

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
M. Foster, Director
D. Lloyd, Director

**REGULAR MEETING
MINUTES
Thursday, July 18, 2013
6:00 p.m.**

1. ESTABLISH QUORUM AND CALL TO ORDER

President Enns called the meeting to order at 6:02 p.m.

Board members present: President Robert Enns, Vice-President Dan Chivens, Director Shirley Lyon, Director Michael Foster and Director Dan Lloyd.

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

2. PUBLIC COMMENTS

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

3. PUBLIC HEARING FOR DELINQUENT SEWER CHARGES

A. OPEN PUBLIC HEARING

President Enns opened Public Hearing. There were no questions or comments received.

B. CLOSE PUBLIC HEARING

President Enns closed Public Hearing.

**C. CONSIDERATION TO ADOPT CAYUCOS SANITARY DISTRICT RESOLUTION NO. 2013-4
CONFIRMING THE REPORT OF DISTRICT CLERK REGARDING DELINQUENT SEWER
SERVICE CHARGES AND LEVYING ASSESSMENTS**

MOTION: 1st by Lyon, 2nd by Lloyd to adopt Resolution No. 2013-4 Confirming the Report of District Clerk Regarding Delinquent Sewer Service Charges and Levying Assessments.

ROLLCALL VOTE: Enns (yes), Chivens (yes) Lyon (yes) Foster (yes) Lloyd (yes). **5-0** Motion passed

4. PUBLIC HEARING FOR UNPAID SOLID WASTE COLLECTION AND DISPOSAL CHARGES

A. OPEN PUBLIC HEARING

President Enns opened Public Hearing. There were no questions or comments received.

B. CLOSE PUBLIC HEARING

President Enns closed Public Hearing.

**C. CONSIDERATION TO ADOPT CAYUCOS SANITARY DISTRICT RESOLUTION NO. 2013-5
CONFIRMING THE REPORT OF DISTRICT CLERK REGARDING UNPAID SOLID WASTE
COLLECTION AND DISPOSAL CHARGES AND LEVYING ASSESSMENTS**

MOTION: 1st by Lyon, 2nd by Chivens to adopt Resolution No. 2013-5 Confirming the Report of District Clerk Regarding Unpaid Solid Waste Collection and Disposal Charges and Levying Assessments.

ROLLCALL VOTE: Enns (yes), Chivens (yes) Lyon (yes) Foster (yes) Lloyd (yes). **5-0** Motion passed

5. CONSIDERATION TO ADOPT RESOLUTION 2013-6 ESTABLISHING AN APPROPRIATION LIMIT FOR THE FISCAL YEAR ENDING JUNE 30, 2014

MOTION: 1st by Lyon, 2nd by Foster to Adopt Resolution 2013-6 Establishing an Appropriation Limit for the Fiscal Year Ending June 30, 2014

ROLLCALL VOTE: Enns (yes), Chivens (yes) Lyon (yes) Foster (yes) Lloyd (yes). **5-0** Motion passed

6. DISCUSSION AND ELECTION OF CALIFORNIA SPECIAL DISTRICT ASSOCIATION (CSDA) 2013 BOARD OF DIRECTORS REPRESENTATIVE FOR REGION 4 SEAT B

Candidate Amanda Rice was present to introduce herself and expressed her eagerness to serve on the CSDA Board of Directors. She told the Board she lives in Cambria and currently serves on the Cambria Community Services District Board of Directors. She feels a new face on the CSDA Board could bring a fresh outlook. Director Lloyd and Director Lyon both thanked Ms. Rice for coming and applauded her enthusiasm. Director Lloyd stated he likes the experience and background Tim Ruiz brings to the CSDA board, and feels he has, and would continue to do a great job representing our region. The Board concurred with Director Lloyd.

MOTION: 1st by Lloyd, 2nd by Chivens to Elect Tim Ruiz for Region 4, Seat B Representative to the California Special District Association (CSDA) 2013 Board of Directors

VOTE: 5-0 Motion passed

7. DISCUSSION AND CONSIDERATION TO ADOPT RESOLUTION 2013-7 ELECTION OF FOUR (4) SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY (SDRMA) 2013 BOARD OF DIRECTORS

The Board briefly discussed the candidates and their statements and looked to Manager Koon for any input on the current relationship with the SDRMA. Manager Koon stated as with CSDA, they are a valuable resource for information; training and they stay involved with members and government issues, but as for the candidates themselves he has no personal knowledge, only their candidate statements.

MOTION: 1st by Lloyd, 2nd by Lyon to Adopt Resolution 2013-7 by electing Scheafer, Woolley, Bracy and Aranda to the Special District Risk Management (SDRMA) 2013 Board of Directors.

ROLLCALL VOTE: Enns (yes), Chivens (yes) Lyon (yes) Foster (yes) Lloyd (yes). **5-0** Motion passed

8. DISCUSSION AND ACCEPTANCE OF CONCEPTUAL WASTEWATER TREATMENT ALTERNATIVES TECHNICAL MEMORANDUM-FINAL DRAFT FROM WATER SYSTEMS CONSULTANTS (WSC) DATED JULY 11, 2013

Manager Koon recapped the process in getting this Technical Memorandum (TM) together, the technologies that were presented and how they came up with the 4 Alternatives presented on Page 5, Table 2. Moving further into the TM on Page 19, Table 12, Manager Koon reviewed the capital costs involved for each of the four alternatives and the Operations and Maintenance (O&M) cost summaries for each shown in Table 13. President Enns further elaborated that by adding both Morro Bay and Cayucos flows to the California Men's Colony (CMC) facility, it would double the capacity of the plant, in essence, requiring another "mirror" facility. Director Lloyd pointed out that in Alternative 1a and 1b, you still have to figure in cost for the land. President Enns stated now that we have our report we'll await Morro Bay's report and findings and see where we have common ground. Director Lyon said she thought it was an excellent report, easy to read and understand.

President Enns pointed out that as far as maintaining the existing plant, we must continue to spend money on annual maintenance. Even after however many years of annual maintenance is put into it, we'll still need to spend the \$11.1 million in capital expenditure as shown in Table 12. This would be required to repair and upgrade the major treatment processes and deficiencies that have been identified in past reports. Manager Koon added that the costs shown in this TM are only Cayucos' costs of any expenditure. Director Chivens said he liked the CMC option; it makes more sense to have a regional facility both fiscally and environmentally. Manager Koon further explained that we have the outfall pipe to bring to the table in talks with CMC, and the increased disposal into the Chorro Valley would further recharge the Morro Bay ground basin, giving Morro Bay significantly more benefit than Cayucos. In recharging the ground basin, this may help address the

California Coastal Commission (CCC) issue of reclamation. Looking at the total O&M costs for the CMC facility, we would be a 12% player instead of a 25% player as we are now. Manager Koon went on to explain that in Alternatives 1a and 1b we still have the CCC reclamation issue and full ownership of operation expenses. Looking forward, in the regulatory world, we may be better off as a 12% player rather than 25%. Director Foster said he too felt it was a great report, well written but doesn't want us making monetary decisions based on relative costs. He likes the idea of a peer review to dissect the numbers presented and make sure they're solid. Foster continued by saying he'd like to see the calculations behind the numbers presented in the TM made public and thinks it's a good deal that the CMC alternative has reuse in it. Foster went on to say if we think that we are going to be able slide into the existing treatment plant in Morro Bay if Morro Bay goes elsewhere, we should think again. He doesn't think Morro Bay would let that happen. Manager Koon and Director Lloyd pointed out; it's just an alternative, albeit not a real viable one.

President Enns opened the topic up to Public Comments.

- Sue Moyer, Cayucos – Sounds like the CMC alternative is the most logical
- Sandy Taller, Morro Bay – Can this CMC alternative be done without the cooperation of Morro Bay? Are we obligated to do this project with Morro Bay? If the CMC alternative is viable, have we talked with CMC and all parties involved to see if they are open to the idea? Great report.

Hearing no further comments. President Enns closed Public Comments.

Manager Koon responded by stating that we will wait for Morro Bay's reports out of courtesy before any decisions are made. Koon added that Water Systems Consultants (WSC) did talk to CMC and they were receptive to talking and listening to our alternatives. President Enns stated that the depth of the calculations by WSC was amazing and quite thorough, any deeper digging should only be done after Morro Bay completes their review and studies. Manager Koon said we need to wait before we invest any further monies, but in the interim we will keep watching for any conceptual fatal flaws that could affect any alternatives. Director Lloyd added that he doesn't feel we're done but this is a good bookend. Regarding the cost issue, he agrees with Foster that these are estimated costs and we need to be cautiously conservative of throwing these numbers out there. He (Lloyd) is interested in seeing package plant costs, thinks this could also be a viable alternative. Director Lyon assumed that the ad hoc committee would continue on its current course to make sure all these alternatives stay viable. It was confirmed they would. Director Lloyd said he didn't understand how the CMC plant could double treatment without building an entire new second plant, but still feels the CMC alternative is the best of those presented. Director Foster pointed out that the relevant cost factor not in this TM is the time required to get all these other agencies together. Manager Koon responded that we have several models to follow based on other areas/agencies that have a regional system. President Enns thinks we should follow staff recommendation and called for a motion.

MOTION: 1st by Lyon, 2nd by Lloyd to Accept the Conceptual Wastewater Treatment Alternatives Technical Memorandum-Final Draft from Water Systems Consultants dated July 11, 2013

VOTE: 5-0 Motion passed

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

A. Manager Koon's report was accepted as presented. Manager Koon reiterated from his report that Nick Lakey passed his Grade I Collections examination and has been promoted from Trainee to Collections I. The Board extended their congratulations to Nick.

10. CONSENT CALENDAR

A. Approval of Minutes for the June 20, 2013 Board of Directors Meeting

MOTION: 1st by Lloyd, 2nd by Lyon to Approve the Consent Calendar as presented.

VOTE: 5-0 Motion passed

11. BOARD MEMBER COMMENTS

Director Lloyd announced there would be a CSDA meeting tomorrow, Friday June 19, 2013 at the offices of Wallace & Associates. Meeting begins at 11:30am and all are invited.

Director Lyon announced the new Visitor Center & History Museum is now open at 41 S. Ocean Ave where the old video store used to be. Lyon said they are currently open Fri-Sun 12:00pm to 4:30pm and are looking for volunteers to become docents. Director Lyon also announced that President Enns would be speaking at the Friends of Cayucos Library meeting on August 19, 2013 starting at 5:30. President Enns will speak on updates of the WWTP and the Conceptual Wastewater Alternatives.

12. SCHEDULED MEETINGS

A. Morro Bay-Cayucos Wastewater Treatment Plant (JPA) Meeting: *Date:* TBA, Hosted by City of Morro Bay, *Location:* TBA, *Time:* 6:00pm

Manager Koon stated he will confirm the cancellation of the August JPA meeting and said the next tentatively scheduled JPA meeting is for September 12, 2013 and that would be in Morro Bay.

13. SCHEDULE AGENDA ITEMS FOR THE August 15, 2013 BOARD MEETING

Director Lloyd said he would like to see an update on the GIS system.

CLOSED SESSION:

14. PUBLIC EMPLOYMENT Pursuant to Government Code Section 54957
Title: General Manager

RECONVENE TO OPEN SESSION:

15. ANNOUNCEMENT OF REPORTABLE ACTION FROM CLOSED SESSION


President Enns announced the following motion from closed session:

MOTION: 1st by Lyon, 2nd by Chivens to Appoint Rick Koon as Permanent, Part-Time District Manager

VOTE: 4-1 (Foster-no) Motion passed

16. ADJOURNMENT

The meeting adjourned at 8:12 p.m.

Minutes recorded by: 
Anita Rebach, Clerk to the Board