

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

Technical Advisory Committee

MINUTES

MEETING DATE:
1:00 p.m., Thursday, May 20, 2010

HOSTED BY:
Cayucos Sanitary District

MEETING PLACE:
Cayucos Sanitary District
Conference Room
200 Ash Avenue
Cayucos, CA 93430

1. CALL TO ORDER AND ROLL CALL

President Enns called the meeting to order at 1:19 p.m.

City Council Members Present: Mayor Janice Peters, Rick Grantham

Cayucos Sanitary District Members Present: Bill Callahan, Robert Enns, Shirley Lyon, Tim Carmel, Lewis Brookins

City Staff Members Present: Rob Livick, Dylan Wade, Bruce Keogh

2. PUBLIC COMMENT

Barry Brannon announced that Bay News had a nice thank you in it for the District and Council

Noah Smukler announced the proposal letter for Conceptual Design was received from PERC

President Enns closed Public Comment

3. APPROVAL OF APRIL 15, 2010 TAC MINUTES

Minutes approved as presented.

4. DISCUSSION OF DRAFT JPA DEFINITIONS

Bruce Keogh explained the process to arrive at the Draft Definitions. He explained some would require modification and further discussion is needed to define specific items. Wade suggested working on the easy definitions whereas technical, financial and accounting definitions will require more work.

Mayor Peters inquired does the agreement come first then the definitions or definitions then the agreement. Tim Carmel responded that the definitions need to come first.

President Enns commented that Lewis Brookins will need to give them information on how Accounting wants the accounting definitions done.

The Committee proceeded through the first set of definitions:

AADF – It was agreed to clarify “year” as “calendar year”

ADMMF – It was clarified that in simple terms it’s the biggest month’s average flow in a calendar year

ADWF - It was agreed to clarify “year” as “calendar year”

Shirley Lyon asked if “year” could be defined as “calendar year” for the overall document

Agreement – Delete “as amended”

Board – To otherwise be referred to as “District”

Fixed Costs – President Enns asked that Accounting get with Engineering to define and clarify

Joint Facility or Facilities – Define facilities as “common trunk, outfall pipeline and WWTP”

Remove “real properties acquired” and “whether or not” from definition and add “collection” in front of “or conveyance”

PHF and PSDWF – To be moved up with other flow definitions

PSDWF – Change “between the months of June and September” to “during June, July, August and September”

Variable Costs – Move up to alongside Fixed Costs

Wade discussed his struggle with old agreement definitions and defining terms accurately in new agreement for maximum clarity. Capital costs and depreciation definitions will need to be discussed with Accounting and Engineering as they don’t always line up. He further stated that the definitions have great nuances and basing them on capacity rather than flow is tough with the JPA.

Mayor Peters asked about picking an average between capacity and flow and calling it good. Tim Carmel responded this won’t work because flow changes and it isn’t fair on larger items.

It was further discussed that fixed items such as computers aren’t affected by either flow or capacity – so how will these types of items be addressed. President Enns commented that it should be kept as simple as possible, keep working on cleaning these up and bring them back for review at the next TAC meeting.

Carmel said this was a great start. Bruce to make changes discussed and get them to both attorneys for review.

5. DISCUSSION OF STRUCTURAL CHANGES TO JPA AGREEMENT: PROCEDURE AND GOVERNANCE

Carmel reported after a basic review of the JPA Agreement that Section 6A was adequate and he has taken the liberty to change other items and redlined a few potential changes in actions, one being the requirement of 3 affirmative votes for quorum in lieu of the 2 now required. Another would be that if the JPA can’t agree he would like to see the super majority vote go from 6 to 7 due to the magnitude of costs involved and size of the endeavor being undertaken.

President Enns asked about Mediation vs Arbitration. Carmel suggested keeping arbitration.

Carmel reported he will distribute the proposed changes for review and discussion at a later date when Rob Schultz is available.

Future Agenda Items for discussion - Tertiary and Title 22 for next meeting

Wade said we need to discuss land that’s abandoned and how to address that for public concerns

President Enns discussed meeting with Steve Hyland of MWH and how impressed he was but reiterated they were still talking with PERC.

Mayor Peters asked how this paper that Noah spoke of from PERC came about. President Enns responded that both he and Noah had said they would “look into it” after comments were received in a previous meeting, this proposal from PERC is the result of that. Mayor Peters expressed her concern that favoritism was not being shown toward PERC since an RFP was already put out there. President Enns explained PERC’s position and stated that at this point the committee was basically utilizing PERC’s knowledge to help us get what we want without using too much staff time or monies

Wade pointed out that we are using a 2006 dollar index and that the actual numbers will vary, but we must remain consistent with the indexes throughout the process.

Attorneys to have Financial Agreement ready for review at June TAC meeting.

Keogh announced the revised draft of the FMP should be available by the July JPA meeting. RFP for Project Management Services has been sent with a deadline of June 9, 2010. There were approximately 17 notices sent.

Mayor Peters requested that the agenda for the next meeting be sent ahead of time so as to avoid confusion on location.

7. ADJOURNMENT

President Enns adjourned the meeting at 2:45 p.m.