

AVILA BEACH COMMUNITY SERVICES DISTRICT

Post Office Box 309, Avila Beach, CA. 93424
Meeting Room and Office – 100 San Luis Street, Avila Beach
Telephone (805) 595-2664 FAX (805) 595-7623
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REGULAR BOARD MEETING

AMENDED AGENDA

1 PM Tuesday, August 11, 2026

**STAFF AND PUBLIC MAY PARTICIPATE IN THIS MEETING IN PERSON AT THE ADDRESS
ABOVE OR, VIA TELECONFERENCE AND/OR ELECTRONICALLY.**

ZOOM MEETING: <https://us02web.zoom.us/j/4111787571>

Meeting ID: 411 178 7571

Password: No Password Required.

BY PHONE: 1-669-900-9128

In accordance with Government Code Section 54953(b), this agenda will be posted at the above teleconference location and this location will be accessible to the public.

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

2. ROLL CALL: Board Members:

Pete Kelley, President
John Janowicz, Vice President
Kristin Berry, Director
Howie Kennett, Director
Ara Najarian, Director

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 Board now. Please state your 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

County Reports

1. SLO County Sheriff Department
2. CalFire/County Fire Department

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

5. PUBLIC COMMENT ON CLOSED SESSION ITEM

6. CLOSED SESSION

A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION – Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2). Number of cases: One.

7. REPORT ON CLOSED SESSION/ANNOUNCEMENT OF ACTION, IF ANY, TAKEN IN CLOSED SESSION

8. 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 June 9, 2026, Regular Board Meeting
- B. Monthly Financial Review for June and July 2026
- C. General Manager and District Engineer Report
- D. Water and Wastewater Operations Reports for June & July 2026

9. DISCUSSION OF PULLED CONSENT ITEMS

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

10. BUSINESS ITEMS: Items where Board action is called for.

- A. Conflict of Interest Code Review/Update
(Action Required: Review staff report and draft revised Code and consider adoption of Resolution No. 2026-05, updating the District's Conflict of Interest Code)
- B. Consider Adoption of a Memorandum of Understanding between Seawell LLC and Avila Beach Community Services District regarding an offshore floating desalination pilot project.
(Action Required: Review staff report and draft MOU and approve the MOU or provide other direction to staff)
- C. Discussion Item regarding the Avila Beach CSD adding "Recreational" Powers to the District.
(Action Required: Board discussion of adding Recreational Powers and provide direction to staff)

11. COMMUNICATIONS/ CORRESPONDENCE

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.

12. ADJOURN

The next Regular Board meeting is scheduled for Tuesday, September 8th, 2026 at 1:00 P.M.

Any writing or document pertaining to an open session item on this agenda which is distributed to a majority of the Board after the posting of this agenda will be available for public inspection at the time the subject writing or document is distributed. The writing or document will be available for public review in the District Administration Office, 100 San Luis 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.

MINUTES OF REGULAR BOARD OF DIRECTORS MEETING
Avila Beach Community Services District
Tuesday, June 9th, 2026
1:00 P.M.

ITEM: 6.A.

1. CALL TO ORDER

President Kelley called the meeting of the Board of Directors of the Avila Beach Community Services District, to order at 1:02 P.M. on the above date, in the Avila Beach Community Services District Building, 100 San Luis Street, Avila Beach, California.

2. ROLL CALL

Board Members Present	Pete Kelley John Janowicz Howie Kennett
Board Members Absent:	Ara Najarian Kristin Berry
Board Members Present via Zoom:	None
Staff Present:	Brad Hagemann, General Manager Kristi Dibbern, Office Manager
Operations:	Shawn Powell, Chief Plant Operator Wes Kelly, Operator in Training
Legal Counsel via Zoom:	Craig Parton from Price, Postel, & Parma Shannon DeNatale Boyd, Price, Postel & Parma

3. PUBLIC COMMENTS

GM Hagemann reported that Dawn Ortiz-Legg will be joining the “Avila Business Group” meeting next Friday, June 19th in the District office at 9:30 AM.

4. INFORMATION AND DISCUSSION ITEMS

A. County Reports

Cal Fire: Chief Travis reported 51 calls for service this month, 28 were medically related.

Sheriff's Report: Brad Hagemann read the statistics report provided by the sheriff's office. Thirty calls for service were reported during the month of May. Seven disturbances, one theft, and five properties in Avila were vandalized with spray paint. There were 4 suspicious circumstances, 8 enforcement stops, and 28 preventative patrol stops. One person was reported missing in Cave Landing during May.

5. CONSENT ITEMS:

After Board discussion and no public comment, Director Janowicz made a motion to approve the Consent Items. Director Kennett seconded the motion, and it passed with a roll call vote 3-0.

AYES:	John Janowicz Howie Kennett Pete Kelley
NOES:	None
ABSENT:	Ara Najarian Kristin Berry

6. PULLED CONSENT ITEMS. None.

7. **PUBLIC COMMENT ON CLOSED SESSION ITEM**

None.

8. **CLOSED SESSION**

The Board convened to closed session at 1:16 PM to discuss the following items:

A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2). Number of cases: One.

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

The Board returned to the regular session at 1:25 PM. No reportable action was taken by the Board of Directors during the closed session.

9. **BUSINESS ITEMS:**

9A. Consider Awarding a Contract to RGS (Regional Government Services) for Policy Manual update and on-call HR Services. GM Hagemann expressed the need for the District's Policy Manual to be updated and brought current. At staff's request, RGS provided a Scope of Services proposal to address District's policy manual update. RGS consulting services are provided on a time and materials basis. An update of the Policy Manual will take approximately 80 hours of consultant time at a cost of \$10,000 - \$12,000. For planning purposes, we estimate on-going HR support will be no more than 10 - 15 hours per month. The District will only be invoiced for actual hours worked.

Director Janowicz made a motion to approve the contract for RGS to update the District's Policy Manual and retain them for on-going HR support, as needed. Director Kennett seconded the motion, and it passed with a roll call vote 3-0.

AYES: John Janowicz
Howie Kennett
Pete Kelley

NOES: None

ABSENT: Ara Najarian
Kristin Berry

9B. Consider Awarding a Contract to ATS for Water Tank Maintenance Work.

Staff requested quotes from 2 qualified local contractors, Crosno Construction and Advanced Technical Services, to perform maintenance work. ATS was the most cost-effective proposal. Crosno's price proposal was \$57,900, ATS's proposed price was \$13,878. Since there was a significant difference in the proposals, staff double-checked with ATS to ensure that they were comfortable with their price. ATS confirmed that it was the correct price. Director Kennett made a motion to award the contract to ATS for water tank maintenance the Director Janowicz seconded the motion, and it passed with a roll call vote 3-0.

AYES: Howie Kennett
John Janowicz
Pete Kelley

NOES: None

ABSENT: Ara Najarian
Kristin Berry

9C. Discuss and Consider an Engineering Services Proposal for Wallace Group for Wastewater Collection System Programs. GM Hagemann explained that Wallace Group historically has done a great job for managing and implementing the District's FOG Program. Due to updated state regulations the District needs to update several other wastewater collection system programs. Staff recommended retaining Wallace Group for the contract not to exceed \$29,000.

Director Janowicz made a motion to approve the Director Kennett seconded the motion, and it passed with a roll call vote 3-0.

AYES: John Janowicz
 Howie Kennett
 Pete Kelley
NOES: None
ABSENT: Ara Najarian
 Kristin Berry

9D. Consider Updating General Manager's Contract.

Shannon DeNatale Boyd of Price, Postel & Parma LLP, our legal counsel team, presented and explained a red-lined contract with proposed changes to the existing General Manager Brad Hagemann's contract that expires in December of 2026. The updated contract is proposed to go into effect on July 1, 2026, and expire on August 31, 2027 with a review of the contract to occur by March 31, 2027, and includes an increase in the General Manager's hourly rate from \$170.00 per hour to \$180.00 per hour while maintaining the 960 hours per year limitation. Director Janowicz made a motion to approve the proposed changes to the General Manager's contract as presented. Director Kennett seconded the motion, and it passed with a roll call vote 3-0.

AYES: John Janowicz
 Howie Kennett
 Pete Kelley
NOES: None
ABSENT: Ara Najarian
 Kristin Berry

10. Communications and Correspondence.

Staff reminded the Board that **July 14th meeting has been canceled.** The NEXT MEETING will be held on Tuesday, August 11th, 2026, at 1:00PM.

ADJOURNMENT: The meeting was adjourned at approximately 2:40 PM.

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

Respectfully submitted,

Brad Hagemann,
General Manager

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

MEMORANDUM

TO: Board of Directors

FROM: Brad Hagemann, General Manager

DATE: August 11th, 2026

ITEM: 8.B Monthly Financial Review for June and July 2026

Recommendation:

Receive and file report.

Overall Monthly Summary

During the month of June, the District deposited \$201,146.33 and incurred \$237,307.14 in expenses (cash basis). The District disbursed \$57,531.15 to the SLO County Fire Department for Q2 FY 2025/26 expenditures under the Cal Fire contract. Wastewater Treatment Plant (WWTP) maintenance included \$17,104.87 paid to Syneco Systems for air scrubber repairs. Water and sewer revenue for the month of June totaled \$153,842.84. The District also received \$9,734.85 in county tax revenue.

Financials during the month of July included deposits totaling \$174,267.38. The District incurred \$423,990.57 in expenses (cash basis). Third Quarter FY 2025/26 actual expenditures for the Cal Fire contract totaled \$55,177.59, paid to the SLO County Fire Department. The District renewed its SDRMA General Liability policy for a total of \$40,779.71. GSE Construction was contracted for \$37,653.00 to replace and install the clarifier drive at the WWTP. Water and sewer operating revenue totaled \$89,556.75 for the month of July. No county tax revenue was received.

Detailed financial reports including Balance Sheets, Profit and Loss, and Checks by Fund are provided for your information for June & July.

Utility Service Billing

The District billed approximately \$77,575.38 in water and sewer service charges in June. Customer Rate Assistance reduced the billing charges to the District in the amount of \$1,066.31.

In July approximately \$88,469.42 in water and sewer service charges in July. Customer Rate Assistance reduced the billing charges to the District in the amount of \$1,087.33.

Avila Beach Community Services District
Balance Sheet
As of June 30, 2026

	Jun 30, 26
ASSETS	
Current Assets	
Checking/Savings	
1000 · Cash Summary	
1005 · Customer Cash	720.74
1008 · Petty Cash	100.98
1010 · Columbia-Pac Premier Ckg	5,013.76
1015 · Five Star Bank Checking	1,030,733.63
1017 · Five Star Bank MM	225,428.55
1050 · LAIF	4,482,987.31
1070 · California Class	104,095.33
Total 1000 · Cash Summary	5,849,080.30
Total Checking/Savings	5,849,080.30
Accounts Receivable	
1200 · *Accounts Receivable	122,263.29
Total Accounts Receivable	122,263.29
Other Current Assets	
1250 · Receivables	
1280 · Water & Sewer Billings	116,569.67
Total 1250 · Receivables	116,569.67
1299 · Allowance for doubtful account	-121,982.75
Total Other Current Assets	-5,413.08
Total Current Assets	5,965,930.51
Fixed Assets	
1600 · Fixed Assets & Acc. Depr.	
1620 · Fixed Assets - Sanitary	
1622 · Land	60,314.10
1626 · Collection Assets	
1627 · Collection Assets Cost	1,549,232.00
1628 · Collect Assets Accum Depr	-851,957.90
Total 1626 · Collection Assets	697,274.10
1635 · Treatment Plant	
1638 · Treatment Plant Accum Dep	-2,007,163.22
1635 · Treatment Plant - Other	7,181,929.80
Total 1635 · Treatment Plant	5,174,766.58
1642 · Treatment Equipment	
1643 · Treatment Equip Cost	1,660,441.96

Avila Beach Community Services District
Balance Sheet
As of June 30, 2026

	Jun 30, 26
1644 · Treatment Equip Accum Depr	-1,222,924.33
Total 1642 · Treatment Equipment	437,517.63
Total 1620 · Fixed Assets - Sanitary	6,369,872.41
1650 · Fixed Assets - Water	
1652 · Equipment	
1653 · Equipment Cost	330,142.48
1654 · Equipment Accum Depr	-301,009.93
Total 1652 · Equipment	29,132.55
1656 · Distribution Assets	
1657 · Distribution Assets Cost	960,944.00
1658 · Dist Assets Accum Depr	-569,475.38
Total 1656 · Distribution Assets	391,468.62
Total 1650 · Fixed Assets - Water	420,601.17
1670 · Vehicles - Admin	
1671 · 2023 Ford F150 Cost	53,960.62
1672 · 2023 Ford F150 Acc Depr	-17,088.08
Total 1670 · Vehicles - Admin	36,872.54
1680 · Structures - Fixed Asset	
1681 · Structures GFAAG - Sani & FA	82,207.64
1682 · Gen / Fire Accum Dep	-75,707.19
Total 1680 · Structures - Fixed Asset	6,500.45
1690 · Construction in Progress	12,885.32
Total 1600 · Fixed Assets & Acc. Depr.	6,846,731.89
Total Fixed Assets	6,846,731.89
Other Assets	
1800 · Deferred Outflows of Resources	65,690.00
Total Other Assets	65,690.00
TOTAL ASSETS	12,878,352.40
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2100 · Accounts Payable	193,478.86
Total Accounts Payable	193,478.86
Credit Cards	

Avila Beach Community Services District
Balance Sheet
As of June 30, 2026

	Jun 30, 26
2140 · Five Star MC Control x0557	3,463.25
Total Credit Cards	3,463.25
Other Current Liabilities	
2105 · Accrued Expense	-10,963.63
2200 · Payroll Liabilities	
2201 · Accrued Payroll	9,174.46
2240 · Health Insurance	
2241 · Employee	10,465.00
Total 2240 · Health Insurance	10,465.00
2250 · PERS Liability	1,704.40
2255 · Accrued Interest FB Auditor	62,325.14
2260 · Vacation Payable	12,787.17
2262 · Sick Pay Accrued	3,913.37
Total 2200 · Payroll Liabilities	100,369.54
2280 · Short Term Principal	121,479.86
2300 · Deposits Held	
2303 · Water Deposits Held	6,360.00
Total 2300 · Deposits Held	6,360.00
Total Other Current Liabilities	217,245.77
Total Current Liabilities	414,187.88
Long Term Liabilities	
2400 · Net Pension Liability	146,812.00
2450 · U.S. Bank Loan WWTP	2,350,072.53
2500 · Deferred Inflows of Resources	11,976.00
Total Long Term Liabilities	2,508,860.53
Total Liabilities	2,923,048.41
Equity	
3900 · Retained Earnings	8,022,105.65
3999 · Prior Period Adjustment FY 23	1,951,651.42
Net Income	-18,453.08
Total Equity	9,955,303.99
TOTAL LIABILITIES & EQUITY	12,878,352.40

Avila Beach Community Services District
Profit & Loss
June 2026

	Jun 26
Ordinary Income/Expense	
Income	
4000 · Income Summary	
4010 · Operating Revenue	153,842.84
4020 · Contract Services-Ambulance	1,270.65
4030 · County Taxes	9,734.85
4050 · Harbor Charges	
4052 · Front Street Lighting	357.00
4053 · WWTP O&M	33,938.00
Total 4050 · Harbor Charges	34,295.00
4100 · Misc Income	982.64
4600 · Interest Income	1,020.35
Total 4000 · Income Summary	201,146.33
Total Income	201,146.33
Gross Profit	201,146.33
Expense	
5100 · Merchant Credit Card Fees	
5140 · Invoice Cloud	8.65
Total 5100 · Merchant Credit Card Fees	8.65
5200 · Payroll Expenses	
5210 · Gross Wages	
5211 · Regular Pay	19,449.36
5213 · Overtime Pay	704.15
5214 · Sick Pay	894.86
5215 · Standby Pay	1,710.00
Total 5210 · Gross Wages	22,758.37
5230 · Payroll Taxes	418.54
5235 · Cell Phone Allowance	75.00
5240 · Health & Medical Exp.	
5242 · Health Ins / Other	6,076.12
Total 5240 · Health & Medical Exp.	6,076.12
5250 · PERS Company Pd Expense	
5255 · PERS Co Pd Shawn	1,007.47
5256 · PERS Co Pd Kristi	272.80
5258 · PERS Co Pd Weston	135.16
5250 · PERS Company Pd Expense - Ot...	42.58

Avila Beach Community Services District
Profit & Loss
June 2026

	Jun 26
Total 5250 · PERS Company Pd Expense	1,458.01
5280 · Payroll Administration & Misc.	146.30
Total 5200 · Payroll Expenses	30,932.34
6000 · Administrative Overheads	
6102 · Accounting	3,372.50
6103 · Accounting Audit	522.50
6120 · Dues & Subscriptions	1,162.77
6135 · Legal	
6137 · Lopez Lake ESA Litigation	930.00
6135 · Legal - Other	269.50
Total 6135 · Legal	1,199.50
6140 · Office Supplies & Postage	
6142 · Postage & Shipping	697.76
6140 · Office Supplies & Postage - Other	566.52
Total 6140 · Office Supplies & Postage	1,264.28
6150 · Rate Assistance	2,144.47
6167 · Uniforms	268.92
6170 · Website	351.00
Total 6000 · Administrative Overheads	10,285.94
6500 · Operating Expenses	
6503 · Chemicals	3,145.35
6504 · Admin Contract Services	1,602.50
6505 · Contract Labor O & M	1,332.95
6506 · Contract Labor GM	8,500.00
6507 · Contract Labor Civil Engineer	6,970.00
6509 · Contract Labor - Operations	5,610.00
6510 · Critical Spare Parts	5,394.11
6515 · Engineering	144.25
6518 · Equipment Expense	17,548.02
6520 · Equipment Repair & Maint.	
6522 · Equip. Rep. & Maint-Avila & HD	828.27
6524 · Equip. Rep. & Maint. Avila Only	427.80
6520 · Equipment Repair & Maint. - Other	21,491.47
Total 6520 · Equipment Repair & Maint.	22,747.54
6525 · Fat Oil & Grease (FOG)	1,208.68
6528 · Gas & Oil	491.93
6530 · Generator Maintenance	710.00

Avila Beach Community Services District
Profit & Loss
June 2026

	Jun 26
6535 · Insurance P/L	-5,738.92
6542 · Maintenance	793.00
6545 · Miscellaneous	51.10
6550 · Operating Supplies	1,004.38
6561 · Collection System Cleaning	8,200.00
6565 · Regulatory Compliance	4,885.38
6572 · Security	396.10
6580 · Solids Handling	11,697.64
6585 · Telephone / Internet	276.01
6590 · Utilities	19,074.82
6591 · Yard Maintenance	527.25
Total 6500 · Operating Expenses	116,572.09
6600 · Cal Fire Contract Labor	62,380.05
Total Expense	220,179.07
Net Ordinary Income	-19,032.74
Other Income/Expense	
Other Income	
7200 · Non-Operating Income	
7220 · CIP Harbor	8,328.00
Total 7200 · Non-Operating Income	8,328.00
Total Other Income	8,328.00
Other Expense	
8200 · Non-Operating Expenses	
8230 · Capital Purchases in Prog Sani	
8237 · WW-7 Misc. Wastewater Projects	7,289.00
Total 8230 · Capital Purchases in Prog Sani	7,289.00
8270 · Capital Purchases in Prog Water	
8274 · Water Meter Replacement Project	27,490.90
Total 8270 · Capital Purchases in Prog Wat...	27,490.90
Total 8200 · Non-Operating Expenses	34,779.90
Total Other Expense	34,779.90
Net Other Income	-26,451.90
Net Income	-45,484.64

07/08/26

Avila Beach Community Services District
Checks by Fund w/Accounts
June 2026

Type	Date	Nm	Name	Memo	Account	Amount	Balance
General / Admin							
Check	06/01/2026	EFT	PG&E	100 San Luis St. District Office	6590 · Utilities	193.62	193.62
Check	06/03/2026	ACH	SDRMA Health	June 2026 Health Ins Member # 7017 AutoP...	5242 · Health Ins / Other	6,076.12	6,269.74
Check	06/05/2026	BP20...	Coverall North America, I...	Office Maintenance	6542 · Maintenance	320.00	6,589.74
Check	06/05/2026	ACH	Teresa Klostermann	Contract labor May 2026 Paid 6.5.26	6504 · Admin Contract ...	1,507.50	8,097.24
Check	06/08/2026	BP 2...	Creative Technologies, Inc.	Inv. 202600418 Bill Print & Mail Run Date 5...	6142 · Postage & Shipp...	352.80	8,450.04
Check	06/08/2026	ACH	InvoiceCloud	Invoice Cloud merchant fees	5140 · Invoice Cloud	8.65	8,458.69
Check	06/09/2026	4244	Hagemann & Associates	Contract Labor GM	6506 · Contract Labor ...	8,500.00	16,958.69
Check	06/09/2026	BP C...	Five Cities Water Systems	Invoice #10000975 5.21.26 RO System Servi...	6520 · Equipment Rep...	162.00	17,120.69
Check	06/12/2026	EFT	Public Employees Retire...	\$ 205.68 x 2 Kristi	2250 · PERS Liability	411.36	17,532.05
Check	06/12/2026	EFT	Public Employees Retire...	\$ 439.37 x 2 Shawn	2250 · PERS Liability	878.74	18,410.79
Check	06/12/2026	EFT	Public Employees Retire...	Addtl Co Pd Kristi & Shawn	5250 · PERS Company...	19.48	18,430.27
Check	06/12/2026	EFT	Public Employees Retire...	\$ 493.93 x 2 Kristi	2250 · PERS Liability	987.86	19,418.13
Check	06/12/2026	EFT	Public Employees Retire...	\$ 500.94 x 2 Shawn	2250 · PERS Liability	1,001.88	20,420.01
Check	06/12/2026	EFT	Public Employees Retire...	Addtl Co Pd Kristi & Shawn	5250 · PERS Company...	23.10	20,443.11
Check	06/12/2026	EFT	Public Employees Retire...	\$ 215.82 x 2 Kristi overpayment	5256 · PERS Co Pd Kristi	-431.64	20,011.47
Check	06/15/2026	BP20...	Paul's Window Cleaning	Inv 12 Office Window Cleaning 5.16.26	6542 · Maintenance	250.00	20,261.47
Check	06/17/2026	BP20...	SLO CO Fire Department	Inv. 1771 Q2 Actuals FY 2025/26	6600 · Cal Fire Contrac...	57,531.15	77,792.62
Check	06/17/2026	BP20...	SLO CO Fire Department	Q2 County Operating Expenses FY 25/26	6600 · Cal Fire Contrac...	915.44	78,708.06
Check	06/17/2026	BP20...	SLO CO Fire Department	Rate 6.73% from total \$58,446.59	6600 · Cal Fire Contrac...	3,933.46	82,641.52
Check	06/17/2026	BP20...	Strategic Resources Con...	Contract labor accounting	6102 · Accounting	3,372.50	86,014.02
Check	06/17/2026	BP20...	Strategic Resources Con...	Contract Services FY26	6103 · Accounting Audit	522.50	86,536.52
Check	06/17/2026	BP20...	Strategic Resources Con...	Reporting	6504 · Admin Contract ...	95.00	86,631.52
Check	06/23/2026	BP 2...	Creative Technologies, Inc.	Inv. 202600504 Bill Print & Mail Run Date 6...	6142 · Postage & Shipp...	344.96	86,976.48
Check	06/25/2026	EFT	Five Star Mastercard	FS MC AutoPay	2140 · Five Star MC Co...	2,805.84	89,782.32
Check	06/30/2026	EFT	PG&E	100 San Luis St. District Office	6590 · Utilities	218.04	90,000.36
Total General / Admin						90,000.36	90,000.36
Lights							
Check	06/01/2026	EFT	PG&E	Front St. Lights acct# 5796765606-7	6590 · Utilities	316.04	316.04
Check	06/09/2026	EFT	PG&E	Colony Lights acct # 5992155362-0	6590 · Utilities	153.99	470.03
Check	06/09/2026	EFT	PG&E	Town Lights acct # 0690976984-3	6590 · Utilities	517.77	987.80
Check	06/30/2026	EFT	PG&E	Front St. Lights acct# 5796765606-7	6590 · Utilities	324.16	1,311.96
Total Lights						1,311.96	1,311.96
Sanitary							
Check	06/01/2026	BP C...	Great Western Alarm	Inv # 260502991101 6.1.26	6572 · Security	58.00	58.00
Check	06/01/2026	EFT	PG&E	Waste Water Plant acct # 0404279997-5 28...	6590 · Utilities	7,612.27	7,670.27
Check	06/01/2026	EFT	PG&E	Lift Station acct# 6338432238-2	6590 · Utilities	399.88	8,070.15
Check	06/05/2026	ACH	Weston Kelly	Contract Labor Inv. #3 for May PD 6.5.26	6509 · Contract Labor -...	1,500.00	9,570.15
Check	06/05/2026	BP20...	Brenntag Pacific, LLC	BP1604351 Chemicals	6503 · Chemicals	850.37	10,420.52

07/08/26

Avila Beach Community Services District
Checks by Fund w/Accounts
 June 2026

Type	Date	Num	Name	Memo	Account	Amount	Balance
Check	06/05/2026	BP20...	Perez Gardening Service	Inv #3464 WWTP Cleanup 3.19.26	6591 · Yard Maintenance	480.00	10,900.52
Check	06/05/2026	BP20...	Cioacina, LLC	Invoice PS200817 5.19.26 Pump Rebuild Kit	6510 · Critical Spare P...	5,394.11	16,294.63
Check	06/05/2026	BP20...	Cioacina, LLC	Invoice PS00860 5.20.26 Blower Room Fan	6522 · Equip. Rep. & M...	523.77	16,818.40
Check	06/08/2026	BP20...	Fluid Resource Manage...	Inv. TR260441 Reg Comp	6565 · Regulatory Com...	906.25	17,724.65
Check	06/08/2026	BP20...	GSE Construction, Inc.	Inv. S568 5.17.26 Repair Clarifier Drive	8237 · WW-7 Misc. Wa...	7,289.00	25,013.65
Check	06/08/2026	BP20...	Mainline Utility Company	Inv #5901 3.26.26	6561 · Collection Syste...	8,200.00	33,213.65
Check	06/09/2026	BP C...	Great Western Alarm	Inv # 260504596101 6.1.26	6572 · Security	176.55	33,390.20
Check	06/09/2026	BP C...	Great Western Alarm	Inv # 260504597101 6.1.26	6572 · Security	161.55	33,551.75
Check	06/09/2026	4244	Hagemann & Associates	Inv. #1292 May 1st - 31st, 2026 Contract Lab...	6507 · Contract Labor ...	3,740.00	37,291.75
Check	06/09/2026	BP20...	Speed's, Inc.	Solids Handling Inv. 76056 5.19.26	6580 · Solids Handling	2,459.84	39,751.59
Check	06/09/2026	BP20...	Port San Luis Harbor Dist...	Inv. INV00570 Outfall Buoy	6522 · Equip. Rep. & M...	304.50	40,056.09
Check	06/09/2026	BP20...	Syneco Systems Inc.	Inv. 14231 1.30.26 Scrubber	6518 · Equipment Expe...	17,104.87	57,160.96
Check	06/10/2026	BP20...	Perez Gardening Service	Inv #41213 Auto Pays 1st of each mo	6591 · Yard Maintenance	47.25	57,208.21
Check	06/10/2026	EFT	Mission Linen	Inv # 525958311 5.4.26	6167 · Uniforms	66.48	57,274.69
Check	06/10/2026	EFT	Mission Linen	Inv # 526000819 5.11.26	6167 · Uniforms	66.48	57,341.17
Check	06/10/2026	EFT	Mission Linen	Inv # 526041640 5.18.26	6167 · Uniforms	66.48	57,407.65
Check	06/10/2026	EFT	Mission Linen	Inv # 526083947 5.25.26	6167 · Uniforms	69.48	57,477.13
Check	06/17/2026	BP20...	California Rural Water As...	Inv # 6416 May 2026 - May 2027 Annual Du...	6120 · Dues & Subscri...	347.50	57,824.63
Check	06/19/2026	BP 2...	San Luis Powerhouse, Inc.	Inv. 55139 WWTP	6530 · Generator Maint...	355.00	58,179.63
Check	06/19/2026	BP 2...	San Luis Powerhouse, Inc.	Inv. 55138 Lift Station	6530 · Generator Maint...	355.00	58,534.63
Check	06/19/2026	BP 2...	Speed's, Inc.	Solids Handling Inv. 76163 6.18.26	6580 · Solids Handling	4,618.90	63,153.53
Check	06/23/2026	BP 2...	Brenntag Pacific, LLC	BPI610800 Chemicals	6503 · Chemicals	2,294.98	65,448.51
Check	06/23/2026	BP 2...	Fluid Resource Manage...	Inv. C2727 5.31.26 Sludge Pump Mounts	6520 · Equipment Rep...	7,250.00	72,698.51
Check	06/24/2026	BP 2...	Fluid Resource Manage...	Inv. TR260562 Reg Comp	6565 · Regulatory Com...	1,426.48	74,124.99
Check	06/24/2026	BP 2...	NVIRO	Inv. 5732 Staff Coverage	6505 · Contract Labor ...	809.21	74,934.20
Check	06/24/2026	BP 2...	NVIRO	Inv 5732 Influent Wet Well Callout	6505 · Contract Labor ...	523.74	75,457.94
Check	06/24/2026	BP 2...	NVIRO	Inv 5732 Secondary Sludge Pump Repair	6520 · Equipment Rep...	720.92	76,178.86
Check	06/24/2026	BP 2...	NVIRO	Inv. 5817 Sensor Cables	6518 · Equipment Expe...	425.19	76,604.05
Check	06/24/2026	BP 2...	NVIRO	Inv 5817 Annual Wet Well & Pump Insp	6520 · Equipment Rep...	4,197.00	80,801.05
Check	06/24/2026	BP 2...	NVIRO	Inv 5817 MBR PLC Failure Callout	6520 · Equipment Rep...	1,061.57	81,862.62
Check	06/24/2026	BP 2...	Speed's, Inc.	Solids Handling Inv. 76139 6.11.26	6580 · Solids Handling	4,618.90	86,481.52
Check	06/24/2026	BP 2...	Wallace Group, Inc.	Inv. 0245-0018-00 68016	6525 · Fat Oil & Greas...	1,208.68	87,690.20
Check	06/25/2026	ACH	Weston Kelly	Contract Labor Inv. #4 5.30.26-6.19.26	6509 · Contract Labor ...	1,305.00	88,995.20
Check	06/25/2026	EFT	Five Star Mastercard	FS MC AutoPay	2140 · Five Star MC Co...	1,376.57	90,371.77
Check	06/30/2026	EFT	PG&E	Waste Water Plant acct # 0404279997-5 28...	6590 · Utilities	8,211.45	98,583.22
Check	06/30/2026	EFT	PG&E	Lift Station acct# 6338432238-2	6590 · Utilities	375.22	98,958.44
Total Sanitary							98,958.44
Water							
Check	06/01/2026	EFT	PG&E	1717 Cave Landing	6590 · Utilities	275.13	275.13
Check	06/05/2026	ACH	Weston Kelly	Contract Labor Inv. #3 for May PD 6.5.26	6509 · Contract Labor ...	1,500.00	1,775.13
Check	06/08/2026	BP20...	Fluid Resource Manage...	Inv. TR260441 Reg Comp	6565 · Regulatory Com...	1,433.75	3,208.88

Avila Beach Community Services District
Checks by Fund w/Accounts
June 2026

07/08/26

Type	Date	Num	Name	Memo	Account	Amount	Balance
Check	06/08/2026	BP20...	Grace Environmental Ser...	Inv 2141A Water Meter Installation Retention	8274 · Water Meter Re...	4,078.40	7,287.28
Check	06/08/2026	BP20...	Grace Environmental Ser...	Inv 2197 Water Meter Installation April	8274 · Water Meter Re...	4,747.50	12,034.78
Check	06/09/2026	4244	Hagemann & Associates	Contract Labor Water System	6507 · Contract Labor ...	3,230.00	15,264.78
Check	06/09/2026	BP 2...	Wallace Group, Inc.	Inv. 0245-0018-00 67952	6515 · Engineering	144.25	15,409.03
Check	06/17/2026	BP20...	California Rural Water As...	Inv # 6416 May 2026 - May 2027 Annual Du...	6120 · Dues & Subscri...	347.50	15,756.53
Check	06/17/2026	BP20...	Price, Postel & Parma LLC	Inv. 231998	6137 · Lopez Lake ESA...	930.00	16,686.53
Check	06/17/2026	BP20...	Grace Environmental Ser...	Inv 2174 March 2026 Water Meter Installation	8274 · Water Meter Re...	18,665.00	35,351.53
Check	06/18/2026	BP20...	San Luis County Environ...	Cross Connection AR0008426 Inv IN164837	6565 · Regulatory Com...	318.90	35,670.43
Check	06/19/2026	BP 2...	Core & Main	Inv. Z224072 6.18.26 Acct. 272450S	6550 · Operating Suppli...	1,004.38	36,674.81
Check	06/24/2026	BP 2...	Fluid Resource Manage...	Inv. CTM2678 6.22.26 Booster Stn Plumbing	6520 · Equipment Rep...	7,965.00	44,639.81
Check	06/24/2026	BP 2...	Fluid Resource Manage...	Inv. TR260562 Reg Comp	6565 · Regulatory Com...	800.00	45,439.81
Check	06/25/2026	ACH	Weston Kelly	Contract Labor Inv. #4 5.30.26-6.19.26	6509 · Contract Labor -...	1,305.00	46,744.81
Check	06/30/2026	EFT	PG&E	1717 Cave Landing	6590 · Utilities	291.57	47,036.38
Total Water						47,036.38	47,036.38
TOTAL						237,307.14	237,307.14

Avila Beach Community Services District
Balance Sheet
As of July 31, 2026

	Jul 31, 26
ASSETS	
Current Assets	
Checking/Savings	
1000 · Cash Summary	
1005 · Customer Cash	775.74
1008 · Petty Cash	100.98
1010 · Columbia-Pac Premier Ckg	5,013.76
1015 · Five Star Bank Checking	692,426.47
1017 · Five Star Bank MM	226,160.04
1050 · LAIF	4,526,749.11
1070 · California Class	104,424.83
Total 1000 · Cash Summary	5,555,650.93
Total Checking/Savings	5,555,650.93
Accounts Receivable	
1200 · *Accounts Receivable	162,271.29
Total Accounts Receivable	162,271.29
Other Current Assets	
1250 · Receivables	
1280 · Water & Sewer Billings	119,913.64
Total 1250 · Receivables	119,913.64
1299 · Allowance for doubtful account	-121,982.75
Total Other Current Assets	-2,069.11
Total Current Assets	5,715,853.11
Fixed Assets	
1600 · Fixed Assets & Acc. Depr.	
1620 · Fixed Assets - Sanitary	
1622 · Land	60,314.10
1626 · Collection Assets	
1627 · Collection Assets Cost	1,549,232.00
1628 · Collect Assets Accum Depr	-851,957.90
Total 1626 · Collection Assets	697,274.10
1635 · Treatment Plant	
1638 · Treatment Plant Accum Dep	-2,007,163.22
1635 · Treatment Plant - Other	7,181,929.80
Total 1635 · Treatment Plant	5,174,766.58
1642 · Treatment Equipment	
1643 · Treatment Equip Cost	1,660,441.96

Avila Beach Community Services District
Balance Sheet
As of July 31, 2026

	Jul 31, 26
1644 · Treatment Equip Accum Depr	-1,222,924.33
Total 1642 · Treatment Equipment	437,517.63
Total 1620 · Fixed Assets - Sanitary	6,369,872.41
1650 · Fixed Assets - Water	
1652 · Equipment	
1653 · Equipment Cost	330,142.48
1654 · Equipment Accum Depr	-301,009.93
Total 1652 · Equipment	29,132.55
1656 · Distribution Assets	
1657 · Distribution Assets Cost	960,944.00
1658 · Dist Assets Accum Depr	-569,475.38
Total 1656 · Distribution Assets	391,468.62
Total 1650 · Fixed Assets - Water	420,601.17
1670 · Vehicles - Admin	
1671 · 2023 Ford F150 Cost	53,960.62
1672 · 2023 Ford F150 Acc Depr	-17,088.08
Total 1670 · Vehicles - Admin	36,872.54
1680 · Structures - Fixed Asset	
1681 · Structures GFAAG - Sani & FA	82,207.64
1682 · Gen / Fire Accum Dep	-75,707.19
Total 1680 · Structures - Fixed Asset	6,500.45
1690 · Construction in Progress	12,885.32
Total 1600 · Fixed Assets & Acc. Depr.	6,846,731.89
Total Fixed Assets	6,846,731.89
Other Assets	
1800 · Deferred Outflows of Resources	65,690.00
Total Other Assets	65,690.00
TOTAL ASSETS	12,628,275.00
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2100 · Accounts Payable	193,478.86
Total Accounts Payable	193,478.86
Credit Cards	

Avila Beach Community Services District
Balance Sheet
As of July 31, 2026

	Jul 31, 26
2140 · Five Star MC Control x0557	3,861.92
Total Credit Cards	3,861.92
Other Current Liabilities	
2105 · Accrued Expense	-10,963.63
2200 · Payroll Liabilities	
2201 · Accrued Payroll	9,174.46
2240 · Health Insurance	
2241 · Employee	11,679.00
Total 2240 · Health Insurance	11,679.00
2250 · PERS Liability	1,926.46
2255 · Accrued Interest FB Auditor	62,325.14
2260 · Vacation Payable	12,787.17
2262 · Sick Pay Accrued	3,913.37
Total 2200 · Payroll Liabilities	101,805.60
2280 · Short Term Principal	121,479.86
2300 · Deposits Held	
2303 · Water Deposits Held	6,360.00
Total 2300 · Deposits Held	6,360.00
Total Other Current Liabilities	218,681.83
Total Current Liabilities	416,022.61
Long Term Liabilities	
2400 · Net Pension Liability	146,812.00
2450 · U.S. Bank Loan WWTP	2,350,072.53
2500 · Deferred Inflows of Resources	11,976.00
Total Long Term Liabilities	2,508,860.53
Total Liabilities	2,924,883.14
Equity	
3900 · Retained Earnings	8,025,788.90
3999 · Prior Period Adjustment FY 23	1,951,651.42
Net Income	-274,048.46
Total Equity	9,703,391.86
TOTAL LIABILITIES & EQUITY	12,628,275.00

Avila Beach Community Services District
Profit & Loss
July 2026

	Jul 26
Ordinary Income/Expense	
Income	
4000 · Income Summary	
4010 · Operating Revenue	89,556.75
4012 · Solid Waste Franchise Fee	2,430.84
4050 · Harbor Charges	
4052 · Front Street Lighting	212.00
4053 · WWTP O&M	37,245.00
Total 4050 · Harbor Charges	37,457.00
4600 · Interest Income	44,822.79
Total 4000 · Income Summary	174,267.38
Total Income	174,267.38
Gross Profit	174,267.38
Expense	
5100 · Merchant Credit Card Fees	
5140 · Invoice Cloud	0.95
Total 5100 · Merchant Credit Card Fees	0.95
5200 · Payroll Expenses	
5210 · Gross Wages	
5211 · Regular Pay	21,167.76
5212 · Holiday Pay	1,159.16
5213 · Overtime Pay	223.17
5214 · Sick Pay	308.04
5215 · Standby Pay	1,480.00
5216 · Vacation Pay	1,508.76
Total 5210 · Gross Wages	25,846.89
5230 · Payroll Taxes	739.60
5235 · Cell Phone Allowance	100.00
5240 · Health & Medical Exp.	
5242 · Health Ins / Other	7,806.52
Total 5240 · Health & Medical Exp.	7,806.52
5250 · PERS Company Pd Expense	
5255 · PERS Co Pd Shawn	1,010.36
5256 · PERS Co Pd Kristi	205.94
5258 · PERS Co Pd Weston	436.48
5250 · PERS Company Pd Expense - Ot...	19,019.44

Avila Beach Community Services District
Profit & Loss
July 2026

	Jul 26
Total 5250 · PERS Company Pd Expense	20,672.22
5260 · Work Comp Insurance	8,309.33
5280 · Payroll Administration & Misc.	134.50
Total 5200 · Payroll Expenses	63,609.06
6000 · Administrative Overheads	
6102 · Accounting	4,465.00
6120 · Dues & Subscriptions	427.97
6140 · Office Supplies & Postage	
6142 · Postage & Shipping	1,199.37
6143 · Supplies, Office	71.97
6140 · Office Supplies & Postage - Other	110.69
Total 6140 · Office Supplies & Postage	1,382.03
6150 · Rate Assistance	1,087.33
6167 · Uniforms	437.23
6170 · Website	368.55
Total 6000 · Administrative Overheads	8,168.11
6500 · Operating Expenses	
6504 · Admin Contract Services	1,527.50
6506 · Contract Labor GM	9,180.00
6507 · Contract Labor Civil Engineer	6,970.00
6508 · Contract Labor - Maintenance	490.00
6509 · Contract Labor - Operations	2,048.74
6510 · Critical Spare Parts	4,914.71
6518 · Equipment Expense	8,779.34
6520 · Equipment Repair & Maint.	
6522 · Equip. Rep. & Maint-Avila & HD	3,768.52
6524 · Equip. Rep. & Maint. Avila Only	427.80
6520 · Equipment Repair & Maint. - Other	75.80
Total 6520 · Equipment Repair & Maint.	4,272.12
6528 · Gas & Oil	357.18
6535 · Insurance P/L	40,779.71
6542 · Maintenance	543.00
6550 · Operating Supplies	102.16
6565 · Regulatory Compliance	2,148.75
6572 · Security	398.10
6575 · Small Tools	358.40
6580 · Solids Handling	2,160.70
6585 · Telephone / Internet	276.51
6590 · Utilities	10,794.49

Avila Beach Community Services District
Profit & Loss
July 2026

	Jul 26
6591 · Yard Maintenance	527.25
Total 6500 · Operating Expenses	96,628.66
6600 · Cal Fire Contract Labor	60,384.47
6800 · Water	
6802 · Lopez	119,931.55
6805 · State Water	64,491.04
Total 6800 · Water	184,422.59
Total Expense	413,213.84
Net Ordinary Income	-238,946.46
Other Income/Expense	
Other Income	
7200 · Non-Operating Income	
7220 · CIP Harbor	2,551.00
Total 7200 · Non-Operating Income	2,551.00
Total Other Income	2,551.00
Other Expense	
8200 · Non-Operating Expenses	
8230 · Capital Purchases in Prog Sani	
8237 · WW-7 Misc. Wastewater Projects	37,653.00
Total 8230 · Capital Purchases in Prog Sani	37,653.00
Total 8200 · Non-Operating Expenses	37,653.00
Total Other Expense	37,653.00
Net Other Income	-35,102.00
Net Income	-274,048.46

08/05/26

Avila Beach Community Services District
Checks by Fund w/Accounts
 July 2026

Type	Date	Num	Name	Memo	Account	Amount	Balance
General / Admin							
Check	07/03/2026	ACH	SDRMA Health	Inv H49686 partial payment, due to employee...	5242 · Health Ins / Other	6,076.12	6,076.12
Check	07/05/2026	BP 2...	Coverall North America, I...	Office Maintenance	6542 · Maintenance	320.00	6,396.12
Check	07/07/2026	ACH	Teresa Klostermann	Contract labor June 2026 Paid 7.6.26	6504 · Admin Contract ...	1,432.50	7,828.62
Check	07/07/2026	ACH	InvoiceCloud	Invoice Cloud merchant fees	5140 · Invoice Cloud	0.95	7,829.57
Check	07/08/2026	ACH	SDRMA General Policy	Member # 7017 Ref #80244 Pty Liability F...	6535 · Insurance P/L	20,389.86	28,219.43
Check	07/08/2026	ACH	SDRMA Work Comp	Inv. 80664 6.15.26 Member #: 7017 2026-27	5260 · Work Comp Ins...	830.93	29,050.36
Check	07/09/2026	ACH	SDRMA Health	Inv H49686 partial payment, due to employee...	5242 · Health Ins / Other	1,730.40	30,780.76
Check	07/10/2026	BP 2...	Creative Technologies, Inc.	Inv. 202600576 Bill Print & Mail Run Date 6...	6142 · Postage & Shipp...	411.00	31,191.76
Check	07/15/2026	BP20...	Strategic Resources Con...	Contract labor accounting	6102 · Accounting	4,465.00	35,656.76
Check	07/15/2026	BP20...	Strategic Resources Con...	Reporting	6504 · Admin Contract ...	95.00	35,751.76
Check	07/21/2026	4245	Hagemann & Associates	Contract Labor GM	6506 · Contract Labor ...	9,180.00	44,931.76
Check	07/23/2026	EFT	Public Employees Retire...	\$ 210.51 x 2 Kristi	2250 · PERS Liability	421.02	45,352.78
Check	07/23/2026	EFT	Public Employees Retire...	\$ 506.53 x 2 Shawn	2250 · PERS Liability	1,013.06	46,365.84
Check	07/23/2026	EFT	Public Employees Retire...	\$ 270.32 x 2 Wes	2250 · PERS Liability	270.32	46,636.16
Check	07/23/2026	EFT	Public Employees Retire...	Addtl Co Pd KD, SP & WK	5250 · PERS Company...	26.10	46,662.26
Check	07/23/2026	EFT	Public Employees Retire...	\$ 0.00 x 2 Kristi	2250 · PERS Liability	0.00	46,662.26
Check	07/23/2026	EFT	Public Employees Retire...	\$ 471.31 x 2 Shawn	2250 · PERS Liability	942.62	47,604.88
Check	07/23/2026	EFT	Public Employees Retire...	\$ 218.24 x 2 Wes	2250 · PERS Liability	436.48	48,041.36
Check	07/23/2026	EFT	Public Employees Retire...	Addtl Co Pd KD, SP & WK	5250 · PERS Company...	393.34	48,434.70
Check	07/25/2026	BP 2...	SLO CO Fire Department	Inv. 1779 Q3 Actuals FY 2025/26	6600 · Cal Fire Contrac...	55,177.59	103,612.29
Check	07/25/2026	BP 2...	SLO CO Fire Department	Inv 1779 Q3 County Operating Exp FY 25/26	6600 · Cal Fire Contrac...	1,399.26	105,011.55
Check	07/25/2026	BP 2...	SLO CO Fire Department	Inv 1779 Q3 Rate 6.73% from total \$55,576.85	6600 · Cal Fire Contrac...	3,807.62	108,819.17
Check	07/25/2026	EFT	Public Employees Retire...	Plan 27270 PEPPRA Annual Unfunded Accru...	5250 · PERS Company...	18,600.00	127,419.17
Check	07/27/2026	EFT	Five Star Mastercard	FS MC AutoPay	2140 · Five Star MC Co...	2,513.78	129,932.95
Check	07/27/2026	EFT	PG&E	100 San Luis St. District Office	6590 · Utilities	248.85	130,181.80
Total General / Admin						130,181.80	130,181.80
Lights							
Check	07/07/2026	EFT	PG&E	Colony Lights acct # 5992155362-0	6590 · Utilities	153.99	153.99
Check	07/07/2026	EFT	PG&E	Town Lights acct # 0690976984-3	6590 · Utilities	517.83	671.82
Check	07/27/2026	EFT	PG&E	Front St. Lights acct# 5796765606-7	6590 · Utilities	345.25	1,017.07
Total Lights						1,017.07	1,017.07
Sanitary							
Check	07/01/2026	BP C...	Great Western Alarm	Inv 260602991101 7.1.26	6572 · Security	58.00	58.00
Check	07/07/2026	BP 2...	Cloacina, LLC	Invoice PS200880 5.31.26 ORP Sensor Shut...	6518 · Equipment Expe...	1,747.50	1,805.50
Check	07/07/2026	BP 2...	Cloacina, LLC	Invoice PS200882 5.31.26 MBR Diffuser Parts	6518 · Equipment Expe...	3,517.80	5,323.30
Check	07/07/2026	BP 2...	GSE Construction, Inc.	Inv. S568 5.17.26 Replace & Install Clarifier ...	8237 · WW-7 Misc. Wa...	37,653.00	42,976.30
Check	07/07/2026	BP 2...	Pro3 Automation, Inc.	Inv. 4643 6.26.26 Alarm Failure	6522 · Equip. Rep. & M...	110.00	43,086.30
Check	07/07/2026	BP 2...	Pro3 Automation, Inc.	Inv 4652 SMS Alarm	6522 · Equip. Rep. & M...	110.00	43,196.30

Avila Beach Community Services District
Checks by Fund w/Accounts
July 2026

08/05/26

Type	Date	Num	Name	Memo	Account	Amount	Balance
Check	07/07/2026	BP 2...	Speed's, Inc.	Solids Handling Inv. 76796 6.23.26	6580 · Solids Handling	2,160.70	45,357.00
Check	07/08/2026	ACH	SDRMA General Policy	Member # 7017 Ref #80244 Pty Liability F...	6535 · Insurance P/L	14,272.90	59,629.90
Check	07/08/2026	ACH	SDRMA Work Comp	Inv. 80664 6.15.26 Member #: 7017 2026-27	5260 · Work Comp Ins...	3,739.20	63,369.10
Check	07/08/2026	BP 2...	Perez Gardening Service	Inv 41535 Auto Pays 1st of each mo	6591 · Yard Maintenance	47.25	63,416.35
Check	07/10/2026	BP 2...	Perez Gardening Service	Inv #3509 WWTP Cleanup 6.9.26	6591 · Yard Maintenance	480.00	63,896.35
Check	07/10/2026	BP C...	Great Western Alarm	Inv # 260404596101 7.1.26	6572 · Security	177.55	64,073.90
Check	07/10/2026	BP C...	Great Western Alarm	Inv # 260404597101 7.1.26	6572 · Security	162.55	64,236.45
Check	07/10/2026	BP 2...	Cloacina, LLC	Invoice PS200846 6.30.26 Backup Aeration ...	6510 · Critical Spare P...	4,914.71	69,151.16
Check	07/10/2026	BP 2...	Cloacina, LLC	Invoice PS200851 6.30.26 Backup Membran...	6518 · Equipment Expe...	3,514.04	72,665.20
Check	07/10/2026	EFT	Mission Linen	Inv # 526128942 6.1.26	6167 · Uniforms	70.21	72,735.41
Check	07/10/2026	EFT	Mission Linen	Inv # 526162910 6.8.26	6167 · Uniforms	70.21	72,805.62
Check	07/10/2026	EFT	Mission Linen	Inv # 526197622 & Inv # 526205805 6.15.26	6167 · Uniforms	156.39	72,962.01
Check	07/10/2026	EFT	Mission Linen	Inv # 526246973 6.22.26	6167 · Uniforms	70.21	73,032.22
Check	07/10/2026	EFT	Mission Linen	Inv # 526287727 6.29.26	6167 · Uniforms	70.21	73,102.43
Check	07/21/2026	4245	Hagemann & Associates	Invoice # 1293 Contract Labor June 1st - 30t...	6507 · Contract Labor ...	3,910.00	77,012.43
Check	07/25/2026	BP 2...	Fluid Resource Manage...	Inv. TR260661 Reg Comp	6565 · Regulatory Com...	1,700.00	78,712.43
Check	07/25/2026	BP 2...	NVIRO	Inv. 5818 5.8.26 Contract Labor	6509 · Contract Labor -...	1,648.74	80,361.17
Check	07/25/2026	BP 2...	NVIRO	Inv 5993 5.8.26 Maintenance of pump	6522 · Equip. Rep. & M...	3,438.52	83,799.69
Check	07/25/2026	BP 2...	NVIRO	Inv 6017 6.30.26 On Call Operator	6509 · Contract Labor -...	200.00	83,999.69
Check	07/25/2026	BP C...	USA Bluebook	Customer #:916419 INV01100569 7.13.26	6550 · Operating Suppli...	102.16	84,101.85
Check	07/25/2026	BP 2...	USAN	Annual Subscription 2026 Inv. 1029632026	6120 · Dues & Subscri...	150.00	84,251.85
Check	07/27/2026	EFT	Five Star Mastercard	FS MC AutoPay	2140 · Five Star MC Co...	931.51	85,183.36
Check	07/27/2026	EFT	PG&E	Waste Water Plant acct # 0404279997-5 28...	6590 · Utilities	8,546.18	93,729.54
Check	07/27/2026	EFT	PG&E	Lift Station acct# 6338432238-2	6590 · Utilities	492.22	94,221.76
Total Sanitary							94,221.76
Solid Waste							
Check	07/21/2026	4245	Hagemann & Associates	Solid Waste Activities	6506 · Contract Labor ...	0.00	0.00
Total Solid Waste							0.00
Water							
Check	07/07/2026	BP 2...	Pro3 Automation, Inc.	Inv 4643 6.26.26 Set project to Window Mode	6522 · Equip. Rep. & M...	110.00	110.00
Check	07/08/2026	ACH	SDRMA General Policy	Member # 7017 Ref #80244 Pty Liability F...	6535 · Insurance P/L	6,116.95	6,226.95
Check	07/08/2026	ACH	SDRMA Work Comp	Inv. 80664 6.15.26 Member #: 7017 2026-27	5260 · Work Comp Ins...	3,739.20	9,966.15
Check	07/10/2026	BP 2...	SLO County Public Works	Inv. 1047 5.1.26 Lopez Water FY 2026-27 ...	6802 · Lopez	14,630.80	24,596.95
Check	07/10/2026	BP 2...	SLO County Public Works	Inv. 1477 5.1.26 Debt Service FY 26.27	6802 · Lopez	10,063.74	34,660.69
Check	07/10/2026	BP 2...	SLO County Public Works	Inv. 1477 5.1.26 Routine O & M FY 26.27	6802 · Lopez	95,237.01	129,897.70
Check	07/10/2026	BP 2...	SLO County Public Works	Inv. 2963 6.21.26 State Water CCWA FY 26...	6805 · State Water	22,809.13	152,706.83
Check	07/10/2026	BP 2...	SLO County Public Works	Inv. 2975 6.19.26 State Water DWR 40% FY...	6805 · State Water	41,681.91	194,388.74
Check	07/21/2026	4245	Hagemann & Associates	Water System	6507 · Contract Labor ...	3,060.00	197,448.74
Check	07/25/2026	BP 2...	Fluid Resource Manage...	Inv. TR260661 Reg Comp	6565 · Regulatory Com...	448.75	197,897.49

Avila Beach Community Services District
Checks by Fund w/Accounts
July 2026

08/05/26

Type	Date	Num	Name	Memo	Account	Amount	Balance
Check	07/25/2026	BP 2...	NVIRO	Inv 6017 6.30.26 On Call Operator	6509 · Contract Labor -...	200.00	198,097.49
Check	07/25/2026	BP 2...	USAN	Annual Subscription 2026 Inv. 1029632026	6120 · Dues & Subscri...	150.00	198,247.49
Check	07/27/2026	EFT	Five Star Mastercard	FS MC AutoPay	2140 · Five Star MC Co...	17.96	198,265.45
Check	07/27/2026	EFT	PG&E	1717 Cave Landing	6590 · Utilities	304.49	198,569.94
Total Water						198,569.94	198,569.94
TOTAL						423,990.57	423,990.57

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

MEMORANDUM

TO: Board of Directors

FROM: Brad Hagemann, General Manager

DATE: August 11, 2026

ITEM 5.C. General Manager Report

Zone 3 Technical Advisory Committee (TAC)

The Zone 3 Technical Advisory Committee next meeting is scheduled for July 8, 2026. The agenda for the meeting is provided as an attachment to this report. As of this writing (August 6, 2026), the Lopez reservoir is at approximately 82.5% of capacity with 40,800 AF in storage.

Request for Future Board Meeting Item

On August 5, 2026, the Board received a request via email from Sara Elena Loaiza 182-186 San Miguel Street, owner of Casa San Miguelito. The email requested the Board to schedule an agenda item to investigate the feasibility of the Avila Beach Community Services District accepting responsibility for the maintenance and preservation of the public benches along the Avila Beach Promenade through appropriate interagency agreements and funding partnerships, and to return to the Board with findings and recommendations.

The email from Ms. Sara Elena Loaiza is provided as an attachment to this report. The Board can review the request and provide direction to staff.

Attachments:

1. Zone 3 TAC Meeting Agenda Packet
2. August 5, 2026 email from Ms. Elena Loaiza



ZONE 3 Lopez Project

San Luis Obispo County Flood Control and Water Conservation District

ZONE 3 TECHNICAL ADVISORY COMMITTEE

Agenda

Wednesday July 8, 2026

9:00 - 11:00 am

Join on your computer, mobile app or room device

[Click here to join the meeting](#)

Meeting ID: 261 220 685 070

Passcode: pjuWGG

Or call in (audio only)

+1 831-296-4487, 420020900# United States, Salinas

Phone Conference ID: 420 020 900#

1. Announcements	All
2. General Operations and Water Report • Summary Notes – June • Monthly Operations Report – June • Lopez Storage Projections – June	David
3. Current Reservoir Conditions	Kyle (Verbal)
4. Project Updates	David
5. HCP Update	David
6. Litigation	David
7. Future Agenda items	All

Attachments:

- A. Meeting Minutes – June
- B. Lopez Monthly Operations Reports - June
- C. Lopez Storage Projection – June
- D. Project Updates

Next TAC Meeting Date: August 12, 2026



ZONE 3 Lopez Project

San Luis Obispo County Flood Control and Water Conservation District

- Presented by DSpiegel

7. HCP Update

- Presented by DSpiegel

8. Future Agenda Items

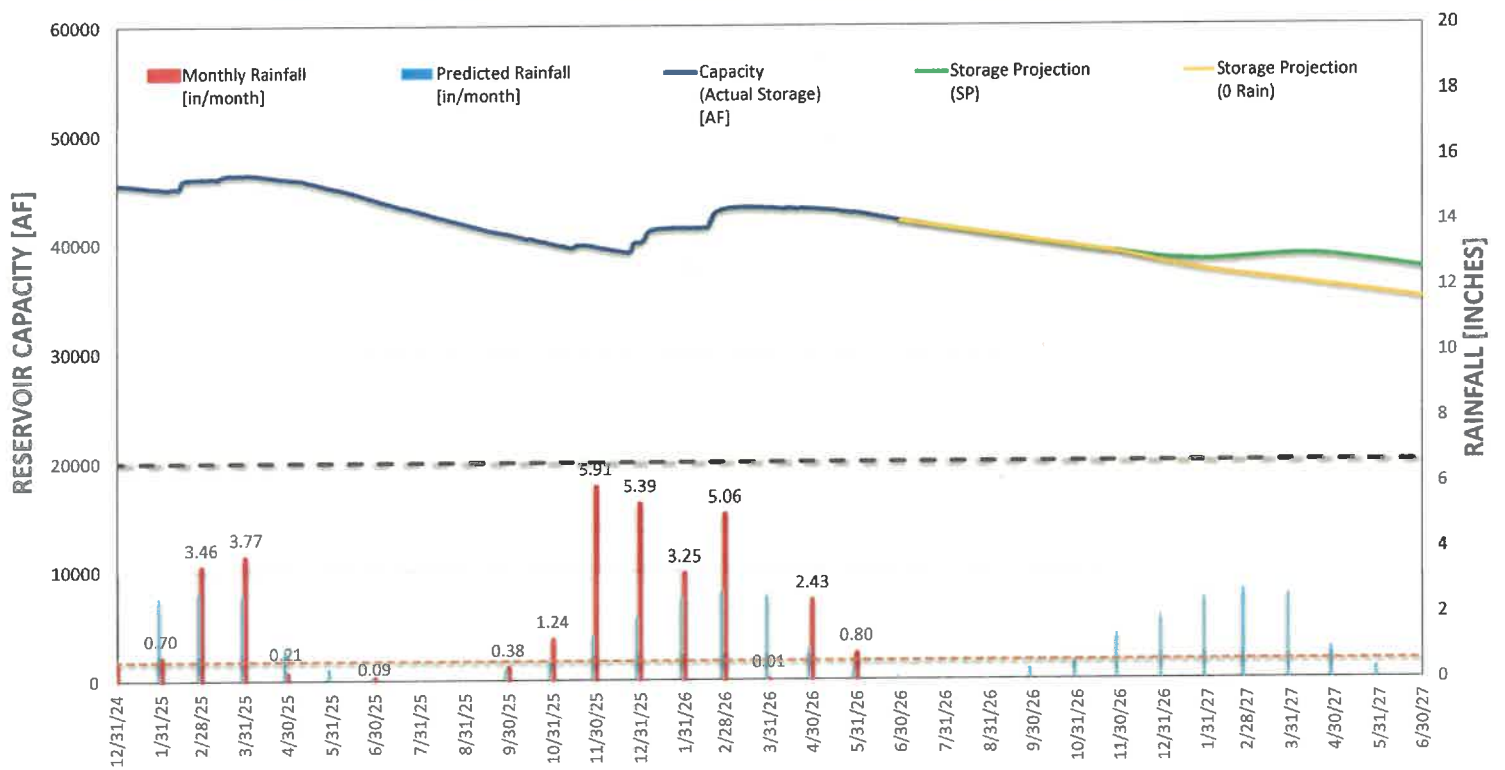
- Continued HCP Update (standing item)

Next TAC Meeting:

Wednesday, July 8, 2026

Adjourned: 9:36 A.M.

LOPEZ RESERVOIR STORAGE PROJECTON CHART





ZONE 3 Lopez Project

San Luis Obispo County Flood Control and Water Conservation District

- Zone 3 Annexations
 - Boundary map has been updated
 - Budget ~\$30k

Complete

- Membrane Module Replacement



Bradley Hagemann <hagemann.associates@gmail.com>

Request for August Board of Directors Agenda Item

1 message

Casa San Miguelito <relax@casasanmiguelito.com>

Tue, Aug 4, 2026 at 5:46 PM

To: Kristi Dibbern <avilacsd@gmail.com>, "hagemann.associates@gmail.com" <hagemann.associates@gmail.com>

Cc: "pedrokelley@gmail.com" <pedrokelley@gmail.com>, "hlkennett62@gmail.com" <hlkennett62@gmail.com>,"

"avilabeachpad@att.net" <avilabeachpad@att.net>, "najarian.comms@gmail.com" <najarian.comms@gmail.com>,"

"krissybythesea@gmail.com" <krissybythesea@gmail.com>

August 4, 2026

Brad Hagemann
General Manager
Avila Beach Community Services District

Dear Mr. Hagemann,

Please place on the August Board of Directors agenda an item directing staff to investigate the feasibility of the Avila Beach Community Services District accepting responsibility for the maintenance and preservation of the public benches along the Avila Beach Promenade through appropriate interagency agreements and funding partnerships, and to return to the Board with findings and recommendations.

While easily taken for granted, they should not be: the public benches along the Promenade are actually an important community asset. Installed as part of Avila Beach's redevelopment following the Unocal oil spill, they provide a valuable public service to residents and visitors alike. Many include commemorative plaques or custom designs honoring local families, organizations, and individuals, creating a lasting connection to the community's history and character. Every day they serve residents taking a walk, seniors enjoying the ocean view, parents watching children on the beach, and visitors discovering Avila Beach for the first time. Their value will only increase as the Farmers Market season expands into October, and public use of the Promenade continues to grow.

The Avila Community Plan leaves no doubt about the intended role of these benches. The Plan identifies benches as a **permanent element of the community's adopted streetscape** and further calls for benches to continue to be installed throughout the pedestrian environment as part of Avila Beach's public realm.

The benches are therefore an intentional and permanent component of Avila Beach's public infrastructure, not incidental furnishings.

In regard to authority, the challenge is not whether the benches belong on the Promenade. County policy has already answered that question. The problem is that no public agency has accepted clear responsibility for ensuring they receive the routine cleaning, maintenance, refinishing, repair, and replacement that permanent public infrastructure requires.

That jurisdictional lack of responsibility was evident during a conversation on Tuesday, August 4, that I had with Drew Brandy, President of the Port San Luis Harbor Commission, while I was on the Promenade. Mr.

Brandy acknowledged that responsibility for the benches is a "gray area" and asked what I thought should be done about it. That he said it was a gray area and turned the question around underscored the very problem this letter addresses: the need for one agency that represents the residents of Avila Beach to take the lead in evaluating a practical, coordinated solution rather than allowing responsibility to remain vague and/or dispersed among multiple agencies.

This letter is intentionally and appropriately directed to the Avila Beach Community Services District because the issue is operational, not advisory. The Community Services District, by contrast, has the governmental structure, professional staff, contracting authority, and budgeting responsibilities necessary to evaluate the proposal, negotiate agreements among the responsible agencies, identify funding sources, administer maintenance contracts, and ultimately ensure this simple task is carried out. (Note that the Avila Valley Advisory Council, AVAC, can endorse the concept and advocate for it with other agencies, but it clearly does not have the authority to implement it.)

The ABCSD already provides important services that enhance both public safety and the visitor experience, including maintaining community infrastructure, operating street lighting, and providing electrical service for the weekly Farmers Market. Evaluating whether the District can similarly assume responsibility for the Promenade benches is a logical extension of that stewardship, particularly where ownership and funding responsibilities can be shared among multiple public agencies.

As part of its feasibility evaluation, staff should examine the legal authority for the District to accept responsibility through interagency agreements; the anticipated cost of routine cleaning, inspection, repair, refinishing, and replacement; opportunities for shared funding from San Luis Obispo County, the Port San Luis Harbor District, California State Parks, Visit SLO CAL, and other interested partners; and options for administering a regular maintenance contract that provides consistent service and long-term accountability.

California law already authorizes Community Services Districts to maintain public improvements owned by another public agency with that agency's written consent, and similar interagency maintenance agreements are already in use elsewhere in California. This provides a practical and well-established framework for evaluating whether such an arrangement would benefit Avila Beach.

Thank you for placing this item before the Board to create a way to preserve this important public amenity before it becomes too costly to repair or replace -- and to help establish clear responsibility and accountability for its ongoing care.

Respectfully,

Sara Elena Loaiza
[182-186 San Miguel Street](#),
Avila Beach, CA 93424
Owner of Casa San Miguelito, Avila Beach, CA

cc: Peter Kelley, ABCSD President
Ara Najarian, ABCSD Vice President
Howie Kennett, ABCSD Director
John Janowicz, ABCSD Director
Kristin Berry, ABCSD Director

Sara Elena, Ara & Nathalie
Casa San Miguelito ~ Avila Beach
www.casasanmiguelito.com
Reservations: (805) 888-9837

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YOUR BEACH HOME BY THE SEA



AVILA BEACH COMMUNITY SERVICES DISTRICT

ITEM: 8D

August 2026 Operations and Maintenance Report

Compliance

There were no compliance issues for the months of June and July. The June and July 2026 Self-Monitoring Reports and associated data tables & graphs are provided as attachments to this report.

Wastewater Treatment Plant

All 16 diffusers in the MBR were replaced, resulting in significantly improved oxygen transfer efficiency. Operations has observed reduced blower run times while processing higher flow volumes.

Quarterly electrical inspections were completed. Two pumps have been identified for rebuild following the summer season.

Operations staff has compiled a list of MBR-specific critical spare parts for consideration.

Sewer Collection System

The new sewer laterals from the construction project at 208 Front Street were successfully connected to the sewer mainline on Front Street.

Water System

Staff continues to work through minor issues with the new meter reading software. Every month, the staff continues to resolve minor issues with the new meter reading software. Meter reading has become progressively easier and more efficient each month.

The service connections at 208 Front Street were updated to meet new requirements. The fire hydrant at the corner of San Antonio Street and Front Street was also relocated to a more suitable position as directed by Cal Fire.

With seasonal water demand increasing during the summer months, staff is closely monitoring nitrate and nitrite levels to ensure continued compliance with drinking water standards and protection of public health.

Staff met with two new vendors, R. Baker and KW Construction, who can provide overnight emergency assistance. Both are equipped to support Operations in an emergency.

Avila Beach CSD Wastewater Treatment Facility

Monthly report due last day of following month
Annual report due January 30

Month: JUNE 2026

Date	Daily Flow (MGD)			Effluent Monitoring		
	Total	Max (gpm)	Avg (gpm)	Biweekly Total Coliform	Biweekly Fecal Coliform	Daily Chlorine Residual
1	0.047320	80	33			0.00
2	0.044210	79	31	33	<1.8	0.00
3	0.042818	81	30			0.00
4	0.046306	70	32	<1.8	<1.8	0.00
5	0.053136	74	37			0.00
6	0.063101	82	44			0.00
7	0.060605	79	42			0.00
8	0.052945	56	37			0.00
9	0.045762	57	32	<1.8	<1.8	0.00
10	0.054159	61	38			0.00
11	0.046938	53	33	<1.8	<1.8	0.00
12	0.058903	58	41			0.20
13	0.072281	86	50			0.80
14	0.066578	83	46			0.00
15	0.057050	62	40			0.00
16	0.048404	62	34	<1.8	<1.8	0.00
17	0.052615	110	37	<1.8	<1.8	1.00
18	0.041532	116	29			1.00
19	0.064444	70	45			1.00
20	0.065600	65	46			0.00
21	0.063295	65	44			0.50
22	0.052413	64	36			0.00
23	0.049192	63	34	2.0	<1.8	1.00
24	0.059206	75	40			0.00
25	0.056668	66	39	<1.8	<1.8	1.00
26	0.063738	63	44			0.00
27	0.064472	80	45			0.00
28	0.067392	67	47			0.00
29	0.066554	67	46			0.00
30	0.048350	74	34	<1.8	<1.8	0.00
31						
Min	0.041532	53	29	<1.8	<1.8	0.00
Mean	0.055866	72.3	38.9	3.9	<1.8	0.22
Max	0.072281	116	50	33	<1.8	1.00
Total	1.675987	Effluent daily (dry weather) flow NTE 0.2 MGD (mean).				

Effluent and Influent Monitoring					
Date	Weekly Effluent BOD (24 HC)	Weekly Effluent TSS (24 HC)	Weekly Influent BOD (24 HC)	Weekly Influent TSS (24 HC)	Monthly Effluent Oil & Grease (Grab)
6/4/26	8.6	<5.0	310	230	
6/11/26	<4.0	<5.0	340	290	<6.4
6/17/26	<4.0	<5.0	280	240	
6/25/26	<4.0	<5.0	420	500	
Min	<4.0	<5.0	280	230	<6.4
Mean	<4.0	<5.0	337.5	315.0	<6.4
Max	8.6	<5.0	420	500	<6.4
BOD Removal: 100.0%			TSS Removal: 100.0%		

Effluent Monitoring				
Date	Weekly Set. Solids (Grab)	Weekly Turbidity (Grab)	Weekly pH (Grab)*	Weekly Temp °F (Grab)
6/4/26	<0.1	1.4	8.65	71.6
6/11/26	<0.1	0.40	7.62	77.9
6/17/26	<0.1	0.75	7.12	75.9
6/25/26	<0.1	0.30	7.05	73.5
6/30/26	---	---	7.13	---
Min	<0.1	0.30	8.65	71.6
Mean	<0.1	0.71	7.11	74.7
Max	<0.1	1.4	7.62	77.9

*Effluent pH samples were collected on 6/4, 6/12, 6/17, 6/23 and 6/30.

Influent Brine Received	
Date	Volume (Gallons)
N/A	N/A

Sludge Removal	
Date	Gallons
6/2/26	4,000
6/3/26	4,000
6/12/26	4,000
6/15/26	4,000
6/16/26	4,000

Effluent Limits				
Parameter	Units	Monthly Avg	Weekly Avg	Daily Max
BOD	mg/L	40	60	90
Suspended Solids	mg/L	40	60	90
Oil and Grease	mg/L	25	40	75
Turbidity	NTU	75	100	225
Total Coliform	MPN/100 mL	7 Sample Median: 23		
		More than once in 30 days: 240		
		Daily Maximum: 2,400		
Chlorine Residual	mg/L	6 Month Median: 0.3		1.2
pH	pH units	Between 6.0 - 9.0		
Settleable Solids	mL/L	1.0	1.5	3.0
BOD/TSS Removal	%	≥ 75%	***	***

I certify under penalty of perjury that the foregoing is true and accurate and that the sampling procedure and analysis used are as specified in the Waste Discharge Order for this facility.

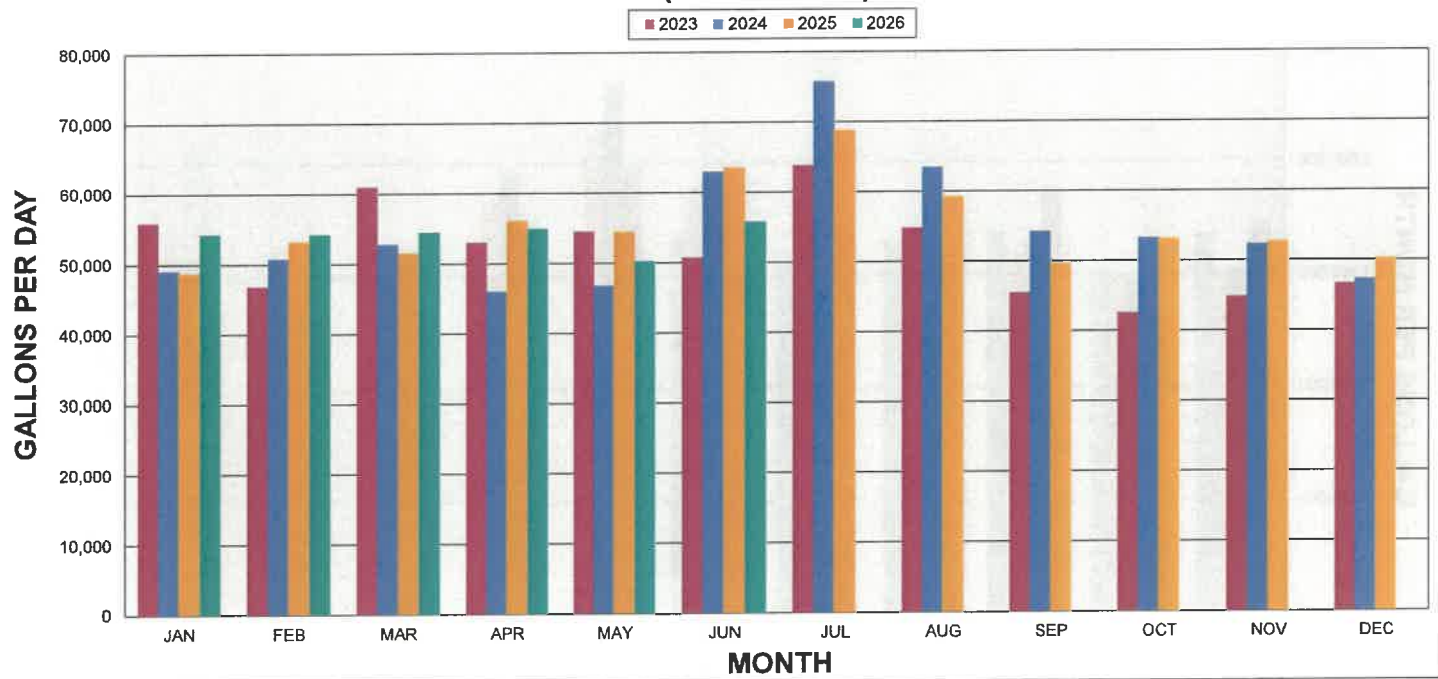
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DATE: _____

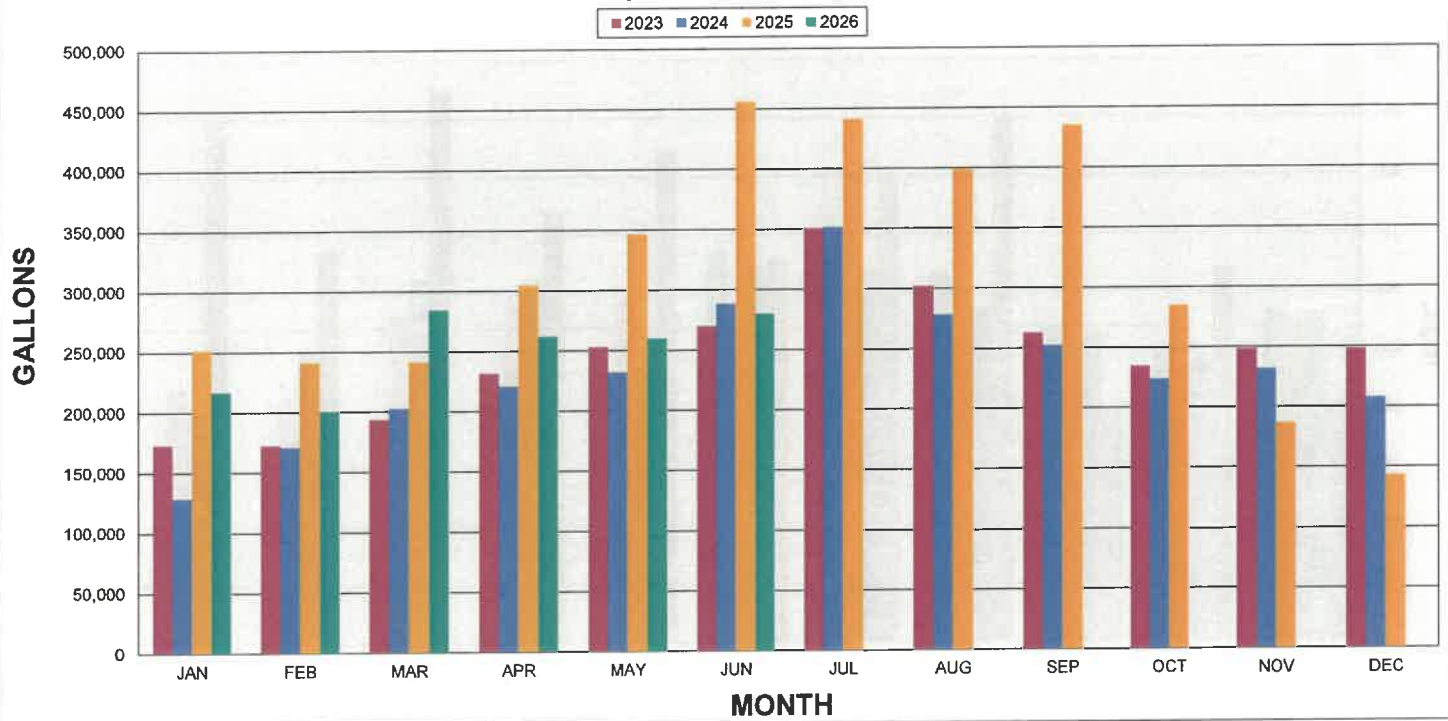
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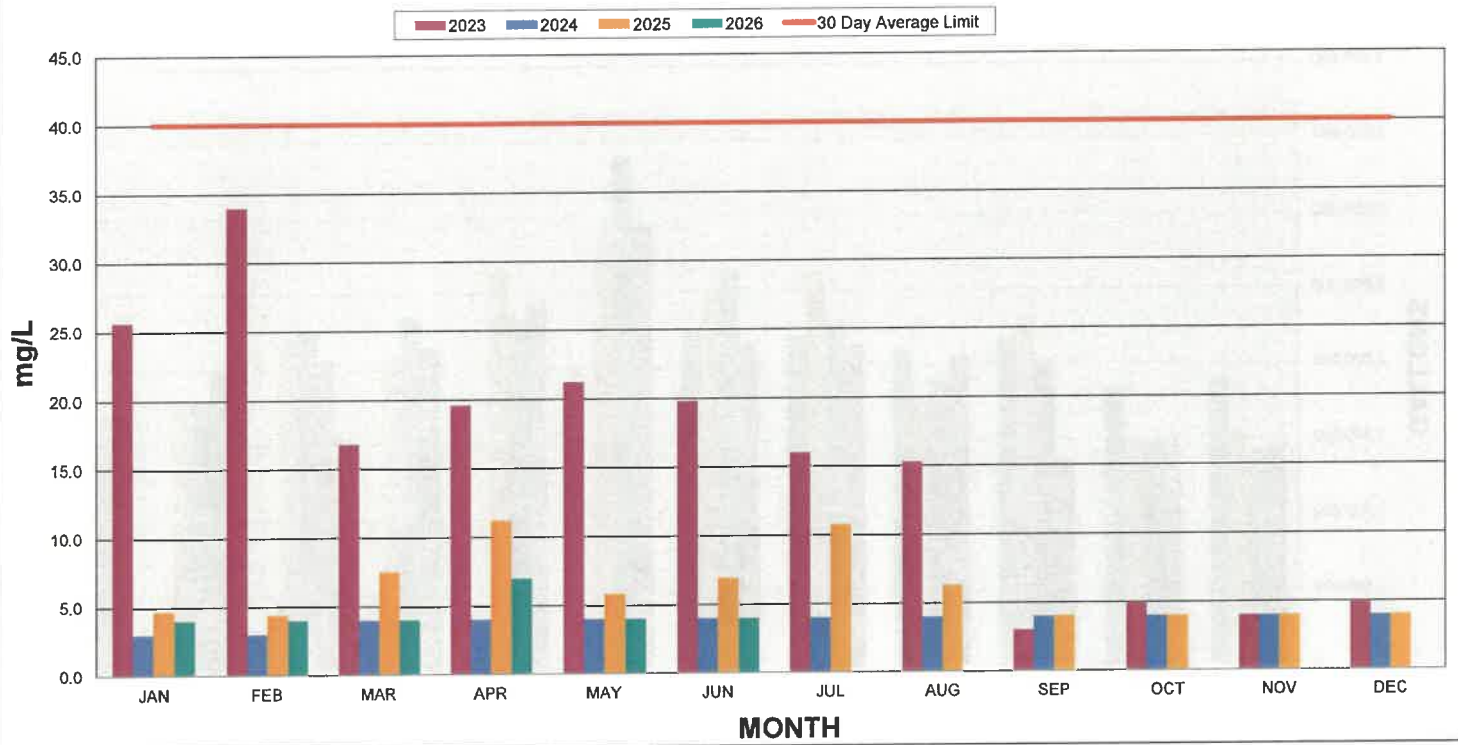
ABCSD AVERAGE DAILY WWTP EFFLUENT FLOW (2023 - 2026)



PORT SAN LUIS MONTHLY TOTAL FLOW (2023 - 2026)

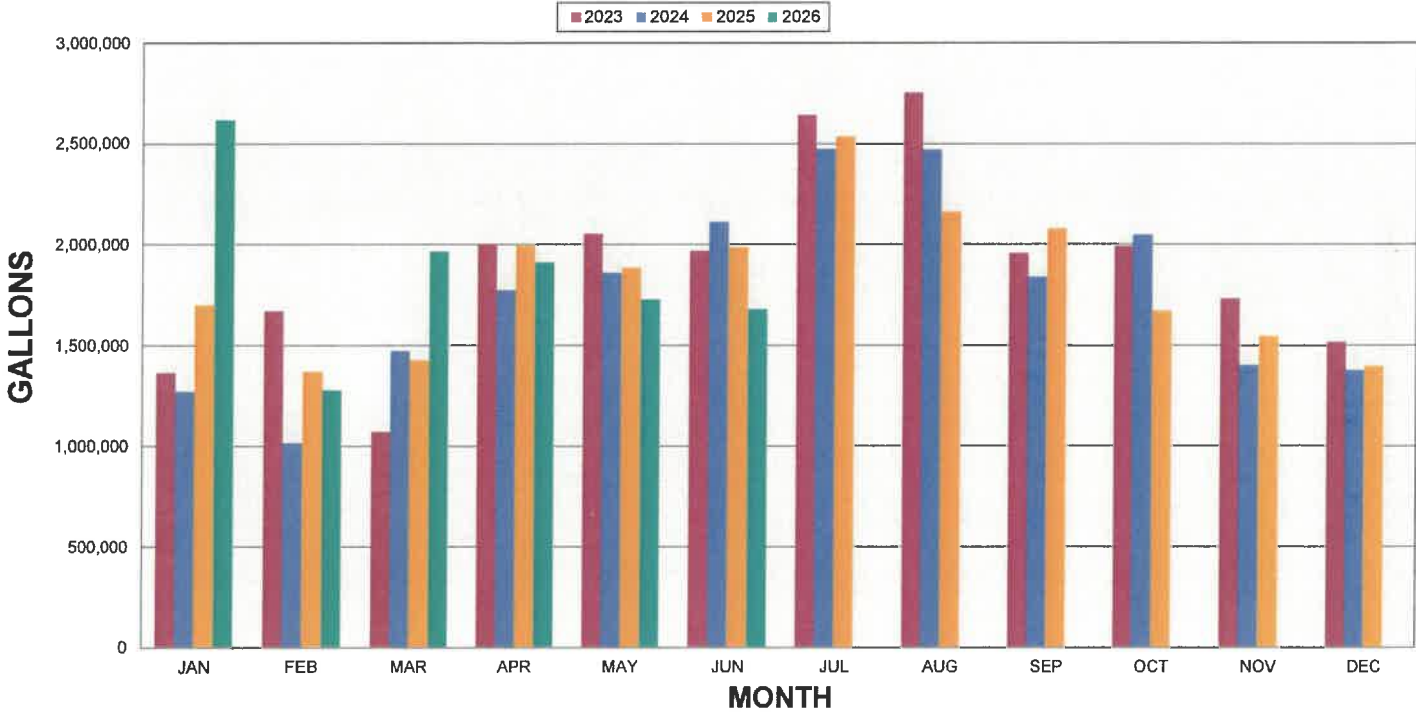


ABCSD MONTHLY AVERAGE EFFLUENT BOD (2023 - 2026)



Note: Non Detect (ND) values are represented on the graph at their reporting limit.

**ABCSD MONTHLY WATER SOLD
(2023 - 2026)**



Avila Beach CSD Wastewater Treatment Facility

Monthly report due last day of following month
Annual report due January 30

Month: JULY 2026

Date	Daily Flow (MGD)			Effluent Monitoring		
	Total	Max (gpm)	Avg (gpm)	Biweekly Total Coliform	Biweekly Fecal Coliform	Daily Chlorine Residual
1	0.050320	73	35			0.00
2	0.050914	72	35	<1.8	<1.8	0.00
3	0.065884	88	46			0.10
4	0.077009	102	53			0.00
5	0.067143	90	47			0.00
6	0.061963	73	43			0.00
7	0.048120	50	33	<1.8	<1.8	0.00
8	0.056654	66	39			0.00
9	0.049906	62	35	2.0	<1.8	0.00
10	0.629010	91	44			0.00
11	0.076003	96	53			0.00
12	0.069856	92	49			0.00
13	0.061402	73	43			0.00
14	0.059468	68	41	<1.8	<1.8	0.00
15	0.067367	69	47			0.00
16	0.062047	67	43	<1.8	<1.8	0.00
17	0.070491	92	49			0.00
18	0.075476	92	52			0.00
19	0.066504	87	46			0.00
20	0.065227	79	45			0.00
21	0.060175	63	42	<1.8	<1.8	0.00
22	0.066864	64	46			0.10
23	0.059736	63	41	<1.8	<1.8	0.00
24	0.061697	75	43			0.00
25	0.079485	95	55			0.00
26	0.075417	82	52			0.00
27	0.066417	72	46			0.00
28	0.054851	64	38	<1.8	<1.8	0.00
29	0.062375	65	43			0.00
30	0.066033	64	46			0.00
31	0.068524	91	48			0.00
Min	0.048120	50	33.0	<1.8	<1.8	0.00
Mean	0.082333	77	44.5	<1.8	<1.8	0.01
Max	0.629010	102	55.0	2.0	<1.8	0.10
Total	2.552337					

Effluent daily (dry weather) flow NTE 0.2 MGD (mean).

I certify under penalty of perjury that the foregoing is true and accurate and that the sampling procedure and analysis used are as specified in the Waste Discharge Order for this facility.

SIGNATURE:

PRINTED NAME:

Effluent and Influent Monitoring

Date	Weekly Effluent BOD (24 HC)	Weekly Effluent TSS (24 HC)	Weekly Influent BOD (24 HC)	Weekly Influent TSS (24 HC)	Monthly Effluent Oil & Grease (Grab)
7/2/26	<4.0	<5.0	380	230	
7/9/26	<4.0	<5.0	390	370	
7/16/26	<4.0	<5.0	300	150	<6.4
7/23/26	<4.0	<5.0	260	110	
7/30/26					
Min	<4.0	<5.0	260	110	<6.4
Mean	<4.0	<5.0	332.5	215.0	<6.4
Max	<4.0	<5.0	390	370	<6.4
BOD Removal: 100.0%			TSS Removal: 100.0%		

Effluent Monitoring

Date	Weekly Set. Solids (Grab)	Weekly Turbidity (Grab)	Weekly pH (Grab)*	Weekly Temp °F (Grab)
7/2/26	<0.1	0.80	7.08	74
7/9/26	<0.1	0.85	7.03	73
7/16/26	<0.1	0.40	7.08	79
7/23/26	<0.1	0.35	7.03	78.9
7/30/26				
Min	<0.1	0.35	7.03	73.0
Mean	<0.1	0.6	7.06	76.2
Max	<0.1	0.9	7.08	79.0

*Effluent pH samples were collected on 7/6, 7/13, 7/20 and 7/27.

Influent Brine Received

Date	Volume (Gallons)
N/A	N/A

Sludge Removal

Date	Gallons
7/2/26	4,000
7/8/26	2,800
7/9/26	4,800
7/22/26	4,500
7/23/26	4,500

Effluent Limits

Parameter	Units	Monthly Avg	Weekly Avg	Daily Max
BOD	mg/L	40	60	90
Suspended Solids	mg/L	40	60	90
Oil and Grease	mg/L	25	40	75
Turbidity	NTU	75	100	225
Total Coliform	MPN/100 mL	7 Sample Median: 23		
		More than once in 30 days: 240		
		Daily Maximum: 2,400		
Chlorine Residual	mg/L	6 Month Median: 0.3		1.2
pH	pH units	Between 6.0 - 9.0		
Settleable Solids	mL/L	1.0	1.5	3.0
BOD/TSS Removal	%	≥ 75%	***	***

DATE:

TITLE:

Avila Beach CSD
Wastewater Treatment
Facility

Monthly report due last day of following month
Annual report due January 30

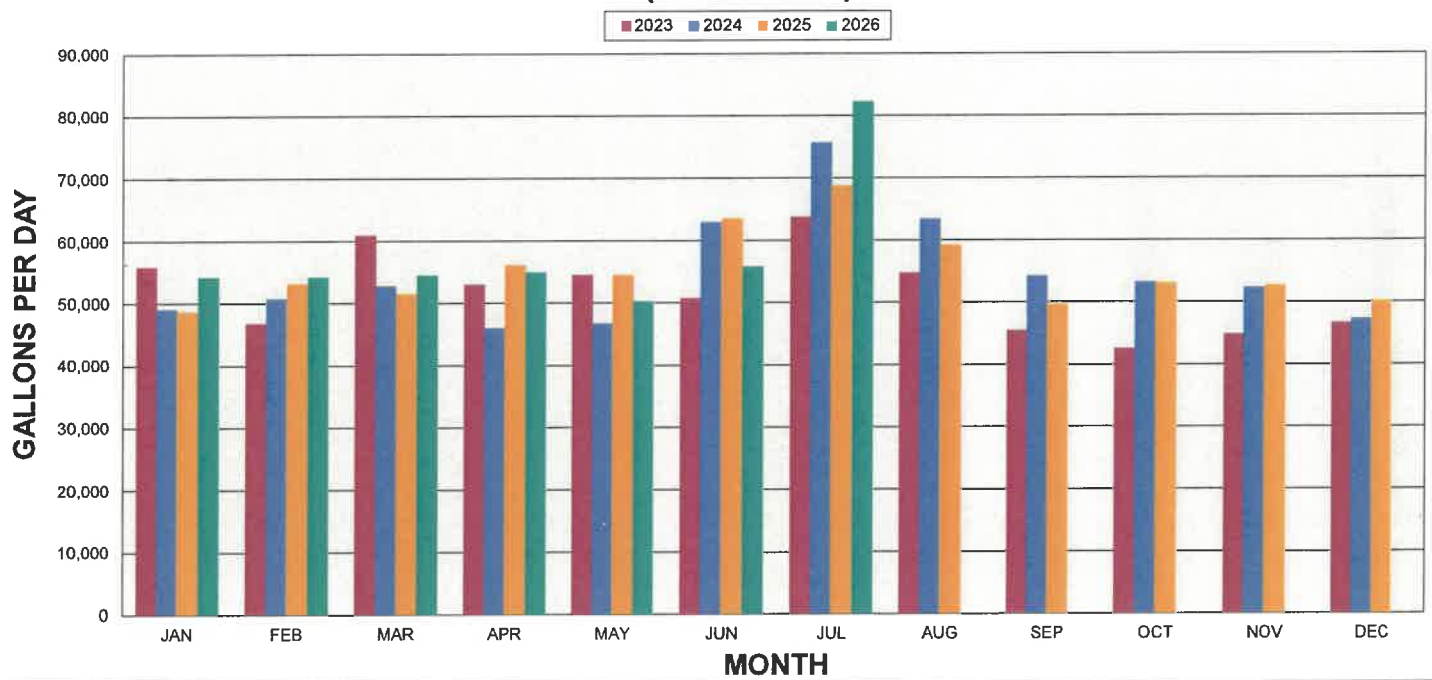
Month: JULY 2026

Process Sampling

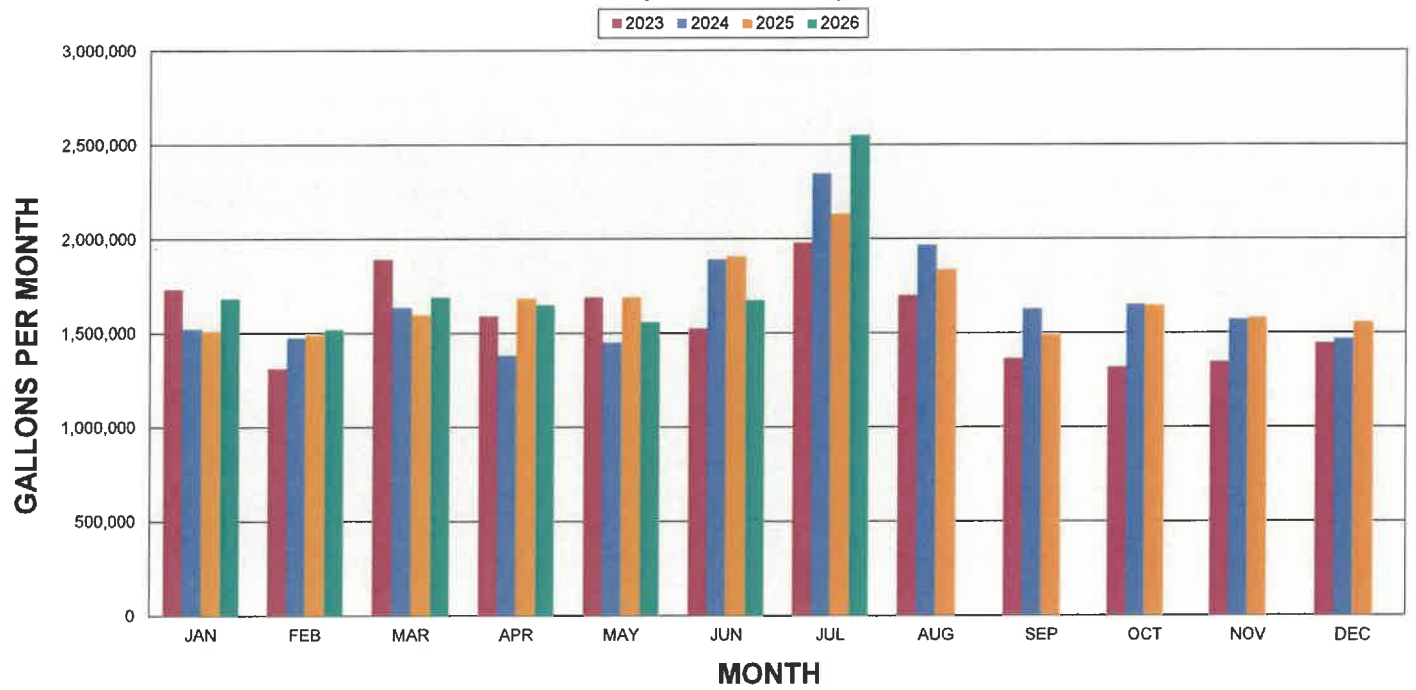
Parameter (mg/L)	MBR Influent (24HC)		MBR Aeration (grab)
Date	7/2/26	7/16/26	7/16/26
BOD (mg/L)	260	210	---
Total Suspended Solids (mg/L)	63	64	4,300
Volatile Suspended Solids (mg/L)	---	---	3,700

The process sampling results attached were required by the manufacturer for the first year of operation of the WWTP. Avila Beach CSD staff have elected to continue monthly process sampling beyond this requirement to monitor plant performance. The constituents/frequency may change at the discretion of Avila Beach CSD.

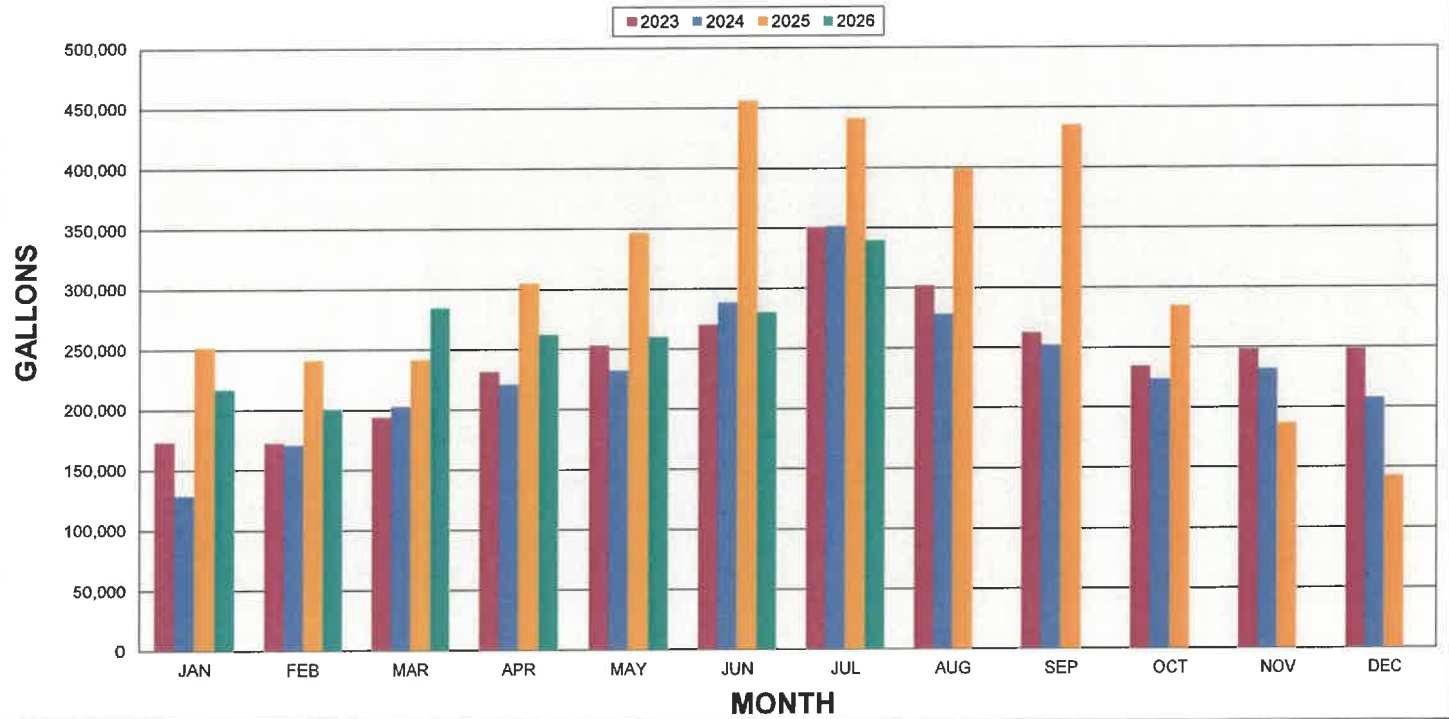
ABCSD AVERAGE DAILY WWTP EFFLUENT FLOW (2023 - 2026)



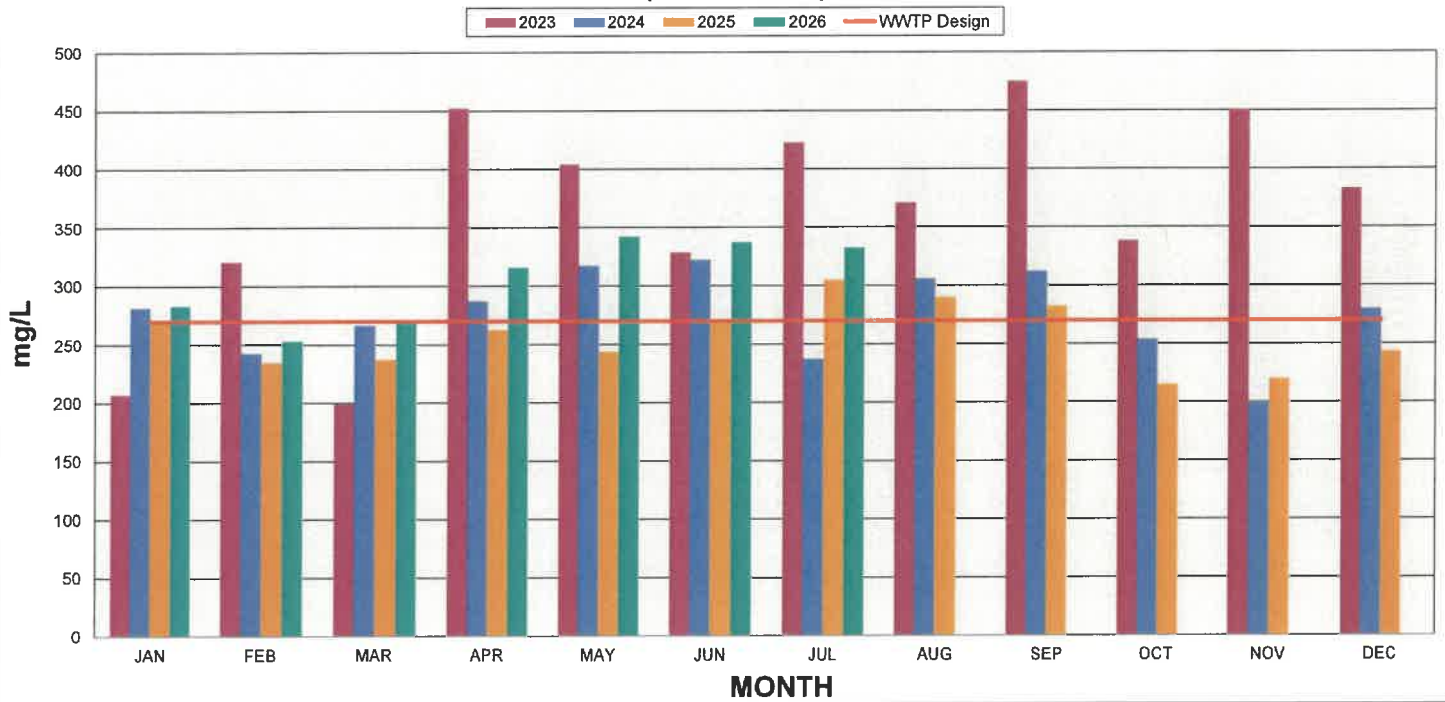
ABCSD MONTHLY TOTAL WWTP EFFLUENT FLOW (2023 - 2026)



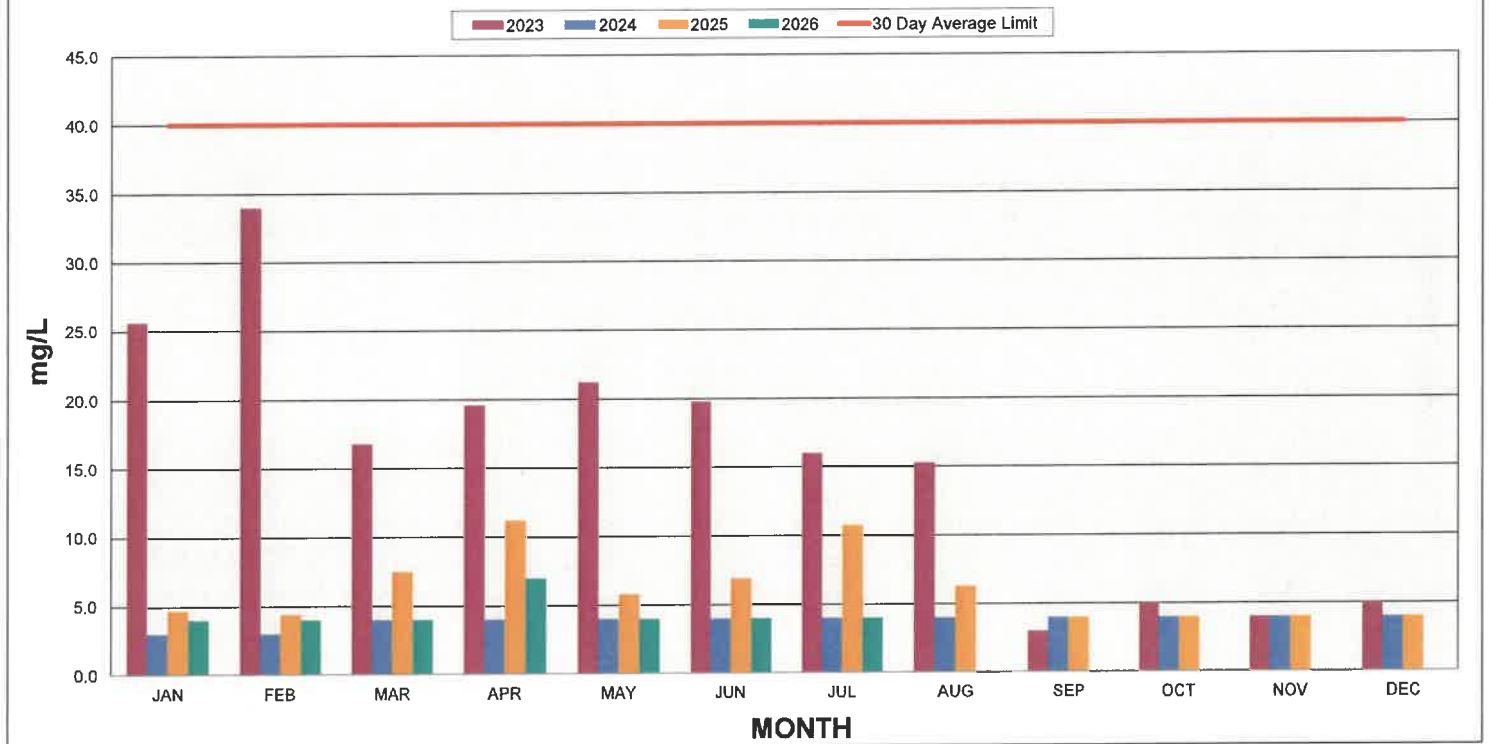
PORT SAN LUIS MONTHLY TOTAL FLOW (2023 - 2026)



ABCSD MONTHLY AVERAGE INFLUENT BOD (2023 - 2026)

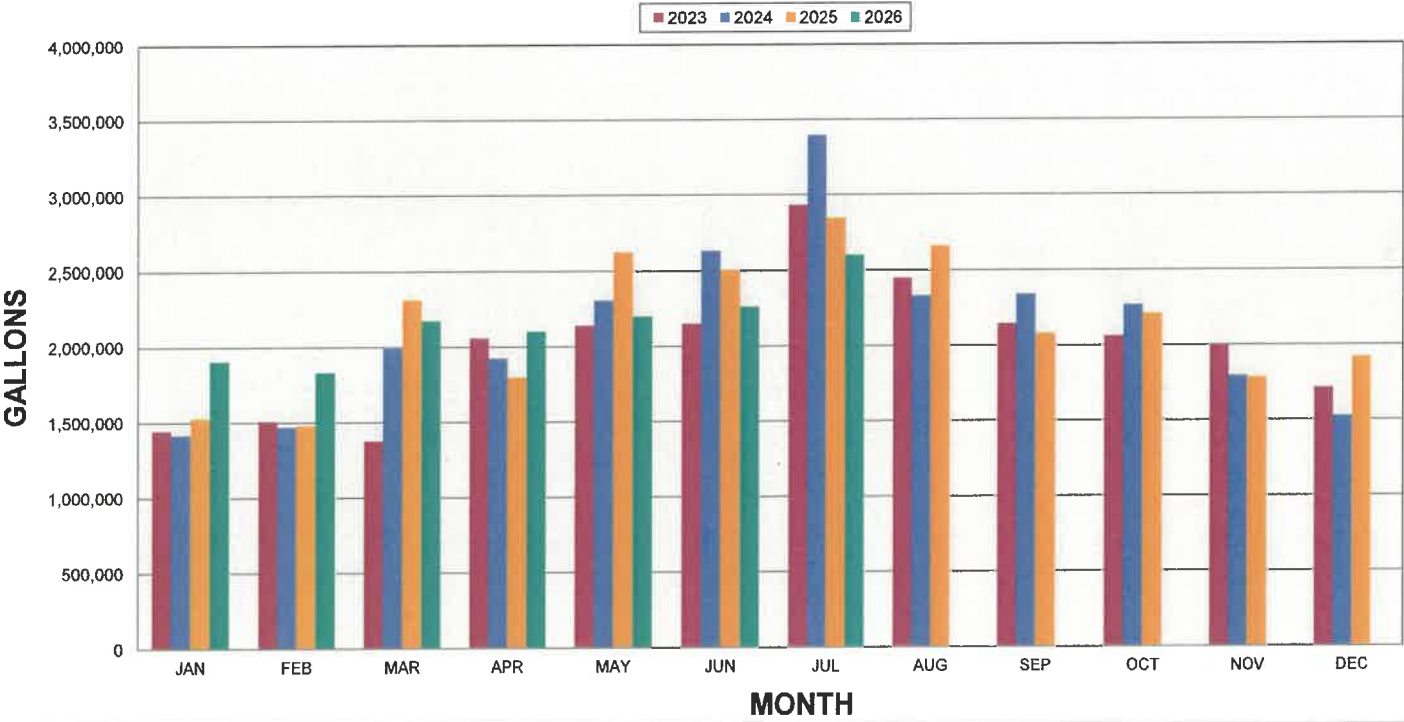


ABCSD MONTHLY AVERAGE EFFLUENT BOD (2023 - 2026)

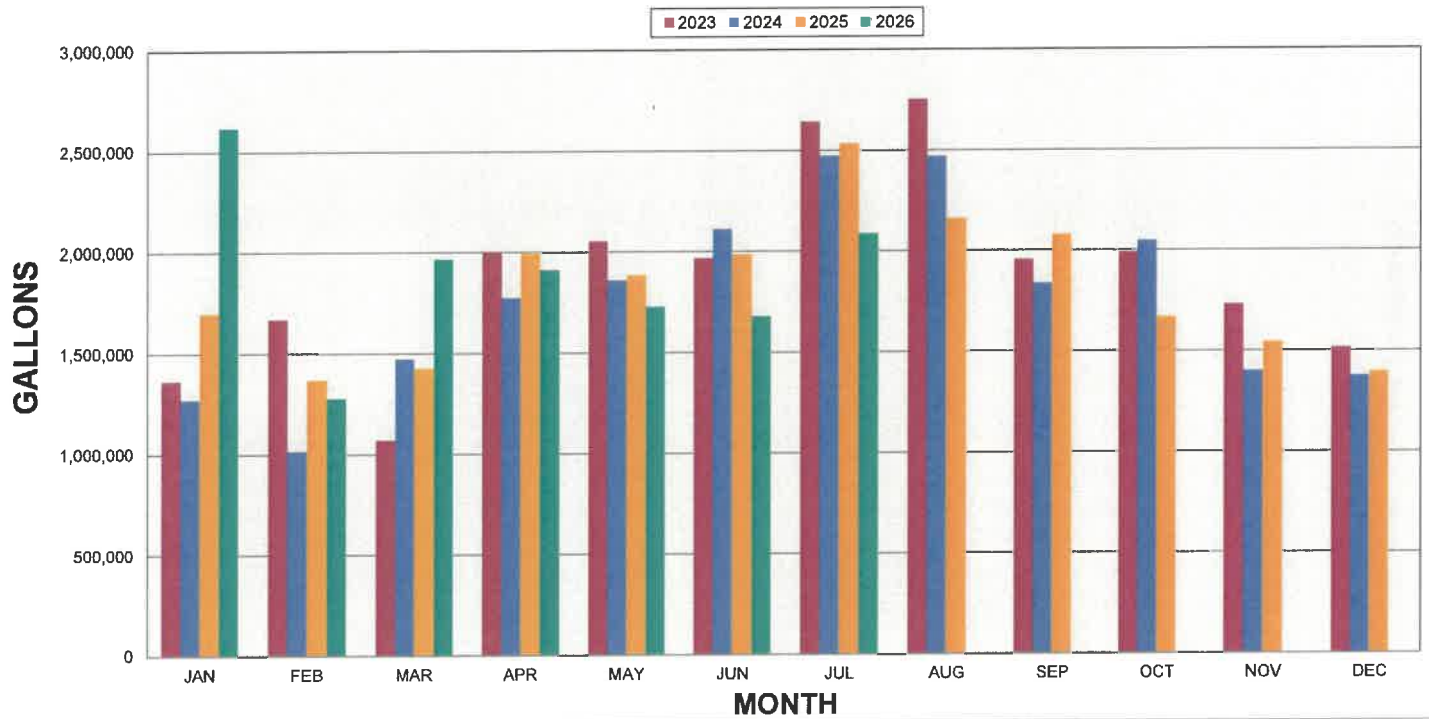


Note: Non Detect (ND) values are represented on the graph at their reporting limit.

**ABCSD MONTHLY WATER PURCHASED FROM LOPEZ
(2023 - 2026)**



ABCSD MONTHLY WATER SOLD (2023 - 2026)



TO: BOARD OF DIRECTORS
FROM: SHANNON DENATALE BOYD & CAMERON GOODMAN,
GENERAL COUNSEL
VIA: BRAD HAGEMANN,
GENERAL MANAGER
DATE: August 11, 2026

STAFF REPORT

ITEM 10-A

Revised Conflict of Interest Code

BACKGROUND

Under the California Political Reform Act of 1974, all public agencies are required to adopt a Conflict of Interest Code which designates positions required to file Statements of Economic Interests (Form 700), and assigns disclosure categories specifying the types of interests to be reported. The Form 700 is a public document intended to alert public officials and members of the public to the types of financial interests that may create conflicts of interests.

Pursuant to Government Code Section 87306.5 each local agency which has adopted a Conflict of Interest Code is required to review such code beginning July 1 of each even numbered year. Upon review of the Code, if a change is necessitated, the local agency must submit an amended Conflict of Interest Code in accordance with subdivision (a) of Section 87302 and Section 87303 to the code reviewing body. For purposes of these sections the agency adopting body is the District Board of Directors. The reviewing body is the San Luis Obispo County Board of Supervisors.

In 2024 administrative staff worked with legal counsel to completely revise the District's Conflict of Interest Code and the positions listed therein, which was adopted by the Board of Directors on September 10, 2024 per resolution 2024-10. Upon review of the Conflict of Interest Code in 2026, the General Manager has determined, in consultation with legal counsel, that the position of Chief Plant Operator is not involved in the making of decisions which may foreseeably have a material effect on any financial interest, and therefore such position need not be designated in the District's Conflict of Interest Code. Accordingly, the Conflict of Interest Code has been amended per resolution 2026-05, attached. Upon approval by the Board, the amended code will be sent to the County Board of Supervisors for review and retention by the Clerk of the Board.

RECOMMENDATION

Adopt Resolution No. 2026-05: a resolution of the Board of Directors of the Avila Beach Community Services District adopting an amended Conflict of Interest Code pursuant to the Political Reform Act of 1974.

ATTACHMENTS

Resolution No. 2026-05 with attached Conflict of Interest Code and Appendices

**AVILA BEACH COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2026-05**

**A RESOLUTION OF THE BOAD OF DIRECTORS OF THE
AVILA BEACH COMMUNITY SERVICES DISTRICT ADOPTING
A REVISED CONFLICT OF INTEREST CODE**

WHEREAS, pursuant to the Political Reform Act (California Government Code §§81000 et seq.) and the regulations thereunder, the AVILA BEACH COMMUNITY SERVICES DISTRICT (the “District”) adopted its current Conflict of Interest Code on September 10, 2024 by passing Resolution No. 2024-10 (the “Existing Code”); and

WHEREAS, the Board of Directors of the District deems it to be in the District’s best interests to adopt a new Conflict of Interest Code to update and supersede the District’s Existing Code.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Board of Directors of the District hereby adopts the attached Conflict of Interest Code as the Conflict of Interest Code for the District. The attached Conflict of Interest Code shall supersede and replace the Existing Code.
2. The Board Secretary of the District is hereby authorized and directed to submit a certified copy of the attached Conflict of Interest Code to the San Luis Obispo County Board of Supervisors for approval.
3. The Conflict of Interest Code shall take effect immediately following approval by the San Luis Obispo County Board of Supervisors.

PASSED AND ADOPTED this 11th day of August, 2026, by the following vote of the Board of Directors of the Avila Beach Community Services District:

AYES:

NOES:

ABSENT:

ABSTAIN:

Peter Kelley, Board President

ATTEST:

Bradley Hagemann, Board Secretary

AVILA BEACH COMMUNITY SERVICES DISTRICT
CONFLICT OF INTEREST CODE
Adopted August 11, 2026

The Political Reform Act, Government Code sections 81000 et seq., requires state and local governmental agencies to promulgate and adopt conflict of interest codes. The Fair Political Practices Commission has adopted a regulation, 2 California Code of Regulations section 18730, which contains the terms of a standard conflict of interest code. Section 18730 can be adopted by governmental agencies through incorporation by reference and may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act after public notice and hearings.

The terms of 2 California Code of Regulations section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. The Conflict of Interest Code of the Avila Beach Community Services District (the “District”) is hereby amended and is hereafter comprised of (i) the terms of 2 California Code of Regulations section 18730, together with any amendments to it duly adopted by the Fair Political Practices Commission, (ii) the attached Appendix A (Designated Employees), and (ii) the attached Appendix B (Disclosure Categories).

Designated Employees shall annually file statements of economic interests with the District. Upon receipt of these statements, the District shall make and retain a copy and forward the original of each statement to the Elections Division of the San Luis Obispo County Clerk Recorder.

Appendix A
AVILA BEACH COMMUNITY SERVICES DISTRICT
DESIGNATED EMPLOYEES

It has been determined that the persons occupying the designated positions (“Designated Employees”) listed below make or participate in the making of decisions which may foreseeably have a material effect on financial interests. Designated Employees must disclose financial interests in those categories described in *Appendix B*, which are listed opposite the respective Designated Employees.

<u>Designated Employees</u>	<u>Disclosure Categories</u>
General Manager	1-5
Engineer	1-5
Members of the Board of Directors	1-5
Board Secretary	1-5
General Counsel	1-5

Appendix B
AVILA BEACH COMMUNITY SERVICES DISTRICT
DISCLOSURE CATEGORIES

CATEGORY 1

Any real property in which the Designated Employee has a direct or indirect interest, but only if the real property is located in whole or in part within the jurisdiction of the Avila Beach Community Services District. Real property interests include any leasehold, beneficial or ownership interest or option to acquire such interest in real property, if the fair market value of the interest is \$2,000.00 or more.

CATEGORY 2

Business positions or direct or indirect investments in or income from persons or business entities engaged in the appraisal, acquisition, or disposal of real property within the jurisdiction of the Avila Beach Community Services District.

CATEGORY 3

Business positions or direct or indirect investments in business entities and income from any source or sources of income, if:

a) The business entities or the source or sources of income are of the type which, within the previous two years, have provided or contracted to provide, or in the future with reasonable foreseeability might provide or contract to provide services, supplies, materials, machinery or equipment to or for the use of the Avila Beach Community Services District; and

b) Within the previous two years, the Designated Employee has made, participated in making, or in any way has attempted to use his or her official position to influence the

governmental decision to obtain or procure services, supplies, materials, machinery or equipment of the same or a similar type as those so provided or contracted to be provided to the Avila Beach Community Services District or if the duties of the Designated Employee's position make it reasonably foreseeable that he or she might engage in such activity.

CATEGORY 4

Business positions or direct or indirect investments in business entities and income from any source or sources of income, if:

a) The business entities or the source or sources of income are of the type which, within the previous two years, have furnished or contracted to furnish, or in the future with reasonable foreseeability might furnish or contract to furnish services, supplies, materials, machinery or equipment as a subcontractor in any contract with the Avila Beach Community Services District; and

b) Within the previous two years, the Designated Employee has made, participated in making, or in any way has attempted to use his or her official position to influence the governmental decision to obtain or procure services, supplies, material, machinery or equipment of the same or a similar type as those so provided or contracted to be provided to the Avila Beach Community Services District or if the duties of the Designated Employee's position make it reasonably foreseeable that he or she might engage in such activity.

CATEGORY 5

Business positions or direct or indirect investments in business entities and income from any source or sources of income, if:

a) The business entities or the source or sources of income are of the type which are subject to the regulation or supervision of the Avila Beach Community Services District; and

b) The Designated Employee's duties involve the supervision or regulation (including, but not limited to, the issuance of permits) of that type of business entity or source of income.

* * * * *

For purposes of the foregoing Disclosure Categories 1 through 5:

a) "Indirect investment" or "indirect interest" includes any investment or interest with a fair market value of \$2,000.00 or more that is owned by the spouse or dependent child of a Designated Employee, by an agent on behalf of a Designated Employee, or by a business entity or trust in which the Designated Employee, the Designated Employee's agents, spouse, and dependent children own directly, indirectly, or beneficially a ten percent (10%) interest or greater.

b) "Sources of income" shall include gifts, but shall exclude loans from commercial lending institutions made in the regular course of business on terms which are available to the public without regard to official status.

AVILA BEACH COMMUNITY SERVICES DISTRICT

Post Office Box 309, Avila Beach, CA. 93424

MEMORANDUM

TO: Board of Directors

FROM: Brad Hagemann, General Manager

DATE: August 11, 2026

ITEM 10B: Consider Adoption of a Memorandum of Understanding with Seawell, LLC regarding the feasibility of installing a floating desal unit in Avila Bay

Recommendation:

Receive this staff report, and direct staff to finalize the MOU for the Board President signature or provide other direction.

Background/Discussion:

For the past several months the Board has been discussing the feasibility of working with Seawell LLC to initiate a pilot project to install a floating desal unit in Avila Bay. Seawell desires to work with Avila Beach CSD on the pilot project due to the favorable Avila Bay sea floor conditions, utility access to the Avila Beach Pier, and the fact that if the pilot project is successful, ABCSD could add the desal water (up to 100-acre feet per year) to our existing water portfolio. Desal water would provide a local, sustainable, drought-proof water source that could bolster the District's water portfolio and could possibly allow the District to sell or transfer a portion of the District's less reliable State Water portfolio.

The Memorandum of Agreement is designed to document the District's intent to continue working with Seawell on the project feasibility. The MOU does not obligate the District to purchase any water or fund any of the consultants that will be working on the project. The District or Seawell can terminate the MOU at any time.

The Desal Ad Hoc Committee has met and discussed the MOU. The Committee members were supportive of continuing to participate with Seawell on the project.

Attachment:
Draft MOU

DRAFT

Blue Ocean Water Project

Overview & Memorandum of Understanding

Offshore Desalination for Avila Beach, California

Between

SeaWell LLC

and

Avila Beach Community Services District

Effective Date: _____

Overview: The Blue Ocean Water Project

Avila Beach is one of California's most beloved coastal destinations—sheltered in San Luis Obispo Bay, warmed by a famously mild microclimate, and home to a small permanent community of roughly 1,400 residents whose lives are woven around the pier, the sea, and the land. But this gem of the Central Coast sits at the end of a water supply chain that, like other California communities, has very little margin for drought.

Today, the Avila Beach Community Services District (“AB-CSD”) relies almost entirely on surface water from Lopez Lake—a supply shared among five South County communities and subject to mandatory cutbacks as reservoir levels fall—supplemented by a contracted allocation of State Water that has historically delivered at just 54 percent of contract and fell to 5 percent during the most recent drought period. Compounding this, recent litigation between environmental groups and San Luis Obispo County, may require Lopez Lake water purveyors to decrease their contracted water amount if the County is required to increase fish-flow releases from Lopez Dam. San Luis Obispo County officials have warned that, under drought conditions similar to those already experienced, the reservoir could be fully depleted. Avila Beach has no meaningful local groundwater source. The District does have an emergency inter-tie connection with a local mutual water company that could provide limited back-up water to the District. All in all, in drought conditions with curtailed imported water, the community's water options are tight.

The Blue Ocean Water Project (the “BOW Project”) changes that equation. SeaWell LLC (“SeaWell”) proposes to deploy its Offshore 15 Buoy—a compact, shipyard-built, offshore reverse osmosis desalination system—approximately $\frac{3}{4}$ mile off the end of Avila Beach Pier, in the protected waters of San Luis Bay. The Buoy will draw seawater from the ocean and produce approximately 100,000 gallons per day of high-quality desalinated water, delivering it to shore through a subsea pipeline and,

following final potable treatment, into AB-CSD's distribution system. The result is 100 acre-feet per year of locally produced clean drinking water, independent of rainfall, snowpack, litigation, or State Water Project allocation—a drought-proof supply that Avila Beach currently lacks and cannot obtain through any other near-term means.

The Avila Beach Pier is a unique asset that makes this project both practical and cost-effective. Running 1,685 feet into San Luis Bay, the pier provides a natural pathway from the open water to the shoreline—allowing the subsea pipeline to reach the distribution system without a disruptive seabed crossing of the beach itself. This is an advantage not many other coastal communities enjoy.

Within this context, SeaWell has engaged with AB-CSD to advance the Blue Ocean Water Project. This initiative presents a near-term opportunity to introduce a local, drought-proof water source directly into the existing AB-CSD system—one sized to replace the community's at-risk State Water Project allocation, and positioned to expand to serve neighboring Zone 3 communities if the partnership grows.

1. Supply Certainty Where It Matters Most

The BOW Project will deliver approximately 100 AFY of locally produced, drought-independent water—backstopping or ultimately replacing AB-CSD's State Water Project allocation. For a small community of approximately 400 connections and two storage tanks totaling 840,000 gallons, this supply does not require wholesale transformation of the water system. It slots in, fills the gap, and removes the vulnerability that drought has exposed repeatedly over the past decade.

2. No More Last-Mile Exposure

Avila Beach sits at the western terminus of the Zone 3 distribution pipeline—a 3-mile, 8-inch line running from the Sunset Palisades turnout in Pismo Beach, with a 6-inch extension continuing to the Port San Luis Harbor District facilities at Harford Pier. As the last community on that line, Avila Beach is also the most exposed when system-wide supplies are constrained or system failures occur upstream. By delivering water locally—at the point of need—the BOW Project eliminates that exposure and turns Avila Beach's coastal position from a liability into a strategic advantage.

3. A Foundation for the Five Cities

The Zone 3 system serves five communities—Arroyo Grande, Grover Beach, Pismo Beach, Oceano, and County Service Area 12, which includes, Avila Beach—all sharing the same dependence on Lopez Lake deliveries. The BOW Project's physical location at the western end of that system creates a natural foundation to support the Zone 3 distribution system. With a nominal pipeline expansion, additional SeaWell buoys could be deployed to enable water deliveries for the broader Zone 3 system, spreading fixed infrastructure costs across greater volume and reducing the per-unit price of water for all participants, including AB-CSD.

4. Cost-Effective from Ocean to Tap

SeaWell's Offshore 15 Buoy is designed to be cost-effective for exactly the scale of community Avila Beach represents. The system is shipyard-built and modular, deployed from a service boat rather than requiring construction at sea. Its power demand of under 2.5 kWh per cubic meter of water produced is among the most energy-efficient reverse osmosis configurations available. The Avila Beach Pier eliminates the expensive shoreline crossing that typically drives up project costs. And by targeting an existing water supply gap rather than catering to new demand, the project avoids the infrastructure costs and community concerns associated with potentially growth-inducing supply projects.

5. Built for California, Ready for the Bay

SeaWell's system is designed from the ground up for California's regulatory environment. It uses no chemicals, produces only low-concentration brine with rapid ocean mixing, occupies no land area, and presents a minimal visual profile at sea. The first Offshore 15 Buoy is currently under construction in New Zealand, with deployment scheduled in Auckland Harbor in Q4 2026. For Avila Beach, this means the technology is not a concept—testing of the water treatment process was completed at the Navy's Seawater Desalination Test facility in Port Hueneme in 2024, and a working Buoy is months away from its first open-water deployment, with California as its intended next market.

6. Avila Beach as a Model for Coastal Water Independence

By partnering with SeaWell on the BOW Project, AB-CSD has the opportunity to lead the first community-scale deployment of offshore floating desalination on California's Central Coast—a model that, if successful, can be replicated across the region and beyond. For a community that rebuilt itself from the ground up following the 1998 Unocal oil spill cleanup project, and that has seen drought strip away its water security within living memory, the ability to draw a reliable water supply directly from the ocean it sits on is not merely practical. It is a strong statement of dedication to its future.

In sum, the Blue Ocean Water Project is more than a local infrastructure initiative—it is a strategic entry point for AB-CSD to secure water independence, participate in a scalable regional supply solution, and lead the development of a new water-supply model for coastal California communities that can no longer afford to rely solely on what falls from the sky.

Memorandum of Understanding

Between

SeaWell LLC (“SeaWell”)

and

Avila Beach Community Services District (“AB-CSD”)

Effective Date: [Insert Date]

This Memorandum of Understanding is intended to establish a collaboration between SeaWell and AB-CSD (collectively, the “Parties”) to advance the Blue Ocean Water Project (the “BOW Project” or “Project”), an initiative to improve local water reliability for Avila Beach and the broader Zone 3 community. The Project embodies deployment of a single offshore desalination buoy to create a 25-year drought-independent water supply drawn directly from San Luis Bay. By converting ocean water into potable supply and integrating it into AB-CSD’s existing distribution system, the Project reduces Avila Beach’s dependence on imported water and eliminates the community’s most acute supply vulnerability. Development will be undertaken in close coordination with the Port San Luis Harbor District, San Luis Obispo County, community and Zone 3 stakeholders, and the relevant state and federal regulatory agencies, and may involve an initial phase to establish base operational and environmental data.

Strategic Partnership and Project Pathway

SeaWell and AB-CSD are aligning to advance the Project as a practical, low-risk pathway to secure a new local water supply at the coastal end of one of San Luis Obispo County’s most drought-exposed distribution systems. The collaboration is intentionally structured to give AB-CSD early visibility, direct involvement, and meaningful influence over a new supply option—allowing clear exits from a long-term supply commitment if the initial deployment does not meet permitting or performance criteria.

If deemed necessary, the Project will be deployed with an initial phase to facilitate regulatory requirements. This first phase—the “Baseline Deployment”—may consist of deploying a single SeaWell Offshore 15 Buoy under California’s temporary (pilot) permitting framework. Such initial phase may provide a controlled, real-world demonstration at full scale and on the permanent project footprint, generating the environmental and operational data that regulators may require for long-term permits. The Baseline could establish performance baselines for water quality, energy use, marine interaction, and system reliability under the specific conditions of San Luis Bay.

SeaWell will take primary responsibility for delivering and operating the system to the point of connection with AB-CSD’s distribution system, ensuring that performance data is transparent, credible, and aligned with regulatory requirements. A joint working group will keep the Parties aligned on technical milestones, stakeholder engagement, and data sharing throughout project development and deployment.

Clear Line of Sight to Long-Term Supply

A conditional Water Purchase Agreement (“WPA”) negotiated between the Parties prior to Project implementation, will come into force once all conditions have been satisfied following Project commissioning, whereby SeaWell will sell and AB-CSD will purchase desalinated water on terms that enable outside project investment and that recover SeaWell’s capital and operating costs over a multi-

decade term, while providing AB-CSD with an competitive water price, modified by the Consumer Price Index to account for inflation.

For AB-CSD, this creates a drought-proof supply option sized to replace the community's most unreliable import—the State Water Project allocation that has historically been curtailed when needed most—during drought periods. It also creates a platform for expansion: as additional Zone 3 communities join the project and total contracted volume grows, once per unit costs are reduced below the water price, the per-unit price of water falls for all participants, including AB-CSD.

Disciplined Commercial Structure

This MOU establishes a clear intent to negotiate a conditional Water Purchase Agreement before incurring significant third-party expenditures. The conditional terms in the WPA ensure that Project performance has been validated and long-term permitting obtained as conditions to long-term water purchase.

Under the anticipated framework, the Parties will negotiate the WPA to be in place prior to Project expenditures. Pricing offered to AB-CSD is below SeaWell's current estimate for its unit water cost, offered at a discount in recognition of AB-CSD's position as a potential first-mover for SeaWell's deployment in California. To the extent additional Zone 3 participants contribute capital or contract for water volumes, the impact of those contributions and additional volumes will be counted towards a water price reduction for all parties, including AB-CSD, once per unit water costs go below the AB-CSD water price.

Particularly during the initial Project work, the Parties intend to prioritize cost efficiency for 3rd-party expenses while balancing speed of execution. Working collaboratively, the Parties will seek to strategically navigate the permitting process to enable the Project to be operational in the shortest feasible timeframe.

Leveraging External Funding and Shared Value

The Project is designed to attract substantial external funding. Project costs are expected to be offset through state and federal water supply resilience grants, drought response programs, and desalination demonstration funding—for which AB-CSD, as a public agency, is an advantaged applicant. Both Parties commit to actively identifying and pursuing all available grant sources, with proceeds credited to the Project budget and reflected in water pricing as applicable.

Project capital costs are anticipated to be financed primarily by SeaWell and institutional project investors, limiting direct capital burden on AB-CSD to any Project infrastructure it intends to own.

Responsible, Coordinated Advancement

Both Parties are committed to a disciplined and transparent development process—working closely with the Port San Luis Harbor District, San Luis Obispo County, the California Coastal Commission, the Regional Water Quality Control Board, environmental organizations, the commercial fishing community that uses San Luis Bay, and the Avila Beach community itself. Any data generated, including data derived from an initial deployment in Auckland, NZ, will be shared as necessary to inform permitting, build public confidence, and ensure that the Project is grounded in demonstrated performance and environmental responsibility.

Confidentiality protections—consistent with AB-CSD's obligations under the California Public Records Act—will safeguard SeaWell's proprietary technology and commercially sensitive information during the development period.

Prudent, Non-Binding Framework

This MOU is non-binding but establishes a structured pathway to evaluate, de-risk, and potentially adopt a new local water supply—without obligating AB-CSD beyond standard confidentiality

provisions. The document reflects the good-faith intention of both Parties to work as partners toward the Project; binding obligations will arise only under the conditional Water Purchase Agreement and other definitive agreements negotiated in due course.

Until the WPA is executed, either Party retains the ability to step back with appropriate 30-day notice, ensuring flexibility and proportionate commitment throughout the process.

Board Consideration

Approval of this MOU enables AB-CSD to:

- Evaluate a new drought-proof local water supply with limited and defined financial exposure.
- Influence project design, permitting strategy, and stakeholder engagement from the outset.
- Leverage AB-CSD's public agency status to access grant funding that could significantly reduce the long-term cost of water.
- Position the District as the lead agency in developing a scalable new coastal water supply model for the Zone 3 system.
- Create a viable path to replacing the community's least reliable import supply—the State Water Project allocation that has averaged barely half of contract since operations began.

In short, this is a disciplined, low-risk entry point into a potentially transformative local water supply—one aligned with AB-CSD's mandate to provide Avila Beach with quality, innovative, and cost-effective water service, and with the community's long-term interest in reliable water security.

[Signatures appear on the following page]

Signatures

In witness whereof, the Parties have executed this Memorandum of Understanding as of the Effective Date set forth above, expressing their shared commitment to advancing the Blue Ocean Water Project in good faith and in the spirit of partnership described herein.

SeaWell LLC

Signature _____

Name _____

Title _____

Date _____

Avila Beach Community Services District

Signature _____

Name _____

Title _____

Date _____

AVILA BEACH COMMUNITY SERVICES DISTRICT

Post Office Box 309, Avila Beach, CA. 93424

MEMORANDUM

TO: Board of Directors

FROM: Brad Hagemann, General Manager

DATE: August 11, 2026

ITEM 10C: Consider Adding Recreational Powers to the Avila Beach Community Services District LAFCO approved Powers

Recommendation:

Receive this staff report, and direct staff to initiate the application process with LAFCO to add Recreational Powers or provide other direction to staff.

Background/Discussion:

At the last several Board meetings the Directors have discussed the pros and cons of adding Recreational Powers to the Avila Beach Community Services District approved powers/responsibilities. The San Luis Obispo County Local Agency Formation (LAFCO) is responsible for facilitating the application process, conducting the public hearing and ultimately approving or denying the application. The process to add a “power” to a CSD takes about 12 – 18 months and requires a considerable amount of staff time and possibly some consultant time to develop the application.

Staff has requested the LAFCO Executive Director or a LAFCO staff member attend the Board meeting to discuss the application process and answer Board member’s questions.

The purpose of this item is to provide the Board with sufficient background information to help them make a decision regarding moving forward with the application process; seek additional information; or not to pursue recreational powers at this time.