



AGENDA ITEM: _____ 3.A.1 _____

DATE: _____ July 19, 2018 _____

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
C. Maffioli, Director
H. Miller, Director

REGULAR MEETING
MINUTES
Thursday, June 21, 2018

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 Cary Maffioli, and Director Hannah Miller.

Staff present: District Manager Rick Koon, and Administrative Office Manager Danielle Crawford.

Guests present: Mark Sampson, of Potomac Investments.

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 May 17, 2018 Board of Directors Regular Meeting.
2. Approval of Minutes for the May 24, 2018 Budget Committee Meeting.

B. Financial Reports: May 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 2017-2018**
4. Capital Improvement Projects Report

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

MOTION: 1st by Maffioli, 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 – May 2018
- B. Monthly Customer Satisfaction Survey Submissions – **None**
- C. Will Serves – New

None

Will Serves – Renewed

Freedman, APN 064-422-005, 3390 Studio Dr. – SFR New

Kingslyn, APN 064-081-053, 915 Park Ave. – SFR New

Interian, APN 064-264-048, 370 Old Creek Rd. – SFR New

Will Serves – Finaled

Curti, APN 064-111-003, 242 Cayucos Dr. – SFR Remodel

Mancebo, APN 064-128-009, 187 J St. – SFR Remodel

Levitan, APN 064-133-035, 660 Park Ave. – SFR New

Payne, APN 064-163-009, 68 12th St. – SFR Addn / ALT

Pierce, APN 064-432-040, 3493 Ocean Blvd. – SFR Addn / ALT

Fichera, APN 064-202-005, 125 Obispo Ave. – SFR New

Will Serve – Continue to Serve (No Will Serve Required)

None

Manager Koon's report was accepted as presented. He updated the Board on Administrative items, O&M activities, and Capital Projects for the month of May. Koon said that staff had completed the FY 2017/18 preliminary audit visit and scheduled the next audit review in August. He also mentioned that notice of the FY 2018/19 draft budget was published via the Tribune on June 9, 2018. Koon discussed some of the questions and concerns raised at the budget committee meeting and informed the Board that the tax lien notices were mailed out on June 1, 2018. He let the Board know that staff is now gearing up for the rate increase occurring with the July billing.

Enns commented that he does not want the ground breaking ceremony cards to come after the rate increase. He would like them sent out prior to July 1, 2018 billing.

Crawford explained that there is not enough time to get postcards made and sent out prior to billing in 2 weeks.

Enns requested a note be put on the July billing cards informing customers that they will be receiving a postcard soon with ground breaking ceremony details.

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. PRESENTATION AND REVIEW OF THE CITY OF MORRO BAY WWTP FY 2018/2019 BUDGET.

The City of Morro Bay WWTP budget was received.

Enns opened the meeting to Public Comments.

Hearing no comments, President Enns closed Public Comment.

6. CONSIDERATION TO APPROVE PAYMENT OF MORRO BAY INVOICE FOR 3RD QUARTER OF FY 2017/18 IN THE AMOUNT OF \$124,234.09.

Koon presented his staff report related to the WWTP invoice.

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

MOTION: 1st by Lyon, to approve payment of Morro Bay invoice for 3rd quarter of FY 2017/18 in the amount of \$124,234.09. The motion was seconded by Miller.

VOTE 5-0 Motion passed.

7. DISCUSSION AND CONSIDERATION TO APPROVE FY 2018/19 CAYUCOS SANITARY DISTRICT DRAFT BUDGET:

A. OPERATING BUDGET

B. CIP BUDGET

Lyon asked if there was some sort of legal reason as to why the District couldn't cease paying themselves for District sewer services and fees. Unless there is some sort of legal obligation to do so, she doesn't see the purpose and would like it to be looked into further.

Miller questioned why the Admin payroll is lower next FY and Collections payroll has increased.

Crawford explained that there will be a shift in staff and that a position was moved out of Admin into Operations budget.

Enns commented on the Stand-by/Lot fees increasing when there has been a lot of construction of new homes. He felt this amount should be lower, not higher.

Koon said the reason for that is because last FY's targeted amount was too low, so this next FY is just adjusting to what it should be.

MOTION: 1st by Miller, to approve FY 2018/19 Cayucos Sanitary Draft Operating Budget. The motion was seconded by Maffioli.

VOTE 5-0 Motion passed.

Koon reviewed the planned CIP budget and after some discussions, requested Board approval.

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

MOTION: 1st by Chivens, to approve FY 2018/19 Cayucos Sanitary Draft CIP Budget. The motion was seconded by Miller.

VOTE 5-0 Motion passed.

8. DISCUSSION AND CONSIDERATION TO ADOPT RESOLUTION 2018-3 ESTABLISHING FISCAL YEAR 2018/19 APPROPRIATIONS LIMIT.

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

MOTION: 1st by Lyon, to adopt District Resolution 2018-3 establishing fiscal year 2018/19 appropriations limit. The motion was seconded by Maffioli.

ROLLCALL VOTE: Lyon-yes, Maffioli-yes, Chivens-yes, Miller-yes, Enns-yes.

VOTE 5-0 Motion passed.

9. PRESENTATION OF CAYUCOS SUSTAINABLE WATER PROJECT SOLAR ENERGY FINANCIAL MODEL.

Mark Sampson presented solar possibilities for the Cayucos Sustainable Water Project. He discussed financing/purchase power agreement options, performance, and storage with regard to the panels and batteries. Sampson elaborated on some of the battery maintenance costs and offered subsidization options.

The Board asked Mark to come back to present a detailed three vs. eight acre cost comparison at a future meeting.

10. UPDATE ON CAYUCOS SUSTAINABLE WATER PROJECT STATUS.

Koon went over what's been happening most recently with the CSWP. He said the USDA has re-reviewed the contract and they have some final tweaks but are still moving forward. The CMAR is ok, they've just decided to change some of Filanc's roles. Koon said he and Enns met with City of Morro Bay's City Manager, Scott Collins. Collins told Enns and Koon that the CMB has brought their costs down to \$128,000,000.00.

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

11. 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.)

Maffioli announced that as of the end of July, she will be resigning from the Board for personal reasons.

12. FUTURE SCHEDULED MEETINGS.

- July 19, 2018 – **Regular Board Meeting**
- August 16, 2018 – **Regular Board Meeting**
- September 20, 2018 – **Regular Board Meeting**

13. ADJOURNMENT

The meeting adjourned at 7:17p.m.

Minutes Respectfully Submitted By:

X 

Danielle Crawford
Administrative Office Manager