

AGENDA ITEM: A-1

DATE: April 14, 2011

ACTION: APPROVED

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

MINUTES

**CAYUCOS SANITARY DISTRICT
BOARD OF DIRECTORS:**

Robert Enns, President
Hal Fones, Vice-President
Shirley Lyon, Director
Michael Foster, Director
Dan Chivens, Director

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

William Yates, Mayor
Noah Smukler, Vice-Mayor
Carla Borchard, Councilmember
George Leage, Councilmember
Nancy Johnson, Councilmember

MEETING DATE:

6:00 p.m., Thursday, March 10, 2011

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 Yates called the meeting to order at 6:12 p.m. and asked that the record show all Council members are present. Robert Enns stated all members are present with the exception of Vice-President Hal Fones.

Morro Bay Staff members present were Rob Livick, Rob Schultz, Bruce Keogh, Dylan Wade, Susan Slayton and Cindy Jacinth. Also present was JPA WWTP Project Manager Dennis Delzeit

Cayucos Staff members present were Bill Callahan, Lewis Brookins and District Counsel Tim Carmel.

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 Yates opened Public Comment and hearing no comment, Mayor Yates closed Public Comment.

A. CONSENT CALENDAR

Smukler pulled the minutes, Item A1. Foster pulled the financial status report, Item A2.

1 Minutes of February 10, 2010 JPA Meeting – Recommend approve.

Smukler asked the record to reflect that the no votes specify who voted no on an agenda item.

MORRO BAY MOTION: Smukler made a motion to approve Consent Calendar Item A1 as corrected. Borchard seconded and the motion passed unanimously (5-0).

CAYUCOS MOTION: Lyon made a motion to approve Consent Calendar Item A1 as corrected. Chivens seconded and the motion passed unanimously (4-0).

2 Financial Status Report as of December 31, 2010 – Recommend receive and file.

Foster asked Susan Slayton for a breakdown and clarification of the earthquake and flood insurance cost and inquired if there are other insurance bids, since this is a major expense.

Slayton responded that the insurance is not let out to bid but is provided through the California Joint Powers Insurance Authority (CJPIA). Foster provided a list of questions for Ms. Slayton to answer at the next JPA meeting.

CAYUCOS MOTION: Foster made a motion to approve the financial statements. Lyon seconded and the motion passed unanimously (4-0).

MORRO BAY MOTION: Borchard made a motion to approve the financial statements. Smukler seconded and the motion passed unanimously (5-0).

B. OLD BUSINESS

1 Status Report on Upgrade Project as of March 1, 2011 – Recommend receive and provide direction to staff.

Dennis Delzeit gave a status report discussing the status of the Upgrade Project including the hiring of the consultant, McCabe & Company who is now working on the JPA's behalf, the force majeure letters, and the request for a time extension which looks favorable.

Delzeit noted the Coastal Commission appeal meeting is tomorrow, March 11, 2011 in Santa Cruz and discussed the procedural steps to occur over the next several months.

Board members asked additional clarification regarding the hiring of the consultant and her assessment regarding the Coastal Commission appeal meeting. Delzeit noted that more information will be available after tomorrow's meeting.

C. NEW BUSINESS

1 Discussion regarding status of Advocacy Consultant Activities

Yates noted that a meeting was held today with Susan McCabe of McCabe & Company and after tomorrow's Coastal Commission meeting, the JPA will have a much better sense of what their chances are and what to expect.

Several JPA members agreed that Susan McCabe will be a valuable resource and helpful due to her expertise.

Yates discussed with staff the JPA's need to make progress and move forth with the project either as proposed or with "Plan B" (which is upgrading the existing plant to only meet full secondary treatment requirements), and also the need for the staff report to summarize the results of the Coastal Commission meeting.

Foster asked Delzeit for the status of the Plan B financial picture.

Delzeit and JPA members agreed that more will be known about other options after tomorrow's Coastal Commission meeting in Santa Cruz, including the time and financial limits to the upgrade project and potentially the plan B project.

DECLARATION OF FUTURE AGENDA ITEMS:

Smukler asked for status of the Project Manager position in regards to cost. Yates, Borchard, Leage and Johnson stated their support for Dennis Delzeit.

Cayucos also stated their support for the Project Manager.

ADJOURNMENT

Board members determined the next JPA meeting will be 6:00 p.m. on April 14th, 2011 in Cayucos.

Mayor Yates adjourned the meeting at 6:53.

Minutes Recorded by:

Cindy Jacinth, Morro Bay Public Services Dept.