



AGENDA ITEM: \_\_\_\_\_ 3.A.1 \_\_\_\_\_

DATE: \_\_\_\_\_ March 21, 2019 \_\_\_\_\_

ACTION: \_\_\_\_\_ APPROVED \_\_\_\_\_

CAYUCOS SANITARY DISTRICT  
200 Ash Avenue  
PO Box 333, Cayucos, CA 93430-0333  
805-995-3290

GOVERNING BOARD  
R. B. Enns, President  
D. Chivens, Vice-President  
S. Lyon, Director  
H. Miller, Director  
R. Frank, Director

REGULAR MEETING  
MINUTES  
Thursday, February 21, 2019

**1. ESTABLISH QUORUM AND CALL TO ORDER**

President Enns called the meeting to order at 5:04p.m.

Board members present: President Robert Enns, Vice-President Dan Chivens, Director Shirley Lyon, Director Robert Frank, and Director Hannah Miller.

Staff present: District Manager Rick Koon, Administrative Office Manager Danielle Crawford, and Collections Worker Trainee Jake Crawford.

Guests present: Alex Hom (Moss, Levy & Hartzheim), David Foote (Firma Consultants), Dylan Wade of Water Systems Consultants (WSC), and Mark Sampson (District Energy Consultants, DEC).

Koon began by introducing the District's newest staff member Jake Crawford.

**2. PUBLIC COMMENTS**

Enns opened the meeting to Public Comments.  
Hearing no comments, President Enns closed Public Comment.

**3. CONSENT CALENDAR - Recommend to Approve.**

Consent Calendar items are considered routine and therefore do not require separate discussion. However, any item may be removed from the Consent Calendar by a member of the Board of Directors for separate consideration. Individual items on the Consent Calendar are approved by the same vote that approves the Consent Calendar, unless an item is pulled for separate consideration.

**A. Regular Meeting Minutes**

1. Approval of Minutes for the January 17, 2019 Board of Directors Regular Meeting.

**B. Financial Reports: January 2019**

1. Check Register – Rabobank (General Checking Account)
  - a. Check Register – Wells Fargo (CSWP Checking Account)
2. Cash, Savings, and Investment Report
3. Budget vs. Actual Status Report **FY 2018-2019**
4. Capital Improvement Projects Report

Enns opened the meeting to Public Comments.  
Hearing no comments, President Enns closed Public Comment.

**MOTION:** 1st by Miller, to approve items on the consent calendar as prepared. Motion was seconded by Lyon.  
**VOTE 5-0** Motion passed

**4. STAFF COMMUNICATIONS AND INFORMATION ITEMS: (NO ACTION REQUIRED)**

- A. District Manager's Report – January 2019
- B. Monthly Customer Satisfaction Survey Submissions – **None**
- C. Will Serves – New
  - Heisinger, APN 064-113-029, 123 Ash Ave. – SFR Demo/Rebuild**
  - Failla, APN 064-184-009, 54 22<sup>nd</sup> St. – SFR New**
- Will Serves – Renewed
  - Wolowodiuk, APN 064-154-020, 1073 Pacific Ave. – SFR Demo/Rebuild**
  - Brown, APN 064-417-001, 3266 Studio Dr. – SFR Remodel**
  - Faust, APN 064-275-029, 3090 Studio Dr. – SFR Remodel**
  - J.Tenbroek, Inc., APN 064-204-032, 2788 Richard Ave. – SFR New**
  - Hofer, APN 064-157-026, 960 Park Ave. – SFR Remodel**
- Will Serves – Finaled
  - Winter, APN 064-427-057, 3229 Shearer Ave. – SFR Remodel**
- Will Serves – Continue to Serve (No Will Serve Required)
  - Dorn, APN 064-091-008, 55 Cayucos Dr. – COMM Add/Alt**

Manager Koon's report was presented. He updated the Board on Administrative items, and O&M activities for the month of January. He talked about the upcoming SDRMA election, and staff working with WSC to submit the first Series A and USDA draws. Koon also reminded the Board of the quickly approaching Form 700 deadline.

President Enns opened the meeting to Public Comments.  
Hearing none, Public Comments was closed.

Items 4 A through C were received and accepted.

**5. PRESENTATION AND ACCEPTANCE OF CAYUCOS SANITARY DISTRICT FY 2016/2017 FINAL AUDIT. PRESENTATION BY ALEXANDER HOM OF MOSS, LEVY & HARTZHEIM.**

Hom presented the audit in its final draft and addressed questions from the Board.

President Enns opened the meeting to Public Comments.  
Hearing none, Public Comments was closed.

**MOTION:** 1st by Chivens, to correct dating to FY 2017/18 and accept Cayucos Sanitary District FY 2017/18 final audit. The motion was seconded by Frank.

**VOTE 5-0** Motion passed

**6. CONSIDERATION TO ACCEPT THE MORRO BAY/CAYUCOS JOINT POWERS AGREEMENT FISCAL YEAR 2017/18 AUDIT.**

**Recommendation: Accept the Fiscal Year 2017/18 Audit**

President Enns opened the meeting to Public Comments.  
Hearing none, Public Comments was closed.

Item 6 was received and accepted.

**7. CONSIDERATION TO APPROVE PAYMENT OF MORRO BAY INVOICE FOR 2<sup>ND</sup> QUARTER OF FY 2018/19 IN THE AMOUNT OF \$103,173.38.**

Enns asked staff to look into line item "Contractual Services" in the amount of \$57,756 and report back to the Board with findings.

Crawford later addressed his question stating that the line item was for MRS (Marine Research Services) for offshore monitoring which was an allowable expense/reimbursement.

President Enns opened the meeting to Public Comments.  
Hearing none, Public Comments was closed.

**MOTION:** 1st by Lyon, to approve payment of Morro Bay invoice for 2<sup>nd</sup> quarter of FY 2018/19 in the amount of \$103,173.38. The motion was seconded by Miller.

**VOTE 5-0** Motion passed.

**8. DISCUSSION AND CONSIDERATION TO APPROVE DISTRICT EMPLOYEE COST OF LIVING ADJUSTMENT (COLA).**

Miller says she supports the COLA based on the Social Security increase of 2.8% this year and since there was no COLA discussed last FY.

Some other discussion amongst the Board continued.

President Enns opened the meeting to Public Comments.  
Hearing none, Public Comments was closed.

**MOTION:** 1st by Chivens, to approve District employee Cost of Living Adjustment as suggested by staff, retroactive to July 1, 2018. The motion was seconded by Frank.

**VOTE 5-0** Motion passed.

**9. DISCUSSION AND CONSIDERATION OF RESOLUTION 2019-1. A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CAYUCOS SANITARY DISTRICT ADOPTING A SUBSEQUENT MITIGATED NEGATIVE DECLARATION FOR THE CAYUCOS SUSTAINABLE WATER PROJECT OCEAN OUTFALL.**

Foote went over the documents presented to the Board noting that they have only received 4 comment letters and those have been addressed in the final documents. He also mentioned that the Notice of Determination (NOD) needs to be filed with SLO County in the next couple of days.

President Enns opened the meeting to Public Comments.  
Hearing none, Public Comments was closed.

**MOTION:** 1st by Lyon, to adopt Resolution 2019-1, a subsequent mitigated negative declaration for the Cayucos Sustainable Water Project ocean outfall. The motion was seconded by Miller.

**ROLLCALL VOTE:** Lyon-yes, Miller-yes, Frank-yes, Chivens-yes, Enns-yes.

**VOTE 5-0** Motion passed

**10. DISCUSSION AND CONSIDERATION TO APPROVE A CONSULTANT SERVICES AGREEMENT WITH DISTRICT ENERGY CONSULTANTS, WATER SYSTEMS CONSULTANTS (WSC) FOR THE DESIGN AND BIDDING OF THE CAYUCOS SUSTAINABLE WATER PROJECT SOLAR COMPONENT.**

Enns formally corrected the typo in agenda item number 10 to omit “Water Systems Consultants” (WSC).

Sampson gave a presentation on the immediate needs to get the solar component moving forward and discussed the contract further.

President Enns opened the meeting to Public Comments.  
Hearing none, Public Comments was closed.

**MOTION:** 1st by Frank, to approve a consultant services agreement with the District Energy Consultants for the design and bidding of the Cayucos Sustainable Water Project solar component. The motion was seconded by Chivens.

**VOTE 5-0** Motion passed

**11. DISCUSSION AND CONSIDERATION TO APPROVE 6<sup>TH</sup> AMENDMENT TO CONSULTANT SERVICES AGREEMENT WITH WATER SYSTEMS CONSULTANTS (WSC) TO PROVIDE RESIDENT REPRESENTATIVE SERVICES (RPR).**

Wade and Koon reviewed the resume of the newly hired Resident Project Engineer, Bob Rice. Also discussed in detail was WSC’s 6<sup>th</sup> amendment to incorporate project management RPR services and design engineer inspection during construction.

President Enns opened the meeting to Public Comments.  
Hearing none, Public Comments was closed.

**MOTION:** 1st by Lyon, to approve 6<sup>th</sup> amendment to consultant services agreement with Water Systems Consultants (WSC) to provide resident representative services (RPR) for construction services subject to the USDA final form. The motion was seconded by Miller.

**VOTE 5-0** Motion passed

**12. UPDATE ON CAYUCOS SUSTAINABLE WATER PROJECT STATUS.**

Koon and Wade updated the Board on the status of the project and announced that the plant site work will be going out to bid next week on Tuesday the 26<sup>th</sup>.

**13. BOARD MEMBER COMMENTS** (This item is the opportunity for Board Members to make brief announcements and/or briefly report on their own activities related to District business.)

None

**14. FUTURE SCHEDULED MEETINGS.**

- March 21, 2019 – **Regular Board Meeting**
- April 18, 2019 – **Regular Board Meeting**
- May 16, 2019 – **Regular Board Meeting**

Enns announced closed going into session at 7:44pm

**15. CLOSED SESSION**

**CONFERENCE WITH REAL PROPERTY NEGOTIATOR PURSUANT TO GOVERNMENT CODE SECTION 54956.8:**

PROPERTY: APN(s) 073-092-053 and 073-075-016

AGENCY NEGOTIATOR: RICK KOON, GENERAL MANAGER.

NEGOTIATING PARTY: CHEVRON.

UNDER NEGOTIATION: PRICE AND TERMS OF PAYMENT.

**CLOSED SESSION**

Board members present: President Robert Enns, Vice President Dan Chivens, Director Shirley Lyon Director Hannah Miller, and Director Robert Frank.

Staff present: District Manager, Rick Koon.

Open session reconvened at 8:03pm

**ITEMS TO REPORT FROM CLOSED SESSION:**

Enns reported that the Board authorized the District Manager to negotiate for price and terms of payment for Loadline 2 for Apn(s): 073-090-053 & 073-075-016

**16. ADJOURNMENT**

The meeting adjourned at 8:04p.m.

**Minutes Respectfully Submitted By:**

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Danielle Crawford  
Administrative Office Manager