

CAYUCOS SANITARY DISTRICT
200 Ash Avenue
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GOVERNING BOARD
R. B. Enns, President
D. Chivens, Vice-President
S. Lyon, Director
M. Foster, Director
D. Lloyd, Director

SPECIAL MEETING
MINUTES
Tuesday, March 05, 2013
10:00 a.m.

1. ESTABLISH QUORUM AND CALL TO ORDER

President Enns called the meeting to order at 10:06 a.m.

Board members present: President Robert Enns, Director Dan Chivens and Director Dan Lloyd. Director Shirley Lyon arrived at 10:12 a.m. Director Michael Foster was absent.

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

2. PUBLIC COMMENTS

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

3. DISCUSSION OF DRAFT NEWSLETTER ARTICLES FOR THE SPRING/SUMMER 2013 PRINTING

Manager Koon stated he added a "Did You Know" section. President Enns was the only Board member to submit input for the newsletter. Director Lloyd submitted his edits directly to Koon at the meeting and asked through what means the newsletter gets distributed. Koon replied we don't mail the newsletter due to the cost involved, that it's in several places throughout the town and on the website. Enns stated there is a time when spending the monies to mail the newsletter would be warranted. Lloyd wants us to pursue other outlets to reach the public.

4. DISCUSSION AND CONSIDERATION OF DRAFT LETTER TO STATE LEGISLATORS

Manager Koon presented the draft letter prepared by Morro Bay and recommended that the Board make any modifications they deem necessary and then we present it back at the next JPA meeting. Manager Koon read a few of his suggestions for the letter and Director Lloyd had a few suggestions of his own. Directors Chivens and Lyon were both good with the changes presented and offered up a few more ideas. President Enns stated that since the State (meaning the CCC) is the one that made us move the plant, they (the State) need to now assist us in keeping the costs as low as possible. He wants this message sent to the State using the exact words that were used in the CCC meeting in Pismo. It was agreed that Manager Koon and President Enns would get together and finesse the draft letter, keeping it simple and incorporating the overall opinion of the Board.

5. DISCUSSION AND CONSIDERATION OF APPROVAL OF CONSULTANT SERVICES AGREEMENT WITH WATER SYSTEMS CONSULTING INC. (WSC)

President Enns gave a brief background on his involvement with Dylan Wade and the WWTP process to date and stated he felt Wade and WSC were a good choice going forward. Manager Koon clarified that in the regular meeting on 2/21/13 the motion voted on by the Board did not approve the hiring of WSC, just a budget expenditure of not to exceed \$20,000. Koon said he would like to start the process with WSC and then we can augment the process with other research and or consultants as needed. Chivens commented we just need to move expeditiously. Enns stated he sees WSC as the lead consultant. Lloyd said he is concerned with all the items listed in the WSC proposal and the order of the items listed. He wants us to be able to hire others as needed. Manager Koon said the Board of Directors monthly agenda will have the Ad-Hoc Committee report on

it every month so the Board is kept updated. President Enns asked Wade to give an overview of the work they propose. Wade summarized by stating they would develop an approach of what makes sense, bookend ideas and fill in in-between. The RWQCB will set the schedule and he along with the Ad-Hoc Committee, will determine the path. They will then put together the rough costs for that path.

MOTION: 1st by Lloyd, 2nd by Chivens That the Board President Execute an Agreement with Water Systems Consultants, Inc. and other qualified firms or Individuals for Consulting Services as Directed by the District Manager and the Board's Ad-Hoc Committee. **VOTE: 4-0** Motion passed.

6. DISCUSSION AND BOARD INPUT REGARDING CONCEPTUAL ALTERNATIVES ANALYSIS

Director Chivens started out by listing his main concerns:

1) Find an adequate alternative site (eliminate any non-viable options right out the gate) to treat Cayucos' wastewater independently 2) Identify any pre-treatment options prior to entering the WWTP 3) Identify different types of treatment options available 4) Costs and roadmap for each viable site identified

Director Lyon agrees with Chivens but said we should also look at not just south of us, but north also. She said the Pollard's are always looking for additional uses for their land, maybe we could join together on a project.

Director Lloyd presented his list:

1) Treatment ideology 2) Footprint of the technology 3) Cost of all systems, structures and staffing
4) Effluent disposal/discharge and reclamation 5) Legalities of obtaining site i.e. purchase, lease, rent etc.

President Enns state that we need to keep the door open with Morro Bay and the CCC. He feels the CMC site is still a viable option for many reasons.

President Enns opened the meeting to Public Comments.

Barry Branin – He feels places like the Tognazzini Ranch and others ag growers need water, this is something we can offer. We should partner with these people to sell our reclaimed water.

Hearing no further Public Comments, President Enns closed Public Comments.

Director Lloyd asked if we were going to financially assist Morro Bay in looking for an alternative site and if not we need to state that to them in the form of a letter and let them know the direction we intend to go. Lyon felt that would be premature since we don't know our direction, we are just looking at alternatives. Manager Koon suggests we have a JPA agenda item where each party reports where they're at in the alternatives process. It was recommended that a letter be prepared to Morro Bay stating the position of Cayucos. President Enns stated that in lieu of a letter, we should prepare a statement to be read at the JPA, that way all parties, City Council, City Manager and Legal Counsel, all the get the information at the same time. The statement will formally let Morro Bay know we are looking at alternatives and hopefully calm the questions of what we are up to.

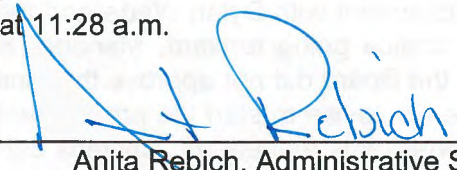
7. CONSIDERATION OF ESTABLISHING AN AD-HOC COMMITTEE FOR CONCEPTIAL ALTERNATIVES ANALYSIS

It was agreed that the Ad-Hoc Committee for the Conceptual Alternatives Analysis would consist of President Enns, Director Lloyd and Manager Koon.

8. ADJOURNMENT

The meeting adjourned at 11:28 a.m.

Minutes recorded by: _____


Anita Rebich, Administrative Services Tech