



# **MANILA COMMUNITY SERVICES DISTRICT**

## **Agenda of Regular Meeting Tuesday December 16<sup>th</sup>, 2025, at 6:30 p.m.**

### **Manila Community Center, 1611 Peninsula Drive Room A**

*Posted by Saturday December 13<sup>th</sup>, 2025, 6:30 p.m.*

*This meeting is accessible remotely via Zoom <https://us02web.zoom.us/j/3742372467> and phone-in @ 669-900-6833. Unless otherwise noted, all items on the agenda are subject to action by the Board of Directors. Time specific items (if any) are noted on the applicable agenda item and will be discussed at that time or as soon as practical. It is planned to record this meeting so that it is accessible by the public.*

**1) ROLL CALL, DETERMINE QUORUM:**

**2) APPROVE AGENDA:**

**3) PUBLIC INPUT / PETITIONS / ANNOUNCEMENTS:** *The public is invited to present petitions, make announcements, or provide other information to the Board on matters not on the agenda. The Board may uniformly impose a time limit of 3 minutes for individual presentation to ensure every subject is heard. By public law, the Board cannot take action on items not on the agenda.*

**4) BUSINESS ITEMS:**

- a. **Annual Organizational Meeting to Appoint Board Officers** and representatives to outside agencies.
- b. **Receive for Discussion and Possible Action: Renewal of Tidelands Lease;** Coast Seafoods
- c. **Receive for Discussion and Possible Action: Expanded Tidelands Lease;** Humboldt Bay Oyster Co.
- d. **Review Policy on Board of Directors Meeting Schedule and Frequency**

**5) CONSENT CALENDAR:** (Items may be pulled for future consideration) – **Amendments or corrections should be received in writing prior to approval.**

- a. **Receive Disbursements: October 22, - to date**
- b. **Draft Minutes of October 21, 2025**

**6) BOARD DISCUSSION ITEMS:**

- a. **Committee Member Updates/Reports**
- b. **General Manager's Report:**

**7) INCOMING COMMUNICATIONS:** Letter from D. Dengler

**8) ADJOURNMENT:**

*If open session items cannot be completed by 8:30 P.M., the meeting may be adjourned to the next regular meeting, or the Board may vote to extend the meeting. A request for disability-related modification or accommodation, including auxiliary aids of services, may be made by a person with a disability, who requires a modification or accommodation in order to participate in the public meeting, by contacting the Manila CSD General Manager at least 24 hours prior to commencement of the meeting.*

## Agenda Summary

Agenda Item:

### ANNUAL ORGANIZATIONAL MEETING/SELECTION OF OFFICERS

**SUMMARY:** The Board of Directors convenes annually to select preferred offices and outside agency representatives. The current offices are as follows:

- ☐ **Meghan Ryan as President**, Committee: RREDC Alt., HBMWD Water Task Force Alt. and Personnel committee
- ☐ **John Broderick as Vice President**, Committee: Peninsula Community Collaborative
- ☐ **Danielle Muniz as Finance Officer** Committee: RREDC Representative and Personnel committee
- ☐ **Sequoyah Faulk-Kellogg as Safety Officer** Committee:
- ☐ **Thia Bachemin as Secretary** Committee:

The board may reconvene at any time to reconsider positions/appointments as needed or maintain status quo.

The procedure for this task is semi-informal and flexible as any member may simply declare their interest in a position or nominate another member for a position.

PRESIDENT \_\_\_\_\_

VICE-PRESIDENT \_\_\_\_\_

FINANCE OFFICER \_\_\_\_\_

SAFETY OFFICER \_\_\_\_\_

SECRETARY \_\_\_\_\_

HBMWD REPRESENTATIVE \_\_\_\_\_

HBMWD ALTERNATE \_\_\_\_\_

RREDC REPRESENTATIVE \_\_\_\_\_

RREDC ALTERNATE \_\_\_\_\_

PERSONNEL COMMITTEE: \_\_\_\_\_

PENINSULA COMMUNITY COLLABORATIVE: \_\_\_\_\_

*I move/second to adopt the assigned offices as recommended above.*

Vote: \_\_\_\_\_

## Agenda Summary

### Agenda Item: 4B

#### Renewal of Tidelands Lease; Coast Seafoods

##### Summary:

The district received the attached letter requesting the option to exercise a 5-year renewal of Coast/Pacific Seafood lease on district-owned tideland APN: 400-181-005. The current lease expires December 16<sup>th</sup>, 2025.

*I move/second to approve the 5-year renewal option for Coast Seafoods APN 400-181-005*

Vote: \_\_\_\_\_

##### Attachments:

Letter from Eric R. Mills requesting renewal



August 18, 2025

Manila Community Service District  
1901 Park Street  
Arcata, CA 95521

**Re: Notice of Lease Renewal – Tide and Submerged Land Lease**

Dear Mr. Woolley,

We are writing on behalf of the Legal Department of Pacific Shellfish – South Bend, LLC (f/k/a Coast Seafoods Company) regarding that certain Tide and Submerged Land Lease, dated December 17, 2015, for the premises located in Manila Community Service District, Section 2, Township 5 North, Range 1 West, Humboldt Meridian, Humboldt County, CA, which is currently set to expire on December 16, 2025 (the “Lease Agreement”).

Pursuant to Section 3.4 of the Lease Agreement, this letter is being provided as written notice of our desire to exercise our first renewal option, as follows:

- *First Renewal Term:* Five (5) years.
- *Renewal Period:* December 17, 2025, through December 16, 2030.
- *Additional Terms:* All other terms and conditions of the Lease Agreement shall remain in full force and effect.

Please acknowledge receipt of this letter and renewal of the Lease Agreement by email at your earliest convenience. For any questions, contact our Legal Department using the information below.

Sincerely,

A handwritten signature in black ink, appearing to read "Eric R. Mills", written in a cursive style.

Eric R. Mills  
**Director of Legal Affairs, General Counsel**  
503-784-7567  
emills@pacificseafood.com



## Agenda Summary

### Agenda Item: 4C

#### Consideration of expanded tidelands lease to Humboldt Bay Oyster Co. APN: 400-181-006

**This item was previously heard March 2023, and the board voted at that time to approve the expansion – pending the receipt of mapping that depicted the expended lease areas. This item is to memorialize that effort.**

#### Summary from March 2023:

Humboldt Bay Oyster Co. currently leases APN: 400-181-006 (10-year lease 2019-2029) for \$500/year and is requesting an expansion of this lease to include approximately 8.5 acres on the same APN, across from the Mad River Slough channel.

Staff has amended the attached DRAFT lease as follows:

1. Term begins March 21<sup>st</sup>, 2023 and expires July 18<sup>th</sup>, 2029 (10 years from original commencement date of July 18<sup>th</sup> 2019)
2. Expanded to approximately 13.50 acres from 5 acres (pending survey and revised Exhibits)
3. Proportionately increased rent from \$500 annually to \$1,350. The current lease is \$100/ac. There is a revision clause in the draft lease if the survey comes back differing by .50 acres in either direction.

*I move/second to approve attached amended lease for Tidelands APN 400-181-006 for \$1,350/year.*

Vote: \_\_\_\_\_

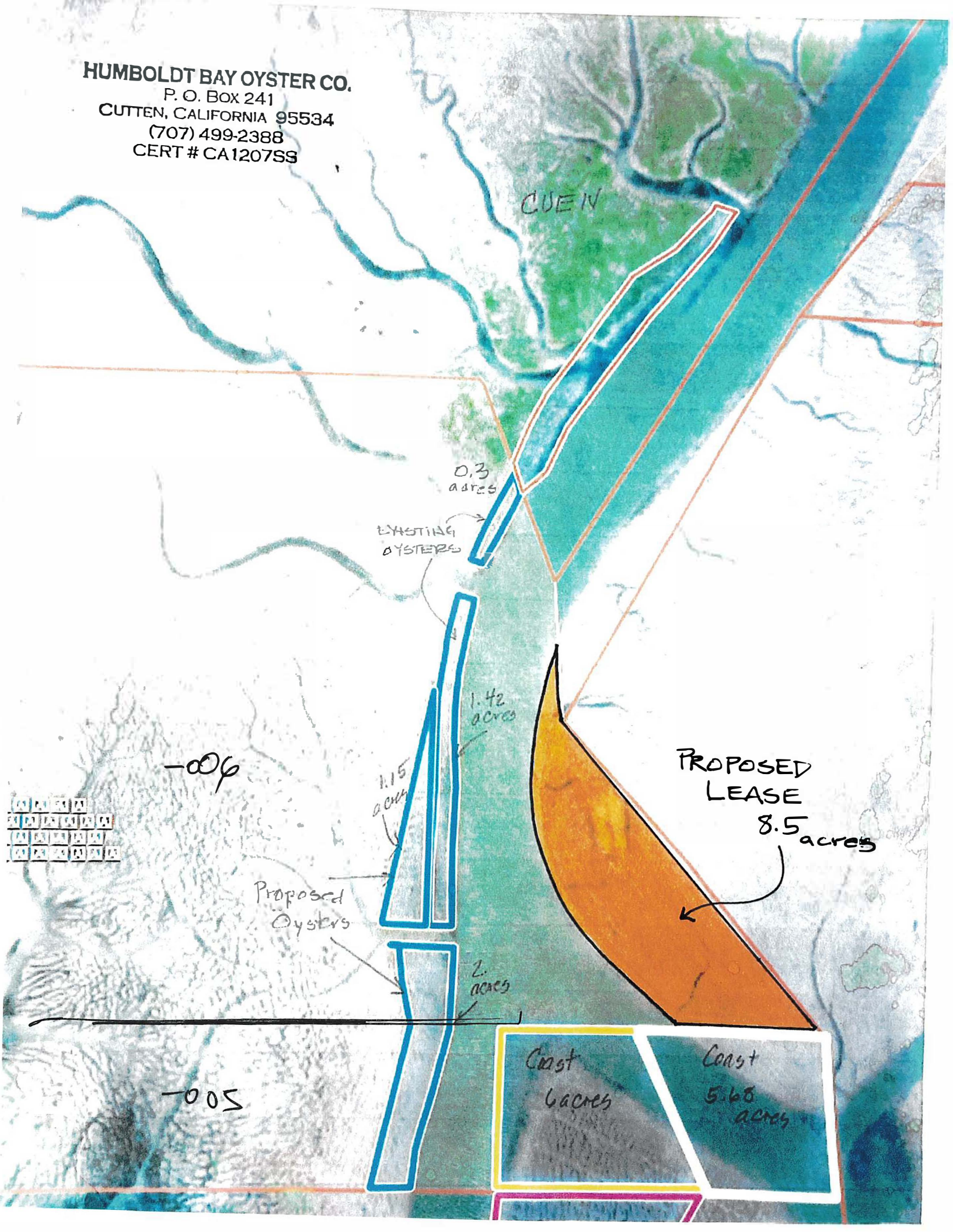
#### Attachments:

Revised Draft Lease

Map



HUMBOLDT BAY OYSTER CO.  
P. O. BOX 241  
CUTTEN, CALIFORNIA 95534  
(707) 499-2388  
CERT # CA1207SS



HUMBOLDT OYSTER COMPANY  
TIDE AND SUBMERGED LAND LEASE

This Lease is made and entered into as amended of the 21<sup>st</sup> day of March, 2023 by and between the  
MANILA COMMUNITY SERVICE DISTRICT (hereinafter referred to as “Lessor”), a  
California public special district established pursuant to Government Code Section 61100 *et seq.*,  
and HUMBOLDT OYSTER COMPANY, a California corporation (hereinafter referred to as  
“Lessee”).

**1. Description of Lease Premises**

Lessor hereby leases to Lessee and Lessee leases from Lessor, on the terms, covenants and conditions set forth herein, those certain tideland and submerged lands located in Humboldt County, California, and more particularly described in Exhibit A attached hereto, hereinafter referred to as the “Lease Premises,” containing approximately 13.5 acres.

**2. Term**

2.1 The original term of this amended Lease shall commence as of March 21<sup>st</sup>, 2023 (the “Commencement Date”), and end on July 18th, 2029, unless sooner terminated pursuant to any provision hereof. This lease is subject to the California Environmental Quality Act (CEQA), and conditional upon compliance with the CEQA process. This Lease is further conditioned upon Lessee obtaining the necessary permit renewals including but not limited to the Humboldt Bay Harbor, Recreation, and Conservation District (“Harbor District”) California Coastal Commission (“Coastal Commission”), and U.S. Army Corps of Engineers (“Corps”). In the event that Lessee fails to obtain such permit renewals, Lessee has the unilateral right to terminate this Lease at its sole discretion.

2.2 Should the Lease Premises become impaired as a shellfish growing area as evidenced by the loss of or the imposition of a limitation on the ability to grow shellfish based upon a determination by the California Department of Food and Agriculture, California Department of Public Health (“CA DPH”), California Department of Fish and Wildlife (“CA DFW”), California Fish and Game Commission (“CA FGC”), or any other state or federal agency with such regulatory authority that the Lease Premises are not suitable for shellfish cultivation, harvesting, or growing, and, further, should such determination result from actions or agencies beyond the control of Lessee, the obligations of the parties under this Lease shall be subject to termination at the option of the Lessee, upon thirty (30) days’ written notice to Lessor, without any additional payment of rent or other penalty or remedy permitted pursuant to Section 11.

**3. Option to Renew**

3.1 Option: Lessee is hereby granted four (4) options to extend this Lease for a term of five (5) years from and after the expiration of the original term or upon the expiration of any extensions exercised pursuant to this Section 3, upon the same terms and conditions of the original Lease.

3.2 Lessee's Exercise of Option: To exercise the option to renew, Lessee shall give written notice to Lessor of Lessee's exercise of the option no later than twelve (12) months prior to the expiration of the original Lease term.

3.3 Extension Subject to Terms of Lease: The extension of this Lease for any of the five (5) year renewal periods is subject to all covenants, terms, conditions, reservations, restrictions, time limitations, and other provisions of this Lease, including all applicable rental amounts provided in Section 4. If Lessee is in material breach of this Agreement as defined in Section 11, at the time of exercising the option to renew or at the commencement of the extended term, Lessee's right to exercise the option to renew shall be waived and forfeited and the Lease shall terminate as of the termination date of the original term or any extended term, and Lessee shall no longer have the right to renew this Lease for an additional five (5) year term.

3.4 Lease Deemed Renewed Upon Notice. The parties agree that upon Lessee giving written notice of exercise of its written option to renew the original Lease for an additional five (5) year period, this Lease shall be deemed renewed.

#### **4. Rent**

4.1 Annual Rent. Lessee agrees to pay to Lessor annual rent of \$100 per acre for 13.50 acres for a total of \$1,350. This figure is estimated and may be adjusted in ½ acre increments based on professional survey results.

4.2 Adjustments to Rent based on Consumer Price Index: For each year of this Lease, including during any extension term, the Annual Rent shall be adjusted for the next year by the difference in the change of the U.S. Department of Labor Consumer Price Index, All Urban Consumers, West Urban Area ("Index"). The most recent twelve (12) months available in the Index thirty (30) days prior to the start of the lease year will be used to calculate the increase. If there is a reduction in the Index over the applicable period, there will be no increase or decrease in the rents for the next year. If the Index is discontinued or revised during the term, such other government index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the Index had not been discontinued or revised.

4.3 Failure to Timely Pay Rent. If Lessee fails to pay the rent specified in this Lease within thirty (30) days of the date on which such payment is due, Lessee shall pay to Lessor a late charge of forty-five dollars (\$45) in addition to the accrued and unpaid rental, and, in addition to such charge, Lessee shall pay to Lessor interest at the rate of five sixths of 1 percent (0.8335%) per month upon the sum due from the date on which such rental becomes due and payable to and including the date of payment in full. The Lessor shall apply any monies received from Lessee first to any penalty and interest charges and then to any rental or other sums then due. The penalty and interest charges provided by this section are in addition to all other remedies that Lessor may have that are provided by this Lease or otherwise by law, to enforce payment of any rental or other sum that has become due and has not been paid.

4.4 Damage or Destruction of Premises. It is specifically agreed that in the event of the termination of this Lease by Lessor due to an uncured material default, prior to the expiration date of this original term, or prior to the expiration date of any renewal period, no portion of the



rent paid in advance shall be refundable. It is specifically agreed that in the event the Lease Premises shall be damaged or destroyed by fire, the elements or an act of God such as an earthquake or tsunami that renders the Lease Premises substantially unusable by Lessee for the purposes for which the Lease Premises are devoted, Lessee shall have the right to terminate this Lease upon written notice to Lessor within thirty (30) days after the date of such fire, the elements or act of God such as an earthquake or tsunami that renders the Lease Premises substantially unusable by Lessee for the purposes for which the Lease Premises are devoted, and be entitled to a pro rata refund of the annual rental paid in advance from the date of such termination.

## **5. Use**

5.1 Use by Lessee, Improvements Authorized. Lessee agrees to use the Lease Premises for the purpose of culturing and harvesting oysters and clams, as detailed more fully in Lessee's Harbor District Permit No. 04-03 (as amended) and Coastal Commission Coastal Development Permit E-06-003 (as amended), and any subsequent renewal of such permits ("Approved Uses"). Lessee is hereby authorized to install mariculture equipment and associated improvements on the Lease Premises so long as such equipment and improvements are consistent with all required regulatory permissions and approvals (See Section 5.5 below). Lessee agrees to give reasonable notice to Lessor regarding construction and improvement activities to be undertaken at the Lease Premises, and will coordinate such activities with Lessor.

5.2 Additional Uses. In the event Lessee desires to cultivate scallops, mussels, or other species of shellfish not authorized pursuant to Section 5.1, Lessee shall, prior to commencing cultivation, deliver to Lessor a written proposal for each animal species to be cultivated, including the estimated number of such species to be cultivated and the proposed acreage to be used, and obtain the express written consent of Lessor prior to the introduction of any such additional animal species to the Lease Premises. Lessee also may need to obtain additional approvals from other regulatory agencies prior to such proposed cultivation, and shall be responsible for obtaining any such additional required approvals.

5.3 Improvements at Lessee's Expense. Lessee shall, at its own expense, maintain and keep the Lease Premises and all improvements in good order and repair and sound condition. All approved equipment and other personal property brought, placed or erected on the Lease Premises by Lessee shall be and remain the property of Lessee.

5.4 Alteration of Lease Premises. No alteration of the Lease Premises shall be undertaken during the term of this Lease and any renewal term thereof without prior written permission from Lessor, with the exception of the alterations as specified in the Approved Uses.

5.5 Regulatory Permission and Approvals. The Lease Premises are subject to regulation by a number of government agencies, including but not limited to the Harbor District, Coastal Commission, the CA DFW, the CA FGC, the CA DPH, Lessor, and the Corps. Approval of this Lease does not authorize any activities or improvements on the Lease Premises that have not received all required regulatory permissions and approvals. Lessee shall be responsible for all necessary permits and compliance with all applicable requirements and regulations.

5.6 Non-Discrimination. Lessee in its use of the Lease Premises shall not discriminate against any person or class of persons on the basis of race, color, creed, national origin, sex, age or physical disability.

## **6. Reservations and Encumbrances**

6.1 Mineral Rights Reserved to the State of California. Lessor and Lessee acknowledge that all deposits of minerals, including oil and gas, on the Lease Premises have been reserved to the State of California pursuant to the Harbors and Navigation Code Appendix II, Section 78(g). Lessor furthermore expressly reserves all other natural resources in or on the Lease Premises, including but not limited to sand, gravel and inert earth. In no event shall any minerals or other natural resources be removed from the Lease Premises without the prior consent of Lessor. No dredge spoils materials shall be removed from the Lease Premises without Lessor's written consent, which shall not be unreasonably withheld.

6.2 Lessor's Right of Entry. Lessor shall have the right to go on the Lease Premises during normal business hours and in groups of not more than five (5) people and upon not less than 24 hours' notice for purposes of inspecting the Lease Premises or showing the same to prospective lenders or lessees.

6.3 Lessor's Right to Encumber Lease Premises. Lessor expressly reserves the right to lease or encumber the Lease Premises, in whole or in part, during the Lease term for any purpose not inconsistent nor incompatible with the rights and privileges of Lessee under this Lease and provided that such lease or encumbrance does not interfere with Lessee's right to use and quiet enjoyment of the Lease Premises. Prior to leasing or encumbering the Lease Premises in whole or in part consistent with this Section 6.3, Lessor will give Lessee six (6) months' notice and provide Lessee an opportunity to comment on Lessor's proposed lease or encumbrance. Notwithstanding the foregoing, leases for other aquaculture uses on the Lease Premises are considered incompatible with Lessee's use, and Lessor shall not enter into any leases authorizing aquaculture uses on the Lease Premises with any person or entity other than Lessee for the term of this Lease, including any applicable extensions.

6.4 Lease Subject to Pre-Existing Contracts; No Warranty of Fitness. This Lease may be subject to pre-existing contracts, leases, licenses, easements, encumbrances and claims and it is made without warranty by Lessor of condition of fitness of the land for the stated or intended use.

6.5 Lessee's Right to Exclude Persons from Lease Premises. Nothing in this Lease shall preclude Lessee from excluding persons from the Lease Premises when their presence or activity constitute a material interference with Lessee's use and quiet enjoyment of the Lease Premises as provided under this Lease.

6.6 Access Easement. This Lease is made and accepted by Lessee subject to all rights of navigation authorized under state or federal law. Lessor reserves to the public an easement for access across navigable waters located on the Lease Premises; however, such easement or right-of-way shall be neither inconsistent nor incompatible with the rights or privileges of Lessee under this Lease.

## **7. Rules, Regulations and Taxes**

7.1 Possessory Interest. Lessee is hereby notified by Lessor that the possessory interest created hereunder may be subject to a possessory interest tax or property taxation when created, pursuant to Sections 107 to 107.6 of the California Revenue and Taxation Code or other applicable law, and that Lessee and/or the party in whom the possessory interest is vested may be subject to the payment of property taxes levied on such interests. Lessee agrees and acknowledges that it has actual notice pursuant to Section 107.6 of the California Revenue and Taxation Code that it may be required to pay a possessory interest tax as a result of this Lease and the letting to Lessee of the Lease Premises. Lessee hereby acknowledges that it has actual knowledge of the possible existence of a possessory interest tax and has read the provisions of Sections 107 to 107.6 of the California Revenue and Taxation Code. Lessee shall pay all possessory interest taxes levied by any governmental agencies by reason of this Lease or Lessee's possession of the Lease Premises.

7.2 Taxes. In addition to the rents required to be paid pursuant to Section 4, Lessee further covenants and agrees to pay and discharge all taxes and assessments, of any name, nature and kind whatsoever, which may be fixed, charged, levied, assessed, or otherwise imposed upon the Lease Premises or upon the leasehold interest of Lessee therein, and upon any possessory right which Lessee may have in or to the Lease Premises, and upon all of Lessee's personal property, fixtures, and any and all other property owned, used or placed by Lessee in, on, or about the Lease Premises, including, among other things, Lessee's equipment, machinery, inventory, supplies, and merchandise. Lessee shall deliver to Lessor upon request copies of receipts showing the payment of such taxes, assessments, and levies.

## **8. Indemnification**

8.1 Lessee's Indemnification of Lessor. Lessor shall not be liable for and Lessee hereby agrees to indemnify, defend, hold harmless and to release Lessor, its Board of Directors, officers, agents and employees from and against any and all claims, demands, losses, fines, penalties, liabilities, actions, lawsuits and other proceedings, judgments and awards, and costs and expenses (including reasonable attorneys' fees) directly or indirectly connected with the breach of this Lease or Lessee's use of the Lease Premises. Lessee shall have no obligation whatsoever to hold harmless or defend Lessor and its officers, agents, and employees, or any of them, from any claim, litigation, or attack which involves (a) the legality, validity, or sufficiency of this Lease or (b) the gross negligence or intentional misconduct of Lessor, as further described in Section 8.2.

8.2 Lessor's Indemnification of Lessee. Lessee shall not be liable for and Lessor hereby agrees to indemnify, defend and hold harmless and to release Lessee, its Board of Directors, officers, agents and employees from and against any and all claims, demands, losses, fines, penalties, liabilities, actions, lawsuits and other proceedings, judgments and awards and costs and expenses (including reasonable attorneys' fees) caused by the gross negligence or intentional misconduct of Lessor or its Board of Directors, officers, agents and employees. Lessor agrees to indemnify and hold harmless Lessee for pre-existing environmental conditions, known or unknown at the execution of this Lease, caused by users of the Lease Premises or surrounding areas, other than Lessee.

## **9. Insurance**

9.1 Liability Insurance Required. Lessee shall obtain, at its own expense and keep in full force and effect during the Lease term with an insurance company acceptable to Lessor, comprehensive, commercial general liability insurance providing bodily injury and property damage coverage, and shall include products liability and personal injury coverage with liability limits of not less than Two Million Dollars (\$2,000,000) combined single limit insuring Lessee and Lessor and their authorized representatives, against any and all claims or liability, including but not limited to liability for injuries to persons and property, and for the death of any person or persons occurring in or about the Lease Premises, arising out of the use, occupancy, condition or maintenance of the Lease Premises and all improvements thereon. Lessee shall be the named insured. Lessee agrees that Lessor, its officers, agents and employees, including members of the Board of Directors of the Lessor, shall be named as an additional insured under such liability policy. Such insurance shall be primary to any insurance maintained by the Lessor.

9.2 Provision of Certificate of Insurance. Lessee shall provide Lessor with a certificate of such insurance and shall keep such certificate current. The certificate evidencing such insurance shall be filed with the Lessor upon the commencement of the term of this Lease and said certificate shall provide that such insurance coverage shall not be cancelled or reduced without at least thirty (30) days' written notice to Lessor. Within thirty (30) days of the renewal of any such policy, Lessee shall provide to Lessor a certificate showing that such coverage has been renewed.

9.3 Insurance in Effect at All Times. The liability insurance coverage specified in this Lease shall be in effect at all times during the Lease term including any and all renewal periods and subsequently until all of the Lease Premises has been accepted by Lessor as restored after completion by Lessee of the dismantling and removal of the improvements thereon pursuant to Section 12 of this Lease.

9.4 Adjustment of Insurance Coverage Upon Renewal. The required amount of insurance coverage may be reset by the parties at the beginning of any renewal term hereunder upon mutual agreement of the parties.

9.5 Performance of Indemnification Provision. All insurance required by this Section 9 shall insure performance of the indemnity provisions of Section 8 of the Lease Premises and the policy shall contain cross-liability endorsements.

## **10. Assignment**

Lessee shall not either voluntarily or by operation of law assign, transfer, mortgage, pledge, hypothecate or encumber this Lease and shall not sublet the Lease Premises, in whole or in part, without the prior written approval of Lessor, which approval Lessor shall not unreasonably withhold. All assignments, transfers and subleases of this Lease, and each of them, shall be subject to all the covenants, terms, conditions, reservations, restrictions, time limitations and other provisions of this Lease.

## **11. Default and Remedies**

11.1 The occurrence of any one or more of the following events shall constitute a default or breach of this Lease by Lessee:

- (a) Lessee's failure to make any payment of rental or other consideration as required under this Lease, where such failure continues for thirty (30) days after written notice from Lessor to Lessee.
- (b) Lessee's failure to obtain or maintain any liability insurance required under Section 9.1.
- (c) Lessee's failure to observe or perform any other term, covenant, or condition of this Lease to be observed or performed by the Lessee when such failure shall continue for a period of sixty (60) days after Lessor's giving written notice; however, if the nature of Lessee's default or breach is such that more than sixty (60) days are reasonably required for its cure, then Lessee shall not be deemed to be in default or breach if Lessee commences such cure within such sixty (60) day period and diligently proceeds with such cure to completion.

11.2 Other Remedies. In the event of a default or breach by Lessee and Lessee's failure to cure such default or breach, Lessor may, at any time and with or without notice in addition to every other remedy given Lessor by law or equity do any one or more of the following:

- (a) Continue this Lease in effect by not terminating Lessee's right to possession of said Lease Premises, in which event Lessor shall be entitled to enforce all Lessor's rights and remedies under this Lease including the right to recover the rent specified in this Lease as it becomes due under this Lease;
- (b) Terminate this Lease and recover from Lessee:
  - (1) The worth at the time of award of the unpaid rent which has been earned at the time of termination of the Lease;
  - (2) The worth at the time of award of the amount by which the unpaid rent which would have been earned after termination of the Lease until the time of award exceeds the amount of rental loss that Lessee proves could have been reasonably avoided;
  - (3) The worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of rental loss that Lessee proves could be reasonably avoided; and
  - (4) Any other amount necessary to compensate Lessor for all detriment proximately caused by Lessee's failure to perform its obligations under this Lease; or
- (c) Terminate the Lease and, in addition to any recoveries Lessee may seek under subsection (b) of this Section, bring an action to reenter and regain possession of said Lease Premises in the manner provided by the laws of unlawful detainer of the State of California then in effect.
- (d) Exercise any other rights or remedy which Lessor may have at law or in equity.

## **12. Removal of Improvements and Restoration of the Lease Premises Upon Expiration of Lease or Termination and Surrender of Lease Premises**

12.1 Upon expiration or sooner termination of this Lease, Lessor may accept all or any portion of the Lease Premises; however, Lessee shall have the right to remove any improvements installed by Lessee or personal property owned by Lessee on the Lease Premises within thirty (30) days after such expiration or termination of this Lease. Lessor may also, in Lessor's absolute discretion, require Lessee to remove all or any portion of such improvements at Lessee's sole expense and risk, provided, however, that Lessee shall be required to remove only such improvements as Lessor shall identify in writing to Lessee no later than thirty (30) days after expiration or earlier termination date of this Lease and Lessee shall only be required to remove entire structures or all such portions of a structure as are located on the Lease Premises; or, if



Lessee refuses, Lessor may itself remove or have removed all or any portion of such improvements at Lessee's sole expense.

12.2 Restoration of Premises. In removing any improvements, Lessee shall restore the Lease Premises as nearly as possible to the conditions existing prior to their installation or construction, and shall complete all obligations of this Lease; provided that, nothing in the foregoing requirement shall be construed as expanding in any way the limitations of Lessee's indemnification obligations in Section 8 hereof. All such removal and restoration of the Lease Premises required pursuant to this Section 12 shall be commenced by Lessee no later than sixty (60) days and completed no later than one (1) year after the expiration or sooner termination of this Lease or any extension thereof. The deadlines for restoration of the premises shall be extended by the time that is required to obtain all necessary regulatory permits and approvals, provided that Lessee timely files applications for such permits and approvals. All such removal and restoration shall be to the reasonable satisfaction of Lessor.

12.3 Refusal to Timely Remove Improvements at End of Lease. If Lessee refuses or fails to timely dismantle and remove the improvements or portion of improvements designated by Lessor to be dismantled and removed from the Lease Premises and restore the Lease Premises as nearly as possible to its condition existing prior to the installation of the structures, buildings and facilities so placed thereon, Lessor may itself or may hire third parties to dismantle and remove such improvements and place the Lease Premises in a condition as near as possible to the condition of the Lease Premises existing prior to the installation of the structures, buildings and facilities thereon at Lessee's sole expense and Lessee shall reimburse Lessor for all costs and expenses thereof of the dismantling and removal of improvements and restoration of the Lease Premises by Lessor or such parties designated by Lessor. Nothing in this provision shall be interpreted to preclude Lessor from bringing legal action for breach of contract and seeking damages in the form of anticipated cost of removal, even if said improvements have not actually been removed prior to the legal process.

12.4 Permits Required. In removing all improvements Lessee will be required to obtain any permits or any other governmental approval as may then be required by lawful authority.

12.5 No Removal or Replacement of Fill. Lessee shall not be required to remove or replace nor shall Lessor be required to pay for any fill remaining on the Lease Premises.

12.6 Surrender of Premises. Lessee agrees that on the expiration or sooner termination of this Lease or any renewal thereof Lessee shall responsibly leave and surrender the Lease Premises to Lessor in a state of good order, condition, repair and restoration, as provided in and subject to the time periods in Sections 12.1 and 12.2.

### **13. Quitclaim**

Lessee shall, within ninety (90) days of the expiration or sooner termination of this Lease, execute and deliver to Lessor in a form provided by Lessor, a good and sufficient quitclaim of all rights under this Lease, subject to Lessee's right to occupy those portions of the Lease Premises necessary for removal of structures pursuant to Section 12. Should Lessee fail or refuse to deliver such a quitclaim, a written notice by Lessor reciting such failure or refusal shall, from the date of

its recordation, be conclusive evidence against Lessee and all other claimants of the termination of this Lease and any rights or interests of Lessee in the Lease Premises and improvements thereon.

#### **14. Holding Over**

Any holding over by Lessee after the expiration of the Lease term, or any renewal, with or without the express or implied consent of Lessor, shall constitute a tenancy from month-to-month and shall be on terms, covenants and conditions of this Lease with rental payable in advance on the first day of each month at one-twelfth (1/12) of the total Annual Rent stated in Section 4 for such time period. Upon expiration or sooner termination of the Lease, Lessee shall not be required to pay the full rent to Lessor during the period when Lessee occupies the required portion of the Lease Premises necessary for the purposes of removal of the improvements and restoration of the Premises, pursuant to the provisions of Section 12 of this Lease, except to the extent that Lessee's continued occupancy interferes with the use of the Lessor or Lessor's assignees, or otherwise restricts the Lessor's ability to lease or rent the property.

#### **15. Additional Provisions**

15.1 No Waiver. The failure to enforce any right hereunder, or the waiver by either party of any default or breach of any covenant, term, condition, restriction or time limitation herein shall not constitute a waiver of the future exercise of any such right or of any other default or breach, whether of the same or any other covenant, term, condition, restriction or time limitation herein regardless of such party's knowledge of such other defaults or breaches. The subsequent acceptance of monies hereunder by Lessor shall not constitute a waiver of any preceding default or breach of any covenant, term, condition, restriction or time limitation, other than the failure of Lessee to pay the particular monies so accepted, regardless of Lessor's knowledge of such preceding default or breach at the time of acceptance of such monies, nor shall acceptance of monies after termination constitute a reinstatement, extension or renewal of this Lease or revocation of any notice or other act by Lessor.

15.2 Time is of the Essence. Time is of the essence of this Lease and each and all of its terms, covenants or conditions in which performance is a factor.

15.3 Notice. All notices, requests and communications required or permitted hereunder shall be in writing and shall be sufficiently given and deemed to have been received upon personal delivery by messenger, overnight courier or telecopier, or, if mailed, upon the first to occur of actual receipt of forty-eight (48) hours after being placed in the United States mail, postage prepaid, registered or certified mail, with return receipt requested, addressed to the parties as follows:

Lessor: Manila Community Service District  
1901 Park Street  
Arcata, CA 95521  
Attn: General Manager  
Telephone: (707) 444-3803

Lessee: Humboldt Bay Oyster Co.  
P.O. Box 241  
Cutten, CA 95534  
Attn: Todd Van Herpe  
Telephone: (707) 499-2388

15.4 Consent. Where a party's consent is required under this Lease, its consent for one transaction or event shall not be deemed to be consent to any subsequent occurrence of the same or any other transaction event.

15.5 Amendment, Termination. This Lease may be terminated and its terms, covenants and conditions amended, revised or supplemented by written mutual agreement of the parties.

15.6 Binding on Successors and Assigns. The terms, covenants and conditions of this Lease shall extend to and be binding upon and inure to the benefit of the successors and assigns of the respective parties.

15.7 Severability. If any term, covenant or condition of this Lease is judicially determined to be invalid, it shall be considered deleted and shall not invalidate any of the remaining terms, covenants and conditions.

15.8 Counterparts. This Lease may be executed in any number of counterparts, each of which shall be a valid and binding original, but all of which together shall constitute one and the same instrument.

15.9 Jurisdiction. Lessor and Lessee consent to and agree that in the event any disputes or legal actions are commenced and litigated between Lessor and Lessee regarding the terms, conditions, rights, duties and obligations of the parties pursuant to the terms of this Lease, the Superior Court of California, County of Humboldt shall have exclusive jurisdiction of such disputes and/or legal actions. The parties further agree that this Lease is entered into in Humboldt County, California, the place where the Lease Premises is located. This Lease shall be construed and interpreted in accordance with the laws of the State of California.

15.10 Attorney's Fees and Costs: In the event of legal proceedings arising out the terms and conditions of this Agreement, the prevailing party shall be entitled to recover reasonable attorney's fees and other costs of litigation.

15.11 Termination of Rights. Lessee agrees that on the expiration or termination of this Lease, Lessee shall responsibly leave and surrender the Lease Premises to Lessor in a state of good order, condition, repair upon removal by Lessee of the improvements thereon and restoration of the Lease Premises as provided for in Section 12 of this Lease. The exercise of any right of termination shall not release Lessee from liability for any unpaid but accrued rental or any other consideration which may be due under this Lease or from any other obligations still applicable under the Lease. No portion of any rental paid by Lessee in advance shall be refunded except as provided in Section 4.4.

15.12 Survival. Notwithstanding anything to the contrary contained in this Lease, the provisions (including, but not limited to, covenants, agreements, representations, warranties, obligations and liabilities described herein) of this Lease which from their sense and context are intended to survive the expiration or earlier termination of this Lease (whether or not such provision expressly provides as such) shall survive such expiration or earlier termination of this Lease and continue to be binding upon the applicable party.

15.13 Entire Agreement. This Lease supersedes any prior understanding or written or oral agreements between the parties hereto respecting the within subject matter and contains the entire understanding between the parties with respect thereto.

15.14 Negation of Agency. Each party is an independent contracting entity with respect to the terms, covenants and conditions contained in this Lease. No partnership, joint venture or other association of any kind is formed by this Lease.

In witness whereof, the parties have executed this Lease at Manila, Humboldt County, California, as of the date specified immediately adjacent to their respective signatures.

Date: \_\_\_\_\_ MANILA COMMUNITY SERVICES DISTRICT

By Meghan Ryan, President

Date: \_\_\_\_\_ HUMBOLDT BAY OYSTER COMPANY

By Todd Van Herpe, President

## Agenda Summary

### Agenda Item: 4D

### Review Policy on Board of Directors Meeting Schedule

#### Summary:

Staff was asked to provide an item for discussions/consideration of the frequency of board meetings.

Ordinance 21-01 (adopted November 18<sup>th</sup>, 2021) specifies the third Tuesday of every month at 6:30pm:

*“The regular meetings of the Board of Directors of Manila Community Services District will be held on the third Tuesday of each and every calendar month at the hour of 6:30 p.m.”*

The concept of changing the meetings to quarterly was asked of our attorney on July 2021 and counsel’s advice was, in part:

*“MCSD may change the monthly meeting schedule to a quarterly one, however, quarterly is the minimum number of meetings required to be in compliance with applicable law. Therefore, the new ordinance publicizing the new meeting schedule should include a protocol for a cancelled meeting to ensure at least one meeting is held every three months. In the alternative, MCSD could hold a meeting every other month, this would avoid any risk of violation of Cal. Gov. Code section 61044. In addition, a quorum is sufficient to hold a meeting, and an ordinance may be passed with a majority vote of the full membership (i.e., 3 out of 5).”*

Should the board decide to change the frequency with which it meets, staff would recommend the authoring of a revised Ordinance or, at the board’s discretion, a formal Resolution depicting the desired changes.

#### Attachments:

ORD 21-01.

Attorney letter from July 2021

Manila CSD Policy 5010 Board Meetings



## **ORDINANCE NO. 21-01**

### **AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE MANILA COMMUNITY SERVICES DISTRICT SUPERSEDING ORDINANCE NO. 93-01 AND DESIGNATING THE MEETING PLACE AND TIME OF THE MANILA COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS.**

WHEREAS, the Manila Community Services District (“District”) provides water and sewer services to properties within the District pursuant to the Community Services District Law (Government Code § 61000 *et seq.*);

WHEREAS, the District previously established a designated meeting time and place by way of Ordinance No. 93-01.

WHEREAS, the District wishes to establish a new designated meeting time and place by way of this Ordinance No. 21-01 thus superseding Ordinance No. 93-01.

NOW THEREFORE, the Board of Directors of the Manila Community Services District does ordain as follows:

#### **Section 1. Time of regular meetings.**

The regular meetings of the Board of Directors of Manila Community Services District will be held on the third Tuesday of each and every calendar month at the hour of 6:30 p.m.

#### **Section 2. Place of regular meetings.**

All meetings of the Board of Directors shall be held at the Manila Community Center, 1611 Peninsula Drive, Manila, California, unless adjourned to or scheduled for another place of meeting and written notice has been given, or unless the Manila Community Center site is unsafe because of an emergency or as otherwise permitted by law.

#### **Section 3. Types of Meetings.**

The Board of Directors may also hold Special and Emergency meetings. In addition, special and emergency meetings may be adjourned to a different time and place.

#### **Section 4. Rules of Proceedings**

All meetings and matters of business of the Board of Directors will be conducted in accordance with provisions of the Ralph M. Brown Act,

California Government Code, Sections 54950 through 54963, currently enacted and amended by the State of California.

**Section 5. Ordinances**

The enacting clause of all ordinances passed by the Board shall be in these words: “Be it ordained by the Board of Directors of the Manila Community Services District as follows.” All ordinances of the Board shall be signed by the Chairman of the Board of Directors and attested by the Secretary.

**Section 6. Mailing Address**

The official mailing address of Manila Community Services District shall be: 1901 Park Street, Arcata, CA 95521.

**Section 7. Severability.**

Should any provision, section, paragraph, sentence or word of this Ordinance be rendered or declared invalid by any final court action in a court of competent jurisdiction or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences and words of this ordinance as hereby adopted shall remain in full force and effect.

**Section 8. Repeal.**

Ordinance 93-01 is repealed as of the effective date of this Ordinance.

**Section 9. Effective Date.**

This Ordinance shall go into effect and be in full force and operation 30 days after its final passage and adoption.

**INTRODUCED AND FIRST READING PERFORMED** on the 21<sup>st</sup> day of October, 2021, by the following vote:

AYES: Broderick, Faulk-Kellogg, Ryan, Janetta

NAYS:

ABSENT: Muniz

ABSTAIN:

ATTEST:

---

Secretary to the Board of Directors of the  
Manila Community Services District

**SECOND READING PERFORMED AND ADOPTED** on the 18<sup>th</sup> day of November, 2021 by the following vote:

AYES: Broderick, Faulk-Kellogg, Ryan, Janetta, Muniz

NAYS:

ABSENT:

ABSTAIN:

ATTEST:

ATTEST:

---

Secretary to the Board of Directors of the  
Manila Community Services District

ATTEST:

---

President of the Board of Directors of the  
Manila Community Services District



# THE MITCHELL LAW FIRM, LLP

CLIFFORD B. MITCHELL (1927 - 2010)

PAUL A. BRISSO\*

NANCY K. DELANEY\*

WILLIAM F. MITCHELL

RUSSELL S. GANS

NICHOLAS R. KLOEPPEL

RYAN T. PLOTZ

AMY A. HUNT

DAVID W. WATSON, Associate\*\*

EDWIN E. AGUILAR MIRAMONTES, Associate

ATTORNEYS AT LAW  
426 FIRST STREET  
EUREKA, CALIFORNIA 95501

[www.mitchelllawfirm.com](http://www.mitchelllawfirm.com)

Established 1915

TELEPHONE (707) 443-5643

FACSIMILE (707) 444-9586

P.O. DRAWER 1008

EUREKA, CA 95502

JOHN M. VRIEZE (Retired)

EMERY F. MITCHELL (1896 - 1991)

WALTER J. CARTER (1949 - 1993)

R.C. DEDEKAM (1929 - 2011)

\* Of Counsel

\*\* Provisionally Licensed

July 7, 2021

## *Attorney-Client Privileged Communication*

TO: Christopher Drop, General Manager

FROM: Russ Gans/Edwin Aguilar

CLIENT: Manila Community Services District

RE: Board Meeting Changes

---

### **I. BACKGROUND**

Manila Community Services District is considering changing the dates/times of regular meetings and wants to know if they can hold quarterly meetings instead of monthly meetings. In addition, they want to know what happens if there is a quorum or cancellation. MCSD would also like to know what the maximum compensation for members per month or per meeting is, since the board is considering increasing compensation.

### **II. ISSUES**

1. Can MCSD change the dates of its meetings from monthly to quarterly?
2. What is the maximum compensation for Board Members per month or per meeting for attendance?

### **III. BRIEF ANSWERS**

1. MCSD can change its monthly meetings to quarterly by formal resolution or ordinance. Contingencies such as cancellation of a meeting should be addressed in the ordinance.

2. The maximum compensation for a Board Member is \$100 per “day of service,” subject to an increase of not more than 5 percent for each calendar year.

#### **IV. DISCUSSION**

##### **A. MCSD Can Change Monthly Meetings to Quarterly Meetings Through Formal Resolution or Ordinance.**

If MCSD would like to change its monthly meetings to quarterly meetings, it must do so through a formal method. “A board of directors shall hold a regular meeting at least once every three months. Meetings of the board of directors are subject to the Ralph M. Brown Act, Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5.” (Cal. Gov. Code § 61044) (*emphasis added*). “Each legislative body of a local agency, except for advisory committees or standing committees, shall provide, by ordinance, resolution, bylaws, or by whatever other rule is required for the conduct of business by that body, the time and place for holding regular meetings.” (Cal. Gov. Code § 54954 (a)).

The board of directors must hold a meeting at least once every 3 months. This means that if MCSD needs to cancel a board meeting it must schedule and hold another meeting to comply with the rule requiring at least one meeting every three months.

##### **1. Process For Adopting a Revised Meeting Schedule.**

The adoption of a new meeting schedule must to follow all regular processes and procedures as in any other ordinance. “Regular meeting agendas need to be posted at least 72 hours before the meeting in a location that is freely accessible to the public.” (Cal. Gov. Code § 54954.2(a)(1)). Weekend hours may be included to satisfy the requirement, but the agenda must be accessible for the entire 72 hour-period. “Agenda’s must also be posted on the local agency’s website, if it has one, 72 hours before the meeting.” (Cal. Gov. Code § 54954.2 (a)(1)).

With the exception of urgency ordinances, no ordinance may be passed within 5 days of its introduction. (Cal. Gov. Code § 36934). Two readings are thus required: one to introduce and a second to adopt the ordinance. (City Attorneys’ Department League of Cal. Cities, The Cal. Municipal Law Handbook, (2020), § 1.238, pg. 97.) “Ordinances may be passed only at a regular meeting or at an adjourned regular meeting (except for urgency ordinances). (*Id.*) All ordinances must be read in full either at the time of introduction or at the time of passage, unless a regular motion waiving further reading is adopted by a majority of all voting members present. (Cal. Gov. Code § 36934.).

##### **2. In Case of A Quorum Or Cancellation?**

“A majority of the total membership of the board of directors shall constitute a quorum for the transaction of business.” (Cal. Gov. Code § 61045). “The board of directors shall act only



by ordinance, resolution, or motion.” (*Id.*) “Except as otherwise specifically provided by law, a majority vote of the total membership of the board of directors is required for the board of directors to take action.” (*Id.*)

If there is a quorum then MCSD can hold a meeting and can vote to pass an ordinance or resolution. (Cal. Gov. Code § 36936). It is recommended that there be a protocol in place in case of cancellation in order to ensure MCSD is holding at least one meeting every 3 months. If the new schedule is to hold a meeting the first Thursday of every third month, then the ordinance should specify what happens if a meeting is cancelled. For example, the cancelled meeting should be held the following week or any week thereafter before the end of the month or if cancelled in advance then the week before. In the alternative, MCSD could hold a meeting every other month, this would avoid any risk of violation of Cal. Gov. Code Section 61044.

**B. The Maximum Compensation Is \$100 Per Day of Service, Subject to Annual Increases as Authorized by the California Water Code.**

Generally, a California Community Services District (like MCSD), may not compensate Board Members in excess of \$100.00 per meeting. Government Code Section 61047(a) provides: “[t]he board of directors may provide, by ordinance or resolution, that each of its members may receive compensation in an amount not to exceed one hundred dollars (\$100) for each day of service. A member of the board of directors shall not receive compensation for more than six days of service in a month.” (Cal. Gov. Code § 61047(a)). “A meeting conducted pursuant to the Ralph M. Brown Act is considered a day of service.” (See Cal. Gov. Code §61047 (e)(1)).

However, Government Code Section 61047(b) provides as follows: “[t]he board of directors, by ordinance adopted pursuant to Chapter 2 (commencing with [Section 20200](#)) of Division 10 of the Water Code, may increase the amount of compensation that may be received by members of the board of directors.” California Water Code Section 20200 states: “[a]s used in this chapter, ‘water district’ means any district or other political subdivision, other than a city or county, a primary function of which is the ... distribution of water primarily for domestic, municipal, agricultural, industrial, recreation, fish and wildlife enhancement, flood control, or power production purposes.” “Water districts” expressly include, but are not limited to, community services districts that provide water to customers. (*Id.*) Consequently, MCSD should qualify to increase Board compensation as a qualifying “Water District” under Water Code Section 20200.

Water Code Section 20201 states, in pertinent part, as follows:

Notwithstanding any other provision of law, the governing board of any water district may, by ordinance adopted pursuant to this chapter, provide compensation to members of the governing board, unless any compensation is prohibited by its principal act, in an amount not to exceed one hundred dollars (\$100) per day for each day's attendance at meetings of the board, or for each

day's service rendered as a member of the board by request of the board, and may, by ordinance adopted pursuant to this chapter, in accordance with Section 20202, increase the compensation received by members of the governing board above the amount of one hundred dollars (\$100) per day.

It is the intent of the Legislature that any future increase in compensation received by members of the governing board of a water district be authorized by an ordinance adopted pursuant to this chapter and not by an act of the Legislature.

California Water Code Section 20202 states, in pertinent part, as follows:

In any ordinance adopted pursuant to this chapter to increase the amount of compensation which may be received by members of the governing board of a water district above the amount of one hundred dollars (\$100) per day, the increase may not exceed an amount equal to 5 percent, for each calendar year following the operative date of the last adjustment, of the compensation which is received when the ordinance is adopted.

No ordinance adopted pursuant to this chapter shall authorize compensation for more than a total of 10 days in any calendar month.

Consequently, the Board of Directors may raise the meeting compensation in “an amount not to exceed an amount equal to 5 percent, for each calendar year following the operative date of the last adjustment of compensation which is received when the ordinance is adopted.” (Cal. Wat. Code § 20202).

## **V. CONCLUSION**

MCSD may change the monthly meeting schedule to a quarterly one, however, quarterly is the minimum number of meetings required to be in compliance with applicable law. Therefore, the new ordinance publicizing the new meeting schedule should include a protocol for a cancelled meeting to ensure at least one meeting is held every three months. In the alternative, MCSD could hold a meeting every other month, this would avoid any risk of violation of Cal. Gov. Code section 61044. In addition, a quorum is sufficient to hold a meeting, and an ordinance may be passed with a majority vote of the full membership (i.e., 3 out of 5).

The board of directors, by ordinance or resolution, may increase compensation to \$100 for each day of service and, additionally, in an amount not to exceed 5 percent for each calendar year following the operative date of the adopted compensation adjustment.

# MANILA COMMUNITY SERVICES DISTRICT

## POLICY MANUAL

SECTION: *Board Meetings*

POLICY TITLE: *Board Meetings<sup>1</sup>*

POLICY NUMBER: **5010**

REVISION: 3 ADOPTED BY THE BOARD ON: February 18, 2016  
Revised November 18, 2021 \* moving meetings to the third Tuesday \*

---

**5010.10** **Regular meetings** of the Board of Directors of Manila Community Services District shall be held on the third Tuesday of each calendar month at 6:30 p.m. in the Manila Community Center at 1611 Peninsula, Manila. The date, time and place of regular Board meetings shall be reconsidered annually at the annual organization meeting on the Board.

**5010.15** **Closed Sessions**: All closed sessions of the Manila CSD Board shall be noticed and conducted in a manner that conforms with the Ralph M. Brown Act. Legal counsel for the District shall attend any closed session involving litigation claims and/or potential claims as well as any other closed sessions for which his or her attendance is requested by the Board and/or the General Manager.

**5010.20** **Special meetings (non-emergency)** of the Board of Directors may be called by the Board President or established by the Board at a regular meeting.

**5010.21** All Directors, the General Manager, and other appropriate individuals such as District Legal Counsel, shall be notified of the special Board meeting and the purpose or purposes for which it is call. Notification will conform to the current requirements of the Ralph M. Brown Act (California Government Code sections 54950 through 54926) and publicly posted.

---

<sup>1</sup> See District Ordinance 93.01

**5010.22** Newspapers of general circulation in the District, radio stations, televisions stations, organizations, property owners, and customers who have requested notice of special meetings shall be notified by a mailing unless the special meeting is called less than one week in advance, in which case, notice will be given by telephone during business hours as soon as practical after the meeting is scheduled.

**5010.23** An agenda shall be prepared as specified for regular Board meetings in Policy No. 5020 and shall be delivered with the notice of the special meeting to those specified above.

**5010.24** Only those items of business listed in the call for the special meeting shall be considered by the Board at any special meeting.

**5010.30** **Emergency meetings** may be called in the event of an emergency situation involving matters upon which prompt action is necessary due to the disruption or threatened disruption of public facilities, the Board of Directors may hold an emergency meeting as allowed by the current criteria of the Brown Act. An emergency situation means a crippling disaster which severely impairs public health, safety, or both as determined by the General Manager, Board President or Vice President in the President's absence.

**5010.31** Newspapers of general circulation in the District, radio stations, televisions stations which have requested notice of special meetings shall be notified at least one (1) hour prior to the emergency meeting. In the event that telephone services are not functioning, the notice requirement of one hour is waived, but the General Manager, or his/her designee, shall notify those newspapers, radio stations, or televisions stations of the fact of the holding of the emergency meeting, and of any action taken by the Board, as soon after the meeting as possible.

**5010.32** No closed session may be held during an emergency meeting, and all other rules governing special meetings shall be observed with the exception of the notification requirement. The minutes of the emergency meeting, a list of persons the General Manager or designee notified or attempted to notify, a copy of the roll call vote(s) and any action taken at such meeting shall be posted for a minimum of ten (10) day in the District office as soon after the meeting as possible.

**5010.40     Adjourned Meetings.** A majority vote by the Board of Directors may terminate any Board meeting at any place in the agenda to any time and place specified in the order of adjournment, except if no Directors are present at any regular or adjourned regular meeting, the General Manager may declare the meeting adjourned to a stated time and place, he/she shall cause a written notice of adjournment to be given to those specified in 5010.22 above.

**5010.50     Annual Organizational Meeting.** The Board of Directors shall hold an annual organization meeting at its regular meeting each December. At this meeting the Board will elect a President, Vice President, Secretary, Finance Officer, and Safety Officer from among its member to serve during the coming calendar year.

**5010.60**     The Chairperson of the meetings described in this policy shall determine the order in which agenda items shall be considered for discussion and/or action by the Board.

**5010.70**     The Chairperson and the General Manager shall insure that appropriate information is available for the audience at meetings of the Board of Directors, and the physical facilities for said meetings are functional and appropriate.

# Manila Community Services District

12/9/2025 11:31 AM

Register: 10117 · Coast Central Checking

From 10/22/2025 through 12/09/2025

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
10/22/2025		OPTIMUM	-split-	paid online ACH	407.99			77,897.40
10/22/2025		OPTIMUM*	80000 · Sewer Dept. E...	paid online Ac...	74.67			77,822.73
10/24/2025			12000 · Accounts Rece...	Deposit			5,728.64	83,551.37
10/24/2025			12999 · Undeposited F...	Deposit			8,364.00	91,915.37
10/24/2025			-split-	Deposit			180.00	92,095.37
10/24/2025		VERIZON WIRELE...	-split-	Account #3420...	107.38			91,987.99
10/30/2025		SDRMA MB	60000 · Water Dept. E...	Auto-pay Nove...	2,937.57			89,050.42
10/30/2025		QuickBooks Payroll ...	-split-	Created by Pay...	6,460.89			82,589.53
10/31/2025		EFTPS	-split-	94-1653492	2,297.04			80,292.49
10/31/2025	DD2260	BACHEMIN, CYNT...	-split-	Direct Deposit		X		80,292.49
10/31/2025	DD2261	BRODERICK, JOHN J	-split-	Direct Deposit		X		80,292.49
10/31/2025	DD2262	DROP, CHRISTOP...	-split-	Direct Deposit		X		80,292.49
10/31/2025	DD2263	FAULK-KELLOGG,...	-split-	Direct Deposit		X		80,292.49
10/31/2025	DD2264	KITTLESON, KEN...	-split-	Direct Deposit		X		80,292.49
10/31/2025	DD2265	Muniz**, Danielle	-split-	Direct Deposit		X		80,292.49
10/31/2025	DD2266	RYAN, MEGHAN	-split-	Direct Deposit		X		80,292.49
10/31/2025	DD2267	WATSON, ALISHA L	-split-	Direct Deposit		X		80,292.49
11/04/2025			12770 · Prop 1 Accoun...	Deposit			180,374.00	260,666.49
11/04/2025			12000 · Accounts Rece...	Deposit			10,115.05	270,781.54
11/04/2025			-split-	Deposit			360.00	271,141.54
11/04/2025			12000 · Accounts Rece...	Deposit			1,174.90	272,316.44
11/05/2025			12999 · Undeposited F...	Deposit			8,364.00	280,680.44
11/12/2025		PACIFIC GAS AND...	80000 · Sewer Dept. E...	Acct 34288574...	6,913.88			273,766.56
11/13/2025		AQMD	M80000 · Community ...		40.00			273,726.56
11/13/2025		Debit Card- CCCU	-split-	VistaPrint	779.79			272,946.77
11/13/2025	2962	GHD	22000 · Accounts Paya...	INV 380-0075...	6,498.75			266,448.02
11/13/2025	2963	Wahlund Constructio...	22000 · Accounts Paya...	INV 13 Engine...	173,875.25			92,572.77
11/13/2025	2964	BADGER METER	22000 · Accounts Paya...	INV 8021469...	5.00			92,567.77
11/13/2025	2965	CBS LEASING CO...	22000 · Accounts Paya...	003-0610693-0...	283.24			92,284.53
11/13/2025	2966	CSDA	22000 · Accounts Paya...	2026 CSDA M...	2,348.00			89,936.53
11/13/2025	2967	HUMBOLDT BAY ...	22000 · Accounts Paya...	October 1-31, ...	8,843.77			81,092.76
11/13/2025	2968	Microbac Laboraorie...	22000 · Accounts Paya...	September Stat...	706.00			80,386.76
11/13/2025	2969	RECOLOGY HUMB...	22000 · Accounts Paya...	CUST 060790...	659.01			79,727.75
11/13/2025	2970	Restif Cleaning Servi...	22000 · Accounts Paya...	Bathroom Clea...	360.00			79,367.75
11/13/2025	2971	Kahle Industries	22000 · Accounts Paya...	Mowing Park ...	440.00			78,927.75
11/13/2025		QuickBooks Payroll ...	-split-	Created by Pay...	6,180.41			72,747.34
11/14/2025		EFTPS	-split-	94-1653492	2,336.22			70,411.12
11/14/2025	DD2268	DROP, CHRISTOP...	-split-	Direct Deposit		X		70,411.12
11/14/2025	DD2269	KITTLESON, KEN...	-split-	Direct Deposit		X		70,411.12
11/14/2025	DD2270	WATSON, ALISHA L	-split-	Direct Deposit		X		70,411.12

Manila Community Services District

12/9/2025 11:31 AM

Register: 10117 · Coast Central Checking

From 10/22/2025 through 12/09/2025

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
11/18/2025		OPTIMUM*	80000 · Sewer Dept. E...	paid online Ac...	75.02			70,336.10
11/18/2025		OPTIMUM	-split-	paid online ACH	408.88			69,927.22
11/18/2025	2972	CBS LEASING CO...	22000 · Accounts Paya...	003-0610693-0...	283.24			69,643.98
11/18/2025	2973	COLIN MEYER	22000 · Accounts Paya...		945.00			68,698.98
11/19/2025			12000 · Accounts Rece...	Deposit			1,065.63	69,764.61
11/19/2025			12000 · Accounts Rece...	Deposit			10,274.90	80,039.51
11/25/2025			12770 · Prop 1 Accoun...	Deposit			16,091.00	96,130.51
11/25/2025	2974	GHD	22000 · Accounts Paya...		14,717.45			81,413.06
11/25/2025	2975	Wahlund Constructio...	22000 · Accounts Paya...	INV 2 Enginee...	270,818.65			-189,405.59
11/25/2025	2976	Wahlund Constructio...	22000 · Accounts Paya...	INV 3 Enginee...	300,000.00			-489,405.59
11/25/2025		QuickBooks Payroll ...	-split-	Created by Pay...	6,056.45			-495,462.04
11/25/2025			10200 · Coast Central ...	Funds Transfer...			570,818.65	75,356.61
11/26/2025		EFTPS	-split-	94-1653492	2,258.14			73,098.47
11/26/2025	DD2271	DROP, CHRISTOP...	-split-	Direct Deposit		X		73,098.47
11/26/2025	DD2272	KITTLESON, KEN...	-split-	Direct Deposit		X		73,098.47
11/26/2025	DD2273	WATSON, ALISHA L	-split-	Direct Deposit		X		73,098.47
12/01/2025			12000 · Accounts Rece...	Deposit			3,688.28	76,786.75
12/03/2025		Debit Card- CCCU	-split-	Amazon	87.39			76,699.36
12/03/2025		Debit Card- CCCU	-split-	amazon	9.62			76,689.74
12/03/2025	2977	GHD	22000 · Accounts Paya...		18,273.35			58,416.39
12/03/2025	2978	GHD	22000 · Accounts Paya...	INV 380-0081...	13,237.00			45,179.39
12/03/2025			10200 · Coast Central ...	Funds Transfer...			13,237.00	58,416.39
12/05/2025		Debit Card- CCCU	-split-	Intuit	175.27			58,241.12
12/05/2025		PACIFIC GAS AND...	80000 · Sewer Dept. E...	Acct 34288574...	4,195.50			54,045.62
12/05/2025		VERIZON WIRELE...	-split-	Account #3420...	107.38			53,938.24
12/05/2025		SDRMA MB	60000 · Water Dept. E...	Auto-pay Dece...	2,937.57			51,000.67
12/09/2025	2979	BADGER METER	22000 · Accounts Paya...	INV 8021790...	5.05			50,995.62
12/09/2025	2980	HUMBOLDT BAY ...	22000 · Accounts Paya...	November 1-25...	8,645.10			42,350.52
12/09/2025	2981	RECOLOGY HUMB...	22000 · Accounts Paya...	CUST 060790...	659.01			41,691.51
12/09/2025	2982	STATE WATER RE...	22000 · Accounts Paya...		17,819.53			23,871.98
12/09/2025	2983	VALLEY PACIFIC ...	22000 · Accounts Paya...	10366	320.99			23,550.99



# MANILA COMMUNITY SERVICES DISTRICT

## Minutes of Regular Meeting Tuesday October 21<sup>st</sup>, 2025

1) **ROLL CALL, DETERMINE QUORUM:** *Ryan, Bachemin, Broderick, Muniz and Faulk-Kellogg present  
Staff GM Drop present*

2) **APPROVE AGENDA:** *There were no changes to the agenda*

3) **PUBLIC INPUT / PETITIONS / ANNOUNCEMENTS:** *Public member commented on consistent meetings required to address policies and the outdated policy on the website.*

4) **BUSINESS ITEMS:**

a. **Receive for Discussion and Possible Action: Approval of Audit Proposals for FY25-27**  
*Muniz/Bachemin to approve contracting with Harshwal & Company as presented. Vote: 5-0*

b. **Receive for Discussion and Possible Action: FY26 Q1 Budget Vs Actual**  
*Broderick/Muniz to receive and file report and to consider adjustments next fiscal quarter. Vote 5-0*

c. **Receive for Discussion and Possible Action: Draft Reserves Policy**  
*Ryan/Muniz to direct staff to prepare CIP and draft reserves policies for February meeting. Vote 5-0*

d. **Receive for Discussion and Possible Action: Reserves Draw to Gap Fund Drainage Grant \$75,000**  
*Ryan/Muniz to approve gap funding of the drainage grant not to exceed \$75,000, from account 2520 and to be deposited back as soon as funds are reimbursed Vote: 5-0*

5) **CONSENT CALENDAR:** (Items may be pulled for future consideration) – Amendments or corrections should be received in writing prior to approval.

a. **Receive Disbursements:** August 20<sup>th</sup>, 2025 - to date

b. **Draft Minutes of July 15<sup>th</sup>, 2025**

c. **Draft Minutes of August 19<sup>th</sup>, 2025**

*Ryuan/Broderick to approve consent calendar. Vote: 5-0*

6) **BOARD DISCUSSION ITEMS:**

a. **Committee Member Updates/Reports**

b. **General Manager's Report:**

7) **INCOMING COMMUNICATIONS:**

8) **ADJOURNMENT:** 7:52pm

\_\_\_\_\_  
Thia Bachemin, Secretary

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

\_\_\_\_\_  
Meghan Ryan, Board President

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



## **General Manager's Report for December 2025**

### **Water Project:**

The water project is nearing completion with the vast majority of the project behind us. All that is left at this time is the new meter installation and punch-list cleanup, road repairs and complete and missing valve pads.

### **Wastewater Project:**

The wastewater project closes in December 2025, but the district has requested and is expected to receive an extension into mid-2026. Major work is still pending for this project including the lift station retrofit (requires bypass for a few weeks), the new generator installation (underway) and pedestal replacements.

Our septage receiving station has been poured and should be functional early next year. Contractors are replacing the lighting at the lift station with dark-sky compliant fixtures but have been advised of extended lead times due to high demand.

Aeration pond liner repairs have been delayed and should be underway by the time of this printing.

### **Drainage Grant:**

There are some new policies and reporting tools required of the district to maintain advances from CNRA on this project.

This project is heading rapidly to completion as we complete remaining culverts at Young Lane/Peninsula and headwalls. There's some vegetation work at the Park pending and underway including the park shoreline grading for spartina and mitigation planting in the general field area. Spoils from the park are awaiting an approved final disposition location and will be hauled off as well as some repairs and cleanup to disturbed areas.

### **Manila Community Center:**

Staff is coordinating with RCM in relocating the propane tank to a more accessible location requested by propane supplier. This is due to the installation of the new modular buildings that were not expected to cause interference with filling the tank. The tree work has been completed.

### **PCC:**

Staff attended the December PCC meeting and provided a brief update on district projects.

### **SB 707 Brown Act updates:**

There are 2026 updates in the Brown Act with many new meeting requirements for agencies with 30,000+ populations. For smaller districts such as Manila CSD the rules have mostly returned to pre-pandemic remote participation rules and include expended provisions of "just cause" that permits members to participate remotely for reasons including, but not limited to, childcare responsibilities, illness, family medical emergencies, or military service.

Under Section 54953, at least a quorum of the members of the legislative body must be present within the jurisdictional boundaries of the local agency during a teleconference meeting. Any teleconferencing location is also required to be accessible to the public.

### **OTHER:**

Staff is still populating the FY24 audit with our CPA and has advised them of the approved contract for the upcoming audits.

419 Beach Drive  
Arcata, CA 95521  
Dec. 10, 2025

Manila CSD Board of Directors and General Manager  
1901 Park Street  
Arcata, CA 95501

RE: Possible Future Agenda Items for the Board of Directors

Dear Directors and Staff,

As stated in my **April 12, 2023** letter to the Board, I would very much prefer not attending your Board meetings as enlightening as they are. During public input at the March 2023 board meeting, I read a list of items that have been lingering and needed to be brought to the board in the correct format for board review and approval. I then sent a letter included in Incoming Communications on the following month's agenda listing many of the same items I am again listing below.

It is the primary job of the Board to develop policies and to ensure that ALL (past and present) policies are implemented and followed as well as prior ordinances and resolutions.

*Note: **Bolded and underlined** items listed below are suggested agenda items that **ANY BOARD MEMBER** can request to be added to an upcoming agenda.*

**Financial policy changes or additions needed:**

1. **Electronic checking and single check signer.** This was approved on 8-16-2018 in concept (minutes state "Woolly/Vander Meer to allow single signor on bank account to allow ACH autopayments and online functionality. Vote 5:0" **The actual wording for the financial policies never came back to the Board for APPROVAL. (How does this affect internal controls?)**
2. Other financial policy changes based on recommendations made by the auditor in his Management Letter dated October 11, 2021. Staff noted at least three new processes were implemented and another recommendation was that "someone outside of monthly reconciliation process review the (Coast Central) monthly reconciliation to question and investigate....deposits in transit for more than 3 days and uncashed checks outstanding..." **(all four should require FINANCIAL policy updates and BOARD APPROVAL, i.e. AGENDA ITEM**
3. Ensure that the property taxes that are allocated in the non-enterprise budget are properly withdrawn and only utilized for their stated purpose. **It appears that there may have been interdepartmental borrowing without Board knowledge and without following Policy 6050. See Note under #5.**
4. Are any water and sewer monies being placed in reserves?
5. **Deposit the yearly interdepartmental debt repayment to sewer for \$8,000.00 to 2523** Enterprise Reserves County Treasury account as stated in the 2010 debt repayment plan and **RESOLUTION.** Request documentation – copy of resolution and documentation of withdrawals of funds from each 2520 account. **Note:** If I recall correctly the van the District recently purchased mainly for water and sewer utilized non-enterprise funds which triggers an interdepartmental borrowing under Policy 6050 and the board needs to address this and repayment plan to N/E. **(i.e. AGENDA ITEM)**
6. Place the **Teenship funds** in a County Treasury account so that the funds will be tracked separately from the Districts bookkeeping by the County and will earn interest for that account. In doing so, the Board will have a more realistic accounting of current District finances.  
This is especially needed considering the \$95,410.00 CNRA grant reimbursement recently not being redeposited to the account from which it was borrowed from. Instead "used for operational cash needs pending the rate increase."
7. How are the districts purchases of computers, laptops, and accessories being tracked including those purchased during pandemic for offsite usage? (Jan. 2020 GM report and March 2023. **Review financial and inventory policies and data.**



**Other items some from General Managers July 2015 Evaluation (\*) and SDRMA insurance inspection report (\*\*):**

- 1) Develop a comprehensive District Safety Manual (goal 5.3.d (\*) and (\*\*)).
  - a) Feb. 15, 2018 - Presented DRAFT Injury and Illness Prevention Plan (IIPP) and Liability Loss Control Program Plan (LLCP) plans.
  - b) **May 15, 2018**, Draft Injury and Illness Plan presented and approved with amended changes but never came back to Board in **final format** for approval and required policy reading.
  - c) **The Liability and Loss Control Plan** was to come back in **April 2018** but never did.
  - d) Also, the General Code of Safe Practices (\*\*) should have been included but it was not.

**NOTE: The above documents are part of the Personnel Policies and/or Safety and Operations Policies (BOARD POLICY needing board action and approval). These policies are required by our insurance provider SDRMA who provided drafts to the district.**

  - e) These are stand-alone documents within MCSD Policy Manual.
- 2) Provide a current comprehensive Board Policy Manual – stated completed 01/21/2016 however incomplete and not up to date. Website copy is not up to date and not searchable. **Bring updated draft policies to board for approval, or the Board can form a committee, or a Board member can volunteer to do this** as I did in the past as a board member.
- 3) Apply for CSDA/ SDRMA Transparency Certificate (goal 5.1.c(\*). (Website)
- 4) The District Operations and Maintenance Plan (a state mandated plan) was to come to the Board in early 2023 but was not received. The GM has stated that several things will change with the grant improvements however many items will remain the same since the systems were built, i.e. monthly testing of water at testing sites, checking residual chlorine level in tank, repairs on systems, logs for sewer tanks and maintenance, flushing of water system, exercising valves, hydrants, etc., collecting pond data, monthly reporting to state agencies, etc. These could have been reviewed and approved by the board with new additions added. (A Sewer System Maintenance Plan update was completed and presented to the board – a state requirement – but not a comprehensive O&M plan).
- 5) **Board Financial Procedure Policy 6010, section 5.4.1** was amended in 2005 to state "The Board of Directors shall evaluate the general manager annually at a minimum ..." It has been more than three years and neither has the GM been evaluated nor have goals and objectives been developed with timeline since his last evaluation.
- 6) Strategic Plan review and update or develop a more current one.
- 7) Emergency and Safety Policies section 3000 (should include Tsunami) (**Board Policy 3025.9** "GM will provide annual reports to the BOD on the progress of the Emergency Preparedness Program" "with the annual list review to be conducted in February." Update policies and forms as needed.
- 8) **Lupin Drive Repair options** from previous meeting.
- 9) **Reserve Policy** – much of which is listed in the financial policies with deposit forms – Jan./Feb.2026

Suggestion: Board appoint a board member – possibly the Board secretary – to develop "a tickler calendar" which includes items like the above that are to come back to the Board for review or approval including date. Include in board packet, monthly or bi-monthly as pending agenda items.

I hope the above list and suggestions will act as a guide for the Board resulting in less cancellation of board meetings, and as such will result in a greater understanding by board members as to their roles and responsibilities to our community. When I begin to see action then I can quit coming to these meetings as an unpaid "honorary board member".

Thank you for your consideration,

Dendra Dengler

Manila resident of 50+ years and  
former community volunteer as well as  
8 years as former MCSD board member