

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

AGENDA NO. 154  
DATE 11/19/2008

GOVERNING BOARD

R. B. Enns, President  
R. H. McHale, Interim Vice-President  
H. Fones, Director  
S. Lyon, Director

REGULAR MEETING  
MINUTES

October 15, 2008

1. ESTABLISH QUORUM AND CALL TO ORDER

President Enns called the meeting to order at 6:03 p.m., Wednesday, October 15, 2008.

Board members present: President Robert Enns and Directors Hal Fones, Shirley Lyon and Bud McHale

Staff present: District Manager Bill Callahan and Administrative Services Tech. Nancy Martin

Visitors present: Jon McAlpin (Architect, Omni Design Group), Doug Claassen (President, Morro Dunes Trailer Park and Campground, Inc.)

2. MOMENT OF SILENCE IN REMEMBRANCE OF CAYUCOS SANITARY DISTRICT  
VICE-PRESIDENT NAT RAIMONDO

A moment of silence was observed in honor of Nat Raimondo, Board of Directors Vice-President, who passed away October 3.

3. PUBLIC COMMENTS

All present expressed fond memories of Nat.

It was the consensus of the Board to address agenda Item 5 prior to Item 4.

5. CONSIDERATION TO ADOPT RESOLUTION NO. 11 APPROVING A COMMERCIAL  
LEASE WITH MORRO DUNES TRAVEL TRAILER PARK & RESORT CAMP-  
GROUNDS, INC. FOR PROPERTY LOCATED AT 1700 EMBARCADERO ROAD,  
MORRO BAY, CALIFORNIA

MOTION: First by Fones with second by McHale to adopt Resolution No. 11 Approving a Commercial Lease with Morro Dunes Travel Trailer Park & Resort Campgrounds, Inc. for property located at 1700 Embarcadero Road, Morro Bay, California. ROLL CALL VOTE: Enns (yes), Fones (yes), Lyon (yes), McHale (yes)

4. CURRENT REPORT ON DISTRICT O&M SHOP PROGRESS WITH JON McALPIN  
FROM OMNI DESIGN GROUP

Director McHale stepped down, citing a conflict of interest due to the proximity of his personal residence to the proposed District O&M shop.

Minor Use Permit drawings of Phases I and II of the project were received. McAlpin provided Board members with a revised Design and Construction Timeline that shows construction of Phase I commencing in August 2009. He reported he submitted the Minor Use Permit application and that

the County waived the Minor Use Permit fee. He has also scheduled a meeting with the Cayucos Citizens' Advisory Council Land Use Committee November 3, prior to the November 5 Cayucos Citizens' Advisory Council meeting. President Enns recommended, and the Board concurred, that staff invite homeowners in the vicinity of the District office to the next Board meeting. Manager Callahan was directed to include McAlpin's computer-generated illustration of the proposed project with the written invitation.

Director McHale was reseated.

**6. DISCUSSION OF DRAFT REVISED NPDES PERMIT FOR THE MORRO BAY/CAYUCOS SANITARY DISTRICT WWTP**

Manager Callahan's written report was received. He reported that the Regional Water Quality Control Board (RWQCB) circulated the revised draft permit and asked those interested to review and submit comments. He indicated there were no significant revisions to the document and that staff has submitted comments to the City of Morro Bay to be included in a joint response to the draft permit. Although the USEPA's Biological Evaluation concluded that the WWTP's discharge should not adversely affect the southern sea otter or brown pelican, they did offer suggestions to further diminish that possibility, including a public outreach program to educate sewer users on the potential dangers of disposing of cat feces and kitty litter in the sewer system. Callahan reported that posters have been distributed to local businesses and postcards have been sent to residences as part of the public outreach program. Additional suggestions included regular monitoring of nutrient loading from the facility's ocean outfall, and upgrading the treatment plant to at least full secondary or tertiary treatment by 2014. The draft NPDES Permit will be considered at the RWQCB hearing scheduled December 4 and 5.

**7. CONSIDERATION TO TERMINATE WORKERS' COMPENSATION COVERAGE WITH STATE COMPENSATION INSURANCE FUND (SCIF) AND INITIATE COVERAGE WITH THE SPECIAL DISTRICT RISK MANAGEMENT ASSOCIATION (SDRMA)**

Officer Connelly's written report was received. Manager Callahan reported that monthly premiums for workers' compensation insurance have increased considerably due to a number of claims filed in the last several years. SDRMA has offered the District coverage with an estimated annual premium of approximately \$5,000 less than current coverage with SCIF.

**MOTION:** First by McHale with second by Fones for the District to terminate its workers' compensation coverage with State Compensation Insurance Fund and simultaneously activate coverage with Special District Risk Management Authority for an anticipated effective date of 11/3/08, subject to execution of all requisite forms by the Board President, pending acceptance by SDRMA and State Director. **VOTE:** 4-0

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

The written staff reports were received.

**9. CONSENT CALENDAR**

- A. Minutes of Regular Board Meeting of September 17, 2008
- B. Approval to Pay Outstanding Bills as of October 15, 2008
- C. Certificate of Posting: Ordinance No. 26. Sewer Lateral Installation, Maintenance and Repair

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

10. CONSIDERATION TO MAKE COMMITTEE REASSIGNMENTS, APPOINT VICE-PRESIDENT AND POST BOARD VACANCY

Manager Callahan's written report was received. With the recent passing of Vice-President Raimondo, Callahan asked Board members to appoint an interim Vice-President to serve until the election of officers at the December Board meeting. Committee reassignments were also asked for. Director McHale suggested deferment of committee reassignments until a new Board member has been seated. However, President Enns offered to serve on the Investment Committee, as needed, for the intervening time. Staff was directed to prepare and post a Board vacancy announcement.

MOTION: First by Fones with second by Lyon to appoint Bud McHale Vice-President of the Board of Directors. ROLL CALL VOTE: Enns (yes), Fones (yes), Lyon (yes), McHale (yes)

11. BOARD MEMBER COMMENTS

President Enns apologized for missing the September 17 Board meeting; he said he fell asleep after work that day. He and Director Fones both asked to be signed up for the Ethics Training Session November 7 in Nipomo. Director Lyon indicated she would be unable to attend the next Board meeting.

12. MEETINGS, CONFERENCES, AND SEMINARS

- JPA meeting, November 13, 2008, hosted by Morro Bay (date is tentative)
- Regional Board Hearing, December 4 & 5, 2008, San Luis Obispo

13. SCHEDULE AGENDA ITEMS FOR THE NOVEMBER 19, 2008 BOARD MEETING

- O&M Shop Project update
- Board vacancy

14. ADJOURNMENT

MOTION: First by Fones with second by McHale to adjourn the meeting at 7:00 p.m. VOTE: 4-0

Minutes recorded by: *Nancy Martin*  
Nancy Martin