

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

GOVERNING BOARD

R. B. Enns, President
R. H. McHale, Vice-President
H. Fones, Director
S. Lyon, Director
M. Foster, Director

REGULAR MEETING
MINUTES
OCTOBER 21, 2009

1. ESTABLISH QUORUM AND CALL TO ORDER

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

Board members present: President Robert Enns, Vice-President Bud McHale, and Director Michael Foster

Board members absent: Directors Hal Fones and Shirley Lyon

Staff present: District Manager Bill Callahan, Administrative Services Officer (ASO) Lewis Brookins, Administrative Services Technician Nancy Martin and Maintenance Technician Dave Zevely

Visitors present: Dale Magee (Catalyst Consulting) and Karen Shanley (District Investment Advisor)

2. PUBLIC COMMENTS

President Enns opened Public Comment. There were no comments.

3. ANNOUNCEMENT OF CLOSED SESSION ITEMS

President Enns announced Closed Session.

CLOSED SESSION:

4. PUBLIC EMPLOYEE PERFORMANCE EVALUATION pursuant to Government Code Section 54957

Title: District Manager

RECONVENE TO OPEN SESSION:

The meeting reconvened to Open Session at 7:20 p.m.

5. ANNOUNCE ACTIONS TAKEN IN CLOSED SESSION

There were no actions to report.

6. PUBLIC COMMENTS

President Enns opened Public Comment. There were no comments.

There was consensus of Board members to address agenda Item 11 before Item 7.

11. SUMMARY OF DISTRICT INFLOW AND INFILTRATION FLOW MONITORING: 2008/2009

Maintenance Technician David Zevely's written report was received. He gave an evaluation of a recent six-month study to quantify inflow and infiltration (I&I) in LS2 Basin (a portion of Cayucos between Highway 1 and Pacific Avenue, from 1st Street to 24th Street). Because of limited rainfall during the period, infiltration could not be tracked. However, they were able to collect sufficient data to identify areas with the greatest inflow, potentially coming from roof and storm drains, surface runoff, manholes, and sump pumps tied to the sewer. To better locate and reduce I&I staff will reduce the size of the area to be monitored and use additional

methods, including flood testing (to discover leaking manholes), dye testing, CCTV inspections and smoke testing.

Board members thanked Mr. Zevely for his report.

7. REVIEW OF DISTRICT INVESTMENT POLICY WITH CONSIDERATION TO APPROVE CHANGES

ASO Brookins' written report and revised Investment Policy were received. Two additional revisions were recommended. Director Foster then directed staff to check for changes in the Government Code Section 53601 and to include any changes in the final Investment Policy document.

MOTION: First by McHale with second by Foster to approve the 2009 Investment Policy, as presented and including final revisions by the Board of Directors. VOTE: 3-0

8. DISCUSSION OF DISTRICT COMMERCIAL SEWER RATES AND ASSOCIATED AD HOC COMMITTEE MEETING

ASO Brookins' written report was received. At the Ad Hoc Committee's direction, he provided information showing the effect on revenue if the District were to charge a flat rate for motels, regardless of water use. Currently, District policy requires motels be charged the higher of two alternatives: a flat rate of 0.5 EDU per room and 1.0 EDU for rooms with kitchens; or the calculated EDU which is based on annual water use. Brookins was also asked to show the effect on revenue of reducing office/commercial rates to 0.5 EDU if water usage is two times less than 1.0 EDU. Board members recommended revising District policy for commercial properties, basing charges on a flat rate.

9. CONSIDERATION TO APPROVE CAYUCOS SANITARY DISTRICT RESOLUTION NO. 2009-6: A RESOLUTION APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A PURCHASE AND SALE AGREEMENT AND RELATED DOCUMENTS WITH RESPECT TO THE SALE OF THE SELLER'S PROPOSITION 1A RECEIVABLE FROM THE STATE; AND DIRECTING AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION HEREWITH

ASO Brookins' written report and Resolution No. 2009-6 were received.

MOTION: First by Foster with second by McHale to adopt Resolution No. 2009-6 approving the form of and authorizing the execution and delivery of a Purchase and Sale Agreement and related documents with respect to the sale of the Seller's Proposition 1A receivable from the State; and directing and authorizing certain other actions in connection therewith. VOTE: Enns (yes), McHale (yes), Fones (absent), Lyon (absent), Foster (yes)

10. CONSIDERATION TO DEDICATE A PEDESTRIAN ACCESS EASEMENT TO THE COUNTY OF SAN LUIS OBISPO AS A REQUIREMENT OF PUBLIC IMPROVEMENT CONSTRUCTION FOR THE DISTRICT O&M GARAGE PROJECT: REVIEW OF DRAFT RESOLUTION NO. 2009-5

Manager Callahan's written report and revised "Draft" Resolution No. 2009-5 were received. The Resolution was revised at the Board's direction, and restricts the pedestrian easement to the existing sidewalk footprint. After the County's review, the resolution will be presented for adoption at the November Board meeting.

MOTION: First by Foster with second by McHale directing staff to forward Resolution No. 2009-5, as presented, to the County for their review and consideration. VOTE: 3-0

12. CONSIDERATION TO ADOPT A SANITARY SEWER MANAGEMENT PLAN (SSMP) ELEMENT NO. 6: OVERFLOW EMERGENCY RESPONSE PLAN AND NO. 7: FATS, OILS, AND GREASE (FOG) CONTROL PROGRAM

MOTION: First by Foster with second by McHale adopting Sanitary Sewer Management Plan Element Nos. 6 and 7. VOTE: 3-0

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

A. District Manager's Report (Callahan) – September 2009

Manager Callahan's written report was received. There were no questions or comments.

B. Administrative Services Officer's Report (Brookins) – September 2009

ASO Brookins' written report was received. He reported that the CSDA Conference he attended in September was very informative; that he had participated in workshops on Grant Writing and Ethics and Harassment Prevention Training, as well as exchanging ideas and information with other district representatives.

C. Operations and Maintenance Report – September 2009

Dave Zevely's written report was received. He was again commended on his reporting.

14. CONSENT CALENDAR

A. Minutes of Special Board Meeting of September 16, 2009

B. Approval to pay outstanding bills as of October 21, 2009

C. Summary of Ad Hoc Committee Meeting Discussing Commercial Sewer Rates of September 30, 2009

MOTION: First by McHale with second by Foster to approve Consent Calendar in its entirety. VOTE: 3-0

15. BOARD MEMBER COMMENTS

Director Foster asked for the FY 2008/2009 District Audit Report to include a review of internal controls.

16. MEETINGS, CONFERENCES, AND SEMINARS:

A. Morro Bay-Cayucos Wastewater Treatment Plant (JPA) Technical Advisory Committee Meeting:

Date: TBD, Hosted by: TBD, Time: TBD

B. Morro Bay-Cayucos Wastewater Treatment Plant (JPA) Meeting: Date: Thursday, November 5, 2009, Hosted by Morro Bay, Location: Morro Bay Community Center, Time: 6:00 p.m.

The meeting adjourned at 8:55 p.m.

Minutes recorded by: _____

Nancy Martin