

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
E-Mail avilacsd@aol.com

AGENDA

REGULAR BOARD MEETING
7:00 pm Tuesday March 10, 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 February 6, 2015 Personnel Meeting, February 10, 2015 Regular Meeting, and February 24, 2015 Special Meeting
- 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

March 10, 2015, Regular Meeting Agenda, Page 2

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. Resolution Honoring Kathryn Richardson for 29+ years of service as a District Employee. (Action Required: Adopt Resolution)
- B. Status of Draft Agreement with Port San Luis Harbor District for Wastewater Treatment Disposal
(Action Required: Receive Status from District Engineer & Legal Counsel)
- C. Update on See Canyon Well Status/ Drought Contingency Planning
(Action Required: Receive Report from District Engineer)
- D. Review of District By-Laws
(Action Required: Receive Report; Consider Amendments, Approve Bylaws as Amended)

8. PUBLIC COMMENT ON CLOSED SESSION ITEMS

- 9. A. Anticipated Litigation,
Significant exposure to litigation pursuant to Government Code §54956.9(b)
1 case, Facts and circumstances unknown to opposing party
- B. Public Employee Appointment; pursuant to Government Code §54957;
District General Manager
- C. Staff Employee Review: pursuant to Government Code §54957

ADJOURN TO CLOSED SESSION

10. REPORT ON CLOSED SESSION / ANNOUNCEMENT OF ACTIONS, IF ANY, TAKEN IN CLOSED SESSION

11. COMMUNICATIONS/ CORESPONDENCE

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.

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Minutes

**PERSONNEL COMMITTEE SPECIAL MEETING
9:00 A.M. Friday February 6, 2015**

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

1. CALL TO ORDER: 9:00 A.M.

2. ROLL CALL: Committee Members:

Pete Kelley
John Janowicz

3. 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

4. PUBLIC COMMENT ON CLOSED SESSION

5. ADJOURN TO CLOSED SESSION

PUBLIC EMPLOYEE APPOINTMENT (Government Code §54957)

Title: Recruitment of District General Manager

**6. REPORT ON CLOSED SESSION / ANNOUNCEMENT OF ACTIONS, IF ANY,
TAKEN IN CLOSED SESSION**

Director Kelley advised that no reportable actions were taken by the Personnel Committee.

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
February 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: Kathy Richardson, 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 34 calls for service this month. Work is underway on Blue Heron Road clearing brush and grass, as well as tree branches. CALFire will be participating in the AMGEN meeting next month and will invite the CSD for input regarding parking.

B. Reports on Attended Conferences, Meetings and General Communications of District Interest.

John Wallace District Engineer attended a Zone 3 TAC Financial Committee Meeting regarding the proposed FY 2015-16 budget for Zone 3 (Lopez Reservoir). Directors Kelly, Helenius and Waldron attended Sexual Harassment Prevention Training in Templeton. Director Richards expressed her appreciation to FRM and staff for their offer of assistance to her during her recent recovery from medical treatments.

5. CONSENT ITEMS

President Kelley introduced the consent items and inquired if any member of the Board, or public, wished to address any items. Director Helenius inquired as to the engineering information associated with flooding in the parking lot and the storm drain bordering the lot. District Engineer Wallace advised that an on-site observation of the storm drain fronting the parking lot was held with San Luis County, Port San Luis Harbor District and the ABCSD to discuss what steps the County could take to help with the flooding of the parking lot as well some areas of San Miguel Street. District Engineer Wallace also explained it is the responsibility of the County to maintain the drains and SLO County is aware of the problem.

Director Kelley asked Fluid Resource Management to explain the charges for the invoice in relation to the power outage that occurred in December. General Manager Richardson advised the outage occurred for nearly 30 hours and FRM maintained the First Street Lift Station as well as the Treatment Plant throughout the outage. Following general discussion, it was moved by Director Waldron, seconded by Director Janowicz and passed unanimously **to approve the consent items as submitted.**

- A. Approval of the January 13th, 2015 Regular Meeting Minutes & January 30th 2015 Personnel Meeting.
- B. Monthly Financial Review
- C. General Manager Report
- D. District Engineer Report
- E. Water & Wastewater Superintendent Report
- F. Subcommittee Reports
- G. Capital Projects Status Report

6. DISCUSSION OF PULLED CONSENT ITEMS.

No items were pulled for discussion.

8. **BUSINESS ITEMS**

A. **Status of Draft Agreement with Port San Luis Harbor District Wastewater Treatment Disposal.**

General Manager Richardson introduced District Engineer Wallace to provide an update on the Wastewater Treatment Contract between the District and Port San Luis Harbor District. District Engineer Wallace advised that the final draft of the agreement is nearing completion with presentation to the Board anticipated for March. Director Waldron requested that Legal Counsel review the agreement prior to presentation to the Board. General discussion took place with the Board directing Legal Counsel to review the agreement and bring it back to the Board in March. **No Formal actions were taken.**

B. **Avila Beach Drive/ San Luis Street Sewer Line Replacement Project Update.**

General Manager Richardson introduced District Engineer, John Wallace to provide an overview of the status of the sewer line replacement project. Preliminary design has been completed and a survey is necessary to complete final design. **It was moved by Director Waldron, and seconded by Director Helenius passed unanimously to approve the Sewer Alignment Survey in a not to exceed amount of \$10,200 and to direct staff to provide bidding support during the public bid phase of the project. Further staff is anticipating advertisement for bid of a construction contract at the April Board meeting.**

C. **Water Valve Vault Maintenance; Emergency Intertie; San Miguelito Mutual Water, Port San Luis Harbor District and Avila Beach CSD.**

General Manager Richardson introduced District Engineer Wallace to provide an overview of the repairs to the emergency intertie water vault that need to be addressed. Mr. Wallace advised that this part of the infrastructure was installed in the early 1980's to allow for emergency water service between the agencies in the event of a shutdown of the Lopez distribution line. The District is responsible for maintenance of the facilities with each agency sharing equally in the costs. General discussion took place with Director Waldron requesting that this project be delayed until the new General Manager is on board. District Engineer Wallace advised that at a minimum a new lid should be installed on the vault for safety with additional work to be completed in the future. **It was moved by Director Kelley, and seconded by Director Janowicz and passed on the following roll call vote to authorize the water valve vault maintenance project to be placed on the CIP budget in the not to exceed amount of \$30,000 and to proceed to install a new lid on the vault.**

AYES: Kelley, Janowicz, Helenius, Richards
NOES: Waldron
ABSTAIN: None
ABSENT: None

- D. Consideration of Alternate Meeting Location or Date Change for May Meeting:**
General Manager Richardson informed the Board that support for the AMGEN Bike tour will be utilizing the Community Center the night of the regularly scheduled May meeting. As a result, an alternative site or alternate meeting date will need to be considered. **President Kelley directed the District General Manager to obtain information on alternate meeting locations. No Formal Actions were taken.**
- E. Review of District By-Laws**
General Manager Richardson introduced Legal Counsel Seitz to provide an overview of the bylaws. Mr. Seitz recommended the Board review the By-Laws and at the next meeting discuss any recommended revisions. **No Formal Actions were taken.**
- F. Mid-Year Budget Review:**
General Manager Richardson presented the mid-year budget review to the Board and stated that the budget at mid-year is on target with both income and expenses. General Manager Richardson inquired if the Board wished to have a mid-year audit due to the retirement of the General Manger. Director Waldron commented that he had reviewed the District's financial records and did not see a reason to initiate a mid-year audit. Legal Counsel Seitz advised that agencies do not generally complete more than one audit per year. General discussion about the Mid-Year Budget took place. **The report was received by the Board with no formal actions taken.**
- 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. and Government Code §54957, Title: Recruitment of District General Manager.

Legal Counsel Seitz advised that no reportable actions were taken in Closed Session relating to Government Code §54956.9(b), Anticipated Litigation Significant exposure to litigation 1 case facts and circumstances unknown to opposing party.

Further, Legal Counsel Seitz advised that in relation to Government Code §54957, Title: Recruitment of District General Manager. The Board voted to retain John Eulberg as interim General Manager.

10. ADJOURNMENT: The meeting was adjourned at 9:00pm.

The next regular meeting of the Avila Beach Community Services District is scheduled for March 10th, 2015 at 7:00 pm. This meeting will be held at the Civic Association Building located at 191 San Miguel Street.

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,

Kathryn Richardson,
General Manager

**AVILA BEACH COMMUNITY SERVICES DISTRICT
MINUTES OF SPECIAL MEETING
February 24th, 2015**

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.

ROLL CALL

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

Board Members Absent: None

Staff Present: Kathy Richardson, General Manager
 Mike Seitz, District Legal Counsel

ANNOUNCEMENT OF CLOSED SESSION ITEMS;

**Legal Counsel Seitz advised that the Board will adjourn to Closed Session in accordance with Government Code §54957,
Appointment of Interim General Manager
Review of Candidate for General Manager Position
Report from Legal Counsel Relating to Employee separation Procedures**

PUBLIC COMMENT ON CLOSED SESSION ITEMS

None.

REPORT ON CLOSED SESSION / ANNOUNCEMENT OF ACTIONS, IF ANY TAKEN IN CLOSED SESSION

Legal Counsel Seitz advised that direction was given to Legal Counsel with no reportable actions being taken.

BUSINESS ITEMS

- A. Consideration of Contract for Interim General Manager.**
Legal Counsel Seitz introduced a proposed contract to be entered into for the Interim General Manager. **It was moved by Director Waldron, and seconded by Director Janowicz passed unanimously to approve a contract with John Eulberg for Interim General Manager.**
- 10. ADJOURNMENT: The meeting was adjourned at 9:00pm.**

The next regular meeting of the Avila Beach Community Services District is scheduled for March 10th, 2015 at 7:00 pm. This meeting will be held at the Civic Association Building located at 191 San Miguel Street.

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,

Kathryn Richardson,
General Manager

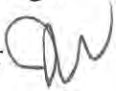
AVILA BEACH
COMMUNITY SERVICES DISTRICT

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: March 10, 2015 Board Meeting

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

Recommendation:

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

Discussion:

Attached is the WG's invoice dated March 4, 2015 broken down into phases (phase codes for Administration, Engineering and separate phase codes for major projects and capital items).

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 2015-16 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 through separate board action and are listed in detail in the billing package.

Month of February 2015

Staff worked with KJC re: a revised site plan for the WWTP. This effort was to review the anticipated construction and how best it might fit into the available space at the treatment plant.

We also continued to coordinate with the Port for the ABCSD/PSLHD Wastewater Treatment Agreement. I coordinated my review with that of District Counsel in order to streamline some of the provisions that could be consolidated into a more useable format. A report from Counsel is on this agenda as a separate item.

There has been very little activity with Chevron regarding the proposed Tank Farm development during this period of time. We continue to informally inquire as to status. As we understand it, the County will be moving ahead with initial development plan review shortly.

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 final design and survey work on the San Luis and San Miguel Streets sewer replacement projects. One of the focus areas is the intersection of Avila Dr. and San Miguel Street and the need to determine R/W and to approach the County for an encroachment permit (and conditions they will impose) on this area.

We have also worked on the purchase of new pumps for the First Street Lift Station; assisting and investigating the potential leak from the treated effluent line vault. The “leak” could not be duplicated by FRM surcharging the box, and another video did not determine any obvious problem. FRM has recently drilled the slab and found no voids in this area. This has also been discussed with KJC to see how any potential repairs could be made at the same time the plant is expanded. In the meantime, no further leaks have appeared except for the one occasion which was very minor. We have also spent considerable time coordinating with the Water Board to correct some misinformation that their staff had entered into our CIWQS reporting. It now appears to have been corrected. The plans for the new deck repair at the WWTP is being finalized by the consultant and will go to bid in March.

Anticipated activities for the Month of December 2014

In addition to continuing administrative and engineering functions, significant activities in March will include: continued coordination with the Port relating to the establishment of a new contract for wastewater treatment, bidding the sewer repair projects for S. Luis Dr. and Avila Dr. bidding the deck repair project for the WWTP, continued work with the Zone 3 TAC to administer/implement the “Low Reservoir Release Plan” and coordinating with the County for insuring an adequate water supply for the District given the on-going drought.

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 CSD
Cash Flow Analysis
Month Ending Feb. 28, 2015

General Fund Operating Account

Bank of America

2/1/2015	Beginning Balance		\$	290,637.60
	Feb. Checks Written	\$	(105,687.13)	
	LAIF Transfer Out	\$	-	
	Feb. Deposits	\$	71,683.21	
	Feb. Net Cash	\$	(34,003.92)	\$ (34,003.92)
2/28/2015	Ending Balance			<u>\$ 256,633.68</u>

Bank of America Payroll

2/1/2015	Beginning Balance		\$	26,350.87
	Feb. Checks Written	\$	8,262.60	
	Feb. Deposits	\$	-	0
2/28/2015	Ending Balance			<u>\$ 18,088.27</u>

General Fund LAIF

2/1/2015	LAIF Beginning Balance		\$	2,210,260.86
	Deposit / Interest	\$	-	
	transfer out			
2/28/2015	Ending Balance			<u>\$ 2,210,260.86</u>
2/28/2015	Cash Available			<u>\$ 2,484,982.81</u>

**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: March 10, 2015

SUBJECT: General Manager's Report

Contract Update with Port San Luis Harbor District

Staff continues contact with Port San Luis Harbor District Staff to complete the draft contract agreement for treatment of Wastewater. An update on this agreement is included in the agenda for tonight's meeting.

Capital Improvement Projects

Coordination between Operations, Engineering and District staff continues in the effort to proceed with approved Capital Improvement projects within the District. A separate report is included in the consent items detailing the status of each project.

Critical Spare Part Purchases

Most of the critical spare parts have been ordered and received. We are still waiting for a very few items to complete the inventory.

Form 700's

The four continuing board members will need to submit their annual form 700 by April 1. Your interim general manager will be happy to assist you with this.


Weed Abatement

The G/M will prepare a letter to go out to property owners and will assist the Fire Department as necessary.

Interim General Manager

As your new Interim G/M, I have been busy interfacing with Kristi, John Wallace and his associates, Mike Seitz and the FLM people so as to become familiar with all the issues facing ABCSD. I will do my best to make the transition to new management as seamless as possible.

Respectfully submitted;



John F. Eulberg, Interim G/M

AVILA BEACH

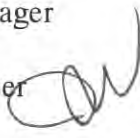
COMMUNITY SERVICES DISTRICT

Post Office Box 309, Avila Beach, CA. 93424

MEMORANDUM

TO: Board of Directors

VIA: Kathy Richardson, General Manager

FROM: John L. Wallace, District Engineer 

DATE: March 10, 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 (19,660 AF) of Lopez water including "stored State Water. On March 5th, the TAC will be discussing the steps to take at the next benchmark of 15,000 AF approaching in several months if there is not sufficient rainfall to bolster the water levels in the lake. A District Drought Ad-Hoc Committee meeting will again be held to better acquaint the committee with the current circumstances, what the County is considering and the future impact on our water supplies.

In one piece of good news the State has increased the allocation of state water to 20% of our entitlement for 2015. This means we will have 20 AF available in addition to our Lopez supply. The problem is that our Lopez supply may be cut by 10% (about 7AF) when the Lake reaches 15,000 AF. Therefore, we are requesting to reserve surplus Lopez water from the CSA 12 surplus pool approximately 200 AF. It is not known at this time as to how much that cost will be but it will certainly be cheaper than buying additional State Water. Attachments to this report provide the latest drought information from the County.

Contract Update with Port San Luis Harbor District

The updated draft Agreement has been reviewed again with District Legal Counsel. A summary report is part of the agenda for the March meeting bringing the Board up to date on the remaining items. The 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.

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

We have 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 the County for a County Encroachment for road repair requirements and traffic impacts. Separate information is provided as part of the CIP report. Construction is anticipated to start in late spring hopefully to avoid the rain season and the busy tourist season.

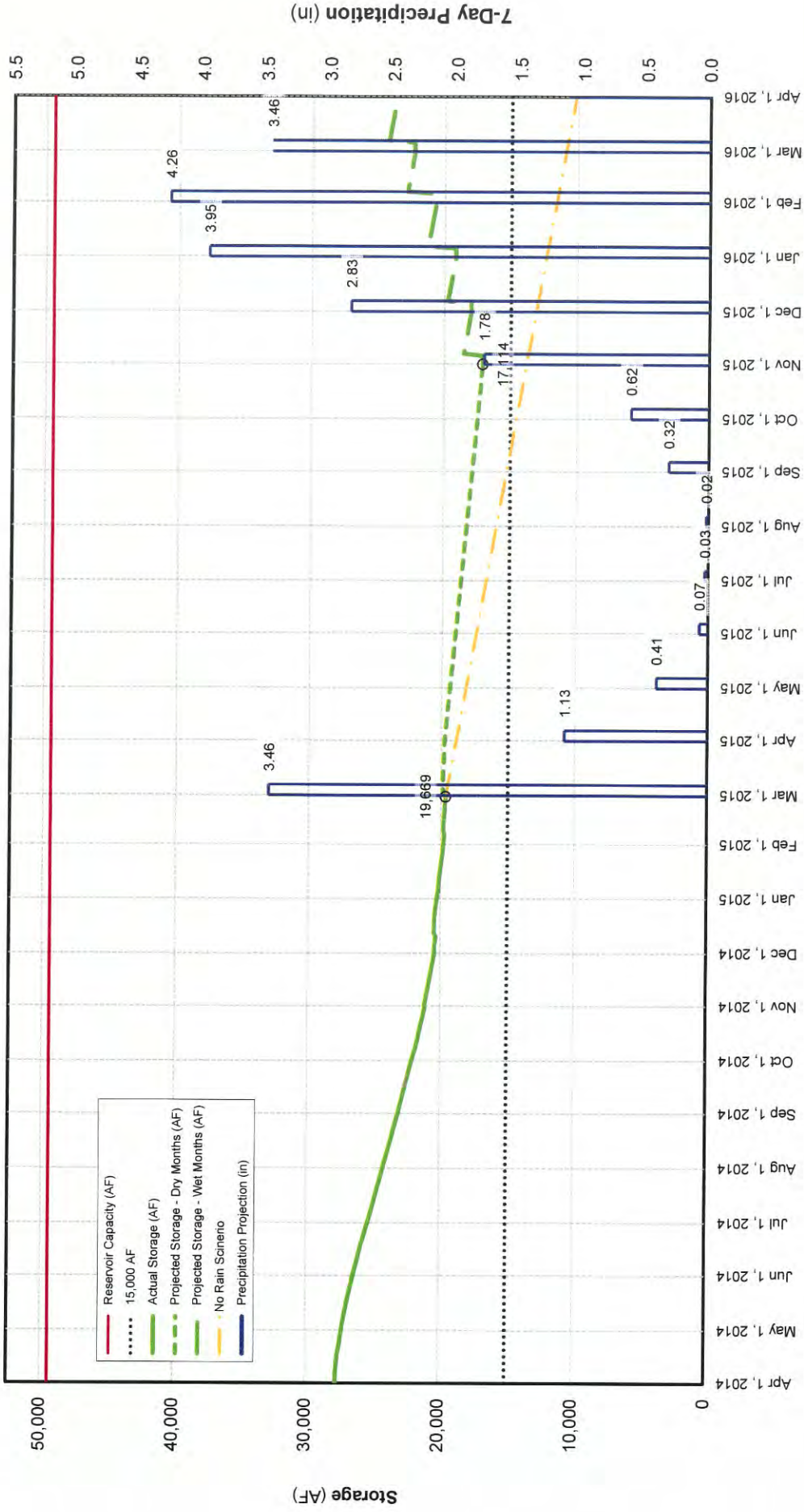
Capital Improvement Projects

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

Coordination of critical spare parts

Staff has participated in the Operations Coordination monthly meeting to address the process to acquire critical spare parts for the water and wastewater facilities.

Lopez Reservoir Storage Projections - Revised: 2/28/2015
 (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 March 2015 - March 2015.
 - Average rainfall projection values provided by www.LongRangeWeather.com, and updated 12/3/2014.

Zone 3 City/General Manager Meeting

**March 4, 2015
10:00 AM to Noon
Pismo Beach City Hall**

AGENDA

1. 2015/16 Proposed Budget:
 - a. CIP Project Status

2. HCP:
 - a. Status
 - b. Schedule

3. Low Reservoir Response Plan:
 - a. Surplus Water
 - b. Contract Negotiations

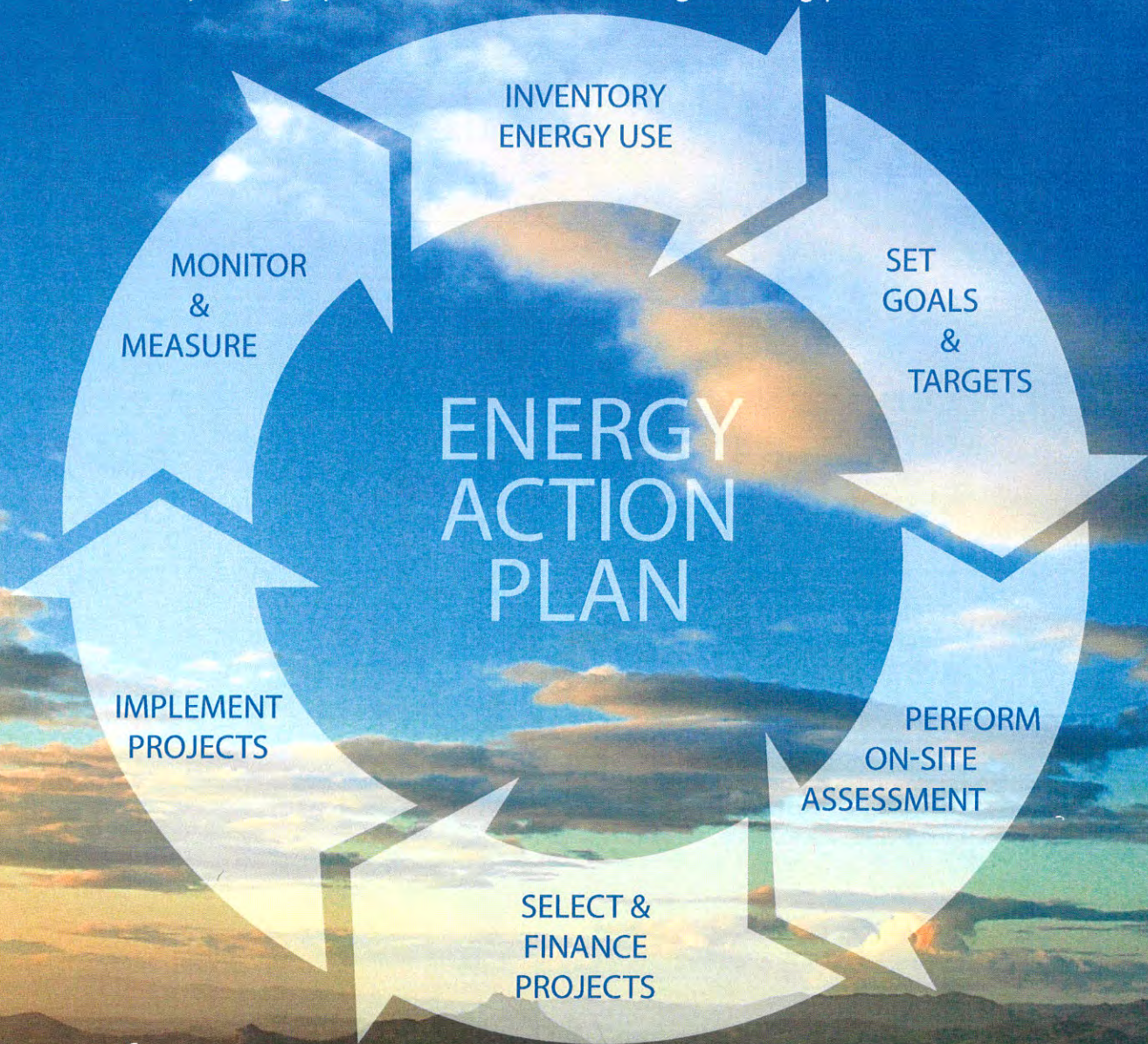
4. Groundwater Monitoring Funding:

5. SGMA Compliance:

CSD ENERGY MANAGEMENT

The County of San Luis Obispo's Energy Watch works closely with Community Service Districts to develop a customized Energy Action Plan that identifies opportunities for:

1. Saving energy and cost
2. Financing and implementing projects
3. Improving operations
4. Tracking building performance



For more information,
please call (805) 781-5623 or email energy@co.slo.ca.us

San Luis Obispo County's Energy Watch is a partnership between the County of San Luis Obispo, the Economic Vitality Corporation, Pacific Gas and Electric Company (PG&E), Southern California Gas Company (SoCal Gas), and participating cities and Community Service Districts (CSD).

This program is funded by California utility customers and administered by PG&E and SoCal Gas under the auspices of the California Public Utility Commission.




**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: March 10, 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 [Updated]

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. (refer to February 10, 2015 staff report).

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 [Updated]

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 24th. 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. Kennedy Jenks has also been requested to evaluate different site plans to incorporate possible recycled water if it were to be implemented at a future time. That site plan is being evaluated for right of way requirements.

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 [No changes]

These improvements will be scheduled after a decision is made regarding the outfall line repair. The 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). It is likely that this project will be carried over to FY 2015-16 because the issue with the outfall line cannot be replicated at this time, indicating that it may have been a different leakage.

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 Mainline Video completed another video inspection and Operations staff drilled two small observation holes to inspect integrity of the sub-surface. Initial results indicate that the sub-surface is intact and there are no apparent voids. We will continue to closely monitor for any re-occurrence of an apparent leak. If there are no other signs of leakage, we will wait until the plant upgrade construction to expose this area.
- Underground valve replacements Replacing these valves at this time is being re-evaluated. Operations staff have been exercising the valves and believe they are in satisfactory shape pending a decision on the plant upgrade which would possibly call for a replacement as part of that project.

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

These projects have been combined in order to reduce engineering and construction costs. Preliminary engineering, constructability and survey has been completed and engineering staff is preparing plans and specifications. The current schedule is to bid the project in March and consider awarding a construction contract at the April or May Board meeting. An encroachment permit will be required from the County that may impact the length of the bidding process.

WW-4 Wastewater System Critical Spare Parts [No Changes]

With the completion of the alarm system at the WWTP, staff has begun the process of purchasing the critical spare parts. FRM and office staff have prepared the necessary information for purchase orders to complete these purchases. We anticipate that these purchases will be complete in the next several weeks, but delivery of these items may take several months.

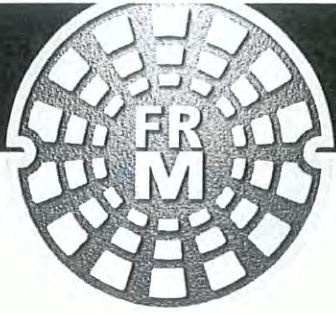
WW-5 First Street Lift Station Pump Upgrade [Updated]

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.. Refer to this month's Operations report for more details.

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 will final their work and return it to engineering staff for inclusion in the final bid documents. We anticipate that we will bid the project in mid-March and have the Board consider awarding a construction contract at the April Board meeting.



Date: March 3, 2015
To: John Eulberg, District Manager
From: Mike Wentzel, FRM Operations Manager

Monthly Facility Report for the March 2015 Board Meeting

Wastewater:

The facility continues to meet discharge limitations despite high influent flows and heavy influent BOD and TSS loading. The results for the last set of samples collected in the month were not yet available for this report. The average influent BOD for the 4 samples collect this month was 540 mg/L (Plant Design – 270 mg/L) with a high of 695 mg/L on February 14th.

A new Recirculation Pump was installed at the wastewater treatment plant. The plant was running on a backup after the original pump failed due to the mechanical seal failing. The Recirculation Pump is critical to the plant operation, as it returns flow over the Fixed Film Reactor to maximize treatment.

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 new vortex style pumps were installed in the First Street Lift Station. All the necessary electrical components in the panel were upgraded to properly protect the new pumps from over-current conditions while providing the necessary amperage to the new pumps. The new style pumps are designed to pass solid material a little better and prevent the pumps from plugging as often.

The 1st quarter collection system “Hot Spot” cleaning was performed. This cleaning is performed on sections of the Collection System that are known to be problem areas due to roots, grease and/or bellies (low sagging sections of pipe that allows material to build up). The First St Lift Station is also vacuumed out to remove sand, grit and solid material from the wet well.

Routine weekly and monthly maintenance was performed at the wastewater treatment plant, lift station and water system. A total of 20 work orders were completed during the month of February.

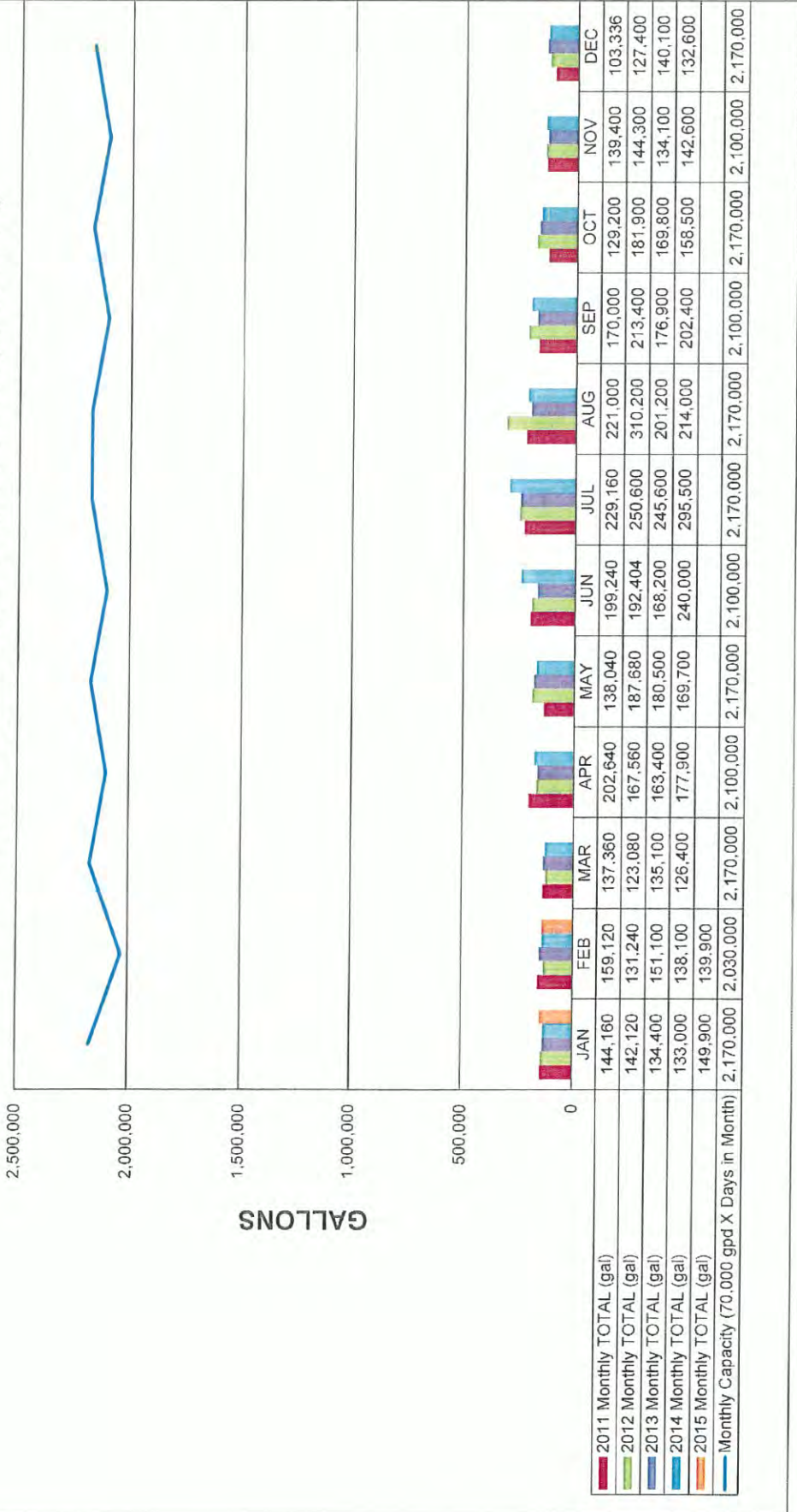
Areas within the wastewater plant that are known to accumulate solids continue to be manually cleaned on a regular basis. These solids, if left to decompose, can have a negative effect on the effluent quality leaving the facility.

Water:

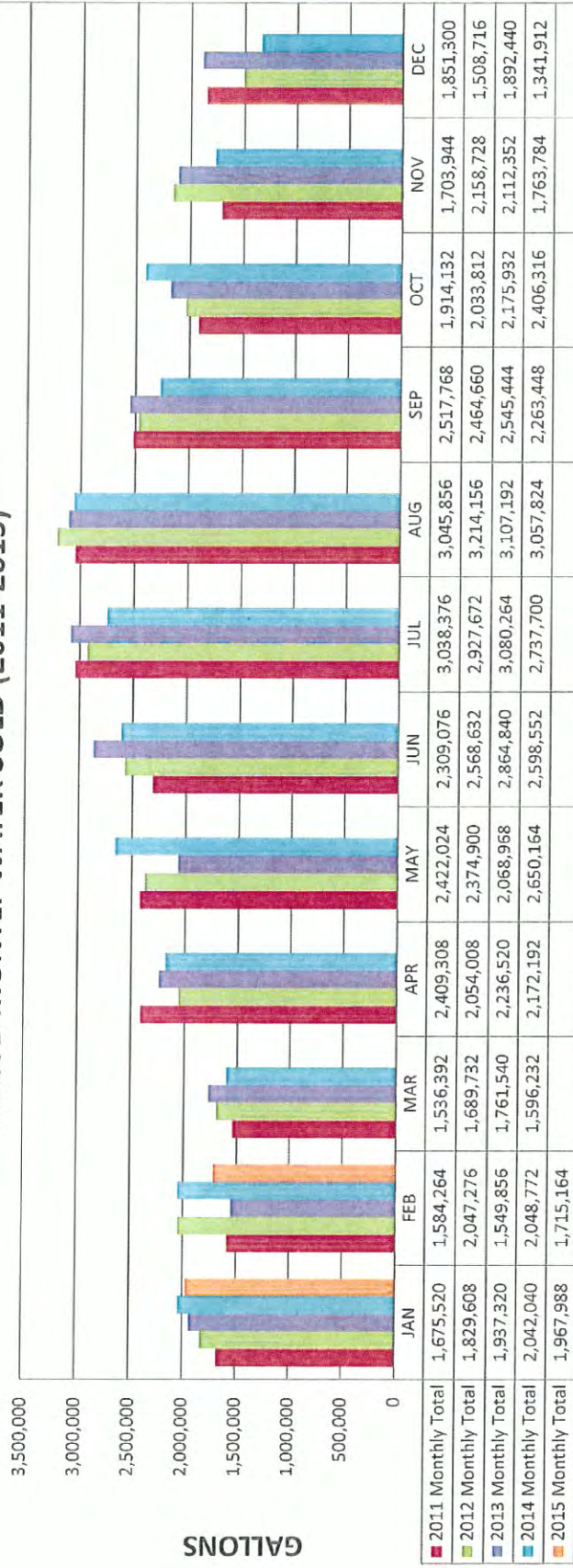
The small water storage tank continues to be used as standby, with staff monitoring the water quality in the tank and flushing as needed. Chlorine residuals in the water storage tank and distribution have started to stabilize due to the cooler weather. Operations staff continues to monitor the chlorine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

The Cla-Val check valve for the First Street booster pump station received its annual rebuild and maintenance. The check valve prevents water from flowing backwards in the water storage tank fill line.

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

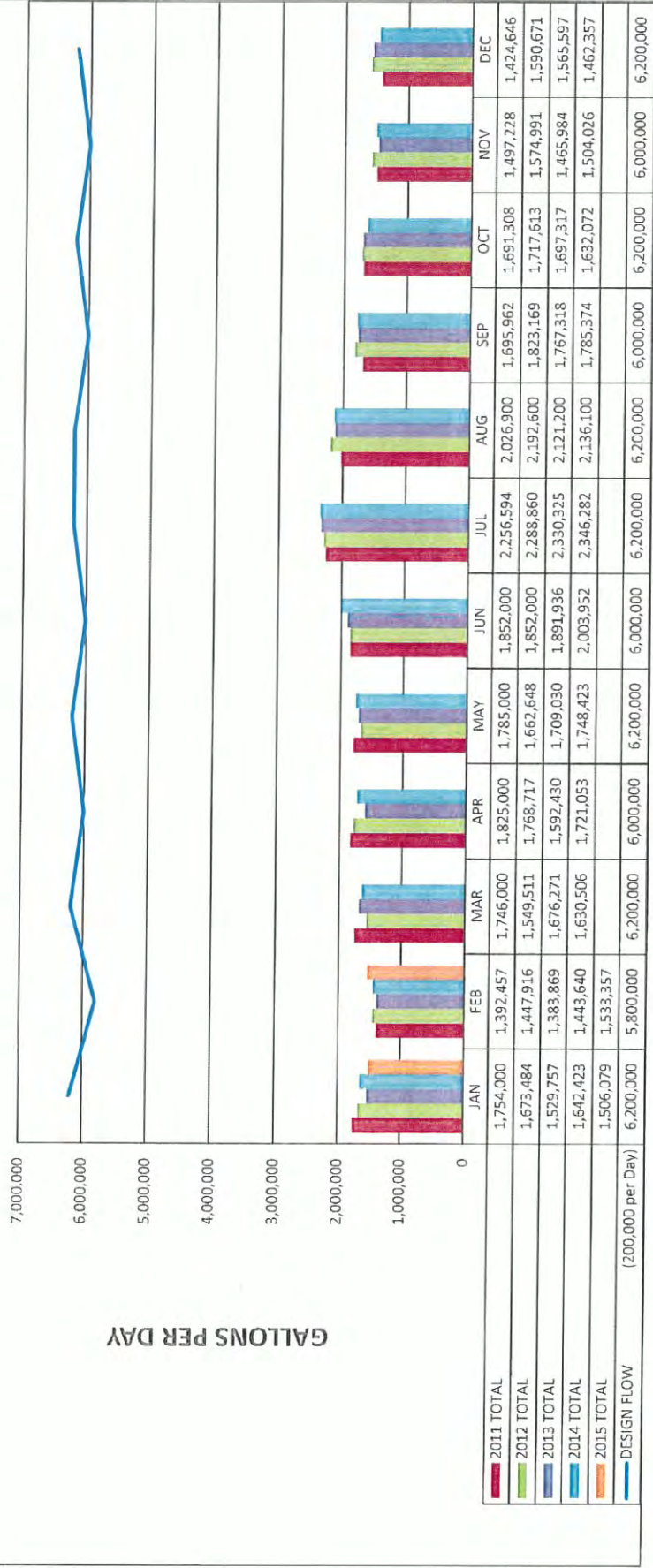


ABCSD MONTHLY WATER SOLD (2011-2015)



GALLONS

MONTHLY EFFLUENT FLOW TOTAL COMPARISON (2011-2015)



**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: March 10th, 2015

SUBJECT: Resolution 2015-01 Recognizing Kathryn Richardson's Service

Recommendation:

Adopt Resolution 2015-01 Recognizing Kathryn Richardson's 29 years of service to the Community and District.

Discussion:

From time to time the Board and the Community wish to express their gratitude and recognition of persons making substantial and outstanding contributions to Avila. Resolution 2015-01 is presented for the Board's consideration in recognition of the dedicated service provided to the Community of Avila Beach by Kathryn Richardson.

RESOLUTION NO. 2015-02

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
AVILA BEACH COMMUNITY SERVICES DISTRICT
COMMENDING KATHY RICHARDSON, FOR 29 YEARS OF DEDICATED
SERVICE TO THE AVILA BEACH COMMUNITY SERVICES DISTRICT**

WHEREAS, KATHY RICHARDSON has served the Avila Beach County Water District and Avila Beach Community Services District since 1985; and

WHEREAS, KATHY RICHARDSON started in District service in 1985 as a highly motivated and dedicated meter reader and maintenance worker involved with the water system and wastewater treatment plant; and,

WHEREAS, KATHY RICHARDSON served in any way she could and, as an example of one of her volunteer tasks, saved the Avila Fire Department almost \$0.50 per uniform by hand sewing reflective tape onto the volunteer fire fighters turnouts; and,

WHEREAS, KATHY RICHARDSON, after becoming very familiar with the “inner workings” of the WWTP, rapidly advanced and served as the District’s secretary providing outstanding customer service, not only to the District, but to the community of Avila Beach; and,

WHEREAS, KATHY RICHARDSON served during the transition of the Water District to the ABCSD advancing to the position of Office Manager continuing to provide outstanding customer service and management “advice” to several successive General Managers; and,

WHEREAS, KATHY RICHARDSON helped guide the District and served a vital role as a center piece of communication for the community during the transition of the ABFD to Cal Fire, the Unocal Remediation Project and other major projects/events, and,

WHEREAS, KATHY RICHARDSON most recently served as the District General Manager providing outstanding leadership and advice to the Board while continuing to be the major link between the community, the District, other organizations such as the ABCF and ABCA, and the general public, and,

WHEREAS, KATHY RICHARDSON has been highly effective in serving the Board and the community, not only providing consistent vision, but keeping the District operations frugal and well organized; and,

WHEREAS, KATHY RICHARDSON has earned deep respect and admiration of her colleagues and the community for her dedication and service to the Avila Beach Community Services District;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Avila Beach Community Services District as follows:

That the Avila Beach Community Services District does hereby recognize and commend KATHY RICHARDSON for her generous contribution to The District and adopts this resolution as a public statement of her recognition.

PASSED AND ADOPTED by the Board of Directors of the Avila Beach Community Services District this 10th day of March, 2015.

AYES:

NOES:

ABSENT:

APPROVED:

ATTEST:

Peter Kelley, President
Board of Directors, ABCSD

John Eulberg
Interim General Manager

Stephen Waldron, Vice President
Board of Directors, ABCSD

John Janowicz, Director

Lynn Helenius, Director

Shanna Richards, Director

AVILA BEACH
COMMUNITY SERVICES DISTRICT
Post Office Box 309, Avila Beach, CA 93424

TO: Board of Directors

FROM: Michael W. Seitz, District Legal Counsel

DATE: March 5, 2015

SUBJECT: Draft Port Agreement

It has sometimes been said that too many chefs will spoil the broth. The last draft of the Port Agreement, which was originally authored by the District, has gone through at least five (5) revisions by other authors. This made the Agreement overly long, overly complicated, and in some ways, contradictory.

Attached to this Staff Report is a revised draft Port Agreement. This has been reduced to an agreement that simply sells capacity in the Plant to the Port. That was the intent of the original Agreement and that intent is carried forth in this Agreement.

As the Board will recall, the reason and the need for this new Agreement is the biological loading on the Plant has increased dramatically. This has resulted from the conservation of water, including the use of low flow toilets, which provides much less water as a part of the waste stream making the stream more concentrated. As a result, while the capacity of the Plant per gallon remains the same, its ability to treat the per gallon has reduced the total capacity of the Plant at times. This Agreement is intended to recognize that fact and how that issue will be dealt with.

At the same time that this Staff Report was prepared, a copy of the Staff Report and Agreement was forwarded to the Port's lawyer. We have not received any response from them as of the time of the drafting of this Staff Report. However, any communications that occur after this Staff Report will be communicated to the Board at the meeting.

Recommendation

It is recommended that the Board review this draft Agreement and ask Staff any questions you might have in regards to it and authorize the forwarding of the Agreement to the Port for their approval.

END

WASTEWATER SERVICE AGREEMENT

AVILA BEACH COMMUNITY SERVICES DISTRICT WASTEWATER TREATMENT PLANT

This WASTEWATER SERVICE AGREEMENT (“**Agreement**”), by and between Avila Beach Community Services District, hereinafter referred to as ABCSD, and the Port San Luis Harbor District, hereinafter referred to as PSLHD.

WITNESSETH

WHEREAS, ABCSD and PSLHD entered into an Agreement on March 5, 1968 (“**1968 Agreement**”), for joint wastewater treatment at the ABCSD Wastewater Treatment Plant (“**WWTP**”); and

WHEREAS, the 1968 Agreement is outdated and is in need of revisions to reflect current wastewater treatment conditions; and

WHEREAS, the WWTP has a permitted FLOW CAPACITY of 200,000 gpd which was allocated as follows under the 1968 Agreement as 130,000 gpd (65%) for ABCSD and 70,000 gpd (35%), for PSLHD.

WHEREAS, the 1968 Agreement, under current conditions, does not adequately address both wastewater flow and organic waste strength from each Party in an equitable manner; and

NOW, THEREFORE, for good and valuable consideration, ABCSD and PSLHD mutually agree as follows:

1. The 1968 Agreement shall terminate effective June 30, 2015 at 11:59 p.m. Pacific Standard Time. This Agreement shall replace the 1968 Agreement and shall become effective on July 1, 2015 at 12:00 a.m. Pacific Standard Time. All matters arising from and related to costs for operations, maintenance, or repairs of the WWTP incurred prior to July 1, 2015 shall be allocated between the PARTIES pursuant to the terms of the 1968 Agreement.
2. **TERM**. Unless terminated as provided herein, the term of this Agreement shall be twenty (20) years from its effective date. By written notice to ABCSD at least one year prior to the expiration of the term of this Agreement, PSLHD may elect to receive continued services of the WWTP for an additional fifteen (15) years providing the system remains in service for such additional periods. Such continued services shall be upon the following terms and conditions:
 - a. Continued delivery and receipt of influent from PSLHD service area (as said area existed in the 35th year of this contract) under the same physical conditions of service, including time, place, amount and rate of delivery, as provided for in this contract during its term or as otherwise approved by ABCSD;
 - b. Payment of maintenance, operation, administration, replacement and capital costs of the WWTP continue as calculated under this Agreement and;
 - c. Payment of a proportionate share of outstanding or future debt as calculated under this Agreement.
 - d. If at the end of said additional 15 year period the WWTP can be continued in operation and it is both economically and operationally feasible to deliver and receive said influent, then PSLHD may request by written notice to ABCSD at least six months prior to the expiration of the 15-year period,

an additional extension, for a then mutually agreed upon period, or periods for service and PSLHD shall endeavor to reach a good faith agreement with the ABCSD as to the terms of such an additional extension.

3. OWNERSHIP AND OPERATION OF FACILITIES. ABCSD shall be the sole and exclusive owner and operator of the WWTP including, but not limited to, all land, improvements, facilities, and equipment. PSLHD hereby agrees and acknowledges it shall have no ownership interest, either jointly or severally, in the WWTP; and no right or obligation to operate the WWTP except as expressly provided in this Agreement, however, that PSLHD shall have capacity rights in the Waste Water Treatment Plant together with any and all other rights provided herein
4. RESPONSIBILITIES OF ABCSD. ABCSD shall have the sole responsibility and obligation to maintain, operate, repair and replace the WWTP and to provide treated effluent that will satisfy the discharge requirements contained in the applicable and most current RWQCB, Region 3, Waste Discharge Requirements. ABCSD shall use its best efforts in accordance with industry standards to maintain, operate and control the WWTP to comply with the requirements of REGULATORY AGENCIES, including but not limited to current and subsequent Waste Discharge Requirements. ABCSD shall use best efforts to provide regular and uninterrupted service to PSLHD, but shall not be liable for damages, breach of contract or otherwise to PSLHD for failure, suspension, diminution or other variations of service occasioned by or as a consequence of any cause beyond ABCSD reasonable control or caused by any willful misconduct of PSLHD.
 - a. ORGANIC LOADING CALCULATIONS AND RELATED REPORT. ABCSD shall conduct a sampling program to analyze for BOD and TSS, pH and other parameters as may be deemed necessary by the ABCSD to comply with Waste Discharge Requirements and to adequately calculate organic loading from the PARTIES. At the end of each Fiscal year (June 30), ABCSD shall prepare an Operations Report and calculation showing ABCSD and PSLHD contributory flow and organic loading to the WWTP. Such Report shall be completed and submitted to PSLHD by July 31st of each Fiscal Year. PSLHD shall review and provide written comments on the results of said Report to ABCSD no later than August 31st of each Fiscal Year.
 - b. OPERATIONS REPORT – The ANNUAL OPERATIONS REPORT shall include, but not be limited to:
 - 1) System loading information (e.g. volume, BOD & TSS data and other constituents as appropriate)
 - 2) Wastewater Utility expenditures and CAPITAL EXPENDITURES
 - 3) Treatment Costs
 - 4) Calculation of allocated costs to PSLHD
 - 5) Information for applicable permit reporting required by regulatory agencies.
 - 6) Summary of payments made, and reconciliation of PSLHD actual costs based on actual calculated and agreed upon technical data.
 - 7) Other information that may be appropriate for inclusion in the ANNUAL OPERATIONS REPORT.
 - c. MONTHLY INFLUENT SAMPLING. BOD and TSS analytical results shall be taken for each

Party by ABCSD, at an agreed upon location that specifically represents each Party's wastewater, at the last point prior to discharge to the WWTP wet well. Sampling shall be performed in accordance with 40 CFR 136, as amended. Organic loading results shall be averaged over the calendar year, and wastewater flows from each Party shall also be averaged over the calendar year. Such average flow and organic waste strength (BOD) parameters shall be used to calculate each Party's respective organic loading. PSLHD may, at its discretion, split samples with ABCSD, and have samples analyzed at an independent State-Certified Laboratory; PSLHD agrees to bear all costs of such separate split sampling. Calculation of organic loading shall be in accordance with the equation stated in Appendix A.

- d. **SEWAGE FLOWS.** Sewage flows delivered to the WWTP individually by both PARTIES shall be metered by methods agreed upon by the PARTIES. The PARTIES agree that costs for any individual metering of sewage flow shall be borne by each respective Party. ABCSD shall operate and maintain sewage metering facilities at the WWTP for the purposes of metering the combined sewage flow from both PARTIES, as required by the Waste Discharge Requirements, for which costs shall be shared by both PARTIES in accordance with Appendix A. Individual metering devices and facilities shall be available for inspection by the PARTIES at all times. PSLHD agrees to submit a monthly, quarterly and annual sewage flow report to the ABCSD, showing at a minimum, sewage flows on a daily basis (expressed in gallons per day), metered potable water delivery on a daily basis (expressed in gallons per day), average daily sewage flow (total measured sewage flow for the month, divided by number of calendar days in month), daily maximum flow, daily minimum flow. All data shall be presented on a spreadsheet in a format mutually agreed to by both PARTIES. Monthly and quarterly flow reports shall be received by ABCSD no later than the 10th day of the following month. Annual sewage flow report by PSLHD shall be received by ABCSD no later than the 10th of January of each Year. PSLHD and ABCSD shall keep and maintain the records and readings of the metering devices and all WWTP monitoring and reporting records for at least three years and said devices and records shall be at all times open to inspection upon reasonable notice to either party.
- e. **WET WEATHER FLOW.** ABCSD may measure wastewater flow from ABCSD and PSLHD during periods of wet weather to determine actual PWWF rates. If those rates indicate PSLHD and/or ABCSD is exceeding permitted PWWF rates that are caused by wet weather flows, then PSLHD shall make reasonable efforts to assure the PWWF rate is reduced to less than 0.175 MGD for PSLHD and ABCSD shall make reasonable efforts to assure the PWWF rate is reduced to less 0.325 MGD for ABCSD.
- f. **SUBMITTAL OF REPORTS.** Quarterly, by the 31st day of the subsequent month after quarter's end, and annually by the 31st of July of each Year, and as required for the ANNUAL OPERATIONS REPORT, ABCSD shall total the sewage flows and organic BOD loading contributed by both PARTIES and submit the ANNUAL OPERATIONS REPORT to PSLHD as described in this Agreement.
- g. **ANNUAL BUDGETING FOR CAPITAL IMPROVEMENT PROJECTS.** ABCSD shall provide PSLHD with a proposed capital improvement budget for the following Fiscal Year, by May 15th of each Fiscal Year, to allow time for the PSLHD to review and incorporate such costs in PSLHD Fiscal Year Budget. Such proposed CIP budget should be discussed and reviewed jointly by staff preceding the May 15th deadline.

5. RESPONSIBILITIES OF PSLHD. PSLHD shall collect and convey its sewage to ABCSD's influent wet well. ABCSD shall bear no obligation to operate, maintain, or upgrade PSLHD's sewage conveyance facilities as part of this Agreement. PSLHD shall maintain, operate and control its wastewater collection system and appurtenances in compliance with all applicable reasonable ABCSD rules and regulations and with all applicable local State and Federal regulations and requirements including any ordinance adopted by PSLHD.
- a. AUTHORIZED REPRESENTATIVE. PSLHD shall designate a representative authorized to act on behalf of the PSLHD, conduct routine business, and receive copies of all pertinent reports and communications. Authorized Representative shall be entitled to participate in all ABCSD Board meetings, but shall not be entitled to formally initiate actions nor to vote on matters relating to wastewater service between the PARTIES.
 - b. INSPECTIONS. PSLHD shall conduct inspections and sampling events of all users that have specific discharge requirements specified in the PSLHD SEWER SYSTEM ORDINANCE. Such inspections shall take place not less than once in each calendar year. PSLHD agrees to provide ABCSD with inspection/sampling reports of such users and dischargers, upon request by ABCSD. Each Party shall have the right but not the obligation to inspect and inquire on the operations and maintenance of the other Party's wastewater system to ensure operating and maintaining systems are in good working order and repair.
 - c. PSLHD agrees to use accepted, recognized and reasonable measures to regulate and control organic waste strength and entry of non-biological pollutants into sewer collection system and WWTP.
 - d. PSLHD agrees to use accepted, recognized and reasonable measures to regulate and control waste strength, inflow/infiltration, and prevent illicit discharges of harmful substances to the sewer in accordance with PSLHD's SEWER SYSTEM ORDINANCE which should not be modified without prior notification to ABCSD.
 - e. PSLHD shall institute, employ and maintain a fats, oil and grease ("FOG") program to control the discharge of oils and grease into the sewer collection system, to further safeguard against sewage overflows and to control sewage strength to the WWTP.
 - f. PSLHD shall give reasonable notice to ABCSD of any material changes in quality or quantity of sewage discharged to WWTP.
 - g. PSLHD shall use reasonable and accepted measures to deliver to the ABCSD's wet well sewage that is devoid of sulfates, such that during anaerobic conditions, hydrogen sulfide gas is not liberated from sewage in adverse concentrations. PSLHD shall not use sea water for flushing of toilets, showers or other water supplies that discharge to the sewer.
 - h. PSLHD shall take reasonable and accepted measures to control sand delivered to the WWTP by installation of sand traps at public restrooms and other facilities where sand is likely to enter the PSLHD's sewer collection system.
 - i. PSLHD agrees to pay ABCSD on a quarterly basis, PSLHD's proportional share of administrative and operation and maintenance (O&M) and capital improvement costs for WWTP operation and maintenance. Quarterly payments shall be based on PSLHD's calculated proportional share of costs according to PSLHD and ABCSD's proportional shares. Such payments by PSLHD shall be reconciled on an annual basis after ABCSD submission of final ANNUAL OPERATIONS REPORT. Cost sharing of O&M costs shall be calculated on the same basis as weighted average combination of contributory sewage flows and organic waste strength, as described in Appendix A. O&M costs include all other WWTP costs associated with the administration and operation and maintenance of the WWTP that are not expressly stated in Appendix A.

1. Actual O&M costs and capital expenditures shall be reported by ABCSD as part of the Quarterly and Annual Operations Reports, and PSLHD proportional share of O&M costs shall be paid according to actual Quarterly and Annual O&M costs incurred. ABCSD O&M costs are understood not to include payments on bonds, capital improvements, investigations relative to enlargement of the WWTP to extensions, or of service to new areas.
6. CAPACITY RIGHTS to the WWTP and ocean outfall facilities are defined as follows:
 - a. TREATMENT CAPACITY. All WWTP unit processes, equipment and yard piping shall be included in the "Treatment Capacity". WWTP unit processes include but are not limited to, influent wet well/pumps, primary clarifier, digester, fixed film reactor, secondary clarifiers, chlorine contact and associated pumps, sludge handling facilities, and piping and equipment.
 - b. FLOW CAPACITY.
 - 1) PSLHD capacity rights with respect to ocean outfall and WWTP facilities shall be as follows: Ocean outfall, 175,000 gpd Peak Wet Weather Flow ("PWWF") including domestic sewage flow plus wet weather flows.
 - 2) WWTP Facilities, corresponding sewage flow not more than 157.5 pounds per day BOD to the WWTP, or 70,000 gpd Average Dry Weather Flow (ADWF), whichever is less.
7. EXCEEDING PERMITTED FLOWS. ABCSD shall have the option, in its reasonable discretion, to accept Peak Wet Weather Flow wastewater emanating from PSLHD in an amount in excess of the defined capacity rights, but only if ABCSD reasonably determines capacity is available in the WWTP. The acceptance by ABCSD of such excess shall in no way constitute an allotment of additional capacity to PSLHD in excess of that provided herein, unless this Agreement is amended. ABCSD may exceed its capacity rights stated in Provision 4f above, only to the extent that PSLHD's capacity rights remain as stated herein, unless PSLHD and ABCSD agree, in writing to the sale of certain capacity rights, to reduce PSLHD's capacity rights. PSLHD shall reimburse ABCSD for all costs associated with its permitted flows, including all costs related to any upset, including fines, resulting from exceeding the permitted flows.
8. SALE AND PURCHASE OF CAPACITY RIGHTS/RIGHT OF FIRST REFUSAL. Neither party shall transfer or sell their respective capacity rights to a third party user unless and until the selling party has given the other party written notice of the intent to sell. Said notice shall include all terms of the proposed sale. The non-selling party shall have sixty (60) days after receiving the written notice of intent to sell to notify the selling party that the non-selling party will purchase the offered capacity rights on the same terms and conditions as the proposed sale to the third party or on terms agreeable to both Parties. If the non-selling party notifies the selling party, in writing, of its intent to purchase the offered capacity rights, then the parties shall enter into a purchase and sale agreement on those terms and conditions. If the non-selling party does not notify the selling party, in writing, of its intent to purchase the offered capacity rights within such sixty (60) day period, then the selling party is free to sell the offered capacity rights to the third party on the terms and conditions set forth in the notice of intent to sell. Any material change in the terms and conditions of the sale of capacity rights to third parties shall require a new notice of intent to sell and a new sixty (60) day period in which the non-selling party can exercise its rights to purchase the offered capacity rights. Further, any third party must agree to meet the selling party's obligations under this Agreement.
9. ADJUSTMENT OF CAPACITY BETWEEN PARTIES AND PARTICIPATION OF ADDITIONAL PARTIES AT A LATER DATE. Subject to the Right of First Refusal set forth in this Agreement, a party

served by ABCSD, with a written agreement with ABCSD for wastewater treatment at the WWTP ("Serviced Party"), including PSLHD, may acquire additional service capacity from ABCSD or transfer service capacity to another Serviced Party upon such terms and conditions as all PARTIES hereto may agree upon. No service capacity provided in this Agreement, as amended, shall be increased or decreased pursuant to this Agreement unless ABCSD shall first determine that change would not affect the WWTP to the detriment of ABCSD or any other Serviced Party determined within its reasonable discretion. If, because of annexation, consolidation, reorganization, or other cause, responsibility for the disposal of wastewater from a particular area is transferred from one Serviced Party to another Serviced Party or to a party that may become a Serviced Party, then the service capacity shall be transferred to the receiving Serviced Party accordingly on a date to be determined by the PARTIES and the service capacity charges for that transferred Service to correspond therewith. Any Party considering a transfer shall notify ABCSD such responsibility may be transferred and may recommend to ABCSD the amount of service capacity which should be transferred, which recommendation shall be advisory only. The amount of service capacity to be transferred shall be determined by ABCSD but in no case shall the service capacity of a Party be reduced without the agreement of such Party.

- a. No such transfer shall become effective until the transferor and transferee Serviced PARTIES, as applicable, shall execute appropriate amendments to their service agreements with ABCSD reserving to such transferee Service Party the additional service capacity and deducting such service capacity from the service capacity of the transferor Service Party and obligating the transferee Service Party to make the additional payments and relieving such transferor Service Party of the obligation to pay the proportionate part of the annual service charge represented by the service capacity transfer.
- b. The PARTIES hereto contemplate the possibility other agencies may apply for or request capacity rights in the ABCSD WWTP after the date of execution of this Agreement. The PARTIES hereto agree, in the event and to the extent capacity is available in the WWTP, ABCSD may provide for capacity to another party (including PSLHD to the extent such capacity is available and unused by the PARTIES hereto. In the event ABCSD contracts with another party to use additional available capacity, such agreement shall be on terms that are fair and equitable to all PARTIES hereto, and such agreement shall specifically provide:
 - 1) The new Serviced Party shall pay a capital outlay charge to ABCSD computed in the same manner as the capital outlay charge has been computed for the PARTIES hereto for WWTP capacity.
 - 2) The new Serviced Party shall pay its share of maintenance, operation, administration, replacement, and extraordinary costs in the same manner as provided for the PARTIES hereto of this Agreement. Said payment shall serve to reduce the costs of the other PARTIES hereto proportionately.
 - 3) In addition to (2) above, the new Serviced Party shall share in the repayment of any outstanding bond debt attributable to the betterment of the WWTP. That share shall be in relation to the capacity share of the WWTP provided to the new Service Party. Similarly, the new Serviced Party shall share in future debt incurred for additions, improvements, or other capital expenditures according to its capacity share. Should any debt service pre-date this Agreement, such ratio of payment obligation to such prior debt service shall be in accordance with the cost sharing terms of the prior Agreement.

10. FUTURE FACILITY REQUIREMENTS. If it shall be necessary for ABCSD to improve WWTP facilities or the effluent thereof, due to the need for redundancy and reliability or due to local, state or federal laws, regulations or orders or, if due to local, state or federal laws, regulations or orders, it shall be necessary to install additional facilities and/or acquire rights of way or to improve or extend or enlarge any part of the WWTP or

other related facilities used to serve ABCSD and PSLHD, ("Additional Facilities"), then the cost thereof shall be apportioned among and paid by the PARTIES hereto in the ratio that the required Additional Facilities are attributable to the requirements of the PARTIES hereto, and Additional Facilities shall be subject to such other terms and conditions as are agreed upon by the PARTIES hereto at the time they are required. A final official order by anyone or more of the REGULATORY AGENCIES or the authorities listed above shall be considered conclusive by the PARTIES hereto as to the necessity of an expenditure of funds for such improved treatment or for such additional facilities.

11. COST SHARING, MAJOR REPAIRS OR ACTS OF GOD. Costs for major repairs to equipment failing as a result of normal wear and tear, upgrades required to enhance treatment capability to comply with new Waste Discharge Requirements without increasing capacity, or damage to WWTP and outfall facilities by an Act of God, shall be shared by both PARTIES in proportion to current ownership of Capacity Rights.
12. MODIFICATIONS TO AGREEMENT. This Agreement is subject to change only by mutual agreement of the PARTIES and by written amendment to this Agreement, approved by ABCSD and PSLHD by resolution of their respective governing board or bodies.
13. TERMINATION OF AGREEMENT. ABCSD and PSLHD shall abide by this Agreement, including all financial obligations, for a minimum of 365 days following such notice of termination, or longer until such time of formal termination of Agreement. If PSLHD wishes to terminate this Agreement and if the price and terms proposed by PSLHD are not acceptable to ABCSD, then ABCSD may purchase such capacity rights as PSLHD may then own, at a price determined by an appraisal of the value of the capacity rights. If the parties can agree on a different value of the capacity rights, then such amount shall be the sale price. The cost of the appraisal shall be allocated between the parties according to their proportionate share of the wastewater treatment capacity rights. If ABCSD desires to purchase such rights, it shall within sixty (60) days after receipt of the appraisal, provide notice to and enter into an Agreement with PSLHD to purchase such capacity rights at the appraised price. ABCSD may purchase the wastewater treatment capacity rights on the following basis: (i) an initial payment equal to 20% of the total value of the wastewater treatment capacity; (ii) annual payments for the next four years in amounts equal to 20% of the value of the wastewater treatment capacity together with any interest due. Interest on the unpaid balance of the purchase price shall accrue at the rate of 6% or the maximum rate allowed by law, whichever is less. Interest shall be paid annually concurrent with the 20% payment. In the event ABCSD does not enter into such Agreement within the period of time hereinabove set forth, PSLHD may sell and transfer the said capacity rights to a third party approved by ABCSD, said approval not to be unreasonably withheld.
14. INDEMNITY. Non-Compliance. In the event that ABCSD is made a defendant in a lawsuit or a party in any administrative proceeding relating to its operation of the WWTP, the costs of the defense thereof shall be considered to be a part of ABCSD operating expense, provided that the suit arises out of or relates to the operation of facilities in which PSLHD participates or uses.
 - a. In the event a judgment in a court of law is awarded against ABCSD which includes damages that reasonably could have been avoided by ABCSD or that arose out of an act, omission or negligence in the performance of ABCSD responsibilities or the operation WWTP, then ABCSD alone shall pay such damages and costs in proportion to the degree of negligence found and shall be responsible for that same proportionate share of all fees and costs incurred in defending said lawsuit or administrative proceeding. In the event a judgment in a court of law is awarded against PSLHD which includes damages that reasonably could have been avoided by PSLHD or, that arose out an act, omission or negligence by the PSLHD, then PSLHD alone shall pay such damages and costs in proportion to the degree of negligence found and shall be responsible for that same proportionate

share of all fees and costs incurred in defending said lawsuit. c. In the event fines, penalties or other monetary amounts are assessed against ABCSD as a result of its failure to operate the WWTP in the manner required by statute, ordinance, governmental rule or regulation, then ABCSD shall be responsible for all such fines, penalties, or monetary damages.

15. MANNER OF GIVING NOTICE. Notices required or permitted hereunder shall be sufficiently given in writing, and if either served personally upon or mailed by registered or certified mail to:

AVILA BEACH COMMUNITY SERVICES DISTRICT
Attn: GENERAL MANAGER
P.O. Box 309
Avila Beach, CA 93424

PORT SAN LUIS PORT DISTRICT
Attn: HARBOR MANAGER
P.O. Box 249
Avila Beach, CA 93424

16. DISPUTE RESOLUTION. Except as otherwise provided herein, all controversies arising out of the interpretation or application of this Agreement or the refusal of any Party to perform the whole or any part thereof shall first be attempted to be settled by mediation, and if unsuccessful, then by arbitration.

- a. Either Party may request mediation of any Dispute. The mediation will be governed by the Construction Industry Mediation Rules of the American Arbitration Association in effect as of the Effective Date of the Agreement. The request for mediation shall be submitted in writing to the American Arbitration Association and the other party to the Contract.
- b. Both PARTIES shall participate in the mediation process in good faith. The process shall be concluded within 60 days of filing of the request. The date of termination of the mediation shall be determined by application of the mediation rules referenced above.
- c. If the Claim is not resolved by mediation, PARTIES then agree to submit the Claim to the arbitration process in accordance with the provisions of this section, and where not provided by this section in accordance with the statutory provisions of the State of California then in force. The controversy shall be submitted to a board of three arbitrators, which shall be appointed, one by ABCSD, one by PSLHD and the third by the first two. The Party desiring arbitration acting jointly or severally, as the case may be, shall notify any Party by a written notice stating the following: (1) that it desires arbitration, (2) the controversy to be arbitrated, (3) that it has appointed its nominee, and (4) that it requests the other Party to appoint its nominee.
- d. Within 30 days after the receipt of said notice, any other Party shall appoint its nominee. Within 15 days after the last Party has appointed its nominee, the two nominees shall appoint the third. None of the arbitrators shall be a resident of, or taxpayer in, or own property in the area served by, or have a place of business in, or be employed in or by, or have any contract with, or be an officer or employee of, or otherwise have a conflict of interest in or with, any Party. The arbitration board shall hold at least one hearing and at least 10 days before said hearing shall give each PARTY written notice thereof. The arbitration shall be restricted to matters relative to that stated in the notice requesting arbitration. The arbitration board shall have no authority to add to or present evidence. Upon conclusion of the hearing or hearings, the arbitration board shall reduce its findings of fact, conclusions of law and the award in writing, and shall sign the same and deliver one signed copy thereof to each Party. Such award shall be final and binding upon both PARTIES. A majority finding shall govern if the arbitrator's determination is not unanimous. Each Party shall pay its own expenses, including the expenses of the arbitrator that it nominates. The expenses of the third arbitrator and the administrative costs of the arbitration proceedings shall be shared equally.
- e. Any controversy which is determined by an engineer's findings and which, under this section, may

be submitted to arbitration, if the PARTIES thereto agree in writing to do so, be submitted to a named engineer who shall be the sole arbitrator. Such engineer shall be a California licensed civil engineer and member of the American Society of Civil Engineers and shall be disinterested as hereinbefore in this section required of arbitrators on an arbitration board. The engineer shall proceed in the same manner and shall make findings, conclusions and an award in the manner provided herein for an arbitration board.

17. SEVERABILITY. If any section, subsection or term of this Agreement, or the application thereof, to either Party, or to any other person or circumstance is for any reason held invalid, then it shall be deemed severable and the validity of the remainder of the agreement or the application of such provision to the other Party, or to any other person or circumstance shall not be affected thereby. Each Party hereby declares that it would have entered into this Agreement and each section, subsection, sentence, clause, phrase and word thereof irrespective of the fact that one or more section, subsection, sentence, clause, phrase or word, or the application thereof to either Party or any other person or circumstance be held invalid.

EXECUTION

In witness whereof, PSLHD has executed this Agreement with the approval of its Harbor Commissioners and ABCSD has executed this Agreement in accordance with the approval of its Board of Directors. This Agreement may be executed in counter form.

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: _____
Michael W. Seitz
ABCSD Legal Counsel

By: _____
Ty Green
PSLHD Legal Counsel

AVILA BEACH COMMUNITY SERVICES DISTRICT
P.O. Box 309
Avila Beach, California 93424

PORT SAN LUIS HARBOR DISTRICT
P.O. Box 249
Avila Beach, California 93424

By: _____
Name
President, Board of Directors

By: _____
Name
President, Board of Commissioners

ATTEST:

ATTEST:

By: _____
Board Secretary

By: _____
Stephen McGrath
Commission Secretary

APPENDIX

Definitions and Acronyms

19. Unless otherwise expressly stated herein the glossary of "Water and Wastewater Control Engineering" published by the Joint Editorial Board Representing the American Public Health Association, American Society of Civil Engineers, American Water Works Association and Water Environmental Federation, as amended, shall be used in general for definitions of terminology.

- a. **Average Dry Weather Flow (ADWF).** The average flow of wastewater to the WWTP during a dry season, with inflow and infiltration minimized, expressed in capacity units of gallons per day (gpd) or million gallons per day (MGD).
- b. **ANNUAL OPERATIONS REPORT** - The ABCSD's summary and calculation of each Party's sewage flows and organic loading to the WWTP, and other O&M activities throughout the Fiscal Year, used as the basis to allocate cost sharing of Capital and O&M costs as defined in this Agreement.
- c. **BIOCHEMICAL OXYGEN DEMAND (BOD)** - The concentration of oxygen, expressed in units of milligrams per liter (mg/L), utilized in the biochemical oxidation of organic matter in accordance with procedures established by the EPA and specified in 40 CFR Part 136, as amended.
- d. **CAPITAL EXPENDITURE.** Funds spent on a defined capital project (per Provision ???below) to maintain or improve the WWTP;
 - (i) Purchase of equipment costing \$5,000 or more with a useful life of at least 5 years
 - (ii) Maintenance or rehabilitation project at the existing WWTP with a cost of \$25,000 or more and an economic life of at least 10 years, to maintain operations of the WWTP.
 - (iii) Real estate acquisition necessary for WWTP upgrade, improvement and/or expansion related to both PARTIES' Treatment Capacity needs.
 - (iv) O&M costs are all other WWTP costs that are not expressly stated in this Provision???. CAPITAL EXPENDITURES are not O&M costs.
 - (v) PARTIES' cost allocation (share) for CAPITAL EXPENDITURES shall be based on proportional share of overall Treatment Capacity per Provision 9 (35% PSLHD, 65% ABCSD) except as otherwise amended.
 - (vi) The CAPITAL EXPENDITURE costs listed in this Provision ???shall be adjusted on July 1, 2016 and annually thereafter through the term of the Agreement. The CAPITAL EXPENDITURE costs shall be adjusted by the change, if any, in the Engineering News-Record Construction Cost Index.
- e. **CAPITAL IMPROVEMENT PROJECT.** Funds spent on a defined capital project, of \$5,000 or greater in value, to enhance or expand WWTP capabilities. PARTIES' cost allocation (share) for capital improvement projects shall be per Provision ???above.
- f. **CFR** - Code of Federal Regulations.
- g. **Avila Beach Community Services District (ABCSD)**, a local government agency formed under California Government Code Section 61000, et seq. in February 1997, which owns, operates and maintains existing wastewater treatment and disposal facilities, which facilities presently serve ABCSD and PSLHD.

- h. **EPA** – U.S. Environmental Protection Agency.
- i. **FLOW CAPACITY** - The maximum normal hydraulic operational capacity of the WWTP or outfall, expressed in terms of ADWF. The design capacity of the WWTP was originally defined as 200,000 gpd (0.2 mgd), without consideration of “TREATMENT CAPACITY” defined later in this Agreement. The hydraulic design capacity of the Outfall is 500,000 gpd ADWF.
- j. **GPD or gpd** – Gallons per day
- k. **FOG** - Fats, Oil and Grease.
- l. **MGD** - Million gallons per day
- m. **NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES)** - National program under Section 402 of the Clean Water Act for regulation of discharges of pollutants from point sources to waters of the United States. Discharges are illegal unless authorized by an NPDES permit issued by the EPA or State.
- n. **PARTY** - Either agency (ABCSD or PSLHD) which is a signatory to this Agreement, and referred to jointly as PARTIES.
- o. **Port of San Luis Harbor District (PSLHD)**, established in 1954 pursuant to the authority vested in the Port San Luis Harbor District by the State of California, including but not limited to Article X of the California State Constitution, Section 6000 et seq. of the Harbors and Navigation Code, Sections 65920 et seq. of the Government Code, Section 21082 of the Public Resources Code, and Section 15161, Chapter 3, Title 14, California Code of Regulations, and all other applicable state and federal laws, as a local government agency.
- p. **PWWF** - Peak Wet Weather Flow. The maximum flow of wastewater to the WWTP during wet weather events, measured over a continuous 24-hour period, expressed in MGD.
- q. **RWQCB** - California Regional Water Quality Control Board, Region 3, San Luis Obispo, California.
- r. **REGULATORY AGENCIES** - Those agencies having jurisdiction to regulate the operation of, and having appropriate jurisdiction over ABCSD Wastewater facilities, including but not limited to the EPA, the SWRCB, and the RWQCB.
- s. **SEWER SYSTEM ORDINANCE**. Ordinance governing the administration, use and maintenance of Parties’ respective sewer collection systems. Specifically, ABCSD’s Ordinance is Ordinance No. 2012-01 adopted by the Board of Directors on July 10, 2012; PSLHD’s current Ordinance is Section 12.600 to 12.660 of the PSLHD’s Code of Ordinances, as amended as of the date hereof or as shall be amended as provided in the Agreement
- t. **SWRCB** - State Water Resources Control Board.
- u. **TOTAL SUSPENDED SOLIDS (TSS)** - The total suspended matter that floats on the surface of, or is suspended in wastewater. The laboratory determination of TSS shall be made in accordance with procedures established by the EPA and specified in 40 CFR Part 136, as amended.
- v. **TREATMENT CAPACITY** - The maximum organic loading capability of the WWTP as designed, expressed in pounds per day (based on ADWF, 30-day average BOD results), and/or the limiting hydraulic FLOW CAPACITY of any treatment unit or piping, whichever is less. Organic loading is calculated by the following formula: [flow, mgd] x [8.34 lb/MG] x [BOD (mg/L)] = yyy pounds per day BOD (“Organic Load Formula”).

The organic load for each PARTY shall be determined by the Organic Load Formula. Proportionate shares for each PARTY shall be the percentages of such PARTIES' organic load as determined by the Organic Load Formula.

The original design organic loading capacity of the existing WWTP was based on a design flow of 0.2 mgd, and organic strength of 270 mg/L BOD and 270 mg/L TSS, resulting in a Treatment Capacity of $0.2 \text{ mgd} \times 8.34 \times 270 \text{ mg/L} = 450$ pounds per day BOD (and 450 pounds per day TSS).

DRAFT

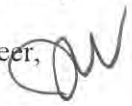
**AVILA BEACH
COMMUNITY SERVICES DISTRICT**

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: March 10, 2015

SUBJECT: Continued Review of Activation of See Canyon Well(s)

Recommendation:

Staff recommends the Board:

Receive this staff report; and provide direction to staff to continue to monitor the See Canyon water supply options, research grant opportunities and take necessary steps to preserve the District's water rights to these wells.

Funding:

The FY2015-16 Budget does not include any specific funding for this project. Expenses to date on this project have been minimal and have been funded out of the general District Engineering budget.

Summary:

Previously in August of 2014 when this item was brought to the Board as an option to obtain additional water supplies, the Board directed staff to return in the spring of 2015 with any new information on the need to re-evaluate the possibility of activating our two wells at the mouth of See Creek. As part of the 2014 evaluation, it was estimated that the cost to bring on the two wells for just the infrastructure improvements would be approximately \$800,000. To date that estimate has remained the same or grown some for inflation.

At this time, staff is recommending that we continue to monitor the opportunity to bring these wells on line in light of the continued drought, but to also continue to investigate grant opportunities to mitigate these costs and to continue to work with the DWR to preserve our water rights permit for the one well that is classified as subject to underflow from See Creek and therefore subject to an appropriative water rights permit. (The second well draws from groundwater and therefore not subject to a water rights permit).

Background: (from previous staff report, August 2014)

In the mid-1980s the District investigated the feasibility of purchasing a small parcel of property at the intersection of See Canyon Road and San Luis Bay Drive for the purpose of installing one or more water wells to be used as a supplemental water supply. The District did in fact purchase the property and installed two wells on the property, one shallow well drilled to approximately 40 feet and one deeper well drilled to approximately 75 feet below ground surface. The shallow well is considered to be in the "See Canyon Creek Underflow" and therefore a permit is required from the State Water Resources Control Board to take water from this well. The deeper well is considered to be in the groundwater and therefore a permit from the State Board is not required. However, a permit from the State and/or County Health Departments is required for both wells.

The District filed an application with the State Water Resources Control Board on April 2, 1987, for a permit to divert and use water from the See Canyon Underflow. The application was conditionally approved by the State Board on February 22, 1994. In order to "perfect the water right" (i.e., protect the right in perpetuity) for the shallow well the District must first comply with the permit conditions and build the works needed to extract and make beneficial use of the water for at least a 12 month period.

The Permit conditions of approval are quite extensive include the following:

- (5) The District can divert up to 0.156 cubic feet per second (70 gpm) of water and the maximum amount diverted per year cannot exceed 80 acre-feet;
- (7 & 8) Time limits were established for completion of the works and a time limit was established to complete the application of the water to the authorized use. The District filed a petition for time extension to complete the works that is currently under review at the SWRCB;
- (15.) The diversion can only take place when water is not available to the District from Lopez Lake;
- (16.) The District shall not divert water after a firm supply of State Water Project Water is furnished to permittee;
- (17.) Permittee must install two monitoring wells, one shallow and one deeper;
- (18.) The District must install continuous surface water recorders in See Canyon Creek, immediately upstream and downstream of the point of diversion in order to monitor the effects of the District's extraction wells;
- (19.) The District must measure water levels in the monitoring wells and supply the data to the SWRCB; and
- (21) The District must conduct studies of sufficient detail and duration to determine if the diversion in any way affects the quantity or duration of surface flow in See Canyon Creek.

In 1987, Jim Garing prepared a Preliminary Engineering Report for the project. Garing's Preliminary Engineering Report estimated that it would cost approximately \$510,000 to install the wells, piping, valves, treatment system and other associated equipment in order to extract the water and put it to beneficial use for the District. Staff has updated the cost estimates for the treatment unit and using the ENR cost escalator, we estimate the cost to install the necessary equipment to tie the water in to the District's potable distribution system is now closer to \$800,000.

Discussion/Issues:

1. Are the SWRCB permit conditions too onerous and expensive for it to make sense for the District to proceed with perfecting this water right application?
2. Are the costs to bring the system on-line too expensive for 80 AFY of water?
3. At the time of the State Board permit application, there was considerable concern from neighboring water users. This concern likely remains.

AVILA BEACH
COMMUNITY SERVICES DISTRICT
Post Office Box 309, Avila Beach, CA 93424

STAFF REPORT

TO: Avila Beach Community Services District Board of Directors

FROM: Michael Seitz, District Legal Counsel

DATE: March 4, 2015

SUBJECT: 2015 Board Bylaws

ATTACHMENTS: Resolution 2015-XXX and 2015 Board Bylaws

As the Board will recall, the Board reviewed the District's Bylaws at the February 10th meeting. The Board heard a report from legal counsel that there are no changes in the law that are required to be added to the Bylaws; and also that section 2.8 needed to be revised to reflect the Board's policy that abstentions would not be allowed.

The attached Resolution and Bylaws are provided as a part of the Agenda package.

Recommendation:

It is recommended that during the Staff Report and after public comment, that the Board vote to adopt the changes to the Bylaws reflected in the Resolution and the attached Bylaws.

END

**AVILA BEACH COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTOR
2015 BOARD BY-LAWS AND POLICIES
(ATTACHMENT "A" TO RESOLUTION 2015-01)**

1. OFFICERS OF THE BOARD OF DIRECTORS

- 1.1 The officers of the Board of Directors are the President and Vice President.
- 1.2 The President of the Board of Directors shall serve as presiding officer at all Board meetings. He/She shall have the same rights as the other Directors of the Board in voting, introducing motions, resolutions and ordinances, and any discussion of questions that follow said actions.
- 1.3 In the absence of the President, the Vice President of the Board of Directors shall serve as presiding officer over all meetings of the Board. If the President and Vice President of the Board are both absent, the remaining Directors present shall select one of themselves to act as the presiding officer of the meeting.
- 1.4 The President and Vice President of the Board shall be elected annually at the last meeting of each calendar year.
- 1.5 The term of office for the President and Vice President of the Board shall commence on January 1 of the year immediately following their election.
- 1.6 Generally the President, or in his/her absence the Vice President is the designated representative of the Board of Directors to speak on Board position or policy.
- 1.7 The Board President or in his/her absence the Vice President is authorized to attend and is entitled to reimbursement, pursuant to Section 10 below, for his/her attendance at a County or State Agency meetings upon his/her determination that District representation is necessary to protect and/or advance the interest of the District or its residents/customers.

2. MEETINGS

2.1 Regular Meetings

Subject to holidays and scheduling Regular meetings of the Board of Directors shall be held on the second Tuesday of each calendar month at 7:00 pm in the Avila Beach Civic Center, 191 San Miguel Street, Avila Beach. The date, time and place of regular Board meetings shall be reconsidered annually at the annual organizational meeting of the Board. The Board of Directors may, by Board action, schedule a regular meeting on the 4th Tuesday of each calendar month at 7:00 p.m. in the Avila Beach Civic Center, 191 San Miguel Street, Avila Beach.

2.2 Special Meetings

AVILA BEACH COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTOR
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(ATTACHMENT "A" TO RESOLUTION 2015-01)

Special meetings may be called by the President or three (3) Directors with a minimum of twenty-four (24) hours public notice. Special meeting agenda shall be prepared and distributed pursuant to the procedures of the Brown Act by the

General Manager in consultation with the President or in his or her absence, the Vice President or those Directors calling the meeting.

2.3 Closed Sessions

Closed sessions may be scheduled prior to or at the conclusion of regular and/or special meetings.

2.4 Directors shall attend all regular and special meetings of the Board unless there is good cause for absence.

2.5 The President, or in his/her absence the Vice President, shall be the presiding officer at District Board meetings. He/She shall conduct all meetings in a manner consistent with the policies of the District. He/She shall determine the order in which agenda items shall be considered for discussion and/or actions taken by the Board. He/She shall vote on all questions and on roll call votes his/her name shall be called last.

2.6 Three (3) Directors of the Board shall constitute a quorum for the transaction of business. When a quorum is lacking for a regular, adjourned, or special meeting, the President, Vice President, or any Director shall adjourn such meeting; or, if no Director is present, the District Secretary shall adjourn the meeting.

2.7 Except as otherwise specifically provided by law, a majority vote of the total membership of the Board of Directors is required for the Board of Directors to take action.

2.8 A roll call vote shall be taken upon the passage of all ordinances and resolutions, and shall be entered in the minutes of the Board, showing those Directors voting aye, those voting no, those not voting because of a conflict of interest, or absent. A roll call vote shall be taken and recorded on any motion not passed unanimously by the Board. Silence shall be recorded as an affirmative vote.

~~**2.9** Votes of abstention shall be counted as a yes vote.~~

2.10 Any person attending a meeting of the Board of Directors may record the proceedings with an audio or video tape recorder or a still or motion picture camera in the absence of a reasonable finding that the recording cannot continue without disruptive noise, illumination, or obstruction of view that constitutes or would constitute a disruption of the proceedings.

2.11 All video tape recorders, still and/or motion picture cameras shall remain stationary and shall be located and operated from behind the public speakers

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podium once the meeting begins. The presiding officer retains the discretion to alter these guidelines, including the authority to require that all video tape recorders, still and/or motion picture cameras be located in the back of the room.

~~2.12 A roll call vote shall be taken upon the passage of all ordinances and resolutions, and shall be entered in the Minutes of the Board, showing those Directors voting aye, those voting no, those not voting because of a conflict of interest, and absent. A roll call vote shall be taken and recorded on any motion not passed unanimously by the Board. Silence shall be recorded as an affirmative vote.~~

3. RECONSIDERATION OF PRIOR BOARD ACTIONS

The following rules apply to reconsideration of prior Board actions.

- 3.1 After the passage of 9 months from the effective date of the motion, resolution, or ordinance, the matter may be placed on the agenda pursuant to Section 5.1 below, or other provisions of the Brown Act.
- 3.2 Prior to the passage of 9 months, any member of the Board of Directors or the General Manager may request the Board of Directors, by motion, to agree to reconsider a prior Board action at a subsequent meeting of the Board.
- 3.3 The President of the Board of Directors, upon a determination that there is a need to take immediate action, may place an item on the agenda for reconsideration.

4. PUBLIC COMMENT AND RULES OF DECORUM

4.1 Public comment

Subject to the following rules, a block of 20 minutes is set aside for each agenda item for public comment, including general public comment:

- (a) Comments on agendized items should be held until the appropriate item is called.
- (b) Unless otherwise directed by the presiding officer, public comment shall be presented from the podium.
- (c) The person giving public comment shall state his/her name and whether or not he/she lives within the District boundary prior to giving his/her comment. Public comment shall be directed to the presiding officer of the Board.
- (d) The presiding officer, after consideration of the length of the Agenda, the nature of the Agenda item, and meeting limitations, may expand or further limit the 20 minute time allocation for public comment.
- (e) Each public commenter shall be limited to 3 minutes unless shortened or

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extended by the presiding officer with consideration of the length of the Agenda, the nature of the Agenda item, and meeting limitations.

4.2 Rules of Decorum

The rules of decorum, below, shall apply to public comment and attendance at District meetings.

- (a) Members of the audience shall not engage in disorderly or boisterous conduct, including the utterance of loud, threatening or abusive language, whistling, stamping of feet, clapping and talking (other than giving public comment) or other acts which disrupts the orderly conduct of the District meeting.
- (b) Each person addressing the Board of Directors shall do so in an orderly and civil manner and shall not engage in conduct which disrupts the orderly conduct of the District meeting.
- (c) No person shall address the Board of Directors without first being recognized by the presiding officer.
- (d) Public comment and public testimony shall be directed to the presiding officer and shall be addressed to the Board of Directors as a whole. The presiding officer shall determine whether, or in what manner, the District will respond to questions.
- (e) Persons addressing the Board are limited to one opportunity per Agenda item unless otherwise directed by the presiding officer in his/her discretion.
- (f) A person cannot defer his/her time allocation to another person.
- (g) Persons addressing the Board shall confine the subject matter of their comments to the Agenda item being considered by the Board of Directors.
- (h) Each person addressing the Board of Directors shall do so in an orderly and civil manner and shall not engage in conduct which disrupts the orderly conduct of the District meeting.
- (i) The presiding officer may rule a speaker out of order who is unduly repetitious or extending discussion of irrelevance.

4.3 Enforcement of Rules of Decorum

Any person who violates the Rules of Decorum may, at the discretion of the President, be removed from the meeting. The Rules of Decorum shall be enforced in the following manner:

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- (a) Warning. The presiding officer shall warn the person who is violating the rules of decorum.

- (b) Expulsion. If after receiving a warning from the presiding officer, the person persists in violating the rules of decorum the presiding officer shall order the person to leave the Board meeting room for the remainder of the meeting.

- (c) Assisted Removal. If such person does not voluntarily remove himself/herself, the presiding officer may order any law enforcement officer who is on duty at the meeting, or who may be summoned to the meeting, to remove the person from the Board room.

- (d) Restoration of Order. If order cannot be restored by the removal of individuals who are disrupting the meeting, the Board meeting will be continued under the provisions of Government Code Section 54957.9

4.4 Limitations (Government Code Section 59454.3(c))

The Rules of Decorum shall not be interpreted to prohibit public criticism of the policies, procedures, programs or services of the District, or the acts or omissions of the District Board of Directors.

5. AGENDAS

- 5.1** The General Manager, in cooperation with the Board President, shall prepare the agenda for each regular and special meeting of the Board of Directors. Any Director may call the General Manager and request any item to be placed on the agenda no later than 4:00 o'clock P.M. on the Tuesday prior to the meeting date.

- 5.2** At least 72 hours before a regular meeting, the District shall cause to be posted an agenda containing a brief general description of each item of business to be transacted or discussed at the meeting, including items to be discussed in closed session. A brief general description of an item generally need not exceed 20 words. The agenda shall specify the time and location of the regular meeting and shall be posed in a location that is freely accessible to members of the public.

- 5.3** The agenda for a special meeting shall be posted at least 24 hours before the meeting following the guidelines of Section 5.2 above.

AVILA BEACH COMMUNITY SERVICES DISTRICT
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5.4 In addition to the posting requirements, regular meeting Agendas and special meeting Agendas shall be delivered to individuals, radio and television stations in accordance with the Brown Act.

5.5 Consent Agenda

Those items on the District Agenda which are considered to be of a routine and non-controversial nature are placed on the "Consent Agenda". These items shall be approved, adopted, and accepted, etc. by one motion of the Board of Directors; for example, approval of Minutes, approval of Warrants, various

Resolutions accepting developer improvements, minor budgetary items, status reports, and routine District operations.

(a) Directors may request that any item listed under "Consent Agenda" be removed from the "Consent Agenda", and the Board will then take action separately on that item. Members of the public will be given an opportunity to comment on the "Consent Agenda"; however, only a member of the Board of Directors can remove an item from the "Consent Agenda". Items which are removed ("pulled") by Directors of the Board for discussion will typically be heard after other "Consent Agenda" items are approved unless the President chooses an earlier or later time.

(b) A Director may ask questions on any item on the "Consent Agenda". When a Director has a minor question for clarification concerning a consent item which will not involve extended discussion, the item may be discussed for clarification and the questions will be addressed along with the rest of the "Consent Agenda". Directors are encouraged to seek clarifications prior to the meeting if possible.

(c) When a Director wishes to consider/"pull" an item simply to register a dissenting vote, an abstention or conflict of interest, the Director shall inform the presiding officer that he/she wishes to register a dissenting vote, an abstention or conflict of interest, on a particular item without discussion. The item will be handled along with the rest of the Consent Agenda, and the District Secretary shall register a "no" vote, an abstention or conflict of interest, in the minutes on the item identified by the Director.

5.6 No action or discussion may be taken on an item not on the posted agenda; provided, however, matters deemed to be emergencies or of an urgent nature may be added to the agenda under the procedures of the Brown Act. Pursuant to the Brown Act:

(a) Directors may briefly respond to statements or questions from the public;

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- (b) Directors may, on their own initiative or in response to public questions, ask questions for clarification, provide references to staff or other resources for factual information, or request staff to report back at a subsequent meeting;
- (c) The Board may take action to direct the General Manager to place a matter on a future agenda;
- (d) Directors may make brief announcements or make a brief report on his/her own activities under the Director Comment portion of the Agenda.

6. PREPARATION OF MINUTES AND MAINTENANCE OF RECORDINGS

6.1 The minutes of the Board shall be kept by the District Secretary and shall be neatly produced and kept in a file for that purpose, with a record of each particular type of business transacted set off in paragraphs with proper subheads. In addition to other information, described below, that the Board may deem to be of importance, the following information (if relevant) shall be included in each meeting's minutes:

- Date, place and type of each meeting;
- Directors present and absent by name;
- Administrative staff present by name;
- Call to order;
- Time and name of late arriving Directors;
- Time and name of early departing Directors;
- Names of Directors absent or declaring a conflict of interest during any agenda item upon which action was taken;
- Approval of the minutes or modified minutes of preceding meetings;
- Approval of financial report
- Record by number (a sequential range is acceptable) of all warrants approved for payment;
- Record of the vote of each Director on every action item for which the vote was not unanimous;
- Resolutions and ordinances described as to their substantive content and sequential numbering;
- Record of all contracts and agreements, and their amendment, approved by the Board;
- Approval of the annual budget;
- Approval of all polices, rules and/or regulations;
- Approval of all dispositions of District assets;
- Approval of all purchases of District assets; and,
- Time of meeting adjournment.

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- 6.2 The minutes of the Board of Directors shall record the aye and no votes taken by the members of the Board of Directors for the passage or denial of all ordinances, resolutions or motions.
- 6.3 The District Secretary shall be required to make a record only of such business as was actually considered by a vote of the Board and, except as provided in Sections 6.4, 6.5, and 6.6 below, the District secretary shall not be required to record any remarks of Directors or any other person.
- 6.4 The District Secretary shall attempt to record the names and general place of residence of persons addressing the Board during general public comment.
- 6.5 Any Director may request for inclusion into the minutes brief comments pertinent to an agenda item, only at the meeting in which the item is discussed. In addition, the minutes shall include the names of speakers who provided public

comment on each agenda item and a summary of the Directors' reports. Materials submitted with such comments shall be appended to the minutes at the request of the General Manager, District Counsel, the Board President, or any Director.

- 6.6 Whenever the Board acts in a quasi-judicial proceeding such as in assessment matters, the District Secretary shall compile a summary of the testimony of the witnesses.
- 6.7 Subject to equipment malfunction, an audio tape recording of regular and special meetings of the Board of Directors will be made. Any recording of a District meeting made for whatever purpose at the direction of the District shall be subject to inspection pursuant to the California Public Records Act. Consistent with Government Code Section 54953.5(b), the District will maintain the recordings for a 30-day period after the recording. In addition to the 30-day requirement, the District will attempt to maintain the recordings, without legal obligation to do so, for 2 years after the date of the recording.

7. DIRECTOR GUIDELINES

- 7.1 Directors shall prepare themselves to discuss agenda items at meetings of the Board of Directors. Directors are encouraged to seek clarification prior to the meeting, if possible.
- 7.1 Members of the Board of Directors shall exercise their independent judgment on behalf of the interest of the entire District, including the residents, property owners and the public as a whole.
- 7.2 Directors shall at all times conduct themselves with courtesy to each other, to staff and to members of the audience present at Board meetings.
- 7.3 Differing viewpoints are healthy in the decision-making process. Individuals have the right to disagree with ideas and opinions, but without being disagreeable. Once the Board of Directors takes action, dissenting Directors

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should not create barriers to the implementation of said action.

7.4 Pursuant to Section 54952.2 of the Brown Act:

(a) Except during an open and public meeting, a majority of the Board of Directors shall not use a series of communications of any kind, directly or thru intermediaries, to discuss, deliberate, or take action on any item of business that is within the subject matter of the District.

(b) Subsection (a) above shall not be construed as preventing District management staff from engaging in separate conversations or communications with members of the District Board of Directors in order to answer questions or provide information regarding a matter that is within the subject matter jurisdiction of the District, so long as that management staff person does not communicate to members of the

Board of Directors the comments or positions of any other member or members of the Board of Directors.

7.5 Directors shall not be prohibited by action of the Board of Directors from citing his or her District affiliation or title in any endorsement or publication, so long as no misrepresentation is made, or implied, about the District's position on the issue.

7.6 Directors, by making a request to the General Manager, shall have access to information relative to the operation of the District, including, but not limited to, statistical information, information serving as the basis for certain actions of Staff, justification for Staff recommendations, etc. If the General Manager cannot timely provide the requested information by reason of information deficiency, or major interruption in work schedules, work loads, and priorities, then the General Manager shall inform the individual Director why the information is not or cannot be made available. All Directors will receive a copy of all information being distributed.

7.7 In handling complaints from residents or property owners within the District, or other members of the public, Directors are encouraged to listen carefully to the concerns, but the complaint should be referred to the General Manager for processing and the District's response, if any.

7.8 Directors, when seeking clarification of policy-related concerns, especially those involving personnel, legal action, land acquisition and development, finances, and programming, should refer said concerns directly to the General Manager.

7.9 Directors and General Manager should develop a working relationship so that current issues, concerns and District projects can be discussed comfortably and openly.

8. AUTHORITY OF DIRECTORS

8.1 The Board of Directors is the unit of authority within the District. Apart from his/her normal function as a part of this unit, Directors have no individual authority.

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As individuals, Directors may not commit the District to any policy, act or expenditure.

- 8.2 Directors do not represent any fractional segment of the District but are, rather, a part of the body which represents and acts for the District as a whole.
- 8.3 The primary responsibility of the Board of Directors is the formulation and evaluation of policy. Routine matters concerning the operational aspects of the District are to be delegated to professional staff members of the District.
- 8.4 Directors are responsible for monitoring the District's progress in attaining its goals and objectives.

9. AUTHORITY OF THE GENERAL MANAGER

- 9.1 Pursuant to Government Code Section 61051, the General Manager shall be responsible for all of the following:
 - (a) The implementation of the policies established by the Board of Directors for the operation of the District.
 - (b) The appointment, supervision, discipline, and dismissal of the District's employees, consistent with the employee relations system established by the Board of Directors.
 - (c) The supervision of the District's facilities and services.
 - (d) The supervision of the District's finances.
- 9.2 The General Manager is appointed as the Board's Secretary and Treasurer.

10. DIRECTOR REIMBURSEMENT

- 10.1 Subject to the following rules and budgetary limitations, each Director is authorized to attend and is entitled to reimbursement for his/her actual and necessary expenses (including the cost of programs and seminars), for his/her attendance at programs, conferences, and seminars that are related to District
 - (a) It is the policy of the District to exercise prudence with respect to hotel/motel accommodations. It is also the policy of the District for Directors and staff to stay at the main hotel/motel location of a conference, seminar, or class to gain maximum participation and advantage of interaction with others whenever possible.

If lodging is in connection with a conference or organized education activity, lodging costs shall not exceed the maximum

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group rate published by the conference or activity sponsor, provided that lodging at the group rate is available to the member of the Board of Directors at the time of booking. If the group rate is not available, the Director shall use lodging that is comparable with the group rate. Personal phone calls, room service, and other discretionary expenditures are not reimbursable.

- (b) Members of the Board of Directors shall use government and group rates offered by a provider of transportation for travel when available. Directors, using his/her private vehicle on District business, shall be compensated at the prevailing IRS per diem mileage rate.

- (c) Any Director traveling on District business shall receive in addition to transportation and lodging expenses, a per diem allowance to cover ordinary expenses such as meals, refreshments and tips. The amount set for per diem shall be considered fair reimbursement. The per diem shall include \$10.00 for breakfast, \$15.00 for lunch and \$30.00 for dinner, for a daily total of \$55.00.

- (d) All travel and other expenses for District business, conferences, or seminars outside of the State of California shall require separate Board authorization, with specific accountability as to how the District shall benefit by such expenditure.

- 10.2 All expenses that do not fall within the reimbursement policy set forth in Section 10.1, above, shall be approved by the Board of Directors, at a public meeting, before the expense is incurred.

- 10.3 Board members shall submit an expense report on the District form within ten (10) calendar days after incurring the expense. The expense report shall be accompanied by receipts documenting each expense.

- 10.4 Members of the Board of Directors shall provide brief reports on the program, conferences, and seminars attended at the expense of the District at the next regular meeting of the Board of Directors.

11. ETHICS TRAINING

- 11.1 Pursuant to Section 53234 et seq. of the Government Code all Directors and designated District personnel shall receive at least 2 hours of ethics training every two years.

- 11.2 Each newly elected Board Member and designated District personnel shall receive ethics training no later than one year from the first day of service with the District and thereafter shall receive ethics training at least once every two years.

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12. COMMITTEES

12.1 Standing Committees

- (a) The following shall be standing committees of the Board:
- Finance Committee;
 - Personnel Committee;
 - Facilities Committee;
- (b) The Board may create other standing committees at its discretion.
- (c) Standing committees shall be advisory committees to the Board of Directors and shall not commit the District to any policy, act or expenditure. Each standing committee may consider District-related issues, on a continuing basis, assigned to it by the Board of Directors. Members of the standing committees shall be appointed by the Board of Directors.
- (d) All standing committee meetings shall be conducted as public meetings in accordance with the of the Brown Act.

12.2 Ad Hoc Committees

The Board President may appoint such ad hoc committees as may be deemed necessary or advisable by himself/herself and/or the Board. The duties of the ad hoc committees shall be outlined at the time of appointment, and the committee shall be considered dissolved when its final report has been made.

13. CONFLICTS AND RELATED POLICY

State laws are in place which attempt to eliminate any action by a Director or the District which may reflect a conflict of interest. The purpose of such laws and regulations is to insure that all actions are taken in the public interest. Laws which regulate conflicts are very complicated. The following provides a brief policy summary of various conflict related laws. Directors are encouraged to consult with District Legal Counsel and/or the FPPC at 1-800-ASK-FPPC (1-800-275-3772), prior to the day of the meeting, if they have questions about a particular agenda item.

13.1 Conflict of Interest

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Each Director is encouraged to review the District Conflict Code on an annual basis. The general rule is that an official may not participate in the making of a governmental decision if it is: reasonably foreseeable that the decision will have a material financial effect on the official or a member of his or her immediate family or on an economic interest of the official, and the effect is distinguishable from the effect on the public generally. Additionally, the FPPC regulations relating to interests in real property have recently been changed. If the real property in which the Director has an interest is located within 500 feet of the boundaries of the property affected by decision, that interest is now deemed to be directly involved in the decision.

13.2 Interest in Contracts, Government Code Section 1090.

The prohibitions of Government Code Section 1090 provide that the Board of Directors may not contract with any business in which another Director has a financial interest.

13.3 Incompatible Office, Government Code Section 1099.

The basic rule is that public policy requires that when the duties of two offices are repugnant or overlap so that their exercise may require contradictory or inconsistent action, to the detriment to the other public interest, their discharge by one person is incompatible with that interest. When a Director is sworn in for such a second office, he/she is simultaneously terminated from holding the first office.

14. EVALUATION OF GENERAL MANAGER & DISTRICT LEGAL COUNSEL

14.1 The District's General Manager shall be evaluated by the Board of Directors annually during the months of April and/or May of each year.

14.2 The District's Legal Counsel shall be evaluated by the Board of Directors annually during the months of May and/or June of each year.

15. CONTINUING EDUCATION

Directors are encouraged to attend educational conferences and professional meetings when the purposes of such activities are to improve District operation. Subject to budgetary constraints, there is no limit to the number of Directors attending a particular conference or seminar when it is apparent that their attendance is beneficial to the District.

16. REVIEW OF ADMINISTRATIVE DECISIONS

Any judicial review of any administrative act taken after a hearing by a district shall be brought pursuant to Section 1094.5 of the Code of Civil Procedure.

17. MEMBERSHIP IN ASSOCIATIONS

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17.1 The Board of Directors shall ordinarily hold membership in and attend meetings of such national, state, and local associations as may exist which have applicability to the functions of the District, and shall look upon such memberships as an opportunity for in-service training.

17.2 The Board of Directors shall maintain membership in the California Special Districts Association and shall insure that annual dues are paid when due until otherwise directed by the Board.

17.3 The Board of Directors shall maintain membership in the San Luis Obispo Chapter of the California Special Districts Association and shall insure that annual dues are paid when due.

17.4 At the regular Board meeting, a member of the Board shall be selected to represent the District in accordance with said chapter's constitution/bylaws, and another member of the Board or staff.

18. BOARD BY-LAWS REVIEW POLICY

The Board By-Laws and Policies shall be reviewed annually at the first regular meeting in February. The review shall be provided by District Counsel and ratified by Board action.

19. RESTRICTIONS ON BY-LAWS

The rules contained herein shall govern the Board in all cases to which they are applicable, and in which they are not inconsistent with State or Federal laws.