

MINUTES
SAN SIMEON COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS REGULAR MEETING
Wednesday, October 14, 2015
6:00 pm

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

1. REGULAR SESSION: @ 6:00 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

B. Pledge of Allegiance

2. PUBLIC COMMENT:

A. Sheriff's Report – None

C. Public comment on Sheriff's Report: None

D. A request was made to move Item 6A to 2D to discuss Heritage Oaks Bank Business.

Consideration of approval of Resolution 15-380: Authorizing Staff to move all District Funds from Rabobank to Heritage Oaks bank.

District Staff has been looking into other possibilities for the District's bank accounts. There have been several issues with the current bank for some time. In addition to the issues, while the General Manager contacted Rabobank to discuss the possibility of a loan for the Wellhead project, he was told by the bank that they do not provide loans for municipal projects. When the Administrator asked the District's bank for a new account to receive the USDA Grant, the bank insisted that "corporate forms" should be filled out and that the Board of Directors complete share holder forms.

With the accumulation of past and present experiences, District Staff has sought out a new bank. Heritage Oaks Bank (HOB) is a local bank and has experience with public entities. They have the ability to accommodate the SSCSD Grant Fund account and can give us a higher rate for our Money Marketing account. Banking with HOB also places us in a better position to obtain a loan at a competitive rate if ever one is needed. If approved, the USDA Well Rehabilitation Project account will stay with Rabobank and Staff will transfer funds into that account twice a year for the USDA loan payment. Staff recommended approval of 15-380 for better banking services.

HOB Assistant Vice President and Cambria Branch Manager, Kristin Kearns, was present. She advised the Board that HOB could give us .3% on our Money Marketing Account versus the .2% we currently get from Rabobank.

The Board unanimously voted to approve the change from Rabobank to Heritage Oaks Bank.

Motion made by: Chairperson McAdams

Second by: Director Price

All in: 5 / 0

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 September.

During the month of September, Staff performed meter reading, distributed water billing, and responded to multiple customer service calls and RV violations. Phoenix Engineering and staff have been working with the USDA toward completing contract review and budget updates to prepare for the start of construction of the Wellhead Treatment Project. Staff removed diseased bushes around the District office to help keep the District office area fire safe. The Administrator attended WRAC and IRWM meetings on behalf of the District and trained 1 Cambrian for Recycled water use.

Staff participated in the County/PG&E Energy Watch survey which was a two year process. The County and PG&E performed Energy Audits to determine the efficiency of the Wastewater Treatment plant, Wells, and offices owned by the District. The efficiency surveys let the County know which equipment should be replaced in order to help save energy. A report was written to help Staff in the future look for grant funding to help replace aging equipment. The Study has been completed and is at the District office for review.

2. Update – Wellhead treatment system project.

Staff and Phoenix Engineering received the RO Unit submittals from Wigen, reviewed the submittals and returned with comment. Staff prepared a “Conditional Notice to Proceed” which was sent to Madonna Construction and updated the overall project budget for the USDA.

3. Update from USDA and WRAC Grants for Wellhead Treatment systems project.

USDA

District Staff has completed all forms necessary for receiving Grant Funding from the USDA. Once the Bank account is established at Heritage Oaks bank, nearly all items will be completed from the USDA Grant “Letters of Conditions”. Currently, Phoenix Engineering and staff are completing some

final tasks, as mentioned above, in order to get approval from the USDA to start construction on the Wellhead Treatment Project.

WRAC/IRWM Grant

At this time, the County has not heard from the State regarding Grant winners/distribution. The most recent timeline given was to Staff was mid-November.

4. Update on San Simeon Monuments and Interpretive signs from SLOCOG

SLOCOG anticipates building all three signs together. Both SLO City sign and Cambria sign require land use permits from SLO County. The SLO City sign needs a conditional use permit, which will be considered by the Planning Commission on October 22. The Cambria sign requires a Minor Use Permit (MUP), and SLOCOG expects to submit the MUP application by next week at the latest. There is also additional coordination that needs to take place on the environmental documentation side. Finally, the signs will need Caltrans encroachment permits and construction authorization. SLOCOG expects the signs to be under construction by summer 2016, subject to additional permitting delays.

The NEPA process (environmental documentation) for the interpretive signs is near completion. Next steps include obtaining permits (one building permit for a wall-mounted sign and encroachment permits for staging areas), responding to the most recent round of sign content comments by State Parks, and obtaining construction authorization. SLOCOG also expects these signs to be installed by summer 2016.

5. Update – Notice of Violation from California Coastal Commission (CCC) regarding Wastewater Treatment Plant Rip Rap installation.

Staff is coordinating with Nossaman in providing by providing Nossaman with the 1985 Coastal Development Permit (CDP) for the treatment plant expansion and the 2015 Notice of Violation, as well as the:

- 2006 Biological Resources Assessment
- 2006 Bluff Protection Alternative Assessment
- 2008 Information on Habitat and Regulatory Compliance Issues
- 2008 Alternative Assessment Update
- 2008 Bluff Protection Addendum

Staff received a letter from the CCC Enforcement Group requesting an update on the CDP application process. The CCC request for update was responded to informing the CCC that a team of consultants have been assembled and we are reviewing individual proposals. The most recent proposal received, which is believed to be the last proposal necessary to complete the CCC task list, is from MNS in the amount of \$84,158. The total to complete the CCC task list is estimated at \$128,878.

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 case worker from the RWQCB contacted us to inform us that we had a violation in August for Effluent Suspended Solids. The monthly average limit is 30 mg/L. Our sample came out at 36 mg/L. At the same time we were informed that in July although we exceeded the Recycled Water 7 Day Median for coliform, it is not a violation.
- 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.
- 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.
- Maintenance and resurfacing of the Pipe Bridge has begun.

C. District Financial Summary – Update on Monthly Financial Status for close of business September 30, 2015.

August Billing Revenue	\$ 84,485.48
September Billing Revenue	\$ 73,724.41
Past Due (31 to 60 days)	\$ 83.76
Past Due (60 days)	\$ 0.00

RABOBANK SUMMARY: Ending Balances September 30, 2015

Summary of Transactions:

Money Marketing Account Closing Balance August 31, 2015	\$ 808,033.69
Interest for September 2015	\$ 132.83
Reserve Fund	(\$ 250,000.00)
Hook up Deposits	(\$ 45,750.00)
Available Funds	\$ 512,416.52

General Checking Account	\$ 78,191.06
Well Rehab Project/USDA Checking Account	\$ 100.05

LAIF Closing Balance September 30, 2015	\$ 519.88
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D. District Counsel’s Report – Heather Whitham

Counsel assisted staff with the following assignments:

- Reviewed the Reservoir Consulting agreement with Phoenix Engineering
- Reviewed the Wellhead Treatment Construction agreement with Madonna Construction
- Reviewed the Nossaman agreement
- Reviewed Resolution 15-380
- Reviewed Agenda

5. ITEMS OF BUSINESS

A. Approval of last month’s minutes – September 09, 2015.

A motion was made to approve last month’s minutes as presented.

Motion by: Director Williams

2nd by: Director Price

All in: 5 / 0

B. Approval of Special Meeting minutes – September 18, 2015

A motion was made to approve last month’s special minutes with amendment requested to correct the “seconded motion” to Director Price.

Motion by: Director Williams

2nd by: Director Price

All in: 5 / 0

C. Approval of Disbursements Journal – October 14, 2015.

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

Motion by: Director Price

2nd by: Chairperson McAdams

All in: 5 / 0

6. DISCUSSION/ACTION ITEMS

A. Consideration of approval of Resolution 15-380: Discussed under Item 2 D.

7. Board Committee Reports – None

8. Board Reports – None

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

10. ADJOURNMENT @ 6:38 PM