



CAYUCOS SANITARY DISTRICT

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

AGENDA ITEM: 3.A.1

DATE: August 18, 2022

ACTION: Approved

GOVERNING BOARD

R. Enns, President
S. Lyon, Vice-President
H. Miller, Director
R. Frank, Director
J. Curti, Director

BOARD OF DIRECTORS REGULAR MEETING MINUTES THURSDAY, JULY 21, 2022 AT 5:00 P.M. 200 ASH AVENUE, CAYUCOS, CA 93430

1. ESTABLISH QUORUM AND CALL TO ORDER

President Enns called the meeting to order at 5:02 p.m.

Board members present via GoToMeeting: President Robert Enns, Vice-President Shirley Lyon, Director Robert Frank, and Director John Curti (Director Miller joined the meeting at 5:05 p.m.)

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

Guests present via GoToMeeting: Jeff Clarin of Mission Country Disposal (MCD), William Statler of Municipal Finance Consulting

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

A. Regular Meeting Minutes

1. Approval of minutes for the June 16, 2022 Board of Directors Regular Meeting
2. Approval of minutes for the July 13, 2022 Board of Directors Special Meeting

B. Financial Reports: June 2022

1. Check Register – Mechanics Bank (General Checking Account)
2. Check Register – Wells Fargo (General Checking Account)
3. Check Register – Wells Fargo (CIP Checking Account)
4. Cash, Savings, and Investment Report
5. Budget vs. Actual Status Report FY **2021-2022**
6. Capital Improvement Projects Report
7. Annual Disclosure and Employee Reimbursement 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 Curti.

ROLLCALL VOTE: Frank-yes, Curti-yes, Lyon-yes, Enns-yes

VOTE 4-0 Motion passed

4. STAFF COMMUNICATIONS AND INFORMATION ITEMS: No Action Required

A. District Manager's Report: June 2022

B. New Will-Serves:

- 249 Ash Ave. / Crye / 064-095-015 / New Lateral Connection

Extended Will-Serves:

- 101 N Ocean Ave. / 101 N Ocean Properties LLC / 064-115-023 / CMMCL New

Finalized Will-Serves:

- 1975 Cass Ave. / Allen / 064-182-059 / SFR Remodel
- 48 12th St. /
- Kaus / 064-222-014 / SFR New

Grants of License:

None

Director Miller joined the meeting at 5:05 p.m. Manager Koon gave a summary of the previous month's activities. Director Frank asked if the District has received any update from PG&E regarding the anticipated credit from the plant's solar field. Manager Koon replied that Admin. Accounting Manager Gayle Good contacted them for an update and was informed that the District shouldn't expect to receive a reimbursement/credit statement until the end of the year. Manager Koon notified the Board that a pump at Lift Station 1 failed and repair of the wet well was required on an emergency basis.

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

Items 4.A – B were received and accepted.

5. PRESENTATION OF REPORT REGARDING MISSION COUNTRY DISPOSAL REQUEST FOR SOLID WASTE RATE INCREASE, DISCUSSION AND CONSIDERATION TO SCHEDULE A PUBLIC HEARING TO CONSIDER REQUESTED RATE INCREASE, AND TO DIRECT STAFF TO PREPARE AND DISTRIBUTE A PROPOSITION 218 NOTICE

Manager Koon briefed the Board with the two staff reports for this item, highlighting 3 key issues: 1.) Scheduling of the Public Hearing for the Prop. 218 process, 2.) Implementation of the new IWMA fee, which became effective July 1, 2022, and 3.) Consideration of the delayed rate implementation fees to be withdrawn from the District's Franchise Fee payouts. Manager Koon pointed out that the supplemental staff report from Legal Counsel indicates it is not necessary for the District to authorize MCD to impose the new IWMA fee, as it is a regulatory fee established by a separate agency and is unrelated to MCD's proposed rate increase.

Subsequently, each Board member raised their individual questions regarding the proposed rate increase, such as negative profits in past years (Director Curti), being grouped together with Cambria (Director Frank), and the effective date (Director Miller). Jeff Clarin, District Manager of MCD, addressed each topic in turn, and Bill Statler of Municipal Finance Consulting went on to provide an in-depth PowerPoint presentation analyzing and justifying the proposed new rates.

Board discussion transitioned to payment and reconciliation of the delayed rate implementation fees, resulting in a consensus that they should not be added to the Prop. 218 process, and instead will be deducted from the District's Franchise Fee payouts.

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

MOTION: 1st by Miller, to schedule a public hearing for September 15, 2022 to consider a rate increase for solid waste collection and disposal services, to direct Mission Country Disposal staff to prepare and distribute a Proposition 218 Notice, and to have the delayed rate implementation fees be deducted from the District's Franchise Fees. Motion was seconded by Curti.

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

VOTE 5-0 Motion passed

6. DISCUSSION AND CONSIDERATION TO ADOPT RESOLUTION 2022-18 TO AUTHORIZE REMOTE TELECONFERENCING MEETINGS IN ACCORDANCE WITH GOVERNMENT CODE SECTION 54953(e) (AB 361)

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

MOTION: 1st by Frank, to adopt Resolution 2021-18 to authorize remote teleconferencing meetings in accordance with Government Code Section 54953(e) (AB 361). Motion was seconded by Curti.

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

VOTE 5-0 Motion passed

7. BOARD MEMBER COMMENTS

Director Frank requested that the Proposition 218 notices provide an explanation of the new legislation that necessitated the proposed rate increase, and an itemized breakdown of the proposed rate increase. Manager Koon agreed and affirmed they would.

8. FUTURE SCHEDULED MEETINGS

- August 18, 2022 – Regular Board Meeting
- September 15, 2022 – Regular Board Meeting
- October 20, 2022 – Regular Board Meeting

9. ADJOURNMENT

The meeting adjourned at 6:59 p.m.

Minutes Respectfully Submitted By:

X Amy Lessi

Amy Lessi
Administrative Services Manager