



Pursuant to Governor Newsom's Executive Order N-29-20, members of the Board of Directors and staff will participate in this meeting via a teleconference. Members of the public can comment when prompted by unmuting their microphone, and allowing access to their webcam is optional.

## CAYUCOS SANITARY DISTRICT

200 Ash Avenue  
PO Box 333  
Cayucos, California 93430-0333  
805-995-3290

### GOVERNING BOARD

R. Enns, President  
D. Chivens, Vice-President  
S. Lyon, Director  
R. Frank, Director  
H. Miller, Director

BOARD OF DIRECTORS  
REGULAR MEETING AGENDA  
**THURSDAY, APRIL 16 AT 5:00PM**  
200 ASH AVENUE, CAYUCOS, CALIFORNIA 93430

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<https://www.gotomeet.me/CayucosSanitaryDistrict/csd-bod-regular-meeting-april-16-2020--500pm>

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**Access Code:** 485-147-301

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

**2. PUBLIC COMMENTS:**

This is the time the public may address the Board on items other than those scheduled on the agenda. By conditions of the Brown Act the Board may not discuss issues not posted on the agenda, but may set items for future agendas.

**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 February 20, 2020 Board of Directors Regular Meeting

**B. Financial Reports: February 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

Pursuant to Governor Newsom's Executive Order N-29-20, members of the Board of Directors and staff will participate in this meeting via a teleconference. Members of the public can comment when prompted by unmuting their microphone, and allowing access to their webcam is optional.

- C. **Financial Reports: March 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
4. **STAFF COMMUNICATIONS AND INFORMATION ITEMS: (NO ACTION REQUIRED)**
- A. District Manager's Report (Koon) – **February 2020** and **March 2020**
  - B. Monthly Customer Satisfaction Survey Submissions – **None**
  - C. Will-Serves – New
    - Gottlieb, APN 064-484-001, 871 N Ocean Ave. – SFR New**
    - Riley, APN 064-201-072, 2651 Richard Ave. – SFR New**
    - Borek, APN 064-221-013, 34 11<sup>th</sup> St. – SFR Addition**
    - Payton, APN 064-232-028, 48 18<sup>th</sup> St. – SFR New**
    - Rittger, APN 064-264-011, 225 Hacienda Dr. – SFR New**Will-Serves – Renewed
    - Wolowodiuk, APN 064-154-020, 1073 Pacific Ave. – SFR New**
    - Smith, APN 064-225-009, 1501 Pacific Ave. – SFR Addition**
    - Lawrence, APN 064-129-004, 162 J St. – SFR Addition**
    - Crowley, APN 064-449-008, 3596 Studio Dr. – SFR New**Will-Serves – Finaled
    - Circle M Enterprises, APN 064-143-011, 449 Pacific Ave. – SFR New**
    - Wagenen, APN 064-134-008, 460 Saint Mary Ave. – SFR Addition**Will-Serves – Continue to Serve (No Will-Serve Required)  
**None**
5. **DISCUSSION AND CONSIDERATION TO APPROVE PAYMENT OF MORRO BAY INVOICE FOR 2<sup>ND</sup> QUARTER OF FY 2019-2020 IN THE AMOUNT OF \$95,362.07**
6. **DISCUSSION AND CONSIDERATION OF ESTABLISHMENT OF AN AD HOC COMMITTEE TO EVALUATE AND IDENTIFY POSITIONS TO BE CREATED AND ACTIONS NECESSARY TO INTEGRATE OPERATIONS OF THE CAYUCOS SUSTAINABLE WATER FACILITY INTO THE DISTRICT'S ORGANIZATIONAL STRUCTURE**
7. **DISCUSSION AND CONSIDERATION TO APPROVE QUITCLAIM DEED ELIMINATING REPURCHASE RIGHTS FOR LOT 6SW HELD BY CHEVRON LAND AND DEVELOPMENT COMPANY**
8. **DISCUSSION AND CONSIDERATION TO APPROVE QUITCLAIM DEED ELIMINATING EASEMENT RIGHTS OWNED BY CHEVRON LAND AND DEVELOPMENT COMPANY APPURTENANT TO LOT 1**
9. **DISCUSSION AND CONSIDERATION TO AWARD THE LIFT STATION 5 CONSTRUCTION CONTRACT AND TO APPROVE THE CONSTRUCTION CONTRACT (STIPULATED PRICE)**
10. **CAYUCOS SUSTAINABLE WATER PROJECT STATUS UPDATE**
11. **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.)

Pursuant to Governor Newsom's Executive Order N-29-20, members of the Board of Directors and staff will participate in this meeting via a teleconference. Members of the public can comment when prompted by unmuting their microphone, and allowing access to their webcam is optional.

**12. FUTURE SCHEDULED MEETINGS**

- May 21, 2020 – Regular Board Meeting
- June 18, 2020 – Regular Board Meeting
- July 16, 2020 – Regular Board Meeting

**13. ADJOURNMENT**

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This agenda was prepared and posted pursuant to Government Code Section 54954.2. The agenda can be accessed and downloaded from the District's website at [www.cayucosssd.org/](http://www.cayucosssd.org/)

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All staff reports or other written documentation relating to each item of business referred to on the agenda are on file in the District's office and are available for public inspection and 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 93430-0333  
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, February 20, 2020  
5:00 p.m.

### 1. ESTABLISH QUORUM AND CALL TO ORDER

President Enns called the meeting to order at 4:58p.m.

Board members present: President Robert Enns, Director Shirley Lyon, Vice-President Dan Chivens, Director Robert Frank and Director Hannah Miller.

Staff present: District Manager Rick Koon, and Administrative Office Manager Danielle Crawford.

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

### 2. PUBLIC COMMENTS

Enns opened the meeting to Public Comments.

Julie Tacker – Los Osos – requested that the District post the entire Board packet on the District website and asked for agendas to be emailed directly to her on a regular basis.

Hearing no further comments, 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 December 13, 2019 Board of Directors Special Meeting.
2. Approval of Minutes for the January 16, 2020 Board of Directors Regular Meeting.

#### B. Financial Reports: January 2020

1. Check Register – Rabobank (General Checking Account)
  - a. Check Register – Wells Fargo (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 Comments.

Julie Tacker – Los Osos – requested an explanation as to what the payment to Tim Carmel is inclusive of. She asked specifically what services he provided for the disbursement listed on the January check register.

Hearing no further comments, President Enns closed Public Comment.

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

**VOTE 5-0** Motion passed

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

A. District Manager’s Report – January 2020

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

C. Will Serves – New

**Williams, APN 064-221-003, 33 12<sup>th</sup> St. – SFR New**

**Brindley, APN 064-432-053, 3486 Shearer Ave. – SFR New**

Will Serves – Renewed

**J. Tenbroeck, INC., APN 064-204-032, 2788 Richard Ave. – SFR New**

Will Serves – Finaled

**None**

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

**None**

Manager Koon gave a verbal report for the month of January’s Admin and Operations Departments’ activities. He mentioned a recent public records request, and then discussed the outcome of the LAFCO meeting he had regarding the 5 lots on Gilbert between Davies and Chaney which are not currently within District’s sphere of influence. He said that a private 10-foot easement will be required along the Gilbert frontage which will allow property owners to install their own private force main into the District main. Once the minor use permits have been approved by SLO County Public Works and Planning Departments, the individual property owners may see annexation to the District from LAFCO and the District will place its conditions on the lots at that time. Koon also talked about a recent interview held by the O&M Department saying the District chose not to hire the candidate based on his lack of experience but may consider hiring him for an entry level position. He then showed the Board a sample shirt, informing them that the O&M Department’s new uniforms had arrived.

President Enns opened the meeting to Public Comments.

Hearing no comments, President Enns closed Public Comment.

Items 4 A through C were received and accepted.

**5. DISCUSSION AND CONSIDERATION TO ADOPT DISTRICT PERSONNEL POLICY 3455 “LACTATION ACCOMMODATION POLICY” PER LABOR CODE 1034, AND SB142 WHICH WENT INTO EFFECT JANUARY 1, 2020.**

Koon discussed the necessity in approving this policy per the new SB142 legislation.

Enns said he hadn't found anything in the staff report showing how the District would accommodate such a request.

Koon discussed the possible use of a "Lactation Pod" to accommodate a requestor.

President Enns opened the meeting to Public Comments.

Julie Tacker – mentioned that any "Pod" implementation will have costs associated with it. She said she's curious how much one would cost and asked where the funds would come from.

Hearing no further comments, President Enns closed Public Comment.

**MOTION:** 1st by Lyon, to adopt District Personnel Policy 3455 "Lactation Accommodation Policy" per Labor Code 1034. Motion was seconded by Miller.

**VOTE 5-0** Motion passed

**6. CONSIDERATION TO ACCEPT THE MORRO BAY/CAYUCOS JOINT POWERS AGREEMENT FISCAL YEAR 2018/19 AUDIT.**

**Recommendation: Accept the Fiscal Year 2018/19 Audit**

Koon briefly went over the JPA / WWTP audit.

Enns questioned Koon whether a depreciation schedule is based on the plant in 1954 or inclusive of the 1982 upgrade. He also asked staff to clarify whether the JPA dictates separate auditors for the City of Morro Bay audit, and the WWTP audit.

There was no clear answer regarding the basis of their depreciation calculations.

Crawford said she would investigate and inform at the next Board meeting.

President Enns opened the meeting to Public Comments.

Hearing none, Public Comments was closed.

Audit was a receive and file, no motion necessary.

**7. DISCUSSION AND CONSIDERATION TO APPROVE EMPLOYMENT AGREEMENT WITH RICHARD L. KOON (DISTRICT MANAGER/CAPITAL PROJECTS MANAGER).**

Enns said the Ad Hoc Committee looked into the issue.

Miller said Ad Hoc met several times with Koon and District Counsel and after researching, the Ad Hoc recommends approval.

Enns received Julie Tacker's letter into the minutes.

President Enns opened the meeting to Public Comments.

Julie Tacker – Disagrees with the Ad Hoc Committee saying she thinks legal counsel should be at this meeting. She referred to page 2, section 4 of her letter stating doesn't feel Koon meets the "ABC" test. She said her letter asked that money paid to Mr. Koon be returned to rate payors based on her findings and cautioned the Board not to sign this contract. Ms. Tacker said she doesn't understand why legal counsel isn't present tonight and suggested Mr. Koon retain his own legal counsel. Lastly, she added that this contracted position is not budgeted for.

John Curti – Cayucos – was upset with Ms. Tacker's comments. He said that he has been attending these meetings for a long time and felt she is not getting the whole picture. Mr. Curti asked Ms. Tacker what she is trying to "cure, fix, or amend," what is the point of her letter. He said he had not seen her letter yet.

Ms. Tacker handed Mr. Curti a copy of her letter.

Hearing no further comments, President Enns closed Public Comment.

Chivens commented that he's under the impression that legal counsel is recommending this contract and the Board should be going with his recommendation as well.

Enns said that legal counsel will stand behind his document.

Lyon asked Koon if the District budgeted anything for this contract.

Enns said it's under the "Consulting Services" in budget, not under Admin salaries, but the money is in the budget.

Chivens said he foresees many capital improvement projects after the CSWP is completed so the District will continue to need Mr. Koon's services.

Enns said that if the District is not doing any capital improvement projects the Board can reduce Mr. Koon's salary. He mentioned if Koon were to leave, he would just go to work for WSC and the District would be paying much more in WSC bills according to their rates.

**MOTION:** 1st by Miller, to approve employment agreement with Richard L. Koon (District Manager/Capital Projects Manager). Motion was seconded by Chivens.

**VOTE 5-0** Motion passed

Enns thanked Ms. Tacker for her comments and said they will take them into consideration.

**8. DISCUSSION AND CONSIDERATION OF RESOLUTION 2020-1 AMENDING DISTRICT SALARY SCHEDULE TO ESTABLISH A PAY SCHEDULE FOR THE POSITION OF DISTRICT MANAGER/CAPITAL PROJECTS MANAGER.**

Miller made a comment that the typo in the Resolution 2020-1 Exhibit A needs to be fixed to reflect 40 hours and not 32 hours.

President Enns opened the meeting to Public Comments.

Julie Tacker – said 32 hours is all that’s expected of Koon and with the contract now stating 40 hours, the District will have problems.

John Curti – said that he has been in financial management for many years and has been attending these meetings for the past 3. He said the District is getting a hell of a bargain. John said “look at our neighbors” referencing City of Morro Bay. He said, “Mr. Koon is top notch and an absolute bargain.” He reiterated that Mr. Koon was an absolute bargain for the District, the project is on time and within budget. He told Ms. Tacker to “stop nit-picking.”

Hearing no further comments, President Enns closed Public Comment.

**MOTION:** 1st by Lyon, to adopt Resolution 2020-1 amending the District salary schedule to establish a pay schedule for the position of District Manager/Capital Projects Manager. Motion was seconded by Miller.

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

**VOTE 5-0** Motion passed.

**9. DISCUSSION AND CONSIDERATION TO APPROVE A MEMORANDUM OF UNDERSTANDING FOR PUBLIC OWNERSHIP FOR LOT 6SW BETWEEN THE CAYUCOS SANITARY DISTRICT, THE TRUST FOR PUBLIC LAND, THE CITY OF MORRO BAY, AND CHEVRON LAND AND DEVELOPMENT COMPANY.**

Koon went over the Memorandum of Understanding (MOU) with the Board summarizing that the District will be reimbursed roughly four to five hundred thousand dollars in early April 2020 when the Trust for Public Lands (TPL) purchases lots 6SW and 6N.

Enns commented that one document says the TPL is going to give it to the City of Morro Bay while another document states the TPL is going to sell it.

Koon said the TPL is going to sell it for one dollar.

Miller questioned the paragraph of the MOU where it states the MOU is just an expression of current intent of the parties but does not constitute an agreement that is legally binding.

Koon said that will happen at their next meeting.

Miller stated that she was very excited about this claiming that it benefits the District and people driving by. She said that implementing this MOU will not only preserve the dog beach, it will also create a new bike path as well.

President Enns opened the meeting to Public Comments.

Hearing none, Public Comments was closed.



**MOTION:** 1st by Lyon, to approve a Memorandum of Understanding for public ownership for lot 6SW between the Cayucos Sanitary District, the Trust for Public Land, the City of Morro Bay, and Chevron Land and Development Company. Motion was seconded by Frank.

**VOTE 5-0** Motion passed

**10. DISCUSSION AND CONSIDERATION TO APPROVE THE FIRST OFFER FOR CALTRANS CONSTRUCTION EASEMENT ON LOT 6N FOR THE TORO CREEK BRIDGE REPLACEMENT.**

Koon went over his staff report regarding the CalTrans bridge project ensuring the Board that there will be no construction until CalTrans has a new agreement in place.

President Enns opened the meeting to Public Comments.  
Hearing none, Public Comments was closed.

**MOTION:** 1st by Chivens, to approve the first offer for CalTrans construction easement on lot 6N for the Toro Creek Bridge replacement. Motion was seconded by Miller.

**VOTE 5-0** Motion passed

**11. REVIEW AND DISCUSS DRAFT REGIONAL WATER QUALITY CONTROL BOARD NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) PERMIT FOR THE CAYUCOS SUSTAINABLE WATER PROJECT.**

Koon discussed the draft NPDES permit recommending that the Board President, District Counsel, Dylan Wade from WSC, and himself attend the Regional Water Quality Control Board's May 7, 2020 meeting together in order to comment on this topic during their Public Comment period.

Enns asked if the requirement is to be 100 percent recyclable.

Koon said yes, in 10 years but what the RWQCB considers to be "100 percent recyclable" is unclear in the requirements.

Wade went over some of the specific requirements saying that there are a few of them he doesn't think are legal. He said he'd done some research as far as finding knowledgeable legal counsel for this and suggested Larry Walker & Associates, and one other. He then went over some of the areas which he felt the District had several "wins" in the draft.

Miller asked Wade to explain the difference between secondary and tertiary to the public.

Wade gave a brief explanation regarding the difference between the two treatment methods. He also said he will draft additional questions and write a comment letter.

Koon went over his Staff Report and recommends allowing them to attend the meeting.

Enns agreed they should attend the meeting, adding that the Cayucos Sanitary District should pay for Tertiary testing but any additional testing costs should be on RWQCB.

President Enns opened the meeting to Public Comments.  
Hearing none, Public Comments was closed.

No motion required, Board approved attendance by consensus.

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

Koon went over the current happenings at the CSWP site mentioning that the contractors will be pouring the dewatering building in two weeks, and that Lift Station 5 has been brought up to grade. Factory testing will happen sometime in April. He mentioned that REC Solar is moving along. Koon also stated that the District will need to start phasing in six months' worth of treatment plant operations costs and staff salaries into the next Fiscal Year's budget. He said a committee will need to be formed as well.

Wade talked about Lift Station 5 going out to bid, will be sending notices out next week and bids will be due the first week of April so that they can bring it to the Board at the April 16, 2020 Board meeting.

Koon said they are also working on the SCADA system.

Enns commented that he recently visited the site and met with Les Cushman. He said that Mr. Cushman had mentioned to him that CCC has been in business over 60 years and have never been late on a project.

President Enns opened the meeting to Public Comments.

Hearing none, Public Comments was closed.

## **13. 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.)

None

## **14. FUTURE SCHEDULED MEETINGS.**

- March 19, 2020 – **Regular Board Meeting**
- April 16, 2020 – **Regular Board Meeting**
- May 21, 2020 – **Regular Board Meeting**

## **15. ADJOURNMENT**

The meeting adjourned at 6:42p.m.

**Minutes Respectfully Submitted By:**

X

Danielle Crawford  
Administrative Office Manager

**Cayucos Sanitary District**  
**General Checking Account**  
**(Payments Only)**  
**March 2020**

AGENDA ITEM: 3.B.1

DATE: April 16, 2020

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
03/01/2020	21447	POSTMASTER	-571.14
03/02/2020	B2006297185	ALLIED ADMINISTRATORS FOR DELTA DENTAL	-424.48
03/02/2020	21467	MINER'S ACE HARDWARE	-53.79
03/02/2020	21468	QUICK TECH COMPUTERS	-525.00
03/02/2020	21469	KITZMAN WATER	-37.70
03/02/2020	21470	CAYUCOS SANITARY DISTRICT	-264.00
03/03/2020	21472	CHARTER INTERNET	-114.98
03/03/2020	21473	MISSION UNIFORM SERVICE	-26.60
03/03/2020	21474	STREAMLINE	-200.00
03/03/2020	21475	FERGUSON ENTERPRISES, INC.	-533.36
03/03/2020	21476	WELLS FARGO VENDOR FIN SERV	-213.43
03/03/2020		Rabobank ACH Fee	-123.50
03/05/2020	HLTH030520	CALPERS (HEALTH)	-9,178.47
03/05/2020		QuickBooks Payroll Service	-8,027.37
03/05/2020	21477	SCP DISTRIBUTORS LLC	-225.44
03/06/2020	21465	ENNS, ROBERT	-91.35
03/06/2020	DD03062003	FRANK, ROBERT W	0.00
03/06/2020	DD03062001	COLLINS, JONATHAN W	0.00
03/06/2020	DD03062002	CRAWFORD, DANIELLE C	0.00
03/06/2020	DD03062004	GOOD, GAYLE	0.00
03/06/2020	DD03062005	LAKEY, NICK E	0.00
03/06/2020	DD03062007	NELSON, AMY M	0.00
03/06/2020	21464	CHIVENS, DAN P	-91.35
03/06/2020	21466	LYON, SHIRLEY A	-91.35
03/06/2020	DD03062006	MILLER, HANNAH P	0.00
03/06/2020	EDD03062020	EDD	-476.06
03/06/2020	FED03062020	US TREASURY	-2,837.12
03/06/2020	21478	MORRO ROCK MUTUAL WATER CO. UTILITY 782	-75.51
03/06/2020	21479	NELSON'S GARAGE	-198.80
03/06/2020	PERS030620	CALPERS (RETIREMENT)	-1,953.06
03/06/2020	DEF030620	CALPERS (RETIREMENT)	-925.00
03/09/2020	21480	PACIFIC HEATING AND SHEET METAL	-197.36
03/09/2020	21481	PG&E LS#1	-409.33
03/09/2020	21482	PG&E LS#2	-738.35
03/09/2020	21483	PG&E LS#3	-169.96
03/09/2020	21484	PG&E LS#4	-377.05
03/09/2020	21485	PG&E LS#5	-1,352.62
03/09/2020	21486	PG&E OFFICE	-191.14
03/09/2020	21487	CAYUCOS SANITARY DISTRICT WELLS FARGO ACT	-100,000.00
03/09/2020	21489	PATHIAN ADMINISTRATORS	-124.11
03/11/2020	21488	MISSION UNIFORM SERVICE	-26.60
03/11/2020	21490	CALNET3	-292.18
03/12/2020	21491	AT&T MOBILITY	-162.49
03/12/2020	21492	CARMEL & NACCASHA LLP	-6,203.00

Sanitary District  
**General Checking Account**  
**(Payments Only)**  
**March 2020**

Date	Num	Name	Amount
03/16/2020	21494	PROJECT SERVICES, INC.	-3,800.00
03/17/2020	21495	ADVANTAGE ANSWERING PLUS	-81.10
03/17/2020	21496	MISSION UNIFORM SERVICE	-26.60
03/17/2020	21497	PETTY CASH	0.00
03/19/2020		QuickBooks Payroll Service	-12,614.85
03/19/2020		QuickBooks Payroll Service	-2,072.68
03/20/2020	DD03202001	COLLINS, JONATHAN W	0.00
03/20/2020	DD03202002	CRAWFORD, DANIELLE C	0.00
03/20/2020	DD03202003	GOOD, GAYLE	0.00
03/20/2020	DD03202005	LAKEY, NICK E	0.00
03/20/2020	DD03202006	NELSON, AMY M	0.00
03/20/2020	DD03202004	KOON, RICHARD L	0.00
03/20/2020	EDD03202020	EDD	-1,208.02
03/20/2020	FED03202020	US TREASURY	-5,625.20
03/20/2020	DD03202007	CRAWFORD, DANIELLE C	0.00
03/20/2020	EDD032020b	EDD	-193.08
03/20/2020	FED032020b	US TREASURY	-904.60
03/23/2020	21498	BUSINESS CARD 8913	-84.86
03/23/2020	21499	BUSINESS CARD 9841	-97.04
03/23/2020	21500	COASTAL COPY, INC	-55.23
03/23/2020	21501	CAYUCOS SANITARY DISTRICT WELLS FARGO ACT	-125,000.00
03/23/2020	21502	RICHARD SILVA	-5.38
03/24/2020	21503	MISSION UNIFORM SERVICE	-26.60
03/25/2020	21504	EXECUTIVE JANITORIAL	-180.00
03/26/2020	21505	STAPLES ADVANTAGE (Gov. Acct)	-61.99
03/26/2020	21506	COOK BACKFLOW SERVICES	-300.00
03/26/2020	21507	SOCAL GAS	-26.43
03/26/2020	11062388902	COLONIAL LIFE INSURANCE PREMIUMS	-172.20
03/27/2020	PERS032020	CALPERS (RETIREMENT)	-3,094.12
03/27/2020	DEF032020	CALPERS (RETIREMENT)	-925.00
03/30/2020	EDD04032021	EDD	-1,208.01
03/30/2020	FED04032020	US TREASURY	-5,625.14
03/31/2020	21508	LAKEY, NICK E	-13.23
03/31/2020	21509	CAYUCOS BEACH MUTUAL WATER CO. #1	-90.30
03/31/2020	21510	CAYUCOS BEACH MUTUAL WATER CO. #2	-103.66
03/31/2020	21511	MISSION UNIFORM SERVICE	-26.60
03/31/2020	21512	STAPLES ADVANTAGE (Gov. Acct)	-408.79
03/31/2020	21513	EXXONMOBIL	-536.53
03/31/2020		Rabobank Scanner Fee	-50.00
<b>Total Operating Expenses</b>			<b>-527,120.29</b>
<b>Total CIP Expenses</b>			<b>225,000.00</b>
<b>Grand Total</b>			<b>-\$302,120.29</b>

CIP/CSWP Account  
(Payments Only)  
March 2020

AGENDA ITEM: 3.B.1a  
DATE: April 16, 2020

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
03/03/2020	11397	FIRMA CONSULTANTS, INC	-1,805.00
03/11/2020	11398	MORAES PHAM & ASSOCIATES	-19,600.00
03/11/2020	11399	WATER SYSTEMS CONSULTING, INC.	-990.00
03/11/2020		Wells Fargo Analysis Fee	-15.48
03/16/2020	11400	PROJECT SERVICES, INC.	-16,200.00
		<b>Total CIP Expenses</b>	<b>-38,610.48</b>

CSWP Construction Account  
(Payments Only)  
March 2020

AGENDA ITEM: 3.B.1b

DATE: April 16, 2020

Date	Num	Name	Amount
03/02/2020	5120	RANCH WIFI	-135.00
03/02/2020	5121	MOBILE MODULAR MANAGEMENT CORPORATION	-900.59
03/04/2020	5122	COASTAL COPY, INC	-37.96
03/11/2020	5123	CALNET3	-42.49
03/11/2020		Wells Fargo Anaylsis Fee	-23.50
03/12/2020	5128	PG&E TORO	-449.54
03/12/2020	5129	CARMEL & NACCASHA LLP	-1,797.70
03/13/2020	5124	CUSHMAN CONTRACTING CORPORATION	-704,739.00
03/13/2020	5125	DAVID CRYE GENERAL ENGINEERING CONTRACTOR	-30,875.00
03/13/2020	5126	GEOSOLUTIONS, INC	-13,977.95
03/13/2020	5127	WATER SYSTEMS CONSULTING, INC.	-112,806.22
03/17/2020	5131	PG&E LS#5 - 165 TORO	-12,768.28
03/17/2020	5130	WELLS FARGO VENDOR FIN SERV	-249.98
03/31/2020	5132	MOBILE MODULAR MANAGEMENT CORPORATION	-900.59
<b>Total CSWP Construction Expenses</b>			<b>-879,703.80</b>

**Cayucos Sanitary District  
FY 19/20 Financial Report  
March 2020**

AGENDA ITEM: <u>3.B.3</u>
DATE: <u>April 16, 2020</u>

	Current Month	YTD Actual Rev/Exp	YTD Budget	Approved Budget 19/20	% of Budget
<b>Ordinary Income/Expense</b>					
<b>Income</b>					
4000 · SEWER INCOME	239,578	2,162,121	2062020	2,749,360	79
4100 · WILL SERVE INCOME	225	26,305	31350	41,800	63
4200 · RENTAL INCOME	5,959	36,063	27150	36,200	100
4300 · SOLID WASTE INCOME	12,244	67,533	53100	70,800	95
4400 · SLOCO TAX ASSESSMENTS	28,262	651,308	689100	918,800	71
4500 · SAVINGS INTEREST INCOME	9	162	150	200	81
4600 · INVESTMENT INTEREST	6,081	64,299	55350	73,800	87
4700 · OTHER INCOME	-	39,063	56	75	75
<b>Total Income</b>	<b>292,358</b>	<b>3,046,853</b>	<b>2918276</b>	<b>3,891,035</b>	<b>52084%</b>
<b>Expense</b>					
5000 · PAYROLL EXPENSES					
5100 · ADMINISTRATIVE PAYROLL	25,475	148,072	159315	212,420	70%
5200 · COLLECTIONS PAYROLL	10,346	115,562	160050	213,400	54%
5400 · DIRECTOR PAYROLL	500	5,100	6000	8,000	64%
5500 · VESTED PAYROLL BENEFITS	374	3,656	3750	5,000	73%
5600 · ADMIN PAYROLL TAXES & BENEFITS	8,711	79,718	73538	98,050	81%
5700 · COLL PAYROLL TAXES & BENEFITS	5,501	74,065	82725	110,300	67%
5900 · DIRECTOR PAYROLL TAXES & BENEFITS	38	390	319	425	92%
<b>Total 5000 · PAYROLL EXPENSES</b>	<b>50,946</b>	<b>426,564</b>	<b>485696</b>	<b>647,595</b>	<b>66%</b>
6000 · OPERATING EXPENSES					
6050 · SPECIAL PROJECTS	-	-	12000	16,000	0%
6100 · ADMIN OPERATING EXPENSES	10,145	157,481	261788	349,050	45%
6500 · COLLECTIONS OPERATING EXPENSES	5,154	75,606	161363	215,150	35%
7000 · TREATMENT OPERATING EXPENSES	-	84,667	529875	706,500	12%
<b>Total 6000 · OPERATING EXPENSES</b>	<b>15,299</b>	<b>317,754</b>	<b>965,025</b>	<b>1,286,700</b>	<b>25%</b>
<b>Total Expense</b>	<b>66,245</b>	<b>744,317</b>	<b>1,450,721</b>	<b>1,934,295</b>	<b>38%</b>
<b>Net Ordinary Income</b>	<b>226,113</b>	<b>2,302,536</b>	<b>1,467,555</b>	<b>1,956,740</b>	<b>118%</b>
<b>Net Income</b>	<b>226,113</b>	<b>2,302,536</b>	<b>1,467,555</b>	<b>1,956,740</b>	<b>118%</b>

## Cayucos Sanitary District Cash, Savings and Investment Report March 2020

Agenda No. 3.B.2  
Date: April 16, 2020

Bank Accounts	Current Balance
Rabobank Checking	\$196,905
Wells Fargo CIP	\$1,117,484
Wells Fargo CFF	\$179,001
Petty Cash	\$175
LAI F	\$8,344
<b>Total</b>	<b>\$1,501,909</b>

CSWP Project/Asset Accounts	
Western Alliance Const. Interest Reserve	\$686,595
Western Alliance Series A Account	\$10,730,757
Western Alliance Series A-1 Account	\$1,000,899
Western Alliance Series B Account	\$0
WF CSWP Constr. Oper. Acct.	\$110,409
WF CSWP Constr. Impound Acct.	\$323,471
<b>Total</b>	<b>\$12,852,131</b>

Investments	Current Balance	
Wells Fargo CalTrust	\$1,655,012	(Includes 4 Accts: MMF, STF, LTF and Gov MIMF)
*Cetera (AKA Girard) Cash/MM	\$726,748	
*Cetera (AKA Girard) Treasury/Securities	\$84,033	(Fixed Income)
Mutual Funds	\$0	
<b>Total</b>	<b>\$2,465,794</b>	
<b>Grand Total</b>	<b>\$16,819,834</b>	
MCD Rabobank Deposit CD	\$25,000	Franchise Deposit on Hold

\*Cetera accounts show February balance. March statements were unavailable.



**Cayucos Sanitary District**  
**Capital Improvement Projects Report**

FY 19/20  
 March 2020

AGENDA ITEM: <u>3.B.4</u>
DATE: <u>April 16, 2020</u>

	Current Month	YTD Actual Rev/Exp	Approved Budget 19/20	Percent Used YTD
<b>CAPITAL IMPROVEMENTS</b>				
1601 · Sewer Main Replacements	0.00	0.00	60,000.00	0%
1602 · Point Repairs	0.00	13,011.85	30,000.00	43%
1608 - MAIN OFFICE BUILDING REPAIRS				
1608.2 · Main Office Storm Damage	0.00	0.00	40,000.00	0%
1608.3 · Computer/Server Replacement	0.00	22,294.25	25,000.00	89%
1612 - ALL LIFT STATIONS				
1612.1 · Lift Station SCADA System	0.00	0.00	100,000.00	0%
1612.2 · Lift Station 2 Pump Replacement	0.00	45,979.44	46,000.00	100%
1612.3 · VacTron Trailer (Vermeer)	0.00	51,077.92	54,000.00	95%
1613 - CALTRANS TC BRIDGE PROJECT				
1613.1 - Toro Creek Bridge Project	2,780.00	12,425.00	31,540.00	31%
<b>Total 1600 CAPITAL IMPROVEMENTS</b>	2,780.00	144,788.46	386,540.00	37%



AGENDA ITEM: 4.A

DATE: April 16, 2020

## CAYUCOS SANITARY DISTRICT

**TO:** Board of Directors

**FROM:** Rick Koon  
District Manager

**SUBJECT:** Monthly Managers Report: March & April 2020

**DATE:** April 8, 2020

### ADMINISTRATIVE:

- Administrative Staff continues to cross training each other on various job duties.
- The District continues to work with the Trust for Public Lands and the San Luis Obispo Land Conservancy in preparation of the sale of 6SW and 6N by May 30. Legal Counsel is reviewing the Draft Purchase and Sale Agreement for Board approval next month.
- Met with the State Appraiser regarding the Toro Creek Lots.
- Attended the Cayucos's Land Conservancy's Town Hall meeting on the 28th.
- The District submitted a claim to Caltrans for the damage done to the Lift Station 5 force main. Caltrans passed the claim on to the contractor which has since denied the claim.
- The Unemployment Department found in favor of the District with regards to the recent release of our trainee.
- Reminder: Form 700s are due April 1, 2020.
- The District staff is keeping the office closed to the Public.

### CAPITAL PROJECTS:

- Working with USDA and CSWP contracts
- LAFCO application process for District Boundary
- Lift Station 5 Project
- Toro Creek Pipeline Project
- Caltrans Bridge Replacement Project
- RWQCB permit discussions

# OPERATIONS AND MAINTENANCE

## February 2020

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### CIP:

### Daily operations of note:

- H2S leaving lift station #5 Average 9 ppm Max 40 ppm
- Lift Station #5 - average temperature 65.6° f
- Lift Station #1 - average pH 8.9
- Respond to 36 Underground Service Alerts
- Clean 3,375ft of targeted hot spots
- Tractor Camera 925ft
- Tailgate safety meeting
- OdaLog calibration
- Replace OdaLog suspension system in MH on Main St in Morro Bay
- SCADA survey at all Lift Stations
- Interview for open O&M position
- F550 annual service
- NL completed his 7<sup>th</sup> year at The District
- Setup office space for RK at CSWP trailer
- Pulled and sprayed weeds around Lift Stations
- Performed regular maintenance at all stations;  
Scrape, pump down, bleach wells, test generators, high water floats and dialers

### Call outs:

- 2/1/2020 NL to all stations for first of the month records

# OPERATIONS AND MAINTENANCE

March 2020

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## CIP:

### Daily operations of note:

- Modify O&M operating procedures to follow California COVID-19 measures
- H2S leaving lift station #5 Average 9 ppm Max 93 ppm
- Lift Station #5 - average temperature 65.5° f
- Lift Station #1 - average pH 8.75
- Target Solutions Training for SDRMA
- Respond to 24 Underground Service Alerts
- Performed regular maintenance at all stations:  
Scrape, pump down, bleach wells, test generators, high water floats and dialers
- Regular inspections of hot spot manholes
- Tailgate safety meeting – eye protection
- EDU reduction inspection at 150 Ocean Ave
- Participate in employee conduct investigation
- Safety inspections on all trailer equipment
- Fix running toilet in office
- OdaLog calibration
- Compile list of FYs 19/20' manhole replacement candidates
- F350 annual service
- County mandated H2O backflow inspections
- Cut and spray weeds around CSWP
- Wash and polish MCC cabinets at lift stations
- Graffiti removal from lift station 2 generator fence
- CCTV inspection of Fresno mainline

### Call outs:

- 3/1/2020 NL to all stations for first of the month records

City of Morro Bay - Finance Department  
 Detail Recap For Second Quarter Invoice  
 FY 2019/20  
 Services Rendered to Cayucos S.D.

AGENDA ITEM: 5  
 DATE: March 19, 2020

2nd Quarter

	Total Y.T.D. Amount	Less 1st Qtr	Net: Current Amount Due
Direct Charges to Treatment Division Only (See Detail Printouts)	\$862,844.47	\$404,593.31	\$458,251.16
Proj 930-8070 Secondary Clarifier	\$0.00	\$0.00	\$0.00
Proj 930-8222 Biofilter #2	\$0.00	\$0.00	\$0.00
Proj 930-8234 Interstage & Blending Valves	\$0.00	\$0.00	\$0.00
Proj 930-9904 Digester 1 & 3	\$0.00	\$0.00	\$0.00
Less: 599-8312 Facility Relocation Project	\$0.00	\$0.00	\$0.00
Less Costs not Cayucos	\$0.00	\$0.00	\$0.00
Less: Depreciation Expense	\$0.00	\$0.00	\$0.00
Total Subject to Invoicing Based on Flow			\$458,251.16
Flow Rate=	20.81%		
Flow Based:			\$95,362.07

Total Due From Cayucos Sanitary District

\$862,844.47

\$95,362.07

Fiscal Year to Date 12/31/19

Include Rollup Account and Rollup to Account

Account	Account Description	Adopted Budget	Budget Amendments	Amended Budget	Current Month Transactions	Encumbrances YTD	Transactions YTD	Budget - YTD	% Used/Rec'd
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Department 5255 - Wastewater Treatment

Revenues From Current Services

3499	Other Rev/Current Services	2,610,832.00	.00	2,610,832.00	.00	.00	404,580.81	2,206,251.19	15%
<i>Revenues From Current Services Totals</i>		<b>\$2,610,832.00</b>	<b>\$0.00</b>	<b>\$2,610,832.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$404,580.81</b>	<b>\$2,206,251.19</b>	<b>15%</b>
Department 5255 - Wastewater Treatment Totals		<b>\$2,610,832.00</b>	<b>\$0.00</b>	<b>\$2,610,832.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$404,580.81</b>	<b>\$2,206,251.19</b>	<b>15%</b>
REVENUE TOTALS		<b>\$2,610,832.00</b>	<b>\$0.00</b>	<b>\$2,610,832.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$404,580.81</b>	<b>\$2,206,251.19</b>	<b>15%</b>

EXPENSE

Department 5255 - Wastewater Treatment

Personnel Services

4110	Regular Pay	647,605.00	.00	647,605.00	33,465.51	.00	193,220.43	454,384.57	30
4120	Overtime Pay	11,000.00	.00	11,000.00	1,358.59	.00	6,985.67	4,014.33	64
4515	Standby Pay	19,500.00	.00	19,500.00	1,458.00	.00	8,058.00	11,442.00	41
4599	Other Pay	3,500.00	.00	3,500.00	2,592.64	.00	9,242.11	(5,742.11)	264
4910	Employer Paid Benefits	213,173.00	.00	213,173.00	14,366.40	.00	78,915.13	134,257.87	37
4911	Pension Normal Cost	59,791.00	.00	59,791.00	3,990.77	.00	23,899.09	35,891.91	40
4912	PERs Unfunded Accrued Liability	128,355.00	.00	128,355.00	.00	.00	100,752.09	27,602.91	78
4913	Other Post Employment Benefit (OPEB) Expense	8,863.00	.00	8,863.00	.00	.00	.00	8,863.00	0
4999	Labor Costs Applied	.00	.00	.00	5,866.91	.00	42,207.76	(42,207.76)	+++
<i>Personnel Services Totals</i>		<b>\$1,091,787.00</b>	<b>\$0.00</b>	<b>\$1,091,787.00</b>	<b>\$63,098.82</b>	<b>\$0.00</b>	<b>\$463,280.28</b>	<b>\$628,506.72</b>	<b>42%</b>

Supplies

5101	Janitorial Supplies	1,500.00	.00	1,500.00	66.34	.00	378.30	1,121.70	25
5105	First Aide Supplies	10,000.00	.00	10,000.00	1,266.85	.00	2,977.20	7,022.80	30
5106	Photographic Supplies	.00	.00	.00	.00	.00	.00	.00	+++
5108	Communication Supplies	1,000.00	.00	1,000.00	.00	.00	.00	1,000.00	0
5109	Uniforms/Safety Equipment	10,000.00	.00	10,000.00	1,547.29	.00	2,798.96	7,201.04	28
5110	Fuel Oil & Lubricants	3,500.00	.00	3,500.00	339.04	.00	2,237.36	1,262.64	64
5112	Lab Supplies	5,000.00	.00	5,000.00	.00	.00	1,194.23	3,805.77	24

# MB/CSD Funds 599 & 930 Budget Performance - 2nd Qtr 2020

Fiscal Year to Date 12/31/19

Include Rollup Account and Rollup to Account

Account	Account Description	Adopted Budget	Budget Amendments	Amended Budget	Current Month Transactions	Encumbrances	YTD Transactions	YTD Transactions	Budget - YTD Transactions	% Used/Rec'd
5120	Chemical Supplies	125,000.00	.00	125,000.00	1,636.08	.00	52,325.30	72,674.70	42	
5175	Computer Operating Supplies	1,000.00	.00	1,000.00	210.90	.00	276.45	723.55	28	
5199	Miscellaneous Operating Supplies	1,500.00	.00	1,500.00	119.17	.00	232.35	1,267.65	15	
5201	Other Expense	.00	.00	.00	.00	.00	(12.50)	12.50	+++	
5301	General Office Supplies	2,500.00	.00	2,500.00	20.61	.00	26.82	2,473.18	1	
5303	Books & Manuals	200.00	.00	200.00	191.53	.00	191.53	8.47	96	
5305	Forms Printing	600.00	.00	600.00	.00	.00	44.76	555.24	7	
5501	Grounds Maintenance Supplies	3,500.00	.00	3,500.00	.00	.00	54.75	3,445.25	2	
5502	Building Maint. Supplies	15,000.00	.00	15,000.00	15.09	.00	426.59	14,573.41	3	
5503	Rolling Stock Supplies	3,500.00	.00	3,500.00	.00	.00	237.96	3,262.04	7	
5504	Machinery/Equip/Supplies	100,000.00	.00	100,000.00	1,509.45	.00	8,352.13	91,647.87	8	
5530	Small Tools	2,000.00	.00	2,000.00	.00	.00	172.36	1,827.64	9	
<b>Supplies Totals</b>		<b>\$285,800.00</b>	<b>\$0.00</b>	<b>\$285,800.00</b>	<b>\$6,922.35</b>	<b>\$0.00</b>	<b>\$71,914.55</b>	<b>\$213,885.45</b>	<b>25%</b>	
<b>Services</b>										
6103	Financial Audits	17,150.00	.00	17,150.00	.00	.00	.00	17,150.00	0	
6104	Engineering Services	48,500.00	.00	48,500.00	.00	.00	.00	48,500.00	0	
6105	Consulting Services	25,000.00	.00	25,000.00	.00	.00	.00	25,000.00	0	
6106	Contractual Services	250,000.00	.00	250,000.00	300.00	.00	227,772.68	2,277,227.32	9	
6125	Professional Development	4,000.00	.00	4,000.00	976.10	.00	1,241.32	2,758.68	31	
6152	Outside Laboratory Testing	20,000.00	.00	20,000.00	2,863.00	.00	17,735.50	2,264.50	89	
6161	Licenses & Permits	40,000.00	.00	40,000.00	14,790.00	.00	18,280.00	21,720.00	46	
6199	Other Professional Services	2,000.00	.00	2,000.00	25.50	.00	(176.94)	2,176.94	-9	
6201	Telephone	8,500.00	.00	8,500.00	2,098.34	.00	5,683.92	2,816.08	67	
6220	Postage	4,000.00	.00	4,000.00	500.00	.00	1,655.38	2,344.62	41	
6301	Electricity	126,100.00	.00	126,100.00	.00	.00	61,988.77	64,111.23	49	
6302	Natural Gas	8,000.00	.00	8,000.00	427.37	.00	2,058.14	5,941.86	26	
6303	Water	10,000.00	.00	10,000.00	2,999.09	.00	10,544.58	(544.58)	105	
6305	Disposal	12,000.00	.00	12,000.00	109.45	.00	5,396.01	6,603.99	45	
6307	Disposal of Sludge	15,000.00	.00	15,000.00	9,370.94	25,750.00	9,370.94	(20,120.94)	234	

Account	Account Description	Include Rollup Account and Rollup to Account		YTD		YTD		Budget - YTD		Rec'd
		Adopted Budget	Budget Amendments	Amended Budget	Current Month Transactions	Encumbrances	Transactions	Transactions	Transactions	
6308	Internet/Cable TV	.00	.00	.00	.00	.00	.00	.00	.00	+++
6399	Other Utilities	.00	.00	.00	.00	.00	.00	.00	.00	+++
6401	General Liability	48,668.00	.00	48,668.00	11,162.75	.00	22,325.50	26,342.50	26,342.50	46
6411	Property Damage Insurance	2,200.00	.00	2,200.00	1,970.75	.00	3,941.50	(1,741.50)	(1,741.50)	179
6472	Other Ins./Employee Bond	165.00	.00	165.00	.00	.00	.00	165.00	165.00	0
6473	Vehicle Insurance	389.00	.00	389.00	159.33	.00	318.66	70.34	70.34	82
6499	Earthquake & Flood Insurance	204,886.00	.00	204,886.00	20,913.25	.00	41,826.50	163,059.50	163,059.50	20
6510	Meetings & Conferences	5,000.00	.00	5,000.00	.00	.00	1,500.00	3,500.00	3,500.00	30
6511	Mileage Reimbursement	300.00	.00	300.00	.00	.00	23.20	276.80	276.80	8
6513	Meals & Lodging	.00	.00	.00	.00	.00	.00	.00	.00	+++
6514	Travel Expense	3,000.00	.00	3,000.00	.00	.00	4,086.37	(1,086.37)	(1,086.37)	136
6519	Association Membership	1,500.00	.00	1,500.00	158.82	.00	486.82	1,013.18	1,013.18	32
6601	Outside Equipment Repair	110,000.00	.00	110,000.00	.00	.00	1,044.36	108,955.64	108,955.64	1
6602	Outside Structural Repair	10,000.00	.00	10,000.00	.00	.00	.00	10,000.00	10,000.00	0
6604	Outside Vehicle Repair/Maint	7,275.00	.00	7,275.00	481.47	.00	3,766.43	3,508.57	3,508.57	52
6640	Maintenance Contracts	35,000.00	.00	35,000.00	.00	.00	.00	35,000.00	35,000.00	0
6720	Medical Examinations	.00	.00	.00	.00	.00	.00	.00	.00	+++
6810	Equipment Rental	8,000.00	.00	8,000.00	.00	.00	.00	8,000.00	8,000.00	0
<i>Services Totals</i>		\$1,026,633.00	\$0.00	\$1,026,633.00	\$69,306.16	\$25,750.00	\$235,869.64	\$765,013.36	\$765,013.36	25%
<i>Other Expense</i>										
8721	Payment To Other Agency	.00	.00	.00	.00	.00	.00	.00	.00	+++
<i>Other Expense Totals</i>		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	+++
<i>Department 5255 - Wastewater Treatment Totals</i>		\$2,404,220.00	\$0.00	\$2,404,220.00	\$139,327.33	\$25,750.00	\$771,064.47	\$1,607,405.53	\$1,607,405.53	33%
<i>Department 7710 - Interfund Transactions</i>										
<i>Interfund Transfers</i>										
8501	Transfers Out	206,612.00	.00	206,612.00	91,780.00	.00	91,780.00	114,832.00	114,832.00	44
<i>Interfund Transfers Totals</i>		\$206,612.00	\$0.00	\$206,612.00	\$91,780.00	\$0.00	\$91,780.00	\$114,832.00	\$114,832.00	44%
<i>Department 7710 - Interfund Transactions Totals</i>		\$206,612.00	\$0.00	\$206,612.00	\$91,780.00	\$0.00	\$91,780.00	\$114,832.00	\$114,832.00	44%
<b>EXPENSE TOTALS</b>		\$2,610,832.00	\$0.00	\$2,610,832.00	\$231,107.33	\$25,750.00	\$862,844.47	\$1,722,237.53	\$1,722,237.53	34%



# MB/CSD Funds 599 & 930 Budget Performance - 2nd Qtr 2020

Fiscal Year to Date 12/31/19

Include Rollup Account and Rollup to Account

Account	Account Description	Adopted		Budget		Amended		Current Month		YTD		YTD		Budget - YTD	% Used/	Rec'd
		Budget	Amendments	Budget	Amendments	Transactions	Encumbrances	Transactions	Encumbrances	Transactions	Encumbrances					
<b>Fund 599 - MB/CS Waste Water Fund Totals</b>																
	REVENUE TOTALS	2,610,832.00	.00	2,610,832.00	.00	.00	.00	404,580.81	2,206,251.19	15%						
	EXPENSE TOTALS	2,610,832.00	.00	2,610,832.00	.00	231,107.33	25,750.00	862,844.47	1,722,237.53	34%						
Fund 599 - MB/CS Waste Water Fund Totals		\$0.00	\$0.00	\$0.00	\$0.00	(\$231,107.33)	(\$25,750.00)	(\$458,263.66)	\$484,013.66							

Add back Credit taken in first quarter billing

12.5  
(\$458,251.16)



Agenda No.   6  

Date: April 16, 2020

## CAYUCOS SANITARY DISTRICT

**TO:** Board of Directors

**FROM:** Rick Koon  
District Manager

**DATE:** April 07, 2020

**SUBJECT:** Discussion and Consideration of Establishment of an AD HOC committee to Evaluate and Identify Positions to be Created and Actions necessary to Integrate Operations of the Cayucos Sustainable Water Facility into the District's Organizational Structure

### **Discussion:**

The Completion of the new Treatment Facility is scheduled to be by December 2020 which is mid Fiscal Year 20/21. The District's budget will need to include additional Operational expenses and staffing needs. These additional items should be evaluated and identified prior to the Board finalizing next Fiscal Year's Budget in June. Staff and WSC have come up with several scenarios for Staffing and a draft of estimated expenses for review and input.

The purpose of the AD HOC committee would be to discuss, review and recommend to the Board how best to incorporate the needs of the new Treatment Facility into the District's existing Budget.

### **Recommendation**

Staff recommends the formation of an AD HOC committee.



Agenda No.   7  

Date: April 16, 2020

## CAYUCOS SANITARY DISTRICT

**TO:** Board of Directors

**FROM:** Rick Koon  
District Manager

**DATE:** April 07, 2020

**SUBJECT:** Discussion and Consideration to Approve Quitclaim deed eliminating Repurchase rights for Lot 6SW held by Chevron Land and Development Company

### **Discussion:**

As part of the Purchase and Sale agreement for Lot 6SW, Chevron Land and Development Company ("CLDC") required that the City of Morro Bay ("City") place the Panorama Lots into the City's Sphere of Influence ("SOI") with the ultimate goal of those Lots being annexed into the City. The Repurchase Clause requires the City to submit an application to LafCo within two years of the sale of Lot 6SW to the District.

The City, CLDC, the Trust for Public Lands and the District have signed a Memorandum of Understanding ("MOU") on the steps required for the City to proceed with the SOI and annexation process. This MOU was approved by the District Board at its February 2020 meeting.

The City has progressed sufficiently enough on the LafCo application process, that CLDC is willing to remove the Repurchase Option as a requirement.

Because the District owns Lot 6SW, the Quitclaim is from CLDC to the District.

District Legal Counsel has reviewed and approved of the Quitclaim Deed.

### **Recommendation**

Staff recommends the Board Approve the Quitclaim Deed Eliminating the Repurchase Rights for Lot 6SW.

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL THIS  
DEED AND TAX STATEMENTS TO:

Cayucos Sanitary District  
200 Ash Avenue  
P. O. Box 333  
Cayucos, CA 93430

APN: Portion of 065-022-008

(SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY)

The Undersigned Grantor(s) Declare(s):

CITY TRANSFER TAX \$0 Recorded for the benefit of the Cayucos Sanitary District; exempt from recording fees pursuant to Sections 6103 and 27383 of the California Gov't Code

DOCUMENTARY TRANSFER TAX \$0 Government Agency acquiring title R&T 11922

SURVEY MONUMENT FEE \$ N/A

[ X ] computed on the consideration or full value of property conveyed, OR

[ ] computed on the consideration or full value less value of liens and/or encumbrances remaining at time of sale

**QUITCLAIM DEED**

FOR GOOD AND VALUABLE CONSIDERATION, receipt and sufficiency of which is hereby acknowledged, **CHEVRON LAND AND DEVELOPMENT COMPANY**, a Delaware corporation ("**GRANTOR**")

HEREBY REMISES, RELEASES AND FOREVER QUITCLAIMS TO **CAYUCOS SANITARY DISTRICT**, a political subdivision of the State of California, ("**GRANTEE**") all of the GRANTOR'S right, title and interest under that certain Memorandum of Repurchase Rights/Option, dated September 12, 2019, recorded September 17, 2019 as Instrument Number 2019039330, in the Office of the County Recorder of San Luis Obispo County, California with respect to that certain parcel of real property, commonly known as Lot 6SW, located in the County of San Luis Obispo, CA (APN: Portion of 065-022-008) as said real property is more particularly described and depicted in Exhibit A, attached hereto.

IN WITNESS WHEREOF, Grantor has caused its name to be affixed hereto and this instrument to be executed by the person named below duly authorized.

**GRANTOR:**

Dated: \_\_\_\_\_, 20\_\_

**Chevron Land and Development Company,  
a Delaware corporation**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**ACCEPTANCE**

**GRANTEE** hereby accepts this Quitclaim Deed

**CAYUCOS SANITARY DISTRICT,**  
a political subdivision of the State of California,

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )  
County of \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

**Exhibit A**  
**Legal Description**

That portion of the land described in Certificate of Compliances recorded November 2, 2012 in Document No. 2012063818 and Document No. 2012063819 in the County Recorder's Office, County of San Luis Obispo, State of California, described as follows:

Beginning at the intersection of the westerly line of the land described in the grant deed to the State of California recorded in Book 1090 at Page 258 of Official Records in the County Recorder's Office of said County (State Highway One) with the southerly line of Lot 31 according to the map of the subdivision of said Rancho filed in Book A of Maps at Page 160 of Maps in the County Recorder's Office of said County; thence,

Northerly along said westerly line to a point being North  $11^{\circ}23'26''$  West, a distance of 612.98 feet from the southerly terminus of the line described as Course No. 4 (North  $11^{\circ}23'26''$  West, 817.99 feet) in said grant deed to the State of California; thence,

Leaving said westerly line, South  $78^{\circ}36'34''$  West, a distance of 187.20 feet more or less to the mean high water line of Estero Bay; thence,

Southerly along said mean high water line to the southwest corner of said Lot 31; thence,

Northeasterly along the southerly line of said Lot 31 to the Point of Beginning.

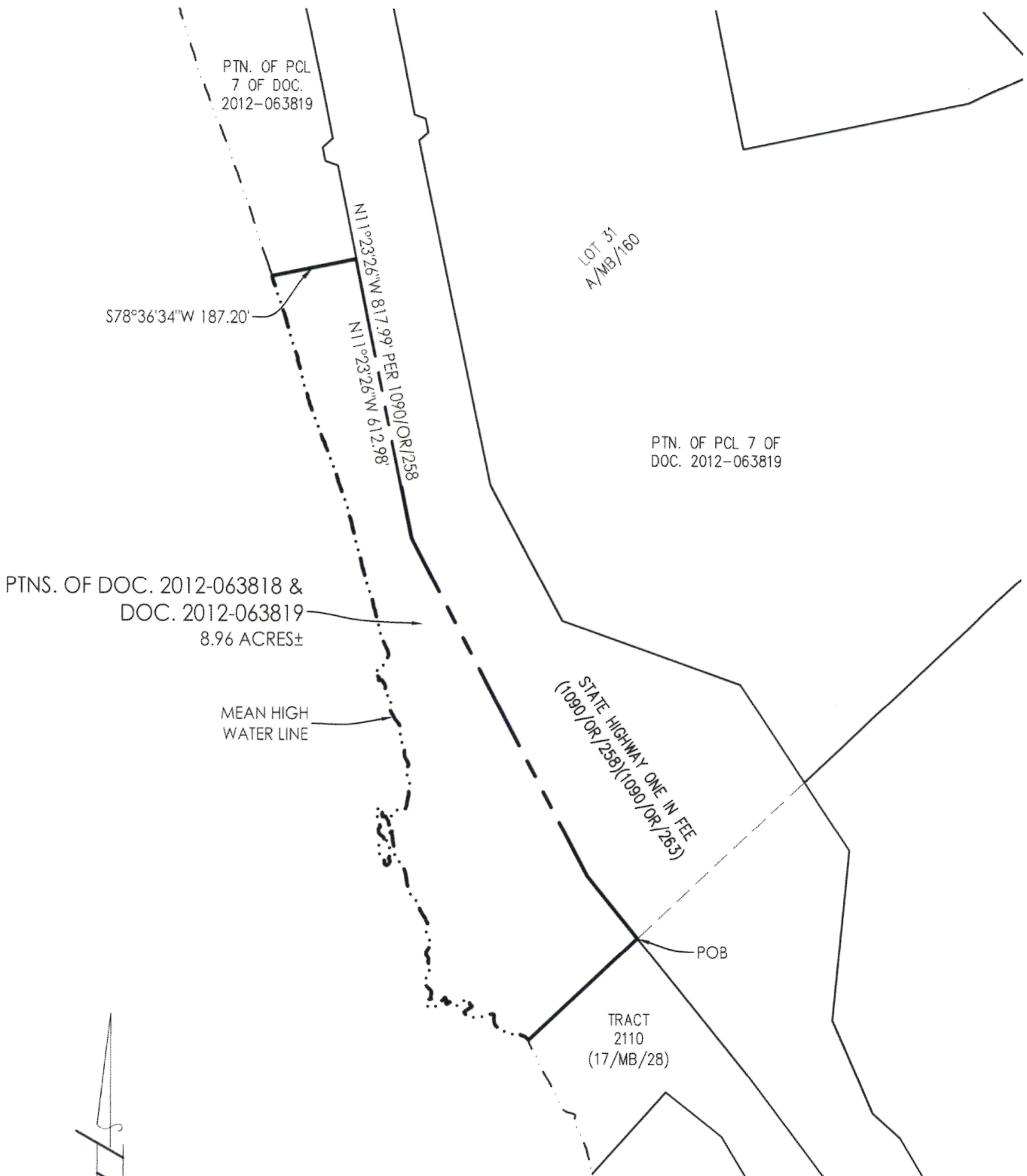
The land described contains 8.96 acres more or less and is shown graphically on Exhibit B herein attached.



2/22/19



EXHIBIT B



PTNS. OF DOC. 2012-063818 &  
DOC. 2012-063819  
8.96 ACRES±

MEAN HIGH  
WATER LINE

STATE HIGHWAY ONE IN FEE  
(1090/OR/258)(1090/OR/253)

POB

TRACT  
2110  
(17/MB/28)



SCALE: 1" = 300'

**rrm** design group

3765 S. Higuera St., Ste. 102 • San Luis Obispo, CA 93401  
p: (805) 543-1794 • f: (805) 543-4609

[www.rrmdesign.com](http://www.rrmdesign.com)

*Steven B. Webster*  
02/22/2019







Agenda No.   8  

Date: April 16, 2020

## CAYUCOS SANITARY DISTRICT

**TO:** Board of Directors

**FROM:** Rick Koon  
District Manager

**DATE:** April 07, 2020

**SUBJECT:** Discussion and Consideration to Approve Quitclaim Deed Eliminating Easement Rights owned by Chevron Land and Development Company Appurtenant to Lot 1

### **Discussion:**

As part of the 2016 Purchase and Sale Agreement for Lots 8 and 10, Chevron Land and Development Company ("CLDC") reserved Access and Utility Easements for the benefit of the remaining CLDC Lots over Lot 8. Lot 1 is a named beneficiary of those easements.

Lot 1 is scheduled to be purchased by the Land Conservancy on April 30, 2020. With this purchase, CLDC no longer needs the easements for Lot 1.

Because the District owns Lot 8, the Quitclaim is between CLDC and the District.

District Legal Counsel has reviewed and approved of the Quitclaim Deed.

### **Recommendation**

Staff recommends the Board Approve the Quitclaim Deed Eliminating Easement Rights Owned by Chevron Land and Development Company Appurtenant to Lot 1.

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL THIS  
DEED AND TAX STATEMENTS TO:

Cayucos Sanitary District  
200 Ash Avenue  
P. O. Box 333  
Cayucos, CA 93430

APN: 073-092-052  
141 Toro Creek Road, Moro Bay, CA 93442

(SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY)

The Undersigned Grantor(s) Declare(s):

COUNTY TRANSFER TAX \$0

DOCUMENTARY TRANSFER TAX \$0 Not a sale, consideration less than \$100.00 confirming title already vested in Grantee R&T 11911

SURVEY MONUMENT FEE \$ N/A

computed on the consideration or full value of property conveyed, OR

computed on the consideration or full value less value of liens and/or encumbrances remaining at time of sale

## QUITCLAIM DEED

FOR GOOD AND VALUABLE CONSIDERATION, receipt and sufficiency of which is hereby acknowledged, **CHEVRON LAND AND DEVELOPMENT COMPANY**, a Delaware corporation ("**GRANTOR**")

HEREBY REMISES, RELEASES AND FOREVER QUITCLAIMS TO **CAYUCOS SANITARY DISTRICT**, a political subdivision of the State of California, ("**GRANTEE**") all of the GRANTOR'S right, title and interest under that certain Easement Agreement between and among Grantee, Grantor, Chevron U.S.A. Inc. a Pennsylvania corporation, Chevron Pipe Line Company, a Delaware corporation and Texaco Downstream Properties Inc., a Delaware corporation dated July 19, 2016, recorded July 26, 2016 as Instrument Number 2016035935, in the Office of the County Recorder of San Luis Obispo County, California ("Official Records") as amended by that certain Amendment to Easement Agreement dated November 1, 2018, recorded November 1, 2018 in the Official Records as Instrument No. 2018045636 (the "Easement Agreement") with respect to that certain parcel of real property, commonly known as 141 Toro Creek Road, Morro Bay, CA 93442 (APN: 073-092-052) as more particularly described in Exhibit A, a "Benefitted Property" under the Easement Agreement.

IN WITNESS WHEREOF, Grantor has caused its name to be affixed hereto and this instrument to be executed by the person named below duly authorized.

**GRANTOR:**

Dated: \_\_\_\_\_, 20\_\_

**CHEVRON Land and Development Company,  
a Delaware corporation**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**ACCEPTANCE**

**GRANTEE** hereby accepts this Quitclaim Deed

**CAYUCOS SANITARY DISTRICT,**  
a political subdivision of the State of California,

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )  
County of \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

## **EXHIBIT "A" TO QUITCLAIM DEED**

### **LEGAL DESCRIPTION OF BENEFITED PROERTY**

Real property in the unincorporated area of the County of San Luis Obispo, State of California, described as follows:

ALL THAT PORTION OF LOT 39 OF THE RANCHO MORO Y CAYUCOS IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA AS SAID LOT IS DESIGNATED ACCORDING TO THE MAP OF THE SUBDIVISION OF SAID RANCHO FILED IN BOOK A, AT PAGE 160 OF MAPS IN THE OFFICE OF THE RECORDER FOR SAID COUNTY, CONVEYED TO STANDARD OIL COMPANY OF CALIFORNIA BY INDENTURE DATED JUNE 12, 1930, FILED IN BOOK 78, AT PAGE 400 OF OFFICIAL RECORDS IN THE OFFICE OF THE RECORDER FOR SAID COUNTY, LYING NORTHERLY OF THE CENTER LINE OF TORO CREEK ROAD AND ITS WESTERLY PROLONGATION TO THE PACIFIC OCEAN AS DESCRIBED IN THAT CORPORATE GRANT DEED BETWEEN, PACIFIC FINANCE CORPORATION, GRANTOR, AND STANDARD OIL COMPANY OF CALIFORNIA, GRANTEE, RECORDED AUGUST 21, 1929, FILED IN BOOK 70, AT PAGE 497 OF OFFICIAL RECORDS IN THE OFFICE OF THE RECORDER FOR SAID COUNTY;

EXCEPTING THEREFROM THAT PORTION CONVEYED TO THE STATE OF CALIFORNIA (FOR CAYUCOS FOREST FIRE STATION, DIVISION OF FORESTRY) BY AGREEMENTS DATED AUGUST 29, 1960, FILED IN BOOK 1113, AT PAGE 432 OF OFFICIAL RECORDS, AND DATED FEBRUARY 5TH 1962, FILED IN BOOK 1179, AT PAGE 2 OF OFFICIAL RECORDS IN THE OFFICE OF THE RECORDER FOR SAID COUNTY; ALSO EXCEPTING THEREFROM THAT PORTION CONVEYED TO THE STATE OF CALIFORNIA (FOR HIGHWAY) BY CORPORATE GRANT DEED RECORDED OCTOBER 26, 1960, FILED IN BOOK 1090, AT PAGE 258 OF OFFICIAL RECORDS AND CORPORATE GRANT DEED RECORDED OCTOBER 26, 1960, FILED IN BOOK 1090, AT PAGE 263 OF OFFICIAL RECORDS IN THE OFFICE OF THE RECORDER FOR SAID COUNTY.

THIS LEGAL DESCRIPTION IS MADE PURSUANT TO THAT CERTAIN CERTIFICATE OF COMPLIANCE RECORDED MARCH 24, 2011, AS INSTRUMENT NO. 2011-014549, OF OFFICIAL RECORDS.

**APN: 073-092-052**



Agenda No.   9  

Date: April 16, 2020

## CAYUCOS SANITARY DISTRICT

**TO:** Board of Directors

**FROM:** Rick Koon  
District Manager

**DATE:** April 09, 2020

**SUBJECT:** Discussion and Consideration to Award the Lift Station #5 Construction Contract and to Approve the Construction Contract (Stipulated Price)

### **Discussion:**

On April 7, 2020 the District and WSC held the Bid opening for Construction of Lift Station #5.

The Engineers estimate for the Project is \$1,500,000.

8 Bids were opened and read. The apparent low bid was \$2,600,000. The rest of the Bids were between \$3,200,000 and \$3,700,000.

With the Low Bid 73% over the Engineers estimate, it is important for the Board to consider the Financial impacts that this will have to the overall CSWP Project Budget.

WSC and Staff have reviewed the Bids and believe that possible Design modifications and Value Engineering can be made such that the total cost of the Lift Station #5 Construction will decrease. Once this is done, then the Project will be resent out for Bidding.

The target date for bringing the Bids back to the Board would be at the June Board meeting.

### **Recommendation**

Staff recommends the Board reject all Bids, direct Staff and WSC to modify the Design, incorporate some Value Engineering and rebid the Project.



4/16/2020

Rick Koon  
Cayucos Sanitary District  
200 Ash Avenue  
Cayucos, CA 93430

**SUBJECT: RECOMMENDATION OF AWARD FOR CAYUCOS SUSTAINABLE WATER PROJECT LIFT STATION 5 PACKAGE**

Dear Rick Koon,

This letter recommends awarding construction of Cayucos Sustainable Water Project lift station 5 Package to Cushman Contracting Corporation. The project was advertised for bids on February 26, 2020. Two mandatory pre-bid conference were held on March 10<sup>th</sup> and March 26<sup>th</sup> at the project site, there were representatives from 10 prime contractors in attendance. On April 8, 2020, the Cayucos Sanitary District received and publicly opened bids from the seven (7) bidders summarized below.

Summary of bids received

Bidder	Bid Total
HPS Mechanical, Inc.	\$2,690,393
John Madonna Construction	\$3,182,920
Specialty Construction, Inc.	\$3,239,000
Spiess Construction Company, Inc.	\$3,719,000
David Crye General Engineering Contractor, Inc.	\$3,379,500
Raminha Construction, Inc.	\$3,278,000
Whitaker Construction Group, Inc.	\$3,486,220

HPS Mechanical, Inc. was the apparent low bidder. After receiving their bid, we were contacted by HPS Mechanical, Inc. and informed that they had determined that they made a material and substantial error in the preparation of their bid. Please see the attached letter received on April 9, 2020 from HPS Mechanical outlining the mistake that they made and requesting withdraw of their bid. California Public Contract Code allows the Awarding body to consent to the release of a bidder under certain proscribed



and limited circumstances. If the District as the awarding body elects to release the bidder, they are required to prepare a written report documenting the criteria listed below:

1. A mistake was made.
2. the bidder gave the public entity written notice, within five days after the opening the bid mistake, specifying in the notice in detail how the mistake occurred.
3. The mistake made the bid materially different than the bidder intended it to be.
4. The mistake was made in filling out the bid and not due to error in judgment or to carelessness in inspecting the site of the work, or in reading the plans or specifications.

Our recommendation is that the District use this report as their required documentation and that they release HPS Mechanical from their bid. They will be ineligible to rebid the project if the District elected to rebid it.

WSC reviewed the other bids and did not encounter any bid irregularities that would materially alter the bid amounts. Any irregularity that may be present, does not involve price, time, or changes in the Work and can be corrected in the course of executing the Contract Documents. WSC has reviewed John Madonna Construction's bid documents and subsequently submitted qualifications statements and believes that there are no irregularities that would materially alter their bid. WSC finds that John Madonna Construction is the lowest responsible and responsive bid for the project with a bid of \$3,182,920.

### Basis of Engineer's Opinion of Probable Cost

The Engineer's opinion of construction cost was \$1,500,000 excluding contingency. This estimated cost was based on the cost estimate prepared by Filanc Construction at the 30% design level. All the bids received were substantially higher than the engineering estimate. The substantial difference between bids and the Engineer's estimate is likely due to the modifications to the Project design that have taken place from when the estimate was created in 2017 at the 30% design level to when the Project went out to bid.

Because of the substantial cost differentiation, there is potentially an economic benefit to the District to perform value engineering on the Project design to reduce features and thereby the construction costs.

Potential redesign considerations that could be evaluated during a value engineering process are listed below:

1. Eliminate one wet well
2. Eliminate pre-well
3. Eliminate one valve vault, potentially move piping to above grade and eliminate valve vault
4. Eliminate sodium bisulfite dosing system for effluent pipeline by eliminating chlorine injection into that pipeline.
5. Eliminate FRP Enclosures for electrical equipment
6. Eliminate work in the Caltrans ROW, therefore eliminating the construction of two new manholes
7. Change polymer precast concrete to standard field coated precast concrete
8. Delete Pre-rotation basins
9. Provide additional geotechnical information concerning rock quality and groundwater level information
10. Modify controls scheme
11. Realign the project to reduce shoring
12. Eliminate sole sourcing of pumps
13. Making changes to coatings and material of piping used in the wet wells
- 14.

The District has three options available at this juncture:

Option 1 - The Board would reject all bids and pursue value engineering before re-bidding the Project. Depending on the number of changes the value engineering process would take weeks to months to complete. The project could be rebid with a shortened bid period, however the process of re-engineering and rebidding the lift station would push out start of the lift station work by several months. This could lead to a delay in the start up and testing of the WRRF facility. However, we believe that a redesign of the Lift Station has the potential to produce measurable cost savings for the District. With the implementation of all of the measures identified above, and some additional not yet identified concepts, it is our opinion that bid prices could be reduced by approximately \$500,000.

Option 2 - The Board would elect to award the project as designed and direct staff and WSC to work with the selected Contractor to prepare value engineering change order proposals prior to starting work. This option would eliminate rebidding the project, which could provide some time savings, but likely at a lesser level of cost savings than the rebid option.

Option 3 – The Board would elect to award the project as designed and proceed with construction of the facility as currently designed. This would provide a lift station with the most features, but would negatively impact the overall program budget. The District's staff and Board would have to develop additional strategies to close the Program's funding gap.

## Conclusion

WSC finds the bids for the Project are substantially higher than the anticipated construction cost and *recommend rejecting all bids and authorizing the Value Engineering on the design before re-bidding the Project.*

Sincerely,

Water Systems Consulting, Inc.

Dylan Wade, PE, CCM



RECEIVED APR 11 2020

April 9, 2020

Rick Koon, General Manager  
Cayucos Sanitary District  
200 Ash Avenue  
Cayucos, CA 93430

**VIA FACSIMILE (805) 995-3673 & U.S. Mail**

Subject: Cayucos Water Project Lift Station 5 Replacement

Dear Mr. Koon,

HPS Mechanical, Inc. has discovered an inadvertent clerical error in its bid. During the preparation of the bid, HPS did not include the costs for the polymer manholes and wet wells.

At bid time, the material costs for the polymer manholes and wet wells costs were inadvertently not added into the total bid price.

In this regard, HPS requests to withdraw its bid and have its bid bond returned.

Respectfully,

A handwritten signature in black ink, appearing to read 'Les DenHerder', written in a cursive style.

Les DenHerder  
President