

MINUTES
SAN SIMEON COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS REGULAR MEETING
Wednesday, February 10, 2016
6:00 pm

CAVALIER BANQUET ROOM
250 San Simeon Avenue
San Simeon, CA 93452

1. REGULAR SESSION:@ 6:05PM

A. Roll Call:

Chairperson McAdams -present
Vice-Chair Fields - present
Director Williams - present
Director Patel – present
Director Price - present

General Manager, Charles Grace
District Counsel, Heather Whitham
Sheriff Rep: Commander Taylor

B. Pledge of Allegiance

2. PUBLIC COMMENT:

A resident had a complaint about the bushes behind the Quality Inn facing Avonne Avenue. The bushes were over grown and infringing on the sidewalk.

Staff said they would contact the owner of the Quality Inn.

A. Sheriff's Report – Report for January.

The Sheriff's office received 28 calls for service during the month of January. Such calls included; 14 traffic stops, 2 incomplete 911 calls, 1 citation for drugs, 2 disturbing the peace, and 2 check the welfare.

The Commander also stated that there have been a rash of car break-ins in Morro Bay and that citizens should be care to not leave items visible in their car and to make sure your car is locked.

B. Public comment on Sheriff's Report: None

3. BOARD PRESENTATIONS AND ANNOUNCEMENTS: None

4. STAFF REPORTS

A. General Manager's Report

1. Staff Activity – Report on Staff activities for the month of January.

During the month of January, Staff sent out water billing and State/Hearst billing as well as responded to several customer calls. Staff cleaned Pico Avenue with hydrant water to clean up the dirt and rocks. Staff attended an IRWM meeting to discuss the Grant procedures. Staff

worked on the District Office driveway to mitigate the mud that the combination of construction and rain events have caused.

2. Update – Wellhead treatment system project.

The RO unit and CIP tank have been delivered and due to adverse weather were offloaded away from the job site. The brine tank has been delivered. The concrete slab for the RO unit and the concrete pad for the brine tank have been poured.

3. Update – Notice of Violation from Coastal Commission regarding Wastewater Treatment Plant Rip Rap installation.

The Coastal Commission responded to the SSCSD Coastal Development Permit Application asking for several tasks to be completed. The response is attached for review.

B. Superintendent’s Report

1. Wastewater Treatment Plant

- All sampling, testing and reporting at the wastewater treatment plant and the recycled water facility was performed as required by the RWQCB.
- Annual maintenance was performed on the sludge collector drives and the EQ basin pumps.
- One load of sludge was hauled away this month.

2. Water Distribution System

- All routine sampling and testing was performed. The monthly report was submitted to the State Water Resources Control Board (SWRCB), Division of Drinking Water (DDW).
- A leak was repaired on the water service leading to the irrigation account at the Seagate Condos on Balboa Avenue.
- Monthly water meter reading was performed.
- Chloride levels are monitored throughout the system.

3. District and Equipment Maintenance

- Staff continues with all of the scheduled preventive maintenance for all the equipment at the facilities. We are recording all of these activities.
- Pot holes were filled around the district streets

C. District Financial Summary – Update on Monthly Financial Status for close of business January 31, 2016.

December Billing Revenue	\$ 50,569.01
January Billing Revenue	\$ 68,660.50
Past Due (31 to 60 days)	\$ 261.48
Past Due (60 days)	\$ 101.98

ENDING BANK BALANCES: January 31, 2016

RABOBANK SUMMARY:

General Checking Account	\$ 4,023.12
Well Rehab Project/USDA Checking Account	\$ 101.05

HERITAGE OAKS BANK:

Summary of Transactions:

December 31, 2015 balance	\$ 808,595.59
Interest for January	\$ 171.24
Money Marketing Account Closing Balance January 31, 2016	\$ 808,766.83
	Reserve Fund (\$ 250,000.00)
	Hook up Deposits (\$ 45,750.00)
	Available Funds \$ 513,016.83
General Checking Account	\$ 82,395.08
LAIF Closing Balance January 31, 2016	\$ 520.78

D. District Counsel's Report – Summary of January activities.

District Counsel assisted Staff with the agenda, items on the agenda and provided info on topics for the agenda.

5. ITEMS OF BUSINESS

A. Consideration of approval of last month's minutes – January 20, 2016.

A motion was made to approve the January minutes as presented.

Motion by: Director Williams

2nd by: Director Price

All in: 5 / 0

B. Consideration of approval of Disbursements Journal – February 10, 2016.

A motion was made to approve the January Disbursements Journal as presented.

Motion by: Director Price

2nd by: Director Patel

All in: 5 / 0

C. Consideration of approval of USDA Grant Funds Disbursements Journal - February 10, 2016.

A motion was made to approve the January USDA Grant funds Disbursements Journal as presented.

Motion by: Vice-Chair Williams

2nd by: Chairperson McAdams

All in: 5 / 0

6. DISCUSSION/ACTION ITEMS

A. Consideration of Approval of Letter Agreement Amending the District Counsel Legal Services Agreement with Carmel & Naccasha to provide for an annual cost of living increase. - \$45 a month increase for 2016.

Carmel and Naccasha is requesting the Board to approve a 2.5% increase (\$45.00) to their monthly retainer and an increase in the hourly rate for additional services of \$4.13. The retainer increase would bring the fee for District Counsel Services to \$1,845 per month. The additional services rate would increase to \$169.13 per hour. Carmel and Naccasha would like to automatically increase their annual rate by 2.5%.

A motion was made to approve the 2.5% increase for the 2016 year only.

Motion by: Vice-Chair Williams

2nd by: Director Price

All in: 4 in favor

No: Director Fields

B. Consideration of John Madonna Construction change order for labor, equipment and materials related to the wellhead treatment project in the amount of \$17,806.38

John Madonna Construction is asking for an additional \$17,806.38 to cover the additional costs of the project associated with under slab conduits between equipment skids, the added SCADA system, two additional doors and offloading equipment multiple times.

A motion was made to approve the additional funds to Madonna Construction for \$17,806.38.

Motion by: Director Fields

2nd by: Chairperson McAdams

All in: 5 / 0

C. Consideration of Phoenix Proposal for increase in Construction Management Costs related to the wellhead treatment project in the amount of \$14,216.

Phoenix Engineering is asking for an additional \$14,216 for the additional services needed to finish the project. Because of the numerous submittal reviews, actual utility locations and extended coordination with the RO manufacture, Construction Management Service hours have increase well beyond hours that were estimated in the original proposal.

A motion was made to approve the additional funds to Phoenix Engineering for \$14,216.

Motion by: Chairperson McAdams

2nd by: Director Patel

All in: 5 / 0

D. Consideration of Procedure to Fill the Vacancy on the San Simeon Community Services District Board of Directors Created by the Resignation of Ralph McAdams.

With the resignation of Ralph McAdams, the Board will need to make a decision to either hold elections, or appoint a new director. As in previous similar situations, elections would be costly to the District.

Staff requests the Board go through the appointment process of a new director and to direct Staff to send notices to the public of the vacancy in the next water billing cycle.

A motion was made for the Board to choose a new Board member via appointment process.

Motion by: Director Price

2nd by: Director Patel

All in: 4 / 0

7. Board Committee Reports – None

8. Board Reports – None

9. BOARD/STAFF GENERAL DISCUSSIONS AND PROPOSED AGENDA ITEMS - None

10. ADJOURNMENT @ 7:00PM