



AGENDA ITEM: _____ 3.A.1 _____
DATE: _____ June 20, 2019 _____
ACTION: _____ APPROVED _____

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

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

REGULAR MEETING
MINUTES
Thursday, May 16, 2019

1. ESTABLISH QUORUM AND CALL TO ORDER

President Enns called the meeting to order at 5:04p.m.

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

Board members absent: Director Robert Frank

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

Guests present: Dylan Wade of Water Systems Consultants (WSC), and Mark Sampson (District Energy Consultants, DEC).

2. PUBLIC COMMENTS

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

Director Lyon made an announcement that she was selling March Madness tickets to raise funds for the 2019 4th of July fireworks show Cayucos puts on each year.

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 25, 2019 Board of Directors Special Meeting.
2. Approval of Minutes for the May 7, 2019 Budget Committee Meeting.

Consent Calendar (Cont.)

B. Financial Reports: April 2019

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 2018-2019**
4. Capital Improvement Projects Report

Enns opened the meeting to Public Comments.

Hearing no comments, President Enns closed Public Comment.

MOTION: 1st by Miller, to approve items on the consent calendar as prepared. Motion was seconded by Lyon. **VOTE 4-0** Motion passed

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

- A. District Manager’s Report – April 2019
- B. Monthly Customer Satisfaction Survey Submissions – **None**
- C. Will Serves – New
 - Smith, APN 064-225-009, 1501 Pacific Ave. – SFR Add/Alt**
 - Will Serves – Renewed
 - Allen, APN 064-211-041, 2733 Richard Ave. – SFR New**
 - Crowley, APN 064-449-008, 3596 Studio Dr. – SFR Demo/Rebuild**
 - Will Serves – Finaled
 - None**
 - Will Serves – Continue to Serve (No Will Serve Required)
 - Marlow, APN 064-233-017, 39 20th St. – SFR Add/Alt**
 - Nguyen, APN 064-182-032, 2175 Cass Ave. – SFR New**

Manager Koon’s report was presented. He updated the Board on Administrative items, and O&M activities for the month of April mentioning that he has completed his 7th year with the District. He also talked about the upcoming AB1661 / AB1825 (harassment prevention training) scheduled for June 6, 2019 and informed the Board that the preliminary audit originally scheduled for May 10-11, 2019 has been rescheduled due to client overbooking by MLH. Their new prelim dates are May 23 & 29, 2019.

A few Board members commented that they had not received their AB1825 webinar confirmations.

Crawford said she would contact CSDA and look into it.

President Enns opened the meeting to Public Comments.

Hearing none, Public Comments was closed.

Items 4 A through C were received and accepted.

5. DISCUSSION AND CONSIDERATION TO APPROVE AN AMENDED FISCAL YEAR 2018/2019 CAPITAL IMPROVEMENT BUDGET.

Koon discussed the need to revise the current Capital Improvement Projects (CIP) Budget noting two additions (totaling \$18,000.00) and three items (totaling \$230,000.00) that will be removed from the 18/19 FY budget / carried over to FY 19/20. Total net fiscal impact for FY 18/19 will be less \$212,000.00.

The Board discussed further and agreed both would have minimal impacts and positive changes to District infrastructure.

President Enns opened the meeting to Public Comments.
Hearing none, Public Comments was closed.

MOTION: 1st by Chivens, to approve an amended fiscal year 2018/2019 Capital Improvement budget. The motion was seconded by Lyon.

VOTE 4-0 Motion passed

6. DISCUSSION AND CONSIDERATION TO APPROVE THE ISSUANCE OF A REQUEST FOR PROPOSAL PRESENTED BY DISTRICT ENERGY CONSULTANTS (“DEC”) FOR ENGINEERING, PROCUREMENT AND CONSTRUCTION OF THE SOLAR PROJECT.

Sampson presented the draft RFP to the Board and discussed with them the anticipated date of issue. He mentioned that this is the first of two request for proposals that he foresees being issued in the near future.

Some discussion amongst the Board ensued.

President Enns opened the meeting to Public Comments.
Hearing none, Public Comments was closed.

MOTION: 1st by Chivens, to approve the issuance of a request for proposal presented by District Energy Consultants (“DEC”) for engineering, procurement and construction of the solar project. The motion was seconded by Miller.

VOTE 4-0 Motion passed

7. DISCUSSION AND CONSIDERATION TO APPROVE AND TO AUTHORIZE THE DISTRICT MANAGER TO EXECUTE THE FOLLOWING ENGINEERING CONSULTANT CONTRACTS FOR LIFT STATION FIVE:

- a. **GEOTECHNICAL ENGINEERING – GEO SOLUTIONS, INC.**
- b. **STRUCTURAL ENGINEERING – ASHLEY & VANCE ENGINEERING, INC.**
- c. **ELECTRICAL ENGINEERING – J CALTON ENGINEERING**

Koon and Wade elaborated on the individual contracts as they pertain to the design of the new lift station number five.

Some discussion amongst the Board and Koon took place.

President Enns opened the meeting to Public Comments.
Hearing none, Public Comments was closed.

MOTION: 1st by Miller, to approve and to authorize the District Manager to execute the following engineering consultant contracts for lift station five:

- a. GEOTECHNICAL ENGINEERING – GEO SOLUTIONS, INC.
- b. STRUCTURAL ENGINEERING – ASHLEY & VANCE ENGINEERING, INC.
- c. ELECTRICAL ENGINEERING – J CALTON ENGINEERING

The motion was seconded by Lyon.

VOTE 4-0 Motion passed

8. UPDATE ON CAYUCOS SUSTAINABLE WATER PROJECT STATUS.

Koon and Wade elaborated on the most recent progress of the project and discussed the upcoming objectives and pressing timeline. Koon also confirmed a June 26, 2019 Town Hall meeting date and went over ideas in relation to planning the event.

9. DISCUSSION AND CONSIDERATION TO APPROVE A REVISED FINANCING STRUCTURE FOR THE CAYUCOS SUSTAINABLE WATER PROJECT WITH WESTERN ALLIANCE BANK.

Koon informed the Board that his recent meeting with USDA regarding the District's loan agreement went better than expected. He mentioned that the outcome resulted in a total of 24.2 million dollars in USDA loan monies, and acquiring an additional 1.6 (totaling 4.41) million dollars in USDA grant funding. The revised financing structure with Western Alliance is to match the latest changes in the USDA agreements.

MOTION: 1st by Lyon, to pursue a revised financing structure for the Cayucos Sustainable Water Project with Western Alliance Bank. The motion was seconded by Miller.

VOTE 4-0 Motion passed

CLOSED SESSION

Enns announced closed going into session at 6:40pm

10. CLOSED SESSION

CONFERENCE WITH REAL PROPERTY NEGOTIATOR PURSUANT TO GOVERNMENT CODE SECTION 54956.8:

PROPERTY: APN(s) 073-092-053 and 073-075-016

AGENCY NEGOTIATOR: RICK KOON, GENERAL MANAGER.

NEGOTIATING PARTY: CHEVRON.

UNDER NEGOTIATION: PRICE AND TERMS OF PAYMENT.

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

Absent: Director Robert Frank.

Staff present: District Manager, Rick Koon.

Guests present: Dylan Wade of Water Systems Consulting.

Open session reconvened at 7:24pm

ITEMS TO REPORT FROM CLOSED SESSION:

None

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

Chivens mentioned that he would be out of state June 26, 2019 and will not be present for the Town Hall meeting.

Miller reminded the Board and staff that she will be out of town and will miss June 20, 2019 Regular Board meeting.

12. FUTURE SCHEDULED MEETINGS.

- June 20, 2019 – **Regular Board Meeting**
- July 18, 2019 – **Regular Board Meeting**
- August 15, 2019 – **Regular Board Meeting**

13. ADJOURNMENT

The meeting adjourned at 7:25p.m.

Minutes Respectfully Submitted By:

X 

Danielle Crawford
Administrative Office Manager