

## **RESOLUTION NO 2004-10**

### **A RESOLUTION OF THE AVILA BEACH COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS OF THE DISTRICT APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF A FIFTH AMENDED JOINT POWERS AGREEMENT AND AUTHORIZING PARTICIPATION IN THE SPECIAL DISTRICT RISK MANAGEMENT WORKERS' COMPENSATION PROGRAM**

**WHEREAS**, Avila Beach Community Services District, a special district duly organized and existing under and by virtue of the laws of the State of California (the "District"), has determined that it is in the best interest and to the advantage of the District to participate for at least three years, in the workers' compensation program offered by the Special District Risk Management Authority (the "Authority"); and

**WHEREAS**, California Government Code Section 6500 *et seq.*, provides that two or more public agencies may by agreement jointly exercise any power common to the contracting parties; and

**WHEREAS**, Special District Risk Management Authority was formed in 1986 in accordance with the provisions of California Government Code 6500 *et seq.*, for the purpose of providing its members with risk financing and risk management programs; and

**WHEREAS**, California Government Code Section 990.4 provides that a local public entity may self-insure, purchase insurance through an authorized carrier, or purchase insurance through a surplus lines broker, or any combination of these; and

**WHEREAS**, participation in Special District Risk Management Authority programs requires the District to execute and enter into a Fifth Amended Joint Powers Agreement (the "Amended JPA Agreement"); which states the purpose and powers of the Authority; and

**WHEREAS**, all acts, conditions and things required by the laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the transactions authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the District is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such transactions for the purpose, in the manner and upon the terms herein provided.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DISTRICT AS FOLLOWS:**

Section 1. Findings. The District Board of Directors hereby specifically finds and determines that the actions authorized hereby relate to the public affairs of the District.

Section 2. Fifth Amended JPA Agreement. The Amended JPA Agreement, proposed to be executed and entered into by and between the District and members of the Special District Risk Management Authority, in the form presented at this meeting and on file with the District Secretary, is hereby approved. The District Board and/or Authorized Officers ("The Authorized Officers") are hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver to the Authority the Amended JPA Agreement in substantially said form, with such changes therein as such officers may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. Program Participation. The District Board of Directors approves participating for three full programs years in Special District Risk Management Authority Workers' Compensation Program.

Section 4. Other Actions. The Authorized Officers of the District are each hereby authorized and directed to execute and deliver any and all documents which is necessary in order to consummate the transactions authorized hereby and all such actions heretofore taken by such officers are hereby ratified, confirmed and approved.

Section 5. Effective Date. This resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED this 10<sup>th</sup> day of August, 2004 by the following vote:

AYES: Kelley, Slattery, Helenius, Guernsey, Bernardo

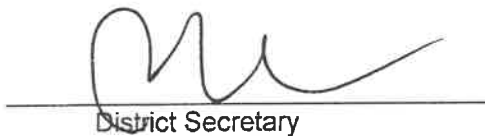
NOES: None

ABSENT: None



Name: Christopher Helenius

Title: President



District Secretary

**AVILA BEACH COMMUNITY SERVICES DISTRICT  
MINUTES OF REGULAR MEETING  
July 13, 2004**

**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 Civic Center downstairs meeting room, was called to order by President Chris Helenius.

**2. ROLL CALL**

Board Members Present: Chris Helenius  
Pete Kelley  
Seamus Slattery

Board Members Absent: Tom Guernsey  
Perris Bernardo

Staff Present: John L. Wallace, General Manager / District Engineer  
Jon Seitz, District Counsel  
Kathy Richardson, Office Manager

**3. PUBLIC COMMENTS**

None

**4. INFORMATION AND DISCUSSION ITEMS**

**A. Board Communications**

**1. Old Business -** none

**2. New Business -** Committee Assignments: General Manager Wallace advised the Board that a request for clarification of how committee assignments was made. Standing committee assignments are normally made with concurrence by the Board at the beginning of each new year. President Helenius advised that ad hoc committees are appointed to meet a specific need and are disbanded upon completion. Director Kelley requested that an ad hoc committee be formed to meet with the Port to discuss the parking lot. Additionally, the District needs to meet with the Port to further discuss the outfall line easement. A committee consisting of Directors Helenius and Slattery will meet with the Port to discuss these issues. General Manager Wallace will set up a meeting to be held at the end of the month.

**B. County Reports**

1. **SLO Sheriff** - Deputy Scott was in attendance but received a call and had to leave prior to providing a report.
2. **CDF County Fire- CDF Report**- Captain Gorman provided an update on fire activity to the Board. Weed abatement was completed with 100% compliance. The July 4<sup>th</sup> holiday was quiet with some illegal fireworks being confiscated and no fires or injuries.

**5. CONSENT ITEMS**

President Helenius introduced the consent items and inquired if any Board members wished to address any item. It was moved by Director Slattery, seconded by Director Helenius and passed unanimously **to approve consent items as follows:**

- A. Approval of the June 8, 2004 Regular Minutes
- B. Approval of Monthly Payables
- C. General Manager / District Engineer Report
- D. Water & Wastewater Operations Report
- E. Subcommittee Reports

**6. BUSINESS ITEMS**

**A. Weed Abatement**

General Manager Wallace advised the Board that all posted lots have been cleared of weeds. No lots were cleared by the District, so there is no need to adopt any further resolutions concerning weed abatement for this year. **No formal actions were taken.**

**B. Insurance Package Renewal;**

General Manager Wallace advised the Board that the District's annual insurance package is due for renewal. Mr. Wallace advised that rates have increased and the Board should determine the level of coverage that should be carried. It was moved by Director Helenius, seconded by Director Kelley and passed unanimously **to proceed with the insurance renewal with a \$5.0 million limit at a cost of \$13,067.91.**

**C. Port Master Plan Analysis LCP**

General Manager advised the Board that Port San Luis Harbor District has submitted amendments to San Luis Obispo County concerning the Local Coastal Plan. Those changes have been provided to the Board for information. **No formal actions were taken.**

**D. San Simeon Earthquake Update**

General Manager Wallace provided an update to the Board on District progress regarding earthquake damage repairs. The boulder adjacent to Avila Beach Drive has now been removed

from the sewer line easement, cracks have been sealed at the treatment plant and video inspection of the sewer collection system has been completed. **No formal actions were taken.**

**E. Final Budget – FY 2004-05**

General Manager Wallace introduced the proposed budget for Fiscal Year 2004/05. Mr. Wallace advised that staff has met with the Finance Committee several times to discuss the proposed capital projects and operating expenses. Mr. Wallace advised that the budget contains a 5% cost of living increase for staff. Director Slattery advised that the Finance Committee is familiar with the budget. It was moved by Director Helenius, seconded by Director Slattery and passed on the following roll call vote to **approve Resolution 2004-08 adopting the Fiscal Year 2004/05 budget.**

**AYES: Helenius, Slattery, Kelley**

**NOES: none**

**ABSENT: Bernardo, Guernsey**

It was further moved by Director Slattery, seconded by Director Kelley and passed on the following roll call vote to **approve Resolution 2004-09 determining the appropriation limitation for FY 2004-05.**

**AYES: Slattery, Kelley, Helenius**

**NOES: none**

**ABSENT: Bernardo, Guernsey**

**7. INFORMATION AND DISCUSSION ITEMS**

**A. Board Communications -None**

**B. Other Communications**—General Manager Wallace provided to the Board several pieces of correspondence including a letter from Regional Water Quality providing the reports concerning the Tank Farm contamination requested by the District at the May meeting.

**8. ADJOURNMENT**

**The meeting was adjourned at 8:17 pm by motion of Director Slattery, seconded by Director Kelley and passed unanimously.**

**The next regular meeting of the Avila Beach Community Services District will be on August 10, 2004.**

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,

John L. Wallace  
General Manager

**2004/05 Fiscal Year Budget  
Avila Beach Community Services District**

**Capital Equipment / Projects**

| Item Description                           | Total<br>5 Years  | 2004/05<br>1      | 2005/06<br>2     | 2006/07<br>3    | 2007/08<br>4    | 2008/09<br>5    |
|--------------------------------------------|-------------------|-------------------|------------------|-----------------|-----------------|-----------------|
| <b>Administration</b>                      |                   |                   |                  |                 |                 |                 |
| 1. File Cabinet, Fire-Proof                | \$ 1,000          |                   | 1,000            |                 |                 |                 |
| 2. Printer                                 | \$ 500            | \$ 500            |                  |                 |                 |                 |
| <b>Subtotal:</b>                           | <b>\$ 1,500</b>   | <b>\$ 500</b>     | <b>\$ 1,000</b>  | <b>\$ 0</b>     | <b>\$ 0</b>     | <b>\$ 0</b>     |
| <b>Water</b>                               |                   |                   |                  |                 |                 |                 |
| 1. Chlorine Injection & Control System     | \$ 1,500          | \$ 1,500          |                  |                 |                 |                 |
| 2. Exterior Recoat - Water Tank #2         | \$ 30,000         | \$ 30,000         |                  |                 |                 |                 |
| 3. Valve Maintenance                       | \$ 2,500          |                   |                  | 2,500           |                 |                 |
| 4. Electrical Utility Truck (1/2 of cost)  | \$ 3,500          | \$ 3,500          |                  |                 |                 |                 |
| 5. Water System Master Plan                | \$ 20,000         | \$ 20,000         |                  |                 |                 |                 |
| <b>Subtotal:</b>                           | <b>\$ 57,500</b>  | <b>\$ 55,000</b>  | <b>\$ 0</b>      | <b>\$ 2,500</b> | <b>\$ 0</b>     | <b>\$ 0</b>     |
| <b>Waste Water</b>                         |                   |                   |                  |                 |                 |                 |
| 1. Inspect Outfall Line                    | \$ 6,000          | \$ 0              | \$ 1,500         | \$ 1,500        | \$ 1,500        | \$ 1,500        |
| 2. Outfall Diffuser Replacement **         | \$ 215,000        | \$ 215,000        | **               |                 |                 |                 |
| 3. Outfall Sag Replacement                 | \$ 85,000         |                   | \$ 85,000        |                 |                 |                 |
| 4. Seal Coat AC Pavement @ Plant           | \$ 5,000          | \$ 5,000          |                  |                 |                 |                 |
| 5. Steel W W Line Replacement **           | \$ 100,000        | \$ 100,000        | **               |                 |                 |                 |
| 6. Primary Clarifier Restoration **        | \$ 105,000        | \$ 105,000        | **               |                 |                 |                 |
| 7. Replace Primary Clarifier Valves        | \$ 3,000          | \$ 3,000          |                  |                 |                 |                 |
| 8. Head Works Restoration **               | \$ 205,000        | \$ 205,000        | **               |                 |                 |                 |
| 9. Lab Improvements                        | \$ 7,000          | \$ 7,000          |                  |                 |                 |                 |
| 10. Yard Improvements                      | \$ 1,000          | \$ 1,000          |                  |                 |                 |                 |
| 11. Recoat Chlorine Contact Chamber        | \$ 25,000         | \$ 25,000         |                  |                 |                 |                 |
| 12. Repairs to W W Collection Lines **     | \$ 75,000         | \$ 75,000         | **               |                 |                 |                 |
| 13. Electrical Utility Truck (1/2 of cost) | \$ 3,500          | \$ 3,500          |                  |                 |                 |                 |
| 14. San Rafael Sewer Line Replacement**    | \$ 30,000         | \$ 30,000         | **               |                 |                 |                 |
| 15. Sewer Master Plan                      | \$ 20,000         | \$ 20,000         |                  |                 |                 |                 |
| 16. ISCO Composite Sampler                 | \$ 2,500          | \$ 2,500          |                  |                 |                 |                 |
| <b>Subtotal:</b>                           | <b>\$ 888,000</b> | <b>\$ 797,000</b> | <b>\$ 86,500</b> | <b>\$ 1,500</b> | <b>\$ 1,500</b> | <b>\$ 1,500</b> |
| <b>Street Lighting</b>                     |                   |                   |                  |                 |                 |                 |
|                                            | \$ 0              |                   |                  |                 |                 |                 |
| <b>Subtotal:</b>                           | <b>\$ 0</b>       | <b>\$ 0</b>       | <b>\$ 0</b>      | <b>\$ 0</b>     | <b>\$ 0</b>     | <b>\$ 0</b>     |
| <b>Total Capital Equipment / Projects:</b> | <b>\$ 947,000</b> | <b>\$ 852,500</b> | <b>\$ 87,500</b> | <b>\$ 4,000</b> | <b>\$ 1,500</b> | <b>\$ 1,500</b> |

\*\* Reimbursable projects through private development, grants and/or Unocal

# Avila Beach Community Services District

**DRAFT**  
**(June 4, 2004)**

## **FISCAL YEAR 2004-2005 BUDGET**

### **MEMBERS OF THE BOARD OF DIRECTORS**

Christopher Helenius - President  
Peter Kelley - Vice President  
Seamus Slattery - Secretary/Treasure  
Thomas Guernsey - Director  
Perris Bernardo – Director

Prepared By:

John L. Wallace, P.E. District Administrator  
Tom Zehnder, P.E.  
Kathy Richardson, Office Manager

## PRELIMINARY MAJOR BUDGET ITEMS

FISCAL BUDGET YEAR 2004-2005

### Administration

- 1. File Cabinet, Fire Proof (Carry Over) \$1,000**  
The District currently has one filing cabinet that could be classified as being fire proof. The existing cabinet cannot be locked and is undersized for the District's needs. It is anticipated that this cabinet would be purchased in FY 2005/06.
- 2. Printer (Carry Over) \$500**  
The existing computer printer was purchased in 1998. Due to the age of the printer, its ability to work with the existing computer is problematic. A new printer would have printing and scanning capability.

### Water

- 1. Chlorine Injection and Control System (Carry Over) \$1,500**



This item was previously budgeted for FY 2003/04 but was not undertaken. Currently, staff must climb on top of each water tank to add chlorine. Ideally, the chlorine would be injected at the lift station to allow for improved mixing with the raw water. An injection system at this location would enhance safety and provide for consistent chemical residuals. To accomplish this a chlorine and chemical injection port was provided at the First Street Lift Station but the injection equipment was never installed. These funds would complete the project.

- 2. Exterior Re-coat- Water Tank No. 2 (Carry Over) \$30,000**



The exterior coating of Tank No.2 has reached the end of its service life. Given the coastal marine environment, proper coating of the base metal is important to prevent corrosion.

Re-coating the exterior will extend the useful life of the tank. Prior to re-coating the tank, additional safety equipment will be installed to meet current standards. It is recommended that recoating be completed at the same time that the interior damage due the San Simeon Earthquake is repaired.

**3. Valve Replacement (Carry Over)**

**\$2,500**



This item is carried over from FY 2003/04 and is anticipated to begin in FY 2006/07. Valves in many areas of the distribution system will need to be replaced over the next several years. It is suggested that valves be purchased and installed as necessary, rather than all valves at one time.

**4. Electrical Utility Truck Purchase (Proposed)**

**\$3,500**



The District's utility truck is in need of repainting and costly mechanical repair. Due to the age of the truck associated significant repair costs it is recommended that the District sell the existing truck. The funds from the sale would be applied to the purchase of a new pollution free utility truck. In addition, grant funding may exist from the local Air Pollution Control District for the purchase of emissions free vehicles.

One half of the expense of a new electrical utility truck will be taken from each water and wastewater budget.

**5. Water System Master Plan (Carry Over)**

**\$20,000**

The District staff is in the process of completing the Water System Master Plan that will evaluate the anticipated water needs of the community. This plan will act as a guide for implementing the necessary system improvements based upon the community's immediate and long-term water use and storage needs.

**Wastewater**

**1. Inspect Outfall Line (Carry Over)**

**\$6,000**

As part of the District's discharge permit an inspection of the outfall line must take place each year. There are several approved methods of inspection. Dye testing, with surface observation and/or diving are the most common methods of inspection that been employed. In 2004, the line will be inspected as part of the Outfall Diffuser

Replacement project. In subsequent years, these funds will be used to perform a yearly inspection of the line.

**2. Outfall Diffuser Replacement (Carry Over) \$215,000**

This project will extend the existing diffuser line 500 feet and install a new diffuser. This project is currently in the design and permitting phase with funding by Unocal of up to \$150,000. Staff is completing applications to obtain additional grant funding. Depending on the level of grant funding this project may require District funds to complete. (See attached exhibit)

**3. Outfall Sag Replacement (Carry Over) \$85,000**

Due to localized ground settlement, a "sag" exists in the District's outfall line where it crosses Avila Beach Drive. This has been confirmed by various video inspections of the line. Due to low discharge flows from the wastewater water treatment plant the sag is not creating operating problems at this time. As the town rebuilds and flows increase, the District will need to correct this problem due to the potential for air and debris to become trapped in the line. This project is budgeted for FY 2005/06.

**4. Seal Coat AC Pavement at Plant (Proposed) \$5,000**



To prevent water intrusion and extend the life of the asphalt paving at the plant it is recommended that all paved areas be sealed.

**5. Steel Waste Water Line Replacement (Carry Over) \$100,000**



Currently in the design stage, this line extends approximately 800 linear feet from the Sansone Development to San Miguel Street. The existing line is experiencing external and internal corrosion and needs to be replaced and relocated.

**6. Primary Clarifier Restoration (Carry Over) \$105,000**

The District's wastewater treatment plant was originally built in the 1960's with the expansion to secondary treatment being recently completed. The original roof over the Clarifier has never been replaced and is leaking. In addition, due to water intrusion, the decay of the structural members and fascia has occurred.

In addition, the clarifier drive assembly has been replaced several times due to wear. The drive is in need of bearing replacement, however the replacement parts are no longer available and therefore a new drive assembly must be installed. The replacement of this unit is more cost effective if it can be lifted out and replaced as a single unit with the roof removed. As a result, it is recommended that the roof should be replaced at the same time as the replacement of the primary clarifier drive. (See attached exhibit)

**7. Replace Primary Clarifier Valves (Carry Over) \$3,000**

The primary clarifier valves have been in service since the original construction of the plant. Routine maintenance has been completed, however it is now necessary to replace these valves as they no longer provide for positive closure.

**8. Head Works Restoration (Carry Over) \$205,000**



The influent wet well collects all the incoming wastewater and has been in service since the original construction of the plant. The structure is in need of rehabilitation due to spalling of the concrete. The method of rehabilitation would include removing the damaged concrete, applying additional concrete to build up the surface of the well and applying a protective coating.

The current original influent pumps are in need of replacement due to the difficulty in obtaining replacement parts. These pumps will be replaced with more efficient pumps. (See attached exhibit)

**9. Lab Improvements (Carry Over) \$7,000**

This item would enclose a small lab area upstairs in the office area of the plant. The Staff routinely runs several tests required by RWQCB for operating the plant. The creation of a dedicated lab area for this work as well as creates an appropriate laboratory environment limiting the potential for sample contamination. The laboratory improvements would start after the Clarifier restoration project is complete.

**10. Yard Improvements (Carry Over) \$1,000**

This is an ongoing project. It is recommended that the yard improvements for this year include cleaning of the sludge pit with the placement of clean sand in the pit bottom. In addition, gravel will be placed in the unpaved areas.

**11. Re-coat Chlorine Contact Chamber (Proposed) \$25,000**

Inspection of the interior of the chlorine contact chambers has revealed that the coating is failing in several locations. These funds would be used to repair these failed areas.

**12. Repairs to Waste Water Collection Lines (Carry Over) \$75,000**

It is estimated that various wastewater lines in the District will need to be repaired due to age and/or corrosion. The location of the lines is currently being determined. These funds would be used to repair the identified lines. It is anticipated that this project will be fully funded through future RWQCB grants.

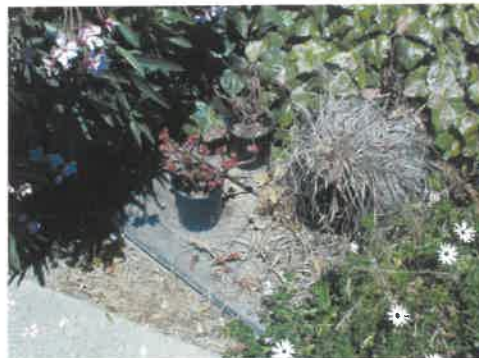
**13. Electrical Utility Truck Purchase (Proposed) \$3,500**



The District's utility truck is in need of repainting and costly mechanical repair. Due to the age of the truck associated significant repair costs it is recommended that the District sell the existing truck. The funds from the sale would be applied to the purchase of a new pollution free utility truck. In addition, grant funding may exist from the local Air Pollution Control District for the purchase of emissions free vehicles.

One half of the expense of a new electrical utility truck will be taken from each water and wastewater budget.

**14. San Rafael Sewer Line Replacement (Proposed) \$30,000**



The District currently maintains a substandard 4-inch VCP sewer line that serves approximately six residences from San Antonio Street to San Rafael Street. This line is older and subject to root intrusion. Staff is recommending, at a minimum, a

6-inch PVC line be installed. The overall pipeline length is 400 linear feet. It is anticipated that this project will be fully funded through future RWQCB grants.

- 15. Sewer Master Plan (Carry Over) \$20,000**  
Staff continues to complete the Sewer Master Plan. Completion of a sewer master plan will allow the District to determine the current needs of the community as well as any available excess capacity.
- 16. ISCO Composite Sampler \$2,500**  
The existing ISCO Composite Sampler has been utilized for a number of years for effluent monitoring and is reaching the end of its useful life. These funds would be used to replace the sampler.

### **Streetlighting**

No capital projects have been identified at this time.