



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  
Vacant, Director

REGULAR MEETING  
MINUTES  
Thursday, October 18, 2018

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

President Enns called the meeting to order at 5:00p.m.

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

Staff present: District Manager Rick Koon

Guests present: Mark Sampson of Potomac, Dylan Wade of WSC, and Mitch Koligian, Citizen.

**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 September 20, 2018 Board of Directors Regular Meeting.

**B. Financial Reports: September 2018**

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:** 1<sup>st</sup> by Lyon, to approve items on the consent calendar as prepared. Motion was seconded by Chivens.

**VOTE 5-0** Motion passed

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

- A. District Manager's Report – **September 2018**
- B. Monthly Customer Satisfaction Survey Submissions – 1
- C. Will Serves – New
  - Purchase, APN 064-372-013, 220 Cerro Gordo Ave. – SFR New**
  - Brown, APN 064-372-014, 210 Cerro Gordo Ave. – SFR New**
  - Circle M Enterprises, APN 064-143-011, 449 Pacific Ave. – SFR Demo/Rebuild**
- Will Serves – Renewed
  - Foster, APN 064-226-032, 30 16<sup>th</sup> St. – SFR New**
  - Shelby, APN 064-144-011, 525 Pacific Ave. – SFR Remodel**
- Will Serves – Finaled
  - Turner, APN 064-203-073, 2709 Santa Barbara Ave. – SFR New**
  - McGee, APN 064-235-005, 2133 Pacific Ave. – SFR Remodel**
- Will Serves – Continue to Serve (No Will Serve Required)
  - None**

Manager Koon's report was presented.

Items 4A, B, and, C were received and accepted.

Enns opened the meeting to Public Comments.

Hearing no comments, President Enns closed Public Comment.

**5. DISCUSSION REGARDING APPEALING A DENIAL OF AN EXEMPTION FROM THE SEWER SERVICE USER FEE FOR A SECONDARY DWELLING UNIT FOR PROPERTY LOCATED AT 2829 ORVILLE AVE.**

Citizen Mitch Koligian presented his argument for being exempt from a second EDU, aware that no decision could be made by the Board at that time. There was discussion on EDU standards, and the fact that the County recognizes the property as having a second unit. Mr. Koligian does not want to modify the County's designation.

**6. PRESENTATION OF SOLAR PROJECT ON MORRO DUNES MOBILE HOME PARK.**  
**A. DISCUSSION AND CONSIDERATION TO APPROVE THE SOLAR PROJECT.**  
**B. DISCUSSION AND CONSIDERATION TO APPROVE A SEVERANCE AND CONSENT AGREEMENT.**

There was discussion on the above item. Miller pointed out that board can't do much until there is a development plan.

Enns opened the meeting to Public Comments.

Mitch Kologian commented that he didn't think the bank would lend the necessary money without a development plan. Koon agreed.

President Enns closed Public Comment.

**MOTION:** 1st by Miller, to move this item off the calendar until Morro Dunes comes to the board with a severance request. Motion was seconded by Chivens.

**VOTE 4-0** Motion passed

**7. DISCUSSION AND CONSIDERATION TO APPROVE AN AMENDMENT TO EASEMENT AGREEMENT WITH CHEVRON LAND AND DEVELOPMENT COMPANY.**

Koon reviewed details of the easement's location and the proposed amendment. Enns suggested that they may want to wait until Chevron approves the amendment. Koon pointed out that the amendment would lessen the burden on the District.

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

**MOTION:** 1st by Chivens, to approve the amendment to the easement agreement with Chevron Land and Development Company. The motion was seconded by Lyon.

**VOTE 4-0** Motion passed.

**8. DISCUSSION AND CONSIDERATION TO AWARD THE BID FOR CAYUCOS SUSTAINABLE WATER PROJECT EARTHWORK AND TO APPROVE THE CONTRACTOR SERVICES AGREEMENT.**

Koon and Wade summarized the bidding process. There were a total of 6 bidders. The high bid was Seamair General Engineering out of SLO, for \$1.56 million. The low bid was David Crye General Engineering out of Morro Bay for \$635,000.00.

Wade's bid analysis found that the bid of David Crye was both responsible and responsive, had requisite qualifications, experience, and financial capabilities required to complete the project.

Miller questioned whether there was cause for alarm for such a large range between the bids. Wade and Koon explained why there was no cause for alarm.

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

**MOTION:** 1st by Lyon to waive any minor irregularities that may be present, and awarding the construction of the CSWP grading package to David Crye General Engineering Contractor, Inc. for \$635,000.00, and to approve the Contractor Services Agreement.

The motion was seconded by Chivens.

**VOTE 4-0** Motion passed.

**9. CAYUCOS SUSTAINABLE WATER PROJECT SOLAR DESIGN UPDATE BY MARK SAMPSON.**

Sampson discussed the above item. He informed the Board that the CSWP qualifies for virtual meter aggregation. He advised against using batteries at the site, and instead suggested to overproduce power. He explained that producing more power than what is consumed would result in a credit with PG&E, preventing us from being charged extra during peak usage hours. There was mention of having enough power to potentially sell excess to rate payers.

He stated that upcoming items for discussion at the next meeting will include input for the design, and the bidding process.

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

## 10. UPDATE ON CAYUCOS SUSTAINABLE WATER PROJECT STATUS

Koon stated that the District is on track to issue the bid for the plant itself in November (concrete, retaining walls, piping, etc.) That bid will be returned January 11, 2019 for Board approval at the January BOD meeting.

He expects to execute the first draw to Western Alliance Bank in November.

Enns opened the meeting to Public Comments.

Koligian asked if there were any updates regarding the District's draws, referencing that in the past it was either ahead or behind. Koon answered that the District is a little bit ahead.

Hearing no further comments, President Enns closed Public Comment.

Koon announced closed going into session at 7:12pm.

## 11. CLOSED SESSION ITEM:

**Conference with real property negotiator pursuant to government code section 54956.8:**

Property: APN(s) 073-075-016 / 073-092-053.

Agency Negotiator: Rick Koon, General Manager.

Negotiating parties: Chevron Land and Development Company and Trust for public land.

Under negotiation: price and terms of purchase.

## CLOSED SESSION

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

Staff present: District Manager, Rick Koon

Open session reconvened at 7:25pm.

## 12. RECONVENE TO OPEN SESSION:

No reportable action from closed session.

**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.

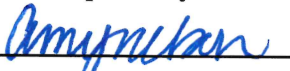
## 14. FUTURE SCHEDULED MEETINGS.

- December 20, 2018 – **Regular Board Meeting**
- January 17, 2019 – **Regular Board Meeting**
- February , 2019 – **Regular Board Meeting**

## 15. ADJOURNMENT

The meeting adjourned at 7:26p.m.

Minutes Respectfully Submitted By:

X 

Amy Nelson  
Billing Clerk