

MINUTES
SAN SIMEON COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS REGULAR MEETING
Wednesday, December 09, 2015
6:00 pm

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

1. REGULAR SESSION: @ 6:03 PM

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
Commander Taylor
Travis Hole from Moss, Levy & Hartzheim

B. Pledge of Allegiance

2. PUBLIC COMMENT: None

A. Sheriff's Report for November.

There were 56 calls for service during the month of November. Such calls were 27 traffic stops by deputies, 1 pedestrian contact, 2 incomplete 911 calls, and 5 arrests. The arrests were; 1 woman refusing to leave the San Simeon Bar and Grill during closing, 1 stolen vehicle, 2 possession of methamphetamines, and 1 drunk in public.

B. Is there any 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 November.

During the month of November, Staff performed meter reading, prepared the District Newsletter and distributed water billing. Staff responded to several residential calls regarding falling trees and street gutter clearing during the rain event. District staff and Phoenix Engineering have been working with Madonna Construction on the Wellhead Treatment Project.

2. Wellhead Treatment system project update.

Madonna Construction broke ground November 9 to find several obstacles in the way of the project foundation and pad. As a result, the project will sit 5 feet east of the original location in turn causing the relocation of the brine storage tank and storage shed. In addition, PG&E dictated an overhead electric utility drop versus the underground electric utility connection as previously discussed and designed.

3. Integrated Regional Water Management (IRWM)/Water Resources Advisory Council (WRAC) Grant for Wellhead Treatment systems project update.

Staff attended the December IRWM meeting regarding the grant that the District has received. At this time, the Department of Water Resource Agency (DWR) had not updated the County on the Grant. The amount the District is to receive will be determined later on this month. As described during last month's meeting, only 75% of the amount requested was awarded to San Luis Obispo County, therefore no grant recipient will receive the full amount requested.

As per the agreement between the District and Carollo Associates regarding the grant writing costs, there is a possibility that the State will absorb the costs. The County is currently looking into that matter. At this time, Carollo has not submitted their final costs for their portion of the County grant writing.

4. Notice of Violation from California Coastal Commission (CCC) regarding Wastewater Treatment Plant Rip Rap installation update.

The CCC requested submittal of the "After the Fact" Coastal Development Permit (CDP) with existing studies. The CCC also requested information on the public access projects (San Simeon Avenue Pathway and Pico Avenue Stairs) to be included in the submittal. The CDP has been assembled and will be submitted during the week of December 13.

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.
- The Return Activated Sludge and Waste Activated Sludge piping at the WWTP was resurfaced and the same epoxy and polyurethane that is used on the pipe bridge was applied.
- 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).
- Monthly water meter reading was performed.
- Well #3 was put into production on November 27th to blend down the rising chloride content in the aquifer. High tides and high surf contributed to the sudden rise of chloride in the last week of the month.
- 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.

C. Update on Monthly Financial Status for close of business November 30, 2015.

October Billing Revenue	\$ 71,895.93
November Billing Revenue	\$ 58,666.02
Past Due (31 to 60 days)	\$ 228.78
Past Due (60 days)	\$ 0.00

ENDING BANK BALANCES: November 30, 2015

RABOBANK SUMMARY:

General Checking Account	\$ 4,223.12
Well Rehab Project/USDA Checking Account	\$ 101.05

HERITAGE OAKS BANK:

Summary of Transactions:

Interest for November	\$ 808,221.88
Money Marketing Account Closing Balance November 30, 2015	\$ 166.09
	\$ 808,387.97
Reserve Fund	(\$ 250,000.00)
Hook up Deposits	(\$ 45,750.00)
Available Funds	\$ 512,637.97

General Checking Account	\$ 95,051.38
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LAIF Closing Balance November 30, 2015	\$ 520.30
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D. District Counsel's Report – Summary of November activities

- District Counsel provided the District with the Ultura Litigation Memo.
- Discussions and review of Grace Environmental contract have begun.
- Staff was assisted with preparation of this month's agenda.

5. ITEMS OF BUSINESS

A. Approval of last month's minutes – November 11, 2015.

A motion was made to approve the November regular meeting minutes as presented.

Motion by: Vice-Chair Fields

Second By: Director Williams

All in favor: 5 / 0

B. Approval of General Checking Disbursements Journal– December 09, 2015.

A motion was made to approve the disbursements journal from the District's general checking account.

Motion by: Director Price

Second By: Chairperson McAdams

All in favor: 5 / 0

Note; change Nossaman check memo to: CCC Rip Rap NOV.

C. Approval of USDA Grants Funds Disbursements Journal – December 09, 2015.

A motion was made to approve the disbursements journal from the USDA Grant checking account.

Motion by: Director Williams

Second By: Director Patel

All in favor: 4 Approved, 1 Opposed; Director Fields

6. DISCUSSION/ACTION ITEMS

A. Board discussion/review of Draft Audit 2014-2015 presented by Travis Hole from Moss, Levy & Hartzheim, LLP.

The 2014-2015 Draft Audit was distributed for review during the month of November. There are still a few items that the General Manager and Travis Hole are working on to improve the document. At this time, the Auditor Travis Hole, and Staff would like to hear any comments, questions or corrections the Board or the Public may have prior to potentially finalizing the Audit during the January Board Meeting.

There was no public comment or questions. Director Williams asked about the difference in interest payments made in 2014 to 2015. Difference was that only one payment was made towards the USDA loan in 2014, whereas there were two payments in 2015.

The final draft will be brought back to the Board for approval at the January 2016 meeting.

B. Consideration of approval of additional funds to Phoenix Civil Engineering for Wellhead Treatment Project Design and Construction, increasing the original contracted amount of \$24,011.25 to \$31,734.

In consideration of the impact of the reverse osmosis unit (RO) official submittal drawings, the increase in SCADA equipment needs, the building being made a definitive part of the project, and PG&E changing from an underground service to an overhead service, additional engineering and construction observation are necessary. Staff recommends approval of the attached Phoenix Engineering Additional Services Proposal.

A motion was made to approve the additional funds to Phoenix Civil Engineering for Wellhead Treatment Project Design and Construction, increasing the original contracted amount of \$24,011.25 to \$31,734.

Motion by: Chairperson McAdams

Second By: Vice-Chair Fields

All in favor: 5 / 0

C. Consideration of approval of additional funds to IRJ Engineering for Wellhead Treatment Project Electrical Design, increasing the original contracted amount of \$8,500 to \$13,850.

Given the impact of the RO official submittal drawings and the change by PG&E from underground electric utility service to an overhead electrical utility service, IRJ Engineering is requesting a revision in their scope of work to include the tasks identified on the attached added services proposal. Staff recommends approval of the attached IRJ added services proposal.

A motion was made to approve the additional funds to IRJ Engineering for Wellhead Treatment Project Electrical Design, increasing the original contracted amount of \$8,500 to \$13,850.

Motion by: Director Price

Second By: Chairperson McAdams

All in favor: 5 / 0

7. Oral Reports from Committee Members. None

8. Oral Reports from Board Members on current issues. None

9. Requests from Board members to receive feedback, direct staff to prepare information, and/or request a formal agenda report be prepared and the item placed on a future agenda.

Vice-Chair Fields requested the Staff contact PG&E regarding a street light outage on Castillo Drive, pole #10.

10. ADJOURNMENT @6:52 PM