

**MINTUES**  
**SAN SIMEON COMMUNITY SERVICES DISTRICT**  
**BOARD OF DIRECTORS REGULAR MEETING**  
**Wednesday, October 12, 2016**  
**6:00 pm**

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

**1. REGULAR SESSION: @6:06 PM**

**A. Roll Call:**

Chairperson Williams – Present  
Vice-Chair Fields – Present  
Director Price – Present  
Director Patel – Absent  
Director Russell – Present

**Also present:**

General Manager, Charles Grace  
District Counsel, Heather Whitham  
Sheriff's Representative, Commander Taylor

**B. Pledge of Allegiance**

**2. PUBLIC COMMENT:**

Kristy from the CCHCD stopped by to remind everyone to vote.

**A. Sheriff's Report for September.**

For the period between September 14, 2016 and October 12, 2016 the Sheriff's Office received 21 calls for service in the San Simeon area. Included in these numbers are: 6 traffic stops by deputies on vehicle that were either suspicious or were stopped for vehicle code violations, 1 pedestrian contact where a deputy stopped a person on foot to talk to them, 5 911 calls all concerning speeding vehicles on Highway one in the San Simeon area, 3 disturbing the peace calls regarding a male and female arguing at the Elephant Seal parking lot and 1 theft regarding loose change stolen from an unlocked car in the 500 block of Casa Del Mar.

**B. Public comment on Sheriff's Report.**

Director Russell asked about a car chase that ended in San Simeon. Commander Taylor said that the chase had to do with a woman abducting a man's child from Cayucos.

Hank asked the Sheriff how they would they notify San Simeon residents in an emergency.

Commander Taylor mentioned that reverse 911 and the emergency broadcast system is the most reliable for San Simeon.

**3. PRESENTATIONS AND ANNOUNCEMENTS FROM BOARD: None**

**4. STAFF REPORTS**

**A. General Manager's Report**

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

During the month of September Staff sent out water billing and responded to several customer service calls and concerns. Staff attended the County Water Committee and sub-committee meetings. Staff has been working with several public residents on their concerns with water conservation measures. The General Manager and the Bookkeeper have been coordinating with the District Auditor in order to complete the 2015-2016 Audit.

**2. Update – Wellhead treatment system project.**

Staff has been routinely reviewing the system equipment within the treatment building. Final payments to Wigen and Madonna are in this board packet's warrant report. The final cost of the project is \$923,503 and is \$18,497 under the budgeted estimate. With the \$500,000 grant from the USDA and the expected \$362,431 reimbursement from the grant awarded by Integrated Regional Water Management, the total amount spent directly by the SSCSD would be \$61,072.

**3. Grant Updates – Integrated Regional Water Management Grant (IRWM), County Beautification Grant for Pico Stairs Beach Access, Prop 1 Grant.**

**Integrated Regional Water Management Grant (IRWM)**

Staff has prepared the requested Monitoring Report per the Department of Drinking Water's (DDW) request. This report includes monthly water use, sampling of the Drinking water system, whether the RO unit is in use or not. The report will be submitted quarterly. Staff is waiting for approval of the report content from the DDW. As previously mentioned, invoices have been submitted and the County is waiting to hear the DDW's payment timing.

**County Beautification Grant for Pico Stairs Beach Access**

Item to be addressed under DAI B.

**Prop 1 Grant**

Currently, the IRWM Sub-DAC (Disadvantage Communities) Committee have met and are having issues with the designation of funds to the City of SLO. Because of this issue, this topic will be covered under the Discussion Action Item

**Gateway Monument Sign and Interpretive Signs**

SLOCOG (San Luis Obispo County of Governments) Byways coordinator contacted the District regarding the Gateway Monument Sign and the Interpretive Signs. Cal Trans had declined the original requested location of the Monument sign. The new location will be at the area nearest the population sign, next to the road. This is the spot Cal Trans has chosen. The re-design has already been completed and accepted. Authorization through the Federal Cal Trans Grant Team will be completed this month. The next step will be to put out an RFP (request for project) for construction and start encroachment permits. They hope that construction on the monument will start in Early January or February. The District will receive a maintenance agreement from Cal Trans and the County sometime next month.

Installation of the "Interpretive signs" will be done by the California Conservation Corps. Two to Three signs will be located by the Pico Stairs and one will be located by the San Simeon Avenue Beach Access.

**4. Update - Lien Sale of vehicle abandoned by Ultura Water.**

The Department of motor vehicles changed the sale date of the truck to October 21, 2016 allowing more time for Ultura to ask for their vehicle back in exchange for the fees they have incurred.

**5. Update – Reservoir / Storage tank project.**

Staff placed sighting poles at the potential location for the storage tanks. Streamers were placed at 25, 20 and 15 feet heights along the poles to determine if those streamers were visible from highway one. The streamers were not seen when attempting to locate them from Highway 1 mainly due to the trees located in the surrounding area of the sought after tank site. Staff as received a quote to perform a geotechnical survey. Staff has requested proposals from engineering firms to perform 1) Area topographical survey, 2) 30% preliminary design the remaining proposals have yet to be received.

In addition Staff has contacted a tank installation contractor and received a quote to perform minor grading, compaction for a concrete ring wall foundation, tank installation and epoxy coating for two 43' Dia X 24' tall 260,700 gallon tanks.

**6. Loan Payment made to USDA for Well Rehab Project - \$10,345**

Staff transferred \$10,345 to the Rabobank, Well Rehab account for the biannual payment to the USDA. An Additional \$100 was also transferred to the account to take care of the monthly fees for the next year.

**7. Refund from PGE regarding RO Unit - \$1,067.63**

The District received a reimbursement from PGE in the amount of \$1,067.63 from the \$11,000 payment to PGE for the work on the RO building. There was a tax rate change which lowered our fee. The check was deposited in the District's general checking account. A credit towards account 1660 will be deducted from the total cost of the RO budget.

**8. Special District Risk Management Authority – President's Special Acknowledgment Award**  
San Simeon CSD received the "President's Special Acknowledgement Award" from the Special District Risk Management Authority (SDRMA). This award acknowledge the dedicated efforts of the San Simeon CSD Governing Body, Management and Staff towards proactive risk management and loss prevention training. The award also recognizes the 'no paid" claims during the prior five consecutive program years in SDRMA's Property/Liability program. In addition to this recognition, the District has earned Credit Incentive Points reducing our annual contribution amount.

**B. Superintendent's Report – Facility Activities for the Month of September.**

**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 Outfall Pipeline inspection was performed by Marine Diving Solutions.
- The chlorine analyzer underwent annual maintenance and repair.
- Attended a webinar on the method for the new reporting requirement to the USEPA.
- Rebuilt the pressure switch on the Amiad filter for the SSWRF.

- Installed new compressor to run the Amiad filter backwash system and repaired a leak in the air line.
- One load of sludge was hauled away.

**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).
- Sampled and tested for the Lead and Copper Rule. Completed and submitted the Lead and Copper Rule report to the DDW.
- The Reverse Osmosis Unit pickling solution was flushed out. It was then re-pickled.
- Monthly water meter reading was performed.
- Chloride levels continue to be 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.
- Installed ADA mats at the Pico beach access ADA ramp and stair approach. Applied grip tape on the appropriate stair locations.
- A new set of stairs was built from the bottom landing to the sand.
- Weed abatement was performed at various areas on the streets.
- Inside the fence at the reservoir weed abatement was performed as well as filling cracks in the asphalt that surrounds it.

**C. Update on Monthly Financial Status for close of business September 30, 2016.**

<b>August Billing Revenue</b>	<b>\$ 86,541.08</b>
<b>September Billing Revenue</b>	<b>\$ 74,696.54</b>
Past Due (31 to 60 days)	\$ 241.71
Past Due (60 days)	\$ 125.03

**ENDING BANK BALANCES: September 30, 2016**

**RABOBANK SUMMARY:**

<b>Well Rehab Project/USDA Checking Account</b>	<b>\$ 10,445.05</b>
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**HERITAGE OAKS BANK:**

<b>Interest for September</b>	<b>\$ 149.80</b>
<b>Money Marketing Account Closing Balance August 31, 2016</b>	<b>\$ 527,372.92</b>
<b>Transfer to Rabobank Well Rehab Account</b>	<b>\$ 10,445.00</b>

<b>Money Marketing Account Closing Balance September 30, 2016</b>	<b>\$ 517,007.05</b>
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Reserve Fund	(\$ 250,000.00)
Wait-list Deposits	(\$ 45,750.00)
Customer Deposits	(\$ 9,708.00)
<b>Available Funds</b>	<b>\$ 211,549.05</b>

<b>General Checking Account</b>	<b>September 30, 2016</b>	<b>\$ 112,128.22</b>
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<b>LAIF Closing Balance September 30, 2016</b>	<b>\$ 522.09</b>
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**C. District Counsel’s Summary of September activities.**

District Counsel assisted the District and Staff with:

- The Pine View Mobile Home park encroachment situation
- Discussed citizen concerns with the General Manager
- Assisted with Ordinance 117
- Had discussions with Staff regarding Prop 1 funds

**5. ITEMS OF BUSINESS**

**A. Consideration of approval of September 14, 2016 minutes.**

A motion was made to approve minutes with the correction to page one “quiet month” instead of “quite month in the Sheriff’s report.

Motion by: Director Price

2<sup>nd</sup> by: Vice-Chair Fields

All in: 4 / 0

**B. Consideration of approval of Disbursements Journal – October 12, 2016.**

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

Motion by :Director Russell

2<sup>nd</sup> by: Director Price

All in: 4 / 0

**6. DISCUSSION/ACTION ITEMS**

**A. Consideration of agreement in support of the letter to the Board of Supervisors regarding Prop 1 funding distribution.**

Staff has been attending the IRWM DAC Sub-Committee meetings. At these meetings, committee members have discussed the amount to be distributed among all DACs. In May, all participants were to have submitted projects and cost if available, to show interest in the DAC allocated funds. The only DAC’s that showed any interest in attending the meetings or submitting any projects were; San Simeon, Oceano, San Miguel, and Grover Beach. This ment an even split of \$177,718 each (approximately).

It has come to the Sub-committee’s attention that the City of San Luis Obispo has a small percentage that the Census considers “Disadvantaged” which now inherently gives the City of San Luis Obispo (SLO) the right to ask for funding from the DAC allocated funds. This means that the four communities (San Simeon, Oceano, San Miguel, Grover Beach) will be getting less funding approximately \$158,218 each. The General Manager of Oceano and the San Simeon Administrator intend to fight for the funds that were taken out of the originally designated amount for our communities and re-distributed to the City of San Luis Obispo.

The Board of Oceano approved the attached letter to be sent to the Board of Supervisors regarding the allocation of funding to the City of San Luis Obispo (SLO). San Simeon Staff would like to send a letter to the Board of Supervisors supporting the document from Oceano. The amount the City of SLO is

requesting is \$78,125. That is \$19,500 that has been taken out of the originally designated amount to San Simeon. Also attached, is the rebuttal from the City of SLO regarding the Oceano letter.

Staff requests approval from this Board to send a letter to the Board of Supervisors in support of the Oceano CSD letter.

A motion was made for Staff to send a letter to the County.

Motion by: Chairperson Williams

2<sup>nd</sup> by: Director Russell

All in: 4 /0

**B. Discussion of how to spend the County Beautification Grant for Pico Stairs Beach Access.**

Attached is the recommended funding levels for the Infrastructure/Beautification Grant Program. There was \$190,182 in grant funding requests and only \$100,000 available. The Board of Supervisors will considered the recommended levels of grant funding at their October 25, 2016 meeting as part of the consent agenda.

Per the recommended allocation of funds, if approved at the Board of Supervisors meeting, \$20,000 will be given to San Simeon CSD towards beautifying the Pico Beach Access with artistically. Staff asked local artist Brooks Lawrence, to enhance the benches with a design in the wood. Staff presented the artistic idea to the Board at the July meeting which included copper inlet into carvings on the wood panels. Brooks attended the meeting and had questions from residents and Board members about the ease of vandals removing the cooper. The Board asked Brooks if he had any other ideas and to bring them to the Board. Brooks is present, and would like to show the Board his new idea.

Staff would like the Board to approve a not to exceed amount of \$10,000 towards the art work for the benches and the fencing and the other \$10,000 would go towards the expenses of the maintenance to the stairs and rails.

A motion was made to approve Brooks' new idea and to approve payment not to exceed \$10,000 to Brooks for art work.

Motion by: Vice-Chair Fields

2<sup>nd</sup> by: Director Price

All in: 4 /0

**C. Consideration/Discussion of lifting Stage One water restrictions.**

Attached in this board packet is a letter received by Staff on September 15<sup>th</sup>, signed by Board Member Leroy Price and five residents from the mobile home park, requesting Stage One to be lifted and State Mandated Restrictions implemented. The historical and current trigger to implement Stage One restrictions is when Pico Creek stops flowing to avoid drawing well levels to the point where aquifer water is impacted by wave run up or salt water intrusion. Currently Well levels are 13.6 and chloride levels are at 174. Well levels are now .12 feet lower in comparison to 10 year averages. With State Mandated Restrictions in place and in comparison to SSCSD's current water conservation Ordinance 114, if we lifted Stage One, this would allow the use of water to wash automobiles, trucks, trailers, boats, mobile homes and other types of mobile equipment with District potable water. In addition the

sale of District water outside of District boundaries would be allowed. Currently no water customers are located outside of District boundaries.

Staff is requesting direction from the Board on this request.

At the Water Committee meeting, the committee voted to advise the board not to lift Stage One. No action was taken. Staff was directed to leave Stage One in place.

**D. Discussion regarding Pen Way right of way encroachment by Pine View Mobile Home Park.**

Pen way is a 50 feet right of way owned by the San Simeon Community Services District. Recently it has come to the attention of Staff that the Pine View Mobile Home Park has placed several mobile homes within the SSCSD 50 feet Pen Way right of way. The attached letter from the General Manager informing the owner(s) of the Pine View Mobil Home Park of the encroachment was sent on July 25, 2016. The letter from the General Manager also included suggested solutions to the owner. The SSCSD received the attached response letter from the Pine View Mobile Home Park on July 27, 2016.

After recent discussions with the Manager of the Mobile Home Park, it is the General Manager's current understanding that the owners of the Mobile Home Park request that the SSCSD owned 50 feet of right of way be reduced (vacated) to 40 feet. This would reduce the amount of encroachment from several mobile homes to sheds and flower pots or otherwise temporary structures. Alternatively the Mobile Home Park owner would like to discuss a solution involving the following steps 1) their acknowledging the 50 feet of right way and the encroaching mobile homes 2) Mobil homes will be moved off of the encroachment at the time of replacement 3) Pine View Mobile Homes will notify impacted mobile home owners of these stipulations.

An updated boundary survey was performed by MBS on August 19, 2016 and is attached for your review. In addition MBS placed boundary markers spaced approximately 50 feet apart along the northerly boundary of the Pen Way right of way. The markers are pink and can be found situated between the Pine View mobile homes that have been placed within the 50 feet of right of way. Staff encourages each Board member to review the boundary location in comparison to the placement of the mobile homes.

A motion was made to Direct Staff and Counsel to enter into discussions with the mobile home park owner regarding an encroachment agreement.

Motion by: Director Russell

2<sup>nd</sup> by: Vice-Chair Fields

All in: 3 / 0

1 Abstain from Director Price because of conflict of interest

**7. Are there any Oral Reports from Committee Members.**

Prior to the Water Committee meeting there was a workshop regarding Ordinance 117. At the workshop Staff heard from residents and hotel owners regarding conservation.

At the Water Committee meeting, the following items were on the agenda; Five year capital investment plan focus, discussion of status of wait list, and discussion of lifting stage one restrictions. After hearing a few suggestions and/or complaints about conservation and requests from residents to keep

conservation in place, it was determined to make a few changes to the Ordinance regarding car washing and irrigation. Allowances were made to give residents more time to wash their cars and water their plants during stage one and two.

A petition with 24 signatures wanting to lift the restrictions was given to the Water Committee Chair.

The Water Committee also made a decision to advise the Board to leave stage one restrictions in place.

**8. Are Oral Reports from Board Members on current issues - None**

**9. Are there any Requests from Board members to Staff to receive feedback, prepare information, and/or place an item on a future agenda(s). - None**

**10. ADJOURNMENT @7:30 PM**