



CAYUCOS SANITARY DISTRICT

200 Ash Avenue / PO Box 333
Cayucos, CA 93430
(805) 995-3290
www.cayucossd.org

GOVERNING BOARD
R. Enns, President
S. Lyon, Vice-President
H. Miller, Director
J. Curti, Director
M. Shopshear, Director

BOARD OF DIRECTORS REGULAR MEETING AGENDA THURSDAY, FEBRUARY 15, 2024 AT 5:00PM 200 ASH AVENUE, CAYUCOS, CALIFORNIA 93430

1. ESTABLISH QUORUM AND CALL TO ORDER

2. PUBLIC COMMENT

At this time the public may address the Board on items other than those scheduled on this agenda (persons wishing to speak on any item scheduled on this agenda will be given the opportunity at the time that agenda item is being considered). When recognized by the Board President, please state your name for the record (though not required). While the Board encourages public comment, in the interest of time and to facilitate orderly conduct of the meeting, the Board reserves the right to limit individual comments to three minutes. By conditions of the Brown Act, the Board is prohibited from discussing issues not posted on this agenda, but may set items for future agendas.

3. CONSENT CALENDAR: Recommended 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. Meeting Minutes

1. Approval of minutes for the January 18, 2024 Board of Directors Regular Meeting **Pg. 1**

B. Financial Reports: January 2024

1. Check Register – Wells Fargo (General Checking Account) **Pg. 4**
2. Check Register – Wells Fargo (CIP Checking Account) **Pg. 6**
3. Cash, Savings, and Investment Report **Pg. 7**
4. Budget vs. Actual Status Report **Pg. 8**
5. Capital Improvement Projects Report **Pg. 9**

4. STAFF COMMUNICATIONS AND INFORMATIONAL ITEMS: No Action Required

A. District Manager's Report: January 2024 **Pg. 10**

B. New Will-Serves: January 2024

- 1101 S Ocean Ave. / Talbot / 064-161-025 / Retaining Wall & SFR Addition
- 25 20th St. / Mulholland / 064-233-010 / SFR Addition
- 343 Taft Ave. / Beberian / 064-042-005 / ADU New
- 125 Obispo Ave. / Bianche / 064-202-005 / SFR Remodel

Extended Will-Serves:

- 2865 Ocean Blvd. / Teixeira / 064-206-052 / SFR Remodel

Finalized Will-Serves:

- 1101 S Ocean Ave. / Talbot / 064-161-025 / Retaining Wall & SFR Addition
- 2622 Studio Dr. / Buell / 064-254-018 / SFR Remodel

Grants of License:

None

Continue-to-Serves:

- 399 S Ocean Ave. / Coastal Hospitality Holdings LLC / 064-131-022 / CMMCL Remodel

5. DISCUSSION AND CONSIDERATION TO APPROVE THE UPDATED EMPLOYEE POLICY HANDBOOK Pg. 12

6. CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(1) involving one (1) case. Name of case: Walter v. Cayucos Sanitary District, et al.

7. BOARD MEMBER COMMENTS

This item provides the opportunity for Board members to make brief announcements and/or briefly report on their own activities related to District business.

8. FUTURE SCHEDULED MEETINGS

- March 21, 2024 – Regular Board Meeting
- April 18, 2024 – Regular Board Meeting
- May 16, 2024 – Regular Board Meeting

9. ADJOURNMENT

This agenda was prepared and posted pursuant to Government Code Section 54954.2. The agenda, staff reports or other documentation relating to each item of business referred to on the agenda can be accessed and downloaded from the District's website at <https://www.cayucossd.org/board-of-directors-meetings>

All staff reports or other documentation relating to each item of business referred to on the agenda are also on file at the District office, available for public inspection or reproduction at cost. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by the Americans with Disability Act. To make a request for disability-related modification or accommodation, contact the District at (805) 995-3290 as soon as possible and at least 48 hours prior to the meeting date.



CAYUCOS SANITARY DISTRICT

200 Ash Avenue / PO Box 333

Cayucos, CA 93430

(805) 995-3290

www.cayucossd.org

GOVERNING BOARD

R. Enns, President
S. Lyon, Vice-President
H. Miller, Director
J. Curti, Director
M. Shopshear, Director

BOARD OF DIRECTORS REGULAR MEETING MINUTES THURSDAY, JANUARY 18, 2024 AT 5:00 P.M. 200 ASH AVENUE, CAYUCOS, CALIFORNIA 93430

1. ESTABLISH QUORUM AND CALL TO ORDER

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

Directors present: President Robert Enns, Vice-President Shirley Lyon, Director Hannah Miller, Director John Curti, and Director Michael Shopshear

Staff present: District Manager Rick Koon, Administrative Services Manager Amy Lessi, and Administrative Accounting Manager Gayle Good

2. PUBLIC COMMENT

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

3. CONSENT CALENDAR: Recommended to Approve

A. Meeting Minutes

1. Approval of minutes for the November 16, 2023 Board of Directors Regular Meeting

B. Financial Reports: November 2023

1. Check Register – Wells Fargo (General Checking Account)
2. Check Register – Wells Fargo (CIP Checking Account)
3. Cash, Savings, and Investment Report
4. Budget vs. Actual Status Report FY
5. Capital Improvement Projects Report

C. Financial Reports: December 2023

1. Check Register – Wells Fargo (General Checking Account)
2. Check Register – Wells Fargo (CIP Checking Account)
3. Cash, Savings, and Investment Report
4. Budget vs. Actual Status Report FY
5. Capital Improvement Projects Report

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

MOTION: 1st by Curti, to approve all items on the Consent Calendar as prepared. Motion was seconded by Shopshear.

VOTE: 5-0 Motion passed

4. STAFF COMMUNICATIONS AND INFORMATION ITEMS: No Action Required

A. District Manager's Report: November & December 2023

B. New Will-Serves: November & December 2023

- 388 Taft Ave. / Hartman / 064-042-038 / SFR Remodel
- 998 Pacific Ave. / Reeve / 064-151-010 / SFR Demo/Rebuild
- 974 Pacific Ave. / Bowman / 064-151-009 / SFR Remodel
- 284 Saint Mary Ave. / Reynoso / 064-125-014 / SFR Addition
- 998 Park Ave. / Ryan / 064-157-022 / Retaining Wall
- 3312 Shearer Ave. / Haaland / 064-426-012 / SFR Remodel & ADU New
- 2098 Circle Dr. / Lewis / 064-182-049 / SFR Remodel
- 3192 Ocean Blvd. / Roberts / 064-414-028 / ADU New

Extended Will-Serves:

- 52 13th St. / Kirk / 064-164-021 / SFR New
- 3444 Studio Dr. / Lojacono / 064-449-035 / SFR Remodel
- 273 S Ocean Ave. / 064-125-051 / CMMCL New

Finalized Will-Serves:

- 388 Taft Ave. / Hartman / 064-042-038 / SFR Remodel
- 2013 Cass Ave. / EVD LLC / 064-182-050 / SFR Remodel

Grants of License:

None

Continue-to-Serves:

- 2920 Studio Dr. / Verneti / 064-275-014 / Foundation Repair

Manager Koon gave a summary of the previous months' activities and discussed the recent influx of new ADUs in Cayucos. President Enns directed staff to keep a list of all ADUs, while Manager Koon relayed that there are no foreseen capacity issues at this time. Concerning the property tax revenue issue associated with the Gilbert Ave. annexations, Director Miller suggested reaching out to a higher authority for help. Director Curti asked if the recent replacements and repair work at the plant should be considered routine maintenance, or if parts are breaking down sooner than expected. Manager Koon replied that the plant has already been operational for three years now, and only routine maintenance has been required.

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

Items 4.A – B were received and accepted.

5. ELECTION OF DISTRICT OFFICERS FOR 2024

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

MOTION: 1st by Miller, to reelect Robert Enns as President, and to reelect Shirley Lyon as Vice President. Motion was seconded by Curti.

ROLLCALL VOTE: Miller-yes, Curti-yes, Shopshear-yes, Lyon-yes, Enns-yes

VOTE: 5-0 Motion passed

6. DISCUSSION AND CONSIDERATION OF NEW DISTRICT BOARD COMMITTEE ASSIGNMENTS FOR 2024

Manager Koon projected potential committee duties for the calendar year of 2024.

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

MOTION: 1st by Miller, to maintain the current Board Committee assignments for 2024. Motion was seconded by Shopshear.

VOTE: 5-0 Motion passed

7. REVIEW AND DISCUSSION OF THE FY 2023-2024 BUDGET

Administrative Accounting Manager Gayle Good discussed the unfunded liability issue related to CalPers retirees' medical coverage with the Board. Directors Curti and Miller requested confirmation that the District is expecting a credit from PG&E, and Administrative Accounting Manager Gayle Good confirmed.

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

Item 7 was received and accepted.

8. BOARD MEMBER COMMENTS

None

9. FUTURE SCHEDULED MEETINGS

- February 15, 2024 – Regular Board Meeting
- March 21, 2024 – Regular Board Meeting
- April 18, 2024 – Regular Board Meeting

10. ADJOURNMENT

The meeting adjourned at 5:44 p.m.

Minutes Respectfully Submitted By:

X *Amy Lessi*

Amy Lessi
Administrative Services Manager

**Cayucos Sanitary District
General Checking - Wells Fargo
(Payments Only)
January 2024**

| Date | Num | Name | Amount |
|------------|-------------|---|------------|
| 01/02/2024 | 24108 | GOOD, GAYLE (mileage) | -78.60 |
| 01/02/2024 | | Standby Tfr. - Dec. | -1,013.10 |
| 01/03/2024 | 24109 | DEEP BLUE INTEGRATION, INC. | -195.00 |
| 01/03/2024 | 24110 | PERRY'S AUTOMOTIVE | -105.62 |
| 01/03/2024 | 24111 | COASTAL COPY, INC | -26.09 |
| 01/03/2024 | 24112 | WELLS FARGO VENDOR FIN SERV | -350.96 |
| 01/03/2024 | 24113 | ABALONE COAST ANALYTICAL, INC. | -2,701.60 |
| 01/03/2024 | 24114 | MISSION COUNTRY DISPOSAL - WRRF | -288.66 |
| 01/03/2024 | 24115 | MORRO ROCK MUTUAL WATER CO. UTILITY 782 | -66.34 |
| 01/03/2024 | 24116 | QUICK TECH COMPUTERS | -1,650.50 |
| 01/03/2024 | 24117 | SPEEDY COASTAL MESSENGER, INC. | -580.00 |
| 01/03/2024 | 24118 | USA BLUE BOOK | -84.73 |
| 01/03/2024 | 24119 | AMAZON | -117.48 |
| 01/03/2024 | 24120 | MINER'S ACE HARDWARE | -223.19 |
| 01/03/2024 | 24121 | MISSION UNIFORM SERVICE | -431.30 |
| 01/04/2024 | | QuickBooks Payroll Service | -23,503.85 |
| 01/05/2024 | HLTH010524 | CALPERS (HEALTH) | -14,288.02 |
| 01/05/2024 | DD01052401 | ARIAS, MANUEL | 0.00 |
| 01/05/2024 | DD01052402 | COLLINS, JONATHAN W | 0.00 |
| 01/05/2024 | DD01052403 | GOOD, GAYLE | 0.00 |
| 01/05/2024 | DD01052404 | HOOPER, SARAH L | 0.00 |
| 01/05/2024 | DD01052405 | HUNT, TRAVIS D | 0.00 |
| 01/05/2024 | DD01052406 | KOON, RICHARD L | 0.00 |
| 01/05/2024 | DD01052407 | LAKEY, NICK E | 0.00 |
| 01/05/2024 | DD01052408 | LESSI, AMY M | 0.00 |
| 01/05/2024 | DD01052409 | OWENS, JUSTIN D | 0.00 |
| 01/05/2024 | EDD010524 | EDD | -2,023.95 |
| 01/05/2024 | FED010524 | US TREASURY | -9,327.90 |
| 01/05/2024 | 60271123363 | ALLIED ADMINISTRATORS FOR DELTA DENTAL | -1,004.66 |
| 01/05/2024 | DEF010524 | CALPERS (RETIREMENT) | -1,225.00 |
| 01/05/2024 | PERS010524 | CALPERS (RETIREMENT) | -4,293.65 |
| 01/10/2024 | 24122 | COLLINS, JONATHAN W (class, testing, mileage) | -1,034.88 |
| 01/10/2024 | 24123 | ALPHA FIRE & SECURITY ALARM CORP | -105.00 |
| 01/10/2024 | 24124 | CARMEL & NACCASHA, LLP | -432.98 |
| 01/10/2024 | 24125 | CHARTER INTERNET | -951.08 |
| 01/10/2024 | 24126 | COASTAL ROLL OFF SERVICE | -2,406.36 |
| 01/10/2024 | 24127 | DUKE ENERGY/WESTBOUND SOLAR 2 | -6,754.78 |
| 01/10/2024 | 24128 | KITZMAN WATER | -59.25 |
| 01/10/2024 | 24129 | PG&E LS#1 | -581.29 |
| 01/10/2024 | 24130 | PG&E LS#2 | -1,391.73 |
| 01/10/2024 | 24131 | PG&E LS#3 | -265.51 |
| 01/10/2024 | 24132 | PG&E LS#4 | -469.97 |
| 01/10/2024 | 24133 | PG&E LS#5 | -2,222.97 |
| 01/10/2024 | 24134 | PG&E OFFICE | -235.34 |

| Date | Num | Name | Amount |
|---------------------------------|------------|--------------------------------------|----------------------|
| 01/10/2024 | 24135 | PG&E WELL | -31.50 |
| 01/10/2024 | 24136 | PG&E WRRF | -4,225.54 |
| 01/10/2024 | 24137 | POOR RICHARD'S PRESS | -1,167.25 |
| 01/10/2024 | 24138 | STATE WATER RESOURCES CONTROL BOARD | -225.00 |
| 01/11/2024 | 24139 | MISSION COUNTRY DISPOSAL | -346.34 |
| 01/11/2024 | 24140 | PATHIAN ADMINISTRATORS | -247.08 |
| 01/11/2024 | | USDA Tfr. | -70,820.00 |
| 01/11/2024 | | USDA LOC Tfr. | -7,087.72 |
| 01/11/2024 | 24141 | CALNET3 | -441.24 |
| 01/17/2024 | 24142 | AMAZON | -62.72 |
| 01/17/2024 | 24143 | FIRSTNET (AT&T) | -427.11 |
| 01/17/2024 | 24144 | SLO AIR POLLUTION CONTROL DISTRICT | -3,211.05 |
| 01/18/2024 | | QuickBooks Payroll Service | -23,046.87 |
| 01/18/2024 | 24145 | CALIFORNIA DEPT. OF TAX & FEE ADMIN. | -269.00 |
| 01/19/2024 | DD01192401 | ARIAS, MANUEL | 0.00 |
| 01/19/2024 | DD01192402 | COLLINS, JONATHAN W | 0.00 |
| 01/19/2024 | DD01192403 | GOOD, GAYLE | 0.00 |
| 01/19/2024 | DD01192404 | HOOPER, SARAH L | 0.00 |
| 01/19/2024 | DD01192405 | HUNT, TRAVIS D | 0.00 |
| 01/19/2024 | DD01192406 | KOON, RICHARD L | 0.00 |
| 01/19/2024 | DD01192407 | LAKEY, NICK E | 0.00 |
| 01/19/2024 | DD01192408 | LESSI, AMY M | 0.00 |
| 01/19/2024 | DD01192409 | OWENS, JUSTIN D | 0.00 |
| 01/19/2024 | FED011924 | US TREASURY | -9,200.20 |
| 01/19/2024 | EDD011924 | EDD | -1,999.46 |
| 01/19/2024 | DEF011924 | CALPERS (RETIREMENT) | -1,225.00 |
| 01/19/2024 | PERS011924 | CALPERS (RETIREMENT) | -5,763.76 |
| 01/22/2024 | 24146 | BUSINESS CARD 4841 | -59.38 |
| 01/22/2024 | 24147 | BUSINESS CARD 5401 | -68.88 |
| 01/22/2024 | 24148 | EXECUTIVE JANITORIAL | -225.00 |
| 01/22/2024 | 24149 | STAPLES ADVANTAGE (Gov. Acct) | -164.28 |
| 01/22/2024 | 24150 | WATER SYSTEMS CONSULTING, INC. | -2,676.75 |
| 01/23/2024 | 24151 | BRENNTAG PACIFIC, INC. | -4,656.69 |
| 01/23/2024 | 24152 | VISTAMATION, INC. | -1,099.67 |
| 01/24/2024 | 24153 | EXXONMOBIL | -771.72 |
| 01/26/2024 | 24154 | ALPHA ELECTRICAL SERVICE, INC. | -11,487.50 |
| 01/26/2024 | 24155 | CAYUCOS BEACH MUTUAL WATER CO. #1 | -106.72 |
| 01/26/2024 | 24156 | CAYUCOS BEACH MUTUAL WATER CO. #2 | -120.08 |
| 01/26/2024 | 24157 | COASTAL COPY, INC | -33.57 |
| 01/26/2024 | 24158 | SOCAL GAS | -55.98 |
| 01/26/2024 | 24159 | WELLS FARGO VENDOR FIN SERV | -350.96 |
| 01/31/2024 | 23386496 | COLONIAL LIFE INSURANCE PREMIUMS | -52.58 |
| Total Operating Expenses | | | -\$232,217.94 |

**Cayucos Sanitary District
CIP Checking - Wells Fargo
(Payments Only)
January 2024**

| <u>Date</u> | <u>Num</u> | <u>Name</u> | <u>Amount</u> |
|-------------|------------|--------------------------------|---------------------|
| 01/11/2024 | 11574 | LONGITUDE 123, INC. | -37,235.00 |
| 01/22/2024 | 11575 | WATER SYSTEMS CONSULTING, INC. | -330.00 |
| | | Total CIP Expenses | -\$37,565.00 |

Cayucos Sanitary District Cash, Savings and Investment Report January 2024

| Bank Accounts | Current Balance | |
|------------------------------|--------------------|---------------------------|
| Wells Fargo General Checking | \$1,330,545 | |
| Wells Fargo CIP | \$611,420 | |
| Wells Fargo Savings (CFF) | \$242,132 | |
| Wells Fargo - USDA | \$637,946 | |
| Petty Cash | \$175 | |
| LAIF | \$8,862 | |
| Total | \$2,831,081 | |
| Investments | | |
| CalTrust | \$2,591,634 | |
| Cetera Cash/MM | \$20,967 | |
| Cetera Treasury/Securities | \$47,374 | (Fixed Income) |
| Total | \$2,659,975 | |
| Grand Total | \$5,491,056 | |
| MCD Wells Fargo Deposit CD | \$25,000 | Franchise Deposit on Hold |

**Cayucos Sanitary District
FY 23/24 Financial Report
Budget vs. Actual
January 2024**

| | Current Month | YTD Actual Rev/Exp | YTD Budget | Approved Budget 23/24 | % of Budget |
|--|----------------|-----------------------|------------------|--------------------------|-------------|
| Ordinary Income/Expense | | | | | |
| Income | | | | | |
| 4000 · SEWER INCOME | 285,416 | 1,875,002 | 1,852,754 | 3,176,150 | 59% |
| 4100 · WILL SERVE INCOME | (7,160) | 38,380 | 51,450 | 88,200 | 44% |
| 4200 · RENTAL INCOME | - | 36,785 | 24,850 | 42,600 | 86% |
| 4300 · SOLID WASTE INCOME | 18,125 | 68,864 | 74,433 | 127,600 | 54% |
| 4400 · SLOCO TAX ASSESSMENTS | 402,222 | 741,205 | 687,400 | 1,178,400 | 63% |
| 4500 · SAVINGS INTEREST INCOME | 831 | 5,993 | 2,042 | 3,500 | 171% |
| 4600 · INVESTMENT INTEREST | 9,329 | 57,972 | 11,667 | 20,000 | 290% |
| 4700 · OTHER INCOME | - | - | 2,683 | 4,600 | 0% |
| Total Income | 708,763 | 2,824,201 | 2,707,279 | 4,641,050 | 61% |
| Expense | | | | | |
| 5000 · PAYROLL EXPENSES | | | | | |
| 5100 · ADMINISTRATIVE PAYROLL | 31,777 | 236,379 | 241,092 | 413,300 | 57% |
| 5200 · COLLECTIONS PAYROLL | 15,709 | 87,162 | 108,938 | 186,750 | 47% |
| 5300 · TREAT PAYROLL | 24,209 | 181,518 | 184,538 | 316,350 | 57% |
| 5400 · DIRECTOR PAYROLL | - | 2,000 | 4,667 | 8,000 | 25% |
| 5500 · VESTED PAYROLL BENEFITS | 314 | 2,126 | 2,217 | 3,800 | 56% |
| 5600 · ADMIN PAYROLL TAXES & BENEFITS | 9,689 | 80,577 | 80,267 | 137,600 | 59% |
| 5700 · COLL PAYROLL TAXES & BENEFITS | 6,211 | 56,362 | 67,608 | 115,900 | 49% |
| 5800 · TREAT PAYROLL TAXES & BENEFITS | 9,153 | 83,805 | 85,867 | 147,200 | 57% |
| 5900 · DIRECTOR PAYROLL TAXES & BENEFITS | - | 153 | 350 | 600 | 26% |
| Total 5000 · PAYROLL EXPENSES | 97,062 | 730,081 | 775,542 | 1,329,500 | 55% |
| 6000 · OPERATING EXPENSES | | | | | |
| 6050 · SPECIAL PROJECTS | - | - | 7,583 | 13,000 | 0% |
| 6100 · ADMIN OPERATING EXPENSES | 3,024 | 522,610 | 529,944 | 908,475 | 58% |
| 6500 · COLLECTIONS OPERATING EXPENSES | 14,553 | 82,410 | 147,321 | 252,550 | 33% |
| 7000 · TREATMENT OPERATING EXPENSES | 120,226 | 890,492 | 935,608 | 1,603,900 | 56% |
| Total 6000 · OPERATING EXPENSES | 137,803 | 1,495,512 | 1,620,456 | 2,777,925 | 54% |
| Total Expense | 234,865 | 2,225,593 | 2,395,998 | 4,107,425 | 54% |
| Net Ordinary Income | 473,898 | 598,608 | 311,281 | 533,625 | |
| Net Income | 473,898 | 598,608 | 311,281 | 533,625 | |

* Increase in rates and bond market.

Cayucos Sanitary District Capital Improvement Projects Report FY 23/24 January 2024

| | Current Month | YTD Actual Rev/Exp | Approved Budget 23/24 | Percent Used YTD |
|---|--------------------|-----------------------|--------------------------|------------------------|
| CAPITAL IMPROVEMENTS | | | | |
| 1601 - Sewer Main Repairs | 0.00 | 0.00 | 75,000.00 | 0% |
| 1601.2 Chaney to Toro Main Replacement | 330.00 | 28,027.50 | 35,000.00 | 81% |
| 1608 - Main Admin | | | | |
| 1608.3 - Computers/Server Upgrades | 0.00 | 639.50 | 6,000.00 | 11% |
| 1608.4 - Generator Installation | 0.00 | 0.00 | 35,000.00 | 0% |
| 1614 - LS #5 | | | | |
| 1614.2 - Spare Pump | 0.00 | 18,569.08 | 20,000.00 | 93% |
| 1616.2 - RWQCB Recycled Water Program | 0.00 | 0.00 | 20,000.00 | 0% |
| 1650 - WRRF Improvements | | | | |
| 1650.5 - Outfall Inspection & Buoy Replacement | 37,235.00 | 0.00 | 50,000.00 | 74% |
| 1650.6 - UV Bulb Replacement | 0.00 | 52,702.10 | 50,000.00 | 105% |
| Total Capital Improvements | \$37,565.00 | \$99,938.18 | \$291,000.00 | 47% |



CAYUCOS SANITARY DISTRICT STAFF REPORT

TO: BOARD OF DIRECTORS

FROM: RICK KOON, DISTRICT MANAGER

DATE: FEBRUARY 7, 2024

SUBJECT: MONTHLY MANAGER'S REPORT: JANUARY 2024

ADMINISTRATIVE

- We now have 280 customers enrolled in E-billing and 700 enrolled in Auto-Pay (ACH).
- On February 6th staff gave a tour of the Water Resource Recovery Facility ("WRRF") to the United States Department of Agriculture ("USDA") State Director and her staff.
- The twice-yearly USDA loan payment was made.
- Board President Enns and District Manager Koon met onsite with Cayucos-Morro Bay Cemetery District ("CMBCD") representatives to walk the proposed property lines and possible building locations. CMBCD will perform a topographic survey to help modify their layout and show the revised property lines.
- Gilbert annexations: The County has proposed a 0.002900 tax rate for Annexation #20 (the Stanley residence). The District currently receives an average of 6.77247% per parcel for parcels within the District. Staff has requested additional information from the Tax Assessor to better understand the current tax revenue allocations.

CAPITAL PROJECTS

- Staff and WSC continue to receive additional information from Caltrans and will begin to formulate the request for an exemption to be able to replace the main line along the highway as required for the Chaney Ave. to Toro Creek Rd. Main Line Replacement Project.

OPERATIONS & MAINTENANCE: JANUARY 2024

CIP: None

Daily Operations of Note:

- Pump down, scrape, and bleach wet wells; clean probes and test generators
- Conduct weekly alarm testing at all lift stations
- Jet 6,020 feet of main lines, including the downtown areas
- Participate in Vector Training Solutions for SDRMA
- Respond to 14 USAs
- Landscape maintenance duties surrounding the downtown shop and lift stations
- Received and stored new low flow pump as back up for Lift Station 5
- Removed debris/significant clean up at Lift Station 1 and Lift Station 2 due to high surf period
- Alpha installed our new ATS Controller at Lift Station 2
- Took necessary steps to seal up entry points for moisture at Lift Station 2 cabinet
- Completed required sexual harassment webinar
- Replaced sandbags around manholes in problem areas in preparation of rain and kept up with these problem areas throughout the storms; emptied rain catches as well
- Began trouble shooting comms drop off issues at our lift stations with First Net

Call Outs: None

WATER RESOURCE RECOVERY FACILITY: JANUARY 2024

Daily Operations of Note:

- Completed all quarterly, monthly, weekly, and daily maintenance tasks
- Exercised generator and fire pump
- Calibrated on-line meters
- Checked eyewash stations and fire extinguishers
- Completed all daily and weekly lab tests
- Completed all Monthly and Annual Reports
- ACIP MOS #1 on January 4
- ACIP MOS #3 on January 18
- HCIP MOS #3 on January 19
- ACIP MOS #1 on January 23
- SPCC/HMBP training January 24
- New VFD installed for Equalization Pump #1 on January 25
- Replaced entrance gate doorbell on January 29
- DDR MOS #2 on January 30

WRRF Influent:

- Highest flow day January 20th: **765,869 gallons**
- Average influent for January: **306,800 gallons per day**
- Total influent for January: **9.51 million gallons**

WRRF Effluent:

- Highest flow day January 20th: **718,698 gallons**
- Average effluent for January: **302,259 gallons per day**
- Total effluent for January: **9.37 million gallons**



CAYUCOS SANITARY DISTRICT STAFF REPORT

TO: BOARD OF DIRECTORS
FROM: RICK KOON, DISTRICT MANAGER
DATE: FEBRUARY 7, 2023
SUBJECT: DISCUSSION AND CONSIDERATION TO APPROVE THE UPDATED EMPLOYEE POLICY HANDBOOK

DISCUSSION

Staff has completed an update to the Employee Policy Handbook. The last Board-approved update was in November 2020. This update includes 9 new policies based on new California legislation. Staff has again used the CSDA-recommended best practices as a resource for these updates. The updated policy sections are:

- Cell Phone and Tablet
- Digital Signatures
- Family and Medical Leave
- Longevity Pay
- Reproductive Loss
- Recruitment and Hiring
- Separation from District Employment
- Debt Management
- Records Retention

Only these new sections have been provided for your review. All other sections were reviewed by staff but did not require updates or corrections.

For the Longevity Pay Policy, staff completed extensive research in how other Districts supplement their salary schedules to recognize long-term employees. The District has 2 personnel whom have been employees for over 10 years and would qualify for the 10 year one-time award.

RECOMMENDATION

Staff recommends that the Board of Directors approve the updated Employee Policy Handbook.

Cayucos Sanitary District

POLICY HANDBOOK

Communications & Technology

POLICY TITLE: Cell Phone and Tablet Policy
POLICY NUMBER: 1115
ADOPTION DATE:

1115.1 Policy

It is the District's goal to enhance the efficiency and effectiveness of communication, ensure safe work practices when using cell phones while driving or performing work-related activities, and to provide standards and clarification for cell phone and tablet use.

1115.2 Scope

The procedures provided for in this Policy apply to all employees and Board members using cell phones, tablets, or other communication devices for conducting District business.

1115.3 Procedures

1. Cell phones and tablets may be issued to employees to enhance the efficiency and effectiveness of communications in conducting District related business. In addition, personal cell phones and other devices may be authorized for use by employees.
2. Employees must agree to the terms and conditions set forth in this Policy to be issued a District device or to be able to use their own device for District related business.
3. Use of District issued devices is contingent upon continued District employment. The device shall remain the sole property of the District.
4. Employees shall report and submit damaged or defective equipment to the District Manager.
5. Cell phones, tablets and other devices assigned to employees that are on-call or expected to be available beyond normal working hours are to be carried and accessible for District-related business.
6. The District will not actively intercept electronic communications without legal authority.
7. The District maintains the right to limit or deny the use or possession of personal cell phones during work periods when said possession is determined to be a distraction, infringes on established employee safety standards, or becomes a deterrent to employee productivity.

1115.4 Use of Devices

1. Use of a District-provided cell phone or tablet for commercial profit or secondary employment is prohibited.
2. Phones should be set to silent or vibrate to avoid distraction to other employees and the public. This provision applies to both personal and District-issued devices.
3. Regardless of phone ownership, devices equipped with cameras shall not be used in a manner that violates the privacy of co-workers or the public.
4. Personal calls during work hours shall be kept to a minimum.
5. Cell phones, tablets or other devices provided by the District are only for non-compensatory purposes.
6. Devices may never be used to:
 - a. Store or transmit illicit materials

- b. Store or transmit proprietary information
- c. Harass others
- d. Engage in outside business activities

1115.5 Use of Cell Phone While Operating a Vehicle

Regardless of the ownership of a cell phone or other electronic device, State law prohibits the use of cell phones while operating a vehicle unless the telephone is specifically designed and configured to allow hands-free listening and talking and is used in that manner while driving. Also, it is illegal to “write, send, or read a text-based communication” while operating a motor vehicle. (California Vehicle Code Section 23123 and 23123.5).

1. There are two exceptions to the law regarding the use of cell phones while operating a vehicle:
 - a. Emergency services personnel are exempt from this law when operating an authorized emergency vehicle.
 - b. The law does not apply to persons using their cell phone to contact law enforcement or public safety agencies for emergencies.
2. Except for “1.” above, employees shall not operate cell phones or other devices that may distract from safely operating a motor vehicle. Distraction while driving leads to increased risk of accidents and liability to the District.
3. Employees who are charged with traffic violations resulting from using mobile devices while driving are solely responsible for all liabilities that result.
4. To limit risk to employees, the public, and the District, the following guidelines are provided for employees to use while on District related business:
 - Use a hands-free device if you must make or receive a call while driving.
 - Making and completing calls before proceeding to your destination is preferred.
 - Allow voice mail to handle your incoming calls and return them from a safe place.
 - Suspend conversation during hazardous driving conditions or situations.
 - Full attention to the road is expected at all times.
 - Text messaging is prohibited while operating a vehicle, including at stop signs and signals or while stopped in traffic.

1115.6 Support

1. District issued devices must receive all available security updates and have security updates enabled.
2. Connectivity issues are supported by IT; employees should not (unless instructed by IT) contact the device manufacturer or their carrier for operating system or hardware-related issues.
3. IT will make provisions and configure standard apps such as browsers, office productivity software and security tools before allocation to the employee.
4. Two factor authentication shall always be used when available.
5. District issued devices shall be operated only by the employee to which they are assigned.
6. Employees may only download, install, or use apps that have been approved by the District.
7. The District issued device may be remotely wiped if:
 - The device is lost
 - The employee terminates their employment
 - IT detects a data or policy breach
 - A virus or similar threat to the security of the District’s data and technology infrastructure is detected.

1115.7 Privacy

1. No employee should expect privacy except that which is governed by law. District has the right, at any time, to monitor any communications that utilize District's networks in any way. This includes, but is not limited to, data, voicemail, telephone logs, Internet use, network traffic, etc. Management reserves the right to review, retain, or release personal and/ or company-related data on mobile devices to government agencies or third parties during an investigation or litigation. No employee shall knowingly disable any network software or system identified as a monitoring tool.
2. At any time, the employee may be asked to produce the District issued device for inspection.

1115.8 Responsibility

1. Employees shall review and adhere to this policy.
2. Data, including any retained voice message, text, email, etc., on the device, is not to be considered private and may be reviewed at any time by the District with or without notice to the employee.

Cayucos Sanitary District

POLICY HANDBOOK

General

POLICY TITLE: Digital Signatures
POLICY NUMBER: 1125
ADOPTION DATE:

1125.1 Policy

It is the policy of the District to accept electronic signatures affixed to documents in which a signature is required or used, provided that: (1) the electronic signatures are “digital” signatures that comply with the requirements of California Government Code §16.5 and applicable state regulations (Gov. Code § 22000 et seq.), (2) the signatories are willing and wanting to utilize digital signatures, and (3) the digital signatures are created by technologies authorized by the California Secretary of State and made available by the District. Signatories may digitally sign the following types of documents:

- Contracts
- Agency Letters
- Personnel Documents
- Meeting Minutes
- Purchase Orders
- Customer Letters
- Will-Serve Letters
- Others as authorized

The use, or the District’s acceptance, of a digital signature is at the option of the District and the signer(s). Nothing in this Policy requires the District to use or permit the use of a digital signature or accept the submission of a document containing a digital signature.

1125.2 Definitions

- a) “Digital Signature” means an electronic identifier, created by computer, intended by the party using it to have the same force and effect as the use of a manual signature.
- b) “Digital Signature Certification Authority” means an entity authorized by the Secretary of State to issue digital certificates that are required for a digital signature under California law and that is listed on the Secretary of State’s “Approved List of Digital Signature Certification Authorities.”
- c) “Digital Signature Provider” means an entity that provides document signing services using digital technology.
- d) “Electronic Signature” means an electronic sound, symbol, or process attached to or logically associated with an electronic record and executed or adopted by a person with the intent to sign the electronic record, including a digital signature.

1125.3 Electronic Signatures

The use of electronic signatures is authorized by two California statutes, the Uniform Electronic Transactions Act (“UETA”), codified at Civil Code Section 1633.1 *et seq.*, and Government Code Section 16.5.

The UETA provides that a signature may not be denied legal effect or enforceability solely because it is in electronic form. The UETA applies to a transaction only when the parties have agreed to conduct the transaction by electronic means; whether they have agreed to do so “is determined from the context and surrounding circumstances, including the parties’ conduct.”

Government Code Section 16.5 applies to public entities such as the District and authorizes any party to a written communication with a public entity, in which a signature is required or used, to affix a signature by use of a digital

signature that complies with the requirements of Section 16.5. Digital signature transactions involving public entities that are subject to the UETA are also subject to the more particular requirements of Government Code Section 16.5. The use of a digital signature will have the same force and effect as the use of a manual signature if, and only if, the digital signature embodies the five attributes discussed in Section 1125.4 below.

1125.4 Digital Signatures

Government Code Section 16.5 and State regulations require that a digital signature be created by a technology that is acceptable for use by the State of California and embody the following five attributes:

- 1) It is unique to the person using it;
- 2) It is capable of verification;
- 3) It is under the sole control of the person using it;
- 4) It is linked to data in such a manner that if the data are changed, the digital signature is invalidated; and
- 5) It conforms to regulations adopted by the Secretary of State, codified at Chapter 10 of Division 7 of Title 2 (commencing at Section 22000) of the California Code of Regulations.

1125.5 Digital Signature Technologies

The Secretary of State allows public entities to utilize digital signatures that are created by one of two different technologies – “public key cryptography” and “signature dynamics” – provided that the digital signatures are also created consistent with the provisions of Section 22003 of the California Code of Regulations.

Public key cryptography (“PKC”) is a form of cryptography that generally allows users to communicate securely, and reliably verify the identity of an entity via digital signatures. PKC signatures are affixed to documents using software enhancements to existing applications and web browsers and are capable of immediate third-party verification.

Signature dynamics uses the individual’s handwritten signature. Unlike PKC signatures, signature dynamics signatures require additional hardware to create the signatures. This type of digital signature does not offer encryption, confidentiality, or the level of security that is inherent in PKC signatures. PKC allows for third party verification of the signature by certification authorities approved by the State, while signature dynamics signatures require additional steps (including handwriting analysis) to verify the signer of a document (similar to a non-notarized, paper-based signature).

The District shall only contract with digital signature providers that offer their digital signature services with a certificate issued by a digital signature certification authority. District staff shall only accept digital signatures created by PKC or signature dynamics technologies. As advised by the Secretary of State, District staff shall consider the following issues and other issues when identifying the appropriate technology to use for each document that includes a digital signature component:

- Are the documents containing signatures going to be transmitted over an "open" or a "closed" network?
- Does the signature on the document need to be verified?
- How much time and resources can be allocated to verification?
- Does the signature need to be compared to a manual signature on paper or can a digital certificate adequately provide one-stop verification?
- Will immediate verifiability reduce the potential of fraud?
- Will the documents containing digital signatures need to be reproduced for public access to the records?
- Will the documents containing digital signatures need to be utilized by another local, state or federal agency? If so, is the technology compatible with the other agency's needs?

However, whenever a document requires immediate absolute verification of a signature, District staff shall only use and accept digital signatures created by PKC technology.

Cayucos Sanitary District

POLICY HANDBOOK

Compensation & Benefits

POLICY TITLE: Family and Medical Leave
POLICY NUMBER: 2145
ADOPTION DATE:

2145.1 The purpose of this policy is to clarify how Cayucos Sanitary District will implement the California Family Rights Act of 1993 (CFRA). The provisions of this Handbook will prevail unless said provisions are in conflict with the CFRA.

2145.2 Eligibility: To be eligible for leave under the CFRA, an employee must have:

1. Been employed by the District for at least twelve (12) months within a five (5) year period, which need not be consecutive, and
2. Worked for the District at least 1,250 hours during the twelve (12) months immediately preceding the commencement of leave.

2145.3 Leave Benefit

2145.3.1 Eligible employees will be provided with up to twelve (12) weeks of unpaid leave each year to care for their own serious health condition or the serious health condition of a child, spouse, domestic partner, parent, parent-in-law, grandparent, grandchild, sibling, or designated person, or for the birth, adoption, or foster care placement of a child.

2145.3.2 While the law provides only unpaid leave, employees may elect to use applicable accrued paid leaves permitted by the District, including vacation leave, sick leave and compensatory time accrued, for the first part of the 12-week statutory leave. Paid leave may not be added to the end of the 12 weeks of unpaid leave without the District Manager's prior approval.

2145.3.3 Employees on leave who were previously covered by the District's health benefit shall continue to be covered at the level and under the conditions that coverage would have been provided if the employee were continuing to work. The employee shall continue to pay their share of any premiums.

2145.3.4 At the end of the leave the employee will be reinstated to their previous position or to an equivalent job with equivalent pay, benefits, and working conditions. The employee will not accrue seniority or employment benefits (i.e., vacation, sick time) during the leave period.

2145.3.5 The District Manager may require certification from an employee's health care provider before allowing leave for a serious health condition. They may also require certification from the health care provider of the employee's family member or designated person before granting leave to care for that person.

2145.3.6 Leave may be taken on an intermittent or reduced work schedule when medically necessary, among other circumstances.

2145.4 Employee Obligations

2145.4.1 If the event necessitating the leave is foreseeable, the employee must provide, if possible, the District Manager with at least 30 days' prior written notice. For events that are unforeseeable, the employee must notify the District Manager, at least verbally, as soon as they learn of the need for leave.

2145.4.2 Failure to comply with these notice rules is grounds for, and may result in, deferral of the requested leave until the employee complies with this notice policy.

POLICY TITLE: Longevity Policy
POLICY NUMBER: 2205
ADOPTION DATE:

2205.1 Longevity Pay

As appreciation and recognition for longevity in the workplace, the Board of Directors wishes to acknowledge the valuable contributions of long-term employees.

In addition to regular salary or wages, a full-time employee shall receive as compensation longevity pay calculated from the date of hire, as long as said employee is performing at a satisfactory or above level as follows:

2205.1.1 Upon the anniversary of the tenth (10th) year of hire, the employee shall receive a one-time award of \$1,000.00.

2205.1.2 If an employee has completed ten (10) years of service in the same position, including any time spent as a probationary employee, they shall receive a 2.5% increase to their base salary.

2205.1.3 Upon the anniversary of fifteen (15) years of continuous service as a full-time employee, including any time spent as a probationary employee, they shall receive an increase of 2.5% to their base salary; and

2205.1.4 Every five years of service thereafter they shall receive an increase of 2.5% to their base salary.

2205.1.5 At no time will the Longevity Pay adjustment exceed a total of 10% of base salary.

2205.1.6 Part-time employees accrue longevity on a pro-rated basis, so that a year of service is achieved once the employee has worked 2,080 hours, which is the number of hours equivalent to a year of service for a full-time employee. For example, an employee who reaches 2,080 hours over the course of 18 months shall then be deemed to have completed one year of service for purposes of longevity.

2205.2 Breaks in Service

Employees granted leaves of absence for pregnancy disability, California Family Rights Act (CFRA), or any other leave to which this provision applies by law, shall not experience a break in service for purposes of longevity.

Employees who separate from the District employment for reasons other than layoff, whether voluntarily or involuntarily, and then return to District employment, shall have longevity calculated from the first date of their most recent employment. For example, if an employee has worked for the District for 20 years, separates for 1 year, and then returns to employment, the employee shall begin with 0 years of longevity.

2205.3 Layoffs

Employee layoffs are made at the discretion of the District according to business necessity. The District Manager shall prepare a layoff list, giving consideration to all applicable factors, including business necessity, job performance, competence and skill set of individual employees, and longevity of service with the District (where practical). Longevity will not be the sole factor in layoff considerations where other relevant factors apply.

Employees laid off in good standing shall be eligible for re-employment with the District. If a laid off employee is re-hired within one year of layoff, the employee shall commence re-employment at the level of longevity they had at the time of layoff.

Cayucos Sanitary District

POLICY TITLE: Reproductive Loss – Combined with Bereavement Leave 2120
POLICY NUMBER: 2235
ADOPTION DATE: SB 848 effective 1/1/2024

2235.1 A “reproductive loss event” is defined as a failed adoption, failed surrogacy, miscarriage, stillbirth, or unsuccessful assisted reproduction. If the employee would have been recognized as a parent if the aforementioned events were successful, the employee will be covered under this definition.

2235.2 In order to be entitled to the leave, employees must have been employed for at least 30 days prior to the commencement of the leave.

2235.3 An employee is allowed up to five days of unpaid leave for reproductive-related losses. Employees may utilize accrued sick or vacation leave.

2235.4 The leave must be taken within three months of the event triggering the leave, but need not be taken on consecutive days.

Cayucos Sanitary District

POLICY HANDBOOK

Employment Practices

POLICY TITLE: Recruitment and Hiring
POLICY NUMBER: 3202
ADOPTION DATE:

3202.1 Announcement

All recruitments for classification vacancies within the District shall be publicized by such methods as the District Manager deems appropriate, consistent with District standards. Announcements shall specify the title and compensation of the classification; the nature of the work to be performed delineating the essential and marginal functions of the job; the minimum qualifications for the classification; the manner of making application; and other pertinent information.

3202.2 Applications

Every applicant shall file a formal, signed District employment application. Other methods of acceptable application due to an applicant's disability will be considered. Application forms shall require information covering training, experience, and other pertinent information as required by the District Manager. The District Manager may also require applicants to submit additional job-related information.

3202.3 Examinations

Examinations for the establishment of eligibility lists shall be competitive and by such character shall test and determine the qualifications, fitness, and ability of applicants to perform the essential functions of the classifications for which they seek appointment.

The examination may include an investigation of character, personality, education, experience, criminal history, credit bureau, drug and alcohol and any tests of intelligence, capacity, technical knowledge, manual skill, or job-related physical fitness that the District Manager deems appropriate.

The District Manager shall designate the procedure, time, place, and type of examination, the conditions under which it may be conducted, and the individual or competent agency who will conduct the examination. The District will make every reasonable effort to accommodate disabled applicants in the administration of employment tests in accordance with applicable law. Examinations may be promotional, open, or continuous as directed by the District Manager. In making a decision regarding the type of examination, the District Manager will consider the availability of qualified interested personnel in the District workforce, the possible Affirmative Action implications, and the need for expediency in filling the position.

3202.3.1 Open/Promotional Examinations: Any person who meets the requirements set forth in the open/promotional examination announcement may compete in open/promotional examinations. The District Manager may adopt and implement objective standards to initially screen applications in order to reduce the number of applicants to a manageable size.

3202.3.2 Disqualification: At any point in the recruitment and selection process, the District Manager may refuse to declare an applicant an eligible candidate, or may withhold or withdraw from certification, prior to appointment by the District Manager, anyone who:

- Has failed to provide proof for any of the requirements established in the announcement for the classification for which they applied;
- Has been convicted of a felony of such a nature as to have an adverse effect on the candidate's ability to perform the duties of the position;
- Has a history of dismissal from any position in public or private service for any cause which would be a cause for dismissal from District employment;
- Has practiced or attempted to practice any deception or fraud in his or her application, examination, or in securing eligibility; or
- Is otherwise not qualified for employment with the District.

3202.4 Hiring

Decisions regarding employment are based upon an individual's qualifications for the applicable position as described below.

3202.4.1 Vacancies: Employees of the District are encouraged to apply for any vacant positions for which they are qualified. The District awards vacant positions to the applicants who are best suited to meet the needs of the District, regardless of whether the applicant is a current District employee or not.

If a vacancy is awarded to a current regular employee, that employee shall serve a three (3) month probationary period in that position with continued benefits for health care, sick leave, vacation and comp time-off. Within three (3) months of the move to the vacant position, the employee may return to their previous position with written notice to and approval by the District Manager, so long as the position has not been filled.

3202.4.2 Selection of Employees: All persons considered for employment with the District shall be qualified to perform the duties of the position for which they are employed. Before reporting for their first day of work, employees may be required to undergo a medical examination and drug/psychoactive compound/alcohol testing, which confirms their ability to perform the essential functions of the job.

- a) **Right-To-Work Verification:** All employees must provide necessary documentation to prove identity and their right to work in the United States in accordance with Federal and State Immigration and Naturalization laws. Failure to provide such documentation will result in disqualification from selection or immediate termination.

3202.4.3 Probationary Period: The purpose of the probationary period is to give the District and the new employee the opportunity to determine whether employment relationship suits both parties. During the probationary period, the District evaluates the employee's job performance, and it is expected that the employee will use this time period to determine whether the District employment is satisfactory to him or her. Generally, employee evaluations may be performed at six (6) months after the date of hire and shall be performed at the end of the twelve (12) month probationary period. The

District Manager will conduct a written performance evaluation to ascertain the advisability of continued employment on a regular basis. However, written evaluations may be done at any time during the probationary period if determined to be necessary by the supervisor or the District Manager.

Regardless of whether the District Manager completes a written performance evaluation, probationary employees are at-will and the District retains the right to terminate employment with or without cause, during the probationary period, in accordance with California law. Similarly, the probationary employee can end his or her employment at any time with at least two (2) weeks' written notice.

New employees hired for regular positions serve a probationary period of twelve (12) months, commencing with their first day of employment. The District Manager, in conjunction with the employee's supervisor, may extend the probationary period one or more times if it is determined that such an extension is appropriate. The status of regular employment following the probationary period shall only occur after a successful evaluation has taken place, and only if confirmed in writing by the District.

Cayucos Sanitary District

POLICY HANDBOOK

Employment Practices

POLICY TITLE: Separation from District Employment
POLICY NUMBER: 3205
ADOPTION DATE:

3205.1 Resignation

To leave District service in good standing, an employee must file a written notice of resignation with the District Manager at least two (2) weeks before the effective date of separation of employment from the District. The District Manager may, however, grant good standing with less notice if they determine the circumstances warrant. Resignations may not be withdrawn without the District Manager's approval.

3205.2 Layoffs

If the District Board of Directors deems it necessary due to lack of work, lack of funds, or other economic reason, or because the necessity for a position no longer exists, any position of employment may be abolished. The employee holding such position may be laid off or offered the option of moving to another position within the District if a position is available and if the employee is qualified.

3205.2.1 Notification: Employees to be laid off will be given, whenever possible, at least fourteen (14) calendar days prior notice.

3205.2.2 Order of Layoff: Employees are generally laid off in the inverse order of their seniority in their classification in the department, although this order is subject to business needs. Seniority is determined based upon date of hire in the department. Within each class, and subject to business needs, employees will generally be laid off in the following order: temporary, part-time, probationary, and regular.

3205.2.3 Transfer in Lieu of Layoff: An employee affected by layoff may be transferred to a vacant position within the same or comparable classification, or a vacant position in any former classification, first within the affected department and then District-wide, which the employee once held as a regular employee, provided that the employee meets the minimum qualifications of said positions and the compensation is at the same or lower rate of pay.

3205.2.4 Re-employment Rights for Laid-Off Employees: Regular employees who have been laid off shall be automatically placed on a re-employment list for two (2) years from the date of layoff for the classification from which they were laid off.

3205.3 Dismissal of Employees

3205.3.1 Regular: A regular employee may be dismissed at any time by the District Manager for cause and after following the proper disciplinary termination procedures as outlined in § 3110 "Disciplinary Action/Demotion" of these policies.

3205.3.2 Probationary: A probationary employee may be terminated at any time during a probationary period without right of appeal or hearing. In case of such termination, the District Manager shall notify the probationary employee in writing that he or she is being separated from District service.

3205.3.3 Dismissal of the District Manager shall be as outlined in the employment agreement between the District Manager and the District.

3205.4 Employment Reference Checks

3205.4.1 Written Inquiries: All inquiries regarding a current or former District employee must be referred to the District Manager. Should an employee receive a written request for a reference, he or she must refer the request to the District Manager for handling. Employees may not issue a reference letter to any current or former employee without the permission of the District Manager.

3205.4.2 Telephone Inquiries: Under no circumstances should an employee release any information about a current or former employee over the telephone. All telephone inquiries regarding any current or former employees of the District must be referred to the District Manager.

3205.4.3 Verification: In response to an outside request for information regarding a current or former District employee, the District Manager will only verify an employee's name, date of employment, and job title. No other data regarding any current or former District employee will be released unless the employee authorizes the District to release such information in writing, or the District is required by law to furnish any information.

3205.4.4 Personal Reference: If, however, an employee is contacted to give a personal reference regarding a current or former District employee, they are permitted to do so and should emphasize to the inquirer that the reference is personal only and not on behalf of the District. Failure to follow these directions may be cause for disciplinary action up to and including termination.

Cayucos Sanitary District

POLICY HANDBOOK

Financial Management

POLICY TITLE: Debt Management Policy
POLICY NUMBER: 4125
ADOPTION DATE:

This Debt Policy is intended to comply with Government Code Section 8855(i) and shall govern all debt issued by the District. The District hereby recognizes that a fiscally prudent debt policy is required to:

- a) Maintain the District's sound financial position.
- b) Ensure the District has the flexibility to respond to changes in future service priorities, revenues, and operating expenses.
- c) Protect the District's credit-worthiness.
- d) Ensure that all debt is structured to protect current and future taxpayers, ratepayers and constituents of the District.
- e) Ensure that the District's debt is consistent with the District's planning goals and objectives and capital improvement program or budget, as applicable.

This policy establishes parameters and provides guidance governing the issuance, management, continuing evaluation of, refunding, and reporting on all debt obligations of the District. This Debt Policy shall guide the assurance and management of all debt funded through the capital markets, including the selection and management of related financial and advisory services and products. When used in this Debt Policy, "debt" refers to all indebtedness and financing obligations of the District.

4125.1 Purposes for Which Debt May Be Issued

4125.1.1 Long-Term Debt: Long-term debt may be issued to finance the construction, acquisition, and rehabilitation of capital improvements and facilities, equipment and land to be owned and operated by the District. Long-term debt financings are appropriate:

- a) When a project to be financed is necessary to provide District services.
- b) When the project to be financed will benefit constituents over several years.
- c) When total debt does not constitute an unreasonable burden to the District and its taxpayers or ratepayers.
- d) When the debt is used to refinance outstanding debt to reduce the total cost of the debt or to realize other benefits of a debt restructuring, such as increased flexibility in the use of cash and reserves.

4125.1.1.2 Long-term debt financings will not generally be considered appropriate for current operating expenses and routine maintenance expenses. The District may use long-term debt financings subject to the following conditions:

- a) The project to be financed must be approved by the District Board.
- b) The weighted average maturity of the debt (or the portion of the debt allocated to the project) will not exceed the average useful life of the project to be financed by more than 20%.

- c) The District estimates that sufficient revenues will be available to service the debt through its maturity.
- d) The District determines that the issuance of the debt will comply with the applicable state and federal law.

4125.1.2 Short-term Debt: Short-term debt may be issued to provide financing for the District's operational cash flows to maintain a steady and even cash flow balance as in anticipation of periodic receipts of property taxes and other revenues. Short-term debt may also be used to finance short-lived capital projects; for example, the District may undertake lease-purchase financing for equipment consistently with debt limit requirements of Article XVI of the California Constitution, Article XVI, § 18.

4125.1.3 Financings on Behalf of Other Entities: The District may also find it beneficial to issue debt on behalf of other governmental agencies or private third parties to further the public purposes of District. In such cases, the District shall take reasonable steps to confirm the financial feasibility of the project to be financed and the financial solvency of any borrower and that the issuance of such debt is consistent with this policy.

4125.2. Types of Debt

The following types of debt are allowable under this Debt Policy:

- a) General obligation bonds (GO Bonds)
- b) Bond or grant anticipation notes (BANs)
- c) Lease revenue bonds, certificates of participation (COPs) and lease-purchase transactions
- d) Other revenue bonds and COPs
- e) Tax and other revenue anticipation notes (TRANS)
- f) Land-secured financings, such as special tax revenue bonds issued under the Mello-Roos Community Facilities Act of 1982, as amended, and limited obligation bonds issued under applicable assessment statutes
- g) Tax increment financing to the extent permitted under State law
- h) Refunding Obligations
- i) State Revolving Loan Funds
- j) Lines of Credit

4125.2.1 The District Board may from time to time find that other forms of debt would be beneficial to further its public purposes and may approve such debt without an amendment of this Debt Policy. Debt shall be issued as fixed rate debt unless the District makes a specific determination as to why a variable rate issue would be beneficial to the District in a specific circumstance.

Cayucos Sanitary District

POLICY HANDBOOK

Financial Management

POLICY TITLE: Records Retention
POLICY NUMBER: 4190
ADOPTION DATE:

Records Retention

4190.1 The purpose of this policy is to provide guidelines to staff regarding the retention or disposal of District records; provide for the identification, maintenance, safeguarding and disposal of records in the normal course of business; ensure prompt and accurate retrieval of records; and, ensure compliance with legal and regulatory requirements.

4190.2 Vital and important records, regardless of recording media, are those having legal, financial, operational, or historical value to the District.

4190.3 The District Manager is authorized by the Board of Directors to interpret and implement this policy, and to cause to be destroyed any or all such records, papers and documents that meet the qualifications governing the retention and disposal of records, specified below [and under applicable law](#), after consultation with the District Counsel.

4190.4 If a new record series arises at the District that is not included on the attached Records Retention Schedule (Appendix "E") and/or an amendment needs to be made to a current record series, upon approval by District Counsel, the amendment(s) and/or new records series shall be incorporated into the Records Retention Schedule.

4190.5 ~~Pursuant to~~[Under](#) the provisions of Government Code §§ 60200 through 60203, and the guidelines prepared by the State Controller's office and the Controller's Advisory Committee for Special Districts, the following qualifications will govern the retention and disposal of records of the District:

4190.5.1 Duplicate records, papers and documents may be destroyed at any time without Board authorization, advice of the District Counsel, or copying to photographic or electronic media.

4190.5.2 Originals of records, papers and documents more than two years old that were prepared or received in any manner other than ~~pursuant to~~[under](#) State or Federal statute may be destroyed without the necessity of copying to photographic or electronic media except for permanent records of the District as defined in this policy [and under applicable law](#).

4190.5.3 In no instances are records, papers or documents to be destroyed where there is a continuing need for such records for such matters as pending litigation, special projects, etc.

4190.5.4 Records, papers or documents which are not expressly required by law to be filed and preserved may be destroyed if all of the following conditions are met:

- a) The record, paper or document is photographed, micro-photographed, reproduced on film of a type approved for permanent photographic records by the National Bureau of Standard, or copied to an approved electronic media,
- b) The device used to reproduce such record, paper or document on film, or retrieves and prints the document from the electronic media, is one which accurately reproduces the original thereof in all details; and,
- c) The photographs, micro-photographs, or other reproductions on film are placed in conveniently accessible files and provisions are made for preserving, examining, and using the same, together with documents stored via electronic media.

4190.6 Minutes of the meetings of the Board of Directors are usually retained indefinitely in their original form. However, they may, upon the District Manager's authorization, be destroyed if they are digitally stored as provided for in section [2145-44190.5.4](#), above. Recording tapes (or other media) of Board meetings will be kept for a period of one year from the date of the recorded meeting, after which they will be destroyed.

4190.7 No District official or employee has, by virtue of their position, any personal rights to District records even though they may have created or compiled them. The unauthorized destruction, removal, or use of such records is prohibited.

[4190.8](#) For records existing in paper form, retention periods apply to the original paper copy only. Drafts (i.e., initial or preliminary versions) may be disposed of at any time. Duplicate copies and electronic copies may be disposed of at any time at the discretion of the District's management unless the original has been lost. Electronic records will be retained as if they were paper documents. Therefore, any electronic files, including emails that fall into one of the document types in this Policy will be maintained for the appropriate amount of time.

[4190.9](#) **Confidentiality.** The District is committed to ensuring the security and confidentiality of all records within its custody or control containing personal, confidential, or proprietary information. When such records are due to be destroyed under this Policy, they will be shredded, erased, or otherwise modified or destroyed to make them unreadable or undecipherable through any means.

4190.10 **Exceptions**

[4190.10.1](#) **Legal Requirements.** To the extent that any applicable laws exceed the retention periods in this Policy, the applicable laws will control.

[4190.10.2](#) **Legal Hold.** All records required to be retained due to pending or threatened litigation or investigation shall be retained for so long as the legal hold is active.

[4190.10.3](#) **Contractual Requirements.** To the extent that contractual records retention requirements exceed the retention periods in this Policy or specify the retention of records not listed in this Policy, the contractual requirements will control. No originals of records related to open contracts and subject to contractual retention requirements may be destroyed without the approval of the District Manager who will consult with other District personnel as necessary.