

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  
M. Foster, Director  
D. Lloyd, Director

**REGULAR MEETING  
MINUTES  
Thursday, July 17, 2014  
6:00 p.m.**

**1. ESTABLISH QUORUM AND CALL TO ORDER**

President Enns called the meeting to order at 6:01p.m.

Board members present: President Robert Enns, Vice-President Dan Chivens, Director Shirley Lyon, Director Michael Foster and Director Dan Lloyd.

Staff present: District Manager Rick Koon and Admin Services Accounting Manager Anita Rebich

**2. PUBLIC COMMENTS**

President Enns opened the meeting to Public Comments.

Hearing none, Public Comments was closed.

**3. PUBLIC HEARING FOR DELINQUENT SEWER CHARGES**

A. President Enns opened the meeting to Public Comments

B. Hearing none, President Enns closed Public Comments

C. Consideration to Adopt Cayucos Sanitary District Resolution No. 2014-2 Confirming the Report of District Manager regarding Delinquent Sewer Service Charges and Levying Assessments.

**MOTION:** 1<sup>st</sup> by Chivens, 2<sup>nd</sup> by Lyon to Adopt Resolution 2014-2 Confirming the Report of District Manager regarding Delinquent Sewer Service Charges and Levying Assessments.

**ROLL CALL VOTE:** Chivens (yes), Lyon (yes), Enns (yes), Foster (yes), Lloyd (yes) **5-0** Motion passed

**4. PUBLIC HEARING FOR UNPAID SOLID WASTE COLLECTION AND DISPOSAL CHARGES**

A. President Enns opened the meeting to Public Comments

B. Hearing none, President Enns closed Public Comments

C. Consideration to Adopt Cayucos Sanitary District Resolution No. 2014-3 Confirming the Report of District Manager regarding Unpaid Solid Waste Collection and Disposal and Levying Assessments

**MOTION:** 1<sup>st</sup> by Chivens, 2<sup>nd</sup> by Foster to Adopt Cayucos Sanitary District Resolution No. 2014-3 Confirming the Report of District Manager regarding Unpaid Solid Waste Collection and Disposal and Levying Assessments

**ROLL CALL VOTE:** Chivens (yes), Foster (yes), Lyon (yes), Enns (yes) Lloyd (yes) **5-0** Motion passed

**5. CONSIDERATION TO ADOPT RESOLUTION NO. 2014-4 ESTABLISHING AN APPROPRIATION LIMIT FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

There was brief discussion amongst the Board and Staff about what the appropriation limit was for and where it originated.

**MOTION:** 1<sup>st</sup> by Lyon, 2<sup>nd</sup> by Lloyd To Adopt Resolution No. 2014-4 Establishing an Appropriation Limit for the Fiscal Year Ending June 30, 2015.

**ROLL CALL VOTE:** Lyon (yes), Lloyd (yes), Chivens (yes), Enns (yes), Foster (yes) 5-0 Motion Passed

**6. DISCUSSION AND CONSIDERATION TO ADOPT RESOLUTION NO. 2014-5 AUTHORIZING THE BOARD PRESIDENT TO APPROVE AND EXECUTE LICENSE AGREEMENTS AFFECTING REAL PROPERTY OF THE DISTRICT.**

Koon explained this is for licensing for encroachments and will allow for a timelier recording of Grants of Licenses. He explained that a Grant of License doesn't run with the property, when the property is sold, the license ends. The Grant of License doesn't just come in to play during the Will Serve process, often a Will Serve isn't required such as when installing a fence, patio, deck etc. Director Foster asked why the Board President has to sign the license, it was explained that the President is the legal representative of the District and this is a requirement for recording a document. Foster thought the wording on the Sewer Easement Encroachment forms was vague and didn't provide information on, or a procedure for, an appeal. Koon responded the appeal process is there, they can attend a Board meeting as has been done in the past. The application form is just the intake process. Foster would like to see the appeal process added to the forms.

**MOTION:** 1<sup>st</sup> by Lloyd, 2<sup>nd</sup> by Lyon Adopt Resolution No. 2014-5 Authorizing the Board President to Approve and Execute License Agreements Affecting Real Property of the District.

**ROLL CALL VOTE:** Lloyd (yes), Lyon (yes), Chivens (yes), Enns (yes), Foster (no) 4-1 Motion passed

**7. DISCUSSION AND CONSIDERATION TO ADOPT RESOLUTION NO. 2014-6 APPOINTING THE DISTRICT MANAGER AS SECRETARY TO THE BOARD OF DIRECTORS**

Koon explained this was a formality to get the District in line with the Sanitary District Act of 1923 which requires both a President and a Secretary be elected by the Board. The President must be a member of the Board but the Secretary is not required to be a Board member. Staff member Rebich asked for clarification on the duties of the Secretary to the Board versus Clerk to the Board. Koon responded that this resolution only is dealing with the Secretary duties and that any comparison is not subject to discussion at this time. Director Foster asked how this (Resolution) came up. Koon explained it was due to Legal Counsel review of our Conflict of Interest Code, and in their opinion this Resolution is required. Director Lyon asked if there would be any conflict between positions of Secretary and Clerk, Koon responded there is no Clerk of the Board on the District's organizational chart. Lloyd mentioned, and it was discussed, that alternatives could have been brought to the Board for discussion prior to coming to the Board with a Resolution.

**MOTION:** 1<sup>st</sup> Lloyd, 2<sup>nd</sup> Lyon to Adopt Resolution No. 2014-6 Appointing the District Manager as Secretary to the Board of Directors.

**ROLL CALL VOTE:** Lloyd (yes), Lyon (yes), Chivens (yes), Enns (yes), Foster (no) 4-1 Motion passed

**8. DISCUSSION AND CONSIDERATION TO ADOPT RESOLUTION 2014-7 REGARDING THE BIENNIAL REVIEW OF ITS CONFLICT OF INTEREST CODE AND AMENDING THE DISCLOSURE CATEGORIES AND THE LIST OF DESIGNATED POSITIONS SUBJECT TO THE CONFLICT OF INTEREST CODE**

Koon went on to explain the cleanup of the positions i.e. District Manager in lieu of Interim District Manager and eliminating the former Administrative Services Officer/Clerk to the Board position listed. This now reflects accurately the positions of the District.

**MOTION:** 1<sup>st</sup> by Lloyd, 2<sup>nd</sup> by Chivens to Adopt Resolution 2014-7 Regarding the Biennial Review of its Conflict of Interest Code and amending the Disclosure Categories and the List of Designated Positions Subject to the Conflict of Interest Code.

**ROLL CALL VOTE:** Lloyd (yes), Chivens (yes), Lyon (yes), Enns (yes) Foster (abstain)

**4-0** Motion passed

**9. DISCUSSION AND CONSIDERATION TO APPROVE THE WWTP MMRP CONTRACT FOR THE INSTALLATION OF THE HEADWORKS EQUIPMENT**

Koon provided background on the project and reported that Morro Bay City Council and Staff met this afternoon in special session and voted to approve and award the contract for the Headworks Improvement contract to Raminha Construction, Inc. in the amount of \$138,495 with a 20% contingency for any unforeseen conditions that may occur.

**MOTION:** 1<sup>st</sup> by Chivens, 2<sup>nd</sup> by Lyon to Approve the WWTP MMRP Contract for the Installation of the Headworks Equipment.

**VOTE:** 5-0 Motion passed

**10. DISCUSSION AND APPROVAL OF DRAFT LETTER ON SUPPORT OF KEEPING THE NEGRANTI QUARRY OFF OLD CREEK ROAD OPEN AND OPERATIONAL**

Enns and Chivens both stepped down and left the room due to possible conflict of interest. Koon reported that the County wants to shut down the quarry stating they aren't in compliance with their permit. The quarry is a valuable source of materials and recycling (i.e. asphalt) and the County is saying they need a reclamation permit which requires many hoops to jump through. Foster said we should mention the impact on air quality and the local economy should we have to get materials elsewhere in the County. Lloyd said the unintended consequences of terminating his facility need to be explored. He recommends that the letter state where the nearest facilities to Cayucos are. Lloyd volunteered to help tweak the letter and he also stated he would attend the hearing on this matter at the County.

**MOTION:** 1<sup>st</sup> by Lyon, 2<sup>nd</sup> by Lloyd to Approve the Draft Letter (with the minor additions as discussed) in Support of Keeping the Negranti Quarry off Old Creek Road Open and Operational.

**VOTE:** 3-0 Motion passed

Enns and Chivens returned to the meeting.

**11. UPDATE FROM THE AD-HOC COMMITTEE ON CONCEPTUAL ALTERNATIVES ANALYSIS FOR WATEWATER TREATMENT PLANT PROJECT**

Director Lloyd reported on the meeting they attended with State Assemblyman Katcho Achadjian and staff, bringing them up to date on our position and where we're at in the process. They discussed the problems the CMC has running this plant. Lloyd said he asked Katcho to be alert to any funding sources for the projects. Katcho and staff asked that we keep them informed. Enns stated that it was a very positive meeting. Chivens asked if there was any update on the Right of Way study, Koon replied not yet. Lloyd again asked if we could get a cost estimate on the plant and Koon explained we need to get a bit further in the process to really get a cost. Koon reiterated that the water studies Morro Bay contracted for in the Morro and Chorro Valleys, the SEP and our Right of Way investigations, all need to come together. We must stay on process so as to not overlook anything and to continue step by step. Lloyd asked if there was any feedback from CMC or the County since Paavo left, Koon said not really, we're still waiting.

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

A. Manager Koon's report was accepted as presented. Koon updated the Board on the Bakersfield Easement project and reported that the CD on the Sheets property will be called in and will be used to pay for the work Knowles Construction performed to completion the last 20' PVC pipe

running adjacent to the putting green. Koon also reported that the new truck has been ordered and the trailer for the CCTV video equipment is also in order processing.

**13. CONSENT CALENDAR**

A. Approval of Minutes for the June 19, 2014 Board of Directors Meeting

**MOTION:** 1<sup>st</sup> by Lloyd, 2<sup>nd</sup> by Lyon to Approve the June 19, 2014 Minutes as presented.

**VOTE:** 5-0 Motion passed

**14. BOARD MEMBER COMMENTS**

Foster said he would like to see further discussion on alternatives analysis for the WWTP, he said we need to keep looking.

**15. SCHEDULED MEETINGS**

A. **Morro Bay-Cayucos Wastewater Treatment Plant (JPA) Meeting** - August meeting has been canceled.

B. **Morro Bay-Cayucos Wastewater Treatment Plant (JPA) Meeting:** *Date:* September 11, 2014, *Hosted by* City of Morro Bay, *Location:* Community Center, *Time:* 6:00pm

**16. SCHEDULE AGENDA ITEMS FOR THE AUGUST 21, 2014 BOARD MEETING**

**17. ADJOURNMENT**

The meeting adjourned at 7:49 p.m.

Minutes recorded by: \_\_\_\_\_



Anita Rebich, Administrative Services