

**JOINT MEETING
CITY OF MORRO BAY AND CAYUCOS SANITARY DISTRICT
WASTEWATER TREATMENT PLANT
(UNDER JOINT POWERS AGREEMENT)**

**CAYUCOS SANITARY DISTRICT
BOARD OF DIRECTORS:**

Robert Enns, President
R.H. Bud McHale, Vice-President
Harold Fones, Director
Michael Foster, Director
Shirley Lyon, Director

**CITY OF MORRO BAY CITY COUNCIL:
MEMBERS PRESENT:**

Janice Peters, Mayor
Betty Winholtz, Vice-Mayor
Noah Smukler, Councilmember
Carla Borchard, Councilmember
Rick Grantham, Councilmember

MINUTES

MEETING DATE:

1:00 p.m., Thursday, July 15, 2010

HOSTED BY:

City of Morro Bay

MEETING PLACE:

Multi-Purpose Room
Community Center
1001 Kennedy Way
Morro Bay, CA 93442

CALL TO ORDER AND ROLL CALL

Mayor Peters called the meeting to order at 1:08 p.m. and asked that the record show Council members Betty Winholz and Rick Grantham present with Carla Borchard present via telephone remote. Smukler absent. President Enns stated all Cayucos Board members are present with the exception of Bud McHale

PUBLIC COMMENT PERIOD

Members of the audience wishing to address the governing bodies on Morro Bay-Cayucos Wastewater Treatment Plant (WWTP) business matters may do so at this time. By the conditions of the Brown Act, the governing bodies may not discuss issues not on the agenda, but may set items for future agendas. When recognized by the Chair, please come forward to the podium and state your name and address for the record. Comments should be limited to three minutes.

Mayor Peters opened the Public Comment period.

Richard Sadowski, Morro Bay resident spoke of his expertise on project management work on various projects, and expressed the need to put flow meters on all lift stations to get proper flow readings which is needed for a properly sized WWTP. Stated it should be a no-brainer to have reclamation in this project.

Robert Staller, Farmer agreed that reclamation is a necessity for the new WWTP.

Dorothy Cutter, expressed concern for obligating to a PM that may not be necessary especially if we end up going with PERC.

Hearing no further comments Mayor Peters closed public comment.

B. OLD BUSINESS

1. Consideration to Award Contract for Project Management Services for WWTP Upgrade

Project – Recommend award contract

Keogh explained the PM will be responsible for coordination and management of the design process, SRF funding process and the environmental review and permitting process. The PM contract is a time and materials contract not to exceed \$250,000. Keogh explained the RFP process and the 4 firms that responded. There were subsequent interviews with 2 of the firms: Dennis Delzeit teamed with The Wallace Group and Harris & Associates. Keogh announced the recommendation to award the PM contract to Dennis Delzeit.

Keogh then introduced Bill Little from Harris & Associates who proceeded to thank the Board and Council for their consideration, and announced his support of the staff recommendation.

Dennis Delzeit introduced himself and presented a slideshow that gave an overview of himself and the Wallace Group and their combined expertise and experience. Delzeit compared the Pismo Beach WWTP to the MB-CSD WWTP. Delzeit emphasized the need to stay on schedule for the success of the project.

Board and Council proceeded to ask Delzeit a variety of questions on his work on the Pismo Beach project related to budget, reclamation and Title 22 options for the future.

Winholtz and Keogh had extensive conversation regarding staff report and budget, Delzeit estimate for PM services, payment of PM services based on capacity, involvement in parallel path of PERC CDR and MWH, out-clause in PM contract and what the obligations are.

Winholtz proceeded to give her opinion on the PM candidates that were interviewed, she then read a prepared statement expressing her displeasure with the handling of this process by staff, Board and Council. Winholtz stated she was electing not participate any further in this PM process and left the meeting.

Grantham, Borchard and Peters proceeded to express their support of both staff's efforts and Delzeit as the choice for PM and turned the discussion over to Cayucos for questions and comments.

Foster had questions on the \$250,000 budget and what happens when the \$250,000 is reached.

Lyon, Fones and Enns all expressed their support of the staff and their recommendation.

MORRO BAY MOTION: Peters, Grantham 2nd to award contract for Project Management Services for WWTP Upgrade to Dennis Delzeit for an amount not to exceed \$250,000. On the following roll call vote:

AYES: Peters, Grantham, Borchard

NOES: None

ABSENT: Smukler, Winholtz

CAYUCOS MOTION: Fones, Lyon 2nd to award contract for Project Management Services for WWTP Upgrade to Dennis Delzeit for an amount not to exceed \$250,000. VOTE: 4-0

Motion Passed

Next scheduled meeting August 12, 2010. Keogh announced possible conflict with meeting room, will advise on meeting date, location and time.

ADJOURNMENT

Peters adjourned the meeting at 2:07PM