

MINUTES OF REGULAR MEETING
Avila Beach Community Services District
Wednesday, September 12, 2019
12:30 P.M.

1. CALL TO ORDER

President Pete Kelley called the “Special Meeting” of the Board of Directors of the Avila Beach Community Services District, to order at 12:30 P.M. on the above date, in the Avila Beach Community Services District Building, 100 San Luis Street, Avila Beach, California.

2. ROLL CALL

Board Members Present: Pete Kelley
 Lynn Helenius

Absent: Kristin Berry
 Ara Najarian

Staff Present: Brad Hagemann, General Manager and District Engineer
 Kristi Dibbern, Accounting
 Mike Seitz, Legal Counsel
 Carina Butler, FRM Operations

3. PUBLIC COMMENTS

Howie Kennett took the Oath of Office and joined the Directors’ table.

Howie Kennett replaced Director Eric DeWeese and will complete his term of office. His term will end December 2020.

California Special District Association sent an email, urging members to oppose AB 1184. Legal Counsel Seitz commented that the bill should be vetoed. The bill actually reduces transparency instead of increasing it. Consensus of the Board was to support vetoing the bill.

Director Ara Najarian joined the meeting at 12:38pm

Legal Counsel Seitz attended an Equality Act seminar. President Kelley & GM Hagemann attended CSDA Meeting on Sept. 5th at Café Roma where Congressman Salud Carbajal was the guest speaker.

4. Sheriff’s Report: Commander Justin Nelson reported 142 calls for service of those 21 reports were generated. There were two calls for assault/domestic violence issues, eleven calls for disturbance of the peace, three calls for burglary (vehicles), and four calls for thefts. The sheriff assisted CalFire at Cave Landing where a stolen firearm was confiscated and it turned out it was retrieved from the owner who had not reported it found. Family Day will be held at Madonna Meadows on September 14th, 2019. San Luis Obispo Sheriff’s Advisory Foundation (SAFSLO) is hosting the event from 8 a.m. – 5 p.m.. Commander Nelson also urged the Board and public to add the Smart911 App to their phones. It is a great tool in the case of an emergency.

Cal Fire: No report

5. Consent Items

Legal Counsel Seitz informed the Board that the August 14th, Special Meeting Minutes must be approved at the next meeting.

Director Helenius questioned the Water Deposit Refunds issued to past and present water customers. Staff addressed the question by explaining that if the customer was in good standing or had moved the Water Deposits ranging in price from \$20 -\$60 were being refunded to clean up the financials at the request of the auditors.

As follow-up to last month's discussion, General Manager Hagemann, prepared a Profit and Loss Statement for the months of July and August 2019 in order to provide detailed expenses associated with credit card payments for water and sewer bills (report attached). Based on just two months of data, it appears the cost of accepting credit cards is approximately \$450 per month. The costs are based on a percent of the dollar amount and the number of customers who use a credit card. Based on the limited data, it appears approximately 60% of the District customers use a credit card to pay their bill. Staff will continue to track costs associated with use of credit cards and also coordinate with other local District's that accept credit cards to determine their costs and most importantly whether the Districts are charging the customer a "convenience fee" to cover the credit card processing fees. Staff will bring this item back at a future Board meeting for further discussion and possible action regarding adding a customer convenience fee to credit card transactions.

The motion was made by Director Helenius to accept the Consent Items with the exception of the August 14th Special Meeting Minutes, and was seconded by Director Kennett. The motion passed with a roll call vote 4-0.

AYES: Lynn Helenius
Howie Kennett
Pete Kelley
Ara Najarian

NOES: None

ABSENT: Kristin Berry

5. DISCUSSION OF PULLED CONSENT ITEMS

Minutes from August 14th, 2019 were pulled from Consent Items.

6. BUSINESS ITEMS:

A. Garbage Rate Increase – GM Hagemann noted that this is South County Sanitation Service's (SCSS's) request for a rate increase by adopting Resolution 2019-07. Jeff Smith presented on behalf of South County Sanitation.

President Kelley OPENED the Public Hearing.

Sylvia Alcon submitted a written protest. Anne Brown, Avila Beach complimented South County Sanitation on the courteous truck drivers. However, she protested the proposed increase for the 2nd year, FY 2021-2022. Anne believes the approval should be for 1 year. At the end of the presentation Anne Brown, withdrew her protest due to a better understanding of the Prop 218 process and expense that accompanies a rate study.

President Kelly CLOSED the Public Hearing.

After much discussion, the motion was made by Director Helenius to adopt Resolution 2019-07 supporting the rate increase for South Country Sanitation Service. It was seconded by Director Kennett and passed with a roll call vote 3-1.

AYES: Lynn Helenius
Pete Kelley
Howie Kennett

NOES: Ara Najarian

ABSENT: Kristin Berry

At this time President Kelley switched Action Items: “B” and “C” on the agenda to accommodate guest speakers Ronald Reilly and Tony Coscia of Garing Taylor and Associates.

C. Status Report for San Miguel Sewer Line Replacement Project – GM Hagemann summarized the staff report noting that Garing, Taylor and Associate’s Draft Report provides several options and associated cost estimates for this project. The most cost-effective alternative appears to be to install an Alternative Force main through the Port San Luis Parking lot at a cost of around \$150,000. Other alternatives to improve the sewer line on San Miguel Street are nearly \$500,000. Ronald Reilly and Tony Coscia from Garing Taylor and Associates provided an analysis of options for the Board to consider. GM Hagemann explained why the District is replacing the line. He explained the slope of the line, condition of pipe, size of the pipe, and broken collars are all factors indicating a replacement is needed. Rain water is also making its way into the pipe. The San Miguel pipeline is overwhelmed when lift station is running. Taking the load off the lift station, and reducing the flow into the pipe under San Miguel Street is the goal of the project. The Board directed staff to pursue the county process regarding easements, and plans. Garing, Taylor and Associates will bring back a proposal for consideration for Phase III (construction plans and specifications) at a future meeting.

B. Update Schedule for Regular Board of Directors Meetings

The Board of Directors currently have Regular Meetings on the second Wednesday of the month at 11:00 AM. Director Kennett recently joined the Board of Directors and his work schedule makes it difficult for him to attend the Wednesday meetings. However, he is normally off work on Tuesdays and would be available to regularly attend a Tuesday meeting. Staff has discussed available/preferred Board meeting dates and times with Board members and it appears moving the Regular Meetings to the second Tuesday of the month at 1:00 PM will reasonably work for all of the Directors. In addition, staff recommends the

Board consider reducing the number of Board meetings from 12 per year to 9 or 10 per year. Over the past several years the Board has needed to cancel meetings due to lack of a quorum or not having any essential business items for August & December. Staff will bring the amended By-Laws back to the Board for formal adoption at a future meeting. It was agreed that the second Tuesday of the month at 1:00 p.m. would be the meeting day and time for future meetings.

D. Fluid Resources Management Operation and Maintenance Contract Renewal

The adopted FY 2019/20 budget anticipated extending the O&M contract for FY 2019/20 with a 3% - 5% Consumer Price Index (CPI) increase in accordance with the contract provisions. District staff recently met with FRM Operations and Maintenance staff and both parties have no objection to renewing the contract for another year. Unless the Board desires to change the O & M model for the District's water and wastewater systems, staff recommended the District renew the existing contract for another year under the same terms and conditions, extending the expiration date to November 1, 2020.

The motion was made by Director Helenius to renew the Contract for another year; motion was seconded by Director Kennett. The motion passed with a roll call vote 4-0.

AYES: Lynn Helenius
Howie Kennett
Pete Kelley
Ara Najarian

NOES: None

ABSENT: Kristin Berry

E. Award Contract for Project Management Assistance for the WWTP Redundancy Project. At the August 14, 2019 Board meeting staff discussed the need to bring on contract engineering services to support the Wastewater Treatment Plant project. Staff recommended the Board consider retaining Hollenbeck Consulting to provide project management support and eventually construction management support services. The Board and District legal counsel agreed that it would be appropriate for the District to retain contract engineering support for the WWTP project. The Board directed staff to bring an item back to Board to formally approve the engineering support services. A motion was made by Director Kelley to retain contract engineering support from Hollenbeck Consulting for the not to exceed amount of \$30,000 for the WWTP. It was seconded by Director Helenius. The motion passed with a roll call vote 4-0.

AYES: Pete Kelley
Lynn Helenius
Ara Najarian
Howie Kennett

NOES: None

ABSENT: Kristin Berry

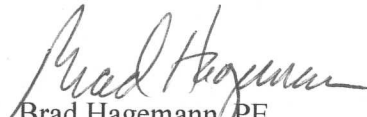
7. **Communications/Correspondence**

8. **ADJOURNMENT:** The meeting was adjourned at 3:05p.m.

The next regular meeting of the Avila Beach Community Services District is scheduled for October 8th, 2019 at 12:30 PM at 100 San Luis Street, Avila Beach.

These minutes are not official nor a permanent part of the records until approved by the Board of Directors at their next meeting.

Respectfully submitted,


Brad Hagemann, PE
General Manager