

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

GOVERNING BOARD
R. B. Enns, President
H. Fones, Vice-President
S. Lyon, Director
M. Foster, Director
D. Chivens, Director

REGULAR MEETING
MINUTES
Thursday, August 16, 2012
6:00 p.m.

1. ESTABLISH QUORUM AND CALL TO ORDER

President Enns called the meeting to order at 6:03 p.m.

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

Staff present: Interim District Manager Rick Koon, Administrative Services Officer (ASO) Lewis Brookins, and Administrative Services Tech Anita Rebich

Visitors present: Dorothy Fones and Dave Zevely

2. PUBLIC COMMENTS

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

3. CONSIDERATION TO ADOPT RESOLUTION 2012-6 ESTABLISHING AN APPROPRIATION LIMIT FOR THE FISCAL YEAR ENDING JUNE 30, 2013

MOTION: 1st by Foster, 2nd by Fones to adopt Resolution No. 2012-6 Establishing an Appropriation Limit for the Fiscal Year Ending June 30, 2013

ROLLCALL VOTE: Enns (yes), Fones (yes) Lyon (yes) Foster (yes) Chivens (yes). Motion passed 5-0

4. CONSIDERATION FOR APPROVAL TO MODIFY THE DISTRICT'S FINANCIAL MANAGEMENT AND CAPITAL IMPROVEMENT PROGRAM DATED AUGUST 20, 2008 AS IT RELATES TO DISTRICT MANAGERS LIMITS OF APPROVAL FOR BUDGET AND CAPITAL EXPENDITURES (RESOLUTION 2012-7)

Manager Koon reported he researched and reviewed the proposed limits which are based on the most recent UPCCAA limits. His proposed limits of approval are only 50% of the latest UPCCAA limits and the current limits in place are from 2008. Vice-President Fones stated he would like to see the term Design Engineer in Section 5.G. be changed to an identifiable legal term and recommended we use Professional Engineer of Record. It was also asked that we clarify 5.L. to read "Reallocation of funds between lines items in the budget categories that do not result in an increase in the approved budget".

MOTION: 1st by Foster, 2nd by Chivens to adopt Resolution No. 2012-7 To Modify the District's Financial Management and Capital Improvement Program dated August 20, 2008 as it relates to District Managers Limits of Approval for Budget and Capital Expenditures with corrections.

ROLLCALL VOTE: Enns (yes), Fones (no) Lyon (yes) Foster (yes) Chivens (yes). Motion passed 4-1

5. CONSIDERATION TO APPROVE NEW SERVER CONTRACT

ASO Brookins explained he brought this item back to the Board for informational purposes since the final contract number came in higher than originally budgeted. The need to replace the Districts current PC's with professional level PC's with up-to-date operating systems is the reason for the increase. Director Chivens asked about the quotes that were for Windows 7 PC's. His concern is that Windows 8 is coming out soon and suggested that we have that put in the quote for upgrade to be included.

MOTION: 1st by Foster, 2nd by Fones to Approve New Server Contract. Motion passed 5-0

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

A. District Manager's Report – July 2012

Manager Koon presented his report on the month's activities including an update to the Board on the WWTP appeals process with the CCC. Vice-President Fones commented that he would like to see more detail on the Managers report especially when it comes to callouts so the Board can see where the problems are occurring. Vice-President Fones and Director Foster both asked about reports and letters to and from the CCC being made available to them. Manager Koon replied all this is available on the City of Morro Bay website. Manager Koon said he would forward these letters to the Board. There was some discussion on the flow report and why we had no flow numbers from Morro Bay.

B. Administrative Services Officer's Report – July 2012

ASO Brookins written report was received. Brookins informed the Board he would bring his recommendation on billing software to them next month. Director Lyon recommended that the agenda be reviewed by a Board member prior to distribution. Director Chivens inquired with the server contract exceeding the original budget, what happens to the O&M work order system? Director Chivens feels the O&M work order system is important and shouldn't be put to the side. Zevely asked to speak and clarified he had done the investigation on the CityWorks software and feels this is the best program for our needs. ASO Brookins clarified that we will go forward with this acquisition after the server is in place.

7. CONSENT CALENDAR

A. Approval of Minutes for the July 19, 2012 Board of Directors Meeting

Director Lyon asked that the Motion to Approve for Items 6.A and 6.B be corrected to reflect Director Fones made the motion, not Director Foster.

MOTION: 1st by Fones, 2nd by Lyon to approve the Consent Calendar with corrections. **VOTE:** 5-0. Motion passed.

8. BOARD MEMBER COMMENTS

Vice-President Fones announced he will be submitting his official resignation from the Board since he is moving to San Luis Obispo in the next 10 days. There was discussion on the upcoming General Election and that two (2) Cayucos residents, Peggy Little and Dan Lloyd had both filed papers to run for the Board of Directors in November.

Director Foster stated he was surprised that a staff letter went out to the CCC without any JPA member input, he felt this was inappropriate. Director Foster also stated he was troubled on the cancellation of the JPA meetings and asked if we are we putting too much focus on the CCC and maybe we should be spending more time on alternative site work. Director Foster submitted for public record his 3/15/12 list that was given to the Board back in March of this year. This memo consists of a list of questions for Frank Cunningham, Advisor to the Board, on the WWTP. President Enns asked Manager Koon to explain why staff responded to the CCC without going through the JPA. Manager Koon responded that he has, on several occasions, cautioned Morro Bay that items need to go through the JPA, the response prior to this last letter was technical in nature and was mainly between Livick, Wade and the CCC.

Director Foster stated that the policy of the Board in regard to the WWTP isn't talked about, he asked what is our position/policy? Foster continued, the Righetti property is for sale, what are we doing about it? Director Lyon responded that our priority is to do what is best for the ratepayers.

Zevely was granted permission to address the Board and stated that reviews and merit increases are still on hold and he was told that this would be addressed in July. Zevely further inquired on the status of the Personnel Committee meeting in regard to merit steps. President Enns told Zevely this was not the forum for this matter, that he should direct these questions to the District Manager who would schedule a meeting with the Personnel Committee if needed.

9. SCHEDULED MEETINGS

- A. **CANCELED** - Morro Bay-Cayucos Wastewater Treatment Plant (JPA) Meeting, *Date:* August 23,
- B. Morro Bay-Cayucos Wastewater Treatment Plant (JPA) Meeting, *Date:* September 13, 2012
Hosted By: City of Morro Bay, *Location:* TBA, *Time:* TBA

10. SCHEDULE AGENDA ITEMS FOR THE SEPTEMBER 20, 2012 BOARD MEETING

11. ADJOURNMENT

The meeting adjourned at 7:46 p.m.

Minutes recorded by:



Anita Rebich, Administrative Services Tech