

CAYUCOS SANITARY DISTRICT
200 Ash Avenue
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805-995-3290

GOVERNING BOARD
R. B. Enns, President
D. Chivens, Vice-President
S. Lyon, Director
M. Foster, Director
D. Lloyd, Director

**REGULAR MEETING
MINUTES
Thursday, September 19, 2013
6:00 p.m.**

1. ESTABLISH QUORUM AND CALL TO ORDER

President Enns called the meeting to order at 6:00 p.m.

Board members present: President Robert Enns, Vice-President Dan Chivens, Director Shirley Lyon, Director Michael Foster and Director Dan Lloyd.

Staff present: District Manager Rick Koon and Administrative Services Accounting Manager Anita Rebich

Guests present: Karen Shanley, Financial Advisor

2. PUBLIC COMMENTS

President Enns opened the meeting to Public Comments. Karen Shanley said she was here to observe and assist with any questions or concerns on a couple of the agenda items.

3. DISCUSSION AND CONSIDERATION OF REQUEST FROM THE LOCAL AGENCY FORMATION COMMISSION (LAFCO) TO NOMINATE AN ALTERNATE SPECIAL DISTRICT MEMBER

Manager Koon expressed his belief that we need to stay involved with the local agency. Director Lloyd and others concurred

MOTION: 1st by Lloyd, 2nd by Lyon to Nominate Robert B. Enns as an Alternate Special District Member for the Local Agency Formation Committee (LAFCO). President Enns accepted the nomination.

VOTE: 5-0 Motion passed

4. UPDATE FROM THE AD-HOC COMMITTEE ON CONCEPTUAL ALTERNATIVES ANALYSIS FOR WASTEWATER TREATMENT PLANT PROJECT

Director Lloyd reported we are in the wait and see mode pending the findings and reports from Morro Bay. Lloyd continued that when, or if, Morro Bay does talk to CMC, we need to be "in the room". The entire Board agreed. Director Foster feels we need to facilitate the talks with CMC, says the longer we wait, the more we'll have to invest in the old plant. Director Lloyd feels we need to continue the legwork such as determining the usefulness/viability of the easement along the freeway. Manager Koon stated the WSC report was sent to the RWQCB and they seem open to the idea of a regional facility.

5. DISCUSSION AND CONSIDERATION OF REINVESTMENT OF MATURING COAST NATIONAL BANK CD

Manager Koon recapped the current CD held at Heritage Oaks Bank (formerly Coast National Bank-Morro Bay) and the discussion from the May meeting to move and re-invest. The move and re-investment didn't take place after it was discovered the FDIC would fully insure multiple instruments at the same bank until the first CD's maturity date, when there is an acquisition of one bank by another. The CD was left at Heritage Oaks

(formerly Coast National Bank-Morro Bay) to take full advantage of the 1.25% interest rate. Maturity date for this CD is 10/5/13.

MOTION: 1st by Chivens, 2nd by Lloyd to Move the Heritage Oaks Bank (formerly Coast National Bank-Morro Bay) CD to Coast National Bank-SLO at maturity.

VOTE: 5-0 Motion passed

6. DISCUSSION OF PRELIMINARY DRAFT INVESTMENT POLICY FOR FISCAL YEAR 2013/14

Manager Koon reported this is an annual review and we are primarily cleaning up titles and duties due to staffing changes. Manager Koon recommends we use the Financial Committee in lieu of a single Financial Liaison to carry out Board approved investments. Shanley stated that as the Board members change, we need to keep them on top investment opportunities and recommends more frequent visits from her. After discussion amongst the Board members and Manager Koon, it was agreed that, at a minimum, the Investment Policy should include that the Board meet bi-annually to review investments and establish the investment limits for the Financial Committee.

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

A. Manager Koon's report was accepted as presented. Manager Koon also reported that there has been an increase in property ownership changes and sewer will serves over the past month. The ACH process for automatic payments is continuing forward, the form has been reviewed by legal counsel and is available immediately via the website and in the office. Manager Koon reported the Cayucos Elementary School 6th Grade Class Wastebusters program had secured funding for five (5) more recycling bins. SLO County Department of Public Works required encroachment permits for these units, Wendy Laumer from the school, has secured these permits and dropped them off at the District for signature. Manager Koon requested a donation in the amount of \$500.00 to be given to the Wastebusters program to assist them in covering the sales tax they have to pay on these units. The Board applauded staff for their support of the program and agreed to the donation of \$500.00. Lift Station #3 project update was discussed along with the benefits that are being seen (literally) from the purchase of the new camera system. We are able to be more proactive Koon stated, whereas before we had to jet then camera, potentially washing away evidence of a problem or potential problem. With the new camera we can see the evidence first, take the necessary action to rectify, thus avoiding potentially larger problems. Director Chivens asked about the siphon jetting, anything to report? Manager Koon responded we'll know more once we complete the CCTV.

8. CONSENT CALENDAR

A. Approval of Minutes for the August 15, 2013 Board of Directors Meeting

MOTION: 1st by Lyon, 2nd by Lloyd to Approve the Consent Calendar as presented.

VOTE: 5-0 Motion passed

9. BOARD MEMBER COMMENTS

Director Lloyd inquired about who is responsible for the street lighting in Cayucos, and had we considered getting involved to promote light shielding or upgrades to reduce light pollution. Director Foster said other such items had come up in the past and our authority doesn't extend past sanitary sewer and solid waste. Director Lloyd then asked what our strategy was on costs to build a new facility. Will our current fees cover the cost? Do we need to do an analysis? Manager Koon stated we needed to wait until we have a better idea of the direction we're heading before starting the 218 process. We only want to go through the 218 process once.

10. SCHEDULED MEETINGS

A. Morro Bay-Cayucos Wastewater Treatment Plant (JPA) Meeting: *Date:* October 10, 2013, *Hosted by* Cayucos Sanitary District, *Location:* Cayucos Vet's Hall, *Time:* 6:00pm

11. SCHEDULE AGENDA ITEMS FOR THE OCTOBER 17, 2013 BOARD MEETING

12. ADJOURNMENT

The meeting adjourned at 7:30 p.m.

Minutes recorded by: _____
Anita Rebich, Clerk to the Board