

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

Cayucos Sanitary District
Board of Directors:
Robert B. Enns, President
Craig P. Bell, Jr., Vice-President
Hal Fones, Director
Nat Raimondo, Director
Bill Gibeaut, Director

City of Morro Bay
City Council:
Janice Peters, Mayor
Betty Winholtz, Vice-Mayor
Melody DeMeritt, Councilmember
William Peirce, Councilmember
Thad Baxley, Councilmember

DATE: 7:00 p.m., Thursday, October 20, 2005
PLACE: Cayucos Veterans Memorial Hall
10 Cayucos Drive
Cayucos, CA 93430

MINUTES

CALL TO ORDER AND ROLL CALL

Cayucos Board President Enns called the meeting to order at 7:07 p.m. and asked Board Secretary Bonnie Connelly to take roll.

City Council members present were Mayor Janice Peters, Vice-Mayor Betty Winholtz, Melody DeMeritt, William Peirce, and Thad Baxley. Morro Bay staff present were Robert Hendrix, Bruce Keogh, and Bruce Ambo.

Board members present were President Robert Enns, Vice-President Craig Bell, Jr., and Directors Nat Raimondo and Bill Gibeaut. Director Hal Fones was absent. Cayucos staff present were Bonnie Connelly, Bill Callahan, District Counsel Tim Carmel, and Nancy Martin.

PUBLIC COMMENT PERIOD

Joey Racano, Ocean Outfall Group, advocated his ABC Plan for a regional, full tertiary wastewater treatment plant and creation of a new sanitation district.

Noah Smuckler, Surfrider Foundation, Luke Polette, and Alicia Lord each urged a speedy completion of the wastewater treatment plant upgrade and recommended full tertiary treatment.

Jason Hoar, President of Agrifuels, LLC, a bio-diesel consulting firm urged communities to work together to keep the oceans and the economy healthy.

Marla Bruton, Ocean Outfall Group, encouraged residents of Cayucos to express their support of full tertiary treatment, and urged the dissolution of the JPA.

A representative of the Cuesta Environmental Club stated that tertiary treatment is the best and only option for the treatment plant and showed support for Joey Racano's ABC Plan

Steve Matthew, AGP Video, stated he was asked to provide audio services for the WWTP (JPA) meetings hosted by Cayucos and that there is an outstanding invoice for his services. Sanitary District President Enns indicated the matter would be resolved immediately.

A. CONSENT CALENDAR

1. Minutes of September 8, 2005 Meeting – Recommend approve.
2. Minutes of September 29, 2005 WWTP (JPA) Technical Advisory Committee Meeting – Recommend approve.

Mayor Peters asked if anyone wanted to pull any consent items. None were pulled.

MORRO BAY MOTION: DeMeritt, 2nd Peirce to approve items A1 and A2 as presented.
VOTE: 5-0

Director Gibeaut pointed out that the September 29, 2005 Technical Advisory Committee Meeting minutes did not reflect that Sanitary District Counsel, Tim Carmel, was present.

CAYUCOS MOTION: Gibeaut, 2nd Bell to approve item A1, and item A2 as amended. VOTE: 4-0

The motion and vote by Morro Bay was withdrawn and a new motion was made.

MORRO BAY MOTION: DeMeritt, 2nd Peirce to approve item A1, and item A2 as amended.
VOTE: 5-0

B. UNFINISHED BUSINESS

1. Consideration to Approve FY 2005-2006 Budget

District Manager Connelly's written report was received with a recommendation that the Sanitary District adopt the FY 05-06 Budget without the inclusion of \$70,000 for the front end loader.

CAYUCOS MOTION: Gibeaut, 2nd Bell to adopt the Fiscal Year 2005-2006 Wastewater Treatment Plant Budget, as presented by City staff, with exception of the \$70,000 capital outlay acquisition of a front end loader, at a revised amount of \$1,509,409. VOTE: 4-0

City Manager Robert Hendrix indicated that, as Morro Bay has already approved the FY 2005-2006 budget with the cost of the front end loader included, a mid-year budget adjustment would be done to reflect the action taken.

2. Status Report on the Full Secondary WWTP Upgrade 9½ Year Compliance Schedule
Wastewater Division Manager Bruce Keogh's written report was received. He stated that after City and District staff have reviewed and commented on the draft agreement, it will be forwarded to the Regional Water Quality Control Board (RWQCB) for their legal counsel to review. When an acceptable draft agreement is drawn up, the Governing Bodies will consider approval of the agreement. Regarding the NPDES Permit renewal, Keogh indicated that the Tentative Decision Document is expected to be forwarded to RWQCB for publication and issuance of a draft NPDES permit. The public notice and comment period will follow and he expects the permit renewal will be on the agenda of the February or March 2006 RWQCB meeting.

Director Gibeaut asked Keogh if Cayucos is hindering progress of the treatment plant upgrade. Keogh answered that the Governing Bodies are going through the normal administrative process, and that, at this point, they are ahead of schedule.

C. NEW BUSINESS

1. Report from WWTP (JPA) Technical Advisory Committee on WWTP Upgrade

Manager Keogh reported that the Technical Advisory Committee will meet again before the draft agreement for the 9½ year full secondary compliance schedule will be presented to the Governing Bodies for their review and tentative approval. He stated that suggested alterations to the JPA were mainly modernization of the document and recommended further discussion by the committee after the first of the year.

2. Schedule Next Joint Meeting and Agenda Items

The next regular joint meeting will be held Thursday, November 17, 2005 in Morro Bay. A WWTP (JPA) Technical Advisory Committee meeting was not scheduled.

Items to be included on the agenda include the issue with AGP Video, the draft compliance schedule agreement, Quarterly invoice, and Request for Proposal (RFP) for the Facility Master Plan.

Enns asked if the RFP could be approved prior to the compliance schedule agreement. Keogh replied that it could be approved prior to the approval of the agreement.

DeMeritt asked if sources of funding for the treatment plant upgrade are being pursued. Keogh reported that he has met with San Luis Obispo County personnel with regard to Prop 50 funds and is scheduled to meet again November 17. In January 2006 the County will issue requests for application for low interest loans.

D. ADJOURNMENT

CAYUCOS MOTION: Raimondo, 2nd Bell for the meeting to be adjourned at 7:50 p.m.
VOTE: 4-0

MORRO BAY MOTION: Baxley, 2nd Peirce for the meeting to be adjourned at 7:50 p.m.
VOTE: 5-0

Minutes recorded by: _____
Nancy Martin