

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

Cayucos Sanitary District
Board of Directors:
Robert B. Enns, President
Nat Raimondo, Vice-President
Hal Fones, Director
Bud McHale, Director
Shirley Lyon, Director

City of Morro Bay
City Council:
Janice Peters, Mayor
Rick Grantham, Councilmember
Melody DeMeritt, Councilmember
William Peirce, Councilmember
Betty Winholtz, Councilmember

DATE: 6:00 p.m., Thursday, December 14, 2006
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 6:04 p.m. and asked Morro Bay Staff member Kimberly Peeples to take the roll.

Morro Bay City Councilmembers present were Mayor Janice Peters, Rick Grantham and Betty Winholtz. Councilmembers absent were Melody DeMeritt and William Peirce. Morro Bay Staff members present were Bruce Keogh, Rob Schultz, Susan Slayton and Kimberly Peeples.

Cayucos Sanitary District Board Members present were President Robert Enns, Nat Raimondo, and Hal Fones. Board Members absent were Bud McHale and Shirley Lyon. Cayucos Staff members present were Bonnie Connelly, Bill Callahan, and District Counsel Tim Carmel.

PUBLIC COMMENT PERIOD

John Lemons spoke against the tertiary treatment option stating he felt it would be fiscally irresponsible to spend the taxpayer's money in such a manner.

Seeing no further comments Mayor Peters closed the Public Comment Period.

A. CONSENT CALENDAR

1. Minutes of September 21, 2006 Meeting – Recommend approve.
2. Minutes of September 12, 2006 Technical Advisory Committee – Recommend approve
3. Wastewater Treatment Plant (WWTP) Operations Report through October 31, 2006 – Recommend receive and file
4. Status Report on NPDES Permit Renewal Process – Recommend receive and file

Winholtz asked to have item numbers A1 and A2 pulled for review.

A 1. Minutes of September 21, 2006 Meeting – Recommend approve.

Winholtz asked to have the spelling of her name corrected on page 2 and page 4.

MORRO BAY MOTION: Winholtz, Grantham 2nd to approve item A1 as corrected. VOTE: 3-0.

CAYUCOS MOTION: Fones, Raimondo 2nd to approve item A1 as corrected. VOTE: 3-0.

Peters asked to have item numbers A3 and A4 pulled.

A 3. Wastewater Treatment Plant (WWTP) Operations Report through October 31, 2006.

Mayor Peters asked if the issue with the phone connection had been repaired. Keogh said the phone line that is in question is the line that runs down Atascadero Road and the phone company is looking into if the line will be replaced. Keogh said Staff contacts the phone company regularly to be sure the line is kept in good working order, since the line in question is connected to the alarm system.

MORRO BAY MOTION: Peters, Winholtz 2nd to approve item A3. VOTE: 3-0.

CAYUCOS MOTION: Fones, Raimondo 2nd to approve item A3. VOTE: 3-0.

A 4. Status Report on NPDES Permit Renewal Process.

Mayor Peters questioned why the NRDC is still referring to our upgrade schedule as 9 ½ years when it has been changed to an 8-year schedule. Keogh is sure the NRDC is aware of the change but felt they would use every possible opportunity to make the JPA look as bad as possible to the EPA and Regional Board. She also asked if we could remind the NRDC again of the new time schedule in our next communication with them.

Mayor Peters also asked if our delay would affect our timeline or are we moving along anyhow. Keogh said the permit renewal process and upgrade process are on a separate track and this would not affect the timeline.

Winholtz questioned if the meeting with the NRDC has taken place and Keogh responded it has not yet. Winholtz questioned Schultz if we were currently pursuing the meeting. Schultz responded the funds originally offered by the EPA are not available so it has been put on hold.

MORRO BAY MOTION: Peters, Winholtz 2nd to approve item A4. VOTE: 3-0.

CAYUCOS MOTION: Fones, Raimondo 2nd to approve item A4. VOTE: 3-0.

A 2. Minutes of September 12, 2006 Technical Advisory Committee.

Winholtz questioned if the report she had requested on Page 2 is available. Keogh responded he has seen the report and would be happy to make that available to anyone who is interested.

MORRO BAY MOTION: Winholtz, Grantham 2nd to approve item A2. VOTE: 3-0.

CAYUCOS MOTION: Raimondo, Fones 2nd to approve item A2. VOTE: 3-0.

Mayor Peters introduced the new Councilmember Rick Grantham.

President Enns introduced their new Boardmember Shirley Lyon who was not present.

B. UNFINISHED BUSINESS

1. Presentation by Carollo Engineers on the Facility Master Plan, Chapter 8 – Tertiary Treatment Alternatives

Keogh introduced Tracy Clinton with Carollo Engineers.

Hal Fones asked if the cheat sheet for all of the acronyms, which are used by Carollo and the other technical people they deal with, is available. Ms. Clinton said it was not but they would make a note of it.

Ms. Clinton presented the PowerPoint outlining the Treatment Facility Master Plan Goals, Project Status and the details of Tertiary Treatment Alternatives.

Boardmember McHale arrived at 6:40 p.m. during the Carollo presentation.

At the completion of the Carollo presentation, the following questions from the City Council and the Boardmembers were addressed:

- If Carollo was currently researching potential grant opportunities
- What customers are available for reuse of tertiary treated water
- Carollo does not make a recommendation to discharge tertiary treated water in to the ocean
- By waiting to do full tertiary treatment and only doing secondary treatment now, the technology would be improved for a possible future upgrade
- How the solids will be affected
- If the solids would still be composted on site
- Clarified the differences between the treatment options
- The level of odor associated with the mechanical aerators on the ditch

Keogh noted we do currently screen for pesticides and we do not have them in the effluent, mostly due to the lack of large industry in our system. Keogh also spoke favorably of the ditch option at a secondary level, due to the ease of operation and the capability of increasing to full tertiary treatment if that became necessary.

2. Award of Contract for Preparation of Draft Revenue Program With Carollo Engineers – Recommend Approve

Keogh introduced the item noting each agency, under a joint contract, would do their scope of work independently of each other. He also clarified that it would remain a Draft Revenue Program until 90% of the construction is complete. This award of contract does not include looking for grant funding & completing the application for the State Revolving Fund.

MORRO BAY MOTION: Winholtz, Grantham 2nd to approve item B2 as presented. VOTE: 3-0

CAYUCOS MOTION: McHale, Raimondo 2nd to approve item B2 as presented. VOTE: 4-0

3. Discussion of Public Outreach for the Facility Master Plan

Keogh reviewed the history of this item and noted the new website Public Services has designed to attach to the City's website that is up and running. He is also working on a PowerPoint to have available to present to different community groups.

Winholtz suggested quarterly updates in the water bills and monthly announcements at the City Council Meetings. Staff was directed accordingly.

C. NEW BUSINESS

1. Invoice for the Fourth Quarter 2005-2006 – Recommend Approve

Susan Slayton introduced the item noting the City made an error on the invoice and it should be adjusted to the amount of \$113,001.13. The error was made in the rent distribution total.

CAYUCOS MOTION: McHale, Fones 2nd to approve the invoice as adjusted. VOTE: 4-0

2. Status Report on the City of Morro Bay Wastewater Treatment Alternatives Analysis in the Chorro Valley – recommend receive and file.

Keogh introduced the item and apologized to the District about not notifying them directly when this item came forth from the September 14, 2006 City Council Meeting.

President Enns expressed concern about how this would affect them and the capacity of the new plant. Keogh addressed the question noting a time-line for the Council to address this item, which should not affect the 8-year time schedule for Plant upgrades.

3. Schedule Next Joint Meeting and Agenda Items

Bring back a status report on the Chorro Valley Analysis.

The next joint meeting was scheduled for January 25, 2007 at 6:00 p.m. in Cayucos.

ADJOURNMENT

The meeting was adjourned at 7:45 p.m.

Minutes recorded by: _____
Kimberly Peebles