

AGENDA ITEM: A-1

DATE: October 9, 2014

ACTION: Approved

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

MINUTES - Synopsis

**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
Christine Johnson, Mayor Pro Tem
George Leage, Councilmember
Nancy Johnson, Councilmember
Noah Smukler, Councilmember

MEETING DATE:

6:00 p.m., Thursday, September 11, 2014

MEETING PLACE:

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

HOSTED BY:

City of Morro Bay

CALL TO ORDER AND ROLL CALL

Mayor Irons called the meeting to order at 6:04 pm and asked the record to show all Councilmembers were present except for Councilmember Nancy Johnson. All Cayucos Sanitary District Board Members were present except for Robert Enns, who is en route.

Mayor Irons asked members to join him for a moment of silence in memory of those lost on 9/11, thirteen years ago.

Morro Bay staff members present were Rob Livick, Bruce Keogh, Susan Slayton, John W. Fox, and Kay Merrill.

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

COUNCIL AND BOARD ANNOUNCEMENTS – NONE

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.

- Doug Claassen, Manager of Morro Dunes RV Park, presented signatures from guests of Morro Dunes RV Park and the City of Morro Bay, requesting the removal of the current wastewater treatment plant when the new plant is built in a different location.
- Jim Nance stated he is interested in the possibility of getting water from the WWTP to go to agriculture land out on Hwy 41.

Mayor Irons closed Public Comment period.

A. CONSENT CALENDAR

Mayor Irons opened Public Comment period for the Consent Calendar, and seeing none, closed Public Comment period.

A-1 MINUTES OF JUNE 12, 2014 JPA MEETING

Recommendation: Approve as submitted

A-2 WWTP OPERATIONS REPORT THROUGH JULY, 2014

Recommendation: Receive and file

A-3 STATUS REPORT ON THE NPDES PERMIT RENEWAL PROCESS

Recommendation: Receive and file

Christine Johnson pulled Item A-1

MORRO BAY MOTION: Christine Johnson moved to approve Consent Calendar Items A-2 and A-3, Noah Smukler seconded and the motion passed unanimously (4-0).

Christine Johnson requested on Item A-1, to adjust the title of Vice-Mayor to Mayor Pro Tem in future JPA Agendas and Minutes.

MORRO BAY MOTION: Christine Johnson moved to approve the Consent Calendar Item A-1, Mayor Irons seconded and the motion passed unanimously. (4-0).

CAYUCOS MOTION: Dan Lloyd moved to approve the Consent Calendar, Shirley Lyon seconded and the motion passed unanimously. (4-0). Robert Enns was not present.

B. OLD BUSINESS

B-1 STATUS REPORT OF THE MAJOR REPAIR AND MAINTENANCE PLAN (MMRP) FOR THE WWTP

Recommendation: Receive and file

Bruce Keogh presented an overview of the MMRP status report noting recent areas of accomplishments and highlighting some of the projects which are ongoing at this time.

Digester #2 Repair

The repair projects for Digester #2 have been successfully completed. Focus will now be on the cleaning and coating of Digester #1.

Headworks Influent Screening Project

This project remains on schedule, City and District Staff anticipates a Notice to Proceed in September with completion of the project by November 2014.

Chlorine Contact Basin Improvements Project

Plant staff issued a purchase order on August 15, 2014 for the purchase of the required equipment to replace the head and idler shaft assemblies in the chlorine contact tank. The work will require by-passing the chlorine contact for up to a twenty-four hour period. By-passing of the tank will result in an effluent violation and the associated minimum mandatory penalty of \$3,000. During the time period the tank is off-line, staff will chlorinate and disinfect the effluent, but will not be able to dechlorinate the effluent resulting in the violation. Staff at the Regional Water Quality Control Board and the California Department of Health Shellfish Division have been notified of the repair plans and the intent to by-pass the chlorine contact tank.

MMRP Projects and Budget for FY 14/15

The City and District adopted a budget for the WWTP. The adopted FY14/15 budget contains \$1.221M for funding MMRP projects. The funds represent new MMRP projects as well as roll-over from the FY13/14 budget for the headworks screening project and chlorine contact tank repairs discussed above.

New MMRP projects for the FY14/15 fiscal year:

The following MMRP projects are included in the adopted FY14/15 budget.

1. The cleaning and coating of digester #1: This will provide funding for the cleaning and coating of digester #1; in addition, structural analysis and potential structural repair work will be required. This project also includes funding for piping and valving repairs on digester #3 and digester #2 and replacement of various equipment required to operate the digesters.
2. Rehabilitation of primary clarifier #2: This will provide funding for the highest priority projects on primary clarifier #2 and includes repairs to the metal framework on the flights and skimmer cage assembly; repair and replacement of piping and valving, and other associated repairs.
3. Purchase and installation of new distributor arms on biofilter improvement project: This will provide funding for several projects to improve biofilter #2 and the interstage pump station to include the purchase and installation of new distributor arms on biofilter #2 and replacement of the main bearing on the turntable. The biofilter arms are badly corroded and have exceeded their useful life. These units are a critical component of the secondary treatment system. Funds will also be used to install flood walls surrounding the two biofilters and interstage pumps to prevent inundation during a flooding event.

Staff will continue to bring a status report on the development of the MMRP at future joint Council and District Board meetings.

Mayor Irons stated for the record President Enns is present.
Mayor Irons recommended to receive and file this report.

Mayor Irons opened Public Comment period for Item B-1

- Jim Nance stated he would like to get water from the WWTP transported to agriculture on Highway 41.

Mayor Irons closed Public Comment period.

C. NEW BUSINESS

C-1 VERBAL REPORT BY THE CITY AND DISTRICT ON THE PROGRESS OF THE FUTURE WWTP

Rob Livick presented an update on the progress made over the summer and some upcoming key events that will be happening over the next few months to present at the City Council meeting on November 12, 2014 where the City is proposing to finalize site selection.

In July, City staff held a kick-off meeting with consultant Larry Walker and Associates to discuss discharge permit requirements for the various disposal and re-use options for the Water Reclamation Facility. The City Council appointed a Water Reclamation Facility Citizen Advisory Committee (WRFCAC). The first meeting was held on September 10, 2014. The next three meetings will be held on October 8, October 22 and November 5, 2014. The regular meeting schedule for WRFCAC will be the second Wednesday of the month from 3:00-5:00pm. Staff is working on getting a permanent venue for the meetings.

Some of the upcoming issues to be presented to City Council prior to and at the November 12, 2014 meeting are:

- Review the permitting issues presented by Larry Walker and Associates
- A presentation on Funding Options by Monica Reid of Kestrel Consulting
- A presentation on Potential Water Use Benefits by Cleath-Harris
- At a date to be determined, Carollo Engineers will give a presentation on what it takes to bring additional flows to California Men's Colony (CMC) and types of upgrade issues. The report will be ready for the City Council meeting.

The WRFCAC will be assisting with the reports and these meetings will be broadcast live and AGP can provide DVD's for the public.

There was discussion regarding the County's role in the WWTP and Rob Livick stated the last correspondence from the County dated August 15, 2014, stated they believe the scope of work with suggested changes by Morro Bay is appropriate. The County will provide support as they are able through the Chorro Valley working group to facilitate communication on water structure issues but they are not in the position to be Carollo's client at this point.

Rick Koon, Cayucos Sanitary District Manager, stated the CSD met with SLO County and had a different interpretation than the City of Morro Bay in regards to who would be leading the CMC analysis.

Mayor Irons suggested the City of Morro Bay and Cayucos communicate better and it is critical to share information with each other. The objective is to get the best project for Cayucos and Morro Bay.

There was discussion regarding the CMC site and the Rancho Colina site. These reports will be presented at the City Council meeting on November 12, 2014.

Rob Livick clarified the reports will be available with the Agenda prior to the City Council meeting on November 12, 2014.

C-2 FINANCIAL AUDIT CONTRACT RENEWAL.

Susan Slayton stated this is a discussion item for the Council and the Board to make a decision about the financial auditor and the future of the contract. Bob Crosby's contract expires with the 2014 fiscal year audit. Ms. Slayton can issue a RFP for audit services or extend Bob Crosby's contract who is an independent

contractor and does the audit just on the WWTP. The other option is the City's auditor already does the audit of the WWTP as part of the City audit and he would create a separate report.

There was discussion regarding the cost pertaining to keeping the present auditor versus hiring a new auditor.

George Leage recuses himself stating Bob Crosby is his auditor/accountant.

Mayor Irons opened Public Comment period, and seeing none, closed Public Comment period.

CAYUCOS MOTION: Robert Enns moved to take staff's number three recommendation to request for a RFP for audit services for the 2015/17 fiscal years, Dan Chiven seconded and the motion passed unanimously. (5-0).

MORRO BAY MOTION: Mayor Iron's moved to take staff's number three recommendation to request for a RFP for audit services for the 2015/17 fiscal years, Noah Smukler seconded and the motion passed unanimously. (3-0). Nancy Johnson absent and George Leage recusing himself on this item.

C-3 SCHEDULE NEXT JOINT MEETING AND AGENDA ITEMS

The next JPA meeting is scheduled for October 9, 2014 and will be hosted by Cayucos.

ADJOURNMENT

Mayor Irons adjourned the meeting at 7:13 pm.

Minutes Recorded by:
Kay Merrill, Morro Bay Public Services Department