

**Brown Act Workshop  
Board of Directors – Regular Meeting  
San Simeon Community Services District  
AGENDA  
Wednesday June 8, 2005 5:30 PM  
Cavalier Banquet Room**

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

1. 5:30 PM – WORKSHOP – BROWN ACT – ROB SCHULTZ
2. 6:30 PM – REGULAR SESSION
  - 2.1 Roll Call
  - 2.2 Pledge of Allegiance
3. 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.

  - 3.1 Sheriff's Report
  - 3.2 Public Comment
4. STAFF REPORTS
  - 4.1 General Manager Report
    - 4.1.1 Regulatory Performance Report
      - A: Water
      - B: Wastewater
    - 4.1.2 Current Project Report
      - 3.1.2. Emergency Generator Update
      - 3.1.3. Capital Improvement Update
    - 4.1.3 Superintendent's Report
    - 4.1.4 Other Reports
      - 4.1.4.1 County Code Enforcement Report
      - 4.1.4.2 Billing and Collections Report
  - 4.2 District Counsel Report
5. ITEMS OF BUSINESS
  - 5.1 Approval of Minutes – May 11, 2005
  - 5.2 Approval of Minutes – Special Meeting May 18, 2005
  - 5.3 Approval of Warrants – May 1, 2005 – May 30, 2005
6. DISCUSSION/ACTION ITEMS
  - 6.1 Discussion/Approval MMP Settlement Letter Between ECO and San Simeon CSD
  - 6.2 Approval of **Resolution 05-304** – ADOPTING A MISSION STATEMENT FOR THE SAN SIMEON COMMUNITY SERVICES DISTRICT
  - 6.3 Approval of **Resolution 05-305** – ADOPTING A MISSION STATEMENT FOR THE WATER COMMITTEE OF THE SAN SIMEON COMMUNITY SERVICES DISTRICT
  - 6.4 Approval of **Resolution 05-306** – ADOPTING THE 2005/2006 FISCAL YEAR OPERATING BUDGET FOR THE SAN SIMEON COMMUNITY SERVICES DISTRICT
  - 6.5 Discussion/Approval of date changes to the Weed Abatement Resolution
  - 6.6 Discussion/Approval of the Adoption of a Three Year Operating Budget
  - 6.7 Board Committee Reports

6.8 Board Reports

7. BOARD/STAFF GENERAL DISCUSSIONS AND PROPOSED AGENDA ITEMS
8. ADJOURNMENT



**Notes from SSCSD Regular Board Meeting June 8, 2005**

Develop a consistent and accurate method of measuring well levels. This is important as the well level readings trigger stages of water conservation. Once method has been decided on the Water Committee should be advised. **BRING BACK AT NEXT REGUALR MEETING. (Pat & Charlie)**

Talk with Mike Rice regarding weed abatement from setbacks on private lots. (Tom)

Newsletter should be produced quarterly. Next letter should go in June bills. Water conservation should be addressed. (Tom & Leah)

**SCHEDULE WATER COMMITTEE AND SPECIAL MEETING FOR JUNE 22<sup>ND</sup> AT 4:00 PM. WATER COMMITTEE TO SUBMIT ADENDA ITEMS. (Tom)**

**AGENIZE ITEMS FOR NEXT REGULAR MEETING:**

Action plan for sewer and water repairs (Pat & Charlie)

Draft policy for accidental excess water usage (Tom & Rob)

Closed Session board review of staff performance. ECO and District Counsel (Tom)

Performance review of District Auditor

**FOR ROB SCHULTZ**

Property addresses and names of sites undertaking remodeling projects:

San Simeon Lodge  
9520 Castillo Dr.

Inns of California  
9280 Castillo Dr.

Oceanside Inn/Courtesy Inn  
9450 Avonne Ave.

Mr. Mouchawar's address and phone number.

Camille Mouchawar  
4220 Country Club Dr.  
Long Beach, CA 90807  
(582) 595-0606

Copy of contract between SSCSD and Hearst Corp.

Sent on June 9th

(5:30 PM)  
6-8-05

# Brown Act Seminar Rob Schultz

- Agendas must be posted 72 hrs. in advance

## Who's covered

- Boards
- Advisory & decision making bodies
- elected members

Regular Mtg

6-8-05 6:40 pm

544  
23

All Directors Present & GM + DC

Public Comments  
Bob McLaughlin

- • Need to develop a consistent time to take well level readings
- • Check with Mike Rice on common areas for weed abatement
- • Advance Action plan
- \* Property, Addresses and names of stras for 3 remodel sites to Rob
- \* Newsletter notice of grease quantity conservation status
- \* Copy of State of CA contract for Rob
- \* Street cleaning after weed abatement & spraying

Motion Minimal / Russell

All Approved

All Approved

Special Reg Mtg  
also - Mins

Warrant Reports

Motion Lonaine

Second Russell

Vote - All approve

~~\* \* Line Video presentation is  
not required~~

~~\* Motion to have DC draft Letter to EGs  
Kiech  
Russell  
All~~

Mission Statement SSCSD

Motion Minor

Second Kiech

Approval all

Mission Statement Water Board

Motion Russell

Second Lorrice

Approval All

Budget Resolutions

Motion - Russell

Second - Lonaine

Approval - All

Motion to accept date change to  
Weed Abatement Resolution

Motion - Russell

Second - Lonie

Approval - All

Direct staff to work with  
Budget Committee on 3 year  
Rolling Budget

Motion - Russell

Second - Lonie

Approval - All

Sub committee ~~to~~ recommends the  
Water Committee meet June 22<sup>nd</sup> 4:00 pm  
~~4:00 pm~~

\* Policy for Accidental water usage  
by next meeting

\* Get Rob Muchawn phone number

Adjourned 8:16

Russell

Lonie

\* Agenda item Staff Review  
Closed session staff review  
DC + GM/ECO

Adjourned Auditor review open session

**GENERAL MANAGER'S  
REPORT**



# General Manager's Report

## Regulatory Performance Report:

Water- There were no reportable violations in the month of May

Wastewater- There was one reportable violation for exceeding chlorine levels. The RWQCB was informed by telephone and will be noted on the monthly Self Monitoring Report.

## Current Projects:

Emergency Generator- Pat Guerra, Tom O'Neill and Charlie Grace met with Bud and Nick from Lee Wilson Electric to determine the exact location of the generator. It was determined that the generator would be moved a couple of feet gate father south of the entrance to allow more clearance for trucks that may need to enter the facility. There was also a concern with the original location because of the trenching that is required and that it may conflict with the treatment plants existing underground piping. Work is scheduled to begin on June 6<sup>th</sup> and will take a week to complete.

Capitol Improvement- Charlie Grace and Tom O'Neill had a discussion with Lee Wilson Electric regarding the Kennedy/Jenks electrical report. The KJ report requires that certain electrical panels in the main control center building be relocated because there present location does not meet the code requirements for clearance in front of the panels. After surveying the building with Lee Wilson Electric it was determined that it may be more cost effective to move the 60 hp blower that is causing the noncompliance condition. Staff is in the process of contacting companies that are capable of relocating the blower to determine the costs involved. Once this is finished staff will than determine which option is the most cost effective and present it to the board. Because of this development staff will present a project timeline at the July board meeting.

## Superintendent's Report:

Pat Guerre's report will be supplied as a supplement to the board packet.

## Other Reports:

County Code Enforcement Report- Spoke with Randy Sabin from County Code Enforcement, Mr. Sabin stated that the trailer on Avonne St. was inspected and all fixtures had been removed. A temporary permit has been applied for and the trailer is to be used as a construction trailer and is tied to the remodel permit. The trailer must be removed once the constructed is finaled or after one year. There is a possibility of a one extension of the temporary permit.

The owners of the Inns of California have been issued a Notice of Violation because windows, sliders and air conditioners have been installed without permits. The notice

states that the owner has 30 days to apply for the proper permits. Fines up to \$1,000 could be assessed if the owners do not comply. There could also be a violation fee assessed in the amount of \$800 for the administration costs of the inspection.

Billing and Collections report-

|                     |   |
|---------------------|---|
| Total Accounts      | 206   |
| Total Receipts      | \$54,366.85 (includes \$23,547.50 from State of CA) |
| Total Receivables   | \$40,439.64   |
| Delinquent Accounts | \$6,529.52  |
| Overpayments        | \$394.71  |



**SUPERINTENDENT'S  
REPORT**

**SAN SIMEON COMMUNITY SERVICES DISTRICT  
FACILITY MANAGERS' REPORT  
MAY, 2005**

|  | MAR.      | APR.      | May       |
|--|-----------|-----------|-----------|
| <b>Water Usage (gallons):</b>            |           |           |           |
| WELL 1                                   | 1,967,000 | 1,966,000 | 2,507,555 |
| WELL 2                                   | 758,000   | 747,000   | 663,056   |
| <b>Total Production (gallons):</b>       | 2,725,000 | 2,713,000 | 3,170,611 |
| <b>Well levels (feet):</b>               |           |           |           |
| WELL 1                                   | 10.72     | 11.75     | 10.7      |
| WELL 2                                   | 10.53     | 11.75     | 10.7      |
| <b>Treated Wastewater (gallons):</b>     | 2,622,990 | 1,735,730 | 1959370   |
| <b>State Wastewater (gallons):</b>       | 553,272   | 317,644   |           |
| <b>Percent of Flow State Wastewater:</b> | 21.09%    | 18.30%    |           |
| <b>Sludge Removal (gallons):</b>         | 24,962    | 68,400    | 12,566    |
| <b>BOD Removal</b>                       |           | 98.70%    |           |

## **Facility Manager's Report For May 2005**

**We had one violation for chlorine residual.**

**We have moved forward with the lighting at the plant and will start install on 6/9.**

**I am still working on backup power for telemetry at the wells.**

**The districts weed abatement has been complete.**

**The foliage at the plant has been trimmed for the new fence.**

**We repaired the diffusers and track for #3 aeration tank and clarifier.**

**The generator is currently being installed.**

**I am proceeding with information on flow pacing of the chlorine and sodium bisulfite.**

**We are pulling one EQ Basin pump for rebuild and installing new valves.**



**MINUTES**  
**MAY 11, 2005**

**San Simeon Community Services District  
Board of Directors Regular Meeting  
Minutes  
Wednesday, May 11, 2005, 6:30 P.M.  
Cavalier Banquet Room**

**CALL TO ORDER**

The meeting was called to order by Chairman Lambeth, roll call was taken, all directors were in attendance, followed by the Pledge of Allegiance... Chairman Lambeth called for public comment.

Rob Schultz, District Co

Counsel, informed the board that no action could be taken on the agenda items because the agenda had not been posted in the legally required time. Mr. Schultz cited the Brown Act as reason for not being able to take action on any agenda/action items.

**PUBLIC COMMENT**

A comment was made by a citizen that she would like an update on the current sewer situation and the contract with ECO Resources. Director Lambeth advised that ECO Resources is the contract operator for the wastewater facility and general manager of the district. General Counsel advised that he could be contacted for an update on any issue within the district.

Bob McLaughlin made public comment on ECO Resources, District Management and expressed his concerns for the overall management of the district. He also stated that the U.S. EPA served a warrant on the wastewater treatment plant and district office.

Director Lambeth put into public record the fact that Mr. McLaughlin had sent him an email stating that by not allowing Director Mirabal-Boubion to attend a meeting via teleconference was illegal and unethical.

Mike Hanchett, who supplies teleconferencing equipment to the board, at no cost, stated that the teleconferencing equipment was not requested early enough to have it available for the meeting that Director Mirabal-Boubion could not attend. Mr. Hanchett stated that 3 days notice was required to assure that in the future the teleconferencing equipment is available.

Carol Bailey-Wood reminded the board that they had taken an oath of office to protect the district and not an oath of office to give ECO Resources "a pass." She also stated that, "if in fact," district counsel was not being allowed to participate in legal discussions on behalf of the district, he should be.

Director Russell asked the Chairman if there was going to be a discussion on the EPA activities. Director Lambeth asked legal counsel to respond. Mr. Schultz stated, that in

fact, the District was served a subpoena by the U.S.EPA and that numerous records were requested. Mr. Schultz stated that the District had not been informed of the reason for this request. He did state however, that he believed it was in response to the violations from June 2004 to December 2004. Mr. Schultz added that the District was not concealing any facts and that the District would continue fully cooperation with the EPA. Director Mirabal-Boubion asked Mr. Shultz whose name was on the subpoena. He stated that the District's name appeared on the subpoena.

Ray Long stated that the subpoena requested records from the District from 2002 forward, which covered a period before ECO was the operator of record.

Mr. O'Neill, General Manager, confirmed that the subpoena requested records from 2002 forward and that the records were to be submitted by May 10<sup>th</sup>, but an extension was granted until May 17<sup>th</sup>. Mr. O'Neill went on to say that, they are complying with all requests, and that he would not speculate on the nature of the investigation.

Mike Hanchett Jr. asked District Counsel if the District was indictable. Counsel responded, no

Director Russell asked Counsel if it was legal to have a board member participate through teleconference. Mr. Schultz responded that it was legal but that there were Brown Act guidelines that needed to be followed and suggested that, before the next board meeting, he would conduct a workshop regarding the Brown Act.

### **SHERIFF'S REPORT**

The Sheriff's Department confirmed that they would attend the meeting. No one from the Sheriff's Department was there at the time of the meeting

### **GENERAL MANAGER'S REPORT**

Mr. O'Neill reported that there were no water or wastewater violations for the month of April.

**Current Projects** – The proposal from The Great Outdoors Fence Co., to install a new fence at the wastewater treatment plant was approved at the last board meeting. The fence will not be installed until July because the company is scheduled out with projects until then. Mr. O'Neill reminded the board that the contract with the fence company calls for 50% payment once work has begun and 50% payment on completion.

A question was asked regarding property line concerns. Mr. O'Neill stated he did not believe there were any but it was being researched. Director Mirabal-Boubion asked if there had been a survey of the property. Director Lambeth stated that he called Paul, from EDA and asked about the survey that he did. Paul stated that he had the information and would forward it on to the District.



Mr. O'Neill stated that the switch panel for the emergency generator was received two weeks ago and that the generator will arrive on Friday, May 13<sup>th</sup>. He went on to thank Mike Hanchett for allowing the District to use their forklift for unloading the generator.

Mr. O'Neill reported that each condominium will receive one 96-gallon recycling bin, if and when, the County Board of Supervisors approves the recycling program.

**Superintendent's Report** - Pat Guerre reported that water usage this month was 2 millions gallons out of well 1, well 2 produced approximately 750,000 gal. Both well levels are at about 11.75 ft. Pat reported that 1,735,000 gallons of waste was treated. The State of CA total flow for the month was 375,000 gals. Pat reported that Bob Haifley of ECO Resources came to San Simeon and performed an inspection on the water system. The results of the inspection were given to the Board as a supplement to the board packets.

Director Russell asked the General Manager if a recommendation would be forthcoming in regards to the water system inspection. The General Manager said that they would be putting together their recommendations along with a presentation on the video of the wastewater collection system.

Director Russell asked the General Manager what is the current situation with the valves in the water system. Mr. O'Neill replied that staff has identified one main valve on Avonne Street that is frozen in the open position. The staff is evaluating the most cost effective method for replacing that valve.

Mr. O'Neill introduced Charlie Grace, the District Operations Manager for ECO Resources, and informed the Board that Mr. Grace would now be taking on the role of District Manager for San Simeon. Mr. O'Neill went on to say that the reason Mr. Grace would be assuming these responsibilities is because of the impending upgrading of the wastewater facility and his background and experience would serve the district during the facility upgrade.

Director Russell asked the General Manager about a project on Avonne Street that had not been completed. Mr. O'Neill responded that an attempt to make the repair was made but they were unable to isolate the damaged pipe because the main valve on Avonne Street was stuck in the open position. Mr. O'Neill went on to say the repair would be completed after the main valve is repaired.

Mr. O'Neill informed the Board that County Code Enforcement was contacted regarding remodeling projects and the trailer that was placed on Avonne Street to determine if proper permitting had been issued. Randy Sabin, of County Code Enforcement, informed Mr. O'Neill that more information was required before a "probable cause" search warrant could be issued.

There was a general discussion between the Board and the citizens in attendance regarding code enforcement issues within the community.

**Billing and Collections Report** – No report was available due to the resignation of the office manager.

## **DISTRICT COUNSEL REPORT**

Mr. Schultz reported that in addition to his normal duties, he also spent some time addressing the EPA issue, and preparing the resolution for payment of the mandatory minimum penalty fines.

## **ITEMS OF BUSINESS**

**Approval of Minutes** – A motion was made by Director Russell and seconded by Director Fields to approve the April minutes as amended. Motion passed unanimously.

**Approval of Warrants**- Motion made by Director Kiech to approval the April warrants and was seconded by Director Russell. Motion approved unanimously.

## **DISCUSSION/ACTION ITEMS**

**NO ACTION WAS TAKEN DUE TO THE IMPROPER POSTING OF THE AGENDA PRESENTATIONS WERE ALLOWED**

The attorney for Kent Mitchell, owner of property at 9540 Castillo Dr. asked to address the Board regarding the status of the property. Pam Silkwood, Kent Mitchell's attorney, presented the Board with a packet outlining the remediation process of the subject property. She went on to inform the Board that the gas station that had been on the property had two bathrooms and two hose bibs and that any future remodel would not require an additional EDU. The Board was informed that plans for the site are a gas station or retail operation and not a restaurant. District Counsel informed Ms. Silkwood that the Board would have to make a determination regarding what the property's entitlement will be. Mr. Schultz also informed Ms. Silkwood that the board would have to make a finding on how this project is different from other projects. Counsel also informed Ms. Silkwood that her client could start the permitting process while waiting for the "will serve" letter from the district.

**Rate Study Presentation** – Harvey Gobas of Psomas gave the Board a presentation on the particulars of preparing a rate study. A general discussion took place after the presentation.

All other discussion/actions items were carried over to the next scheduled board meeting. A special meeting was scheduled for May 18<sup>th</sup> at 10:00 a.m.

**Adjournment** -A motion was made by Director Russell and seconded by Director Mirabal-Boubion. Motion passed unanimously and the meeting was adjourned.



**MINUTES**  
**MAY 18, 2005**

**San Simeon Community Services District  
Budget Committee and  
Board of Directors Special Meeting  
Minutes  
Wednesday, May 18 2005, 10:00 AM  
Cavalier Banquet Room**

**BUDGET COMMITTEE:**

The budget committee met at 10:00 AM to discuss the draft 2005/2006 budget.

Committee Member Kiech asked Mr. O'Neill to explain the -\$1,700 line item for property tax administration. Mr. O'Neill explained that the item was administration costs assessed by the County and that that number was given to him by Bob Crosby. Committee Member, Kiech, also asked why the property tax revenue was declining by an additional \$52,502. Mr. O'Neill explained that this additional cost was assessed because of AB 2115. It was explained that AB 2115 was a bill passed by the State Legislature and approved by the Governor to help recover the short fall of the Education Revenue Allocation Fund. The assessment was based on each Special District's total revenue. An additional 10% of the district's total was assessed to each special district and will continue for the next two years. Mr. O'Neill contacted the State Controllers Office to determine if there was a hardship provision in the bill. Mr. O'Neill was informed that a hardship claim was not a provision of the bill.

Committee Member Mike Hanchett Jr., questioned Mr. O'Neill regarding the depreciation amount being about half of last years. Mr. O'Neill informed Mr. Hanchett that the number had been revised and the total depreciation for the 2005/2006 budget year would be \$82,000

**CALL TO ORDER**

The special meeting was called to order by Chairman Lambeth, roll call was taken, all directors were in attendance. The Pledge of Allegiance followed. Chairman Lambeth called for public comment.

**PUBLIC COMMENT**

There was no public comment

**STAFF REPORTS**

**GENERAL MANAGER** – Mr. O'Neill informed the Board that he had written a letter to General Manager of the Cambria CSD informing her that the San Simeon CSD was still interested in participating with them in their efforts regarding the construction of a desalination facility. The letter also stated that the San Simeon CSD was still awaiting information from the Cambria CSD as to the financial impact of a desalination facility on

San Simeon. The balance of the General Manager's report was presented in the regular meeting on April. 11, 2005.

**DISTRICT COUNSEL REPORT** – District Counsel's report was presented at the April 11, 2005 regular meeting.

### **ITEMS OF BUSINESS**

The minutes and warrants for April were approved at the regular meeting on April 11, 2005.

### **DISCUSSION/ACTION ITEMS**

Resolution 05-303 authorizing the District Manager to open bank accounts and authorizing signatures for banking services on behalf of the San Simeon Community Services District was presented by District Counsel. Director Mirabal-Boubion made a motion to approve resolution 05-303. Director John Russell seconded it. Motion was approved unanimously.

There was a discussion on the draft 2005 2006 budget. Director Mirabal-Boubion asked if the line item representing Director's fees for \$5400. was accurate. She felt that the line item should be \$6,000. Mr. O'Neill confirmed that it should be \$6,000. and he would make the change. Director Mirabal-Boubion asked if the interest from LAIF would be more than last year's due to higher interest rates. Mr. O'Neill stated that it probably would be but the number was annualized for budgetary reasons since it was not possible to determine what the increase in interest rates would be.

There was a discussion regarding where the mandatory minimum penalty fines would be represented in the budget. Mr. Schultz informed the Board that those fines would appear in the 2004-2005 financials and would not be a budgeted item in the 2005-2006 budget. Director Mirabal-Boubion asked why the budget showed deficit spending for 2005-2006 versus a surplus of \$8,000. in the 2004-2005 budget. Mr. O'Neill informed the Board that that number was affected by three items; the ERAF shift, the increase in the engineering budget and the increase in the capital improvement budget.

A general discussion followed on the overall budget.

Mike Hanchett Sr. made a presentation on the Ordinance 66/Water Committee recommendations. The committee presented the Board with a mission statement for the San Simeon CSD as well as a mission statement for the Water Committee. The committee also recommended that a mutually acceptable date be established to finalize the water valve evaluation and to prepare a recommendation by the board for action. The committee also recommended that the General Manager once again communicate that San Simeon CSD is interested in water projects with Cambria CSD and Hearst Corporation. Director Russell made a motion to accept the mission statement for the San Simeon CSD. It was seconded by Director Mirabal-Boubion and passed unanimously.



Director Kiech made a motion to accept the mission statement of the Water Committee and Director Russell seconded it. The motion passed unanimously. Mr. Schultz stated he would bring back to the Board resolutions on both mission statement motions.

Mr. O'Neill presented a proposal for a website design for the CSD. A discussion followed. Director Russell made a motion to direct staff to continue to investigate options for redesigning the District's website. Director Mirabal-Boubion seconded the motion. It passed unanimously.

Mr. O'Neill reported that the district had received a letter from Steve Richardson, Vice resident of ECO Resources, in response to the Board's counter offer to ECO regarding the Regional Water Quality Control Board's mandatory minimum penalty fines. Mr. O'Neill went on to inform the Board that ECO Resources rejected the Board's counter offer and renewed their original offer to split the \$64,500 evenly between ECO and the Board. There was a discussion regarding Mr. Richardson's letter. After a lengthy discussion a motion was made by Director Kiech and seconded by Director Fields to accept ECO's offer of a 50/50 split of the \$64,500 fine. Director Mirabal-Boubion requested a roll call vote on the motion. The roll call vote was as follows: Director Fields, yea, Director Russell, no, Director Mirabal-Boubion, no, Director Kiech, yea, Chairman Lambeth, yea. The motion passed 3 to 2.

Mr. O'Neill presented to the Board a letter from Randy and Tina White stating that their water bill from last month was excessive due to a leaky hose. The Whites were requesting that the Board reduce their bill by 50% as they had made attempts to correct the problem. Mr. O'Neill advised the Board that this type of situation had been presented to the Board in the past and the Board had approved waiving the sewer portion of the bill and still holding the resident responsible for the water portion. Mr. O'Neill requested direction from the Board. Director Mirabal-Boubion stated that there was no policy regarding accidental excessive water usage. A motion was made by Director Russell to direct staff to research if there is an excessive accidental water usage policy and if not to draft a policy. It was seconded by Director Mirabal-Boubion and approved unanimously. A motion was made by Director Russell and seconded by Director Mirabal-Boubion to approve staff's recommendation to forgive the sewer portion of the Whites' bill. The motion passed unanimously.

## **BOARD COMMITTEE REPORTS**

No reports

## **BOARD REPORTS**

Mr. Schultz advised the board that he would do the research on the request from the Courtesy Inn to the County for a zoning change. Mr. Schultz also told the Board that he would get copies of the application submitted by the Courtesy Inn for the zoning change.

Chairman Lambeth adjourned the meeting.

**WARRANT REPORT**  
**MAY 1, 2005 TO MAY 31, 2005**

San Simeon Community Services District  
 WARRENT REPORT

May 1, 2005 - May 31, 2005

| Payee                       | Type                                  | Date        | Open Balance | Warrant # | Check # |
|-----------------------------|---------------------------------------|-------------|--------------|-----------|---------|
| Fields, Alan                | Pmt June Board Services               | 6/1/2005 \$ | 100.00       | 0505-001  | 5197    |
| Kiech, David                | Pmt June Board Services               | 6/1/2005 \$ | 100.00       | 0505-002  | 5198    |
| Lambeth, Terry              | Pmt June Board Services               | 6/1/2005 \$ | 100.00       | 0505-003  | 5205    |
| Mirabal Boubion, Loraine    | Pmt June Board Services               | 6/1/2005 \$ | 100.00       | 0505-004  | 5202    |
| Russell, John               | Pmt June Board Services               | 6/1/2005 \$ | 100.00       | 0505-005  | 5201    |
| Schultz, Rob                | Pmt June District Counsel Services    | 5/2/2005 \$ | 1,575.00     | 0505-006  | 5204    |
| ECO Resources               | Pmt June Services                     | 6/1/2005 \$ | 27,575.42    | 0505-007  | 5199    |
| PERS Health                 | Pmt June Health Insurance             | 6/1/2005 \$ | 135.07       | 0505-008  | 5203    |
| GBP&B                       | Pmt June Services                     | 5/2/2005 \$ | 1,200.00     | 0505-009  | 5200    |
| Boyle Engineering           | Pmt Generator Engineering             | 6/1/2005 \$ | 3,778.92     | 0505-010  | 5189    |
| Crosby & Cindrich, Inc      | Pmt Audited Financial Statement       | 6/1/2005 \$ | 1,500.00     | 0505-011  | 5190    |
| JWC Environmental           | Pmt Grinder - Less Core Deposit       | 6/1/2005 \$ | 5,609.38     | 0505-012  | 5191    |
| Kennedy/Jenks Consultants   | Pmt Air Freight for Electrical Report | 6/1/2005 \$ | 23.58        | 0505-013  | 5192    |
| L.R. Paulsell Consulting    | Pmt Line Video & De-rooting           | 6/1/2005 \$ | 7,282.60     | 0505-014  | 5193    |
| Lee Wilson Electric Company | Pmt Generator Installation            | 6/1/2005 \$ | 18,300.00    | 0505-015  | 5194    |

|                                    |     |                   |          |    |          |          |      |
|------------------------------------|-----|-------------------|----------|----|----------|----------|------|
| San Luis Obispo Co. Environ Health | Pmt | Report Review     | 6/1/2005 | \$ | 92.63    | 0505-016 | 5195 |
| San Luis Obispo County             | Pmt | Property Tax ERAF | 6/1/2005 |    | 7,227.01 | 0505-017 | 5196 |

**TOTAL \$ 74,799.61**



**RESOLUTION 05-304  
SAN SIMEON CSD  
MISSION STATEMENT**



**SAN SIMEON COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 05-0304  
A RESOLUTION ADOPTING A MISSION STATEMENT FOR THE  
SAN SIMEON COMMUNITY SERVICES DISTRICT**

WHEREAS, the San Simeon Community Services District is a duly formed Community Services District which has the authority to adopt a mission statement,

WHEREAS, such authority requires that proper methods be used to adopt said statement,

WHEREAS, the District desires to make known its guidelines for governing the district,

WHEREAS, the District has held a public meeting on May 18, 2005 to present and received public comment on the proposed mission statement and has duly considered all public comment.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED by the Board of Directors, San Simeon Community Services District, San Luis Obispo County, California, as follows:

1. That the "Mission Statement for the San Simeon Community Services District", Shall be adopted as follows: TOM –*"It is the mission of the San Simeon Community Services District to provide San Simeon with safe, adequate and reliable utility services in a environmentally sensitive and economically responsibility manner"*
2. That the adopted mission statement be administered as established by the District's policies and procedures.

Upon motion of \_\_\_\_\_, seconded by \_\_\_\_\_, and on the following roll call vote to wit:

AYES:

NOES:

ABSENT:

the foregoing Resolution is hereby adopted this 13th day of June, 2005.

\_\_\_\_\_  
Terry Lambeth  
Chairperson of the Board of Directors

ATTEST:

\_\_\_\_\_  
General Manager/Secretary S.S.C.S.D.

**RESOLUTION 05-305  
SAN SIMEON CSD  
WATER COMMITTEE  
MISSION STATEMENT**

**SAN SIMEON COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 05-0305  
A RESOLUTION ADOPTING A MISSION STATEMENT FOR THE  
SAN SIMEON COMMUNITY SERVICES DISTRICT Water Committee**

WHEREAS, the San Simeon Community Services District is a duly formed Community Services District which has the authority to adopt a mission statement for its Water Committee

WHEREAS, such authority requires that proper methods be used to adopt said statement,

WHEREAS, the District desires to make known its guidelines for governing the districts water committee,

WHEREAS, the District has held a public meeting on May 18, 2005 to present and received public comment on the proposed mission statement and has duly considered all public comment.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED by the Board of Directors, San Simeon Community Services District, San Luis Obispo County, California, as follows:

1. That the "Water Committee Mission Statement for the San Simeon Community Services District", be adopted as follows: *"In accord with the mission statement of the San Simeon Community Services District and the approval of its Board of Directors, it is the responsibility of the water committee to formulate, document and communicate the policies, procedures and capital needs for the water utilities of the District"*
2. That the adopted mission statement be administered as established by the District's policies and procedures.

Upon motion of \_\_\_\_\_, seconded by \_\_\_\_\_, and on the following roll call vote to wit:

AYES:

NOES:

ABSENT:

the foregoing Resolution is hereby adopted this 13th day of June, 2005.

\_\_\_\_\_  
Terry Lambeth  
Chairperson of the Board of Directors

ATTEST:

\_\_\_\_\_  
General Manager/Secretary S.S.C.S.D.



**RESOLUTION 05-306**  
**SAN SIMEON CSD**  
**2005/2006 OPERATING BUDGET**

**SAN SIMEON COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 05-0306  
A RESOLUTION ADOPTING THE 2005-2006 FISCAL YEAR BUDGET  
WITH AMENDMENTS**

WHEREAS, the District is required, pursuant to State codes, to designate a financial budget for its expenditures and revenues; and,

WHEREAS, such budgeting requires that proper methods be used for the acquisition and disbursements of District monies; and,

WHEREAS, the District desires to make known its planned activities and associated costs for the 2005-2006 fiscal year; and,

WHEREAS, the District has held a public meeting on June 13, 2005, to present and received public comment on the proposed budget and has duly considered all public comment.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED by the Board of Directors, San Simeon Community Services District, San Luis Obispo County, California, as follows:

1. That the proposed budget entitled, "Proposed 2005-2006 Budget, San Simeon Community Services District", be adopted with amendments, if any.
2. That the adopted budget be administered as established by the District's policies and procedures.

Upon motion of \_\_\_\_\_, seconded by \_\_\_\_\_, and on the following roll call vote to wit:

AYES:

NOES:

ABSENT:

the foregoing Resolution is hereby adopted this 13th day of June, 2005.

\_\_\_\_\_  
Terry Lambeth  
Chairperson of the Board of Directors

ATTEST:

\_\_\_\_\_  
General Manager/Secretary S.S.C.S.D.

San Simeon Community Services District  
 Overall Budget vs. Actual  
 July 2004 through March 2005

|  | Jul '04 - Mar 05 | Budget  | \$ Over Budget | Proposed<br>05-06<br>Budget |
|--|------------------|---------|----------------|-----------------------------|
| <b>Income</b>                          |                  |         |                |                             |
| 4000 · Services                        |                  |         |                |                             |
| 4005 · Services - waste                | 163,365          | 210,000 | (46,635)       | 221,000                     |
| 4010 · Services - water                | 165,655          | 208,000 | (42,345)       | 215,000                     |
| 4025 · Meter charge - water            | 26,028           | 33,500  | (7,472)        | 31,000                      |
| 4050 · State of CA - Hearst Castle     | 48,815           | 60,000  | (11,185)       | 68,000                      |
| Total 4000 · Services                  | 403,863          | 511,500 | (107,637)      | 535,000                     |
| 4100 · Property tax                    |                  |         |                |                             |
| 4110 · Property tax current secured    | 34,976           | 30,555  | 4,421          | 54,000                      |
| 4120 · Prop tax current secured suppl  | 1,949            | 500     | 1,449          | 2,900                       |
| 4130 · Prop tax current unsecured      | 1,626            | 1,600   | 26             | 1,800                       |
| 4140 · Prop tax current unsec suppl    | 9                | 0       | 9              | 12                          |
| 4150 · Prop tax prior secured          | (41)             | 0       | (41)           | 55                          |
| 4170 · Prop tax prior unsecured        | 72               | 0       | 72             | 96                          |
| 4180 · Prop tax prior unsec suppl      | 17               | 0       | 17             | 24                          |
| 4190 · Penalties and interest prop tax | 2                | 0       | 2              | 5                           |
| 4220 · Homeowners prop tax relief      | 0                | 100     | (100)          | 0                           |
| 4240 · Electric dereg settlement       | 0                | 0       | 0              | 50                          |
| 4230 · Prop tax admin fee SB2557       | 0                | 0       | 0              | (1,700)                     |
| 4270 · Current utility tax             | 0                | 250     | (250)          | 0                           |
| 4280 · State aid - homeowners          | 362              | 0       | 362            | 500                         |
| 4290 · Educ rev augmentation           | (26,251)         | 0       | (26,251)       | (52,502)                    |
| Total 4100 · Property tax              | 12,720           | 33,005  | (20,285)       | 5,240                       |
| 4800 · Miscellaneous income            | 1,868            | 0       | 1,868          | 0                           |
| 4900 · Late fees and adjustments       | (7,448)          | 5,000   | (12,448)       | 5,000                       |

Unaudited for management use only

San Simeon Community Services District  
 Overall Budget vs. Actual  
 July 2004 through March 2005

|  | 411,003 | 549,505 | (138,502) | 545,240 |
|--|---------|---------|-----------|---------|
| <b>Total Income</b>                    |         |         |           |         |
| Expense                                |         |         |           |         |
| 6000 · Accounting/Auditor              | 2,080   | 5,005   | (2,925)   | 3,400   |
| 6005 · Advertising and promotion       | 1,132   | 0       | 1,132     | 0       |
| 6015 · Auto expenses                   | 7       | 0       | 7         | 0       |
| 6020 · Bank fees                       | 5       | 500     | (495)     | 0       |
| 6025 · Bookkeeping/Contracted Services | 8,761   | 8,000   | 761       | 14,400  |
| 6030 · Directors fee                   | 3,725   | 6,000   | (2,275)   | 6,000   |
| 6035 · Dues and subscriptions          | 499     | 0       | 499       | 500     |
| 6050 · Election expenses               | 0       | 1,500   | (1,500)   | 0       |
| 6060 · Engineering                     | 23,708  | 15,000  | 8,708     | 20,000  |
| 6065 · Equipment rental                | 1,075   | 500     | 575       | 1,000   |
| 6070 · General management              | 594     | 0       | 594       | 0       |
| 6075 · Insurance - health              | 1,011   | 1,500   | (489)     | 1,650   |
| 6080 · Insurance - liability           | (211)   | 8,650   | (8,861)   | 7,500   |
| 6085 · Insurance - work comp           | 3       | 0       | 3         | 0       |
| 6090 · Communications                  | 165     | 0       | 165       | 0       |
| 6095 · LAFCO budget allocation         | 2,026   | 2,250   | (224)     | 2,200   |
| 6100 · Legal fees                      | 12,600  | 18,900  | (6,300)   | 18,900  |
| 6105 · Licenses and permits            | 4,634   | 6,500   | (1,866)   | 6,000   |
| 6110 · Memberships and seminars        | 395     | 1,750   | (1,355)   | 1,000   |
| 6120 · Office expenses                 | 250     | 100     | 150       | 0       |
| 6125 · Operations management           | 248,179 | 369,600 | (121,421) | 340,832 |
| 6130 · Operating supplies              | 0       | 2,150   | (2,150)   | 0       |
| 6140 · Postage                         | 0       | 100     | (100)     | 0       |
| 6150 · Non-regular equipment maint     | 119     | 17,500  | (17,381)  | 17,500  |
| 6155 · Road maintenance                | 0       | 1,000   | (1,000)   | 0       |
| 6165 · Sample testing                  | 0       | 1,500   | (1,500)   | 0       |
| 6185 · Structure maintenance           | 0       | 6,000   | (6,000)   | 0       |

Unaudited for management use only

San Simeon Community Services District  
Overall Budget vs. Actual  
July 2004 through March 2005

|                               |                |                |                  |                |
|-------------------------------|----------------|----------------|------------------|----------------|
| <b>Total Expense</b>          | <b>310,755</b> | <b>474,005</b> | <b>(163,250)</b> | <b>440,882</b> |
| <b>Net Ordinary Income</b>    | <b>100,248</b> | <b>75,500</b>  | <b>24,748</b>    | <b>104,358</b> |
| Other Income                  |                |                |                  |                |
| 8030 · Interest - LAIF        | 20,987         | 20,600         | 387              | 20,600         |
| 8040 · Gain on sale of assets | 1,200          | 0              | 1,200            | 0              |
| Total Other Income            | 22,187         | 20,600         | 1,587            | 20,600         |
| Other Expense                 |                |                |                  |                |
| 9010 · Depreciation expense   | 64,381         | 85,841         | (21,460)         | 82,000         |
| 9020 · Bank lock box          | 0              | 1,600          | (1,600)          | 0              |
| Total Other Expense           | 64,381         | 87,441         | (23,060)         | 82,000         |
| Net Other Income              | (42,194)       | (66,841)       | 24,647           | (61,400)       |
| <b>Net Income</b>             | <b>58,054</b>  | <b>8,659</b>   | <b>49,395</b>    | <b>42,958</b>  |

Unaudited for management use only



San Simeon Community Services District  
 General Budget vs. Actual  
 July 2004 through March 2005

|   | Jul '04 - Mar 05 | 04-05<br>Budget | \$ Over Budget  | Proposed<br>05-06<br>Budget |
|---|------------------|-----------------|-----------------|-----------------------------|
| <b>Income</b>                           |                  |                 |                 |                             |
| 4100 · Property tax                     |                  |                 |                 |                             |
| 4110 · Property tax current secured     | 34,976           | 30,555          | 4,421           | 54,000                      |
| 4120 · Prop tax current secured supp    | 1,949            | 500             | 1,449           | 2,900                       |
| 4130 · Prop tax current unsecured       | 1,626            | 1,600           | 26              | 1,800                       |
| 4140 · Prop tax current unsec suppl     | 9                | 0               | 9               | 12                          |
| 4150 · Prop tax prior secured           | (41)             | 0               | (41)            | 55                          |
| 4170 · Prop tax prior unsecured         | 72               | 0               | 72              | 96                          |
| 4180 · Prop tax prior unsec suppl       | 17               | 0               | 17              | 24                          |
| 4190 · Penalties and interest prop tax  | 2                | 0               | 2               | 5                           |
| 4220 · Homeowners prop tax relief       | 0                | 100             | (100)           | 500                         |
| 4240 · Electric dereg settlement        | 0                | 0               | 0               | 50                          |
| 4260 · Prop tax admin fee SB2557        | 0                | 0               | 0               | (1,700)                     |
| 4270 · Current utility tax              | 0                | 250             | (250)           | 0                           |
| 4280 · State aid - homeowners           | 362              | 0               | 362             | 0                           |
| 4290 · Educ rev augmentation            | (26,251)         | 0               | (26,251)        | (52,502)                    |
| Total 4100 · Property tax               | 12,720           | 33,005          | (20,285)        | 5,240                       |
| <b>4800 · Miscellaneous income</b>      |                  |                 |                 |                             |
| 4800 · Miscellaneous income             | 1,868            | 0               | 1,868           | 0                           |
| <b>4900 · Late fees and adjustments</b> |                  |                 |                 |                             |
| 4900 · Late fees and adjustments        | (7,448)          | 5,000           | (12,448)        | 5,000                       |
| <b>Total Income</b>                     | <b>7,140</b>     | <b>38,005</b>   | <b>(30,865)</b> | <b>10,240</b>               |
| <b>Expense</b>                          |                  |                 |                 |                             |
| 6000 · Accounting/Auditor               | 693              | 1,680           | (987)           | 1,700                       |
| 6005 · Advertising and promotion        | 1,132            | 0               | 1,132           | 0                           |
| 6015 · Auto expenses                    | 7                | 0               | 7               | 0                           |
| 6020 · Bank fees                        | 5                | 500             | (495)           | 0                           |
| 6025 · Bookkeeping/Contracted Services  | 4,380            | 4,000           | 380             | 7,200                       |
| 6030 · Directors fee                    | 1,245            | 2,000           | (755)           | 600                         |
| 6035 · Dues and subscriptions           | 0                | 0               | 0               | 100                         |
| 6050 · Election expenses                | 0                | 1,500           | (1,500)         | 0                           |
| 6060 · Engineering                      | 3,161            | 2,000           | 1,161           | 0                           |

Unaudited for management use only

San Simeon Community Services District  
 General Budget vs. Actual  
 July 2004 through March 2005

|                                    | Jul '04 - Mar 05 | 04-05<br>Budget | \$ Over Budget  | 05-06<br>Budget |
|------------------------------------|------------------|-----------------|-----------------|-----------------|
| 6070 · General management          | 594              | 0               | 594             | 0               |
| 6075 · Insurance - health          | 255              | 375             | (120)           | 1,650           |
| 6080 · Insurance - liability       | 0                | 650             | (650)           | 2,250           |
| 6085 · Insurance - work comp       | 3                | 0               | 3               | 0               |
| 6090 · Communications              | 165              | 0               | 165             | 0               |
| 6095 · LAFCO budget allocation     | 991              | 1,100           | (109)           | 1,100           |
| 6100 · Legal fees                  | 4,192            | 6,300           | (2,108)         | 6,237           |
| 6110 · Memberships and seminars    | 113              | 500             | (387)           | 1,000           |
| 6120 · Office expenses             | 250              | 100             | 150             | 0               |
| 6125 · Operations management       | 22,559           | 33,600          | (11,041)        | 17,042          |
| 6130 · Operating supplies          | 0                | 250             | (250)           | 0               |
| 6140 · Postage                     | 0                | 100             | (100)           | 0               |
| 6150 · Non-regular equipment maint | 0                | 0               | 0               | 1,750           |
| 6155 · Road maintenance            | 0                | 1,000           | (1,000)         | 0               |
| 6185 · Structure maintenance       | 0                | 1,000           | (1,000)         | 0               |
| <b>Total Expense</b>               | <b>39,744</b>    | <b>56,655</b>   | <b>(16,911)</b> | <b>40,629</b>   |
| <b>Net Ordinary Income</b>         | <b>(32,605)</b>  | <b>(18,650)</b> | <b>(13,955)</b> | <b>(30,389)</b> |
| Other Income/Expense               |                  |                 |                 |                 |
| 8030 · Interest - LAIF             | 1,681            | 1,650           | 31              | 20,600          |
| 8040 · Gain on sale of assets      | 1,200            | 0               | 1,200           | 0               |
| Total Other Income                 | 2,881            | 1,650           | 1,231           | 20,600          |
| Other Expense                      |                  |                 |                 |                 |
| 9010 · Depreciation expense        | 64,381           | 85,841          | (21,460)        | 82,000          |
| 9020 · Bank lock box               | 0                | (500)           | 500             | 0               |
| Total Other Expense                | 0                | (500)           | 500             | 82,000          |
| Total Other Income/Expense         | (61,500)         | 1,150           | (62,650)        | (61,400)        |
| <b>Net Income</b>                  | <b>(94,105)</b>  | <b>(17,500)</b> | <b>(76,605)</b> | <b>(91,789)</b> |

Unaudited for management use only

San Simeon Community Services District  
Sewer Budget vs. Actual  
July 2004 through March 2005

|                                    | Jul '04 - Mar 05 | Budget          | \$ Over Budget   | Proposed<br>05-06<br>Budget |
|------------------------------------|------------------|-----------------|------------------|-----------------------------|
| <b>Income</b>                      |                  |                 |                  |                             |
| 4000 · Services                    |                  |                 |                  |                             |
| 4005 · Services - waste            | 163,365          | 210,000         | (46,635)         | 221,000                     |
| 4050 · State of CA - Hearst Castle | 48,815           | 60,000          | (11,185)         | 68,000                      |
| <b>Total Income</b>                | <b>212,180</b>   | <b>270,000</b>  | <b>(57,820)</b>  | <b>289,000</b>              |
| <b>Expense</b>                     |                  |                 |                  |                             |
| 6000 · Accounting/Auditor          | 693              | 1,665           | (972)            | 850                         |
| 6025 · Bookkeeping                 | 2,190            | 2,000           | 190              | 3,600                       |
| 6030 · Directors fee               | 1,239            | 2,000           | (761)            | 2,700                       |
| 6035 · Dues and subscriptions      | 333              | 0               | 333              | 250                         |
| 6060 · Engineering                 | 12,646           | 8,000           | 4,646            | 16,000                      |
| 6065 · Equipment rental            | 806              | 0               | 806              | 500                         |
| 6075 · Insurance - health          | 504              | 750             | (246)            | 0                           |
| 6080 · Insurance - liability       | (211)            | 6,500           | (6,711)          | 4,500                       |
| 6095 · LAFCO budget allocation     | 518              | 575             | (57)             | 550                         |
| 6100 · Legal fees                  | 4,204            | 6,300           | (2,096)          | 6,426                       |
| 6105 · Licenses and permits        | 2,852            | 4,000           | (1,148)          | 3,000                       |
| 6110 · Memberships and seminars    | 113              | 500             | (387)            | 0                           |
| 6125 · Operations management       | 180,500          | 268,800         | (88,300)         | 204,499                     |
| 6130 · Operating supplies          | 0                | 1,400           | (1,400)          | 0                           |
| 6150 · Non-regular equipment maint | 46               | 15,000          | (14,954)         | 7,875                       |
| 6165 · Sample testing              | 0                | 1,500           | (1,500)          | 0                           |
| 6185 · Structure maintenance       | 0                | 4,000           | (4,000)          | 0                           |
| <b>Total Expense</b>               | <b>206,433</b>   | <b>322,990</b>  | <b>(116,557)</b> | <b>250,750</b>              |
| <b>Net Ordinary Income</b>         | <b>5,748</b>     | <b>(52,990)</b> | <b>58,738</b>    | <b>38,250</b>               |

Unaudited for management use only

San Simeon Community Services District  
 Sewer Budget vs. Actual  
 July 2004 through March 2005

|                            |               |                 |               |               |
|----------------------------|---------------|-----------------|---------------|---------------|
| Other Income               |               |                 |               |               |
| 8030 - Interest - LAIF     | 15,272        | 14,990          | 282           | 0             |
| Total Other Income         | 15,272        | 14,990          | 282           | 0             |
| Other Expense              |               |                 |               |               |
| 9020 - Bank lock box       | 0             | 500             | (500)         | 0             |
| Total Other Expense        | 0             | 500             | (500)         | 0             |
| Total Other Income/Expense | 15,272        | 14,490          | 782           | 0             |
| <b>Net income</b>          | <b>21,020</b> | <b>(38,500)</b> | <b>59,520</b> | <b>38,250</b> |

Unaudited for management use only

San Simeon Community Services District  
 Water Budget vs. Actual  
 July 2004 through March 2005

|                                    | Jul '04 - Mar 05 | Budget         | \$ Over Budget  | Proposed<br>05-06<br>Budget |
|------------------------------------|------------------|----------------|-----------------|-----------------------------|
| <b>Income</b>                      |                  |                |                 |                             |
| 4000 · Services                    |                  |                |                 |                             |
| 4010 · Services - water            | 165,655          | 208,000        | (42,345)        | 215,000                     |
| 4025 · Meter charge - water        | 26,028           | 33,500         | (7,472)         | 31,000                      |
| <b>Total income</b>                | <b>191,683</b>   | <b>241,500</b> | <b>(49,817)</b> | <b>246,000</b>              |
| <b>Expense</b>                     |                  |                |                 |                             |
| 6000 · Accounting/Auditor          | 693              | 1,660          | (967)           | 850                         |
| 6025 · Bookkeeping                 | 2,190            | 2,000          | 190             | 3,600                       |
| 6030 · Directors fee               | 1,241            | 2,000          | (759)           | 2,700                       |
| 6035 · Dues and subscriptions      | 166              | 0              | 166             | 150                         |
| 6060 · Engineering                 | 7,902            | 5,000          | 2,902           | 4,000                       |
| 6065 · Equipment rental            | 269              | 500            | (231)           | 500                         |
| 6075 · Insurance - health          | 252              | 375            | (123)           | 0                           |
| 6080 · Insurance - liability       | 0                | 1,500          | (1,500)         | 750                         |
| 6095 · LAFCO budget allocation     | 518              | 575            | (57)            | 550                         |
| 6100 · Legal fees                  | 4,204            | 6,300          | (2,096)         | 6,237                       |
| 6105 · Licenses and permits        | 1,782            | 2,500          | (718)           | 3,000                       |
| 6110 · Memberships and seminars    | 169              | 750            | (581)           | 0                           |
| 6125 · Operations management       | 45,119           | 67,200         | (22,081)        | 119,291                     |
| 6130 · Operating supplies          | 0                | 500            | (500)           | 0                           |
| 6150 · Non-regular equipment maint | 73               | 2,500          | (2,427)         | 7,875                       |
| 6185 · Structure maintenance       | 0                | 1,000          | (1,000)         | 0                           |
| <b>Total Expense</b>               | <b>64,579</b>    | <b>94,360</b>  | <b>(29,781)</b> | <b>149,503</b>              |
| <b>Net Ordinary Income</b>         | <b>127,104</b>   | <b>147,140</b> | <b>(20,036)</b> | <b>96,497</b>               |

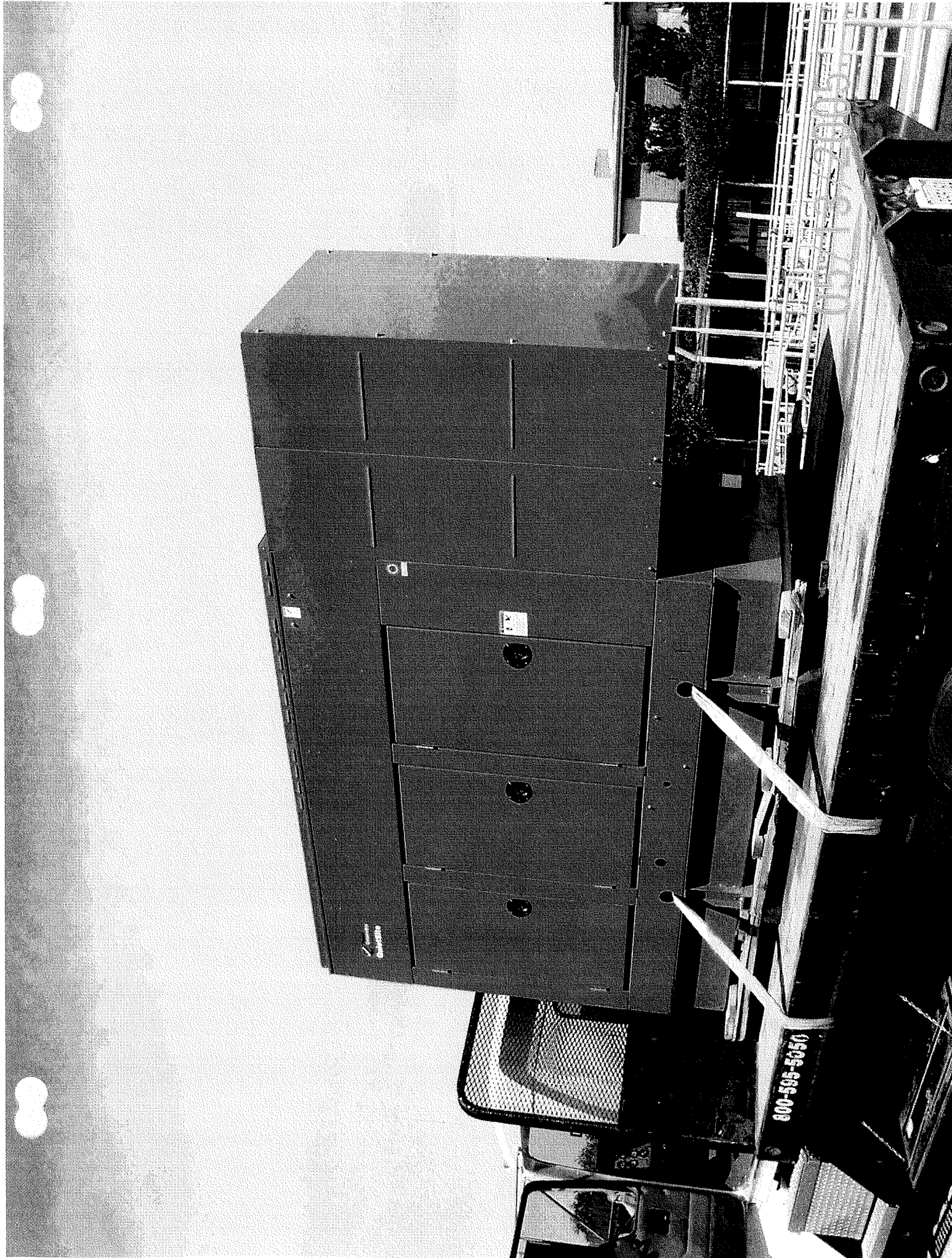
Unaudited for management use only

San Simeon Community Services District  
 Water Budget vs. Actual  
 July 2004 through March 2005

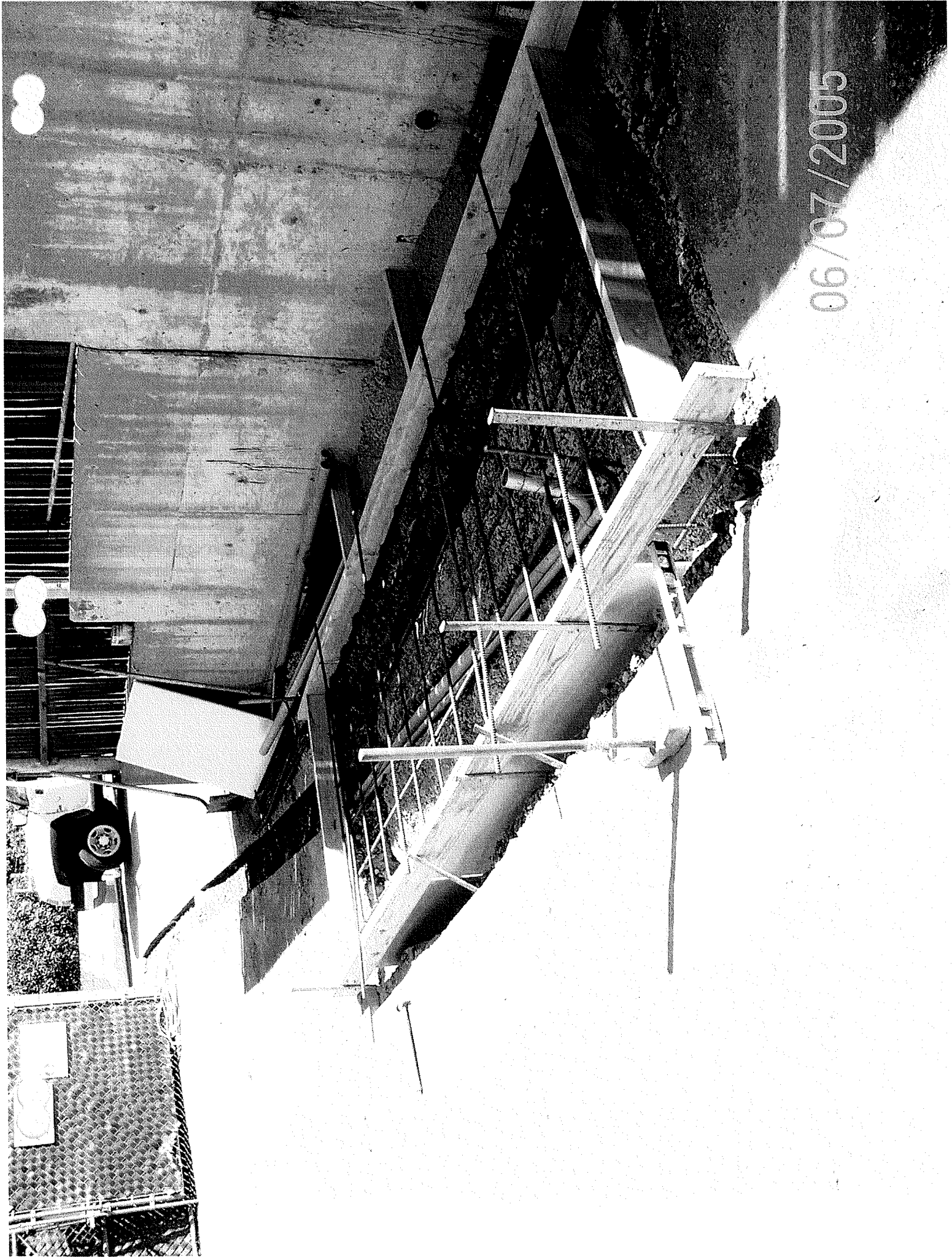
|                        |                |                |                 |               |
|------------------------|----------------|----------------|-----------------|---------------|
| Other Income           |                |                |                 |               |
| 8030 · Interest - LAIF | 4,034          | 3,960          | 74              | 0             |
| Total Other Income     | 4,034          | 3,960          | 74              | 0             |
| Other Expense          |                |                |                 |               |
| 9020 · Bank lock box   | 0              | 600            | (600)           | 0             |
| Total Other Expense    | 0              | 600            | (600)           | 0             |
| Net Other Income       | 4,034          | 3,360          | 674             | 0             |
| <b>Net Income</b>      | <b>131,138</b> | <b>150,500</b> | <b>(19,362)</b> | <b>96,497</b> |



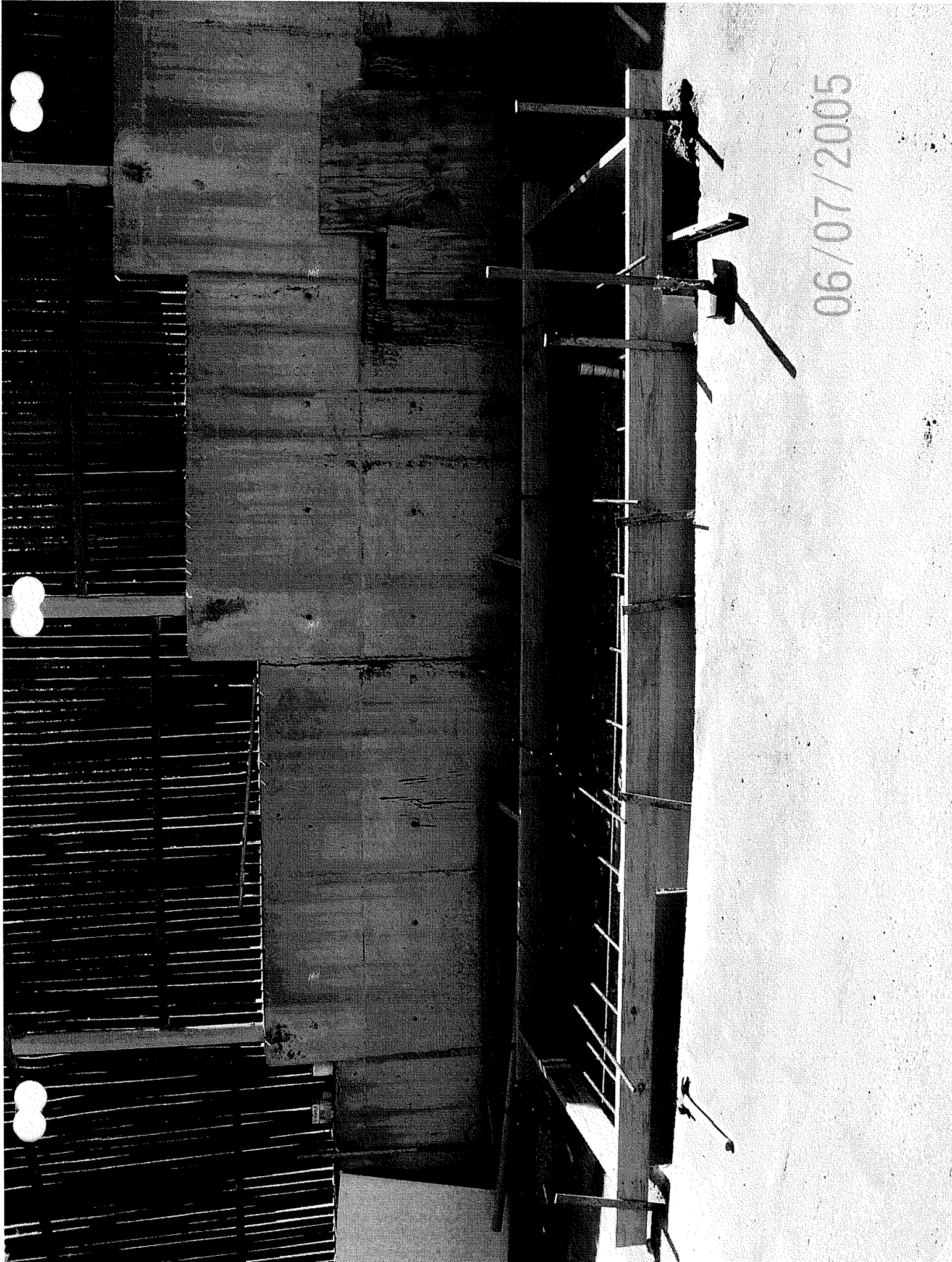








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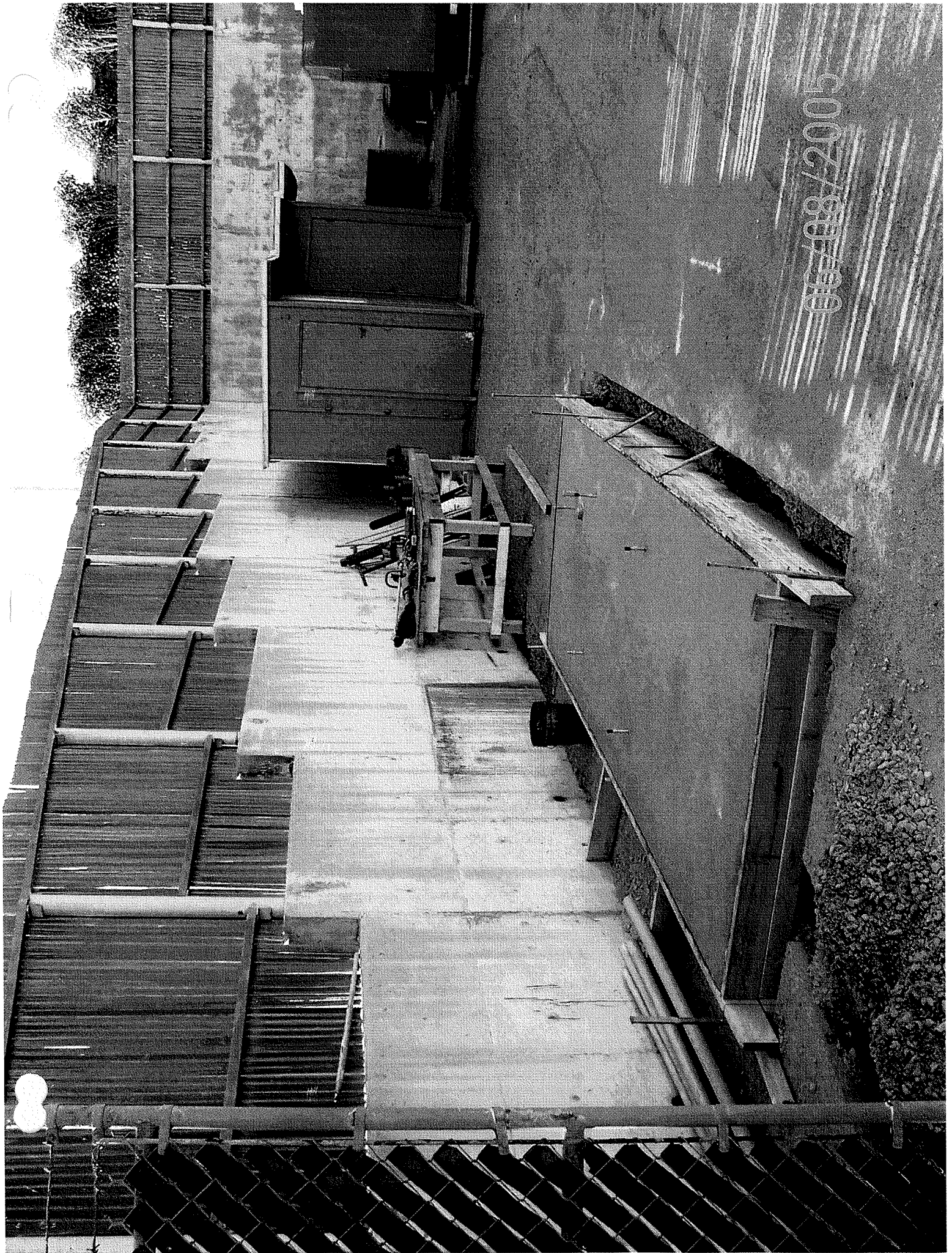
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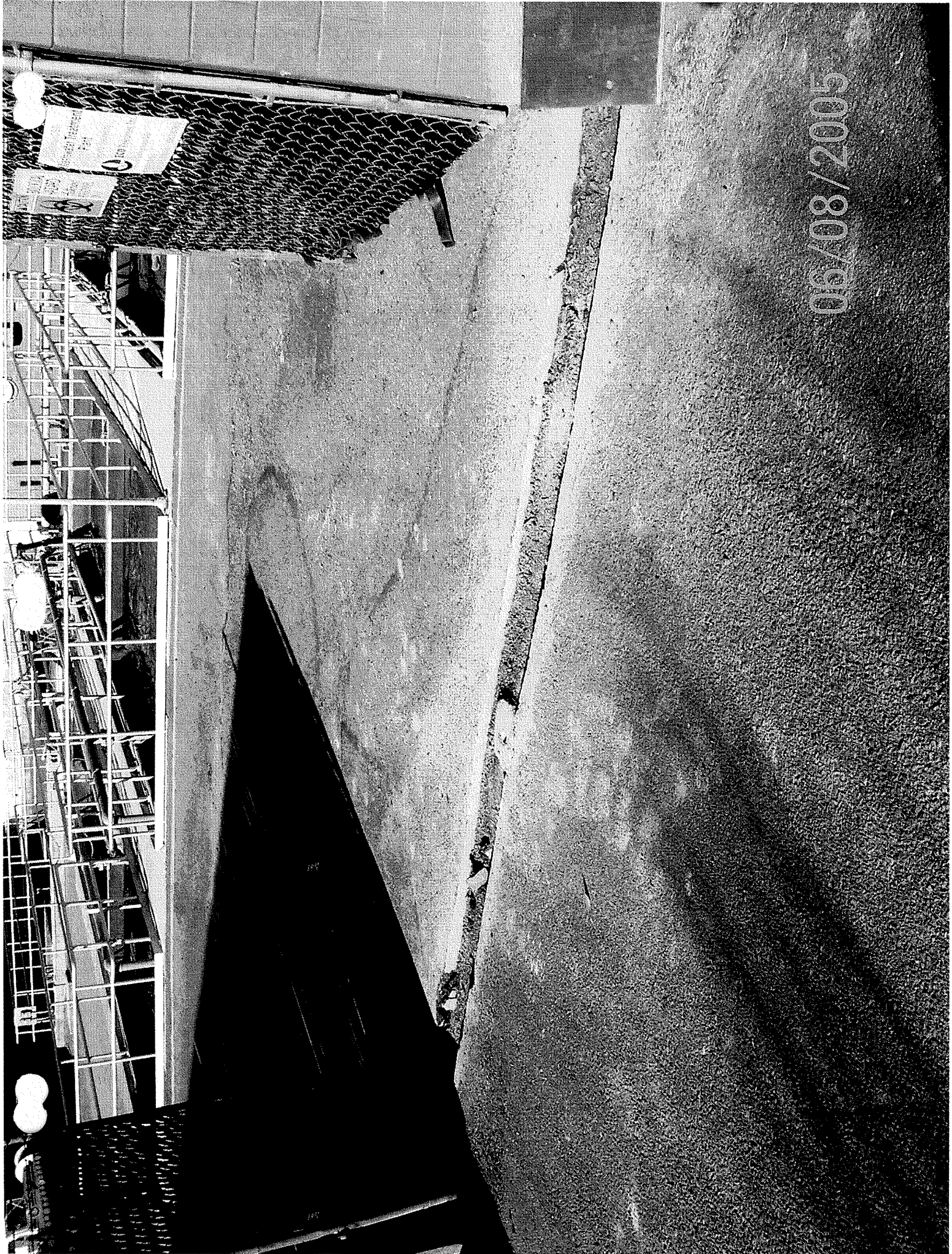
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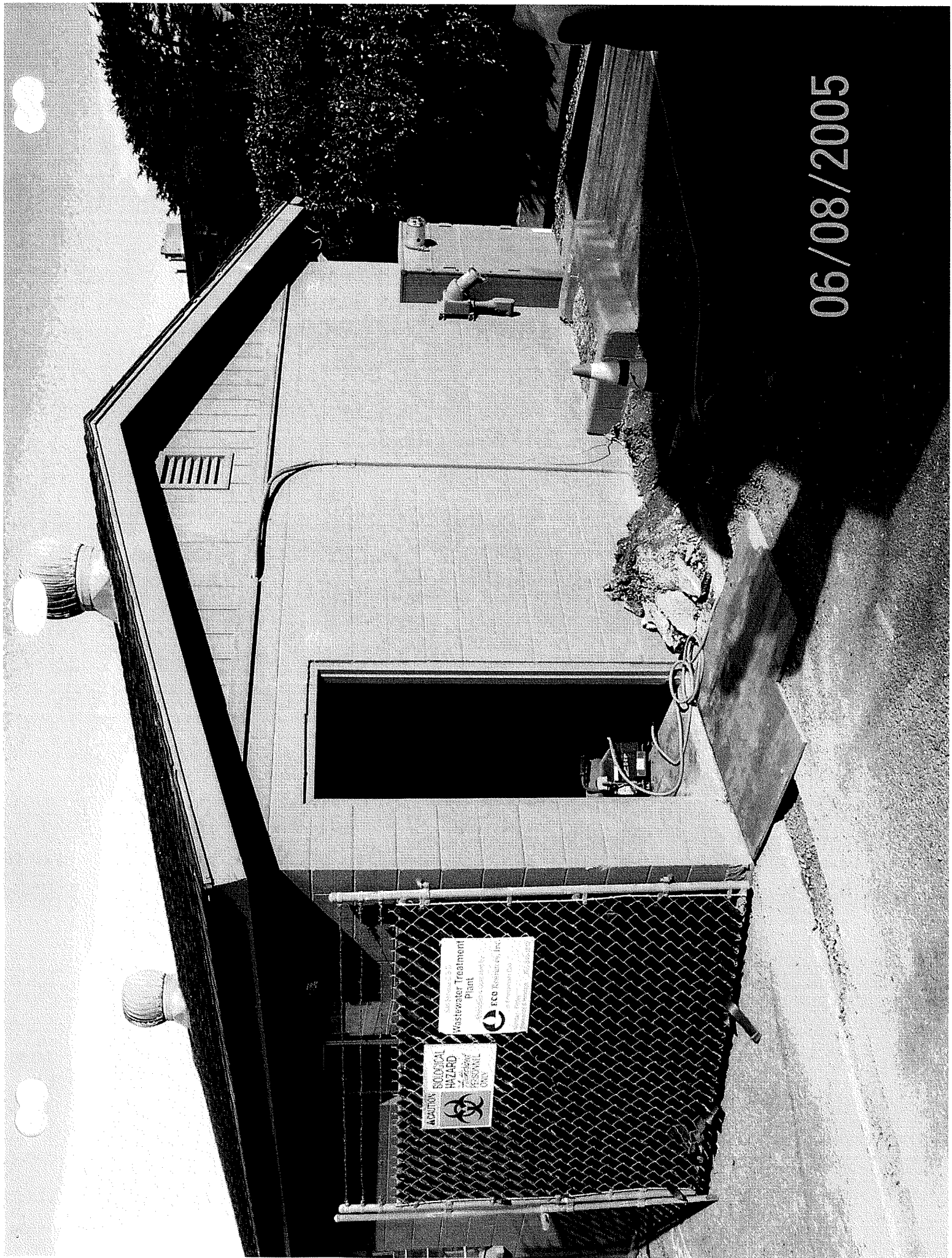
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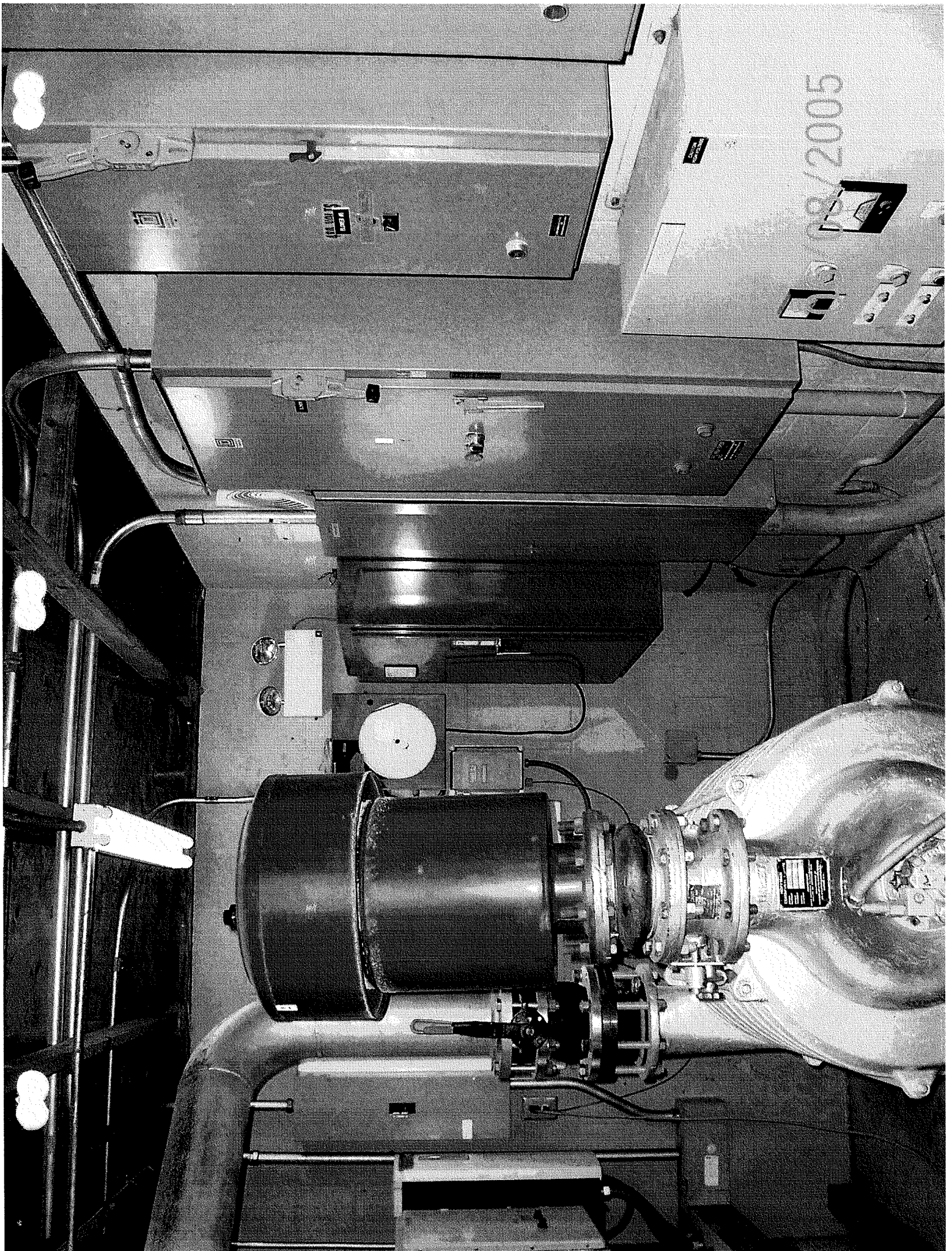


CAUTION BIOLOGICAL HAZARD - LABORATORY RESEARCH ONLY

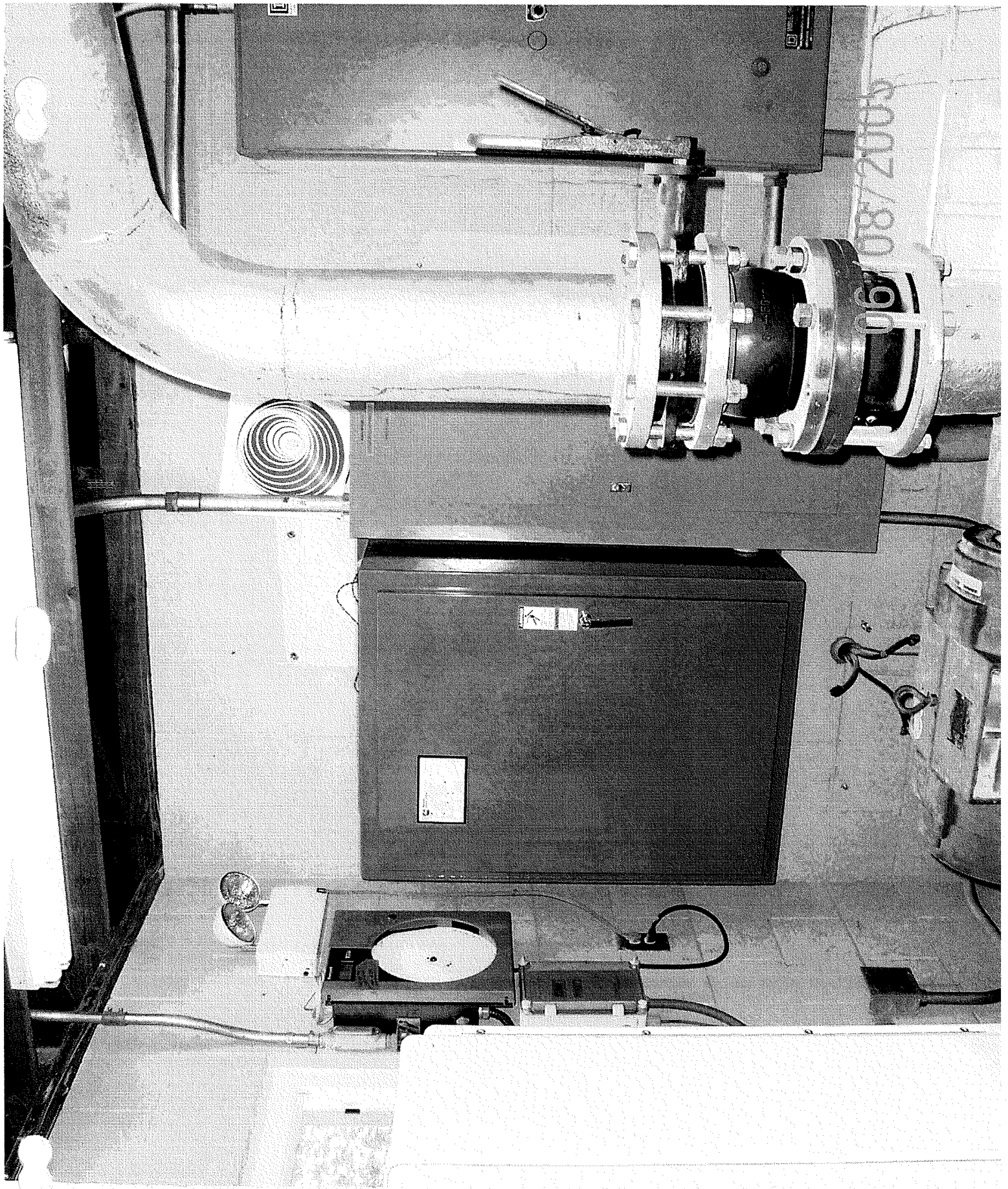
Wastewater Treatment Plant  
ICO Resources, Inc.  
a Progressive Data Company

06/08/2005









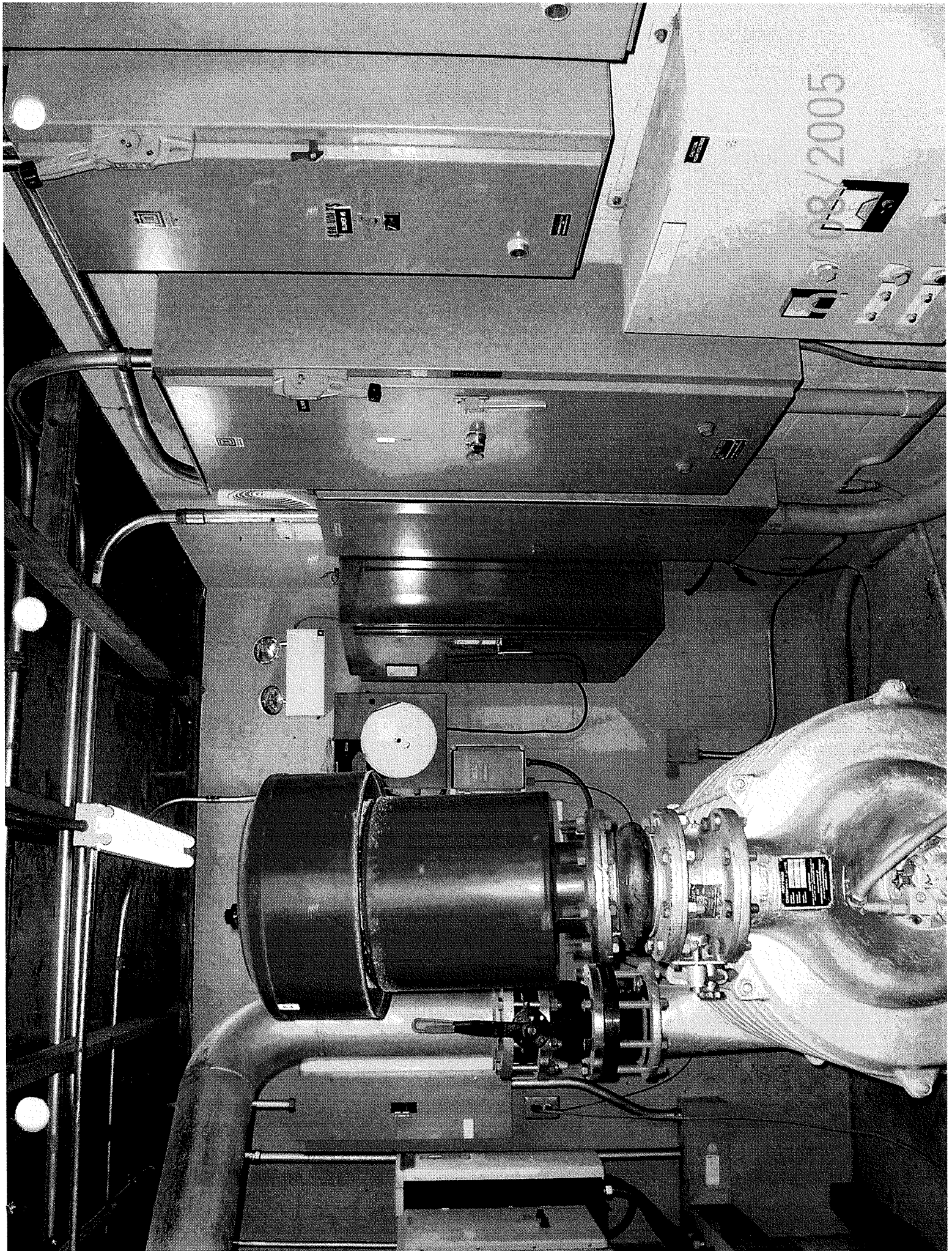




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CONTROL





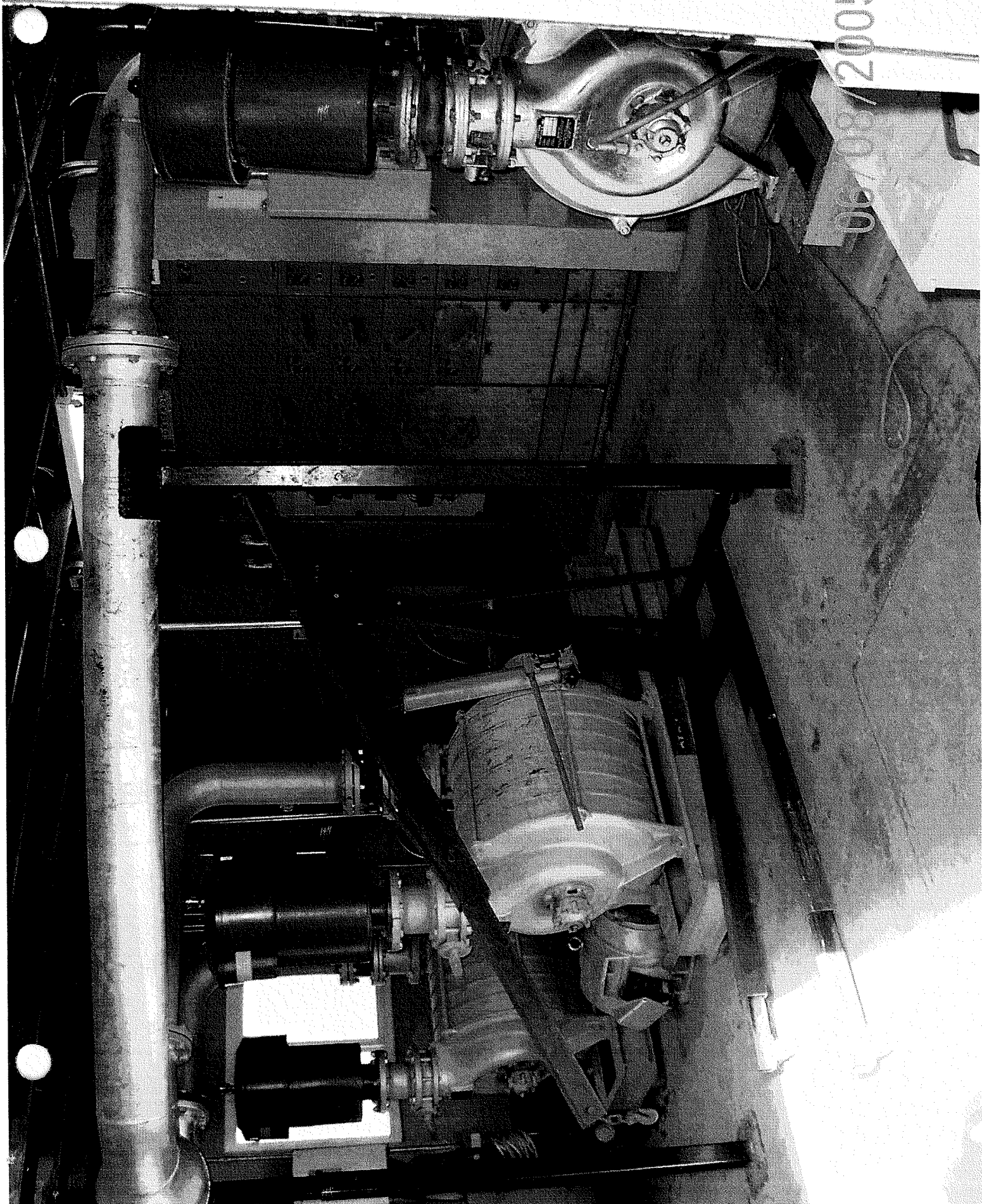




06/08/2005

CONTROL

06/08/2005



Salutation  
First Name Last Name  
Title  
Company Local Agency Investment Fund  
Address 915 Capital MAIL - Room 106  
Address2 Checking Account 1020959401009  
City Sacramento ST CA ZIP Code 95814  
Country Postal Code PIN 06535

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Contact Numbers

Work Phone 916-653-3001 Home Phone  
Fax Phone Alt Phone  
Email  
Web Site

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Other

Custom1 Custom2  
Custom3 Custom4  
Custom5  
Custom6

Do Not Call List  
Do Not Email List

- 30,800

Transfer \$40,000

927-1436  
909-9007



(5:30 pm)  
6-8-05

# Brown Act Seminar

Rob Schultz

- Agendas must be posted 72 hrs. in advance

## Who's covered

- Boards
- Advisory & decision making bodies
- elected members

Regular Mtg

5/4  
23

6-8-05 6:40 pm

All Directors Present & GM & DC

Public Comments

Bob McGlaughlin

- • Need to develop a consistent time to take well level readings
- • Check with Mike Rice on common areas for weed abatement
- • Address Action Plan
- \* Property, Addresses and names of sites for 3 remodel sites to Rob
- \* Newsletter Notice of grease quantity conservation status
- \* Copy of State of CA contract for Rob
- \* Street cleaning after weed abatement & spraying

Motion Mirabal / Russell

All approved

All approved

Special also - Reg Mtg. Mins

Warrant Reports

Motion Lonaine

Second Russell

Vote - All approve

~~\* \* Line Video presentation is  
not required~~

~~\* \* Motion to have DC draft Letter to EC  
Kiech  
Russell  
All~~

Mission Statement SSCSD  
Motion Minor  
Second Kiech  
Approval all

Mission Statement Water Board  
Motion Russell  
Second Lorrice  
Approval All

Budget Resolutions  
Motion - Russell  
Second - Lonaine  
Approval - All

Motion to accept date change to  
Weed Abatement Resolution

Motion - Russell

Second - Lonie

Approval - All

Direct staff to work with  
Budget Committee on 3 year  
rolling Budget

Motion - Russell

Second - Lonie

Approval - All

Sub committee ~~on~~ recommends the  
Water Committee meet June 22<sup>nd</sup>  
4:00 pm  
~~the~~

\* Policy for accidental water usage  
by next meeting

\* Get Rob Muchawn phone number

Adjourned 8:16

Russell

Lonie

\* Agenda item Staff review  
closed session staff review  
DC + GM/ECO

Advised Auditor review open session



**Notes from SSCSD Regular Board Meeting June 8, 2005**

Develop a consistent and accurate method of measuring well levels. This is important as the well level readings trigger stages of water conservation. Once method has been decided on the Water Committee should be advised. **BRING BACK AT NEXT REGUALR MEETING. (Pat & Charlie)**

Talk with Mike Rice regarding weed abatement from setbacks on private lots. (Tom)

Newsletter should be produced quarterly. Next letter should go in June bills. Water conservation should be addressed. (Tom & Leah)

**SCHEDULE WATER COMMITTEE AND SPECIAL MEETING FOR JUNE 22<sup>ND</sup> AT 4:00 PM. WATER COMMITTEE TO SUBMIT ADENDA ITEMS. (Tom)**

**AGENIZE ITEMS FOR NEXT REGULAR MEETING:**

Action plan for sewer and water repairs (Pat & Charlie)

Draft policy for accidental excess water usage (Tom & Rob)

Closed Session board review of staff performance. ECO and District Counsel (Tom)

Performance review of District Auditor

**FOR ROB SCHULTZ**

Property addresses and names of sites undertaking remodeling projects:

San Simeon Lodge  
9520 Castillo Dr.

Inns of California  
9280 Castillo Dr.

Oceanside Inn/Courtesy Inn  
9450 Avonne Ave.

Mr. Mouchawar's address and phone number.

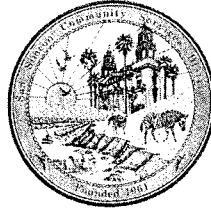
Camille Mouchawar  
4220 Country Club Dr.  
Long Beach, CA 90807  
(582) 595-0606

Copy of contract between SSCSD and Hearst Corp.

Sent on June 9th



San Simeon Community Services District



111 Pico Avenue, San Simeon, California 93452  
(805) 927-4778 Fax (805) 927-0399

**SAN SIMEON COMMUNITY SERVICES DISTRICT  
REGULAR MEETING  
MAY 10, 2005  
6:30 PM**

**CAVALIER PLAZA BANQUET ROOM  
SAN SIMEON, CALIFORNIA**

**Board of Directors – Regular Meeting  
San Simeon Community Services District  
AGENDA  
Wednesday May 11, 2005 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 – REGULAR SESSION
  - 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 General Manager Report
    - 3.1.1 Regulatory Performance Report
      - A: Water
      - B: Wastewater
    - 3.1.2 Current Project Report
      - 3.1.2.1 Fence Installation Update
      - 3.1.2.2 Emergency Generator Update
      - 3.1.2.3 Recycle Bins (Condos)
    - 3.1.3 Superintendent Report
    - 3.1.4 Other Reports
      - 3.1.4.1 Introduction of Charlie Grace
      - 3.1.4.2 Courtesy Inn
      - 3.1.4.3 Billing and Collections Report
  - 3.2 District Counsel Report
  
4. ITEMS OF BUSINESS
  - 4.1 Approval of Minutes – April 13, 2005
  - 4.2 Approval of Warrants – April 1, 2005 – April 30, 2005
  
5. DISCUSSION/ACTION ITEMS
  - 5.1 Discussion/Action Regarding 9540 Castillo Dr. Property (Attorney Letter)
  - 5.2 Discussion/Direction On Rate Study Presentation from Harvey Gobas of Psomas
  - 5.3 Approval of **Resolution 05-303** - AUTHORIZING THE DISTRICT MANAGER TO OPEN BANK ACCOUNTS AND AUTHORIZING SIGNATURES FOR BANKING SERVICES ON BEHALF OF THE SAN SIMEON COMMUNITY SERVICES DISTRICT
  - 5.4 Discussion/Direction Regarding Draft 2005/2006 Draft Budget
  - 5.5 Discussion/Approval on Website Redesign Proposal from First Source Consulting
  - 5.6 Discussion/Action on RWQCB Mandatory Minimum Penalties
  - 5.7 Discussion/Action Letter from Randy and Tina White regarding water bill
  - 5.8 Board Committee Reports
  - 5.9 Board Reports



6. BOARD/STAFF GENERAL DISCUSSIONS AND PROPOSED AGENDA ITEMS

7. ADJOURNMENT

**GENERAL MANAGERS  
REPORT**

## **3.1 General Managers Report**

### **3.1.1 Regulatory Performance**

- A. Water – There were no violations for the month of April
- B. Wastewater- There were no Violations for the month of April

### **3.1.2 Current Projects**

3.1.2.1 Fence installation update – Great Outdoors Construction was contacted and informed they were the low bidder. Staff was informed that Great Outdoors could not begin construction until late July because of a backlog of work. I checked with The Fence Factory the next lowest bidder and they would have the same schedule constraints. There is a requirement to clear a three-foot workspace between the old fence and the overgrowth and this delay will give staff the needed time to have the overgrowth cleared.

3.1.2.2 Emergency generator update – The switch panel was received about a week and a half ago and the emergency generator is still about t weeks out. Once all the equipment is received, the electrical contractor will come in and begin the installation.

3.1.2.3 Recycle bins for condominiums – Mission County Disposal has informed the district that each condominium dumpster will receive a 96 gallon recycle bin. If there were a requirement for additional bins, they would be the 36-gallon size available at an additional cost that has not yet been determined.

### **3.1.3 Superintendent Report**

See attached report

### **3.1.4 Other Reports**

3.1.4.1 Introduction of Charlie Grace – Charlie Grace has been given the responsibility of District Operations Manager (DOM) for the San Simeon CSD contract. Pat Guerre the Facility Manager will report to Charlie.

3.1.4.2 County Code Enforcement has been contacted regarding the possible reconfiguring of the rooms into residential apartments. An investigator from County Code Enforcement has contacted me asking for more information that would him probable cause to enter the site and perform an inspection.

3.1.4.3 Billing and Collections Report –Not Available



**SUPERINTENDENT'S  
REPORT**



**SAN SIMEON COMMUNITY SERVICES DISTRICT  
 FACILITY MANAGERS' REPORT  
 MARCH, 2005**

|  | MAR.      | APR.      | YTD       |
|--|-----------|-----------|-----------|
| <b>Water Usage (gallons):</b>            |           |           |           |
| WELL 1                                   | 1,967,000 | 1,966,000 |           |
| WELL 2                                   | 758,000   | 747,000   |           |
| <b>Total Production (gallons):</b>       | 2,725,000 | 2,713,000 | 5,438,000 |
| <b>Well levels (feet):</b>               |           |           |           |
| WELL 1                                   | 10.72     | 11.75     | -1.74     |
| WELL 2                                   | 10.53     | 11.75     | -1.78     |
| <b>Treated Wastewater (gallons):</b>     | 2,622,990 | 1,735,730 | +8.1%     |
| <b>State Wastewater (gallons):</b>       | 553,272   | 317,644   | 6.2%      |
| <b>Percent of Flow State Wastewater:</b> | 21.09%    | 18.30%    | 22.00%    |
| <b>Sludge Removal (gallons):</b>         | 24,962    | 68,400    |           |
| <b>BOD Removal</b>                       |           | 98.70%    |           |

# Superintendent Report

## April 2005

### ACTIVITIES

Bob Haifley of ECO Resources inspected the district's water system. His report on the system was not available in time for delivery of board packets but will be available as a supplement to the packet on May 11<sup>th</sup>.

Drained aeration tank #2 inspected tank and have scheduled necessary repair of diffusers.

Replaced 2 four inch valves

One meter on Avonne that will be replaced

Treatment plant is running well. As stated earlier there were no violations in April.

**MINUTES**  
**for**  
**APRIL 13, 2005**



**San Simeon Community Services District  
Board of Directors Regular Meeting  
Minutes  
Wednesday, April 13, 2005, 6:30PM  
Cavalier Banquet Room**

1. The meeting was called to order by Chairman Lambeth, roll call was taken followed by the Pledge of Allegiance. Director Mirabal-Boubion was not in attendance at the beginning of the meeting but arrived prior to section 5.8 on the agenda. Chairman Lambeth called for public comment.
2. Public Comment. Michele Rouse from the Monterey Bay Marine Sanctuary introduced herself and announced that a new nature center would be opening within the year and is located in the old San Simeon village.

There was no representation from the Sheriff's department.

3. **Staff Reports**

General Manager, Tom O'Neill, report that there were no regulatory violation for the previous month. There were 2 wastewater violations. Current projects include line cleaning that is taking place this month. Staff will review the video and make it available to the community as well as make any recommendation if necessary. Valves that needed replacement will take place in the upcoming week's weather dependent. Boyle Engineering submitted a proposal for lighting improvements but was too high. Staff recommends that we not move forward at this time on permanent lighting due to upcoming construction and new design of the plant. Temporary lighting will be installed for less than \$2,000.

Plant Facility Manager, Pat Guerre, reported on the current well depths. He said that a recent audit of the well depth had been taken by the SLO County. His report included total drinking water and wastewater production. He said that the State has used 22% this year. He reported that the grinder had been installed and that the core had been returned to the vendor. The blower had been checked and can run individually if necessary. An expert on auto-control systems for lighting will be checking the plant this week. The air lift pump has been temporarily fixed and is working fine. An ECO water system expert will be going through the whole water system this month. Upcoming plant repairs will be submitted by the General Manager.

Office Manager, Joann Hale's report is submitted in the board packet and lists the March receivables. Resident Pat Tinsley has requested help with her recent Billing Statement. Her average water usage is \$12.50 but was charged \$254.63 due to a plumbing issue. O'Neill recommended that she not be charged for sewer service for that month which would bring her payment down to \$133.45.

A motion was made by Director Russell for Ms. Tinsley not to be charged for sewer service and that her bill is credited to reflect this. Director Kiech seconded this motion. Director Fields objected and wanted Ms. Tinsley to pay a flat rate of \$30. Chairman Lambert asked Director Fields what he had based this rate on. Mr. Fields said that the toilets were provided by the district that that repairs and/or malfunctions should be the District's problem. After considerable discussion by the board and various community members, Director Russell's motion was passed with a 3/1 vote. Director Mirabal-Boubion was not present during this vote.

The maintenance and repair report was moved to section 5.7 on the agenda at the request of Mr. O'Neill.

District Counsel, Rob Schultz, reported that besides his regular monthly duties for SSCSD he was heavily involved in the 2005 weed abatement ordinance. Much time was also spent on researching RWQCB fines as well as working on 3 Ordinance 66 meetings.

4. **Items of Business**

Minutes of February 9, 2005. A change in wording was requested on page 2 per comments made by resident McLaughlin to change "water board" from "Kennedy Jenks." On page 4, above item #6, the words Rip Rap should be added to the Coastal report. Director Russell moved that the minutes be approved as corrected. Director Fields 2<sup>nd</sup> the motion and the minutes were approved as corrected.

Minutes of March 9, 2005. The spelling of a property owner Mouchewar was corrected and a motion by Director Russell was made to approve the minutes as corrected. Director Kiech seconded the motion and it was approved as corrected.

March Warrants. Director Kiech asked that the check for Cummins West for the new generator be withheld until actual delivery of the generator. Director Russell made a motion to approve the warrants as amended and Director Fields seconded the motion. The warrants were approved as amended by the board.

5. **Discussion/Action Items**

Plant fencing project. General Manager O'Neill reported the status of the wastewater treatment plant fencing. 5.1 fencing bids and recommended that they accept the bid from Great Outdoors. Director Fields suggested that the Board and Staff look into the possibility of a government grant through the Homeland Security Act. Director Russell made a motion to accept the Grate Outdoors bid for chain link that includes privacy slates. Director Fields seconded the motion and it was passed by the Board by a 4/0 vote

O'Neill said that the vendor requires 36" clearance surround the existing fence and that there would be some additional cost involved with the clearing process.

Recycling Program. After contacting Mission Country Disposal regarding a recycling program, Mr. O'Neill was told a recycling program is available per Tom Martin. The SLO Board of Supervisors has requested that a recycling program be available for all coastal communities. Although there is no cost to residents for the bins, there is a 22% increase in disposal service for residents and 50% increase for businesses. O'Neill said the District could send a letter to the Board of Supervisors either in support of or against the recycling program. No decision was made regarding the letter. Mr. O'Neill is to check to see if condo owners get their own bin or if the bins are in a central location on their property. He will get back to board on how to handle condo recycling. District Counsel said that SSCSD can support or oppose the program but the final decision is up to the SLO Board of Supervisors. The program is scheduled to begin in June, 2005. The board requested that a flyer be sent to each resident explaining the program and the cost. It is possible that Mission Country has a prototype flyer that could be used that may answer questions and/or concerns of the residents and community.

County Code Enforcement status of Courtesy Inn. An application has been submitted to the county supervisor with plans to change the property which is currently a motel into condos. This would change the zoning from retail to multiple families. Mr. Schultz said this would require substantial changes per the county. He suggested that the board obtain copies of applications regarding their plans.

Alarm System. A pump on the chlorine tank lost its prime so chlorinated water discharged into ocean. Since the tank did not have a monitor or auto-dialer, the problem was discovered on the next rounds and fixed. A new monitor would cost \$4,000 and \$2,000 to install with a 2 week time frame. The alarms include both systems. Director Mirabal-Boubion asked if this wasn't discussed and passed by the board earlier. Mr. O'Neill said that he reviewed previous minutes and no, it was not passed. Director Russell made a motion to approve staff the purchase of the alarm system and Director Mirabal-Boubion 2<sup>nd</sup>. The motion was unanimously passed.

2005-2006 Budget. Mr. O'Neill said he met with the accountants and that there were some items that needed to be recorded before a draft budget would be available. District Counsel said that a draft of the budget is due in May and needs approval in June.

Weed Abatement Resolution. A motion was made for Resolution 05302 for the clearing of weeds on San Simeon properties with a hearing held on June 8 for those who have not removed weeds by this date. Director Mirabal-Boubion made a motion to accept the resolution. It was seconded by Director Russell and approved unanimously by the board.

Maintenance and Repair. Mr. O'Neill reported that the maintenance repair fund is nearing depletion. He included a summary of repair funds and receipts in the



board packet and said that \$23,000 has been spent. Currently there is a spending limit of \$25,000. He has requested that the board add \$10,000 thru July 1. Any unused funds will be rolled into next year. Chairman Lambeth made a motion to add \$10,000 to the Maintenance and Repair fund. Director Russell made the 2<sup>nd</sup> and it was unanimously passed.

RWQCB Mandatory Minimum Penalty. District Counsel said that ECO proposed to pay \$32,500. Counsel recommended not to accept their payment and to wait 6 months based on ECO's performance and that violations could continue with more fines. The current penalty of \$144,000 is to be paid by May 25 and includes a tertiary plan that could cost between \$200,000 - \$300,000 and be built within 30 months. Director Russell attended the RWQCB meeting when the fines are made and that he believes that if the District shows good faith the 30 months could extend longer. Schultz said an escrow account needs to be opened.

Chairman Lambeth opened discussion with San Simeon residents and business owners in attendance. There was concern as to whether rates would be increased to pay the fine? Chairman Lambeth said there would be no rate increases and that funds for the fine would be paid from District monies. Chairman Lambeth praised Facility Manager, Pat Guerre. Guerre has had time to access plant and agrees that the plant in need of much repair. Pat is doing his very best to maintain this plant.

Director Mirabal-Boubion said the ECO contract would assume liability. She voted for their contract because of this.. She said the District should uphold contract with ECO and they should pay the \$64,000 fine. She made a motion not accept ECO offer and ask them to pay \$64,500 fine and include more information on the tertiary plan. Director Russell seconded the motion.

Director Russell said that few violations had been reported in prior history. The district can't blame other managers of the plant. These violations were operator error and it is ECO's responsibility. He said that the Board didn't demand necessary reports and could have stepped in and that the State Board was also responsible when there was no response to their letter. He believes ECO should pay the full \$64,500 before the end of their 5 year contract.

Schultz reminded the Board that they needed to direct Staff to open an escrow account and to make a proposal. Chairman Lambeth reminded the board that there was a motion on the floor. He asked Facility Manager Guerre what his first impression of the plant was and what he thought of it now. Guerre said he thought initially it looked fine but once he looked carefully he said it was a mess.

Director Mirabal-Boubion reminded the board that there was a motion on the floor.

Schultz suggested the motion be changed for ECO to pay \$64,500 and come back to the board with a tertiary facility plan. Director Mirabal-Boubion said she

wanted her motion to stand. Director Russell asked if her motion included a time frame for payment. Director Mirabal-Boubion said there was no time frame.

Director Russell requested that "more information on the tertiary plan" be struck from the motion. Director Mirabal-Boubion agreed. A vote is called for with vote of 2 yes and 3 no. The motion did not pass.

A motion is made by Director Kiech that ECO pay ½ of the \$64,500 with a second from Chairman Lambeth. A vote of 2 yes and 3 no is taken and the motion did not pass.

A motion by Director Kiech to direct staff to fund the tertiary construction in the amount of \$79,500 and pay fines to the RWQCB in the amount of \$64,500 by May 25, 2005. It was seconded by Director Fields. The motion pass unanimously. Staff is to bring back a Resolution, as required by Mid-State Bank, for the funding of a construction account for the tertiary upgrade of the WWTP

More discussion followed with the Board and the audience. It was mention that more has been done with ECO in the past 6 months than has been done in past years (the generator and the fencing as examples). The board needs to focus on the issues. They have actually been saving money since ECO started compared to other companies who have managed the plant in the past.

When asked by the board if the General Manager needed anything, Mr. O'Neil said there was nothing from the board as the mandate has been set by the RWQCB. He said the Board can direct staff to begin talks with Boyle.

Director Russell reminded the board that many of the existing problems with the plant will be automatically fixed with the tertiary plan. Chairman Lambeth said that reclaimed water has a layered affect.

Director Lambeth asked for General Manager comments. Mr. O'Neil said he is concerned with the welfare of ECO and the district. It is foolish to think that ECO would harm the district as ECO doesn't need bad reputation for what ECO does or doesn't do. The goal is to see that everything that is done is in the best interest of both ECO and the District. ECO will do what is best for the district. There have been lots of changes made after taking a look at the facility an staff, etc. ECO stand behind their contract and its wording. It is unfortunate that nothing was resolved today.

When asked how ECO arrived at a \$32,000 settlement, O'Neill said ECO thought it was a fair offer based on condition of plant and ability to handle flows going into the plant.

Director Kiech made a "proposal motion" that a \$48,225 (split) be proposed to settle with ECO. Chairman Lambeth seconded the motion. The motion passed 4 to 1.

Chairman Lambeth explained that 1/4<sup>th</sup> of the fines would be paid by SSCSD and 3/4<sup>th</sup> by ECO. Mr. O'Neill will advise ECO of the Boards counter and report back.

Director Russell concluded that with the construction of the tertiary treatment water will be cleaner into the ocean. We don't know total costs or customers for this treatment but the Board is committed and state could not be happier.

Wallace Group Closing Bill. The final bill from the Wallace Group was discussed and a motion by Director Russell was made not to pay this bill and have Staff write a letter to Wallace. Director Mirabal-Boubion seconded the motion and it was unanimously passed.

Board Committee Reports. Ordinance 66 has formed committee to come back with outline for board to give direction. Mr. Schultz said that the easy part of the re-writing of the ordinance was completed but now the hard part needed a subcommittee to develop a mission statement. The board might need outside help and needed to set a realistic time-line. The next meeting is scheduled for April 27 at 4:30PM. The Budget Committee will meet after numbers are available to digest. Director Mirabal-Boubion asked to be relieved of several of her committees due to health problems. She asked to remain on the Cambria/San Simeon water committee. Staff has been asked to check on the status of that committee with Cambria as there has been no word from Cambria in the past 4 months. Director Russell volunteered to review the old contract.

**6. Board/Staff Proposed Agenda Items**

The Board requested that the following be put on the agenda for the next board meeting:

- Web upgrade
- 9540 Castillo status
- Rate study presentation.

**7. Adjournment**

A motion to adjourn was made and passed.



**WARRANT  
REPORT**

**San Simeon Community Services District**  
**WARRENT REPORT**  
**April 1, 2005 - April 30, 2005**

|                                    | Type | Date     | Open Balance | Warrant # | Check # |
|------------------------------------|------|----------|--------------|-----------|---------|
| Fields, Alan                       | Pmt  | 5/2/2005 | \$ 100.00    | 0405-001  | 5181    |
|                                    |      |          |              |           |         |
| Kiech, David                       | Pmt  | 5/2/2005 | \$ 100.00    | 0405-002  | 5182    |
|                                    |      |          |              |           |         |
| Lambeth, Terry                     | Pmt  | 5/2/2005 | \$ 100.00    | 0405-003  | 5188    |
|                                    |      |          |              |           |         |
| Mirabal-Boubion, Loraine           | Pmt  | 5/2/2005 | \$ 100.00    | 0405-004  | 5186    |
|                                    |      |          |              |           |         |
| Russell, John                      | Pmt  | 5/2/2005 | \$ 100.00    | 0405-005  | 5185    |
|                                    |      |          |              |           |         |
| Schultz, Rob                       | Pmt  | 5/2/2005 | \$ 1,575.00  | 0405-006  | 5187    |
|                                    |      |          |              |           |         |
| ECO Resources                      | Pmt  | 5/2/2005 | \$ 27,575.42 | 0405-007  | 5183    |
|                                    |      |          |              |           |         |
| PERS Health                        | Pmt  | 5/2/2005 | \$ 135.07    | 0405-008  | 5177    |
|                                    |      |          |              |           |         |
| GBP&B                              | Pmt  | 5/2/2005 | \$ 1,200.00  | 0405-009  | 5184    |
|                                    |      |          |              |           |         |
| Air Pollution Control District     | Pmt  | 5/2/2005 | \$ 283.95    | 0405-010  | 5178    |
|                                    |      |          |              |           |         |
| San Simeon CSD/WWTP Const.Fund     | Pmt  | 5/2/2005 | \$ 79,500.00 | 0405-011  | 5178    |
|                                    |      |          |              |           |         |
| State Water Resources Control Brd. | Pmt  | 5/2/2005 | \$ 64,500.00 | 0405-012  | 5179    |
|                                    |      |          |              |           |         |
| United Rentals                     | Pmt  | 5/2/2005 | \$ 984.58    | 0405-013  | 5180    |

**Total:** \$ 176,254.02



**9540 CASTILLO  
ATTORNEY LETTER**

LAW OFFICES OF  
HORAN, LLOYD, KARACHALE, DYER, SCHWARTZ,  
LAW & COOK  
INCORPORATED

P.O. BOX 3350, MONTEREY, CALIFORNIA 93942-3350

LAURENCE P. HORAN  
FRANCIS P. LLOYD  
ANTHONY T. KARACHALE  
STEPHEN W. DYER  
GARY D. SCHWARTZ  
MARK A. BLUM  
MARK A. O'CONNOR  
ROBERT E. ARNOLD III  
ELIZABETH C. GIANOLA  
AENGUS L. JEFFERS  
MOLLY STEELE  
DEBORAH S. HOWARD  
PAMELA H. SILKWOOD

April 26, 2005

JAMES J. COOK  
DENNIS M. LAW

TELEPHONE: (831) 373-4131  
FROM SALINAS: (831) 757-4131  
FACSIMILE: (831) 373-8302

OUR FILE NO. 1693.03

Mr. Tom O'Neill  
General Manager  
San Simeon Community Services District  
111 Pico Avenue  
San Simeon, CA 93452

**RE: Former Chevron Station, 9540 Castillo Drive, San Simeon, CA**

Dear Mr. O'Neill:

Thank you for providing me with information on the status of the water entitlement for the property located at 9540 Castillo Drive in San Simeon. Based on our telephone conversation several weeks ago, my understanding is that you have made a preliminary determination that Mr. Kent Mitchell, owner of the above-mentioned property, has retained his water entitlement for the property. We also understand that the Board of Directors may need to confirm this determination. If Board approval is required, I am requesting that this issue be placed on the Board's agenda as soon as possible.

As part of quantifying the water entitlement for the property, please keep in mind that although the lease between Chevron and the property owner terminated in 1988, Chevron operated the facility only on a part time basis in 1987, in anticipation of the termination of the lease. Therefore, the water meter reading data between the years 1987 to present may not be representative of full use and operation of the facility. If you would like, we can prepare water consumption calculation, using assumptions based on full use/operation of the facility, to determine the water entitlement for the property.

As we also discussed during our telephone conversation, you have stated that the facility can be occupied and operational if the California Regional Water Quality Control Board, Central Coast Region (hereinafter "RWQCB") is not requiring further remediation of the property and that the property is undergoing a site closure process. Please review the attached letter from the RWQCB.

To summarize, Chevron has completed remediation of soil and groundwater and is presently only required to monitor groundwater from monitoring wells located on and off site. The property can be occupied because the monitoring activities should not be affected by the operations of the




Mr. Tom O'Neill  
April 26, 2005  
Page 2

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property. Furthermore, Chevron is proceeding for site closure, which will likely to occur within the next several months according to Mr. Burton Chadwick of the RWQCB. Therefore, there are no impediments that prevent Mr. Mitchell from having a tenant occupy the property at this time. If this issue also requires approval by the Board of Directors, please include it on the Board's agenda and notify me of the date and time for the hearing.

Thank you for your assistance in these matters. Please feel free to call me if you have any questions or require additional information.

Yours truly,



Pamela H. Silkwood

Encl.

cc: Kent Mitchell  
Aengus Jeffers, Esq.



# California Regional Water Quality Control Board

## Central Coast Region



Alan C. Lloyd, Ph.D.  
Agency Secretary

Arnold Schwarzenegger  
Governor

Internet Address: <http://www.waterboards.ca.gov/centralcoast>  
895 Aerovista Place, Suite 101, San Luis Obispo, California 93401-7906  
Phone (805) 549-3147 • FAX (805) 543-0397

April 21, 2005

Ms. Pamela Silkwood, Esq.  
Horan, Lloyd, Karachale, Dyer, Schwartz, Law & Cook  
499 Van Buren  
Monterey, CA 93940

Dear Ms. Silkwood:

**UST: 9540 CASTILLO DRIVE, SAN SIMEON, SAN LUIS OBISPO COUNTY;  
CHEVRON SERVICE STATION #9-2565 – RESPONSE TO REQUEST FOR SITE  
STATUS UPDATE**

Pursuant to our telephone conversation on April 14, 2005, this letter provides a brief status report for the above-referenced case.

Site remediation:

In October 1988, approximately 1,600 cubic yards of soil were removed with the underground storage tanks (USTs) and former dispensers to approximately 20 feet below ground surface (bgs) by the responsible party, Chevron. In November 1993, an additional volume of soil was excavated from the area near the former USTs and the dispensers. In December 2002, approximately 1,500 pounds of oxygen releasing compound was injected into twelve geoprobe borings in the area to the west of the prior excavations.

Current activities:

The depth to groundwater underlying the site is approximately 20 feet bgs. Chevron is currently monitoring groundwater quality on a quarterly basis to evaluate remedial effectiveness. When last sampled on October 22, 2004, maximum contaminant concentrations were detected in well MW-G at 30,000 micrograms per liter ( $\mu\text{g/L}$ ) total petroleum hydrocarbons (TPH) as gasoline, and 11  $\mu\text{g/L}$  benzene; methyl-*tertiary* butyl ether (MTBE) has not been detected. The Water Board's groundwater cleanup goals are 1,000  $\mu\text{g/L}$  for TPH, and 1  $\mu\text{g/L}$  for benzene. The other two monitoring wells associated with this site have not detected petroleum hydrocarbon constituents above cleanup goals since February 13, 2001. The three monitoring wells are located downgradient of the site in Pico Avenue and across Castillo Drive.

*California Environmental Protection Agency*



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Regulatory requirements:

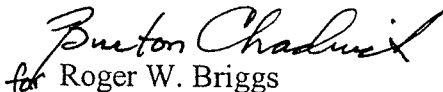
Chevron is currently in compliance with Water Board directives. TPH and benzene concentrations in well MW-G have improved from a maximum concentration of TPH at 60,000 µg/L in January 2004 and 36 µg/L benzene in December 2002.

Chevron's consultant, SECOR International, has approached Water Board staff about considering this site for a recommended closure. The Regional Board allows staff to recommend a case for closure when contaminant concentrations are marginally above cleanup goals and where site specific factors can be presented to indicate that such a closure will be protective of water quality. Water Board staff has conceptually agreed that this case may be a candidate for a recommended closure during a April 13, 2005 telephone conversation with SECOR and suggested that SECOR put together the site specific information that may be used to support a closure recommendation.

Chevron may be subject to other agency requirements that may continue to have jurisdiction and may require further work. Generally, the San Luis Obispo County Division of Environmental Health is the lead oversight agency for tank permitting, inspection, removal, and soil contamination issues within San Luis Obispo County, and the Water Board is the lead agency for groundwater investigation, cleanup, and monitoring oversight.

If you have questions regarding this matter, please call Corey Walsh at (805) 542-4781 or Burton Chadwick at (805) 542-4786.

Sincerely,

  
for Roger W. Briggs  
Executive Officer

EAUST\Regulated Sites\San Luis Obispo Co\San Simeon\9540 Castillo San Simeon Chev\Horan resp 0405.doc

cc:

Ms. Linnea Grossman  
San Luis Obispo County  
Division of Environmental Health  
P.O. Box 1489  
San Luis Obispo, CA 93406

California Environmental Protection Agency



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**RESOLUTION 05-303**

**RESOLUTION NO. 05-303**

**A RESOLUTION AUTHORIZING THE DISTRICT MANAGER TO OPEN BANK ACCOUNTS AND AUTHORIZING SIGNATURES FOR BANKING SERVICES ON BEHALF OF THE SAN SIMEON COMMUNITY SERVICES DISTRICT**

**WHEREAS**, the Regional Water Quality Control Board has determined that San Simeon Community Services District committed several NPDES Permit effluent violations and assessed mandatory minimum penalties of \$144,000, in accordance with California Water Code Section 13385.

**WHEREAS**, the Regional Water Quality Control Board Order allows \$79,500 of the mandatory penalty amount to be directed to a Supplemental Environmental Project to construct tertiary treatment facilities to produce recycled water and eliminate portion of the subject discharge to the Pacific Ocean.

**WHEREAS**, on April 13, 2005, the Board of Directors authorized Staff to fund the Tertiary Treatment Facilities Construction Account in the sum of \$79,500 and also submit a check payable to State Water Resources Control Board in the amount of \$64,500 by May 25, 2005.

**WHEREAS**, SSCSD must submit written proof of payment to its Tertiary Treatment Facilities Construction Account, in the amount of \$79,500 by May 25, 2005.

**WHEREAS**, Mid-State Bank, Cambria, CA, has requested a new Board of Directors Resolution in order to open the Tertiary Treatment Facilities Construction Account and authorizing individuals to sign checks, drafts, other withdrawal orders.

**THEREFORE, THE SAN SIMEON COMMUNITY SERVICES DISTRICT RESOLVES AS FOLLOWS:**

**SECTION 1.** NOW BE IT RESOLVED THAT, Mid- State Bank, Cambria California, is hereby designated as a depository for the funds of the SSCSD and the Tertiary Treatment Facilities Construction Account and the following persons are authorized to sign on behalf of the San Simeon Community Services District, orders for payment:

Terry Lambeth, Chairperson

David Kiech, Vice Chairperson

John Russell, Director

Alan Fields, Director

Loraine Mirabal-Boubion, Director

Such authority shall remain in force until revoked by written notice to Mid State Bank of the action taken by the Board of the San Simeon Community Services District.

**SECTION 2.** Mid- State Bank, Cambria California is authorized and directed to honor and pay any checks, drafts, or other orders for the payment of money withdrawing funds from any account of the District when bearing or purporting to bear the signatures of the persons listed in Section One of this resolution. The Bank is authorized and directed to honor and to charge the District for such checks, drafts, or other orders for the payment of money.

**PASSED, APPROVED AND ADOPTED** at the regular meeting of the Board of Directors on the 13 day of April, 2005 by a motion of Director Kiech and seconded by Director Fields .

AYES: 5  
NOES: 0  
ABSENT: 0  
ABSTAIN: 0

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Terry Lambeth, Board Chair

ATTEST:

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Tom O'Neill, Secretary S.S.C.S.D



**DRAFT BUDGET**  
**2005/2006**



San Simeon Community Services District  
Overall Budget vs. Actual  
July 2004 through March 2005

|  | Jul '04 - Mar 05 | Budget          | \$ Over Budget   | Proposed<br>05-06<br>Budget |
|--|------------------|-----------------|------------------|-----------------------------|
| <b>Income</b>                          |                  |                 |                  |                             |
| 4000 · Services                        |                  |                 |                  |                             |
| 4005 · Services - waste                | 163,365          | 210,000         | (46,635)         | 221,000                     |
| 4010 · Services - water                | 165,655          | 208,000         | (42,345)         | 215,000                     |
| 4025 · Meter charge - water            | 26,028           | 33,500          | (7,472)          | 31,000                      |
| 4050 · State of CA - Hearst Castle     | 48,815           | 60,000          | (11,185)         | 68,000                      |
| <b>Total 4000 · Services</b>           | <b>403,863</b>   | <b>511,500</b>  | <b>(107,637)</b> | <b>535,000</b>              |
| 4100 · Property tax                    |                  |                 |                  |                             |
| 4110 · Property tax current secured    | 34,976           | 30,555          | 4,421            | 54,000                      |
| 4120 · Prop tax current secured suppl  | 1,949            | 500             | 1,449            | 2,900                       |
| 4130 · Prop tax current unsecured      | 1,626            | 1,600           | 26               | 1,800                       |
| 4140 · Prop tax current unsec suppl    | 9                | 0               | 9                | 12                          |
| 4150 · Prop tax prior secured          | (41)             | 0               | (41)             | 55                          |
| 4170 · Prop tax prior unsecured        | 72               | 0               | 72               | 96                          |
| 4180 · Prop tax prior unsec suppl      | 17               | 0               | 17               | 24                          |
| 4190 · Penalties and interest prop tax | 2                | 0               | 2                | 5                           |
| 4220 · Homeowners prop tax relief      | 0                | 100             | (100)            | 0                           |
| 4240 · Electric dereg settlement       | 0                | 0               | 0                | 50                          |
| 4230 · Prop tax admin fee SB2557       | 0                | 0               | 0                | (1,700)                     |
| 4270 · Current utility tax             | 0                | 250             | (250)            | 0                           |
| 4280 · State aid - homeowners          | 362              | 0               | 362              | 500                         |
| 4290 · Educ rev augmentation           | (26,251)         | 0               | (26,251)         | (52,502)                    |
| <b>Total 4100 · Property tax</b>       | <b>12,720</b>    | <b>33,005</b>   | <b>(20,285)</b>  | <b>5,240</b>                |
| 4800 · Miscellaneous income            | 1,968            | 0               | 1,968            | 0                           |
| 4900 · Late fees and adjustments       | (7,448)          | 5,000           | (12,448)         | 5,000                       |
| <b>Total Income</b>                    | <b>411,103</b>   | <b>549,505</b>  | <b>(138,402)</b> | <b>545,240</b>              |
| <b>Expense</b>                         |                  |                 |                  |                             |
| 6000 · Accounting                      | 2,080            | 5,005           | (2,925)          | 3,400                       |
| 6005 · Advertising and promotion       | 1,132            | 0               | 1,132            | 0                           |
| 6015 · Auto expenses                   | 7                | 0               | 7                | 0                           |
| 6020 · Bank fees                       | 5                | 500             | (495)            | 0                           |
| 6025 · Bookkeeping                     | 8,761            | 8,000           | 761              | 14,400                      |
| 6030 · Directors fee                   | 3,725            | 6,000           | (2,275)          | 5,400                       |
| 6035 · Dues and subscriptions          | 499              | 0               | 499              | 500                         |
| 6050 · Election expenses               | 0                | 1,500           | (1,500)          | 0                           |
| 6060 · Engineering                     | 56,243           | 15,000          | 41,243           | 80,000                      |
| 6065 · Equipment rental                | 1,075            | 500             | 575              | 1,000                       |
| 6070 · General management              | 594              | 0               | 594              | 0                           |
| 6075 · Insurance - health              | 1,011            | 1,500           | (489)            | 1,650                       |
| 6080 · Insurance - liability           | (211)            | 8,650           | (8,861)          | 7,500                       |
| 6085 · Insurance - work comp           | 3                | 0               | 3                | 0                           |
| 6090 · Communications                  | 165              | 0               | 165              | 0                           |
| 6095 · LAFCO budget allocation         | 2,026            | 2,250           | (224)            | 2,200                       |
| 6100 · Legal fees                      | 12,600           | 18,900          | (6,300)          | 18,900                      |
| 6105 · Licenses and permits            | 4,634            | 6,500           | (1,866)          | 6,000                       |
| 6110 · Memberships and seminars        | 395              | 1,750           | (1,355)          | 1,000                       |
| 6120 · Office expenses                 | 250              | 100             | 150              | 0                           |
| 6125 · Operations management           | 248,179          | 369,600         | (121,421)        | 340,832                     |
| 6130 · Operating supplies              | 0                | 2,150           | (2,150)          | 0                           |
| 6140 · Postage                         | 0                | 100             | (100)            | 0                           |
| 6150 · Regular equipment maint         | 119              | 17,500          | (17,381)         | 17,500                      |
| 6155 · Road maintenance                | 0                | 1,000           | (1,000)          | 0                           |
| 6165 · Sample testing                  | 0                | 1,500           | (1,500)          | 0                           |
| 6185 · Structure maintenance           | 0                | 6,000           | (6,000)          | 0                           |
| <b>Total Expense</b>                   | <b>343,290</b>   | <b>474,005</b>  | <b>(130,715)</b> | <b>500,282</b>              |
| <b>Net Ordinary Income</b>             | <b>67,814</b>    | <b>75,500</b>   | <b>(7,686)</b>   | <b>44,958</b>               |
| <b>Other Income</b>                    |                  |                 |                  |                             |
| 8030 · Interest - LAIF                 | 20,987           | 20,600          | 387              | 20,600                      |
| 8040 · Gain on sale of assets          | 1,200            | 0               | 1,200            | 0                           |
| <b>Total Other Income</b>              | <b>22,187</b>    | <b>20,600</b>   | <b>1,587</b>     | <b>20,600</b>               |
| <b>Other Expense</b>                   |                  |                 |                  |                             |
| 9010 · Depreciation expense            | 0                | 78,500          | (78,500)         | 40,000                      |
| 9020 · Bank lock box                   | 0                | 1,600           | (1,600)          | 0                           |
| 9030 · Capital improvements            | 0                | 0               | 0                | 160,000                     |
| <b>Total Other Expense</b>             | <b>0</b>         | <b>80,100</b>   | <b>(80,100)</b>  | <b>200,000</b>              |
| <b>Net Other Income</b>                | <b>22,187</b>    | <b>(59,500)</b> | <b>81,687</b>    | <b>(179,400)</b>            |
| <b>Net Income</b>                      | <b>90,000</b>    | <b>16,000</b>   | <b>74,000</b>    | <b>(134,442)</b>            |

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San Simeon Community Services District  
General Budget vs. Actual  
July 2004 through March 2005

|  | Jul '04 - Mar 05 | 04-05<br>Budget | \$ Over Budget  | Proposed<br>05-06<br>Budget |
|--|------------------|-----------------|-----------------|-----------------------------|
| <b>Income</b>                          |                  |                 |                 |                             |
| 4100 · Property tax                    |                  |                 |                 |                             |
| 4110 · Property tax current secured    | 34,976           | 30,555          | 4,421           | 54,000                      |
| 4120 · Prop tax current secured supp   | 1,949            | 500             | 1,449           | 2,900                       |
| 4130 · Prop tax current unsecured      | 1,626            | 1,600           | 26              | 1,800                       |
| 4140 · Prop tax current unsec suppl    | 9                | 0               | 9               | 12                          |
| 4150 · Prop tax prior secured          | (41)             | 0               | (41)            | 55                          |
| 4170 · Prop tax prior unsecured        | 72               | 0               | 72              | 96                          |
| 4180 · Prop tax prior unsec suppl      | 17               | 0               | 17              | 24                          |
| 4190 · Penalties and interest prop tax | 2                | 0               | 2               | 5                           |
| 4220 · Homeowners prop tax relief      | 0                | 100             | (100)           | 500                         |
| 4240 · Electric dereg settlement       | 0                | 0               | 0               | 50                          |
| 4260 · Prop tax admin fee SB2557       | 0                | 0               | 0               | (1,700)                     |
| 4270 · Current utility tax             | 0                | 250             | (250)           | 0                           |
| 4280 · State aid - homeowners          | 362              | 0               | 362             | 0                           |
| 4290 · Educ rev augmentation           | (26,251)         | 0               | (26,251)        | (52,502)                    |
| <b>Total 4100 · Property tax</b>       | <b>12,720</b>    | <b>33,005</b>   | <b>(20,285)</b> | <b>5,240</b>                |
| 4800 · Miscellaneous income            | 1,968            | 0               | 1,968           | 0                           |
| 4900 · Late fees and adjustments       | (7,448)          | 5,000           | (12,448)        | 5,000                       |
| <b>Total Income</b>                    | <b>7,240</b>     | <b>38,005</b>   | <b>(30,765)</b> | <b>10,240</b>               |
| <b>Expense</b>                         |                  |                 |                 |                             |
| 6000 · Accounting                      | 693              | 1,680           | (987)           | 1,700                       |
| 6005 · Advertising and promotion       | 1,132            | 0               | 1,132           | 0                           |
| 6015 · Auto expenses                   | 7                | 0               | 7               | 0                           |
| 6020 · Bank fees                       | 5                | 500             | (495)           | 0                           |
| 6025 · Bookkeeping                     | 4,380            | 4,000           | 380             | 7,200                       |
| 6030 · Directors fee                   | 1,245            | 2,000           | (755)           | 540                         |
| 6035 · Dues and subscriptions          | 0                | 0               | 0               | 100                         |
| 6050 · Election expenses               | 0                | 1,500           | (1,500)         | 0                           |
| 6060 · Engineering                     | 7,498            | 2,000           | 5,498           | 0                           |
| 6070 · General management              | 594              | 0               | 594             | 0                           |
| 6075 · Insurance - health              | 255              | 375             | (120)           | 1,650                       |
| 6080 · Insurance - liability           | 0                | 650             | (650)           | 2,250                       |
| 6085 · Insurance - work comp           | 3                | 0               | 3               | 0                           |
| 6090 · Communications                  | 165              | 0               | 165             | 0                           |
| 6095 · LAFCO budget allocation         | 991              | 1,100           | (109)           | 1,100                       |
| 6100 · Legal fees                      | 4,192            | 6,300           | (2,108)         | 6,237                       |
| 6110 · Memberships and seminars        | 113              | 500             | (387)           | 1,000                       |
| 6120 · Office expenses                 | 250              | 100             | 150             | 0                           |
| 6125 · Operations management           | 22,559           | 33,600          | (11,041)        | 17,042                      |
| 6130 · Operating supplies              | 0                | 250             | (250)           | 0                           |
| 6140 · Postage                         | 0                | 100             | (100)           | 0                           |
| 6150 · Reg equip maintenance           | 0                | 0               | 0               | 1,750                       |
| 6155 · Road maintenance                | 0                | 1,000           | (1,000)         | 0                           |
| 6185 · Structure maintenance           | 0                | 1,000           | (1,000)         | 0                           |
| <b>Total Expense</b>                   | <b>44,081</b>    | <b>56,655</b>   | <b>(12,574)</b> | <b>40,569</b>               |
| <b>Net Ordinary Income</b>             | <b>(36,841)</b>  | <b>(18,650)</b> | <b>(18,191)</b> | <b>(30,329)</b>             |
| <b>Other Income/Expense</b>            |                  |                 |                 |                             |
| 8030 · Interest - LAIF                 | 1,681            | 1,650           | 31              | 20,600                      |
| 8040 · Gain on sale of assets          | 1,200            | 0               | 1,200           | 0                           |
| <b>Total Other Income</b>              | <b>2,881</b>     | <b>1,650</b>    | <b>1,231</b>    | <b>20,600</b>               |
| <b>Other Expense</b>                   |                  |                 |                 |                             |
| 9020 · Bank lock box                   | 0                | (500)           | 500             | 0                           |
| <b>Total Other Expense</b>             | <b>0</b>         | <b>(500)</b>    | <b>500</b>      | <b>0</b>                    |
| <b>Total Other Income/Expense</b>      | <b>2,881</b>     | <b>1,150</b>    | <b>1,731</b>    | <b>20,600</b>               |

San Simeon Community Services District  
General Budget vs. Actual  
July 2004 through March 2005

|            | 04-05            |                 | 05-06           |                |
|------------|------------------|-----------------|-----------------|----------------|
| Net Income | Jul '04 - Mar 05 | Budget          | \$ Over Budget  | Budget         |
|            | <u>(33,960)</u>  | <u>(17,500)</u> | <u>(16,460)</u> | <u>(9,729)</u> |



San Simeon Community Services District  
Water Budget vs. Actual  
July 2004 through March 2005

|                                 | Jul '04 - Mar 05 | Budget          | \$ Over Budget  | Proposed<br>05-06<br>Budget |
|---------------------------------|------------------|-----------------|-----------------|-----------------------------|
| <b>Income</b>                   |                  |                 |                 |                             |
| 4000 · Services                 |                  |                 |                 |                             |
| 4010 · Services - water         | 165,655          | 208,000         | (42,345)        | 215,000                     |
| 4025 · Meter charge - water     | 26,028           | 33,500          | (7,472)         | 31,000                      |
| <b>Total income</b>             | <b>191,683</b>   | <b>241,500</b>  | <b>(49,817)</b> | <b>246,000</b>              |
| <b>Expense</b>                  |                  |                 |                 |                             |
| 6000 · Accounting               | 693              | 1,660           | (967)           | 850                         |
| 6025 · Bookkeeping              | 2,190            | 2,000           | 190             | 3,600                       |
| 6030 · Directors fee            | 1,241            | 2,000           | (759)           | 2,430                       |
| 6035 · Dues and subscriptions   | 166              | 0               | 166             | 150                         |
| 6060 · Engineering              | 18,745           | 5,000           | 13,745          | 16,000                      |
| 6065 · Equipment rental         | 269              | 500             | (231)           | 500                         |
| 6075 · Insurance - health       | 252              | 375             | (123)           | 0                           |
| 6080 · Insurance - liability    | 0                | 1,500           | (1,500)         | 750                         |
| 6095 · LAFCO budget allocation  | 518              | 575             | (57)            | 550                         |
| 6100 · Legal fees               | 4,204            | 6,300           | (2,096)         | 6,237                       |
| 6105 · Licenses and permits     | 1,782            | 2,500           | (718)           | 3,000                       |
| 6110 · Memberships and seminars | 169              | 750             | (581)           | 0                           |
| 6125 · Operations management    | 45,119           | 67,200          | (22,081)        | 119,291                     |
| 6130 · Operating supplies       | 0                | 500             | (500)           | 0                           |
| 6150 · Regular equipment maint  | 73               | 2,500           | (2,427)         | 7,875                       |
| 6185 · Structure maintenance    | 0                | 1,000           | (1,000)         | 0                           |
| <b>Total Expense</b>            | <b>75,422</b>    | <b>94,360</b>   | <b>(18,938)</b> | <b>161,233</b>              |
| <b>Net Ordinary Income</b>      | <b>116,261</b>   | <b>147,140</b>  | <b>(30,879)</b> | <b>84,767</b>               |
| <b>Other Income</b>             |                  |                 |                 |                             |
| 8030 · Interest - LAIF          | 4,034            | 3,960           | 74              | 0                           |
| <b>Total Other Income</b>       | <b>4,034</b>     | <b>3,960</b>    | <b>74</b>       | <b>0</b>                    |
| <b>Other Expense</b>            |                  |                 |                 |                             |
| 9010 · Depreciation expense     | 0                | 16,000          | (16,000)        | 8,000                       |
| 9020 · Bank lock box            | 0                | 600             | (600)           | 0                           |
| 9030 · Capital improvements     | 0                | 0               | 0               | 48,000                      |
| <b>Total Other Expense</b>      | <b>0</b>         | <b>16,600</b>   | <b>(16,600)</b> | <b>56,000</b>               |
| <b>Net Other Income</b>         | <b>4,034</b>     | <b>(12,640)</b> | <b>16,674</b>   | <b>(56,000)</b>             |
| <b>Net Income</b>               | <b>120,295</b>   | <b>134,500</b>  | <b>(14,206)</b> | <b>28,767</b>               |

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San Simeon Community Services District  
Sewer Budget vs. Actual  
July 2004 through March 2005

|                                    | Jul '04 - Mar 05 | Budget           | \$ Over Budget  | Proposed<br>05-06<br>Budget |
|------------------------------------|------------------|------------------|-----------------|-----------------------------|
| <b>Income</b>                      |                  |                  |                 |                             |
| 4000 · Services                    |                  |                  |                 |                             |
| 4005 · Services - waste            | 163,365          | 210,000          | (46,635)        | 221,000                     |
| 4050 · State of CA - Hearst Castle | 48,815           | 60,000           | (11,185)        | 68,000                      |
| <b>Total Income</b>                | <b>212,180</b>   | <b>270,000</b>   | <b>(57,820)</b> | <b>289,000</b>              |
| <b>Expense</b>                     |                  |                  |                 |                             |
| 6000 · Accounting                  | 693              | 1,665            | (972)           | 850                         |
| 6025 · Bookkeeping                 | 2,190            | 2,000            | 190             | 3,600                       |
| 6030 · Directors fee               | 1,239            | 2,000            | (761)           | 2,430                       |
| 6035 · Dues and subscriptions      | 333              | 0                | 333             | 250                         |
| 6060 · Engineering                 | 30,000           | 8,000            | 22,000          | 64,000                      |
| 6065 · Equipment rental            | 806              | 0                | 806             | 500                         |
| 6075 · Insurance - health          | 504              | 750              | (246)           | 0                           |
| 6080 · Insurance - liability       | (211)            | 6,500            | (6,711)         | 4,500                       |
| 6095 · LAFCO budget allocation     | 518              | 575              | (57)            | 550                         |
| 6100 · Legal fees                  | 4,204            | 6,300            | (2,096)         | 6,426                       |
| 6105 · Licenses and permits        | 2,852            | 4,000            | (1,148)         | 3,000                       |
| 6110 · Memberships and seminars    | 113              | 500              | (387)           | 0                           |
| 6125 · Operations management       | 180,500          | 268,800          | (88,300)        | 204,499                     |
| 6130 · Operating supplies          | 0                | 1,400            | (1,400)         | 0                           |
| 6150 · Regular equipment maint     | 46               | 15,000           | (14,954)        | 7,875                       |
| 6165 · Sample testing              | 0                | 1,500            | (1,500)         | 0                           |
| 6185 · Structure maintenance       | 0                | 4,000            | (4,000)         | 0                           |
| <b>Total Expense</b>               | <b>223,786</b>   | <b>322,990</b>   | <b>(99,204)</b> | <b>298,480</b>              |
| <b>Net Ordinary Income</b>         | <b>(11,606)</b>  | <b>(52,990)</b>  | <b>41,384</b>   | <b>(9,480)</b>              |
| <b>Other Income</b>                |                  |                  |                 |                             |
| 8030 · Interest - LAIF             | 15,272           | 14,990           | 282             | 0                           |
| <b>Total Other Income</b>          | <b>15,272</b>    | <b>14,990</b>    | <b>282</b>      | <b>0</b>                    |
| <b>Other Expense</b>               |                  |                  |                 |                             |
| 9010 · Depreciation expense        | 0                | 62,500           | (62,500)        | 32,000                      |
| 9020 · Bank lock box               | 0                | 500              | (500)           | 0                           |
| 9030 · Capital improvements        | 0                | 0                | 0               | 112,000                     |
| <b>Total Other Expense</b>         | <b>0</b>         | <b>63,000</b>    | <b>(63,000)</b> | <b>144,000</b>              |
| <b>Total Other Income/Expense</b>  | <b>15,272</b>    | <b>(48,010)</b>  | <b>63,282</b>   | <b>(144,000)</b>            |
| <b>Net income</b>                  | <b>3,666</b>     | <b>(101,000)</b> | <b>104,666</b>  | <b>(153,480)</b>            |

Unaudited for management use only

**WEBSITE DESIGN  
PROPOSAL**



**Proposal for Services**  
**San Simeon Community Services District**  
Web Site Development  
Proposal No: 00131  
Version 1.0  
04.28.05



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## Company Overview

First Source Consulting is a partnership of professional consultants with a wide range of experiences and expertise that have one thing in common: a belief that high-quality, personalized service can be affordable and profitable. We pride ourselves in our work, our dedication to client satisfaction, and our willingness to make any project a success, both for our clients and for ourselves.

With a broad range of service offerings, professional accreditations and work experience, our consultants are an affordable and powerful resource for our clients. Whether you're a small business, Fortune 500 Corporation or a neighbor next door, we want to build a relationship built on honesty, integrity and quality service.

## Project Overview

The San Simeon Community Services District (SSCD) has requested a proposal from First Source Consulting on providing web site design and development services for the [www.sscd.org](http://www.sscd.org) web site. The [www.sscd.org](http://www.sscd.org) web site is a static HTML web site consisting of approximately 13 pages and various PDF files. SSCD is interested in improving the **look and feel of the web site**, **usefulness** to target audiences, and **ease of maintenance**.

First Source Consulting believes every business deserves high-impact design, effective information and site architecture, sound Internet strategy, effective content management and e-commerce systems, and thorough quality assurance planning and testing. Our consultants have provided these services to Fortune 500 companies with million dollar budgets. Now, we want to share what we've learned with you -- at a fraction of the cost.

## Primary Goals

### A. Design

The look and feel of the site should not only enhance the user's experience of the content, but also of the brand. After all, while we may buy a car only after driving it, its how it looks that provides us with our first emotional response. As users visit the [www.sscsd.org](http://www.sscsd.org) web site, First Source Consulting will ensure the design speaks to the district's professionalism, community involvement, and proactive leadership.

First Source Consulting proposes addressing the web site's design through:

1. Creative Brief
2. Up to Three Design Directions
3. Revisions to the Chosen Direction

For more details on these proposed solutions, please see Appendix A.

### B. Usability/Usefulness

#### Site Navigation

Clear, intuitive and easy to use site navigation is the first priority of a web site development project. Imagine a car with a blurry speedometer, a break pedal that was at first on the left now suddenly appearing on the right, a car without rearview or side mirrors. This car would be frustrating to use, difficult to navigate, and nearly impossible to get to where you need to go.

Site Navigation that isn't clear, intuitive, and user friendly is just as frustrating to the average web visitor.

### **Information Architecture**

Information Architecture (IA) is the art and science of organizing user interfaces in a way to help users find information efficiently. IA plays an integral part in the success of any web development project.

By understanding the content that will be displayed, the target audiences addressed by the content and how users intuitively interact with content, First Source Consulting can create Information Architecture that is both visually appealing and user-friendly.

### **Usefulness**

Content is to the web as an engine is to the car. Without purposeful, directed and useful content, a web site is useless. How will site visitors be benefited by visiting the site? What types of information are they searching for? What functionality can be provided to make their search for content easier? These are the questions that First Source Consulting will be asking and providing answers to.

First Source Consulting proposes the following deliverables to address the Usability/Usefulness of the web site.

1. Creating a detailed Site Map
2. Consistent Navigational Structure with visual cues
3. Content Specification
4. Copywriting
5. Wireframes

For a more detailed explanation of these proposed solutions, please see Appendix A – Explanation of Solutions.

### ***D. Ease of Maintenance***

First Source Consulting is dedicated to helping our clients become self-sufficient in the upkeep and maintenance of content on the client's web site, reducing the reliance on third-party vendors for the timeliness of content/imagery on the site.

We do this through the use of customized content management modules. These modules allow the client to use web-based forms to add, edit and manage content, images and documents on the web site. No knowledge of HTML is needed, only access to the Internet and the IE 5+ browser. All modules are password-protected, easy to use and include training.

First Source Consulting is proposing three different CMS tools:

- For the upload/management of images (gallery) associated with various projects within the SSCSD
  - Password/Protected administration
  - Access via Internet and IE5+
  - Ability to upload images directly to the web site (of particular file type and sizes)
  - Automatic thumbnail generation of images
  - Ability to provide captions and explanatory text for each picture
  - Ability to organize pictures into categories/subcategories
- For the management/upload of agendas, minutes and permits
  - Password/Protected administration
  - Access via Internet and IE5+
  - Ability to upload Word and PDF files directly to the web site
  - Ability to add explanatory text to each document
  - Ability to organize documents by categories/subcategories (Agendas, Minutes, etc)
- For the creation of historical/real-time water levels, use requirements and plot graphs
  - Password/Protected administration
  - Access via Internet and IE5+

- Ability to enter water level data
- Dynamic charting of historical data
- Ability to enter use requirements at particular water levels to be displayed to site visitors

Each of the proposed CMS tools will include the following deliverables:

1. Requirements Documentation
2. Application Programming/QA Testing
3. Training

## Pricing Structures

Leverage the full creative process of the First Source Consulting's design team with the base web site design and development project. The base project includes a dedicated project/account manager to ensure the project is on time and within budget. Two distinct design directions will be provided to the client for review and feedback. Each design will be built from the creative brief, a document that defines the targeted audiences, design requirements and the goals of the web site project. Copywriting services will be provided to ensure that the content is timely, directed, and useful to the primary target audiences. And finally, this content will be laid out in informational architecture documentation called wireframes prior to the design phase.

### Base Web Site Design and Development

Cost: \$16,995

| Deliverable   | Estimated Costs |
|---|-----------------|
| Information Architecture Services: <ul style="list-style-type: none"> <li>• Site Map</li> <li>• Wireframes (up to 10 pages)</li> </ul>  | \$1,245         |
| Content/Copywriting Services: <ul style="list-style-type: none"> <li>• Content Specification</li> <li>• Copywriting (up to 35 pages)</li> </ul>   | \$5,685         |
| Design Services: <ul style="list-style-type: none"> <li>• Creative Brief</li> <li>• Two Design Directions (Home and Secondary Pages)</li> <li>• Two rounds of revisions to chosen direction</li> <li>• Final Design Assets</li> <li>• Design Production Services</li> <li>• Stock Photography Licensing</li> </ul>  | \$5,568         |
| Web Site Development Services: <ul style="list-style-type: none"> <li>• Template Creation</li> <li>• Site Build Out (up to 35 HTML pages)</li> <li>• Quality Assurance Testing (with changes)</li> <li>• Client Testing (with changes)</li> <li>• Secure, password-protected testing site</li> <li>• Network/Server Administration</li> <li>• Launch Plan</li> <li>• Post Launch Support (up to 4 hours)</li> </ul> | \$4,497         |



## Optional Features

1. Third Design Direction  
**\$1,750**

The client can choose an additional design direction to be presented at the initial design presentation.

2. ADA Compliance  
ADA Compliance refers to adhering to the American Disabilities Act for building and maintaining accessible web sites for site visitors with disabilities. There are two different components to building an ADA compliant web site: development and testing. First Source Consulting will develop the web site to the desired ADA compliance level and test the site to ensure that the compliance level is met through the use of testing software specific to the ADA community and using screen readers used by the ADA community.

There are three different Levels of compliance that can be broken down into simple categorization:

### ***Level 1: Must Haves.***

**\$2,700.00**

This level requires the minimum adherence to ADA standards for accessibility. By applying level one compliance to web site we ensure that people with disabilities can access information.

### ***Level 2: Should Haves.***

**\$4,500.00**

This level requires a higher-level adherence to ADA standards for accessibility. By applying level two compliance to the web site we ensure that the majority of people with disabilities can access the information easily.

### ***Level 3: Might Haves.***

**\$6,300.00**

This level requires the highest level of adherence to ADA standards for accessibility. By applying level three compliance to web site, we make it as easy as possible for the majority of people with disability to access the information easily.

### ***Recommendation:***

First Source Consulting recommends the minimum level of compliance. This effort shows a good will effort to afford people with disabilities access to the information on the web site while reducing costs and project life cycle times. Government agencies are required to adhere to at least Level One compliance. The laws on Internet compliance to ADA standards are vague and unchallenged; therefore we strongly suggest that the client consult legal counsel to determine the level of compliance necessary to meet federal and state guidelines. First Source Consulting does not proclaim to be experts in the legal understanding of ADA compliance and legal ramifications of adhering to or not adhering to specific levels of compliance.

3. Gallery/Project Content Management System  
**\$3,420**

The client has expressed interest in the ability to post project-specific information on the web site through the use of a content management system. This system would allow the client, through the

use of web-based forms, to add content and pictures to the web site without the need for HTML knowledge or skills.

4. Document Management System  
**\$3,475**

The client has expressed interest in the ability to post agendas, minutes and permits documents through the use of a Document Management System. This system would allow the client to use web-based forms to add, edit, delete documents on the web site. User would then be able to visit the site and download any documents made available through the use of the system.

5. Water Level Content Management System  
**\$4,645**

A custom-built application will allow the client to post water level data through the use of web-based forms. This data will be collected and stored on the web site and presented to users through the use of a graphical interface, providing current and historical trends of water levels.

Final pricing, depending on which options are chosen, can range anywhere from \$19,095 to \$36,935. First Source Consulting recommends the following pricing matrix:

- Base Site \$16,995
- Gallery CMS \$3,420
- Water Level CMS \$4,645
- Level 1 ADA Compliance \$2,700

**Total: \$27,760**

We have excluded the document management CMS because we feel that the return on investment doesn't warrant the initial development costs of the application. Sending documents to First Source Consulting for inclusion on the web site on an as needed basis would be more cost effective. We've also excluded the additional design direction and proposing the minimum ADA compliance.

**Global Assumptions:**

- Site consists of 35 or fewer pages.
- Browser and OS compliance testing is limited to Windows 2000, NT and Mac OS X, IE 6+ and Netscape 7+, capturing 80%+ of the current site visitor demographics
- A project manager from the client will be appointed as the main point of contact for the project.
- The project manager and key stakeholders and decision makers will be reasonably available throughout the project for reviews, feedback and answers.
- All client deliverables including images, logos, etc will be made available to First Source Consulting in a timely manner and in the appropriate digital formats. It is assumed that the client has the rights to all materials provided to First Source Consulting.
- FTP access and rights will be granted to First Source Consulting for the collection, use, and deployment of files within the client's domain if hosted outside of First Source Consulting.

**Global Exclusions:**

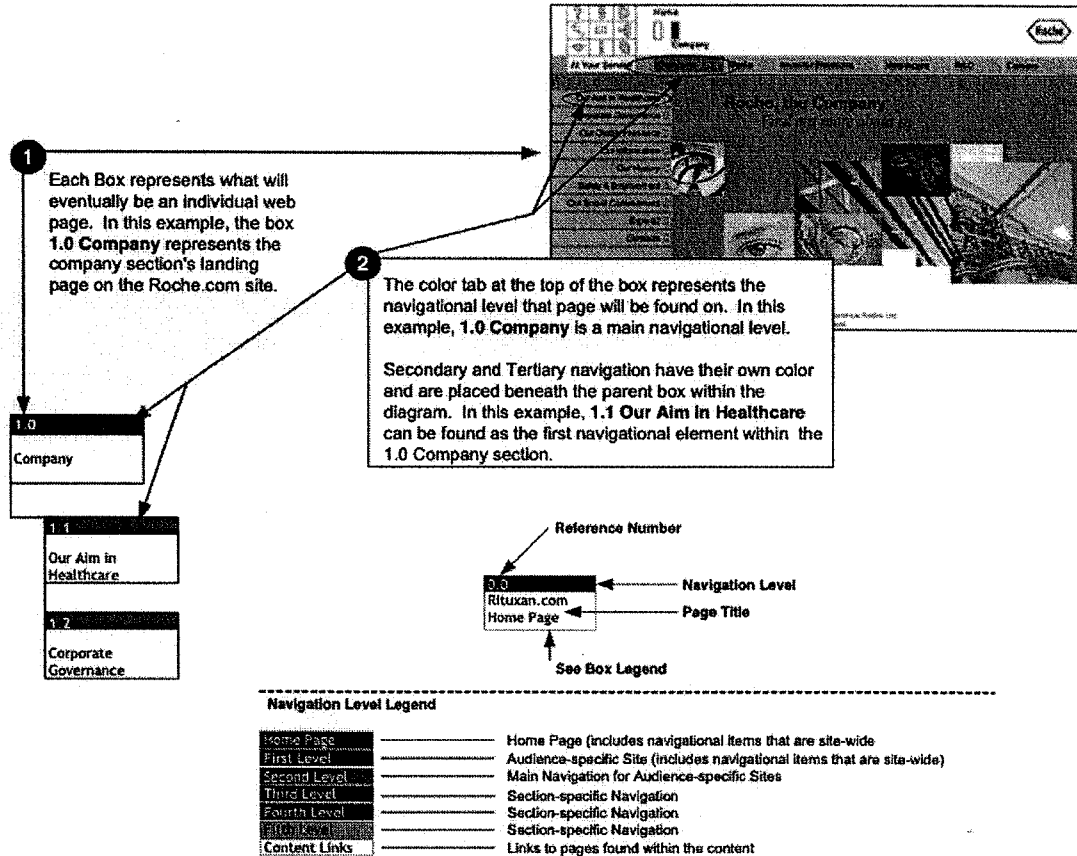
(Failure to list a specific exclusion does not imply inclusion)

- This project specifically excludes ADA compliance except when the optional feature is selected.
- This proposal specifically excludes additional OS/Browser development and compliance testing except when specifically noted.
- No encryption of data or forms are included within this proposal

## Appendix A – Explanation of Solutions

### Site Map

Site Map. The Site Map is a visual representation of the site's navigation, structure and nomenclature. The Site Map becomes the foundation of the web development project as it represents every page of the site and where that page can be found, and how to navigate to the page.



### Content Specification


The Content Specification document is an Excel document that builds on the framework created within the Site Map. The document provides an outline of the site's structure, notes on the content types, due dates and responsible parties. The Content Specification is used primarily by the client to manage the content development, gathering and review process. The Content Specification is then used by First Source Consulting to implement content throughout the site.

### Wireframes

Wireframes are the first step in laying out the content of the site. Through the use of black and white drawings, we "represent" the content that will be found on each individual page, we identify information hierarchy by placing priority content ahead of secondary content, and we state how visitors might interact with the content, if necessary. Wireframes, once approved, will be given to the lead designer who will then transform these black and white drawings into full-color design concepts. Wireframes provide the designer with a high-level understanding of the needs of each page. He/She can determine from the wireframes the type of content that will be presented, what types of interactions with the content are hoped for and even the

potential length of the content. With this information, design concepts can better represent the reality of the site.

Example of a Wireframe

| ConnectLife   Connect Future   Share Hope  |   |   |
|--|---|---|
| <a href="#">About Us</a>   <a href="#">Products</a>   <a href="#">Science</a>   <a href="#">People</a>   <a href="#">News</a>   <a href="#">Investor Relations</a>   <a href="#">Careers</a><br><a href="#">Corporate Overview</a>   <a href="#">History</a>   <a href="#">Community/Outreach</a>   <a href="#">Collaborations</a>   <a href="#">Awards &amp; Recognition</a>   <a href="#">Management</a>   |   |   |
| <p><b>Message from the CEO</b></p>  <p>Andrew C. Chan, CEO<br/>Chairman and Director Emeritus</p> <p><i>Message from the CEO - text needed. Message from the CEO - text needed. Message from the CEO - text needed.</i></p> <p><i>Message from the CEO - text needed. Message from the CEO - text needed. Message from the CEO - text needed. Message from the CEO - text needed.</i></p> | <p><b>About Us</b></p> <p><b>Corporate Overview</b></p> <p>Corporate messaging text - to be provided. Need text for this area. Link to text - to be provided. Corporate messaging text - to be provided. Corporate messaging text - to be provided. Corporate messaging text - to be provided. Corporate messaging text - to be provided. Corporate messaging text - to be provided. Corporate messaging text - to be provided. Corporate messaging text - to be provided. Corporate messaging text - to be provided.</p> <hr/> <p><b>Features</b></p> <p><b>Awards &amp; Recognition</b></p> <p>On January 29th, 2013, Genentech was named one of the "Top 100 Companies to Watch for 2013" by Fortune Magazine for the third consecutive year. The list recognizes companies that offer the most supportive professional environments and consistently attract the best and brightest from all over the world. Fortune noted that although Genentech is only 23 years old, 16 percent of the staff have worked at the company for more than 32 years and 50 percent of the employees are scientists.</p> <hr/> <p><b>Genentech Foundation for Biomedical Sciences</b></p> <p>The Genentech Foundation for Biomedical Sciences is an independent, nonprofit organization that supports biomedical research, education, and research at the San Francisco Peninsula</p> | <p><b>Contact Us</b></p> <p>Genentech, Inc.<br/>1 DNA Way<br/>South San Francisco, CA<br/>94025-4900<br/>Phone: (650) 436-1900<br/>Fax: (650) 234-6000<br/>Genentech in San Francisco<br/>Genentech in San Francisco</p> <hr/> <p><b>Other Contacts</b></p> <hr/> <p><b>Corporate News</b></p> <p><b>October 26, 2012: Genentech Named Among 100 Best Companies for Working Mothers</b></p> <p>Genentech was named one of the 100 Best Companies for Working Mothers by Glassdoor.</p> <hr/> <p><b>October 22, 2012: Genentech Reports 14 Percent Increase in Product Sales for Third Quarter</b></p> <p>Genentech reports a 14 percent increase in product sales for the third quarter of 2012.</p> <hr/> <p><b>August 26, 2010: Genentech Appoints Andrew C. Chan as Senior Director of Manufacturing</b></p> |

### Creative Brief

The Creative Brief is a document designed to clearly state the brand objectives of the web development project, outline the design constraints and requirements, and identify the audiences' unique needs in terms of relating to the brand. The Creative Brief is used as a contextual understanding of the designer's vision for the redesigned site.

### Two Design Directions

First Source Consulting will design two different look and feels for the web site. Each design direction will showcase the home page and a secondary page of the site. The client will then have the opportunity to review the designs, choose a particular design direction and provide feedback to the designer.

### Revisions to the Chosen Direction

First Source Consulting will take the feedback obtained in the first presentation and integrate this feedback into the chosen design direction. The revised design will then be built out to include a tertiary level page. These designs will then be presented to the client for final sign off.



## **Appendix B – Hosting Solutions and SLA**

### **Service Level Agreement**

What powers First Source Consulting's hosting? First Source Consulting's infrastructure has been created making use of the leading vendors in the industry, from high-quality redundant Internet connections to climate control systems to robotic tape backups, etc. First Source Consulting has partnered with the fourth largest hosting company to provide superior services.

The First Source Consulting Datacenter is located in Arizona. The infrastructure is monitored and supported by network administrators 24 hours a day, 7 days a week. Various Intrusion Detection Systems, a hardware-based firewall and load balancing appliances -- all at our point of contact to the Internet -- protect the network.

### ***Battery Backup -***

First Source Consulting attempts to eliminate all possibilities of downtime, and investing in UPS systems to eliminate power outages is one of them. First Source Consulting uses the top of the line UPS systems from MGE Systems. The Comet series, specifically built for telecommunication companies, is used and protects the entire Network Operations Center from power spikes or outages. Battery backup is used only temporarily before the Diesel Generators resume the NOC with full running power. Every 6 months, First Source Consulting does proactive maintenance on its UPS systems to insure batteries and other critical items are in good working order.

### ***Diesel Generators -***

If power is ever lost, First Source Consulting's UPS systems continue to run things as normal. UPS's are only used as a delay, for generators to start and warm up and then run a full load. First Source Consulting has automatic transfer switches, which means the moment power is lost, all systems automatically switch to alternate power. When the utility company returns normal power and First Source Consulting sees that it is stable, First Source Consulting will then manually move all systems back to the utility power. First Source Consulting uses top of the line Detroit Diesel Generators that are tested on a monthly basis. First Source Consulting can withstand 5 days straight without power from the utility companies. During this time, refills to the gas reserves are done periodically while the generator is in operation.

### ***Network Infrastructure -***

First Source Consulting's network is built upon a 22-GIGABIT fiber optic backbone and is broken down into segments to eliminate data saturation. By creating segments, we can drastically reduce any delays from server to server operations. For example, a website hits a SQL server that resides on the same fiber-connected segment making for faster and cleaner data transfer. Cisco is the vendor of choice for all switching and routing equipment on our network.

### ***Fire Safety Protection -***

In addition to following city ordinances for fire, life, and safety systems, First Source Consulting has gone above and beyond by adding a type of halon system in its Network Operations Center. These systems are impressive in that they can eliminate a fire without damaging any equipment that was in the surrounding area. A water only system, by comparison, will damage all systems within a 6-foot radius.

### ***Security is Critical -***

First Source Consulting not only takes steps to protect its data from potential Internet Fraud, but also takes internal security measures as well. Only network administrators have access into the Network Operations Center and an added level of security has been implemented. A random number generated keypad has been added which eliminates the possibility of someone piggybacking and following a pattern. Each time a network admin needs to access the room, the PIN remains the same, but the numbers are in different locations.

### **Network Redundancy –**

Having backup systems in place is critical in the web hosting industry. First Source Consulting utilizes hot and cold standbys for all network equipment, investing hundreds of thousands of dollars to provide uninterrupted connections for all servers and all customers. The Cisco 6509 switches we utilize even have internal redundancy, so the hot and cold standbys are built into the hardware itself. With one at the head of our network, as well as a separate failover, that gives our network quadruple redundancy. From network connectivity to service providers, our entire network is covered.

### **Connection to the Internet -**

The speed of which your site displays pages relies most importantly on the Internet Connections of your provider. First Source Consulting follows the same methodology providing the highest level of service by using only Tier 1 providers covering 95% of the Internet. By covering such a significant amount of the Internet, you and your customers (in 95% of the places you would log in) will not cross other networks to reach your site. If you use AT&T, you will stay on the AT&T network to your site, eliminating the largest bottleneck, "Cross Connects". First Source Consulting uses AT&T, UUNET, Time Warner, Qwest and more. First Source Consulting uses redundant OC-3 circuits to its vendors and also takes it one step further by using Satellite connections for additional redundancy. If any one of First Source Consulting's circuits were cut or disabled, all other circuits would continue normal operations.

### **Hosting Plans and Features**

|                          | Intermediate | Advanced  | Premiere  |
|--------------------------|--------------|-----------|-----------|
| Set Up Fees              | \$50         | \$80      | \$110     |
| Monthly Costs            | \$25         | \$40      | \$55      |
| <b>Main Features</b>     |              |           |           |
| Web Site Disk Space      | 400MB        | 600MB     | 1000MB    |
| Bandwidth                | 25GB         | 50GB      | 100GB     |
| Domain Pointers          | 4            | 8         | 12        |
| FTP Accounts             | unlimited    | unlimited | unlimited |
| Security User Names      | 10           | 10        | 10        |
| Daily Backups            | Yes          | Yes       | Yes       |
| Web-Based Control Center | Yes          | Yes       | Yes       |
| <b>Site Statistics</b>   |              |           |           |
| Search Engine Data       | Yes          | Yes       | Yes       |
| Full Visitor Details     | Yes          | Yes       | Yes       |
| 70+ Standard Reports     | Yes          | Yes       | Yes       |
| Download Raw Logs        | Yes          | Yes       | Yes       |
| <b>Email Features</b>    |              |           |           |
| Email Accounts           | 250          | 250       | 250       |
| POP3/IMAP                | Yes          | Yes       | Yes       |
| SPAM Filtering           | Yes          | Yes       | Yes       |
| Virus Scanning           | Yes          | Yes       | Yes       |
| WebMail Interface        | Yes          | Yes       | Yes       |
| Content Filtering        | Yes          | Yes       | Yes       |

|   |             |             |             |
|---|-------------|-------------|-------------|
| Email Aliases                                 | unlimited   | unlimited   | unlimited   |
| Email Forwards                                | Yes         | Yes         | Yes         |
| Auto Responders                               | Yes         | Yes         | Yes         |
| SMTP Authentication                           | Yes         | Yes         | Yes         |
| <b>Database Features</b>                      |             |             |             |
| Datasource/DSNs                               | unlimited   | unlimited   | unlimited   |
| MySQL Disk Space                              | 50MB        | 150MB       | 250MB       |
| Microsoft SQL Disk Space                      | 50MB        | 150MB       | 350MB       |
| Microsoft Access                              | Yes         | Yes         | Yes         |
| <b>Supported Scripting</b>                    |             |             |             |
| ASP.Net Hosting                               | Yes         | Yes         | Yes         |
| PHP4.x  | Yes         | Yes         | Yes         |
| ActiveState PERL                              | Yes         | Yes         | Yes         |
| Server Side XML                               | Yes         | Yes         | Yes         |
| Win CGI                                       | Yes         | Yes         | Yes         |
| Unique CGI Bin                                | Yes         | Yes         | Yes         |
| <b>Extra Features</b>                         |             |             |             |
| Shared SSL                                    | Yes         | Yes         | Yes         |
| ColdFusion Components                         | Yes         | Yes         | Yes         |
| Microsoft Index Server                        | -           | Yes         | Yes         |
| <b>Supported Applications</b>                 |             |             |             |
| FrontPage 97-2005                             | Yes         | Yes         | Yes         |
| Visual Studio 6.0/.Net                        | Yes         | Yes         | Yes         |
| Macromedia Dreamweaver                        | Yes         | Yes         | Yes         |
| Adobe GoLive                                  | Yes         | Yes         | Yes         |
| NetObjects Fusion                             | Yes         | Yes         | Yes         |
| Macromedia Flash                              | Yes         | Yes         | Yes         |
| Windows Media                                 | Yes         | Yes         | Yes         |
| Real Audio/Video                              | Yes         | Yes         | Yes         |
| <b>Optional Features/Extra Costs</b>          |             |             |             |
| Extra Domains (per month)                     | \$5         | \$5         | \$5         |
| List Services (limited to 10)                 | \$15        | \$15        | \$15        |
| Per GB Charge for exceeding bandwidth         | \$6/mo      | \$6/mo      | \$6/mo      |
| Additional SQL Databases (max of 5)           | \$8/mo/50MB | \$8/mo/50MB | \$8/mo/50MB |
| Additional MySQL Databases (max of 5)         | \$8/mo/50MB | \$8/mo/50MB | \$8/mo/50MB |
| Per 50MB Charge For Exceeding Mail Disk Space | \$8/mo      | \$8/mo      | \$8/mo      |
| Custom DNS Servers                            | \$20/mo     | \$20/mo     | \$20/mo     |

|   |             |             |             |
|---|-------------|-------------|-------------|
| <b>Extra Security Username, One-time Charge</b> | <b>\$8</b>  | <b>\$8</b>  | <b>\$8</b>  |
| <b>Set up fee for Customer supplied SSL</b>     | <b>\$30</b> | <b>\$30</b> | <b>\$30</b> |
| <b>Primary Domain Changes, one-time charge</b>  | <b>\$30</b> | <b>\$30</b> | <b>\$30</b> |
| <b>Restores from backup, per incident</b>       | <b>\$75</b> | <b>\$75</b> | <b>\$75</b> |
| <b>SQL Restores, per .bak file</b>              | <b>\$10</b> | <b>\$10</b> | <b>\$10</b> |



## **Appendix C – How We Do It (The Process)**

First Source Consulting utilizes a four-phased approach to web site development projects. The Four Ds as we call them: Definition, Design, Development and Delivery.

### **Definition**

First Source Consulting will begin the web site design and development project with a series of client meetings to uncover the project goals and objectives, target audiences, proposed site map, key stakeholders and decision makers, and outline the project's timeline.

#### ***Deliverables:***

- Site Map
- Content Specification
- Timeline

### **Design**

In the design phase, First Source Consulting will work with the client to design and develop an award-winning look and feel. First Source Consulting is committed to creating a web site that is both user friendly and brand conscious.

The design phase begins with the development of the creative brief, a document that clearly states the branding objectives, design constituents, and brand requirements. First Source consulting will then work with the client to develop wireframes, the first step in laying out the content of the site. Through the use of these black and white drawings, we “represent” the content and structure that will be found on priority pages throughout the web site.

Once this is completed, the true design of the site begins with the development of two design comps for the Home Page and a secondary page of the web site. The client will be able to choose one of the two directions, provide feedback and First Source Consulting will incorporate this feedback and build out the remaining pages within the design concept.

#### ***Deliverables:***

- Creative Brief
- Copywriting Services
- Wireframes
- Design Concepts (two concepts of the Home Page and a Secondary Page)
- Design Revisions to the chosen concept
- Final Design

### **Development**

In the third phase of the project, First Source Consulting will develop the HTML templates for the web site project and populate the content of the site. An extensive quality assurance and testing phase will conclude the development process, preparing the web site project for the client's review of the site on a password protected testing server available to the project team. Client's feedback will be incorporated into the site and the site prepared for launch.

#### ***Deliverables:***

- HTML Templates
- Site Build Out

- QA Testing
- Client Testing Server

### **Delivery**

In this phase, First Source Consulting prepares the web site project for deployment to the live server, provides further QA testing within the live environment, provides post-launch support and post mortem project follow up.

### **Deliverables:**

- Site Launch
- Post Launch Support
- Post Mortem Report

### **Typical Timeline:**

The timeline is specific to the Pricing Structure and Optional Features chosen within this proposal. Therefore, the timeline represented here is of the typical web development project's life cycle.

|              |         |
|--------------|---------|
| Definition:  | 3 weeks |
| Design:      | 3 weeks |
| Development: | 6 weeks |
| Delivery:    | 1 week  |

**RANDY & TINA WHITE  
LETTER**

April 8, 2005

San Simeon Community Services District  
111 Pico Avenue  
San Simeon, CA 93452

TO: SSCSD Board of Directors  
RE: Account # 103

Friends:

We live in Fresno and received our last water bill for our property at 523 Casa del Mar in San Simeon on Wednesday, March 30th and immediately recognized that it reflected usage 10 times higher than normal. Our condominium is a vacation property, and our normal water usage is very frugal.

We called the SSCSD office immediately, before 2 p.m. on that same day, to report the aberration, but found to our surprise that the office was closed.

We called again the following morning (Thursday morning, March 31, at 9:30 a.m.) to report the problem. Someone was sent the following day (Friday, April 1st). They determined that the reading was correct and reported that there must be a leak somewhere in the property. They shut the water off.

We came to San Simeon over the weekend and determined that there was a problem with our hose in the backyard. We fixed the problem and turned the water back on.

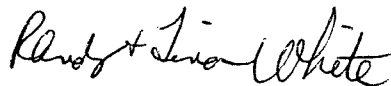
We estimate that the additional charges incurred by this problem could exceed \$450. This is more than we are used to paying in an entire year of water usage in San Simeon.

**Our request:** Would SSCSD consider extending grace to us by forgiving 50% of our March and April water bills? This reflects the fact that we in good faith attempted to resolve the problem on Wednesday, March 30 when we called the district to report a potential problem, however the District did not shut off the water until Friday, April 1. This proposal also reflects our responsibility to take some ownership for the problem itself.

We are enclosing the entire amount due according to our March statement, and are hoping that you'll grant our request and reduce our April bill in the amount of 50% of the March/April total.

We are committed to responsible water usage and conservation in San Simeon, and believe that our normal usage is far below the average. Thank you for considering our request.

Sincerely,



Randy and Tina White  
264 N. Van Ness Avenue  
Fresno, CA 93701-1628



Attachments can contain viruses that may harm your computer. Attachments may not display correctly.

**Joann Hale**

**From:** Rob Schultz [rschultz@morro-bay.ca.us] **Sent:** Tue 5/3/2005 8:31 AM  
**To:** Tom O'Neill  
**Cc:** terrymaren@aol.com; Joann Hale  
**Subject:** Re: SSCSD Agenda  
**Attachments:** RESOLUTION NO.doc(30KB)

Attached is a very rough draft of the resolution. You need to plug in the signatures reso no. the end and anything I left out since you know how this account will work.

Rob Schultz  
City Attorney  
City of Morro Bay  
955 Shasta Ave.  
Morro Bay, 93442  
(805) 772-6568 (voice)  
(805) 772-6572 ( fax)

\*\*\*\*\*

This message is intended only for the individual or entity named above, and may contain confidential or privileged information. If you are not the intended recipient, please do not read, copy, use or disclose this message to others. If you received this message in error, please contact the sender and then delete this message from your system.

>>> "Tom O'Neill" <toneill@ecoresources.com> 04/29/05 7:19 AM >>>  
Good morning Rob, just a reminder we need to have the correct wording for the resolution to open a \$79,500 CD account at Mid-States Bank for the construction of the WWTP upgrade. I spoke to Matt Thompson and he feels a copy of the resolution (sent to him) will meet the requirements of the Order. The resolution should allow the GM to roll the CD into another specified term if funds for construction are not need when the original term expires. We will also need a copy of the resolution before next Friday so we can include it in the board packets.

As you requested, Joann will e-mail you a draft agenda for your review before it is published.

Thanks,  
Tom O'Neill

**Board of Directors – Regular Meeting  
San Simeon Community Services District  
AGENDA  
Wednesday May 11, 2005 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 – REGULAR SESSION
  - 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 General Manager Report
    - 3.1.1 Regulatory Performance Report
      - A: Water
      - B: Wastewater
    - 3.1.2 Current Project Report
      - 3.1.2.1 Fence Installation Update
      - 3.1.2.2 Emergency Generator Update
      - 3.1.2.3 Recycle Bins (Condos)
    - 3.1.3 Superintendent Report
    - 3.1.4 Other Reports
      - 3.1.4.1 Introduction of Charlie Grace
      - 3.1.4.2 Courtesy Inn
      - 3.1.4.3 Billing and Collections Report
      - 3.1.4.4 M&R Fund Report
  - 3.2 District Counsel Report
  
4. ITEMS OF BUSINESS
  - 4.1 Approval of Minutes – February 9, 2005
  - 4.2 Approval of Minutes – Special Meeting – February 23, 2005
  - 4.3 Approval of Warrants – February 1, 2005 – February 28, 2005
  
5. DISCUSSION/ACTION ITEMS
  - 5.1 Discussion/Direction Regarding Draft 2005/2006 Draft Budget
  - 5.2 Discussion/Direction On Rate Study Presentation from Harvey Gobas of Psomas
  - 5.3 Discussion/Approval on Website Redesign Proposal from First Source Consulting
  - 5.4 Discussion/Action on RWQCB Mandatory Minimum Penalties
  - 5.5 Board Committee Reports
  - 5.6 Board Reports
  
6. BOARD/STAFF GENERAL DISCUSSIONS AND PROPOSED AGENDA ITEMS
  
7. ADJOURNMENT

*Approval of  
Resolution*

**Office Managers Report  
April, 2005**

| <b>April Services</b>       | <b>Amount</b>      | <b>#of Accounts</b> |
|-----------------------------|--------------------|---------------------|
| Water:                      | \$14,661.26        | 208                 |
| Sewer:                      | 14,070.11          | 202                 |
| Service Fees:               | 2,767.50           | 205                 |
| Late Fees:                  | 533.49             | 19                  |
| Adjustment*:                | -95.86             | 1                   |
| <b>Total April Charges:</b> | <b>\$31,936.50</b> |                     |

| <b>Past Due Accounts</b>  | <b>Amount</b>      | <b># of Accounts</b> |
|---------------------------|--------------------|----------------------|
| 1-30 Days:                | \$2,685.26         | 19                   |
| 31-60 Days:               | 599.88             | 5                    |
| Over 60 Days:             | 2,125.46           | 3                    |
| Overpayments/Prepayments: | -393.24            | 14                   |
| Turned Off Accounts:      | 0                  | 5                    |
| <b>Sub Total:</b>         | <b>\$5,017.36</b>  |                      |
| <b>Total Receivables:</b> | <b>\$36,953.86</b> |                      |

\*Adjustment:

Tinsey/Patricia: \$95.96 per 4/13/05 Board Approval credit for sewer service for excess water usage due to toilet plumbing problem.

## **3.1 General Managers Report**

### **3.1.1 Regulatory Performance**

- A. Water – There were no violations for the month of April
- B. Wastewater- There were no Violations for the month of April

### **3.1.2 Current Projects**

3.1.2.1 Fence installation update – Great Outdoors Construction was contacted and informed they were the low bidder. Staff was informed that Great Outdoors could not begin construction until late July because of a backlog of work. I checked with The Fence Factory the next lowest bidder and they would have the same schedule constraints. There is a requirement to clear a three-foot workspace between the old fence and the overgrowth and this delay will give staff the needed time to have the overgrowth cleared.

3.1.2.2 Emergency generator update – The switch panel was received about a week and a half ago and the emergency generator was received last week. Once all the equipment is received, the electrical contractor will come in and begin the installation.

3.1.2.3 Recycle bins for condominiums – Mission County Disposal has informed the district that each condominium dumpster will receive a 96 gallon recycle bin. If there were a requirement for additional bins, they would be the 36-gallon size available at an additional cost that has not yet been determined.

### **3.1.3 Superintendent Report**

See attached report

### **3.1.4 Other Reports**

3.1.4.1 Introduction of Charlie Grace – Charlie Grace has been given the responsibility of District Operations Manager (DOM) for the San Simeon CSD contract. Pat Guerre the Facility Manager will report to Charlie.

3.1.4.2 County Code Enforcement has been contacted regarding the possible reconfiguring of the rooms into residential apartments. An investigator from County Code Enforcement has been sent to confirm the activity.

3.1.4.3 Billing and Collections Report – See attached report

3.1.4.4 Maintenance & Repair Fund Report – See attached report.



San Simeon Community Services District  
 WARRENT REPORT  
 April 1, 2005 - April 30, 2005

|                                    | Type                                    | Date     | Open Balance | Warrant # | Check # |
|------------------------------------|---|----------|--------------|-----------|---------|
| Fields, Alan                       | Pmt May Board Services                  | 5/2/2005 | \$ 100.00    | 0405-001  | 5181    |
| Kiech, David                       | Pmt May Board Services                  | 5/2/2005 | \$ 100.00    | 0405-002  | 5182    |
| Lambeth, Terry                     | Pmt May Board Services                  | 5/2/2005 | \$ 100.00    | 0405-003  | 5188    |
| Mirabal-Boubion, Loraine           | Pmt May Board Services                  | 5/2/2005 | \$ 100.00    | 0405-004  | 5186    |
| Russell, John                      | Pmt May Board Services                  | 5/2/2005 | \$ 100.00    | 0405-005  | 5185    |
| Schultz, Rob                       | Pmt May District Counsel Services       | 5/2/2005 | \$ 1,575.00  | 0405-006  | 5187    |
| ECO Resources                      | Pmt May Services                        | 5/2/2005 | \$ 27,575.42 | 0405-007  | 5183    |
| PERS Health                        | Pmt May Health Insurance                | 5/2/2005 | \$ 135.07    | 0405-008  | 5177    |
| GBP&B                              | Pmt April Services                      | 5/2/2005 | \$ 1,200.00  | 0405-009  | 5184    |
| Air Pollution Control District     | Pmt Process Evaluation & Issuance       | 5/2/2005 | \$ 283.95    | 0405-010  | 5178    |
| San Simeon CSD/MWTP Const.Fund     | Pmt Discharge Vioation-Supp. Envir.Prj. | 5/2/2005 | \$ 79,500.00 | 0405-011  | 5178    |
| State Water Resources Control Brd. | Pmt Discharge Violation                 | 5/2/2005 | \$ 64,500.00 | 0405-012  | 5179    |
| United Rentals                     | Pmt Generator Rental                    | 5/2/2005 | \$ 984.58    | 0405-013  | 5180    |

Total:

\$ 176,254.02

**Robert W. Schultz Esq.**

# INVOICE

1326 Alder Street  
San Luis Obispo, CA 93401  
(805) 544-6655

DATE: May, 2, 2005

**FROM: Robert Schultz  
District Counsel**

**TO: San Simeon Community Service District  
111 Pico Avenue  
San Simeon, CA 93452**

| DATE                       | DESCRIPTION  | AMOUNT             |
|----------------------------|--|--------------------|
| 05/01/05<br>to<br>05/31/05 | LEGAL SERVICES FOR THE MONTH OF<br>MAY – FLAT RATE – DUE NOW | \$ 1,575.00        |
|                            | <b>TOTAL AMOUNT DUE</b>                                      | <b>\$ 1,575.00</b> |

**Our Contract requires SSCSD to pay for my services one month in advance.**

**Please pay within 10 days. Thank you**



Invoice # H2005051566000

**Monthly Billing Invoice**  
May 2005

San Simeon Community Services District  
Forrest Warren  
111 Pico Ave  
San Simeon, CA 93452

Employer Code: 1566      Unit Code: 000

|  |    |               |
|--|----|---------------|
| Balance as of 04/15/2005                 | \$ | (1.36)        |
| Health Premium Amount Due for 05/01/2005 |    |               |
| Total Active                             | \$ | 0.00          |
| Employer Share for Retired (\$702.88)    | \$ | 133.44        |
| Administrative Costs (0.425% of premium) | \$ | 2.99          |
| Assessed Interest on Unpaid Balances     | \$ | 0.00          |
| <b>Total Due this Month</b>              | \$ | <b>135.07</b> |

Mail Remittance with Coupon to:  
California Public Employees' Retirement System  
P. O. Box 4032  
Sacramento, CA 95812-4032

Please refer to the ACES Public Agency Billing function ([www.calpers.ca.gov/aces](http://www.calpers.ca.gov/aces)) to view a detailed list of your participants.

If you have any questions, please refer to your Public Agency Billing telephone listing.

Information on Late Payments: If your payment is not received on or before the 10th of the month, assessed interest will be charged to your account. If you have any questions, please contact the Employer Contact Center at 1-888-CalPERS.

**PUBLIC AGENCY COPY**



**Monthly Health Premium Payment Coupon**

*Due: May, 10, 2005*

*Invoice # H2005051566000*

Please remit payment and coupon to:

California Public Employees' Retirement System  
P. O. Box 4032  
Sacramento, CA 95812-4032

Payment Amount: \$135.07 \_\_\_\_\_

Employer Name: San Simeon Community Services District \_\_\_\_\_

Employer Code: 1566 \_\_\_\_\_

Unit Code: 000 \_\_\_\_\_

Employer Contact Name: \_\_\_\_\_

Employer Telephone Number: \_\_\_\_\_



**Directors:**

David A. Bryson, CPA  
Gary A. Wintermeyer, CPA  
Bradford M. Hair, CPA  
Jeanne A. Potter, CPA  
Daniel J. O'Hare, CPA  
Kathi Niffenegger, CPA  
Fred W. Bogart, CPA  
Allen E. Eschenbach, CPA  
Michael T. Glaudel, CPA  
R. Lance Cowart, CPA



**Directors Emeritus:**  
Fred L. Glenn  
Stephen A. Burdette  
David W. Phillips, CPA

**CERTIFIED PUBLIC ACCOUNTANTS**  
**TAX AND BUSINESS ADVISORS**

San Simeon Community Services District  
111 Pico Ave.  
San Simeon CA 93452

*Invoice no.:* 68891  
*Date:* 4/27/2005  
*Date Due:* 5/27/2005  
*Client ID:* 12321

**REMITTANCE COPY**

Professional services rendered as follows:

|   |            |
|---|------------|
| Consulting and bookkeeping services for the month of April 2005 | 1,200.00   |
| New Charges:  | \$1,200.00 |
| Plus Prior Balance:   | 0.00       |
| New Balance:  | \$1,200.00 |

Fees are billed each month as services are rendered. Our invoices are due and payable upon presentation. All balances over 30 days past due have service charges added of 1.5% per month.



**AIR POLLUTION  
CONTROL DISTRICT**  
COUNTY OF SAN LUIS OBISPO

INVOICE  
9731

# REMITTANCE COPY

MAKE ALL CHECKS PAYABLE TO SAN LUIS OBISPO AIR POLLUTION CONTROL DISTRICT

**TO: San Simeon Community Services District**  
**111 Pico Avenue**  
**San Simeon CA 93452**

**DATE: 4/8/05**

**PAYMENT DUE IN 30 DAYS.**

**ATTN: Tom O'Neill**

**Account: 3947**

PLEASE RETURN REMITTANCE COPY WITH PAYMENT

| Action Date | App # | A/R # | Description   | Amount   |
|-------------|-------|-------|---|----------|
| 04/07/05    | 3872  | 10314 | Authority To Construct - Standby diesel engine<br>Processing, Evaluation and Issuance | \$283.95 |

Equipment Location: 111 Pico Avenue, San Simeon

**TOTAL DUE \$283.95**

# San Simeon Community Services District



111 Pico Avenue, San Simeon, California 93452  
(805) 927-4778 Fax (805) 927-0399

April 21, 2005

Suzanne Atkinson  
Glenn, Burdette, Phillips & Bryson  
1150 Palm Street  
San Luis Obispo, CA 93401

Dear Suzanne:

As you are aware, the Regional Water Quality Control Board (RWQCB) has assessed the San Simeon Community Services District (SSCSD) fines in the amount of \$144,000 for discharge violations at the wastewater treatment facility. The RWQCB has determined that \$79,500 of these fines can be used for a Supplemental Environmental Projects (SEP) and the balance, \$64,500 must be paid to the State Water Resources Control Board (SWRCB). The SSCSD Board has directed staff to establish a Certificate of Deposit account for the SEP funds and to send a check to the SWRCB for the \$64,500.

Please issue the following checks for board approval at the next board meeting on May 11, 2005:

|                                       |          |
|---------------------------------------|----------|
| San Simeon CSD/WWTP Construction Fund | \$79,500 |
| State Water Resources Control Board   | \$64,500 |
| SWRCB Accounting                      |          |
| Attention: Enforcement                |          |
| P.O. Box 100                          |          |
| Sacramento, CA 95812-0100             |          |

If you have any questions please give me a call at (805) 927-4778 or (916) 353-0600.

Thank you,

A handwritten signature in cursive script that reads "Tom O'Neill" followed by a stylized flourish.

Tom O'Neill  
General Manager SSCSD



635 TANK FARM ROAD  
 SAN LUIS OBISPO, CA 93401  
 805-543-7297

Job Site

SAN SIMEON C S D  
 9245 BALBOA \*\*  
 SAN SIMEON, CA 93452

C#: 805-927-4778 J#: 805-927-4778

Customer

SAN SIMEON C S D  
 111 PICO AVE  
 SAN SIMEON, CA 93452



Customer.... 706932  
 Invoice #... 46969537-001  
 Invoice date 4/04/05  
 Date out.... 3/28/05 3:00 PM  
 Date in..... 4/01/05 2:30 PM

Job Loc..... 9245 BALBOA, SAN SIMEON  
 Job No..... 2 - SAN SIMEON C S D  
 P.O. #.....  
 Ordered By.. PAT  
 Written by.. UR560JR  
 Salesperson: 3960  
 Terms..... Net 30 Days

PLEASE REMIT PAYMENT TO:  
 UNITED RENTALS NORTHWEST, INC.  
 PO BOX 79337  
 CITY OF INDUSTRY, CA 91716-9337

| Qty                              | Equipment #  | Min         | Day    | Week   | 4 Week | Amount            |        |
|----------------------------------|--|-------------|--------|--------|--------|-------------------|--------|
| 1                                | GENERATOR 70-84 KVA<br>193892 Make: MULTI QUIP<br>HR OUT: 6468.20 HR IN: 6468.20 | *           | 226.00 | 226.00 | 839.00 | 2247.00           | 839.00 |
| Model: DCA-70SSJU Ser #: 7302139 |  |             |        |        |        |                   |        |
| SALES ITEMS:                     |  |             |        |        |        |                   |        |
| Qty                              | Item number  | Stock class | Unit   | Price  | Amount |                   |        |
| 1                                | ENV<br>ENVIRONMENTAL CHARGE  | MCI         | EA     | 4.020  | 4.02   |                   |        |
|                                  | PICKUP CHARGE  |             |        |        |        | 75.00             |        |
|                                  |  |             |        |        |        | Sub-total: 918.02 |        |
|                                  |  |             |        |        |        | Tax: 66.56        |        |
|                                  |  |             |        |        |        | Total: 984.58     |        |

RENTAL PROTECTION DECLINED

\* ENVIRONMENTAL CHARGE: The items indicated above are subject to an environmental charge which is designed to recover the company's direct and indirect expenses for the handling, managing and disposing of waste products, hazardous materials, and related administrative costs. This is not a government mandated charge.  
 FUEL: Fuel charges do not include federal, state or local fuel excise taxes.

OPTIONAL RENTAL PROTECTION PLAN: **THE RENTAL PROTECTION PLAN IS NOT INSURANCE!** Upon accepting the Optional Rental Protection Plan, the Customer agrees to pay a charge equal to 14% of the rental charges on Equipment Customer wants covered by the Rental Protection Plan. In return, as set out on the back page, United agrees to waive certain claims for accidental damage to such covered Equipment occurring during normal and careful use. Customer remains liable for all damages and loss due to theft listed under The Rental Protection Plan provisions in the Terms and Conditions on back page, including Customer's negligence. **Customer Accepts ( )** **Customer Declines ( )**

**BEFORE SIGNING:** United hereby leases to Customer the Equipment (as defined in the Terms and Conditions on the reverse side) and Customer hereby accepts all **TERMS AND CONDITIONS** listed in its rental agreement, including the Terms and Conditions set forth on the reverse side, which the undersigned has read and understands. REMINDERS: (1) Rates do not include fuel or delivery; (2) Optional Rental Protection Plan charge is 14% of the total rental charge for covered equipment; (3) Customer pays for all time the Equipment is out, including Saturdays, Sundays and Holidays. (4) This rental agreement supersedes all other purchase orders or terms and conditions contained in any of Customer's agreements or forms; (5) Customer assumes all risk and is responsible for all damages and other costs, including late charges. Details of the above as well as other obligations and responsibilities are contained in the **TERMS AND CONDITIONS ON REVERSE. THE INDIVIDUAL SIGNING BELOW AS OR ON BEHALF OF CUSTOMER: (1) AGREES TO ALL OF THE TERMS AND CONDITIONS ON THE REVERSE SIDE OF THIS RENTAL AGREEMENT, (2) ACKNOWLEDGES RECEIPT OF THE EQUIPMENT IN GOOD WORKING ORDER AND, (3) IS FULLY FAMILIAR WITH ITS OPERATION AND USE.**

X  
 CUSTOMER SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_ NAME PRINTED \_\_\_\_\_ DELIVERED BY \_\_\_\_\_ DATE \_\_\_\_\_



