

JOINT MEETING
CITY OF MORRO BAY AND CAYUCOS SANITARY DISTRICT
WASTEWATER TREATMENT PLANT
(UNDER JOINT POWERS AGREEMENT)

Cayucos Sanitary District

Board of Directors:

Robert Enns, President
Craig Bell Jr., Vice-President
Bill Gibeaut, Director
Harold Fones, Director
Nat Raimondo, Director

City of Morro Bay

City Council:

Janice Peters, Mayor
Betty Winholtz, Vice-Mayor
Thad Baxley, Councilmember
Melody DeMeritt, Councilmember
Bill Peirce, Councilmember

DATE: 7:00 p.m., Thursday, May 19, 2005

PLACE: Multi-Purpose Room, 1001 Kennedy Way, Morro Bay, CA 93442

MINUTES

CALL TO ORDER AND ROLL CALL

Peters called the meeting to order at 7:00 p.m. asking the record show all Council were present. Staff present were Bob Hendrix, Bruce Ambo, Bruce Keogh, Rick Algert, and Lynn Casassa.

President Enns asked the record reflect all Directors were present. Staff present were Bonnie Connelly and Bill Callahan, introduced by Enns as the new Operations & Maintenance Manager.

PUBLIC COMMENT PERIOD

Joey Racano, Orange County Ocean Outfall Group, distributed literature against the outfall waiver; he requested the Joint Boards discuss his plan.

Richard Sadowsky, Central Coast Outfall Group, said he was tired of seeing dead animals when he walked on the beaches.

Adrian Martinez, National Resources Defense Council, said he felt the 9.5 year timeline could be further reduced.

Noah Smukler, Surf Riders Foundation, said only full tertiary treatment should be allowed.

Andrew Christie, Santa Lucia Sierra Club, suggested combining local flows into a regional one, shortening the timeline, and seeking financial assistance through Senator Barbara Boxer.

Dave Paradies said it should be noted that regulations will be tighter in 20 years and to keep an eye on that horizon when considering timelines of nearly 10 years.

Mandy Davis asked that full tertiary treatment be the objective.

Richard Keller said he was willing to pay higher sewer rates in order to get tertiary treatment.

Marla Bruton asked where the timelines originated; she felt it unwise to spend money on long term plans. She suggested piping the effluent to Los Osos for final treatment.

Dan Gildor, National Resources Defense Council, said the timeline was still not short enough. He said project planning shouldn't take longer than construction.

A. CONSENT CALENDAR

1. Minutes of April 6, 2005– Recommend approve.
2. Wastewater Treatment Plant (WWTP) Operations Report through March, 2005 (Keogh)– Recommend receive and file
3. Financial Status Report as of March 31, 2005 (Koser) – Recommend receive and file

MORRO BAY MOTION: Peters, Baxley 2nd to approve the consent calendar. Vote: 5-0.

CAYUCOS MOTION: Fones, Gibeaut 2nd to approve the consent calendar. Vote: 5-0.

B. UNFINISHED BUSINESS

1. Presentation of Independent Auditor's Report and Financial Statements for Fiscal Years Ended June 30, 2001, 2002, and 2003. (Bob Crosby, CPA of Crosby & Cindrich)

Bob Crosby of Crosby & Cindrich presented his report. Enns asked if depreciation could be set as a future agenda item and suggested a depreciation research subcommittee be formed.

MORRO BAY MOTION: Winholtz, Peirce 2nd to accept the Auditor's Report. Vote:-5-0.

CAYUCOS MOTION: Gibeaut, Fones 2nd to accept the Auditor's Report. Vote: 5-0.

2. Plan of Action for Addressing FY 03 – 04 Financial Audit, FY 04 – 05 and Beyond by Authorizing an Extension of the Existing Audit Contract (Koser)

CAYUCOS MOTION: Gibeaut, Bell 2nd to authorize an extension of the existing audit contract with Crosby & Cindrich for the next three-year audits. Vote: 5-0.

MORRO BAY MOTION: Baxley, DeMeritt 2nd to authorize an extension of the existing audit contract with Crosby & Cindrich for the next three-year audits. Vote: 5-0.

3. Presentation and Discussion of the Revised Draft Time Schedules for WWTP Process Upgrades (Carollo Engineers /Keogh)

Peters announced one word was omitted on the agenda which may prevent adoption tonight. She introduced David Stringfield of Carollo Engineers who presented a 9.5 year plan to provide full secondary treatment.

Peters reopened public comment, and Matt Thompson of the Regional Water Quality Control Board encouraged adoption. Attorney Tim Carmel pointed out the omission on the agenda would in fact prevent a vote at this meeting.

Following discussion, it was agreed by consensus of the Joint Boards to adopt this item individually at the next meeting of each entity. It was emphasized that the contents and wording of the motions be identical.

It was also agreed to form a subcommittee of Baxley, Enns, Fones, and Winholtz. The first subcommittee meeting will be Thursday, May 26, 2005, at 7:30 a.m. at 955 Shasta Avenue, Morro Bay. It was further agreed additional subcommittee meetings would be held at the same location.

It was further agreed by consensus to have regular meetings of the Joint Boards on the second Wednesday of each month at 7:00 p.m. commencing in July. The July meeting will be hosted by Cayucos.

All subcommittee and regular meetings will be noticed and agendas published in accordance with the Brown Act.

Mayor Peters declared a break, and the meeting resumed at 9:30.

C. NEW BUSINESS

1. Invoice for Third Quarter FY 2004 – 2005 (Koser) – Recommend approve

CAYUCOS MOTION: Gibeaut, Bell 2nd to approve the invoice for payment as submitted.
Vote: 5-0.

2. Consideration of a 1-year Lease Agreement with Hanson Aggregates for the Lease site 150 Extension Area - (Algert)

CAYUCOS MOTION: Gibeaut, Raimondo 2nd to approve the lease agreement as recommended. Vote: 5-0.

MORRO BAY MOTION: Baxley, Peirce 2nd to approve the lease agreement as recommended. Vote: 5-0.

3. Consideration to Renew Lease Agreement Between the City and District for Two Storage

Areas Adjacent to the City's Maintenance Yard (Parcels 1 and 2)

CAYUCOS MOTION: Gibeaut, Raimondo 2nd to approve the lease agreement as recommended. Vote: 5-0.

MORRO BAY MOTION: Peirce, Winholtz 2nd to approve the lease agreement as recommended. Vote: 5-0.

4. Proposed WWTP Budget for FY 2005-2006 (Koser)

It was agreed by consensus of the Joint Boards that no action be taken on this item at this meeting and to continue this item to the meeting of July 13.

5. Schedule Next Joint Meeting and Agenda Items

Peters asked if there was anything the Joint Boards needed to accomplish with regard to the Grand Jury Report. Keogh replied the response requirements were on the last page of the Report and recommended it be agendaized for the July 13 meeting of the Joint Boards.

Information in this paragraph is discussed in detail in Agenda Item No. B-3. The first meeting of the subcommittee will be held on May 26, 2005, at 7:30 a.m. at 955 Shasta Avenue, Morro Bay. The next regular meeting will be held on July 13, 2005, in Cayucos. Monthly meetings will be hosted alternately thereafter for the primary purpose of advancing the upgrade project.

D. ADJOURNMENT

At 10:05 p.m. Mayor Peters called for a motion to adjourn the meeting.

MORRO BAY MOTION: Winholtz, DeMeritt 2nd to adjourn the meeting. Vote: 5-0.

CAYUCOS MOTION: Fones, Raimondo 2nd to adjourn the meeting. Vote: 5-0.

Respectfully submitted,

Lynn Casassa
Public Services Department
City of Morro Bay