

**AVILA BEACH COMMUNITY SERVICES DISTRICT
MINUTES OF REGULAR MEETING
June 13th, 2017**

1. CALL TO ORDER

President Pete Kelley called the regular meeting of the Board of Directors of the Avila Beach Community Services District, to order at 7:00 p.m. on the above date, in the Avila Beach Civic Center.

2. ROLL CALL

Board Members Present: Pete Kelley
 Lynn Helenius
 Eric DeWeese

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

Absent: Ara Najarian (Director Najarian joined the meeting at 7:05 p.m.)

3. PUBLIC COMMENTS

4. INFORMATION AND DISCUSSION ITEMS

A. County Reports

1. SLO Sheriff:

Sheriff Voge introduced himself as the new commander representing the San Luis County Sheriff's Office. Sheriff Voge offered his direct phone line at 781-4630; please contact him if you have questions or concerns. Sheriff Voge reported 73 calls for service including 4 threats, 3 arrests, 4 burglaries from vehicles at Bob Jones trailhead. Voge stated that they are working on installing a second camera at the Bob Jones Trailhead. The parking lot for this trailhead is problematic since it is very close to the freeway making access easy for theft. Activity this month included a cave landing suicidal subject with a shotgun. The Department apprehended the subject, but he threw the gun over the cliff into the ocean. The weapon was not located after an exhausted search. Sheriff Voge warned the Board and public about phone scams related to the "IRS" and Target gift cards.

2. Cal Fire Report:

Cal Fire Battalion Chief Paul Lee reported 50 calls for service this month. Twenty- one of those calls were for medical assistance. Chief Lee reported that fire season begun May 15th and all stations are fully staffed and ready. Four aircraft, three bulldozers and five additional engines are available for response. Lee stated the Department is enforcing the Weed Abatement Program and reminded folks to abate weeds around their property.

Chief Lee stated the Cave Landing Road vegetation maintenance project is complete and the Department has \$75,000 to widen the Wild Cherry Canyon road. Chief Lee also reminded folks that as of June 13, no outdoor burning is allowed with the exception of Agricultural burning.

B. Reports on Conferences, Meetings and General Communications

GM Hagemann reminded the Board members to complete their ethics training. The California Special District's Association (CSDA) training office has created individual logins and passwords for each board member and sent them an email with instructions. Emily Cha from CSDA sent the Directors an email in late January that provided them a login and password to access the free training webinars. Directors should turn in their Certificates of Completion into the District office for our official files.

5. CONSENT ITEMS

President Kelley introduced the consent items and inquired if any member of the Board or public wished to address any items.

- A. Minutes of April 11th, 2017 Regular Meeting
- B. Monthly Financial Review for April & May
- C. General Manager and District Engineer Report
- D. Water and Wastewater Superintendent Report April & May Report
- E. Appointment of a Districts Representative to the San Luis Obispo Count Water Resources Advisory Committee.
- F. Sanitary Sewer Management Plan Audit

GM Hagemann reported that Lopez Lake is holding steady at 62% capacity (30,500AF) but will soon start dropping as run-off curtails. Hagemann also reported that State Water Project deliveries will be 85% of the Table "A" entitlements. Hagemann also reported that the Sanitary Sewer Management Plan (SSMP) Audit, was completed and staff will be implementing the audit recommendations over the next 8-12 months. Finally, Liberty Composting will likely be taking over the District's sludge disposal since the City of Soledad WWTP is cutting back on the amount of sludge they are accepting.

In response to a Board member question, GM Hagemann explained that the rented road plates were used to support the effluent repair line project for a prolonged period. Director Helenius made the motion to adopt the consent items. Director Najarian seconded the motion and it passed with a roll call vote 4-0.

AYES: Lynn Helenius
Ara Najarian
Eric DeWeese
Pete Kelley

NOES: None

6. DISCUSSION OF PULLED CONSENT ITEMS.
None

7. **BUSINESS ITEMS:** Items where Board action is called for.

A. Resolution of Appreciation for former Board Member, Mr. Ken San Filippo.

Former Director Ken San Filippo was present for the reading of Resolution No. 2017-02 by President Kelley. President Kelley made the motion to adopt Resolution No. 2017-02 honoring Mr. San Filippo and his service on the Board. Director Najarian seconded the motion and it passed with a roll call vote 4-0.

AYES: Pete Kelley
Ara Najarian
Eric DeWeese
Lynn Helenius

NOES: None

B. Fats, Oil and Grease Program Services Contract. GM Hagemann summarized the Staff Report and restated that the District's SSMP requires the District to implement an active FOG program. The District has routinely retained Wallace Group to conduct the District's FOG Program. Staff recommended the Board retain Wallace Group to conduct the FY 2017/18 FOG inspection and reporting program. Director Najarian asked if the Directors should be concerned about retaining W/G in light of the recent District Attorney charges against John Wallace. GM Hagemann commented that District staff is confident that he W/G staff will continue to effectively implement the District's FOG program. Anne Brown, Avila Beach commented that the entire firm should not be penalized for one person. Director DeWeese made the motion to approve a Contract with W/G for FY 2017/18 Fats, Oil and Grease Program Services Contract. Director Helenius seconded the motion and it passed with a roll call vote 4-0.

AYES: Eric DeWeese
Lynn Helenius
Ara Najarian
Pete Kelley

NOES: None

C. 2017 Weed Abatement Program. GM Hagemann summarized the staff report noting that each year the District works with Cal Fire to coordinate the weed abatement and fire protection program. Cal Fire staff will inspect properties to ensure weeds and trash are cleared; if work is needed they will post the property requesting the owner clear weeds and/or trash; if not cleared then District will make

arrangements and bill the property owner. Chief Lee confirmed Hagemann's summary and responded to Director questions.

Director Kelley made the motion to adopt Resolution No. 2017-03 declaring weeds a nuisance. Director Helenius seconded the motion and it passed with a roll call vote 4-0.

AYES: Pete Kelley
 Lynn Helenius
 Ara Najarian
 Eric DeWeese
NOES: None

D. Resolution No. 2017-04 to Adopt the San Luis Obispo County Integrated Regional Water Management Plan (IRWMP) – GM Hagemann summarized the staff report by stating the IRWMP Act was initially adopted in 2002 and supported by a series of voter approved propositions that provided grant funds for regional projects. The Program is administered by SLO County Public Works Department. Agencies must formally adopt the IRWMP Plan in order to be eligible for project funding. To date the County has awarded almost \$25 million

Director Kelley made the motion to adopt Resolution No. 2017-04 adopting the San Luis Obispo Integrated Regional Water Management Plan. Director Najarian seconded the motion and it passed with a roll call vote 4-0.

AYES: Pete Kelley
 Ara Najarian
 Eric DeWeese
 Lynn Helenius
NOES: None

E. Water Resource Analysis Tech Memo

GM Hagemann reminded the Board that the District had retained Water Systems Consulting Inc. (WSC) to evaluate historic and projected water supply & demand based on the District's most recent data and conditions. The last evaluation of this type was completed in coordination with the May 2010 Water Master Plan. This Tech Memo (TM) includes sections on the District's historic water demand; projected water demand; water supply portfolio; and historical supply reliability including the most recent extended drought cycle. The TM concludes with an analysis of three scenarios: normal year, single dry year and multiple dry years. WSC's recommendation is the District should continue to assess opportunities to increase water entitlements, in order to supplement and diversify its water portfolio. Director Helenius wanted to know the District's water entitlement and how would the use of the full entitlement potentially affect the wastewater treatment plant. Director Helenius also asked if the District could reduce the utility rates based on the above scenarios. President Kelley explained that the water and sewer rates typically do not go down with lower use due to the District's fixed costs of operating the systems. The Board directed

staff to continue to assess opportunities to increase the District's water entitlements/supply and diversify its water portfolio.

F. Discharge of Treated Groundwater Water to the District Collection System & WWTP – GM Hagemann summarized the staff report explaining that Chevron Environmental Management Company (CEMC) is continuing to conduct ground water (GW) cleanup at the former Unocal tank site. CEMC is evaluating disposal alternatives to trucking the treated wastewater off-site including discharging the treated water to the District's sewer system. District staff has conducted a preliminary review of the treated GW quality and it appears all the parameters are well within the District's permit limitations. Carinna Butler, from Fluid Resource Management Operations Team, commented that the water should be tested extensively to ensure it does not have a negative impact on the operation of the WWTP. President Kelley wanted to know the cost and the benefit to the District. Anne Brown also commented regarding her concern about contaminants that could be coming into our wastewater plant. GM Hagemann commented that the District would only agree to accept the treated GW if it did not have a negative affect on the WWTP and the sludge disposal options. The Board directed Staff to continue their analysis and initiate negotiations with the CEMC on the logistics and cost of accepting the treated GW.

G. Facilities Committee Report re: Former Fire Station Lease. Hagemann reported that the Facilities Committee inspected the building on May 1st, 2017 and generated the staff report in the Board packet. Director Najarian reported that the current tenants are not willing to share the space and confirmed that the existing District office space is not adequate and storage is inadequate for record retention and staff office space. The Board directed Staff to notify the District's current tenants (Vizdom Software, Inc.) and the District's current property owner (Avila Beach Civic Association) that the District Administrative Office will be relocating to the former fire station at 100 San Luis Street, Avila Beach.

H. PUBLIC HEARING: Fiscal Year 2017/18 Budget

GM Hagemann used a series of slides to summarize the proposed FY 2017/18 budget and responded to questions from the Board. President Kelley opened the Public Hearing on the budget. No comments were received from the public so President Kelley closed the Public Hearing and brought the item back to the Board. After some additional discussion, President Kelley made the motion to adopt Resolution No. 2017-05 Adopting, Appropriations Limitations. Director DeWeese seconded the motion and it passed with a roll call vote 4-0.

AYES: Pete Kelley
 Eric DeWeese
 Ara Najarian
 Lynn Helenius
NOES: None

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President Kelley then made the motion to adopt Resolution No. 2017-06 adopting the Final FY 2017/18 Budget. Director Najarian seconded the motion and it passed with a roll call vote 4-0.

AYES: Pete Kelley
 Ara Najarian
 Eric DeWeese
 Lynn Helenius
NOES: None

I. Board Vacancy. GM Hagemann commented that Staff has received only one application for the vacant Director position. Hagemann provided a copy of Ms. Kristen Berry's application. After some discussion and an opportunity for public comment, President Kelley made the motion to appoint Kristen Berry to the Board of Directors of the Avila Beach CSD to fill the vacancy through December 2018. Director Najarian seconded the motion and it passed with a roll call vote 4-0.

AYES: Pete Kelley
 Ara Najarian
 Eric DeWeese
 Lynn Helenius
NOES: None

8. COMMUNICATIONS:

ADJOURNMENT: The meeting was adjourned at 9:25 p.m.

The next regular meeting of the Avila Beach Community Services District is scheduled for Tuesday, July 11th, 2017 at 7:00 pm.

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