



Pursuant to Governor Newsom's Executive Order N-29-20, members of the Board of Directors and staff will participate in this meeting via a teleconference. Members of the public can comment when prompted by unmuting their microphone, and allowing access to their webcam is optional.

CAYUCOS SANITARY DISTRICT

200 Ash Avenue
PO Box 333
Cayucos, California 93430-0333
805-995-3290

OFFICE COPY
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GOVERNING BOARD

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

BOARD OF DIRECTORS

REGULAR MEETING AGENDA

THURSDAY, JUNE 18, 2020 AT 5:00PM

200 ASH AVENUE, CAYUCOS, CALIFORNIA 93430

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1. ESTABLISH QUORUM AND CALL TO ORDER

2. PUBLIC COMMENTS:

This is the time the public may address the Board on items other than those scheduled on the agenda. By conditions of the Brown Act the Board may not discuss issues not posted on the agenda, but may set items for future agendas. Those persons wishing to speak on any item scheduled on the agenda will be given an opportunity to do so at the time that agenda item is being considered. When recognized by the Board President, please stand up and state your name and address for the record (though not required). While the Board encourages public comment, in the interest of time and to facilitate orderly conduct of the meeting, the Board reserves the right to limit individual comments to three minutes.

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 21, 2020 Board of Directors Regular Meeting
2. Approval of minutes for the June 12, 2020 Budget Committee Meeting

B. Financial Reports: May 2020

1. Check Register – Rabobank (General Checking Account)
 - a. Check Register – Wells Fargo (CIP/CSWP Checking Account)

Pursuant to Governor Newsom's Executive Order N-29-20, members of the Board of Directors and staff will participate in this meeting via a teleconference. Members of the public can comment when prompted by unmuting their microphone, and allowing access to their webcam is optional.

13. **DISCUSSION AND CONSIDERATION TO ADOPT RESOLUTION 2020-3 ESTABLISHING CAYUCOS SANITARY DISTRICT'S FISCAL YEAR 2020/21 APPROPRIATIONS LIMIT**
14. **CAYUCOS SUSTAINABLE WATER PROJECT STATUS UPDATE**
15. **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.)
16. **FUTURE SCHEDULED MEETINGS**
 - July 16, 2020 – Regular Board Meeting
 - August 20, 2020 – Regular Board Meeting
 - September 17, 2020 – Regular Board Meeting
17. **ADJOURNMENT**

This agenda was prepared and posted pursuant to Government Code Section 54954.2. The agenda can be accessed and downloaded from the District's website at www.cayucossd.org/

All staff reports or other written documentation relating to each item of business referred to on the agenda are on file in the District's office and are available for public inspection and reproduction at cost. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by the Americans with Disability Act. To make a request for disability-related modification or accommodation, contact the District at 805-995-3290 as soon as possible and at least 48 hours prior to the meeting date.



AGENDA ITEM: 3.A.1
DATE: June 18, 2020

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 – Los Osos – 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



AGENDA ITEM: 3.A.2
DATE: June 18, 2020

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

BOARD OF DIRECTORS
BUDGET COMMITTEE MEETING MINUTES
Friday, June 12, 2020
10:00 a.m.

COMMITTEE MEMBERS:

Shirley Lyon, Director – Present
Hannah Miller, Director – Present

STAFF MEMBERS PRESENT:

Rick Koon, District Manager
Gayle Good, Admin. Services Technician
Amy Nelson, Billing Clerk

1. CALL MEETING TO ORDER

The meeting commenced at 10:00am.

2. PUBLIC COMMENTS

Director Miller opened the meeting to public comment.

Julie Tacker – Los Osos – spoke to several line items and requested more information.

Hearing no further comments, Director Miller closed Public Comment.

**3. REVIEW AND DISCUSSION OF PROPOSED DRAFT BUDGET FY 2020-2021:
A. OPERATING BUDGET**

The proposed budget figures were received. Manager Koon went over each line item of the projected FY 20/21 budget with Directors Lyon and Miller. Committee members asked for and received clarification of budget line items from Koon, and District reserves were discussed. There was an emphasis on this being a transitional time for the District, and expenses such as payroll, energy consumption, and treatment plant expenses are fluid and difficult to predict at this time.

Director Miller opened the meeting to Public Comment for Capital Improvement Project Budget.

Tacker thanked Manager Koon for his presentation and commented that most of her questions were answered. She went on to ask about funding for Capital Projects.

Director Miller closed Public Comment.

B. CAPITAL IMPROVEMENT PROJECT BUDGET

Koon proceeded to review Capital Improvement funding, noting necessary repairs, replacements and improvements.

4. ADJOURNMENT

The meeting adjourned at 10:59am.

Minutes Respectfully Submitted By:

X

Amy Nelson
Billing Clerk

**Cayucos Sanitary District
General Checking Account
(Payments Only)
May 2020**

AGENDA ITEM: 3.B.1

DATE: June 18, 2020

Date	Num	Name	Amount
05/01/2020	DD0501201	COLLINS, JONATHAN W	0.00
05/01/2020	DD0501202	CRAWFORD, DANIELLE C	0.00
05/01/2020	DD0501206	LAKEY, NICK E	0.00
05/01/2020	21558	CHIVENS, DAN P	-91.35
05/01/2020	21559	ENNS, ROBERT	-91.35
05/01/2020	DD0501203	FRANK, ROBERT W	0.00
05/01/2020	DD0501204	GOOD, GAYLE	0.00
05/01/2020	DD0501205	KOON, RICHARD L	0.00
05/01/2020	21560	LYON, SHIRLEY A	-91.35
05/01/2020	DD0501207	MILLER, HANNAH P	0.00
05/01/2020	DD0501208	NELSON, AMY M	0.00
05/01/2020	FED05012020	US TREASURY	-5,713.80
05/01/2020	DEF050120	CALPERS (RETIREMENT)	-925.00
05/01/2020	PERS050120	CALPERS (RETIREMENT)	-3,094.49
05/01/2020	21538	POSTMASTER	-622.44
05/01/2020	21577	CAYUCOS SANITARY DISTRICT WELLS FARGO ACT	-1,357.49
05/04/2020	21565	AUTOZONE, INC.	-13.79
05/04/2020	21566	CAYUCOS SANITARY DISTRICT	-264.00
05/04/2020	21567	CHARTER INTERNET	-114.98
05/04/2020	21568	COUNTY OF SLO - EMERGENCY SERVICES	-1,000.00
05/04/2020	21569	EXXONMOBIL	-322.51
05/04/2020	21570	KITZMAN WATER	-30.95
05/04/2020	21571	MORRO ROCK MUTUAL WATER CO. UTILITY 782	-75.51
05/04/2020	21572	PG&E LS#1	-367.10
05/04/2020	21573	PG&E LS#4	-431.06
05/04/2020	21574	QUICK TECH COMPUTERS	-525.00
05/04/2020	21575	STREAMLINE	-200.00
05/04/2020	21576	WELLS FARGO VENDOR FIN SERV	-213.43
05/04/2020		RABOBANK	-123.50
05/05/2020	HLTH050520	CALPERS (HEALTH)	-14,652.43
05/06/2020	21578	CAYUCOS SANITARY DISTRICT WELLS FARGO ACT	-150,000.00
05/08/2020	21579	QUICK TECH COMPUTERS	-679.00
05/09/2020	21580	PATHIAN ADMINISTRATORS	-144.79
05/11/2020	21581	AT&T MOBILITY	-161.79
05/11/2020	21582	CALNET3	-288.15
05/11/2020	21583	PG&E LS#2	-818.63
05/11/2020	21584	PG&E LS#3	-166.87
05/11/2020	21585	PG&E LS#5	-1,677.46
05/11/2020	21586	PG&E OFFICE	-159.53

Date	Num	Name	Amount
05/13/2020	21587	MINER'S ACE HARDWARE	-135.70
05/13/2020	21588	MISSION UNIFORM SERVICE	-53.20
05/13/2020	21589	STAPLES ADVANTAGE (Gov. Acct)	-119.57
05/14/2020		QuickBooks Payroll Service	-10,924.00
05/15/2020	DD0515201	COLLINS, JONATHAN W	0.00
05/15/2020	DD0515205	LAKEY, NICK E	0.00
05/15/2020	DD0515202	CRAWFORD, DANIELLE C	0.00
05/15/2020	DD0515203	GOOD, GAYLE	0.00
05/15/2020	DD0515204	KOON, RICHARD L	0.00
05/15/2020	DD0515206	NELSON, AMY M	0.00
05/15/2020	EDD05152020	EDD	-994.09
05/15/2020	FED05152020	US TREASURY	-4,731.50
05/15/2020	PERS051520	CALPERS (RETIREMENT)	-2,548.78
05/15/2020	DEF05152020	CALPERS (RETIREMENT)	-925.00
05/19/2020	21591	LARRY SALAZAR	-30.00
05/19/2020	21592	ADVANTAGE ANSWERING PLUS	-81.10
05/25/2020	21593	BUSINESS CARD 4841	-260.80
05/26/2020	21594	COASTAL COPY, INC	-46.26
05/26/2020	21595	EXECUTIVE JANITORIAL	-148.00
05/26/2020	21596	MISSION UNIFORM SERVICE	-154.02
05/26/2020	21597	CAYUCOS SANITARY DISTRICT WELLS FARGO ACT	-215,000.00
05/26/2020	21598	CAYUCOS BEACH MUTUAL WATER CO. #2	-103.66
05/26/2020	21599	SOCAL GAS	-25.16
05/26/2020	21600	THE TRIBUNE	-314.60
05/26/2020	21601	USA BLUE BOOK	-194.61
05/26/2020	21602	BEAR EMBROIDERY	-425.61
05/28/2020		QuickBooks Payroll Service	-10,421.72
05/29/2020	DD05291001	COLLINS, JONATHAN W	0.00
05/29/2020	DD05291004	LAKEY, NICK E	0.00
05/29/2020	DD05291002	GOOD, GAYLE	0.00
05/29/2020	DD05291003	KOON, RICHARD L	0.00
05/29/2020	DD05291005	NELSON, AMY M	0.00
05/29/2020	EDD05292020	EDD	-980.80
05/29/2020	FED05292021	US TREASURY	-4,576.58
05/29/2020	PERS052920	CALPERS (RETIREMENT)	-2,411.37
05/29/2020	DEF052920	CALPERS (RETIREMENT)	-925.00
05/31/2020	16371463756	COLONIAL LIFE INSURANCE PREMIUMS	-258.30
		Total Operating Expenses	-76,207.18
		Total CIP Transfers	365,000.00
		Grand Total	-\$441,207.18

**Cayucos Sanitary District
CIP/CSWP Account
(Payments Only)
May 2020**

AGENDA ITEM: 3.B.1a

DATE: June 18, 2020

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
05/01/2020	11411	ASHLEY & VANCE	-1,338.75
05/06/2020	11412	LONGITUDE 123, INC.	-50,614.88
05/19/2020	11413	WATER SYSTEMS CONSULTING, INC.	-3,510.00
05/26/2020	11414	CUSHMAN CONTRACTING CORPORATION	-183,005.00
		Total CIP Expenses	-238,468.63

**Cayucos Sanitary District
CSWP Construction Account
(Payments Only)
May 2020**

AGENDA ITEM: 3.B.1b
DATE: June 18, 2020

Date	Num	Name	Amount
05/01/2020	5145	MOBILE MODULAR MANAGEMENT CORPORATION	-900.59
05/04/2020	5146	HARVEY'S HONEY HUTS	-383.36
05/04/2020	5147	RANCH WIFI	-135.00
05/05/2020	5148	CUSHMAN CONTRACTING CORPORATION	-586,473.00
05/05/2020	5149	FIRMA CONSULTANTS, INC	-6,590.72
05/05/2020	5150	GEOSOLUTIONS, INC	-6,468.40
05/05/2020	5151	WATER SYSTEMS CONSULTING, INC.	-113,947.20
05/07/2020	5152	COASTAL COPY, INC	-31.88
05/11/2020	5153	CALNET3	-42.52
05/11/2020		WELLS FARGO BANK FEE	-21.24
05/13/2020	5154	PG&E TORO	-755.28
05/19/2020	5155	WELLS FARGO VENDOR FIN SERV	-249.98
05/26/2020	5156	CA STATE LANDS COMMISSION	-389.24
05/26/2020	5157	DEPARTMENT OF PUBLIC WORKS - SLO COUNTY	-123.78
Total CSWP Construction Expenses			-716,512.19

Cayucos Sanitary District Cash, Savings and Investment Report May 2020

AGENDA ITEM: 3.B.2
DATE: June 18, 2020

Bank Accounts	Current Balance
Rabobank Checking	\$184,979
Wells Fargo CIP	\$1,259,352
Wells Fargo CFF	\$181,730
Petty Cash	\$175
LAIF	\$8,386
Total	\$1,634,623

CSWP Project/Asset Accounts
Western Alliance Const. Interest Reserve
Western Alliance Series A Account
Western Alliance Series A-1 Account
Western Alliance Series B Account
WF CSWP Constr. Oper. Acct.
WF CSWP Constr. Impound Acct.
Total

\$278,114	
\$8,364,058	
\$2,163,027	
\$0	
\$125,353	
\$431,698	
Total	\$11,362,250

Investments
Wells Fargo CalTrust
Cetera (AKA Girard) Cash/MM
Cetera (AKA Girard) Treasury/Securities
Mutual Funds
Total

Current Balance	
\$1,675,720	(Includes 4 Accts: MMF, STF, LTF and Gov MMF)
\$727,716	
\$83,152	(Fixed Income)
\$0	
Total	\$2,486,588
Grand Total	\$15,483,460

MCD Rabobank Deposit CD \$25,000 Franchise Deposit on Hold

Cayucos Sanitary District FY 19/20 Financial Report May 2020

AGENDA ITEM: 3.B.3

DATE: June 18, 2020

	Current Month	YTD Actual Rev/Exp	YTD Budget	Approved Budget 19/20	% of Budget
Ordinary Income/Expense					
Income					
4000 · SEWER INCOME	238,999	2,634,432	2,520,247	2,749,360	96%
4100 · WILL SERVE INCOME	175	26,655	38,317	41,800	64%
4200 · RENTAL INCOME		38,708	33,183	36,200	107%
4300 · SOLID WASTE INCOME	12,589	82,310	64,900	70,800	116%
4400 · SLOCO TAX ASSESSMENTS	99,546	910,168	842,233	918,800	99%
4500 · SAVINGS INTEREST INCOME	3	214	183	200	107%
4600 · INVESTMENT INTEREST	4,228	74,234	67,650	73,800	101%
4700 · OTHER INCOME	3,500	42,563	69	75	56751%
Total Income	359,040	3,809,284	3,566,782	3,891,035	98%
Expense					
5000 · PAYROLL EXPENSES					
5100 · ADMINISTRATIVE PAYROLL	39,941	216,195	194,718	212,420	102%
5200 · COLLECTIONS PAYROLL	15,504	141,402	195,617	213,400	66%
5400 · DIRECTOR PAYROLL	500	5,600	7,333	8,000	70%
5500 · VESTED PAYROLL BENEFITS	417	4,533	4,583	5,000	91%
5600 · ADMIN PAYROLL TAXES & BENEFITS	16,108	105,590	89,879	98,050	108%
5700 · COLL PAYROLL TAXES & BENEFITS	6,126	85,881	101,108	110,300	78%
5900 · DIRECTOR PAYROLL TAXES & BENEFITS	38	428	390	425	101%
Total 5000 · PAYROLL EXPENSES	78,634	559,630	593,629	647,595	86%
6000 · OPERATING EXPENSES					
6050 · SPECIAL PROJECTS	-	-	14,667	16,000	0%
6100 · ADMIN OPERATING EXPENSES	6,951	257,707	319,963	349,050	74%
6500 · COLLECTIONS OPERATING EXPENSES	5,308	86,788	197,221	215,150	40%
7000 · TREATMENT OPERATING EXPENSES	-	180,029	647,625	706,500	25%
Total 6000 · OPERATING EXPENSES	12,259	524,523	1,179,475	1,286,700	41%
Total Expense	90,894	1,084,153	1,773,104	1,934,295	56%
Net Ordinary Income	268,146	2,725,131	1,793,678	1,956,740	139%
Net Income	268,146	2,725,131	1,793,678	1,956,740	139%

Cayucos Sanitary District Capital Improvement Projects Report FY 19/20 May 2020

AGENDA ITEM: 3.B.4

DATE: June 18, 2020

	Current Month	YTD Actual Rev/Exp	Approved Budget 19/20	Percent Used YTD
CAPITAL IMPROVEMENTS				
1601 · Sewer Main Replacements	0.00	0.00	60,000.00	0%
1602 · Point Repairs	0.00	13,011.85	30,000.00	43%
1608 - MAIN OFFICE BUILDING REPAIRS				
1608.2 · Main Office Storm Damage	0.00	0.00	40,000.00	0%
1608.3 · Computer/Server Replacement	36.96	22,331.21	25,000.00	89%
1612 - ALL LIFT STATIONS				
1612.1 · Lift Station SCADA System	0.00	0.00	100,000.00	0%
1612.2 · Lift Station 2 Pump Replacement	0.00	45,979.44	46,000.00	100%
1612.3 · VacTron Trailer (Vermeer)	0.00	51,077.92	54,000.00	95%
1613 - CALTRANS TC BRIDGE PROJECT				
1613.1 - Toro Creek Bridge Project	15,531.25	31,466.25	31,540.00	100%
Total 1600 CAPITAL IMPROVEMENTS	15,568.21	\$163,866.67	\$386,540.00	42%



AGENDA ITEM: 4.A
DATE: June 18, 2020

CAYUCOS SANITARY DISTRICT

TO: Board of Directors
FROM: Rick Koon
District Manager
SUBJECT: Monthly Manager's Report: June 2020
DATE: June 11, 2020

ADMINISTRATIVE:

- Administrative Staff continues to cross training each other on various job duties.
- The sale of 6SW and 6N by The District has again been extended now to July 30. The District and the City of Morro Bay are working directly together in reviewing the Draft Purchase and Sale Agreement for Board approval next month.
- The District continues observe the protocols for reopening the office due to COVID-19.
- The District has filled the Trainee position on our Operations staff. Justin Owens began work on June 15th.
- The auditors were at the District office on June 15th to begin their material review for Fiscal Year 19/20.

CAPITAL PROJECTS:

- Working with USDA and CSWP contracts
- LAFCO application process for District Boundary
- Lift Station 5 Project Rebid
- Toro Creek Pipeline Project
- Caltrans Bridge Replacement Project
- RWQCB permit discussions
- District SCADA Project

OPERATIONS AND MAINTENANCE

May 2020

CIP:

- LS 5 bid meetings

Daily operations of note:

- H2S leaving lift station #5 Average 2 ppm Max 13 ppm
- Lift Station #5 - average temperature 69.2° f
- Lift Station #1 - average pH 8.65
- Target Solutions Training for SDRMA
- Respond to 41 Underground Service Alerts
- Performed regular maintenance at all stations:
Scrape, pump down, bleach wells, test generators, high water floats and dialers
- Regular inspections of hot spot manholes
- Organize, critical manual and document storage
- Clean up road, and cut back tree canopy at LS 5
- Begin sampling project with County of SLO regarding COVID-19
- Survey LS 5 north point force main locations for large USA
- Attend multiple COVID-19 webinar's with CWEA
- Receive and distribute CALwarn masks
- Assist Cayucos Water Company with lateral locations at D street water main project
- Hire Justin Owens for Collections Trainee – Start date 6/15/20
- Repair wall in conference room
- Send LS4 pump in for rebuild
- Paint main electrical breaker panel at LS 4
- Tailgate Meeting - Cuts can become infected
- Test battery health of all standby generator equipment
- Replace faulty block heater on LS 5 standby generator
- Replace saline solution in eye wash stations at LS 1 and LS 5
- FY 20/21 budget planning

Call outs:

5/26/2020 – NL – Lift Station 5 – Power failure



AGENDA ITEM: 5

DATE: June 18, 2020

CAYUCOS SANITARY DISTRICT

TO: Board of Directors

FROM: Rick Koon
District Manager

DATE: June 11, 2020

SUBJECT: CONSIDERATION TO APPROVE PAYMENT OF CITY OF MORRO BAY INVOICE FOR 3RD QUARTER OF FY 2020/21 IN THE AMOUNT OF \$85,574.63

Discussion:

As of the end of the 3rd quarter of FY 2020/21 the major account groupings of actual expenditures verses budgeted were:

Personnel Service	59%
Supplies	46%
Services	40%
Other Expenses	67%

The current 3rd quarter charges are based on a District flow of **20.09%**.

Recommendation

Staff recommends the Board approve payment of City of Morro Bay invoice for 3rd quarter of FY 2020/21 in the amount of \$85,574.63.

City of Morro Bay - Finance Department
 Detail Recap For Third Quarter Invoice
 FY 2019/20
 Services Rendered to Cayucos S.D.

Attachment A

AGENDA ITEM: 5
DATE: June 18, 2020

3rd Quarter

	Total Y.T.D. Amount	Less 1st & 2nd Qtr	Net: Current Amount Due
Direct Charges to Treatment Division Only (See Detail Printouts)	\$1,288,800.83	\$862,844.47	\$425,956.36
Proj 930-8070 Secondary Clarifier	\$0.00	\$0.00	\$0.00
Proj 930-8222 Biofilter #2	\$0.00	\$0.00	\$0.00
Proj 930-8234 Interstage & Blending Valves	\$0.00	\$0.00	\$0.00
Proj 930-9904 Digester 1 & 3	\$0.00	\$0.00	\$0.00
Less: 599-8312 Facility Relocation Project Less Costs not Cayucos	\$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$0.00
Less: Depreciation Expense		\$0.00	\$0.00
Total Subject to Invoicing Based on Flow Flow Rate=			\$425,956.36
Flow Based Amount for 3rd Qtr:			\$85,574.63

Total Due From Cayucos Sanitary District

\$85,574.63

MB/CSD Funds 599 & 930 Budget Performance - 3rd Qtr 19/20

Fiscal Year to Date 03/31/20

Include Rollup Account and Rollup to Account

Budget - YTD % Used/
YTD % Used/
Transactions Transactions

Account	Account Description	Adopted Budget	Budget Amendments	Amended Budget	Current Month Transactions	Encumbrances	YTD Transactions	Transactions	Rec'd
REVENUE									
Department 5255 - Wastewater Treatment									
Revenues From Current Services									
3499	Other Rev/Current Services	2,610,832.00	.00	2,610,832.00	.00	.00	947,498.59	1,663,333.41	36
		<i>Revenues From Current Services Totals</i>							
	Department 5255 - Wastewater Treatment	\$2,610,832.00	\$0.00	\$2,610,832.00	\$0.00	\$0.00	\$947,498.59	\$1,663,333.41	36%
		<i>REVENUE TOTALS</i>							
		\$2,610,832.00	\$0.00	\$2,610,832.00	\$0.00	\$0.00	\$947,498.59	\$1,663,333.41	36%
EXPENSE									
Department 5255 - Wastewater Treatment									
Personnel Services									
4110	Regular Pay	647,605.00	.00	647,605.00	32,849.68	.00	289,373.59	358,231.41	45
4120	Overtime Pay	11,000.00	.00	11,000.00	66.15	.00	7,936.19	3,063.81	72
4515	Standby Pay	19,500.00	.00	19,500.00	1,386.00	.00	12,198.00	7,302.00	63
4599	Other Pay	3,500.00	.00	3,500.00	92.32	.00	9,565.23	(6,065.23)	273
4910	Employer Paid Benefits	213,173.00	.00	213,173.00	13,456.17	.00	120,543.10	92,629.90	57
4911	Pension Normal Cost	59,791.00	.00	59,791.00	3,947.89	.00	35,836.67	23,954.33	60
4912	PERS Unfunded Accrued Liability	128,355.00	.00	128,355.00	.00	.00	100,752.09	27,602.91	78
4913	Other Post Employment Benefit (OPEB) Expense	8,863.00	.00	8,863.00	.00	.00	.00	8,863.00	0
4999	Labor Costs Applied	.00	.00	.00	8,028.72	.00	66,311.12	(66,311.12)	+++
		<i>Personnel Services Totals</i>							
		\$1,091,787.00	\$0.00	\$1,091,787.00	\$59,826.93	\$0.00	\$642,515.99	\$449,271.01	59%
Supplies									
5101	Janitorial Supplies	1,500.00	.00	1,500.00	61.62	.00	439.92	1,060.08	29
5105	First Aide Supplies	10,000.00	.00	10,000.00	2,720.57	.00	5,804.98	4,195.02	58
5108	Communication Supplies	1,000.00	.00	1,000.00	.00	.00	.00	1,000.00	0
5109	Uniforms/Safety Equipment	10,000.00	.00	10,000.00	1,808.36	.00	4,318.55	5,681.45	43
5110	Fuel Oil & Lubricants	3,500.00	.00	3,500.00	130.64	.00	5,168.24	(1,668.24)	148
5112	Lab Supplies	5,000.00	.00	5,000.00	379.92	.00	3,621.29	1,378.71	72
5120	Chemical Supplies	125,000.00	.00	125,000.00	4,415.16	.00	86,092.61	38,907.39	69

Account	Account Description	Budget	Amendments	Budget	Transactions	Encumbrances	Transactions	Transactions	Rec'd
5175	Computer Operating Supplies	1,000.00	.00	1,000.00	102.30	.00	2,232.65	(1,232.65)	223
5199	Miscellaneous Operating Supplies	1,500.00	.00	1,500.00	131.10	.00	363.45	1,136.55	24
5201	Other Expense	.00	.00	.00	.00	.00	(12.50)	12.50	+++
5301	General Office Supplies	2,500.00	.00	2,500.00	92.57	.00	(12.62)	2,512.62	-1
5303	Books & Manuals	200.00	.00	200.00	.00	.00	191.53	8.47	96
5305	Forms Printing	600.00	.00	600.00	.00	.00	44.76	555.24	7
5501	Grounds Maintenance Supplies	3,500.00	.00	3,500.00	.00	.00	313.22	3,186.78	9
5502	Building Maint. Supplies	15,000.00	.00	15,000.00	.00	.00	1,232.50	13,767.50	8
5503	Rolling Stock Supplies	3,500.00	.00	3,500.00	.00	.00	1,963.01	1,536.99	56
5504	Machinery/Equip/Supplies	100,000.00	.00	100,000.00	1,122.33	.00	19,420.32	80,579.68	19
5530	Small Tools	2,000.00	.00	2,000.00	.00	.00	172.36	1,827.64	9
<i>Supplies Totals</i>		\$285,800.00	\$0.00	\$285,800.00	\$10,964.57	\$0.00	\$131,354.27	\$154,445.73	46%
<i>Services</i>									
6103	Financial Audits	17,150.00	.00	17,150.00	8,875.00	.00	8,875.00	8,275.00	52
6104	Engineering Services	48,500.00	.00	48,500.00	.00	.00	.00	48,500.00	0
6105	Consulting Services	25,000.00	.00	25,000.00	.00	.00	.00	25,000.00	0
6106	Contractual Services	250,000.00	.00	250,000.00	11,002.88	7,600.00	41,366.18	201,033.82	20
6125	Professional Development	4,000.00	.00	4,000.00	11.34	.00	1,252.66	2,747.34	31
6152	Outside Laboratory Testing	20,000.00	.00	20,000.00	360.00	.00	22,944.80	(2,944.80)	115
6161	Licenses & Permits	40,000.00	.00	40,000.00	2,431.90	.00	21,226.90	18,773.10	53
6199	Other Professional Services	2,000.00	.00	2,000.00	51.00	.00	(100.44)	2,100.44	-5
6201	Telephone	8,500.00	.00	8,500.00	2,989.28	.00	9,509.60	(1,009.60)	112
6220	Postage	4,000.00	.00	4,000.00	2.00	.00	2,827.38	1,172.62	71
6301	Electricity	126,100.00	.00	126,100.00	23,112.80	.00	108,985.46	17,114.54	86
6302	Natural Gas	8,000.00	.00	8,000.00	2,009.58	.00	8,155.73	(155.73)	102
6303	Water	10,000.00	.00	10,000.00	942.54	.00	15,829.33	(5,829.33)	158
6305	Disposal	12,000.00	.00	12,000.00	517.09	.00	8,344.01	3,655.99	70
6307	Disposal of Sludge	15,000.00	.00	15,000.00	.00	25,750.00	9,370.94	(20,120.94)	234
6401	General Liability	48,668.00	.00	48,668.00	11,162.75	.00	33,488.25	15,179.75	69
6411	Property Damage Insurance	2,200.00	.00	2,200.00	1,970.75	.00	5,912.25	(3,712.25)	269
6472	Other Ins./Employee Bond	165.00	.00	165.00	.00	.00	.00	165.00	0
6473	Vehicle Insurance	389.00	.00	389.00	159.33	.00	477.99	(88.99)	123
6499	Earthquake & Flood Insurance	204,886.00	.00	204,886.00	20,913.25	.00	62,739.75	142,146.25	31
6510	Meetings & Conferences	5,000.00	.00	5,000.00	.00	.00	1,500.00	3,500.00	30
6511	Mileage Reimbursement	300.00	.00	300.00	.00	.00	69.60	230.40	23
6514	Travel Expense	3,000.00	.00	3,000.00	.00	.00	4,086.37	(1,086.37)	136

599 & 930 Funds Accumulated Expenses - 3rd Qtr. FY 19/20

G/L Date Range 07/01/19 - 03/31/20
Include Sub Ledger Detail

G/L Date	Journal	Journal Type	Sub Ledger	Description/Project	Source	Reference	Debit Amount	Credit Amount	Actual Balance
599-5255 3499 Other Rev/Current Services									
09/30/2019	2020-00000406	JE	GL	Petty Cash Cor-Halloween Supplies 100% Sewer	JE 917-20		12.50		\$0.00
09/30/2019	2020-00000450	JE	GL	Petty Cash Cor-Halloween Supplies 100% Sewer	JE 917-20			12.50	12.50
09/30/2019	2020-00000451	JE	GL	Petty Cash Cor-Halloween Supplies 100% Sewer	JE 917-20		12.50		.00
09/30/2019	2020-00000455	JE	GL	1st Qtr 19-20 CMB/CSD Invoice Distribution	JE 920-20			80,870.11	12.50
09/30/2019	2020-00000455	JE	GL	1st Qtr 19-20 CMB/CSD Invoice Distribution	JE 920-20			323,723.20	(80,857.61)
01/23/2020	2020-00000595	JE	RA	Revenue Collection Payment Post	Collections	Month September 2019 Totals	\$25.00	\$404,605.81	(5404,580.81)
								84,666.62	(489,247.43)
<i>Receipt Number</i>	<i>Receipt Batch</i>	<i>Receipt Description</i>	<i>Received From</i>	<i>Payment Date</i>	<i>Amount</i>	<i>Dist. Amount</i>			
2020-00021502	2020-00000790	4Q 18/19- \$3,796.61 & 1Q 19/20- \$80,870.11 AND	CAYUCOS SANITARY DISTRICT	01/23/2020	84,666.62	(84,666.62)			
01/31/2020	2020-00000660	JE	GL	2nd Qtr MB.CSD Expenses Reimb. Billing	JE 115-20			\$84,666.62	(84,666.62)
						Total		95,362.07	(584,609.50)
01/31/2020	2020-00000660	JE	GL	2nd Qtr MB.CSD Expenses Reimb. Billing	JE 115-20			362,889.09	(947,498.59)
Month January 2020 Totals									
				Account	Other Rev/Current Services Totals		\$0.00	\$542,917.78	(\$947,498.59)
				Department	Wastewater Treatment Totals		\$25.00	\$947,523.59	(\$947,498.59)
				Fund	MB/CS Waste Water Fund Totals		\$25.00	\$947,523.59	
					Grand Totals		\$25.00	\$947,523.59	\$947,488.59



AGENDA ITEM: 6

DATE: June 18, 2020

CAYUCOS SANITARY DISTRICT

TO: Board of Directors

FROM: Rick Koon
District Manager

DATE: June 11, 2020

SUBJECT: PRESENTATION AND REVIEW OF THE CITY OF MORRO BAY
WASTEWATER TREATMENT PLANT FY 2020/21 BUDGET

Discussion:

Each year the City of Morro Bay forwards us their staff's Wastewater Budget presentation to the Morro Bay City Council. District staff has reviewed this budget and had questions regarding:

- How many FY quarters did the City plan on revenue from the CSD?
- The City's FY expenditures for insurance, services and supplies will need to be prorated and not billed yearly.
- What's the plan for Operational costs and use of jointly owned facilities when the CSD no longer flows to Morro Bay?

The City Manager has asked to meet with the District to discuss at a later date.

Recommendation

Staff recommends the Board review the City of Morro Bay wastewater treatment plant FY 2020/21 Budget.

Morro Bay/Cayucos Sanitary District Wastewater Treatment Facility

DEPARTMENT PURPOSE

This Fund records the revenues and expenses associated with the operation of the existing Wastewater Treatment Facility. The Plant provides services to the City residents and businesses, as well as the unincorporated community of Cayucos. City of Morro Bay employees operate the Plant, with operations oversight handled through a joint powers agreement between the City and the Cayucos Sanitary District.

A major upgrade had been planned for the aging facility (built in the 1950s), with the operational target of 2015. In December 2013, the City Council ceased efforts to upgrade the Facility at its current waterfront location and began efforts to secure a new location as a Water Reclamation Facility, away from its current location in the coastal zone. The new project will result in a City-owned Facility, ending the long-standing agreement with the Cayucos Sanitary District.



MB/Cayucos WWTP

MB/CS Waste Water Fund
Fund 599

SUMMARY OF REVENUES AND EXPENDITURES

	2016/17	2017/18	2018/19	2019/20	2019/20	2020/21
	Actuals	Actuals	Actuals	Amended	Estimated	Proposed
SOURCES OF FUNDS						
Beginning Cash Balance	\$ -	\$ -	\$ -	\$ -		\$ -
REVENUES						
Charges for Service	\$ 2,110,458	\$ 1,949,984	\$ 552,308	\$ 652,708	\$ 553,872	\$ 678,980
Fines & Forfeitures	-	-	-	-	-	-
Use of Money & Property	-	-	-	-	-	-
Other Sources	-	-	-	-	-	-
Interfund Transfers In	-	-	1,656,925	1,958,124	1,661,617	2,036,938
TOTAL REVENUES	\$ 2,110,458	\$ 1,949,984	\$ 2,209,233	\$ 2,610,832	\$ 2,215,489	\$ 2,715,918
EXPENDITURES						
Salaries and Benefits	\$ 944,624	\$ 922,196	\$ 862,324	\$ 1,091,787	\$ 867,688	\$ 1,128,881
Supplies	409,508	296,132	270,300	285,800	209,456	273,300
Services	746,744	690,500	1,012,767	1,026,632	931,732	1,001,633
Capital Outlay	-	-	-	-	-	100,000
Other	9,581	14,415	-	-	-	-
Debt Service	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 2,110,457	\$ 1,923,243	\$ 2,145,391	\$ 2,404,219	\$ 2,008,876	\$ 2,503,814
Transfers Out						
General Fund for CAP				\$ 153,575	\$ 153,575	\$ 179,371
Risk Management - CAP				\$ 21,106	\$ 21,106	\$ 5,014
IT Replacement Fund	-	\$ 26,741	30,079	\$ 4,891	\$ 4,891	27,719
Intrafund Transfers	-	-	-	27,041	27,041	-
Transfers out	-	-	-	-	-	-
Total Transfers	\$ -	\$ 26,741	\$ 30,079	\$ 206,613	\$ 206,613	\$ 212,104
Total Expenditures & Transfers	\$ 2,110,457	\$ 1,949,984	\$ 2,175,470	\$ 2,610,832	\$ 2,215,489	\$ 2,715,918
Ending Cash Balance	\$ -	\$ -		\$ -		\$ -

MB/Cayucos WWTP

FY 2020/21 KEY PROJECTS

Objective	Key Projects
Good Governance	<ul style="list-style-type: none">• Operate, Maintain, Repair and Replace plant equipment to ensure useful life through the construction and commissioning of the new treatment facility.
Workforce Development	<ul style="list-style-type: none">• Prepare staff with the necessary skills and knowledge to run the new advanced potable water reuse facility.

KEY PROGRAM SERVICES

- Operate and maintain the treatment plant equipment in a way that ensures compliance with state and federal discharge requirements.
- Prepare and submit county, state, and federal required reports.
- Track equipment maintenance procedures to ensure timely completion.
- Run a state certified Laboratory for time sensitive water testing.
- Track, sample, test or prepare for testing all required water laboratory testing.
- Interpreted laboratory test results to make process adjustments to maintain water quality objectives.
- Digest, dry and prepare for composting the facility biosolids.
- Operate the facility to minimize objectional odors.

MB/Cayucos WWTP

Departmental Summary of FTEs

<i>WWTP</i>	2018/19	2019/20	2020/21
<i>Utilities Department</i>	Funded	Funded	Funded
Utilities Manager	0.50	0.50	0.5
Waste Water System Supervisor	1.00	1.00	1.00
Lead Utility Operator	0.00	3.00	3.00
Multi-Cert Operator	0.00	2.50	3.00
Utility Operator	0.00	1.00	1.00
Office Assistant IV	0.05	0.00	0.5
<i>Public Works Department</i>			
Public Works Director	0.05	0.00	0.0
Environmental Programs Manager	0.05	0.00	0.0
Assistant Civil Engineer	0.05	0.00	0.0
Management Analyst	0.05	0.00	0.0
<i>Obsolete Positions</i>			
Waste Water System Leadworker	1.00	0.00	0.0
Waste Water System Operator II/Lab Analyst	1.00	0.00	0.0
Waste Water System Operator II	3.00	0.00	0.0
Waste Water System Operator In Training	1.00	0.00	0.0
Total WWTP Fund FTE's	7.75	8.00	9.00

MB/Cayucos WWTP

Activity and Workload Highlights	2018 Actuals	2019 Actuals	2020 Estimated
Maintenance work orders over 30 days	0	0	0
After hour call outs per month	3.1	3.25	< 3.0
Lab QA/QC inspections and samples	Above 90%	Above 90%	Above 90%



AGENDA ITEM: 7

DATE: June 18, 2020

CAYUCOS SANITARY DISTRICT

TO: Board of Directors

FROM: Rick Koon
District Manager

DATE: June 11, 2020

SUBJECT: PUBLIC HEARING TO DISCUSS AND CONSIDER ADOPTION OF RESOLUTION 2020-2 CONFIRMING THE ITEMIZED REPORT OF DISTRICT CLERK REGARDING DELINQUENT SEWER SERVICE CHARGES AND LEVYING ASSESSMENTS

Discussion:

Each year the District adopts this Resolution and submits all of our and MCD's delinquent customer balances to the County for collection on the customer's individual property tax bill. This year the County is asking to have the list to them prior to the Board's July meeting date. Staff has prepared the notices and filings one month earlier than last year. Staff has also added a new procedure this year whereby each person was notified by phone prior to receiving the delinquency letter. The response was positive in that it reduced the delinquent list by half as customers appreciated the reminder and paid their outstanding balances. Also MCD does not have any delinquencies this year.

Recommendation

Staff recommends the Board adopt Resolution 2020-2 confirming the itemized report of District Clerk regarding delinquent sewer service charges and levying assessments.



AGENDA ITEM: 7

DATE: June 18, 2020

CAYUCOS SANITARY DISTRICT

TO: Board of Directors

FROM: Rick Koon
District Manager

DATE: June 11, 2020

SUBJECT: PUBLIC HEARING TO DISCUSS AND CONSIDER ADOPTION OF RESOLUTION 2020-4 CONFIRMING THE ITEMIZED REPORT OF DISTRICT CLERK REGARDING DELINQUENT SEWER SERVICE CHARGES AND LEVYING ASSESSMENTS

Discussion:

Each year the District adopts this Resolution and submits all of our and MCD's delinquent customer balances to the County for collection on the customer's individual property tax bill. This year the County is asking to have the list to them prior to the Board's July meeting date. Staff has prepared the notices and filings one month earlier than last year. Staff has also added a new procedure this year whereby each person was notified by phone prior to receiving the delinquency letter. The response was positive in that it reduced the delinquent list by half as customers appreciated the reminder and paid their outstanding balances. Also MCD does not have any delinquencies this year.

Recommendation

Staff recommends the Board adopt Resolution 2020-4 confirming the itemized report of District Clerk regarding delinquent sewer service charges and levying assessments.

RESOLUTION 2020-4

JUNE 18, 2020

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CAYUCOS SANITARY DISTRICT CONFIRMING THE ITEMIZED REPORT OF DISTRICT CLERK REGARDING DELINQUENT SEWER SERVICES CHARGES AND LEVYING ASSESSMENTS

WHEREAS, the Board of Directors (“Board”) of the Cayucos Sanitary District (“District”) makes the following findings of fact:

1. On August 8, 1977, the District Board duly adopted Ordinance No. 6 pursuant to which the District elected to have delinquent sewer service charges collected on the tax roll in the same manner, by the same persons, and at the same time as its general taxes, all pursuant to applicable Government and Health and Safety Codes; and
2. On May 1, 2020, in accordance with Health and Safety Code Section 5473.1, the District Billing Clerk mailed letters to owners of real property notifying them of the District’s intent to have such sewer service charges with account balances delinquent as of May 1, 2020 placed on the 2020-2021 County tax roll for collection, pursuant to Health and Safety Code Sections 5473 and 5473a by filing a written report with the Auditor-Controller’s office of the County of San Luis Obispo, containing a description of each parcel of real property with delinquent sewer service charges and the owner thereof; and
3. Furthermore, such notice informed the property owner of the time and place of the public hearing to be held before the District Board scheduled for June 18, 2020, at which time all interested persons will be given the opportunity to present oral or written testimony for or against said report or any portions thereof; and
4. On June 19, 2020 the Billing Clerk will submit a preliminary report listing the Assessor’s Parcel Numbers for the respective delinquent sewer service charges and specific amounts owing as of May 1, 2020, pursuant to Health and Safety Code Sections 5473 and 5473a, to the Auditor-Controller’s Office of San Luis Obispo County; and
5. On or before August 14, 2020 the final filing date established by the County of Auditor-Controller’s Office, the Billing Clerk must submit all changes, additions and deletions to such report on a final filing basis; and
6. In accordance with San Luis Obispo County regulations, as of July 1, 2008 a fee of \$36 will be charged for each assessment removed or revised from the assessment listing occurring on a tax bill after extension. Thus, any charge levied against the District for change(s) in an assessment amount of a property owner that is not the result of District error will be subsequently invoiced and collected by the District from the property owner of record.

RESOLUTION NO. 2020-4

DATE: JUNE 18, 2020

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Cayucos Sanitary District as follows:

1. Each of the above findings is true and correct, and are incorporated herein by this reference.
2. The Board hereby approves and adopts the itemized report describing the delinquent sewer service charges attached hereto and incorporated herein by reference as Exhibit "A" and hereby authorizes such charges to be collected on the County real property tax roll, pursuant to the procedures set forth in Health and Safety Code Sections 5473 et seq.

On motion of Director _____, seconded by Director _____, and on the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAINING:

The foregoing resolution is hereby adopted this 18th day of June, 2020.

ATTEST:

Rick Koon, District Manager

Robert B. Enns, President

(SEAL)

RESOLUTION NO. 2020 - 4 EXHIBIT "A"

AGENDA ITEM: 7
 EXHIBIT A
 DATE: June 18, 2020

2020 - 2021 TAX ROLL DELINQUENCY BY CSD ACCT #

ACCOUNT	PARCEL	FIRST NAME	LAST NAME	SERVICE ADDR		ACCTBAL	NOTES
001157	064-443-015	SHANNON	KOESTER	60	RAPF AVE.	1057.60	
001405	064-182-041	JUDITH	KASPAR	1924	CIRCLE DR.	1057.60	
001462	064-125-040	CESAR	BEDRONI	51	S OCEAN AVE.	3172.80	
001492	064-046-032	FRANKLIN	SILVA	11	FRESNO AVE.	1057.60	
001569	064-151-020	MICHAEL	STONE	1036	PACIFIC AVE.	281.80	
001920	064-143-015	DOROTHY	MOORE	70	4TH ST.	1057.60	
002228	064-125-041	PATRICIA	COOK	62	SAINT MARY AVE.	1057.60	
002739	064-263-050	NANCY	GAETA	2878	ORVILLE AVE.	372.60	
002940	064-184-006	LARRY	BECHTOLD	2267	PACIFIC AVE.	361.60	*2 Partial payments made @ \$400 each
003440	064-205-011	DARREN	BRADLEY	2727	ORVILLE AVE.	1057.60	
003691	064-046-022	JOHN	HOLLINGSEAD	67	FRESNO AVE.	1057.60	
004575	064-125-030	LORI	BALCH	125	S. OCEAN AVE.	8989.60	
004911	064-221-013	LAURA	BOREK	34	11TH ST.	251.20	*Partial payment made \$220.00
004918	064-275-014	CANDY	VERNETTI	2920	STUDIO DR.	320.60	*2 partial payments made @ \$67.00 each
000498	064-184-009	DUANE	FAILLA	54	22ND ST.	90.76	
002724	064-331-053	DAN	DONOVAN	3008	GILBERT AVE.	90.76	
002978	064-094-022	OKSANA	MICHIE	290	N OCEAN AVE.	90.76	
003407	064-034-029	KELLY	DORNBUSH	0	D ST.	90.76	
004428	064-372-062	GEORGE	ZAKHIR	348	CERRO GORDO AVE.	90.76	
004874	064-372-046	KENNETH	HOPPS	3180	GILBERT AVE.	90.76	

# OF ACCTS = 20	TOTALS	\$ 21,697.76
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Subtotal Sewer \$21,153.20
 Subtotal Lot \$544.56
\$21,697.76



AGENDA ITEM: 8

DATE: June 18, 2020

CAYUCOS SANITARY DISTRICT

TO: Board of Directors

FROM: Rick Koon
District Manager

DATE: June 11, 2020

SUBJECT: DISCUSSION AND CONSIDERATION TO APPROVE A BLANKET PURCHASE ORDER FOR FY 2020/21 IN THE AMOUNT OF \$40,000.00 WITH N. BRENT KNOWLES CONSTRUCTION FOR ONGOING PAVING AND SLURRY SERVICES ASSOCIATED WITH POINT REPAIRS AND OTHER DISTRICT-RELATED EMERGENCIES

Discussion:

This Blanket Purchase Order will be used for District repair projects and any emergency that requires additional manpower and equipment in order to maintain the consistent operations of the District's facilities. Last year we used this similar purchase order to handle some unexpected erosion around our lift stations and other winter preparations. Staff has budgeted for this item in the FY 2020/21 budget under "Contract Labor".

Recommendation

Staff recommends the Board approve a Blanket Purchase Order for FY 2020/21 in the amount of \$40,000.00 with N. Brent Knowles Construction for ongoing paving and slurry services associated with point repairs and other District-related emergencies.



AGENDA ITEM: 9

DATE: June 18, 2020

CAYUCOS SANITARY DISTRICT

TO: Board of Directors

FROM: Rick Koon
District Manager

DATE: June 11, 2020

SUBJECT: DISCUSSION AND CONSIDERATION TO APPROVE CALTRANS REIMBURSEMENT AGREEMENT FOR THE DESIGN AND CONSTRUCTION OF THE DISTRICT'S PIPELINE RELOCATION ON THE TORO CREEK BRIDGE PROJECT

Discussion:

Caltrans Highway 1 Toro Creek Bridge Project is scheduled to begin by the end of this year. The District has been working with Caltrans Planning, Design, Utilities, Right of Way and Encroachment Divisions to finalize the design and construction documents required to temporarily relocate the District's force mains and then reinstall them on the new bridge.

Caltrans has agreed to reimburse the District for all the expenses.

The Board previously approved a conceptual design utility reimbursement agreement with Caltrans.

This is a new agreement that will cover the final design, contract, specifications and construction of the temporary bypass and permanent crossings.

Recommendation

Staff recommends the Board approve Caltrans Reimbursement Agreement for the design and construction of the District's pipeline relocation on the Toro Creek Bridge Project.

Revised Notice to Owner. Changes in the scope of the work will require an amendment to this Agreement in addition to the revised Notice to Owner.

II. LIABILITY FOR WORK

The existing facilities are lawfully maintained in their present location and qualify for relocation at STATE expense under the provisions of Section 703 of the Streets and Highways Code.

III. PERFORMANCE OF WORK

OWNER agrees to cause the herein described work to be performed by a contract with the lowest qualified bidder, selected pursuant to a valid competitive bidding procedure, and to furnish or cause to be furnished all necessary labor, materials, tools, and equipment required therefore, and to prosecute said work diligently to completion.

Work performed by OWNER's contractor is a public work under the definition of Labor Code Section 1720(a) and is therefore subject to prevailing wage requirements.

Work performed directly by Owner's employees falls within the exception of Labor Code Section 1720(a)(1) and does not constitute a public work under Section 1720(a)(2) and is not subject to prevailing wages. OWNER shall verify compliance with this requirement in the administration of its contracts referenced above.

Use of personnel requiring lodging and meal 'per diem' expenses shall not exceed the per diem expense amounts allowed under the California Department of Human Resources travel expense guidelines. Accounting Form FA-1301 is to be completed and submitted for all non-State personnel travel per diem. Owner shall also include an explanation why local employee or contract labor is not considered adequate for the relocation work proposed.

IV. PAYMENT FOR WORK

The STATE shall pay its share of the actual and necessary cost of the herein described work within 45 days after receipt of OWNER's itemized bill, signed by a responsible official of OWNER's organization and prepared on OWNER's letterhead, compiled on the basis of the actual and necessary cost and expense. The OWNER shall maintain records of the actual costs incurred and charged or allocated to the project in accordance with recognized accounting principles.

It is understood and agreed that the STATE will not pay for any betterment or increase in capacity of OWNER's facilities in the new location and that OWNER shall give credit to the STATE for the accrued depreciation of the replaced facilities and for the salvage value of any material or parts salvaged and retained or sold by OWNER.

Not more frequently than once a month, but at least quarterly, OWNER will prepare and submit itemized progress bills for costs incurred not to exceed OWNER's recorded costs as of the billing date less estimated credits applicable to completed work. Payment of progress bills not to exceed the amount of this Agreement may be made under the terms of this Agreement. Payment

UTILITY AGREEMENT

RW 13-05 (REV 12/2016)

UTILITY AGREEMENT NO:
05-UT-1700.242

of progress bills which exceed the amount of this Agreement may be made after receipt and approval by STATE of documentation supporting the cost increase and after an Amendment to this Agreement has been executed by the parties to this Agreement.

The OWNER shall submit a final bill to the STATE within 360 days after the completion of the work described in Section I above. If the STATE has not received a final bill within 360 days after notification of completion of OWNER's work described in Section I of this Agreement, and STATE has delivered to OWNER fully executed Director's Deeds, Consents to Common Use or Joint Use Agreements, if required for OWNER's facilities, STATE will provide written notification to OWNER of its intent to close its file within 30 days and OWNER hereby acknowledges, to the extent allowed by law, that all remaining costs will be deemed to have been abandoned. If the STATE processes a final bill for payment more than 360 days after notification of completion of OWNER's work, payment of the late bill may be subject to allocation and/or approval by the California Transportation Commission.

The final billing shall be in the form of an itemized statement of the total costs charged to the project, less the credits provided for in this Agreement, and less any amounts covered by progress billings. However, the STATE shall not pay final bills which exceed the estimated cost of this Agreement without documentation of the reason for the increase of said cost from the OWNER and approval of documentation by STATE. Except, if the final bill exceeds the OWNER's estimated costs solely as the result of a revised Notice to Owner as provided for in Section I, a copy of said revised Notice to Owner shall suffice as documentation. In either case, payment of the amount over the estimated cost of this Agreement may be subject to allocation and/or approval by the California Transportation Commission.

In any event if the final bill exceeds 125% of the estimated cost of this Agreement, an Amended Agreement shall be executed by the parties to this Agreement prior to the payment of the OWNER'S final bill. Any and all increases in costs that are the direct result of deviations from the work described in Section I of this Agreement shall have the prior concurrence of STATE.

Detailed records from which the billing is compiled shall be retained by the OWNER for a period of three years from the date of the final payment and will be available for audit by State and/or Federal auditors. In performing work under this Agreement, OWNER agrees to comply with the Uniform System of Accounts for Public Utilities found at 18 CFR, Parts 101, 201, et al., to the extent they are applicable to OWNER doing work on the project that is the subject of this agreement, the contract cost principles and procedures as set forth in 48 CFR, Chapter 1, Part 31, et seq., 23 CFR, Chapter 1, Part 645 and 2 CFR, Part 200, et al. If a subsequent State and/or Federal audit determines payments to be unallowable, OWNER agrees to reimburse AGENCY upon receipt of AGENCY billing. If OWNER is subject to repayment due to failure by State/Local Public Agency (LPA) to comply with applicable laws, regulations, and ordinances, then State/LPA will ensure that OWNER is compensated for actual cost in performing work under this agreement.

UTILITY AGREEMENT

RW 13-05 (REV 12/2016)

UTILITY AGREEMENT NO:
05-UT-1700.242

V. GENERAL CONDITIONS

All costs accrued by OWNER as a result of STATE's request of July 26, 2019 to review, study and/or prepare relocation plans and estimates for the project associated with this Agreement may be billed pursuant to the terms and conditions of this Agreement.

If STATE's project which precipitated this Agreement is canceled or modified so as to eliminate the necessity of work by OWNER, STATE will notify OWNER in writing and STATE reserves the right to terminate this Agreement by Amendment. The Amendment shall provide mutually acceptable terms and conditions for terminating the Agreement.

All obligations of STATE and/or LPA under the terms of this Agreement are subject to the acceptance of the Agreement by LPA Board of Directors or the Delegated Authority (as applicable), the passage of the annual Budget Act by the State Legislature, and the allocation of those funds by the California Transportation Commission.

OWNER shall submit a Notice of Completion to the STATE within 30 days of the completion of the work described herein.

It is understood that said highway is a Federal aid highway and accordingly, 23 CFR, Chapter 1, Part 645 is hereby incorporated into this Agreement.

In addition, the provisions of 23 CFR 635.410, Buy America, are also incorporated into this agreement. The Buy America requirements are further specified in Moving Ahead for Progress in the 21st Century (MAP-21), section 1518; 23 CFR 635.410 requires that all manufacturing processes have occurred in the United States for steel and iron products (including the application of coatings) installed on a project receiving funding from the FHWA.

OWNER understands and acknowledges that this project is subject to the requirements of the Buy America law (23 U.S.C., Section 313) and applicable regulations, including 23 CFR 635.410 and FHWA guidance. OWNER hereby certifies that in the performance of this Agreement, for products where Buy America requirements apply, it shall use only such products for which it has received a certification from its supplier, or provider of construction services that procures the product certifying Buy America compliance. This does not include products for which waivers have been granted under 23 CFR 635.410 or other applicable provisions or excluded material cited in the Department's guidelines for the implementation of Buy America requirements for utility relocations issued on December 3, 2013.

STATE further acknowledges that OWNER, in complying with the Buy America Rule, is expressly relying upon the instructions and guidance (collectively, "Guidance") issued by Caltrans and its representatives concerning the Buy America Rule requirements for utility relocations within the State of California. Notwithstanding any provision herein to the contrary, OWNER shall not be deemed in breach of this Agreement for any violations of the Buy America Rule if OWNER's actions are in compliance with the Guidance.

UTILITY AGREEMENT

RW 13-05 (REV 12/2016)

UTILITY AGREEMENT NO:
05-UT-1700.242

IN WITNESS WHEREOF, the above parties have executed this Agreement the day and year above written.

STATE: DEPARTMENT OF TRANSPORTATION

OWNER: CAYUCOS SANITARY DISTRICT

By: _____
Name: Marshall F. Garcia Date _____
Title: Assistant Central Region Chief, R/W

By: _____
Name: Rick Koon Date _____
Title: Cayucos Sanitary District, District Manager

APPROVAL RECOMMENDED:

By: _____
Name: Robert H. Davis Date _____
Title: District 5 Utilities Branch Chief

By: _____
Name: Patrick Chesbro Date _____
Title: Utility Coordinator

THIS AGREEMENT SHALL NOT BE EXECUTED BY THE STATE OF CALIFORNIA – DEPARTMENT OF TRANSPORTATION UNTIL FUNDS ARE CERTIFIED.

CT DOCUMENT	EVENT TYPE	DEPT	UNIT	PROJECT ID	PHASE	REPORTING	OBJ CODE	(N)	BFY	AMOUNT
	C401	2660				9				
	C401	2660				9				
	C401	2660				9				

PROJECT ID FUNDING VERIFIED:
Sign:> _____
Print> Nichole Beebe-Pence
R/W Planning and Management Date _____

REVIEW/REQUEST FUNDING:
Sign> _____
Print> Patrick Chesbro
Utility Coordinator Date _____

THE ESTIMATED COST TO STATE FOR ITS SHARE OF THE ABOVE DESCRIBED WORK IS \$ _____.

CERTIFICATION OF FUNDS				
I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purpose of the expenditure shown here.				
R/W Planning and Management				Date
ITEM	CHAP	STAT	FY	AMOUNT

FUND TYPE	EA	AMOUNT
Design Funds		\$
Construction Funds		\$
RW Funds		\$



AGENDA ITEM: 10

DATE: June 18, 2020

CAYUCOS SANITARY DISTRICT

TO: Board of Directors

FROM: Rick Koon
District Manager

DATE: June 11, 2020

SUBJECT: DISCUSSION AND CONSIDERATION TO APPROVE THE SECOND 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

Discussion:

At the May 2020 Board meeting, the Board approved the First Amendment to the Memorandum of Understanding (“MOU”). The MOU outlines the timing requirements for the City of Morro Bay to begin processing the Lafco application for the detachment, annexation and expanding the SOI to include the Panorama Lots. The original due date was April 30, 2020. The first amendment changes the date to May 30, 2020. This Second Amendment moves the Date to July 30th. The amendment also includes verbiage that allows MB and the CSD to work directly with each other to develop and negotiate the Purchase and Sale agreement. The Purchase and Sale agreement is scheduled to come for the Board’s approval in July.

Recommendation

Staff recommends the Board approve the Second 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.

SECOND AMENDMENT TO MEMORANDUM OF UNDERSTANDING

[Chevron Estero Marine Terminal, Lot 6SW]

THIS SECOND AMENDMENT TO MEMORANDUM OF UNDERSTANDING (“**Amendment**”) is made and entered into as of May 28, 2020 , by and between The Trust for Public Land, a California nonprofit public benefit corporation (“**TPL**”), the City of Morro Bay (“**Morro Bay**”), the Cayucos Sanitary District (“**CSD**”), and Chevron Land and Development Company, a Delaware Corporation (“**Chevron**”), each of which may individually be referred to herein as a “**Party**” and collectively, as the “**Parties**”.

RECITALS

A. The Parties entered into a Memorandum of Understanding dated January 31, 2020 (“**Original MOU**”), as amended by that certain First Amendment to Memorandum of Understanding dated April 16, 2020 (“**First Amendment**”) (the Original MOU as Amended by the First Amendment is referred to as the “**MOU**”), to evidence their desire to achieve a common conservation goal and appropriate public ownership for that certain real property located in San Luis Obispo County, California, and more particularly described in the MOU. All capitalized terms not otherwise defined herein shall have the same meaning ascribed to them in the MOU.

B. The Parties now desire to amend the MOU to extend certain dates contained therein.

NOW, THEREFORE, in consideration of the foregoing, the parties hereto hereby acknowledge that the MOU is amended as follows:

REVISIONS

1. **Effective Date.** This Amendment will be effective upon execution by all the Parties.
2. **Amended and Restated Sections.** The following sections are restated and amended in their entirety as follows:

Section 4. “**OBLIGATIONS OF MORRO BAY:** Morro Bay shall seek City Council approval to proceed with filing the LAFCO Application. The LAFCO Application shall also seek to annex Lot 6NW into the City of Moro Bay and to de-annex Lot 6NE, both of which respective lots are shown on Exhibit A. Morro Bay will make best efforts to file the LAFCO Application as soon as feasible but no later than July 31, 2020. The Parties understand that nothing in this MOU commits the City Council to approve the LAFCO Application and that such decision must be made by the City Council pursuant to applicable law, including, but not limited to, the Brown Act.”

Section 6. “**OBLIGATIONS OF CSD & TPL:** CSD agrees to negotiate the terms of the Option Agreement with TPL, which will include standard provisions for the purchase of real property including direct deeding to the City and the issuance of title insurance. CSD and TPL intend that the Option Agreement will be executed by the end of July 2020. However, City has the right to negotiate a purchase and sale agreement directly with CSD which shall be executed by the end of July. If City elects to negotiate directly with CSD, TPL will continue to assist with respect to the funding for the acquisition. If City does not elect to negotiate directly with CSD, TPL will keep City informed of the negotiations, promptly provide copies of drafts of the Option Agreement and allow the City to approve the final draft prior to

execution.”

3. **Counterparts.** This Amendment may be executed in several counterparts, each of which shall be deemed to be an original, and all of which together shall be deemed to be one and the same instrument when each party has signed one such counterpart. This Amendment may be executed and delivered to the other party by facsimile or electronic transmission and a facsimile or electronic signature shall have the same legal effect as an original signature.

4. **Non-Binding.** The Parties agree that the MOU as amended by this Second Amendment remains in full force and effect including, but not limited to Section 10 which provides that the MOU as amended is non-binding on the Parties.

IN WITNESS WHEREOF, the Parties hereto have executed this Second Amendment as of the dates set forth next to their respective signatures below.

TPL

The Trust for Public Land, a California nonprofit public benefit corporation

By: _____

Its: _____

CHEVRON

Chevron Land and Development Company, a Delaware Corporation

By: _____

Its: _____

CSD

Cayucos Sanitary District, a political subdivision of the State of California

By: _____

Its: _____

MORRO BAY

City of Morro Bay, a municipal corporation

By: _____

Its: _____

SECOND AMENDMENT TO MEMORANDUM OF UNDERSTANDING

[Chevron Estero Marine Terminal, Lot 6SW]

THIS SECOND AMENDMENT TO MEMORANDUM OF UNDERSTANDING (“**Amendment**”) is made and entered into as of May 28, 2020, by and between The Trust for Public Land, a California nonprofit public benefit corporation (“**TPL**”), the City of Morro Bay (“**Morro Bay**”), the Cayucos Sanitary District (“**CSD**”), and Chevron Land and Development Company, a Delaware Corporation (“**Chevron**”), each of which may individually be referred to herein as a “**Party**” and collectively, as the “**Parties**”, with reference to the following recitals of fact:

RECITALS

A. The Parties entered into a Memorandum of Understanding dated January 31, 2020 (“**Original MOU**”), as amended by that certain First Amendment to Memorandum of Understanding dated April 16, 2020 (“**First Amendment**”) (the Original MOU ~~and as Amended by~~ the First Amendment ~~shall be collectively~~ is referred to hereinafter as the “**MOU**”), to evidence their desire to achieve a common conservation goal and appropriate public ownership for that certain real property located in San Luis Obispo County, California, and more particularly described in the MOU. All capitalized terms not otherwise defined herein shall have the same meaning ascribed to them in the MOU.

B. The Parties now desire to amend the MOU to extend certain dates contained therein.

NOW, THEREFORE, in consideration of the foregoing, the parties hereto hereby acknowledge that the MOU is amended as follows:

REVISIONS

1. ACKNOWLEDGEMENT

~~1. Effective Date. This Amendment will be effective upon execution by all the Parties.~~

2. **Amended and Restated Sections.** The following ~~section(s)~~ sections are amended and restated ~~and amended~~ in their entirety as follows upon execution of this Amendment:

Section 4. “**OBLIGATIONS OF MORRO BAY:** Morro Bay shall seek City Council approval to proceed with filing the LAFCO Application. The LAFCO Application shall also seek to annex Lot 6NW into the City of Morro Bay and to de-annex Lot 6NE, both of which respective lots are shown on Exhibit A. Morro Bay will make best efforts to file the LAFCO Application as soon as feasible but no later than July 31, 2020. The Parties understand that nothing in this MOU commits the City Council to approve the LAFCO Application and that such decision must be made by the City Council pursuant to applicable law, including, but not limited to, the Brown Act.”

Section 6. “**OBLIGATIONS OF CSD & TPL:** CSD agrees to negotiate the terms of the Option Agreement with TPL, which will include standard provisions for the purchase of real property including ~~direct deed to the City and the issuance of title insurance.~~ CSD and TPL intend that the Option Agreement will be executed by the end of July 2020. ~~However, City has the right to negotiate a purchase and sale agreement directly with CSD which shall be executed by the end of July. If City elects to negotiate directly with CSD, TPL will continue~~

to assist with respect to the funding for the acquisition. If City does not elect to negotiate directly with CSD, TPL will keep City informed of the negotiations, promptly provide copies of drafts of the Option Agreement and allow the City to approve the final draft prior to execution.”

3. Counterparts. This Amendment may be executed in several counterparts, each of which shall be deemed to be an original, and all of which together shall be deemed to be one and the same instrument when each party has signed one such counterpart. This Amendment may be executed and delivered to the other party by facsimile or electronic transmission and a facsimile or electronic signature shall have the same legal effect as an original signature.

4. Non-Binding. The Parties agree that the MOU as amended by this Second Amendment remains in full force and effect including, but not limited to Section 10 which provides that the MOU as amended is non-binding on the Parties.

IN WITNESS WHEREOF, the Parties hereto have executed this Second Amendment as of the dates set forth next to their respective signatures below.

TPL

The Trust for Public Land, a California nonprofit public benefit corporation

By: _____

Its: _____

CHEVRON

Chevron Land and Development Company, a Delaware Corporation

By: _____

Its: _____

CSD

Cayucos Sanitary District, a political subdivision of the State of California

By: _____

Its: _____

MORRO BAY

City of Morro Bay, a municipal corporation

By: _____

Its: _____



AGENDA ITEM: 11

DATE: June 18, 2020

CAYUCOS SANITARY DISTRICT

TO: Board of Directors

FROM: Rick Koon
District Manager

DATE: June 11, 2020

SUBJECT: REPORT FROM AD HOC COMMITTEE ON IDENTIFYING POSITIONS TO BE CREATED AND ACTIONS NECESSARY TO INTEGRATE OPERATIONS OF THE CAYUCOS SUSTAINABLE WATER FACILITY INTO THE DISTRICT'S ORGANIZATIONAL STRUCTURE

Discussion:

On June 8th, the Ad hoc committee consisting of Board members Hannah Miller and Shirley Lyon met with staff members Koon and Good to discuss the incorporation of the CSWP facility into the District.

Topics that were discussed included:

- New Personnel Positions
 - Chief Plant Operator – Possibly Contract
 - Grade III Operator
 - Grade II Operator
- Existing Staff FTE Duties
 - Splitting FTE duties without increasing existing FTE hours
- New Operation expenses
 - Electricity, Chemicals, Regulatory Requirements
- Organizational Structure
 - Existing Income stream and how it applies to Expense Funds

Recommendation

Staff recommends the Board receive the Ad Hoc Committees verbal report.



AGENDA ITEM: 12

DATE: June 18, 2020

CAYUCOS SANITARY DISTRICT

TO: Board of Directors

FROM: Rick Koon
District Manager

DATE: June 11, 2020

SUBJECT: DISCUSSION AND CONSIDERATION TO APPROVE FY 2020/21
CAYUCOS SANITARY DISTRICT BUDGET:
A. OPERATING BUDGET
B. CIP BUDGET

Discussion:

Each year in June, the Board approves the next fiscal year's Operations and Capital budgets. This year the Operational Budget has expanded to include the expenses of the Cayucos Sustainable Water Project Treatment Plant and the Capital Projects Budget expanded to include the continuing CSWP projects once the Treatment Plant becomes operational. As previously reported, on June 8th, the Ad hoc committee met to discuss the financial requirements of the new plant and how to incorporate them into the FY 20/21 budget.

The FY 20/21 budget is transitional in the sense that the District will discharge to the MB/CSD facility for half a year and incur half a year of its own operational costs for its facility. Also, construction loan interest payments will transition into long term bi-annual loan payments.

Highlights of the FY20/21 budget include:

- Additional personnel costs
- Treatment Plant operational costs
- MB/CSD treatment costs
- Loan payments

Highlights of the FY20/21 Capital Projects include:

- A new pump for LS#4
- An inflow and infiltration study for the LS#5 basin
- Continued CSWP Projects
- New regulatory reporting requirements

Recommendation

- A. Staff recommends the Board approve the FY 20/21 Operational Budget
- B. Staff recommends the Board approve the FY 20/21 Capital Improvement and CSWP Budget

Budget Summary FY 20/21

AGENDA ITEM: 12.A

DATE: June 18, 2020

Income:

Sewer Income	\$ 2,936,150.00
Will Serve Income	\$ 34,300.00
Rental Income	\$ 32,200.00
Solid Waste Income	\$ 89,600.00
SLOCO Tax Assessments	\$ 971,700.00
Savings Interest Income	\$ 200.00
Investment Interest Income	\$ 27,600.00
Other Misc. Income	\$ 4,600.00
Category Total	\$ 4,096,350.00

Payroll:

Admin Gross Wages Regular	\$ 338,100.00
Coll Gross Wages Regular	\$ 116,200.00
Treatment Gross Wages Regular	\$ 209,000.00
Director Payroll	\$ 8,000.00
Vested Payroll Benefits	\$ 5,000.00
Admin Payroll Taxes/Benefits	\$ 120,950.00
Coll Payroll Taxes/Benefits	\$ 85,650.00
Treatment Payroll Taxes/Benefits	\$ 68,450.00
Director Payroll Taxes	\$ 500.00
Category Total	\$ 951,850.00

Operating Expenses:

Special Projects	\$ 13,000.00
Admin Operating Expenses	\$ 195,400.00
Collections Operating Expenses	\$ 219,200.00
Treatment Operating Expenses	\$ 445,500.00
MB WWTP (O&M)	\$ 250,000.00
Loan Interest	\$ 1,587,700.00
Debt Service Reserve	\$ 109,500.00
Category Total	\$ 2,820,300.00

Total Income	\$ 4,096,350.00
Less Total Expenses	\$ 3,772,150.00
Net Income	\$ 324,200.00

	Actual YTD Thru May 31	YTD Budget	FY 19/20 Annual Budget	FY 20/21 Proposed	Notes
7220 - Operational Hardware & Supplies				7,500.00	
7230 - IT Support				7,000.00	
7240 - Insurance				58,500.00	
7250 - Janitorial Supplies				1,000.00	
7260 - Laundry/Boot Allowance				2,500.00	
7270 - License Renewal				1,200.00	
7280 - Office Supplies				3,000.00	
7290 - Operating Contingency Reserve				10,000.00	
7300 - Sampling & Testing				102,000.00	
7310 - Lab Supplies				10,000.00	
7320 - Permits - RWQCS				5,000.00	
7330 - Permits - APCD				1,000.00	
7340 - Professional Development - Treatment				1,000.00	
7350 - Safety Supplies/Materials				2,500.00	
7360 - Small Tools				4,000.00	
7370 - Solar O&M				15,000.00	
7380 - Utilities - Electrical				80,000.00	
7310 - Utilities - Garbage					
7390 - Utilities - Internet				1,300.00	will delete category. Pick up for free :)
7400 - Utilities - Sludge Removal				35,000.00	
7410 - Utilities - Telephone				500.00	\$78.50/ton
TOTAL TREATMENT OPERATING EXPENSES				445,500.00	
7500 - Loan Interest Payments					
7510 - USDA				494,300.00	at 2.625% interest = \$988,585/yr
7520 - Western Alliance					
7521 - Series A				864,600.00	Pmts due 10/1/20 and 4/1/21
7522 - Series A1				228,800.00	Pmts due 10/1/20 and 4/1/21
7523 - Series B				-	
Total Loan Interest Payments				1,587,700.00	
7997 - Debt Service Reserve	0.00	55,000.00	60,000.00	109,500.00	Increased to include 10% USDA loan reserve requirement
7999 - MB WWTP O&M	180,028.69	586,666.67	640,000.00	250,000.00	Q4 19/20, Q1 20/21, Q2 20/21
TREATMENT OPERATING EXPENSES - Other	180,028.69	641,666.67	700,000.00	359,500.00	
Total 7000 - TREATMENT OPERATING EXPENSES	180,028.69	641,666.67	700,000.00	2,392,700.00	
Total 6000 - OPERATING EXPENSES	524,609.79	1,161,933.35	1,264,200.00	2,820,300.00	
Total Expense	1,084,239.49	1,755,562.08	1,911,795.00	3,772,150.00	
Less Gross Income	3,809,371.07	3,566,782.06	3,891,035.00	4,096,350.00	
Net Income	2,725,131.58	1,811,219.98	1,979,240.00	324,200.00	

CAYUCOS SANITARY DISTRICT
Capital Improvement and CSWP Budget
FY 2020-2021

- **Sewer Main Repairs:** *\$85,000*

These are areas of sewer mains that our camera has identified in need of repair. These projects consist of multiple point repairs, offsets or other anomalies and are targeted to take advantage of economy of savings. The budgeted amount is intended to allow for 2 or 3 replacements.

- **Lift Station SCADA System** *\$65,000*

This project includes the Pro3 Automation contract of \$58,000, with additional monies to add extra data receiver pickups for remotely monitoring of all the Districts lift stations.

- **Dukes Inflow and Infiltration Study:** *\$28,000*

This project will study the influent basin feeding Lift Station 5 using Dukes proprietary sonar flow detection instruments and mapping system to identify locations of I&I.

- **Lift Station 4 Pump Replacement:** *\$22,000*

This project will replace a 20 year-old Xylem pump with an updated, greater efficient pump. The cost to repair the existing pump is over \$15,000 and even with repairs it will not be as flow and electrical efficient as a new one will be.

CSWP Projects

- **Construction of Outfall Tie-in:** *\$45,000*

This project will Tie-in the temporary bypass line into the end of the Outfall. This is outside of the Caltrans right of way and not reimbursable.

- **Design of the Chaney to Toro Main Line Replacements:** *\$70,000*

This project will look at replacing the two 12" VCP lines between Chaney and Toro Creek Road with a single larger PVC pipe to allow for temporary storage of sewage prior to Lift Station 5.

- **RWQCB/CCC Recycled Water Program:** *\$50,000*

As part of the District's NPDES Permit, we are required to develop and implement this program to address maximizing the use of recycled water.

Total - \$365,000



AGENDA ITEM: 13

DATE: June 18, 2020

CAYUCOS SANITARY DISTRICT

TO: Board of Directors

FROM: Rick Koon
District Manager

DATE: June 11, 2020

SUBJECT: DISCUSSION AND CONSIDERATION TO ADOPT RESOLUTION
2020-3 ESTABLISHING CAYUCOS SANITARY DISTRICT'S FISCAL
YEAR 2020/21 APPROPRIATIONS LIMIT

Discussion:

With the passage of Proposition 4 in 1979, annual limits were placed on state, school districts, and local governments for the use of appropriations of tax proceeds. Each entity of government must formally "adopt" its appropriations limit for a given fiscal year. The calculations and multipliers vary each year and the current calculations are included in the Resolution. As Cayucos Sanitary District receives a portion of tax proceeds from the County of San Luis Obispo, we are subject to this requirement.

Recommendation

Staff recommends the Board adopt Resolution 2020-3 establishing Cayucos Sanitary District's Fiscal Year 2020/21 appropriations limit.

RESOLUTION 2020-3

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE CAYUCOS SANITARY DISTRICT ESTABLISHING
THE APPROPRIATIONS LIMIT FOR THE FISCAL
YEAR ENDING JUNE 30, 2021**

WHEREAS, in November of 1979 California voters passed Proposition 4, which added Article XIII B to the California Constitution; and

WHEREAS, Proposition 4 places an upper limit on the amount of money that can be spent on general operations from state revenues based on the 1978/1979 base year and adjusts each year based on population growth and inflation; and

WHEREAS, in 1990 California voters approved Proposition 111, which modified Article XIII B and provided new adjustment formulas making the appropriation limit more responsive to local growth issues as well as requiring an annual review of limit calculations; and

WHEREAS, Government Code Sections 7900 et seq. provide for the effective and efficient implementation of Article XIII B of the California Constitution; and

WHEREAS, Government Code Sections 7900 et seq. provide that each year, the governing body of each local jurisdiction shall, by resolution establish the annual adjustment factors to be used and the tax proceeds expenditure appropriation limit.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Cayucos Sanitary District as follows:

1. The appropriation limit for Fiscal Year 2020-21 is hereby set at \$4,737,180.
2. Calculations used in the determination of the tax proceeds expenditure appropriation limit are attached hereto as Exhibit A and incorporated herein by this reference.

RESOLUTION NO. 2020-3
DATE: June 18, 2020

3. This Resolution is effective on its date of adoption.

PASSED AND ADOPTED this 18th day of June, 2020.

Ayes:
Nays:
Absent:
Abstain:

Robert Enns, President
Board of Directors

ATTEST:

APPROVED AS TO FORM:

Rick Koon
District Manager

Timothy J. Carmel
District Counsel

EXHIBIT A
to Resolution No. 2020-3

CAYUCOS SANITARY DISTRICT
Calculation of Proposition 4 Limit

2019-2020 appropriation limit	\$	<u>4,585,847</u>
2020-2021 factor (per capita cost of living increase x population increase)	x	<u>1.033</u>
2020-2021 appropriation subject to limit	\$	<u>4,737,180</u>