

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  
March 18, 2009

1. ESTABLISH QUORUM AND CALL TO ORDER

President Enns called the meeting to order at 6:00 p.m., Wednesday, March 18, 2009.

Board members present: President Robert Enns, Vice-President Bud McHale and Director Shirley Lyon. Directors Hal Fones and Michael Foster arrived shortly after roll call.  
Staff present: District Manager Bill Callahan, Administrative Services Officer Bonnie Connelly and Administrative Services Technician Nancy Martin  
Consultants present: Architect Jon McAlpin and District Financial Advisor Karen Shanley  
Visitors present: Stacy Kolegraff

2. PUBLIC COMMENTS

Stacy Kolegraff introduced herself, indicating she recently relocated to the area.

3. DISCUSSION OF DISTRICT FINANCES WITH KAREN SHANLEY, DISTRICT INVESTMENT ADVISOR, WITH CONSIDERATION TO REINVEST (Shanley)

Karen Shanley provided Board members with handouts containing information pertaining to potential changes in her role as the District's Financial Advisor. In an effort to maximize investment returns and insure safety of those investments, she introduced two different approaches – a CD Account Registry Program (CDAR), although District investment policy and the regulatory codes stipulate that Certificates of Deposit (CD's) cannot comprise more than 30% of total assets, and a Treasury and Government only money manager service. Director Foster suggested District Counsel Tim Carmel examine policy governing investments limits; Directors Enns and McHale, and Shanley concurred. Foster asked to meet with Officer Connelly at a later date to further discuss District investment policy and procedures.

4. CURRENT REPORT ON DISTRICT O&M SHOP PROGRESS WITH JOB McALPIN FROM OMNI DESIGN GROUP (McAlpin)

Directors McHale and Foster have a standing conflict of interest due to the proximity of their personal residences to the proposed District O&M shop. Mr. McAlpin reported that the working drawings are nearly completed and he anticipates issuance of the building permit March 30. The County has mandated construction of a handicapped access ramp to the sidewalk as part of the project. McAlpin stated that the angle of the slope at that intersection has made designing a ramp difficult. The County requires that the sidewalk improvements meet code to the maximum feasible and has offered to choose the firm to design the ramp. McAlpin pointed out there will be additional

project costs with the ramp design and construction. He reported that Dennis Takahashi, Landscape Architect for the office remodel in 2001, will be a subcontractor for the shop project as well, removing and relocating/replacing landscaping.

5. DISCUSSION OF ASSEMBLY BILL 1047 AND THE UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT (UPCCAA)
  - A. REVIEW AND DISCUSSION OF RESOLUTION 2009-1: ADOPTING UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING PROCEDURES
  - B. REVIEW AND DISCUSSION OF DRAFT ORDINANCE NO. 29: ESTABLISHING INFORMAL BIDDING PROCEDURES UNDER THE UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT

Manager Callahan's written report, "draft" resolution to adopt the Uniform Public Construction Cost Account Act (UPCCAA), and "draft" ordinance establishing informal bidding procedures under the Act were received. After a brief discussion, staff was directed to proceed and to bring the documents forward for the Public Hearing and adoption.

MOTION: First by McHale with second by Fones to direct staff to prepare the final resolution and ordinance for presentation at the Public Hearing and consideration by the Board at the April 15 Board meeting. VOTE: 5-0

6. PUBLIC HEARING FOR ORDINANCE NO. 27: GOVERNING COMMON SEWER LATERALS SERVICING MULTIPLE DWELLING OR BUILDING UNITS
  - A. OPEN PUBLIC HEARING

President Enns opened the Public Hearing; there were no public comments.

- B. CLOSE PUBLIC HEARING

President Enns closed the Public Hearing.

- C. CONSIDERATION TO ADOPT ORDINANCE NO. 27: GOVERNING COMMON SEWER LATERALS SERVICING MULTIPLE DWELLING OR BUILDING UNITS

MOTION: First by Fones with second by McHale to adopt Ordinance No. 27 Governing Common Sewer Laterals Servicing Multiple Dwelling or Building Units.

ROLL CALL VOTE: Enns (yes), McHale (yes), Fones (yes), Lyon (yes), Foster (abstain)

7. REQUEST FOR NOMINATIONS FOR LAFCO SPECIAL DISTRICT MEMBER

MOTION: First by Enns with second by Lyon to nominate David L. Brooks to serve as the Special District Member on the San Luis Obispo Local Agency Formation Commission (LAFCO).

VOTE: 5-0

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

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

Manager Callahan's written report was received and he answered questions from Board members. He recounted the February 14 wastewater spill at Cayucos Creek. It was treated as a category 1 spill and all required parties were notified. President Enns indicated he would like to meet with Manager Callahan to discuss the ongoing Inflow & Infiltration (I/I) study.

- B. Administrative Services Officer's Report (Connelly) – February 2009

Officer Connelly's written report was received.

9. CONSENT CALENDAR

- A. Minutes of Regular Board Meeting of February 18, 2009

- B. Minutes of Budget and Finance Committee Meeting of February 10, 2009
- C. Minutes of Personnel Committee Meeting of February 9, 2009
- D. Approval to Pay Outstanding Bills as of March 18, 2009

MOTION: First by McHale with second by Lyon to approve the Consent Calendar in its entirety.  
VOTE: 5-0

#### 10. BOARD MEMBER COMMENTS

Director Foster asked about delinquent accounts and what the District's accounts receivable looked like. Officer Connelly stated she would get back to him with those figures.

#### 11. MEETINGS, CONFERENCES, AND SEMINARS:

- A. Morro Bay-Cayucos Wastewater Treatment Plant (JPA) Meeting, Date: March 19, 2009  
Hosted by Morro Bay, Location: Morro Bay Community Center Multi Purpose room, 1001 Kennedy Way, Time: 6 p.m.

#### 12. SCHEDULE AGENDA ITEMS FOR THE APRIL 15, 2009 BOARD MEETING

- O&M Shop Project update
- Procedural review for District Manager's annual evaluation
- Public Hearing and consideration of the Uniform Public construction Cost Accounting Act

#### 13. ADJOURNMENT

The meeting was adjourned at 8:35 p.m.

Minutes recorded by:



Nancy Martin, Administrative Services Tech.