

San Simeon Community Services District



111 Pico Avenue, San Simeon, California 93452
(805) 927-4778 Fax (805) 927-0399

Board of Directors
David Kiech, Loraine Mirabal-Boubion, Eric Schell, Carol Bailey-Wood, Terry Lambeth

**NOTICE OF MEETING
DISTRICT ADVISORY COMMITTEE**

Facilities-Water Committee Meeting

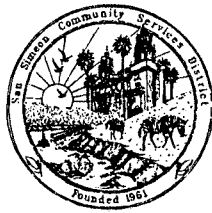
Has Been Moved To:

Thursday, February 6, 2003

4:00 P.M.

Cavalier Banquet Room
9415 Hearst Avenue
San Simeon, CA 93452

San Simeon Community Services District



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NOTICE OF MEETING DISTRICT POLICY ADVISORY COMMITTEE

Monday, February 10, 2003

9:00 A.M.

Cavalier Banquet Room
9415 Hearst Avenue
San Simeon, CA 93452

Board of Directors - Regular Meeting
San Simeon Community Services District
AGENDA
Wednesday, February 12, 2003 – 6:00 PM
Cavalier Banquet Room

Note: All comments concerning any item on the agenda are to be directed to the Board Chairperson

1. 6:00 PM - CALL TO ORDER
 - 1.1 Roll Call
 - 1.2 Public Comment on Closed Session Items

2. ADJOURN TO CLOSED SESSION
 - 2.1 Personnel Issues – Government Code Section 54957: discussions regarding personnel issues including one (1) public employee, specifically, Superintendent of Water/Wastewater Treatment Plant.

3. RECONVENE IN OPEN SESSION (6:30 PM)
 - 3.1 Roll Call
 - 3.2 Pledge of Allegiance
 - 3.3 Report on Closed Session

4. PUBLIC COMMENT:
 - Any member of the public may address and ask questions of the Board relating to any matter within the Board's jurisdiction, provided the matter is not on the Board's agenda, or pending before the Board. Presentations are limited to three (3) minutes or otherwise at the discretion of the Chair.
 - 4.1 Sheriff's Report
 - 4.2 Public Comment

5. STAFF REPORTS
 - 5.1 Kennedy Jenks Consultants – Facilities Plan Presentation by John Jenks
 - 5.2 General Manager's Report
 - 5.3 Plant Superintendent's Report
 - 5.4 District Engineer's Report

6. ITEMS OF BUSINESS
 - 6.1 Approval of Minutes – January 8, 2003 and January 30, 2003
 - 6.2 Approval of Warrants – January 1 through January 31, 2002

7. DISCUSSION/ACTION ITEMS
 - 7.1 Kennedy Jenks Wastewater Treatment Facilities Plan
 - 7.2 Vehicle Usage Policy
 - 7.3 Authorization for Purchase of A Four-Gas Monitor for Confined Space Entry
 - 7.4 Interim Report – Use of San Simeon Avenue Pipeline for Reclamation Purposes
 - 7.5 Resolution No. 03-288 A Resolution Approving the Form of and Authorizing the Execution and Delivery of a Fifth Amended and Restated Joint Powers Agreement [Special Districts Risk Management Authority and Special Districts Workers Compensation Authority]
 - 7.6 Regular Board Meetings – Scheduled Meeting Times
 - 7.7 Board Committee – Reports/Recommendations
 - 7.8 Board Reports

8. BOARD/STAFF GENERAL DISCUSSIONS AND PROPOSED AGENDA ITEMS

9. ADJOURNMENT

**SAN SIMEON COMMUNITY SERVICES DISTRICT
SUPERINTENDENT'S REPORT FOR JANUARY 2003**

FLOW COMPARISON - Water			
Jan-03 2,556,000 gallons	YTD 2003 2,556,000 gallons	MONTHLY USAGE COMPARISON: ANNUAL USAGE COMPARISON:	19% Increase 19% Increase
Jan-02 2,148,000 gallons	YTD 2002 2,148,000 gallons	GROSS WATER PRODUCTION: NET WATER PRODUCTION: MONTHLY RECOVERY RATE:	2,980,000 gallons 2,792,733 gallons 94%
RAINFALL			
Jan-03 1.30 inches	02-03 YTD 10.70 inches	MONTHLY COMPARISON: ANNUAL COMPARISON:	1.20 inches less 10.70 inches more
Jan-02 2.50 inches			
WELL DEPTH COMPARISON			
Jan-03 10.5 feet	Dec-02 10.9 feet	Jan-02 10.65 feet	MONTHLY COMPARISON: ANNUAL COMPARISON:
			-0.4 feet lower -0.2 feet lower
CHLORIDE COMPARISON			
Jan-03 45 mg/l	Dec-02 40 mg/l	Jan-02 45 mg/l	MONTHLY COMPARISON: ANNUAL COMPARISON:
			12% Increase Constant
FLOW COMPARISON - District Wastewater Treated			
Jan-03 1,790,427 gallons	YTD 2002 1,790,427 gallons	MONTHLY USAGE COMPARISON: ANNUAL USAGE COMPARISON:	9% Increase 9% Increase
Jan-02 1,644,000 gallons	YTD 2001 1,644,000 gallons		
FLOW COMPARISON - State Wastewater Treated			
Jan-03 226,043 gallons	YTD 2003 226,043 gallons	MONTHLY USAGE COMPARISON: ANNUAL USAGE COMPARISON:	-14% Decrease -14% Decrease
Jan-02 263,982 gallons	YTD 2002 263,982 gallons		
DISCHARGE REQUIREMENTS			
EFFLUENT BOD:	6 mg/l	EFFLUENT SUSPENDED SOLIDS:	10 mg/l
INFLUENT BOD:	155 mg/l	INLUENT SUSPENDED SOLIDS:	140 mf/l
BIOSOLIDS DISPOSAL			
JANUARY:	0 gallons	YTD:	0 gallons

February 12, 2003

To: Board of Directors
Via: Mark Bloodgood, District Manager
John Wallace, District Engineer

From: Chuck Ellison, Operations Manager

Subject: January 2003 Superintendent's Report - San Simeon CSD

Wastewater

JLWA/FRM began official operation management of the facility on January 24, 2003, after Mr. Ron Head accepted a position with Cambria CSD. Since that time we have met onsite with Mr. Rob Carnes of E.D.A., and Mr. Mike Hassett of the District, for the purpose of familiarizing our selves with the District's facilities, and to initiate operations supervision of the facility.

We have developed a list of projects which we hope to accomplish during our interim work on the plant. In addition, our Systems Supervisor, Mr. Chris Nally, will be helping the District with updating the operation by developing appropriate check sheets, and streamlining some of the record keeping duties, as well as performing deferred maintenance items.

In addition, we will be uploading the District's equipment records, hydrant logs, and well information into our maintenance software. JLWA is providing a computer to the district to be located at the plant, and will be used to generate equipment work orders for maintenance and inspection, and will track individual equipment repair costs. This software, as you know, is used at several other facilities that we manage with excellent results, and can provide management with valuable information regarding the cost of maintaining an individual piece of equipment, or an entire process.

On January 23, 2003, C..D.F. made their annual inspection of the facility. Several items were noted for correction, and staff has accomplished the majority as of this report. The last remaining item is the issue of the shop floor which C.D.F. has yet to determine whether it is to be replaced., and the replacement of the doors which Mr. Hassett is having repaired.

In the mean time the windows have been replaced with plexiglass, and the sub-standard wiring removed per the inspection report. Also accomplished was the removal of the phone buzzer and wiring, and the misc. electrical items as noted in C.D.F.'s report.

Water

The water system operated very well this month, and staff has replaced water meter #9, located at the Sands Hotel. We have made an assessment of the other meters and agree with District staff that these remaining meters (7), would be better installed by a Contractor. Due to the small window of time allowed to have the remaining customers off line, coupled with the amount of re-piping and thrust block replacements necessary to finish each unit, it is more than a staff of two men can handle.

Maintenance Projects


Projects which staff is preparing to accomplish during the next couple of months are as follows;

1. Replace grating over influent channels with fiberglass grating already onsite,
2. Replacement of the old blower motors with new hi-efficiency units already owned by District,
3. Fabrication and installation of clarifier drive chain guards meeting OSHA standards,
4. Draining and cleaning sludge digester, and replacement of broken air diffuser,
5. Installation of back-up power units on hypochlorite and bi-sulphite pumps in order to provide disinfection during periods of power failures,
6. Draining and cleaning of the #2 aeration tank, and replacement of the air diffusers with new units already owned by District, and
7. Replacement of the #2 EQ pump which must be hand rotated in order to get it started.

In addition to the above, staff hopes to provide additional operational training for Mr. Mike Hassett, in order for him to more efficiently operate the facility.

SAN SIMEON COMMUNITY SERVICES DISTRICT

111 Pico Avenue
San Simeon, California 93452
(805) 927-4778

DATE: February 12, 2003
TO: Board of Directors
VIA: Mark Bloodgood, District Manager
FROM: John L. Wallace, District Engineer 
SUBJECT: Engineer's Report - Project Status

SUMMARY OF ACTIVE PROJECTS:

1. Odor Control - Status
2. Avonne-Castillo Waterline Loop - Reevaluation of Priority Projects
3. Annual Road Improvements - On Hold; pending proposed FY 2002-03 CIP
4. Capital Improvement Project List/Descriptions and Estimated Costs FY 02/03 - Ongoing.
5. Pico Creek Wells - Flood proofing - Included in Proposed FY 2002-03 CIP.
6. Standby Power - Included in Facilities Plan
7. Wastewater Treatment Plant Rip-rap & Aeration Tank Expansion-Coastal Permit
8. State Revolving Fund Loan - Application made.
9. Facilities Plan: All Comments Due January 15, 2003
10. Proposition 50 Projects; Resolution of Support Submitted
11. Recycled Water Pipeline in San Simeon Avenue; Status of Investigation

DISCUSSION:

1. Odor Control;

The odor control chemical feed system continues to be used as originally installed, with chemical feed at the Hearst lift station when needed. Kennedy/Jenks Consultants has reviewed the odor control project and has included recommendations in the Final Facilities Plan in light of the future plans for the equalization basin. There have not been any new odor complaints recently at the treatment plant.

2. Avonne - Castillo Waterline Loop;

A hydraulic model of the water distribution system is being conducted to confirm priority projects for better operations and fire protection. Staff is also determining whether or not this project can be built through the Motel 6 property during the summer tourist season. Approval of the CIP and major maintenance budget is needed to authorize this project for bid this Fiscal Year.

3. Annual Road Improvements (Avonne Avenue and Otter Way);

Approval of the CIP and major maintenance budget is needed to authorize this project for bid this Fiscal Year.

4. Capital Improvement and Major Maintenance Projects Priority List;

Staff is refining the proposed projects for Fiscal Year 2002-2003 Capital Improvement and Major Maintenance Projects.

5. Pico Creek Wells;

Improvements are to be included in the Proposed FY 2002-03 Budget. Contact has been made with the Hearst Corporation to discuss setbacks and use of the upstream Hearst well in event that we experience high chlorides in the District's wells.

6. Emergency Standby Power;

Recommendations for standby power are being made by Kennedy/Jenks Consultants as part of the Final Facilities Plan.

7. Wastewater Treatment Plant Rip-rap & Aeration Tank Expansion-Coastal Permit;
Wastewater Treatment Plant Rip-rap

Staff submitted a County Land Use Coastal Development Permit Application (CDP) and to the County on September 24, 2002. The County Planning Department has been reviewing the jurisdictional requirements to determine if the project falls within the State Coastal Commission and/or the County. The same exhibit had been forwarded to the State office which also reviewed the boundary exhibit illustrating the "mean high water mark" which differentiates County and State jurisdiction and the State had not agreed that the project only required a County permit and requested a separate Coastal Development Permit. The County requested the Commission to verify the post certification maps which indicated original/retain jurisdiction to make a determination on the jurisdiction. At this time, no response has been received. The County has declined to continue processing the permit until the jurisdiction issue is resolved.

Also, with the recent court decision regarding the makeup and appointment process of Coastal commissioners, it is uncertain as to the ability of the Coastal staff to approve a permit. New legislation had been introduced through the State Assembly and Senate. The California State Assembly approved a bill Thursday, January 30, 2003, setting two-year terms for eight members of the California Coastal Commission -- the lawmakers' answer to a recent appeals court ruling that the powerful state board is unconstitutional. Meanwhile, the State Senate appears poised to approve legislation setting four year terms for the majority of the coastal commissioners. Once the legislation passes the Senate, the two houses will negotiate over the ultimate length of terms. Because the bills were proposed during a special session of the Legislature, they will become effective 90 days after receiving the governor's signature.

Aeration Tank Expansion-Coastal Permit

Staff and District Counsel have met to review the most current California Coastal Commission response letter of November 27, 2002 and responded by December 13, 2002. At this time, no response has been received.

8. State Revolving Fund (SRF) Program;

Staff investigated potential loan funding for wastewater projects through the State Revolving Fund which provides loans at a low interest rate (approximately 2.5 to 3%). Because of the potential to construct several different improvements with SRF funds, a "general project" application was submitted as a "place holder" for the SWRCB to consider. As a result, San Simeon has been placed on the draft State-wide priority list for funding. A project application will be submitted in accordance with the final Facilities Plan recommendations and the Proposed FY 2002-03 Budget.

9. Facilities Plan;

Mr. Jenks is scheduled to make a full presentation to the Board at the February 12th meeting.

10. Proposition 50 Projects;

As the Board knows, Prop. 50 will most likely make \$650,000 of funding available to this District for water/recycling and water tank/water line projects. Our resolution of support has been submitted to the state for inclusion in the state allocation process. The projects selected will need to be included in the District's capital improvement program for the current and next fiscal years in order to meet the time requirements of the proposition.

11. Recycled Water Line in San Simeon Avenue;

At the December 2002 Board meeting, staff was directed to move forward on a work plan to verify the feasibility of using the existing abandoned 4" water main in San Simeon Avenue for use as a recycled water distribution pipeline. Staff has completed the first phase of the work plan to identify constraints in regards to health separation and regulatory issues along with costs, and will present findings at the February 12th board meeting.

**REGULAR BOARD OF DIRECTORS MEETING
SAN SIMEON COMMUNITY SERVICES DISTRICT**

Date: Wednesday, January 8, 2003
Place: Cavalier Banquet Room

MINUTES

1.0 CALL TO ORDER

The Board convened at 6:00 p.m.

1.1 Roll Call:

Directors Present: Loraine Mirabal-Boubion, David Kiech, Terry Lambeth, Eric Schell and Carol Bailey-Wood

Staff Present: District Manager Mark Bloodgood and Assistant District Manager Eileen Putnam, District Counsel Robert Schultz and District Engineer John Wallace.

1.2 Public Comment on Closed Session:

There was no public comment.

2.0 ADJOURN TO CLOSED SESSION

A motion was made by Director Mirabal-Boubion and seconded by Director Lambeth to adjourn to closed session for conference with the General Manager and Legal Counsel regarding personnel issues, including one public employee, specifically the Superintendent of Water and Wastewater Treatment Plant operations. Motion carried unanimously.

3.0 RECONVENE IN OPEN SESSION/CALL TO ORDER

The Board re-convened in open session at approximately 6:40 p.m.

3.1 Roll Call:

Directors Present: Loraine Mirabal-Boubion, David Kiech, Carol Bailey-Wood, Terry Lambeth and Eric Schell.

Staff Present: District Manager Mark Bloodgood, Assistant District Manager Eileen Putnam, District Engineer John Wallace and District Counsel Robert Schultz.

3.2 Pledge of Allegiance – Led by Chairperson Kiech

3.3 Report on Closed Session:

District Counsel Schultz reported that the Board met in closed session for the purpose of discussing personnel issues pertinent to the position of Superintendent of the Water and Wastewater Treatment Plant Operations. Mr. Schultz stated that the Ron Head had resigned his position, effective January 10, 2003.

The Board directed staff to advertise for the vacant position, authorizing staff to expend up to \$3,000 for advertising.

4.0 PUBLIC COMMENT

4.1 Public Comment:

Bob McLaughlin asked what was being done between the time of Mr. Head's last day and hiring a new superintendent. For the short term, various options are being explored, including contracting for temporary assistance. Staff is also looking into the possibility of getting labor help from a temp agency.

4.2 Sheriff's Report:

Deputy Todd Steeb reported that there was no service calls on the day shift last month. The Sheriff's Department did assist CalTrans in evicting transients from underneath the bridge/walkway. In response to a question about the graffiti on the bridge, Caltrans is responsible for cleaning it up. The fencing on Pico is on private property and is the responsibility of the property owner. Deputy Steeb recommends that pedestrians use the walkway.

5.0 STAFF REPORTS

5.1 Independent Auditor's Report – Fiscal Year 2001 – 2002

Mr. Bloodgood stated that the Auditor was not present at the meeting this evening. Although a draft of the audit report has been received, a determination regarding how much money should be set aside for Water Projects has not yet been made. This item will be re-scheduled.

5.2 General Manager's Report

Mr. Bloodgood reported that the Facilities Committee is currently prioritizing the list for this years Capital Improvements as well as potential funding sources for various projects. The Committee will present their recommendations to the Board in the near future. Final comments for the Facilities Plan are due by January 15th. It is anticipated that John Jenks of Kennedy Jenks Consultants will make a presentation at the February board meeting. In regards to the Action Plan, members of the board will be contacted regarding re-scheduling of this meeting. Mr. Bloodgood also reported that the SLO County Board of Supervisors had recently voted to endorse the framework of the Conservation Plan between the American Land Conservancy and the Hearst Corporation. Staff has coordinated a meeting between Kara Blakeslee, American Land Conservancy Representative, and District representatives, board members, the San Simeon Chamber of Commerce, and interested citizens for January 15, 2003 at 10AM in conjunction with the Chamber of Commerce meeting. All are encouraged to attend.

The District's resolution supporting the proposed allocation of SLO County Prop 50 monies has been forwarded for inclusion in the package being sent to state legislators. With regards to solids disposal alternatives, the firm of MISCO is still reviewing the draft of the Facilities Plan with respect to sludge removal. It is anticipated that we will have their feedback available for the next Facilities Committee meeting, scheduled for February. After 18 years of service with the District, Ron Head has tendered his resignation and his last day will be January 10, 2003. The search for a replacement, temporary or otherwise, is underway.

Mr. Bloodgood reminded members of the Board about the Board Member Training Seminar to be held in Templeton on Saturday, January 11th. Mr. Bloodgood, Mr. Kiech and Mr. Lambeth plan to attend, and if other board members are interested, they should notify staff as soon as possible.

5.3 Plant Superintendent's Report

Mr. Wallace gave the Superintendent's Report. The December rainfall has helped to re-charge the wells, which are currently at 9.9 feet. Chloride levels remain steady. Annual water flow indicates a 4% decrease. There were two power outages in December, on the 19th (3 hours) and the 29th (5 hours). While the latter could have been a problem due to the holiday influx of tourists, the equalization tank was empty. Had this not been the case, a generator would have been necessary. Discussion was held regarding having an emergency plan in the event of power outages. With new staff coming on board, documented procedures will be quite beneficial. Staff did start the generator in the well field. During the December 20th storm and high tides, waves broke over the riprap at the west end of the plant and some water actually came over the wall. Several of the fencing boards were knocked out by the water. Photographs were reviewed. An application has been submitted to PG&E for a rebate on the 60hp blower motor and the VFD's. Staff has also received confirmation that Quantum Consulting has ordered the 2 - 30hp blower motors. Several other projects that had been ongoing and/or planned cannot be completed by one person. The Board may want to consider contracting for outside services in order to complete these tasks, including installation of the safety grating, the water meter replacement project, replacement of the EQ

Pump Valve and replacement of the diffuser membranes in the aeration tanks. A discussion regarding job order systems and available software was held.

5.4 District Engineer's Report

Mr. Wallace reported that Ron Head had been researching any potential rebate monies for the VFD equipment. He also indicated that direction from the Board is needed relative to the Avonne-Castillo Waterline Loop project. This project is included in the Prop 50 Request, but will have to be put on hold during the summer months so as not to inconvenience the motel and its patrons. Staff prepared a County Land Use Coastal Development Permit (CDP) and submitted it to the County in September. The Coastal Commission reviewed the boundary exhibit illustrating the "mean high tide water mark" differentiating County and State jurisdiction, and since they don't agree with the findings, have requested a separate Coastal Development Permit. Staff and District Counsel have met to review the most recent Coastal Commission correspondence (November 27, 2002) and forwarded a response on December 13, 2002. To date, no response has been received. With the recent court decision declaring the Coastal Commission unconstitutional because of the appointment process of commissioners, it is uncertain as to the ability of the Coastal staff to approve a permit. A discussion regarding legislature to address the constitutionality and appointment issues followed. Mr. Wallace reiterated the need to get all comments in for the final revisions to the Facilities Plan. Mr. Jenks is scheduled to make a full presentation to the Board at the February meeting. In regards to the Prop 50 monies and recent state budgetary revelations, Mr. Wallace indicated that during his State of the State address, Governor Davis indicated plans to accelerate the Proposition 50 monies to assist in stimulating the state economy. Finally, with regards to the feasibility of using the existing abandoned 4 inch water main in San Simeon Avenue for recycled water, staff has completed the first phase of the work plan to identify constraints in regards to health separation and regulatory issues. This consisted of reviewing the as-built drawings for conflicts and reviewing regulatory issues related to re-use of this abandoned pipeline. This review found no major apparent conflicts that would preclude use of the line, but there were a few items worth noting. There is one fire hydrant lateral and one water service that cross this existing 4" AC main on the south side of San Simeon Avenue. These crossings may or may not meet vertical health separation criteria of a 1-foot clearance from the recycled water main. Retrofit at these crossings may be required but may violate state restrictions. Also, the plugs installed in the abandonment of the old waterline need to be exposed and pressure flanges or valves installed. Discussion followed.

6.0 ITEMS OF BUSINESS

6.1 Approval of Minutes – December 11, 2002:

A motion was made by Director Bailey-Wood and seconded by Director Mirabel-Boubion to approve the minutes of December 11, 2002. The motion carried unanimously.

6.2 Approval of Warrants – December 1, 2002 through December 31, 2002

A motion was made by Director Mirabel-Boubion and seconded by Director Lambeth to approve the warrants of December 1, 2002 through December 31, 2002 in the amount of \$56,068.35. The motion carried unanimously.

6.3 Quarterly Investment Report

Ms. Putnam gave an overview of the Quarterly Investment Report for the period ending September 30, 2002. This item had been held pending a decision regarding the allocation of monies for water projects, but since no decision had yet been made, it was decided to present the information for the first fiscal quarter. As of September 30th, the total checking / savings, including monies in the County Treasury, totaled \$1,096,162.47. Other current assets, including restricted cash reserves totaled \$302,670.00. It was noted that Accounts Receivable are not included in the Investment Report. The interest earned on monies in the Local Agency Investment Fund (LAIF) for the period ending 9/30/02 was \$9,288.62.

During the first quarter of Fiscal Year 2002-03, one transfer in the amount of \$25,000 was made in July, because of major improvements at the wastewater treatment plant and repair of the diffusers on the outfall line.

7 DISCUSSION/ACTION ITEMS

7.1 Approval of Ordinance No. 97, An Ordinance Relating to Water Conservation

A motion was made by Director Bailey-Wood and seconded by Director Mirabel-Boubion to approve and adopt Ordinance No. 97. This will repeal the restrictions enacted through Ordinance No. 96. Roll Call Vote held with Directors Kiech, Mirabel-Boubion, Schell, Bailey-Wood and Lambeth all voting in the affirmative. Motion carried unanimously.

7.2 Board Committee Appointments

A discussion was held on the makeup of the committees. It was noted that the Water and Facilities Committees will be combined this year. The Chair is responsible for making appointments to the various committees. Chairperson Kiech made the appointments as follows:

Water – Facilities Committee – Director Loraine Mirabel-Boubion (Chairperson) and Director David Kiech.

Budget Committee – Director Terry Lambeth (Chairperson) and Director Eric Schell

Policy Committee – Director Kiech (Chairperson) and Director Carol Bailey-Wood

A motion was made by Director Kiech and seconded by Director Schell to approve the appointments. The motion carried unanimously.

7.3 Ordinance No. 66 - Review

Mr. Schultz opened the discussion, requesting that the Board discuss and decide whether to amend certain portions of the Districts' Ordinance No. 66, relating to a moratorium on the issuance of water and sewer connections. He gave a brief history of the Ordinance, adopted in March 1988, and also outlined the key points. He went on to say that the Ordinance had been adopted because there existed, and still exists, a serious water quality and quantity problem whereby granting any additional water and/or sewer connections would result in an immediate threat to public health and safety. He also referenced the recent U.S. Supreme Court decision upholding the moratorium adopted by the Tahoe Regional Planning Agency and the opinion of the Supreme Court. Mr. Schultz went on to say that, in his legal opinion, Ordinance 66 would withstand legal challenge. While Ordinance 66 has been successful, and is simple and straightforward, there have been discussions, over the years, regarding amending the Ordinance to clarify definitions and allow for development that does not increase the demand for water or sewer. In the discussion that followed, the consensus was that an ad-hoc committee would be a potential solution. Since Paul Reichardt is well versed in equivalent domestic units (edu's), he will be instrumental in the review. A motion was made by Director Mirabel-Boubion and seconded by Director Kiech to direct staff to look into amending Ordinance 66 by way of an ad-hoc committee, with Paul Reichardt, Terry Lambeth and Eric Schell serving on the committee. The motion passed unanimously.

7.4 Board Committees

Facilities – Water Committee: Plans to resume their meeting schedule the first week in February.

Policy Committee: Working on the Personnel section, but also addressing the Truck Policy.

Budget Committee: Meetings to resume.

7.5 Board Reports

There were no board reports.

8. **BOARD/STAFF GENERAL DISCUSSIONS AND PROPOSED AGENDA ITEMS**
A request was made to agendize regular board meeting times. This will be added to the next regular meeting agenda.
9. **ADJOURNMENT**
The meeting was adjourned at approximately 7:50 P.M.

**SPECIAL BOARD OF DIRECTORS MEETING
SAN SIMEON COMMUNITY SERVICES DISTRICT**

Date: Wednesday, January 30, 2003
Place: Cavalier Banquet Room

MINUTES

1.0 CALL TO ORDER:

The Board convened at 4:37 p.m.

1.1 Roll Call:

Directors Present: Carol Bailey-Wood, , David Kiech, Terry Lambeth and Eric Schell
Directors Absent: Loraine Mirabal-Boubion
Staff Present: Mark Bloodgood, District Manager

1.2 Public Comment on Closed Session Items: There was no public comment.

2.0 ADJOURN TO CLOSED SESSION:

The Board adjourned to closed session for the purpose of one item:

1. Conference with the District Manager regarding Personnel Issues- GC Section 54957:
Discussion regarding personnel issues including interim employment, specifically Grade III Wastewater Operations Coverage – Wastewater Treatment Plant
-

3.0 RECONVENE IN OPEN SESSION/CALL TO ORDER:

The Board reconvened in open session at 5:15 p.m.

3.1 Discussion and Approval of Interim Employment for Grade III Wastewater Operator Coverage

Staff has been compiling information for various options for the interim coverage at the plant. In addition to the options already being explored, it was suggested that staff also contact other local Community Service Districts and the State. In the meantime, staff will continue accepting applications from qualified applicants and proposals from contract management firms for a permanent solution. A motion was made by Director Bailey-Wood and seconded by Director Lambeth to continue with the contract currently in force with Fluid Resource Management, Inc. until the Board selects one of the available options. The motion carried unanimously. Fluid Resource Management is providing plant management and supervision, with scheduled onsite visits. They will also provide coverage at the plant to allow periodic time off for Mike Hassett. In addition, they will provide for the necessary agency contact and required reporting for permit compliance.

3.2 Resolution No. 03-287 – Endorsing the Conservation Framework of the Agreement Between the American Land Conservancy and the Hearst Corporation

A motion was made by Director Bailey-Wood and seconded by Director Lambeth to approve Resolution No. 03-287. Roll Call Vote was held with Directors Kiech, Schell, Bailey-Wood and Lambeth all voting affirmative. Note that Director Mirabel-Boubion was not present.

- 3.3 Authorization to Proceed with Existing Facilities Inventory and Identification Plan
A motion was made by Director Lambeth and seconded by Director Bailey-Wood to approve the proposal from **eda-design professionals** to prepare an *Existing Facilities Inventory and Identification Plan* for a cost of \$5,000. The motion carried unanimously.

4.0 ADJOURNMENT

The meeting was adjourned at approximately 5:27 p.m.

SAN SIMEON COMMUNITY SERVICES DISTRICT

WARRANT REPORT

January 1 through January 31, 2003

<u>DATE</u>	<u>NUM</u>	<u>NAME</u>	<u>WARRANT#</u>	<u>MEMO</u>	<u>AMOUNT</u>
1/2/2003	4168	MICHAEL HASSETT	0301-001	PAYROLL 12/16/02-12/31/02	\$ 1,410.37
1/2/2003	4169	EMPLOYMENT DEV. DEPT.	0301-002	PAYROLL TAXES FOR DECEMBER 2002	\$ 430.53
1/2/2003	4170	VOID	0301-003	VOID	\$ -
1/2/2003	4171	MID-STATE BANK	0301-004	PAYROLL TAXES FOR DECEMBER 2002	\$ 1,890.14
1/10/2003	4172	RONALD HEAD	0301-005	DEPENDENT HEALTH INS. REIMBURSEMENT	\$ 661.90
1/10/2003	4173	RONALD HEAD	0301-006	PAYROLL 1/1/03-1/10/03	\$ 1,385.62
1/10/2003	4174	RONALD HEAD	0301-007	ACCUMULATED VACATION PAY	\$ 6,151.82
1/10/2003	4175	VOID	0301-008	VOID	\$ -
1/15/2003	4176	KIMBERLY ALLISON	0301-009	PAYROLL 1/1/03-1/15/03	\$ 647.19
1/15/2003	4177	MICHAEL HASSETT	0301-010	PAYROLL 1/1/03-1/15/03	\$ 1,484.83
1/15/2003	4178	AT&T	0301-011	TELEPHONE	\$ 41.59
1/15/2003	4179	CAMBRIA HARDWARE	0301-012	SANDPAPER, RAIN GAUGE, BATTERIES ETC.	\$ 73.24
1/15/2003	4180	CAROL BAILEY-WOOD	0301-013	MONTHLY BOARD SERVICE FOR JANUARY	\$ 75.00
1/15/2003	4181	DAVID KIECH	0301-014	MONTHLY BOARD SERVICE FOR JANUARY	\$ 75.00
1/15/2003	4182	ERIC SCHELL	0301-015	MONTHLY BOARD SERVICE FOR JANUARY	\$ 75.00
1/15/2003	4183	FGL ENVIRONMENTAL	0301-016	INORGANIC ANALYSIS	\$ 61.00
1/15/2003	4184	LA CHEMICAL	0301-017	CHEMCLOR & SODIUM BISULFITE	\$ 734.77
1/15/2003	4185	LORAIN MIRABAL-BOUBION	0301-018	MONTHLY BOARD SERVICE FOR JANUARY	\$ 75.00
1/15/2003	4186	MID-STATE BANK	0301-019	GAS & OIL	\$ 250.02
1/15/2003	4186	MID-STATE BANK	0301-019	CSDA POLICY BOOK UPDATE & CHECKS	\$ 271.42
1/15/2003	4187	MISSION COUNTRY DISPOSAL	0301-020	RUBBISH	\$ 218.33
1/15/2003	4188	MISSION UNIFORM SERVICE	0301-021	TOWELS & COVERALLS	\$ 120.79
1/15/2003	4189	PACIFIC BELL	0301-022	TELEPHONE	\$ 178.93
1/15/2003	4190	PUBLIC EMP. RET. SYSTEM	0301-023	RETIREMENT FOR DECEMBER	\$ 1,325.13
1/15/2003	4191	RMA COMPUTER SOLUTIONS	0301-024	WEBSITE UPDATES FOR JANUARY 2003	\$ 25.00
1/15/2003	4192	ROBERT SCHULTZ	0301-025	LEGAL SERVICES FOR DECEMBER 2002	\$ 1,500.00
1/15/2003	4193	SLO CO. ENVIRON. HEALTH	0301-026	HAZARDOUS MATERIALS & COMMUNITY H2O	\$ 695.50
1/15/2003	4194	SLO CO. CLERK-RECORDER	0301-027	ELECTION FEES	\$ 426.68
1/15/2003	4195	STATE COMPENSATION FUND	0301-028	WORKER'S COMP. INS. FOR 11/20/02-12/20/02	\$ 1,219.51
1/15/2003	4196	TERRY LAMBETH	0301-029	MONTHLY BOARD SERVICE FOR JANUARY	\$ 75.00
1/15/2003	4197	U.S.A BLUE BOOK	0301-030	EDI REPLACEMENT URETHANE MEMBRANE	\$ 178.57
1/15/2003	4198	LA CHEMICAL	0301-031	CHEMCLOR & SODIUM BISULFITE	\$ 787.45
1/15/2003	4199	SCHULTZ TRANSPORTATION	0301-032	MONTHLY CONTAINER RENTAL	\$ 80.00
1/15/2003	4200	U.S.A. TRANSPORT, INC.	0301-033	SLUDGE DISPOSAL	\$ 1,063.49
1/15/2003	4201	KIMBERLY ALLISON	0301-034	MILEAGE REIMBURSEMENT FOR DEC. 2002	\$ 12.10
1/15/2003	4202	TOKI HIPNER	0301-035	SEC. DEP. REFUND LESS FINAL BILL #1166	\$ 43.17
1/15/2003	4203	TERRY REEVES	0301-036	SEC. DEP. REFUND LESS FINAL BILL #1109	\$ 49.36
1/15/2003	4204	RICHARD ALVAREZ	0301-037	SEC. DEP. REFUND LESS FINAL BILL #1089	\$ 50.00
1/15/2003	4205	RICHARD ALVAREZ	0301-038	SEC. DEP. REFUND LESS FINAL BILL #1091	\$ 50.00
1/28/2003	4206	SWRCB	0301-039	WWTP OPERATOR EXAM FEE-GRADE III	\$ 115.00
1/29/2003	4207	A BETTER BEEP	0301-040	PAGER	\$ 29.45
1/29/2003	4208	CELLULAR ONE	0301-041	CELL PHONE	\$ 54.09
1/29/2003	4209	PLATINUM PLUS FOR BUSINESS	0301-042	GAS & OIL	\$ 172.71
1/29/2003	4209	PLATINUM PLUS FOR BUSINESS	0301-042	W-2'S, 1099'S, DIVIDERS, WEBSITE HOSTING	\$ 88.86
1/29/2003	4210	PUBLIC EMP. RET. SYSTEM	0301-043	HEALTH INSURANCE FOR FEBRUARY	\$ 989.36
1/29/2003	4211	RICK'S AUTO PARTS & SUPPLY	0301-044	CAMEL AIR & SAW	\$ 53.96
1/29/2003	4212	SLO CO. ENVIRON. HEALTH	0301-045	CROSS CONNECTION	\$ 46.00
1/29/2003	4213	U.S.A. BLUE BOOK	0301-046	PULSATRON PUMP	\$ 538.95
1/29/2003	4214	VIKING OFFICE PRODUCTS	0301-047	COPY PAPER, BINDERS, ENVELOPES	\$ 86.97
1/29/2003	4215	CREEK ENVIRONMENTAL LAB.	0301-048	TOTAL COLIFORM ANALYSIS	\$ 220.00
1/31/2003	4216	KIMBERLY ALLISON	0301-049	PAYROLL 1/16/03-1/31/03	\$ 575.03
1/31/2003	4217	MICHAEL HASSETT	0301-050	PAYROLL 1/16/03-1/31/03	\$ 1,807.48
1/31/2003	4218	STATE COMPENSATION FUND	0301-051	WORKER'S COMP. INS. FOR 12/20/02-1/20/03	\$ 2,442.46
1/31/2003		TOTAL			\$31,113.77

San Simeon Community Service District

VEHICLE USAGE POLICY

I. PURPOSE

To provide rules and procedures that will reasonably, effectively and economically control the use of vehicles by employees.

II. GENERAL STATEMENT

Use of District Property, District vehicles, equipment, tools and other property shall only be used for District business and Operations. No District employee, Board member or member of the public shall use any such District property for any personal or non-District purpose. Use of District materials, time or equipment for unauthorized purposes or for personal use are grounds for discipline, up to and including dismissal.

III. ASSIGNMENT OF RESPONSIBILITY

1. The General Manager¹ is responsible for overseeing the implementation of this policy.

2. The General Manager will coordinate training and maintain appropriate records including but not limited driving logs. The General Manager shall be responsible for providing the Board of Directors with copies of the driving logs on a monthly basis. Additionally, the General Manager will ensure that appropriate proof of insurance and driver's licenses are maintained in each employee's file.

3. Employees are responsible for complying with the specifics of this policy. Employees that have had their license suspended or revoked must immediately notify their supervisor. Employees that neglect to do so shall be subject to disciplinary action.

4. The General Manager will review the driving records of individual employees during their annual performance reviews.

IV. PROCEDURES

All employees who operate District vehicles and motor-driven equipment must adhere to the requirements and standards set forth herein for use of District Vehicles.

V. RESTRICTIONS ON DISTRICT VEHICLE USE.

1. All District-owned vehicles are restricted to official District use. Personal use is expressly prohibited.

2. Only District employees are authorized to operate District vehicles.

3. District-owned vehicles may carry only those District employees whose duties require the use of a motor vehicle, and such other persons whose business

¹ Whenever the term "General Manager" is used in this policy it shall mean the "General Manager or his/her designee."

activities are important to District interests.

4. No employee shall use a District vehicle for commuting to or from his or her residence during off-duty work hours unless authorized to do so in accordance with these procedures and regulations.

VI. USE OF DISTRICT VEHICLES.

1. Use of District vehicles offers the District a greater amount of control over the mileage costs, vehicle usage, quality of maintenance, inspections, operation of safety equipment, insurance and other critical factors.
2. Every employee who is responsible for a District vehicle shall properly remove ignition keys, secure and lock the vehicle any time during which the vehicle is parked and unattended.
3. No employee shall use a District vehicle to transport any person, except for the purpose of performing District business.
4. Every employee driving a District vehicle shall use best efforts to park the vehicle off-street, except when otherwise necessary to perform District business.
5. Every employee who drives or is otherwise responsible for a District vehicle shall use all reasonable care in the operation and use of the vehicle and shall promptly report to the appropriate person or department any needed servicing, repairs, or maintenance.
6. Each employee operating a District vehicle shall comply with all applicable traffic laws.
7. An employee shall not transport alcoholic beverages or any other intoxicant or illegal drug within or upon a District vehicle at any time. In addition, there shall be no smoking in a District vehicle.
8. Employees are not authorized to conduct personal business in District vehicles during work hours except as specifically authorized by this policy. "Personal business" includes running personal errands and shopping.
9. During scheduled work shifts, an employee operating a District vehicle for District business is authorized to stop for reasonable, limited time periods for meals, to obtain refreshments.
10. Employees operating District vehicles are not authorized to transport family members, friends or animals for non-District business. The General Manager may grant specific and limited exceptions to this rule when the employee demonstrates good cause and an urgent need. The General Manager may only grant such exceptions on a case-by-case basis and may not grant blanket exceptions on a continuing basis.
11. The General Manager may authorize employees to operate District vehicles to transport sick or injured individuals to medical care facilities in specific emergency situations.
12. An employee may be authorized to take a District vehicle to his or her residence during off-duty hours when the General Manager has approved authorization. The approval for a "take-home" vehicle shall be made for the purpose of assuring the performance of District business, and such

authorization or use shall not constitute or be considered a vested employment benefit or right of the employee. Such authorization shall not be used for on-call employees and such authorization may be denied, revoked, or suspended at any time for any reason or for no reason.

VII USE OF PERSONAL VEHICLES

1. An employee may use his/her personal vehicle when he/she has a transportation need for District business and upon written authorization by his/her supervisor. Employees authorized to use personal vehicles on District business must provide proof of insurance in accordance with section **IX. Insurance**. In the State of California, insurance follows the vehicle. Insurance Code §11580.9 states that where two or more policies affording valid and collectible liability insurance apply to the same motor vehicle in an occurrence out of which a liability loss shall arise, it shall be conclusively presumed that the insurance afforded by that policy in which the motor vehicle is described or rated as an owned vehicle is primary and the insurance afforded by any other policy shall be excess.
2. Employees who regularly use his/her own vehicle on District business should notify his/her insurance company of that use.
3. It is the responsibility of the individual utilizing his/her privately owned vehicle to maintain accurate records of the purpose and extent of his/her travel and to make substantiated claims for reimbursement.
4. The vehicle and/or mileage allowance is intended to cover the employee's cost of operating the vehicle on District business, including the cost of insurance. Further, all operating expenses of the privately owned vehicles are to be borne by the employee. This includes, but is not limited to, gasoline, oil, maintenance, wear and tear, depreciation and insurance.
5. The District is not liable for any damage to an employee's private vehicle, unless it is caused by the District's negligence.
6. It is the responsibility of the employee involved in an accident to notify his/her immediate General Manager, the Department of Motor Vehicles and the insurance company.

VI. GENERAL GUIDELINES

1. Employees shall obey all District, County, State and Federal laws while operating District vehicles and any time personal vehicles are used on official District business.
2. It is the responsibility of the employee to ensure that the driver and all passengers use seat belts and have them properly adjusted before starting the engine of the vehicle.

3. When cargo, materials or tools are being transported, the driver is responsible for assuring that all items are properly secured.
4. Any injuries sustained by the driver or fellow employees while driving on District business will be covered by workers' compensation.
5. Employees shall refrain from operating laptop computers, navigational devices and any other device that may cause driver distraction while operating an District vehicle or while operating a privately owned vehicle in the course of conducting District business. Drivers shall make every attempt to properly park their vehicle prior to using a cellular phone.
6. Any employee who operates an District vehicle, regardless of frequency, is responsible for the proper care and operation of that vehicle.
 1. Before operating the vehicle and at least once a day, the driver is responsible for insuring that all vehicle safety equipment including headlights, turn signals, brake lights and windshield washers are functioning properly. The operator is also responsible for insuring that fluid levels including engine oil and fuel are properly maintained.
 2. Any defects that will affect safe operation of the vehicle will be immediately reported to the General Manager.
 3. No employee shall operate an District-owned vehicle in an unsafe condition.
 4. Any vehicle damage beyond normal wear and tear must be documented and reported to the employee's supervisor and the General Manager.
7. Intentional abuse, moving violations, reckless operation, or negligent actions while operating any vehicle may result in the suspension of the employee's driving privileges and is grounds for further disciplinary action.
8. Any driver involved in a preventable collision or demonstrating questionable driving capabilities may be required to attend a remedial course in Defensive Driving. A driver may be regarded as having questionable capabilities based on a review of "points" assigned to him/her by the State of California in connection with citations and/or vehicular accidents.
9. Employees who further demonstrate questionable driving capabilities, are involved in additional preventable vehicular accidents or have a disqualifying action taken against their driver's license, shall be subject to disciplinary action, the severity of which to be determined by the nature of the offense and the employee's past driving and disciplinary action records.

VIII. ACCIDENT REPORTING REQUIREMENTS

- A. Any accident involving a District owned, rented or leased vehicle or privately owned vehicle used in the performance of District duties shall be undertake the following steps (not necessarily in this order):
1. Summon medical care for any injured parties.
 2. Notify appropriate law enforcement agencies.
 3. Collect information about the other parties involved by completing the "Accident Kit" located in the District vehicle's glove box. Driver's using private vehicles should obtain an Accident Kit from the General Manager before operating his/her vehicle for District business.
 4. Notify the employee's immediate supervisor.
 5. The supervisor shall immediately notify the General Manager.
 6. The General Manager shall be responsible for initiating the departmental investigation of the accident, completing all required District reports and recommending follow-up preventative actions.
 7. Report the accident to the Department of Motor Vehicles if there is bodily injury or over \$500 in property damage.
 8. When the District driver is determined to be at fault in the vehicle accident, the supervisor shall recommend disciplinary action subject to review and approval by the General Manager.

IX. INSURANCE

- A. Proof of insurance will be required before private vehicle use for District business is authorized.
1. Insurance Requirements
 - a) Employees shall maintain coverage in an amount not less than \$100,000 per person / \$300,000 per occurrence (or a combined single limit of \$300,000) and property damage coverage in an amount not less than \$100,000 per occurrence.
 - b) The District is not legally liable for any damage sustained to the employee's vehicle when used on District business. An employee may elect to purchase his/her own comprehensive and collision insurance coverage.
 - c) The District shall not be responsible for any increase in the employee's premium rate as a result of an accident.
 - d) In the event of an accident, the employee is responsible for paying any deductibles the insurance company may require.
 - e) If insurance coverage is canceled, terminated, lapsed, or for any other reason curtailed, the immediate supervisor must be notified by the employee and the vehicle shall not be used for District service.
- B. Employees authorized to use private vehicles shall provide an insurance policy, certificate or other proof of coverage to the General Manager in January of each year.
- A. When an employee operating an District-owned automobile is involved in

an accident, defense and settlement of any claim will be the responsibility of the CALIFORNIA JPIA, up to the protection limit of \$50,000,000 (the CALIFORNIA JPIA Memorandum of Coverage provides automobile liability coverage to all member entities, their District councils, commissions and committees and employees). If an employee operating an District vehicle is sued independently as a result of an at-fault accident, CALIFORNIA JPIA will protect that employee.

- B. Should an employee using his/her private vehicle on District business be involved in an accident with resulting injury or property damage, the employee's own insurance carrier will respond to defend the employee. Should a claim exceed the limits of the employee's liability insurance coverage, the CALIFORNIA JPIA liability protection program would respond in an excess capacity.

X. DRIVER'S LICENSE

- A. All District employees authorized to use District owned or privately owned vehicles on District business must possess a valid California Driver's license and provide proof of licensing upon hire and on an annual basis.
- B. Employees must maintain driver's licenses appropriate for the class of vehicle to be driven.
- C. An employee whose driver's license has been suspended or revoked for any reason must immediately notify their supervisor and shall not be allowed to operate any District owned or private vehicles on District business.
- D. Employees who have obtained temporary driving permits or hardship licenses shall not be permitted to operate District or privately owned vehicles in the performance of official District duties.

XI. DRIVING RECORD REVIEW

- A. The District will enroll employees that will operate District or private vehicles on District business in the Department of Motor Vehicles (DMV) Pull Notice Program. Either semi-annually, annually, or when a driver has received a violation, the DMV will automatically send copies of the records to the District. This will enable the District to manage risks associated with driver safety.
- B. In compliance with Vehicle Code Section 1808.47, all information received from the DMV will be used solely for the intended purpose. All information will be stored in locked areas and no addresses or other information will be given to a third party.
- C. Employees that the DMV considers negligent operators, those that have an accumulation of four or more points in a 12 month period or six in a 24 month

period or eight in a 36 month period, may have District driving privileges suspended at the discretion of the District. The General Manager will notify the employee's department head when a driving record meets this threshold. Appendix A contains a partial list of violation point counts.

- D. Any DUI conviction or refusal to submit to a lawful roadside sobriety test shall result in disciplinary action up to and including suspension of District driving privileges.
- E. An employee who has been determined to be "at fault" in two or more accidents within a 36 month period while driving a District or privately owned vehicle in the performance of official District business shall be subject to disciplinary action up to and including suspension of District driving privileges.
- F. Temporary or permanent suspension of District driving privileges for employees whose position requires operation of a vehicle shall be considered a loss of the ability to perform an essential job function.
- G. If an employee has had District driving privileges suspended, the District will attempt to arrange for the employee to perform the essential functions of the job. If such accommodation is not possible or creates an unreasonable hardship for the District or coworkers, loss of District driving privileges shall be considered just cause for reassignment to a position that does not require operation of a vehicle at a pay rate commensurate with that position. If no such position is open, the employee may be terminated.

XII. ACKNOWLEDGEMENT

Upon receipt of this policy, each employee shall sign a form acknowledging that he/she is aware of the vehicle policy including the legal issues arising out of the use of his/her private vehicle on District business.

XIII. REFERENCES

Vehicle Code Sections 464, 1808.47, 12810, 16056, 27315
Insurance Code §11580.9

EMPLOYEE ACKNOWLEDGEMENT OF VEHICLE USAGE POLICY

This is to acknowledge that I have received a copy of the District of _____ Vehicle Usage Policy and that I have read the policy and understand my rights and obligations under the Policy.

I understand that this Policy represents only current policies, procedures, rights and obligations and does not create a contract of employment. Regardless of what the Policy states or provides, the District retains the right to add, change or delete provisions of the Policy and all other working terms and conditions without obtaining another person's consent or agreement.

My signature below further signifies that I have read this Policy and that I accept and will abide by all of its provisions.

PRINT FULL NAME _____

SIGNED _____

DATE _____

(RETAIN IN EMPLOYEE PERSONNEL FILE)

APPENDIX A

Department of Motor Vehicles
Vehicle Code Section 12810
Partial list of violation point values

Updated 12/8/01

Violations with a value of 2 points:

- Any conviction of reckless driving
- Any conviction of a violation of any of the following sections:
 - Penal Code Section 192 (manslaughter)
 - Vehicle Code Section 22348 (driving over 100 mph)
 - Vehicle Code Section 21651 (illegally crossing the median of a highway)
 - Vehicle Code Section 2800.2 or 2800.3 (fleeing an officer)
 - Vehicle Code Section 23109 (racing or exhibition driving)
 - Vehicle Code Section 31602 (transmission of explosives)
 - Vehicle Code Section 20001 or 20002 (failure to stop in the event of an accident)
 - Vehicle Code Section 23152 or 23153 (under the influence of alcohol or drugs)
 - Vehicle Code Section 14601, 14601.1, 14601.2, 14601.3, 14601.5 (driving with a suspended or revoked license)

Violations with a value of 1 point:

- Any traffic conviction involving the safe operation of a motor vehicle upon the highway
- Any traffic accident in which the operator is deemed by the department to be responsible
- Failure to safety secure child in proper passenger restraint system

San Simeon Community Services District

111 Pico Avenue, San Simeon, California 93452
Telephone: (805) 927-4778 Fax (805) 927-0399

MEMORANDUM

DATE: February 7, 2003
TO: Board of Directors
FROM: Robert W. Carnes
VIA: Mark A. Bloodgood, District Manager
RE: Authorization to Purchase A 4-Gas Monitor for Confined Space Entry

The Facilities Committee recommends that the San Simeon Board of Directors approve the following proposal from eda design professionals for the purchase of a 4 Gas Monitor for Confined Space Entry.

At the Sewage Treatment Plant it is often necessary for entry into the pump sump adjacent to the equalization tank as well as other below grade area. These spaces are considered confined space. However, due the familiarity of sewer workers with manhole types of confined spaces and the problematic nature of manhole types of safety programs OSHA recognizes that as long as the air quality is monitored in these spaces prior to entry and that appropriate ladders are available that entry can be allowed.

Therefore, a 4 Gas Monitor which monitors O₂, LEL, CO and H₂S is necessary to be onsite and available to the field workers for entry into any of the pits or below grade pump areas. The particular monitor that has been recommended to us is an industrial quality monitor manufactured by Industrial Scientific and provided by American Industrial Supply in Santa Maria. This monitor can be used for remote monitoring prior to entry and then worn by the worker while in the confined spaces a warning device. With the case battery pack, calibration gas etc. the monitor should be approximately \$1,800.00.


SAN SIMEON COMMUNITY SERVICES DISTRICT

111 Pico Avenue
San Simeon, California 93452
(805) 927-4778

DATE: February 12, 2003

TO: Board of Directors

VIA: Mark Bloodgood, District Manager

FROM: John L. Wallace, District Engineer 

SUBJECT: Update and Evaluation of San Simeon Avenue Abandoned Waterline for Recycled Water Purposes

RECOMMENDATIONS:

Staff recommends the Board:

Provide direction to staff on whether or not to continue with the analysis and investigation of the abandoned water line on San Simeon Avenue for the purposes of carrying reclaimed water to the Caltrans Right of Way (and to serve future reclaimed water purposes).

FUNDING:

Previous CIPs included S-7 Reclaimed Water Facilities Design, Phase II in the amount of \$20,000 and S-8 San Simeon Avenue Effluent Line to Highway 1 in the amount of \$60,000. For a total potential funding of \$80,000 as shown in previous budgets. Also, proposed Prop 50 funding in the amount of \$300,000 is anticipated to be allocated to the overall reclaimed water project for San Simeon. Costs for this investigation were previously estimated to not exceed \$5,000 including outside construction equipment rental. However a more recent cost estimate to pressure test the line is discussed below.

DISCUSSION:

At the December 11th Board meeting, staff was directed to proceed with the investigation of the use of an abandoned 4" waterline in San Simeon Avenue for the purposes of conveying recycled wastewater to the Caltrans right-of-way. This line would also serve future recycled water projects. The scope of this study was to be in two phases: 1) review from a technical and regulatory standpoint the feasibility of placing this abandoned water main in service for recycled water irrigation; and 2) physically pressure test and verify the integrity of the existing pipeline for recycled water service.

Background

The existing 4" AC water main was abandoned in 1998 during installation of a new water main in

SSCSD Board of Directors

February 7, 2003

Page 2 of 3

San Simeon Avenue. It is believed that the 4" AC water main was installed in the 1960s, and is approximately 35 to 40 years old. When the 4" AC water main was abandoned, the water main was cut and plugged in at least 3 locations in this area, but the concrete plugs will not hold pressure. The locations of these three pipe plugs is shown on the attached drawing.

Technical and Regulatory Overview

The 4" AC water main alignment in San Simeon Avenue is clear of the existing parallel sewer and new water main, by well over 10 feet horizontal, meeting the Department of Health Services separation criteria. However, on the west end of the street, the pipeline corridor heading south to the pipe bridge has an existing water main and sewer, and adequate horizontal separation cannot be met at this location. This will require that "special construction" criteria be met with the new portion of recycled water main that needs to be installed to connect the existing recycled water pipeline on the pipe bridge, to the existing 4" AC water main. On the east end of San Simeon Avenue, at Hearst Drive, the existing 4" main was cut and plugged, but the existing 6" AC water main crossing the Highway remains in service. Thus, to deliver recycled water to the Caltrans right-of-way, the tie-in to the existing 4" AC main will need to make a "jog" to the south, then continue east towards the Caltrans right-of-way. To ensure horizontal separation criteria is met between existing water mains and sewers, the tie-in should be made on the west side of the existing water service as shown.

There are two locations where a water service and a hydrant lateral crossing may not meet vertical health separation of 1-foot (with the recycled water line below the potable water main). Retrofit of these crossings may be required to comply with separation criteria and/or special construction requirements.

Steve Tanaka of JLWA discussed this project with the Department of Health Services staff in regards to retrofitting old pipe systems for recycled water use. DHS will require that the existing water main that is to be converted, be clearly tagged as recycled water. The entire pipe length does not require marking, but at critical pipe crossings with water mains, sewers, service laterals, etc., the recycled water pipeline will need to be marked with recycled water warning labels. This will require excavation, attaching labeling to the pipe, and repair of AC pavement.

From a hydraulic capacity standpoint, the existing 4" AC main will be adequate to serve Caltrans right-of-way, but will likely be a "bottleneck" for future recycled water demands beyond this customer.

Future Pressure Testing of Water Main

As indicated earlier, when the AC main was abandoned, it was cut and plugged in at least three locations. These concrete plugs do not hold pressure, and thus the pipeline must be properly capped with blind flanges or otherwise secured to hold pressure. The AC water main is old, and AC pipe by nature is brittle, so there may be potential concerns in this regard.

SSCSD Board of Directors

February 7, 2003

Page 3 of 3

Potential Costs

To convert the existing 4" main for recycled water use to Caltrans right-of-way, and tie it in with the treatment plant and existing recycled water main crossing the creek, minor work will be required to adequately mark the utility for health separation. Also, modifications may be required to the water service and hydrant lateral crossings on San Simeon Avenue. A summary of potential engineering and construction costs is as follows:

Tag/Mark Recycled Water Main:	\$5,000
Hydrant Lateral Retrofit:	\$2,500
Hydrotesting of 4" AC Water Main:	\$6,200
New Tie-in Near Pipe Bridge (150 LF@\$50/LF):	\$7,500
New Extension of Pipeline to R-O-W (80 LF@\$50/LF):	<u>\$4,000</u>
Construction Subtotal:	\$25,200
Contingency@20%:	\$5,000
Engineering/CM@20%:	<u>\$5,000</u>
Estimated Total Cost (excluding any possible pipe repairs):	\$35,200

The cost of a new recycled water main (priced out as 8" pipe) would be as follows:

New Tie-in Near Pipe Bridge (150 LF@\$50/LF):	\$7,500
New Extension of Pipeline to R-O-W (80 LF@\$65/LF):	\$5,000
San Simeon Avenue Recycled Main (380 LF@\$65/LF):	<u>\$25,000</u>
Construction Subtotal:	\$37,500
Contingency@20%:	\$7,500
Engineering/CM@20%:	<u>\$7,500</u>
Estimated Total Cost:	\$52,500

Recommendations:

In order to deliver recycled water to Caltrans right-of-way, the cost of a retrofit/conversion of the existing pipeline appears to be the most economical alternative (over construction of new recycled water main). So long as no future recycled water demands are placed on this water main, the 4" AC main should be hydraulically adequate. Caution must be taken in testing and tie-ing into this old AC water main. If the pipe tests "tight", with no major repairs required, retrofit of the water main will be desirable over construction of a new water main. If unanticipated repairs to the water main are required, the cost of a new water main could be as economical as construction/retrofit of the existing 4" water main. Hydrostatic testing of this water main will cost approximately \$6,200.

SGT:JLW:sgt

SAN SIMEON COMMUNITY SERVICES DISTRICT

RESOLUTION NO. 03-288

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SAN SIMEON COMMUNITY SERVICES DISTRICT
APPROVING THE FORM OF AND AUTHORIZING THE
EXECUTION AND DELIVERY OF A FIFTH AMENDED AND
RESTATED JOINT POWERS AGREEMENT**

WHEREAS, the San Simeon Community Services District, a special district duly organized and existing under and by virtue of the laws of the State of California (the "District"), has entered into that certain Fourth Amended Joint Powers Agreement (the "Original Agreement"), relating to the Special District Risk Management Authority (the "Authority"); and

WHEREAS, the District and the other members of the Authority (the "Members") now desire to amend and restate the Original Agreement (i) to restate the purpose and powers of the Authority to allow consolidation with the Special Districts Workers Compensation Authority ("SDWCA"), and (ii) to make certain other amendments to the Original Agreement; and

WHEREAS, in order to implement the foregoing, the District and the Members propose to execute and enter into a Fifth Amended and Restated Joint Powers Agreement (the "Amended JPA Agreement"); and

WHEREAS, the District acknowledges receipt of the proposed amendments to the Bylaws of the Authority (the "Amended Bylaws"); and

WHEREAS, all acts, conditions and things required by the laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the transactions authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the District is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such transactions for the purpose, in the manner and upon the terms herein provided.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DISTRICT AS FOLLOWS:

Section 1. Findings. The Board hereby specifically finds and determines that the actions authorized hereby relate to the public affairs of the District.

Section 2. Amended JPA Agreement. The Amended JPA Agreement, proposed to be executed and entered into by and between the District and the Members, in the form presented at this meeting and on file with the District Secretary, is hereby approved. The Chairperson David Kiech ("The Authorized Officers") are hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver to the Authority the Amended JPA Agreement in substantially said form, with such changes therein as such officers may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. Amended Bylaws. The District hereby consents to the approval by the Board of Directors of the Authority of the Amended Bylaws, in substantially the form presented to the District, with such changes as may be approved by the Board of Directors of the Authority.

Section 4. Other Actions. The Authorized Officers of the District are each hereby authorized and directed to execute and delivery any and all documents which they may deem necessary in order to consummate the transactions authorized hereby and all such actions heretofore taken by such officers are hereby ratified, confirmed and approved.

Section 5. Effective Date. This resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED this 12th day of February, 2003 by the following vote:

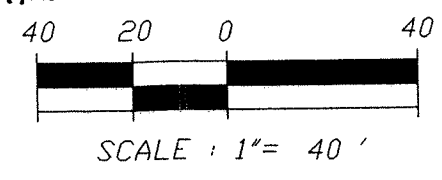
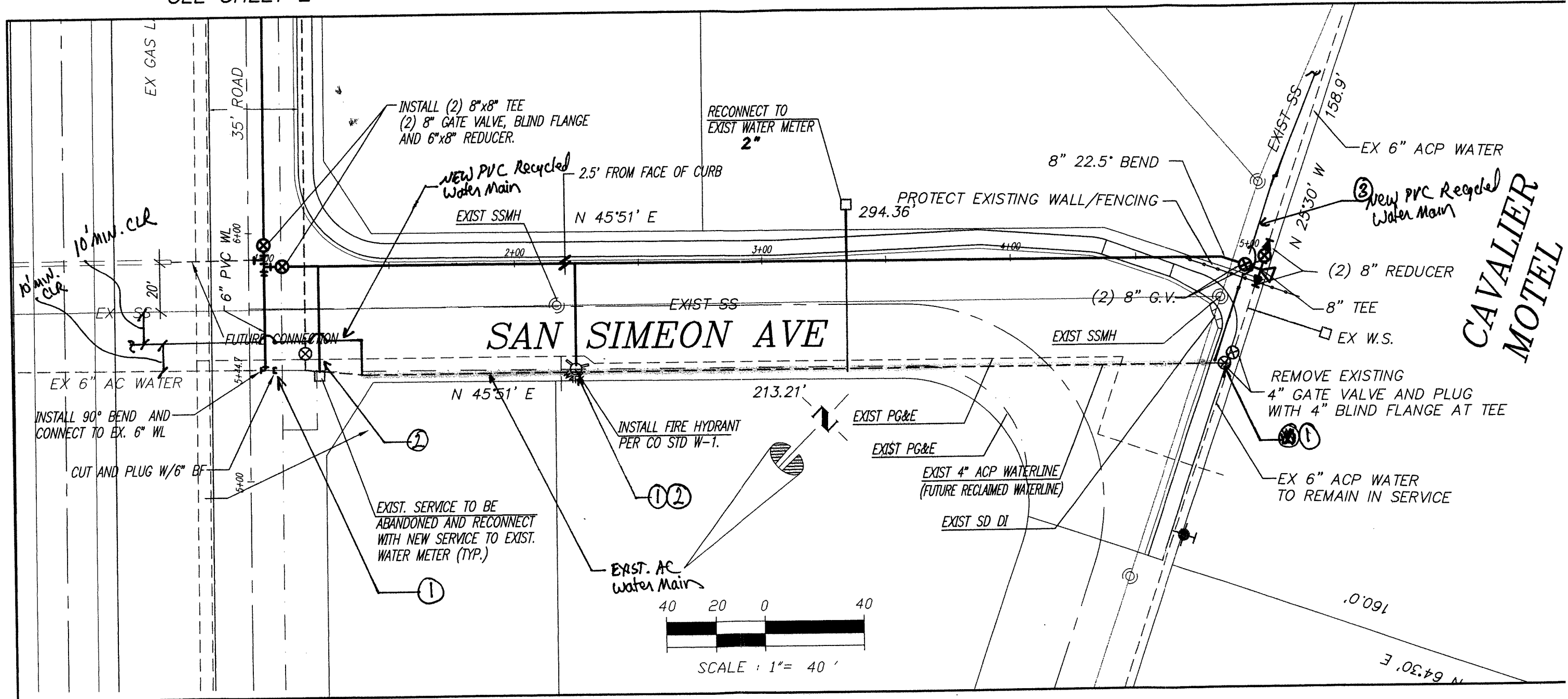
AYES:
NOES:
ABSENT:

David Kiech, Chairperson

Mark A. Bloodgood, District Secretary

- ① Exist. Conc. Plugs Requiring Pressure Flanges/caps
- ② Laterals Potentially Lacking Separation Criteria
- ③ Special Construction Req'd. Horizontal Separation Cannot Be Met.

SEE SHEET 2



CAVALIER MOTEL

U. 1.7.5 1107 100406 1007 001101 001 001 001

SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

November 27, 2002

Dear SDRMA Member:

After nearly two years of careful review and planning by our respective boards, and based on the results of the May 2002 Member Survey indicating overwhelming support from over 80% of our members, we are pleased to submit for your approval the consolidation of the Special Districts Workers Compensation Authority (SDWCA) and Special District Risk Management Authority (SDRMA).

Enclosed in this packet are legal documents that your district's Board of Directors must approve and return to us by March 31, 2003, to make this consolidation a reality. The documents requiring approval are different for members belonging to both pools. To minimize any confusion, only the documents your district is responsible for approving and returning are enclosed in this packet.

Approval of the enclosed documents by SDWCA and SDRMA members will execute the specific actions listed below:

- SDRMA's and SDWCA's existing Joint Powers Agreements (JPAs) will be amended to reflect a single new Joint Powers Agreement (JPA).
- The new JPA will serve as the administrative agreement for both pools although the assets and functionality of each program will remain separate.
- A new combined nine-member interim board made up of the current elected SDRMA and SDWCA Board members will be created to govern the operations and assets of each program.
- SDWCA members' approval to dissolve SDWCA and join the new SDRMA JPA.

Also enclosed is an SDRMA/SDWCA Fact Sheet "The Final Step" providing important information regarding how the decision to consolidate the pools evolved and the many benefits consolidation provides our members including: combining administrative resources; reducing overhead costs; eliminating duplicated services; as well as providing increased market power, which translates into more services and pricing options. A case in point is the volatile workers' compensation market we are experiencing due to recent legislative action, economic uncertainty and carriers' rising rates. While no one will escape the inevitable premium hikes - which the *Sacramento Business Journal* reported last month could jump as much as 33% in the next two years - the consolidation provides increased market power and will help provide future rate stability for SDWCA members.

This consolidation is just one example of how CSDA and its affiliate organizations are working together to take a visible leadership role in advancing the cause of special districts. In fact, CSDA is developing new goals to elevate the importance and effectiveness of special districts and to position CSDA as a leading advocate and key resource on all issues that impact independent special districts. The consolidation is consistent with these goals.

We look forward to sharing with you our enthusiasm for this exciting development, as well as the many outstanding programs and services offered by CSDA and its affiliate organizations. Please feel free to call Jim Towns, CEO/Administrator, at 800-537-7790 should you have any questions regarding the consolidation. For your convenience, we have developed a web page that will answer most of your questions at www.sdrma.org. Thank you in advance for your prompt attention to this very important matter. **Your action and response is needed by March 31, 2003.**

As always, we look forward to working together to continue improving services and programs for all Independent Special Districts in California.

Sincerely,

William R. Miller
William R. Miller, President
SDWCA Board of Directors

David Aranda
David Aranda, President
SDRMA Board of Directors

SPECIAL DISTRICT
RISK MANAGEMENT
AUTHORITY

1481 River Park Dr, Ste 110
Sacramento, CA 95815
Tel: 916.641.2773
Fax: 916.641.2776

California
Special Districts
Association

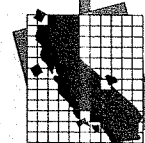
1481 River Park Dr
Sacramento, CA 95815
Tel: 916.641.2773
Fax: 916.641.2776

CSDA Finance
Department

Special Districts
Workers Compensation
Authority

Toll-Free Numbers

General: 1.877.924.CSDA
SDRMA/SDWCA Claims &
Coverages: 1.800.537.7790



SDRMA/SDWCA CONSOLIDATION



The Final Step

After nearly two years of study and consideration, the Special District Risk Management Authority (SDRMA) and Special District Workers Compensation Authority (SDWCA) boards of directors each voted unanimously in August 2002 to consolidate the pools to reduce costs and provide better service to our members. We need your help with the final step in this process to make the consolidation a reality.

■ **THE VISION**

By combining SDWCA with SDRMA the boards seek to create a "one stop shop" for all our members' claims and coverage needs. Under this proposal a single Joint Powers Agreement (JPA) – and a combined board of directors – will run both programs. Although SDWCA members will vote to dissolve SDWCA and join SDRMA, the programs and their assets will remain separate with their own operating guidelines and rules of procedure as they do now. Moreover, members will not have to belong to both pools.

■ **YOUR IMMEDIATE ACTION REQUIRED**

We need your board to approve the amended JPA and return to us by March 1, 2003 the legal documents we have sent you. With the approval of 2/3 of the members in each pool we can move forward and complete the consolidation. Details on where you can find more information about the merger proposal and what you are being asked to do can be found at the end of this document under "Need More Information?"

■ **WHY CONSOLIDATION MAKES SENSE**

SDRMA and SDWCA members will benefit most from the consolidation.

- **Cost savings:** Greater buying clout in the marketplace will translate into increased rate stability even in a difficult market like the one we are experiencing now, particularly in the workers comp arena.
- **Greater efficiency:** Although the programs and their assets will remain separate, shared administrative resources and overhead costs will result in a more efficient operation.
- **Improved service:** Combined loss prevention visits and training programs will reduce duplication of efforts and operating costs.
- **Greater SDWCA organizational stability:** Managing claims in-house instead of through a contractor may result in reduced claims losses.

The merger proposal enjoys strong support from the leadership and membership of both pools.

- Both boards unanimously approved the consolidation in August 2002.
- In a survey conducted in May of this year at least 80 percent of members in each pool indicated they support the single pool concept.

The boards have thoroughly reviewed and carefully considered this decision to ensure it is done right.

- This process began in May 2000 when CSDA, SDRMA, SDWCA and CSDA Finance Corporation hired a consultant to study their operations and make recommendations for improvement. One of the most significant recommendations was to consolidate the insurance pools.
- Since that time the boards have worked together to study, debate and craft a consolidation proposal that protects the interests of members in each pool and enhances the service provided to them.

■ **CHRONOLOGY**

- **June 2000** – consultant hired to analyze potential for efficiencies and service improvements in CSDA, SDRMA, SDWCA and CSDA Finance Corporation.
- **August 2000** – consultant issues final report that contains 21 key initiatives, including consolidation of the insurance pools.
- **April 2001** – SDRMA and SDWCA research and discuss logistics and benefits of merging the pools.
- **May 2001** – To test drive the consolidation idea SDWCA contracts with SDRMA to provide its administrative services.
- **September 2001** – SDWCA and SDRMA hire legal counsel to research the issues and legal questions a merger would create.
- **February 2002** – SDWCA and SDRMA boards tentatively agree to move forward with the proposal pending the results of the membership survey.
- **April 2002** – SDWCA board conducts a review of SDRMA's administrative services and concludes that SDRMA met or exceeded expectations.
- **May 2002** – Research consultant conducts an independent survey of SDWCA and SDRMA members and learns that at least 80 percent in each pool support the single pool concept.
- **August 2002** – SDWCA and SDRMA boards vote unanimously to approve the merger.
- **March 31, 2003** – SDWCA and SDRMA leadership must receive approval of the consolidation from 2/3 of members in each pool by this date to move forward with the consolidation.
- **July 2003** – Scheduled start-up date for merged operation.

■ **NEED MORE INFORMATION?**

You can find all the information you need about the merger proposal, its specifics and its history at www.sdrma.org. You may also contact Jim Towns, SDRMA Administrator/CEO, at 800.537.7790.

**SPECIAL DISTRICT
RISK MANAGEMENT
AUTHORITY**

1481 River Park Drive, Suite 110
Sacramento, CA
95815-4501

Toll Free: 800.537.7790
Phone: 916.641.2773
Fax: 916.641.2776
Email: sdrma@sdrma.org

The Final Step

Overview - Analysis of SDRMA Joint Powers Agreement Changes

The purpose for amending the Joint Powers Agreement (JPA) is to incorporate new language that will provide for combining the Workers Compensation Program (SDWCA) and the Property and Liability Program (SDRMA). In general, the amendments to the JPA establish the new organizational structure, provide separate program accounting requirements, and define the program and services. The changes do not materially affect or change membership requirements.

Combining the existing JPA's and incorporating portions of the Bylaws of SDRMA and SDWCA resulted in reformatting the sections and section numbering. The section numbers in the new JPA and the sections in the old JPA may be different as a result of these changes. Except for the following general overview of significant changes by section that have been incorporated into the new JPA, the provisions of the new JPA are similar overall to the provisions in the prior JPA.

Recitals

7th Whereas - **New Section:** Adds language. The Board of Directors of SDWCA has approved the consolidation and the assignment and transfer of claims, liabilities, assets and functions to the Authority.

Articles

Article 1 - Definitions

New section: Adds definitions.

Article 2 - Purpose

Adds: Provision for the Authority to provide a workers compensation program in addition to the property and liability program.

Article 7 - Board of Directors

Adds: Provisions for an Interim Board consisting of nine (9) directors. The interim Board will be comprised of the Directors from each Board (4 SDWCA, 5 SDRMA) who hold elected positions on July 1, 2003. Such directors shall serve until the first election in 2005. The permanent Board shall consist of seven (7) elected Board Members.

Deletes: Appointment of California Special Districts Association (CSDA) representatives to Authority Board of Directors.

Adds: Provision for the Authority to appoint four (4) Board Members to serve as members of the Alliance Executive Council, and establishes restrictions on dual directorships of Alliance Executive Council Members.

- Article 15 - Accounts and Records** **New Section:** Adds provisions for the Board to annually approve a budget for each joint protection program; requires separate accounting and record keeping for each program; and prohibits the commingling of funds, reserves and accounts of each program.
- Article 16 - Services Provided** **New Section:** Adds description of services provided by Authority.
- Article 18 - New Members** **Adds:** Provisions that members may elect to participate in one or all Joint Protection Programs.
- Article 19 - Withdrawal** **Adds:** Provision that members may withdraw from a particular joint protection program without withdrawing from the JPA as long as the member participates in at least one program, i.e. workers compensation or property and liability.
- Article 22- Termination and
Distribution of assets** **New Section:** Adds provision regarding distribution or assignment of assets upon termination of the JPA.
- Article 25 - Annual Service Fee** **Amends Existing Section:** Deletes minimum and maximum cap on annual CSDA service fee.



SAN LUIS OBISPO COUNTY DEPARTMENT OF PUBLIC WORKS

Noel King, Director

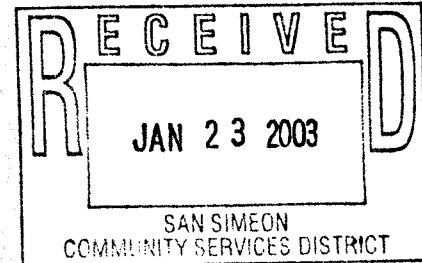
County Government Center, Room 207 • San Luis Obispo CA 93408 • (805) 781-5252

Fax (805) 781-1229

email address: pwd@co.slo.ca.us

January 16, 2003

~~Mr. Forest Warren~~
San Simeon CSD
111 Pico Avenue
San Simeon CA 93452



Subject: PEG Grant

Dear ~~Mr. Warren~~:

On June 18, 2002 the County Board of Supervisors adopted a policy to allocate the Public, Education and Government Trust Funds in thirds to Public Access, Educational Access and Government Access programs. The money in the Trust Fund has been collected from the former Falcon territories of Los Osos, Cambria, Templeton and Santa Margarita, as well as from San Simeon, as part of a provision in their community's cable TV franchise agreement.

The following is the specific policy language adopted by the Board pertaining to the distribution of the governmental portion of the PEG Trust Funds. This policy was supported by the San Luis Obispo County Special Districts Association.

Policy on the Utilization of the Government Portion of the PEG Trust Funds

The Special Districts shall be utilized for the Governmental Access portion of the PEG Trust Funds with the following criteria:

- A. The Government Access portion of the PEG Trust Funds be allocated to the Special District(s) in the communities from which the funds were collected.
- B. If a particular community has multiple Special Districts, then those districts must build a consensus on how to share or utilize the funds before the money is distributed.
- C. Where possible, partnerships with the educational community and public access should be developed for joint benefit.

For possible coordination purposes, the Board of Supervisors designated the San Luis Obispo County Office of Education as the agency to distribute the Educational Access portion of the PEG Trust Funds. As with the government funds, they have been asked to build partnerships with the governmental community entities developing cable TV access/telecommunications programs. Gary Schonfeldt of the County Office of Education is available to discuss possible coordination. He can be reached at 782-7270.

The County requests that your organization work with the other special districts listed under your community's name in the attachment, and come to a consensus on the use of the funds, as the Board of Supervisors requested. Also, please review the Agreement for the granting of \$4,308.72 for the San Simeon special districts and the two tables outlining the methodology used for the Trust distribution.

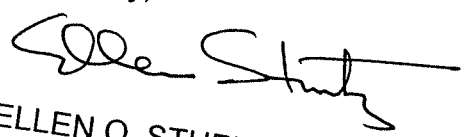
If the agreement is acceptable to all the special districts in your community, please:

1. Fill in the section of the Agreement denoting which district will receive the funds for the group.
2. Circulate one agreement amongst the representatives listed under San Simeon in the attachment, and have each sign on behalf of their districts.
3. Send the Agreement to my attention, with original signatures.

Once the signed Agreement is received we will bring it to the Board of Supervisors for approval.

If you would like to suggest changes, please submit them in writing to me at San Luis Obispo County, Public Works Department Room 207, San Luis Obispo CA 93408. If you have any questions, I can be reached at 781-5239 or esturtz@co.slo.ca.us.

Sincerely,

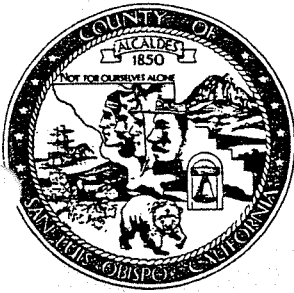


ELLEN O. STURTZ
Franchise Administrator

Attachments: June 18, 2002 Board Item
Special Districts List
Agreement
Trust Distribution Tables

File: Government PEG Distribution

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SAN LUIS OBISPO COUNTY
DEPARTMENT OF PUBLIC WORKS

Noel King, Director

County Government Center, Room 207 • San Luis Obispo CA 93408 • (805) 781-5252

Fax (805) 781-1229

email address: engr@co.slo.ca.us

TO: Board of Supervisors

FROM: Paavo A. Ogren, Deputy Director of Public Works—Administration *PAO*

VIA: Noel King, Director of Public Works *NK by AS*

DATE: June 18, 2002

SUBJECT: Consideration of a Public, Education and Government (PEG) Cable TV
Public Access Strategic Plan

Recommendations

That your Honorable Board:

1. Adopt a policy that PEG Trust Funds be allocated in thirds to Public Access, Educational Access and Government Access programs.
2. Direct staff to investigate utilizing the San Luis Obispo County Community Foundation as the conduit for allotting the Public Access portion of PEG Trust Funds to public access needs and constituents, and to work with Charter Communications and public access producers to develop criteria for specific use of the funds.
3. Adopt the policies expressed in Exhibit "A", on the utilization of the Education and Government portions of the PEG Trust Funds.

Discussion

The above staff recommendations reflect almost a year's process in which staff of the Department of Public Works worked with a consultant and numerous segments of the community in the development of the proposed PEG Strategic Plan (Attachment 1). Special attention was given to three groups which came forward to represent the three constituencies: SLO County Public Access, an association of local access producers; County Office of Education; and the San Luis Obispo County Special Districts Association. The Attachment 1 report describes the process and the involvement of over 150 people, and more than 80 organizations, including Charter Communications.

The report is a result of the Board's action on October 17, 2000 which directed staff to initiate a process to determine the Public, Education and Government cable TV access (PEG) needs with the aid of a consultant. The intent was to develop recommendations for the County's next steps in implementing PEG programs, or, to determine a County policy which outlines and recommends how PEG Trust Funds would otherwise be put to beneficial use.

Staff believes that the PEG Trust Funds should be allocated to the three constituency groups listed above, and put to beneficial use in support of their current and future efforts. Doing so may allow the funding to inspire a greater level of PEG implementation, which will hopefully generate additional partnerships with the cities and others.

Government Access

The governmental community, specifically the Special Districts Association through the leadership of its executive committee, have recommended that the distribution of the government third of the existing PEG Trust Funds be returned to the communities from which it was collected. This would mean that the monies would be distributed to special districts in San Simeon, Los Osos, Cambria, Templeton and Santa Margarita.

Educational Access

Representatives of the educational community would like to use the funds for county-wide access projects. In discussions with the educational community, and specifically the County Office of Education, and in their endorsement letter signed by the Superintendent of Schools (Attachment 2), they support the distribution of the educational funding by the County Education Council. The Council is composed of all the school districts and Cuesta College.

Public Access

The public access producers would like to see small grants of \$100-\$500 each awarded through a selection process. Staff recommends that the public access portion of the PEG Trust Funds be distributed through a process that is basically independent from County government. One potential method that has been discussed is through the services of the San Luis Obispo Community Foundation. In discussion with public access producers and others, the Foundation is well respected and is perceived as objective. The Foundation's constituents are the same individuals and associations that can, and do, utilize public access, and the Foundation's system of distributing grants could assist in putting public access funds to beneficial use.

All of the written community comments and concerns on the Needs Assessment report and the PEG Trust distribution that were received regarding this extensive outreach process are attached in Appendices C and D.

The distribution of the existing PEG Trust Funds is an important step in the continued development of PEG infrastructure and partnerships in the County. As this proceeds, other

activities can be occurring simultaneously to provide for the needs of the community through the upcoming franchise renewal. Since the PEG Strategic Plan focuses on putting existing funds to beneficial use, no specific recommendations on franchise renewal issues are included. Nevertheless, renewal issues were generally addressed during the process and staff discussion of those issues during the hearing may be generally beneficial for upcoming renewal efforts.

Other Agency Involvement/Impact

County Office of Education, Cuesta College, local school districts, the Special Districts Association, SLO Public Access and Charter Communications all participated in several meetings relating to this issue.

Financial Considerations

PEG Trust Funds are collected from Charter cable customers in the former Falcon territories (Los Osos, Cambria, Templeton and Santa Margarita) at a rate of 21 cents per month. The San Simeon Community Cable franchise has funds that are directly collected from the franchisee. The PEG Trust now has a balance of approximately \$300,000, and increases by approximately \$24,000 per year.

Several process participants suggested that your Board commit the use of County franchise fees to supplement the PEG Trust. Franchise fees are a "discretionary" budget resource of the County, the use of which should compete with all County budgetary needs on an annual basis. As such, this County General Fund revenue source is outside the scope of the attached PEG Strategic Plan report and staff is recommending that franchise fees not be a part of the recommended PEG Trust Fund distribution policy.

Results

Approval of the recommended actions will result in a distribution of the current PEG Trust Fund balance and future PEG revenues in the manner presented in the "Recommendations" section of this staff report. Ultimately, this action would result in a more livable, and better governed, community.

Attachments:

- Exhibit "A"
- Attachment 1 PEG Strategic Plan
- Attachment 2 Letter from Julian Crocker to Ellen Sturtz, dated May 15, 2002

File: Community Access

Reference: 02JUN18-C-27

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San Luis Obispo County PEG Trust Funds

Policies on the Utilization of the Education and Government Portions of the PEG Trust Funds

Policy on the Utilization of the Education Portion of the PEG Trust Funds

The San Luis Obispo County Office of Education shall be utilized for the Educational Access portion of the PEG Trust Funds under the following criteria:

- A. The funds must be used for specific cable TV access/telecommunications purposes that promote educational needs programs.
- B. These funds shall not be used to supplant existing funding.
- C. Where possible, partnerships with the government and public access constituents should be developed for joint benefit.
- D. Specific use of the PEG Trust Funds must be reviewed by an appropriate education advisory committee before the annual budgeting of these funds is considered by the County Board of Education.

Policy on the Utilization of the Government Portion of the PEG Trust Funds

The Special Districts shall be utilized for the Governmental Access portion of the PEG Trust Funds with the following criteria:

- A. The Government Access portion of the PEG Trust Funds be allocated to the Special District(s) in the communities from which the funds were collected.
- B. If a particular community has multiple Special Districts, then those districts must build a consensus on how to share or utilize the funds before the money is distributed.
- C. Where possible, partnerships with the educational community and public access should be developed for joint benefit.

Special Districts Government Grant Contact List
(Compiled from LAFCO and Special District Association Lists)

Templeton

Mr. Bill Van Orden
Templeton CSD
PO Box 1236
Templeton CA 93465

Mr. Richard Morris
Templeton Cemetery District
310 S. Main Street
Templeton CA 93465

Mr. D.J. Funk
Upper Salinas and Las Tablas
65 Main Street, #108
Templeton CA 93465

Los Osos

Mr. Bruce Buel
Los Osos CSD
PO Box 6064
Los Osos CA 93412

Mr. D.J. Funk
Upper Salinas and Las Tablas
65 Main Street, #108
Templeton CA 93465

Mr. Noel King
CSA 9
San Luis Obispo County
Public Works Department, Room 207
San Luis Obispo CA 93408

Cambria

Mr. Vern Hamilton
Cambria CSD
PO Box 65
Cambria CA 93428

Mr. Douglas Spelts
Cambria Cemetery District
PO Box 1086
Cambria CA 93428

Mr. Dave Melendy
Cambria Healthcare District
2535 Main Street
Cambria CA 93428

Mr. D.J. Funk
Upper Salinas and Las Tablas
65 Main Street, #108
Templeton CA 93465

Santa Margarita

Mr. Ray Mole
Santa Margarita Cemetery District
PO Box 606
Santa Margarita CA 93453

Chief Ralph Lewis
Santa Margarita Fire District
PO Box 67
Santa Margarita CA 93453

Ms. Jane Hilgert
Garden Farms Water District
PO Box 17005
Atascadero CA 93422

Mr. D.J. Funk
Upper Salinas and Las Tablas
65 Main Street, #108
Templeton CA 93465

Mr. Noel King
CSA 23
San Luis Obispo County
Public Works Department
Room 207
San Luis Obispo CA 93408

San Simeon

San Simeon CSD
111 Pico Avenue
San Simeon CA 93452

Mr. D.J. Funk
Upper Salinas and Las Tablas
65 Main Street, #108
Templeton CA 93465

AGREEMENT FOR COUNTY PEG GRANT
San Simeon Area

This Agreement is entered into this ____ day of _____, 2003, by and between the County of San Luis Obispo, a body corporate and politic, hereinafter referred to as "County", and the San Simeon Community Service District, and the Upper Salinas/Las Tablas Resource Conservation District, hereinafter referred to as "Grantees".

WHEREAS, on June 18, 2002, the Board of Supervisors directed staff to administer the disbursement of existing PEG Trust funds equally between public, education and government; and

WHEREAS, the Board directed that the government portion be distributed using the following criteria: 1) The Government Access portion of the PEG Trust Funds be allocated to the Special District(s) in the communities from which the funds were collected, 2) If a particular community has multiple Special Districts, then those districts must build a consensus on how to share or utilize the funds before the money is distributed, and 3) Where possible, partnerships with the educational community and public access should be developed for joint benefit; and

NOW, THEREFORE, it is mutually agreed between the parties hereto, as follows:

1. County agrees to pay over, as a grant of County funds, the sum of \$4,308.72 from Budget Unit #2829 to Grantees at the following address: _____

2. Each Grantee agrees that it shall not use any portion of the County funds for any purpose other than the funding of cable TV related project(s) designed to enhance government cable TV access.

3. Grantees agrees that the grant funds are not intended to supplant existing funding sources and acknowledges that the grant funds should not be viewed as on-going or yearly source of funding.

4. Each Grantee agrees to allow the County Administrative Officer, or their agent, to inspect and audit all records pertaining in any way to this grant, including, but not limited to, Grantee's use of the County funds granted herewith. The costs of any such inspection or audit shall be equally shared by the County and Grantee.

5. Neither County nor any officer or employee thereof is responsible for any damage or liability occurring by reason of anything done or omitted to be done by Grantees under or in connection with this Agreement. It is understood and agreed that, pursuant to Government Code Section 895.4, each Grantee shall fully defend, indemnify and save

harmless County and all its officers and employees from all claims, suits or actions of every name, kind and description brought for or on account of injury (as defined in Government Code Section 810.8) occurring by reason of anything done or omitted to be done by Grantee under or in connection with this Agreement.

IN WITNESS WHEREOF the parties have executed this Agreement as of the day and year first above written.

COUNTY OF SAN LUIS OBISPO

Chairperson of the Board of Supervisors
County of San Luis Obispo
State of California

ATTEST:

County Clerk and Ex-Officio Clerk
of the Board of Supervisors,
County of San Luis Obispo,
State of California

APPROVED AS TO FORM AND LEGAL EFFECT:
JAMES B. LINDHOLM, JR. County Counsel

By: _____
Deputy County Counsel

Grantee: San Simeon Community Service
District

Dated: _____

By: _____

Dated: _____

Print Name: _____

Title: _____

Grantee: Upper Salinas/Las Tablas
Resource Conservation
District

By: _____

Dated: _____

Print Name: _____

Title: _____

PEG Trust Distribution Methodology

Table #1

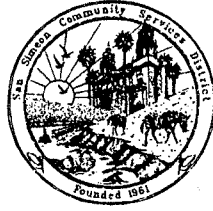
Trust Accounting		1/3	1/3	1/3
Inflows:		Public	Education	Government
San Simeon Cable Co. Payments	\$ 9,500.00	\$3,166.67	\$3,166.67	\$3,166.67
Falcon / Charter Cable Co. Payments	235,687.41	78,562.47	78,562.47	78,562.47
Interest	58,393.58	19,464.53	19,464.53	19,464.53
Employee Fiscal Incentive	4,600.00	1,533.33	1,533.33	1,533.33
Falcon Penalty	37,500.00	12,500.00	12,500.00	12,500.00
Total Inflows	\$345,680.99			
Outflows:				
Government Center Board Chamber A/V	-3,300.32			
Los Osos Pilot Project	-41,200.03			
Total Outflows	-44,500.35	-14,833.45	-14,833.45	-14,833.45
Balance of PEG Trust as of 08/06/02		\$301,180.64	\$100,393.55	\$100,393.55

Table #2

Government 1/3		Number of Former Falcon (Charter) Customer Accounts			
\$100,393.55		2,639	4,276	666	1,608

Government Distribution Method	San Simeon	Cambria	Los Osos	Santa Margarita	Templeton
Actual Payments Allocated to Gov. % of Accounts	\$ 3,166.67				
Actual Payments Allocated to Gov. % of Accounts		\$ 22,562.45	\$36,558.18	\$5,694.05	\$ 13,747.79
Employee Fiscal Incentive	306.67	306.67	306.67	306.67	306.67
Falcon Penalty		3,589.89	5,816.74	905.97	2,187.40
Government Center Board Chamber A/V			-275.03	-275.03	-275.03
Los Osos PEG Pilot Project			-13,733.34		
Sub Total	3,473.33	26,183.98	28,673.22	6,631.66	15,966.83
Interest Based on Sub Total Balance %	835.38	6,297.60	6,896.30	1,595.00	3,840.24
Grand Total	\$4,308.72	\$32,481.58	\$35,569.52	\$8,226.67	\$ 19,807.07

San Simeon Community Services District



111 Pico Avenue, San Simeon, California 93452
(805) 927-4778 Fax (805) 927-0399

Board of Directors

David Kiech, Loraine Mirabal-Boubion, Eric Schell, Carol Bailey-Wood, Terry Lambeth

**NOTICE OF MEETING
DISTRICT BUDGET ADVISORY COMMITTEE**

Tuesday, February 18, 2003
10:00 A.M.

Cavalier Corporate Office Board Room
9415 Hearst Avenue
San Simeon, CA 93452

**Special Meeting
Board of Directors
San Simeon Community Services District**

Agenda

**Tuesday, February 18, 2003 – 10:00 AM
Cavalier Corporate Office Board Room**

- 1. 10:00 AM – CALL TO ORDER**
 - 1.1 Roll Call
 - 1.2 Public Comment

- 2. ITEMS OF BUSINESS**
 - 2.1 Budget Committee Meeting –
 - A. Review of Draft Audit
 - B. Designation of Funds for Water Projects
 - C. Financial Review – July 1, 2002 through December 31, 2002
 - D. Planning – Fiscal Year 2003 –2004 Budget Preparation

- 3. ADJOURNMENT**

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NOTICE OF MEETING
DISTRICT POLICY ADVISORY COMMITTEE

Monday, February 24, 2003

9:00 A.M.

Cavalier Banquet Room
9415 Hearst Avenue
San Simeon, CA 93452