

MINUTES
SAN SIMEON COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS REGULAR MEETING
Wednesday, January 20, 2016
6:00 pm

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

1. REGULAR SESSION: 6:08 PM

A. Roll Call:

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

General Manager, Charles Grace
District Counsel, Heather Whitham
Sheriff Rep: Srgt. Odom

B. Pledge of Allegiance

2. PUBLIC COMMENT: None

A. Sheriff's Report – Report for December.

There were 55 calls for service in the San Simeon area. Included in these numbers are; 21 traffic stops by Deputies, 3 pedestrian contacts where a deputy stopped a person on foot to talk to them, and 1 incomplete 911 call requiring Deputies to respond to check on caller.

There was 1 arrest because of warrants, 1 vandalism (smashed window of parked car), 1 grand theft (wallet left behind in parking lot), and 2 thefts from vehicles.

B. Public comment on Sheriff's Report: None

3. BOARD PRESENTATIONS AND ANNOUNCEMENTS: None

4. STAFF REPORTS

A. General Manager's Report

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

During the month of December, Staff sent out water and recycled water billing as well as responded to several customer calls. Staff coordinated the trimming of the dead pine trees on Pico Avenue and the trimming of the eucalyptus trees on Avonne in preparation for storm weather conditions. Staff attended a Disaster Emergency workshop with the County Emergency Services Department. Staff continued to work with the Auditors to finalize the 2014 – 2015 District financial audit.

2. Update – Wellhead treatment system project.

Madonna Construction broke ground November 9 to find several obstacles in the way of the project foundation and pad. As a result the project will sit 5 feet east of the original location in turn causing the relocation of the brine storage tank and storage shed. In addition PG&E dictated an overhead electric utility drop versus the underground electric utility connection as previously discussed and designed. The design has since been updated to relocate the brine tank and re-route the brine tank drain. The RO unit and brine tank are scheduled to arrive January 19.

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

Staff met with the County this afternoon to discuss the awarded Grant. Since the County did not receive 100% of what the projects requested, all project funds must take a 25% reduction in grant funding.

The San Simeon District will receive \$362,431 of the requested \$498,600. The reduced amount includes the amount that is due to Carollo Consultants for grant application costs. At this time, the County is waiting for the official letter from the State granting the funds to San Luis Obispo County. Staff also received other good news regarding the Ground Water Management Plan. Since San Simeon CSD does not get their water from a basin, it is possible that San Simeon CSD will not need to do a Ground Water Management Plan. This would save the District time and money. The County is waiting for the official letter from the State regarding this announcement.

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

The CDP was assembled and submitted during the week of December 13, 2015. The California Coastal Commission (CCC) has 30 days to respond, thus Staff anticipates hearing from the CCC soon.

B. Superintendent’s Report

1. Wastewater Treatment Plant

- All sampling, testing and reporting at the wastewater treatment plant and the recycled water facility was performed as required by the RWQCB.
- Quarterly maintenance was performed on the stand-by generators at the WWTP and the well site.
- Annual grease trap inspections were performed throughout the district.
- The application was submitted to ELAP for certification renewal for the WWTP laboratory.
- One load of sludge was hauled away this month.

2. Water Distribution System

- All routine sampling and testing was performed. The monthly report was submitted to the State Water Resources Control Board (SWRCB), Division of Drinking Water (DDW).
- Monthly water meter reading was performed.
- Chloride levels are monitored throughout the system.

3. District and Equipment Maintenance

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

C. District Financial Summary – Update on Monthly Financial Status for close of business December 31, 2015.

November Billing Revenue	\$ 58,666.02
December Billing Revenue	\$ 50,569.01
Past Due (31 to 60 days)	\$ 220.41
Past Due (60 days)	\$ 55.70

ENDING BANK BALANCES: December 31, 2015

RABOBANK SUMMARY:

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

HERITAGE OAKS BANK:

Summary of Transactions:

Balance October 2015	\$ 808,387.97
Interest for November	\$ 207.62
Money Marketing Account Closing Balance December 31, 2015	\$ 808,595.59

Reserve Fund	(\$ 250,000.00)
Hook up Deposits	(\$ 45,750.00)
Available Funds	\$ 512,845.59

General Checking Account	\$ 96,074.74
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LAIF Closing Balance December 31, 2015	\$ 520.30
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D. District Counsel's Report – Summary of December activities.

District Counsel assisted Staff with:

- Reviewed the GES draft agreement on behalf of the District
- Reviewed the County Cross Connection agreement
- Assisted Staff with agenda preparation.

5. ITEMS OF BUSINESS

A. Approval of last month's minutes – December 9, 2015.

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

Motion by: Director Patel

2nd by: Director Price

All in: 5 / 0

B. Approval of Disbursements Journal – January 20, 2016.

A motion was made to approve the January 20, 2016 Disbursements Journal as presented.

Motion by: Director Price

2nd by: Director Williams

All in: 5 / 0

C. Approval of USDA Grant Funds Disbursements Journal - January 20, 2016

A motion was made to approve the January 20, 2016 USDA Grant Funds Disbursements Journal as presented.

Motion by: Director Price

2nd by: Chairperson McAdams

All in: 5 / 0

6. DISCUSSION/ACTION ITEMS

A. Board Vote on Appointment of Board Chair and Vice Chair for the 2016 Calendar Year.

The Chairperson and Vice Chairperson terms have expired. Staff is requesting nominations and acceptance from the SSCSD Board for the positions of Chairperson and Vice Chairperson for the 2016 calendar year.

A Nomination was made for Alan Fields as Chairperson:

Motion by: Director Price

2nd by: Director Williams

McAdams – No Williams – No Patel – No

Price – Yes Fields - Yes

Motion failed.

A Nomination was made for Ralph McAdams as Chairperson:

Motion by: Director Patel

2nd by: Director Williams

McAdams – Yes Williams – Yes Patel – Yes

Price – No Fields - No

Motion passed.

A Nomination was made for Dan Williams as Vice-Chairperson:

Motion by: Director Patel

2nd by: Director McAdams

McAdams – Yes Williams – Yes Patel – Yes

Price – Yes Fields - Yes

Motion passed.

B. Board Consideration of Approval of the District's Financial Audit of 2014-2015.

Staff attached the Draft 2014-2015 District Audit to the December Board packet for Board review and comment. Travis Hole, from Moss, Levy & Hartzheim was present at the December meeting to address any questions Staff or the Board may have had prior to finalizing the Audit. Comments were noted and given to the Auditors for review/response.

Staff has worked with the Auditors regarding all comments. Attached is the updated final version of the 2014-2015 Audit. Staff recommends approval of the attached 2014-2015 final Audit from Moss, Levy & Hartzheim.

Director Fields pointed out that on page 14 the State funds listed under water should be moved under sanitation. The General manager agreed.

A motion was made to approve the District Audit with the change presented by Director Fields.

Motion by: Price

2nd by: Patel

All in: 5 / 0

C. Board Consideration of Nomination of a Local Agency Formation Commission (LAFCO) Representative.

At this time LAFCO is looking for one new member. This is a non-paid position from LAFCO or the SSCSD. There is reimbursement for travel and a small per diem per meeting from LAFCO. There is one meeting a month that must be attended in SLO plus preparation for and attendance of one annual conference. The LAFCO representative represents the whole County and not the District. Nomination forms and statement of qualifications need to be turned in by January 29th. If the Board is interested in nominating a Board Member as a LAFCO Representative, a motion should be made at this time.

It should also be mentioned that there is a current Alternate Representative in place that has the option to fill the seat. The Board will also need to nominate a board member or District Staff member to represent the District at the next Annual LAFCO meeting on February 19, at 5:00 PM to vote on the nominees. Attendance is not mandatory but requested.

Director Fields mentioned that he would like to be the LAFCO representative if the Board approved.

A motion was made to nominate Director Alan Fields as the LAFCO representative. Director Fields would also represent the District at the February LAFCO meeting.

Motion by: Director Williams

2nd by: Price

All in: 5 / 0

D. Consideration of Approval of Agreement with the County for Cross-Connection Inspection Services.

Attached in the Board packet is the County Cross Connection contract for yearly services. Staff has looked into alternate possibilities for maintaining the Cross Connection program. Per the State, the

responsible party must have over 3 years of experience in servicing backflow devices and also must be backflow certified. Because of the high costs of testing provided by certified entities, the County initiated the program such that one person oversees the whole County to keep all Districts' and City costs to a minimum.

Staff recommends approval of the County Cross Connection Inspection Services contract.

Counsel Whitham mentioned that there was an error on page 2 regarding the District address.

A motion was made to approve the contract with the County with correction on page 2.

Motion by: Chairperson McAdams

2nd by: Director Williams

All in: 5 / 0

E. Board Consideration of Approval of a Professional Services Agreement with Grace Environmental Services (GES) for Management, Operation and Maintenance of the District.

Attached is the Professional Services Agreement outlining terms and conditions of professional services to be delivered by Grace Environmental Services, LLC. The terms and conditions replicate the current and actual services typically provided to the San Simeon CSD.

There were some minor spelling changes that needed to be done on the contract.

Director Fields mentioned that it would be a great honor and privilege to approve the contract service agreement with Grace Environmental Services, with corrections.

Motion by: Director Fields

2nd by: Chairperson McAdams

All in: 5 / 0

7. Oral Report from Committee Members:

Director Fields reported that there was a Water Committee meeting earlier this evening. Item of discussion was an update from the General Manager on the Wellhead Treatment System. With the rains in December, the project has gotten off schedule. The estimated time of completion is now the first Part of March.

The General Manager also mentioned that he would like to temporarily release the Stage 3 restrictions. By getting rid of the chloride filled water in the Wells, the fresh water would dilute the water in the Wells and reservoir. The Water Committee unanimously agreed with the General Manager's suggestion.

8. Oral Report from Board Members on current issues: None

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

10. ADJOURNMENT @7:15 PM