to install a water meter and establish an allotment, based on the property development uses. All developed parcels had a water meter and a restricted allotment. Mr. Gomes stated at a public meeting that he could run the water down the street if he chose to do so, however, the Board agreed groundwater was a public resource and there was no legal right to waste water. The MCCSD had spent \$92,000 to successfully defend the Groundwater Extraction Programs, Groundwater Extraction Permit Ordinance, and the Water Shortage Contingency Plan in Superior Court and an additional \$32,000 was budgeted this year to defend the Gomes appeal.

Legal Fees were paid from fees collected for operations and repair and maintenance of the sewer treatment plant. The District could not afford to use fees collected for wastewater treatment, and the increase in GWM would be used for this unusual event, and could be lowered in the future, based on the projected budget for the Groundwater Department.

In response to a suggestion that the voting process was unfair because only NO votes were counted versus counting yes and no votes to determine the outcome, Superintendent Kelley explained that MCCSD was not required to hold an election following the majority protest hearing, since the charge was a property-related water charge, which was exempt from the Prop 218 "election" requirement. Only protests were counted.

President Schwartz announced last call for protests and closed the public testimony.

Staff announced 402 ballots were mailed to developed property parcel owners. Barbara Reed tabulated the results with the MCCSD secretary. At the close of the Public Hearing a total of 79 protest ballots were counted. 202 ballot protests were required for a majority protest. A majority protest did not exist.

b. Introduction of Ordinance 2018-3 Establishing a Charge for Groundwater Management

MOTION Hauck/Kerstein To waive the reading of Ordinance 2018-3.

ROLL CALL VOTE: AYES: Directors Kerstein, Hauck, Rice and Schwartz

NOES: None

ABSENT: None

MOTION Hauck/Kerstein To Introduce 2018-3 Establishing a charge for GWM

ROLL CALL VOTE: AYES: Directors Kerstein, Hauck, Rice and Schwartz

NOES: None

ABSENT: None

Harold Hauck commented that the MCCSD 5-member Board of Directors were currently operating with 4-members, and further noted that all of the current Board members were residents outside of the Historical District. He thought it was important that a representative of the Historic district become a Board member and he encouraged the community to give consideration to becoming a Board member of MCCSD.

6. Old Business

a. Adoption of Ordinance 2018-2 Groundwater Extraction Permit

At the last meeting, the Groundwater Extraction Permit Ordinance 2018-2 was introduced. After adoption, the summary of changes would be published in the Mendocino Beacon.

MOTION Kerstein/Rice To waive the reading of Groundwater Extraction Permit Ordinance 2018-2.

ROLL CALL VOTE: AYES: Directors Hauck, Kerstein, Rice and Schwartz

NOES: None

ABSENT: None

MOTION Hauck/Kerstein To adopt Ordinance 2018-2 Groundwater Extraction Permit

ROLL CALL VOTE: AYES: Directors Hauck, Kerstein, Rice and Schwartz

NOES: None

ABSENT: None

7. Groundwater Management

a. Application for Groundwater Extraction Permit, 45104 Main Street, APN 119-237-11

An Application was submitted for a Groundwater Extraction Permit to reduce the square footage of an existing restaurant with no service and include full service. The water demand for the existing development was 1,175 in accordance with the District Water Use Standards. The 1986 County Health Department allotment for the parcel was 445 gal/day. The District was no longer obligated to honor the County allotment once a permit was issued. The proposed change represented a 10% increase in the water demand, an allowable amount for a limited increase, and an exception to the Hydrological Study Requirement. The allotment would be established at 1,175 gpd. The Water Demand was 1,292.5 gpd. As a condition of approval, the owner agreed to remain within the 1,175 gpd allotment. The One-time Right of Use Capacity Charge was calculated based on the increase of .59 ESD's; an increase from 5.87 to 6.46. Staff recommended approval.

MOTION Hauck/Rice To approve the change in the water demand and the Groundwater Extraction Permit for property at 45104 Main Street.  
ROLL CALL VOTE: AYES: Directors Hauck, Kerstein, Rice and Schwartz  
NOES: None  
ABSENT: None

b. Monthly Groundwater Management Report

October 1, 2017 was the beginning of the 2017-2018 rain year. Average precipitation in May was 1.32 inches. By May 21, 2018, Mendocino had received 31.53 inches of rainfall for the year. The cumulative average rainfall at the end of May was normally 38.84 inches. On May 21, the District had 78.4% of total average annual precipitation.

The District had been in a No Water Shortage Condition since January 26, 2016. At the end of May 2018, District rainfall was 31.53 inches, which was 81% of normal for this time of year. Four stages of water shortage were recognized in the Water Shortage Contingency Plan: 1) mild drought (alert), 2) Moderate Drought (warning), 3) Severe Drought (emergency) and 4) Historic Drought (crises).

A mild Stage 1 Water Shortage meant that rainfall was 75-82.5% of normal. The District received 81% of normal, which fit the criteria for declaring a Stage 1 Water Shortage for the May evaluation. There had been 15.18 inches of rainfall since February 1, 2018 and 31.53 inches of precipitation at the end of May, which meant Mendocino was in a mild drought. The Superintendent's drought stage recommendation was for the Board to declare a Stage 1 Water Shortage. Staff prepared Resolution 2019-255 for Board consideration.

District property owners were requested to voluntarily reduce groundwater extraction by 10%. Water use restrictions included voluntary water conservation and prohibition on hose washing driveways, sidewalks, and other paved surfaces. Restaurants would be asked to display water conservation information cards which were available at the District office.

The Depth-To-Water (DTW) measurements in the District's 24 monitoring wells on May 18, 2018 was 13.54 ft. Above average rainfall in April helped to significantly recharge the local aquifer.

The next water evaluation will be August 30, 2018.

c. Resolution No. 2018-255 – Resolution of the MCCSD to Declare a Stage 1 Water Shortage Emergency Condition

MOTION Rice/Kerstein: To adopt Resolution No. 2018-255 A Resolution of the MCCSD to Declare a Stage 1 Water Shortage Emergency Condition

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

Staff would submit a press release to the Mendocino Beacon.

8. Attorney's Report

9. District Superintendent's Report

a. Monthly Report

Operators performed routine repair and maintenance at the wastewater treatment plant during May. There were no MCCSD collection system sanitary sewer overflows during May.

The District did not transfer recycled water to the High School in April.

Jess Construction completed removing the window and vents in the old chlorine room. The drywall was repaired and the exterior siding was painted.

The Mendocino County Archaeological Commission approved the District's Coastal Development Use Permit modification to install new disinfection and de-chlorination systems, rehabilitation of the drying beds, replacement of the equalization pond liner, replacement of the backwash controls for the tertiary filters, relocation of the lab to a new operations building, and remodeling of the District Office. A condition of the approval was that an archaeologist and a Native American representative were required to observe any project excavation. The next archeological meeting will be held June 13 regarding the excavation of the streets.

The Safety Officer conducted the monthly safety inspection of the plant. The safety meeting on April 18<sup>th</sup> was on Real Life – Safe Driving.

b. SHN Project Update

Superintendent Kelley reported the potential changes and updates for the Wastewater Treatment Plant Improvements and Recycled Water Distribution System Project:

1) An increase in the size of recycled water lines in Ukiah and Kasten Streets from 6" to 8" in diameter including the installation of three fire hydrants. Mendocino Volunteer Fire Department agreed to compensate the District for the additional cost.

2) SHN was exploring the possibility of incorporating the underground chlorine contact chamber into the proposed 50,000-gallon recycled water storage tank under the new operations building, which could reduce the amount of excavation and eliminate a portion of the underground concrete tank construction.

3) During design of the additional electrical needs it was discovered that the existing equipment for the electrical feed into the plant was restricted to 400 amps from the 800-amp rating of the existing transformer. With the new facilities, the District needed to exceed the 400-amp rating of the existing equipment. To use the existing equipment and satisfy the needs of the new facilities the District should consider adding an additional electrical feed into the belt press building, which would bring the entire plant up to code and provide a potential economic life span of the electrical equipment of 30 – 40 years.

4) As an option to help offset the additional electrical equipment cost, it was suggested to eliminate the improvements to the two easterly sludge drying beds and grading that area for future use. Mike suggested that next month they would demolish the two beds. Director Hauck asked why money would be spent to demolish the two beds as opposed to leaving them as they are and he asked for the Engineers recommendation.

5) The Coastal Development Permit and the Conditional Use Permit applications were before the County of Mendocino Planning Department, and SHN was working closely with County staff to advance the applications. To date the District had received approval from the Mendocino County Archeological Commission and another meeting will be scheduled to review the recycled water distribution system. A tentative date has been set for June 21 before the Planning Commission.

c. Approval of Alpha Diving Proposal

In late 2017, the District approved an annual post winter survey. Alpha Diving Industries provided their report of the Marine Survey. Based on visual inspection, still photographic images, and video clips, it appeared that the outfall, with the exception of the conditions noted, was in serviceable condition. Based on the findings of the survey, recommendations were made: 1) prior to the winter season, install 4-6 new hold-down anchor brackets on the deep end. At this time, based on exposed bedrock, it would be possible to drill into solid material, 2) Continue the annual survey/monitoring program. Over the course of time, deterioration had been occurring, but in the case of the survey, some damage seemed to be accelerated, and 3) Install Type 5 clam on Joint #8, to be done in September 2018.

During the post winter survey performed on the MCCSD ocean outfall it was discovered that several of the hold-down brackets that secure the pipe to the seabed had deteriorated to the point of disappearance or were at the point of failure. A quote was provided to fabricate and install up to 6 stainless steel pipe hold-down brackets - \$24,000. The quote did not include rental of the power unit and SK-58 drill used to bore holes underwater. ~~That item was procured by the District.~~

Director Hauck thought it might be time to analyze the outfall expenses over the past 15 years to consider continued annual maintenance or outfall line replacement.

MOTION Hauck/Kerstein To approve the Quote for Outfall Remediation in the amount of \$24,500.

ROLL CALL VOTE: AYES: Directors Hauck, Kerstein, Rice and Schwartz

NOES: None

ABSENT: None

d. Cummins Equipment Maintenance Agreement

Superintendent Kelley requested approval of a Planned Equipment Maintenance Agreement for full service to the Cummins Blower. Cummins provided a quote of \$974.22, which was renewed annually. The Board asked if the amount would be the same for the next few years if we opted in. Staff would inquire with Cummins.

MOTION Hauck/Kerstein To approve Cummins Maintenance Agreement in the amount of \$974.22 for the period of July 1, 2018 through June 30, 2019, with automatic renewal.

ROLL CALL VOTE: AYES: Directors Hauck, Kerstein, Rice and Schwartz

NOES: None

ABSENT: None

10. Committee Updates

Director Hauck commented that he spoke with Attorney Jim Jackson regarding his idea of an agency or organization who might be willing to assist with expenses related to the Gomes vs. MCCSD appeal. Mr. Jackson didn't see a problem with Director Hauck's idea. Harold said he would probably not spend a lot of time on this issue, but he would take a quick survey with some granting organizations.

11. District Secretary's Report

a. Monthly Register of Cash Disbursement

MOTION Hauck/Rice To approve disbursement of checks 13853-13892,  
noting check 13879 was void.

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

b. Update on Delinquent Sewer Accounts and Certificate of Liens

The Board of Directors reviewed the update on delinquent sewer accounts and Certificate of Liens.

The meeting adjourned.

Respectfully submitted,



Jodi Mitchell  
District Secretary