

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

GOVERNING BOARD
R. B. Enns, President
H. Fones, Director
S. Lyon, Director
M. Foster, Director

REGULAR MEETING
MINUTES
JANUARY 19, 2011
6:00 P.M.

1. ESTABLISH QUORUM AND CALL TO ORDER

President Enns called the meeting to order at 6:00 p.m.

Board members present: President Robert Enns, and Directors Hal Fones, Shirley Lyon and Michael Foster

Staff present: District Manager Bill Callahan, Administrative Services Officer (ASO) Lewis Brookins, and Administrative Services Tech Nancy Martin

Visitors present: Dan Chivens, Dorothy Fones and Jack McCurdy

2. PUBLIC COMMENTS

President Enns opened the meeting to Public Comments. There were none.

3. DISCUSSION OF CSD ORDINANCE NO. 27 GOVERNING COMMON SEWER LATERALS SERVING MULTIPLE DWELLING BUILDING UNITS WITH CONSIDERATION TO AMEND ORDINANCE

President Enns asked for the item to be tabled until the next regular Board meeting.

MOTION: First by Foster with second by Fones to table agenda Item 3 until the next regular Board meeting in February. VOTE: 4-0

4. ELECTION OF DISTRICT OFFICERS FOR 2011

President Enns asked for nominations for President and Vice-President of the Board of Directors for calendar year 2011.

MOTION: First by Fones with second by Lyon to retain Director Robert B. Enns as President for the calendar year 2011. VOTE: 4-0

MOTION: First by Foster with second by Lyon for Director Harold "Hal" Fones to fill the office of Vice-President for the calendar year 2011. VOTE: 4-0

5. CONSIDERATION OF NEW DISTRICT COMMITTEE ASSIGNMENTS FOR 2011

There was consensus of Board members to defer consideration of committee assignments until a new Director has been seated.

MOTION: First by Fones with second by Lyon to table agenda Item 5 until the next regular Board meeting in February. VOTE 4-0

6. DISCUSSION OF MONTHLY VS. BI-MONTHLY SEWER USER BILLING WITH CONSIDERATION TO ESTABLISH A MONTHLY BILLING CYCLE

ASO Brookins' written report was received. Brookins reported that were the District to change to monthly billing, costs to prepare and mail bills and process payments would practically double and the conversion would include initial costs for computer programming and staff training. Most Board members felt implementing a monthly billing cycle would be in the best interest of the District and are in

favor of exploring electronic payment options. Director Foster suggested scheduling a finance committee for further discussion. Enns asked Directors Foster and Lyon to meet as an adhoc committee prior to the next monthly Board meeting.

There was consensus of Boardmembers to address agenda Item 8 before Item 7.

8. CONSIDERATION TO APPOINT NEW DIRECTOR TO FILL VACANT BOARD POSITION:
TERM EXPIRATION – NOVEMBER 3, 2014

President Enns introduced Dan Chivens, the sole applicant for the vacancy on the Board of Directors, and asked for Public Comments. Jack McCurdy asked Mr. Chivens for his full name and Dorothy Fones invited Chivens to share a bit of information about himself. Mr. Chivens provided some background and answered questions from Board members.

MOTION: First by Fones with second by Lyon to appoint Daniel P. Chivens Director on the Board of Directors of the Cayucos Sanitary District, filling the vacancy left by Richard H. "Bud" McHale who resigned December 15, 2010. VOTE: 4-0

7. MID YEAR BUDGET REVIEW WITH CONSIDERATION TO APPROVE ADDITIONAL BUDGET ITEMS

ASO Brookins' Mid-Year Budget Review was received. He reported that revenue is down slightly due to diminishing interest rates, and operating expenses are up due to an increase in liability insurance, unbudgeted expenses for professional development and services, and two former employees drawing unemployment benefits. The District however, remains financially sound. Brookins asked the Board to consider an additional appropriation of \$27,000 for the designated accounts. With \$65,000 in the Operating Contingency Reserve, President Enns recommended no budget adjustments at this time, as items over budget at the end of Fiscal Year 2010/2011 will aid in budgeting for the next fiscal year.

9. CONSIDERATION TO APPROVE 1st QUARTER FY 10-11 WWTP OPERATIONS INVOICE FROM THE CITY OF MORRO BAY FOR WWTP COST REIMBURSEMENT

ASO Brookins written report was received. He recommended the Board approve the 1st Quarter Invoice from Morro Bay, as all expenses appeared appropriate and within budget.

MOTION: First by Lyon with second by Fones to approve 1st Quarter FY 10-11 WWTP Operations Invoice from the City of Morro Bay for WWTP Cost Reimbursement in the amount of \$79,266.48. VOTE: 4-0

10. CONSIDERATION TO APPROVE 1st QUARTER FY 10-11 WWTP UPGRADE INVOICE FROM THE CITY OF MORRO BAY FOR WWTP COST REIMBURSEMENT

ASO Brookins written report was received. He recommended the Board approve the 1st Quarter Invoice from the City of Morro Bay for the WWTP Upgrade, as all expenses were in accordance with the project.

MOTION: First by Lyon with second by Foster to approve 1st Quarter FY 10-11 WWTP Upgrade Invoice from the City of Morro Bay for WWTP Cost Reimbursement in the amount of \$13,265.72. VOTE: 4-0

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

A. District Manager's Report (Callahan) – December 2010

Manager Callahan's written report was received. President Enns asked him for a verbal rundown on the O&M Garage and Shop Project. Callahan responded that the rain delays at the onset of the project were unfortunate but that the project is moving forward. The plumbing has been stubbed out and the slab is expected to be poured next week. There was discussion on creating a storyboard outlining the project and placing it out in front of the District office to keep customers apprised of the process. Board members were in favor of the storyboard.

B. Administrative Services Officer's Report (Brookins) – December 2010

ASO Brookins written report was received. President Enns asked Board members for any questions. There were none.

12. CONSENT CALENDAR

- A. Approval of Minutes for the December 15, 2010 Board of Directors Meeting
- B. Approval to pay outstanding bills as of January 19, 2010

MOTION: First by Fones with second by Foster to approve the Consent Calendar in its entirety.
VOTE: 4-0

13. BOARD MEMBER COMMENTS

Director Foster asked about the "paper lots" located on the east side of Highway 1 and if those lots are included in District budgeting. Manager Callahan indicated there are no utilities in the area and the majority of the lots are out of the Sanitary District's Sphere of Influence and Service Area.

Director Foster asked Board members to consider changing the day of monthly regular Board meetings as school board meetings are held the same day.

There was consensus of Board members to hold a Special Board meeting February 10, prior to the JPA meeting.

14. SCHEDULE AGENDA ITEMS FOR THE FEBRUARY 16, 2011 BOARD MEETING

- Discussion of CSD Ordinance No. 27 Governing Common Sewer Laterals Serving Multiple Dwelling Building Units with consideration to amend ordinance
- Consideration of new District committee assignments for 2011
- Discussion of monthly vs. bi-monthly Sewer User Billing with consideration to establish a monthly billing cycle

15. ADJOURNMENT

The meeting adjourned at 8:15 p.m.

Minutes recorded by: *Nancy Martin*
Nancy Martin, Administrative Services Tech.