

AGENDA ITEM: A-2

DATE: April 11, 2013

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
Dan Chivens, Vice-President
Michael Foster, Director
Shirley Lyon, Director
Dan Lloyd, Director

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

Jamie Irons, Mayor
George Leage, Vice-Mayor
Christine Johnson, Councilmember
Nancy Johnson, Councilmember
Noah Smukler, Councilmember

MEETING DATE:

6:00 p.m., Thursday, March 14, 2013

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 Irons called the meeting to order at 6:04 pm and asked the record to show all Council members are present.

Morro Bay Staff members present were Bruce Keogh, Rob Livick, Andrea Lueker, Katie Mineo, Rick Sauerwein, Rob Schultz, and Susan Slayton.

Cayucos Staff members present were District Manager Rick Koon and District Counsel Tim Carmel.

President Enns stated both the City of Morro Bay and the Cayucos Sanitary District (CSD) are actively looking for practical and economically feasible alternative sites for the wastewater treatment plant. The CSD is also investigating alternative sites independently so as to compare costs of pursuing the project alone versus jointly with the City.

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 Irons opened Public Comment period.

Alex Beattie, resident of Morro Bay, asked the City and the CSD to proceed with the WWTP upgrade project in a more objective manner. He also stated he would like a more diverse group of people overseeing the project.

Carla Wixon, resident of Morro Bay, presented a map of the proposed Righetti site. She spoke against the proposal to move the facility to this location as adjacent residences would not like the sewer line so close to their property.

Rob Livick, Public Services Director, announced San Luis Obispo County, along with water agencies in the County, is updating the Integrated Water Resources Management Plan. Two meetings will be held to discuss the future of water resources in the County. The meetings will examine water related issues in our watersheds, craft sub-regional goals and objectives, and define regional water management strategies. They will also position the City and the CSD to receive Prop 84 grant money.

Meeting Dates: March 21st and 25th

Meeting Time: 1:00-3:00 PM

Meeting Location: Veteran's Memorial Building, 209 Surf Street, Morro Bay

Bill Martony, resident of Morro Bay, stated the Righetti site should not be rejected as a potential site for the new WWTP facility as tree lines around the property could be used to eliminate the visual impacts of the facility.

Barry Branin, resident of Morro Bay, expressed appreciation for the progress being made with the WWTP upgrade project.

Mayor Irons closed Public Comment period.

Councilmember Smukler responded to Beattie's comment regarding his request for greater objectivity in the WWTP upgrade process, stating the Board will be holding a study session for the public in mid-April to review site alternatives, discuss screening options, and address any other concerns. He stated the Board has not yet committed to a site.

A. CONSENT CALENDAR

A-1 MINUTES OF FEBRUARY 14, 2013 JPA MEETING

Recommendation: Approve as submitted

MORRO BAY MOTION: Councilmember Christine Johnson moved to approve the minutes. Councilmember Smukler seconded and the motion passed unanimously. (5-0).

CAYUCOS MOTION: Vice-President Chivens moved to approve the minutes. Director Lloyd seconded and the motion passed unanimously. (5-0).

A-2 STATUS REPORT OF THE MAJOR REPAIR AND MAINTENANCE PLAN (MMRP) FOR THE WWTP

Recommendation: Receive and file

Councilmember Smukler asked staff whether the City should include a long-term analysis in addition to the short-term analysis so the City would be prepared for any long-term costs that may occur unexpectedly. Keogh stated he is creating a list of objectives which will be prioritized based on a short- and a long-term basis.

Councilmember Smukler acknowledged the City is striving to complete the MMRP with existing staff and asked whether the City would hire a consultant to complete the project if it begins to exceed the City's available resources. Livick stated the City will hire consultants as necessary to complete tasks that exceed the City's expertise, such as electrical and structural engineering work.

MORRO BAY MOTION: Councilmember Smukler moved to approve Item A-2. Mayor Irons seconded and the motion passed unanimously. (5-0).

President Enns clarified with staff the MMRP would be modified as necessary to reflect the Board's decision regarding whether or not to pursue the project independently or jointly. Keogh stated the City will examine the issue on an annual basis, as the City develops the budget, and will adjust the project schedule accordingly.

CAYUCOS MOTION: Director Lyon moved to approve the minutes. Director Lloyd seconded and the motion passed unanimously. (5-0).

B. OLD BUSINESS

None

C. NEW BUSINESS

C-1 PRESENTATION OF THE FY 2011/2012 WWTP AUDIT

Recommendation: That the Board of Directors of the Cayucos Sanitary District and the City Council accept the audit report

Susan Slayton introduced the auditor, Robert Crosby, who reviewed the 2011/2012 WWTP Audit with Boardmembers.

Councilmember Christine Johnson stated she would like more time to review the audit and suggested continuing the item to the next JPA meeting.

Director Foster asked Crosby for clarification regarding why Miscellaneous Member Transfers/Reclassifications and Year-end Net Asset Allocations were included on the Statement of Revenues. Crosby explained he included those figures in the report because he wanted to ensure that funds were allocated to the member agencies.

Director Foster and Crosby discussed several line items in the report. President Enns suggested taking the interim period to further examine these issues.

Mayor Irons stated no motion is required for this item. Bruce stated the item will be re-noticed at the next meeting.

C-2 STATUS REPORT ON THE DISCUSSION WITH RWQCB STAFF ON THE PERMIT RENEWAL PROCESS FOR THE WASTEWATER TREATMENT PLANT NPDES PERMIT NO CA0047881

Recommendation: Following discussion and consideration of this item that the Council and District Board direct staff accordingly

Keogh presented the staff report.

Councilmember Smukler expressed appreciation for the RWQCB's support in the permitting process.

Director Lloyd asked for clarification regarding whether the City will be applying for a full secondary treatment permit. Keogh stated the City will be asking for such a permit but the RWQCB will determine the specific type of permit that will be most suitable for the City.

Director Lloyd asked Keogh about the application deadline of September 1, 2013, and Keogh stated the application will be completed in ample time.

C-3 VERBAL REPORT BY THE CITY AND DISTRICT ON THE PROGRESS OF THE FUTURE WWTP

Livick presented the report to Boardmembers.

President Enns announced the ad hoc committee will be meeting with Dylan Wade of Water Systems Consulting on April 19, 2013 to discuss the preliminary list of alternative concepts for the WWTP.

Director Lloyd stated it is important to identify an alternative site promptly so that the CSD can compare options of either going forward independently or with the City.

President Enns stated he is hopeful that a joint project works best for both communities.

Mayor Irons opened Public Comment period.

Alex Beattie, resident of Morro Bay, asked the Board to address the odor issues produced by the WWTP.

Mayor Irons closed Public Comment period.

Mayor Irons directed the public to access the agendas and minutes online if they would like more information about the upgrade project, or to contact Boardmembers or staff if they have any questions.

C-4 DISCUSSION OF LETTER TO ELECTED OFFICIALS AND APPROVAL

Recommendation: Approve letter and forward to elected officials

Mayor Irons presented the letter to Boardmembers.

Councilmember Smukler suggested the Board submit the letter to elected officials as soon as possible so that they become familiar with the project.

Councilmembers Smukler and Christine Johnson offered grammatical and formatting corrections to the letter.

Director Foster suggested striking the verbiage regarding low-interest loans from the letter.

President Enns stated the underlying message of the letter is that the City is complying with the Coastal Commission's request to move the WWTP away from the beach, and in order to complete the project, the City needs additional funding.

Mayor Irons responded to Director Foster's comment regarding low-interest loans and suggested leaving the verbiage as is.

Mayor Irons opened Public Comment period.

Barry Branin, resident of Morro Bay, asked that the meeting materials distributed to Boardmembers be the same as what is distributed to the public.

Mayor Irons closed Public Comment period.

C-5 SCHEDULE NEXT JOINT MEETING AND AGENDA ITEMS

Mayor Irons stated Item C-1 will be carried over until the next JPA meeting which will be held on April 11, 2013 in Cayucos.

Keogh stated the City will add the letter to the website when it is revised, and stated he will strive to make project information accessible to the public as soon as it becomes available.

ADJOURNMENT

Mayor Irons adjourned the meeting at 7:08 pm.

Minutes Recorded by:

Katie Mineo, Morro Bay Public Services Department