

CAYUCOS SANITARY DISTRICT
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GOVERNING BOARD
R. B. Enns, President
R. H McHale, Vice-President
H. Fones, Director
S. Lyon, Director
M. Foster, Director

REGULAR MEETING
MINUTES
January 21, 2009

1. ESTABLISH QUORUM AND CALL TO ORDER

President Enns called the meeting to order at 6:03 p.m., Wednesday, January 21, 2009.

Board members present: President Robert Enns, Vice-President Bud McHale and Director Shirley Lyon. Director Hal Fones arrived shortly after roll call.

Board members absent: Director Michael Foster

Staff present: District Manager Bill Callahan, Administrative Services Officer Bonnie Connelly and Administrative Services Technician Nancy Martin

Visitors present: Architect Jon McAlpin (Omni Design Group), Smith Held and Dorothy Fones

2. PUBLIC COMMENTS

There were no public comments.

It was the consensus of the Board to address agenda Item 4 before Item 2.

4. CONSIDERATION TO APPROVE COMMERCIAL CONDITIONAL WILL-SERVE APPLICATION FOR 143 NORTH OCEAN AVENUE

Manager Callahan's written report was received. The project consists of a retail space downstairs with motel suite upstairs. Smith Held, representing his father, Gordon Held, asked for questions from the Board. Director Lyon suggested a restaurant would be better suited for the second story than the proposed motel suite. Mr. Held stated that would not be possible due to parking restrictions and other requirements. He reported that the Cayucos Advisory Council approved the project and the County is expected to issue the Building Permit once the Sewer Will-Serve is approved and some minor changes to the plans are made.

MOTION: First by McHale with second by Lyon to approve the Conditional Will-Serve Application for Mr. Held's commercial project at 143 N. Ocean Ave. VOTE: 4-0

5. CURRENT REPORT ON DISTRICT O&M SHOP PROGRESS WITH JON McALPIN FROM OMNI DESIGN GROUP

Director McHale stepped down, citing a conflict of interest due to the proximity of his personal residence to the proposed District O&M shop.

Mr. McAlpin brought samples of materials considered for siding, railing and the parking area. He recommended using pervious concrete block in the parking area as a means to reduce stormwater runoff and felt the block would be more attractive than asphalt. Board members asked for comparison costs of materials for the parking area – pervious concrete block, asphalt, and concrete. Mr. McAlpin indicated he would obtain those figures for the February 18 meeting.

Director McHale was reseated.

3. CONSIDERATION TO ACCEPT FY 2007/2008 AUDIT, AS PREPARED BY MOSS, LEVY, AND HARTZHEIM CPA'S

President Enns announced that the representative from Moss, Levy & Hartzheim was unable to present the FY 2007/2008 Audit this date. The agenda Item was tabled and will be considered at the February 18 meeting.

6. DISCUSSION OF DISTRICT POLICIES GOVERNING PROPERTY OWNERS RIGHTS AND RESPONSIBILITIES AS TO DISTRICT SEWER EASEMENTS AND ENCROACHMENT PERMIT PROCESS

Manager Callahan's written report was received. He also provided a handout of a "draft" Fence Encroachment Application that included additional changes from the "draft" application attached to his report. President Enns reported on the January 15 Ad Hoc committee meeting (Enns and Lyon, members). Committee members and Manager Callahan discussed streamlining the permitting process for fence encroachments, eliminating the "Grant of License" requirement and associated costs, allowing the District Manager to approve a fence encroachment administratively. Board members made suggestions for additional changes to the "draft" application.

MOTION: First by Lyon with second by McHale to send a letter to Mr. Hight explaining new policy regarding sewer encroachments and refund half of the fees Mr. Hight paid for his Encroachment Permit. VOTE: 3-1 (Fones cast dissenting vote)

President Enns directed Manager Callahan to draft the letter to Mr. Hight.

7. DISCUSSION OF ORDINANCE NO. 27 GOVERNING COMMON SEWER LATERALS SERVICING MULTIPLE DWELLING OR BUILDING UNITS

Manager Callahan and President Enns met January 15 to discuss Ordinance No. 27. The next day Callahan sent Board members a revised Ordinance 27 to replace the one included in their packets for the January 21 Board meeting. Director Fones indicated he never received the replacement document. It was the consensus of Board members to consider the "Final Draft" Ordinance 27 at the February 18 meeting.

8. CONSIDERATION TO APPROVE 4TH QUARTER INVOICE (Fiscal Year 2007-2008) FROM THE CITY OF MORRO BAY FOR \$143,963.62 REPRESENTING WASTEWATER TREATMENT PLANT (WWTP) COST REIMBURSEMENT

Officer Connelly's written report was received. She recommended the Board approve the payment to Morro Bay, stating the invoice included backup material on how charges were determined. President Enns pointed out that the quarterly invoices for treatment plant cost reimbursements are generally considered at WWTP (JPA) meetings and, since the 4th quarter invoice was not presented at a JPA meeting, he suggested postponing action on the invoice until the next meeting. The agenda Item was tabled, to be considered at the next WWTP (JPA) meeting. Enns asked staff to schedule a Budget and Finance Committee meeting (Enns and Foster, members) to discuss budget concerns, and thereafter to schedule a meeting with Morro Bay City Manager, Andrea Lueker, for the same purpose.

9. DISCUSSION OF DRAFT REPORT ON DISTRICT WET WEATHER CAPACITY RESEARCH

Manager Callahan's written report was received. He discussed the specifics of the draft report submitted to the Board, relaying the impacts of wet weather on the District's collection and conveyance system. The Board gave Callahan direction to discuss a scope of work with the District's Engineer for a Sewer system Master Plan, as recommended in Callahan's staff report. This type of study will help the district assess potential capacity deficiencies throughout the system.

10. DISCUSSION OF CURRENT DISTRICT INFLOW AND INFILTRATION (I/I) FLOW STUDY

Manager Callahan's written report was received and he provided Board members with several handouts designating the current I/I study area, between 24th and 1st Streets. Portable flow meters monitor flow and rain gauges track precipitation in the study area. Callahan anticipates the study will take 5 to 10 years to complete. Due to the lack of rain this winter, minimal I/I data has been documented. Additional means to address the I/I problem include monitoring ground water levels, vacuum testing in manholes and videoing sewer lines.

11. STAFF COMMUNICATIONS AND INFORMATION ITEMS (NO ACTION REQUIRED)

A. District Manager's Report – December 2008

Manager Callahan's written report was received. It was pointed out that the 14 feet of sewer line replaced in December was at the southern end of Ocean Blvd. rather than the northern end of Ocean Ave. as listed in his report.

B. Administrative Services Officer's Report – December 2008

Officer Callahan's written report was received. Her report included information on the Uniform Public Construction Cost Accounting Act (UPCCAA) and the requirements for the District's participation. Director Fones expressed interest in hearing more about UPCCAA information and how it would apply to the District.

12. CONSENT CALENDAR

A. Minutes of Regular Board Meeting of December 17, 2008

B. Minutes of special Board Meeting of December 3, 2008

C. Approval to Pay Outstanding Bills as of January 21, 2008

MOTION: First by McHale with second by Lyon to approve the Consent Calendar in its entirety.

VOTE: 3-0 (Director Fones stepped out and missed voting on the motion.)

13. BOARD MEMBER COMMENTS

Although Director Foster was not in attendance, President Enns thanked him for providing Board members with a written report covering the January 12 Finance subcommittee meeting Foster (committee member) attended with District Financial Advisor Karen Shanley, Manager Callahan and Officer Connelly.

Board members asked about Officer Connelly's pending retirement. She stated her contract expires June 30, 2009, and that she has been working on the recruitment process. There was consensus of the Board that staff schedule a Personnel committee meeting (Lyon and McHale members) prior to advertising for the position, which should begin in March. If an applicant is hired in May, Connelly indicated she will be able to work alongside them until June 30, and will consider staying on with the District part time, if so requested.

14. MEETINGS, CONFERENCES, AND SEMINARS

President Enns pointed out that WWTP (JPA) meetings are to be held quarterly. Since there has not been a meeting since September 2008, he suggested staff attempt to schedule one.

15. SCHEDULE AGENDA ITEMS FOR THE FEBRUARY 18, 2009 BOARD MEETING

- Consideration of "Final Draft" Ordinance 27 Governing Common Sewer Laterals Servicing Multiple Dwelling or Building Units
- O&M Shop Progress Report
- Consideration of FY 2007/2008 Audit Prepared by Moss, Levy & Hartzheim, CPAs
- Discussion of District Policies Governing Property Owners Rights and Responsibilities as to District Sewer Easements and Encroachment Permit Process

16. ADJOURNMENT

The meeting adjourned at 9:15 p.m.

Minutes recorded by: _____
Nancy Martin