

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

**Cayucos Sanitary District**

**Board of Directors:**

Robert Enns, President  
Harold Fones, Director  
Nat Raimondo, Director  
Bud McHale, Director  
Craig Bell, Jr , Director

**City of Morro Bay**

**City Council:**

Janice Peters, Mayor  
Thad Baxley, Vice-Mayor  
Melody DeMeritt, Councilmember  
William Peirce, Councilmember  
Betty Winholtz, Councilmember

**ACTION MINUTES**

DATE: 6:00 p.m., Thursday, August 24, 2006  
PLACE: Multi-Purpose Room  
Morro Bay Community Center  
1001 Kennedy Way  
Morro Bay, CA 93442

**CALL TO ORDER AND ROLL CALL**

Mayor Peters called the meeting to order at 6:03 p.m. and asked City of Morro Bay Staff Member Kimberly Peeples to take roll.

City Council members present were Mayor Janice Peters, Vice-Mayor Thad Baxley, Melody DeMeritt, William Peirce, and Betty Winholtz. Morro Bay staff members present were Robert Hendrix, Bruce Ambo, Bruce Keogh and Kimberly Peeples.

Cayucos Board members present were President Robert Enns, Craig Bell, Jr., Harold Fones, Bud McHale and Nat Raimondo. Cayucos staff members present were Bonnie Connelly, Bill Callahan and District Counsel Tim Carmel.

President Enns introduced new Board member Bud McHale, noting that he is replacing Board member Gibeaut who had to step down due to relocation to Arizona. He also noted Board member Raimondo will now be the new Vice-President.

**PUBLIC COMMENT PERIOD**

Marla Jo Bruton, representing the Ocean Outfall Group, thanked the Council and the Board members for their progress and noted her concerns about proper noticing of the Public Meetings.

Jeff O'Dell spoke regarding the Chorro Creek Location and the option of tertiary water dumping into the creek. He urged a member of each board to contact the City of Arcadia regarding the same topic.

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

## A. CONSENT CALENDAR

1. Minutes of June 15, 2006 Meeting – Recommend approve.

Winholtz asked the following changes be made:

- Thad Baxley should be shown as Vice-Mayor
- Under Public Comment the fifth line down, the second word should be “on”
- Page 3, Item 3; the second sentence should be changed to read “Items for consideration include type of meeting with objectives to complete and lots of information to consider.”

MORRO BAY MOTION: Pierce, Baxley 2<sup>nd</sup> to approve the minutes as revised. VOTE: 5-0.

CAYUCOS MOTION: Raimondo, Bell 2<sup>nd</sup> to approve the minutes as revised. VOTE: 5-0.

## B. UNFINISHED BUSINESS

1. Status Report of NPDES Permit Renewal Process (Keogh)-Recommend receive and file. Keogh presented the staff report, noting they should be on the RWQCB December 2006 agenda. During discussion the following topics were questioned by Councilmembers and satisfactorily addressed by City Staff:

- If there is a new Director of the RWQCB and if that will affect the permit.
- Questioned the NRDC correspondence and if there has been a response from the RWQCB to the NRDC.
- Questioned if the USEPA Mediator is going to be set up in the near future.

There were no questions from Cayucos regarding this item.

2. Consideration and Approval of an Amendment to the Contract for the Facility Master Plan (Keogh)-Recommend approve.
3. Presentation by Carollo Engineers on the Facility Master Plan, Chapter 6 - Regulations, Chapter 7 - Rehabilitation, and Chapter 3 - Flows and Loads

Keogh noted that Carollo Engineers would present item number 3, followed by the request of the amendment to the contract for the Facility Master Plan for a Corrosion Study. Tracy Clinton of Carollo Engineers reviewed the PowerPoint presentation highlighting the following topics:

- Action items;
  - Adopt the meeting schedule
  - Authorize Carollo Engineers to do the Corrosion Study
  - Agree to allow Carollo Engineers to retire the 1953 structures
  - The two Boards will agree to the Flows and Loads by the September meeting
- Project scope for the Facility Master Plan
- Facility Master Plan Goal
  - To adopt a Final Wastewater Treatment Facility Master Plan by June 2007
  - To adopt the recommended Wastewater Treatment Plant upgrade alternative
- Technical Activities for tonight’s meeting
  - Review the existing facilities and determine conditions
  - Define the existing flows and loads and make projections

- Technical Activities for future meetings
  - Determine the biosolids issues and options
  - Develop tertiary treatment alternatives
  - Develop secondary treatment alternatives
  - Select a preferred treatment
- Other concurrent activities
  - Conduct Staff project meetings
  - Conduct Public meetings
  - Develop draft and final Master Plan

Tracy Clinton continued the presentation highlighting tonight's focus topics as discharge requirements, rehabilitation and flows and loads.

During discussion the Morro Bay Councilmembers and Cayucos Boardmembers questioned, expressed concerns and asked for clarification on the following items, which were addressed by Morro Bay City Staff and the Carollo Engineers Staff:

- Population and build out calculations
- Vacation rentals
- Annual Daily Flow Average
- Why the corrosion study is necessary and what the benefits would be
- If the Motor Control Center would be completely replaced
- Clarification of the facilities that may be retired
- When would the facilities be retired and how does that affect the construction process
- Calculation of flow rates for vacancies
- Cost for Pismo Beach's new facility
- Cost for rehabilitation of Morro Bay's facility
- Differences in our project from Pismo Beach's project

President Enns suggested scheduling a JPA Technical Advisory Board meeting before the September 21, 2006 JPA meeting. The date agreed upon by the Technical Advisory Board Members and the Carollo Engineers Staff was September 12, 2006 at 9:00 a.m. in Morro Bay.

Tracy Clinton concluded her presentation by reiterating what goals for tonight and future meetings Carollo Engineers needs the Boards to accomplish so they can keep moving forward on the project.

All Morro Bay Councilmembers agreed on the meeting schedule, with Councilmember DeMeritt noting she will not be able to attend the Pre-Meeting as of September, but would be able to make it to the regular meetings. All Cayucos Boardmembers agreed on the meeting schedule.

Mayor Peters suggested addressing the corrosion study to see if they could come to consensus on the additional fee for the proposed study. Councilmember Winholtz questioned if the corrosion study could be skipped altogether and assume that everything is corroded underneath. David Stringfield of Carollo Engineers said the corrosion study is a good investment due to the value of the underground piping and the study should reveal only a portion of the piping will need to be replaced. Councilmember Baxley expressed his support of the corrosion study and felt we would get a good return on the investment. President Enns and Boardmember Fones were also in support of the corrosion study. Councilmember Peirce inquired if the existing pipes would be damaged during the study. David Stringfield said it is not likely to be damaged during inspection and should they need to be replaced, new pipe would be installed in new locations if that were the case.

MORRO BAY MOTION: Baxley, Peirce 2<sup>nd</sup> to approve an amendment to the Facility Master Plan contract for a corrosion study not to exceed a fee of \$21,000.00 and agree that the 1953 structures can be retired and hence eliminated from the alternative analysis.

During discussion Councilmember Peirce asked what guarantees if any could be given that the money spent on the corrosion study will be a good investment. David Stringfield stated that the study would help determine if any of the motor control centers can be saved, that alone would save a very large amount of money. Councilmember Winholtz stated she would have to vote no on the motion due to the corrosion study being included together with the retirement of the 1953 structures and she does not believe the corrosion study is a good investment. Mayor Peters was in support of the corrosion study and believed it would be a good investment in determining what type of plant will be built.

MORRO BAY VOTE: 4 –1 (DeMeritt opposed)

Tim Carmel, District Counsel noted the only item on the Agenda is the amendment to the contract for the corrosion study. Thus, he recommended only voting on the amendment to the contract and get an informal consensus only from the two Boards on the retirement of the 1953 facilities.

MORRO BAY MOTION: Baxley, Peirce 2<sup>nd</sup> to resend the previous motion. VOTE: 5-0

Mayor Peters called for a break at 7:39 p.m. The meeting was called back to order at 7:47 p.m.

Tim Carmel, District Counsel explained how the Brown Act applies to special meetings, like the JPA Meetings. Mayor Peters opened Public Comment, as a member of the public did not understand that the JPA Meetings were special meetings.

Marla Jo Bruton, representing the Ocean Outfall Group, spoke again about her concerns of proper noticing of the JPA Meetings and Public Comment not being allowed on each item of the agenda.

MORRO BAY MOTION: Baxley, Peirce 2<sup>nd</sup> to approve an amendment to the Facility Master Plan contract for a corrosion study not to exceed \$21,000.00. VOTE: 5-0

CAYUCOS MOTION: Fones, McHale 2<sup>nd</sup> to approve an amendment to the Facility Master Plan contract for a corrosion study not to exceed \$21,000.00. VOTE: 5-0

By general consensus both boards agreed to allow Carollo Engineers to retire the 1953 facilities.

## C. NEW BUSINESS

### 1. Discussion of Financial Plan for the WWTP Upgrade Process (Keogh)

Keogh presented the Staff report noting we are currently ahead of schedule on the overall project, but the discussion of the Financial Plan is on the schedule to begin August 2006. Susan Slayton, Morro Bay Finance Director highlighted the financing options she and Bonnie Connelly of the Cayucos Sanitary District have looked into to date. During discussion the scope of the Financial Plan was clarified and the general consensus of both boards was to add this topic to the Sub-Committee Meeting Agenda for September 12, 2006.

### 2. Discussion of the Cost Apportionment for the Facility Master Plan (Keogh)

Keogh presented the Staff report noting Carollo Engineers have begun work on the Facility Master Plan and City Staff has processed the first invoice, but the cost apportionment still needs to be determined for those invoices.

### 3. Schedule Next Joint Meeting and Agenda Items

Agenda items suggested for the next meeting were:

- Public Outreach; Website for the JPA materials; Public Comment

The next joint meeting was scheduled for September 21, 2006 at 6:00 p.m. in Cayucos.

### ADJOURNMENT

Mayor Peters adjourned the meeting at 8:20 p.m.

Minutes prepared by: \_\_\_\_\_  
Kimberly Peeples