
MENDOCINO CITY COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS 10-26-2026 MEETING AGENDA

MENDOCINO CITY COMMUNITY SERVICES DISTRICT
P. O. BOX 1029
MENDOCINO, CA 95460
Business Phone (707) 937-5790 Treatment Plant (707) 937-5751

AGENDA

REGULAR MEETING

Monday, October 26, 2026

5:00 PM Regular Meeting

Wastewater Treatment Plant, 10500 Kelly St., Mendocino, Ca 95460

The meeting will be held in person at the above address and via teleconference. To participate by ZOOM call 1 (669)-900-6833, Meeting ID: 288 936 0093, Passcode: 044968

Or log in online URL:

<https://us06web.zoom.us/j/2889360093?pwd=cE40NFd2T1JSdG4WFQ2SCtod0V3QT09&omn=86755749032>

Meeting ID: 288 936 0093

Password: 4Bezsr

- 1) CALL TO ORDER
 - 2) APPROVAL OF AGENDA
 - 3) PUBLIC EXPRESSION: non-agenda items
 - 4) COMMUNICATIONS
 - 5) FINANCIAL REPORT
 - Discussion and Possible Action to Approve District Disbursements
 - a) September Disbursements
 - 6) CONSENT AGENDA
 - All matters on the Consent Agenda are to be approved by one action without discussion unless a Board Member requests separate action on a specific item.
 - a) Approval of minutes from 9-28-2026
 - b) Approval of minutes from 10-19-2026
 - 7) DISCUSSION AND POSSIBLE ACTION REGARDING ANY CONSENT AGENDA ITEM NEEDING SEPARATE ACTION
 - 8) NEW BUSINESS
 - a) Public Hearing of Ordinance 2026-1: Ordinance of the Mendocino City Community Services District, adopting policies and procedures for purchasing supplies and equipment, for procuring professional and maintenance services, and for the disposal of surplus property
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MENDOCINO CITY COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS 10-26-2026 MEETING AGENDA

- b) Discussion and Possible action to approve Resolution 2026-336: Resolution of the Mendocino City Community Services District to adopt and implement the Uniform Public Construction Cost Accounting Act
- c) Public Hearing of Ordinance 2026-2: Ordinance of the Mendocino City Community Services District establishing informal bidding procedures for public projects pursuant to the Uniform Public Construction Cost Accounting Act
- d) Discussion and Possible to approve \$250,000 budget amendment to collection system maintenance projects
- 9) OLD BUSINESS
 - a) Discussion and Possible Action related to preliminary engineering report alternatives for plant redundancy
- 10) DISTRICT SUPERINTENDENT'S REPORT
 - Monthly Report
- 11) GROUNDWATER MANAGEMENT
 - Monthly Groundwater Management Report
- 12) ADJOURNMENT

STANDING COMMITTEES: For 2026

Finance:----- Andrea Shepard and Michael Klinger
Personnel:----- Alex Fields and Matthew Miksak
Plant Operations:----- Jim Sullivan and Michael Klinger
Street Lighting:----- Alex Fields
Groundwater Management:----- Andrea Shepard and Jim Sullivan

Pursuant to Americans with Disability Act (ADA Title II), MCCSD will make reasonable arrangements to ensure accessibility to the meeting. If you need special assistance to participate in this meeting, please contact the business office at 707- 937-5790.

Cash Disbursements (Checking)
For the Period End September 2026

	9/30/2026
Balance Forward**	\$ 500,072
Monthly Fees (Current and Past Due) Collected	\$ 123,032
General Property Taxes	-
Interest Income	49
Service to Read Water Meters	330
Ground water permit fees	-
Sales	11
Late Fee Income/NSF Fees	835
Special Events Permit Fees	-
Transfers In	182,976
Transfers In	3,250,523
Transfers In	-
Deposits	\$ 3,557,756
Total Inflows	\$ 4,057,828
Disbursements	\$ (3,957,190)
	\$ -
Prior Period Corrections from Carryforward	\$ -
Balance Checking	\$ 100,639
General Ledger Operating Checking	\$ 100,639
Difference	\$ (0)

APPROVAL OF THE BOARD OF DIRECTORS

The undersigned Directors of the Mendocino City Community Service District, do hereby certify total disbursements, including checks, online CalPers, State and Federal Tax Deposits.

Print and Sign



**Mendocino City Community Services District
Distribution Report by Bank Account
September 2026**

Cash and Equivalents
Cash in Checking #2837

Transaction date	Num	Name	Amount
09.02.2026	21994	Ghilotti Construction Company	-246,563.00
09.02.2026	21995	Ghilotti Construction Company	-153,108.38
09.02.2026	21997	Alpha Analytical Laboratories	-418.00
09.02.2026	21998	REDWOOD WASTE SOLUTIONS	-169.68
09.04.2026	21999	GovInvest, Inc.	-1,000.00
09.04.2026	22000	Mountain Fresh Spring Water Co	-17.50
09.04.2026	22001	Alpha Analytical Laboratories	-236.00
09.04.2026	22002	Kyocera (aka Wells Fargo)	-223.22
09.04.2026	22003	AERZEN USA	-3,400.00
09.04.2026	22004	O'Connor & Company	-4,253.75
09.04.2026	22005	XYLEM WATER SOLUTIONS	-5,416.00
09.04.2026	22006	USA Bluebook	-637.52
09.04.2026	22009	Ghilotti Construction Company	-2,962,833.37
09.04.2026	22010	GHD	-219,000.18
09.17.2026	22011	Alpha Analytical Laboratories	-654.00
09.17.2026	22012	Deep Valley Security	-39.85
09.17.2026	22013	Golden State Risk Managment Authority	-10,688.00
09.17.2026	22014	Harvest Market	-18.06
09.17.2026	22015	MENDES SUPPLY COMPANY	-3,434.97
09.17.2026	22016	PG&E	-11,047.86
09.17.2026	22017	Quill	-71.15
09.17.2026	22018	REDWOOD COAST FUELS	-6,100.62
09.22.2026	22019	CivicPlus LLC	-250.00
09.22.2026	22020	Harvest Market	-53.44
09.22.2026	22021	XYLEM WATER SOLUTIONS	-27,102.00
09.25.2026	22022	AERZEN USA	-722.89
09.25.2026	22023	Mountain Fresh Spring Water Co	-34.25
09.29.2026	22024	Alpha Analytical Laboratories	-236.00
09.29.2026	22025	Reliance Standard Life	-234.00
09.29.2026	22026	SHUTE, MIHALY & WEINBERGER	-5,930.20
09.29.2026	22027	United Rentals	-68,293.17
09.30.2026	22028	GHD	-56,679.74
09.30.2026	22029	Ghilotti Construction Company	-126,296.26
09.11.2026	DD	Robert Ryan Rhoades	-3,701.12
09.11.2026	DD	Jonathan S. Stenson	-2,071.47
09.11.2026	DD	Katharine L Bates	-2,680.07
09.11.2026	DD	Keith D. Linden	-2,005.78
09.25.2026	DD	Robert Ryan Rhoades	-3,631.13
09.25.2026	DD	Keith D. Linden	-2,050.36
09.25.2026	DD	Jonathan S. Stenson	-2,081.52
09.25.2026	DD	Katharine L Bates	-2,112.24
09.01.2026		K. McKee & Company, Inc.	-155.00
09.01.2026		K. McKee & Company, Inc.	-300.00
09.04.2026		ALPHA DIVING INDUSTRIES	-4,450.00
09.06.2026		QuickBooks Payments	-31.46

09.08.2026	CAL PERS	-446.44
09.08.2026	CAL PERS	-1,797.67
09.09.2026	QuickBooks Payments	-213.18
09.11.2026	Intuit QuickBooks Workforce	-4,275.61
09.15.2026	Bank of America	-970.52
09.16.2026	QuickBooks Payments	-121.20
09.16.2026	QuickBooks Payments	-10.00
09.21.2026	CAL PERS	-1,791.91
09.21.2026	CAL PERS	-465.22
09.22.2026	CAL PERS	-350.00
09.25.2026	Intuit QuickBooks Workforce	-4,043.05
09.29.2026	CAL PERS	-1,797.67
09.29.2026	CAL PERS	-433.92
09.29.2026	CAL PERS	-40.00
Total for Cash in Checking #2837		-\$3,957,189.60

MENDOCINO CITY COMMUNITY SERVICES DISTRICT

Post Office Box 1029
Mendocino, CA 95460
(707) 937-5790 (t)
mccsd@mcn.org

MENDOCINO CITY COMMUNITY SERVICES DISTRICT BOARD MEETING

ACTION MINUTES – September 28, 2026

BEFORE THE BOARD OF DIRECTORS

FAIR STATEMENT OF PROCEEDINGS

(PURSUANT TO CALIFORNIA COMMUNITY SERVICES DISTRICT LAW

Government Code §61000)

AGENDA ITEM NO. 1 – CALL TO ORDER – 5:00 p.m.

Board Present: Directors Andrea Shepard, Michael Klinger, Jim Sullivan, and Matthew Miksak

Staff Present: Ryan Rhoades, District Superintendent, Katie Bates, District Secretary,

Public Present: Jim Gragg, Mary Falkenrath, Maggie O'Rourke, Tina Aranguren, Lisa Slauson, "Linda's ipad", Donna Feiner, Bernardo from Carollo Engineers

AGENDA ITEM NO. 2. – APPROVAL OF AGENDA

Board Action: Upon motion by Director Klinger, and 2nd by Director Sullivan to approve the Agenda. IT IS ORDERED to approve the agenda. The Motion carried by the following vote:

AYE: 4

ABSENT: 1 (Fields)

AGENDA ITEM NO. 3- PUBLIC EXPRESSION: non-agenda items

Jim Gragg expressed GWM concerns.

Tina Aranguren expressed concern re: the MUSD water storage project.

Maggie O'Rourke also expressed concern re: the MUSH water storage project.

AGENDA ITEM NO. 4- COMMUNICATIONS

Jim Gragg and Ken Taylor submitted letters of appreciation for the 9/25/26 update letter MCCSD sent out.

AGENDA ITEM NO. 5- FINANCIAL REPORT

a) August DISBURSEMENTS

Board Action: Upon motion by Director Shepard and 2nd by Director Sullivan, IT IS ORDERED to approve August disbursements. The Motion carried by the following vote:

AYE: 4

ABSENT: 1 (Fields)

AGENDA ITEM NO. 6— CONSENT AGENDA

- a) Approval of minutes from 8-31-2026
- b) Approval to use the MCCSD Palette Dr parcel for the Mendocino Film Festival on an annual basis until 2030

Directors Shepard recuses themselves from voting and steps out of the room.

Board Action: Upon motion by Director Sullivan and 2nd by Director Miksak, IT IS ORDERED to approve the Consent Agenda. The Motion carried by the following vote:

AYE: 3

ABSENT: 2 (Fields and Shepard)

AGENDA ITEM NO. 7- DISCUSSION AND POSSIBLE ACTION REGARDING ANY CONSENT AGENDA ITEM NEEDING SEPARATE ACTION

NONE

AGENDA ITEM NO. 8- NEW BUSINESS

- a) Presentation and Discussion with Carollo Engineers related to preliminary engineering report alternatives for plant redundancy

Board Comment: Directors Shepard, Sullivan, Milksak, and Fields
Staff Comment: District Superintendent Rhoades

AGENDA ITEM NO. 9- DISTRICT SUPERINTENDENT'S REPORT

Presenter: Ryan Rhoades

AGENDA ITEM NO. 10- GROUNDWATER MANAGEMENT

Presenter: Ryan Rhoades
Typo: it should say 0.76" received in September, not August

AGENDA ITEM NO. 11- ADJOURNMENT

6:35 p.m.

NOTICE: PUBLISHED MINUTES OF THE MENDOCINO CITY COMMUNITY SERVICES DISTRICT MEETINGS

- *Effective May 11, 2020, the Board of Directors' minutes will be produced in "action only" format.*
- *Minutes are considered draft until adopted/approved by the Board of Directors*

- Please reference the District's website to obtain additional resource information for the Board of Directors: www.mccsd.com.

Thank you for your interest in the proceedings of the Mendocino City Community Services District

Board of Directors

STANDING COMMITTEES:

Finance:----- Andrea Shepard and Michael Klinger
Personnel:----- Matthew Miksak and Alex Fields
Plant Operations:----- Jim Sullivan and Michael Klinger
Street Lighting:----- Alex Fields
Groundwater Management:----- Jim Sullivan and Andrea Shepard

Respectfully submitted,

Katie Bates

MENDOCINO CITY COMMUNITY SERVICES DISTRICT

Post Office Box 1029

Mendocino, CA 95460

(707) 937-5790 (t)

mccsd@mcn.org

MENDOCINO CITY COMMUNITY SERVICES DISTRICT SPECIAL BOARD MEETING

ACTION MINUTES – October 19, 2026

BEFORE THE BOARD OF DIRECTORS

FAIR STATEMENT OF PROCEEDINGS

(PURSUANT TO CALIFORNIA COMMUNITY SERVICES DISTRICT LAW

Government Code §61000)

AGENDA ITEM NO. 1 – CALL TO ORDER – 1:00 p.m.

Present: Directors Andrea Shepard, Jim Sullivan, Alex Fields, and Mathew Miksak

Staff Present: Ryan Rhoades, District Superintendent and Katie Bates, Board Secretary

Public Present: Jim Gragg, Bernardo, Sam, and Anna from Carollo Engineers

AGENDA ITEM NO. 2. – APPROVAL OF AGENDA

Board Action: Upon motion by Director Sullivan and 2nd by Director Miksak, IT IS ORDERED to approve the agenda. The Motion carried by the following vote:

AYE: 4

ABSENT: 1 (Klinger)

AGENDA ITEM NO. 3- PUBLIC EXPRESSION: NON-AGENDA ITEMS

None

AGENDA ITEM NO. 4- OLD BUSINESS

- a) Ongoing discussion with Carollo Engineers related to preliminary engineering report alternatives for plant redundancy

Presenter: Bernardo, Anna, and Sam from Carollo Engineering

Board Comment: Directors Shepard, Sullivan, and Miksak

Staff Comment: Ryan Rhoades

AGENDA ITEM NO. 5- ADJOURNMENT

IT IS ORDERED to approve adjourning the meeting at 2:30 p.m.

NOTICE: PUBLISHED MINUTES OF THE MENDOCINO CITY COMMUNITY SERVICES DISTRICT MEETINGS

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***Thank you for your interest in the proceedings of the Mendocino City Community Services District
Board of Directors***

STANDING COMMITTEES:

Finance:----- Andrea Shepard and Michael Klinger
Personnel:----- Matthew Miksak and Alex Fields
Plant Operations:----- Jim Sullivan ' Michael Klinger
Street Lighting:----- Alex Fields
Groundwater Management:----- Jim Sullivan and Andrea Shepard

Respectfully submitted,

Katie Bates

ORDINANCE NO. 2026-1

ORDINANCE OF THE MENDOCINO CITY COMMUNITY SERVICES DISTRICT, ADOPTING POLICIES AND PROCEDURES FOR PURCHASING OF SUPPLIES AND EQUIPMENT, FOR PROCURING PROFESSIONAL AND MAINTENANCE SERVICES, AND FOR THE DISPOSAL OF SURPLUS PROPERTY

WHEREAS, Government Code Section 61063 requires all community services districts to adopt policies and procedures including bidding regulations governing purchases of supplies and equipment which are not governed by provisions of the California Public Contract Code Sections 20680 *et seq.*; and

WHEREAS, Government Code Section 54201 *et seq.* requires adoption of policies pertaining to the purchase of supplies and equipment by local agencies; and

WHEREAS, Government Code Section 54204 requires a local agency to adopt these purchasing policies by written rule or regulation.

The Board of Directors of the Mendocino City Community Services District hereby **ORDAINS AS FOLLOWS**:

SECTION 1. Adoption of purchasing system

In order to establish efficient procedures for the purchase of supplies and equipment, to secure supplies and equipment at the lowest possible cost commensurate with quality and quantity needed, to exercise positive financial control over purchases, to clearly define authority for the purchasing function through the use of purchase orders, contracts and other authorized procedures, the purchasing system set forth in this ordinance is adopted for the Mendocino City Community Services District (MCCSD).

SECTION 2. Authority and Responsibility

(a) The authority and responsibility for the purchase of supplies and equipment, procurement of professional services and disposition of surplus property is vested in the District Superintendent. The District Superintendent may designate a person to serve as the purchasing officer and delegate to that person the duties and responsibilities imposed by this ordinance on the purchasing officer. The District Superintendent is responsible for administering and implementing the purchasing policies and procedures set forth in this Ordinance.

(b) In addition to administering and implementing these policies and procedures, the District Superintendent or his/her designee shall do each of the following:

(1) Before purchasing supplies and equipment, first consider sources of supplies and equipment located within Mendocino County. The District Board of Directors has encouraged all residents and businesses located within the District to shop locally at businesses located in the area. In keeping with this policy, District staff shall make every attempt to purchase supplies and equipment from Mendocino County businesses whenever practicable. The purchasing officer shall maintain a list of local vendors offering the types of supplies and equipment used by the District, and shall circulate this list to all District personnel.

(2) Keep informed of current developments in market conditions and new products, and maintain a bidder's list, vendor's catalogue files or other records needed for the efficient purchase of supplies and equipment.

- (3) Direct the inspection of supplies and equipment delivered to determine their conformance with specifications.
- (4) Consider and encourage the purchase and use of recycled and recyclable materials and products, whenever practicable.

SECTION 3. Determination of Purchasing Requirements and Surplus

- (a) The adopted budget for the District for each fiscal year shall include funding for the necessary supplies and equipment for the fiscal year.
- (b) The District Superintendent or his/her designee shall ensure that sufficient documentation is submitted with a request for purchase to demonstrate compliance with established policies and procedures and to justify the acquisition and acceptance of supplies and equipment.
- (c) Equipment on hand that is no longer useful to the District may be donated to another agency, traded-in, or disposed of in accordance with the procedures set forth in this Ordinance.

SECTION 4. Purchasing Procedures and Limitations

Purchase of supplies and equipment, other than purchase of materials and supplies for construction as governed by Public Contract Code section 20682, may be made by the District Superintendent and employees designated in this section subject to compliance with the procedures and limitations contained in this section.

- (1) For purchases of \$100.00 or less, petty cash may be used for approved purchases. It is not required that bids be obtained for such purchases.
- (2) Purchases over \$100.00 but less than \$2,000.00 must be approved by the District Superintendent. No purchase order is necessary, and it is not required that bids be obtained for such purchases.
- (3) For purchases that are equal to or exceed \$2,000.00 but are less than \$25,000.00, the District Superintendent must approve and execute the purchase order or contract for the purchase. It is not required that bids be obtained for such purchases. Before the purchase is made, three estimates should be obtained from vendors and each of these estimates should be documented, and the purchase order or contract should be awarded to the lowest responsible vendor.
- (4) For purchases that are equal to or exceed \$25,000.00, but are less than \$100,000.00, the District Board of Directors must approve the purchase order or contract for the purchase. Before the purchase is made, three estimates, written or verbal, should be obtained from vendors and each of these estimates should be documented, and the purchase order or contract should be awarded to the lowest responsible vendor. The Board of Directors may authorize that such purchase orders or contracts be executed by the District Superintendent or a designated purchasing officer.
- (5) For purchases of \$100,000.00 or more, the District Board of Directors must approve the purchase order or contract for the purchase. Prior to Board approval, three written bids must be obtained from prospective vendors, and the purchase order or contract should be awarded to the lowest responsible vendor. The Board of Directors may authorize that such purchase orders or contracts be executed by the District Superintendent or a designated purchasing officer.

SECTION 5. Exemption from Purchasing Limitations

The purchasing requirements set forth in this Ordinance may be waived, at the discretion of the District Superintendent or the Board of Directors, depending on which holds the purchasing authority per Section 4, when any of the following is applicable based on a finding of the party with purchasing authority:

- (1) The product is proprietary.
- (2) After a reasonable attempt has been made to obtain bids, no additional vendors can be located.
- (3) Emergency conditions require the immediate purchase of supplies or equipment.
- (4) No more than one responsive and responsible bid is received.
- (5) The commodity is unique, including, but not limited to, acquisition of data processing, telecommunications and word processing equipment, goods and services.
- (6) The product or service can be obtained from only one vendor (sole source).
- (7) The purchase of a specific brand name, make or model is necessary to match existing District equipment or facilitate effective maintenance and support.
- (8) The bidding requirements of this Ordinance are waived by the Board of Directors.

SECTION 6. Professional Service Contracts; Exempt from Bidding

- (a) Professional services are defined as services provided by any specially trained and experienced person or firm in the areas of accounting, administration, architecture, construction management, economics, environmental analysis, engineering, finance, law, surveying, or other matters involving specialized expertise or unique skills.
- (b) Contracts awarded for the performance of services in the above-listed areas shall be awarded on the basis of the demonstrated competence of the contractors, and on the contractor's professional qualifications necessary for the satisfactory performance of the services required, and on the fairness and reasonableness of the cost of the services to the District and need not be awarded solely on the basis of cost. Competitive bidding is not required
- (c) Subject to compliance with the procedures set forth in this section, the purchasing officer may enter into and execute contracts or purchase orders for professional services when the cost of such services is less than \$25,000. District Board of Directors approval is required for all contracts for professional services when the cost of the services is \$25,000 or more. The Board of Directors may authorize that such contracts be executed by the District Superintendent
- (d) Notwithstanding the above provisions of this section, all contracts for the performance of the annual audit of the District's financial statements shall be competitively procured by obtaining at least three proposals for providing the required services, evaluating the proposals pursuant to criteria set forth in subsection (b), and awarding the contract based on the best proposal. Further, the award of all such contracts regardless of cost shall be approved by the Board of Directors. The annual audit contract may be a multi-year contract.

SECTION 7. Maintenance Contracts

For the award of contracts for the maintenance and repair of MCCSD facilities, the following procedures shall be followed:

- (1) For contracts for which the estimated cost of services is \$100,000.00 or more, a request for proposals shall be prepared and made available to prospective bidders, bids shall be obtained from prospective bidders and reviewed, and the contract shall be awarded based on the responsiveness of the bids to the request for proposal, the qualifications and experience of the contractors, and the amount of the price or prices included in the bids.
- (2) Contracts for which the estimated cost of services is less than \$100,000.00 may be awarded based on written, informal quotes. Such contracts shall be awarded based on the qualifications and experience of the contractor and the amount of the contract prices.
- (3) Maintenance and repair contracts for which the cost of services is \$25,000.00 or more shall be awarded by the Board of Directors, and the Board may authorize the District Superintendent or the purchasing officer to execute such contracts. Contracts in which the estimated cost of services is less than \$25,000.00 may be awarded by and executed by the purchasing officer.

SECTION 8. Disposal of Surplus or Obsolete Property

- (a) The District Superintendent may declare supplies or equipment held by the District surplus.
- (b) The District Superintendent shall have the authority to exchange for or trade in on new supplies or equipment all supplies or equipment which have been deemed surplus.
- (c) The District Superintendent shall have the authority to dispose of surplus property or equipment by sale on the open market.
- (d) The District Superintendent may, when in his/her judgment, sale of surplus property is infeasible or will result in minimal return to the District, recommend to the Board of Directors that such surplus property be donated to any non-profit corporation or school located within the District, or sold to District employees at fair market value. Such surplus property shall only be donated or sold upon approval of the Board of Directors.

SECTION 9. Conflicts of Interest

District staff is specifically prohibited from engaging in any unlawful activity, including, but not limited to, receipt of rebates, kickbacks, or other unlawful consideration, and District staff is specifically prohibited from participating in any contracting process when those employees have a relationship with or interest in a person, company, or firm seeking a contract which would subject those employees to the prohibition of Government Code Section 87100 et seq. or Government Code section 1090.

SECTION 10. Severability

If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The District Board of Directors hereby declares that it would have adopted this Ordinance and each section, subsection, subdivision, sentence, clause, phrases, or portion thereof irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional.

The foregoing Ordinance was introduced at a meeting of the Board of Directors on October 26, 2026, and was adopted by the Board of Directors at the Regular November Board meeting, by the following vote:

ROLL CALL VOTE: AYES:

NOES:

ABSENT:

ATTEST:

Katie Bates, District Secretary

Andrea Shepard, Board President

Memo

To: Board of Directors
From: Katie Bates
cc: Seph Petta and Laura Beaton
Date: October 26, 2026
Re: Resolution 2026-336 and Ordinance 2026-2: Establishing informal bidding procedures for public projects

Purposes and Benefits of Resolution 2026-336:

- Agencies can perform projects up to \$75,000 using force account (in-house labor), negotiate contracts, or purchase orders without competitive bidding, and use informal bidding, which eliminates newspaper advertisements and public bid openings for projects up to \$220,000.
- The process reduces staff time spent on documentation and advertising while allowing MCCSD to maintain a prequalified list of local contractors.

Adopting an informal bidding ordinance allows a public agency to streamline the contract process for mid-sized construction, maintenance, and repair projects without going through full formal competitive bidding.

- It fulfills the mandatory requirement under the California Uniform Public Construction Cost Accounting Act (CUPCCAA, Public Contract Code Section 22034) when a local agency opts into the state's cost-accounting standards.
- It lets agencies use informal bidding procedures for public projects valued up to \$220,000, rather than immediately triggering formal advertising rules.
- Instead of publishing full-scale formal notices in a locally circulated publication, staff can mail or email bid notices directly to pre-approved lists of qualified contractors or trade journals at least 10 calendar days before bids are due.

- In exchange for the flexibility to handle projects (such as those between \$75,000 and \$220,000) more quickly, the agency agrees to follow uniform state cost-accounting and tracking rules.

Staff recommends adopting Resolution 2026-336 to implement the Uniform Public Construction Cost Accounting Act.

Staff recommends considering Ordinance 2026-2 to be voted on at the Regular November 2026 Board of Directors meeting.

CALIFORNIA UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT

FREQUENTLY ASKED QUESTIONS (FAQs)

These FAQs have been compiled to assist agencies that are participating in the California Uniform Public Construction Cost Accounting Act (the Act), as contained in Public Contract Code (PCC) Section 22000, et seq. All references are to PCC, unless otherwise stated.

1. What is the Uniform Public Construction Cost Accounting Act?

The Act is legislation that was enacted in 1983 to help promote “uniformity of the cost accounting standards and bidding procedures on construction work performed or contracted by public entities in the state” (Section 22001). The Act is a voluntary program available to all public entities in the State, but it applies only to those public agencies that have “opted in” to the provisions set forth by the Act using the processes outlined in the Act. The entirety of the Act is found at Sections 22000-22045.

2. What are some of the key provisions of the Act?

The Act allows for public project work in the amount of \$75,000 or less to be performed by a public agency’s force account using the public agency’s own resources, or by negotiated contract, or by purchase order (Section 22032(a)). Public projects in the amount of \$220,000 or less may use the informal or formal bidding procedures set forth in Section 22032(b), or (c) of the Act. Public projects at a cost of more than \$220,000 must use formal bidding procedures to let the contract pursuant PCC Section 22032(c), except as otherwise provided by statute.

3. What are the benefits of the program?

- Increased force account limit for public agencies;
- Simplified bidding for projects that are \$220,000 or less;
- Reduced number of formal bids based on project size; and
- Expedited contracting for projects under \$220,000.

Many participating agencies appreciate the program because it has given them more leeway in the execution of public works projects under a certain dollar amount; sped up the award process; expedited project delivery; reduced the time, effort, and expense associated with bidding projects under \$220,000; and simplified administration for those projects. Few agencies have experienced challenges with the accounting requirements and overhead provisions. Moreover, adjustments, when required, have been relatively simple; most required procedures were already in place, so there were few, if any, major changes to existing operations. The current Standard Accounting Codes Structure satisfies reporting requirements when used properly.

4. Is the Uniform Public Construction Cost Accounting Act mandatory for public agencies?

No. The Act is a voluntary program requiring a public agency to “opt in” using the process outlined in the Act.

5. How does a public agency become subject to the Act?

The governing body must elect by resolution to become subject to the Act and must file a copy of the approved resolution with the State Controller's Office (Section 22030). Sample documents are available at: http://www.sco.ca.gov/ard_cuccac.html. Once an agency has opted into the Act, it will remain a part of the program.

6. May a public agency withdraw from the Act?

Yes. An agency may withdraw from the Act by filing with the State Controller's Office an approved resolution of the agency's election to withdraw that was made during a public meeting of the agency's governing body.

7. Must a participating agency "opt in" to the Act annually?

No. Once a participating agency "opts in" to the Act, the agency remains subject to the Act until it "opts out" of the Act.

8. What is the California Uniform Construction Cost Accounting Commission?

The Commission was created to administer the Act, per Section 22010. It consists of 14 members: 13 members appointed by the State Controller and the License "A" member of the Contractors' State License Board. Seven members represent the public sector (counties, cities, school districts, and special districts). Six members represent the private sector (public works contractors and unions). The Commission members receive no salary, but are eligible for reimbursement of their direct expenses related to the Commission.

9. What are the Uniform Public Construction Cost Accounting Procedures?

These procedures are to be used for tracking costs for work performed by an Agency's own forces on a "project" as defined by the Act (Section 22002(c)). The procedures do not apply to operations or maintenance work, or any work that meets the criteria listed in Section 22002(d).

These procedures are intended to capture and record all direct and indirect labor, materials, equipment, subcontractors, and supervision costs, as well as the appropriate overhead costs for the public agency associated with each "project" it performs with its own forces. The procedures follow industry-standard accounting methods, and in many cases are not much different from those already in place at most agencies. Sample forms are available in the CUCCAC Cost Accounting Policies and Procedures Manual at http://www.sco.ca.gov/Files-ARD-Local/CUCCAC_Manual.pdf

School districts may use the Standard Accounting Code Structure to comply with tracking requirements.

10. Are the cost accounting procedures applicable for agencies whose work forces perform only maintenance tasks as defined in the Act and that contract all of their public projects to third parties?

No. The cost accounting procedures are applicable only for agencies that perform public project work such as construction and alteration by force account or otherwise. As maintenance does not constitute a "project" under the Act, the cost accounting procedures do not apply.

11. When are participating agencies required to advertise if they choose to maintain a list of qualified contractors?

At least once per calendar year, each Public Agency that has elected to become subject to the Act and intends to use the notice provisions outlined in Section 22034(a) must establish a new list or update its existing list of qualified contractors by mailing, faxing, or emailing written notice to all construction trade journals designated for that Agency under Section 22036. The notice must invite all licensed contractors to submit the name of their firms to the Agency for inclusion on the Agency's list of qualified bidders for the following twelve (12) months. Effective January 1, 2016, a participating agency can choose a specific date of their choice in which to renew its list of qualified contractors.

12. May an agency that chooses to maintain a list add a contractor to the list at any time during the year?

Yes.

13. What is meant by the term "qualified contractors" as used in section 22034(a)(1) of the Act?

Qualified contractors are contractors licensed by the State to perform the subject work. The Commission has determined that nothing in the Act prohibits a participating agency from using additional objective pre-qualification standards in the formation and maintenance of their Qualified Contractors Lists if they so desire.

14. How can a contractor get on an agency's list of contractors?

The California Uniform Public Construction Cost Accounting Commission's webpage has a list of agencies that are participating in the California Uniform Public Construction Cost Accounting Act (CUPCCAA). Please contact each agency directly to let them know you would like to be on their list of contractors. For a list of participating agencies, please see the "Participating Agency Lists" header at the following link:

https://www.sco.ca.gov/ard_cuccac.html

More detailed instructions for contractors can be found in Section 1.04.01 of the Cost Accounting Policies and Procedures Manual

15. Can a public agency disqualify or exclude certain contractors from the Qualified Contractors List required in Section 22034(a)(1)?

Agencies may disqualify contractors from Qualified Contractors Lists when the contractors fail to furnish information to meet the minimum criteria as established by the Commission.

16. For agencies that do not maintain an informal bidders list, are they allowed to choose who would get notifications of projects?

No. Section 22034(a)(2) provides for notifications to construction trade journals and exchanges in lieu of sending notifications to contractors on an informal bidders list. An agency may send notices to selected contractors provided it has also met the advertisement requirements of Section 22034(a).

17. What is the difference between “qualifying contractors” under the Act and “prequalification of contractors” by school districts under Section 20101?

Qualifying contractors is a process that allows contractors to register with a public agency for notification of public works opportunities. The prequalification process under Section 20101 is a more complex process that requires a standardized questionnaire and evaluation of contractors using standard scoring criteria. The prequalification process is applicable under the Local Agency Public Construction Act, and does not apply to the Uniform Public Construction Cost Accounting Act.

18. Does a contractor have to be on an agency’s contractor list in order to perform projects less than \$75,000?

No, any public project less than the \$75,000 informal bidding threshold can be performed by employees of the public agency, by negotiated contract, or by purchase order. An agency’s list of contractors is only required to be alerted of projects that surpass the informal bidding threshold.

19. Must a public agency a) notify contractors about public projects if the contractors are believed to not have the skills, credentials, or experience to perform the work required for the public project; and b) consider bids submitted by contractors that the public agency believes do not have the skills, credentials, or experience to perform the work?

a) Yes. If a contractor is on the Qualified Contractors List, the contractor must be notified by the agency of public projects for which he or she is licensed to perform (Section 22034(a)(1)).

b) All bids received must be considered, unless an agency makes appropriate legal findings that a contractor is not legally responsible or his or her bid is not responsive.

20. Does the Act allow flexibility in cases of emergency and when repair or replacements are necessary to permit the continued conduct of a public agency’s operations or services?

Yes. For the purposes of the Public Contract Code, an “emergency” is defined at Section 1102 as “a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.”

The Act sets forth in Section 22035(a) how a governing body should proceed in case of emergency repairs or replacements. This section states:

In cases of emergency when repair or replacements are necessary, the governing body may proceed at once to replace or repair any public facility without adopting plans, specifications, strain sheets, or working details, or giving notice for bids to let contracts. The work may be done by day labor under the direction of the governing body, by contractor, or by a combination of the two. Section 22050 et seq., provides the emergency contract procedures to be followed in these cases.

- 21.** Do the alternative bidding procedures apply only to public projects as defined in Section 22002(c)?

The alternative bidding procedures apply only to work that constitutes a “public project” as defined in Section 22002(c) and has a construction cost within the limits described in Section 22032. The alternative bidding procedures are not required for the purchase of goods or materials that are not part of a “public project.”

However, as outlined in Section 22003, a participating agency may also use the alternative bidding procedures when contracting for maintenance or other work that does not fall within the definition of a “public project” if it so chooses.

- 22.** What will membership in the Act cost my agency?

Nothing. There are no membership fees or dues. However, the Commission does accept grants to assist it in carrying out its duties (Section 22015(c)).

- 23.** What are the most common concerns addressed by the Act?

These are:

- Cost accounting policies and procedures;
- Informal bidding procedures; and
- Accounting procedures review.

Cost accounting requirements for the Act follow those common to the construction industry. The informal bidding on public projects up to \$220,000 is seen by agencies as an effective tool to expedite completion of small projects. While an accounting procedures review could potentially hold up a project for a minimum of 45 days pursuant to Section 22043(c)(1), these types of reviews have been rare in the Commission’s history.

- 24.** Must an agency calculate an overhead rate to apply the accounting procedures?

No. Cities with populations of less than 75,000 must assume an overhead rate equal to 20% of the total costs of the public project, including the costs of material, equipment, and labor (Section 22017(b)(1)). Cities with a population of more than 75,000 may either calculate an actual overhead rate or assume an overhead rate of 30% of the total costs of a public project including the costs of materials, equipment, and labor (Section 22017(b)(2)).

- 25.** When a public entity opts into the Act, does the Act supersede other contracting legal requirements such as statutory requirements for performance bonds, prevailing wages, and certificates of insurance, etc.?

No. The Act supersedes only the bidding procedures used once a public agency has opted into the Act and has notified the Controller. All other contracting requirements of the PCC remain applicable.

- 26.** Can a public agency claim to be to be exempt from following all of the requirements in Public Contract Code by claiming it only has to follow the language and procedures within the Act?

No. The Act is part of the Public Contract Code; therefore, if the Act is silent on a particular matter, then the Public Contract Code applies on that matter.

- 27.** If public agencies are not following the advertising requirements in the Act, will the Commission address those agencies? Can a complaint be brought to the Commission?

Yes. Recent legislative changes have expanded the Commission's authority to enforce provisions of the Act. The Commission may review complaints filed by interested parties when evidence is provided that:

- The participating agency performed work after rejecting all bids, claiming it could do the work less expensively (Section 22042(a)).
- The work performed exceeded the force account limits (Section 22032(a)).
- The work was improperly classified as maintenance (Section 22042(c)).
- The work has been split or separated into smaller work orders or projects (Section 22033).
- The work has exceeded the limits or otherwise not met the requirements set forth (Section 22032(b) and (c)).
- A public agency did not comply with the informal bidding procedures set forth at Section 22034 (Section 22042.5).

- 28.** Section 20112 specifically requires school districts to advertise twice for a two-week period, while Section 22037 requires advertising once, 14 days in advance of the date of opening of bids. How do participating school districts reconcile this conflict?

When the Act is in conflict with any other section in the Public Contract Code, the Act shall supersede. The Act requires advertising once, 14 days in advance of the date of opening of bids. Districts participating in the Act may choose to maximize their outreach by advertising twice.

- 29.** May a public agency contract separately for like work at the same site at the same time using the under \$75,000 Force Account method?

No. Section 22033 states:

It shall be unlawful to split or separate into smaller work orders or projects any project for the purpose of evading the provisions of this article requiring work to be done by contract after competitive bidding.

Separating "like work" would be permitted only if the total of all the "like work" is less than \$75,000. If the work is more than \$75,000, it must be advertised and bid according to the provisions of the Act (i.e., bid informally if the total amount is less than \$220,000; bid formally if the total amount exceeds \$220,000).

- 30.** May a public agency bid out two separate projects that occur at the same time and site, but are different types of work?

Yes. There is no violation if the work is competitively bid. If an agency wishes to use the negotiated or informal bidding processes, it must apply the appropriate limits to each of the projects. Each project must be separate in scope. Projects may not be separated by trade to avoid bidding. If the total of all jobs is greater than \$75,000 then the informal or formal bid limits apply.

- 31.** May a public agency contract separately for like work performed at multiple sites at the same time using the under \$75,000 limit?

Yes. A public agency may contract for like work at separate locations with unique addresses. If the cost of the work is more than \$75,000 at any individual site, that work must be advertised and bid according to the provisions of the Act (i.e., bid informally, if the total amount is less than \$220,000; bid formally, if the total amount exceeds \$220,000).

- 32.** Can an agency separately bid out for the materials and supplies on a project to avoid contractor markup and then bid out for the installation labor or perform installation with its own forces?

An agency may separately procure the materials and supplies for a project; however, all costs (materials, supplies, labor) of a project must be included in the project cost estimate to determine whether the project falls within the force account, informal bid, or formal bid thresholds.

In addition, if installation is performed by force account, an overhead rate must be applied to all direct costs of the project and included in the cost estimate. For example, if materials/supplies cost \$50,000 to procure separately and the estimated labor cost to install is \$25,000, the project could not be performed with force account, but would fall within the informal bid threshold because the total cost estimate is \$75,000.

- 33.** Must a value be assigned to the volunteer labor when the California Conservation Corps or another volunteer organization provides labor on a public project?

No. Volunteer labor from volunteer organizations does not need to be included as a cost of a public project for bid limit purposes as long as no costs are associated with the volunteer labor.

- 34.** By opting into the Act, does a public agency automatically bring all of its component divisions or departments into the Act?

Yes. When a public agency elects to become subject to the uniform construction cost accounting procedures, the entire legal entity is considered subject to the Act and no divisions or departments are exempt.

- 35.** When a public agency opts into the Act, does it automatically bring all districts under control of its governing Board into the Act?

No. Special Districts, which are governed by a board of supervisors or city council, are subject only if a separate election is made for each special district.

36. PCC 22034 requires that participating agencies adopt an Informal Bidding Ordinance. What do schools and special districts that cannot adopt Ordinances do to comply?
Agencies that do not have the ability to adopt Ordinances should discuss Section 22034 compliance with their legal counsel.
37. Are change orders allowed by the Act, and if so what is allowable? What if a change order goes over one of the allowed thresholds?
The Act does not address change orders. Please consult with your agency's legal counsel regarding any limitation on change orders that may apply to your agency.
38. Is there any training related to the Act? If so, where can I find a list of where the training is offered?
SCO has information regarding the Act on the SCO/CUCCAC website, including the current Cost Accounting and Procedures Manual. Often, commissioners are willing to provide training, answer questions, and/or give a presentation in order to assist agencies in getting the full benefits of participating in the Act.
39. The Act states that public projects of sixty thousand dollars (\$60,000) or less may be performed by the employees of a public agency by force account, by negotiated contract, or by purchase order. However, the Department of Industrial Relations (DIR) states any project over \$1,000 has to pay prevailing wages. How do the Act and DIR guidance work together?
The Act and DIR are completely separate and govern different aspects of public projects. The Act focuses on bidding related to public projects and DIR deals with wages paid by contractors on public projects. However, they may relate in that if prevailing wages are not paid on a public project, that could potentially impact the total cost of a project which would require a different bidding process utilized under the Act.

Additional inquiries and questions may be directed by email to LocalGovPolicy@sco.ca.gov, or by regular mail to:

State Controller's Office
Local Government Programs and Services Division
Local Government Policy Section
P.O. Box 942850
Sacramento, CA 94250

RESOLUTION NO. 2026 – 336
RESOLUTION OF THE MENDOCINO CITY COMMUNITY SERVICES DISTRICT
TO ADOPT AND IMPLEMENT THE UNIFORM PUBLIC CONSTRUCTION COST
ACCOUNTING ACT

WHEREAS, prior to the passage of Assembly Bill No. 1666, Chapter 1054, Statutes of 1983, which added Chapter 2, commencing with Section 22000, to Part 3 of Division 2 of the Public Contract Code, existing law did not provide a uniform cost accounting standard for construction work performed or contracted by local public agencies; and

WHEREAS, Public Contract Code section 22000 et seq., the Uniform Public Construction Cost Accounting Act, establishes such a uniform cost accounting standard; and

WHEREAS, the Commission established under the Act has developed uniform public construction cost accounting procedures for implementation by local public agencies in the performance of or in the contracting for construction of public projects;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Board of Directors of the MCCSD hereby elects under Public Contract Code section 22030 to become subject to the uniform public construction cost accounting procedures set forth in the Act and to the Commission's policies and procedures manual and cost accounting review procedures, as they may each from time to time be amended, and directs that the Mendocino City Community Services District notify the State Controller forthwith of this election.

This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the Board of Directors of the Mendocino City Community Services District at the Regular Meeting on October 26, 2026 by the following vote:

ROLL CALL VOTE: **AYES:**
 NOES:
 ABSENT:

ATTEST

Katie Bates, District Secretary

Andrea Shepard, Board President

ORDINANCE NO. 2026-2

ORDINANCE OF THE MENDOCINO CITY COMMUNITY SERVICES DISTRICT ESTABLISHING INFORMAL BIDDING PROCEDURES FOR PUBLIC PROJECTS PURSUANT TO THE UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT

WHEREAS, the Uniform Public Construction Cost Accounting Act, commencing with Section 22000 of the California Public Contract Code, establishes uniform procedures for the accounting and bidding of public projects undertaken by participating local agencies; and

WHEREAS, the Mendocino City Community Services District ("District") has elected to become subject to the provisions of the Uniform Public Construction Cost Accounting Act ("Act"); and

WHEREAS, Public Contract Code Section 22034 requires a participating public agency to adopt an ordinance or resolution establishing informal bidding procedures for public projects subject to the Act; and

WHEREAS, the Board of Directors desires to establish procedures for the informal bidding of public projects consistent with the Act and applicable provisions of the California Public Contract Code; and

WHEREAS, the Board of Directors further desires to establish procedures that promote competitive bidding, provide opportunities for qualified contractors to participate in District projects, and permit the District to efficiently and economically complete public projects;

NOW, THEREFORE, the Board of Directors of the Mendocino City Community Services District hereby ORDAINS AS FOLLOWS:

SECTION 1. Informal Bid Procedures

Public projects, as defined by the Uniform Public Construction Cost Accounting Act, and in accordance with the limits established by Section 22032 of the California Public Contract Code, may be let to contract by informal procedures as set forth in Section 22032, et seq., of the California Public Contract Code and this Ordinance.

SECTION 2. Contractors List

The District shall comply with the requirements of Section 22034 of the California Public Contract Code concerning the development and maintenance of a list of qualified contractors.

The District Superintendent, or his/her designee, shall be responsible for administering the District's contractors list and for ensuring that the District's informal bidding procedures are implemented in accordance with applicable law.

SECTION 3. Notice Inviting Informal Bids

When a public project is to be performed that is subject to the informal bidding provisions of this Ordinance, a notice inviting informal bids shall be circulated using one or both of the following alternatives:

- (1) Notices inviting informal bids may be mailed, faxed, or emailed to all contractors for the category of work to be bid, as shown on the list of qualified contractors developed and maintained pursuant to Section 2 of this Ordinance; or

- (2) Notices inviting informal bids may be mailed to all construction trade journals specified by the California Uniform Construction Cost Accounting Commission in accordance with Section 22036 of the California Public Contract Code.

Additional contractors and/or construction trade journals may be notified at the discretion of the District Superintendent or his/her designee.

Notwithstanding the foregoing, if a product or service is proprietary in nature such that it can be obtained only from a certain contractor or contractors, the notice inviting informal bids may be sent exclusively to such contractor or contractors, to the extent permitted by applicable law.

SECTION 4. Contents of Notice Inviting Informal Bids

The notice inviting informal bids shall describe the public project in general terms and shall state how prospective bidders may obtain more detailed information concerning the project, including the time and place for submission of bids.

The notice shall contain such additional information as may be required by the California Public Contract Code or other applicable law.

SECTION 5. Award of Contracts

The District Superintendent, or his/her designee, is authorized to award informal contracts pursuant to this Ordinance, subject to the authority of the Board of Directors to approve, reject, or otherwise act upon a public project or contract when such approval is required by law, the District's adopted budget, another District ordinance, policy, or action of the Board of Directors.

The District Superintendent may designate an appropriate District employee to administer the informal bidding process and to perform such duties as may be necessary to implement this Ordinance.

SECTION 6. Compliance with Applicable Law

All informal bidding conducted pursuant to this Ordinance shall comply with the Uniform Public Construction Cost Accounting Act and all applicable provisions of the California Public Contract Code, as amended from time to time.

If any provision of this Ordinance conflicts with a mandatory provision of state law, the mandatory provision of state law shall control, and the remaining provisions of this Ordinance shall remain in full force and effect.

SECTION 7. Severability

If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance.

The District Board of Directors hereby declares that it would have adopted this Ordinance and each section, subsection, subdivision, sentence, clause, phrase, or portion thereof irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional.

SECTION 8. Effective Date and Publication

This Ordinance shall take effect and be in force thirty (30) days from the date of its passage.

Before the expiration of fifteen (15) days after its passage, this Ordinance or a summary thereof shall be published once, with the names of the members of the Board of Directors voting for and against the same, in a newspaper of general circulation published within the District, in accordance with applicable law.

The foregoing Ordinance was introduced at a meeting of the Board of Directors on October 26, 2026, and was adopted by the Board of Directors at the Regular November Board meeting, by the following vote:

ROLL CALL VOTE: **AYES:**
 NOES:
 ABSENT:

ATTEST:

Katie Bates, District Secretary

Andrea Shepard, Board President

Memo

To: MCCSD Board
From: District Superintendent
cc: Seph Petta
Date: October 23, 2026
Re: Budget Amendment Request

Purpose

Staff requests a one-time **\$250,000 budget amendment** to the FY 2026–27 Collections System Maintenance Budget to fund two sewer system improvements: replacement of the Main Street Lift Station pumping system and replacement of an undersized sewer main on Evergreen Street.

Background and Project Rationale

GHD is nearing completion of the plans for additional recycled water main extensions on Lansing Street and Main Street. The District anticipates advertising the project for bids in early to mid-November 2026.

Following the recent success and cost savings achieved by replacing the sewer main on Little Lake Road in conjunction with the recycled water project, staff asked GHD to include two additional collection system improvements as bid alternatives.

These sewer improvements are not eligible for funding through the recycled water grant. Including them in the same bid package would allow the District to use the same contractor and coordinate construction, creating an opportunity for significant cost savings while avoiding the expense and disruption of a separate procurement and construction effort.

Both projects have been identified as priorities for several years. Completing them will improve system reliability, reduce the risk of sanitary sewer overflows (SSOs), and provide a safer working environment for District staff.

Proposed Improvements

1. Main Street Lift Station Pumping System Replacement

The existing pneumatic ejector pumping system is more than 50 years old and has experienced multiple equipment failures over the past year. Replacement parts and qualified service providers are increasingly difficult to find, creating ongoing reliability and maintenance concerns.

The proposed upgrade would replace the existing system with more reliable modern equipment. This configuration could eliminate the need for routine confined-space entry into the existing dry well, improving worker safety while providing a more maintainable and dependable pumping system.

2. Evergreen Street Sewer Main Replacement — Ukiah Street to Pine Street

Staff proposes replacing approximately 350 feet of existing 4-inch sewer main and replacing two existing cleanouts with manholes.

This segment is part of the historic Heeser sewer system. Its exact age is unknown, but it is believed to be more than 75 years old. The pipe is undersized by current standards, and video inspections have identified significant root intrusion. Replacing the line and installing manholes will improve maintenance access, reduce the likelihood of blockages and overflows, and improve long-term collection system reliability.

Fiscal Impact

The District currently holds **\$799,372 in reserves**. Transferring \$250,000 from reserves to the FY 2026–27 Collections System Maintenance Budget would leave an estimated **\$549,372 in reserves**.

Staff recommends authorizing expenditures of up to \$220,000 for the two improvements, subject to the availability of favorable bid pricing. The remaining \$30,000 of the proposed budget amendment would provide additional budget capacity other collection system maintenance or contingencies, subject to applicable District purchasing and expenditure controls.

Staff Recommendation and Proposed Board Action

Staff recommends that the Board approve the following motion:

Move \$250,000 from District reserves to the FY 2026–27 Collections System Maintenance Budget and authorize the District Superintendent to expend up to \$220,000 to replace the Main Street Lift Station pumping system, replace approximately 350 feet of sewer main on Evergreen Street between Ukiah Street and Pine Street, and replace two existing cleanouts with manholes, with the work to be coordinated with the recycled water project where feasible.

October 2026 Superintendent's Report

Wastewater Treatment Plant:

- Operators performed routine repair and maintenance to the WWTP in October of 2026.
- Ghilotti Construction has been busy the month of October at the WWTP, working on the new CL2 Basin and Equalization basin liner.
- The replacement sludge pumps were installed on October 19, 2026.
- The belt press received a deep clean on October 22, 2026.
- There were zero (0) after-hours alarm callouts for the month as of October 22, 2026.
- There were six (6) alarms for the month during routine operations as of October 22, 2026.
- The monthly CASGEM groundwater report was turned in on October 22, 2026, to the County.

Outfall:

- Alpha Diving has completed our annual inspection dive, we are still waiting for the report.

Biosolids:

- No biosolids were transported in October as of 10/22/26.

Recycled Water:

- MCCSD did not produce or transfer any recycled water for the month.

Grants and Projects:

- Ghilotti has completed boring work under Hwy 1, most of the form and concrete work for the new C12 basin has been completed, and the equalization basin has been relined. Excavation work for the new recycled water tank is underway.
- Carollo Engineers continue work on their preliminary engineering report alternatives for treatment plant redundancy alternatives and lift station upgrades. They have been following up on Director questions and provided a third public update on 10/19.

Safety Meeting and Plant Safety Inspections:

The 30-minute monthly safety meeting was held on October 23, 2026. The topic was *First Aid*. No safety incidents were reported for the period.

Sanitary Sewer Collection System:

Operators completed two years' or sections of sewer main cleaning and video inspections at the end of September and early October. A few annual lines remain to be cleaned. Roy's Sewer completed 3 days of video inspection and initial reports are very good, considering the age of the system. A couple spots with root intrusion, some sags, and a couple minor offsets but no major structural issues or blockages. Both GHD and Fort Bragg Plumbing took a look at the Main Street Lift Station to help brainstorm and design improvements that should be implemented before El Nino rains arrive. There are no Sanitary Sewer overflows to report for the period April 12, 2023- October 22, 2026.

Memo

To: MCCSD Board of Directors
From: District Superintendent
cc: Seph Petta
Date: October 23, 2026
Re: Groundwater Management Report

The 2025-26 Rain Year

October 1, 2026, was the beginning of the 2026-27 rain year. Average annual precipitation in Mendocino is 39.41 inches, and average rainfall in October is 2.29" inches. 0.58" inches of rainfall have been measured in the District for October, as of October 23, 2026 (Figure 1, Table 1).

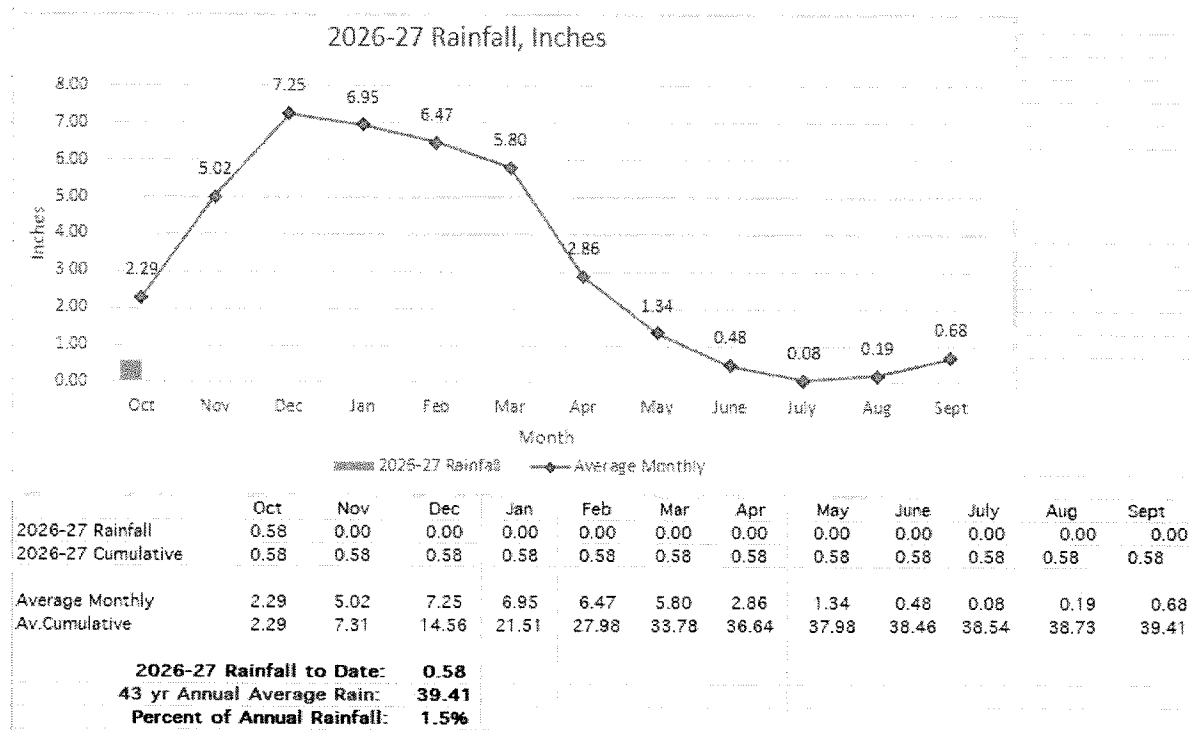


Figure 1, Table 1

Total Rainfall for Rain Year 2025-26 was 37.81" inches. Mendocino received 96% of normal annual rainfall during the last water year. By October 23, 2026, total rainfall since October 1, 2026, was 0.58 inches, 1.5% of average annual rainfall.

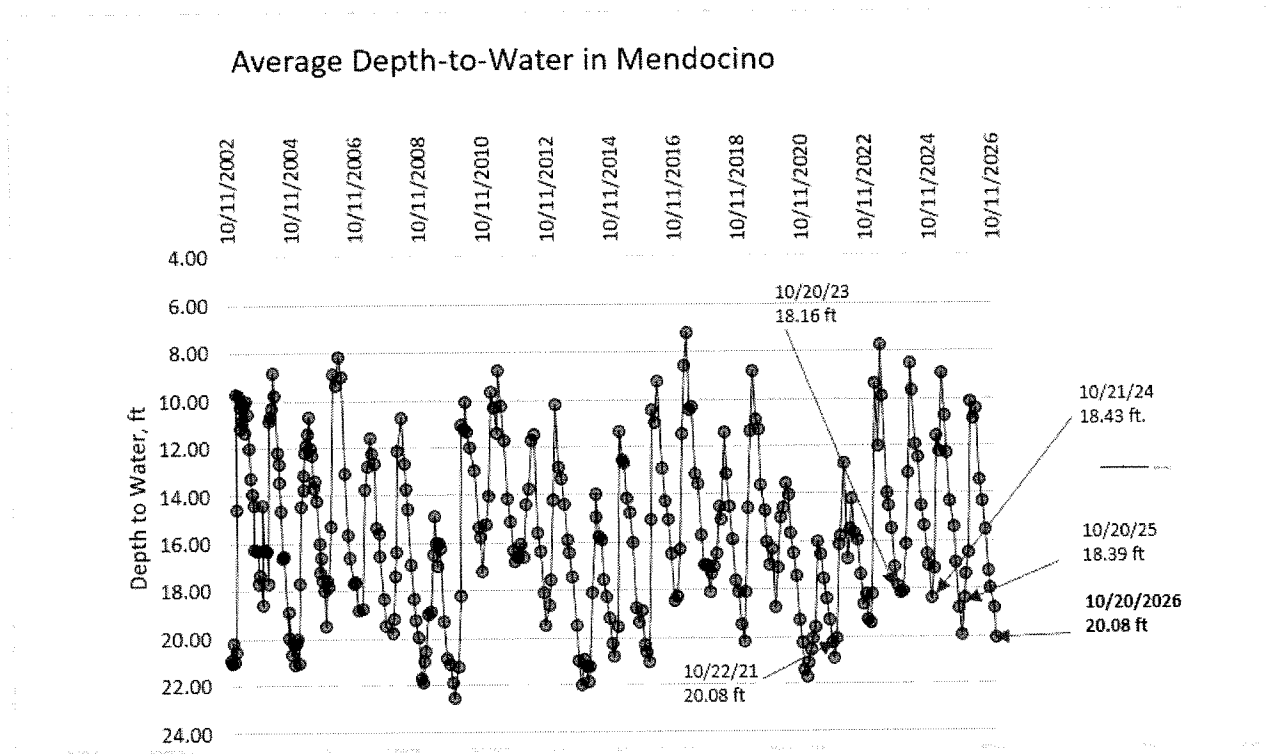
DAILY TOTAL RAINFALL												
2026-27												
Data From: Community Service District												
10AM												
Day	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
1												
2												
3												
4												
5	0.04											
6												
7												
8	0.02											
9												
10												
11												
12												
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18												
19	0.01											
20												
21	0.27											
22	0.24											
23												
24												
25												
26												
27												
28												
29												
30												
31												
Sum	0.58	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Count	5	0	0	0	0	0	0	0	0	0	0	0
Max	0.27	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Rainy Days	5											
Maximum Daily Rainfall	0.27											
Water year Total Rainfall											0.58	

Table 1 2026-27 Rainfall Record

October 2026 Depth-to-Water (DTW)

The average DTW measurements District-wide in the 24 monitoring wells on October 20, 2026, was 20.08ft. DTW averages are about 1.25 ft. lower than September of 2026. The DTW averages in the five drought monitoring wells reported an average of 22.77 ft., which is 0.78 ft lower than September of 2026. DTW averages are about one (1.6) foot lower than October 2025.

Figure 2 Average Depth-To-Water Chart



Following the Water Shortage Contingency Plan, May 31, 2026, was the most recent water shortage evaluation date. Rainfall totals at that time were (36.3") 96% of average for the rain year to date, indicating there is no water shortage within the District currently. January 31, 2027, is the next water shortage evaluation date.

Groundwater Management Notification for the Month:

- 1-Overage notification letter was mailed out for the month.
- 12-Violation 1 letters for failure to report a water meter reading
- 0-Violation 2 letters for failure to report a water meter reading for two consecutive months
- 0-Violation 3 letters for failure to report a water meter reading for three consecutive months