



AGENDA ITEM: 3.A.1

DATE: June 18, 2020

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, May 21, 2020
5:00 p.m.

1. ESTABLISH QUORUM AND CALL TO ORDER

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

Board members present via GoToMeeting: President Robert Enns, Vice-President Dan Chivens, Director Robert Frank, Director Hannah Miller, and Director Shirley Lyon (joined meeting at 5:03p.m.).

Staff present via GoToMeeting: District Manager Rick Koon, and Billing Clerk Amy Nelson.

Guests present via GoToMeeting: Dylan Wade of Water Systems Consultants (WSC).

2. PUBLIC COMMENTS

Enns opened the meeting to Public Comments.

Julie Tacker – thanked the staff for putting the packets on the website. She had questions about when the budget will be available.

Hearing no further 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 April 16, 2020 Board of Directors Regular Meeting.

B. Financial Reports: April 2020

1. Check Register – Rabobank (General Checking Account)
 - a. Check Register – Wells Fargo (CIP/CSWP Checking Account)
 - b. Check Register – Wells Fargo (CSWP Construction Account)
2. Cash, Savings, and Investment Report
3. Budget vs. Actual Status Report **FY 2019-2020**
4. Capital Improvement Projects Report

President Enns opened the meeting to Public Comment.

Julie Tacker noticed that there was a typo on agenda item 3.B (“Financial Reports: March 2020” should have read “Financial Reports: April 2020”). She had questions about payments made to several vendors as well as an interest payment for Western Alliance Bank Series B and requested an explanation.

President Enns suggested that she make an appointment with the District Manager Rick Koon for answers to her questions.

Hearing no further comments, President Enns closed Public Comment.

MOTION: 1st by Miller, to approve items on the consent calendar as prepared. Motion was seconded by Lyon.

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

VOTE 5-0 Motion passed

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

A. District Manager’s Report – April 2020

B. Monthly Customer Satisfaction Survey Submissions – None

C. Will Serves – New

Van Dam, APN 064-046-044, 19 Fresno Ave. – SFR New

Will Serves – Renewed

Britz, APN 064-274-011, 2806 Studio Dr. – SFR Remodel

WWW Properties LLC, APN 064-126-010, 199 H St. – SFR New

Will Serves – Finaled

None

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

None

Manager Koon gave a verbal report for the month of April’s Admin and Operations departments’ activities. Admin staff is continuing cross-training of their respective duties. The sale of 6SW and 6N, originally scheduled for May 30th, has been extended to June 30th. The District continues to work with the Trust for Public Lands and the San Luis Obispo Land Conservancy. Legal Counsel is reviewing the Draft Purchase and Sale Agreement for Board approval next month. District staff updated the website to reflect office closures due to COVID-19. The District is working with Caltrans on the design of the temporary and permanent locations for the District’s outfall pipeline. The District will submit plans by the end of May for contract signing on June 15th. Lift Station 5 is scheduled to go out for rebidding on May 29th, and bids will be due June 19th. With the next regular Board meeting scheduled for June 18th, he warned that a Special Meeting may be necessary after the bids are received and reviewed.

President Enns opened the meeting to Public Comment.

Hearing no comments, President Enns closed Public Comment.

Items 4 A through C were received and accepted.

5. CONSIDERATION TO ADOPT CAYUCOS SANITARY DISTRICT RESOLUTION 2020-2 REQUESTING CONSOLIDATION OF ITS BIENNIAL ELECTION WITH THE NOVEMBER 3, 2020 GENERAL ELECTION.

Koon explained that every time we have an election, which is every even year, we consolidate our elections with the County Clerk Recorder. Whoever is running gets printed on the countywide election materials, and it helps the District save on election ballot printing, mailers, and vote tabulation costs. The candidate pays for their own printing and handling of their own statement of qualifications.

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

MOTION: 1st by Chivens, to adopt Cayucos Sanitary District Resolution 2020-2 requesting consolidation of its biennial election with the November 3, 2020 general election. Motion was seconded by Frank.

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

VOTE 5-0 Motion passed

6. DISCUSSION AND CONSIDERATION TO APPROVE AN UPDATE OF SIGNATORIES AND POINTS OF CONTACT FOR CETERA ADVISOR NETWORKS.

Koon reminded the board that the Cetera account is where the District has long-term T-Bill investments. The District's Cetera account manager has changed, and the new manager requested an update of signatories and an updated list of our points of contact. The motion is to keep the same signatories (President Enns, Vice President Chivens, and Manager Koon) and update the points of contact to current administrative staff, Amy and Gayle.

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

MOTION: 1st by Frank, to update the signatories and points of contact for Cetera Advisor Networks. Motion was seconded by Miller.

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

VOTE 5-0 Motion passed

7. DISCUSSION AND CONSIDERATION TO APPROVE THE FIRST AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING FOR PUBLIC OWNERSHIP FOR LOT 6SW BETWEEN THE CAYUCOS SANITARY DISTRICT, THE TRUST FOR PUBLIC LAND, THE CITY OF MORRO BAY, AND CHEVRON LAND AND DEVELOPMENT COMPANY.

In February the Board approved this Memorandum of Understanding (MOU), which outlines the timing requirements for the City of Morro Bay to begin processing the Lafco application for the detachment, annexation and expanding of the SOI to include the Panorama Lots. The original target date was April 30th, was then pushed to May 30th, and just this morning the City pulled the item and now it is not anticipated to take place until June. The delay is attributed to collaboration between attorneys. Koon suggested the motion should allow room for further delay, if needed.

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

MOTION: 1st by Lyon, to approve the first amendment to the Memorandum of Understanding for public ownership for Lot 6SW between the Cayucos Sanitary District, the Trust for Public Land, the City of Morro Bay, and Chevron Land and Development Company. Motion was seconded by Frank.
ROLLCALL VOTE: Lyon-yes, Frank-yes, Chivens-yes, Miller-yes, Enns-yes
VOTE 5-0 Motion passed.

8. DISCUSSION AND CONSIDERATION TO ENTER INTO A MEMORANDUM OF UNDERSTANDING AND A PUBLIC UTILITY AND ACCESS EASEMENT AND MAINTENANCE AGREEMENT WITH THE COUNTY OF SAN LUIS OBISPO FOR THE PURCHASE OF A 20 FOOT PUBLIC UTILITY AND ACCESS EASEMENT ON LOT 1 ADJACENT TO AND WESTERLY OF HIGHWAY 1 AND TO DIRECT THE DISTRICT MANAGER TO SIGN THE DOCUMENTS UPON REVIEW AND APPROVAL BY DISTRICT LEGAL COUNSEL.

Koon explained that the District requested an appraisal for a 20 foot easement that runs down the westerly side of Highway 1 and borders the southerly boundary of Lot 1. The easement would allow access to Lift Station 5 piping, which may be necessary for future projects. The appraisal came in at \$11,000.00 for that 20-foot strip, and staff recommends purchase. At the end of last month, Lot 1 closed escrow and ownership transferred from Chevron to the County of San Luis Obispo, so the District would be making payment to San Luis Obispo Land Conservancy.

President Enns asked if we should include the \$11,000.00 in the motion? Koon answered that it could be added to the motion. Enns next asked if the easement goes far enough that we can go from the West side of Highway 1 and get across the highway to our Lift Station? Koon answered that the District will have to make sure it has an easement on Lot 6NW, and clarified they are now referencing a different lot and a different easement, which will connect to this easement.

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

MOTION: 1st by Miller, to enter into a Memorandum of Understanding and a public utility and access easement and maintenance agreement with the County of San Luis Obispo for \$11,000.00 for the purchase of a 20 foot public utility and access easement on Lot 1 adjacent to and westerly of Highway 1 and to direct the District Manager to sign the documents upon review and approval by District legal counsel. Motion was seconded by Frank.

ROLLCALL VOTE: Miller-yes, Chivens-yes, Frank-yes, Lyon-yes, Enns-yes
VOTE 5-0 Motion passed.

9. DISCUSSION AND CONSIDERATION TO APPROVE AN AGREEMENT FOR CONSULTANT SERVICES WITH PRO3 AUTOMATION, INC. FOR THE DESIGN AND INSTALLATION OF THE DISTRICT'S SCADA SYSTEM FOR THE LIFT STATIONS.

Koon recapped that one of the approved Capital Projects for this last year fiscal year was for the design and installation of a SCADA system for the District's existing lift stations. Now that the CSWP has progressed sufficiently, it is a good time to integrate the Lift Station SCADA with the CSWP SCADA system. Both systems will use the ignition software as their operation platform. The FY 19/20 CIP budget for the Lift Station SCADA is \$100,000.00, and PRO3's proposal is priced at \$58,000.00. It's anticipated that the work will take place over this fiscal year and next fiscal year. New technology associated with this system will enable collections staff to check the current status of many aspects of lifts stations from the convenience of a tablet.

President Enns asked for Board Comment.

Vice President Chivens asked how long the information would be stored for?
Koon responded that it is a 1 terabyte disc drive and will store for years.

Director Miller wondered if Pro3 has references that can provide feedback for how the system worked for other agencies?

Manager Koon answered that when Pro3 was in the area in the past, collections staff member Jon met with them and gave feedback that Pro3 was very well-versed. Moreover, Koon knows of an agency that uses the system and it is working well for them. The important thing is that they know the ignition software, which the plant will be using too.

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

MOTION: 1st by Lyon, to approve an agreement for consultant services with Pro3 Automation, Inc. for the design and installation of the District's SCADA system for the lift stations for \$58,000.00.

Motion was seconded by Frank.

ROLLCALL VOTE: Lyon-yes, Frank-yes, Chivens-yes, Miler-yes, Enns-yes

VOTE 5-0 Motion passed

10. DISCUSSION AND CONSIDERATION TO APPROVE THE CAYUCOS SUSTAINABLE WATER PROJECT CHANGE ORDER #2 AND TO FUND THE SOLAR SWITCH GEAR AND CONDUITS USING CAPITAL IMPROVEMENT FUNDS UNTIL FINAL APPROVAL BY USDA.

Koon discussed the necessity for Change Order #2, which is comprised of direct project costs as well as additional costs associated with the Solar Project. Change Order #2 was presented to the USDA for reimbursement, and while they agreed it was reimbursable, they requested the District to submit for reimbursement at Final, to make sure that the District can perform the full contract items as they stand now.

Enns asked about the \$8,300 credit in the Cushman proposal. Koon answered that he and Dylan sat down with Cushman and that after discussing that particular item, they found it wasn't necessary and Cushman was gracious enough to give a credit. Enns expressed his gratitude.

President Enns opened the meeting to Public Comment.

John Curti, Cayucos, requested clarification on the switch gear and conduit issue. He asked if it was accurate to say that it was not in the original contract when the agreement with the USDA was signed, so they are agreeing to the addendum, and will reimburse the District at the end of the contract?

Koon answered that the switch gear was not part of the contract, but rather is part of the PPA (Power Purchase Agreement.) But because it is integral to the plant, the USDA will reimburse the District, depending on how much funding is left over.

Hearing no further comment, Public Comment was closed.

MOTION: 1st by Chivens, to approve the Cayucos Sustainable Water Project Change Order #2 and to fund the solar switch gear and conduits using Capital Improvement funds until final approval by USDA. Motion was seconded by Miller.

ROLLCALL VOTE: Chivens-yes, Miller-yes, Frank-yes, Lyon-yes, Enns-yes
VOTE 5-0 Motion passed

11. DISCUSSION AND CONSIDERATION TO AWARD THE BID FOR THE CAYUCOS SUSTAINABLE WATER PROJECT OFFSITE PIPELINE AND TORO CREEK CROSSING PACKAGE AND TO APPROVE THE AGREEMENT BETWEEN OWNER AND CONTRACTOR FOR CONSTRUCTION CONTRACT (STIPULATED PRICE).

Manager Koon and Dylan Wade of WSC presented the Board with information related to the bid package for the Offsite Pipeline and Toro Creek Crossing project. After carefully reviewing the bids and affiliated companies, the recommendation is to award the bid to David Crye Construction. This recommendation is based on the findings that David Crye Construction is both responsive and responsible, in addition to being the low bidder at an estimated \$2,188,850.00.

Enns asked if we need to include that the Board agrees that the prime contractor can perform less than 50% of the work in the motion? Wade responded yes, and recommended verbiage for the motion.

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

MOTION: 1st by Frank, to waive the minor irregularities that might be present, accept the lower EMR for Ventura, allow Crye to subcontract up to 75% of the work, and award the construction of Cayucos Sustainable Water Project Offsite Pipeline and Toro Creek Crossing Package to David Crye General Engineering Contractor, Inc. in the amount of \$2,188,850.00. Motion was seconded by Lyon.

ROLLCALL VOTE: Frank-yes, Lyon-yes, Miler-yes, Chivens-yes, Enns-yes
VOTE 5-0 Motion passed

12. CAYUCOS SUSTAINABLE WATER PROJECT STATUS UPDATE

Koon and Wade discussed current progress noting that many phases are nearing completion as the project is transitioning from a construction site to the installation of pumps and pipes. Upcoming events entail wiring, final grading, and curbs and gutters. Within the next two months it will be safe to bring members of the board, and eventually members of the public, for observation.

President Enns opened the meeting to Public Comment.

Curti asked questioned when it's anticipated for the bid package for Lift Station 5 to go out to bid again, and when it might be authorized?

Koon stated that the bids will go out next week, and they are anticipated to come back on the 19th. We will need a special board meeting to review.

Hearing no further comments, Public Comment was closed.

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.)

Director Miller commented that her baby is due July 20th and wanted to warn the Board that she is getting close.

14. FUTURE SCHEDULED MEETINGS.

- June 18, 2020 – Regular Board Meeting
- July 16, 2020 – Regular Board Meeting
- August 20, 2020

15. ADJOURNMENT

The meeting adjourned at 5:58p.m.

Minutes Respectfully Submitted By:

X 

Amy Nelson
Billing Clerk