



CAYUCOS SANITARY DISTRICT

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

AGENDA ITEM: 3.A.1

DATE: August 19, 2021

ACTION: Approved

GOVERNING BOARD

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

REGULAR MEETING MINUTES

Thursday, June 17, 2021
5:00 p.m.

1. ESTABLISH QUORUM AND CALL TO ORDER

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

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

Staff present via GoToMeeting: District Manager Rick Koon and Admin. Services Manager Amy Lessi

2. PUBLIC COMMENT

President Enns opened the meeting to Public Comment.

Hearing no comment, President Enns closed Public Comment.

3. CONSENT CALENDAR: Recommended 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 20, 2021 Board of Directors Regular Meeting

B. Financial Reports: May 2021

1. Check Register – Mechanics Bank (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 2020-2021**
4. Capital Improvement Projects Report

President Enns opened the meeting to Public Comment.

Hearing no comment, President Enns closed Public Comment.

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

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

VOTE 5-0 Motion passed

4. STAFF COMMUNICATIONS AND INFORMATION ITEMS: No Action Required

A. District Manager's Report – May 2021

B. Monthly Customer Satisfaction Survey Submissions – None

C. Will Serves – New

None

Will-Serves – Renewed

Baldonado, APN 064-153-041, 80 9th St. – SFR Addition

Bybee, APN 064-207-048, 2744 Orville Ave. – SFR New

Lee/Dezarn, APN 064-128-001, 188 I St. – SFR New

Allen, APN 064-182-059, 1975 Cass Ave. – SFR Remodel

Fischer, APN 064-227-005, 1200 Pacific Ave. – SFR Addition

Will-Serves – Finaled

Lindell, APN 064-121-031, 236 Pacific Ave. – SFR Addition

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

None

Will-Serves – Grant of License

None

Manager Koon gave a summary of the previous month's Admin. and Operations Departments' activities.

President Enns elaborated on the IWMA polystyrene vote and how the County is questioning their future participation. Also, recently their Executive Director resigned.

President Enns opened the meeting to Public Comment.

Hearing no comment, President Enns closed Public Comment.

Items 4 A through C were received and accepted.

5. PRESENTATION FROM DANIEL PHILLIPS OF NATIONAL DEMOGRAPHICS CORPORATION REGARDING DISTRICT-BASED ELECTIONS

Daniel Phillips of NDC gave a PowerPoint presentation outlining the preliminary steps required for transitioning into District-based elections.

There was some concern amongst the Board about splitting the general population of Cayucos into 5 equal groups, as opposed to splitting the registered voters into equal groups. Daniel Phillips affirmed that the law requires the districts to be based on the population, not registered voters.

Manager Koon suggested considering natural barriers, such as Old Creek, while establishing the districts.

President Enns opened the meeting to Public Comment.

Hearing no comment, President Enns closed Public Comment.

Item 5 was received, no action required.

6. DISCUSSION AND CONSIDERATION TO ADOPT RESOLUTION 2021-03 CONFIRMING THE ITEMIZED REPORT TO COLLECT DELINQUENT SEWER SERVICE CHARGES ON THE FISCAL YEAR 2021-2022 COUNTY TAX ROLL

The report of delinquent sewer service charges was submitted to the Board and it was noted that there was one less customer on the report this year.

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

MOTION: 1st by Frank, to adopt Resolution 2021-03 confirming the itemized report to collect delinquent sewer service charges on the Fiscal Year 2021-2022 County Tax Roll. Motion was seconded by Chivens.

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

VOTE 5-0 Motion passed

7. DISCUSSION AND CONSIDERATION TO ADOPT RESOLUTION 2021-04 CONFIRMING THE ITEMIZED REPORT TO COLLECT DELINQUENT SOLID WASTE COLLECTION AND DISPOSAL CHARGES ON THE FISCAL YEAR 2021-2022 COUNTY TAX ROLL

Mission Country Disposal's report of delinquent solid waste collection and disposal charges was submitted to the Board.

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

MOTION: 1st by Frank, to adopt Resolution 2021-04 confirming the itemized report to collect delinquent solid waste collection and disposal charges on the Fiscal Year 2021-2022 County Tax Roll. Motion was seconded by Lyon.

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

VOTE 5-0 Motion passed

8. DISCUSSION AND CONSIDERATION TO ADOPT RESOLUTION 2021-05 ESTABLISHING CAYUCOS SANITARY DISTRICT'S FISCAL YEAR 2021/22 APPROPRIATIONS LIMIT

The Appropriations Limit, prepared by Legal Counsel, was presented to the Board.

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

MOTION: 1st by Frank, adopt Resolution 2021-05 establishing Cayucos Sanitary District's Fiscal Year 2021/22 Appropriations Limit at \$4,825,305.00. Motion was seconded by Chivens.

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

VOTE 5-0 Motion passed

9. DISCUSSION AND CONSIDERATION TO REJECT CLAIM FOR DAMAGES

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

MOTION: 1st by Lyon, to reject claim for damages. Motion was seconded by Miller.

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

VOTE 5-0 Motion passed

10. DISCUSSION AND CONSIDERATION TO APPROVE REVISING THE DISTRICT'S ORGANIZATIONAL CHART AND SALARY SCHEDULE TO ELIMINATE THE ADMINISTRATIVE OFFICE MANAGER POSITION

Manager Koon presented the revised Organizational Chart and Salary Schedule to the Board.

Director Frank questioned if having only two Admin. positions would make it difficult for office staff to take time off, and requested details about how Jon Collin's transition from Collections to Treatment would work. Manager Koon answered that Gayle Good is currently on a two-week vacation and things are running quite smoothly, thanks to the newly implemented cross training of administrative duties. He further elaborated that when Jon Collins transitions into Treatment, Nick Lakey and Justin Owens will be offered promotions to higher positions, and the District would advertise for the Collections Trainee position.

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

MOTION: 1st by Miller, to approve revising the District's Organizational Chart and Salary Schedule to eliminate the Administrative Office Manager Position. Motion was seconded by Frank.

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

VOTE 5-0 Motion passed

11. DISCUSSION AND CONSIDERATION TO APPROVE A BLANKET PURCHASE ORDER FOR FY 2021/22 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

Manager Koon explained how helpful it's been being able to rely on Brent Knowles when emergencies have arisen in the past, citing key examples such as the line break near Brown Butter Cookie Co. and when the jetter got stuck and needed to be jackhammered out.

President Enns opened the meeting to Public Comment.

John Curti asked if in the past the District has needed the whole \$40,000, and asked what would happen if \$40,000 isn't enough in the future. Manager Koon answered that the District usually uses about \$38,000-\$39,000, and if more than \$40,000 is ever needed, he would come to the Board for input before exceeding the limit.

Hearing no further comment, President Enns closed Public Comment.

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

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

VOTE 5-0 Motion passed

12. DISCUSSION AND CONSIDERATION TO APPROVE CHANGE ORDER #7 WITH CUSHMAN CONTRACTING CORPORATION IN THE AMOUNT OF \$19,240.00

Manager Koon reviewed the itemized breakdown of the final Change Order with Cushman Contracting and explained its necessity.

President Enns stated he was very pleased with the final Change Order rate, to which Director Lyon and Vice President Chivens agreed.

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

MOTION: 1st by Lyon, to approve Change Order #7 With Cushman Contracting Corporation in the amount of \$19,240.00. Motion was seconded by Chivens.

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

VOTE 5-0 Motion passed

13. DISCUSSION AND CONSIDERATION TO ACCEPT AS COMPLETE AND FILE A NOTICE OF COMPLETION FOR THE FOLLOWING PROJECTS: THE CAYUCOS WATER RESOURCE RECOVERY FACILITY GRADING, THE CAYUCOS WATER RESOURCE RECOVERY FACILITY CONSTRUCTION, THE PIPELINE PROJECT, LIFT STATION 5 REPLACEMENT CONSTRUCTION, LIFT STATION 5 PROGRAMMING AND INTEGRATION

Manager Koon elaborated that this is one of the last steps in the Cayucos Sustainable Water Project, and that after filing for completion, staff will begin to release retentions to the project contractors.

President Enns emphasized the importance and significance of filing a project for completion.

President Enns opened the meeting to Public Comment.

Hearing no comment, President Enns closed Public Comment.

MOTION: 1st by Lyon, to accept as complete and file a Notice of Completion for the following projects: The Cayucos Water Resource Recovery Facility Grading, The Cayucos Water Resource Recovery Facility Construction, The Pipeline Project, Lift Station 5 Replacement Construction, Lift Station 5 Programming and Integration. Motion was seconded by Chivens.

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

VOTE 5-0 Motion passed

14. DISCUSSION AND CONSIDERATION TO APPROVE THE USDA WATER AND WASTE SYSTEM GRANT AGREEMENTS IN THE AMOUNT OF \$1,651,844.00 AND \$2,851,500.00 FOR THE PAYOFF OF THE SERIES A-1 LOAN WITH WESTERN ALLIANCE BANK

President Enns opened the meeting to Public Comment.

John Curti asked for clarification on the total cost of the project and how the grant money will be spent. Manager Koon responded that the final overall cost is \$25 million. Construction costs comprised \$24.2 of the \$25 million, and the grant money (\$4.5 million) will reimburse design costs, legal fees, and special inspections.

Hearing no further comment, President Enns closed Public Comment.

MOTION: 1st by Frank, to approve the USDA Water and Waste System Grant Agreements in the amount of \$1,651,844.00 and \$2,851,500.00 for the payoff of the Series A-1 Loan with Western Alliance Bank. Motion was seconded by Miller.

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

VOTE 5-0 Motion passed

15. CAYUCOS SUSTAINABLE WATER PROJECT STATUS UPDATE

Manager Koon informed the Board that the newly up and running systems are functioning properly. He recently gave a tour of the plant to representatives from the Regional Water Board. Disconnection from Morro Bay was planned for the end of June, but may be delayed a week or two due to delays associated with encroachment permits with Cal Trans. On June 21st he will attend a preconstruction meeting with REC Solar. The Dedication Ceremony is set for June 25th and will include tours of the new facility for interested attendees.

President Enns commented that for the Groundbreaking Ceremony in August 2018, maps were provided to the public to identify the locations of the various planned buildings. These exact same maps will be used for the Dedication Ceremony, as the plans stayed consistent throughout the entire process.

Vice President Chivens and Director Lyon expressed excitement and praise.

President Enns opened the meeting to Public Comment.

John Curti commented that he has attended most of the District's meetings over the past several years, and it is exciting to see a town of this size get through this process so quickly and on budget. He has been impressed by the amount of work, attention to detail, cost savings, and efforts to get the best quality at the best price. He mused that this project could be a model for other small towns that need to undergo the same process.

Hearing no further comment, President Enns closed Public Comment.

16. CLOSED SESSION: PUBLIC EMPLOYEE PERFORMANCE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION 54957(b) Title: District Manager

President Enns announced the Board was going into Closed Session at 6:43pm.

CLOSED SESSION:

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

Staff present: District Manager, Rick Koon.

Open Session reconvened at 7:00pm.

ITEMS TO REPORT FROM CLOSED SESSION:

District Manager Rick Koon will receive a 3% COLA effective July 1, 2021.

17. BOARD MEMBER COMMENTS (This item is the opportunity for Board Members to make brief announcements and/or briefly report on their own activities related to District business.)

None.

18. FUTURE SCHEDULED MEETINGS

- July 15, 2021 – Regular Board Meeting
- August 19, 2021 – Regular Board Meeting
- September 16, 2021 – Regular Board Meeting

19. ADJOURNMENT

The meeting adjourned at 7:00 p.m.

Minutes Respectfully Submitted By:

X Amy Lessi

Amy Lessi
Administrative Services Manager