

Minutes of the Special Board Meeting of the  
Scotia Community Services District  
Thursday, June 16, 2016  
Regular Meeting at 5:30 P.M.

**A. CALL TO ORDER/ ROLL CALL/ PLEDGE OF ALLEGIANCE**

The regular meeting of the Board of Directors of the Scotia Community Services District convened at 5:30 pm with the following directors in attendance:

Diane Bristol	Director - present
Gayle McKnight	Director – present
Paul Newmaker	Director – present
Susan Pryor	Director – present
Rick Walsh	President – present

Staff: S. Davidson, Leslie Marshall, Colette Metz, Steve Tyler

**B. SETTING OF AGENDA - NONE**

**C. CONSENT CALENDAR**

**C1. Approval of Minutes from Previous Meetings**

**May 19, 2016 – Actually Held May 25th**

**June 9, 2016**

**C2. Approval of Minor Content and Formatting Changes to Adopted Resolution 2016-7 a Resolution of the Scotia Community Services District Board of Directors Filling Vacancy on the Board of Directors**

**Motion:** To approve minutes of previous meetings and Minor Content and Formatting Changes to Adopted Resolution 2016-7 a Resolution of the Scotia Community Services District Board of Directors Filling Vacancy on the Board of Directors

**Motion:** McKnight **Second:** Newmaker

**Motion Vote:** Ayes - 5      Opposed - 0      Absent - 0      Abstain - 0

**D. PUBLIC COMMENT & WRITTEN COMMUNICATION**

R. Abrams commented on her previously stated concerns over conflicts of interest, and expressed her support of the Board. She asks that staff and the Board are more aware of situations that may require recusal.

T. Vivatson, of Eel River Brewery does not agree with SHN's analysis of the user fees and assessments. He asks that users such as Hoby's and the Scotia Inn be addressed individually. Claims that he does not believe the rates to be fair or equitable.

**E. PUBLIC HEARING**

**E1. Proposition 218 Public Hearing for Proposed User Fees and Assessments**

The Board will hold a public hearing for the proposed User Fees (Water and Wastewater) and Assessments (Fire Protection, Parks and Recreation, Streets and Street Lighting, and Storm Drainage). The procedures for this public hearing are summarized below:

- Chair announces and opens public hearing
- Staff presentation

- Board receives public testimony and may impose reasonable time limits on both the length of the entire hearing and the length of each speaker’s testimony. – **limit of 3 minutes imposed** -
- Chair requests “last call” for final submittal of all ballots, and closes public hearing.
- Chair calls recess for tabulation to be held in the SCS D conference room (next door; open to the public).
- Clerk tabulates ballots and provides results to Chair.
- Chair calls meeting back to order, and announces the results and whether a majority protest exists.
- Board discusses item and directs staff to bring final resolutions for adoption at a special meeting scheduled for June 23rd, 2016 at 5:30 p.m.

The above procedure ensued. Staff pointed out that the Proposition 218 Process began in April, with Resolution 2016-4.

Public Testimony:

R. Abrams expressed concern with the budget. Asked how the meter reading, done by TOS over the last month affects the rates. District Engineer said that as of yet, the District had not received data on meter reads, and therefore does not have “average” usage numbers for water. R. Abrams expressed concern of much lower actual usage than forecasted in the engineers reports and user fees analysis. Board President enforced time limit.

T. Vivatson of Eel River Brewery concerned with fair and equitable rates. Claims that the proposed rates would impose charges amounting to 40% of the ERB net profit. Also claims that there are holes in the SHN reports, re-expressed that other individual users are not called out in the reports, only ERB. Agrees with the BOD and TSS rates, but does not want to be double charged in the current methodology of the engineer’s reports. Staff expressed that the SCS D will address individual business owners after the 218 process.

Board president ended public Testimony, and called for a Recess to tabulate ballots.

[Recess 5:55pm – 6:39pm]

Results:

User Fee/Assessment	Non-Protest Ballots (Yes Votes)	Protest Ballots (No Votes)	Result Pass/Fail
Water	22.22%	77.78%	Failed
Wastewater	22.22%	77.78%	Failed
Fire	42.24%	57.76%	Failed
Parks and Recreation	51.51%	48.49%	<b>Passed</b>
Streets and Street Lighting	63.85%	36.15%	<b>Passed</b>
Storm Drainage	43.06%	56.94%	Failed

Board Discussion:

Board directed staff to bring resolutions to the next special meeting to adopt the results of the Proposition 218 vote.

Board solicited for comments on results.

F. Bacik spoke on the results of the 218 election and updated the board on other news concerning the subdivision process. Said the first phase of subdivision would happen soon. He confirmed that rates for current tenants in Scotia are in fact subsidized. He asked the Board to consider another 218 process to set rates. Discussed other options if the Board chooses not to proceed with another 218 process.



Director McKnight asked why the Board didn't originally wait for the first phase of subdivision.

R. Abrams asked if a new 218 process would change the weight; and asked if the rates would be reassessed. Staff replied in the affirmative.

**E2. Consider adoption of Resolution 2016-10 A Resolution of the Board of Directors of the Scotia Community Services District to Adopt FY 2016-2017 Fee Schedule**

Tabled indefinitely, will come before the Board again after another 218 process, if the Board chooses.

**E3. Consider adoption of Resolution 2016-11 A Resolution of the Board of Directors of the Scotia Community Services District to Adopt FY 2016-2017 Final Budget**

President Walsh introduced. No public Comment.

**Motion:** Read by title only

**Motion:** Pryor           **Second:** Bristol

**Motion Vote:** Ayes - 5      Opposed - 0            Absent - 0      Abstain - 0

**Motion:** Adopt Resolution 2016-11 A Resolution of the Board of Directors of the Scotia Community Services District to Adopt FY 2016-2017 Final Budget

**Motion:** Newmaker   **Second:** Pryor

**Motion Vote:** Ayes - 0      Opposed - 0            Absent - 0      Abstain - 0

**F. BUSINESS**

**F1. New Business –**

**a. Consider adoption of Resolution 2016-12 A Resolution of the Scotia Community Services District Board of Directors Adopting the FY 2016-2017 Appropriations Limit**

S. Tyler introduced. No public comment

**Motion:** Read by title only

**Motion:** Bristol           **Second:** McKnight

**Motion Vote:** Ayes - 5      Opposed - 0            Absent - 0      Abstain - 0

**Motion:** Adopt Resolution 2016-12 A Resolution of the Scotia Community Services District Board of Directors Adopting the FY 2016-2017 Appropriations Limit

**Motion:** Pryor           **Second:** Walsh

**Motion Vote:** Ayes - 5      Opposed - 0            Absent - 0      Abstain - 0

**F2. Old Business –**

**a. Consider adoption of Resolution 2016-8 A Resolution of the Board of Directors of the Scotia Community Services District to Accept Dedicated Ownership, Financial Responsibility and Maintenance for all Non-County or Private Streets and Alleyways**

Table to July 21, 2016

**b. Consider adoption of Resolution 2016-9 A Resolution of the Board of Directors of the Scotia Community Services District to Accept Dedicated Ownership, Financial Responsibility and Maintenance for all Non-County or Private Drainage**

Table to July 21, 2016

**G. REPORTS**

**1. President's Report:** None

**2. Board Director Reports:** Scotia Parade on August 13<sup>th</sup>, 3 Board members will be judging. Clerk to post notice.

**3. Interim Manager's Report:** Congratulated Board on completing a first 218 rate setting process, as required by law. A special meeting is scheduled for June 23<sup>rd</sup>. PW scope will come before the Board then.

**4. Special Counsel's Report:** None

**5. Engineer's Report:** None

**6. Fire Chief's Status Report:** None

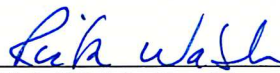
**7. Board Clerk Report:** SDRMA Insurance Quote Update

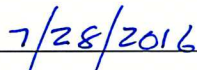
**H. ADJOURNMENT**

Meeting adjourned at 7:10 pm by Board President Rick Walsh.

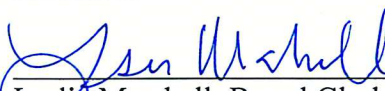
These minutes were approved by the Board of Directors of the Scotia Community Services District on July 28, 2016 at its duly-noticed regular meeting in Scotia, CA.

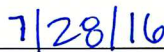
APPROVED:

  
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Rick Walsh, President  
Board of Directors  
Scotia Community Services District

  
\_\_\_\_\_  
Date

ATTEST:

  
\_\_\_\_\_  
Leslie Marshall, Board Clerk  
Scotia Community Services District

  
\_\_\_\_\_  
Date