

# AVILA BEACH COMMUNITY SERVICES DISTRICT

Post Office Box 309, Avila Beach, CA. 93424  
Meeting Room and Office – 191 San Miguel Street, Avila Beach  
Telephone (805) 595-2664 FAX (805) 595-7623  
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## AGENDA

**REGULAR BOARD MEETING**  
**7:00 pm Tuesday April 14, 2015**  
**BOARD MEETING LOCATION**  
**Avila Beach Community Center**  
**191 SAN MIGUEL STREET,**  
**AVILA BEACH, CALIFORNIA**

1. **CALL TO ORDER: 7:00 P.M.**
2. **ROLL CALL: Board Members:**
  - Pete Kelley, President
  - Steve Waldron, Vice President
  - Lynn Helenius, Director
  - John Janowicz, Director
  - Shanna Richards, Director
3. **PUBLIC COMMENT; 7:00 P.M.**

Members of the public wishing to comment or bring forward any items concerning District operations **which do not appear on tonight's agenda** may address the Board now. Please state name and address before addressing the Board and **limit presentations to 3 minutes**. State law does not allow Board action on items not appearing on the agenda
4. **INFORMATION AND DISCUSSION ITEMS**

Items of District interest which may be placed on later agendas, or where staff needs to inform Board

  - A. County Reports
    1. SLO County Sheriff Department
    2. CalFire/County Fire Department
  - B. Reports on Attended Conferences, Meetings, and General Communications of District Interest
5. **CONSENT ITEMS:**

**These items are approved with one motion.** Directors may briefly discuss any item, or may pull any item, which is then added to the business agenda.

  - A. Minutes of Regular Meeting, March 10<sup>th</sup>, Minutes of the Special Meeting March 19<sup>th</sup>, 2015
  - B. Monthly Financial Review
  - C. General Manager Report
  - D. District Engineer Report
  - E. Water and Wastewater Superintendent Report
  - F. Sub- Committee Reports

G. Capital Projects Status Report

**6. DISCUSSION OF PULLED CONSENT ITEMS**

At this time, items pulled for discussion from the Consent Agenda, if any, will be heard.

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

- A. Intent to Serve: Avila Schoolhouse 90 San Antonia Street  
(Action Required: Approve Intent to Serve)
- B. Intent to Serve: 356 First Street, Parcel Number: Co.15-0005  
(Action Required: Approve Intent to Serve)
- C. Status of Draft Agreement with Port San Luis Harbor District for Wastewater Treatment Disposal  
(Action Required: Receive Status from District Engineer & Legal Counsel)
- D. Change of Venue for May 12<sup>th</sup> Board Meeting, Sea Life Center  
(Action Required: Approve Change of Venue)
- E. Scheduled Water and Sewer Rate Increases per Resolution 2014-07  
(Action Required: Receive Report and Review Schedule Rate Increase, Provide Direction to Staff)
- F. Waste Water Treatment Plant Improvements:  
(Action Required: Authorize Staff to proceed with the design for the Repair of Effluent Line and Valves.)
- G. San Luis Street/ Avila Beach Drive Sewer Line Replacement  
(Action Required: Receive Report and Review Changes of Schedule, Provide Direction to Staff)
- H. Status of Drought and Update of Governor's Declaration  
(Action Required: Receive Report, Direct Staff to Coordinate Ad Hoc Drought Committee Meeting, Discussion Securing State Water for ABCSD)
- I. District Banking / Accounting:  
(Action Required: Receive Report, Review Findings, Provide Direction to Staff)
- J. AMGEN Tour  
(Action Required: Receive Staff Presentation of AMGEN requests)

**8. PUBLIC COMMENT ON CLOSED SESSION ITEMS**

- 9. A. Anticipated Litigation,  
Significant exposure to litigation pursuant to Government Code §54956.9(b)  
2 cases, Facts and circumstances unknown to opposing party.

## **ADJOURN TO CLOSED SESSION**

- 10. REPORT ON CLOSED SESSION / ANNOUNCEMENT OF ACTIONS, IF ANY, TAKEN IN CLOSED SESSION**
- 11. COMMUNICATIONS/ COORESPONDENCE**

At this time, any Director or Staff, may ask questions for clarification, make any announcements, or report briefly on any activities or suggest items for future agendas.

Any writing or document pertaining to an open session item on this agenda which is distributed to a majority of the Board after the posting of this agenda will be available for public inspection at the time the subject writing or document is distributed. The writing or document will be available for public review in the District Administration Office, 191 San Miguel Street, Avila Beach, CA during normal business hours. Consistent with the Americans with Disabilities Act and California Government Code Section 54954.2 requests for disability related modification or accommodation, including auxiliary aids or services may be made by a person with a disability who requires the modification or accommodation in order to participate at the above referenced public meeting by contacting the District at 805-595-2664.

**AVILA BEACH COMMUNITY SERVICES DISTRICT  
MINUTES OF REGULAR MEETING  
March 10th, 2015**

**1. CALL TO ORDER**

The Board of Directors of the Avila Beach Community Services District, meeting in Regular Session at 7:00 p.m. on the above date, in the Avila Community Building meeting room, was called to order by President Kelley.

**2. ROLL CALL**

Board Members Present:                   Pete Kelley  
  John Janowicz  
  Lynn Helenius  
  Steve Waldron  
  Shanna Richards

Board Members Absent:                   None

Staff Present:                               John Eulberg, Interim General Manager  
  John Wallace, District Engineer  
  Mike Seitz, District Legal Counsel  
  Kristi Dibbern, Accounting Clerk

**3. PUBLIC COMMENTS**

None

**4. INFORMATION AND DISCUSSION ITEMS**

**A. County Reports**

**1. SLO Sheriff:**

No Report

**2. CAL Fire Report:**

Captain Paul Lee from CAL Fire advised there were 27 calls for service this month. Work is completed on the Bob Jones Trail clearing brush. The next project will be clearing near the Avila Lighthouse. CALFire will be participating in the AMGEN meeting and will invite the CSD for input regarding parking.



**NOES: None**  
**ABSTAIN: None**  
**ABSENT: None**

- B. Status of Draft Agreement with Port San Luis Harbor District for Wastewater Treatment Disposal.** Legal Counsel Mike Seitz explained the Port Agreement that was redrafted in order to simplify the agreement. Discussion ensued regarding the ability for the Port to engage a 3<sup>rd</sup> party into the agreement at a future date. Director Waldron brought to the attention of the Board that there is a need for current BOD testing. Director Waldron expressed the BOD reports need to be analyzed prior to finalizing the Port Agreement. Further discussion took place. **No reportable action was taken.**
- C. Update on See Canyon Wells/ Drought Contingency Planning:** District Engineer John Wallace provided an overview of the See Canyon Wells. Mr. Wallace advised that although the wells would provide water it would be a costly project. District Engineer also reminded the Board that Avila does in fact have State Water reserved. **Director Kelley made the motion to continue to monitor the See Canyon Wells water supply option and preserve the District’s water rights to these wells, and for the District to review the need to activate these wells in 1 year, March 2016. The motion was seconded by Director Waldron and passed unanimously.**
- D. Review of District By-Laws**  
Legal Counsel Seitz provided an overview of the bylaws. Discussion took place regarding the need for technology clauses to be added. **Director Richards made a motion for the By-laws to be adopted with the only revision being section 2.8 to reflect the Board’s policy that abstentions would not be allowed and that during the next review of the by-laws in 2016 clauses regarding technology be added. The motion was seconded by Director Janowicz. It was unanimously passed by the Board.**
- 9. COMMUNICATATIONS:**  
None.
- 10. PUBLIC COMMENT ON CLOSED SESSION ITEMS.**  
None.

**Legal Counsel Seitz advised that the Board will adjourn to Closed Session in accordance with Government Code §54956.9(b), Anticipated Litigation: Significant exposure to litigation: 1 case facts and circumstances unknown to opposing party.**

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**Minutes**

**CLOSED SESSION SPECIAL MEETING  
7:00 P.M. THURSDAY, MARCH 19th, 2015**

**MEETING LOCATION**

**Avila Beach Community Center  
191 SAN MIGUEL STREET, AVILA BEACH, CALIFORNIA**

**1. CALL TO ORDER: 7:00 P.M.**

**2. ROLL CALL: Committee Members:**

Pete Kelley, President  
Steve Waldron, Vice President  
John Janowicz  
Lynn Helenius  
Shanna Richards

**3. PUBLIC COMMENT:**

Member of the public wishing to comment or bring forward any items concerning District operations which do not appear on today's agenda may address the Board and limit presentations to 3 minutes. State law does not allow Board action on items not appearing on the agenda.

**4. BUSINESS ITEM:**

**PUBLIC EMPLOYEE APPOINTMENT (Government Code §54957)**  
Title: Recruitment of District General Manager

Motion was made to approve Public Employee by Director Janowicz, seconded by Director Waldron.

Roll Call Vote: AYES: Kelley, Waldron, Janowicz, Helenius, Richards  
NOES: None  
ABSENT: None

**5. CLOSED SESSION MEETING ADJOURNED AT 8:15 p.m.**

**6. CALL TO ORDER: OPEN SESSION**

**7. ROLL CALL: Board Member:** Pete Kelly  
Steve Waldron  
John Janowicz  
Lynn Helenius  
Shanna Richards

**8. PUBLIC COMMENT:**

Members of the public wishing to comment or bring forward any items concerning District

operations **which do not appear on today's agenda** may address the Committee now. Please state name and address before addressing the Board and **limit presentations to 3 minutes**. State law does not allow Board action on items not appearing on the agenda.

**9. ANNOUNCEMENT OF PUBLIC EMPLOYEE APPOINTMENT.**

**10. MEETING ADJOURNED AT 8:25 p.m.**

Any writing or document pertaining to an open session item on this agenda which is distributed to a majority of the Board after the posting of this agenda will be available for public inspection at the time the subject writing or document is distributed. The writing or document will be available for public review in the District Administration Office, 191 San Miguel Street, Avila Beach, CA during normal business hours. Consistent with the Americans with Disabilities Act and California Government Code Section 54954.2 requests for disability related modification or accommodation, including auxiliary aids or services may be made by a person with a disability who requires the modification or accommodation in order to participate at the above referenced public meeting by contacting the District at 805-595-2664.


**AVILA BEACH**  
**COMMUNITY SERVICES DISTRICT**

Post Office Box 309, Avila Beach, CA. 93424

**MEMORANDUM**

TO: Board of Directors

VIA: John Eulberg, Interim General Manager

FROM: John L. Wallace, District Engineer 

DATE: April 14, 2015 Board Meeting

SUBJECT: Monthly Financial Review, Summary of Contract Expenditures for March 2015

Recommendation:

Review attached billing, summary of expenditures to date and summary of expenses for March 2015:

Discussion:

Attached is the WG invoice dated April 6, 2015, broken down into phases (phase codes for Administration, Engineering and separate phase codes for major projects and capital items).

With the transition from General Manager to District Engineer, charges to Administration have decreased significantly but with the emphasis on completing as many CIP's as possible, the engineering costs have risen.

Also attached is a summary of expenses as compiled from the District's accounting system that indicates what expenses were charged and total to date percent of budget. In addition to the engineering and administration categories, there are categories for FOG (separate line item in the FY 2014-15 Final Budget); Regulatory requirements (WDR, SSMP, etc.) Port Agreement Development, Wastewater Treatment Plant Upgrade, Plan Checks (reimbursable from developer projects) and separate phases for Capital Improvement Projects. The capital items are those projects that have been worked on as previously approved thorough separate board action and are listed in detail in the billing package.

Month of March 2015

Staff worked on coordinating and preparing a response to the Water Board's March 6, 2015, Notice of Violation. Staff also is happy to report that they have completed the 2015 update of the Operation and Maintenance Manual. The O & M Manual will be updated in February of each year to capture treatment plant changes and upgrades.

Staff prepared and circulated the revised ABCSD/PSLHD Wastewater Treatment Agreement in March. We anticipate comments from the Port and their consultants within two weeks and bringing a final Agreement to the Board at the May meeting.

Engineering staff completed the normal engineering and administrative activities such as preparing for and attending board and committee meetings including the Zone 3 TAC and

Advisory Committee meetings re: state water and the drought, preparing for and conducting the coordination meeting with FRM, and various district engineering services.

Capital Improvement Project work included continuing design work on the San Luis and San Miguel Streets sewer replacement projects and limited work on the Valve replacement and Deck replacement projects. Staff spent some time on the continuing investigation of the effluent line and wrote a letter to the Water Board regarding the status and plan to re-route the line around the primary clarifier.

Anticipated activities for the Month of April 2015

In addition to continuing administrative and engineering functions, significant activities in April will include: continued coordination with the Port relating to the establishment of a new contract for wastewater treatment, meeting with Water Board staff and preparing a response to their March 26, 2015 Expedited Payment Letter/Mandatory Minimum Penalty Letter and; continued work with the Zone 3 TAC to administer/implement the "Low Reservoir Release Plan". A major effort will be the continued preparation of design and bid documents for the San Luis St/Avila Dr. sewer line projects.

As indicated in the Engineer's report, we will continue CIP project development in accordance with the schedule attached to that report. Engineering expenses associated with capital improvement project design, bid support services and construction management will be tracked and funded separately with each individual CIP project.

## AVILA BEACH

### COMMUNITY SERVICES DISTRICT

Post Office Box 309, Avila Beach, CA. 93424

#### MEMORANDUM

TO: Board of Directors

FROM: John Eulberg, Interim General Manager

DATE: April 14, 2015

SUBJECT: General Manager's Report



#### **PG&E "Wastewater Process Optimization Program"**

Community Services District Energy Audit Program San Luis Obispo County, in coordination with Pacific Gas and Electric Company, is sponsoring a CSD energy management program for small community service districts in the County. The program is 100% funded by PG&E and there is no charge or obligation to the Districts. The first step in the program is to conduct an energy use inventory/audit of District facilities as shown on the attached flow chart. The team conducted the energy use inventory at the District facilities on April 1<sup>st</sup>, 2015. The two major energy users are the wastewater treatment plant and the First Street Lift Station. We will receive a draft report from project team in approximately 4 to 6 weeks. Staff will provide the Board periodic updates on the program as we progress through the major milestones.

#### **PERS Update**

Kristi Dibbern has qualified with over 1000 hours of service, and is now vested in PERS. She will be eligible for PERS retirement benefits.

#### **Contract Update with Port San Luis Harbor District**

Engineering staff continues work to complete the draft contract agreement with Port. An update on this agreement is included on this agenda.

#### **Change of Venue for May Meeting**

Central Coast Aquarium has agreed to host our Regular Board Meeting on Tuesday, May 12<sup>th</sup> due to the use of the Civic Center for the AMGEN Tour. Venue change consideration is included on this agenda.

#### **Weed Abatement Program**

Resolution to be considered for adoption is included on this agenda.

#### **Rate Increase**

Consideration for the Scheduled Rate Increase for July 2015 is included on this agenda.

**Waste Water Treatment Plant Improvements**

Report to be submitted this evening for discussion by the District Engineer, as it appears on this agenda.

**Accounting and Financial Matters:**

As Interim General Manager, I am working on revisions to the “Chart of Accounts” in Quickbooks in consultation with the District’s Auditor. This is being done in an effort to simplify and consolidate accounts so as to make it easier for the new incoming General Manager.

**District Banking:**

A review of banking expenses has revealed that Bank of America is currently charging unrealistic account maintenance fees as well as wasting Kristi’s time waiting to make deposits. I have included analysis materials in the board packets. Further consideration by the Board is included in this agenda.

**AMGEN Tour:**

Consideration for Water Solutions for May 12 & 13<sup>th</sup>, 2015 AMGEN Tour is included on this agenda.

**New Management:**

I will be turning management of ABCSD over to Brad Hagemann as of April 20, 2015. As your Interim General Manager, I want to take this opportunity to thank the Board and especially the staff for making my short time here very pleasant and productive. I have thoroughly enjoyed working with everybody, find the Board and the community very pleasant and gracious and will be happy to assist in transition in any way you wish.

## AVILA BEACH


### COMMUNITY SERVICES DISTRICT

Post Office Box 309, Avila Beach, CA. 93424

#### MEMORANDUM

TO: Board of Directors

VIA: John Eulberg, Interim General Manager

FROM: John L. Wallace, District Engineer 

DATE: April 14, 2015

SUBJECT: District Engineer's Report

#### **Zone 3/CSA 12**

As the Board will recall, the Low Level Release Plan (LLRP) is triggered when the lake falls below 20,000 AF of storage, (approximately 40% full). This begins a series of steps leading to more conservation efforts and reduction in entitlement water for all of the Zone 3 contractors. At this time the reservoir is below the benchmark 20,000 AF of Lopez water considering that some of the water above 20,000 AF is "stored State Water." At the April 2 TAC meeting members discussed the steps to take as we will likely hit the 15,000 AF benchmark in October or November of this year if we don't get a significant amount of late spring or early fall rain.

A separate staff report is provided that addresses the Governor's recent mandate that water agencies are required to cut back deliveries by 25%.

#### **Contract Update with Port San Luis Harbor District**

The updated draft agreement that was presented in the March Agenda packet is under review by the Port staff. We anticipate receiving their comments within the next two weeks. Staff will meet with Port staff as needed to iron out the details. The proposed effective date of the agreement is July 1, 2015, so the Board and the Port will need to approve the agreement in your May (or earlier) meeting.

#### **Chevron Tank Farm Development**

There has been no reportable information on this project during the month of January 2014.

#### **Response to Water Board Notice of Violation**

On March 6, 2015, the Regional Water Board issued a Notice of Violation to the District requesting information regarding a short-term loss of the disinfection system that occurred on January 8, 2011. Staff coordinated with the operations contractor and prepared a response that was transmitted to the Water Board on April 7, 2015. Both the March 6, 2015 NOV and staff's response are provided as attachments to this report.

#### **Waste Water Treatment Plant Expansion, Peer Review, Facilities Committee Meeting**



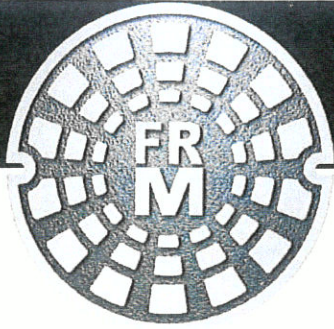
The Facilities Committee met on January 2<sup>nd</sup> to discuss alternatives for proceeding to final design. We have also been coordinating with KJC re alternative layout of the proposed facilities so that there is room for access inside the plant for trucks and maintenance activities. The Board will review those alternatives and give staff direction at a future meeting.

**San Luis Street and Avila Beach Drive Sewers**

Staff in the process of coordinating with utility agencies and County Encroachment for road repair requirements and traffic impacts. A separate staff report is provided which discusses delaying the construction start date until after the peak summer tourist season.

**Capital Improvement Projects**

An updated report and spread sheet is provided for Board review for this Board meeting.



Date: April 7, 2015  
To: John Eulberg, District Manager  
From: Carinna Butler, FRM Operations Manager

**Monthly Facility Report for the April 2015 Board Meeting**

**Wastewater:**

The facility continues to meet discharge limitations despite high influent flows and heavy influent BOD and TSS loading. The average influent BOD for the 5 samples collect this month was 520 mg/L (Plant Design – 270 mg/L) with a high of 630 mg/L on March 10th. The monthly influent Port San Luis BOD sample collected on March 4<sup>th</sup> was 563.

The Fixed Film Reactor distribution arm lower seal was adjusted as part of regular maintenance. This adjustment helps to ensure that all the flow is being distributed over the filter media.

The Standby Generator at the wastewater treatment plant had the quarterly maintenance completed by San Luis Powerhouse per Service Agreement Number 520. The service consists of a general inspection and routine maintenance including oil and filter change.

Routine weekly and monthly maintenance was performed at the wastewater treatment plant, lift station and water system. A total of 36 work orders were completed during the month of March.

Areas within the wastewater plant that are known to accumulate solids continue to be manually cleaned on a regular basis. These solids, if left to decompose, can have a negative effect on the effluent quality leaving the facility.

Operations and Maintenance staff met with PG&E, Wallace Group and KW Engineering for an energy savings assessment of the wastewater treatment plant. The report will be done sometime in April and there is a tentative phone conference to go over it on May 4, 2015 at 2:30 PM.

FRM completed the required annual Air Pollution Control District reports and submitted

them to the Air Pollution Control District.

Operations Staff had approximately 6,000 gallons of sludge hauled out of the Digester during the month of March.

Maintenance Staff met onsite with the Wallace Group to inspect the cores made in the concrete around the outfall line. Moving water was found, a dye test was performed and staff confirmed that the water under the concrete slab is coming from the outfall line. FRM is working with the District to develop a temporary bypass of this section of outfall line. FRM has attached a time and material proposal (Attachment A) with a not to exceed amount to perform the repairs that were discussed in the coordination meeting on March 31, 2015.

**Water:**

The small water storage tank continues to be used as standby, with staff monitoring the water quality in the tank and flushing as needed. Chlorine residuals in the water storage tank and distribution have started to stabilize due to the cooler weather. Operations staff continues to monitor the chlorine residuals and shock the system with additional chlorine as needed.





# MONTHLY EFFLUENT FLOW TOTAL COMPARISON (2011-2015)





# MONTHLY PORT SAN LUIS FLOW TOTAL COMPARISON (2011-2015)

2,500,000

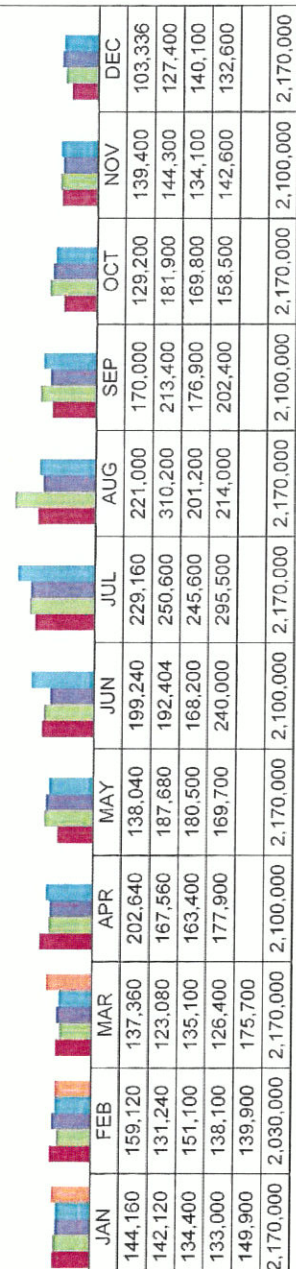
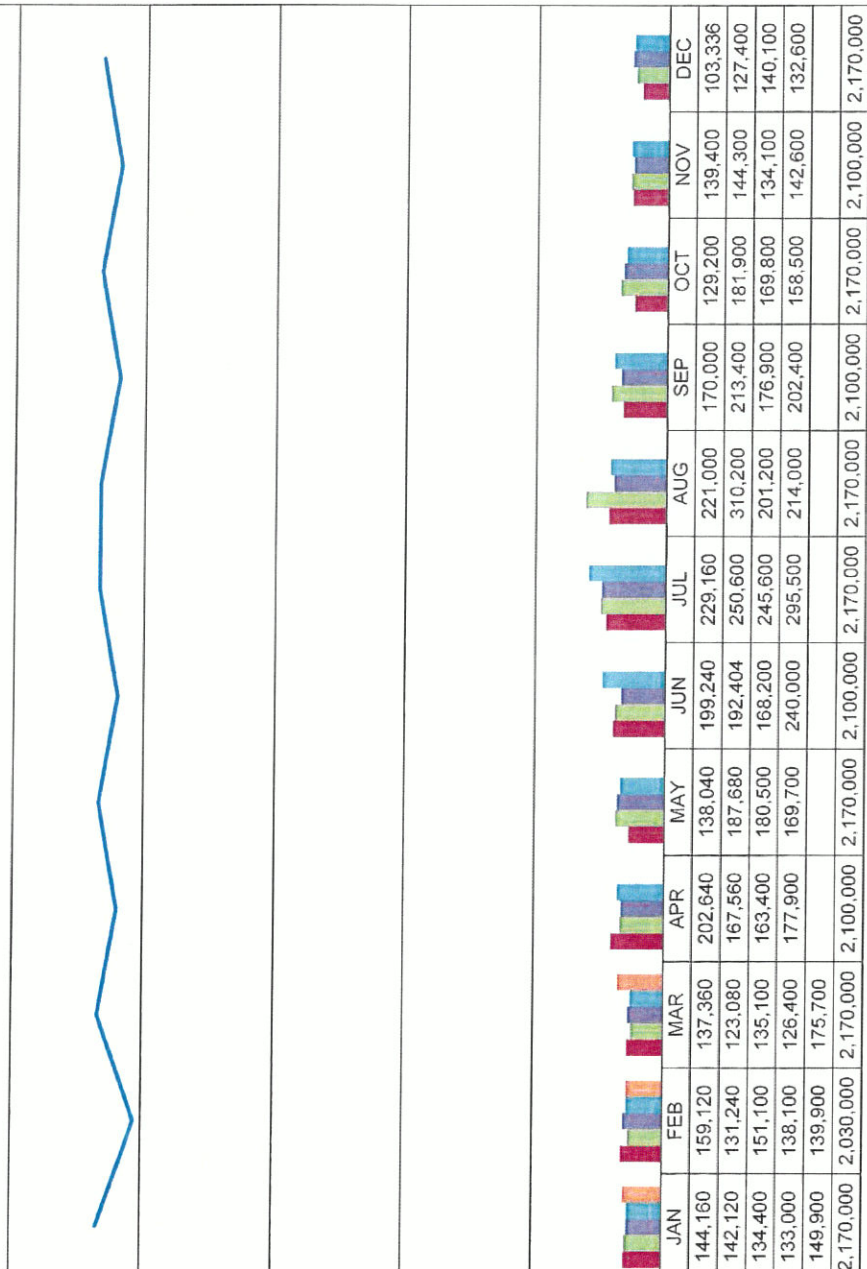
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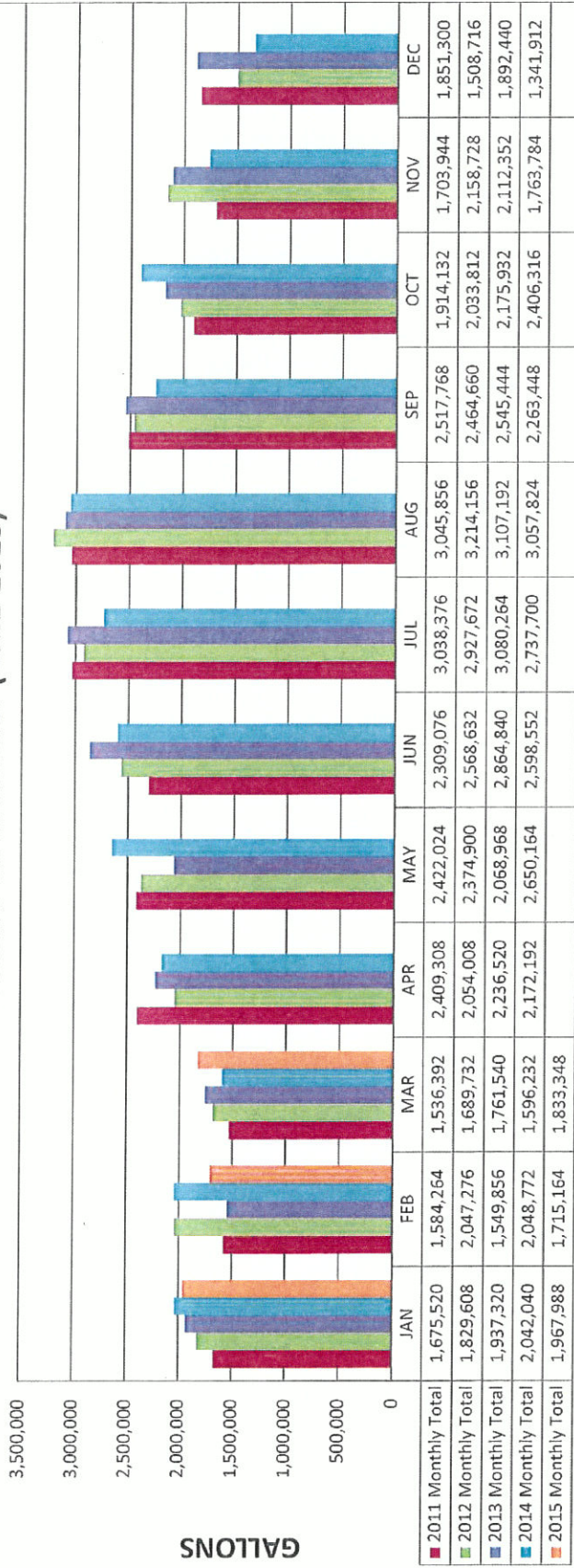
GALLONS



	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2011 Monthly TOTAL (gal)	144,160	159,120	137,360	202,640	138,040	199,240	229,160	221,000	170,000	129,200	139,400	103,336
2012 Monthly TOTAL (gal)	142,120	131,240	123,080	167,560	187,680	192,404	250,600	310,200	213,400	181,900	144,300	127,400
2013 Monthly TOTAL (gal)	134,400	151,100	135,100	163,400	180,500	168,200	245,600	201,200	176,900	169,800	134,100	140,100
2014 Monthly TOTAL (gal)	133,000	138,100	126,400	177,900	169,700	240,000	295,500	214,000	202,400	158,500	142,600	132,600
2015 Monthly TOTAL (gal)	149,900	139,900	175,700									
Monthly Capacity (70,000 gpd X Days in Month)	2,170,000	2,030,000	2,170,000	2,100,000	2,170,000	2,100,000	2,170,000	2,170,000	2,100,000	2,170,000	2,100,000	2,170,000



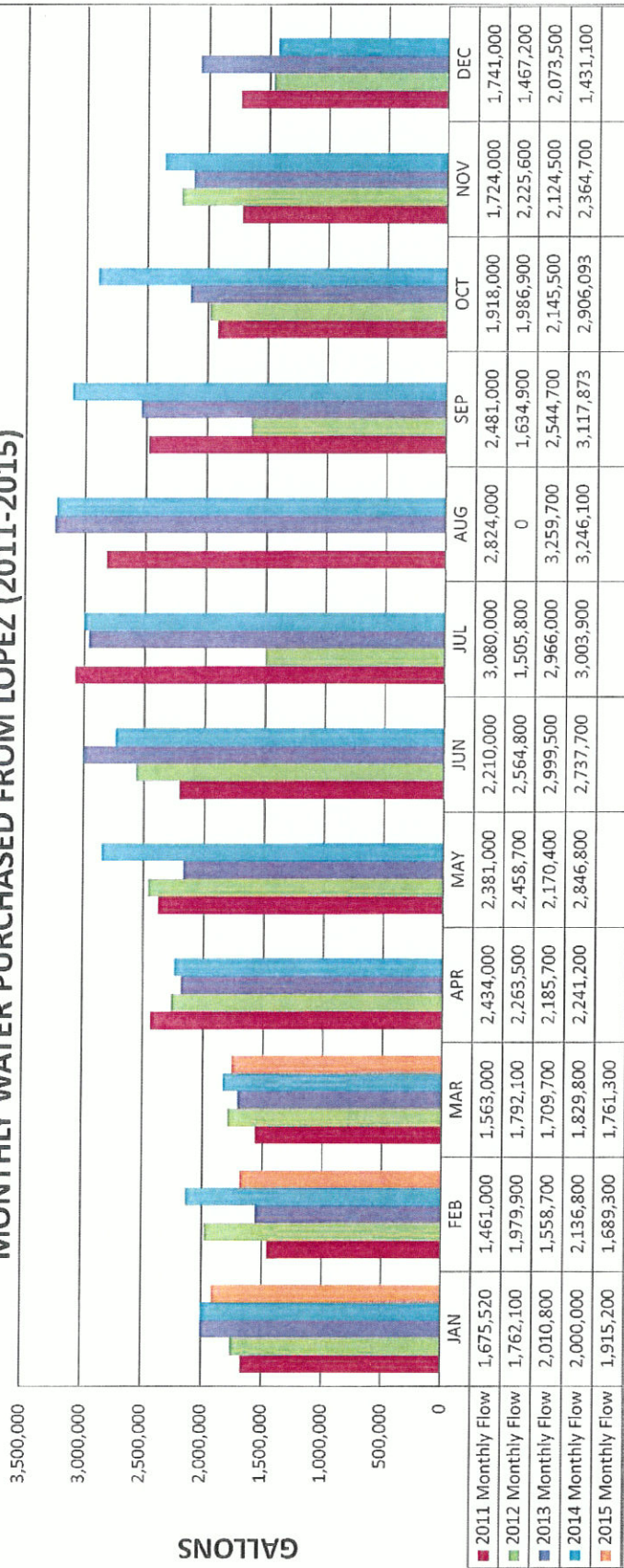
### ABCSD MONTHLY WATER SOLD (2011-2015)



**GALLONS**



### MONTHLY WATER PURCHASED FROM LOPEZ (2011-2015)



GALLONS


**AVILA BEACH  
COMMUNITY SERVICES DISTRICT**

Post Office Box 309, Avila Beach, CA. 93424

**MEMORANDUM**

TO: Board of Directors

VIA: John Eulberg, Interim General Manager

FROM: John L. Wallace, District Engineer 

DATE: April 14, 2015

SUBJECT: Capital Projects Status Report

Recommendation:

Receive and File

Discussion:

As previously directed by the Board, staff has continued to update a listing of Capital Improvement Projects to be undertaken by the District for FY 2014-15 as well as those that are budgeted for subsequent years. Staff has compiled a listing (attached) of these projects with budgeted costs and projected implementation dates. We will continue to update this listing to keep the Board informed of the status of all projects. Shown below is a brief update on all of the projects. For ease of review, we have included a notation in brackets as to whether the project summary has been updated or if there have been no reportable changes.

**WATER SYSTEM CIP'S**

**W-C1 Water tank storage improvements—Phase 1 [No Change]**

Project will be implemented if necessary. SCADA control of the tank may solve the nitrification problem. We have been coordinating with the City of Arroyo Grande who has been testing several brands of in-tank mixers with limited success. Therefore the investigation will continue (so we don't invest in an inadequate system) while we evaluate the SCADA monitoring for valving changes that may solve the problem. Our Nitrification Monitoring Report has been submitted and approved by the State Division of Drinking Water (formerly State Health Department).

**W-1- Misc Water Projects [Updated]**

Projects are to be implemented as necessary. Water line valves are being evaluated for replacement depending on the valving exercise program. The valve exercising program identifies valves that are reaching their useful life. In January 2015, we identified a project to replace the valves that allow an emergency supply connection between San Miguelito Mutual, Port San Luis and the Avila Beach CSD. Operations and Engineering staff are moving forward with replacing the vault cover as soon as possible and coordinating the design, construction and

financing with the other affected agencies. As an interim measure, operations staff procured and installed a new metal cover over the valve vault in March.

**W-2 SCADA Improvements [No changes]**

Because SLO County will be making the information available on line, the District may not need to implement this project. However, staff is monitoring the County's design to verify information that can be provided. The design was approved by the County on October 24, 2014, and we have coordinated with Public Works to see what info will be available on-line. At this time, it looks like the data to be provided on line will satisfy our needs without having to add on to the proposed County system.

**W-3 Water System Critical Spare Parts [No changes]**

Operations Staff and the General Manager are refining the list of critical spare parts to be purchased. The highest priority parts will be purchased prior to the end of the fiscal year as funds allow. We anticipate having a line item in next year's budget to purchase any remaining critical spare parts.

**WF-1 Miscellaneous Water Line Replacements [No changes]**

No specific projects have been identified as necessary at this time. Most likely several major projects will be implemented in FY 2015-16

**WF-2 Lopez Booster Pumps [No changes]**

This project is scheduled for FY 2015-16. Lopez line pressures are adequate at this time. County or Port drainage improvements at the intersection of First and San Francisco Streets may interfere with a proposed solution.

**WASTEWATER SYSTEM CIP'S**

**WWC-1 Upgrade of Wastewater Treatment Plant [No changes]**

The Preliminary Design report was completed by Kennedy Jenks Consultants and presented to the Board in July 2014. At the August meeting the Board approved completion of a "Peer Review" of the design report by Carollo Engineering. A teleconference with District Engineers, Operations Staff and District General Manager was completed on October 24<sup>th</sup>, 2014. Staff has completed follow-up notes and information and forwarded them to Kennedy Jenks Consultants for review and consideration. In late December Kennedy Jenks Consultants provided their comments on the Peer Review report (included in the January 13, 2015 Board packet). KJC concluded that their proposed Preliminary Design represents a reasonable and efficient combination of alternatives in careful consideration of cost/benefit.

**WWC-2 Chlorine Contact Chamber Coasting [Updated]**

This project will be combined with WWC-4, Wet Well Coating project. It is anticipated that a request for proposals will be made in March with completion by the end of the fiscal year.

**WWC-3 Sewer Line Repairs [No changes]**

This is meant to fund small repairs (spot repairs). The large sewer line replacements are budgeted as a separate project.

**WWC-4 Wet Well Coating Repair [No changes]**

This project will be combined with WW-C3, Chlorine Contact Chamber Coating. (see above).

### **WW-5 Pump Room Improvements [Updated]**

This project was delayed pending a decision regarding the outfall line repair. Recall, the existing outfall line is under the concrete floor of the pump room and any repairs to that line would necessitate removing the improvements contemplated by this project (shower and changing room). We are now recommending that we re-route the outfall line around the clarifier therefore we can move forward on the pump room improvement project.

### **WW-1 Miscellaneous Waste Water Projects [Updated]**

These projects are implemented as determined by operations. These are generally small projects and currently there are six projects being worked on.

- Scum box/pit recoating completed
- Brine receiving station WDR/NPDES permit modified to provide for implementing. We won't have an answer until we receive a draft order from the Water Board, probably mid 2015
- Alarm system for the WWTP completed
- SCADA level alarms for the WWTP completed
- Possible outfall line/scum box leak Refer to Staff Report on this item
- Underground valve replacements Staff anticipates replacing these valves as part of the outfall line re-route project.

### **WW-2 and WW-3 San Luis Street & Avila Beach Drive Sewer Line Replacements [Updated]**

The schedule for this project has been changed to avoid a major construction activity during peak summer tourist season. Refer to Staff Report on this item.

### **WW-4 Wastewater System Critical Spare Parts [Updated]**

Operations and office staff have completed their list and ordered the wastewater system critical spare parts. As parts are received they are inventoried and stored. As critical parts are "pulled off the shelf", they will be re-ordered.

### **WW-5 First Street Lift Station Pump Upgrade [No Changes]**

Operations installed both new pumps in February. We originally anticipated installing only one pump now and one later. However, both pumps were starting to have ragging issues so we decided to install them both at the same time.

### **WW-6 Repair to Decking at WWTP [Updated]**


Matrix Consulting Engineers transmitted their draft plans and specifications to the District and engineering staff in mid-January. Engineering staff has reviewed the draft plans and specifications and sent our comments back to Matrix. Matrix has now provided their final work product to engineering staff for inclusion in the final bid documents. We anticipate that we will bid the project in April and have the Board consider awarding a construction contract at the June Board meeting.

**AVILA BEACH  
COMMUNITY SERVICES DISTRICT**

Post Office Box 309, Avila Beach, CA. 93424

**MEMORANDUM**

TO: Board of Directors

FROM: John Eulberg, Interim General Manager 

DATE: April 14, 2015

SUBJECT: Preliminary Intent to Serve Request; 90 San Antonia Street

Recommendation:

Receive Staff Report; Approve the Preliminary Intent to Serve Request

Funding:

A \$1,000 processing fee and deposit is required and will be used for applicable charges as described in Resolution 97-2 for processing an "Intent to Serve" letter review. This deposit has been received by the District.

Discussion:

Attached for Board consideration is a request from Mike Hodge, Shear Edge Development Avila, LLC for an "Intent to Serve" letter for 90 San Antonia Street. This request is for a remodel of an existing structure that will accommodate 10 bedrooms and manager's unit. Preliminary plans have been received and will be forwarded to the District Engineer for review.

After issuance of an "Intent to Serve" letter the applicant will need to provide the District with a final set of plans detailing the entire project. Staff will advise the developer what District improvements will be required and what connection fees if any will need to be paid to the District as those plans are evaluated.

It is anticipated that a representative of the project will be in attendance at this meeting.

Avila Schoolhouse

Hodge Company  
Land Planning + Civil Engineering

March 9, 2015

Avila Beach Community Services District  
191 San Miguel  
Avila Beach, CA. 93424

Attention: John Eulberg  
Re: 190 San Antonia Street

Dear Mr. Eulberg;

This letter is a request for a preliminary will-serve letter for to the restoration of the schoolhouse on San Antonia Street. The attached drawings show a preliminary site plan and building elevations of the exterior's restoration to its original architecture.

The proposed adaptive reuse of the interior is a 10 room B& B Inn and a small ancillary building on the west side for guests' check in, along with a studio for the on-site manager.

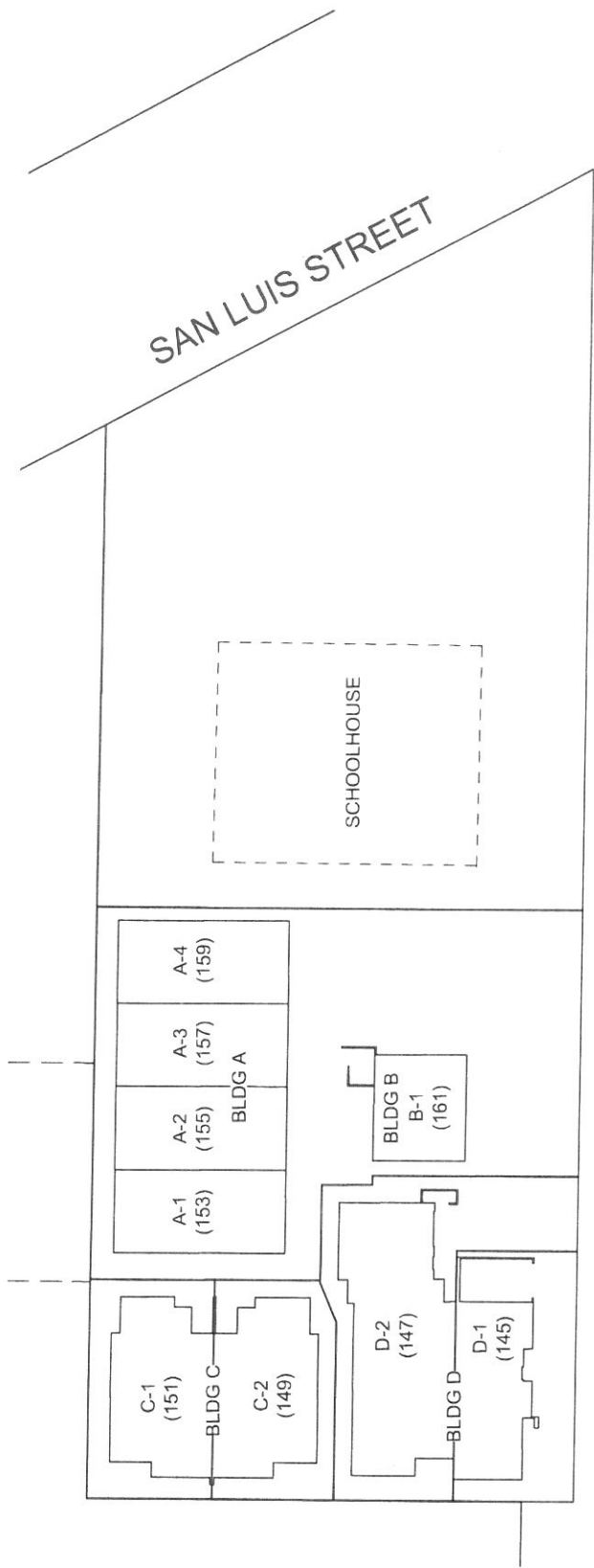
The schoolhouse has an existing active water meter, which has been used in the past for the original schoolhouse and subsequently, the Christian Fellowship School. We hope these past uses provide a credit towards our proposed water use.

Please schedule our request for the next available CSD hearing. Thank you.

Sincerely,



Michael Hodge, P.E.

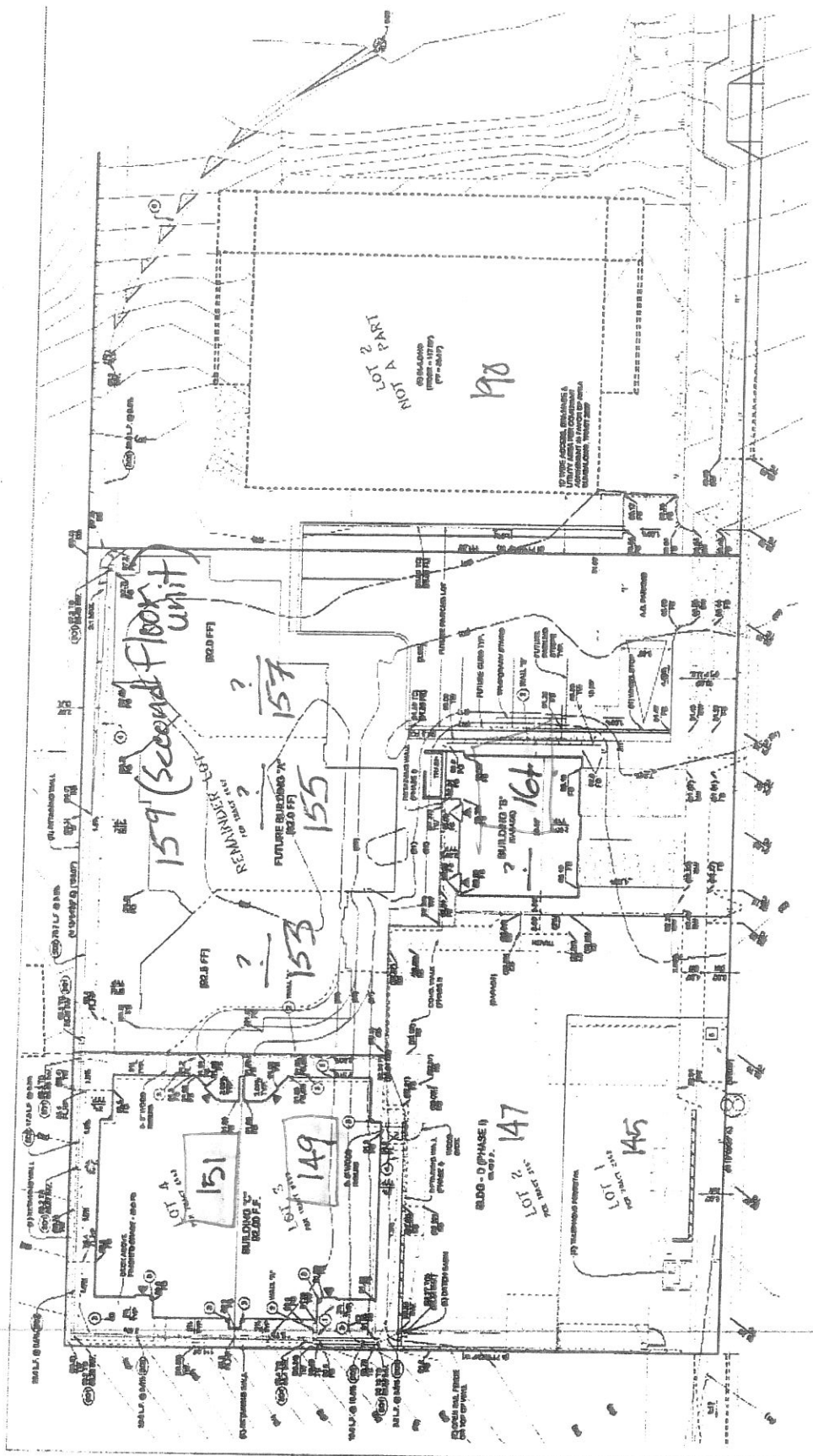


SCALE: 1" = 40'

TRACT 2667

BUILDING	UNIT	BEDROOMS
A	A-1	2
	A-2	2
	A-3	2
	A-4	2
B	B-1	STUDIO
C	C-1	3
	C-2	3
D	D-1	1
	D-2	3





LOT 2 PART 2  
Lot 2  
17789  
17789  
17789

168

159 (Second Floor Unit)

157

155

153

151

149

147

145

164

147  
Bldg - 0 (Phase I)  
Lot 2

101

TO THIS ADDRESS, EXHIBIT A  
AND EXHIBIT B, THE CITY OF  
SAN FRANCISCO, COUNTY OF  
SAN FRANCISCO, HAS GRANTED  
A PERMIT TO CONSTRUCT

RENDERING LOT 2  
Lot 2  
17789  
17789  
17789

157

155

153

151

149

147

145

164

147  
Bldg - 0 (Phase I)  
Lot 2

101

TO THIS ADDRESS, EXHIBIT A  
AND EXHIBIT B, THE CITY OF  
SAN FRANCISCO, COUNTY OF  
SAN FRANCISCO, HAS GRANTED  
A PERMIT TO CONSTRUCT




**AVILA BEACH  
COMMUNITY SERVICES DISTRICT**

Post Office Box 309, Avila Beach, CA. 93424

**MEMORANDUM**

TO: Board of Directors

FROM: John Eulberg, Interim General Manager 

DATE: April 14, 2015

SUBJECT: Preliminary Intent to Serve Request; 356 First Street

Recommendation:

Receive Staff Report; Approve the Preliminary Intent to Serve Request

Funding:

A \$1,000 processing fee and deposit is required and will be used for applicable charges as described in Resolution 97-2 for processing an "Intent to Serve" letter review. This deposit has been received by the District.

Discussion:

Attached for Board consideration is a request from Mike Hodge, Shear Edge Development Avila, LLC for an "Intent to Serve" letter for 356 First Street. The 3 existing one bedroom residences, each with a water meter will remain but the rear unit will be remodeled. The proposed new structures include a small commercial space fronting First Street, with a residential studio above and a two bedroom residential unit to be built adjacent to the house slated for remodel. Preliminary plans have been received and will be forwarded to the District Engineer for review.

After issuance of an "Intent to Serve" letter the applicant will need to provide the District with a final set of plans detailing the entire project. Staff will advise the developer what District improvements will be required and what connection fees will need to be paid to the District as those plans are evaluated.

It is anticipated that a representative of the project will be in attendance at this meeting.

356 First Street

Hodge  
Land Planning + Civil Engineering

March 20, 2015

Avila Beach Community Services District  
191 San Miguel  
Avila Beach, CA. 93424

Attention: John Eulberg  
Re: 356 First Street

Dear Mr. Eulberg;

This letter is a request for a preliminary will-serve letter for the redevelopment of the property at 356 First Street. The property has split zoning with commercial retail on the front half and multi-family residential on the rear half.

Current development includes three existing one bedroom residences, each with a water meter. All three houses will remain, with the rear unit to be remodeled.

Proposed structures include a small commercial space fronting First Street (300 s.f.) and a residential studio above (550 s.f.). Two 2- bedroom residential units are proposed for the rear portion of the property, each with 1,500 s.f. and located adjacent to the aforementioned house slated for remodel.

Attached is an overall site/topography plan that shows the existing and proposed development and a project elevation, as seen from First Street, showing the mixed use building in context with surrounding existing development.

Please schedule this project for the next available CSD hearing. Thank you.

Sincerely,



Michael Hodge, P.E.

**AVILA BEACH  
COMMUNITY SERVICES DISTRICT**

Post Office Box 309, Avila Beach, CA. 93424

**MEMORANDUM**

TO: Board of Directors

VIA: John Eulberg, Interim General Manager

FROM: John Wallace, District Engineer

DATE: April 14, 2015

SUBJECT: Status of District Port Agreement

**Recommendations:**

1. Receive this report and attached documents; provide comments/direction to staff to finalize the agreement.
2. Schedule final action to approve the agreement for the May or June Board Meeting anticipating that the Agreement will go into effect July, 1, 2015

**Funding:**

The implementation of this agreement will provide for the costs to operate and maintain the Waste Water Treatment to be allocated not only on the flows being contributed by both parties, but will also use the biological strength of the wastewater to allocate costs.

**Discussion:**

This agreement is currently being reviewed by the Port and no new comments or corrections have yet been received as of this agenda. Staff is continuing to work with the Port's staff to address final details.

Also attached is a sample calculation of distributing the costs based upon historical data. Please note that this is only a sample and not a final calculation. The results show that with the new agreement, the Port's contribution would increase by 12% for the year, approximately \$5,000. We will hopefully resolve any of the Port's final comments this month and return for Board action in May or June at the latest.

**SAMPLE CALCULATION - PROPOSED AGREEMENT BETWEEN ABCSD/POSL**

Formula to calculate pounds of BOD:

$$(\text{AAF in mgd}) \times (\text{BOD in mg/L}) \times 8.34 \text{ lb/MG} = \text{lb./day of BOD}$$

$$\text{ABCSD BOD}_5 \text{ Loading} = 0.0513 \text{ mgd} \times 8.34 \text{ lb/MG} \times 496.85 \text{ mg/L} =$$

$$\mathbf{173.39 \text{ lb/day BOD}_5}$$

$$\text{POSL BOD}_5 \text{ Loading} = 0.00576 \text{ mgd} \times 8.34 \text{ lb/MG} \times 461.54 \text{ mg/L} =$$

$$\mathbf{22.17 \text{ lb/day BOD}_5}$$

$$\text{Total BOD}_5 \text{ Contribution} = 173.39 + 22.17 = \mathbf{195.6 \text{ lb/day BOD}_5}$$

**O&M Cost Share is calculated in proportion to % contribution BOD<sub>5</sub>:**

$$\text{ABCSD O\&M Share} = 173.39 / 195.6 = \mathbf{88.7\%}$$

$$\text{POSL O\&M Share} = 22.17 / 195.6 = \mathbf{11.3\%}$$

Assuming total annual O&M Cost= \$ 400,000

$$\mathbf{\text{ABCSD Share} = 88.7\% \times 400,000 = \$ 354,650}$$

$$\mathbf{\text{POSL O\&M Share} = 11.3\% \times 400,000 = \$ 45,350}$$

$$\mathbf{\text{TOTAL O\&M Cost: } \$ 400,000}$$

**Comparison of Cost per Original Flow Allocation:**

$$\text{Total Flow} = 0.0513 \text{ mgd} + 0.00576 \text{ mgd} = \mathbf{0.0571 \text{ mgd}}$$

$$\text{ABCSD O\&M Share} = 0.0513 / 0.0571 = \mathbf{89.9\%}$$

$$\text{POSL O\&M Share} = 0.00576 / 0.0571 = \mathbf{10.1\%}$$

$$\mathbf{\text{ABCSD Share} = 89.9\% \times 400,000 = \$ 359,631}$$

$$\mathbf{\text{POSL O\&M Share} = 10.1\% \times 400,000 = \$ 40,369}$$

$$\mathbf{\text{TOTAL O\&M Cost: } \$ 400,000}$$

Based on the above sample calculation, by combining flow and loading criteria to cost sharing, the Port's annual O&M cost is increased this year by approximately 12.3 % compared to current contract.

**AVILA BEACH  
COMMUNITY SERVICES DISTRICT**

Post Office Box 309, Avila Beach, CA. 93424

**MEMORANDUM**

TO: Board of Directors

FROM: John Eulberg, Interim General Manager



DATE: April 14, 2015

SUBJECT: Consideration to Change of Venue for May 12th, 2015 Regular Board Meeting

Recommendations:

1. Staff recommends Board to Change the Venue for the May 12<sup>th</sup>, 2015 Regular Board Meeting to the Sea Life Center located at 50 San Juan Street in Avila Beach.

**AVILA BEACH  
COMMUNITY SERVICES DISTRICT**

Post Office Box 309, Avila Beach, CA. 93424

**MEMORANDUM**

TO: Board of Directors

FROM: John Eulberg, Interim General Manager

DATE: April 14, 2015

SUBJECT: Scheduled Rate Increase for Water and Sewer Services Charges; July 1<sup>st</sup>, 2015

**Recommendations:**

1. Receive this report and review the scheduled rate increases for water and sewer service charges for Fiscal Year 2015-16 in accordance with Resolution No. 2014-07
2. Provide direction to Staff

**Discussion:**

Attached are the scheduled rate increase set to take effect July 1<sup>st</sup>, 2015 in accordance with the rates and schedule previously adopted (Resolution 2014-07 adopted on the 10<sup>th</sup> day of June, 2014.)

At the time the Board adopted the current rate schedule, which provides for incremental rate increases set to increase each year, you requested staff to bring back the adopted rates each year for the Board to determine if any adjustments need to be made. As determined by the Prop 218 process, the adopted rates will be automatically imposed over a five year period. However, the Board can decide if they wish to modify the scheduled increase. The scheduled rate increases were determined to be necessary to establish adequate reserves and to fund operations, maintenance and the construction of capital improvement projects.

At this time, the Board can take action to modify the scheduled rate increases effective July 1<sup>st</sup>, 2015 or take no action so that the scheduled increases will go into effect. If any action is taken to modify (reduce) the scheduled increase, staff will return with a resolution reflecting those changes of the next Board meeting.

**Proposed Water and Sewer Rates**

*The minimum charge includes 5 billing units of consumption. One billing unit equals 748 gallons.  
The commodity charge is per billing unit in excess of the 5 billing units included in the minimum charge.*

	Existing Rate	Proposed Rates: July 1 of Each Year				
		2014	2015	2016	2017	2018
<b>Monthly Water Rates (Same for All Customer Types)</b>						
Minimum Charge	\$40.70	\$44.75	\$49.25	\$54.20	\$59.60	\$65.55
Commodity Charge	\$8.14	\$8.95	\$9.85	\$10.84	\$11.92	\$13.11
<b>Monthly Sewer Rates (By Customer Type)</b>						
Residential						
Minimum Charge	\$28.70	\$35.90	\$44.90	\$56.15	\$70.20	\$87.75
Commodity Charge	\$5.74	\$7.18	\$8.98	\$11.23	\$14.04	\$17.55
Multi-Family						
Minimum Charge	\$30.35	\$37.95	\$47.45	\$59.30	\$74.15	\$92.70
Commodity Charge	\$6.07	\$7.59	\$9.49	\$11.86	\$14.83	\$18.54
Restaurants						
Minimum Charge	\$41.35	\$51.70	\$64.65	\$80.80	\$101.00	\$126.25
Commodity Charge	\$8.27	\$10.34	\$12.93	\$16.16	\$20.20	\$25.25
Commercial/Public						
Minimum Charge	\$38.70	\$48.40	\$60.50	\$75.65	\$94.55	\$118.20
Commodity Charge	\$7.74	\$9.68	\$12.10	\$15.13	\$18.91	\$23.64
Industrial/Laundry						
Minimum Charge	\$44.15	\$55.20	\$69.00	\$86.25	\$107.80	\$134.75
Commodity Charge	\$8.83	\$11.04	\$13.80	\$17.25	\$21.56	\$26.95


**AVILA BEACH  
COMMUNITY SERVICES DISTRICT**

Post Office Box 309, Avila Beach, CA. 93424

**MEMORANDUM**

TO: Board of Directors

VIA: John Eulberg, Interim General Manager

FROM: John L. Wallace, District Engineer 

DATE: April 14, 2015

SUBJECT: WWTP Effluent Line and Valve Repairs

Recommendation:

Direct staff to solicit design services from Kennedy Jenks (KJC) for all or a portion of the necessary design services and direct staff to proceed with design and bidding to re-locate the effluent line from the disinfection system to the outfall junction box and replace two 6" gate valves with plug valves.

Funding: Funds are available in the current budget for miscellaneous sewer repairs, cost are not yet known without further design. If construction information bids are greater than the remaining balance, staff will provide a recommendation for the budget adjustment. Design expenses from KJC would be provided pursuant to the District's master services agreement with that firm.

Discussion:

As reported in previous Capital Improvement Program Status Reports, staff has been monitoring and evaluating a small possible leak in the effluent line that comes from the disinfection tanks to the outfall line junction box. Several weeks ago, operations staff drilled two one inch diameter observation holes in the concrete floor of the room between the Primary Clarifier and Digester to further evaluate the situation. The results are still inconclusive, but staff has advised the Water Board regarding our findings. We are recommending that the District initiate a project to reroute the pipeline from the disinfection tanks to the outfall junction box so that the treated effluent flow from the disinfection tanks be discharged into the outfall line on the south side of the plant. Our letter to the Water Board is attached. Re-routing the line from under the primary clarifier to around the primary clarifier will eliminate any concern regarding a crack in the line under the concrete slab and allow a better flow regime to the outfall junction box.

Staff is recommending the Board authorizes staff to solicit design services from Kennedy Jenks if necessary and to then proceed with additional design and bidding of the outfall line re-route.



The project will disturb the area where two underground valves are located that need to be replaced. Staff was holding off on replacing these valves until the treatment plant upgrade, but because the valves are located adjacent to the outfall line, staff recommends that we include replacement of these valves as part of the same project.

Funding for this project is available in Capital Improvement Program Project WW-1 Miscellaneous Waste Water Projects.


**AVILA BEACH  
COMMUNITY SERVICES DISTRICT**

Post Office Box 309, Avila Beach, CA. 93424

MEMORANDUM

TO: Board of Directors

VIA: John Eulberg, Interim General Manager

FROM: John Wallace, District Engineer 

DATE: April 14<sup>th</sup>, 2015

SUBJECT: San Luis Street and Avila Beach Drive Sewer Line Replacement

**Recommendation:**

1. Receive Report
2. Delay the advertisement of the San Luis Street and Avila Beach Drive Sewer Replacement project Contract Documents to be awarded at a date that will allow for construction to begin in September, following the peak summer tourism season.

**Funding:**

The FY 2014-15 Budget includes carryover budgetary item number WW2-San Luis Street Sewer Replacement in the amount of **\$220,000** for the replacement of a portion of the 6" sewer line on San Luis Street located between First Street and Second Street. The budget also includes budgetary item number WW3- Avila Beach Drive Sewer Replacement in the amount of **\$150,000** for the replacement of the 6" sewer line on Avila Beach Drive located immediately upstream of the WWTP.

During the conceptual design phase of these projects, the two projects were combined into a single project and a revised budget in the amount of **\$360,000** was developed and approved. If the Board approves the new project schedule, construction funds will be carried over to FY2015-16.

**Discussion:**

District Staff is currently developing the Plans, Specifications, and Estimate (PS&E) bid package for the partial replacement of the District's aged sewer lines at each for the above referenced street locations. Upon completion of the PS&E package, the District intends to publicly bid the project and award a contract to a qualified construction contractor.

At the regularly scheduled March 10, 2015 Board Meeting, Staff received authorization to publically bid the project following completion of the PS&E package. Initially, it was estimated that the package would be ready to bid in March. The purpose of completing the design phase early was to allow for construction on this project outside of the peak summer tourism season, as significant traffic impacts are expected at each location during weekday working hours.

Although considerable progress was made on the project, with delays in utility responses, Staff was not able to expedite the design schedule to allow for a March bid date. A revised bid schedule is shown below to allow for the construction.

### TENATIVE SCHEDULE

#### SAN LUIS STREET AND AVILA BEACH DRIVE SEWER REPLACEMENT

Submit Advertisement Request (by 12:00 pm).....	May 27 <sup>th</sup> , 2015
1 <sup>st</sup> Notice to Bidders (Monday is Best).....	June 1, 2015
2 <sup>nd</sup> Notice to Bidders (min. 5 days between publications).....	June 8 <sup>th</sup> , 2015
Optional Bid Walk.....	June 9 <sup>th</sup> , 2015
Receive Bids (Tuesday, 2:00pm).....	June 30 <sup>th</sup> , 2015
Award of Bid (District Board Mtg.).....	July 14 <sup>th</sup> , 2015
Notice of Award*.....	July 15 <sup>th</sup> , 2015
Notice to Proceed** (15 days from award).....	July 30, 2015
Pre-construction Conference (Wednesday 8:00am).....	September, 02, 2015
Start work (10 days of Notice to Proceed).....	September, 09, 2015
Completion – (60 Calendar days).....	November 09, 2015


\*Project awarded with approximate 45 day delayed start.

District Staff anticipates that the PS&E will be completed, by the end of April and ready for advertising in accordance with the tentative schedule proposed.

The benefit of initiating construction in September is the schools will be in session and the majority of summer tourist will not be visiting Avila Beach during the daytime working hours. At the close of each day, open construction trenches will be covered with steel plates and the project site cleaned, allowing for limited vehicular parking at the project site during evenings and on the weekends.

**Avila Beach Community Service District**  
P.O. Box 309, Avila Beach, CA 93424

**MEMORANDUM**

**Date:** April 14, 2015  
**To:** Board of Directors  
**From:** John Eulberg, General Manager  
**Via:** John Wallace, District Engineer   
**Subject:** Update on Drought Status and Actions to be taken

**Recommendation:**

1. Receive report and direct staff to coordinate the District's required actions pursuant to the Governor's declaration of April 1, 2015 and the County's pending action on April 14<sup>th</sup> and return with additional information for the Ad Hoc Drought Committee's consideration of additional water supply adjustments and water use restrictions that will affect the District.
2. Set a date for the drought Ad-Hoc Committee prior to the next Board meeting.
3. Approve the attached draft letter to the San Luis Obispo County Flood Control District (Zone 3) to concur with an action to "re-characterize" our Lopez water usage in 2014 as State Water.
4. Begin discussions with the County to secure a drought buffer of State Water for ABCSD.

**Funding:**

Unknown at this time. With further water use restrictions there most likely will be lower consumption and therefore less water and sewer revenue, especially for the larger users.

Adjustment of water supplies between sources will affect Lopez and State Water costs; the difference is unknown at this time.

Purchasing a drought buffer of State Water will increase our State Water costs into the future.

**Discussion:**

Previously, the Board was advised of the State, County and District status that are mandated by various actions. The most recent Executive Order No. B-29-15, was signed by the Governor on April 1, 2015. This order mandates a 25% reduction in

water usage for "urban areas". The "rules" for enforcement are being considered by the State Water Board on April 7, 2015. Because the application of the regulations to ABCSD is still being interpreted, we expect that the actions that the District needs to take will be clarified over the next 30 days and will need to be brought back for action at the next board meeting.

Also attached is an April 7th, 2015 letter from the County DPW requesting our position on "re-characterizing" our Lopez water use in 2014 and State Water use. In 2014, the District used 67.8 acre feet of Lopez Water and 19.9 acre feet of State Water for a total of 87.7 acre feet. If we are successful in converting our Lopez Water usage to State Water (total entitlement of 100 acre feet), that would mean that the District's total water used in 2014 (87.3 acre feet) would be State Water and we can carry over our total Lopez Water Entitlement of 68.3 Acre feet to be used in subsequent years. The use of State Water is possible, even with only 20% deliveries because the County has "stored" State Water available for this "re-characterization".

Some points to consider as background and status:

- 4 years of below average rainfall and now leading into a 5<sup>th</sup> year of drought
- The SWP has increased its deliveries to 20% for the time being, but given the record low snowpack figures, we anticipate that deliveries in 2016 to fall to 0% or 5% of entitlement deliveries, (ABCSD has 100 acre feet of State Water).
- All county reservoirs are low, Lopez is currently at 39% and the LLRP (Low Level Reservoir Plan) is in effect. The plan was triggered when the lake level fell to 20,000 AF. The current storage is about 19,300 AF. We (Zone 3 contractors and downstream entitlements) use about 8,000 AFY. The LLRP's next trigger action is when the reservoir falls to 15,000 AF and requires a 10% cut in deliveries to the urban users. Ag users and downstream environmental releases are already reduced by 15%. The Zone 3 TAC and Advisory Committee will be recommending to the Board of Supervisors that the 10% reductions be put into effect for the entire Lopez Water year 2015-16. The Lopez water year begins with April 1 and the reduction would be in effect retroactively from April 1, 2015 to March 31, 2016.
- Additional restrictions may need to be imposed with the additional Executive Order from the State along with the Water Board's new rules to interpret and implement the Executive Order.
- Attached are current graphs showing the projected storage levels in Lopez given average rainfall this next winter and a "no-rainfall" scenario. The projected storage level on Lopez for April 2016 varies from the 10,000 acre feet to 27,000 acre feet depending upon the rainfall received by April 2016.
- ABCSD has previously adopted water conservation rules
  - Can't wash sidewalks
  - Irrigation hours limited
  - Intent is to reduce water consumption by 20%, however, as you can see by the attached graph of the District's annual water usage from

2010 to current 2015, our total usage has increased 18%. Most of this increase is due to heavier tourist use of the area coupled with the related patronage of the restaurants.

- Lopez Zone 3 adoption of Low Reservoir Response Plan (LRRP)
  - A cutback of 10% means that our 68.3 AF of Lopez will be cut back to 61.5 AF
  - We have access however to surplus Lopez water along with the other CSA 12 water users (currently 126 AF) but it is unknown how the surplus will be allocated amongst all CSA 12 users.
  - Also, we have the ability to use 100% of our SWP entitlement for this calendar year because of the County's extra, unused entitlement. It is doubtful that we will have that opportunity next year (2016).
- As previously explained, the District may also have an opportunity to "re-characterize" our Lopez water usage in the 2014 water year to be "state water" this will allow for our un-used Lopez water to be rolled over in 2015 to our "surplus account". The Board of Supervisors will consider allowing this action at their April 14<sup>th</sup> meeting and a letter of support is attached for your approval. The cost difference in this action is still being addressed, but the banking of our Lopez water will be very helpful in meeting our water needs.
- In order to bolster our future state water supplies, the District should move ahead to purchase drought buffer water to increase the reliability of our SWP supply.

**Summary:**

Staff will continue to monitor the State and County actions, meet with the Drought Committee and bring back to the Board, recommended actions to comply with the new regulations. We will also attend the April 14<sup>th</sup>, 2015 County Board of Supervisor's meeting to urge approval of "re-characterizing" our Lopez water usage.



SAN LUIS OBISPO COUNTY  
**DEPARTMENT OF PUBLIC WORKS**

Wade Horton, Director

---

County Government Center, Room 206 • San Luis Obispo CA 93408 • (805) 781-5252  
Fax (805) 781-1229 email address: [pwd@co.slo.ca.us](mailto:pwd@co.slo.ca.us)

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***Memorandum***

Date: March 27, 2015

To: State Water Subcontractors

From: Mark Hutchinson, Deputy Director County of SLO Public Works 

Subject: Opportunity to Sell Stored State Water

This memorandum is to notify you that the District as a contractor to State Water has been approached by the Santa Clara Valley Water District, who is also a State Water contractor, to sell any excess stored State Water that the District might have available this year. The District will not be selling any of its stored water, however, the opportunity for each of you as sub-contractors to sell your stored water exists.

Your consideration of this opportunity should take into account the following:

1. The District has not investigated the types of agreements that might be needed, and whether Santa Clara's approach is feasible under the contracts.
2. Any costs to the District will need to be borne by the subcontractor.
3. If you choose to sell your stored water and you then find yourself in a position of requiring more water in 2015, the District will not backfill your Table A water with District stored water.

You recently received an accounting of your stored water accounts and 2015 requests given a 20% delivery allocation. This should be used to evaluate your decision.

Please let me know in writing of your interest in pursuing a sale of your stored state water to the Santa Clara Valley Water District by March 31st. You may e-mail me at [mhutchinson@co.slo.ca.us](mailto:mhutchinson@co.slo.ca.us).

File: CF 970.01.01

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## AVILA BEACH COMMUNITY SERVICES DISTRICT

Post Office Box 309, Avila Beach, CA 93424  
Office and Meeting Room - 191 San Miguel Street, Avila Beach  
Telephone (805) 595-2664 FAX (805) 595-7623  
E-Mail [Avilacsd@gmail.com](mailto:Avilacsd@gmail.com)

April 12, 2015

Wade Horton  
Director of Public Works  
San Luis Obispo Department of Public Works  
County Government Center Room 206  
San Luis Obispo, CA 93408

SUBJECT: State Water, Lopez Water Opportunities

Dear Mr. Horton:

Thank you for your letter of April 7<sup>th</sup>, 2015 describing an opportunity for Lopez and State Water users to take advantage of an exchange of Lopez Water used in 2014 with State Water "stored" by the County in Lake Lopez.

The Avila Beach CSD as a subcontractor to CSA 12 recognizes the advantage of this exchange, both as a State Water Contractor and for all of the other Zone 3 Lopez contract agencies. It will be a benefit to our District in providing a tool to manage our entitled water supplies during this prolonged year of drought.

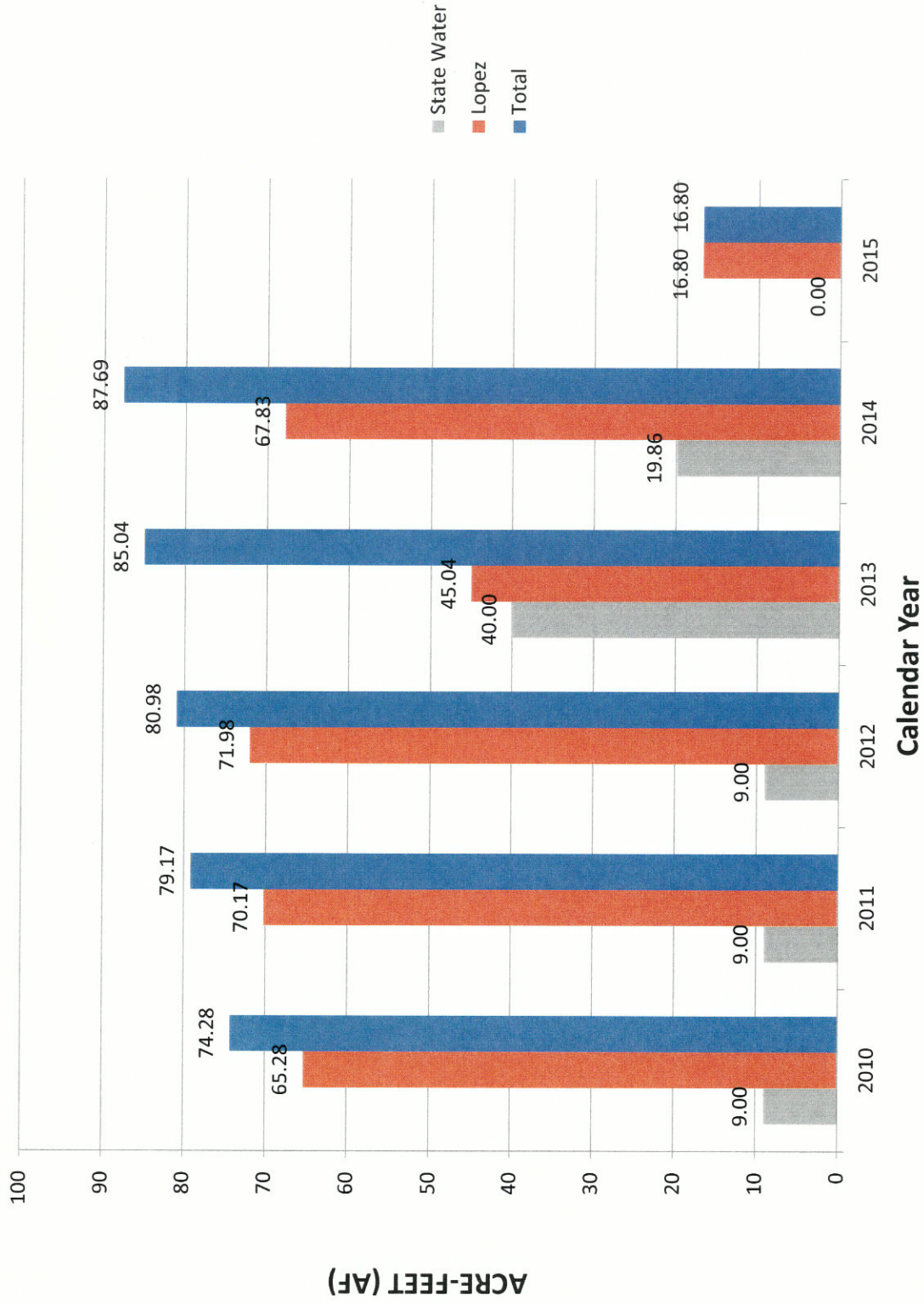
Therefore, as you requested, the Avila Beach CSD recommends that the Board of Directors of the County Flood Control District proceed to allow this exchange and actions described in your April 7<sup>th</sup>, 2015 letter.

Sincerely,

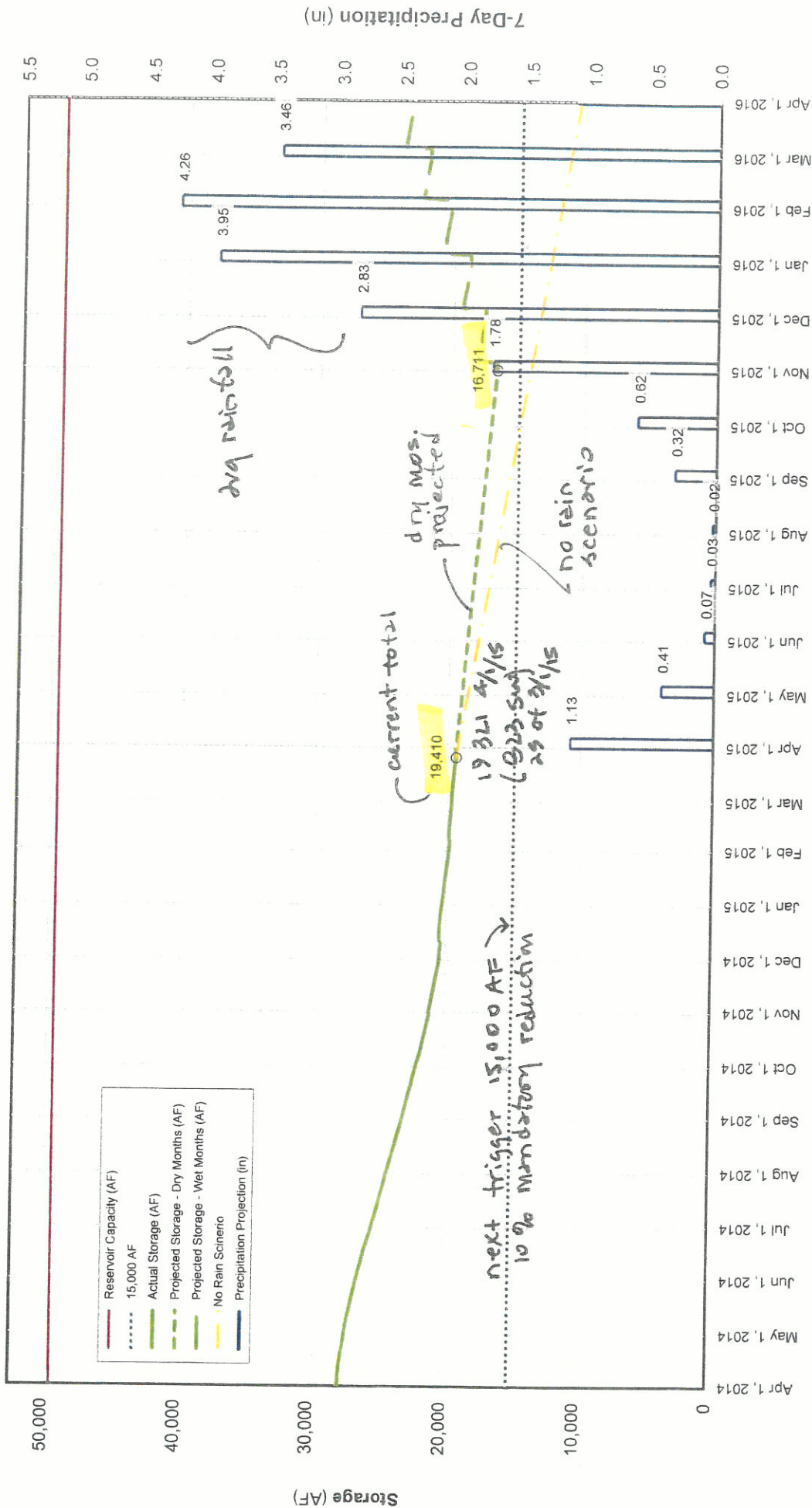
Peter Kelley,  
President, Board of Directors  
Avila Beach CSD



# Avila Beach CSD Total Water Deliveries



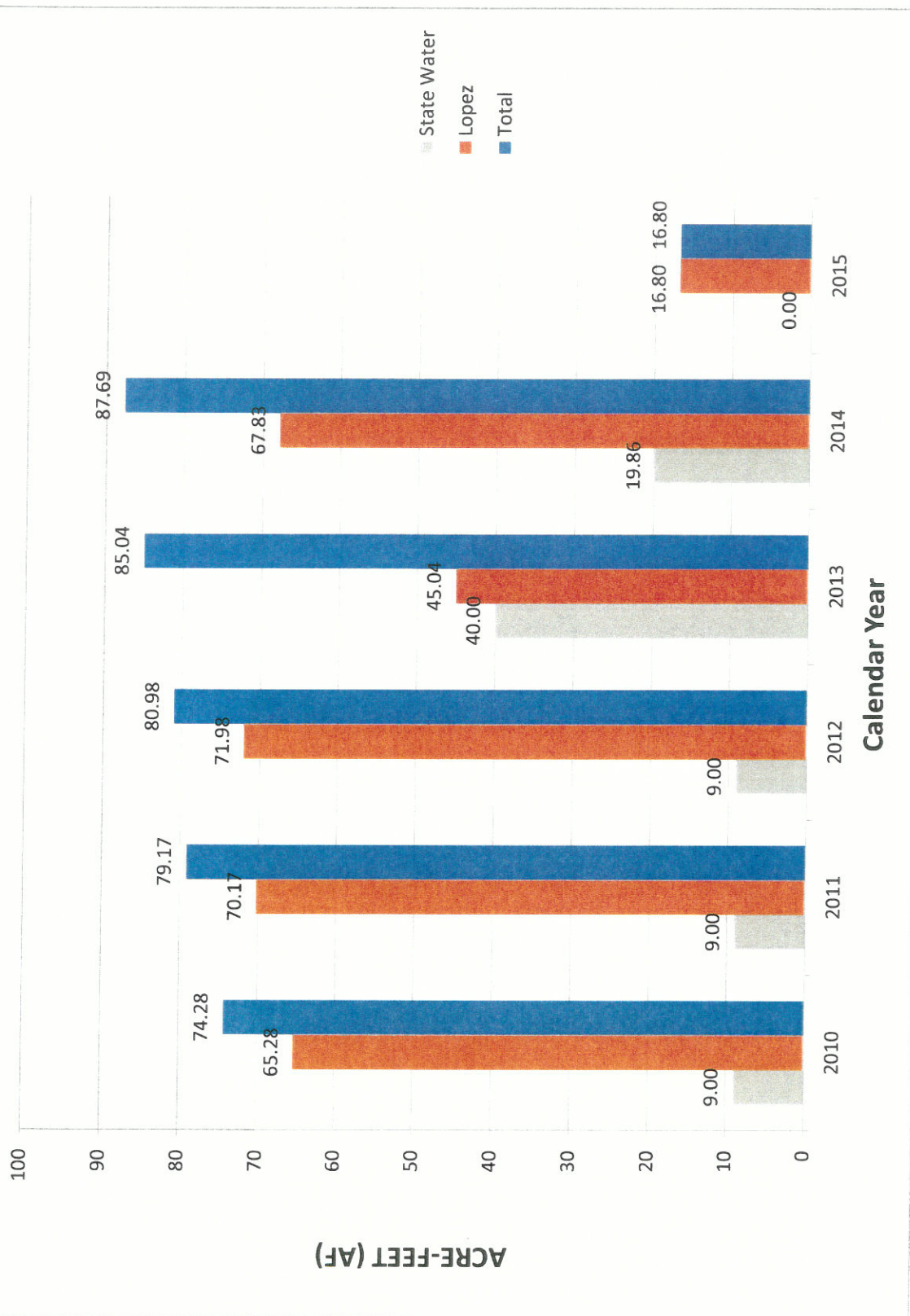
**Lopez Reservoir Storage Projections** - Revised: 3/26/2015  
 (precipitation scenario source: www.LongRangeWeather.com)



Notes:

- For "Dry Months", projected increases and/or decreases in storage estimated to mimic 2013 conditions.
- For "Wet Months", projected storage declines assume annual downstream release of 4,200 AFY and deliveries of 4,530 AFY.
- For "Wet Months", projected storage increases based on historic trends from actual storm data for the period of 12/1993 through 6/2011.
- Storage projection for "Wet Months" assume that unsaturated conditions exist.
- Monthly rainfall projections assumed to occur during the first week of each month through March 31, 2015.
- Assumed rainfall: 100% of average rainfall April 2015 - March 2015
- Average rainfall projection values provided by www.LongRangeWeather.com, and updated 12/3/2014.

# Avila Beach CSD Total Water Deliveries







SAN LUIS OBISPO COUNTY  
**DEPARTMENT OF PUBLIC WORKS**

Wade Horton, Director

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County Government Center, Room 206 • San Luis Obispo CA 93408 • (805) 781-5252

Fax (805) 781-1229

email address: [pwd@co.slo.ca.us](mailto:pwd@co.slo.ca.us)

April 7, 2015

Avila Beach Community Services District  
191 San Miguel Street  
Avila Beach, CA 93424

**SUBJECT: State Water/ Lopez Water Management Opportunities**

Dear Mr. Wallace,

This letter is to notify you of a potential water management opportunity regarding your agency's entitlements to State Water and Lopez Water, both delivered through the Zone 3 distribution system, subject to the limitations set forth below. With the implementation of the Low Reservoir Response Plan for the Lopez system, agencies now have the opportunity to "carry over" unused Lopez water in an agency specific water account. Consequently, some agencies have inquired about the ability to implement a retroactive water accounting change to effectively exchange Lopez water used in 2014 for a like amount of unused State Water. This potential exchange is possible in part due to the Emergency Drought Declaration by the State and the County in which the Flood Control District deemed it prudent during the spring of 2014 to move State Water into the Lopez Reservoir for the benefit of State Water subcontractors connected to the Lopez turnout. Therefore, this potential exchange could be accommodated up to a certain limit, using the stored State Water in the Lopez Reservoir.

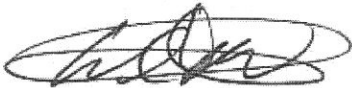
In order to affect any requested water accounting changes, a key process needs to occur:

Both the Water Supply Contracts for Lopez Water and the Water Supply Agreements for State Water expressly prohibit after-the-fact changes in water deliveries. Article 8 paragraph (c) (3) of the State Water agreement states "*The water delivery schedule may be amended by the District upon the District's initiative or upon the Contractor's written request. Proposed amendments shall be submitted by the Contractor within a reasonable time before the desired change is to become effective, and shall be subject to review and modification by the District in like manner as the schedule itself*" [underline added]. Article 9 paragraph (C) of the Lopez contract states "*Proposed amendments to such schedules shall be submitted by the Agency within a reasonable time prior to the date the desired change is to become effective, and they shall be subject to review and modification by the District in the same manner as the preliminary water schedule described in paragraph (B) above*" [underline added]. However, parties to a contract can choose to "waive" a contractual requirement. Given that the Lopez Contract is a "like contract" with the contracts of the other Lopez contractors,

any such waiver must be fair and equitable to all parties. Therefore, we are prepared to seek written concurrence from all of the other Lopez contractors in order to meet any water accounting exchange requests. Further, since the State Water contracts are also "like contracts", we are prepared to make the same request for written concurrence from the District's State Water subcontractors.

If you have any questions about this potential opportunity or would like to discuss the option further, please contact Deputy Director Mark Hutchinson at [mhutchinson@co.slo.ca.us](mailto:mhutchinson@co.slo.ca.us). In order to coordinate any potential exchanges with the various entities involved in managing water accounts all exchange processes will need to be completed before the end of May 2015.

Sincerely,

A handwritten signature in black ink, appearing to read 'Wade Horton', enclosed within a large, loopy oval scribble.

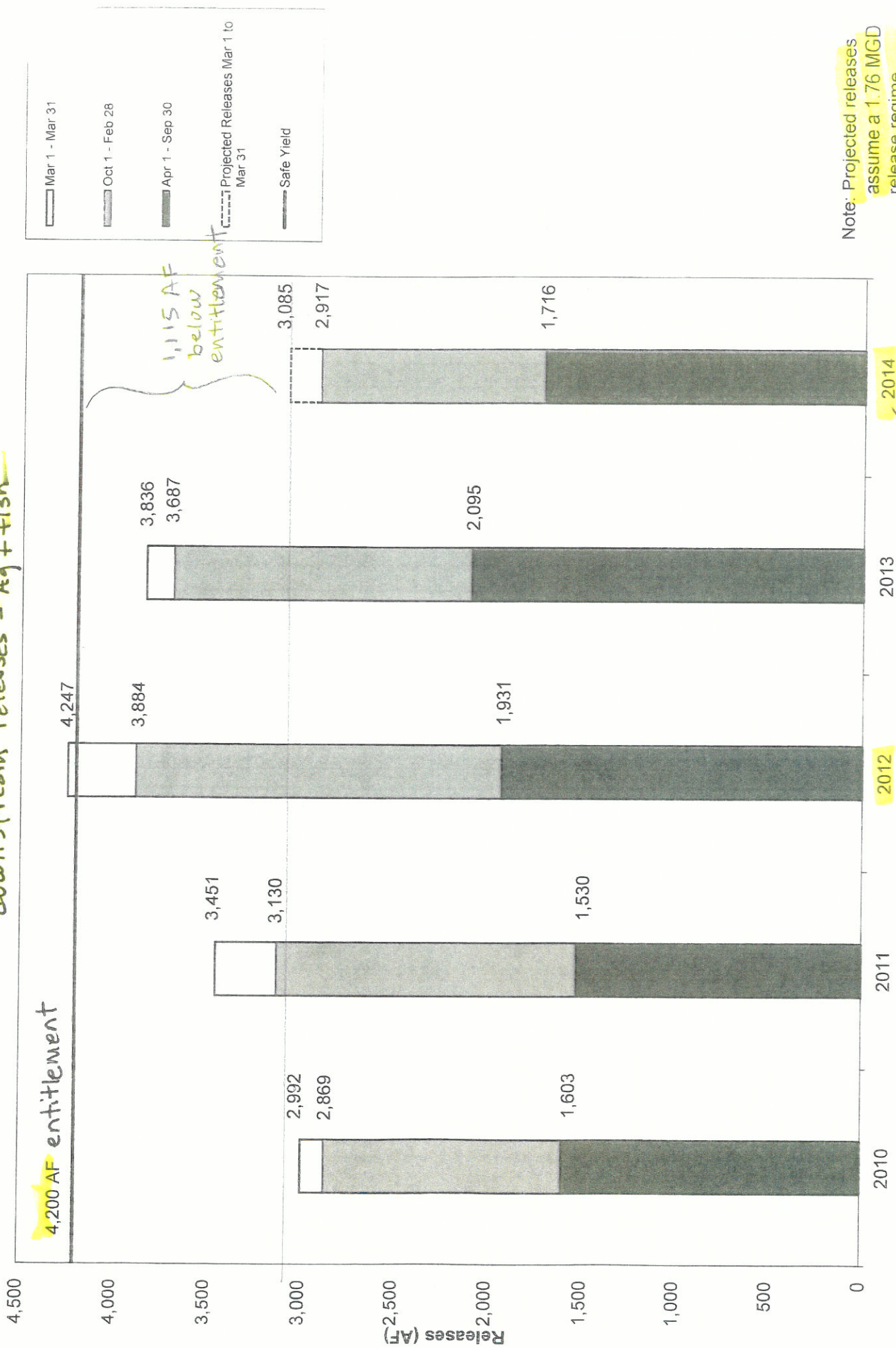
WADE HORTON  
Director of Public Works

C Mark Hutchinson, Deputy Director

File: CF 970.01.01

L:\MANAGMNT\APR15\Notification to Z3 State Water Contractors ltr.docx.MH.mj

**Lopez Annual Release Comparison 3-1-2015**  
*downstream releases - Ag + fish*

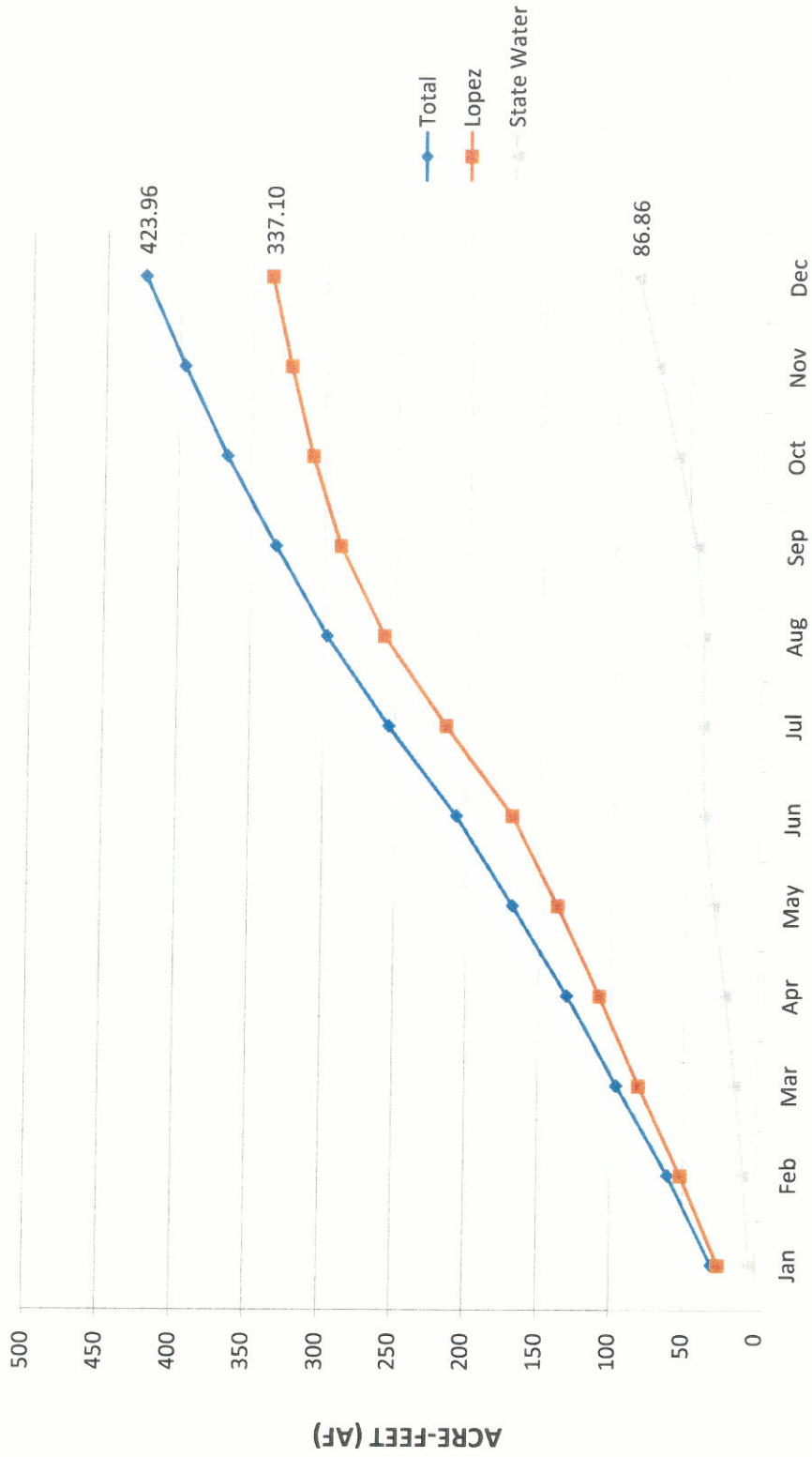


Note: Projected releases assume a 1.76 MGD release regime for 3/2015

4/1/14 - 3/31/15

Water Year 4/1 - 3/31

# Avila Beach CSD Total Water Deliveries



2010 - 2015 Calendar Years

## Avila Beach Community Services District

P.O. Box 309, Avila Beach, CA 93424

### MEMORANDUM

TO: Board of Directors  
FROM: John Eulberg, Interim General Manager  
DATE: April 14<sup>th</sup>, 2015  
SUBJECT: District Banking/Accounting



#### Discussion:

It has come to my attention that Bank of America is currently charging our accounts “treasury management services” and “service fees” that I expect to amount to at least \$1,496.50 for this year. Also, Bank of America recently notified the District office that these fees have increased as of April 1<sup>st</sup>, 2015. In addition to this, they have recently cut back on branch staffing to the point where it is not unusual for Kristi to have to wait one half hour to make a deposit. Please refer to the materials in your board packets.

#### Recommendations:

In view of the above, staff is recommending the following, and it is an agenda item:

1. Close all three Bank of America accounts and transfer our banking to either Heritage Oaks or other acceptable local bank that will not charge any maintenance fees.
2. Consolidate to one account. ABCSD now has a general checking account, a payroll account, and a separate account for water deposits. All of these are easily tracked within QuickBooks, so this is unnecessary.
3. Investigate the bank’s ability to set up check scanning for deposits. This would reduce time and money spent making deposits and would also reduce the accumulation of funds in the office awaiting deposit.
4. Set up on-line banking so that the general manager can log on and get statements or other information but cannot transfer funds out of the account. Heritage Oaks has this ability.

#### Accounting:

I am currently in the process of “cleaning up” the account list in QuickBooks in consultation with the auditor and believe that the result will yield more easily understandable financial statements, reduce staff time devoted to input and generally make it easier for staff to accomplish the bookwork. This will hopefully be done by the time the new general manager takes over.



February 11, 2015

Changes to your treasury management service fees  
effective with your April 1, 2015 Account Analysis  
Statement

130966 0223 0 005432 014218 1/2

AVILA BEACH COMMUNITY SERVICE DISTRICT  
PO BOX 309  
AVILA BEACH, CA 93424-0309



Bank of America, N.A. has recently completed a review of the pricing for various treasury management services. As a result, effective April 1, 2015, prices on one or more services that apply to your account(s) will change. You will see these changes on your April 2015 account analysis statement. The new prices, along with other service charges that have not changed, are detailed on the attachment. If your account has been on a service charge waiver, you may begin to see a monthly service charge.

Except for the information contained in this communication, the remainder of the terms and conditions of your agreement(s) with Bank of America, N.A. for these services remain unchanged.

Although we understand that price increases are never welcome, we believe that our pricing remains competitive and the new pricing better reflects the costs and market conditions related to the relevant treasury management services.

#### **Responding to the change**

At Bank of America, N.A. we have some exciting new treasury solutions designed to help manage your working capital more efficiently, accelerate, and streamline your accounting and control functions, reporting and data management. We would like to take this opportunity to discuss your banking relationship and how we may help to better meet your needs. We will contact you soon.

In the meantime, please don't hesitate to contact me at 626-817-0128 with any questions or concerns.

We appreciate your business.

Sincerely,

John K. Wong / VP; Treasury Sales Officer  
JOHN.K.WONG@BAML.COM  
Bank of America, N.A.  
Enclosure: Pro-Forma Pricing

February 11, 2015

AVILA BEACH COMMUNITY SERVICE DISTRICT / 0318-GRP-000000000061980150

**Bank of America, N.A Pro-Forma Pricing**

Service pricing contained herein will be effective with your April 2015 Account Analysis Statement. Other fees, not listed below, may be assessed in accordance with Bank of America's Schedule of Fees. Specific pricing changes are noted with an asterisk (\*)

AFP Code	Service Code Description	Current Price	New Price
01-00-0-0	ACCOUNT MAINTENANCE	\$22.0000	\$22.0000
25-02-0-0	ACH DEBIT RECEIVED ITEM	\$0.1200	\$0.1200
10-00-0-0	* BANKING CENTER DEPOSIT	\$2.0000	\$3.5000
10-02-2-2	CKS DEP UN-ENCODED ITEMS	\$0.1500	\$0.1500
10-00-1-2	* CURR/COIN DEP/\$100-BKG CTR	\$0.1400	\$0.3500
01-01-0-0	DEBITS POSTED-ELECTRONIC	\$0.3000	\$0.3000
01-03-1-0	DEPOSIT ACCOUNT STATEMENTS	\$0.0000	\$0.0000
15-01-0-2	GEN DISB CKS PD-IS FRONT IMG	\$0.1700	\$0.1700
10-04-0-1	RETURNS-ALTERVATE ADDRESS SVCS	\$0.0000	\$0.0000

\*This pricing has changed



2:38 PM  
03/13/15  
Accrual Basis

Avila Beach Community Services District  
**Account QuickReport**  
July 2013 through June 2014

<u>Date</u>	<u>Memo</u>	<u>Amount</u>
<b>531 - Office Supplies &amp; Postage</b>		
07/31/2013	Service Charge	74.98
08/31/2013	Service Charge	91.84
09/30/2013	Service Charge	97.13
10/31/2013	Service Charge	90.37
11/30/2013	Service Charge	95.57
12/31/2013	Service Charge	92.29
01/31/2014	Service Charge	101.45
02/28/2014	Service Charge	108.35
03/31/2014	Service Charge	101.95
04/30/2014	Service Charge	107.19
06/16/2014	Service Charge	109.50
06/30/2014	Service Charge	104.41
Total 531 - Office Supplies & Postage		<u>1,175.03</u>
<b>TOTAL</b>		<b><u>1,175.03</u></b>

2:37 PM  
03/13/15  
Accrual Basis

Avila Beach Community Services District  
**Account QuickReport**  
July 1, 2014 through March 13, 2015

<u>Date</u>	<u>Memo</u>	<u>Amount</u>
<b>531 · Office Supplies &amp; Postage</b>		
07/31/2014	Service Charge	113.67
08/31/2014	Service Charge	137.90
09/30/2014	Service Charge	120.45
10/31/2014	Service Charge	128.58
11/30/2014	Service Charge	122.24
12/31/2014	Service Charge	127.86
01/31/2015	Service Charge	122.26
Total 531 · Office Supplies & Postage		872.96
<b>TOTAL</b>		<b>872.96</b>

PROJECT 1496<sup>50</sup>/YR.  
⊕

# BUSINESS CHECKING OPTIONS

Effective November 1, 2014

FOR INTERNAL USE ONLY

**Attorney Client  
Trust Checking**

**Public Non-Interest  
Checking**

**Public Interest  
Checking**

**Amount to Open** \$100

\$100

\$100

**Monthly Service Charge** None

\$9

\$6.00 and \$0.20 per debit

**Ways to waive the monthly service charge**  
(during the statement period)

N/A

\$1,500 average daily balance<sup>3</sup>

\$400 average daily balance<sup>3</sup>

**Earns Interest**

Tiered interest based on balances. Interest will be compounded daily and paid to the State Bar.

No

Yes. Tiered interest starts at \$2,500.00<sup>5</sup>

**Benefits**

- Free Check Images available
- Free Business Debit Card<sup>1</sup>
- Free Online Banking
- Free Online Bill Pay<sup>2</sup>

- Up to 500 items allowed without an additional charge<sup>4</sup>
- Free Check Images available
- Free Business Debit Card<sup>1</sup>
- Free Online Banking
- Free Online Bill Pay<sup>2</sup>

- Up to 500 items allowed without an additional charge<sup>4</sup>
- Free Check Images available
- Free Business Debit Card<sup>1</sup>
- Free Online Banking
- Free Online Bill Pay<sup>2</sup>

See Fee Schedule and Truth in Savings Disclosure for additional fees, charges, terms and conditions that may apply to your account.

**1.** Replacement card and merchant fees may apply. **2.** Fee may apply for expedited check and ACH requests. **3.** The average daily balance is calculated by adding the principal in the account for each day of the statement period and dividing that figure by the number of days in the period. **4.** Clients may be converted to Account Analysis if the account reaches 500 or more deposits, deposited items or checks written per statement cycle including ATM, night deposit, armored car or courier deposits or utilizes a Cash Management Service such as ACH origination, Remote Deposit Capture, Positive Pay, Third Party deposits, Lockbox or Courier. **5.** A daily balance method is used to calculate interest. This method applies a daily periodic rate to the principal in the account each day. Interest is compounded on a 365 day basis and credited to your account every month on the statement cycle date.



**HERITAGE OAKS BANK**



**Customer Information Required:**

Name: \_\_\_\_\_

Physical Address: \_\_\_\_\_  
\_\_\_\_\_

Mailing Address: \_\_\_\_\_

Home Phone: \_\_\_\_\_ Cell: \_\_\_\_\_

Work/Business Phone: \_\_\_\_\_

Driver License Number: \_\_\_\_\_ State Issued By: \_\_\_\_\_  
(Copies of all STAMPED pages of Passport, if used as ID)

Driver License Issue Date: \_\_\_\_\_  
(Noted on the bottom, under signature)

Driver License Expiration Date: \_\_\_\_\_

Social Security Number: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

Mothers Maiden Name: \_\_\_\_\_

City and State of Birth: \_\_\_\_\_

Occupation: \_\_\_\_\_  
(Even if retired)

Employer: \_\_\_\_\_

2<sup>nd</sup> Form of ID: Issuer: \_\_\_\_\_ #: \_\_\_\_\_  
(Visa, MC, etc)

Exp Date: \_\_\_\_\_


(Examples of 2<sup>nd</sup> Form of ID: Major Credit Card, Health Insurance  
Card or Auto Insurance Card)

**AVILA BEACH  
COMMUNITY SERVICES DISTRICT**

Post Office Box 309, Avila Beach, CA. 93424

**MEMORANDUM**

TO: Board of Directors

FROM: John Eulberg, Interim General Manager 

DATE: April 14, 2015

SUBJECT: Support and Coordination for May 13, 2015, AMGEN Tour Event

Recommendation:

Receive and File

Discussion:

Stage 4 of the AMGEN bicycle tour will be a 107 mile ride starting on the pier in Pismo Beach around 10:00 AM and ending in Avila Beach between 3:30 and 4:00 PM. A map of the entire Stage 4 route is attached.

Staff attended a community coordination meeting at the PG&E Education Center on Tuesday night March 31st and an agency meeting at the SLO County Administration offices on Wednesday April 1<sup>st</sup>. The District has been asked to support the event in a couple areas. Tour organizers need approximately 3000 gallons of non-potable water to use as ballast for their finish line signage, displays and tents. As in 2013, Cal Fire has agreed to support this effort by providing their water truck and an operator. Cal Fire has two sources of non-potable water from outside the District and staff is looking at the option of providing water from within District that will be generated as part of our annual fire hydrant exercising and line flushing program. This program is normally conducted in April or May and generates water that is could be used for their ballast needs. Staff will coordinate with FRM to determine if it is feasible to conduct the program in coordination with Cal Fire's needs.

Event organizers also anticipate that they will need approximately 1000 gallons of potable water. The Harbor District has agreed to allow them to tap into their pier faucet location. Race organizers are also seeking an additional supply source on the east end of the Promenade. District staff will support this effort as requested.

AMGEN has requested our office assist in passing out parking passes. Parking passes are available for pickup in the District Office. Temporary roadblocks and lane closures will take place as the riders and the support vehicles move along the race route. Access in to and out of Avila Beach will be impacted on Wednesday, May 13<sup>th</sup> from approximately 2:30 pm - 4:30 pm.





**Stage 4 - Pismo Beach to Avila Beach**  
 Wednesday, May 13, 2015  
 107.6 mi./173.1 km

