

**Mission statement of McKinleyville Community Services District:**  
“Provide McKinleyville with safe and reliable water, wastewater, lighting, open space, parks and recreation, and library services in an environmentally and fiscally responsible manner.”

**NOTICE IS HEREBY GIVEN THAT A REGULAR MEETING OF THE  
MCKINLEYVILLE COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS  
WILL BE HELD  
WEDNESDAY, DECEMBER 2, 2020 AT 6:15/7:00pm**

**TELECONFERENCE Via ZOOM & TELEPHONE\*\***

**Use ZOOM MEETING ID: 843 9055 3681 (<https://us02web.zoom.us/j/84390553681>) or DIAL  
IN TOLL FREE: 1-888-788-0099**

\*\* Please Note: The meeting will begin promptly at 6:15 p.m. for the Closed Session Meeting. The meeting will be locked as the Board adjourns to Closed session and will not become open again until 7:00 p.m. Those attempting to log in early while the meeting is still locked will receive an “invalid login” error until the webinar begins again and the meeting is unlocked.

To participate, please teleconference using the toll-free number listed above, or join through the internet at the Zoom App with weblink and ID number listed above. The public may also submit written comments to the Board Secretary at: [comments@mckinleyvillecsd.com](mailto:comments@mckinleyvillecsd.com) up until 4:30 p.m. on Tuesday, December 1, 2020.

All Public Comment received before the above deadline will be provided to the Board at 9 a.m. on Wednesday, December 2, 2020 in a supplemental packet information that will also be posted on the website for public viewing.

To participate during the meeting itself, the public will be admitted as attendees. Each member of the public will need to raise their hands to be recognized to speak.

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## **CLOSED SESSION AGENDA** **6:15 p.m.**

### **A. CALL TO ORDER**

A.1 Roll Call

### **A.2 PUBLIC COMMENT AND WRITTEN COMMUNICATIONS**

*Any person may address the Board at this time upon any subject not identified on this Agenda but within the jurisdiction of the McKinleyville Community Services District; however, any matter that requires action will be referred to staff for a report of action at a subsequent Committee or Board meeting. As to matters on the Agenda, an opportunity will be given to address the Board when the matter is considered. **Comments are limited to 3 minutes.** Letters should be used for complex issues.*

- Zoom Public Comment: When the MCSD Board President announces the agenda item that you wish to comment on, you must use the “raise your hand” feature that is present at the bottom of your

screen. If you are on the phone, you will need to press star (\*) 9 on your phone, which will raise your hand. When it is time for public comment on the item you wish to speak on, you will be recognized by the Board President and you will be allowed to unmute (please note, your unmute and video are disabled throughout the meeting, and your audio only will be enabled when called upon, and you will be able to unmute at that time). You will have 3 minutes to comment.

**A.3 Closed Session Discussion**

*At any time during the regular session, the Board may adjourn to closed session to consider existing or anticipated litigation, liability claims, real property negotiations, license and permit determinations, threats to security, public employee appointments, personnel matters, evaluations and discipline, labor negotiations, or to discuss with legal counsel matters within the attorney-client privilege.*

a. PUBLIC EMPLOYEE PERFORMANCE EVALUATION (California Government Code § 54954.5 and 54957) Title: General Manager—Patrick Kaspari

**A.4 Report out of Closed Session**

**REGULAR MEETING AGENDA**

**7:00 p.m.**

**A. CALL TO ORDER**

A.1 Roll Call

A.2 Pledge of Allegiance

A.3 Additions to the Agenda

*Items may be added to the Agenda in accordance with Section 54954.2(b)(2) of the Government Code (Brown Act), upon a determination by two-thirds vote of the members of the legislative body present at the time of the meeting, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the McKinleyville Community Services District after the Agenda was posted.*

A.4 Approval of the Agenda

**B. PUBLIC HEARINGS**

*These are items of a Quasi-Judicial or Legislative nature. Public comments relevant to these proceedings are invited.*

**NO PUBLIC HEARING SCHEDULED**

**C. PUBLIC COMMENT AND WRITTEN COMMUNICATIONS**

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## **D. CONSENT CALENDAR**

*Consent Calendar items are expected to be routine and non-controversial, to be acted upon by the Board of Directors at one time without discussion. If any Board member, staff member, or interested person requests that an item be removed from the Consent Calendar, it shall be removed so that it may be acted upon separately.*

D.1	Consider Approval of the Minutes of the Board of Directors Regular Meeting on November 4, 2020	<b>Pg. 7</b>
	Attachment 1 – Draft Minutes from November 4, 2020	<b>Pg. 8</b>
D.2	Consider Approval of October 2020 Treasurer’s Report	<b>Pg. 13</b>
D.3	Consider Approval of the Lease for Rental of Pialorsi House	<b>Pg. 35</b>
	Attachment 1 – Final Lease with Attachments	<b>Pg. 36</b>
D.4	Consider Approval of Submittal of CSDA Call to Action Letter to California Department of Housing and Community Development (HCD) on Surplus Land Act (SLA) Draft Guidelines that Threaten Special Service District’s Ability to Lease Land	<b>Pg. 45</b>
	Attachment 1 – HCD SLA Draft Guidelines Comments Draft Letter	<b>Pg. 47</b>

## **E. CONTINUED AND NEW BUSINESS**

E.1	Presentation of the Community Builder Award to Hooven & Co., Inc	<b>Pg. 49</b>
	Attachment 1 – Hooven & Co., Inc Response to Interview Questions	<b>Pg. 50</b>
E.2	Recognition of Leaving Board Members	<b>Pg. 51</b>
	Attachment 1 – Certificate of Recognition – Shel Barsanti	<b>Pg. 53</b>
	Attachment 2 – Certificate of Recognition – Mary Burke	<b>Pg. 54</b>
	Attachment 3 – Resolution 2020-25 Recognizing John Corbet for 18 Years of Service.	<b>Pg. 55</b>
E.3	Consideration of Burris Appeal	<b>Pg. 57</b>
	Attachment 1 – MCSD Water Leak Adjustment Policy	<b>Pg. 59</b>
	Attachment 2 – Water Leak Adjustment Calculations	<b>Pg. 61</b>
	Attachment 3 – Original Leak Adjustment Request and Appeal	<b>Pg. 62</b>
E4	Consider Approval of Proposed Reserve Policy Updates	<b>Pg. 65</b>
	Attachment 1 – Draft Updated Reserve Policy 2020	<b>Pg. 67</b>

E.5	Election Results and Set Special Meeting to Administer the Oath of Office to New Board Members	<b>Pg. 71</b>
E.6	Consider Approval of Ordinance 2021-01 Amending Regulation 21: Connection Charges to Address Accessory Dwelling Units (ADU) Connection Fees – First Reading	<b>Pg. 73</b>
	Attachment 1 – Revision of Rule 21 in Track Changes	<b>Pg. 75</b>
	Attachment 2 – Ordinance No. 2021-01, An Ordinance of the McKinleyville Community Services District Amending Regulation 21: Connection Charges, of the MCSD Rules and Regulations	<b>Pg. 78</b>
E.7	Consider Approval of Ordinance 2021-02 Amending Regulation 40: Parks and Recreation Committee – First Reading	<b>Pg. 81</b>
	Attachment 1 – Revision of Rule 40 in Track Changes	<b>Pg. 83</b>
	Attachment 2 – Ordinance No. 2021-02, An Ordinance of the McKinleyville Community Services District Amending Regulation 40: Parks and Recreation Committee, of the MCSD Rules and Regulations	<b>Pg. 86</b>

## **F. REPORTS**

*No specific action is required on these items, but the Board may discuss any particular item as required.*

### **F.1 ACTIVE COMMITTEE REPORTS**

- a. Recreation Advisory Committee (Couch/Mayo)
- b. Area Fund (John Kulstad/Barsanti)
- c. Redwood Region Economic Development Commission (Mayo/Burke)
- d. McKinleyville Senior Center Board Liaison (Barsanti/Burke)
- e. Audit (Corbett/Barsanti)
- f. Employee Negotiations (Couch/Corbett)
- g. McKinleyville Municipal Advisory Committee (Burke/Mayo)
- h. Humboldt Local Agency Formation Commission (Couch)
- i. Environmental Matters Committee (Couch/Corbett)
- j. Ad Hoc Community Forest Committee (Mayo/Corbett)
- k. Ad Hoc Latent Powers Committee (Corbett/Couch)

### **F.2 LEGISLATIVE AND REGULATORY REPORTS**

### **F.3 STAFF REPORTS**

- |   |               |
|---|---------------|
| a. Support Services Department (Colleen M.R. Trask) | <b>Pg. 89</b> |
| b. Operations Department (James Henry)              | <b>Pg. 91</b> |
| c. Parks & Recreation Department (Lesley Frisbee)   | <b>Pg. 95</b> |
| d. General Manager (Pat Kaspari)                    | <b>Pg. 99</b> |
| Attachment 1 – WWMF Monthly Self-Monitoring Report  |               |

### **F.4 PRESIDENT'S REPORT**

### **F.5 BOARD MEMBER COMMENTS, ANNOUNCEMENTS, REPORTS AND AGENDA ITEMS REQUESTS**

## **G. ADJOURNMENT**

### **Posted 5:00 pm on November 25, 2020**

*Pursuant to California Government Code Section 54957.5, this agenda and complete Board packet are available for public inspection on the web at [McKinleyvillecsd.com/minutes](http://McKinleyvillecsd.com/minutes) or upon request at the MCSD office, 1656 Sutter Road, McKinleyville. A complete packet is also available for viewing at the McKinleyville Library at 1606 Pickett Road, McKinleyville. If you would like to receive the complete packet via email, free of charge, contact the Board Secretary at (707)839-3251 to be added to the mailing list.*

*McKinleyville Community Services District will, on request, make agendas available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. Individuals who need this agenda in an alternative format or who need a disability-related modification or accommodation in order to participate in the meeting should contact the Board Secretary at (707) 839-3251. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements for accommodations.*



# McKinleyville Community Services District

## BOARD OF DIRECTORS

December 2, 2020

TYPE OF ITEM: **ACTION**

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**ITEM: D.1**                      **Consider Approval of the Minutes of the Board of Directors**

**PRESENTED BY:**              **April Sousa, Board Secretary**

**TYPE OF ACTION:**           **Roll Call Vote – Consent Calendar**

**Recommendation:**

Staff November 4, 2020 regularly scheduled Board Meeting.

**Discussion:**

The Draft minutes are attached for the above listed meeting.

**Alternatives:**

Staff analysis consists of the following potential alternative

- Take No Action

**Fiscal Analysis:**

Not applicable

**Environmental Requirements:**

Not applicable

**Exhibits/Attachments:**

- Attachment 1 – Draft Minutes from November 4, 2020

**MINUTES OF THE CLOSED/REGULAR MEETING OF THE MCKINLEYVILLE COMMUNITY SERVICES DISTRICT HELD ON WEDNESDAY, NOVEMBER 4, 2020 6:30/7:00 P.M.**

**TELECONFERENCE Via ZOOM & TELEPHONE:**

**ZOOM MEETING ID: 890 2034 8505 (<https://zoom.us/j/89020348505>) and TOLL FREE: 1-888-788-0099**

**Closed Session**

**AGENDA ITEM A. CALL TO ORDER**

**A.1 Roll Call:** The closed session of the Board of Directors of McKinleyville Community Services District convened at 6:30 p.m. with the following Directors and staff in attendance:

Mary Burke, President	Pat Kaspari, General Manager
Dennis Mayo, Vice President	April Sousa, Board Secretary
John Corbett, Director	Russ Gans, District Attorney
David Couch, Director	Joseph Blaine, Tech Support
Shel Barsanti, Director	

**A.2 Public Comment and Written Communications**

There was no public comment on the Closed Session items.

**A.3 Closed Session**

CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Gov. Code 54956.8)

Agency Negotiators: Pat Kaspari, General Manager, Russell Gans, Legal Counsel

Parties with Whom Negotiating: April & Justin Sousa

Property: Home located at 1300 Anderson Road, located on District property at Pialorsi Ranch, McKinleyville, Humboldt County, CA

Under Negotiation: Rental lease/price and terms of payment

**Regular Session**

**AGENDA ITEM A. CALL TO ORDER:**

**A.1 Report out of Closed Session**

There was no reportable action.

**A.2 Roll Call:** The regular session of the Board of Directors of McKinleyville Community Services District convened at 7:00 pm with the following Directors and staff in attendance:

Mary Burke, President	Pat Kaspari, General Manager
Dennis Mayo, Vice President	Colleen Trask, Finance Director
John Corbett, Director	James Henry, Operations Director
David Couch, Director	Lesley Frisbee, Recreation Director
Shel Barsanti, Director	April Sousa, Board Secretary
	Joseph Blaine, Tech Support

**A.3 Pledge of Allegiance:** The Pledge of Allegiance was led by Vice President Mayo.

**A.4 Additions to the Agenda:** There were no additions to the Agenda

**AGENDA ITEM B. PUBLIC HEARINGS:** There were no Public Hearings.

**AGENDA ITEM C. PUBLIC COMMENT AND WRITTEN COMMUNICATIONS:**

President Burke gave an overview of how the public could participate with the new zoom webinar format.

There was no public comment on items not on the agenda.



**AGENDA ITEM D. CONSENT CALENDAR:**

Items D.4: Approve Conveyance of Sewer and Water Facilities Related to Valadao and Schirmann Lime Avenue Subdivision and D.8: Review 2019 Annual Water Loss Audit Report were pulled from the Consent Calendar

- D.1 Consider Approval of the Minutes of the Board of Directors Regular Meeting on October 7, 2020**
- D.2 Consider Approval of September 2020 Treasurer’s Report**
- D.3 Compliance with State Double Check Valve (DCV) Law**
- D.5 Consider Approval to Declare 2001 Ford F-250 Truck Surplus**
- D.6 Consider Approval of the Amendment to Existing Right of Entry and Design Agreement between Humboldt Skatepark Collective and McKinleyville Community Services District Extending the Agreement for an Additional 12 Months**
- D.7 Consider Approval of McKinleyville Community Services District Personal Wireless Services Facilities (Cellular Towers) Policy**

**Motion:** It was moved to approve Consent Calendar items except D.4 and D.8

**Motion by:** Director Corbett; **Second:** Director Couch

There were no comments from the Board or public.

**Roll Call:** Ayes: Barsanti, Corbett, Couch, Mayo and Burke Nays: None Absent: None

**Motion Summary:** Motion Passed

**D.4: Approve Conveyance of Sewer and Water Facilities Related to Valadao and Schirmann Lime Avenue Subdivision**

Director Corbett asked clarifying questions regarding the conveyance.

**Motion:** It was moved to approve Consent Calendar item D.4.

**Motion by:** Director Corbett; **Second:** Director Barsanti

There were no comments from the Board or public.

**Roll Call:** Ayes: Barsanti, Corbett, Couch, Mayo and Burke Nays: None Absent: None

**Motion Summary:** Motion Passed

**D.8: Review 2019 Annual Water Loss Audit Report were pulled from the Consent Calendar**

The Directors asked for clarification of the score and its significance.

Consent Calendar item D.8 was informational only; no action taken.

**AGENDA ITEM E. CONTINUED AND NEW BUSINESS:**

**E.1 Consider Approval of Submittal of North Coast Resource Partnership Grant Application for Community Forest Technical Assistance submitted October 15, 2020**

Recreation Director Lesley Frisbee gave an overview of the grant and application process. The language that was presented in the grant was discussed.

**Motion:** Approve the submittal of the North Coast Resource Partnership Grant application.

**Motion by:** Director Corbett; **Second:** Director Mayo

There were no comments from the Board or public.

**Roll Call:** Ayes: Barsanti, Corbett, Couch, Mayo and Burke Nays: None Absent: None

**Motion Summary:** Motion Passed

**E.2 Consider Approval of Submittal of Cal OES Power Resiliency Allocation to Special District Program Grant Application**

General Manager Kaspari gave an overview of the item. The Board and public were given an opportunity to comment on the item.

**Motion:** Approve of the submittal of the Cal OES Power Resiliency Allocation to Special Districts Program grant application

**Motion by:** Director Barsanti; **Second:** Director Corbett

**Roll Call:** Ayes: Barsanti, Corbett, Couch and Mayo Nays: None Absent: None

**Motion Summary:** Motion Passed

**E.3 Consider Approval of Submittal of Hazard Mitigation Grant Notice of Interest Applications for 1) Mad River Waterline Crossing; 2) Forest and Forest Fire Management Plans and Implementation for the Community Forest, Hewitt Preserve & Hiller Park Areas; 3) McCluski Redwood Tank Replacement; and 4) Fire Hydrant Improvements Projects**

General Manager Kaspari gave the overview of this item. The Board and public were given an opportunity to comment and ask clarifying questions.

**Motion:** Approve the submittal of Notice of Interest (NOIs) for the Hazard Mitigation Grants for the listed projects.

**Motion by:** Director Mayo; **Second:** Director Corbett

**Roll Call:** Ayes: Barsanti, Corbett, Couch, Mayo and Burke Nays: None Absent: None

**Motion Summary:** Motion Passed

**E.4 Consider Debt Management and Capital Financing Policy Manual Updates to Include Language Outlining the Procedures for the District to Accept or Approve Grants for Review and Approval and Board Information Requirements**

Director Barsanti, member of the Audit Committee, gave an overview of the item. It was noted that the Board agenda items previous to this item were examples of grants that had quick turnaround times. The approval process of such grants was discussed. There was not public comment on this item.

**Motion:** Approve the Revised Debt Management & Capital Financing Manual which added Section 7. Grant Procurement and Approval Policy statement.

**Motion by:** Director Barsanti; **Second:** Director Corbett

**Roll Call:** Ayes: Barsanti, Corbett, Couch, Mayo and Burke Nays: None Absent: None

**Motion Summary:** Motion Passed

**E.5 Consider Adoption Resolution No. 2020-23 for Review and Applicable Amendments of MCSD Policies and Procedures Related to Governance, Ethics and Board Conduct**

Board Secretary Sousa gave an overview of the item and presented the suggested revisions to the Board. Director Corbett asked for the addition of the non-discrimination language to be present in the first section of the document in addition to the other places in which it was currently found. The public was given an opportunity to give comments.

**Motion:** Adopt Resolution 2020-23 approving the presented MCSD Board of Directors Policy Manual Related to Policies and Procedures on Governance, Ethics, and Board conduct, with discussed amendments.

**Motion by:** Director Corbett; **Second:** Director Couch

**Roll Call:** Ayes: Barsanti, Corbett, Couch, Mayo and Burke Nays: None Absent: None

**Motion Summary:** Motion Passed

## **E.6 Initiate Process for General Manager’s 6-Month Performance Evaluation**

Board Secretary Sousa presented the information for this item. Board President Burke appointed herself to the task of compiling the evaluations and agreed the presented timeline was acceptable.

## **E.7 Consider Approval of Resolution No. 2020-24 Changing the Name of the Recreation Advisory Committee in the MCSD Rules and Regulations to “Park and Recreation Committee” (PARC)**

Recreation Director Frisbee presented this item for Board consideration. The public and Board were given an opportunity to ask questions and give comments.

**Motion:** Approve Resolution 2020-24 renaming the Recreation Advisory Committee the “Park and Recreation Committee (PARC)”

**Motion by:** Director Couch; **Second:** Director Corbett

**Roll Call:** Ayes: Corbett, Couch, Mayo and Burke Nays: None Absent: Barsanti

**Motion Summary:** Motion Passed

## **E.8 Consider Approval of Additions of General Public Members to the Community Forest Committee**

After a presentation of the item by Recreation Director Frisbee, the Board gave comments regarding forest management and tribal input. There was no public comment given on this item.

**Motion:** Approve adding a seat for a member of the general public to sit on the Community Forest Committee.

**Motion by:** Director Corbett; **Second:** Director Mayo

**Roll Call:** Ayes: Barsanti, Corbett, Couch, Mayo and Burke Nays: None Absent: None

**Motion Summary:** Motion Passed

## **E.9 Consider Providing Direction to Staff and/or Audit Committee to Research and Develop Recommendations to Address Potential CalPERS Unfunded Liability**

Director Corbett presented this item to the Board. A letter to CalPERS was suggested. Finance Director Colleen M.R. Trask gave some clarifying information regarding CalPERS unfunded liability. The public did not comment on this item.

**Motion:** Direct Staff and the Audit Committee to take action as outlined in Director Corbett’s memo.

**Motion by:** Director Corbett; **Second:** Director Barsanti

**Roll Call:** Ayes: Barsanti, Corbett, Couch, Mayo and Burke Nays: None Absent: None

**Motion Summary:** Motion Passed

## **AGENDA ITEM F. REPORTS**

### **F.1 ACTIVE COMMITTEE REPORTS**

- a. **Recreation Advisory Committee (Couch/Mayo):** Did not attend last meeting.
- b. **Area Fund (John Kulstad/Barsanti):** Did not meet.
- c. **Redwood Region Economic Development Commission (Mayo/Burke):** Director Mayo reported on items regarding air services and flights to Denver and LA.
- d. **McKinleyville Senior Center Advisory Council (Barsanti/Burke):** Did not meet.
- e. **Audit (Corbett/Barsanti):** Nothing further to report.
- f. **Employee Negotiations (Couch/Corbett):** Did not meet.

- g. McKinleyville Municipal Advisory Committee (Burke/Mayo):** Gave an overview and mentioned the summary in the General Manager's report.
- h. Local Agency Formation Commission (Couch):** Reported on Cal LAFCo meeting, since the local Humboldt LAFCo did not meet.
- i. Environmental Matters Committee (Couch/Corbett):** Did not meet.
- j. Ad Hoc Community Forest Committee (Burke/Corbett):** Nothing further to report.
- k. Ad Hoc Latent Powers Committee (Corbett/Couch):** Director Corbett gave a summary of the first meeting and the tasks each member of the committee was responsible for.

## **F.2 LEGISLATIVE AND REGULATORY REPORTS**

None

## **F.3 STAFF REPORTS**

- a. Support Services Department (Colleen M.R. Trask):** Finance Director, Colleen Trask, mentioned changes to the State Controllers Report.
- b. Operations Department (James Henry):** Operations Director, James Henry, had nothing further to add to his written report.
- c. Parks & Recreation Department (Lesley Frisbee):** Recreation Director, Lesley Frisbee, had nothing further to add to her written report.
- d. General Manager (Patrick Kaspari):** General Manager Kaspari highlighted COVID reimbursement information and a recent True North Organizing meeting.

**F.3.2 PRESIDENT'S REPORT:** President Burke had nothing to report.

## **F.4 BOARD MEMBER COMMENTS, ANNOUNCEMENTS, REPORTS AND AGENDA ITEM REQUESTS:**

There was no Board Member Comments, Announcements, Reports or Agenda Item Requests.

## **G. ADJOURNMENT:**

**Meeting Adjourned at 9:11 p.m.**

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April Sousa, CMC, Board Secretary

**McKinleyville Community Services District**  
**DRAFT Treasurer's Report**  
**October 2020**

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Page 13	Cash Disbursement Report

**Ratios**

as of October 31, 2020

- Utility Accounts Receivable Turnover Days	<b>16</b>
- YTD Breakeven Revenue, Water Fund:	<b>\$ 759,573</b>
- YTD Actual Water Sales:	<b>\$ 1,533,458</b>
- Days of Cash on Hand-Operations Checking/MM	<b>173</b>

**McKinleyville Community Services District  
Investments & Cash Flow Report  
as of October 31, 2020**

**Petty Cash & Change Funds** 9,197.46

**Cash**

**Operating & Money Market - Beginning Balance** 2,830,092.27

**Cash Receipts:**

Utility Billings & Other Receipts	858,392.17	
Money Market Account Interest	95.44	
Transfers from County Funds #2560, #4240, CalTRUST, Meas. B	-	
Other Cash Receipts (Pmt of SRF Solar Proj Grant Receivable)	-	

**Total Cash Receipts** 858,487.61

**Cash Disbursements:**

Transfers to County Funds #2560, #4240, CalTRUST	-	
Payroll Related Expenditures	(222,313.87)	
Debt Service	(77,702.91)	
Capital & Other Expenditures (incl. Hiller Trailer purchase)	(502,296.14)	

**Total Cash Disbursements** (802,312.92)

**Operating & Money Market - Ending Balance** 2,886,266.96

**Total Cash** 2,895,464.42

**Investments** (Interest and Market Valuation will be re-calculated as part of the year-end close, if material)

**LAIF - Beginning Balance** 138,138.96

Interest Income	293.34	
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**LAIF - Ending Balance** 138,432.30

**Humboldt Co. #2560 - Beginning Balance** 1,112,132.27

Property Taxes and Assessments	-	
Transfer to/from Operating Cash	-	
Interest Income (net of adjustments)	1,473.58	

**Humboldt Co. #2560 - Ending Balance** 1,113,605.85

**Humboldt Co. #4240 - Beginning Balance** 3,352,404.79

Transfer to/from Operating Cash	-	
Transfer to/from Biosolids Reserve	-	
Interest Income	3,620.56	

**Humboldt Co. #4240 - Ending Balance** 3,356,025.35

**Humboldt Co. #9390 - Beginning Balance** 663,032.08

Reserves Recovery Deposits/Other Bal Withdrawals	-	
Interest Income	-	

**Humboldt Co. #9390 - Ending Balance** 663,032.08

**USDA Bond Reserve Fund - Beginning Balance** 114,398.56

Bond Reserve Payment/Transfer to Service Fund	7,270.83	
Debt Service Payment, Principal/Interest (Net)	-	
Interest Adjustment	0.43	

**USDA Bond Reserve Fund - Ending Balance** 121,669.82

**CalTRUST - Beginning Balance** 10,613,823.24

Net Transfer to/from Designated Reserves: PERS/OPEB	-	
Net Transfer to/from Capacity Fees/Catastrophe/Other Reserves	-	
Net: Interest Income/Unrealized Gain/Loss	(1,345.72)	

**CalTRUST - Ending Balance** 10,612,477.52

**Total Investments** 16,011,260.40

**Total Cash & Investments - Current Month** 18,906,724.82

**Total Cash & Investments - Prior Month** 18,841,200.35

**Net Change to Cash & Investments This Month** 65,524.47

**Cash & Investment Summary**

Cash & Cash Equivalents	18,170,135.89
Davis-Grunsky Loan Reserve	614,919.11
USDA Bond Reserve	121,669.82

**Total Cash & Investments** 18,906,724.82

**McKinleyville Community Services District**  
**Consolidated Balance Sheet by Fund**  
as of October 31, 2020

	Governmental Funds				Proprietary Funds				Total (Memorandum Only)
	Parks & General	Measure B	Streetslights	Water	Wastewater				
<b>ASSETS</b>									
<b>Current Assets</b>									
Unrestricted cash & cash equivalents	\$ 964,670.04	\$ (539,729.19)	\$ 48,137.77	\$ 7,361,462.32	\$ 10,533,255.72	\$ 18,367,796.66			
Accounts receivable	9,674.78	-	4,243.53	563,005.01	702,948.49	1,279,871.81			
Prepaid expenses & other current assets	38,964.42	938.47	3,471.24	110,142.79	66,547.40	220,064.32			
Total Current Assets	1,013,309.24	(538,790.72)	55,852.54	8,034,610.12	11,302,751.61	19,867,732.79			
<b>Noncurrent Assets</b>									
Restricted cash & cash equivalents	189,572.72	-	-	619,914.85	121,669.82	931,157.39			
Other noncurrent assets	-	-	-	770,950.75	791,621.69	1,562,572.44			
Capital assets (net)	-	-	-	8,304,870.47	28,533,026.43	36,837,896.90			
Total Noncurrent Assets	189,572.72	-	-	9,695,736.07	29,446,317.94	39,331,626.73			
<b>TOTAL ASSETS</b>	<b>\$ 1,202,881.96</b>	<b>\$ (538,790.72)</b>	<b>\$ 55,852.54</b>	<b>\$ 17,730,346.19</b>	<b>\$ 40,749,069.55</b>	<b>\$ 59,199,359.52</b>			
<b>LIABILITIES &amp; FUND BALANCE/NET ASSETS</b>									
<b>Current Liabilities</b>									
Accounts payable & other current liabilities	\$ 91,618.07	\$ 3,182.37	\$ 2,205.63	\$ 260,811.70	\$ 197,408.62	\$ 555,226.39			
Accrued payroll & related liabilities	93,314.11	-	-	37,280.41	35,821.39	166,415.91			
Total Current Liabilities	184,932.18	3,182.37	2,205.63	298,092.11	233,230.01	721,642.30			
<b>Noncurrent Liabilities</b>									
Long-term debt	-	-	-	2,241,404.46	16,058,435.82	18,299,840.28			
Other noncurrent liabilities	-	-	-	4,371,938.52	4,472,341.47	8,844,279.99			
Total Noncurrent Liabilities	-	-	-	6,613,342.98	20,530,777.29	27,144,120.27			
<b>TOTAL LIABILITIES</b>	<b>184,932.18</b>	<b>3,182.37</b>	<b>2,205.63</b>	<b>6,911,435.09</b>	<b>20,764,007.30</b>	<b>27,865,762.57</b>			
<b>Fund Balance/Net Assets</b>									
Fund balance	(2,588,329.40)	(541,973.09)	53,646.91	-	-	(3,076,655.58)			
Net assets	3,606,279.18	-	-	4,755,445.09	7,510,471.64	15,872,195.91			
Investment in capital assets, net of related debt	-	-	-	6,063,466.01	12,474,590.61	18,538,056.62			
Total Fund Balance/Net Assets	1,017,949.78	(541,973.09)	53,646.91	10,818,911.10	19,985,062.25	31,333,596.95			
<b>TOTAL LIABILITIES &amp; FUND BALANCE/NET ASSETS</b>	<b>\$ 1,202,881.96</b>	<b>\$ (538,790.72)</b>	<b>\$ 55,852.54</b>	<b>\$ 17,730,346.19</b>	<b>\$ 40,749,069.55</b>	<b>\$ 59,199,359.52</b>			
Difference in ReClass from Cap Assets to Net Assets:									
Investment in General Capital Assets	\$ 3,189,395.82								
<b>General Long-term Liabilities</b>									
PG&E Streetlights Loan	-								
Meas. B Loan: Teen/Community Center	965,727.00								
OP&EB Liability	2,830,881.35	OP&EB Liability		2,882,587.78	2,894,654.86	8,608,123.99			
CALPERS Pension Liability/Deferred Inflows-Outflows	628,788.66	CALPERS Pension Liability		632,676.35	698,072.98	1,959,537.99			
Accrued Compensated Absences	115,011.87								
<b>TOTAL GENERAL LONG-TERM LIABILITIES</b>	<b>\$ 4,540,408.88</b>								

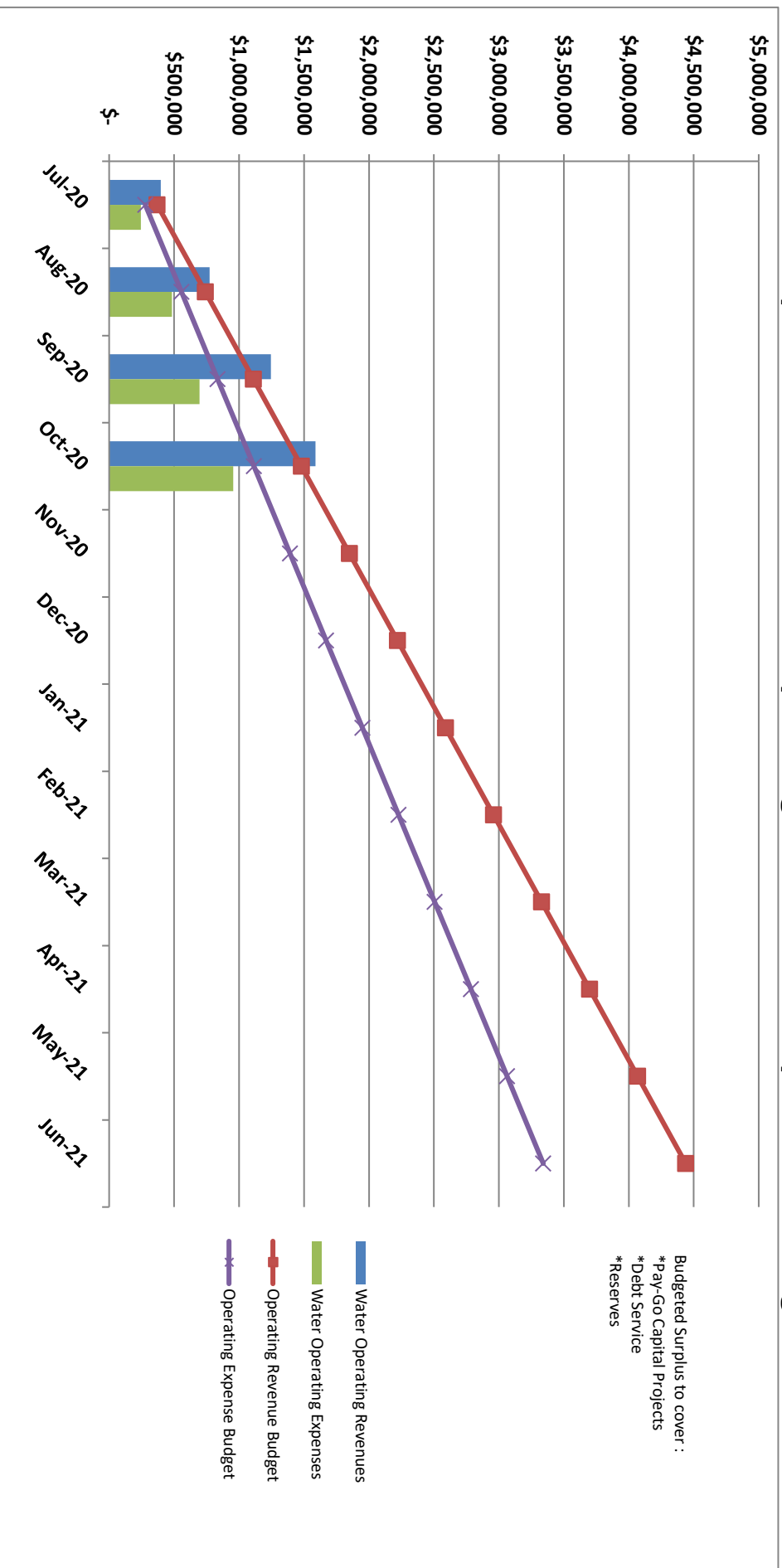
**McKinleyville Community Services District  
Activity Summary by Fund, Approved Budget  
October 2020**

Department Summaries	October	% of Year YTD 33.33%	Approved YTD Budget	Over (Under) YTD Budget	Over (Under) YTD Budget %	Notes
<b>Water</b>						
Water Sales	327,151	1,533,458	1,305,915	227,543	17.42%	Budget is spread evenly across 12 months, but actuals vary by with seasonal usage
Other Revenues	16,667	55,117	173,433	(118,316)	-68.22%	Includes YTD Capacity Fees \$17,487 Contrib Construction \$0.
Total Operating Revenues	343,819	1,588,575	1,479,348	109,227	7.38%	
Salaries & Benefits	64,171	288,126	349,327	(61,201)	-17.52%	Budget is spread evenly across 12 months, but actuals vary by hiring & job assignment.
Water Purchased	96,869	389,150	375,178	13,972	3.72%	
Other Expenses	68,272	157,687	268,320	(110,633)	-41.23%	Budget is spread evenly across 12 months, but actuals vary by purchasing sched.
Depreciation	30,250	121,000	121,000	-	0.00%	
Total Operating Expenses	259,563	955,964	1,113,825	(157,861)	-14.17%	
Net Operating Income	84,256	632,611	365,523	(48,634)		
Interest Income	4,099	17,931	16,667	1,264	7.58%	Interest rates higher than anticipated.
Interest Expense	(4,554)	(17,243)	(18,375)	(1,132)	-6.16%	
<b>Net Income (Loss)</b>	<b>83,801</b>	<b>633,298</b>	<b>363,815</b>	<b>269,483</b>		
<b>Wastewater</b>						
Wastewater Service Charges	325,849	1,359,219	1,334,820	24,399	1.83%	
Other Revenues	21,685	73,338	720,436	(647,098)	-89.82%	Includes YTD Capacity Fees \$46,759. Contrib.Construction \$0.
Total Operating Revenues	347,533	1,432,557	2,055,256	(622,699)	-30.30%	
Salaries & Benefits	100,192	399,043	369,367	29,676	8.03%	
Other Expenses	82,577	215,418	340,307	(124,889)	-36.70%	Budget is spread evenly across 12 months, but actuals vary by purchasing sched.
Depreciation	96,667	385,834	386,667	(833)	-0.22%	
Total Operating Expenses	279,436	1,000,295	1,096,341	(96,046)	-8.76%	
Net Operating Income	68,098	432,262	958,915	(526,653)		
Interest Income	7,054	28,687	25,000	3,687	14.75%	Interest rates higher than anticipated.
Interest Expense	(22,189)	(97,591)	(82,388)	15,203	18.45%	Budget is spread evenly across 12 months, but actuals vary by loan pmt schedule
<b>Net Income (Loss)</b>	<b>52,962</b>	<b>363,359</b>	<b>901,527</b>	<b>(538,168)</b>		
<b>Enterprise Funds Net Income (Loss)</b>	<b>136,763</b>	<b>996,657</b>	<b>1,265,342</b>	<b>(268,685)</b>		



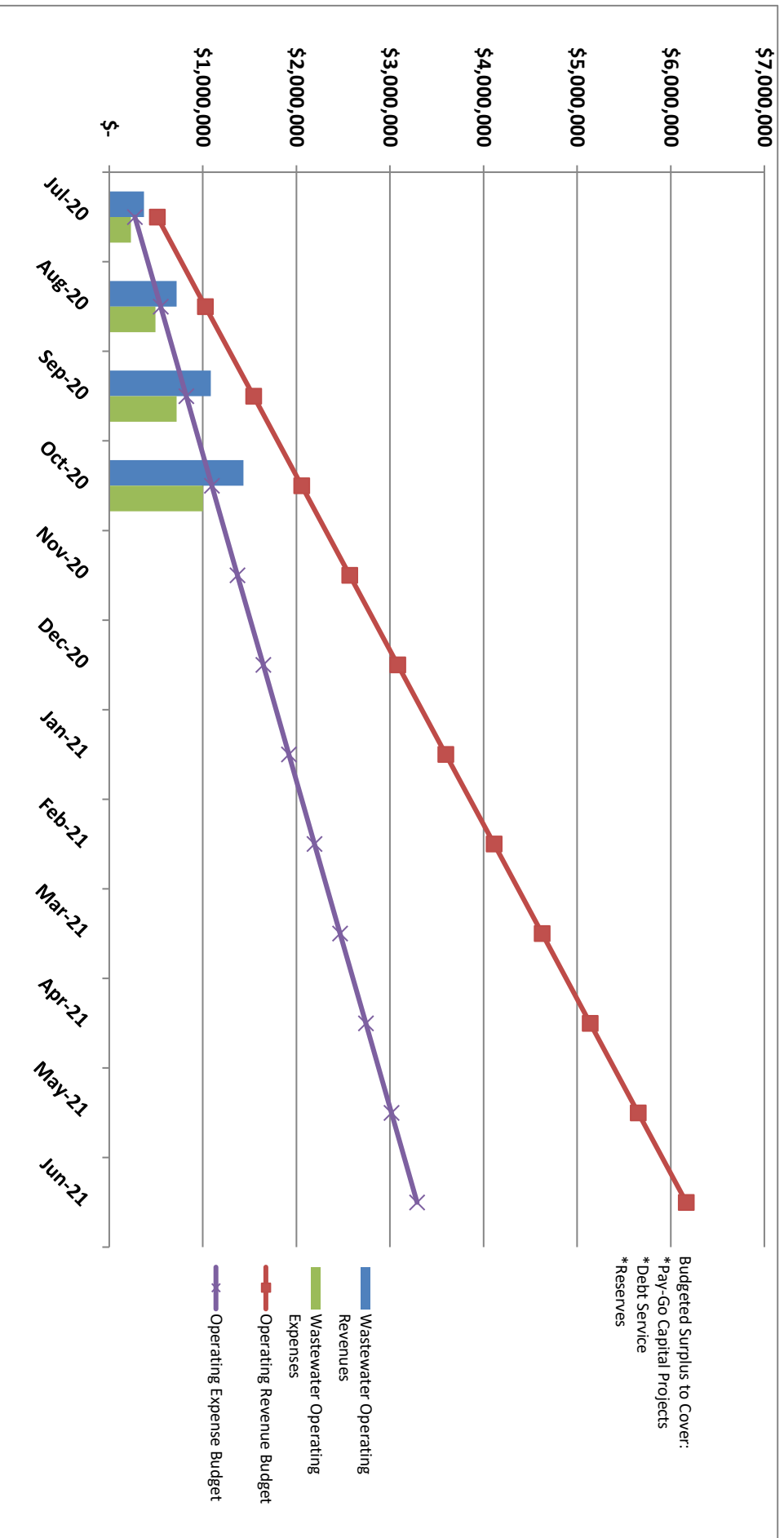
# McKinleyville Community Services District October 2020

## Comparison of Water Fund Operating Revenues & Expenses to Budget



# McKinleyville Community Services District October 2020

## Comparison of Wastewater Fund Operating Revenues & Expenses to Budget

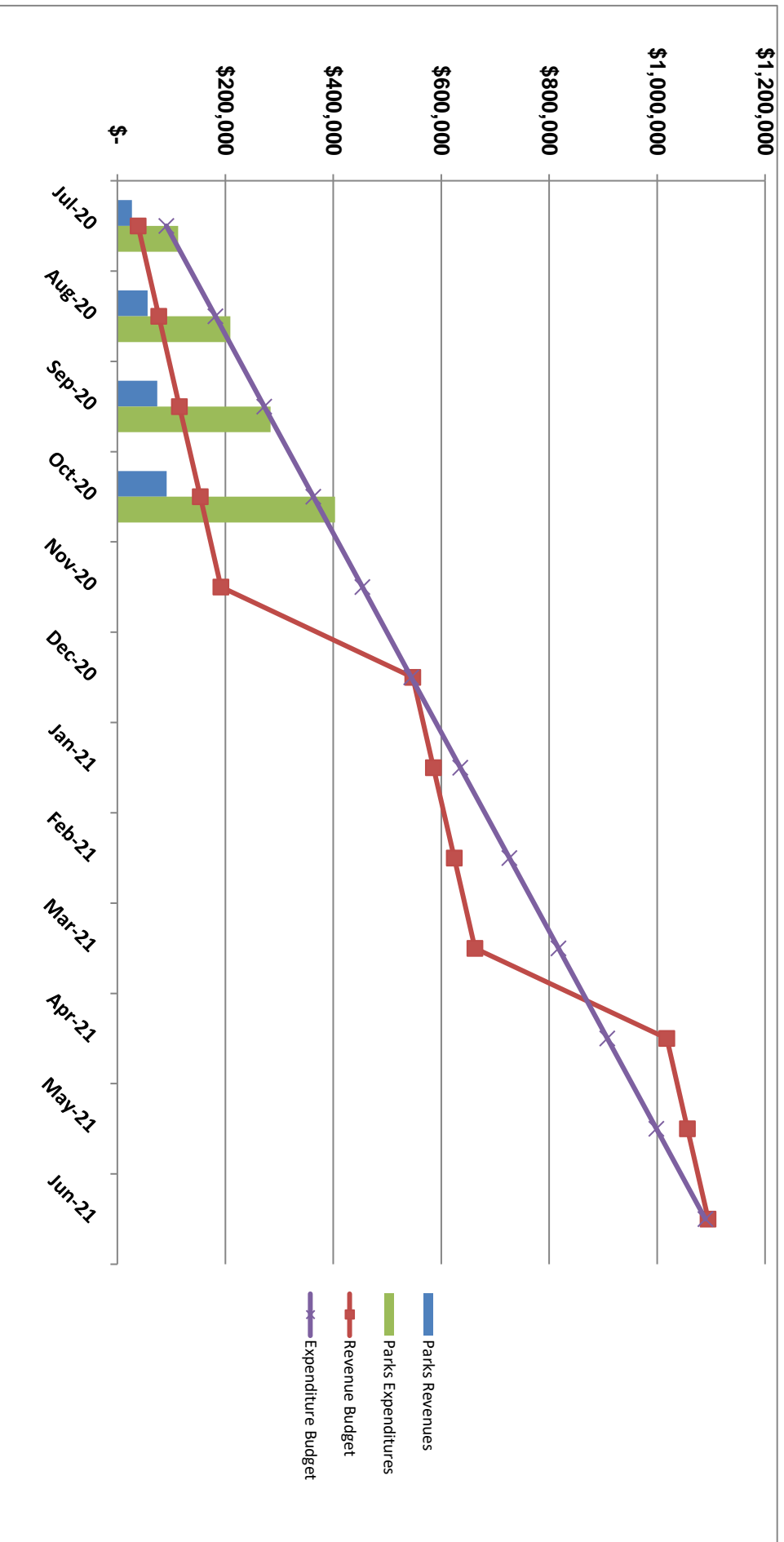


**McKinleyville Community Services District  
Activity Summary by Fund, Approved Budget  
October 2020**

Department Summaries	October	% of Year 33.33% YTD	Approved YTD Budget	Over (Under) YTD Budget	Over (Under) YTD Budget %	Notes
<b>*Parks &amp; Recreation</b>						
Program Fees	4,726	31,140	68,748	(37,608)	-54.70%	Budget is spread evenly across 12 months, but actuals vary by project schedule
Rents & Related Fees	2,029	4,386	12,962	(8,576)	-66.16%	Budget is spread evenly across 12 months, but actuals vary by project schedule
Property Taxes	-	-	211,280	(211,280)	-100.00%	County Tax remittance: December, April, and June; per Auditor-Controller's office.
Other Revenues	8,105	44,290	56,885	(12,595)	-22.14%	
Interest Income	2,699	11,602	15,000	(3,398)	-22.65%	Interest rates higher than anticipated.
Total Revenues	17,558	91,419	364,875	(273,456)	-74.95%	
Salaries & Benefits	66,237	289,546	269,484	20,062	7.44%	Budget is spread evenly across 12 months, but actuals vary by job assignment
Other Expenditures	22,318	71,537	75,349	(3,812)	-5.06%	Budget is spread evenly across 12 months, but actuals vary by season & project
Capital Expenditures	30,855	42,039	18,333	23,706	129.31%	Budget is spread evenly across 12 months, but actuals vary by project schedule
Total Expenditures	119,409	403,122	363,166	39,956	11.00%	
<b>Excess (Deficit)</b>	<b>(101,851)</b>	<b>(311,703)</b>	<b>1,709</b>	<b>(313,412)</b>		
<b>*Measure B Assessment</b>						
Total Revenues	290	1,167	74,777	(73,610)	-98.44%	Interest & unrealized gains/losses; County Tax remittance December/April/June
Salaries & Benefits	3,473	26,876	23,470	3,406	14.51%	Budget spread evenly across 12 months, but actuals vary by job assignment
Other Expenditures	3,182	12,410	8,500	3,910	46.00%	Budget spread evenly across 12 months, but actuals vary seasonally
Capital Expenditures/Loan Repayment	63,161	63,161	42,484	20,677	48.67%	Budget is spread evenly across 12 months, but loan pmts are October & April
Total Expenditures	69,816	102,447	74,454	27,993	37.60%	
<b>Excess (Deficit)</b>	<b>(69,526)</b>	<b>(101,280)</b>	<b>323</b>	<b>(101,603)</b>		
<b>*Street Lights</b>						
Total Revenues	9,766	39,207	38,939	268	0.69%	
Salaries & Benefits	3,177	21,113	15,983	5,130	32.10%	Overage related to lump sum final payroll, not spread evenly over 12 months
Other Expenditures	3,899	13,544	13,625	(81)	-0.60%	
Capital Expenditures/Loan Repayment	-	-	667	(667)	-100.00%	Budget is spread evenly across 12 months, but actuals vary by project schedule
Total Expenditures	7,076	34,657	30,275	4,382	14.47%	
<b>Excess (Deficit)</b>	<b>2,690</b>	<b>4,550</b>	<b>8,664</b>	<b>4,114</b>		
<b>Governmental Funds Excess (Deficit)</b>	<b>(168,687)</b>	<b>(408,434)</b>	<b>10,696</b>	<b>(419,130)</b>		

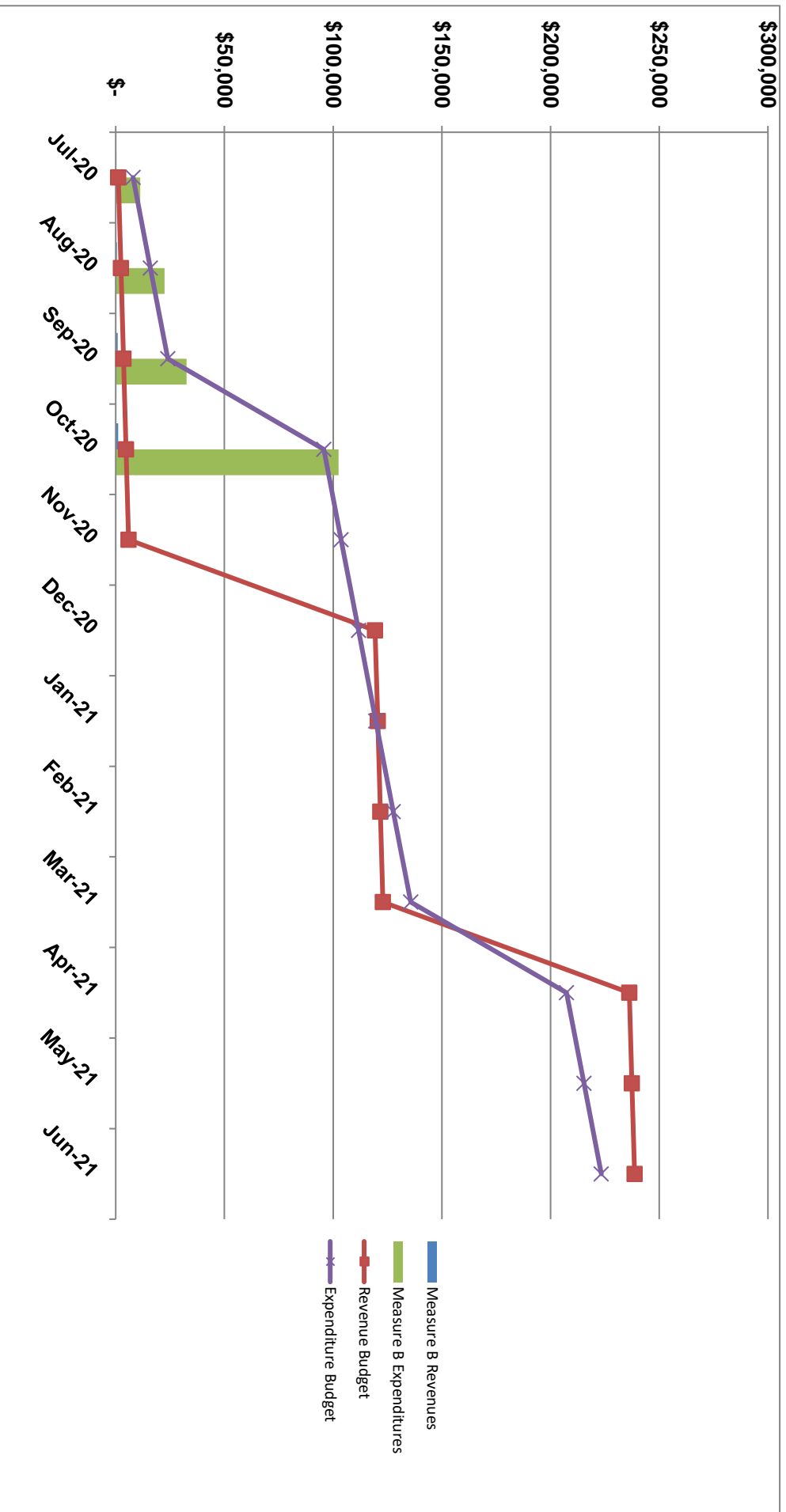
# McKinleyville Community Services District October 2020

## Comparison of Parks & Recreation Total Revenues & Expenditures to Budget



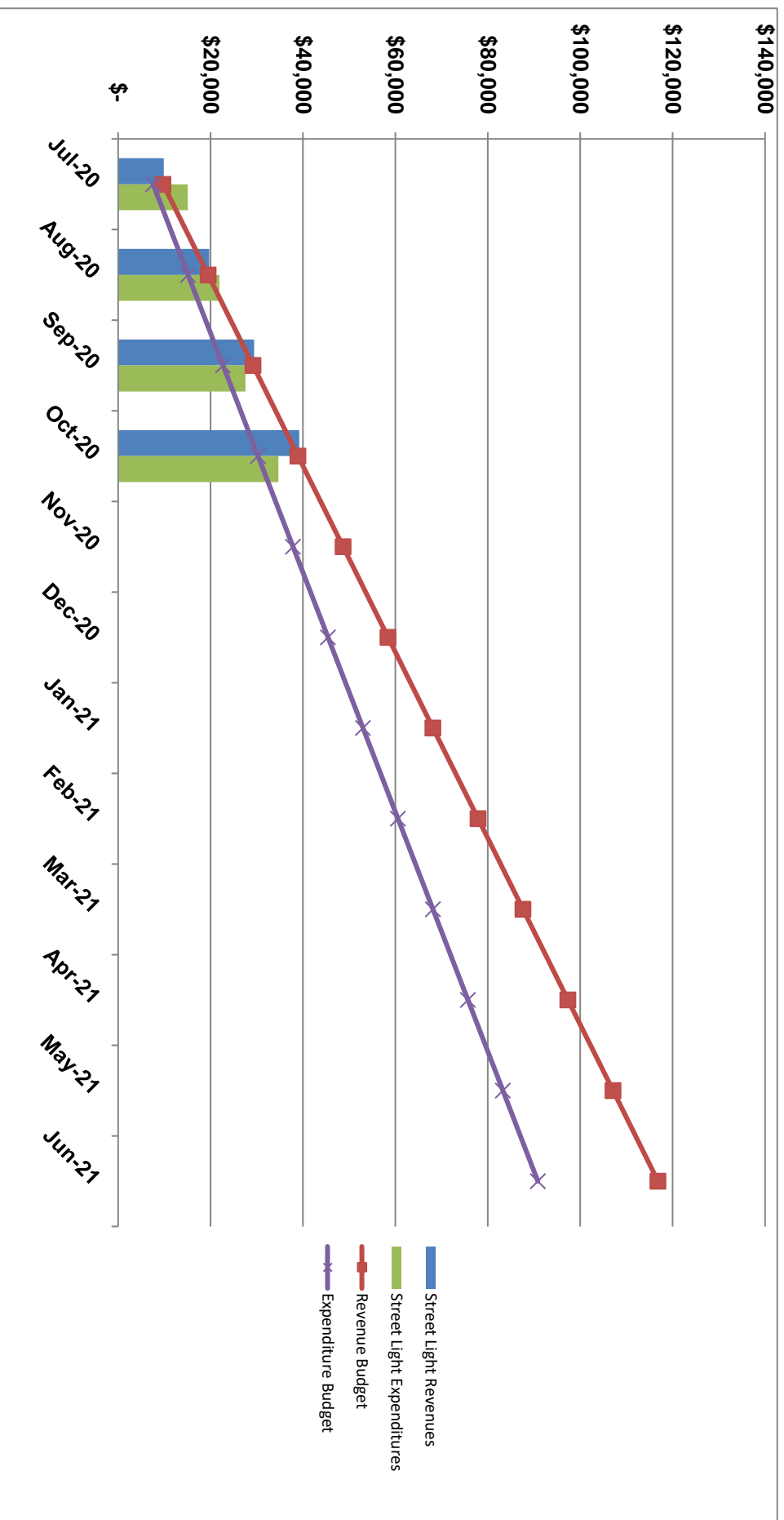
# McKinleyville Community Services District October 2020

## Comparison of Measure B Fund Total Revenues & Expenditures to Budget



# McKinleyville Community Services District October 2020

## Comparison of Street Light Fund Total Revenues & Expenditures to Budget



**McKinleyville Community Services District  
Capital Expenditure Report  
as of October 31, 2020**

	October	YTD Total	FY 20-21 Budget	Remaining		Notes
				Budget \$	Budget %	
<b>Water Department</b>						
Ramey Pump Upgrades	-	-	-	-	#DIV/0!	
Water Tank Painting	-	-	500,000	500,000	100%	Water Tank Painting & Cathodic
Alternative Energy Master Plan	-	-	50,000	50,000	100%	Alternative energy master plan
4.5m New Water Tank	75,739	102,349	178,000	75,651	43%	Drilling, LACO Assoc.
N.BankBoosterStation VFD#2 replacement	17,619	17,619	25,000	7,381	30%	Emergency Water Supply
Emergency Generator-Cochran	-	-	25,000	25,000	100%	CochranEmergency Generator
Fire Hydrant System Upgrade	-	-	7,000	7,000	100%	Fire Hydrant System Upgrade
Tank Seismic Actuators	-	-	20,000	20,000	100%	Tank Seismic Actuators
Customer Radio Meter Testing	-	4,530	10,000	5,470	55%	Customer Radio meter testing
Water Tank Upgrade-Norton#2 Tree Svc	-	-	7,000	7,000	100%	Water Tank Upgrade-Norton Tree
Water Main Rehab & Replacement	-	2,486	900,000	897,514	100%	Water Main Rehab
Property Purchase- Tank Site	-	-	-	-	#DIV/0!	Property Purch/Imprv.Tank Site
<b>Subtotal</b>	<b>93,358</b>	<b>126,985</b>	<b>1,722,000</b>	<b>1,595,015</b>	<b>93%</b>	
<b>Wastewater Department</b>						
Sewer Main Rehab & Replacement	-	2,441	900,000	897,559	100%	Sewer Main Rehab
WWMF Sludge Disposal - next	-	-	240,000	240,000	100%	Sludge handling/disposal
WWMF Recirculation Valve Replacement	-	-	12,000	12,000	100%	Recirculation Valve replacemnt
Alternative Energy Master Plan	-	-	50,000	50,000	100%	Alternative energy master plan
WWMF Chlorine Injector/Controllers	-	29,352	10,000	(19,352)	-194%	Chlorine Injector/Controllers
Collection Upgrades-UndercrossingsProj	56,099	135,516	1,335,000	1,199,484	90%	Collection System upgrades
Fischer Lift Station Generator	-	-	-	-	#DIV/0!	Fischer Lift Stn Generator
Sewer Lift Stn Upgrade-Hiller	-	182,661	538,000	355,339	66%	Sewer lift stn Upgrade-Hiller
Solar Project - CWSRF Grant/Loan	23,530	33,434	1,250,000	1,216,566	97%	WWMF Solar Project
WWMF Alt. Disinfection/ Feasibility Study	-	-	70,000	70,000	100%	Alt. Disinfection Feasibility Study
Radio Telemetry Upgrade	-	-	-	-	#DIV/0!	Radio Telemetry upgrade
Production Meter Replacements	-	-	-	-	#DIV/0!	Production Meter Replacement
WWMF - next NPDES Permit	5,487	30,283	50,000	19,717	39%	NPDES Permit Project
Customer Radio Meter Testing	-	4,388	10,000	5,612	56%	Radio meters testing
Underground pipe locator & camera	-	-	5,000	5,000	100%	Underground pipe locator & camei
Flow Totalizers	-	39,698	45,000	5,302	12%	Flow Totalizers
Sewer Lift Station Other Upgrades	75,414	256,735	-	(256,735)	#DIV/0!	SwrLiftStnUpgrade-Letz
<b>Subtotal</b>	<b>85,116</b>	<b>714,507</b>	<b>4,515,000</b>	<b>3,800,493</b>	<b>84%</b>	
<b>Water &amp; Wastewater Operations</b>						
Heavy Equipment	-	-	150,000	150,000	100%	backhoe, emerg.generators, airco
Utility Vehicles	-	-	38,000	38,000	100%	CCTV truck, 3/4 or 1-ton Pickup
Office, Corporate Yard & Shops	-	55,777	25,000	(30,777)	-123%	Facilities upgrade/sealcoat
Computers & Software	-	14,381	18,000	3,619	20%	Server, PCs, GIS/SEMS/CADD
Fischer Ranch - Reclamation Site Upgrade (tr	-	7,052	200,000	192,948	96%	Match to 3rd party grant funding
Fischer Ranch - Barn & Fence upgrades, Und	7,800	7,948	55,000	47,052	86%	Underground valving/piping
Pialorsi Ranch Survey/ Improvements	34,896	46,782	30,000	(16,782)	-56%	Pialorsi Ranch Survey
Small Equipment & Other	-	-	40,000	40,000	100%	Misc.response, & GPS surveying
<b>Subtotal</b>	<b>42,696</b>	<b>131,939</b>	<b>556,000</b>	<b>424,061</b>	<b>76%</b>	
<b>Enterprise Funds Total</b>	<b>296,584</b>	<b>973,431</b>	<b>6,793,000</b>	<b>5,819,569</b>	<b>86%</b>	
<b>Parks &amp; Recreation Department</b>						
Hiller Park & Sports Complex	15,856	27,040	-	(27,040)	#DIV/0!	Hiller Sports Sealcoat-CountyGrant
Azalea Hall Projects	-	-	32,000	32,000	100%	Flooring, Pkg Lot resurface
McKinleyville Activity Center Upgrades	14,999	14,999	6,000	(8,999)	-150%	Major Appliance replacement
Law Enforcement Facility Improvements	-	-	24,000	24,000	100%	LEF flooring/Library Carpet
Projects Funded by Quimby/Other Funds	-	-	-	-	#DIV/0!	Covered Picnic Area
Projects Funded by Measure B Renewal	-	-	-	-	#DIV/0!	Teen Center Constr&Loan svc
Other Parks Projects & Equipment	-	-	14,000	14,000	100%	Brush&LawnMowers/Trailer
<b>Subtotal</b>	<b>30,855</b>	<b>42,039</b>	<b>76,000</b>	<b>33,961</b>	<b>45%</b>	
<b>Streetlights</b>						
Pole Replacement	-	-	2,000	2,000	100%	Pole Replacement
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>2,000</b>	<b>2,000</b>	<b>100%</b>	
<b>Governmental Funds Total</b>	<b>30,855</b>	<b>42,039</b>	<b>78,000</b>	<b>35,961</b>	<b>46%</b>	
<b>All Funds Total</b>	<b>327,438</b>	<b>1,015,470</b>	<b>6,871,000</b>	<b>5,855,530</b>	<b>85%</b>	

**McKinleyville Community Services District  
Summary of Long-Term Debt Report  
as of October 31, 2020**

**Principal Maturities and  
Scheduled Interest**

	Maturity Date	%	Balance -		FY-21	Thereafter
			September 30, 2020	October 31, 2020		
<b>Water Fund:</b>						
I-Bank	8/1/30					
Interest		3.37%	577,202.62	577,202.62	-	577,202.69
					9,725.87	102,567.81
State of CA Energy Commission (ARRA)	12/22/26					
Interest		1.0%	78,165.68	78,165.68	11,698.27	66,467.20
					752.57	2,012.13
State of CA (Davis Grunsky)	1/1/33					
State of CA (Davis Grunsky) Deferred Interest	1/1/33					
Interest		2.5%	1,364,584.89	1,364,584.89	90,128.48	1,274,456.41
			221,451.21	221,451.21	17,035.12	204,416.09
Total Water Fund-Principal			2,241,404.40	2,241,404.40	118,861.87	2,122,542.39
Total Water Fund-Interest					44,593.06	321,040.66
<b>Total Water Fund</b>			<b>2,241,404.40</b>	<b>2,241,404.40</b>	<b>163,454.93</b>	<b>2,443,583.05</b>
<b>Wastewater Fund:</b>						
WWWMF SRF Loan	7/31/47					
Interest		1.6%	14,444,435.82	14,444,435.82	-	14,905,430.41
					-	3,457,430.34
Chase Bank (Pialorsi Property)	3/8/35					
Interest		2.9%	1,469,000.00	1,469,000.00	44,200.00	1,424,800.00
			-	-	13,955.51	204,594.85
USDA (Sewer Bond)	8/1/22					
Interest		5.0%	145,000.00	145,000.00	-	145,000.00
					3,625.00	6,875.00
Total Wastewater Fund-Principal			16,058,435.82	16,058,435.82	44,200.00	16,475,230.41
Total Wastewater Fund-Interest					17,580.51	3,668,900.19
<b>Total Sewer Fund</b>			<b>16,058,435.82</b>	<b>16,058,435.82</b>	<b>61,780.51</b>	<b>20,144,130.60</b>
<b>Meas. B Fund: Teen/Comm Center Loan</b>						
Total Principal	11/1/29					
Total Interest		3.55%	1,010,944.00	965,727.00	46,837.00	927,670.00
					17,453.35	155,131.29
			19,310,784.22	19,265,567.22	209,898.87	19,525,442.80
					79,626.92	4,145,072.14
<b>Total</b>			<b>19,310,784.22</b>	<b>19,265,567.22</b>	<b>289,525.79</b>	<b>23,670,514.94</b>

**Non-debt Long Term Liabilities, District-wide**

OP&B Liability	8,608,123.99
CalPERS Pension Liability	1,959,537.99

8,608,123.99
1,959,537.99



**McKinleyville Community Services District  
 Summary of Grants  
 as of October 31, 2020**

<b>District Grants</b>	<b>Total Grant Amount</b>	<b>Required District Match</b>	<b>Estimated District Asset Value</b>
CalOES Hazard Mitigation Grant - 4.5 mg Tank	\$ 5,418,735	\$ 1,806,245	\$ 4,675,000
CalOES Hazard Mitigation Grant - Sewer Undercrossings	\$ 2,538,300	\$ 846,100	\$ 2,137,000
SWRCB Energy Efficiency Grant/Loan	\$ 2,500,000	\$2,500,000 Loan	\$ 4,100,000
CA State Dept of Parks & Rec - Habitat Conservation Fund	\$ 56,600	\$ -	\$ 56,600

<b>Non-District Grants</b>	<b>Total Grant Amount</b>	<b>Required District Match</b>	<b>Estimated District Asset Value</b>
CalTrout US Fish & Wildlife - Mad River Restoration	\$ 20,000	\$ -	\$ 20,000
CalTrout NOAA - Mad River Restoration	\$ 490,167	\$ 48,000	\$ 300,000

**McKinleyville Community Services District  
Cash Disbursement Report  
For the Period October 1 through October 31, 2020**

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
37564	10/6/2020	ACC04	ACCURATE DRUG TESTING SERVICE	90.00	797	DOT PHYSICAL-C JONES
37565	10/6/2020	BAD01	BADGER METER, Inc.	259.36	1391557	REPAIRS/ SUPPLIES
			Check Total:	355.32	80060855	BEACON MOBILE HOSTING
				<u>614.68</u>		
37566	10/6/2020	BLA01	FLEX SPENDING REIMB-JB	435.82	C01006	FLEX SPENDING REIMB-JB
37567	10/6/2020	BUR01	MARY C. BURKE	125.00	C01006	BOARD MTG 9/2/2020
37568	10/6/2020	DON01	DON'S RENT-ALL	197.47	204175	PROFESSIONAL SERVICES
37569	10/6/2020	FAS01	FASTENAL COMPANY	7.60	C01006	REPAIRS/ SUPPLIES
37570	10/6/2020	GAN01	GAN CONFERENCEING	5.20	45880	PROFESSIONAL SERVICES
37571	10/6/2020	GHD01	GHD	4,515.50	49817	MICROGRID PROJECT
			Check Total:	46,146.41	149554	HWY 101 SEWER CROSSING
				<u>50,661.91</u>		
37572	10/6/2020	GRA02	GRAINGER	79.24	C01006	REPAIRS/ SUPPLIES
37573	10/6/2020	HAR13	The Hartford - Priority A	433.50	C01006	GRP LIFE INSURANCE
37574	10/6/2020	HUM01	HUMBOLDT BAY MUNICIPAL WATER DISTRICT	98,678.17	C01006	WTR PURCHASED
37575	10/6/2020	IND02	INDUSTRIAL ELECTRIC SERVICE	1,002.30	C01006	REPAIRS/SUPPLY
37576	10/6/2020	INF02	INFOSEND	2,839.17	C01006	PRINTING/MAILING OF BILLS
37577	10/6/2020	MAY02	DENNIS MAYO	125.00	C01006	BOARD MTG 9/2/2020

Check Number	Check Date	Vendor Number	Vendor Name	Net Amount	Invoice #	Description
37578	10/6/2020	MCK03	MCKINLEYVILLE OFFICE SUPPLY	16.46	52229	AUDIT/ ACCT
37579	10/6/2020	MCM01	McMaster-Carr Supply Co.	74.38	5604598	REPAIRS/ SUPPLIES
37580	10/6/2020	NOR37	NORTH COAST UNIFIED AIR QUALITY MGMT	3,067.36	6472	ANNUAL PERMIT FEES
37581	10/6/2020	PGE11	PG&E STREETLIGHTS	24.18	C01006	GAS & ELECTRIC SEWER PUMPING
37582	10/6/2020	PGE12	PG&E	49.37	C01006	GAS & ELECTRIC HILLER
37583	10/6/2020	PGE14	PACIFIC GAS & ELECTRIC CO	13.81	C01006	GAS/ELECTRIC ANDERSON AVE
37584	10/6/2020	PGE16	PG&E	16.57	C01006	GAS & ELECTRIC HILLER
37585	10/6/2020	SUD01	SUDDENLINK	194.23	C01006	OFFICE SUPPLIES TEEN/FAMM
37586	10/6/2020	THR01	THRIFTY SUPPLY COMPANY	727.34	C01006	REPAIRS/ SUPPLIES
37587	10/6/2020	UMPO1	UMPOQUA BANK	1,724.93	0920 JH	REPAIRS/ SUPPLIES
				406.51	0920 LF	REC SUPPLIES/ OFFICE SUPP
				191.29	0920BOARD	OFFICES SUPPLIES/ TRAININ
				37.94	0920PARKS	OFFICE SUPPLIES
			Check Total:	<u>2,360.67</u>		
37588	10/6/2020	USB01	U.S. BANK TRUST N.A.	7,270.83	C01006	SEWER BOND PAYMENT
37589	10/6/2020	VAL01	VALLEY PACIFIC PETROLEUM	539.45	C01006	GAS/OIL/LUBE
37590	10/6/2020	VAL02	VALLEY PACIFIC PETROLEUM	2,282.36	C01006	GAS/OIL/LUBE
37591	10/6/2020	VER01	VERIZON WIRELESS	67.98	C01006	CELL PHONES/ TABLET
37592	10/6/2020	\D014	MQ CUSTOMER REFUND FOR DR	201.22	000C01001	MQ CUSTOMER REFUND FOR DR
37593	10/6/2020	\F007	MQ CUSTOMER REFUND FOR FI	29.24	000C01001	MQ CUSTOMER REFUND FOR FI
37594	10/6/2020	\M025	MQ CUSTOMER REFUND FOR MA	3.90	000C01001	MQ CUSTOMER REFUND FOR MA
37595	10/6/2020	\S001	MQ CUSTOMER REFUND FOR ST	27.85	000C01001	MQ CUSTOMER REFUND FOR ST
37596	10/6/2020	\T014	MQ CUSTOMER REFUND FOR TR	297.38	000C01001	MQ CUSTOMER REFUND FOR TR

Check Number	Check Date	Vendor Number	Vendor Name	Net Amount	Invoice #	Description
37598	10/13/2020	ACW01	CB&T/ACWA-JPIA	10,933.34	C01013	GRP. HEALTH INS
37599	10/13/2020	AME02	AMERESCO	19,950.00	2	MICROGRID PROJECT
37600	10/13/2020	CAR03	CARPET WIZARD SERVICES	225.00	18320	PROFESSIONAL SERVICES
37601	10/13/2020	GHD01	GHD	4,115.30	150084	HILLER SEWER LIFT STATION
			Check Total:	2,091.89	150133	WATER/SEWER MASTER PLAN
				6,207.19		
37602	10/13/2020	HAY01	BRAD HAYMAN	198.14	C01007	SAFETY SUPPLIES REIMB
37603	10/13/2020	IND02	INDUSTRIAL ELECTRIC SERVICE	1,032.72	IN37224	IRRIGATION PUMP REPAIRS
			Check Total:	264.84	IN37360	REPAIRS/SUPPLY
				1,297.56		
37604	10/13/2020	INF03	INFINITE CONSULTING SERVICES	1,990.30	8705	PROFESSIONAL SERVICES
			Check Total:	2,250.00	8681	PROFESSIONAL SERVICES
				4,240.30		
37605	10/13/2020	JOH05	REC PROGRAM SUPPLIES REIMB-CJ	6.51	C01007	REC PROGRAM SUPPLIES REIMB-CJ
37606	10/13/2020	MCK02	MCKINLEYVILLE GLASS CO.	1,875.00	C01007	PROFESSIONAL SERVICES
37607	10/13/2020	MCK04	MCK ACE HARDWARE	198.31	C01007	REPAIRS/SUPPLY
37608	10/13/2020	MCK11	MCKINLEYVILLE SENIOR CENTER	21.40	C01007	PARKS SHARE OF INTERNET
37609	10/13/2020	MCM01	McMaster-Carr Supply Co.	142.20	44297349	WWMF CHLORINE INJECTOR/CO
37610	10/13/2020	MEN01	MENDES SUPPLY CO.	2,036.29	C01007	REPAIRS/SUPPLY
37611	10/13/2020	MIL01	Miller Farms Nursery	3,029.91	C01007	REPAIRS/SUPPLY
37612	10/13/2020	MIT01	MITCHELL LAW FIRM	1,369.50	46432	LEGAL SERVICES
			Check Total:	1,291.00	46433	LEGAL SERVICES
				2,660.50		
37613	10/13/2020	MOO01	MOONSTONE ASSOCIATES, INC	1,500.00	155	CONSULTING SERVICES

Check Number	Check Date	Vendor Number	Vendor Name	Net Amount	Invoice #	Description
37614	10/13/2020	MUDD01	MUDDY WATERS COFFEE CO., INC.	160.00	C01007	OFFICE SUPPLIES
37615	10/13/2020	NAP02	NAPA AUTO PARTS	6.15	C01007	REPAIRS/ SUPPLIES
37616	10/13/2020	NOR01	NORTH COAST LABORATORIES	3,480.00	C01007	LAB TESTS
37617	10/13/2020	NOR13	NORTHERN CALIFORNIA SAFETY CONSORTIUM	120.00	C01007	SAFETY TRAINING
37618	10/13/2020	NOR35	NORTHERN HUMBOLDT	1,355.70	C01007	OPEN SPACE/CENTRAL AVE MAINT.
37619	10/13/2020	ORE01	O'REILLY AUTOMOTIVE, INC.	34.76	C01007	REPAIRS/SUPPLY
37620	10/13/2020	PGE01	PG & E (Office & Field)	28,385.26	C01013	GAS & ELECTRIC
37621	10/13/2020	PIT01	PITNEY BOWES	393.00	C01007	OFFC EQUIP LEASE
37622	10/13/2020	THO02	Thomas Home Center	578.81	C01007	REPAIRS/SUPPLY
37623	10/13/2020	USP02	USPS: ARCATATA BMEU	1,336.85	C01013	NEWSLETTER POSTAGE
37624	10/20/2020	ATT01	AT&T	3,009.50	C01019	PHONE/INTERNET SERVICES
37625	10/20/2020	ATT02	AT&T	1,111.15	C01019	TELEPHONE/ADMIN/GENERAL
37626	10/20/2020	ATT04	AT&T	914.07	C01019	SWITCHED ETHERNET SERVIC
37627	10/20/2020	ATT05	AT&T	191.52	C01019	TELEPHONE TEEN/FAM CTR
37628	10/20/2020	ATT06	AT&T	251.55	C01019	TELEPHONE AZALEA HALL
37629	10/20/2020	BUC01	MICHAEL BUCK	250.00	C01019	SAFETY ALLOTMENT REIMB
37630	10/20/2020	DEP05	DEPARTMENT OF JUSTICE	64.00	C01019	FINGERPRINTING
37631	10/20/2020	DIG02	DIGITAL DEPLOYMENT	4,500.00	C01019	MONTHLY MEMBER FEE
37632	10/20/2020	EXP01	EXPRESS SERVICES, INC.	315.90	C01019	PROFESSIONAL SERVICES
				146.25	24410400	PROFESSIONAL SERVICES
				444.60	C1011019	PROFESSIONAL SERVICES
				<u>906.75</u>		

Check Total:

Check Number	Check Date	Vendor Number	Vendor Name	FedEx Office	Net Amount	Invoice #	Description
37633	10/20/2020	FED01			45.79	C01019	LAB SHIPMENT
37634	10/20/2020	FRA04	FRANK MILEHAM APPRAISALS		3,080.00	C01019	HEWITT PROPERTY APPRAISAL
37635	10/20/2020	FRE07	FRESHWATER ENVIRONMENTAL		3,587.00	C01019	LAB TESTING
37636	10/20/2020	GRA02	GRAINGER		5.57	C01019	REPAIRS/SUPPLIES
37637	10/20/2020	HUM08	HUMBOLDT SANITATION		2,188.85	C01019	TRASH SERVICE
37638	10/20/2020	JAC04	JACKSON & EKLUND, INC.		1,470.00	431869	ACCT. / AUDIT
37639	10/20/2020	KEN02	KENNEDY/JENKS CONSULTANTS		33,186.49	141791	4.5 MG WATER RESERVOIR
37640	10/20/2020	MER03	MERCER, FRASER COMPANY		75,414.33	3	HILLER LIFT STATION UPGRADE
37641	10/20/2020	MES01	REC PROGRAM SUPPLIES REIMB KM		9.73	C01019	REC PROGRAM SUPPLIES REIMB KM
37642	10/20/2020	PGE10	PG&E STREETLIGHTS		3.54	C01019	GAS & ELECTRIC S.L. - ZONE
37643	10/20/2020	POI01	POINTS WEST SURVEYING CO.		6,137.50	11958	PIALORSI RANCH BOUNDARY SURVEY
37644	10/20/2020	SAF04	SAFEWAY INC. FILE # 72905		6.45	C01019	REPAIRS/ SUPPLIES
37645	10/20/2020	STA11	STAPLES CREDIT PLAN		3,177.66	C01019	OFFICE SUPPLIES
37646	10/20/2020	THA01	THATCHER COMPANY, INC.		1,383.78	C01019	REPAIRS/SUPPLY TREATMENT
37647	10/20/2020	THR01	THRIFTY SUPPLY COMPANY		6,008.14	C01019	EQUIP PURCHASED
37648	10/20/2020	UMP04	UMPQUA BANK		63,161.25	C01019	LOAN PAYMENT
37649	10/20/2020	WES13	WESTERN WEB		965.39	24902	NEWSLETTER PRINTING
37650	10/20/2020	WIL04	WILDWOOD SAW & SPORTING GOODS		15,855.59	32478	EQUIP PURCHASED
37651	10/27/2020	*0012	REC PROGRAM REFUND KT		35.00	C01027	REC PROGRAM REFUND KT
37652	10/27/2020	BAS01	BASIC LABORATORY INC.		197.50	2010642	LAB TESTING
37653	10/27/2020	BUR01	MARY C. BURKE		125.00	C01027	BOARD MTG 10/7/2020

Check Number	Check Date	Vendor Number	Vendor Name	Net Amount	Invoice #	Description
37654	10/27/2020	CAM01	CAMPTON ELECTRIC SUPPLY	17,619.46	C01027	NORTH BANK UPGRADE
37655	10/27/2020	COR01	CORBIN WILLITS SYSTEMS, INC	924.31	C01027	MOMS MONTHLY MAINTENANCE
37656	10/27/2020	CSD01	CSDA	7,805.00	C01027	MEMBERSHIP RENEWAL
37657	10/27/2020	EUR06	EUREKA READY MIX	1,188.48	65687	REPAIRS/SUPPLY
37658	10/27/2020	EXP01	EXPRESS SERVICES, INC.	538.20	24507563	PROFESSIONAL SERVICES
37659	10/27/2020	GHD01	GHD	3,225.00	50769	PIALORSI RANCH SURVEY
37660	10/27/2020	GRA02	GRAINGER	55.57	875680050	REPAIRS/ SUPPLIES
				126.13	968349866	REPAIRS/ SUPPLIES
				60.97	968916849	REPAIRS/ SUPPLIES
			Check Total:	<u>242.67</u>		
37661	10/27/2020	KEN02	KENNEDY/JENKS CONSULTANTS	39,472.19	142247	4.5MG WATER RESERVOIR
37662	10/27/2020	KEN03	KEN'S AUTO PARTS	1,275.44	C01027	REPAIRS/ SUPPLIES
37663	10/27/2020	May02	DENNIS MAYO	125.00	C01027	BOARD MTG 10/7/2020
37664	10/27/2020	SUP02	SUPERIOR INSTALLS	2,092.00	292	PROFESSIONAL SERVICES
37665	10/27/2020	THR01	THRIFTY SUPPLY COMPANY	7,799.52	C01027	UNDERGROUND VALVING & PIPING
37666	10/27/2020	USB01	U.S. BANK TRUST N.A.	7,270.83	C01027	SEWER BOND PAYMENT
D00052	10/6/2020	COR07	JOHN W. CORBETT	125.00	C01006	BOARD MTG 9/2/2020
D00052	10/6/2020	COU09	DAVID COUCH	125.00	C01006	BOARD MTG 9/2/2020
D00053	10/27/2020	COR07	JOHN W. CORBETT	125.00	C01027	BOARD MTG 10/7/2020
D00053	10/27/2020	COU09	DAVID COUCH	125.00	C01027	BOARD MTG 10/7/2020
				<u>580,253.02</u>		
			<b>Total Disbursements, Accounts Payable:</b>	<b><u>580,253.02</u></b>		

**Payroll Related Disbursements**

Check Number	Check Date	Vendor Number	Vendor Name	Net Amount	Invoice #	Description
17054-17059	10/8/2020		Various Employees	6,645.42		Payroll Checks
17060	10/8/2020	CAL12	CALPERS 457 Plan	7,965.51	C01008	RETIREMENT
			Check Total:	719.04	1C01008	PERS 457 LOAN PMT
				<u>8,684.55</u>		
17061	10/8/2020	DIR01	DIRECT DEPOSIT VENDOR- US	37,839.07	C01008	Direct Deposit
17062	10/8/2020	EMP01	Employment Development	1,645.92	C01008	STATE INCOME TAX
			Check Total:	655.06	1C01008	SDI
				<u>2,300.98</u>		
17063	10/8/2020	EMP02	Employment Dev Department	1,483.84	C00930	SUI
17064	10/8/2020	HEA01	HEALTHEQUITY, ATTN: CLINT	175.00	C01008	HSA
17065	10/8/2020	HUM29	UMPQUA BANK--PAYROLL DEP.	5,146.95	C01008	FEDERAL INCOME TAX
			Check Total:	8,099.72	1C01008	FICA
				1,894.28	2C01008	MEDICARE
				<u>15,140.95</u>		
17066	10/8/2020	ACW01	CB&T/ACWA-JPIA	59,136.84	C00930	MED-DENTAL-EAP INSUR
17067	10/8/2020	PUB01	Public Employees PERS	20,441.01	C00930	PERS PAYROLL REMITTANCE
17068-17074	10/22/2080		Various Employees	6,287.88		Payroll Checks
17075	10/22/2020	CAL12	CALPERS 457 Plan	7,966.16	C01022	RETIREMENT
			Check Total:	719.04	1C01022	PERS 457 LOAN PMT
				<u>8,685.20</u>		
17076	10/22/2020	DIR01	DIRECT DEPOSIT VENDOR- US	37,480.60	C01022	Direct Deposit
17077	10/22/2020	EMP01	Employment Development	1,604.40	C01022	STATE INCOME TAX
			Check Total:	649.27	1C01022	SDI
				<u>2,253.67</u>		
17078	10/22/2020	HEA01	HEALTHEQUITY, ATTN: CLINT	175.00	C01022	HSA



Check Number	Check Date	Vendor Number	Vendor Name	Net Amount	Invoice #	Description
17079	10/22/2020	HUM29	UMPQUA BANK--PAYROLL DEP.	5,096.82	C01022	FEDERAL INCOME TAX
				8,061.64	1C01022	FICA
				1,885.40	2C01022	MEDICARE
			Check Total:	15,043.86		
			<b>Total Disbursements, Payroll:</b>	<b>221,773.87</b>		
			<b>Total Check Disbursements:</b>	<b>802,026.89</b>		



# McKinleyville Community Services District

## BOARD OF DIRECTORS

December 2, 2020

TYPE OF ITEM: **ACTION**

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**ITEM: D.3**                                      **Consider Approval of the Lease for Pialorsi House**

**PRESENTED BY:**                              **Patrick Kaspari, General Manager**

**TYPE OF ACTION:**                              **Roll Call Vote – Consent Calendar**

### **Recommendation:**

Staff recommends that the Board review the information provided, take public comment, and approve the Lease for the Pialorsi House to April and Justin Sousa (Attachment 1).

### **Discussion:**

The Board approved the rental in principle of the recently acquired house on the Pialorsi property (1300 Anderson Road, McKinleyville) to April Souse, the current Board Secretary, and her husband Justin at the October 7, 2020 Board Meeting. Legal Counsel reviewed the Draft Lease with the Board at the November 4, 2020 Board Meeting. As discussed with the Board, Legal Counsel made some edits to Paragraph 3 of the Lease to clarify the Sousa's responsibility at the house and property. There was also a slight adjustment in the monthly rental rate, since the original rental amounts were based off of being off-set with Caretaker pay. Having a renter in the house will help ensure that this District asset not only is an income source, but also should help to reduce vandalism at the District property.

### **Alternatives:**

Staff analysis consists of the following potential alternative

- Take No Action

### **Fiscal Analysis:**

Lease rental includes a stepped monthly rent, finalizing in a \$1,600/month rental fee.

### **Environmental Requirements:**

Not applicable

### **Exhibits/Attachments:**

- Attachment 1 – Final Lease with attachments

## **RESIDENTIAL LEASE AGREEMENT**

This Residential Lease Agreement (this "Agreement" or this "Lease") is entered into on this \_\_\_\_\_ day of \_\_\_\_\_ 2020 (the "Effective Date"), by and between the McKinleyville Community Services District ("District" or "Landlord") and April Sousa and Justin Sousa (collectively "Tenant").

For and in consideration of the covenants and obligations contained herein Landlord and Tenant do hereby agree as follows:

### **1. LEASED PREMISES**

Landlord shall rent to Tenant the property located at 1300 Anderson Road, McKinleyville, California (the "Premises"). Premise is defined to include the house, garage, shop and sheds shown as the "Proposed Residential Lease Area" on the attached **Exhibit A**, which is incorporated herein by reference.

Tenant shall comply with any and all laws, ordinances, rules and orders of any and all governmental authorities affecting the cleanliness, use, occupancy and preservation of the Premises.

Tenant shall inform Landlord of any condition that may cause damage to the Premises. If the Premises, or any part of the Premises, is partially damaged by fire or other casualty not due to the negligence or willful act of the Tenant or an agent of the Tenant, the Premises will be immediately repaired by the Landlord and there will be an abatement of rent corresponding with the time during which the Premises was untreatable.

### **2. PREMISES GUIDELINES AND RESTRICTIONS**

Smoking is not allowed anywhere in the Premises.

Pets are permitted in the Premises. Tenant shall be exclusively responsible for any damage caused by any pet residing in or visiting the Premises.

Tenant shall not assign, sub-let or license any part of the Premises without Landlord's prior written consent, to be granted or denied in Landlord's reasonable discretion.

### **3. RENT**

Upon the commencement of occupancy, Tenant shall pay to Landlord rent according to the following schedule:

- a. No rent (\$0.00) shall be assessed until the facility is rendered habitable. "H Habitable" shall be defined as functioning water, sewer, gas and other utilities, stable foundation, walls and floors, non-leaking roof and walls, removal of all debris and garbage remaining from previous tenants within

the house, no uneven floors, electrical or other safety issues, and implementation of those repairs as detailed on the "Pialorsi Ranch House Restoration Estimate" attached hereto as **Exhibit B** ("Restoration Table") and made part of this Lease. The Phase 1 work in the Restoration Table will be performed by the District, and is estimated to be completed on or before March 31, 2021. If the Phase 1 work is not complete, Tenant shall have the right, as Tenant's sole and exclusive remedy, to cancel this Lease by providing ten (10) days written notice of cancellation to Landlord.

- b. Once the "Phase 1" work described in Section 3.a. is complete and Tenant moves into the Premises, rent shall be set at \$500.00 per month from April 1, 2021 through December 31, 2021. During that time period Tenant shall paint, install floor coverings and make other general repairs as detailed on the attached Restoration Table as "Phase 2." Tenant acknowledges that reduced rent is being charged in exchange for Tenant's commitment to make the Phase 2 repairs during this time period.
- c. From January 1, 2022 through June 30, 2022, rent shall be set at \$1,000 per month. During this time period, Tenant shall perform the work detailed as Phase 3 on the attached Restoration Table. Tenant acknowledges that reduced rent is being charged in exchange for Tenant's commitment to make the Phase 3 repairs during this time period.
- d. From and after July 1, 2022, rent shall be set at \$1,600.00 per month.

All rent payments will be made on or before 1st of each month during the entire term of this Lease. Payments can be made in the following forms: cash, personal check, or money order.

Payments are to be made at the Landlord's address.

In the event that any payment by Tenant is returned for insufficient funds ("NSF") or a stop payment, Tenant shall reimburse Landlord any related charges or fees incurred. Landlord may also require in writing that Tenant prepay Rent for a period of three months.

**Tenant, April Sousa, acknowledges that she is regularly employed by the District in the capacity of Board Secretary. Tenant is not obligated to enter this Lease as a condition of April Sousa's employment. Tenant (both April Sousa and Justin Sousa), have entered this Lease voluntarily and without request or requirement by the District. Furthermore, April Sousa is not obligated to perform any employment tasks or duties for the District while residing on the Premises. Consequently, April Sousa is not entitled to any compensation from the District as a result of this Lease or her occupancy of the Premises, and she expressly acknowledges that she is not providing any services to the District in an employment capacity as a result of residing on the Premises. Nothing in this Lease is intended to create any employment relationship between Tenant (both April Sousa and Justin Sousa) and the District.**

#### **4. SCHEDULE FOR REPAIRS**

The following shall be an approximate schedule for the Tenant to implement the repairs detailed in Phases 2 and 3 of the attached Restoration Table. This schedule can be modified only by the mutual agreement of District and Tenant.

- Phase 1: Upon signature of Agreement through March 31, 2021 (the District shall make all Phase 1 repairs and Tenant's occupancy (and rent obligation) shall not commence until Phase 1 repairs are complete, if completed by the District);
- Phase 2: April 1, 2021 through December 31, 2021
- Phase 3: January 1, 2022 through June 30, 2022

#### **5. MONTH TO MONTH LEASE TERM**

This Lease is a month-to-month Lease. Nothing in Section 3 of this Lease is intended to change the term of this Lease from month-to-month to a fixed term Lease. This Agreement shall be automatically renewed monthly and continue on a month-to-month basis until terminated in accord with Section 20 of this Lease and/or applicable law.

#### **6. RESPONSIBILITIES**

Tenant is expected to perform the following tasks as detailed in Pialorsi Ranch House Restoration Plan - Exhibit B, which is included as a part of this Agreement, Tenant is expected to perform the Phase 2 and Phase 3 Restoration Table tasks during Tenant's occupancy of the Premises in exchange for the reduced rent charged by Landlord during that time period. The Landlord shall purchase and provide the necessary materials to perform the work items recited in Phase 2 and Phase 3 of the Restoration Table.

The Tenant shall comply with all laws and regulations applicable to Tenant's occupancy of the Premises and shall maintain the Premises in good condition during the term of this Agreement, and will neither cause nor allow any abuse, waste or damage to the Premises.

The Tenant will notify the Landlord of any condition that may create harm or cause damage to the Premises. If the Premises, the Property, or any part of the Premises or Property is partially damaged by fire or other casualty not due to the negligence or willful act of the Tenant or an agent of the Tenant, the Premises and/or Property will be repaired by the Landlord and there will be an abatement of rent corresponding with the time during which the Premises is/was uninhabitable. Landlord, in Landlord's sole discretion, may elect to terminate this Lease rather than repair/restore the Premises, Property and/or any portion thereof.

Upon the termination or expiration of this Lease the Tenant shall redeliver the Premises, amenities, furniture, appliances and any other applicable aspects of the property, in as good condition as at the commencement of the Agreement or as may be put in during the Agreement. Reasonable wear and tear from use of the Property shall be accepted.

## **7. ALTERATIONS**

Tenant shall make no major alterations, construct any additions or make any other improvements to the Premises except for those detailed in Phases 2 and 3 of the attached Restoration Table, without prior written consent of Landlord. Any and all alterations, changes, and/or improvements built, constructed or placed on the Premises by Tenant shall, unless otherwise provided by written agreement between Landlord and Tenant, be and become a fixture and the property of Landlord and remain on the Premises at the expiration or earlier termination of this Agreement.

## **8. INSURANCE**

Tenant is responsible for insurance on any personal property. Landlord will not be responsible for any damage to Tenant's property caused by fire, theft, rain, war, acts of God, acts of others, and/or any other causes, nor shall Landlord be held liable for such losses. Tenant is hereby advised to obtain an insurance policy to cover any personal losses.

## **9. QUIET ENJOYMENT**

Tenant shall be entitled to quiet enjoyment of the Premises for the term of this Agreement provided that Tenant pays rent in a timely manner and performs all covenants and obligations under this Agreement. Tenant agrees not to interfere with the quiet enjoyment of neighboring occupants. It is understood that at times the Landlord employees and agents and Landlord's equipment shall have to access all aspects of the Property other than the residential Premises to operate and maintain Landlord's utilities, equipment and systems.

## **10. POSSESSION AND SURRENDER OF THE PREMISES**

At the termination of this Lease Tenant shall immediately surrender the Premises to the Landlord in the same condition as completed under the Rent section of this provision and corresponding to the Rent being paid (i.e., Phase 2 or Phase 3), reasonable wear and tear excepted. The Tenant shall return a complete set of keys to the Landlord and provide in writing, a forwarding address. If any Tenant remains on the Premises after the expiration or termination of this Agreement without written permission from the Landlord, the Landlord may recover possession of the Premises in the manner provided for by law as well as holdover rents.

## **11. ABANDONMENT**

Abandonment is defined as (a) an absence of the Tenant from the Premises for a period of seven (7) or more consecutive days while rent or any owing monies remain unpaid; or (b) where rent is paid and current, Tenant's absence from the Premises for thirty (30) days or more. Upon the occurrence of either events, Tenant will be considered in breach of this Agreement. If Tenant abandons the Premises during the term of this Agreement, the

Landlord may enter the Premises by any legal means, without being liable for such entering, and without becoming liable to the Tenant for damages caused upon entering. Landlord may consider any personal property belonging to the Tenant and left on the property to also have been abandoned, in which case the Landlord may dispose of all such personal property in any manner authorized by law.

Following abandonment, the Landlord may at its option terminate the Agreement and re-let the Premises, and may receive and collect all rent payable by virtue of such re-letting.

## **12. MODIFICATION**

Any amendment or modification of this Agreement or additional obligation assumed by either party in connection with this Agreement will only be binding if evidenced in writing signed by both parties.

## **13. LEGAL FEES**

If the Tenant is in breach of this Agreement, and the Landlord finds it necessary to enforce this Agreement, or collect rental or other damages, through an attorney or in a legal action, the Landlord shall be indemnified by the Tenant for any reasonable attorneys' fees and out-of-pocket costs which in any way relate to, or were precipitated by, the breach of this Agreement by the Tenant.

## **14. WAIVER**

The Landlord's failure to enforce or insist on compliance with any provisions of this Agreement shall not be deemed a waiver nor a limitation of the Landlord's right to enforce or insist on compliance with the provisions of this Agreement.

## **15. BINDING EFFECT**

Except as otherwise provided in this Agreement, all of the covenants, conditions, and provisions of this Agreement shall apply to and bind the parties and the heirs, personal representatives, successors, and assigns of the parties.

## **16. ENTRY BY LANDLORD**

In addition to the rights provided by the laws applicable to the State of California, the Landlord shall have the right to enter the Premises at all reasonable times for the purpose of inspecting the and/or showing the same to prospective tenants or purchasers, and to make such reasonable repairs and alterations as may be deemed necessary by the Landlord for the preservation of the Premises or the building. The Landlord shall give reasonable notice of intent to enter Premises (3 days) except in the case of an emergency.



## **17. SEVERABILITY**

Should any conflicts arise between any party of this Agreement and the applicable legislation of the State of California, the State Laws will prevail and such provisions of the Agreement will be amended or deleted as necessary in order to comply with the State Laws. Furthermore, any provisions that are required by State Laws may be subsequently incorporated into this Agreement.

In the event any of the provisions of this Agreement are held to be invalid or unenforceable in whole or in part, those provisions to the extent enforceable and all other provisions will nevertheless continue to be valid and enforceable as though the invalid or unenforceable parts had not been included in this Agreement.

## **18. DEFAULT**

If Tenant fails to fulfill or perform any obligation under this Agreement, Tenant shall be in default of this Lease. Tenant shall receive three (3) days notice by Landlord to cure the default (i.e. Non-payment of rent Cure or Quit Notice). In the event Tenant does not cure a default, Landlord may declare Tenant in default of the Agreement. Landlord may re-enter the premises and re-take possession of the Premises in the event of default in the manner authorized by law. After default, Tenant may be held liable for the balance of the unpaid rent under this Agreement if Landlord cannot re-let the Premises during the remaining term of this Agreement.

## **19. UTILITIES**

Tenant shall pay all water, sewer, electrical, garbage, phone, cable/television and internet utility charges utilized at the Premises.

## **20. TERMINATION**

This Lease may be voluntarily terminated by either Landlord or Tenant upon provision of, at least, thirty (30) days written notice to the other party if termination occurs during the first full calendar year period following the Effective Date of this Lease, or sixty (60) days written notice if terminated after the first full calendar year. This Section 20 is in addition to and not a limitation on any other rights the parties have to terminate the Lease under California law upon breach or default, including, without limitation, Landlord's rights to terminate the Lease upon three (3) days written notice in the event of rent and/or Lease breach(es) by Tenant.

## **21. ENTIRE AGREEMENT**

This Agreement and its exhibits constitute the entire agreement between the parties and supersedes any prior written or oral covenants or representations relating thereto and not set forth herein shall be binding on either party hereto. This Agreement may not be amended, modified, extended, or supplemented except by written instrument executed by

the Landlord and Tenant. The Landlord has made no representation or warranty to Tenant except as herein expressly set forth.

**22. GOVERNING LAW**

This Agreement shall be governed and construed in accordance with the laws of the State of California.

**23. HEADINGS AND INTERPRETATION**

Headings are inserted for the convenience of the parties only and are not to be considered when interpreting this Agreement. In interpreting the language of this Agreement, the Landlord and Tenant will be treated as having drafted this Agreement after meaningful negotiations. The language in this Agreement will be construed as to its fair meaning and not strictly for or against either Party.

**24. SIGNATURES/JOINT AND SEVERAL LIABILITY OF TENANTS**

Each individual executing this Lease on behalf of Tenant shall be jointly and severally liable for the performance of all obligations recited in this Lease. Facsimile and/or electronically scanned signatures shall be deemed to constitute originals.

Executed as of the Effective Date, as follows:

**“Tenant”:**

---

April Sousa

---

Justin Sousa

**“Landlord”:**

---

Patrick Kaspari, McKinleyville Community Services District General Manager

**List of Exhibits:**

**Exhibit A:** Leased Premises Description

**Exhibit B:** Pialorsi Ranch House Restoration Plan (“Restoration Table”)

## **Restoration Table – EXHIBIT B**

### **Phase 1 - Current Condition**

1. Water, Power, Gas service establishment/repairs – District Responsibility
2. Dumpster for house contents – District to provide dumpster and disposal, Tenant to clear out house & load dumpster
3. Clear house of all contents - Tenant
4. Clean and disinfect – District to provide supplies, Tenant to supply labor
5. Electrical system upgrade – District to hire licensed Contractor
6. Floor stripping and sealing - District to provide supplies, Tenant to supply labor
7. Functioning bathroom & sink - District to provide supplies, Tenant to supply labor
8. Strip roof, stack shingles in shed - District & Tenant to supply labor
9. Roof replacement – District to hire contractor to replace
10. Gutter repair – District to provide supplies, Tenant to supply labor
11. Broken window - District to provide supplies, Tenant to supply labor
12. Door repair, Garage south, shore up north garage door - District to provide supplies, Tenant to supply labor
13. Fence repair to transient high traffic spots, signage - District to provide supplies, Tenant to supply labor

### **Phase 2 - Habitable**

1. Window repairs multiple failed windows, just fix the emergencies - District to provide supplies, Tenant to supply labor
2. Siding repairs/weatherproofing - District to provide supplies, Tenant to supply labor
3. Drywall repair and paint prep - District to provide supplies, Tenant to supply labor
4. Paint Interior - District to provide supplies, Tenant to supply labor
5. Flooring & trim - District to provide supplies, Tenant to supply labor
6. 2nd bathroom functional - District to provide supplies, Tenant to supply labor
7. Fence repair - District to provide supplies, Tenant to supply labor
8. Yard & Pasture cleanup - District to provide supplies, Tenant to supply labor

### **Phase 3 - Minimum Rental Value**

1. Kitchen update/oven/range/gas plumbing - District to provide supplies, Tenant to supply labor
2. Main bathroom update - District to provide supplies, Tenant to supply labor
3. Chimney inspection/cleaning - District to provide supplies, Tenant to supply labor
4. Siding repairs - District to provide supplies, Tenant to supply labor
5. Paint Exterior - District to provide supplies, Tenant to supply labor
6. Shop cleaning and wiring updates if needed - District to provide supplies, Tenant to supply labor
7. Shed restoration - District to provide supplies, Tenant to supply labor

**PROPOSED  
RESIDENTIAL  
LEASE AREA**



# McKinleyville Community Services District

## BOARD OF DIRECTORS

December 2, 2020

TYPE OF ITEM: **ACTION**

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**ITEM: D.4**                      **Consider Approval of Submittal of CSDA Call to Action Letter to California Department of Housing and Community Development on Surplus Land Act Draft Guidelines that Threaten Special Service District's Ability to Lease Land**

**PRESENTED BY:**              **Pat Kaspari, General Manager**

**TYPE OF ACTION:**           **Roll Call Vote – Consent Calendar**

**Recommendation:**

Staff recommends that the Board approve the submittal of the attached letter (Attachment 1) with comments regarding the draft guidelines of the Surplus Land Act.

**Discussion:**

On Friday, November 13, 2020, the California Department of Housing and Community Development (HCD) released Surplus Land Act (SLA) draft guidelines that threaten special districts' authority to lease land. Developed in response to AB 1486 (Ting, 2019), which made several changes to the requirements in the Surplus Land Act (SLA), the draft guidelines are intended to help local agencies subject to the law understand the new procedures for disposing of surplus land and compliance mechanisms adopted to enforce the law.

CSDA has sent out a Call to Action, encouraging all special districts who lease land or may otherwise be impacted by these guidelines to submit a comment letter by December 7, 2020.

Several issues of concern with these draft guidelines that pertain to special districts include:

- **The guidelines are silent to the special district “exemption”** – During the legislative process, CSDA secured an important exemption for special district lands into AB 1486, and this provision is errantly missing from the list of “exempt surplus land” types. While the guidelines detail an expansive list of exemptions on pages 11-13, the only exemption unnamed is 54221(f)(1)(J), which pertains to a special district's ability to classify land exempt from the SLA. The absence of this on the list of exemptions could confuse the public and needs to be added into the guidelines prior to its final form.

- **Notice of Exemption Determination** - HCD states local agencies must notify the state every time a district declares land to be exempt surplus land and provide written findings, which is not specified in statute and has no basis under the SLA.
- **Misstates Current Law to Include Leases in the Definition of Disposal** – Per the drafted guidelines, “disposition of surplus land” means the sale or lease of local agency-owned land formally declared surplus, despite the Legislature explicitly amending the term “lease” out of the definition within AB 1486 due to local government concerns. The new interpretation by HCD has no basis under current law.

MCSD has been instrumental with this issue in conjunction with CSDA in 2019 and this issue has the potential to be impacted with the current draft guidelines.

**Alternatives:**

Staff analysis consists of the following potential alternative

- Take No Action

**Fiscal Analysis:**

Not applicable

**Environmental Requirements:**

Not applicable

**Exhibits/Attachments:**

- Attachment 1 – HCD SLA Draft Guidelines Comments Draft Letter

December 3, 2020

Director Gustavo Velasquez  
 California Department of Housing and Community Development  
 2020 West El Camino Ave.  
 Sacramento, CA 95833  
 Submitted via email to: [publiclands@hcd.ca.gov](mailto:publiclands@hcd.ca.gov)

**RE: Surplus Land Act Draft Guidelines [As Issued November 13, 2020]**

Dear Director Velasquez:

The McKinleyville Community Services District (MCSD) submits this letter in response to the California Department of Housing and Community Development (HCD) request for public comment on draft guidelines for the Surplus Land Act (SLA). Our district is respectfully opposed to the draft guidelines unless they are amended to address serious concerns.

MCSD provides water, wastewater, parks & recreation, open space, streetlighting and library services to the 17,000 residents of McKinleyville, Humboldt County, Northern California. We are a small CSD with limited resources and are also a Disadvantage Community. Every one of our dollars is critical. We lease buildings and land to several entities to leverage our limited funding and enhance our community. One of our buildings is leased to the Humboldt County Sheriff's Department to help ensure that we have adequate law enforcement and emergency services for our community. We lease one of our buildings to Humboldt County Library to ensure that we have library services available in our community. We recycle our wastewater by using our treated wastewater to irrigation hay fields. We then lease the land to allow a farmer to raise and cut hay, and the District generates supplemental income via the lease to support the operation and maintenance of our wastewater services. All of these lease arrangements are critical to the cost-effective operation of the District and to help ensuring that water and sewer rates are kept to a minimum for all our customers, including our economically disadvantaged rate payers.

The draft guidelines were presumably promulgated to assist HCD with the implementation of AB 1486 (Ting), which mandates local agencies adhere to certain requirements when disposing surplus land. Specifically, McKinleyville CSD is opposed to the guidelines as currently drafted because:

1. **Section 102(i)** of the draft guidelines provides an inaccurate definition for "disposition of surplus land" that has no basis under the law. HCD fails to provide any support for the conclusion that "disposition of surplus land" includes sale or lease of local agency-owned land formally declared surplus:
  - a. Not a single statute referenced by the guidelines defines "dispose" or "disposition" nor addresses whether an agency leasing surplus land for non-housing purposes constitutes a disposition under the SLA.
  - b. The plain text of the SLA, Cal. Government Code §§ 54220 – 54234, does not define "dispose" or "disposition" to include leasing.
  - c. We can find no precedent or example of any California Appellate Court making the determination that a public agency leasing surplus land is a "disposition" of that surplus land.
  - d. The California Legislature excluded leasing from the definition of "dispose," by amending AB 1486 in the legislative process to specifically remove any use of the phrase "lease" or "leasing"

in conjunction with disposition of surplus land and removed any definition provided for “dispose.”

2. **Section 103(b)(3)** of the draft guidelines, covering surplus land exemptions, fails to include a specific classification for exempt surplus land found in the SLA pursuant to Government Code section 54221(f)(1)(J), which plainly states that real property that is used by a district for agency’s use expressly authorized in 54221(c) is exempt surplus land. This omission must be corrected by revising the HCD guidelines to include a discussion of the exempt surplus land classification permitted under section 54221(f)(1)(J).
3. **Section 400(e)** of the draft guidelines, requiring an agency to provide HCD with written findings and a “notice of exemption determination” at least 30 days prior to disposition of exempt surplus land, has no basis under the SLA.

Under the draft guidelines, attempting to lease land in support of an agency’s governmental function would trigger the requirements for the disposal of surplus land. The guidelines would also make it more difficult to protect an agency’s land for critical governmental use and planning purposes.

Our opposition is not a challenge to the demand for affordable housing, but rather a validation of the need for local flexibility when it comes to proper governmental land use management.

For these reasons, MCSD respectfully requests HCD amend the SLA Draft Guidelines to correct the aforementioned issues.

Sincerely,



Patrick Kaspari, PE  
General Manger  
McKinleyville Community Services District

CC: Alyssa Silhi, Legislative Representative, California Special Districts Association [advocacy@cda.net]



# McKinleyville Community Services District

## BOARD OF DIRECTORS

December 2, 2020

TYPE OF ITEM: **INFORMATIONAL**

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**ITEM: E.1**                      **Presentation of the Community Builder Award to Hooven & Co., Inc.**

**PRESENTED BY:**              **April Sousa, Board Secretary**

**TYPE OF ACTION:**          **Information Only**

**Recommendation:**

Staff recommends that the Board listen to staff’s presentation, air questions, take public comment and present the Community Builder Award for December 2020 to Hooven & Co., Inc.

**Discussion:**

The “Community Builder Award” is an award the District presents to local individuals, businesses, and organizations for their volunteer service, sponsorship, promotion of programs and events, outstanding service in the interest of the District, and for other contributions significant to McKinleyville’s quality of life.

District staff has identified Hooven & Co., Inc. as a worthy recipient of this award for their dedication to the community through donations and service. Hooven and Co., Inc. was established in 1977 and has been dedicated to making McKinleyville a better place. The Hoovens were born and raised here, attended school, and played sports in McKinleyville. They have dedicated their time with volunteering and fundraising for over 30 years and always bring a positive attitude.

They are one of the Districts resources when it comes to emergency responses and have gladly responded when in need.

**Alternatives:**

Not Applicable

**Fiscal Analysis:**

Not Applicable

**Environmental Requirements:**

Not Applicable

**Exhibits/Attachments:**

- Attachment 1 – Hooven & Co., Inc. Response to Interview Questions

## **“Community Building Award” Interview Questions**

1. How long have you (or your business or organization) been involved with the McKinleyville community?

*Hooven & Co was established in 1977, we have been involved in the community in one way or another since then.*

2. What drives you to serve in your community?

*To make our town the best we can. Community service gives us a sense of pride and accomplishment in the town we live and work in.*

3. What do you appreciate most about McKinleyville?

*McKinleyville is a “can do” community. Since we are not a city, we often rely on businesses, community groups, and MCSD to provide amenities and services the county will not provide. For example, the community built the library, started the senior center, built the law enforcement facility, Hiller Park, Pierson Park, and is currently working on a skate park and a BMX track, among numerous other things. There are a lot of great people here, long-time residents and new neighbors who are willing to work together to make our town a better place.*

4. In your opinion, what are the key ingredients for creating a vibrant, connected and engaged community? *People need to be involved in their community, participate in community organizations, attend events, work together, and support one another. The MCSD’s concert in the park series and the Chamber’s Pony Express days, are excellent examples of community events that promote a vibrant, connected, and engaged community.*

5. What do you see as the biggest challenge facing communities, or McKinleyville in particular, today?

*Covid right now, and when it passes we will face many challenges stemming from Covid like school and other public agency budget cuts, business closures, unemployment, and housing issues to name a few.*

6. What are the hopes you hold for the community of McKinleyville? Where do you see the most opportunity for community improvement? *The Pierson property provides a tremendous opportunity for the community to work with the Pierson family to see the town center evolve. It would be great to see it developed in a way that provides a nice mix of uses that we can all enjoy. Senior living, retail, open space, entertainment venues, trails, independent businesses, affordable and market rate housing could all be part of that mix.*

7. What are you most proud of in terms of your service to and within the community of McKinleyville? *Hiller Park stands out. We helped with the construction of the Sports Park, along with a group of great people. Many, many people pitched in and worked together to create a great facility for the community to enjoy.*

# McKinleyville Community Services District

## BOARD OF DIRECTORS

December 2, 2020

TYPE OF ITEM: **ACTION**

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**ITEM: E.2**                                  **Recognition of Leaving Board Members**

**PRESENTED BY:**                        **April Sousa, Board Secretary**

**TYPE OF ACTION:**                    **Roll Call Vote**

### **Recommendation:**

Staff recommends that the Board review the material provided, take public comment, award and recognize Directors Barsanti and Burke with Certificates of Recognition, and adopt Resolution 2020-25 Commending and Recognizing John Corbet for his years of dedicated service to the McKinleyville Community Services District.

### **Discussion:**

This year, the District will be saying goodbye to three (3) Board Members: Shel Barsanti, Mary Burke, and John Corbett.

Director Barsanti assumed office in March of 2019 after a vacancy was left by Director George Wheeler. She has sat on the Audit Committee, was liaison to the McKinleyville Senior Center Board and served on the McKinleyville Area Fund Committee.

Director Burke assumed office in March 2017. She served most recently as the Board President as well as primary to the McKinleyville Municipal Advisory Committee and alternate to the Redwood Region Economic Development Commission and McKinleyville Senior Center Board Liaison.

Director Corbett assumed office in August of 2002. He has served with dedication over the past 18 years and has recently been appointed to the Audit Committee, Employee Negotiations Committee, Environmental Matters Committee, Community Forest Committee and the Latent Powers Committee. Resolution 2020-25 (Attachment 3) further records the many accomplishments of Director Corbett's during his tenure as a director of the MCSD Board.

### **Alternatives:**

Staff analysis consists of the following potential alternative

- Take No Action

### **Fiscal Analysis:**

Not applicable

**Environmental Requirements:**

Not applicable

**Exhibits/Attachments:**

- Attachment 1 – Certificate of Recognition – Shel Barsanti
- Attachment 2 – Certificate of Recognition – Mary Burke
- Attachment 3 – Resolution 2020-25 Recognizing John Corbett for 18 years of service

McKINLEYVILLE COMMUNITY SERVICES DISTRICT  
**CERTIFICATE OF RECOGNITION**

*Shel Barzanti*

*In appreciation of your service to the McKinleyville Community Services District as  
a member of the Board from March 2019 - December 2020.*



McKINLEYVILLE COMMUNITY SERVICES DISTRICT  
**CERTIFICATE OF RECOGNITION**

*Mary Burke*

*In appreciation of your service to the McKinleyville Community Services District as  
a member of the Board from March 2017 - December 2020.*



**RESOLUTION 2020 – 25**

**A RESOLUTION OF COMMENDATION OF THE MCKINLEYVILLE COMMUNITY SERVICES DISTRICT  
RECOGNIZING THE EXCEPTIONAL COMMUNITY SERVICE PROVIDED BY DIRECTOR JOHN CORBETT**

**WHEREAS**, John Corbett was appointed to the Board on August 21, 2002, filling a vacancy left by Director Fluery; and

**WHEREAS**, Director Corbett subsequently ran for the open seat and was elected to a four year term in 2003; and

**WHEREAS**, Director Corbett has been re-elected or appointed to the Board from 2003-2020; and

**WHEREAS**, during his tenure on the Board, Director Corbett has served on numerous Boards and Commissions such as the California State Regional Water Quality Control Board and Liaison to, and chair of, the McKinleyville Municipal Advisory Committee; and

**WHEREAS**, Director Corbett’s dedication to environmental protection and stewardship was an important factor in his professional, personal, and public service life resulting in creating wide-reaching impact through writing legislation for constructed wetlands, working with the Yurok tribe to preserve the Blue Creek Watershed, and championing renewable energy projects for the McKinleyville Community Services District that resulted in the Solar Micro-Grid project for MCSD’s new Wastewater Management Facility; and

**WHEREAS**, Director Corbett’s expertise in legal, financial, water quality, environmental, and other Community Service District related matters has been invaluable in establishing McKinleyville CSD as an Exceptional Service District as recognized by the State; and

**WHEREAS**, Director Corbett’s practical, pragmatic approach to the operation and oversight of the District and his work with other agencies, Tribes, non-profits, community members, etc. have made him a respected voice looking out for and addressing the needs of the residents of McKinleyville, Humboldt County, and the State of California; and

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the McKinleyville Community Services District does hereby commend and recognize Director John Corbett for his years of excellence in governance and dedication to the community.

**ADOPTED, SIGNED AND APPROVED** at a duly called meeting of the Board of Directors of the McKinleyville Community Services District on December 2, 2020 by the following polled vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

\_\_\_\_\_  
Mary Burke, Board President

Attest:

\_\_\_\_\_  
April Sousa, CMC, Board Secretary





# McKinleyville Community Services District

## BOARD OF DIRECTORS

December 2, 2020

TYPE OF ITEM: **ACTION**

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**ITEM: E.3**   **Consideration of Burris Appeal**

**PRESENTED BY:**                               **Pat Kaspari, General Manager**

**TYPE OF ACTION:**                           **Roll Call Vote**

**Recommendation:**

Staff recommends that the Board review the appeal application from Hal and Carol Burris, consider testimony related to the appeal and consider the appeal.

**Discussion:**

In accordance with McKinleyville Community Services District Rules and Regulations, the procedure for appeals is as follows:

**REGULATION 65 - APPEALS**

Rule 65.01. APPEALS - the Board may, in specific cases, grant an appeal from any decision made by staff applying the standards incorporated into these Rules and Regulations whenever it finds:

- (a) that special circumstances exist in a particular case, and
- (b) that practical difficulties or unnecessary hardship would result from strict interpretation and enforcement of any standard, and
- (c) that the granting of such an appeal would not tend to defeat the purposes of these Rules & Regulations. The Board may place conditions upon the approval of an appeal.

Rule 65.02. APPEAL APPLICATION - any individual seeking an appeal shall complete an appeal application on the form provided by the District. A non-refundable fee of \$25.00 shall be paid by the applicant to the District for such application to be considered by the Board.

Mr. Burris claims that due to the location of the water meter box and others in the community driving and parking on said meter box, it has sunk roughly 4 inches below the ground level. He believes this caused stress on a section of the pressure reducing valve (PRV) on the customer side of the meter, causing a massive leak.

The water break was fixed immediately, but enough water went through the meter to cause a large bill of over \$2,000. Per MCSD Water Lead Adjustment Policy (**Attachment 1**) the maximum amount of any single adjustment by the General Manager shall not exceed \$750.00.

He is appealing the leak adjustment amount limit because he feels this was something that was out of his control as he did not choose the location of the meter box nor installed the meter box.

Unfortunately, Staff cannot recommend the appeal as the break is on the customer's side of the meter box, and the original house owner picked the location of the meter. The District also can not control neighbors running over the meter box or the location of the pipe on the customer's side of the meter box.

**Alternatives:**

Approve the appeal

**Fiscal Analysis:**

Not subject to the water leak adjustment limit, the total adjustment would have been \$988.79, as seen in the calculations in **Attachment 2**. This amount is \$238.79 over the current adjustment that the Burris' have already received.

**Environmental Requirements:**

Not applicable

**Exhibits/Attachments:**

- Attachment 1 – MCSD Water Lead Adjustment Policy
- Attachment 2 – Water Leak Adjustment Calculations
- Attachment 3 – Original Leak Adjustment Request and Appeal

**PHYSICAL ADDRESS:**

1656 SUTTER ROAD  
McKINLEYVILLE, CA 95519

**MAILING ADDRESS:**

P.O. BOX 2037  
McKINLEYVILLE, CA 95519



**MAIN OFFICE:**

PHONE: (707) 839-3251  
FAX: (707) 839-8456

**PARKS & RECREATION OFFICE:**

PHONE: (707) 839-9003  
FAX: (707) 839-5964

**MCKINLEYVILLE COMMUNITY SERVICES DISTRICT**

**WATER LEAK ADJUSTMENT POLICY**

In order to promote water conservation, The General Manager or designee is authorized to consider a potential adjustment to a customer's water and sewer bill for up to two months out of any 24-month period. The customer must prove that the excess usage occurred as a result of a water leak and that the leak has been repaired. Listed below are the conditions required to be eligible for an adjustment:

1. Customers may apply for a water leak adjustment by completing a Water Leak Adjustment Request Form available at the MCSD office, 1656 Sutter Road, McKinleyville.
2. Customers will provide receipts for parts or a copy of the plumber's bill if available. If no receipts are provided, the District may wait until the next scheduled meter read date to verify that the leak has been repaired.
3. The adjustment may be calculated as up to 50% of the difference between the actual water charge for the month of the leak and the average monthly charge based on a three month average from the prior year or the longest period of the customer's use, if less than 3 months.
4. The maximum amount of any single adjustment by the General Manager shall not exceed \$750.00.
5. The decision of the General Manager shall be final unless the Board Chairman finds there would be good cause for a Board hearing or appeal.

Page 2: Water Leak Adjustment Form

Revised May 2, 2018 by Board action

McKinleyville Community Services District  
1656 Sutter Road  
McKinleyville, Ca 95519  
(707) 839-3251

Water Leak Adjustment Request

Date: \_\_\_\_\_

Name: \_\_\_\_\_ Phone Number: \_\_\_\_\_

Service Address: \_\_\_\_\_

Explanation of leak repair: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Date repaired: \_\_\_\_\_

**If available, please provide receipts for parts or a copy of the plumber's bill. IF NO RECEIPTS ARE PROVIDED, THE DISTRICT MAY WAIT UNTIL THE NEXT SCHEDULED METER READ DATE TO VERIFY THAT THE LEAK HAS BEEN REPAIRED.**

**IF THIS ADJUSTMENT IS ACCEPTED, YOU WOULD NOT BE ELIGIBLE FOR ANOTHER ADJUSTMENT FOR 2 YEARS.**

Signature: \_\_\_\_\_

---

**FOR OFFICE USE ONLY**

Customer # \_\_\_\_\_

Rte/Svc \_\_\_\_\_

Customer Notified \_\_\_\_\_

Water Credit \$ \_\_\_\_\_

Listed In File \_\_\_\_\_

Sewer Credit \$ \_\_\_\_\_

Line 11 Noted \_\_\_\_\_

Total Credit \$ \_\_\_\_\_

Adjustment Done \_\_\_\_\_

Supervisor Approval \_\_\_\_\_

District Manager Approval \_\_\_\_\_

[REDACTED]  
 Leak Months: 10/2020  
 Date WLA Received: 10/22/2020  
 # of Units: 1

MONTH 1

Water Use in leak month 334 ccf  
 Average Water Use Prior 3 months/last year 4 ccf  
 Leak month sandwich!

		Month 0	334.0	
Total Water Charge	\$1,947.10	Month -1	8.00	
Total Water Charge Prior 3 months/last year	\$13.20	Month -2	3.00	
		- Month -3	1.00	
Excess Water Use Charges	\$1,933.90			
	x 50%			12.0 Total

<b>Water Leak Adjustment (not to exceed \$750.00)</b>	<b>\$966.95</b>	4 Average
---	-----------------	-----------

Sewer Charge \$32.76  
 Average Sewer Charge Prior 3 months/last year \$10.92

Sewer Leak Credit	\$21.84
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Available Credit NOT TO EXCEED \$750	\$750.00
--------------------------------------	----------

McKinleyville Community Services District  
1656 Sutter Road  
McKinleyville, Ca 95519  
(707) 839-3251

RECEIVED  
OCT 22 2020  
McK. C.S.D.

Water Leak Adjustment Request

Date: 10-22-2020

Name: Hal Burris Phone Number: [REDACTED]

Service Address: [REDACTED]

Explanation of leak repair: Meter Box was forced down on the meter. Meter has check valve and PRV attached to it so the stress point snapped the PVC fitting on customers side of PRV.

Date repaired: 10-9-2020

If available, please provide receipts for parts or a copy of the plumber's bill. IF NO RECEIPTS ARE PROVIDED, THE DISTRICT MAY WAIT UNTIL THE NEXT SCHEDULED METER READ DATE TO VERIFY THAT THE LEAK HAS BEEN REPAIRED.

IF THIS ADJUSTMENT IS ACCEPTED, YOU WOULD NOT BE ELIGIBLE FOR ANOTHER ADJUSTMENT FOR 2 YEARS.

Signature: Hal Burris

FOR OFFICE USE ONLY

Customer # [REDACTED]

Rte/Svc 009-0180

Customer Notified \_\_\_\_\_

Water Credit \$ 750.00

Listed In File \_\_\_\_\_

Sewer Credit \$ —

Line 11 Noted \_\_\_\_\_

Total Credit \$ 750.00

Adjustment Done \_\_\_\_\_

Supervisor Approval [Signature]

District Manager Approval [Signature]

*Meter not moving*  
*No leak code*  
*3337 510 9237*  
*Call 10/22/20*

RECEIVED

NOV 13 2020

McK. C.S.D.

APPEAL APPLICATION

MCKINLEYVILLE COMMUNITY SERVICES DISTRICT

1. NAME: Carol & Hal Burris

2. MAILING ADDRESS: [REDACTED]

3. TELEPHONE ADDRESS: [REDACTED] 4. Account # [REDACTED]

5. DESCRIBE DECISION BEING APPEALED: A one time adjustment of only \$750 on a \$2,000 bill.

6. EXPLAIN UNIQUE NATURE OF SITUATION: This was not a leak it was a break caused by traffic drivers/parking on the meter box. The meter box is now roughly 4 inches below ground level

7. EXPLAIN HARDSHIP IF STAFF DECISION ENFORCED: We will be penalized for something that was out of our control. We did not choose the location of the meter box nor did we install the meter box.

8. EXPLAIN HOW APPROVAL WOULD NOT DEFEAT PURPOSE OF STANDARD This is not a case of a water hose left on, or a worn out seat on a faucet that was allowed to run over a prolonged period. It was a break that was fixed right away.

Signed: Hal Burris Date: 11-13-2020

Receipt #: 32184 Date: 11/13/2020

NOTE: \$25 FILING FEE IS NON-REFUNDABLE

"Appeal"/MOUSE







Funds will be shifted from some reserves and either placed in working capital or in other reserve funds.

**Environmental Requirements:**

Not applicable

**Exhibits/Attachments:**

- Attachment 1 – Draft Updated Reserve Policy 2020

**McKinleyville Community Services District Reserves Policy**

A key element of prudent financial planning is to ensure that sufficient funding is available for current operating, capital, and debt service needs. Additionally, fiscal responsibility requires anticipating the likelihood of, and preparing for, unforeseen events. McKinleyville Community Services District (District) will, at all times, strive to have sufficient funding available to meet its operating, capital, and debt service obligations. This policy is to develop and ensure the appropriate and necessary funds are accumulated and maintained in a manner consistent with the District's guiding financial policies and Capital Improvement Plan. Furthermore, the Reserves policy will aid in the prevention of significant rate fluctuations due to unforeseen changes in cash flow requirements.

**Utility Rate and Capacity Fee Reviews**

The primary requirement for maintaining adequate District reserves is a regular review of the District's utility rates and capacity fee structures. Accordingly, through this policy, the District requires that regular utility rate and capacity fee analyses be completed every five (5) years as allowed by California state law.

**Categories of Reserves**

Reserves can be categorized in various ways, including by the level of legal restrictions on use, and by how the reserves are held. Currently, District Reserves that are legally restricted for a particular use will be labeled Restricted. These reserves may not be used for any purpose other than that for which they are legally restricted.

Reserves that are designated by the Board for a purpose, but not legally restricted, will be labeled Designated. These reserves may be shifted or re-designated for any lawful purpose at the discretion of the District's elected Board of Directors.

Reserves that need to be readily available to meet the District's operating cash-flow needs can be held in a money-market account associated with the District's operating checking account. These will be labeled Working Capital reserves. Invested reserves may be held in medium or long-term investment accounts according to the District's Investment policy.

**The Working Capital Reserves**

The balances in the District's Money Market account should never be less than the liabilities shown for the Reserves included in this category. Sufficient funds to cover Compensated Absences, Customer Deposits, the Operating Reserve, and one year of PayGo Capital projects should be maintained.

**Compensated Absences Reserve**

This Reserve is included in the Working Capital balance, as it is used to pay for vacation and sick leave during each fiscal year, as required. The total retained in this Reserve will equal the totals of the compensated absences liability accounts by fund, which are calculated annually as part of the year-end process.

**Customer Deposits Fund**

This Reserve is included in the Working Capital balance and used to refund Customer Deposits on a regular monthly cycle per the District's policy. Customer Deposit refunds payable are verified every

month, so the Payables balance is always current. Enough cash should be held to not only cover the monthly Customer Deposit refunds, but also the entire Customer Deposit Balance. This total does not vary greatly and is shown as a total on the Utility Accounts Receivable Aging report that includes all customers with a zero balance.

#### PayGo Capital Projects

This Reserve exists to allow the District to attend to smaller Capital Projects (less than \$500,000) as approved during the Budget process without incurring additional debt. The Board has recommended a \$1,000,000 cumulative limit across all Funds (Water, Wastewater, and Parks) to be held in Working Capital. The purpose of this limitation is to encourage prudent, staggered timing of Capital Projects so that a healthy balance is maintained in the District's Working Capital. Larger projects should be bundled together and financed in such a way as to maintain the District's required Debt Parity Ratio.

#### Operating Reserve

The Operating Reserve is intended to act as a short-term line of credit for the District, covering unanticipated timing gaps between expenditures and revenues, or unanticipated necessary expenditures. As a current and short-term reserve, it will be held in the money market account with the other working capital reserves.

The Operating reserve will be calculated at thirty (30) days of total District expenditures, based on the currently approved budget. If any major Board-approved capital project temporarily requires additional working capital to bridge between the cash expenditure and the receipt of grant or loan funds, the General Manager and Finance Director may draw from the Repair and Replacement reserve to supplement the Operating reserve for the duration of the project.

#### Invested Reserves

Invested Reserves are not for immediate or ongoing expenses in the current Fiscal Year. These reserves are to be held in a Board-approved investment fund (such as the Local Agency Investment Fund (LAIF), CalTRUST, or the County of Humboldt), in accordance with the Board's Investment policy.

#### Capacity Fees

Capacity Fees are a legally restricted reserve to be used to fund the expansion of the District's capacity to provide water and wastewater services to rate payers. The collection of Capacity Fees must be reviewed at minimum every 5 years with a Capacity Fee Study to ensure that changes in the District's capacity needs are accounted for in the way capacity fees are collected and used. Any unused balance of the Capacity Reserve can be held in Invested Reserves.

The draw from this Reserve will be calculated annually according to the percentage capacity increase from completed capital projects. The amount to be drawn from the Capacity Fees reserve into the District's working capital is comprised of the total capacity increase percentage from all completed capital projects in a year. For example, the WWMF upgrade that was completed in 2018 increased overall District sewage processing capacity by 30%. 30% of the overall project cost was therefore related to increasing District capacity, so 30% of the overall project cost would be drawn into working capital from the Capacity Reserves.

The capacity increase percentage of each capital project completed in a given fiscal year would be added together to create the total capacity increase for the year. Capacity fees equal to that total would be drawn into the District's working capital funds. If the balance in the Capacity Fees Reserve is less than

the total capacity increase, the entire balance could be moved into Working Capital. Capacity Fees collected in future years would be drawn into working capital until the entire total of capital project costs related to increased capacity is fully funded. Annual tracking and reconciliation of the multiple capital projects comprising this total is a necessary part of the District's year-end closing process.

#### Repair and Replacement Reserve

This Reserve serves to accumulate and track funds for long-term capital projects that cost more than the Pay-Go limit and have no other designated funding source such as a grant or a dedicated rate stream. Examples would include projects like water tank re-coating, or biosolids removal from the wastewater treatment plant. Capital projects like mainline replacement have their own dedicated portion of utility rates and would not need to draw on this reserve. Grant and loan-funded capital projects would also not draw on this reserve, unless the grant had a match requirement that exceeded the District's Pay-Go limitations for a given fiscal year.

Using the Repair & Replacement Reserve as a sinking fund to set aside money for these projects will allow the District to repair or replace various pieces of infrastructure at the end of useful life without causing major disruptions in the District's operating cash flow. Funds should be held with Invested Reserves and may be drawn into working capital as the capital projects are completed and paid for.

The list of projects and the funding contribution required per fiscal year would be revised and reviewed annually as part of the Capital project budgeting process. As these projects might change over time, regular rate studies are necessary to ensure sufficient funds are available to complete the projects as they come due.

#### Catastrophe Reserve

This Reserve consists of funds that may be drawn to pay for operations during a catastrophic event, and to begin repair of the water and wastewater systems, and other District assets after such an event. Examples of catastrophic events include, but are not limited to, a severe earthquake, drought, storm, or fire. Unanticipated catastrophic spikes in expenditures or drops in revenue from any unforeseeable event would also be included in this category. Funds should be held in Invested Reserves and may be drawn from this account into working capital while long-term financing is being arranged or insurance claims are being processed.

The Catastrophe reserve is based on operating expenditures and a District risk assessment. There are a wide range of available tools for risk analysis from a high-cost professional analysis done by an external contractor to the risk ranking system available from the Government Finance Officers' Association (GFOA). The risk assessment tool utilized will depend on the District's available resources, but as with capacity fee and rate studies, maintenance of an adequate Catastrophe reserve depends on regular risk assessments. Accordingly, through this policy, the District requires a regular risk assessment and expenditure analysis be completed every five (5) years.

#### Other Reserves

There are other reserves that fall outside the above listed categories, including loan and bond reserves, and reserves for accumulating unfunded pension liabilities and other post-employment benefits (OPEB). Where the law or a lender requires loan reserves to be held in a zero-interest account, they may be held in County Trust Fund 9390, which earns no interest. Reserves for the 1982 USDA Sewer Bonds are held at U.S. Bank with the bond service funds, but in a separate account. Reserves for any future bond issues should be held in a similar way.

Reserves for unfunded pension and OPEB liabilities should be held in a Section 115 Trust. The District's pension is managed by CalPERS, which has a Section 115 Trust for additional contributions towards the unfunded accrued pension liability. Contributions towards the District's OPEB liability are not eligible for any of the CalPERS trusts, as our health insurance is not run by CalPERS for reasons of cost effectiveness. A separate Section 115 Trust is necessary to hold contributions towards the unfunded accrued OPEB liability and will be invested according to the District's Investment policy. Unfunded accrued liabilities are recalculated annually on an actuarial basis and amortized for the current year's portion.

### **Prioritization of Reserves**

Legally restricted reserves will be prioritized first for funding in any given fiscal year. Customer Deposits and Compensated Absences reserves would be funded first, as those are a necessary part of operational cash flow. Any new Loan or Bond reserves will be funded and placed in appropriate accounts according to whether they are allowed to accumulate interest or not. Capacity Fees and any reserve with a legally dedicated rate-funding stream, such as the Mainline Replacement Project reserve, will be sequestered into the appropriate investment reserve account.

The actuarially calculated current year's portion of the Unfunded Accrued Pension and OPEB liabilities for the Enterprise Funds (Water and Wastewater) will be funded next by deposits to the appropriate Section 115 Trust. Contributions from the Governmental Funds (Streetlights, Parks & Recreation) will depend more on budget surpluses, as those Funds are only partially funded on a cost of services basis. The tax apportionment that forms the bulk of the Parks & Recreation budget is calculated by the County of Humboldt based on current property tax valuation rather than cost of services. Available surplus from the Governmental Funds will be applied towards funding the pension and OPEB reserves before Operating, Repair & Replacement, or Catastrophe reserves are funded from this source.

The next reserve funded would be the PayGo Capital Projects and Operating reserves, which are held in the working capital account and are needed for operational cash flow. The remaining two reserves funded would be the Repair & Replacement reserve, followed by the Catastrophe reserve. While the last-listed reserves will always be at greatest risk of reduced funding during any budget shortfall, the prioritization is designed to reduce risk produced by a lack of appropriate reserve to the District as a whole.

# McKinleyville Community Services District

## BOARD OF DIRECTORS

December 2, 2020

TYPE OF ITEM: **ACTION**

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**ITEM: E.5**                      **Election Results and Set Special Meeting to Administer the Oath of Office to New Board Members**

**PRESENTED BY:**              **April Sousa, Board Secretary**

**TYPE OF ACTION:**            **Roll Call Vote**

### **Recommendation:**

Staff recommends that the Board listen to the presentation, ask questions, take public comment, and set a date for a special meeting to swear in the new Board members.

### **Discussion:**

The results for the election will be sent to the Board Secretary on November 30, 2020 by the Elections Office, which will be after the date of the Board Packet publication. At the meeting, Board Secretary Sousa will give a verbal presentation of the election results. The outgoing Board Director's terms end on the first Friday of December.

In order to administer the Oath of Office and conduct other regulatory business, such as review committee assignments and the Board President rotation, a special meeting needs to be held. Staff suggests December 9, 2020 at 5:30 p.m.

### **Alternatives:**

Staff analysis consists of the following potential alternative

- Take No Action

### **Fiscal Analysis:**

Not applicable

### **Environmental Requirements:**

Not applicable

### **Exhibits/Attachments:**

Not applicable





# McKinleyville Community Services District

## BOARD OF DIRECTORS

December 2, 2020

TYPE OF ITEM: **ACTION**

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**ITEM: E.6**                      **Consider Approval of Ordinance 2021-01 Amending Regulation 21-Connection Charges to Address Accessory Dwelling Units (ADU) Connection Fees – First Reading**

**PRESENTED BY:**              **Patrick Kaspari, General Manager**

**TYPE OF ACTION:**          **Roll Call Vote**

### **Recommendation:**

Staff recommends that the Board review information provided, discuss, take Public Comment and approve the First Reading of the Ordinance 2021-01 (**Attachment 2**), by title only.

### **Discussion:**

In 2017, the State of California enacted Government Code Section § 65852.2(e) and (f) in order to encourage the development of Accessory Dwelling Units (ADUs) (also commonly known as Mother-in-law Units) to facilitate affordable housing development throughout the state. Part of the State Code made it more streamlined for agency approval and dictated when and if government agencies, including water and sewer agencies, could charge fees for the connections of ADUs.

In May through June 2020, the Humboldt County Planning Commission held a series of five public hears on draft County ordinances and General Plan amendments to re-establish local standards in conformance with the new State Code. At the September 1, 2020 Board of Supervisor’s meeting, the Board of Supervisor’s adopted Ordinance No. 2650, which amends various General Plan and County Ordinances on ADU developments to conform to the new State regulations.

The District needs to update our Rules & Regulations, specifically Regulation 21-Connection Charges, to conform to County and State regulations with regards to ADU developments. Rule 21.03-Accessory Dwelling Unit/Secondary Dwelling Unit Connection Charge was written and reviewed by Legal Counsel (**Attachment 1**). This is the first reading of the Ordinance. The main provisions of the Rule are to:

- Define what constitutes an ADU
- Detail when connection fees and other fees can be charged for an ADU development.

**Alternatives:**

Staff analysis consists of the following potential alternative

- Take No Action

**Fiscal Analysis:**

A detailed fiscal analysis has not been prepared, but it is expected to have minimal impact to District finances. The new connection and capacity fees for ADUs will reduce when connection fees can be collected by the District for ADU developments. However, ADU developments are currently minimal within the District, and the District can still charge for new ADUs constructed with primary dwellings and when separate water or sewer connections are installed to service the ADU.

**Environmental Requirements:**

Not applicable

**Exhibits/Attachments:**

- Attachment 1 – Revisions of Rule 21 in Track Changes
- Attachment 2 – Ordinance 2021-01, An Ordinance of the McKinleyville Community Services District Amending Regulation 21-Connection Charges of the MCSD Rules and Regulations

## REGULATION 21 - CONNECTION CHARGES

**Rule 21.01. GENERAL.** It is hereby found and determined that it is necessary to reimburse the District for money advanced and to establish conditions of equality as to properties, either not assessed or by later occurring facts, deemed to have been under-assessed, during special assessment proceedings conducted by the District for the purpose of constructing sewer mains and facilities to serve properties within the assessment district created therefore when such non-assessed properties are permitted to connect to such sewer mains and facilities.

"Non-assessed properties" include, but are not limited to, portions of larger parcels which, at the time of assessment levy, were expected to continue in residential use by a single family but which are thereafter divided or segregated for separate residential use, either alone or in combination with other property, and may include properties which at the time of assessment levy, were owned by a government entity but which thereafter become privately owned. "Non-assessed properties" also include acreage whose later parceling or subdivision results in a larger number of direct connections to the system than was originally anticipated at the time of assessment, or may also be the result of any "more intensive" use than was contemplated by the original assessment levy.

**Rule 21.02. CONNECTION CHARGE.** The connection charge provided by this Ordinance shall be computed by the Manager based upon "what the share of the cost of said sewer main and facilities of the connecting property would have been had it been assessed in said proceedings, using the same formula as used in the assessment district for determining the assessment." The basis of the original assessment levy is as follows:

- (a) General area charge (all land within 600 feet of sewer main) = \$180.00 per acre.
- (b) Local area charge (all land within 200 feet of a sewer main = \$540.00 per acre,
- (c) Unit Charge
  - i. Lateral Charge - 4 inch = \$1,200.00  
Lateral Charge - 6 inch = \$1,425.00
  - ii. (Local Sewer Availability) Capital Cost/Connection - 4 inch = \$472.00  
(Local Sewer Availability) Capital Cost/Connection - 6 inch = \$692.00
- (d) Sewer Capacity Fee – A Sewer Capacity fee shall be collected from each applicant requesting a new water service in addition to any processing fees and/or installation charges. The capacity fee is \$6,970 per Equivalent Residential Unit (ERU) plus \$472 for a total fee of \$7,442. Please note, an additional \$472 related to joint costs (capital cost per connection) is applied only once, not per ERU. Each July 1<sup>st</sup>, each rate set forth in this subdivision (d) shall be adjusted by the percentage change in the Construction Cost Index for the San Francisco Bay Area as published in the Engineering News Record between July 2017 and the then most recently published Construction Cost Index.
- (e) Development intensity charge - per excess living unit with allowance of one living unit per one-half (1/2) acre of land = \$225.00 per unit.
- (f) Example of application of above described charges- For a one-half (1/2) acre parcel of normal shape that falls entirely within the local and general area with a single dwelling unit constructed thereon, cost would be:

General area charge - \$180.00 x .5 acre =	\$90.00
\$540.00 x .5 acre =	\$270.00
4 inch lateral =	\$1,200.00
(Sewer availability) Capital Cost/Connection=	\$472.00
Capacity charge =	\$6,970.00
Subtotal =	\$9,002.00

~~(g) The connection charge for the addition of a secondary dwelling as defined by Humboldt County Ordinance No. 1633, Chapter 6.1 shall be the same as the local Capital Cost per Connection (sewer availability) charge for four inch laterals as specified in subsection (c)2. above. If an additional lateral is required, the full charge rate shall apply.~~

~~(h)(g)~~ Buy in capacity charge - For all lands added to the sewer service area the Manager shall collect the additional charges set forth in the respective Resolution amending the sewer service area in addition to the other charges described above.

~~(i)(h)~~ Connection charges do not include paving over trenches as required by Humboldt County Public Works Department. Paving costs are the responsibility of the developer.

Rule 21.032. ACCESSORY DWELING UNIT/SECONDARY DWELLING UNIT CONNECTION CHARGE.

(a) For the purposes of this Rule, and in conformance with California Government Code Section 69582.265852.2 and Humboldt County Ordinance Title III, Division I, Chapters 3 and 4, an Accessory Dwelling Unit (ADU) shall be defined as follows: For a unit detached from the Primary Dwelling Unit, an ADU is a detached unit with a total floor area of 1,200 square feet or less. -For a unit attached from the Primary Dwelling Unit, an ADU is a unit with a total floor area that does not exceed 50 percent of the floor area of the Primary Dwelling Unit. Any detached Secondary Dwelling constructed in excess of 1,200 square feet or attached Secondary Dwelling Unit over 50 percent of the floor area of the Primary Dwelling Unit shall be charged connection fees as detailed in Rule 21.02.

(b) An ADU constructed within an existing primary dwelling unit or existing structure shall not be charged any connection fees or charges per Humboldt County Code Section 69.05.4.1.3 unless the ADU was constructed with the Primary Dwelling or unless the connection is requested by the owner or developer and installed.- If the ADU is constructed with and within a new Primary Dwelling, or the owner or developer requests a connection not otherwise required, the fixture count within the ADU and the Primary Dwelling shall be used to establish the ERU and fees for the structure as detailed in Rule 21.02.

(c) The District may require a newly constructed ADU, not contained within the existing space of the primary residence, to install new water and sewer connections.- If new connections are required and installed, or are requested by the owner or developer and installed, the connection charges shall correspond to those established in Rule 21.02. If a new, separate ADU is constructed and utilizes the existing water and

sewer connection of the primary residence as approved by the District, no new connection fees or charges will be required by the District.

**Rule 21.03-04 DEVELOPMENT CREDIT** - for subdivisions or main extensions wherein the owner constructs all of the local sewers at their own cost for connection to the District's system, a credit for such construction cost to be subtracted from the general connection charge may be made for all except the following:

- (a) The Capital Cost per Connection charge of \$472.00 per unit.
- (b) The intense land development charge of \$225.00 per excess unit.
- (c) The capacity charge.

**ORDINANCE NO. 2021-01**

**AN ORDINANCE OF THE MCKINLEYVILLE COMMUNITY SERVICES DISTRICT AMENDING REGULATION 21, CONNECTION CHARGES, OF THE MCSD RULES AND REGULATIONS**

**WHEREAS**, recent state legislation has provided for changes regarding connection charges of Accessory Dwelling Units (ADU); and

**WHEREAS**, Humboldt County has recently clarified the definition of an ADU with its Ordinance No. 2652; and

**WHEREAS**, the McKinleyville Community Services District is in need of clarifying its rules and regulations relating to ADU's and Connection Charges.

**NOW, THEREFORE**, the Board of Directors of the McKinleyville Community Services District ordains as follows:

Regulation 21, Connection Charges, of the District's adopted Rules and Regulations are amended to read as follows:

**REGULATION 21 - CONNECTION CHARGES**

**Rule 21.01. GENERAL.** It is hereby found and determined that it is necessary to reimburse the District for money advanced and to establish conditions of equality as to properties, either not assessed or by later occurring facts, deemed to have been under-assessed, during special assessment proceedings conducted by the District for the purpose of constructing sewer mains and facilities to serve properties within the assessment district created therefore when such non-assessed properties are permitted to connect to such sewer mains and facilities.

"Non-assessed properties" include, but are not limited to, portions of larger parcels which, at the time of assessment levy, were expected to continue in residential use by a single family but which are thereafter divided or segregated for separate residential use, either alone or in combination with other property, and may include properties which at the time of assessment levy, were owned by a government entity but which thereafter become privately owned. "Non-assessed properties" also include acreage whose later parceling or subdivision results in a larger number of direct connections to the system than was originally anticipated at the time of assessment, or may also be the result of any "more intensive" use than was contemplated by the original assessment levy.

**Rule 21.02. CONNECTION CHARGE.** The connection charge provided by this Ordinance shall be computed by the Manager based upon "what the share of the cost of said sewer main and facilities of the connecting property would have been had it been assessed in said proceedings, using the same formula as used in the assessment district for determining the assessment." The basis of the original assessment levy is as follows:

- (a) General area charge (all land within 600 feet of sewer main) = \$180.00 per acre.
- (b) Local area charge (all land within 200 feet of a sewer main) = \$540.00 per acre,
- (c) Unit Charge
  - i. Lateral Charge - 4 inch = \$1,200.00
  - Lateral Charge - 6 inch = \$1,425.00
  - ii. (Local Sewer Availability) Capital Cost/Connection - 4 inch = \$472.00

- (Local Sewer Availability) Capital Cost/Connection - 6 inch = \$692.00
- (d) Sewer Capacity Fee – A Sewer Capacity fee shall be collected from each applicant requesting a new water service in addition to any processing fees and/or installation charges. The capacity fee is \$6,970 per Equivalent Residential Unit (ERU) plus \$472 for a total fee of \$7,442. Please note, an additional \$472 related to joint costs (capital cost per connection) is applied only once, not per ERU. Each July 1<sup>st</sup>, each rate set forth in this subdivision (d) shall be adjusted by the percentage change in the Construction Cost Index for the San Francisco Bay Area as published in the Engineering News Record between July 2017 and the then most recently published Construction Cost Index.
- (e) Development intensity charge - per excess living unit with allowance of one living unit per one-half (1/2) acre of land = \$225.00 per unit.
- (f) Example of application of above described charges- For a one-half (1/2) acre parcel of normal shape that falls entirely within the local and general area with a single dwelling unit constructed thereon, cost would be:
- |   |                   |
|---|-------------------|
| General area charge - \$180.00 x .5 acre =    | \$90.00           |
| \$540.00 x .5 acre =                          | \$270.00          |
| 4-inch lateral =                              | \$1,200.00        |
| (Sewer availability) Capital Cost/Connection= | \$472.00          |
| Capacity charge =                             | <u>\$6,970.00</u> |
| Subtotal =                                    | \$9,002.00        |
- (g) Buy in capacity charge - For all lands added to the sewer service area the Manager shall collect the additional charges set forth in the respective Resolution amending the sewer service area in addition to the other charges described above.
- (h) Connection charges do not include paving over trenches as required by Humboldt County Public Works Department. Paving costs are the responsibility of the developer.

**Rule 21.03. ACCESSORY DWELING UNIT/SECONDARY DWELLING UNIT CONNECTION CHARGE.**

- (a) For the purposes of this Rule, and in conformance with California Government Code Section 65852.2 and Humboldt County Ordinance Title III, Division I, Chapters 3 and 4, an Accessory Dwelling Unit (ADU) shall be defined as follows: For a unit detached from the Primary Dwelling Unit, an ADU is a detached unit with a total floor area of 1,200 square feet or less. For a unit attached from the Primary Dwelling Unit, an ADU is a unit with a total floor area that does not exceed 50 percent of the floor area of the Primary Dwelling Unit. Any detached Secondary Dwelling in excess of 1,200 square feet or attached Secondary Dwelling Unit over 50 percent of the floor area of the Primary Dwelling Unit shall be charged connection fees as detailed in Rule 21.02.
- (b) An ADU constructed within an existing primary dwelling unit or existing structure shall not be charged any connection fees or charges per Humboldt County Code Section 69.05.4.1.3 unless the ADU was constructed with the Primary Dwelling or unless the connection is requested by the owner or developer and installed. If the ADU is constructed with a new Primary Dwelling, or the owner or developer requests a connection not otherwise required, the fixture count within the ADU and the Primary Dwelling shall be used to establish the ERU and fees for the structure as detailed in Rule 21.02.
- (c) The District may require a newly constructed ADU, not contained within the existing space of the primary residence, to install new water and sewer connections. If new connections are required and installed or are requested by the owner or developer and installed, the connection charges shall correspond to those established in Rule 21.02. If

a new, separate ADU is constructed and utilizes the existing water and sewer connection of the primary residence as approved by the District, no new connection fees or charges will be required by the District.

**Rule 21.04. DEVELOPMENT CREDIT** - for subdivisions or main extensions wherein the owner constructs all of the local sewers at their own cost for connection to the District's system, a credit for such construction cost to be subtracted from the general connection charge may be made for all except the following:

- (a) The Capital Cost per Connection charge of \$472.00 per unit.
- (b) The intense land development charge of \$225.00 per excess unit.
- (c) The capacity charges.

This Ordinance shall take effect and be in full force and effect thirty (30) days after its passage.

Introduced at a regular meeting of the Board of Directors held on \_\_\_\_\_, 2020 and passed and adopted by the Board of Directors on \_\_\_\_\_, 2021, upon the motion of Director \_\_\_\_\_ and seconded by Director \_\_\_\_\_ and by the following polled vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

\_\_\_\_\_  
Board President

Attest:

\_\_\_\_\_  
April Sousa, CMC, Board Secretary



# McKinleyville Community Services District

## BOARD OF DIRECTORS

December 2, 2020

TYPE OF ITEM: **ACTION**

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**ITEM: E.7**                      **Consider Approval of Ordinance 2021-02 Amending Regulation 40, Parks and Recreation Committee of the MCSD Rules and Regulations**

**PRESENTED BY:**              **Lesley Frisbee, Recreation Director**

**TYPE OF ACTION:**          **Roll Call Vote**

### **Recommendation:**

Staff recommends that the Board review information provided, discuss, take Public comment, and approve the First Reading of the Ordinance 2021-02, by title only.

### **Discussion:**

In November, the Board approved renaming the former Recreation Advisory Committee to the Park and Recreation Committee. The committee determined that it would also be prudent to revise the committee description to ensure that the committee's scope and duties pertaining to its function as an advisory committee to the MCSD Board of Directors, included all things within the Parks & Recreation Dept.'s purview—parks, recreation, open spaces and natural resource management.

The District needs to update our Rules & Regulations, specifically Regulation 40-Parks and Recreation Committee, with a revision of the Parks and Recreation Committee description that clearly defines the committee's scope of duties to include parks, recreation, open spaces and natural resource management. The language changes to Rule 40 can be reviewed in **Attachment 1**, shown in track changes from the original wording.

Ordinance 2021-02 can be reviewed in **Attachment 2**. This is the first reading of the Ordinance.

### **Alternatives:**

Staff analysis consists of the following potential alternative

- Take No Action

### **Fiscal Analysis:**

No fiscal impact

### **Environmental Requirements:**

Not applicable

**Exhibits/Attachments:**

- Attachment 1 – Revision of Rule 40 in Track Changes
- Attachment 2 – Ordinance 2021-02, An Ordinance of the McKinleyville Community Services District Amending Regulation 40-Parks and Recreation Committee

## ARTICLE IV - PARKS AND RECREATION

### REGULATION 40 - PARKS AND RECREATION COMMITTEE

**Rule 40.01. MEMBERSHIP** - the McKinleyville Community Services District Parks and Recreation Committee shall consist of eleven (11) members and two (2) alternate members who shall serve without compensation selected as follows:

Deleted: -  
Deleted: RECREATION AND PARKS ADVISORY COMMITTEE...  
Deleted: Recreation and Parks Advisory

- (a) One (1) non-voting member shall be a member of the District Board.
- (b) The remaining ten (10) members will be regular voting members. Of the ten (10) regular voting members, one (1) will be a member of the McKinleyville Area Fund Board of Directors nominated by the McKinleyville Area Fund Board of Directors.
- (c) When possible two (2) of the ten (10) regular voting members shall be High School students, nominated by the McKinleyville High School Principal.
- (d) The two (2) alternate members will not become voting members unless a regular voting member is absent. In the event that both alternates are present when only one regular member is absent, the alternates will decide upon which of the two (2) will fill the absent chair by a mutually agreed upon method. In the event the alternates cannot determine a method of decision, the committee chair will choose an appropriate decision making method.
- (e) All members of the Parks and Recreation Committee will represent to the extent possible various recreational and outdoor interests of the community including but not limited to business, environmental, equestrian, sports, seniors, trails and youth. Recommendations for appointment may be made by the then current members of the committee.
- (f) Any citizen, residing in the service area of the McKinleyville Community Services District may apply to the District Board for appointment to fill vacant seats on the Parks and Recreation Committee.

Deleted: Recreation Advisory  
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**Rule 40.02. APPOINTMENT** - the committee members shall be appointed as follows:

- (a) The Board of Directors shall announce each vacancy and shall state they are seeking applicants, setting forth the qualifications, if any required.
- (b) The Board of Directors shall interview each applicant, after which a majority of the Board of Directors, may select the most qualified to fill the vacancy.

**Rule 40.03. MEMBER QUALIFICATIONS** - all members, other than the high school member, shall be resident electors of the McKinleyville Community Services District; the student members shall be a resident of McKinleyville. No members of the Parks and Recreation Committee shall be a family member or related to a full-time MCSD employee.

Deleted: Recreation Advisory

**Rule 40.04. TERMS OF OFFICE** -the committee members shall serve terms as follows:

- (a) Appointment of District Board Members shall be for a term of one (1) year. Such member shall be a non-voting member.
- (b) Appointment of the McKinleyville Area Fund member, and non-student community members shall be for a term of four (4) years. The term for student members shall be up to 4 years, limited by their High School graduation date.
- (c) Terms of the other non-Board of Director committee members shall be staggered so that no more than two (2) terms shall expire in any given year.
- (d) The annual expiration date of appointment shall be January 31st.

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**Rule 40.05. REMOVAL** - members of the Committee may be removed by a majority vote of the District Board of Directors.

**Rule 40.06. ABSENCES** - if any member of the Committee is absent without prior notification to the Recreation Director for three (3) regular consecutive meetings, the Recreation Director shall certify that fact to the Board of Directors and the Board of Directors shall thereafter declare the position on the Committee to be vacant and proceed to fill the position by appointment.

**Rule 40.07. ELECTION OF OFFICERS** - the Committee shall, as soon as is practical, after the time of the annual appointment of a member or members to such Committee, elect its' officers. No member shall hold the same office for more than two (2) consecutive years.

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**Rule 40.08. OFFICERS** - the Committee shall elect a Chairperson and Vice-Chairperson from among its members.

**Rule 40.09. MEETINGS** - the Committee shall hold regularly scheduled meetings in the Board of Directors Chambers of the District Office, or at such other place within the District as may be designated by the Committee, and may hold such additional meetings as it may deem necessary or expedient. All meetings must be noticed in compliance with state and federal laws.

**Rule 40.10. TIME/LOCATION OF MEETINGS** - the time of the regular meetings shall be as established from time to time by the committee members.

**Rule 40.11. QUORUM** - a majority of the Committee shall constitute a quorum for the purpose of transacting business of the Committee.

**Rule 40.12. RECORDS** - written records of all the proceedings, findings, determinations and transactions of the Committee shall be kept, which record shall be a public record and a copy of which record shall be filed with the District Secretary.

**Rule 40.13. POWERS AND DUTIES** - the Parks and Recreation Committee shall have the following powers and duties:

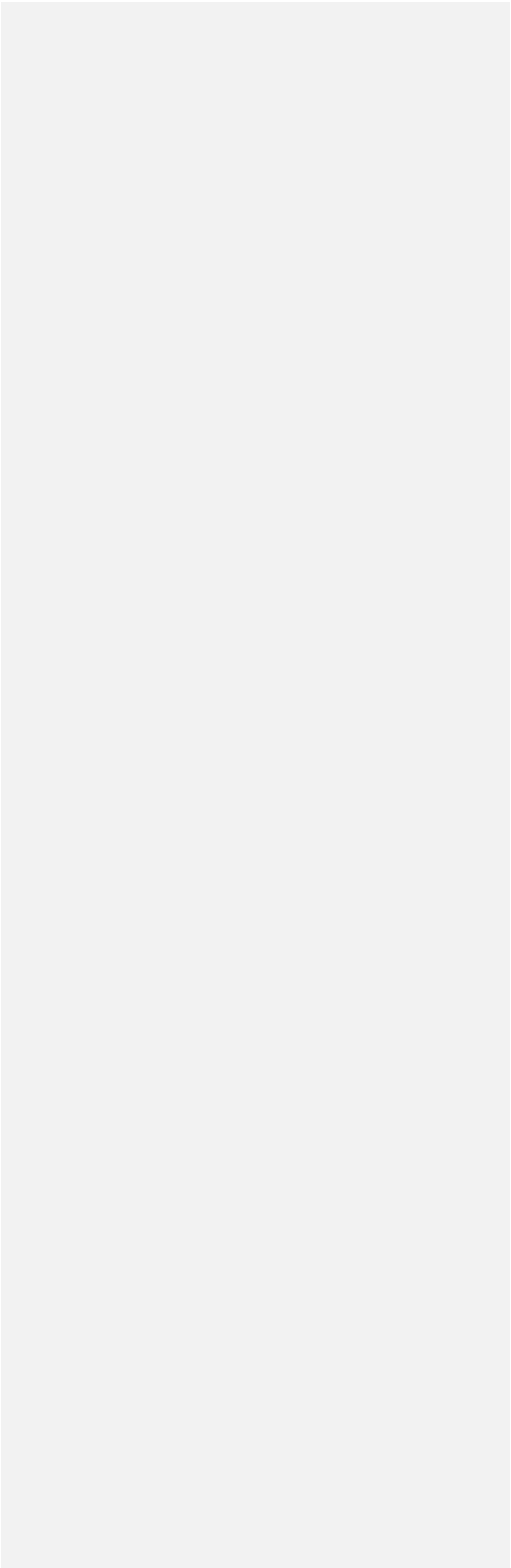
Deleted: Recreation and Parks Advisory

- (a) To serve in an advisory capacity to the Board of Directors and District Staff in all matters pertaining to public recreation, parks, open spaces, natural resources and their respective facilities;
- (b) To make recommendations to the Board of Directors and District Staff with respect to the provisions of the annual budget for recreation and parks purposes;
- (c) To recommend to the Board of Directors acceptance or rejection of offers of donations of money, personal property and real property to be used for open space recreation resource management and parks purposes;
- (d) To recommend to the Board of Directors a comprehensive recreation, park, and open space management services program for the inhabitants of the District, to promote and stimulate public interest therein, and to solicit to the fullest extent the cooperation of school authorities and other public and private agencies interested therein;
- (e) To recommend for adoption by the Board of Directors rules and regulations for the use and improvement of the District's recreation services and parks and their respective facilities;
- (f) To recommend to the Board of Directors and District staff policies for the acquisition, development and improvement of recreation, parks and open space areas; and

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(g) To perform such other duties relating to recreation and park matters as may be prescribed by the Board of Directors.



**ORDINANCE NO. 2021-02**

**AN ORDINANCE OF THE MCKINLEYVILLE COMMUNITY SERVICES DISTRICT AMENDING REGULATION 40, PARKS AND RECREATION COMMITTEE, OF THE MCSD RULES AND REGULATIONS**

**WHEREAS**, the MCSD Board of Directors recently approved the proposed named change of the Recreation Advisory Committee (PARC) to the Parks and Recreation Committee; and

**WHEREAS**, the PARC reviewed regulation 40 of the MCSD Rules and Regulations governing the committee; and

**WHEREAS**, the PARC has proposed some changes to regulation 40; and

**WHEREAS**, the MCSD Board of Directors approve the proposed changes.

**NOW, THEREFORE**, the Board of Directors of the McKinleyville Community Services District ordains as follows:

Regulation 40, Parks and Recreation Committee, of the District's adopted Rules and Regulations are amended to read as follows (changes in **Bold**):

**REGULATION 40 – PARKS AND RECREATION COMMITTEE**

Rule 40.01. MEMBERSHIP - the McKinleyville Community Services District **Parks and Recreation Committee** shall consist of eleven (11) members and two (2) alternate members who shall serve without compensation selected as follows:

- (a) One (1) non-voting member shall be a member of the District Board.
- (b) The remaining ten (10) members will be regular voting members. Of the ten (10) regular voting members, one (1) will be a member of the McKinleyville Area Fund Board of Directors nominated by the McKinleyville Area Fund Board of Directors.
- (c) When possible two (2) of the ten (10) regular voting members shall be High School students, nominated by the McKinleyville High School Principal.
- (d) The two (2) alternate members will not become voting members unless a regular voting member is absent. In the event that both alternates are present when only one regular member is absent, the alternates will decide upon which of the two (2) will fill the absent chair by a mutually agreed upon method. In the event the alternates cannot determine a method of decision, the committee chair will choose an appropriate decision-making method.
- (e) All members of the **Parks and Recreation Committee** will represent to the extent possible various recreational **and outdoor** interests of the community including but not limited to business, environmental, equestrian, sports, seniors, trails and youth. Recommendations for appointment may be made by the then current members of the committee.
- (f) Any citizen, residing in the service area of the McKinleyville Community Services District may apply to the District Board for appointment to fill vacant seats on the **Parks and Recreation Committee**.

Rule 40.02. APPOINTMENT - the committee members shall be appointed as follows:

- (a) The Board of Directors shall announce each vacancy and shall state they are seeking applicants, setting forth the qualifications, if any required.
- (b) The Board of Directors shall interview each applicant, after which a majority of the Board of Directors, may select the most qualified to fill the vacancy.

Rule 40.03. MEMBER QUALIFICATIONS - all members, other than the high school member, shall be resident electors of the McKinleyville Community Services District; the student members shall be a resident of McKinleyville. No members of the **Parks and Recreation Committee** shall be a family member or related to a full-time MCSD employee.

Rule 40.04. TERMS OF OFFICE -the committee members shall serve terms as follows:

- (a) Appointment of District Board Members shall be for a term of one (1) year. Such member shall be a non-voting member.
- (b) Appointment of the McKinleyville Area Fund member and non-student community members shall be for a term of four (4) years. The term for student members shall be up to 4 years, limited by their High School graduation date.
- (c) Terms of the other non-Board of Director committee members shall be staggered so that no more than two (2) terms shall expire in any given year.
- (d) The annual expiration date of appointment shall be January 31st.

Rule 40.05. REMOVAL - members of the Committee may be removed by a majority vote of the District Board of Directors.

Rule 40.06. ABSENCES - if any member of the Committee is absent without prior notification to the Recreation Director for three (3) regular consecutive meetings, the Recreation Director shall certify that fact to the Board of Directors and the Board of Directors shall thereafter declare the position on the Committee to be vacant and proceed to fill the position by appointment.

Rule 40.07. ELECTION OF OFFICERS - the Committee shall, as soon as **is practical**, after the time of the annual appointment of a member or members to such Committee, elect its' officers. No member shall hold the same office for more than two (2) consecutive years.

Rule 40.08. OFFICERS - the Committee shall elect a Chairperson and Vice-Chairperson from among its members.

Rule 40.09. MEETINGS - the Committee shall hold regularly scheduled meetings in the Board of Directors Chambers of the District Office, or at such other place within the District as may be designated by the Committee, and may hold such additional meetings as it may deem necessary or expedient. All meetings must be noticed in compliance with state and federal laws.

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Rule 40.11. QUORUM - a majority of the Committee shall constitute a quorum for the purpose of transacting business of the Committee.

Rule 40.12. RECORDS - written records of all the proceedings, findings, determinations and transactions of the Committee shall be kept, which record shall be a public record and a copy of which record shall be filed with the District Secretary.

Rule 40.13. POWERS AND DUTIES - the **Parks and Recreation Committee** shall have the following powers and duties:

- (a) To serve in an advisory capacity to the Board of Directors and District Staff in all matters pertaining to public recreation, parks, open spaces, natural resources and their respective facilities;
- (b) To make recommendations to the Board of Directors and District Staff with respect to the provisions of the annual budget for recreation and parks purposes;
- (c) To recommend to the Board of Directors acceptance or rejection of offers of donations of money, personal property and real property to be used for open space, recreation, **resource management**, and parks purposes;
- (d) To recommend to the Board of Directors a comprehensive recreation, park, **and open space management** services program for the inhabitants of the District, to promote and stimulate public interest therein, and to solicit to the fullest extent the cooperation of school authorities and other public and private agencies interested therein;
- (e) To recommend for adoption by the Board of Directors rules and regulations for the use and improvement of the District's recreation services and parks and their respective facilities;
- (f) To recommend to the Board of Directors and District staff policies for the acquisition, development and improvement of recreation, parks **and open space** areas; and
- (g) To perform such other duties relating to recreation and park matters as may be prescribed by the Board of Directors.

This Ordinance shall take effect and be in full force and effect thirty (30) days after its passage.

Introduced at a regular meeting of the Board of Directors held on \_\_\_\_\_, 2020 and passed and adopted by the Board of Directors on \_\_\_\_\_, 2021, upon the motion of Director \_\_\_\_\_ and seconded by Director \_\_\_\_\_ and by the following polled vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

\_\_\_\_\_  
Board President

Attest:

\_\_\_\_\_  
April Sousa, CMC, Board Secretary



## McKinleyville Community Services District

### BOARD OF DIRECTORS

December 2, 2020

TYPE OF ITEM: **INFORMATION**

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**ITEM: F.3.A**                      **Support Services – Oct-Nov 2020 Report**

**PRESENTED BY:**                **Colleen M. R. Trask, Finance Director**

**TYPE OF ACTION:**            **None**

### **FINANCIAL, AUDIT, & BUDGET INFORMATION**

The District has \$1,103,502.04 to date in the Trust Account for the next Biosolids Disposal project.

Customer adjustments at October month-end total \$7,927.06, which represents 14.3% of the annual \$22,000 budget for this sub-item. (GL# 501/551-62120)

Total Board Travel as of Oct 31, 2020 remains at \$350.00 which is 2.0% of the approved \$17,500 budget for this item. (GL# 001/005/501/551 62090/62155-888)

#### Audit/Budget Update:

The final on-site visit for the FY2019-20 audit was completed remotely on Oct 7-8. Additional documentation was requested and provided. The Fixed Asset Schedule was completed, and the final trial balance was submitted to the auditor for formatting. The audited financials will be reviewed by the Audit Committee before presentation to the Board.

#### Treasurer's Report Highlights:

Water Fund capacity fees collected through September totaled \$17,486.84. Wastewater Fund capacity fees of \$46,759.00 were collected through the end of October. No capital contributions have been received yet in FY2020-21. Capital Contributions and Capacity fees are included in the income vs. expenses graphs of the Treasurer's Report, but they are called out separately on the Budget to Actuals report.

#### Debt page

The Debt page of the Treasurer's report shows the current status of every long-term debt owed by the District. The columns show the interest rate and maturity date for each indebtedness. Activity for the current month is listed in the next columns. Outstanding balances for the remainder of the present fiscal year and the balance of debt due in years following complete the page.

Debts for the Water Fund are listed first, followed by those for the Wastewater Fund. The Parks/General Fund has no outstanding long-term debt at this time, though the Measure B debt used to fund the construction of the Teen Center is listed. Non-debt Long Term Liabilities (CalPERS Pension and Other Post Employment Liabilities – OPEB) are shown below the Debt section. These are single totals, annually recalculated on an actuarial basis as part of the year-end closing and audit process.

## **OTHER UPDATES**

The governor's order to suspend non-payment lock policies remains in effect, and we are seeing slightly more impact, even with staff's continued, concerted attempts to keep people at least reasonably current on their water bills. The current lock list remains longer than normal, but most customers are attempting to pay what is owed. Potential additional bad debt is still being reported as part of the Accounts Receivable total, and has not yet been written off, simply due to the uncertainty of the current situation. It is unknown when or if the governor will rescind the non-lock order. This may cause a spike in the Bad Debt budget detail line by the end of FY 20-21. At this time, I do not estimate that the increase will be sufficiently materially significant to warrant a formal budget adjustment.

Per the Board's direction, research is being done into CalPERS' current portfolio status and projected rate of return, with particular emphasis on the private equity investments portion of their portfolio. An inquiry has been made to CalPERS regarding the establishment of an IRS Section 115 Trust for the prepayment of the unfunded accrued liability associated with the District's pensions.

The revised Reserve policy is expected to be brought to the Board for action during the regularly scheduled public meeting in December 2020. Discussions on the implementation of IRS Section 115 Trusts for the pension and OPEB reserves and on District investment policy will follow.

# McKinleyville Community Services District

## BOARD OF DIRECTORS

December 2, 2020

TYPE OF ITEM: **INFORMATION**

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**ITEM: F.3.B**                      **Operations Department – October 2020 Report**

**PRESENTED BY:**                **James Henry, Operations Director**

**TYPE OF ACTION:**            **None**

### **Water Department:**

#### **Water Statistics:**

The district pumped 45.2 million gallons of water in October. Five water quality complaints were investigated and rectified. Daily, weekly and monthly inspections of all water facilities were conducted.

#### **Double Check Valve Testing:**

Annual routine testing was conducted on Route 17 and 18 along with a minimal number of retests. Customers with failed DCV's were notified to make repairs and call the office to schedule a retest.

#### **Average and Maximum Water Usage:**

The maximum water usage day was 1.8 million gallons and the average usage per day was 1.4 million gallons.

#### **Water Distribution Maintenance:**

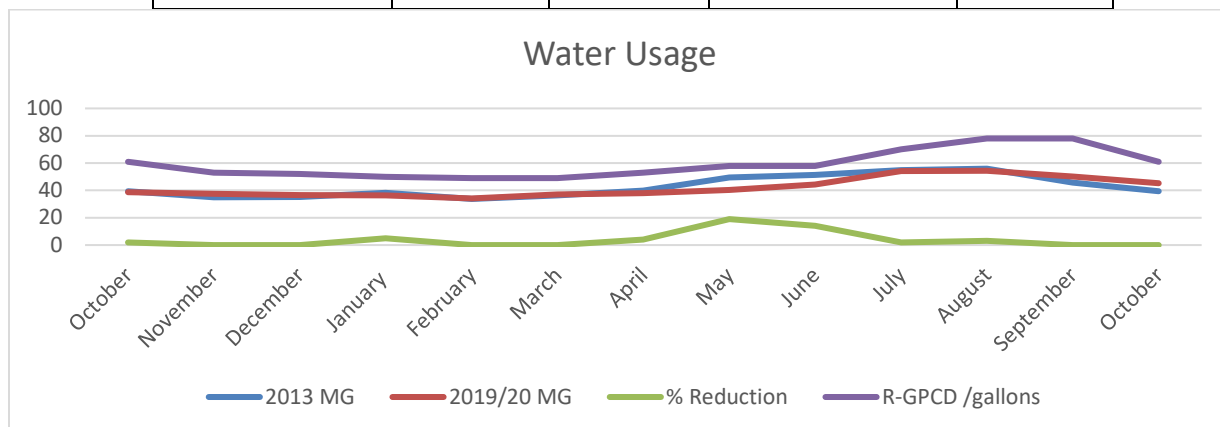
Weekly Bacteria Samples were collected on Schedules 2, 3, 4 and 5 which represent different locations in the water distribution system. The schedules are made up of a sample taken in each pressure zone. A new water service was installed on Anderson for the Pjalorsi House as the house was running off a well. A new water service was also installed on Prairie Hawke. Annual valve exercising continues. All valves in the District will be exercised to keep them operational. A report is populated for each valve and any valves that have issues are flagged for repairs. Staff had been experiencing issues with radio read meters. Badger meter sent representatives to us to help fix the software and connection issues.

#### **Water Station Maintenance:**

Monthly inspections and daily routines were conducted at the water stations. Any minor issues found are repaired during inspections but if they require parts or extensive labor, the issue is documented on the monthly sheet which will then generate a work order for repairs. The new pump installation at Blake Station was completed and put into service. Another new pump and motor will be ordered to replace the alternative pump.

As of July 2014, the District is required to submit a Public Water Monthly Monitoring Report to compare water usage to last year's usage in the same month. I will keep the Board updated each month using the Table below.

	<b>2013 (MG)</b>	<b>2019/20 (MG)</b>	<b>% Reduction</b>	<b>R-GPCD</b>
<b>October</b>	39.439	38.625	2	61
<b>November</b>	34.879	37.462	(-7)	53
<b>December</b>	35.203	36.588	(-4)	52
<b>January</b>	38.241	36.457	5	50
<b>February</b>	33.751	34.130	(-1)	49
<b>March</b>	36.244	37.145	(-2)	49
<b>April</b>	39.755	38.065	4	53
<b>May</b>	49.407	40.355	19	58
<b>June</b>	51.337	44.200	14	58
<b>July</b>	54.757	54.111	2	70
<b>August</b>	55.908	54.366	3	78
<b>September</b>	45.702	50.074	(-8)	78
<b>October</b>	39.439	45.279	(-13)	61



R-GPCD = Residential Gallons Per Capita Day

**New Construction Inspections:**

Bo Day Subdivision; Manhole has been installed. Water main and services are installed. Tie-in is completed. Testing was completed and corrections were made. St. light installation pending. Imeson Court, Avaral plans have been reviewed and commented. Engineer sent corrected plans back to staff for review and approval.

**Sewer Department:****WasteWater Statistics:**

26.1 million gallons of wastewater were collected and pumped to the WWMF. 24.4 million gallons of wastewater were treated and discharged to land disposal or reclamation in October.

**Sewer Station Maintenance:**

Monthly inspections and daily routines were conducted on all sewer stations. Staff shimmed all pumps, washed the wet well and lubed pumps and motors at the B Street lift stations, as part of the quarterly maintenance. The quarterly wet well washing was conducted at the Fischer lift station. This is done to remove grease and rags from the wet well to prevent plugging up the pumps. The washing also helps eliminate hydrogen sulfide buildup on the concrete walls. An air relief was not operating properly at the Kelly lift station. Staff removed the air relief, made repairs, and place the unit back into service.

**Sewer Collection System:**

Grease traps were inspected at required facilities. Customers that are out of compliance were notified to have their traps pumped and possibly shorten their pumping schedule. A new sewer service was installed on Heartwood due to a home addition. Staff ran the sewer camera through the McKenny project sewer lateral for internal inspections. The semi-annual hydro-cleaning of 8,200 feet of sewer main was performed using the Vaccon and 3000 psi of water through a spinning nozzle. This schedule is made up of areas that have had blockages in the past. The hydro-cleaning helps remove grease build-up and grit from the main which decreases chances of blockages and spills.

**Wastewater Management Facility:**

Daily and weekly maintenance continues at the treatment plant to perform required service on the equipment. Staff completed the Biosolids pump installation. Staff drained the Chlorine Contact Basin and washed the walls and floor with fire hoses to remove grit build-up. A small shed was built to house the new biosolids pump and controls and should be painted by the end of November. String trimming and mowing took place around the WWMF fence line.

**Daily Irrigation and Observation of Reclamation Sites:**

Discharge has been going to the Land since April 28<sup>th</sup>. Irrigation pipe has been moved daily along with observations and reporting. String trimming took place at the Fischer Ranch fence line. Staff has been working on the Pjalorsi House project along with trenching an irrigation main in the field to tie into existing irrigation system. The new irrigation main will include 800' of 8" pipe and 300' of 6" pipe, along with valving, couplers, and irrigation heads. The 8" valve that was installed 30 years ago to feed the

Pialorsi ranch was not functioning properly and had to be replaced. This including excavating, chipping away the old concrete, cutting the bolts, removing the valve, and installing a new valve.

**Street Light Department:**

No streetlights issues were reported.

**Promote Staff Training and Advancement:**

Weekly tailgate meetings and training associated with job requirements. Staff received training on Fire and Smoke Exposure, Risks When Working Near Water, Covid 19 and Fire extinguisher safety material followed by hands on drills using an extinguisher to put out fires.

**Special Notes:**

Monthly river samples were completed.

Monthly Self-Monitoring Reports (DMR/SMR) were submitted.

Public Water Monthly Monitoring report was submitted.

Monthly Water Quality report was sent to the Dept. of Health.

Quarterly well samples as required by the NPDES permit.

Staff received the Local Limits Study, reviewed and sent comments back and forth.

Staff is still separated into teams to avoid possible COVID spread within the staff.

Staff attended Micro-grid progress update meetings.

Staff met to discuss Pialorsi Ranch Lease

Staff attended two Power Safety Shutdown webinars.

Staff attended a meeting with HBMWD to discuss new proposed peak usage times

Staff met with several electrical contractors related to the Pialorsi House wiring

Several comments and deliverables were submitted to engineers for the Tank Project

Oil changes are being conducted on all equipment.

The annual DMR-QA 40 report was completed and sent to the State.

# McKinleyville Community Services District

## BOARD OF DIRECTORS

December 2, 2020

TYPE OF ITEM: **INFORMATION**

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**ITEM: F.3.C**                      **Parks & Recreation Director’s Report for November 2020**

**PRESENTED BY:**                **Lesley Frisbee, Recreation Director**

**TYPE OF ACTION:**            **None**

### **TEEN & COMMUNITY CENTER-BOYS & GIRLS CLUB PARTNERSHIP:**

Staff continues to meet with BGCR staff weekly. The Teen Club has open Monday- Friday 12:00pm-5:00pm. Attendance at the teen center has increased over the last month.

Staff met with the Executive Director of BGCR to outline a recruitment strategy for an advisory committee specifically serving the McKinleyville Teen Club. The purpose of the committee will focus on fundraising support and membership recruitment to the club.

### **RECREATION ADVISORY COMMITTEE:**

The Recreation Advisory Committee meeting on November 19, 2020 was held over Zoom due to COVID-19. The notes from the meeting can be reviewed in **Attachment 1**.

### **RECREATION PROGRAM UPDATES:**

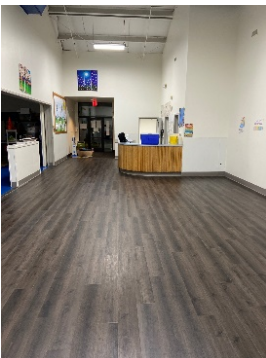
The Recreational Afternoon Program is running smoothly currently serving 16 elementary school children per day.

Statewide Park Development and Revitalization Grant application deadline has been extended to March 12, 2021.

The Teen Center Kitchen has a new vendor, and staff have taken several calls from other potential kitchen vendors in the last month.

We are currently hiring Leaders for our Recreation in the Afternoon Program as well as the MUSD Expanded Learning Program that will offer support and assistance during the school day to students participating in distance learning classes.

The Activity Center lobby got a new floor!



**PARKS & FACILITY MAINTENANCE:**

Several open space zones received mowing, hedging and weeding maintenance as part of the Open Space Maintenance Zone agreements. The Parks crew and NHES continue the routine schedule for maintenance on Central Ave. landscaping. Staff continues to keep up with daily/weekly routine facility and vehicle maintenance. Monthly inspections were conducted on all facilities and Open Spaces.

HVAC inspections were completed at District facilities; trees were pruned at Pierson and Hiller parks as well as the library; District facility gutters were cleaned

**OTHER UPDATES:**

- Staff continues planning and preparing for the acquisition of a Community Forest.
- Staff continues to work with the community members interested in developing a BMX track at the Washington Ave.-School Rd. property. Staff worked with the BMX community to draft a possible operating agreement to guide the partnership between the Humboldt Skatepark Collective's BMX committee and MCSD and the responsibilities of each entity in the operation and maintenance of a BMX Track and Park should the project be approved by the MCSD Board..
- Staff has facilitated and participated in a series of communication skills workshops for all District staff. These are monthly workshops conducted in small groups.
- Staff attended Board meetings for board service on both the McKinleyville Chamber of Commerce Board of Directors and the Boys & Girls Club of the Redwoods Board of Directors.
- Staff participated in cross-training for payroll administration and support
- Staff continues to provide administrative support to the Support Services Dept.
- Staff is participating in the planning and preparation of MCSD's 50-year anniversary events/publications.



**Thursday, November 19, 2020**

**6:30pm**

Recreation Advisory Committee Meeting

NOTES

**Members Present:** Johnny Calkins, Jeff Dunk, Scott Binder, Chad Sefcik, Laura Bridy, John Kulstad, Charlie Caldwell,

**Members Absent:** Director David Couch, Ben Winker, Beth Frink

**Guests:** Wendi Orlandi

**Meeting Notes:**

Communications:

- Staff reported current job openings for part-time positions at the Recreation Afternoon Program and the MUSD Extended Learning Program.
- Committee members congratulated Scott Binder on winning the election to the MCSD Board of Directors and thanked him for his committee service.

Public Comment:

- None

Recreation Director Report

- The Recreational Afternoon Program is running smoothly currently serving 16 elementary school children per day.
- Statewide Park Development and Revitalization Grant application deadline has been extended to March 12, 2021.
- The Teen Center Kitchen has a new vendor, and staff have taken several calls from other potential kitchen vendors in the last month.
- The Activity Center lobby flooring was replaced and looks great.
- Committee members had no comments or questions regarding the Director's report

Committee Description for MCSD Rules and Regulations

- The committee submitted comments and revision suggestions via google docs prior to the meeting. There was little discussion and no additional edits were recommended during the meeting.
- Charlie Caldwell moved to recommend the revised committee description to the Board. John Kulstad seconded. The motion passed unanimously.

BMX Track Project, Right of Entry Agreement and Draft Operating Agreement.

- Wendi Orlandi reported that a BMX committee has been formed and the committee has held one meeting.
- Charlie Caldwell reported that HSC has created a fictitious business name for the BMX committee and a bank account for fundraising is set up.
- Staff reported that a Draft Right of Entry Agreement and Draft Operating Agreement had been shared with Wendi and Jason Orlandi in the last month. Staff will share the drafts with the Committee before the December meeting and will request a recommendation to the Board of Directors for the Right of Entry Agreement to go to the Board in January.
- Staff is looking into the public input requirements and guidelines for the Prop 68 grant for these pandemic times and will schedule a meeting with Wendi and Jason to discuss the possibility of putting an application together for this project.

### Community Garden

- Ben Winker was not present to report.
- Jeff Dunk reported that the Garden is in pretty good shape considering the constraints of the garden. It is well used and the people gardening there are nice.

### Community Forest

- Staff reported on the most recent adhoc committee actions for the community forest.
- The committee did not have any comments or questions.

### Virtual Tour-Social Media Campaign Project

- Jeff Dunk reported on the meeting he and Beth had with HSU professor Jen Tarelton.
- It is possible that a GeoSpatial student will be interested in creating a “Story Map” of our parks and open spaces in Spring of 2021.
  - Jeff and Beth and Prof. Tarlton will work with the student in consultation with staff for the project. If all goes well it could be completed by May.
- Spring of 2022 has potential of a broader project that can be completed by a group.

### Committee Vacancies

- Given Scott Binder’s recent election to the MCSD Board, there will be 3 regular voting member vacancies as of December 4<sup>th</sup>.
- Staff will put out a PSA regarding vacancies
- Staff will contact McKinleyville High School Principal and leadership teachers to recruit a student member.

### Report on Actions of MCSD Board

- Staff reported on actions taken by the Board of Directors on November 4<sup>th</sup>.
- There were no comments or questions on the report.

### AdHoc Committee Reports:

- Hewitt Ranch—staff reported on recent Hazard Mitigation Grants for fire management for which NOI’s were submitted.
- Skate Park—Design plan docs have been reviewed and approved by the General Manager, and submitted for permitting.
- School and Washington Property—no report
- River Property—no report
- Fischer Ranch Estuary project—no report.
- BMX— See notes on above

### Agenda Items for next meeting:

- Community Garden
- Community Forest
- BMX Right of Entry

### Adjournment:

- Adjourned: 7:16pm

# McKinleyville Community Services District

## BOARD OF DIRECTORS

December 2, 2020

TYPE OF ITEM: **INFORMATION**

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**ITEM: F.3.D**                      **General Manager’s Report for December 2020 Meeting**

**PRESENTED BY:**                **Patrick Kaspari, General Manager**

**TYPE OF ACTION:**            **Information Only**

### **A summary of activity for the month of November 2020**

**Cost Savings Related to District Activities** – The following is a review of some of the recent cost savings opportunities District staff identified for the month:

• Use of NHE Services =	\$2,483
• Use of SWAP program =	\$2,400
• Use of CSW =	\$1,815
• Discounts on Office Supply =	\$485
• Rebuild B St. Pump 2 =	\$800
• Replace Pialorsi Main Irrigation Valve =	\$880
• Install Pialorsi Irrigation Phase 1 =	\$3,120
• <u>Repair Irrigation Pump #1 =</u>	<u>\$1,280</u>
<b>TOTAL COST SAVINGS FOR OCT</b>	<b>\$13,263</b>

***The cumulative cost savings for the District to date from July 1, 2020 is \$118,725***

District staff are recognized and commended for their continued efforts in looking for cost savings, the use of internal labor, and grant opportunities that result in real savings for the District, ratepayers, and the community.

**COVID- 19** – We have not heard anything on the claim submitted to the Governor’s Office of Emergency Services (CalOES) for Public Assistance for the State and Federally declared disaster FEMA-4482-DR-CA-COVID-19 Pandemic. We submitted a total of \$41,078.46 in claims for the purchase of personnel protective equipment, disinfectant, and employees’ time. We also have not heard on the claim submitted to the County under the CARES Act for \$19,000 for the computer equipment, etc. required to allow Staff to work from home. As of October 31, \$73,700 has been tracked in staff time and expenses directly attributed to COVID-19. We will continue to track COVID related expenses and likely have an opportunity to submit an additional claim at the end of the disaster for additional material and COVID related labor charges.

Staff continues to perform amazingly during this stressful time. It is apparent that the stress is taking its toll, but we are working to come up with ways to relieve the stress and are planning socially distanced activities to help relieve stress.

**Community Forest** – Still no word on whether the grant for the funding of the purchase of the Community Forest was successful.

We did have two Community Forest Committee meetings with Directors Corbett and Mayo, Parks & Rec Director Frisbee, Operations Director Henry, Recreational Coordinator Jens Andersen, and GM Kaspari. I will let the Community Forest Committee report on the meetings, but the focus of the meeting was the structure of the Committee including discussions on Tribal outreach, and the preparation of the Committee description for the District's Rules and Regulations. The Committee is trying to balance getting work accomplished on the formation of the Committee with waiting until we know the grant will be received on the land acquisition. Meanwhile we have submitted two additional grant applications, one for \$15,000 for Technical Assistance from the North Coast Resource Partnership on a Forest Management Plan. The other one is a \$750,000 Notice of Intent to the California Office of Emergency Services (CalOES) to prepare and implement a Forest Fire Management Plan.

**4.5 Gallon Water Tank Project** – The District continues work on this Project with Kennedy Jenks (KJ) and their subconsultants. KJ submitted the Final Technical Memo (TM), "Design Criteria & Alternative Evaluation". KJ is moving forward with the prestressed concrete tank design and provided alternative layouts for the tank's location, which the District Staff reviewed, provided comments on, and selected the final site location. KJ also submitted a list of questions that the District responded to, to finalize the 30% design documents.

District Legal Counsel is preparing a Draft offer for the purchase of the land. The price for 4.72 acres at \$34,300/acre is \$161,896. We forwarded the appraisal to Doug Shaw of American Hospital Group with a request to finalize negotiations on the property purchase. We have not heard a definitive response on the purchase from Mr. Shaw, so we plan on completing the purchase offer and let him respond to that.

Funding for this project is through a Hazard Mitigation Grant through Cal OES and FEMA and will be a 75% grant/ 25% cost match by MCSD. Estimated total project cost will exceed \$6,000,000.

**Water and Sewer Mainline Master Plan Phase 3c** – A Kick-off Meeting was held with GHD staff and Operations Director Henry and GM Kaspari. The methodology for the prioritization of the repairs and the updating of the replacement schedule were discussed. This phase will include the finalization of the plan/schedule for which pipes to replace when, as well as further assessing the costs associated with the District replacing pipes as compared to going out to bid for a Contractor to replace pipes.

GM Kaspari reached out to Tom Mattson, Humboldt County Public Works Director, to begin the discussions of whether the District should replace our water and sewer lines under Ocean Avenue prior to the reconstruction of the road or not. The main question was how the scheduling would work with the road replacement. No response was received from the County, but we will continue that discussion with the County and report back to the Board any decisions.

**SRF Energy Efficiency WWMF Micro-grid Project** – Ameresco is currently moving forward on the design of the Solar Array for the Pond 5 area and has submitted the Pre-design Report, the 60% design of the solar array, and the 30% design for the Battery Bank. They have also completed their geotechnical investigation and are finalizing their environmental studies and permitting required for this area. District Staff and GHD provided comments on the design plans and report, and the comments will be incorporated into the next design submittal. Ameresco will not move the Battery design further until we hear back from Tesla about the grant and their battery design.

The original Design/Build Contract amount with Ameresco is for \$2,065,520 with a \$206,552 contingency. Given the greater cost for constructing the system in the Pond 5 area, a contract change order will likely be required. We discussed this with Ameresco and agreed to move forward until a final, firm cost of the construction is obtained, and then we would negotiate this change order. This project is funded by a \$2.5M grant/\$2.5M loan from the State Water Resources Control Board.

**Hiller Lift Station Pump Upgrade** – Work on the station upgrade is largely complete. The new system is almost complete and has been connected into the existing sewer system. The only remaining item is the control panel required to talk to the District's SCADA system. This panel was supposed to be delivered and installed mid-November, but it has not shown up and the latest schedule was for it to arrive on November 27<sup>th</sup>, Thanksgiving Day. Meanwhile, the pumps and pump panel has been installed and tested by Flygt, the manufacturer. District staff obtained training on pumps. If needed, the District could operate the station before the SCADA panel is installed, but we do not intend to unless required.

The original construction contract amount is for \$508,500 with a \$50,850 contingency. So far there has been two change orders, Change Order #1, which is a deductive change order for the cost of the wet well coating in the amount of minus \$2,695. Change Order #2 was for the addition of disconnect switches to the SCADA panel for an additional amount of \$4,033.5. Total contract amount is now \$509,838.50. This project is funded by a \$2.5M grant/\$2.5M loan from the State Water Resources Control Board.

**TESLA Batteries** – As the Board approved at the August Board Meeting, Tesla has submitted grant applications on the District's behalf to PG&E for their Self Generation Incentive Program (SGIP). Applications were submitted for the Ramey Pump Station, the Fischer Lift Station, and the Wastewater Management Facility. We have not yet received confirmation that the grants will be funded but have received confirmation that they are in review. Meanwhile, Tesla has started on the design process and their technicians were here in September collecting data from each station and surveying in each of the battery locations. We were supposed to hear on November 20<sup>th</sup> whether we got the grant but still have not and will let the Board know when we receive confirmation on the grant.

**Local Limits** – Sampling was completed for this project, and we received a Draft Local Limits Study Report from Freshwater Environmental Services. The Study compares the levels of various constituents (BOD, TSS, etc.) as it travels through the collection system, through the

treatment process, to effluent disposal to calculate the load and removal of constituents. This information will be used to establish how much of various constituents can be discharged by individual, generally commercial, users. The Report has been reviewed by District Staff and finalized. The Report will be submitted to the Regional Water Quality Control Board for their review. After the Regional Boards reviews and approves the report, we will bring recommendations to the Board for any changes to our local discharge limits for further review and discussion.

**Sewer Undercrossing Project** – GHD is moving forward on the design and environmental permitting work of the sewer undercrossing project. A preliminary layout for each of the sites was submitted by GHD and reviewed with their staff. All three of the sites have also been surveyed, and we just received the CalTrans encroachment permit required to allow us to finalize the highway surveying. The environmental work for the biological and wetland delineations as well as the Cultural Resource survey has started. The southern crossing cultural resource investigation has identified some potential cultural resource sites that we wish to discuss with the local Tribal Historic Preservation Officers. GHD is working to set up a meeting with their staff, MCSD staff and the THPOs.

This is a Hazard Mitigation Grant through Cal OES and FEMA and will be a 75% grant/25% cost share by MCSD. Estimated total project cost is \$3.5M.

**Pialorsi Ranch Property** – The District is proceeding on the installation of the irrigation piping infrastructure on the ranch, as well as the restoration of the house. The roofing contractor has completed their work along with assistance from District Staff. The Sousa's have also been cleaning out the existing house and sheds and pulling up the carpets, and the District has been assisting with disposal of debris. The District has also been talking to several electricians to obtain cost estimates for the necessary rewiring.

The remediation work for the PCB impacts has not yet started and Staff is working on rectification of that situation.

We are also working with the David Collenberg on closing out the Hay Lease for Fischer Ranch. The hay lease has been signed with Andy Titus for the Fischer and Pialorsi properties starting next year. We will routinely update the Board on all these projects.

**Reporting by Sheriff's office, County Public Work, County DHHS** – A regular meeting has been scheduled with President Burke, GM Kaspari, Supervisor Madrone, and Maya Conrad, the current President of the McKinleyville Municipal Advisory Committee, to occur on the last Monday of every month to discuss various topics of concern to all three organizations and the community. The meeting this month focused on the Town Center and the recent MMAC meeting that discussed the proposed revisions to the wetlands ordinance and the corresponding impacts to the potential development. I updated them on the Latent Powers schedule and said we would come back to MMAC after the Report is finalized, likely in January.

**Grant Applications** – As mentioned above, we still have not heard anything on the Community Forest Grant, but meanwhile we have submitted two additional grant applications, one for \$15,000 for Technical Assistance from the North Coast Resource Partnership on a Forest Management Plan. The other one is a \$750,000 Notice of Intent to the California Office of Emergency Services (CalOES) to prepare and implement a Forest Fire Management Plan.

We have also submitted a grant application for \$75,000 to CalOES under their Community Power Resiliency Grant Program for the purchase of a mobile generator to run our wastewater pump stations in the event of power outages. This will be a full grant if we get it.

We have also submitted four Notice of Interests (NOIs) to CalOES for their Hazard Mitigation Grant Program: one for the Forest Fire Management Plan development and implementation for the Community Forest, Hewitt Preserve and Hiller areas; one for \$1,000,000 the replacement of the McCluski Tanks; one for \$750,000 for the replacement of 97 fire hydrants through out town; and one for \$2.67M for the installation of a new water line crossing of the Mad River. All of these grants are 25% matching grants. CalOES will inform us if any or all of the NOIs are accepted, and the District will then have to submit full grant applications.

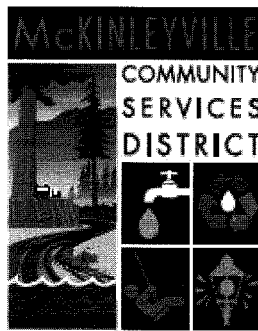
We are also working on the Prop. 68 Parks grant for the Skate Park and upgrades to Azalea Hall, and Pierson Park as reported in Parks & Recreation Directors Frisbee's report.

**Meetings** –The General Manager attended various meetings in October including a regularly scheduled MMAC meeting, along with a MMAC Special Board meeting on the Town Center; and a Humboldt County Planning Commission meeting to listen to their review/approve the Mad River Restoration Project; and an Emergency Operations Committee meeting with District staff to discuss upcoming training and how we can keep staff's emergency response skills at peak condition, and the Humboldt County Board of Supervisor's Special Board Meeting on closing out the County's books.

President Burke also set up a meeting with GM Kaspari and Virgil Moorehead senior of Big Lagoon Rancheria and owner of The Club and Two Feathers. It was a very productive meeting, and we discussed District projects including the Mad River Restoration project and the Community Forest Project. Mr. Moorehead was very interested in the Community Forest and the possibilities of training young Tribal Members on trail building, watershed restoration or similar projects in the Community Forest. He is working through Two Feathers on a number of youth programs and we intend to meet with him and Parks & Recreation Director Frisbee to see if there are opportunities to coordinate on youth programs.

**Attachments:**

- Attachment 1 – WWMF Monthly Self-Monitoring Report

**PHYSICAL ADDRESS:**1656 SUTTER ROAD  
McKINLEYVILLE, CA 95519**MAILING ADDRESS:**P.O. BOX 2037  
McKINLEYVILLE, CA 95519

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**MAIN OFFICE:**PHONE: (707) 839-3251  
FAX: (707) 839-8456**PARKS & RECREATION OFFICE:**PHONE: (707) 839-9003  
FAX: (707) 839-5964R.W.Q.C.B. NORTH COAST REGION  
5550 SKYLANE BLVD., SUITE A  
SANTA ROSA, CA 95403

November 19, 2020

**RE: MONTHLY MONITORING REPORT**

Dear Justin:

Enclosed is the Monthly Monitoring Report for October 2020 for McKinleyville Community Services District Wastewater Management Facilities WDID NO. 1B82084OHUM, operating under Order Number R1-2018-0032.

The normal discharge of effluent was 31 days going to 002, 003, 004 and 006. The required monitoring and water quality constituents that were tested and reported was in compliance in October.

Effluent Limitations Parameters	Units	Average Monthly	Average Weekly	Avg. % Removal	Max Daily	Instant Max	Instant Min	Results
<b>Monitoring Location EFF- 001</b>								
BOD	mg/L	30	45	>85				Compliance
TSS	Mg/L	30	45	>85				Compliance
PH	s.u.					6.5	8.5	Compliance
Settleable Solids	ml/L	0.1			0.2			Compliance
Chlorine Total Residual	mg/L	0.1			0.2			Compliance
Carbon Tetrachloride	ug/L	.25			.75			N/A
Ammonia Impact Ratio	mg/L	1.0			1.0			N/A
Dichlorobromomethane	ug/L	.56			1.4			N/A
<b>Monitoring Location LND-001, REC-001</b>								
Nitrate		10						Compliance
PH		6.0- 9.0	6.0 - 9.0					Compliance

Total Coliform Organisms MPN/100 ml. The Monthly Median not to exceed MPN of 23 and the daily maximum not to exceed MPN of 240. The reported results for the month of October are as follows. Median was <1.8 and a Maximum of <1.8. Four samples were collected in the month of October and was in compliance.

Monthly River Monitoring was conducted in October.

Due to River being low and CFS being low, the moving water is on the opposite side of the riverbank than our sampling location RSW-002. The sampling location is back-water that's sitting there stagnant with algae growing which spikes the TDS and Hardness sample results.



# MCKINLEYVILLE COMMUNITY SERVICES DISTRICT WASTEWATER MANAGEMENT FACILITY MONITORING DATA

MONTH: October 2020

DATE	EFFLUENT MONITORING			EFFLUENT MONITORING			EFFLUENT MONITORING			EFFLUENT MONITORING			EFFLUENT MONITORING			EFFLUENT MONITORING			
	Flow M.G.D.	Flow M.G.D.	Flow M.G.D.	Flow M.G.D.	Flow M.G.D.	Flow M.G.D.	Flow M.G.D.	Flow M.G.D.	Flow M.G.D.	Flow M.G.D.	Flow M.G.D.	Flow M.G.D.	Flow M.G.D.	Flow M.G.D.	Flow M.G.D.	Flow M.G.D.	Flow M.G.D.	Flow M.G.D.	
1	0.858	0.890	1214	N/A	N/A	N/A	7.3	17.8	3.2	N/A									
2	0.857	0.716	952	N/A	N/A	N/A	6.9	17.8	4.1	1.2									
3	0.869	0.688	713	N/A	N/A	N/A	7.2	18.0	3.1										
4	0.917	0.686	757	N/A	N/A	N/A	7.2	17.8	3.3										
5	0.879	0.903	1178	N/A	N/A	N/A	7.3	17.3	3.4										
6	0.867	0.842	1063	N/A	N/A	N/A	7.3	17.2	3.1										
7	0.848	0.828	1046	N/A	N/A	N/A	7.2	17.5	3.2										
8	0.852	0.897	1170	N/A	N/A	N/A	7.2	17.2	3.4										
9	0.851	0.809	1034	N/A	N/A	N/A	7.0	17.2	8.0	1.0									
10	0.896	0.817	832	N/A	N/A	N/A	7.2	17.8	2.8										
11	0.920	0.815	797	N/A	N/A	N/A	7.0	17.1	2.5										
12	0.893	0.813	805	N/A	N/A	N/A	7.2	17.7	3.2										
13	0.869	0.961	1210	N/A	N/A	N/A	7.2	17.8	2.6										
14	0.870	0.807	1034	N/A	N/A	N/A	7.2	17.7	2.1										
15	0.851	0.801	1037	N/A	N/A	N/A	7.1	17.3	2.0										
16	0.846	0.691	776	N/A	N/A	N/A	7.2	17.0	6.0	1.2									
17	0.877	0.760	906	N/A	N/A	N/A	7.1	17.2	0.8										
18	0.905	0.758	840	N/A	N/A	N/A	7.0	16.8	3.6										
19	0.880	0.855	1093	N/A	N/A	N/A	7.0	16.8	3.3										
20	0.854	0.805	1096	N/A	N/A	N/A	7.2	16.1	2.5										
21	0.859	0.822	1077	N/A	N/A	N/A	7.2	16.7	3.1										
22	0.853	0.844	1143	N/A	N/A	N/A	7.3	16.3	2.9										
23	0.849	0.700	844	N/A	N/A	N/A	7.3	15.5	5.4	1.0									
24	0.866	0.667	798	N/A	N/A	N/A	7.1	16.1	3.2										
25	0.914	0.668	764	N/A	N/A	N/A	7.1	15.7	3.0										
26	0.872	0.832	1115	N/A	N/A	N/A	7.3	15.3	2.9										
27	0.851	0.775	1031	N/A	N/A	N/A	7.3	15.2	2.4										
28	0.855	0.786	1049	N/A	N/A	N/A	7.2	15.1	2.2										
29	0.842	0.848	1122	N/A	N/A	N/A	7.2	15.1	3.0										
30	0.847	0.686	985	N/A	N/A	N/A	7.2	14.9	5.9	1.0									
31	0.869	0.613	781	N/A	N/A	N/A	7.2	14.7	2.7										

## MONTHLY TESTS EFF-001 DISCHARGE TO RIVER

Ammonia Nitrate	Nitrite	Phosphate	Bio Phosphate	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>MONTHLY TESTS LND-001, REC-001 DISCHARGE TO PERC PONDS AND LAND</b>																			
TDS	Ammonia	Nitrate	Phosphate	Bio Phosphate	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride
1.10	270	ND	0.55	ND	45	58	260												
<b>MONTHLY TESTS EFF-001 DISCHARGE TO RIVER</b>																			
TDS	Ammonia	Nitrate	Phosphate	Bio Phosphate	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride
140	120	ND	162	0.67	6300	1300	1504												
<b>MONTHLY TESTS REC-001 DISCHARGE TO PERC PONDS AND LAND</b>																			
TDS	Ammonia	Nitrate	Phosphate	Bio Phosphate	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride
36	6	36	98	1	7	100													
<b>MONTHLY TESTS EFF-001 DISCHARGE TO RIVER</b>																			
TDS	Ammonia	Nitrate	Phosphate	Bio Phosphate	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride	Chloride
36	6	36	98	1	7	100													

Signature: \_\_\_\_\_

Remarks: River is low and flow not moving & water at RSW-02 stagnant and a lot of algae

Permit Exceedance

**McKINLEYVILLE COMMUNITY SERVICES DISTRICT  
WASTEWATER MANAGEMENT FACILITY  
EFFLUENT DISCHARGE DISPOSAL**

**OCTOBER 2020**

Discharge Monitoring DATE	001 INF-001 INFLUENT MGD	001 EFF-001 EFFLUENT MGD	MAXIMUM GPM	002 LND-001 N.POND MGD	002 LND-001 S.POND MGD	004 REC-001 FISCHER MGD UPPER	003 REC-001 FISCHER MGD LOWER	006 REC-001 PIALORSI MGD	005 REC-001 HILLER MGD	IRRGATE TOTAL MGD	001 EFF-001 RIVER MGD
1	0.858	0.890	1214			0.603	0.081	0.206		0.890	0.000
2	0.857	0.716	952	0.372		0.267		0.077		0.344	0.000
3	0.869	0.688	713	0.688						0.000	0.000
4	0.917	0.686	757	0.686						0.000	0.000
5	0.879	0.903	1178	0.243		0.423	0.055	0.182		0.660	0.000
6	0.867	0.842	1063			0.698		0.144		0.842	0.000
7	0.848	0.828	1046			0.657		0.171		0.828	0.000
8	0.852	0.897	1170			0.674	0.038	0.185		0.897	0.000
9	0.851	0.809	1034	0.442		0.317		0.050		0.367	0.000
10	0.896	0.817	832	0.817						0.000	0.000
11	0.920	0.815	797	0.815						0.000	0.000
12	0.893	0.813	805	0.813						0.000	0.000
13	0.869	0.961	1210	0.289		0.440	0.072	0.160		0.672	0.000
14	0.870	0.807	1034			0.629		0.178		0.807	0.000
15	0.851	0.801	1037			0.648		0.153		0.801	0.000
16	0.846	0.691	776	0.411		0.280				0.280	0.000
17	0.877	0.760	906	0.760						0.000	0.000
18	0.905	0.758	840	0.758						0.000	0.000
19	0.880	0.855	1093	0.297		0.367	0.019	0.172		0.558	0.000
20	0.854	0.805	1096			0.565	0.038	0.202		0.805	0.000
21	0.859	0.822	1077			0.575	0.042	0.205		0.822	0.000
22	0.853	0.844	1143			0.620	0.045	0.179		0.844	0.000
23	0.849	0.700	844	0.347		0.353				0.353	0.000
24	0.866	0.667	798	0.667						0.000	0.000
25	0.914	0.668	764	0.668						0.000	0.000
26	0.872	0.832	1115	0.264		0.348	0.039	0.181		0.568	0.000
27	0.851	0.775	1031			0.590		0.185		0.775	0.000
28	0.855	0.786	1049			0.604		0.182		0.786	0.000
29	0.842	0.848	1122			0.632	0.040	0.176		0.848	0.000
30	0.847	0.686	985	0.319		0.314		0.053		0.367	0.000
31	0.869	0.613	781	0.613						0.000	0.000
<b>TOTAL</b>	<b>26.078</b>	<b>24.383</b>		<b>10.269</b>	<b>0.000</b>	<b>10.604</b>	<b>0.469</b>	<b>3.041</b>	<b>0.000</b>	<b>14.114</b>	<b>0.000</b>
<b>AVERAGE</b>	<b>0.869</b>	<b>0.787</b>	<b>976</b>	<b>0.000</b>	<b>0.000</b>	<b>0.505</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.455</b>	<b>0.000</b>
<b>MAXIMUM</b>	<b>0.920</b>	<b>0.961</b>	<b>1214</b>	<b>0.817</b>	<b>0.000</b>	<b>0.698</b>	<b>0.081</b>	<b>0.206</b>	<b>0.000</b>	<b>0.897</b>	<b>0.000</b>
<b>MINIMUM</b>	<b>0.842</b>	<b>0.613</b>	<b>713</b>	<b>0.243</b>	<b>0.000</b>	<b>0.267</b>	<b>0.019</b>	<b>0.050</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>DAYS</b>	<b>31</b>	<b>31</b>		<b>19</b>	<b>0</b>	<b>21</b>	<b>10</b>	<b>19</b>	<b>0</b>	<b>21</b>	<b>0</b>
<b>DAYS WITH NO DISCHARGE = 0</b>											