

***San Simeon Community
Services District
Board Packet***

October 13, 2004



9 October 2004

Board of Directors
San Simeon Community Services District
San Simeon, CA

Dear Mr. President and Board Members,

We have reviewed the recently received Kennedy Jenks report on electrical issues at the District's wastewater treatment facility, and concur with its findings. As requested by the Board, herein are our recommendations regarding their proposals, prioritized in order of need.

The one shortcoming of the Kennedy Jenks report is that there is no estimate of the cost of implementing their changes, but we do not know if this was requested of them in the original scope of work. Since this is a key factor in the Board's decision process, we propose that the Board:

1. review and accept or revise our recommendations and priorities,
2. direct staff to secure estimated pricing in order of those priorities and present them to the Board at the November regular Board meeting, and
3. at that meeting decide, based on price and priority, which projects (if any) should move forward.

Our recommendation is shown in the table below, with the highest priority first.

ISSUE	DESCRIPTION	Priority
Standby generator	RWQCB requirement	1
Main plant power	No action required	N/A
Remove old/unsafe wiring/equipment	Safety & OSHA issue	3
Realignment of non-code equipment	Code requirement	4
Old air equipment	Could be removed	Low
Remove/relocate MCC	Safety & OSHA issue	9
30 HP blower wiring; install VFDs	Operations requirement	6
New 60 HP blower VFD & DO meters	Operations reliability	7
General replacement of corroded items	Safety and operations reliability	8
Outside lighting repair	Safety & OSHA issue	2
New transformer circuit breaker/conduit	Current equipment is inadequate	5

In your Board packet following this letter is a communication just received from the Regional Water Quality Control Board, which we believe has significant information for the Board in its review of this matter.

Sincerely,

Steve Richardson

Steven E. Richardson
Vice President, Western Region
ECO Resources, Inc.

Cc: J. Whitaker & J. Morris, ECO

**Board of Directors - Regular Meeting
San Simeon Community Services District
AGENDA
Wednesday, October 13, 2004 – 6:30 PM
Cavalier Banquet Room**

Note: All comments concerning any item on the agenda are to be directed to the Board Chairperson

1. 6:30 PM - CALL TO ORDER
 - 1.1 Roll Call
 - 1.2 Pledge of Allegiance

2. PUBLIC COMMENT:
Any member of the public may address and ask questions of the Board relating to any matter within the Board's jurisdiction, provided the matter is not on the Board's agenda, or pending before the Board. Presentations are limited to three (3) minutes or otherwise at the discretion of the Chair.
 - 2.1 Sheriff's Report
 - 2.2 Public Comment

3. STAFF REPORTS
 - 3.1 Plant Superintendent's Report
 - 3.1.1 Presentation of wastewater reuse options.
 - 3.2 District Counsel Report

4. ITEMS OF BUSINESS
 - 4.1 Approval of Minutes – July 21, 2004
 - 4.2 Approval of Minutes – August 11, 2004
 - 4.3 Approval of Minutes – September 15, 2004
 - 4.4 Approval of Warrants – July 1 through July 31, 2004
 - 4.5 Approval of Warrants – August 1 through August 31, 2004
 - 4.6 Approval of Warrants – September 1 through September 30, 2004

5. DISCUSSION/ACTION ITEMS
 - 5.1 Review and discussion on status 9450 Avonne Ave property.
 - 5.2 Discussion regarding amendment to District Policy 6020.40.
 - 5.3 Approval of Resolution 04-302 supporting Proposition 1A.
 - 5.4 Discussion on expanding the members of Ordinance 66 Committee.
 - 5.5 Approval of settlement with Community Bank in the amount of \$7,482.74.
 - 5.6 Approval of list to Authorize GBP&B to pay standard pre-approved invoices.
 - 5.7 Review and Acceptance of the Kennedy and Jenks Electrical Report.
 - 5.8 Discussion of Sea Coast Inn fire sprinkler service request.
 - 5.9 Discussion on SSCSD/CCSD joint desalination project.
 - 5.10 Board Committee Reports
 - 5.11 Board Reports

6. BOARD/STAFF GENERAL DISCUSSIONS AND PROPOSED AGENDA ITEMS

7. ADJOURNMENT

ITEM 1

**Call to Order
Roll Call
Pledge of Allegiance**

ITEM 2

**Sheriff's Report
Public Comment**

ITEM 3

**Plant Superintendent's Report
District Counsel's Report**

5/21/11

4.1 - 4.3

**Board of Directors - Special Meeting
San Simeon Community Services District
Minutes
Wednesday, July 21, 2004 – 6:00 PM
Cavalier Banquet Room**

6:00 PM – 6:30 PM

CLOSED SESSION: PERSONNEL ISSUES – GOVERNMENT CODE SECTION 54957:
Discussions regarding: Personnel Issues including one (1) public employee regarding
evaluation, specifically District Counsel.

1. 6:30 PM - CALL TO ORDER
 - 1.1 Roll Call: Director Kiech opened the session @ 6:30 . Directors present All.
 - 1.2 Pledge of Allegiance Was led by director Kiech.
 - 1.3 Eric Shells resignation was tendered.
2. PUBLIC COMMENT: Any member of the public may address and ask questions of the Board relating to any matter within the Board's jurisdiction, provided the matter is not on the Board's agenda, or pending before the Board. Presentations are limited to three (3) minutes or otherwise at the discretion of the Chair.
 - 2.1 Sheriff's Report. Not available.
 - 2.2 Public Comment. Discussion of election time frame and where to file to run for the Board of Directors. Deadline is 8-6-04 and information can be obtained in SLO at the elections office.
3. STAFF REPORTS
 - 3.1 Plant Superintendent's Report Given by Jim Whitaker. The Kennedy-Jenks water treatment plant report has not been received yet. Weed abatement was discussed and will be evaluated.
 - 3.2 District Counsel Report. #4957 evaluation of district counsel, no action was taken. The meeting with the Cambria CSD for the contract as to the desalination plant.
4. ITEMS OF BUSINESS
 - 4.1 Approval of Minutes – April 8, 2004, Held over to approve with corrections. Item 3.0 needed some clarification, 5.6 meeting questions.
 - 4.2 Approval of Minutes – May 13, 2004, Moved by Director Mirabel-Boubion, seconded by Director Bailey-Wood. Passed unanimously.
 - 4.3 Approval of Minutes – June 9, 2004, Director Bailey- Wood put the motion forth it was seconded by director Lambeth and passed unanimously as corrected.
 - 4.4 Approval of Warrants – June 1 through June 30, 2004. Director Mirabel-Boubion asked what the chemical usage and charges for the Hearst Castle were, GM Whitaker explained the situation to the board A motion was put forth by Mirabel- Boubion and seconded by Director Lambeth and passed unanimously.
5. DISCUSSION / ACTION ITEMS
 - 5.1 Approve Proposed Budget for Fiscal Year 2004 –2005. A motion was put forth to accept the Budget with correction and number by Director Mirabel-Boubion and seconded by Director Schell, passed unanimously. Resolution number will be available at the August meeting for the passage of the budget.
 - 5.2 Acceptance of the Water Master Plan. Questions were put forth by Director Lambeth and Mirabel-Boubion as to the numbers being used to determine the districts water needs. This needs to be looked at a little more to determine the

- starting point for the district as to needs and density of growth. Director Bailey-Wood put forth a motion which was seconded by Director Mirabel-Boubion. The motion passed unanimously.
- 5.3 Disposition of District Truck. Staff was directed to sell the asset per district policy #4085 /disposition of surplus assets. A motion was put forth by Director Lambeth to declare the asset surplus and seconded by Director Bailey-Wood. Passed unanimously. No public input was given.
 - 5.4 Discussion of Extension and Amendment to Agreement with District Counsel. A motion was put forth by Director Bailey-Wood and seconded by Director Lambeth. Motion passed unanimously.
 - 5.5 Discussion on Water Conservation/Water Restriction Measures. An ordinance will be brought to the Board in August to implement water restrictions.
 - 5.6 Discussion of the Authority and Jurisdiction of the District. District counsel brought the resolution for the formation of the district and sections a-k with the provision thereof and Government code 61000. The boundaries of the district need to be defined, especially to the West. Who is in charge of policing the beaches?.
 - 5.7 Discussion of proposal for extension of EDA for Bookkeeping / Year-end Audit. Directors Mirabel-Boubion and Bailey-Wood set forth similar concerns as to the need to have EDA continue. The proposal was set down unanimously.
 - 5.8 Discussion of proposal for extension of EDA for Water Desalination Project for CCSD and SSCSD. Mirabel-Boubion and Bailey-Wood set forth similar concerns as to the need to have EDA continue. The proposal was set down unanimously.
 - 5.8 Board Committee Reports.
 - 5.9 Board Reports.
6. BOARD / STAFF GENERAL DISCUSSIONS AND PROPOSED AGENDA ITEMS.
 - 6.1 Director Bailey-Wood, asked about the warrants, and the electrical reports and the usage there of.
 - 6.2 Agenda Avenues to replace Director Schell.
7. ADJOURNMENT

4.4 → 4.6

12 M
10/08/04
Cash Basis

Simeon Disbursements Journal July 2004

Type	Date	Num	Name	Memo	Paid Amount	Balance
1022 - General checking						
Bill Pmt -Check	7/26/2004	5020	CAMBRIA HARDWARE	OPERATING SUPPLIES	-89.77	-89.77
Bill Pmt -Check	7/26/2004	5021	CAROL BAILEY WOOD	JULY BOARD SERVICES	160.00	-189.77
Bill Pmt -Check	7/26/2004	5022	CREEK ENVIRONMENTAL LABORATORI...	COLIFORM - EFFLUENT	-180.00	-369.77
Bill Pmt -Check	7/26/2004	5023	DAVID KIECH	JULY BOARD SERVICES	-27,575.42	-467.77
Bill Pmt -Check	7/26/2004	5024	ECO Resources, Inc.	JULY 2004 SERVICES	-1,253.75	-28,045.19
Bill Pmt -Check	7/26/2004	5025	ERIC SCHELL	INTERIM ADMIN SERV. APRIL 04	-100.00	-29,298.94
Bill Pmt -Check	7/26/2004	5026	JOHN WALLACE & ASSOCIATES, INC.	JULY BOARD SERVICES	-1,762.50	-31,061.44
Bill Pmt -Check	7/26/2004	5027	LORAINNE MIRABAL-BOUBION	ADMIN / ENGINEERING MARCH 04	-100.00	-31,161.44
Bill Pmt -Check	7/26/2004	5028	ROBERT W. SCHULTZ ESQ.	JULY BOARD SERVICES	-1,575.00	-32,736.44
Bill Pmt -Check	7/26/2004	5029	SHELL EXC GAS CARD	JULY FLAT SERVICES RATES	-51.04	-32,887.48
Bill Pmt -Check	7/26/2004	5030	TERRY LAMBETH	MAY GAS PURCHASES	-100.00	-32,987.48
Bill Pmt -Check	7/26/2004	5031	U.S.A. TRANSPORT, INC.	JULY BOARD SERVICES	-690.85	-33,678.33
Bill Pmt -Check	7/26/2004	5032	EDA, INC.	APRIL-SLUDGE-TRANSPROT	-1,436.98	-35,115.31
Bill Pmt -Check	7/26/2004	5033	JOHN WALLACE & ASSOCIATES, INC.	GENERAL MANAGEMENT TRANSITION MAY04	-237.88	-35,353.19
Bill Pmt -Check	7/26/2004	5034	JOHN WALLACE & ASSOCIATES, INC.	FEMA DISASTER ASSISTANCE	-190.00	-35,543.19
Bill Pmt -Check	7/26/2004	5035	JOHN WALLACE & ASSOCIATES, INC.	FEMA DISASTER ASSISTANCE 5-31-04	-35,543.19	-35,543.19
Total 1022 - General checking						
TOTAL					-35,543.19	-35,543.19

TO

9270399 P.03/05

10/08/04
Cash Basis

Sami Simeon Disbursements Journal August 2004

Type	Date	Num	Name	Memo	Paid Amount	Balance
1022 - General checking						
Bill Pmt -Check	8/10/2004	5038	CAROL-BAILEY-WOOD	AUG BOARD SERVICE	-100.00	-100.00
Bill Pmt -Check	8/10/2004	5037	DAVID KIECH	AUG BOARD SERVICE	-100.00	-200.00
Bill Pmt -Check	8/10/2004	5038	DIGITAL WEST NETWORKS,INC.	Domain Renewal sscsd.org / 1.0 Bronze Hosting Pa...	-164.70	-364.70
Bill Pmt -Check	8/10/2004	5039	GBP&B	MAY AND JUNE SERVICES	-4,400.00	-4,764.70
Bill Pmt -Check	8/10/2004	5040	LORAIN MIRABAL-BOUBION	AUG BOARD SERVICE	-100.00	-4,864.70
Bill Pmt -Check	8/10/2004	5041	PERS - HEALTH	HEALTH INSURANCE AUG	-118.94	-4,983.64
Bill Pmt -Check	8/10/2004	5042	PLATINUM PLUS FOR BUSINESS	JUNE CREDIT CARD	-1.00	-4,984.64
Bill Pmt -Check	8/10/2004	5043	ROBERT W. SCHULTZ ESQ.	AUG SERVICES AND POSTAGE	-1,580.82	-6,565.46
Bill Pmt -Check	8/10/2004	5044	TERRY LAMBETH	AUG BOARD SERVICE	-100.00	-6,665.46
Total 1022 - General checking					-6,665.46	-6,665.46
TOTAL					-6,665.46	-6,665.46

10/08/04
Cash Basis

Simeon Disbursements Journal September 2004

Type	Date	Num	Name	Memo	Paid Amount	Balance
1022 - General checking						
Bill Pmt - Check	9/13/2004	5045	Carl Peterson	Deposit Refund Acct#1069	-50.00	-50.00
Bill Pmt - Check	9/13/2004	5046	ECO Resources, Inc.	August Services	-27,575.42	-27,625.42
Bill Pmt - Check	9/13/2004	5047	EDA, INC.	April Services & Reimbursable Exp	-1,308.89	-28,934.31
Bill Pmt - Check	9/13/2004	5049	JOHN WALLACE & ASSOCIATES, INC.	District Engineering Feb Services	-3,153.92	-32,088.23
Bill Pmt - Check	9/13/2004	5050	PERS - HEALTH	Sept Health Insurance	-118.94	-32,207.17
Bill Pmt - Check	9/13/2004	5051	ROBERT W. SCHULTZ ESQ.	Sept. Services	-1,575.00	-33,782.17
Bill Pmt - Check	9/13/2004	5052	SDRMA	Property Liability Package 04-05	-7,037.25	-40,819.42
Bill Pmt - Check	9/13/2004	5053	TERRY LAMBETH	Sept. Board Services	-100.00	-40,919.42
Bill Pmt - Check	9/13/2004	5054	UNDERGROUND SERVICE ALERT	Annual Membership	-150.00	-41,069.42
Bill Pmt - Check	9/13/2004	5055	ECO Resources, Inc.	Sept Services	-27,575.42	-68,644.84
Bill Pmt - Check	9/13/2004	5056	EDA, INC.	Services for May 2004	-1,017.50	-69,662.34
Bill Pmt - Check	9/13/2004	5057	JOHN WALLACE & ASSOCIATES, INC.	FEMA Disaster Assistance	-1,571.68	-71,234.02
Bill Pmt - Check	9/13/2004	5058	EDA, INC.	Services June-04	-1,593.75	-72,827.77
Bill Pmt - Check	9/13/2004	5059	JOHN WALLACE & ASSOCIATES, INC.	Supplement WTR Demand Analysis	-6,262.99	-79,090.76
Bill Pmt - Check	9/13/2004	5060	EDA, INC.	Service June SSCSD Budget/GM Transition	-1,724.55	-80,815.31
Bill Pmt - Check	9/13/2004	5061	JOHN WALLACE & ASSOCIATES, INC.	FEMA Disaster Assistance	-66.66	-80,881.97
Bill Pmt - Check	9/13/2004	5062	EDA, INC.	Services July Desal Project	-593.75	-81,475.72
Bill Pmt - Check	9/13/2004	5063	JOHN WALLACE & ASSOCIATES, INC.	Supplemental Wtr Demand Analysis thru May	-13,127.12	-94,602.84
Bill Pmt - Check	9/13/2004	5064	CAROL BAILEY-WOOD	Sept Services	-100.00	-94,702.84
Bill Pmt - Check	9/13/2004	5065	DAVID KIECH	Sept Services	-100.00	-94,802.84
Bill Pmt - Check	9/13/2004	5066	GBP&B	July and August Services	-2,825.00	-97,627.84
Bill Pmt - Check	9/13/2004	5068	KENNEDY/JENKS CONSULTANTS	San Simeon Electrical Evaluation Project # 0472001	-9,298.25	-106,926.09
Bill Pmt - Check	9/13/2004	5069	LORRAINE MIRABAL-BOUBION	Sept Board Service	-100.00	-107,026.09
Total 1022 - General checking					-107,026.09	-107,026.09

TOTAL

S.1

LAW OFFICES

Hudson, Martin, Ferrante & Street

490 CALLE PRINCIPAL
POST OFFICE BOX 112
Monterey, California 93942
TELEPHONE (408) 375-3151
TELECOPIER (408) 375-0131

W. G. HUDSON (1877-1954)
CARMEL MARTIN (1879-1965)
PETER J. FERRANTE (1903-1975)
WEBSTER STREET (1899-1984)

JOHN F. MARTIN
CARMEL MARTIN, JR.
PETER J. CONIGLIO
GERALD B. DALTON
MICHAEL S. SOSNOWSKI
MICHAEL A. ALBOV
PETER R. WILLIAMS

September 27, 1988

San Simeon Acres Community
Service District
Route 1, Box S17
San Simeon, California 93452

Hand delivered

Gentlemen:

Please be advised that we represent Kent Mitchell and Ray Berney. Mr. Mitchell and Mr. Berney own the real property on which the San Simeon Lodge and the adjacent Chevron Station are located.

As you may know, the Chevron USA, Inc. lease on the Chevron Station ends on September 30, 1988.

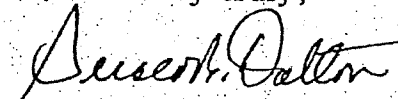
Mr. Mitchell and Mr. Berney request that the water service and sewer service accounts be transferred to their name effective September 30, 1988. We enclose herewith our check in the sum of \$50.00 which we understand is the regular deposit for water and sewer service.

Chevron USA, Inc. has arranged for removal of the service station and the underground tanks and equipment. It may be necessary to relocate the water meter. I will ask Chevron or its contractor to contact you so that the appropriate arrangements can be made to put the meter in a convenient location on the property.

Should you have any questions, please let me hear from you.

Thank you for your assistance with this matter.

Yours very truly,


GERALD B. DALTON

GBD/nm
Enclosure

cc: Mr. Kent Mitchell
Mr. Ray Berney
Mr. Lloyd Johnson, Property Management Specialist
Chevron USA, Inc., P. O. Box 2833, La Habra, CA. 90632-2833
Re: SS#9-2565, Hwy. 1 and Pico, San Simeon, CA.

006708

LAW OFFICES

Hudson, Martin, Ferrante & Street
EST. 1908

490 CALLE PRINCIPAL
POST OFFICE BOX 112

Monterey, California 93942

TELEPHONE (831) 375-3151
FAX (831) 375-0131
HMFS@aol.com

CARMEL MARTIN, JR.
PETER J. CONIGLIO
GERALD B. DALTON
MICHAEL A. ALBOV
PETER R. WILLIAMS
COLLEEN MARIE-CARMEL DALTON
JOHN RICH CONIGLIO

OF COUNSEL
JOHN F. MARTIN

FOUNDING PARTNERS
W. G. HUDSON (1877-1954)
CARMEL MARTIN (1879-1965)
PETER J. FERRANTE (1903-1975)
WEBSTER STREET (1899-1984)

September 30, 2004

Certified Mail, Return Receipt Requested

James Whitaker, Facility Manager
E.C.O. Resources, Inc.
San Simeon C.S.D.
111 Pico Road
San Simeon, CA 93452

**Re: San Simeon Acres Service Station Location
9540 Castillo Drive, San Simeon, California
Former Chevron Station Location**

Dear Mr. Whitaker:

I represent Kent Mitchell, the owner of the above referenced property.

On September 27, 1988 at the request of Mr. Mitchell and his then partner, Ray Berney (now deceased) I wrote the enclosed letter to the San Simeon Acres Service District regarding water service and sewer service accounts to be opened in the name of Mr. Mitchell and Mr. Berney effective September 30, 1988. That was the date on which the Chevron USA, Inc. lease terminated. Mr. Mitchell and Mr. Berney instructed me to deliver the deposit for water and sewer service to the San Simeon Acres Service District office and complete the necessary application. I did so by a personal visit to the office on September 27, 1988 or the day following.

I believe the location of the water meter was changed to accommodate the removal of the service station structures and the underground tanks and equipment by Chevron USA, Inc. Chevron continued to use water during the removal and clean-up process which extended for a number of years and, to some extent, continues to this date.

Mr. Mitchell was unable to use the premises for a number of years because of the Chevron USA, Inc. clean-up work. This work was just recently concluded.

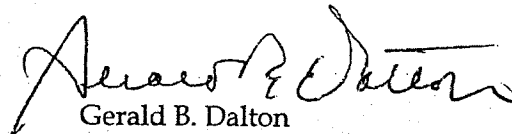
006709

James Whitaker, Facility Manager
E.C.O. Resources, Inc.
September 30, 2004
Page 2

Should you have any questions or if I could be of any assistance to you, please let know.

Yours very truly,

HUDSON, MARTIN, FERRANTE & STREET


Gerald B. Dalton

GBD/mao
Enclosures
cc: Kent Mitchell

006710

5.2

SAN SIMEON COMMUNITY SERVICE DISTRICT
111 Pico Avenue, San Simeon, CA 93452
(805) 927-4778

Date: September 29, 2004

To: Board of Directors

From: District Counsel

Subject: Discussion Regarding Amendment to District Policy 6020.40

At our last meeting the Board discussed the Noticing requirements of Meetings and requested an Amendment to our Policies to make sure the Board members receive their agenda packages in advance of the meetings.

SSCSD Policy Handbook Policy 6020.40 states:

At least seventy-two hours (72) hours prior to the time of all regular meetings, an agenda, which includes but is not limited to all matters on which there may discussion and/or action by the Board, shall be posted conspicuously for public review within the District office.

In order to address the Board's concerns on receiving Staff reports and other information in advance of the meeting, I would suggest that the Board amend Policy 6020.40 by added the following sentence at the end.

In addition, all documentation in support of any discussion and/or action item on the agenda shall be hand delivered to each Director at least seventy-two (72) hours prior to the time of the regular meeting. The failure to comply with this section shall require the Board to continue that agenda item.

RWS

006712

S. 3

SAN SIMEON COMMUNITY SERVICE DISTRICT
111 Pico Avenue, San Simeon, CA 93452
(805) 927-4778

Date: September 29, 2004

To: Board of Directors

From: District Counsel

Subject: Resolution 04-302 Supporting Proposition 1A

After years of state raids on local funds, the local government coalition reached an historic agreement with Governor Arnold Schwarzenegger and legislative leaders in July that placed Proposition 1A on the November ballot. If approved by the voters, Proposition 1A will restore predictability and certainty to the funding needed for police, fire and other essential local services.

Core Details of the Budget Agreement and Proposition 1A:

- Cities, counties, special districts and redevelopment agencies will help the state solve its budget crisis by giving up \$1.3 billion in local revenues in both FY 2004-05 and 2005-06 (\$2.6 billion total).
- The state will continue to shift local property taxes to pay for schools (the "ERAF" shift - currently about \$5 billion annually), but cannot shift any additional property or sales tax or vehicle license fees.
- In an emergency, the state can borrow property tax from local government but only if prior loans have been repaid, and only twice within a 10 year period.
- Eliminates current VLF backfill from the state general fund. Instead, provides these amounts to cities and counties from the countywide ERAF fund.
- Vehicle license fees are statutorily capped at .65% of the value of a vehicle, and this revenue is dedicated to cities and counties. If the rate falls below .65%, the state is constitutionally obligated to backfill cities and counties for the difference between the new rate and .65%.
- Constitutionally protects the rate and method of distribution of the local Bradley-Burns sales tax and Transactions and Use Tax. Guarantees payment of property tax backfill for Prop. 57 sales tax ¼ cent suspension. Also guarantees return of ¼ cent Bradley Burns sales tax when Prop 57 bonds retired.
- Gives the Legislature the authority to authorize two or more local agencies within a county to exchange property tax and sales tax but only if the governing bodies of each of those agencies approves a locally-negotiated exchange agreement.

RWS

006714

RESOLUTION NO. 04-302

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN
SIMEON COMMUNITY SERVICES DISTRICT SUPPORTING
PROPOSITION 1A**

WHEREAS, state government currently seizes more than \$5.2 billion annually in local property tax funds statewide from cities, counties and special districts, costing local governments more than \$40 billion in lost revenues over the past 12 years; and

WHEREAS, these ongoing shifts and raids by the state of local property tax funds and other funding dedicated to local governments have seriously reduced resources available for local fire and paramedic response, law enforcement, public health and emergency medical care, roads, parks, libraries, transportation and other essential local services; and

WHEREAS, these funding raids also add pressure for local governments to increase fees and taxes to maintain basic local service levels; and

WHEREAS, this drain of local resources has continued even during periods when the state's budget has been overflowing with surpluses; and

WHEREAS, Proposition 1A is a historic measure that will appear on the November 2004 statewide ballot that would limit the State's ability to take and use local government funding; and

WHEREAS, by protecting local government funding, Prop 1A would protect local public safety, healthcare and other essential local services; and

WHEREAS, Prop 1A will not raise taxes and, in fact, will help reduce pressure for local fee and tax increases by limiting state raids of local government funding; and

WHEREAS, Prop 1A does not reduce funding for schools or any other state program or service, and Prop 1A was carefully written to allow flexibility in the event of a state budget emergency; and

WHEREAS, Prop 1A is supported by a bipartisan, diverse coalition including Governor Schwarzenegger, Democrat and Republican legislative leaders, local government officials, public safety representatives, healthcare, business, labor and community leaders;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SAN SIMEON COMMUNITY SERVICES DISTRICT that we hereby express strong support for Proposition 1A, the statewide ballot initiative that will prevent the state from further taking local government revenues; and

RESOLVED FURTHER, that we will send a copy of this resolution to Yes on 1A - Californians to Protect Local Taxpayers and Public Safety. Fax: 916-442-3510 or 1121 L Street, #803, Sacramento, CA 95814

PASSED, APPROVED, AND ADOPTED, by the Board of Directors of the San Simeon Community Services District on the 13th day of October 2004, by the following vote to wit:

AYES: Kiech, Mirabal-Boubion, Lambeth, Bailey-Wood

NOES:

ABSENT:

David Kiech, Chairperson
Board of Directors

ATTEST:

District Secretary

006716

5.4

**VERBAL
DISCUSSION**

006718

5.5

**VERBAL
DISCUSSION**

5.6

Item 5.1 requests Board approval for pre-approval of recurring standard invoices below is a list of the recurring invoices.

For Board Approval

- Board Members – Paid once a month (has been 1st and 23rd they have received 3 checks for August)
- ECO Resources, Inc. – Billed on the 1st of the month
- GBP&B – Billed monthly
- PERS Health – Billed monthly
- Robert W. Schultz ESQ – Flat fee with expense billed monthly to be paid on the 1st.

For Board Consideration

- EDA, Inc. – Monthly billing
- John Wallace – Billed monthly for project work

ECO Resources Responsibility

- Mission County Disposal – Billed monthly for sludge removal
- PG&E – Billed monthly
- Great Western Alarm and Communications – Billed monthly
- SBC – Billed monthly
- RMA Computer Solutions – Monthly billing for website

5.7



**California Regional Water Quality Control Board
Central Coast Region**



Tamminem
Secretary for
Environmental
Protection

Internet Address: <http://www.swrcb.ca.gov/rwqcb3>
895 Aerovista Place, Suite 101, San Luis Obispo, California 93401
Phone (805) 549-3147 • FAX (805) 543-0397

Arnold
Schwarzenegger
Governor

October 6, 2004

David Kiech, Chairman
San Simeon Community Services District
111 Pico Avenue
San Simeon, CA 93452

Dear Mr. Kiech:

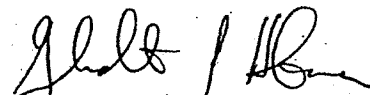
**REQUEST FOR TIMELINE TO IMPLEMENT ELECTRICAL SYSTEM IMPROVEMENTS,
SAN SIMEON WASTEWATER TREATMENT PLANT, SAN LUIS OBISPO COUNTY**

We have reviewed Kennedy/Jenks Consultants' August 2004 Electrical Evaluation of the San Simeon Community Services District Wastewater Treatment Plant (WWTP). Several electrical system improvements are recommended to improve operation and reliability of the WWTP. Most notably, a new diesel driven 125-kW engine-generator rated at 277/480 volts, with a built in 300 amp automatic transfer switch, fuel tank, batteries and charger in a weatherproof sound enclosure is specified. We trust that San Simeon CSD is taking all measures necessary to implement these recommendations as soon as possible. We request that you submit a detailed timeline to complete these improvements by **November 6, 2004**.

This request is made in accordance with Section 13267 of the California Water Code. We need the requested information to assure pollution prevention measures are implemented in a timely manner. Failure to submit the requested information may subject you to further enforcement action, including the imposition of civil liability penalties in the amount of \$1,000 per day. Any person affected by this action may petition the State Water Resources Control Board (State Board) to review the action in accordance with Section 13320 of the California Water Code and Title 23, California Code of Regulations, Section 2050. State Board must receive the petition within 30 days of the date of this letter. Copies of the law and regulations applicable to filing petitions will be provided upon request.

We appreciate your prompt attention to this request. If you have any questions, please feel free to contact **Matt Thompson** at (805) 549-3159 or Gerhardt Hubner at (805) 542-4647.

Sincerely,

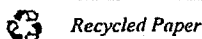

Roger W. Briggs
Executive Officer

cc:

James Whitaker, San Simeon WWTP, Route 1, Box 5-17, San Simeon, CA 93452

S:\NPDES\NPDES Facilities\San Luis Obispo Co\San Simeon\Request for Timeline of Electrical Upgrade.doc

California Environmental Protection Agency



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5.8

**VERBAL
DISCUSSION**

5.9

**VERBAL
DISCUSSION**

006728

S.10

**VERBAL
DISCUSSION**

006730

5.11

**VERBAL
DISCUSSION**

006732

Letters
to
~~Arizona~~
District

DRAFT 1- For Review by JAF

TRANSMITTAL

Date: September 22, 2004 **Project Number:** 00²⁴~~25~~-0001

To: Jim Whitaker
 San Simeon CSD
 111 Pico Avenue
 San Simeon, CA 93452

Phone: (805) 927-4778
Fax: (805) 927-0399
Email:

From: Wallace Group
 4115 Broad Street, Suite B-5
 San Luis Obispo, CA 93401

Phone: 805 544-4011
Fax: 805 544-4294
Email: Caseyk@wallacegroup.us

Subject: Video Sewer Inspections



- CIVIL ENGINEERING
- CONSTRUCTION MANAGEMENT
- LANDSCAPE ARCHITECTURE
- MECHANICAL ENGINEERING
- PLANNING
- PUBLIC WORKS ADMINISTRATION
- SURVEYING / GIS SOLUTIONS
- WATER RESOURCES
- WALLACE SWANSON INTERNATIONAL

Mr. Whitaker,

After meeting with Chuck Mentz from the Governors Office of Emergency Services on September 16, 2004, it was determined immediate action regarding the sewer inspections is required.

We understand that the Board is supposed to hear the issue regarding the video inspection on October 2, 2004. If the Board decides to choose a contractor, OES would prefer the inspection to occur prior to the start of the rainy season (October 15, 2004).

However, if the board does not decide to go through with the project, Wallace Group will submit a formal withdrawal letter to OES, which therefore cut any funding, supplied by FEMA and OES.

Please notify me of your intentions as soon as possible. If you have any further questions please do not hesitate to contact me.

Sincerely,

Casey Kempenaar
Associate Planner

WALLACE GROUP
A California Corporation

4115 BROAD ST
SUITE B-5
SAN LUIS OBISPO
CALIFORNIA 93401

T 805 544-4011
F 805 544-4294

Sent Via: Fax Mail Hand Delivery Overnight Email

Originals Mailed: Yes No Number of Pages (Including Cover): 1

M:\084-SSCSD\064-003 FEMA\0041 - FEMA OR 1505\Correspondence\0084_0003Trans04SSCSD Sewer Inspection Question.doc



Terry Tamminen
Secretary for
Environmental
Protection

California Integrated Waste Management Board

Linda Moulton-Patterson, Chair
1001 I Street • Sacramento, California 95814 • (916) 341-6000
Mailing Address: P. O. Box 4025, Sacramento, CA 95812-4025
www.ciwmb.ca.gov



Arnold Schwarze
Governor

NOTICE OF PROPOSED RULEMAKING

- TITLE 14. NATURAL RESOURCES**
- DIVISION 7. CALIFORNIA WASTE MANAGEMENT BOARD**
- CHAPTER 9. PLANNING GUIDELINES AND PROCEDURES FOR PREPARING AND REVISING COUNTYWIDE AND REGIONAL AGENCY INTEGRATED WASTE MANAGEMENT PLANS.**
- ARTICLE 9.1. ADJUSTMENT METHOD FOR CALCULATING CHANGES IN WASTE GENERATION TONNAGE**
-
- TITLE 14. NATURAL RESOURCES**
- DIVISION 7. CALIFORNIA WASTE MANAGEMENT BOARD**
- CHAPTER 9. PLANNING GUIDELINES AND PROCEDURES FOR PREPARING AND REVISING COUNTYWIDE AND REGIONAL AGENCY INTEGRATED WASTE MANAGEMENT PLANS.**
- ARTICLE 9.2. DISPOSAL REPORTING SYSTEM**
-
- TITLE 27. ENVIRONMENTAL PROTECTION**
- DIVISION 2. SOLID WASTE**
- CHAPTER 3. CRITERIA FOR ALL WASTE MANAGEMENT UNITS, FACILITIES, AND DISPOSAL SITES**
- SUBCHAPTER 4. CRITERIA FOR LANDFILLS AND DISPOSAL SITES**
- ARTICLE 1. CIWMB OPERATING CRITERIA**

California Environmental Protection Agency

 Printed on Recycled Paper

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is necessary for the health, safety, or welfare of the people of the state that these regulations apply to and require reports on disposal data from businesses.

PRC section 41780.2 sets forth the method to be used by jurisdictions to calculate their diversion rates in compliance with PRC section 41780. The adjustment method, developed by the Board pursuant to PRC section 41780.1, estimates reporting year generation based on a jurisdiction's change in population, employment, and inflation-adjusted taxable sales since the base-year generation calculation. The estimated reporting year generation is then compared to the measured reporting year disposal tonnage and used to determine the estimated rate of diversion achieved in the reporting year.

In a report to the Legislature prepared pursuant to PRC section 41821.5(e) and (f), several Board-approved recommendations for regulatory changes were identified. With regards to the Disposal Reporting System regulations, the recommendations were: 1) establish statewide standards for collecting information on disposal tonnage and jurisdiction of origin, 2) base origin information from commercial haulers on the records kept by the hauling companies, 3) require scales at facilities above a certain threshold of waste intake, 4) require cooperation with the Disposal Reporting System as part of the minimum standards at permitted landfills, and 5) improve jurisdictions' access to timely disposal information. Proposed recommendations for changes to the Adjustment Method were: 1) add county level Employment Development Department (EDD) industry employment as a default factor, 2) consider EDD labor force employment for the residential adjustment calculation and EDD industry employment for the non-residential adjustment calculation, and 3) allow use of 1991 city level industry employment data by zip code for 1990 base year if 1990-1991 employment trend was increasing. The proposed amended regulations address these recommendations for changes.

POLICY STATEMENT OVERVIEW

As part of the SB 2202 process, the Board has examined the goal measurement system including the Disposal Reporting System and Adjustment Method components. The Board has determined that regulatory changes are necessary to improve the overall accuracy of the system. The goal measurement system must be as accurate as possible in order for jurisdictions to demonstrate their progress in achieving their diversion rate goals pursuant to the Integrated Waste Management Act.

PLAIN ENGLISH REQUIREMENTS

Board staff prepared the proposed final regulations pursuant to the standard of clarity provided in Government Code section 11349 and the plain English requirements of Government Code section 11342.580 and 11346.2(a)(1). The proposed final regulations are considered non-technical and are written to be easily understood by those parties that will use them.

AUTHORITY AND REFERENCES

Public Resources Code (PRC) sections 40502, 41780.1, 41781.3, 41821.5, 43020, and 43021 provide authority for these regulations. The purpose of the proposed regulations is to implement, interpret, and make specific PRC sections 40508, 41780, 41780.1, 41780.2, 41781, 41821, 41821.2, 41821.5, 42245, 43020, 43021, and 43103.

FEDERAL LAW OR REGULATIONS MANDATE

Federal law or regulations do not contain comparable requirements.

The estimated one-time costs to businesses statewide total \$659,600. Statewide estimated annual costs to businesses total \$270,300.

CONSIDERATION OF ALTERNATIVES

The Board must determine that no reasonable alternative considered by the Board, or that has otherwise been identified and brought to the attention of the Board, would be more effective in carrying out the purpose for which the action is proposed, or would be as effective and less burdensome to affected private persons than the proposed action. The Board invites interested persons to present statements or arguments with respect to alternatives to the proposed regulations during the written comment period.

CONTACT PERSONS

Inquiries concerning the proposed administrative action or the substance of the proposed regulations may be directed to:

Diane Shimizu
California Integrated Waste Management Board
Diversion, Planning and Local Assistance Division
P.O. Box 4025
Sacramento, CA 95812-4025
(916) 341-6238
FAX: (916) 319-7129
e-mail: dshimizu@ciwmb.ca.gov

Back-up contact person to whom inquiries concerning the proposed administrative action may be directed:

Elliot Block
California Integrated Waste Management Board
Legal Office
P.O. Box 4025
Sacramento, CA 95812-4025
(916) 341-6080
FAX: (916) 319-7138
e-mail: eblock@ciwmb.ca.gov

AVAILABILITY OF STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATIONS

The Board will have the entire rulemaking file, and all information upon which the proposed regulations are based, available for inspection and copying throughout the rulemaking process at the above address. As of the date this notice is published in the Notice Register, the rulemaking file consists of this notice, the proposed text of the regulations, and the Initial Statement of Reasons. Copies may be obtained by contacting Diane Shimizu at the address, e-mail, or telephone number listed above. For more timely access to the current proposed text of the regulations, and in the interest of waste prevention, interested parties are encouraged to access the Board's website at: <http://www.ciwmb.ca.gov/Rulemaking/DRSAdjMethod/>.

Additionally, the Final Statement of Reasons will be available at the above listed Internet address or may be requested by contacting the persons named above.

County of San Luis Obispo
Office of the Auditor-Controller
 Room 300 County Government Center
 San Luis Obispo, California 93408
 (805) 781-5040 FAX (805) 781-1220



GERE W. SIBBACH, CPA
Auditor-Controller
BILL ESTRADA
Assistant

TO: San Simeon Acres (0477)
 FROM: MARSHA STILLMAN, PROPERTY TAX MANAGER *MS*
 DATE: AUGUST 31, 2004
 SUBJECT: 2004-2005 ESTIMATED REVENUES, VALUES

Sections 97 and 98 of the Revenue and Taxation Code provide for the allocation of property tax revenues derived from levying and ad valorem property tax rate of one dollar (\$1) per hundred dollars (\$100) of taxable value.

The values are supplied to this office by the county Assessor and the State Board of Equalization. The estimated revenue, calculated by our office, does not include an adjustment for revisions to the roll unsecured delinquency, or the statutory changes affecting the next two years.

The taxable values and corresponding estimated tax revenue for Fiscal Year 2004-2005 are:

	SECURED	UNSECURED	HOMEOWNERS EXEMPTION	UNITARY REVENUE	REDEV. CONTRIB.	PASS THRU
Net Value	71,835,538	1,901,264	462,000	0	0	0
Estimated Revenue *	56,446	1,660	701	977	0	0

***SB1096, the additional legislative reduction, is not reflected in the above numbers.**

I have enclosed a portion of Senate Bill 1096 along with a recap of some of the statutory changes. The State Controller will be providing our office with the dollar amount of revenue reduction for each taxing jurisdiction. I will transmit this information to you as soon as it is available.

Should you have any questions regarding revenues or values, contact me at 781-5037.

1 (3) For purposes of this section, "revenues that are pledged to
2 debt service" includes only those amounts required as the sole
3 source of repayment to pay debt service costs in the 2002-03 fiscal
4 year on debt instruments issued by an enterprise special district for
5 the acquisition of fixed assets. For purposes of this paragraph,
6 "fixed assets" means land, buildings, equipment, and
7 improvements, including improvements to buildings.

8 SEC. 24. Section 97.73 is added to the Revenue and Taxation
9 Code, to read:

10 97.73. Notwithstanding any other provision of law, for each of
11 the 2004-05 and 2005-06 fiscal years, all of the following apply:

12 (a) (1) (A) The total amount of ad valorem property tax
13 revenue, other than those revenues that are pledged to debt service,
14 deemed allocated for the prior fiscal year to each nonenterprise
15 special district shall be reduced by 10 percent.

16 (B) If a nonenterprise special district is located in more than
17 one county, the auditor of each county in which that nonenterprise
18 special district is located shall implement that portion of the total
19 reduction, required by subparagraph (A) with respect to that
20 district, determined by the ratio of the amount of ad valorem
21 property tax revenue allocated to that district from the county to
22 the total amount of ad valorem property tax revenue allocated to
23 that district from all counties.

24 (2) The Controller shall, on or before November 12, 2004, and
25 on or before November 12, 2005, notify the auditor of each county
26 and city and county of the amount of the ad valorem property tax
27 revenue reduction required by paragraph (1) for each
28 nonenterprise special district in the county. The Controller shall
29 certify that the calculation of the ad valorem property tax revenue
30 reduction for each nonenterprise special district within each
31 county is accurate and correct, and submit this information to the
32 Director of Finance.

33 (b) That amount of ad valorem property tax revenue that is not
34 allocated to a nonenterprise special district as a result of
35 subdivision (a) shall instead be deposited in the county
36 Educational Revenue Augmentation Fund and shall be allocated
37 as specified in subdivision (d) of Section 97.3.

38 (c) For purposes of this section, all of the following apply:

39 (1) (A) "Nonenterprise special district" means a special
40 district that engages solely, as reported in the 2000-01 edition of

1 the State Controller's Special Districts Annual Report, in
2 nonenterprise functions, and a qualified special district as defined
3 in Section 97.34.

4 (B) Notwithstanding any other provision of law,
5 "nonenterprise special district" does not include any of the
6 following:

7 (i) A fire protection district that was formed under the Shade
8 Tree Law of 1909 set forth in Article 2 (commencing with Section
9 25620) of Chapter 7 of Division 2 of Title 3 of the Government
10 Code.

11 (ii) A police protection district formed pursuant to Part 1
12 (commencing with Section 20000) of Division 14 of the Health and
13 Safety Code.

14 (iii) A fire protection district formed under the Fire Protection
15 District Law of 1987 (Part 2.7 (commencing with Section 13800)
16 of Division 12 of the Health and Safety Code) or a fire protection
17 district formed under the Fire Protection District Law of 1961, or
18 any of its statutory predecessors, and that existed on January 1,
19 1988.

20 (iv) Any library special district, including, but not limited to,
21 the following:

22 (I) A county free library system established pursuant to Article
23 1 (commencing with Section 19100) of Chapter 6 of Part 11 of
24 Division 1 of Title 1 of the Education Code.

25 (II) A unified school district and union school district public
26 library district established pursuant to Chapter 3 (commencing
27 with Section 18300) of Part 11 of Division 1 of Title 1 of the
28 Education Code.

29 (III) A library district established pursuant to Chapter 8
30 (commencing with Section 19400) of Part 11 of Division 1 of Title
31 1 of the Education Code.

32 (IV) A library district in unincorporated towns and villages
33 established pursuant to Chapter 9 (commencing with Section
34 19600) of Part 11 of Division 1 of Title 1 of the Education Code.

35 (v) A memorial district formed pursuant to Article 1
36 (commencing with Section 1170) of Chapter 1 of Part 2 of Division
37 6 of the Military and Veterans Code.

38 (vi) A mosquito abatement district or a vector control district
39 formed pursuant to Chapter 1 (commencing with Section 2000) of

1 Division 3 of the Health and Safety Code, or any predecessor to
2 that law.

3 (2) With respect to a nonenterprise special district that
4 performs, as reported in the 2000–01 edition of the State
5 Controller's Special Districts Annual Report, nonenterprise
6 functions and police protection services with certified peace
7 officers, as described in Chapter 4.5 (commencing with Section
8 830) of Title 3 of Part 2 of the Penal Code, or nonenterprise
9 functions and fire protection services, 'the total amount of ad
10 valorem property tax revenue allocated in the prior fiscal year'
11 does not include any ad valorem property tax revenue that was
12 allocated by that district for fire protection or police protection
13 nonenterprise functions, as reported in the 2000–01 edition of the
14 State Controller's Special Districts Annual Report.

15 (3) With respect to a nonenterprise special district formed
16 pursuant to Article 3 (commencing with Section 5500) of Chapter
17 3 of Division 5 of the Public Resources Code that performs, as
18 reported in the 2000–01 edition of the State Controller's Special
19 Districts Annual Report, nonenterprise functions and police
20 protection services with certified peace officers, as described in
21 Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2 of
22 the Penal Code, or nonenterprise functions and fire protection
23 services, "the total amount of ad valorem property tax allocated
24 in the prior fiscal year" does not include net expenditures by that
25 district for fire protection or police protection nonenterprise
26 functions, as reported in the 2000–01 edition of the State
27 Controller's Special Districts Annual Report.

28 (4) For purposes of this section, "revenues that are pledged to
29 debt service" includes only those amounts required as the sole
30 source of repayment to pay debt service costs in the 2002–03 fiscal
31 year on debt instruments issued by a nonenterprise special district
32 for the acquisition of fixed assets. For purposes of this paragraph,
33 "fixed assets" means land, buildings, equipment, and
34 improvements, including improvements to buildings.

35 SEC. 25. Section 97.74 is added to the Revenue and Taxation
36 Code, to read:

37 97.74. Notwithstanding any other provision of law, for
38 purposes of ad valorem property tax revenue allocations for the
39 2006–07 fiscal year, the total amount of ad valorem property tax
40 revenue deemed allocated to each enterprise special district and



San Luis Obispo County

Department of Planning and Building Environmental Division

RECEIVED
10/27/04
Car Mail

DATE: August 31, 2004

TO: SAN SIMEON ACRES CSD
111 PICO AVE
SAN SIMEON CA 93452

Department of Planning and Building
County Government Center
San Luis Obispo, CA 93408

**SUBJECT: NOTICE OF PREPARATION OF A DRAFT ENVIRONMENTAL
IMPACT REPORT**

**PROJECT TITLE: Cambria and San Simeon Acres Community Plans of the North Coast
Area Plan**

PROJECT APPLICANT: San Luis Obispo County Department of Planning and Building

RESPONSES DUE BY: November 1, 2004

The County of San Luis Obispo will be the Lead Agency and will prepare an Environmental Impact Report for the project identified below. We need to know the views of your agency as to the scope and content of the environmental information which is germane to your agency's statutory responsibilities in connection with the proposed project. Your agency will need to use the Environmental Impact Report prepared by our agency when considering your permit or other approval for the project.

PLEASE provide us the following information at your earliest convenience, but not later than November 1, 2004.

1. NAME OF CONTACT PERSON. (Address and telephone number)
2. PERMIT(S) or APPROVAL(S) AUTHORITY. Please provide a summary description of these and send a copy of the relevant sections of legislation, regulatory guidance, etc.
3. ENVIRONMENTAL INFORMATION. What environmental information must be addressed in the Environmental Impact Report to enable your agency to use this documentation as a basis for your permit issuance or approval?
4. PERMIT STIPULATIONS/CONDITIONS. Please provide a list and description of standard stipulations (conditions) which your agency will apply to features of this project. Are there others that have a high likelihood of application to a permit or approval for this project? If so, please list and describe.
5. ALTERNATIVES. What alternatives does your agency recommend be analyzed in equivalent level of detail with those listed above?
6. REASONABLY FORESEEABLE PROJECTS, PROGRAMS or PLANS. Please name any future project, programs or plans that you think may have an overlapping influence with the project as proposed.

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**COUNTY OF SAN LUIS OBISPO
INITIAL STUDY SUMMARY - ENVIRONMENTAL CHECKLIST**

Project Title & No: Cambria & San Simeon Community Plans of the North Coast Area Plan

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED: The proposed project could have a "Potentially Significant Impact" for at least one of the environmental factors checked below. Please refer to the attached pages for discussion on mitigation measures or project revisions to either reduce these impacts to less than significant levels or require further study.

- | | | |
|---|--|---|
| <input type="checkbox"/> Aesthetics | <input type="checkbox"/> Geology and Soils | <input type="checkbox"/> Recreation |
| <input type="checkbox"/> Agricultural Resources | <input type="checkbox"/> Hazards/Hazardous Materials | <input type="checkbox"/> Transportation/Circulation |
| <input type="checkbox"/> Air Quality | <input type="checkbox"/> Noise | <input type="checkbox"/> Wastewater |
| <input type="checkbox"/> Biological Resources | <input type="checkbox"/> Population/Housing | <input type="checkbox"/> Water |
| <input type="checkbox"/> Cultural Resources | <input type="checkbox"/> Public Services/Utilities | <input type="checkbox"/> Land Use |

Mandatory Findings of Significance

DETERMINATION: (To be completed by the Lead Agency)

On the basis of this initial evaluation, the Environmental Coordinator finds that:

- The proposed project COULD NOT have a significant effect on the environment, and a **NEGATIVE DECLARATION** will be prepared.
- Although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A **MITIGATED NEGATIVE DECLARATION** will be prepared.
- The proposed project **MAY** have a significant effect on the environment, and an **ENVIRONMENTAL IMPACT REPORT** is required.
- The proposed project **MAY** have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An **ENVIRONMENTAL IMPACT REPORT** is required, but it must analyze only the effects that remain to be addressed.
- Although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or **NEGATIVE DECLARATION** pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or **NEGATIVE DECLARATION**, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Prepared by(Print)	Signature	Date
	Ellen Carroll, Environmental Coordinator	
Reviewed by(Print)	Signature	Date
	(for)	

TEXT CHANGES

- A. Addition of a new "Coastal Access" chapter.
- B. Incorporation of modifications proposed by the Coastal Commission.
- C. Addition of new goals for planning.
- D. Complete update of census statistics, figures, land use acreage, and other data.
- E. Reorganization of text to make it easier to read and more understandable.
- F. Clarification and organization of goals, policies, programs, and standards.
- G. Propose addition and/or modification of future programs for public services, land use, circulation, combining designations, and public facilities.
- H. Projections of housing and population growth.
- I. Revision of programs and standards that function as mitigating measures for growth anticipated by the plan.
- J. Update of resource management data for water, sewage disposal, schools, and air quality.
- K. Additional emphasis on using transit systems.

MAP CHANGES

- A. Several land use category changes are proposed for portions of all land use categories (see the attached maps for specifics).
- B. New areas to be included under Sensitive Resource Areas (recognizing Monterey Pine Forest).
- C. Recognition of a number of Historic Buildings in Cambria.
- D. Recognition of a number of existing commercial and public facility uses not presently having the appropriate map designations.

The communities of Cambria and San Simeon Acres are located within the North Coast Planning Area of San Luis Obispo County. This planning area is bounded by the Monterey/San Luis Obispo County Line to the north, Point Estero to the south, and to the east the Coastal Zone boundary below the main ridge of the Santa Lucia range. The Community Plan Update pertains to the areas within the Urban Reserve Line of Cambria, encompassing approximately 2,412 acres, and the Village Reserve Line of San Simeon Acres, encompassing approximately 80 acres.

The entire "Project Description" is available on-line at www.sloplanning.org, listed as the "Public Review Draft of the Cambria and San Simeon Acres Community Plan". If you would like to obtain a hard copy of the full "Project Description", please contact Martha Neder at (805)781-4576.

ASSESSOR PARCEL NUMBER: Numerous

SUPERVISORIAL DISTRICT #: 2

B. EXISTING SETTING

PLANNING AREA: North Coast Planning Area

LAND USE CATEGORY: Agriculture, Rural Lands, Residential Single Family, Residential Multi-family, Residential Rural, Residential Suburban, Commercial Retail, Public Facilities, Recreation, Open Space, Office and Professional, Commercial Service

COMBINING DESIGNATION(S): Archaeologically Sensitive, Geologic Study Area, Flood Hazard, Historic, Local Coastal Plan, Visitor Serving Area, Sensitive Resource Area, Terrestrial Habitat, Streams and Riparian Vegetation, Wetlands, Flood Hazard, Central Business District

EXISTING USES: Various - Residential, Commercial, Recreational, Vacant, Public Facilities

COUNTY OF SAN LUIS OBISPO INITIAL STUDY CHECKLIST

1. AESTHETICS - Will the project:	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
a) <i>Create an aesthetically incompatible site open to public view?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) <i>Introduce a use within a scenic view open to public view?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) <i>Change the visual character of an area?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) <i>Create glare or night lighting which may affect surrounding areas?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) <i>Impact unique geological or physical features?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) <i>Other _____</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Highway One, a designated Nation Scenic Byway, runs through Cambria and San Simeon Acres. Unique topography in relation to the Pacific Ocean also lends to the high visual quality of the project area. Proposed changes could result in a change to the scenic character of the highway corridor. Standards will be reviewed and evaluated for adequacy and consistency with Coastal Act policies/Coastal Zone Land Use Ordinance. Changes will be evaluated to determine the level of impacts to aesthetic resources.

2. AGRICULTURAL RESOURCES - Will the project:	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
a) <i>Convert prime agricultural land to non-agricultural use?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) <i>Impair agricultural use of other property or result in conversion to other uses?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) <i>Conflict with existing zoning or Williamson Act program?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) <i>Other _____</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The proposed project is surrounded by Agriculturally zoned properties on the North, East and South sides. Two land use category changes involving Agriculturally zoned properties within the Urban Reserve Line of Cambria are proposed. A one-acre agriculturally zoned property near the south end of Cambria is proposed to be changed to Commercial Retail. A 32 acre Residential Suburban parcel near the south end of Cambria is proposed to be changed to Agriculture. Standards will be reviewed and evaluated for adequacy and consistency with Coastal Act policies/Coastal Zone Land Use Ordinance.

The viability of Agricultural land and the affects of changes to any agricultural land will be quantified and

and county levels). The EIR will provide a discussion of pine pitch canker, its potential impacts to the Cambria pine forest & all available mitigation measures.

5. CULTURAL RESOURCES -

Will the project:

	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
a) <i>Disturb pre-historic resources?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) <i>Disturb historic resources?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) <i>Disturb paleontological resources?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) <i>Other _____</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The project area lies within the historic territory of the Chumash and Salinan speaking Native Americans. Archaeological data indicate that the central and southern coastal areas of California have been occupied for the past 9,000 years. A number of significant historic resources have been identified in the project area. These include National Landmarks, State Landmarks, and significant local resources. The potential for the proposed project to impact these resources will be analyzed in the EIR. An inventory of recorded archaeological sites has been compiled from the files of the State Information Center, Institute of Archaeology, University of California at Santa Barbara, and will be used in preparation of the EIR. The County is currently in the formative stages of creating a process for studying the paleontology of the county and is trying to build a paleontology database. Cultural resource impacts resulting from the proposed changes and needed mitigation measures will be identified.

6. GEOLOGY AND SOILS -

Will the project:

	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
a) <i>Result in exposure to or production of unstable earth conditions, such as landslides, earthquakes, liquefaction, ground failure, land subsidence or other similar hazards?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) <i>Be within a CA Dept. of Mines & Geology Earthquake Fault Zone (formerly Alquist Priolo)?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) <i>Result in soil erosion, topographic changes, loss of topsoil or unstable soil conditions from project-related improvements, such as vegetation removal, grading, excavation, or fill?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) <i>Change rates of soil absorption, or amount or direction of surface runoff?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

7. HAZARDS & HAZARDOUS MATERIALS - Will the project:

	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
d) <i>Increase fire hazard risk or expose people or structures to high fire hazard conditions?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) <i>Create any other health hazard or potential hazard?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) <i>Other _____</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Impacts to fire hazard and health hazard risks and feasible mitigation measures will be determined. The EIR will analyze current/proposed Cambria CSD's and San Simeon CSD's infrastructure and revenue sources, and how buildout population adjustments may affect ability to provide for adequate services.

8. NOISE - Will the project:

	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
a) <i>Expose people to noise levels which exceed the County Noise Element thresholds?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) <i>Generate increases in the ambient noise levels for adjoining areas?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) <i>Expose people to severe noise or vibration?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) <i>Other _____</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Qualitative identification of potential effects of noise to and from those areas proposing land use change, Highway One, and other transportation noise sources will be included in the EIR.

9. POPULATION/HOUSING - Will the project:

	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
a) <i>Induce substantial growth in an area either directly or indirectly (e.g., through projects in an undeveloped area or extension of major infrastructure)?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) <i>Displace existing housing or people, requiring construction of replacement housing elsewhere?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

11. RECREATION - Will the project:

	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
a) <i>Increase the use or demand for parks or other recreation opportunities?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) <i>Affect the access to trails, parks or other recreation opportunities?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) <i>Other _____</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The County's Parks and Recreation Master Plan, adopted in 1988, contains recommended standards for the park acreage in relation to the size of the population.

There are currently two county parks within Cambria. Lampton Cliffs Park is a 2.2 acre neighborhood park with trails and coastal access. Shamel Park is a 6-acre county community park located on Windsor Boulevard. There are also developed coastal access ways at Wedgewood Street and Harvey Street. In November 2000, the CCSD took title to the 417-acre East West Ranch. The "PROS" (Parks, Recreation, and Open-Space) Commission of the CCSD is currently facilitating the development of an approximately 30 acre community "active recreation" park on the East West Ranch acreage. Impacts to recreation will be analyzed and appropriate mitigation measures will be included.

**12. TRANSPORTATION/
CIRCULATION - Will the project:**

	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
a) <i>Increase vehicle trips to local or areawide circulation system?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) <i>Reduce existing "Levels of Service" on public roadway(s)?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) <i>Create unsafe conditions on public roadways (e.g., limited access, design features, sight distance, slow vehicles)?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) <i>Provide for adequate emergency access?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) <i>Result in inadequate parking capacity?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) <i>Result in inadequate internal traffic circulation?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g) <i>Conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., pedestrian access, bus turnouts, bicycle racks, etc.)?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

treatment plant and analyze what technology will be required to expand and update the plant.

The impact of the proposed project on wastewater will be analyzed in the EIR. Appropriate policies regarding sewer service in Cambria and San Simeon will be developed for inclusion in the EIR.

14. WATER - Will the project:

	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
a) <i>Violate any water quality standards?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) <i>Discharge into surface waters or otherwise alter surface water quality (e.g., turbidity, temperature, dissolved oxygen, etc.)?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) <i>Change the quality of groundwater (e.g., saltwater intrusion, nitrogen-loading, etc.)?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) <i>Change the quantity or movement of available surface or ground water?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) <i>Adversely affect community water service provider?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) <i>Other _____</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Cambria and San Simeon Acres rely upon groundwater for their water supply. Groundwater is currently supplied by the CCSD and the San Simeon CSD. The two district water supplies are provided by wells located in relatively small and shallow aquifers associated with San Simeon Creek, Santa Rosa Creek, and Pico Creek.

The CCSD is currently developing an updated water service Master Plan that will identify more accurately what the future water needs will be, and what long-term solutions the district will pursue for serving the community of Cambria. Since 1986, the San Simeon CSD has been under a moratorium that prohibits new water service hook-ups.

The EIR will evaluate estimates (past and current) of the safe yield for each of the aquifers under study (Santa Rosa Creek, San Simeon Creek, Pico Creek) in light of the quality of the available data and reasonableness of estimates of future water consumption.

- c) **Have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?**

For further information on CEQA or the county's environmental review process, please visit the County's web site at "www.sloplanning.org" under "Environmental Review", or the California Environmental Resources Evaluation System at "http://ceres.ca.gov/topic/env_law/ceqa/guidelines/" for information about the California Environmental Quality Act.

Exhibit A - Initial Study References

The following checked ("✓") reference materials have been used in the environmental review for the proposed project and are hereby incorporated by reference into the Initial Study. The following information is available at the County Planning and Building Department.

✓ Project File for the Subject Application
County documents

- Airport Land Use Plans
- Annual Resource Summary Report
- Building and Construction Ordinance
- Coastal Policies
- Framework for Planning (Coastal & Inland)
- General Plan (Inland & Coastal), including all maps & elements; more pertinent elements considered include:
 - Agriculture & Open Space Element
 - Energy Element
 - Environment Plan (Conservation, Historic and Esthetic Elements)
 - Housing Element
 - Noise Element
 - Parks & Recreation Element
 - Safety Element
- Land Use Ordinance
- Real Property Division Ordinance
- Trails Plan
- Solid Waste Management Plan

✓ North Coast Area Plan and Update
EIR

✓ North Coast Circulation Study

Other documents

- Archaeological Resources Map
- Area of Critical Concerns Map
- Areas of Special Biological Importance Map
- California Natural Species Diversity Database
- Clean Air Plan
- Fire Hazard Severity Map
- Flood Hazard Maps
- Natural Resources Conservation Service Soil Survey for San Luis Obispo County
- Regional Transportation Plan
- Uniform Fire Code
- Water Quality Control Plan (Central Coast Basin - Region 3)
- Other _____
- Other _____



August 23, 2004

RE: Ordinance 66 Committee Meeting of August 23, 2004

HAND DELIVERED

David Kiech, Chairman
San Simeon Community Services District
Rt. #1, Box S-17
San Simeon, CA 93452

Dear Chairman Kiech:

I am writing to express my disappointment in missing the Ordinance 66 Committee Meeting that was held today. While I realize that I was not the only one to rely on the meeting date of August 30, 2004, I do find it objectionable that a meeting as important as this is not more formally noticed to avoid these kinds of "misunderstanding".

As I am sure you are aware, this committee and the review of Ordinance 66 issues is the result of a Settlement Agreement between the San Simeon Community Services District and Cavalier Inn, Inc., et. al. To be misled or excluded from participating in this process is disappointing and bewildering at the least. The very purpose of the Settlement agreement was to insure the participation and input of all interested community members.

Further note, that as the year progresses and we again are forced to truck water, it is disheartening to see no progress on recycled water, retrofit programs or other innovative conservations measures as agreed.

Sincerely,

Michael R. Harshett
President
cc: San Simeon Community Service District



4155 Deane Drive
San Simeon, CA 93452
805-927-1648 FAX 805-927-6472
E-mail: info@30012123.com
www.cavalierinn.com

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006756

August 23, 2004

**Dave Kiech, Chairman
San Simeon Community Services District
111 Pico Ave
San Simeon, Ca. 93452**

RE: Meeting scheduling.

Dear Dave,

This letter comes to you as chairman of the board for the SSCSD in hopes that you will put a stop to the grossly inefficient, misleading and unprofessional practices which plague the SSCSD board. These practices are not what the residents of San Simeon want, expect or deserve from their service district.

At the August monthly meeting, a meeting was scheduled to have a workshop committee regarding Ordinance 66. It was my understanding that the date was set for August 23, 2004 at 9:30 am. Calling to verify the time, date and location with Terry Lambeth, one of the board members sitting on the committee, there seemed to be some confusion as to the actual date. His notes indicated the 30th of August at 9:30 am. Checking with Mike Hanchett, his schedule also reflected the meeting to be on the 30th of August at 9:30am. Mr. Lambeth assured me he would get back with me on the correct date of this meeting.

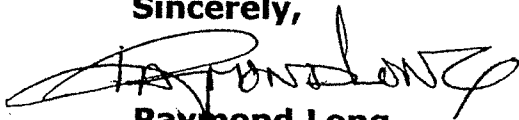
On the morning of the 23rd of August, at about 8:30am. I called Mr. Lambeth about the meeting time and date, he still did not know. He asked me to call back in about 5 minutes. I returned a call to Mr. Lambeth per his request and advised me that as far as he knew the meeting was on the 30th of August. Subsequently, I call Mr. Whittaker, reaching him on his cell phone. Initially he wasn't aware of a meeting this morning regarding Ordinance 66, just a meeting with him and Mr. Schultz on agenda issues and to his knowledge there was no meeting regarding ordinance 66. I checked with Mr. Schultz secretary in Morro Bay and she advised me that he was on his way to San Simeon for a meeting but the nature of the meeting was uncertain. At approximately 10:30 am. I get a message from Mr. Whittaker that there was in fact a meeting on Ordinance 66.

Why Mr. Lambeth didn't call me given he had just talked to me, aware of my desire to attend the meeting is interesting to say the least. It's clear to me Mr. Lambeth was manipulating the situation to prevent my presence at this meeting. Why was this meeting not placed and posted on an agenda? Regardless of whether it was required or not, it

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should have been posted given that the number one problem in San Simeon is water availability. The community members have suffered long enough with a water moratorium now in it's 18 year. The members of the community have and deserve every right and opportunity to be informed and participate in any matter pertaining to acquisition of water regardless of the method or source. Many of the community members are actively involved in large part because of the lack of confidence they have in past as well as present board members. The community members involved are keenly aware that any solution to the water problem most likely will not be because of the hard work and diligence of the SSCSD board but through the ongoing continuous efforts of involved community members. This issue as with others potentially affect members of the community and the community members are entitled to be informed of the times and dates of the meetings that address and deal with these issues. See to it that all board members act in a responsible, professional and ethical manner openly committed to community involvement, evidenced by the boards continuing active enlistment of community members to participate in and facilitate the board in its fiduciary and social responsibilities it is obligated to care for and advance for the betterment of the community as a **whole**.

Sincerely,



Raymond Long
6 Harbor Way, #103
Santa Barbara, CA 93109
805-455-1032 cell
805-771-9344 res

RCL:sal

Cc:

M. Hanchett
Paul Hood, LAFCO
J. Lower Esq.

006758

August 25, 2004

Dave Kiech, Chairman
San Simeon Community Services District
111 Pico Ave.
San Simeon, CA 93452

Re: Ordinance 66 revising/updating.

Dear Dave,

This letter is a follow up of my correspondence to you dated the 23rd of August regarding the unprofessional handling of the Monday meeting on **Ordinance 66**.

The purpose of this letter is not to expand on the unacceptable manner in which the meeting was held, rather to address the importance and full impact of any and all changes to **Ordinance 66** will have on the community of San Simeon.

As you know **Ordinance 66** is not a new ordinance, however it has been and continues to be severely lacking in its ability to address the many issues facing the SSCSD. Many service districts have been in a moratorium status at times but these districts continue to address issues within their respective districts while in moratorium. Remodeling is an excellent and easy example to understand as increasing the square footage of a residence doesn't automatically increase water usage or sewage output. In your district you have had several requests that fall in this category and because of the way Ordinance 66 is structured, these requests were denied. The district recently, as a result of a lawsuit finding **Ordinance 66** grossly inadequate in its ability to serve the residents and businesses of the district, has by court order forced the district to address and correct issues that should have been addressed years ago, Back when the ordinance was written. The issues before you today are no less important than they were during the origin of **Ordinance 66**; in fact they have become even more important and timely.

If I recall there is a standing committee for **Ordinance 66**. Regardless of this point, there should be. **Ordinance 66** is a policy that has been far- reaching and unfairly burdensome on the people of San Simeon for way to long. Changing it is equally far reaching and mandates a standing/formal committee inclusive of active community involvement. The changes necessitated not only by the court order but changes that are industry standards, practiced industry wide are sweeping changes in policy and warrant community input and acceptance. The current 2 person ad-hoc committee charged with the responsibility to bring **Ordinance 66** into some minimum compliance of the court order is very narrow short-sided thinking and is grossly inadequate on such a topic of significance. To my knowledge, this 2-person committee has undertaken little if any due diligence. I find this appalling given the fact that Cambria Community Services District, your neighbor to the south, has struggled with moratorium issues several times and they have a very comprehensive ordinance that outlines what a moratorium is, how its established, how it works, what it affects, what it allows and what it doesn't allow. It's very definitive and serves the residents of their district well. Of course this is not the only resource available on this subject but its right in SSCSD's back door.

I am not privy to the details of the court order but I have taken the liberty to list several items that should be addressed below. In no way is this a complete and comprehensive list, but issues of a broad nature that are mandatory in their need of updating and adoption.

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Items for consideration/adoption in updating and revising of Ordinance 66.

- Service transfer ability.
- Establishment of EDU's for plumbing fixtures.
- Retrofit program.
- Water savings credit program.
- Approved appliance energy saving program.
- Recycle program.
- Meter relocation fee.
- Fire suppression plan/in lieu of fee.
- Conservation program.
- Application procedure/process

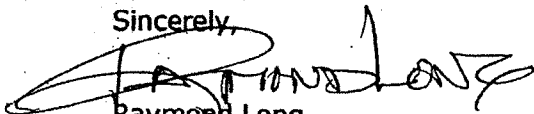
I want to take the last item on the above list and expand on it a bit. The district has a pretty color graphic that awkwardly represents the status of SSCSD's well field. I intentionally used the word awkwardly because that's exactly what it is. In my dealings with other entities providing water, I have yet to see anyone else represent their well field levels in such a convoluted manner. The general public would be rightly confused in any attempt to discern that graphic portrayal.

As for this graphic illustration of the well field levels to serve, as a conversation plan in any manner is not only grossly inadequate but actually provides a severe disservice to the residents of the community. I doubt the district even compares well field output to actual water delivered, detecting distribution loss, a primary level of conservation. Conservation is about planning. Conservation should start long before the district gets to some critical stage, which forces the board to implement conservation measures with corresponding penalties. Given that San Simeon has a long history of questionable water availability, I find it appalling that such a simplistic and short-sided approach has been adopted and accepted as adequate.

The right thing to do with the updating of **Ordinance 66** is to establish a formal committee, complete with active community involvement, enlisting input from the community, other service districts, professionals in the field of providing water and related services and establishing plumbing fixture usage which is readily available from a wide variety industry accepted sources.

It would be grossly irresponsible of the board of SSCSD to do other than turn over the updating of **Ordinance 66** to a formal committee complete with active community involvement making up a significant part of this formal committee.

Sincerely,



Raymond Long
6 Harbor Way #103
Santa Barbara, CA 93109
805-455-1032

RCL:sal

Cc:

M. Hanchett
Paul Hood, LAFCO
J. Lower, Esq.

006761

006762



FLUID RESOURCE MANAGEMENT, INC.
Design, Operation and Maintenance

August 11, 2004

Mr. David Kiech, President
San Simeon CSD
111 Pico Avenue
San Simeon, CA 93452

Fax'd to (805) 927-3148
Original sent via U.S. Mail

Subject: May 2004 Self Monitoring Report; Clarification of Filing Responsibilities

Dear Mr. Kiech:

This letter is in response to discussions last week with District staff regarding the late filing of the May 2004 Self-Monitoring Report to the Regional Water Quality Control Board (RWQCB).

As you know, in order to facilitate the transfer of operations responsibilities to Eco Resources, FRM was requested to terminate our services earlier than our original contract specified (June 30, 2004). FRM cooperated with this request, and terminated our onsite service effective 3:30 p.m., June 4, 2004 in accordance with the termination agreement approved by the Board on June 2, 2004.

In our discussions with Mr. Whitaker of Eco Resources and in emails with District Counsel there is some confusion regarding a Superintendent's Report FRM was to complete and whose responsibility it was to file other reports later in the month of June; namely the Self-Monitoring Report required by the RWQCB. The Early Termination Agreement between the District and FRM states that FRM would provide a written "May Superintendent Report" prior to June 8, 2004 and that FRM would be available by telephone for any assistance that may be required throughout June. It also goes on to state that, "all matters regarding the Contract are terminated...". The May Superintendent's Report was completed and provided to the District as required.

FRM also agreed to remain available for consultation via phone during June, and responded to numerous calls from both Mr. Whitaker as well as at least one call from Great Western Alarm Company attempting to locate an on-call person to respond to alarm conditions at the plant. At no time during June or July, were we contacted to answer any questions related to the monthly Self-Monitoring Reports.

During the transition month of May, Bill Callahan, FRM's previous on-site operator, showed Mr. Whitaker where all check sheets, daily plant sheets, and other documents were located at the plant, including Creek Labs test results. He also discussed the need to deliver the Consumer Confidence Report (regarding the drinking water supply) to each residence, and the need to file the May Self-Monitoring Report regarding wastewater operations with the RWQCB (see attached memo dated August 6, 2004 from Bill Callahan).

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In addition to complying with the contract requirements to turn all documents over to the District on June 4, 2004, as an added service to the District and Eco Resources, FRM included an electronic copy of FRM's template for submitting monthly Self-Monitoring Reports to the RWQCB.

The RWQCB requires that Self-Monitoring Reports be submitted by the last day of the month following the reporting period so as to allow for laboratory turn-around time. In this case, the May report was due June 30, 2004.

FRM's procedure for Self-Monitoring Reporting typically involved Mr. Callahan gathering and collating all in-house data for the prior month during the second or third week of the month following the end of the reporting period. This is a customary process for most wastewater treatment facilities in order to provide the operations staff time to review lab data, confirm flow data etc., and draft any operational explanations as necessary for inclusion in the report. Once all data was gathered and the draft report prepared, Mr. Callahan would submit the package to Mr. Nally, Operations Supervisor to review all report components for accuracy, complete the required documents, and hand carry the report to RWQCB. During FRM's tenure at San Simeon CSD no reports were ever filed late.

As Mr. Whitaker is aware, and verbally acknowledged during our telephone conversation on Friday August 6, Creek Labs typically mails the original test results one to two weeks after the tests are completed. Therefore, it would not have been possible for FRM to complete the report and submit it to RWQCB before June 4, 2004, since the lab reports used to complete the Self-Monitoring Reports, were not available. Originals of the lab tests are copied and included as part of the report as required by RWQCB. In addition, since all documentation was required to be handed over to the District, FRM would not have been in a position to receive this documentation.

Please be assured, had the District or Mr. Whitaker requested FRM to complete the report, and had forwarded the appropriate data and copies of the Creek Labs reports to our office, FRM would have completed the report and submitted it as the "operator-of-record" for the month of May. This was not requested by either the District or Eco Resources.

As a follow up to a conversation with the RWQCB staff and Mr. Whitaker on August 6, the following was understood:

1. Eco Resources (Mr. Whitaker) will complete the required Self-Monitoring Report for May and would hand carry that report to FRM on Monday, August 9, 2004.
2. FRM staff (Mr. Nally or Mr. Ellison) will review the information, and if in agreement with the report, will sign the report and return it to Mr. Whitaker.
3. Mr. Whitaker will hand deliver the report to Mr. Matt Thompson at the RWQCB on August 9, 2004.
4. Mr. Whitaker will confirm with FRM that the report has been delivered and no other information is required by the District or RWQCB.

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Instead, the lab tests were merely dropped off to our Broad Street office without the Self-Monitoring Report on August 9. No one asked to meet with Mr. Ellison or me to confirm processing or to review this information. After learning of the arrival of the lab test data I called Mr. Whitaker to remind him of his agreement to complete the report as FRM had given him the electronic form and we had not retained a copy in current files. Mr. Whitaker indicated that his Supervisor had directed him to not complete the report and to merely drop off the lab test data. I indicated that in order to meet our commitment to the RWQCB to file the report on Monday that FRM will complete the entire report but we would appreciate the electronic form to facilitate its filing.

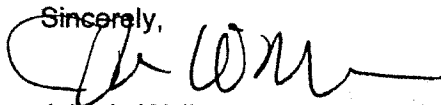
Mr. Whitaker indicated he would email the electronic template to me when he returned to his office. As of today that form has not arrived.

In order to meet our commitment to the RWQCB to have the report to them on Monday, August 9, FRM resurrected an electronic copy of the template from other computer back-up files, completed the report, and hand delivered it to the RWQCB at approximately 3:00 p.m. on Monday, August 9th.

We apologize for any misunderstandings that have occurred in this matter, however we believe that Eco Resources had the responsibility and had agreed to file the May Self-Monitoring Report in June and did not subsequently notify FRM that they wished FRM to do so. In any event, FRM has completed and filed the report (attached) and, in order to serve the District's best interests, has done so at no charge to the District.

If you have any questions regarding this information please call me at your earliest convenience.

Sincerely,



John L. Wallace
President

Cc: Board of Directors
Mr. Jim Whitaker, General Manager
Mr. Rob Schultz, District Counsel

Attachments

P:\FRM\Projects\032-0001 San Simeon\ltr to D.Keich 8-11-04.doc

006765



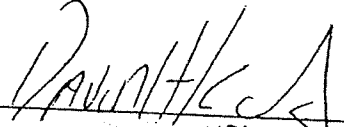
EARLY TERMINATION AGREEMENT

For valuable consideration in the sum of five thousand nine hundred fifty dollars (\$5,950.00), San Simeon Community Services District (the "District") and FRM do hereby release each other, now and forever, from any and all further liabilities, requirements, payments, and performance of the contract entered into on August 15, 2003 and having a termination date of June 30, 2004 (the "Contract").

Said payment of \$5,950.00 shall be paid prior to June 11, 2004 and includes an earlier termination payment of \$5,425.00 and all outstanding invoices in the amount of \$525.00.

This Early Termination of Contract becomes effective on June 7, 2004 ^{at 3:20pm DHK}. FRM agrees to provide the District with a written May Superintendent Report prior to June 8, 2004, and from June 5, 2004 until June 30, 2004, FRM agrees to be available by telephone for any assistance that may be required at no charge to the District.

The parties recognize that all matters regarding the Contract are terminated prior to its fulfillment and that the parties have agreed and find mutually desirable this Early Termination of Contract.



(Signature)

(Signature)

DAVID H. KIECH

(Printed Name)

(Printed Name)

Dated: 6-7, 2004

Dated: _____, 20____

John Wallace

From: Chuck Ellison
Sent: Friday, August 06, 2004 10:07 AM
To: John Wallace
Subject: FW: SSCSD May SMR

-----Original Message-----

From: Bill Callahan
Sent: Friday, August 06, 2004 9:53 AM
To: Chuck Ellison
Cc: Chris Nally
Subject: SSCSD May SMR

Chuck,

This memo is in response to your phone conversation w/ Jim Whittaker on 8/5/04, regarding the May Self Monitoring Report (SMR) for San Simeon CSD.

On 6/4/04 I submitted; Water System Files, 2003 CCR w/ Proof of Service, and Work Order History Files to Jim Whittaker of ECO Resources. We were discussing the duties that he would be responsible for as a result of FRM terminating services and ECO Resources beginning their contract. I instructed him that the CCR could not be submitted until CCR forms were submitted to every water user in the community. I instructed him that it was his responsibility to complete this task in order to submit the CCR and Proof of Service to the County. Jim was directed to all FRM Daily Operations and Lab data from 2003 thru 2004. He acknowledged that the information was complete. At this point I instructed Jim that he was responsible for submitting the Self Monitoring Report for May, as the lab data was pending. He acknowledged that he would take care of the CCR and the SMR, stating "no problem" and "piece of cake". I informed him that I was available by phone if he had any questions regarding these records.

Bill Callahan

Other
Information

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P.O. BOX 807 SAN FRANCISCO, CA 94142-0807

CERTIFICATE OF WORKERS' COMPENSATION INSURANCE



ISSUE DATE: 09-01-2004

GROUP POLICY NUMBER: 1439114-2004
CERTIFICATE ID: 4
CERTIFICATE EXPIRES: 09-01-2005
09-01-2004/09-01-2005

SAN SIMEON COMMUNITY SERVICES DISTRICT
111 PLCB AVENUE
SAN SIMEON CA 93452

This is to certify that we have issued a valid Workers' Compensation insurance policy in a form approved by the California Insurance Commissioner to the employer named below for the policy period indicated.

This policy is not subject to cancellation by the Fund except upon 10 days' advance written notice to the employer.

We will also give you 10 days' advance notice should this policy be cancelled prior to its normal expiration.

This certificate of insurance is not an insurance policy and does not amend, extend or alter the coverage afforded by the policies listed herein. Notwithstanding any requirement, term, or condition of any contract or other document with respect to which this certificate of insurance may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies.

[Signature]
AUTHORIZED REPRESENTATIVE

[Signature]
PRESIDENT

EMPLOYER'S LIABILITY LIMIT INCLUDING DEFENSE COSTS: \$1,000,000.00 PER OCCURRENCE

STANDARD EXCLUSION: INDIVIDUAL EMPLOYERS AND HUSBAND AND WIFE EMPLOYERS ARE NOT ELIGIBLE FOR BENEFITS AS EMPLOYEES UNDER THIS POLICY.

EMPLOYER

LEGAL NAME

MIKE RICE, FOREST, YARD, & GARDEN
SERVICES
P.O. BOX 204
CANDRIA, CA 93428

RICE, MICHAEL RUSSELL

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OFFICE OF THE TREASURER
SACRAMENTO



Local Agency Investment Fund
PO Box 942809
Sacramento, CA 94209-0001
(916) 653-3001
July, 2004 Statement

RECEIVED
7/20/04

D. Keech copy

SAN SIMEON COMMUNITY SERVICES DISTRICT
Attn: CHAIRMAN
111 PICO AVENUE
SAN SIMEON

Account Number : 16-40-003

CA 93452

Transactions

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
07-15-2004	07-14-2004	QRD		SYSTEM	4,926.19

Account Summary

Total Deposit :	4,926.19	Beginning Balance :	1,377,302.82
Total Withdrawal :	0.00	Ending Balance :	1,382,229.01

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OFFICE OF THE TREASURER
SACRAMENTO



Local Agency Investment Fund
PO Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

August, 2004 Statement

SAN SIMEON COMMUNITY SERVICES DISTRICT

Attn: CHAIRMAN
111 PICO AVENUE
SAN SIMEON

CA 93452

Account Number : 16-40-003

Account Summary

Total Deposit :	0.00	Beginning Balance :	1,382,229.01
Total Withdrawal :	0.00	Ending Balance :	1,382,229.01

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