



**AGENDA ITEM:** 3.A.1  
**DATE:** August 20, 2020  
**ACTION:** APPROVED

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  
H. Miller, Director  
R. Frank, Director

REGULAR MEETING  
MINUTES  
Thursday, July 16, 2020  
5:00 p.m.

## 1. ESTABLISH QUORUM AND CALL TO ORDER

President Enns called the meeting to order at 5:00p.m.

Board members present via GoToMeeting: President Robert Enns, Vice-President Dan Chivens, Director Robert Frank, and Director Shirley Lyon

Board members absent: Director Hannah Miller

Staff present via GoToMeeting: District Manager Rick Koon, and Billing Clerk Amy Nelson

Guests present via GoToMeeting: Dylan Wade of Water Systems Consultants (WSC)

## 2. PUBLIC COMMENTS

Enns opened the meeting to Public Comment.

Hearing no comment, President Enns closed Public Comment.

## 3. CONSENT CALENDAR - Recommend to Approve.

Consent Calendar items are considered routine and therefore do not require separate discussion. However, any item may be removed from the Consent Calendar by a member of the Board of Directors for separate consideration. Individual items on the Consent Calendar are approved by the same vote that approves the Consent Calendar, unless an item is pulled for separate consideration.

### A. Regular Meeting Minutes

1. Approval of Minutes for the June 18, 2020 Board of Directors Regular Meeting

### B. Financial Reports: June 2020

1. Check Register – Rabobank (General Checking Account)
  - a. Check Register – Wells Fargo (CIP/CSWP Checking Account)
  - b. Check Register – Wells Fargo (CSWP Construction Account)
2. Cash, Savings, and Investment Report
3. Budget vs. Actual Status Report **FY 2019-2020**
4. Capital Improvement Projects Report

President Enns opened the meeting to Public Comment.

Hearing no comment, President Enns closed Public Comment.

**MOTION:** 1st by Frank, to approve items on the consent calendar as prepared. Motion was seconded by Lyon.

**ROLLCALL VOTE:** Frank-yes, Lyon-yes, Chivens-yes, Enns-yes

**VOTE 4-0** Motion passed

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

**A. District Manager’s Report – June 2020**

**B. Monthly Customer Satisfaction Survey Submissions – None**

**C. Will Serves – New**

**Allen, APN 064-182-059, 1975 Cass Ave. – SFR Remodel**

**Baldonado, APN 064-153-041, 80 9<sup>th</sup> St. – SFR Addition**

**DeNatale, APN 064-262-006, 2885 Orville Ave. – SFR Addition**

**Lindell, APN 064-121-031, 236 Pacific Ave. – SFR Addition**

Will Serves – Renewed

**Hofer, APN 064-157-026, 960 Park Ave. – SFR Remodel**

Will Serves – Finaled

**None**

Will Serves – Continue to Serve (No Will Serve Required)

**None**

Manager Koon gave a verbal report for the month of June’s Admin and Operations departments’ activities. Admin staff is continuing cross-training of their respective duties. New staff member Justin Owens is learning quickly. The District continues to observe health recommendations associated with COVID-19 as it relates to District staff and the office opening. District staff completed the transition from Rabobank to Mechanics Bank for the billing and desktop deposit system.

President Enns opened the meeting to Public Comment.

Hearing no comments, President Enns closed Public Comment.

Items 4 A through C were received and accepted.

**5. DISCUSSION AND CONSIDERATION TO APPROVE THE AGREEMENT FOR PURCHASE AND SALE AND JOINT ESCROW INSTRUCTIONS FOR LOTS 6NW (APN 073-075-016) AND 6SW (APN 065-022-011)**

Manager Koon discussed the Purchase and Sale Agreement for the two lots being sold to the City of Morro Bay for the price of \$338,050.00.

Director Chivens questioned if the City of Morro Bay has any issue with the indemnifications? Koon answered that the indemnifications are the same as what the District received from Chevron, and the City of Morro Bay is currently reviewing the agreement.

President Enns opened the meeting to Public Comment.

Hearing no comments, President Enns closed Public Comment.

**MOTION:** 1st by Chivens, to approve the Purchase and Sale Agreement for lots 6N and 6SW for the price of \$338,050.00, subject to the final approval of the District legal counsel. Motion was seconded by Frank.

**ROLLCALL VOTE:** Chivens-yes, Frank-yes, Lyon-yes, Enns-yes

**VOTE 4-0** Motion passed

## **6. DISCUSSION AND CONSIDERATION TO AWARD THE LIFT STATION 5 CONSTRUCTION CONTRACT AND TO APPROVE THE CONSTRUCTION CONTRACT (STIPULATED PRICE)**

Manager Koon and Dylan Wade of WSC recapped the bidding process and summarized the bids that were received. President Enns noticed that there was a \$1 million difference between the high bid and the low bid, wondered why, and questioned if there might be something wrong with the low bid. Wade commented that the high bidder came in high across the board in all categories, including a significantly higher profit. Koon added that the high bidder would be traveling a longer distance than others and is unfamiliar with the area. Wade assured the Board that he reviewed the low bid carefully and found nothing of concern.

President Enns opened the meeting to Public Comment.  
Hearing no comments, President Enns closed Public Comment.

**MOTION:** 1st by Lyon, to award the Lift Station 5 construction contract to Raminha Construction and to approve the construction contract for \$1,283,000. Motion was seconded by Chivens.

**ROLLCALL VOTE:** Lyon-yes, Chivens-yes, Frank-yes, Enns-yes

**VOTE 4-0** Motion passed

## **7. DISCUSSION AND CONSIDERATION TO APPROVE AMENDMENT #1 TO THE TORO CREEK BRIDGE FORCE MAIN CROSSING PROJECT TO WATER SYSTEMS CONSULTING FOR THE DESIGN AND CONSTRUCTION ADMINISTRATION FOR THE CALTRANS TORO CREEK BRIDGE PROJECT PER THE REIMBURSEMENT AGREEMENT WITH CALTRANS**

Manager Koon explained the three parts of the contract in detail, noting that Phase 1 and 2 of the project are completely reimbursable.

Director Lyon asked for clarification on the numerical figures in WSC's attached report, and Koon elaborated.

President Enns opened the meeting to Public Comment.

John Curti asked if there will be any delay to the project due to a funding issue?

Koon answered that Caltrans had the District do its tie-in first (\$40,000), but it needed to be done anyway. The order of operations was simply changed.

Hearing no further comment, President Enns closed Public Comment.

**MOTION:** 1st by Chivens, to approve Amendment #1 to the Toro Creek Bridge Force Main Crossing Project to Water Systems Consulting for the design and construction administration for the Caltrans Toro Creek Bridge Project per the reimbursement agreement with Caltrans for the not-to-exceed amount of \$271,426.58. Motion was seconded by Frank.

**ROLLCALL VOTE:** Chivens-yes, Frank-yes, Lyon-yes, Enns-yes

**VOTE 4-0** Motion passed.

## **8. DISCUSSION AND CONSIDERATION TO ADOPT A RESOLUTION WAIVING COMPETITIVE BIDDING, MAKING FINDINGS IN SUPPORT THEREOF AND AUTHORIZING A SOLE SOURCE CONTRACT FOR THE PROCUREMENT OF CONTROL SYSTEMS INTEGRATION AND EQUIPMENT FOR LIFT STATION 5**

Manager Koon summarized the necessity for waiving public works bidding requirements and sole sourcing the Lift Station 5 project, as it is in the District's best interest to have the integration and programming of the control systems at Lift Station 5 and the Water Resource Recovery Facility provided by a single contractor. Dylan Wade of WSC added that it will save 6-12 weeks and reduce risk to the District.

President Enns opened the meeting to Public Comment.

John Curti emphasized that by sole sourcing, the District is saving time, reducing risk, and saving money.

Hearing further no comments, President Enns closed Public Comment.

**MOTION:** 1st by Frank, to adopt Resolution 2020-5, waiving competitive bidding, making findings in support thereof and authorizing a sole source contract for the procurement of control systems integration and equipment for Lift Station 5. Motion was seconded by Lyon.

**ROLLCALL VOTE:** Frank-yes, Lyon-yes, Chivens-yes, Enns-yes

**VOTE 4-0** Motion passed.

## **9. CAYUCOS SUSTAINABLE WATER PROJECT STATUS UPDATE**

Manager Koon and Dylan Wade of WSC updated the Board on the recent happenings with the CSWP. The metal framing is almost done, and the membranes are underway. Some change orders are anticipated to come in next month but are estimated at less than 1% of the total contract price. Koon is working on the USDA loan and hopes to get a very low interest rate of 1.5 or 1.8% (down from 2.65%); it should be finalized by December. The encroachment permit from Caltrans for the outfall project is the last permit left. Koon met with Charter and AT&T and feels that Charter is a better fit and offers a better deal.

President Enns opened the meeting to Public Comment.

John Curti asked if the full amount of tax credits are available, referencing the Special Meeting in December 2019 for the Power Purchase Agreement with REC Solar.

Hearing further no comments, President Enns closed Public Comment.

Manager Koon answered that the contract signed in December 2019 met all requirements for full tax credits.

**10. BOARD MEMBER COMMENTS** (This item is the opportunity for Board Members to make brief announcements and/or briefly report on their own activities related to District business.)

Vice President Chivens complimented Manager Koon and Dylan Wade on their progress with agenda items 6-8 and recognized the amount of work that was needed.

**11. FUTURE SCHEDULED MEETINGS.**

- August 20, 2020 – Regular Board Meeting
- September 17, 2020 – Regular Board Meeting
- October 15, 2020 – Regular Board Meeting

**12. ADJOURNMENT**

The meeting adjourned at 6:07p.m.

**Minutes Respectfully Submitted By:**

X *Amy Nelson*

Amy Nelson  
Administrative Services Manager