



CAYUCOS SANITARY DISTRICT

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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, APRIL 20, 2023 AT 5:00 P.M.

200 ASH AVENUE, CAYUCOS, CALIFORNIA 93430

1. ESTABLISH QUORUM AND CALL TO ORDER

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

Directors present: President Robert Enns, Vice-President Shirley Lyon, Director Hannah Miller and Director John Curti

Directors absent: Director Robert Frank

Staff present: District Manager Rick Koon, Administrative Services Manager Amy Lessi and Administrative Accounting Manager Gayle Good

2. PUBLIC COMMENT

President Enns opened the meeting to Public Comment.

Mark Miller, resident of Cayucos, requested information on the current status of the proposed consolidation of water, sewer and garbage services in Cayucos.

Hearing no further comment, President Enns closed Public Comment.

Manager Koon replied that his Manager's Report touches on the Consolidation Study and suggested that Mr. Miller's inquiry might be best addressed at that time.

3. CONSENT CALENDAR: Recommended to Approve

A. Meeting Minutes

1. Approval of minutes for the February 19, 2023 Board of Directors Regular Meeting

B. Financial Reports: February 2023

1. Check Register – Wells Fargo (General Checking Account)
2. Check Register – Wells Fargo (CIP Checking Account)
3. Cash, Savings, and Investment Report
4. Budget vs. Actual Status Report FY **2022-2023**
5. Capital Improvement Projects Report

C. Financial Reports: March 2023

1. Check Register – Wells Fargo (General Checking Account)
2. Check Register – Wells Fargo (CIP Checking Account)
3. Cash, Savings, and Investment Report
4. Budget vs. Actual Status Report FY **2022-2023**
5. Capital Improvement Projects Report

Director Curti requested to pull item 3.C.4 for separate discussion, seeking clarification on line item 6100. Administrative Accounting Manager Gayle Good explained that this line item includes interest payments, and the District paid April's payment in advance, resulting in an inflated "% to date" number. President Enns

commented that line items 4500 and 4600 were also high, and Gayle responded that Wells Fargo's interest rate is significantly better than Mechanics Bank's and the bond market is up.

President Enns opened the meeting to Public Comment.

Hearing no comment, President Enns closed Public Comment.

MOTION: 1st by Miller, to approve items on the Consent Calendar as prepared. Motion was seconded by Curti.

VOTE: 4-0 Motion passed

4. STAFF COMMUNICATIONS AND INFORMATION ITEMS: No Action Required

A. District Manager's Report: February & March 2023

B. New Will-Serves: February & March 2023

- 724 S Ocean Ave. / Kelly / 064-146-002 / SFR Remodel
- 761 Park Ave. / Wood / 064-081-047 / SFR New
- 2013 Cass Ave. / EVD LLC / 064-182-050 / SFR Remodel
- 3492 Davies Ave. / Schneider / 064-431-030 / Retaining Wall
- 1036 Pacific Ave. / Mariani / 064-151-020 / SFR Remodel

Extended Will-Serves:

None

Finalized Will-Serves:

- 2885 Ocean Blvd. / Malmen / 064-263-008 / SFR New
- 2733 Richard Ave. / Allen / 064-211-041 / SFR New
- 724 S Ocean Ave. / Kelly / 064-146-002 / SFR Remodel

Grants of License:

None

Manager Koon gave a summary of the previous months' activities while reviewing his Manager's Report. He discussed the proposed consolidation of services within Cayucos, highlighting his recent evaluation of the County's budget and his intention to create separate enterprise funds. Director Miller inquired about the state of the existing water companies' facilities, and Manager Koon answered that they are in pretty good shape.

President Enns opened the meeting to Public Comment.

Jonelle McAllister, resident of Cayucos, asked if there is a predicted timeframe for the next steps in the proposed consolidation process.

Mark Miller wondered if, how and when the public may provide their input regarding the proposed consolidation.

Hearing no further comment, President Enns closed Public Comment.

Manager Koon responded that he hopes to have the draft Consolidation Study included in the May meeting packet, and that it would be most effective for stakeholders to relay their comments and concerns directly to their Board. Director Miller pointed out that LAFCO will also be seeking public input on the matter.

Items 4.A – B were received and accepted.

5. REVIEW AND ACCEPTANCE OF THE MORRO BAY-CAYUCOS JOINT POWERS AGREEMENT AUDITED FINANCIAL STATEMENTS FOR FY 2020/21

Director Curti asked if there are any expenses still being incurred through the JPA, and Manager Koon replied that the District just paid the final bill for July – September 14th, 2022 and there have been no expenditures since then.

President Enns opened the meeting to Public Comment.

Hearing no comment, President Enns closed Public Comment.

Item 5 was received and accepted.

6. DISCUSSION AND CONSIDERATION TO ACCEPT A GRANT OF SEWER EASEMENT FOR 3250 OCEAN BLVD. (064-424-019)

Manager Koon explained his recommendation to accept the easement.

President Enns opened the meeting to Public Comment.

Hearing no comment, President Enns closed Public Comment.

MOTION: 1st by Lyon, to accept a Grant of Sewer Easement for 3250 Ocean Blvd. (064-424-019). Motion was seconded by Curti.

VOTE: 4-0 Motion passed

7. DISCUSSION AND CONSIDERATION TO APPROVE A CONTRACT WITH WATER SYSTEMS CONSULTING, INC. IN THE AMOUNT OF \$34,815.00 FOR THE DESIGN OF THE CHANEY AVE. TO TORO CREEK RD. INTERCEPTOR LINE

Manager Koon elaborated on the proposed contract. President Enns questioned if the westerly side of the highway was considered as a potential location to lay the line, now that the District retains an easement there. Manager Koon answered that it was considered, and the District may go that route if this plan presents too many obstacles. Direct Curti asked if the second half of the design proposal is anticipated to exceed the budgeted amount, and if there is any chance for reimbursement. Manager Koon affirmed that a complete design incorporating the unknown Caltrans requirements is beyond the scope of this budget, and there is no opportunity for reimbursement since the District is replacing its own infrastructure as opposed to having to move it.

President Enns opened the meeting to Public Comment.

Joelle McAllister asked what "I&I" stands for.

Hearing no further comment, President Enns closed Public Comment.

Manager Koon responded that "I&I" stands for inflow and infiltration and explained why the District attempts to prevent it.

MOTION: 1st by Miller, to approve a contract with Water Systems Consulting, Inc. in the amount of \$34,815.00 for the design of the Chaney Ave. to Toro Creek Rd. Interceptor Line. Motion was seconded by Lyon.

VOTE: 4-0 Motion passed

8. DISCUSSION AND CONSIDERATION TO FORM AN AD HOC COMMITTEE TO EVALUATE RECYCLED WATER OPPORTUNITIES

The Board and District Manager discussed the Recycled Water Program requirement associated with the completion of the Treatment Plant and identified an ultimate goal of supplementing Whale Rock Reservoir. Director Miller nominated President Enns and Director Curti to serve on the Ad Hoc Committee.

President Enns opened the meeting to Public Comment.

Mark Miller voiced support for supplementing Whale Rock Reservoir with treated, recycled water.

Hearing no further comment, President Enns closed Public Comment.

President Enns and Director Curti accepted the nominations to service on an Ad Hoc Committee to evaluate recycled water opportunities.

**9. CLOSED SESSION:
CONFERENCE WITH REAL PROPERTY NEGOTIATOR Pursuant to Government Code Section 54956.8**

Agency Negotiators: District Manager, Rick Koon, and District Counsel, Timothy Carmel

Negotiating Parties: Land Conservancy of San Luis Obispo

Property: APNs 065-022-010, 073-075-018, 073-075-019, and 073-075-020

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

President Enns announced that the Board would transition to Closed Session at 6:11 p.m.

Directors present during Closed Session: President Robert Enns, Vice-President Shirley Lyon, Director Hannah Miller and Director John Curti

Staff members present during Closed Session: District Manager Rick Koon

Open Session reconvened at 6:22 p.m.

Items to report from Closed Session: None

10. BOARD MEMBER COMMENTS

None.

11. FUTURE SCHEDULED MEETINGS

- May 21, 2023 – Regular Board Meeting
- June 18, 2023 – Regular Board Meeting
- July 20, 2023 – Regular Board Meeting

12. ADJOURNMENT

The meeting adjourned at 6:25 p.m.

Minutes Respectfully Submitted By:

X Amy Lessi

Amy Lessi
Administrative Services Manager