Board of Directors
San Simeon Community Services District

BOARD PACKET

Wednesday, September 11, 2013
Regular Meeting 6:00 pm

Cavalier Banquet Room
250 San Simeon Avenue
San Simeon, CA

Prepared by APT water

AGENDA
SAN SIMEON COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS REGULAR MEETING
Wednesday, September 11, 2013
6:00 pm

CAVALIER BANQUET ROOM
250 San Simeon Avenue
San Simeon, CA

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

1. **NO CLOSED SESSION**

2. **REGULAR SESSION: 6:00 PM**

   A. Roll Call

   B. 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.

   A. Sheriff's Report – Report for August.

   B. Public comment on Sheriff's Report

4. **BOARD PRESENTATIONS AND ANNOUNCEMENTS:**

   Board Members may address the Board and the Public relating to any matter within the Board's jurisdiction. Presentations are limited to three (3) minutes or otherwise at the discretion of the Chair.

5. **STAFF REPORTS**

   A. General Manager's Report

      1. **Staff Activity** – Report on Staff activities for the month of August.

      2. **Grants, Loans and Partnership Opportunities** – Update on USDA Loan and HWY 1 signs.

3. **Reservoir Tank Feasibility Study**

B. **Superintendent's Report**

1. **Wastewater Treatment / Collection Systems** – Summary of operations and maintenance for August.

2. **Water / Distribution Systems** – Distribution performance for the Month of August.

3. **District Maintenance** – Summary of District maintenance for August.

C. **District Financial Summary** – Update on Monthly Financial Status for close of business August 31, 2013.

D. **District Counsel's Report** –

1. **Oral Report on current issues**
2. **Update on Balboa Avenue Beach Access** – Public or Private Access?

6. ITEMS OF BUSINESS

A. **Approval of last month's minutes** – August 14, 2013.

B. **Approval of Disbursements Journal** – September 11, 2013.

7. DISCUSSION/ACTION ITEMS

A. **Discussion of Ordinance 106, Stage 1, 2 and 3 Alerts:** As we potentially go into Stage 3, is the current ordinance Stage 3 restriction effective enough to reduce water usage?

8. **Board Committee Reports** – Oral Report from Committee Members.

9. **Board Reports** – Oral Report from Board Members on current issues.

10. BOARD/STAFF GENERAL DISCUSSIONS AND PROPOSED AGENDA ITEMS

11. ADJOURNMENT

GENERAL MANAGER'S REPORT
Charles Grace
Staff Activities for August

General Managers Report
September 11, 2013

1. **Staff Activity** – Report on Staff activities for the month of August.

   Along with billing and collections, Staff attended the SLO Council of Governments (SLOCOG) and "SLO BY-Ways "meetings to obtain current updates. Staff worked with residents on several unregistered/abandoned vehicles and trailers. Staff prepared and sent information to the State to ELAP (Environmental Laboratory Accreditation Program) certify the San Simeon WWTP lab. Staff was in contact with the United States Department of Agriculture (USDA), Phoenix Engineering, PG&E and Rahmina Construction regarding preparation for construction of the Wellhead Project.

2. **Grants, Loans and Partnership Opportunities**

   Well Rehab Project – Jon Turner, Phoenix Engineering
   "The project is currently in the equipment submittal stage. All of the items have been reviewed once and some of the equipment items are being resubmitted by the Contractor for review by the designer. The review team has been coordinating with the Contractor regarding project schedule. At this time, the well pump equipment (pumps and motors) have been identified by the Contractor as long lead time items. It is estimated that the time for manufacture, testing and shipment to the project site is 12 to 16 weeks from the time that the order for the equipment is placed. The team is working diligently in ensuring that this equipment is approved as quickly as possible.

   The Construction Manager has been in close contact with the USDA representatives regarding the project schedule, updates on the project submittal review and overall project progress. Based on the current schedule provided by the Contractor, it is anticipated that the Contractor will start work at the site in the month of October. The Contractor has indicated that it is their intent to begin work on the building first while the pumps and motors are being fabricated. The Contractor wants to make sure that the equipment is on site for the actual well work prior to decommissioning and removal of the first well equipment. That way, if there is an issue the installation of the equipment it will result in minimal impact to the District. Only one well will be taken offline at a time. The Contractor is required to complete one well first before performing work on the second well to ensure that the District always has a water supply."

San Luis Obispo County of Government (SLOCOG) Signs
SLO County Board approved the Interpretive Signage Plan and approved a contract with Rick Engineering to deliver all Cal Trans project required certifications. SLOCOG and team have started the permitting process and engineering and permitting is scheduled to be done in December. Once all permitting is completed, SLOCOG staff can go into the "Construction Authorization" phase to proceed with a bid package (slatted for December). Ground breaking should begin in December/January for the posts and the signs, which take two months to make, should go up in February/March. As long as Cal Trans approves all paperwork as planned and does not change the parameters (parameters to date have been changed at least 3 times), the schedule should stay on target.

Highway One Gateway Monument Welcome Sign
The THREE Gateway Monuments are planned for SLO, Cambria, and San Simeon. Originally Cambria was to receive two monuments (north and south) but the environmental review removed the south sign. Caltrans has approved the "Gateway Monument Program" application and we are in the middle of final engineering and permitting. Once Cal Trans approves the permits from SLO County, SLOCOG will go out to bid. This is expected for the December SLOCOG Board meeting. Construction will occur from there as weather permits. The monuments MAY be constructed one at a time or all at once depending on the size of the company selected (lowest bidder gets it).

3. **Reservoir Tank Feasibility Study** – The study is attached for your review. Staff is moving toward the land acquisition phase.

Phoenix Civil Engineering, Inc.

4532 Telephone Road, Ste. 113 Ventura, Ca 93003 805.658.6800
info@phoenixcivil.com www.phoenixcivil.com

Mr. Charles Grace
San Simeon Community Services District
111 Pico Ave.
San Simeon, CA 93452

September 5, 2013

San Simeon Community Services District – Potable Water Tank Expansion Feasibility Study

Dear Mr. Grace-

In May 2011, the San Simeon Community Services District (District) retained Phoenix Civil Engineering, Inc., to prepare a potable water storage tank feasibility study based on the recommended potable water storage facility requirements outlined in the District Water System Master Plan (by others). The existing master plan documents the existing condition system storage deficiency as well as the future (buildout) condition storage system deficiency. This potable water storage tank feasibility study summarizes the existing potable water storage tank condition, utilizes information from previous studies compiled for the District relating to the water pipeline and storage facility (Boyle Engineering Corporation, November 2007), and provides several alternatives for expanding the current tank to meet current and future community needs. Recommendations relating to potential layout configurations and the associated engineering opinions of probable construction cost (OPCC) are also included to assist the District in the decision making process.

Background

San Simeon is located in San Luis Obispo County, California, along Highway 1. The District serves an area of approximately 100 acres, with ground elevations ranging from sea level on the west side of the highway, to approximately 85 feet above sea level on the east side of the District. The District Water Master Plan stated that in 2000, there were approximately 320 dwelling units in San Simeon, and the residential population was estimated to be approximately 247 persons. Motel rooms, restaurants, and other tourist facilities are a major component in the Community's water and sewer usage. According to the Draft Community Plan, there were 706 existing hotel/motel units in the District service area (2003). Tourist populations vary with the seasons.

From information provided in the District Water Master Plan, prepared by Boyle Engineering Corporation (Boyle) and the as-built plans provided by the District, the following information on the existing potable water storage tank is known. The District has one existing potable water tank constructed in 1973 with a 150,000 gallon capacity located in a paved and chain link fenced facility (approximately 100 feet by 90 feet in size) on the Hearst Ranch (Hearst Holdings, LLC) that provides regulatory, fire, and emergency storage (Figure 1). The tank is located in an easement on the Hearst Ranch property (assessor's parcel map number 013011024). A copy of the assessor's parcel map is included in the Appendix. The tank is covered, buried (with approximately 2-3 feet exposed above ground), and constructed of concrete (Figure 2). It is square in configuration with a floor measuring approximately 23 feet in each direction and sides that slope at approximately 1:1. The tank floor is located at an elevation of about 151 feet from mean sea

level (MSL), and the maximum water level is approximately 165 feet MSL. The normal operating high water level is approximately 164.5 feet MSL. Located directly adjacent to the existing tank are several other parcels owned by Hearst Holdings, Inc. Some are part of a conservation easement and others are actively used for agricultural and equestrian purposes. The tank site is utilized as a repeater location for the District's supervisory control and data acquisition (SCADA) network for the water system. An instrumentation cabinet is located at the site along with an antenna that communicates with the District wastewater treatment plant network. Photographs of the existing tank site are included in Figure 6.

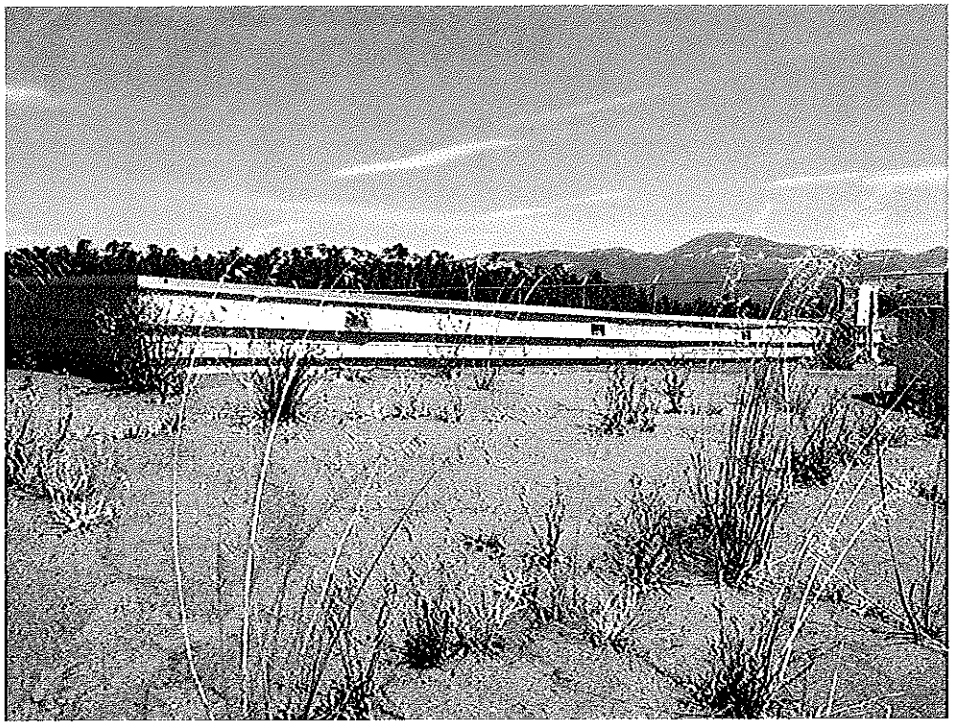
Figure 1: Map of Existing Tank and District Boundary

Note: District Boundary is as shown in Boyle Water Master Plan and Wastewater Collection System Capacity Evaluation (2007)

The District retained Boyle in 2007 to develop a Water Master Plan and Wastewater Collection System Capacity Evaluation. They identified and prioritized necessary improvements to the District systems that would be needed to fulfill existing and future demands. Their recommendations included:

- Rehabilitation of one of the District's two potable water wellheads;
- Upgrading/replacing existing potable water pipelines throughout the District; and
- Expanding the existing tank capacity from 150,000 gal to 750,000 gal to cover the demands associated with existing and future (buildout) conditions.

Figure 2: Existing Storage Tank Site



Alignment/Layout

The purpose of this report is to provide the District with proposed alternative locations for and potential configurations of an expansion of the current District tank to provide an additional 600,000 gallons of potable water storage, based on the recommendations outlined in the District Water Master Plan. According to that document, the current system does not meet the existing or buildout recommended requirements for operational, emergency, and fire storage. Boyle determined that operating the two District wells on a 24-hour schedule would minimize the operational storage requirement and thus the

required tank size. Given a 24-hour pumping schedule, the current system is at a 450,000 gallon deficit. Factoring in estimated future demand (buildout condition) brings the storage deficit to 600,000 gallons. The buildout conditions and land uses are as stated in the County of San Luis Obispo General Plan for the District area.

The existing tank is located approximately 70 to 80 feet in elevation above the highest occupied elevation of the District boundary. The District boundary does not include the tank as shown in Figure 1 (Boyle 2007). In addition, the District is bordered by the Pico Creek on the northwest boundary (approximately 20 to 30 feet lower in elevation) and fairly consistent sloped elevations to the southeast. The topography generally trends upward in elevation, but is marked by gentle slopes and valleys in a north/ northeast direction. A downward sloping bluff exists due west of the tank site that will prevent locating a tank in that area for numerous reasons (aesthetics, visual impact, additional engineering, etc.) Based on the existing topography of the area and consideration of the Hearst Holdings, LLC operations, expansion of the existing tank site is possible north/northeast or east directly adjacent to the existing tank site. The location of potential sites is shown in Figure 3.

Figure 3: Potential Project Sites

The parcels adjacent to and in the near vicinity of the existing tank are owned by Hearst Holdings, LLC, as discussed earlier. In the areas considered in this report for siting the tank, the land uses are open space, agricultural/equestrian. The Hearst Corporation and the District have a long standing history of cooperation and good will. The Hearst Corporation has coordinated efforts on past District projects, and it is likely that the proposed potable water storage tank expansion will be able to be sited on the empty

parcel. Coordination with the Hearst Holdings, LLC representatives will be performed by the District. No contact with the Hearst Holdings, LLC representatives was made as part of this report preparation.

For purposes of this report, several early decisions were made that eliminated potential options for tank expansion. The eliminated options are listed in Table 1 with the reason for elimination to document the decision making process performed as part of this study.

Table 1: Eliminated Options

Number	Description	Reason for Elimination
1	Expansion of existing tank structure	Existing tank is the sole storage supply for the District. Temporary storage tanks combined with the age of the existing tank would be very costly when compared to other alternatives.
2	Additional tanks located in an area outside of the scenic corridor	Piping costs, increased impact on the existing parcel owner and operational considerations (distance and hydraulic) would add unnecessary costs to the project.
3	Tanks located to the west of the existing tank	Adjacent existing downsloping hillside would require substantial geotechnical design of the proposed tanks.
4	Tanks located to the south of the existing tank	Existing topography would make the new tank(s) extremely visible from Highway 1 and the residents.
5	Tanks located in the District boundary with a hydropneumatic booster pump	Lack of available suitably zoned land as well as the increased long term equipment operation and maintenance costs associated with overcoming the hydraulic requirements of the system.
6	Square tanks with sloped sides (to match existing tank)	Construction costs associated with this option would be much higher than for a square or circular tank with vertical edges.

Potable water storage tanks come in a variety of sizes, materials and shapes depending on the need of the agency/owner. The existing tank is a buried, square, concrete tank with a wooden roof. Other

configurations of tanks are circular or polygon shape. Tank materials can be concrete or steel. Steel tanks can be welded or bolted. Tanks can be buried, below grade or above ground. Some communities have tanks that are below grade, but not backfilled (buried) to address aesthetic or hydraulic purposes. Other communities have exposed above grade tanks. The following options are discussed assuming that the additional tank(s) will be constructed in an area adjacent to the existing tank. It is recognized that other configurations and capacities could be researched, but the three listed meet the District and site restrictions.

- Option 1: One 600,00 gallon tank
- Option 2: One 300,000 gallon tank (existing condition) and one 300,000 gallon tank (buildout condition) - phased
- Option 3: One 375,000 gallon tank (existing condition) and one 375,000 gallon tank (buildout condition in the location of the existing tank) - phased.
- Option 4: One 70 acre foot (AF) open top reservoir and associated water treatment plant.

Options 1 through 3 discussed in this report are buried concrete structures. Though an above ground steel tank would be more financially attractive, the costs associated with compliance with the aesthetic requirements imposed by the County of San Luis Obispo (Highway 1 scenic corridor) would substantially increase the overall project cost because it would have to become a below grade tank making it the most costly option due to grading and land impact. For purposes of this report, a steel tank option was not further analyzed because of the lack of nearby topographical features that would comply with the aesthetic conditions and still meet the hydraulic requirements of the community. Use of a low-profile structure would make the new structure almost entirely out of the visual range of Highway 1, and only slightly visible from residential areas. Landscaping and visual simulations could be used to obstruct an above ground steel tank, but could draw view towards the site instead of obstructing it. This is another reason only buried concrete structures will be considered in this report. It is also important to note that visual impacts from the construction of the project will have to be mitigated during the design phase.

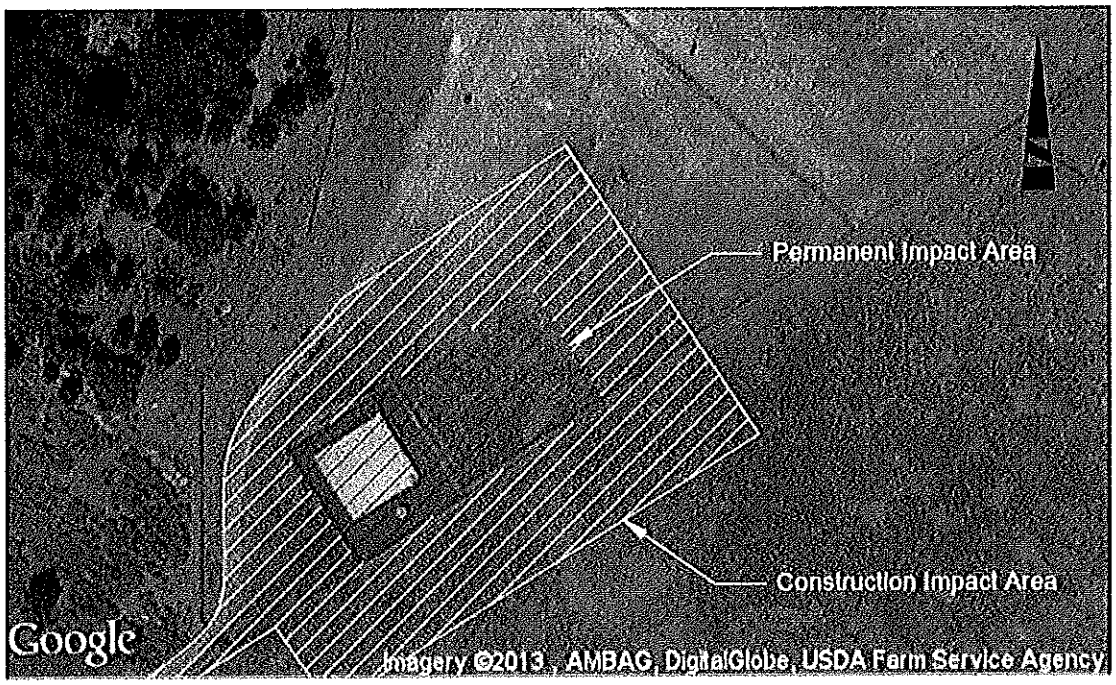
It is also assumed in this report that the existing structure will continue to be utilized for Options 1 and 2. In those options, the new tank construction will be for 600,000 gallons additional storage capacity to supplement the existing tank rather than for the full 750,000 gallons needed for future District (buildout) demands. Option 3 will replace the existing tank when the tank necessary for the buildout condition is constructed. Option 3 will require careful scheduling to ensure that the community has not grown so large that the 375,000 gallon tank will not meet the demands at that time while the second 375,000 gallon tank is being constructed. Option 4 would eliminate the tank entirely unless it was determined during the siting and design phase of the reservoir that the existing tank was needed for pressure/hydraulic reasons to serve the District system.

Assuming the operating range of the new tank(s) will be about the same (floor elevation at 151 feet MSL, maximum water level at 165 feet MSL) as existing to avoid hydraulic issues (such as the tanks not draining completely or overflowing), the area to be used for the new tank(s) can be estimated using the dimensions of the existing tank (see Table 2). In addition, the existing facility has about 6,000 square feet of paved area surrounding the tank. For the purposes on this report it is assumed the new tanks in Options 1 through 3 will have a similar amount of paved area. Option 4 would require a configuration that is completely different than the other Options and would be primarily dictated by the existing topography where the 70 acre foot reservoir (350 feet x 350 feet x 25 feet deep) can be located. For purposes of this report, we assumed a square configuration for the Option 4 site. Different configurations shall be considered during the design phase when a suitable site is located. Table 2 lists the configuration of the existing tank site.

Table 2: Existing Tank Configuration

Volume	Facility Dimensions	Facility Area	Floor Dimensions	Top Dimensions	Operating Range
150,000 gal	90' by 100'	9,000 ft^2	23' by 23'	55' by 55'	151' MSL – 165' MSL

Figure 4: Construction and Permanent Impact Areas



Note: This figure shows the maximum impact area for all options considered for the purposes of this report. A more exact impact area will be determined during the design phase.

Alternatives Considered

The new tank(s) can be constructed in several different configurations, the probable costs of which will be discussed later.

For each option, the District must consider tank shape alternatives. The existing tank is square, as was discussed earlier. However, the District may choose to utilize a circular shape for the new construction. This would be significantly easier to construct, requires less concrete, and requires less area, as compared to a square tank. Rectangular tanks were not considered here, but are also an option the District may wish to consider during the design phase. The sizing of the square tank assumed that the walls would be vertical and no interior sloping of walls would be required. Sloped interior walls similar to the existing tank will require additional project area.

Facility areas were calculated using the area the proposed tank(s) would require with an additional 6,000 square feet for maintenance and regulatory concerns.

Option #1 – One 600,000 Gallon Tank

Table 3: Possible Configurations for Option #1

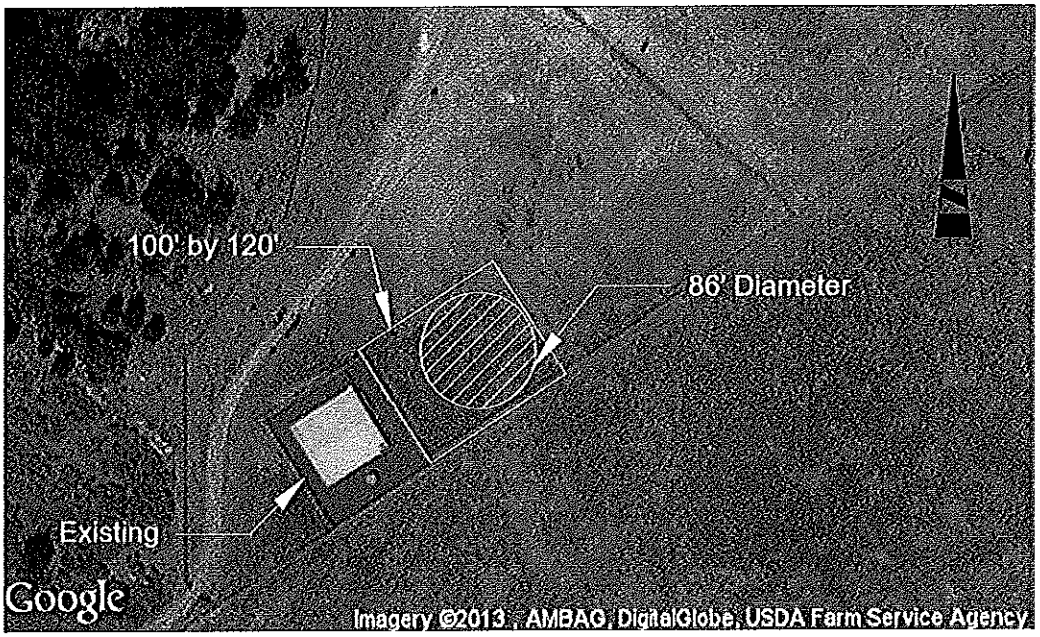
	Circular Tank	Square Tank
Tank Dimensions (Surface)	85 feet in Diameter	75 feet by 75 feet
Facility Area	100 feet by 120 feet	100 feet by 120 feet

Note: Values in table are rounded to nearest 5 foot dimension. Actual dimensions will need to be determined during the design phase.

For this option, the existing tank would be left in place and a new 600,000 gallon tank would be placed adjacent to the existing tank, as shown in Figure 5a. The dimensioning of this option is discussed in the table above. This option would fulfill both current and buildout requirements with one construction project and would require no phasing. The existing tank would remain online during construction, and once construction is complete the existing tank could easily be taken offline for routine maintenance and repairs without affecting service. However, this option would require the largest initial investment by the District, and thus may not be economically feasible. In addition, the existing 40 year old tank would continue to remain in service, but will require consideration for repair/replacement in the next 10 to 20 years.

Figure 5a: Sample Layouts (Option 1)

Circular Tank



Square Tank

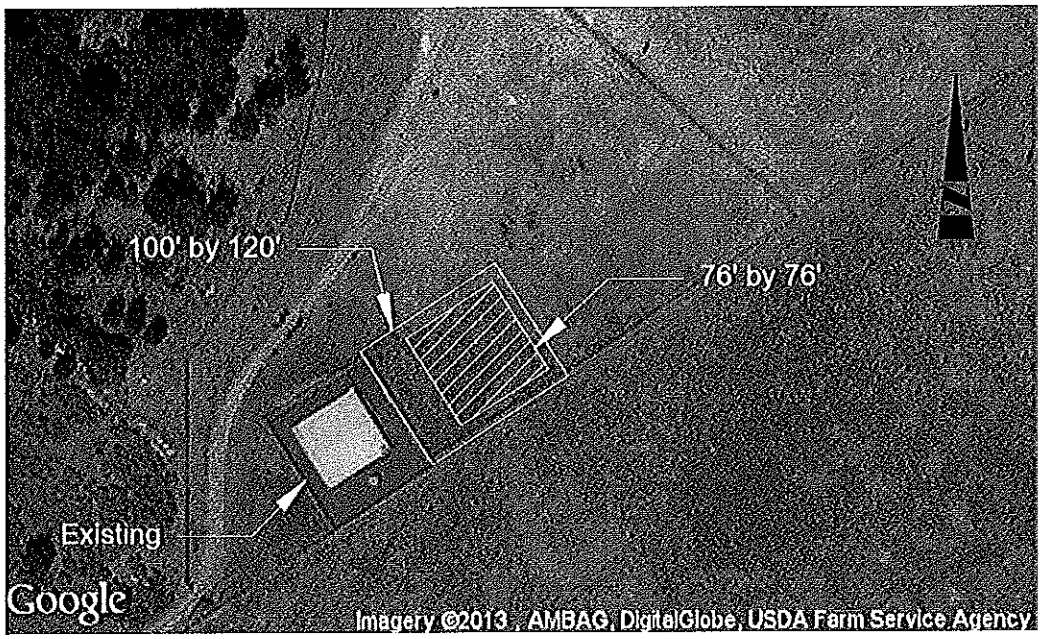
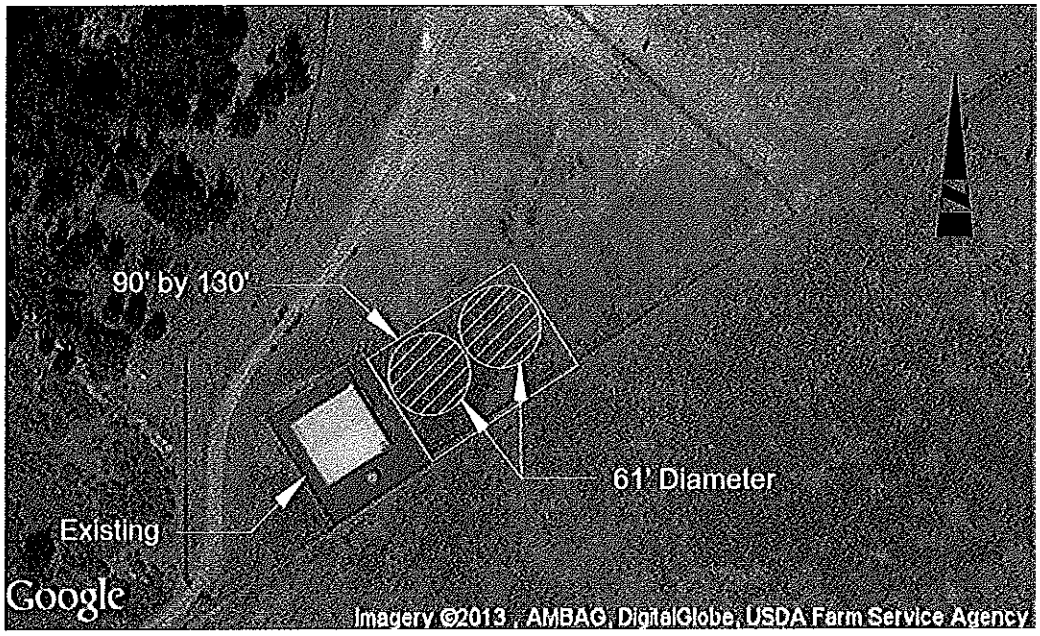


Figure 5b: Sample Layouts (Option 2)

Circular Tanks



Square Tanks

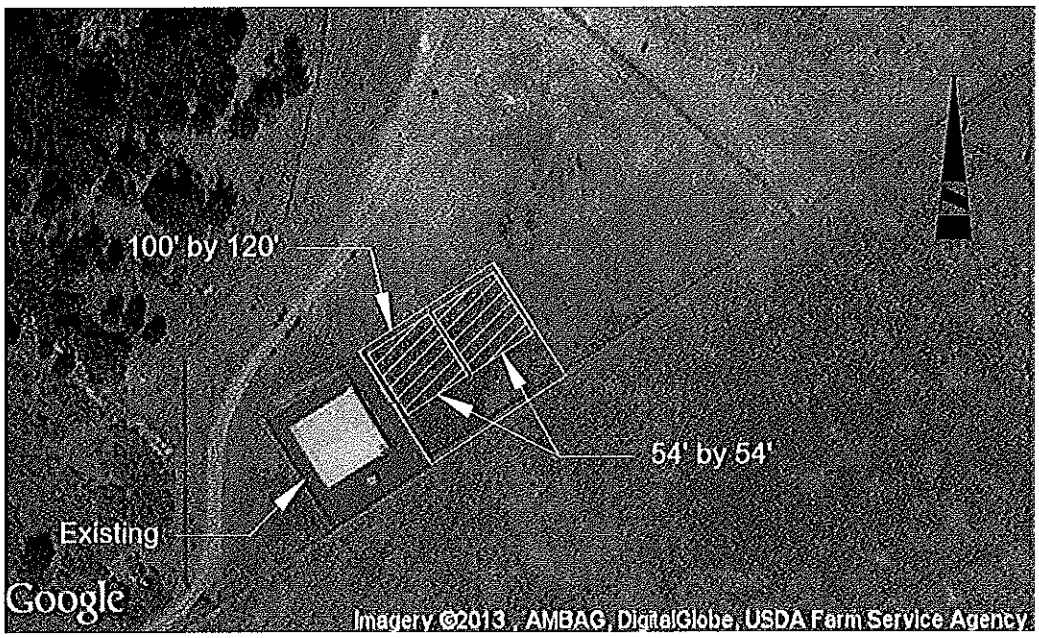


Figure 5c: Sample Layouts (Option 3)

Circular Tanks

Square Tanks

Option #2 – Two 300,000 Gallon Tanks

Table 4: Possible Configurations for Option #2

	Circular Tank	Square Tank
Tank Dimensions (Surface)	65 feet in Diameter	55 feet by 55 feet
Facility Area	90 feet by 130 feet	100 feet by 120 feet

Note: Values in table are rounded to nearest 5 foot dimension. Actual dimensions will need to be determined during the design phase.

For this option, the existing tank would be left in place and two new 300,000 tanks would be placed in the same vicinity as the existing tank, as shown in Figure 5b. Configuration options are shown in Table 4, above. The District may choose to include both new tanks in a single paved area, or create two separated facilities. It is assumed that if this option is selected, phasing will occur. One of the 300,000 gallon tanks would be constructed to provide the additional storage capacity necessary for current demand requirements. The second 300,000 gallon tank would be constructed when funds are available and it is evident that the buildout condition demands are valid. This Option is desirable as it would allow the current storage capacity to be supplemented quickly to meet existing demands, but without the large investment needed to construct Option 1. When construction is completed the District would have three separate tanks, so maintenance and repairs would be more flexible to phase so that potable water service would experience little or no interruptions. The drawback of this option is that additional land is required for the completed project.

Option #3 – One 375,000 Gallon Tank and Replacement of Existing 150,000 Gallon Tank with a 375,000 Gallon Tank

Table 5: Possible Configurations for Option #3

	Circular Tank	Square Tank
Tank Dimensions (Surface)	70 feet in Diameter	60 feet by 60 feet
Facility Area	150 feet by 100 feet	150 feet by 100 feet

Note: Values in table are rounded to nearest 5 foot dimension. Actual dimensions will need to be determined during the design phase.

For this option, the existing 150,000 gallon tank would be left in place during the construction of the new 375,000 gallon tank, but when construction of the new tank is completed the existing tank would be

demolished and replaced with a 375,000 tank when the required by the buildout demand conditions. Configuration options are shown in Table 5, above. The District may choose to increase the size of the existing facility for the new tank or build a new facility in the same vicinity. With this option, phasing would occur. The new tank would initially be constructed to supplement the existing storage capacity and fulfill current demand requirements. The new tank and the existing tank would work in unison until funds are available or needs are apparent for additional storage. At that point, the existing tank would be demolished and replaced with a tank identical to the new construction. Because the existing tank would be replaced, the service life of the overall storage system would be prolonged (the existing tank was constructed in 1973; replacing it with a newer tank could help to postpone existing tank maintenance issues due to the tank's age). However, while the existing tank is being replaced, the new tank would be the sole storage facility in operation, potentially creating difficulties in meeting the additional community potable water demands. Also, because this option proposes to satisfy the required 700,000 gallon storage capacity from completely new construction, it is potentially more expensive from a capital standpoint than supplementing the existing storage (Options 1 and 2). Both Options 1 and 2 rely on the assumption that the existing storage tank will be capable of continued service life beyond the industry accepted 50 year period with minimal repairs.

Option #4 – One 70 AF (acre foot) Open Reservoir and Associated Water Treatment Plant

Table 6: Possible Configuration for Option #4

	Square Tank
Reservoir Dimensions (Surface)	400 feet by 400 feet (Reservoir dimensions: 360 feet by 360 feet)
Water Treatment Plant Facility Area	150 feet by 400 feet

Note: Values in table are rounded to nearest 5 foot dimension. Actual dimensions will need to be determined during the design phase.

For this option, the existing 150,000 gallon tank would be left in place during the construction of the new 70 AF open reservoir and associated water treatment plant, but when construction of the new reservoir is completed the existing tank may be demolished. During the design of the project, it will need to be determined if the existing 150,000 gallon tank will continue to serve a hydraulic purpose for the District. This may be needed if the proposed 70 AF reservoir is sited at a different elevation than the existing District hydraulic grade line currently in place. It is important to note that this option will still require enough storage tanks to cover the buildout requirements identified above. The open reservoir cannot

meet the needs of the community for distribution/fire/emergency storage identified above. The water required to meet those demands must be treated first. Comingling of treated and untreated water is not allowed in a distribution system.

At this phase, it is difficult to determine potential configuration options for the reservoir. For purposes of this report, a simple square configuration is shown in Table 6. It assumes the reservoir will be 25 foot deep. The actual configuration will depend on the topography of the site that is selected for the proposed reservoir.

The reservoir will require construction of a water treatment facility to treat the water to State of California Department of Public Health standards. Currently, the District treats the groundwater by injection of chlorine disinfectant. No additional treatment is required. For surface water to be distributed for potable use, different standards are required. Descriptions of the different processes are outlined in the following sections.

Appurtenances

The new tank(s) described in Options 1 through 3 shall incorporate an access hatch, roof vent, inlet (supply) piping, outlet (distribution) piping, isolation gate valves, and leak detection piping. The existing tank piping shall be modified during the design to provide flexibility in the operation of the tanks. A manifold style piping system shall be incorporated into the design. Connection to the existing discharge piping from the tank will also be required. The isolation valves will be installed at locations that allow the most operational flexibility. The proposed telemetry will also need to be configured and installed to allow for monitoring of the tank(s) and interconnectivity of the existing and proposed tanks. Replacement of the inlet/outlet piping is required as described in the master plan document.

Option 4 will require a surface water treatment plant to process the water from the reservoir for consumption by the community. A typical surface water treatment plant includes processes such as: sedimentation, coagulation/flocculation, clarification, disinfection, storage and pumping. Typical conventional surface water treatment plants cover several acres and contain redundancy in each process to allow for operation and maintenance to be performed while the treatment plant continues to operate. Depending on the size of the treatment plant needed for the District, some of the processes could be performed using compact equipment and packaged units. It is not envisioned that an extremely large treatment plant is required for this project. However, storage of the treated water needs to be included in this option also. The treated water cannot be stored in the open reservoir once treated. The District will still require treated water storage tanks of sufficient size to meet the requirements outlined in the District Master Plan.

Materials Selection

As discussed earlier, the tank(s) will be constructed out of reinforced concrete rather than steel, because the structure will be buried. Steel could be used for the buried structure, but it would require substantial engineering design and heavy coating for corrosion protection – thus, concrete is preferable due to constructability issues and long term financial aspects relating to maintenance. The concrete will be reinforced with standard reinforcing steel. The reinforced concrete tanks will be prestressed which is a fairly common design of buried concrete potable water tanks. The prestressing type will be decided during the design effort, but the tanks shall be prestressed in accordance with the American Water Works Association (AWWA) Standard D110. The design engineer of the tanks will decide if the tank will be a Type I or Type III prestressed tank (most common Types). Prestressing a circular reinforced concrete tank consists of wrapping a high strength wire circumferentially around the concrete wall under tension and then applying a layer of cement shotcrete over the wires for corrosion protection. Then the tank walls are post tensioned on the tank roof deck by tightening tension rods that were cast into the tank wall during construction.

Interior tank piping shall be epoxy coated steel pipe or ASTM A312, Type 316 stainless steel pipe.

The recommendations in the District Water Master Plan indicated that the existing 8-inch diameter pipeline that is located between the tank and the community will need to be upgraded to a 12-inch diameter pipeline. Tank exterior supply piping and distribution piping to the District system shall be either ductile iron pipe, PVC pipe or cement mortar lined and coated (CML/C) welded steel pipe. These three pipe materials are the most common water system pipeline types. The ductile iron pipe shall be manufactured in accordance with AWWA C150 and C151 and fittings shall be in accordance with AWWA C110. If the District selects CML/C steel pipe it shall be in accordance with AWWA C200 or applicable American Society for Testing and Materials (ASTM International) guidelines. The District may select to utilize polyvinyl chloride (PVC) pipe for the supply and distribution piping. The PVC pipe shall be in accordance with AWWA C900 or C905. This pipe would still require ductile iron fittings manufactured in accordance with AWWA C110. The designer shall also decide if the tanks require special seismic restraints or pipeline appurtenances to address potential ground movement. The piping systems shall be either restrained joint or bell and spigot push on joint with concrete thrust blocks at pipeline changes in direction. If PVC pipe is utilized, it is recommended that a locating wire be installed on the pipe prior to backfill so the location of the pipeline in the future can be performed. Ductile iron pipe or metallic fittings shall be wrapped in polyethylene sheeting in accordance with AWWA C105. Other pipeline related AWWA standards shall be incorporated into the design as necessary.

Leak detection monitoring piping shall also be placed around the tank site (outside of the tank footprint) to provide advanced warning if the tank should ever experience a leak. The leak detection pipeline is constructed of slotted or perforated PVC or high density polyethylene (HDPE) pipe surrounded in a washed aggregate boundary and wrapped in a non woven geotextile fabric. Typically, the leak detection

pipelines are routed to a concrete headwall and labeled so that any water exiting out of the pipeline can be tested to determine source and provide a starting point for investigation.

The tank shall have a standard aluminum or Type 316 stainless steel double leaf access hatch with a ladder up safety post. In addition, the tank design shall incorporate a vent in the roof deck for ventilation purposes. The designer of the tank exterior metallic appurtenances shall take into consideration the marine environment in specifying the coatings or materials. The interior tank shall have an aluminum or stainless steel ladder that reaches to the bottom of the tank interior for accessing the tank for maintenance purposes.

Pipeline isolation valves shall be specified to be manufactured in accordance with AWWA C509 for resilient wedge gate valves. Other valves that may be determined to be required during the design shall be manufactured in accordance with AWWA standards.

SCADA and electronic cabinetry, if metallic, shall be Type 316 stainless steel or if plastic shall be include an ultraviolet (UV) resistant component. Consideration should be given to installation of components (power and communication) inside of an enclosure that will shield the equipment and cabinets from the marine and solar impact.

Earthen backfill materials shall be as outlined in the design level geotechnical report that determines if onsite materials are suitable for backfill or if the backfill against the tanks is to be imported from other sources. Standards for the backfill materials shall be outlined in the report.

The access area around the new tank(s) will be paved with asphalt concrete (AC) pavement materials similar to the existing tank. The design of the road materials shall correspond to industry standards such as the Standard Specifications for Public Works Construction (SSPWC), County of San Luis Obispo Standard Guidelines or State of California Department of Transportation (Caltrans) Standard Specifications (SSS). At the time of construction of the proposed tanks, the AC pavement around the existing tank should be replaced.

For Option 4, the reservoir will be an earthen reservoir that is lined to prevent water loss through percolation. The profile of the reservoir will be low in elevation. Because the construction of the reservoir will require a substantial amount of earthwork, the depth could be achieved through a combination of excavation and placement of the excavated soil in a berm around the perimeter. This will allow for a reduction in the amount of soil that will need to be transported elsewhere. As stated before, the actual configuration of the reservoir will be determined during the design phase. Surrounding the site, will be a fence and a gravel maintenance road. The reservoir sides will be 1:1 or 2:1 slopes. The treatment plant portion of the project will consist of tanks and equipment required to perform the various processes. There will be a building to house the electrical and process treatment equipment as well as disinfection materials. During the final design, it will be determined where to locate the water storage

tanks still required to meet the needs of the District. The tank materials and configurations will be as identified in Options 1 through 3.

Security

The existing District tank site consists of a 6 foot tall chain link fence with 3 strand barbed wire at the top. The 8-foot wide double swing access gate at the southern corner of the site is padlocked. Cabinets located onsite are also padlocked. Standard gauge chain link fabric and metallic posts shall be installed around the perimeter of the site similar in nature to the existing tank site security fence. Three strand barbed wire shall be installed across the top of the chain link material. The proposed improvements will continue with the same level of site security that is present at the tank site (6 foot tall chain link fence and barbed wire). During the design phase, the District shall decide if installation of remotely monitored security systems (cameras, intrusion alarms or motion sensors) will be incorporated into the expansion project. The access gates shall remain locked at all times.

Utilities

As this project is located on a private parcel approximately 850 feet from public right of way, it is unlikely that there are any existing, non District utilities in the area. The parcel has been owned by Hearst Holdings, LLC for many decades and it is possible that private utilities (water or power) may exist on the site. The nearest utility that can be seen from the site visit is a pole with aerial power and communications facilities that is approximately 250 feet southwest from the existing tank. The District also has an existing 8- inch diameter water pipeline that supplies the tank from the District well site. That pipeline is located on the south and east side of the existing tank. Additionally, there is a tank drain pipeline that is located on the south side of the existing tank. The existing tank site plan is included in the Appendix. The Water System Master Plan prepared for the District recommended that the water system pipeline between the tank and the community be upgraded from the existing 8-inch diameter pipe to 12-inch diameter pipe. The design will need to include this improvement recommendation and decide upon the final alignment of the proposed pipeline.

No formal utility research has been performed for this report, but it will be necessary that during the design effort that a complete utility investigation is performed.

Construction Access

The existing tank site is located northeast of the District office (111 Pico Avenue). Access to the tank site will likely be unrestricted, pending permission from the parcel owner. Permitting may be required, as will be discussed later. It should be noted that a horse corral is located near the project site and relocation of the horses currently located in the area adjacent to the existing tank will be required during construction or if the proposed tanks are to be located in that area. Coordination with the property owner will be required as part of the decision making and design process. In addition, construction noise will

likely need to be mitigated so as to not disturb the horses or nearby wildlife. This will need to be addressed during the design phase.

Phasing

The District Water Master Plan outlines two scenarios relating to the potable water storage system. First, there is an approximate 450,000 gallon shortage that exists based on current demands. At buildout conditions, the deficit increases to 600,000 gallons. The District has two options related to phasing of the improvements. As the ultimate storage capacity of the District system will need to be 750,000 gallons (150,000 gallons existing and 600,000 gallons proposed or complete 750,000 gallon replacement), the District could construct the storage tank improvements in phases.

Phasing Option one as it relates to the tank construction schedule and configuration is to construct one – 600,000 gallon tank to meet the current and identified buildout potable water demands. This option would provide adequate supply for the existing system demands (600,000 gallons) and have the capability of taking the existing tank off line for maintenance or cleaning without affecting the existing storage requirements. As this Option is construction of the entire storage at one time, it is not considered a phased approach. The replacement of the 150,000 gallon tank will be performed in a future phase.

Phasing Option 2 would be to construct two new 300,000 gallon tanks over a period of time (one for current demands and a future tank when buildout conditions appear to be more probable. This would allow the District to fund the project based on the District financial situation. In addition, it would complement the potential for water quality issues if the buildout tank configuration is constructed and the demand is not present in the system to promote tank turnover. Water quality issues are discussed in the next section. The replacement of the 150,000 gallon tank will be performed in a future phase.

Phasing Option 3 would be to construct one – 375,000 gallon tank to meet current demands and then in the future replace the existing tank with a separate 375,000 gallon tank for a total storage of 750,000 gallons. This Option is similar in benefit and concerns as stated in the Option 2 discussion above, but will not require a future project to replace the existing tank once the second 375,000 gallon tank is constructed.

Option 4 would contain two components – potable water storage tanks as identified in Options 1 through 3 and also the 70 AF open storage reservoir. Phasing of this option could be to construct the storage tanks to meet the current demand deficiencies and construct the 70 AF reservoir at a later time. Phasing of the reservoir could also be performed by constructing two 35 AF reservoirs on the site.

Operations and Maintenance Considerations

Monitoring of the new tank(s) will be required regularly to ensure safe operation. The tank(s) will also need periodic maintenance – specifically, occasional cleaning or minor internal repairs. It is recognized that concrete tanks require less regular maintenance than coated steel tanks. This is one of the benefits of

the concrete material over steel. When cleaning is required it will require the tank to be drained completely and taken out of service until cleaning is completed. Minor concrete repair work is not anticipated, but may be required periodically. Depending on the location of the repair to be made, the tank can typically be drained below the repair location and either the repair made while in service or drained and the repair made. Regular tank internal inspections (approximately every 5 to 10 years) through the use of a diver will be required in order to visually inspect the tank to correct any maintenance issues. By using a certified diver with experience in potable water storage tank inspection, allows the tank to remain in service while the inspection is being performed. The tank will need to be accessible by maintenance staff and will need to have the ability to drain during the disinfecting process.

As discussed earlier, to minimize operational storage requirements and meet the existing demands Boyle recommended that the two District wells operate on a 24-hour pumping schedule. It should be noted that this recommendation is a short term solution and does not allow the District to take advantage of off peak pumping rates offered by Pacific Gas and Electric, the local power utility. Construction of adequate potable water storage facilities to meet the demands of the District will allow the pumps to only operate to fill the tanks at lower power consumption rate times (off peak). In addition, the well pumps will inevitably have downtime and will require occasional maintenance. In anticipation of this, the tanks should operate at maximum capacity whenever possible to allow the system to maintain service in the event of unexpected pump failures. If a prolonged removal from service is expected for one or both of the pumps, it may become necessary to create temporary additional storage.

Also of concern is the water quality in the tanks. Water age must be minimized when possible, and dead zones should be avoided in the design of the replacement tanks. The configuration of the tank is one of the factors that is critical to promoting frequent water turnover. If turnover is not frequent, loss of disinfectant residual, bacteria growth, disinfection by-product spikes, and other issues can occur that affect the quality of the stored water. Orientation of the inlet and outlet piping can also provide continuous mixing of recently introduced water with stored water. During the design phase, decisions about the use of internal tank piping configuration to promote mixing will be made. If the analysis is not performed during design to prevent the issue of water quality during the storage process, occasional testing and additional disinfection will be required. Construction of the Option 1 scenario might not be beneficial to the District if sufficient potable water demand is not present in the District which would lead to water quality issues requiring increased maintenance and monitoring of the disinfection levels in the stored water.

Option 4 will require careful analysis during design on maintaining water quality. The reservoir needs to be sized and configured to allow for managing the water that is stored. Control of algae growth and other potential water fouling will be necessary with an open reservoir.

Right of Way

The existing tank is located in an easement on the Hearst Holdings, LLC property (assessor's parcel map number 013011024). It appears from the drawings of the original tank facility, that an area to the north of the tank was included in the easement for future expansion of the storage capability of the District. The additional area is shown as 60 feet by 100 feet. Research of the existing Assessor's Parcel Map on the County of San Luis Obispo record information shows that no easement exists for the tank expansion. Any expansion of the District facilities will require discussions and separate agreements on an easement necessary for the tank construction and permanent location.

Option 4 will require a substantially larger footprint than Options 1 through 3. Coordination with Hearst Holdings, LLC on the site for the proposed open reservoir will be required. An easement covering the reservoir and associated water treatment plant and storage tanks will need to be prepared.

Permits

The District retained the services of Oliveira Environmental Consulting (under separate contract) to perform a preliminary environmental research relating to an expansion of the existing potable water storage system in the District. The District supplied a copy of the Oliveira Environmental Consulting report for incorporation in this report. The Oliveira analysis determined several factors that need to be considered during the design and environmental permitting phases of the future projects.

According to the Oliveira report, the project would require a Minor Use Permit/Coastal Development Permit (MUP/CDP) from the County of San Luis Obispo. In the event that the project disturbs more than three acres (unlikely), the project would also require a Conditional Use Permit (CUP). Because the project will be benefitting the public, some permit fees may be waived.

Environmental

In the Oliveira report, it was stated that according to research with the County of San Luis Obispo Planning Department, the County would be the lead agency with jurisdiction over an expansion project, such as the one discussed above. Although the California Coastal Commission (CCC) would also have jurisdiction, the County acts as an agent of the CCC through the adopted. Local Coastal Program

Oliveira also determined that the Regional Water Quality Control Board would not have jurisdiction unless the project triggered the need for a Section 401 permit (required if project disturbs the bed or bank of a stream), which would be unlikely given the location of the proposed expansion area. Similarly, although community water quality is regulated by the State Department of Health, this agency would not have jurisdiction over an expansion of the existing reservoir.

Based on Oliveira's review of jurisdictional agency requirements, applicable reports and documentation, and the County General Plan and Coastal Zone Land Use Ordinance, it was determined that the

permitting for the potential water reservoir expansion project would likely consist of a MUP/CDP through the County. The project would be appealable to the CCC, but the tract record for the CCC indicates that it is unlikely that they would appeal the project permits. Given the land use permit requirement, the project triggers environmental review under CEQA and several technical reports would likely be required to support the County's environmental determination.

In addition, although visual impacts will be an important consideration, it was determined that the project views from Highway 1 would be limited to non-existent based on Oliveira's analysis. The site can be seen from the intersection of Penn and Jasper Way, but only momentarily and impacts are likely less than significant. If visual mitigation is needed, landscaping and use of neutral colors when painting would ensure less than significant impacts. The project would also not likely be seen as resulting in a growth inducing impact.

Conceptual Opinion of Probable Construction Cost

An Opinion of Probable Construction Cost (OPCC) was prepared for the three options under consideration. The individual items of construction were divided into relevant bid items for the work. Research on typical costs of recently advertised and bid construction projects by specific line item was conducted. The State of California Department of Transportation (Caltrans) is one agency that publishes recent bid results for specific items of work (www.dot.ca.gov). In addition, research was conducted with the California Department of Industrial Relations (www.dir.ca.gov). This information provides the prevailing wage labor rates for Ventura County for unionized trades. Prevailing wages were obtained for the laborers, pipe installers, crane operator, etc. To determine the hourly rate that equipment will be charged at, Caltrans maintains a database that sets the pricing allowed for different items of equipment (www.dot.ca.gov/hq/construc). The database was reviewed to obtain relative hourly rate pricing for pickup work trucks, hand tools, cranes and concrete pumpers. This information was used to obtain a general idea of what contractors might charge for their equipment. The database is used as a basis for establishing costs for change orders during construction projects. In addition to this research, manufacturers were contacted to obtain budgetary pricing quotations for certain items of equipment (vault and access hatch, flow control valve, isolation valves and venturi meter). Once all of this information was tabulated, the OPCC for each option was assembled. Table 7 presents the OPCC associated with Option #1. Table 8 reflects the OPCC for Option #2 and so on.

The cost of construction will be dependent of several decisions to be made during the design process – especially the shape of the tanks. The actual construction cost may increase significantly if a configuration that is difficult to construct is chosen. The price ranges given reflect this possibility.

Option 4 will require construction of storage tanks as identified in Tables 7, 8 or 9. Option 3 was used in the Opinion of Probable Construction Cost (Table 10) for Option 4. Additionally, it was assumed that the entire 70 AF reservoir and water treatment plant would be constructed during the first phase. Only the second storage tank would be part of Phase 2. Option 4 also includes the surface water treatment plant.

Table 10 reflects the one-time capital costs only. Annual costs associated with the operation and maintenance, chemical product costs, and equipment replacement costs are not included in this analysis.

Table 7: Option #1 (600,000 gallon Tank) – Opinion of Probable Construction Cost

Item	Description	Quantity	Unit	Total Price Range
1	Mobilization	1	LS	$90,000 to $210,000
2	Excavation	1	LS	$48,200 to $58,000
3	Tank Installation	1	LS	$1,500,000 to $1,800,000
4	Site Grading and Drainage	1	LS	$18,000 to $24,000
5	Tank Site Piping/Valve Installation	1	LS	$150,000 to $175,000
6	Tank Inlet/Outlet Piping	1	LS	$3,500 to $5,000
7	Telemetry Installation	1	LS	$10,000 to $20,000
8	Backfill/Compaction	1	LS	$16,000 to $30,000
9	Record Drawings	1	LS	$1,000 to $3,000
	Subtotal			$1,840,000 to $2,325,000
	Land Acquisition (Easement)			TBD
	Contingency	15%		$276,000 to $350,000
	Overhead/Profit/Bonds/Insurance	20%		$368,000 to $465,000
	Design	10%		$184,000 to $232,500
	Construction Management	8%		$147,000 to $186,000
	Total			$2,815,000 to $3,555,000

Notes:

Mobilization costs are assumed to be 5% to 10% of the total construction cost.
Excavation costs are estimated to be $10/cubic yard (cy) and it is assumed that the onsite materials can be reused as backfill. For circular tank configuration the quantity was 105 foot radius by 18 feet deep (overexcavation and footings) totaling 5,800 cy. The square tank quantity was 85 feet square by 18 feet deep totaling 4,820 cy.
Tank installation costs for prestressed concrete tank are assumed to be $2.50 to $3/gallon due to location and nearest concrete batch plant location.
Site grading and drainage include minor grading and asphalt paving at $3 to $4/square foot (sf). The area of improvement is approximately 6,000 sf per the report.
Tank site piping and valve installation are estimated at $150 to $175/linear foot of 12-inch diameter pipeline installed costs. Total pipeline replacement is 1,000 linear feet.
Tank inlet/outlet piping is estimated to include the piping to a point 10 feet outside of the structure.
Telemetry installation costs include integration of the proposed tank into the existing telemetry system.
Backfill and compaction costs are estimated at $15/cy for imported material. The estimated quantity is 2,000 cy for the circular tank and 1,070 cy for the square tank. Final determination if onsite material can be used as suitable backfill will occur during the design phase of the project.
Land acquisition costs are an unknown. The historical relationship with Hearst Holdings, LLC will be significant. Circular tank = 12,000 sf and square tank = 12,000 sf. The District should retain the services of a land acquisition firm during the design if negotiations with Hearst Holding, LLC are not initially positive.
Contingency is estimated at 15%, but should reduce once design is completed. It is based on the subtotal of the project.
Design and Construction Management percentages are industry accepted ranges and are based only on the subtotal of the project.

Table 8: Option #2 (Two 300,000 gallon Tanks) – Opinion of Probable Construction Cost

Item	Description	Quantity	Unit	Total Price Range
Phase 1 – One 300,000 gallon Tank				
1	Mobilization	1	LS	$49,000 to $117,000
2	Excavation	1	LS	$28,300 to $29,500
3	Tank Installation	1	LS	$750,000 to $900,000
4	Site Grading and Drainage	1	LS	$18,000 to $24,000
5	Tank Site Piping/Valve Installation	1	LS	$150,000 to $175,000
6	Tank Inlet/Outlet Piping	1	LS	$3,500 to $5,000
7	Telemetry Installation	1	LS	$10,000 to $20,000
8	Pipeline Backfill/Compaction	1	LS	$10,900 to $12,200
9	Record Drawings	1	LS	$5,000 to $7,000
	Subtotal			$1,021,000 to $1,286,000
	Land Acquisition (Easement)			TBD
	Contingency	15%		$153,000 to $193,000
	Overhead/Profit/Bonds/Insurance	20%		$204,000 to $257,000
	Design	10%		$102,000 to $129,000
	Construction Management	8%		$82,000 to $103,000
	Total			$1,562,000 to $1,968,000
Phase 2 – One 300,000 gallon Tank				
1	Mobilization	1	LS	$53,000 to $126,000
2	Excavation	1	LS	$30,500 to $32,000
3	Tank Installation	1	LS	$810,000 to $972,000
4	Site Grading and Drainage	1	LS	$19,500 to $26,000
5	Tank Site Piping/Valve Installation	1	LS	$162,000 to $189,000
6	Tank Inlet/Outlet Piping	1	LS	$3,800 to $5,400
7	Telemetry Installation	1	LS	$10,800 to $22,000
8	Backfill/Compaction	1	LS	$17,300 to $13,000
9	Record Drawings	1	LS	$1,100 to $3,300
	Subtotal			$1,108,000 to $1,389,000
	Land Acquisition (Easement)			TBD
	Contingency	15%		$166,000 to $208,000
	Overhead/Profit/Bonds/Insurance	20%		$222,000 to $278,000
	Design	10%		$111,000 to $139,000
	Construction Management	8%		$89,000 to $111,000
	Total			$1,696,000 to $2,125,000

Notes:

Mobilization costs are assumed to be 5% to 10% of the total construction cost.

Excavation costs are estimated to be $10/cubic yard (cy) and it is assumed that the onsite materials can be reused as backfill. For circular tank configuration the quantity was 75 foot radius by 18 feet deep (overexcavation and footings) totaling 5,900 cy. The square tank quantity was 65 feet square by 18 feet deep totaling 5,650 cy.
Tank installation costs for prestressed concrete tank are assumed to be $2.50 to $3/gallon due to location and nearest concrete batch plant location.
Site grading and drainage include minor grading and asphalt paving at $3 to $4/square foot (sf). The area of improvement is approximately 6,000 sf per the report.
Tank site piping and valve installation are estimated at $150 to $175/linear foot of 12-inch diameter pipeline installed costs. Total pipeline replacement is 1,000 linear feet.
Tank inlet/outlet piping is estimated to include the piping to a point 10 feet outside of the structure.
Telemetry installation costs include integration of the proposed tank into the existing telemetry system.
Backfill and compaction costs are estimated at $15/cy for imported material. The estimated quantity is 1,450 cy for the circular tank and 1,620 cy for the square tank. Quantities are total for both. Final determination if onsite material can be used as suitable backfill will occur during the design phase of the project.
Land acquisition costs are an unknown. The historical relationship with Hearst Holdings, LLC will be significant. Circular tank = 12,000 sf and square tank = 12,000 sf. The District should retain the services of a land acquisition firm during the design if negotiations with Hearst Holding, LLC are not initially positive.
Contingency is estimated at 15%, but should reduce once design is completed. It is based on the subtotal of the project.
Design and Construction Management percentages are industry accepted ranges and are based only on the subtotal of the project.
Phase 2 is assumed to occur 10 years after Phase 1. Estimates are adjusted by 8% to reflect an increase in costs.

Table 9: Option #3 – Opinion of Probable Construction Cost

Item	Description	Quantity	Unit	Total Price Range
Phase 1 – One 375,000 gallon Tank				
1	Mobilization	1	LS	$58,000 to $140,000
2	Excavation	1	LS	$32,800 to $33,500
3	Tank Installation	1	LS	$937,500 to $1,125,000
4	Site Grading and Drainage	1	LS	$18,000 to $24,000
5	Tank Site Piping/Valve Installation	1	LS	$150,000 to $175,000
6	Tank Inlet/Outlet Piping	1	LS	$3,500 to $5,000
7	Telemetry Installation	1	LS	$10,000 to $20,000
8	Backfill/Compaction	1	LS	$12,000 to $13,200
9	Record Drawings	1	LS	$1,000 to $3,000
	Subtotal			$1,223,000 to $1,539,000
	Land Acquisition (Easement)			TBD
	Contingency	15%		$183,000 to $231,000
	Overhead/Profit/Bonds/Insurance	20%		$245,000 to $308,000
	Design	10%		$122,000 to $154,000
	Construction Management	8%		$98,000 to $123,000
	Total			$1,871,000 to $2,355,000
Phase 2 – One 375,000 gallon Tank				
1	Mobilization	1	LS	$63,000 to $151,000
2	Excavation	1	LS	$35,400 to $36,000
3	Tank Installation	1	LS	$1,013,000 to $1,215,000
4	Site Grading and Drainage	1	LS	$19,500 to $26,000
5	Tank Site Piping/Valve Installation	1	LS	$162,000 to $189,000
6	Tank Inlet/Outlet Piping	1	LS	$3,800 to $5,400
7	Telemetry Installation	1	LS	$10,800 to $22,000
8	Backfill/Compaction	1	LS	$13,000 to $14,000
9	Record Drawings	1	LS	$1,100 to $3,300
	Subtotal			$1,322,000 to $1,662,000
	Land Acquisition (Easement)			TBD
	Contingency	15%		$198,000 to $250,000
	Overhead/Profit/Bonds/Insurance	20%		$264,000 to $332,000
	Design	10%		$132,000 to $166,000
	Construction Management	8%		$106,000 to $133,000
	Total			$2,022,000 to $2,543,000

Notes:

Mobilization costs are assumed to be 5% to 10% of the total construction cost.

Excavation costs are estimated to be $10/cubic yard (cy) and it is assumed that the onsite materials can be reused as backfill. For circular tank configuration the quantity was 80 foot radius by 18 feet deep (overexcavation and footings) totaling 6,700 cy. The square tank quantity was 70 feet square by 18 feet deep totaling 6,550 cy. Quantities are for both tanks.
Tank installation costs for prestressed concrete tank are assumed to be $2.50 to $3/gallon due to location and nearest concrete batch plant location.
Site grading and drainage include minor grading and asphalt paving at $3 to $4/square foot (sf). The area of improvement is approximately 6,000 sf per the report.
Tank site piping and valve installation are estimated at $150 to $175/linear foot of 12-inch diameter pipeline installed costs. Total pipeline replacement is 1,000 linear feet.
Tank inlet/outlet piping is estimated to include the piping to a point 10 feet outside of the structure.
Telemetry installation costs include integration of the proposed tank into the existing telemetry system.
Backfill and compaction costs are estimated at $15/cy for imported material. The estimated quantity is 1,570 cy for the circular tank and 1,750 cy for the square tank. Quantities are for both tanks. Final determination if onsite material can be used as suitable backfill will occur during the design phase of the project.
Land acquisition costs are an unknown. The historical relationship with Hearst Holdings, LLC will be significant. Circular tank = 12,000 sf and square tank = 12,000 sf. The District should retain the services of a land acquisition firm during the design if negotiations with Hearst Holding, LLC are not initially positive.
Contingency is estimated at 15%, but should reduce once design is completed. It is based on the subtotal of the project.
Design and Construction Management percentages are industry accepted ranges and are based only on the subtotal of the project.
Phase 2 is assumed to occur 10 years after Phase 1. Estimates are adjusted by 8% to reflect an increase in costs.

Table 10: Option #4 – Opinion of Probable Construction Cost

Item	Description	Quantity	Unit	Total Price Range
Phase 1 – One 375,000 gallon Tank, 70 AF reservoir and water treatment facility				
1	Mobilization	1	LS	$58,000 to $140,000
2	Excavation	1	LS	$32,800 to $33,500
3	Tank Installation	1	LS	$937,500 to $1,125,000
4	Site Grading and Drainage	1	LS	$18,000 to $24,000
5	70 AF reservoir	1	LS	$1,500,000 to $1,600,000
6	Surface Water Treatment Plant	1	LS	$3,000,000 to $7,000,000
7	Tank Site Piping/Valve Installation	1	LS	$150,000 to $175,000
8	Tank Inlet/Outlet Piping	1	LS	$3,500 to $5,000
9	Telemetry Installation	1	LS	$10,000 to $20,000
10	Backfill/Compaction	1	LS	$12,000 to $13,200
11	Record Drawings	1	LS	$1,000 to $3,000
	Subtotal			$5,722,800 to $10,138,700
	Land Acquisition (Easement)			TBD
	Contingency	15%		$858,000 to $1,520,800
	Overhead/Profit/Bonds/Insurance	20%		$1,144,500 to $2,028,000
	Design	10%		$572,000 to $1,013,800
	Construction Management	8%		$458,000 to $811,000
	Total			$7,897,300 to $15,511,500
Phase 2 – One 375,000 gallon Tank				
1	Mobilization	1	LS	$63,000 to $151,000
2	Excavation	1	LS	$35,400 to $36,000
3	Tank Installation	1	LS	$1,013,000 to $1,215,000
4	Site Grading and Drainage	1	LS	$19,500 to $26,000
5	Tank Site Piping/Valve Installation	1	LS	$162,000 to $189,000
6	Tank Inlet/Outlet Piping	1	LS	$3,800 to $5,400
7	Telemetry Installation	1	LS	$10,800 to $22,000
8	Backfill/Compaction	1	LS	$13,000 to $14,000
9	Record Drawings	1	LS	$1,100 to $3,300
	Subtotal			$1,322,000 to $1,662,000
	Land Acquisition (Easement)			TBD
	Contingency	15%		$198,000 to $250,000
	Overhead/Profit/Bonds/Insurance	20%		$264,000 to $332,000
	Design	10%		$132,000 to $166,000
	Construction Management	8%		$106,000 to $133,000
	Total			$2,022,000 to $2,543,000

Notes:

Mobilization costs are assumed to be 5% to 10% of the total construction cost.
Excavation costs are estimated to be $10/cubic yard (cy) and it is assumed that the onsite materials can be reused as backfill. For circular tank configuration the quantity was 80 foot radius by 18 feet deep (overexcavation and footings) totaling 6,700 cy. The square tank quantity was 70 feet square by 18 feet deep totaling 6,550 cy. Quantities are for both tanks.
Tank installation costs for prestressed concrete tank are assumed to be $2.50 to $3/gallon due to location and nearest concrete batch plant location.
Site grading and drainage include minor grading and asphalt paving at $3 to $4/square foot (sf). The area of improvement is approximately 6,000 sf per the report.
The excavation costs for the 70 AF open reservoir assumed $10/ cy and the site will be balanced in cut and fill quantities. The liner material was assumed to be $3/square foot installed. The quantity of earthwork for the reservoir was 57,000 cy of cut and 57,000 of berm construction for a total of 114,000 cy. The square footage of the 70 AF reservoir is 130,000 (350 x 350 with 6% additional). It is assumed that the cost of the land for the open reservoir and water treatment facility would be donated by the Hearst Holdings, LLC as part of a separate agreement.
Surface water treatment plant costs will vary widely for a treatment plant of this size. The flow in the community at buildout is 0.8 MGD based on the District Master Plan. Packaged treatment processes will potentially reduce the need for construction of conventional surface water treatment facilities. Costs shown are for packaged treatment units on the low end of the range and traditional configurations on the high end.
Tank site piping and valve installation are estimated at $150 to $175/linear foot of 12-inch diameter pipeline installed costs. Total pipeline replacement is 1,000 linear feet.
Tank inlet/outlet piping is estimated to include the piping to a point 10 feet outside of the structure.
Telemetry installation costs include integration of the proposed tank into the existing telemetry system.
Backfill and compaction costs are estimated at $15/cy for imported material. The estimated quantity is 1,570 cy for the circular tank and 1,750 cy for the square tank. Quantities are for both tanks. Final determination if onsite material can be used as suitable backfill will occur during the design phase of the project.
Land acquisition costs are an unknown. The historical relationship with Hearst Holdings, LLC will be significant. Circular tank = 12,000 sf and square tank = 12,000 sf. The District should retain the services of a land acquisition firm during the design if negotiations with Hearst Holding, LLC are not initially positive.
Contingency is estimated at 15%, but should reduce once design is completed. It is based on the subtotal of the project.
Design and Construction Management percentages are industry accepted ranges and are based only on the subtotal of the project.
Phase 2 is assumed to occur 10 years after Phase 1. Estimates are adjusted by 8% to reflect an increase in costs.

Schedule

The anticipated schedule for the project is as follows:

Task	Milestone Date
Final Preliminary Design Report Submittal	December 2013
Project Design Notice to Proceed	February 2014
50% Design Submittal	June 2014
District Review	June/July 2014
90% Design Submittal	September/October 2014
District Review	October 2014
Final Design Submittal	November 2014
Advertise for Bids	January 2015
Award Construction Project	March 2015
Begin Construction	April 2015
End Construction	November/December 2015
Commissioning and Startup	December 2015

Notes:

Assumes preliminary design report effort is commenced in October 2013.

Conclusion

The San Simeon Community Services District (District) Water Master Plan states that the existing 150,000 gallon potable water storage tank serving the community does not meet the operational, emergency and fire storage requirements of the community. The deficit at existing conditions is 450,000 gallons and at buildout the demand deficit is 600,000 gallons. Three options were considered in the siting of a potable water storage tank or tanks to fulfill the requirement of the community:

- Option 1: One 600,00 gallon tank
- Option 2: One 300,000 gallon tank (existing condition) and one 300,000 gallon tank (buildout condition) - phased
- Option 3: One 375,000 gallon tank (existing condition) and one 375,000 gallon tank (buildout condition in the location of the existing tank) - phased.

Analysis of the requirements in the Water Master Plan also indicate that pipeline replacement (upsizing) is required to deliver the required fire flows to the community. The existing 8-inch diameter inlet/outlet

pipeline leading from the storage tank to the community will need to increase to a 12-inch diameter pipeline.

Several options were considered in the report for the proposed tanks. Consideration was given to locating the tanks near the existing tank or farther north, whether or not to use buried concrete tanks or steel tanks, whether to install aboveground tanks, below grade or buried tanks, and whether to keep the existing tank as part of the storage requirements or replace it with a new tank as part of the buildout tank phasing. Ultimately, the site topography and aesthetic requirements imposed by the County of San Luis Obispo dictated that the tank(s) be hidden from view to minimize impacts to the viewshed. While steel tank construction and materials are less expensive initially, there is a long term maintenance component with the metallic tanks situated in the coastal marine environment in San Simeon. The decision was made to investigate buried, prestressed tanks as the material of choice for the site. Circular tanks were selected for ease of construction and potential capital savings from a square tank or polygon shaped tank (similar to the existing tank).

With the decisions made, the three options were reviewed for cost and layout benefits. Option #1 requires the most up front capital from the District at one time. This option constructs the 600,000 gallon tank in one project. There is no phasing other than when the existing 150,000 gallon tank has to be replaced due to age and maintenance issues preventing it from being used. The existing tank is already 40 years old and the District will have to consider its replacement within the next 10 to 20 years. Costs for the replacement of the existing tank are not included in this analysis.

Option #2 phases the tank improvements over a period of time. For purposes of this report, the phasing timeframe was assumed to be 10 years. The District has not had much growth in recent times so the 10 year timeframe may not be accurate. The existing 150,000 gallon tank would remain in service for the initial tank installation (300,000 gallons) and it would serve to meet the existing potable water storage demands. When the two tanks (existing and one new one) were not capable of meeting the future demands as the community expands in accordance with the approved General Plan, the second phase of the project would be required to be implemented. The second 300,000 gallon tank would be required to be constructed. The District would have a choice at that point depending on the timeframe and potable water demands in the community. As with Option 1, the existing tank will have to be replaced/reconstructed so the community could look into expanding the second tank volume to 450,000 gallons to address the existing tank volume or wait to reconstruct the existing 150,000 gallon tank at a point in the future depending on its condition. Costs relating to the reconstruction of the existing tank are not included in this option so it initially appears that Option #2 is less than the other options and therefore, more attractive. This would be incorrect.

Option #3 would construct a 375,000 gallon tank that would also work in conjunction with the existing tank. However, this option includes a planned replacement of the existing 150,000 gallon tank with the second 375,000 gallon tank when the potable water demand requires increased storage volume. This option does not require additional construction phasing for the existing tank reconstruction as does

Options 1 and 2. This Option also spreads out the capital investment of the project to allow the community to develop finances to cover the construction costs.

Option #4 is included for reference and constitutes a larger and more complex project than what is present in the District. There are benefits to an open reservoir that would need to be investigated as part of a preliminary design report if it is decided to pursue Option #4.

Future costs of tank construction were estimated at an 8% increase in costs of the project for the second phase. Depending on market conditions and the time period between construction costs, this estimate could require adjustment.

Sincerely,

Jon Turner, PE
Principal Engineer

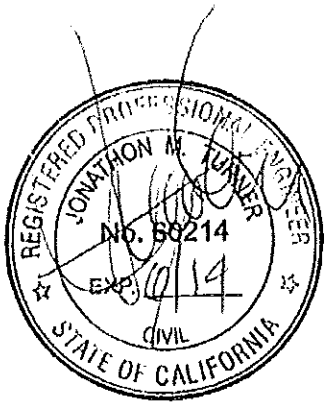
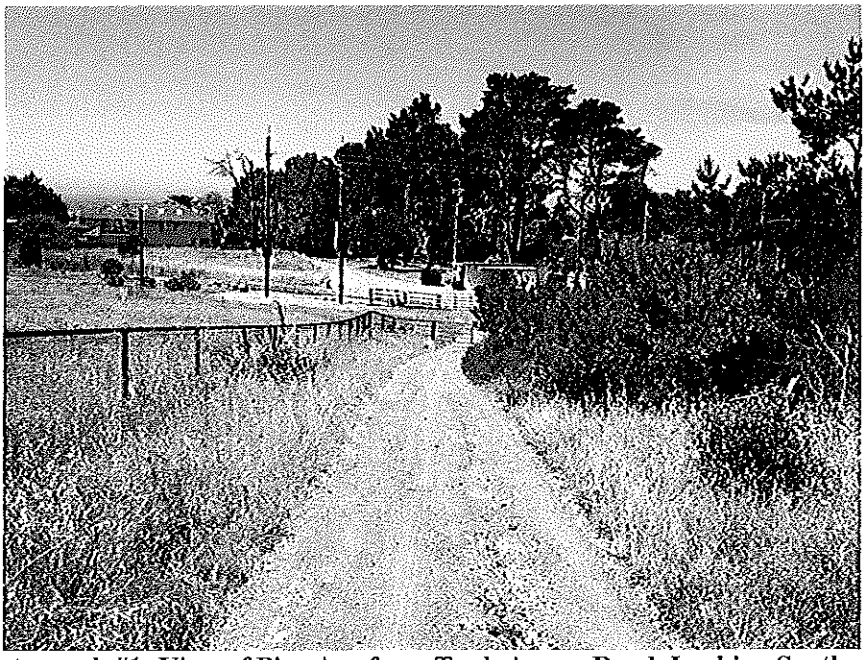


Figure 6: Existing Site Photographs



Photograph #1: View of Pico Ave from Tank Access Road, Looking Southwest

Photograph #2: View from Tank Access Road, Looking Northeast

Figure 6: Existing Site Photographs

Photograph #3: View from Tank Access Road, Looking Northeast

Photograph #4: View from Tank Access Road, Looking Northeast

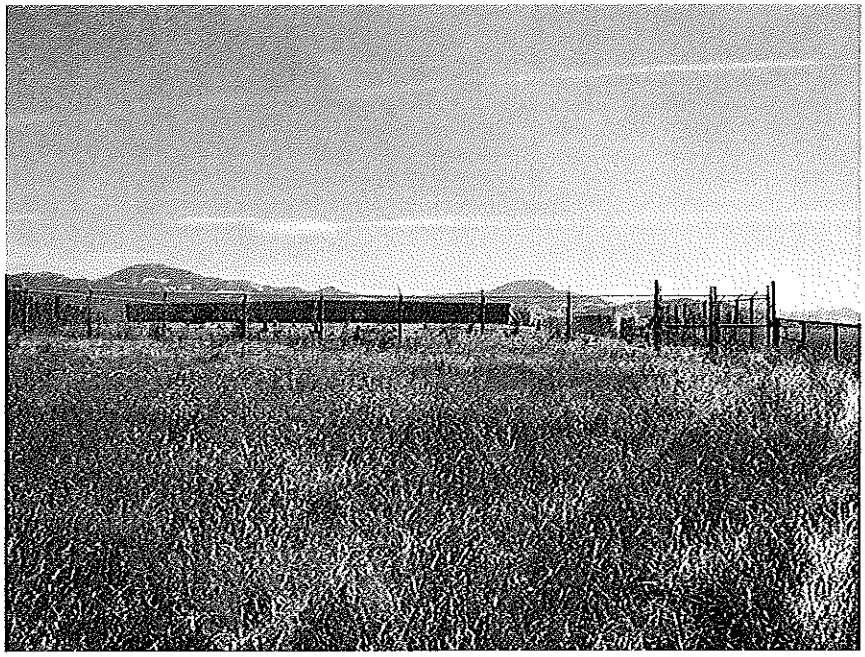
Figure 6: Existing Site Photographs

Photograph #5: Existing Power Utilities Adjacent to Tank Site

Photograph #6: View from Access Road to Tank Site, Looking Northeast

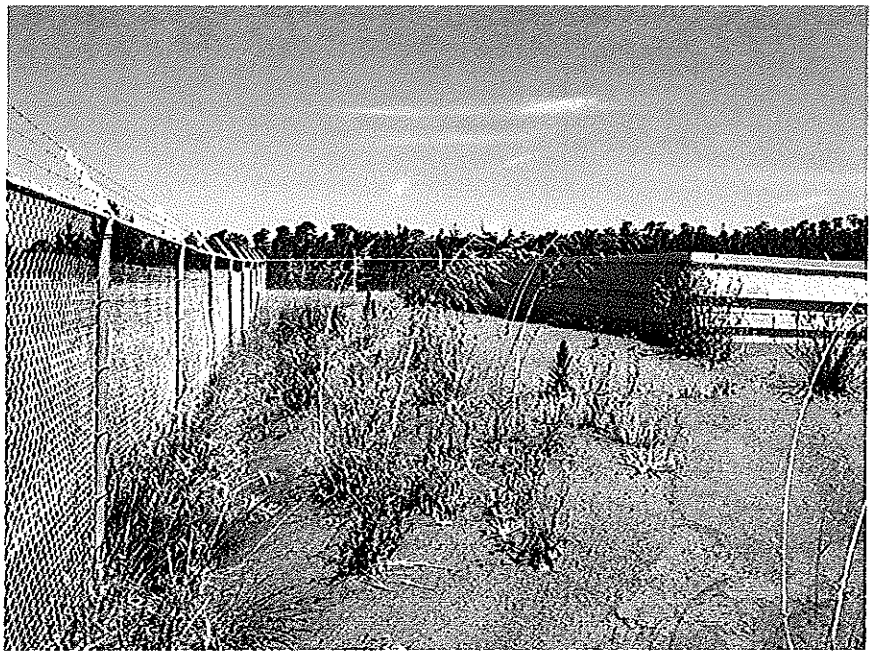
Figure 6: Existing Site Photographs

Photograph #7: View of Existing Tank Facility from Access Road, Looking Northeast



Photograph #8: Existing Tank Storage Facility Looking North

Figure 6: Existing Site Photographs



Photograph #9: Existing Tank Storage Facility, from Southwest Corner Looking West

Photograph #10: Existing Tank Storage Facility, from Southwest Corner Looking North

Figure 6: Existing Site Photographs

Photograph #11: Panorama of Facility from Northeast Corner

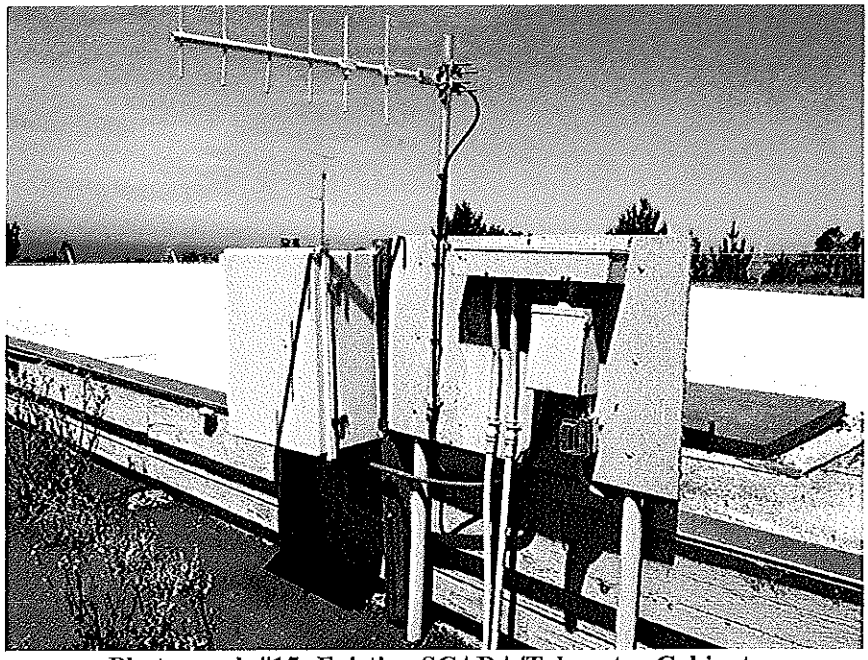
Photograph #12: View of Surrounding Area, from Northeast Corner of Facility

Figure 6: Existing Site Photographs

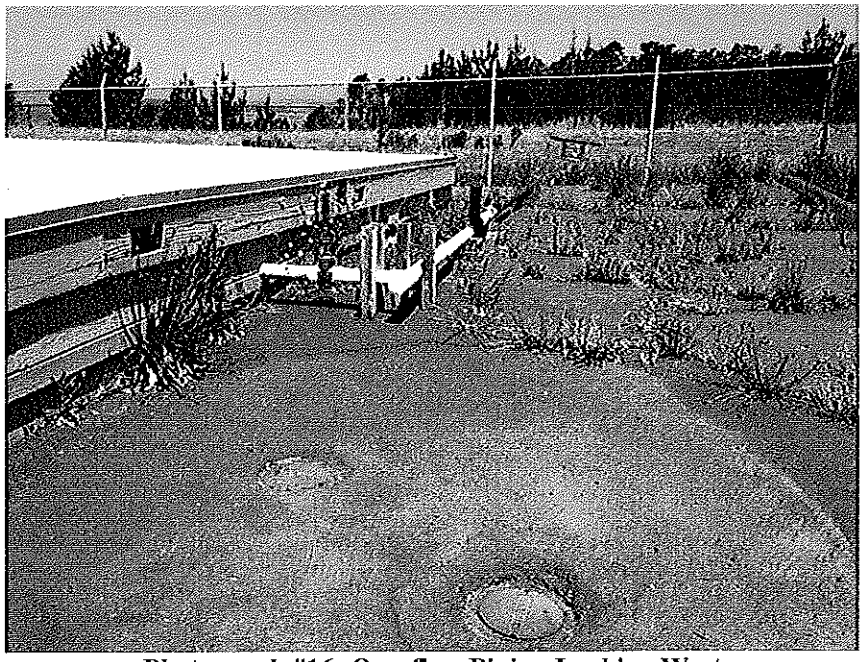
Photograph #13: Surrounding Area Looking East

Photograph #14: View from Northeast Corner of Facility, Looking South

Figure 6: Existing Site Photographs



Photograph #15: Existing SCADA/Telemetry Cabinets



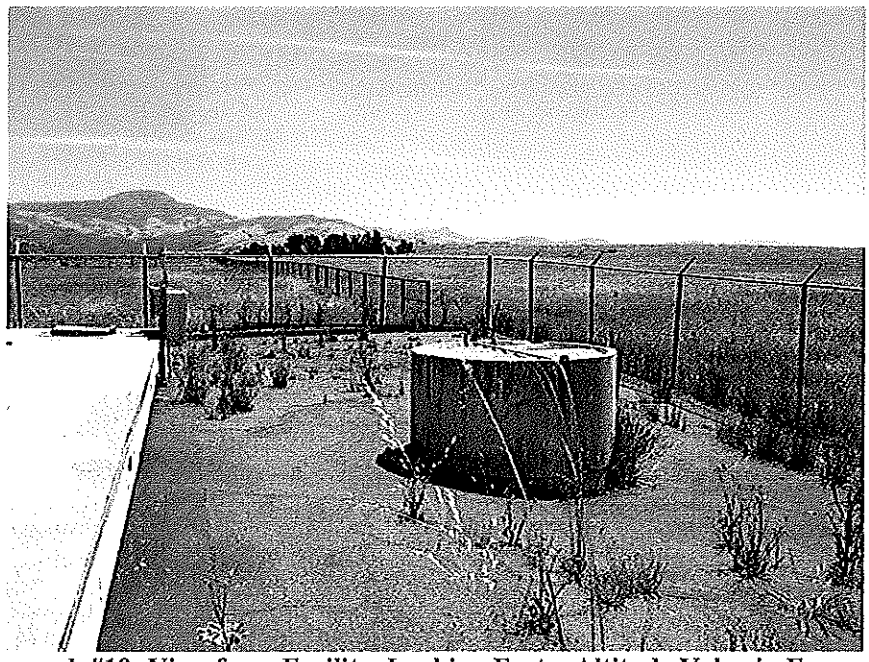
Photograph #16: Overflow Piping Looking West

Figure 6: Existing Site Photographs

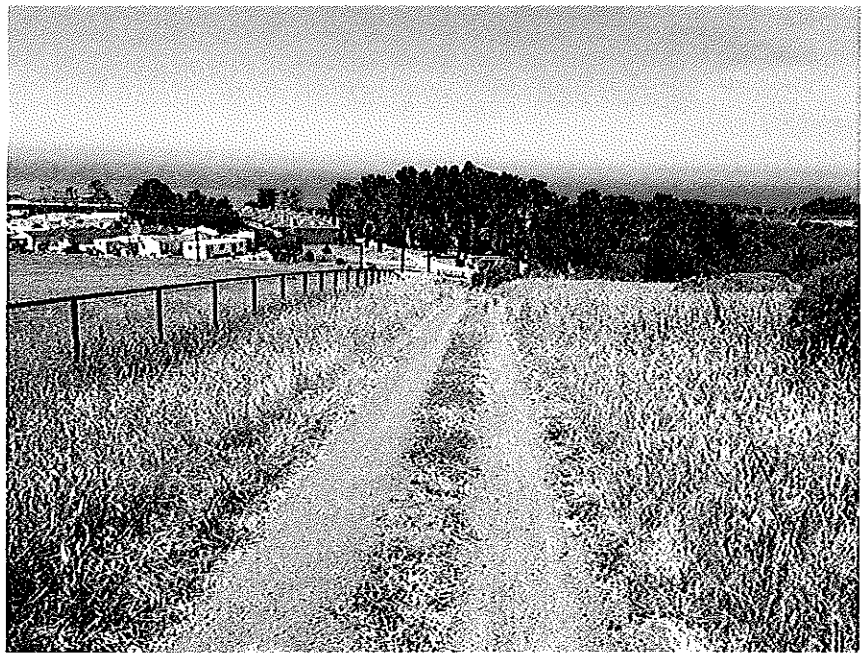
Photograph #17: Panorama of Surrounding Area from South of the Facility

Photograph #18: Area to the Southeast of the Facility

Figure 6: Existing Site Photographs



Photograph #19: View from Facility, Looking East – Altitude Valve in Foreground



Photograph #20: View from Access Road, Looking Southwest

Appendix

Existing Site Plan

Assessor's Parcel Map

Excerpt from District Water Master Plan (Boyle 2007)

Oliveira Report

SUPERTINTENDENT'S REPORT
Jerry Copeland
Facilities Update for August

SAN SIMEON COMMUNITY SERVICES DISTRICT
Superintendent's Report
Activities of August 2013

Wastewater Treatment Plant

- The wastewater treatment plant performed well this month.
- All sampling, testing and reporting at the wastewater treatment plant was performed as required by the RWQCB.
- Two loads of sludge were hauled away.
- Staff passed laboratory performance testing as a pre-requisite to ELAP (Environmental Laboratory Accreditation Program) certification by the State of California.

Water Distribution System

- All routine sampling and testing was performed. The monthly report was submitted to the CDPH.
- Monthly meter reading was performed.

District and Equipment Maintenance

- The stand-by generators at the WWTP and the well site received quarterly maintenance and annual load testing.
- Staff continues with all of the scheduled preventive maintenance for all the equipment at the facilities. We are recording all of these activities.

San Simeon Community Services District - Monthly Data Report -August 2013

Date	Day	Wastewater Influent Daily flow	Wastewater Effluent Daily Flow	CALCULATED Well 1 Total Pumped	CALCULATED Well 2 Total Pumped	CALCULATED Total Daily Water Produced	Water Level Well 1	Water Level Well 2	Rainfall in Inches	INPUT State Sewer Daily Flow
08/01/13	Thu	110,650	104,580	65,674	59,541	125,215			0.00	19,158
08/02/13	Fri	123,140	117,190	75,099	22,664	97,764	12.8	12.9	0.00	15,813
08/03/13	Sat	110,892	113,380	50,191	64,104	114,294			0.00	18,925
08/04/13	Sun	107,050	115,230	45,703	59,915	105,618			0.00	19,621
08/05/13	Mon	117,093	116,810	75,922	8,752	84,674	13.0	13.1	0.00	17,836
08/06/13	Tue	109,001	118,030	38,672	70,088	108,759			0.00	23,473
08/07/13	Wed	117,462	117,880	59,092	60,438	119,530			0.00	14,031
08/08/13	Thu	111,453	107,980	72,930	11,444	84,374	13.0	13.1	0.00	19,966
08/09/13	Fri	113,671	115,790	62,757	68,891	131,648			0.00	27,049
08/10/13	Sat	122,004	118,230	0	75,847	75,847			0.00	13,164
08/11/13	Sun	107,612	115,250	76,745	37,998	114,743	13.1	13.2	0.00	21,044
08/12/13	Mon	119,084	121,220	68,367	48,994	117,361			0.00	18,718
08/13/13	Tue	101,809	106,210	16,606	50,191	66,796			0.00	16,797
08/14/13	Wed	125,892	109,340	72,332	59,690	132,022			0.00	22,801
08/15/13	Thu	100,903	105,290	72,631	0	72,631	13.4	13.5	0.00	11,845
08/16/13	Fri	121,069	118,650	53,332	77,493	130,825	13.4	13.5	0.00	16,020
08/17/13	Sat	116,684	119,540	41,963	59,242	101,204			0.00	16,951
08/18/13	Sun	99,527	111,420	74,950	10,248	85,197	13.4	13.5	0.00	19,196
08/19/13	Mon	107,190	107,380	37,924	65,899	103,822			0.00	17,282
08/20/13	Tue	83,993	105,400	51,762	54,604	106,366			0.00	15,691
08/21/13	Wed	99,928	104,950	67,245	26,778	94,024			0.00	14,534
08/22/13	Thu	98,390	100,900	0	69,190	69,190			0.00	15,825
08/23/13	Fri	94,938	94,010	71,284	0	71,284	13.5	13.6	0.00	14,952
08/24/13	Sat	113,608	105,600	38,447	77,642	116,090	13.4	13.5	0.00	15,247
08/25/13	Sun	101,606	110,630	57,895	58,045	115,940			0.00	15,902
08/26/13	Mon	93,831	93,130	74,875	0	74,875	13.7	13.8	0.00	15,106
08/27/13	Tue	93,125	95,270	0	66,796	66,796	13.6	13.7	0.00	11,888
08/28/13	Wed	93,101	98,300	81,532	48,695	130,227	13.6	13.7	0.00	13,743
08/29/13	Thu	82,434	81,830	16,980	26,255	43,234	13.6	13.7	0.00	15,476
08/30/13	Fri	93,943	85,510	62,234	49,667	111,901			0.00	11,273
08/31/13	Sat	114444	111090	81,008	35,829	116,838			0.00	13,118
TOTALS		**3,305,527**	**3,346,020**	**1,664,150**	**1,424,940**	**3,089,090**			**0.00**	**522,445**
Average		**106,630**	**107,936**	**53,682**	**45,966**	**99,648**	**13.3**	**13.4**	**0.00**	**16,853**
Minimum		**82,434**	**81,830**	**0**	**0**	**43,234**	**12.8**	**12.9**	**0.00**	**11,273**
Maximum		**125,892**	**121,220**	**81,532**	**77,642**	**132,022**	**13.7**	**13.8**	**0.00**	**27,049**

DATA SUMMARY SHEET

2013													
	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Total for 2013
Wastewater Final Effluent (Month Cycle)	2,021,340	1,908,020	2,318,280	2,451,860	2,643,980	2,808,900	3,419,550	3,346,020					20,917,950
Wastewater Influent	2,314,345	2,162,072	2,521,425	2,462,631	2,597,523	2,836,232	3,360,480	3,305,527					21,560,235
Adjusted Wastewater Influent (- State Flow) *	2,067,826	1,945,010	2,232,831	2,144,411	2,239,609	2,452,299	2,819,473	2,783,082					18,684,541
Water Produced (month cycle)	1,727,730	1,703,869	1,995,696	2,278,258	2,540,208	2,803,862	3,198,897	3,089,090					19,337,611
Sewer Influent/Water Produced Ratio	1.34	1.27	1.26	1.08	1.02	1.01	1.05	1.08					N/A
Adusted Sewer/Water Ratio	1.20	1.14	1.12	0.94	0.88	0.88	0.88	0.90					N/A
Total Well Production	1,727,730	1,703,869	1,995,696	2,278,258	2,540,208	2,803,862	3,198,897	3,089,090					19,337,611
Well 1 Water Pumped	748,748	238,462	1,839,594	1,211,386	1,090,883	1,642,966	1,716,585	1,664,150					10,152,775
Well 2 Water Pumped	978,982	1,465,407	156,102	1,066,872	1,449,325	1,160,896	1,482,312	1,424,940					9,184,836
Water Well 1 Avg Depth to Water	11.2	11.0	11.1	11.2	11.2	11.2	12.3	13.3					N/A
Water Well 2 Avg Depth to Water	11.3	11.1	11.2	11.3	11.3	11.3	12.4	13.4					N/A
Average Depth of Both Wells	11.3	11.1	11.2	11.3	11.3	11.3	12.4	13.4					N/A
Change in Average Well Depth from 2012	+0.6	+0.1	+0.1	+0.1	+0.1	+0.1	+1.1	+1.4					N/A
State Wastewater Treated	246,519	217,062	288,594	318,220	357,914	383,933	541,007	522,445					2,875,694
State % of Total WW Flow	11%	10%	11%	13%	14%	14%	16%	16%					N/A
Biosolids Removal (Gallons)	6,000	0	0	6,000	6,000	12,000	6,000	12,000					48,000
WW Permit Limitation Exceeded	***0***	***0***	***0***	***0***	***0***	***0***	***0***	***0***					***0***
Constituent Exceeded	***None***	***None***	***None***	***None***	***None***	***None***	***None***	***None***					N/A
Sample Limit	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***					N/A
Sample Result	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***					N/A

2012													
	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Total for 2012
Wastewater Final Effluent (Month Cycle)	2,282,400	2,013,230	2,330,795	2,716,990	2,525,450	2,715,470	3,502,920	3,227,160	2,616,130	2,535,700	2,175,190	2,509,470	31,150,905
Wastewater Influent	2,374,670	2,135,421	2,402,116	2,798,195	2,575,428	2,749,696	3,298,298	3,082,906	2,634,002	2,413,542	1,983,791	2,482,140	30,930,205
Adjusted Wastewater Influent (- State Flow) *	2,100,280	1,917,729	2,145,425	2,464,553	2,265,629	2,380,258	2,801,758	2,634,075	2,297,669	2,137,808	1,757,882	2,138,937	27,042,003
Water Produced (month cycle)	1,981,790	1,852,198	1,796,370	2,288,880	2,390,907	2,672,903	3,132,146	3,061,993	2,542,115	2,308,627	1,773,882	1,641,636	27,443,447
Sewer Influent/Water Produced Ratio	1.15	1.15	1.34	1.19	1.07	1.03	1.05	1.01	1.04	1.05	1.12	1.51	N/A
Adusted Sewer/Water Ratio	1.06	1.04	1.19	1.08	0.95	0.89	0.90	0.86	0.90	0.93	0.99	1.30	N/A
Average Depth of Both Wells	10.7	11.0	11.1	11.2	11.4	11.2	11.3	12.0	12.6	13.2	13.9	11.0	N/A
Change in Average Well Depth from 2011	-0.2	-0.3	-1.5	-0.6	-0.6	-0.4	-0.3	-1.5	-1.9	-2.5	-3.2	-0.2	N/A
State Wastewater Treated	274,390	217,692	256,691	333,642	309,799	369,438	496,540	448,831	336,333	275,734	225,909	343,203	3,888,202
State % of Total WW Flow	12%	10%	11%	12%	12%	13%	15%	15%	13%	11%	12%	14%	N/A
Biosolids Removal (Gallons)	6,000	0	6,000	6,000	6,000	6,000	6,000	6,000	6,000	0	6,000	6,000	60,000
WW Permit Limitation Exceeded	***0***	***0***	***0***	***0***	***0***	***0***	***0***	***0***	***0***	***0***	***0***	***0***	***0***
Constituent Exceeded	***None***	***None***	***None***	***None***	***None***	***None***	***None***	***None***	***None***	***None***	***None***	***None***	N/A
Sample Limit	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	N/A
Sample Result	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	N/A

The formula for calculation of "State % of total WW Flow" compares the State Wastewater Treated to the Wastewater Influent Flow.

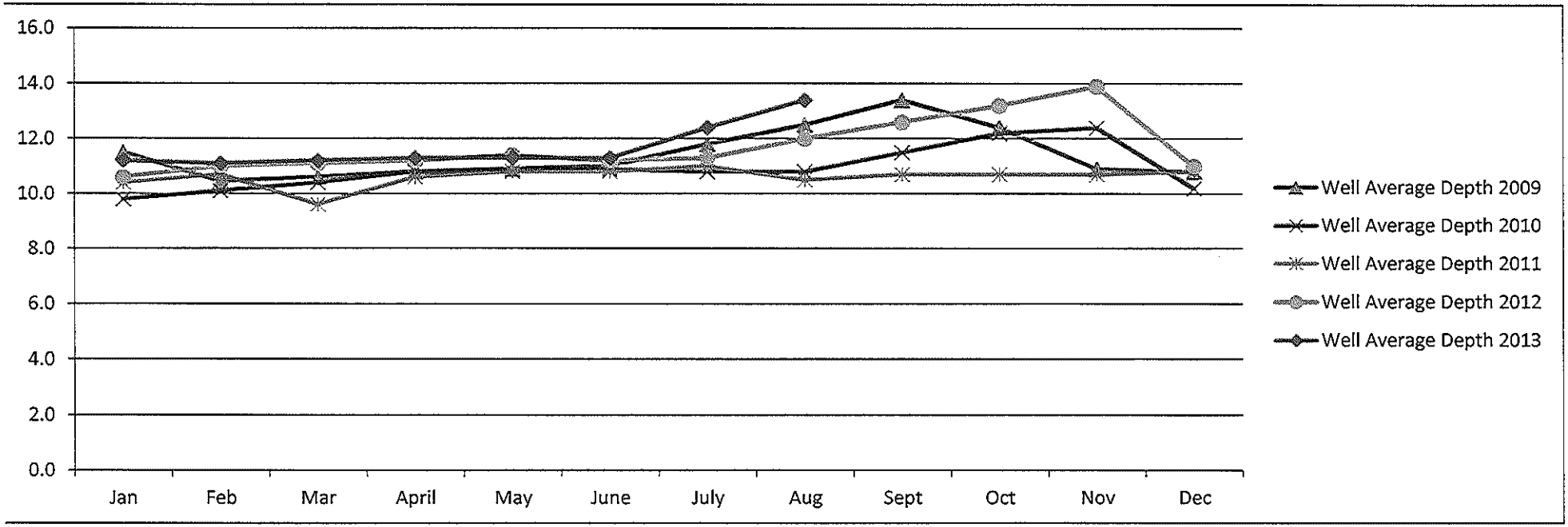
DATA SUMMARY SHEET

2013													
	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Total for 2013
Wastewater Final Effluent (Month Cycle)	2,021,340	1,908,020	2,318,280	2,451,860	2,643,980	2,808,900	3,419,550	3,346,020					20,917,950
Wastewater Influent	2,314,345	2,162,072	2,521,425	2,462,631	2,597,523	2,836,232	3,360,480	3,305,527					21,560,235
Adjusted Wastewater Influent (- State Flow) *	2,067,826	1,945,010	2,232,831	2,144,411	2,239,609	2,452,299	2,819,473	2,783,082					18,684,541
Water Produced (month cycle)	1,727,730	1,703,869	1,995,696	2,278,258	2,540,208	2,803,862	3,198,897	3,089,090					19,337,611
Sewer Influent/Water Produced Ratio	1.34	1.27	1.26	1.08	1.02	1.01	1.05	1.08					N/A
Adusted Sewer/Water Ratio	1.20	1.14	1.12	0.94	0.88	0.88	0.88	0.90					N/A
Total Well Production	1,727,730	1,703,869	1,995,696	2,278,258	2,540,208	2,803,862	3,198,897	3,089,090					19,337,611
Well 1 Water Pumped	748,748	238,462	1,839,594	1,211,386	1,090,883	1,642,966	1,716,585	1,664,150					10,152,775
Well 2 Water Pumped	978,982	1,465,407	156,102	1,066,872	1,449,325	1,160,896	1,482,312	1,424,940					9,184,836
Water Well 1 Avg Depth to Water	11.2	11.0	11.1	11.2	11.2	11.2	12.3	13.3					N/A
Water Well 2 Avg Depth to Water	11.3	11.1	11.2	11.3	11.3	11.3	12.4	13.4					N/A
Average Depth of Both Wells	11.3	11.1	11.2	11.3	11.3	11.3	12.4	13.4					N/A
Change in Average Well Depth from 2012	+0.6	+0.1	+0.1	+0.1	+0.1	+0.1	+1.1	+1.4					N/A
State Wastewater Treated	246,519	217,062	288,594	318,220	357,914	383,933	541,007	522,445					2,875,694
State % of Total WW Flow	11%	10%	11%	13%	14%	14%	16%	16%					N/A
Biosolids Removal (Gallons)	6,000	0	0	6,000	6,000	12,000	6,000	12,000					48,000
WW Permit Limitation Exceeded	***0***	***0***	***0***	***0***	***0***	***0***	***0***	***0***					***0***
Constituent Exceeded	***None***	***None***	***None***	***None***	***None***	***None***	***None***	***None***					N/A
Sample Limit	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***					N/A
Sample Result	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***					N/A

2012													
	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Total for 2012
Wastewater Final Effluent (Month Cycle)	2,282,400	2,013,230	2,330,795	2,716,990	2,525,450	2,715,470	3,502,920	3,227,160	2,616,130	2,535,700	2,175,190	2,509,470	31,150,905
Wastewater Influent	2,374,670	2,135,421	2,402,116	2,798,195	2,575,428	2,749,696	3,298,298	3,082,906	2,634,002	2,413,542	1,983,791	2,482,140	30,930,205
Adjusted Wastewater Influent (- State Flow) *	2,100,280	1,917,729	2,145,425	2,464,553	2,265,629	2,380,258	2,801,758	2,634,075	2,297,669	2,137,808	1,757,882	2,138,937	27,042,003
Water Produced (month cycle)	1,981,790	1,852,198	1,796,370	2,288,880	2,390,907	2,672,903	3,132,146	3,061,993	2,542,115	2,308,627	1,773,882	1,641,636	27,443,447
Sewer Influent/Water Produced Ratio	1.15	1.15	1.34	1.19	1.07	1.03	1.05	1.01	1.04	1.05	1.12	1.51	N/A
Adusted Sewer/Water Ratio	1.06	1.04	1.19	1.08	0.95	0.89	0.90	0.86	0.90	0.93	0.99	1.30	N/A
Average Depth of Both Wells	10.7	11.0	11.1	11.2	11.4	11.2	11.3	12.0	12.6	13.2	13.9	11.0	N/A
Change in Average Well Depth from 2011	-0.2	-0.3	-1.5	-0.6	-0.6	-0.4	-0.3	-1.5	-1.9	-2.5	-3.2	-0.2	N/A
State Wastewater Treated	274,390	217,692	256,691	333,642	309,799	369,438	496,540	448,831	336,333	275,734	225,909	343,203	3,888,202
State % of Total WW Flow	12%	10%	11%	12%	12%	13%	15%	15%	13%	11%	12%	14%	N/A
Biosolids Removal (Gallons)	6,000	0	6,000	6,000	6,000	6,000	6,000	6,000	6,000	0	6,000	6,000	60,000
WW Permit Limitation Exceeded	***0***	***0***	***0***	***0***	***0***	***0***	***0***	***0***	***0***	***0***	***0***	***0***	***0***
Constituent Exceeded	***None***	***None***	***None***	***None***	***None***	***None***	***None***	***None***	***None***	***None***	***None***	***None***	N/A
Sample Limit	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	N/A
Sample Result	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***	N/A

The formula for calculation of "State % of total WW Flow" compares the State Wastewater Treated to the Wastewater Influent Flow.

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Well Average Depth 2009	11.5	10.5	10.6	10.8	10.9	11.0	11.8	12.5	13.4	12.4	10.9	10.8
Well Average Depth 2010	9.8	10.1	10.4	10.8	10.8	10.9	10.8	10.8	11.5	12.2	12.4	10.2
Well Average Depth 2011	10.4	10.7	9.6	10.6	10.8	10.8	11.0	10.5	10.7	10.7	10.7	10.8
Well Average Depth 2012	10.6	11.0	11.1	11.2	11.4	11.2	11.3	12.0	12.6	13.2	13.9	11.0
Well Average Depth 2013	11.2	11.1	11.2	11.3	11.3	11.3	12.4	13.4				



DISTRICT FINANCIALS
Renee Lundy

August 31, 2013

* Financial Summary

* Balance Sheet

* Water Sales & Production

SAN SIMEON COMMUNITY SERVICES DISTRICT

FINANCIAL SUMMARY

BILLING
August 31, 2013

July Billing Revenue	**$ 82,456.93**
August Billing Revenue	**$ 84,359.23**
Past Due (31 to 60 days)	$ 107.11
Past Due (60 days)	$ 342.83

RABOBANK SUMMARY
Ending Balances August 31, 2013

Summary of Transactions:	
Balance August 18, 2013	$ 535,185.89
Checking Account Transfer August 19, 2013	$ 50,000.00
Interest	$ 116.57
Money Marketing Account Closing Balance August 31, 2013	$ 585,302.46
Reserve Fund	($ 250,000.00)
Hook up Deposits	($ 43,470.00)
Available Funds	$ 291,832.46
General Checking Account	**$ 82,597.06**
Well Rehab Project/USDA Checking Account	**$ 730.00**

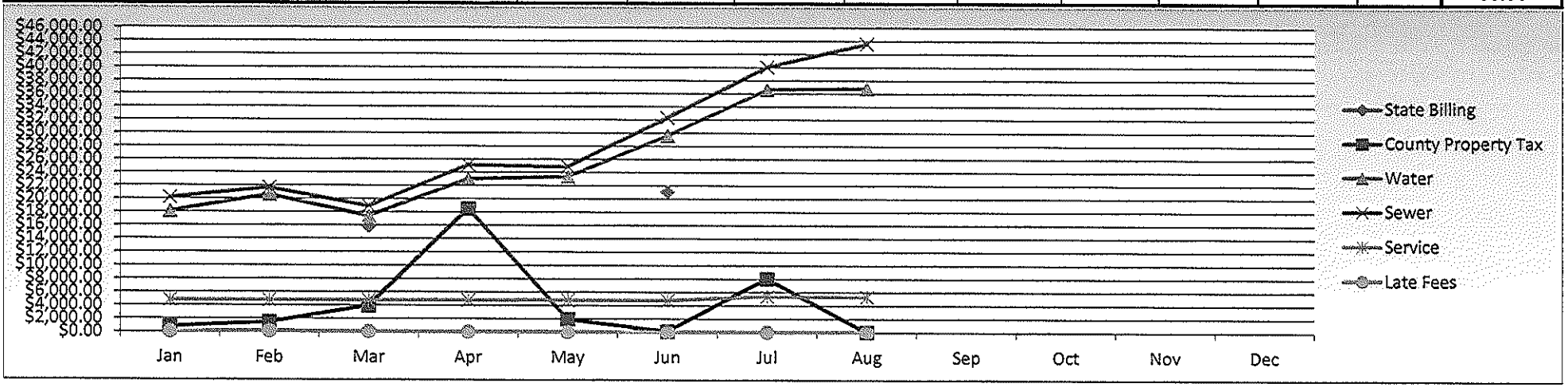
LAIF Closing Balance August 31, 2013	**$ 517.29**

SAN SIMEON COMMUNITY SERVICES DISTRICT
Balance Sheet
As of August 31, 2013

	Aug 31, 13	
ASSETS		
Current Assets		
Checking/Savings		
1010 · Petty cash	150.00	
1020 · General checking	82,597.06	
1022 · USDA checking	730.00	
1040 · Cash in county treasury	51.86	
1050 · LAIF - non-restricted cash	516.62	
1060 · Money Market Account 9548643...	585,302.46	
Total Checking/Savings	669,348.00	
Other Current Assets		
1200 · Accounts receivable	82,563.83	
1300 · Prepaid expenses	5,964.58	
Total Other Current Assets	88,528.41	
Total Current Assets	757,876.41	
Fixed Assets		
1400 · Fixed assets		
1420 · Building and structures	395,874.73	
1500 · Equipment	316,747.53	
1540 · Major water projects	145,068.22	
1580 · Sewer plant	1,488,555.08	
1600 · Water system	550,390.00	
1620 · WWTP expansion	299,565.92	
1630 · Tertiary Project	235,886.09	
1640 · Wellhead project	15,042.13	
Total 1400 · Fixed assets		3,447,129.70
1650 · Walkway access projects		11,511.00
1690 · Accumulated depreciation		(1,883,279.47)
Total Fixed Assets	1,575,361.23	
TOTAL ASSETS	2,333,237.64	
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
2000 · Accounts payable	3,390.30	
Total Accounts Payable	3,390.30	
Other Current Liabilities		
2100 · Payroll liabilities	153.00	
2500 · Customer security deposits	10,408.13	
2510 · Connect hookup wait list	43,470.00	
Total Other Current Liabilities	54,031.13	
Total Current Liabilities	57,421.43	
Total Liabilities	57,421.43	
Equity		
3200 · Fund balance	2,213,821.53	
3900 · Suspense	(23.04)	
Net Income	62,017.72	
Total Equity	2,275,816.21	
TOTAL LIABILITIES & EQUITY	2,333,237.64	

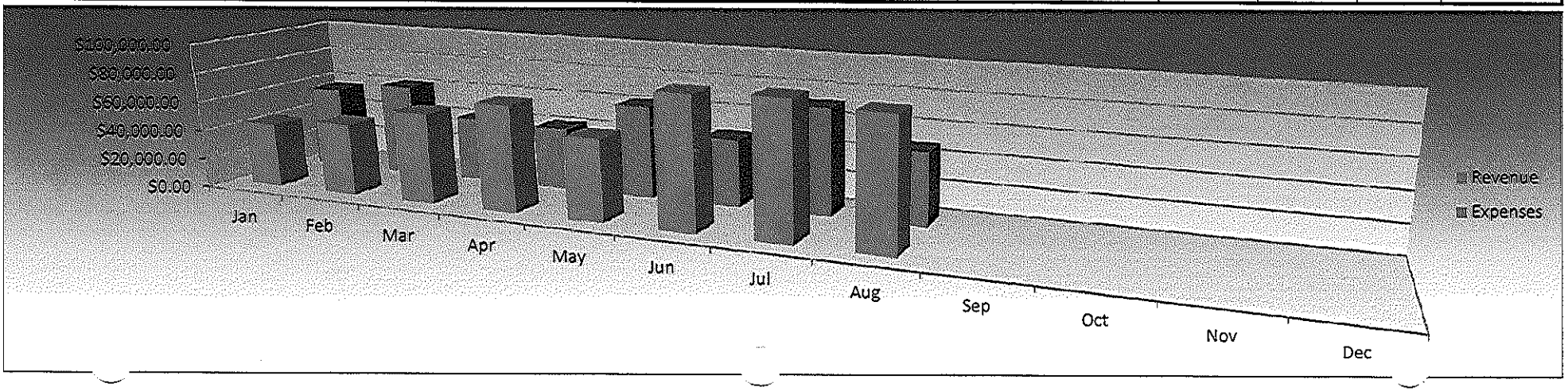
2013 DISTRICT REVENUE

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Totals
State Billing			$15,874.60			$21,090.32							$36,964.92
County Property Tax	$757.44	$1,473.36	$3,935.20	$18,534.56	$1,963.98	$141.38	$8,069.77	$51.86					$34,927.55
Water	$18,102.6	$20,631.4	$17,394.1	$23,008.4	$23,384.4	$29,603.5	$36,628.9	$36,833.3					$205,586.67
Sewer	$20,172.8	$21,705.5	$18,903.2	$25,168.5	$24,914.3	$32,350.8	$40,084.9	$43,613.3					$226,913.24
Service	$4,792.3	$4,769.3	$4,769.3	$4,792.3	$4,815.4	$4,792.3	$5,436.9	$5,366.4					$39,534.18
Late Fees	$80.3	$163.5	$95.6	$58.8	$51.7	$88.3	$59.8	$110.4					$708.30
Total	**$43,905.4**	**$48,743.0**	**$60,972.0**	**$71,562.6**	**$55,129.7**	**$88,066.6**	**$90,280.3**	**$85,975.3**					$544,634.86
Water Sold Cu Ft	220059	216680	209256	285145	279529	354134	373741	396714					2335258
Water Sold Acre ft	5.05	4.97	4.80	6.55	6.42	8.13	8.58	9.11					53.61



REVENUE VS EXPENSES

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Totals
Revenue	$43,905.44	$48,742.98	$60,971.99	$71,562.60	$55,129.70	$88,066.60	$90,280.30	$85,975.30					
Expenses	$56,546.16	$62,776.84	$44,114.20	$42,560.87	$62,849.92	$45,648.58	$71,615.58	$48,925.07					
Balance	-$12,640.72	-$14,033.86	$16,857.79	$29,001.73	-$7,720.22	$42,418.02	$18,664.72	$37,050.23					



ITEMS OF BUSINESS

* Minutes – August 14, 2013

* Disbursements Journal – September 11, 2013

MINUTES
SAN SIMEON COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS REGULAR MEETING
Wednesday, August 14, 2013
6:00 pm

CAVALIER BANQUET ROOM
250 San Simeon Avenue
San Simeon, CA

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

1. **NO CLOSED SESSION**

2. **REGULAR SESSION: @6:00 PM**

   A. Roll Call:
   Chairperson McAdams - Present
   Vice-Chair Williams – Present
   Director Fields - Present
   Director Price - Present
   Director Patel - Present

   Also Present
   Charles Grace – General Manager
   Robert Schultz – District Counsel
   Sheriff's Administration – Srgt. Scott

   B. Pledge of Allegiance

3. **PUBLIC COMMENT:** None

   A. Sheriff's Report – Report for July.
   Per last month's concern with the suspicious vehicle around the vending machines at the local hotels; Sergeant Scott looked into the persons/vehicle. The vehicle left San Simeon and there were no calls of burglary regarding the San Simeon vending machine

   There were 116 calls for service such as: 12 emergency medical , 15 assist other agencies, 1 elder abuse, 2 identity thefts, 3 disturbing the peace, 56 citizen assists, 8 incomplete 911 calls, 26 pedestrian/traffic stops and 7 criminal activity.

   B. Public comment on Sheriff's Report
   Director Fields mentioned to the Sergeant of the tagged up billboard in Cambria. Sergeant Scott had no information at this time on that tagging.

4. **BOARD PRESENTATIONS AND ANNOUNCEMENTS:** None

5. STAFF REPORTS

A. General Manager's Report

1. Staff Activity – Report on Staff activities for the month of July.

Along with billing and collections, Staff sent out the Quarterly Newsletter and the Stage 2 Alert. Staff was in contact with the United States Department of Agriculture (USDA) and Phoenix Engineering regarding preparation for construction of the Wellhead Project. Staff prepared information for the Water committee meeting and trained 5 people on Recycled Water distribution. The State/Hearst Billing was sent out ($21,090.32)

2. Grants, Loans and Partnership Opportunities

Well Rehab Project
Phoenix Engineering has received several change order requests from the Construction and Electrical teams. These changes were expected since the plans were engineered in 2007. The changes are minor and refer to updated parts and systems. The process is to send the change orders for review to Phoenix or AECOM then final approval through the District and USDA. Once these changes are approved by the USDA, equipment and parts can be purchased. This process only takes a couple of weeks. Construction has already been scheduled for September.

San Luis Obispo County of Government (SLOCOG) Signs
The Highway One Byways Interpretive signs are currently under review by CalTrans. The Contract and the Engineering is Scheduled for August approval. Once approved, construction is scheduled for December 2013.

Highway One Gateway Monument Welcome Sign
The Four Welcome signs for the HWY 1 corridor are still under Cal Trans Engineering preview. The construction contract with Cal Trans currently has an October start date. SLOCOG will keep us notified when exact construction dates are planned.

3. Small Scale Recycled Water Project –

There is no current update from last month's update. December is the projected time for the recycled water permit to be submitted with the Wastewater Treatment Plant discharge permit.

B. Superintendent's Report

Wastewater Treatment Plant

- The wastewater treatment plant performed well this month.
- All sampling, testing and reporting at the wastewater treatment plant was performed as required by the RWQCB.
- One load of sludge was hauled away.

Water Distribution System

- All routine sampling and testing was performed. The monthly report was submitted to the CDPH.
- Monthly meter reading was performed.
- Staff attended pre-construction meetings regarding the well rehabilitation project.

District and Equipment Maintenance

- Staff continues with all of the scheduled preventive maintenance for all the equipment at the facilities. We are recording all of these activities.

C. District Financial Summary – Update on Monthly Financial Status for close of business July 31, 2013.

June Billing Revenue		**$ 65,434.08**
July Billing Revenue		**$ 82,456.93**
Past Due (31 to 60 days)		$ 46.04
Past Due (60 days)		$ 299.50

RABOBANK SUMMARY
Ending Balances July 31, 2013

Money Marketing Account Closing Balance July 31, 2013		**$ 535,185.89**
Summary of Transactions:		
Balance June 30, 2013		$ 485,069.87
Checking Account Transfer July 9, 2013		$ 50,000.00
Interest		$ 116.02
	Reserve Fund	($ 250,000.00)
	Hook up Deposits	($ 43,470.00)
	Available Funds	**$ 241,715.87**
General Checking Account		**$ 132,559.19**
Well Rehab Project/USDA Checking Account		**$ 730.00**
LAIF Closing Balance July 31, 2013		**$ 516.98**

A motion was made to move $50,000.00 from the General Checking Account to the Money Marketing Account.

Motion By: Chairperson McAdams
2nd By: Director Price
All In: 5 /0

D. District Counsel's Report – Oral Report on current issues from July

July was a quiet month. Counsel worked on general District Duties. Counsel reviewed the Southwest Water contract to make sure that payment was sent, and also reviewed the Hearst agreement and had discussions with the General manager regarding the possible use of Well 3.

Counsel brought up a proposal to continue with the policy and procedures workshop now that all Directors positions are full.

6. ITEMS OF BUSINESS

A. Approval of last month's minutes – July 10, 2013.

Motion made to approve minutes as presented.

Motion By: Director Fields
2nd By: Director Price
All In: 5 /0

Approval of Water committee Minutes – July 17, 2013

Motion made to approve minutes from the Water Committee Meeting as presented.

Motion By: Director Patel
2nd By: Director Fields
All In: 5 /0

B. Approval of Disbursements Journal – August 14, 2013.

Motion made to approve Disbursements Journal as presented.

Motion By: Chairperson McAdams
2nd By: Vice-Chair Williams
All In: 5 /0

7. DISCUSSION/ACTION ITEMS

A. Discussion if the District should reimburse themselves for expenses made towards preparation of the USDA.

The District has spent $82,565 in engineering costs in the past on the Well Rehab Project. The District has the opportunity to submit the invoices to the USDA and receive these monies as part of the loan. The USDA loan rate is 2.5%. To assist in the Board's decision, the District Money Marketing account is currently paying .24%, the routine monthly financials and trending sheets are included in the Board Packet.

A motion was made to not to seek reimbursement for past paid invoices.

Motion By: Director Price
2nd By: Chairperson McAdams
All In: 5 /0

B. Review of Auditor proposals for the San Simeon CSD 2012-2013 Audit.

Staff sent requests for proposals to 7 different Accounting Firms that have sent letters of interest to the over the past few years. Four Proposals were submitted received and are attached for Board review. Staff recommends Moss, Levy & Hartzheim based on the company location, competitive pricing, and complete proposal.

1. **Moss, Levy & Hartzheim, LLP, Santa Maria:**
   $7,950 for 2012-2013
   $8,225 for 2013-2014
   $8,515 for 2014-2015

2. Rob Dennis, Rancho Cucamonga: $7,200 for 2012-2013 year.

3. Daniels, Phillips, Vaughn & Bock (Del~Mundo): $8,800 for 2012-2013 year.

4. Brown Armstrong Accounting Corporation, Bakersfield: $18,000 for 2012-2013 year.

A motion was made to accept Moss, Levy & Hartzheim proposal from Santa Maria to do the District Audit fior the 2012-2013 Fiscal Year.

Motion By: Vice-Chair Williams
2nd By: Director Patel
All In: 5 /0

C. Resolution 13-360 – Authorization of Bank Signatures.

The attached resolution is for the approval of new signatures for the San Simeon CSD bank accounts. Staff is requesting approval of Resolution 13-360 in order to update the current and approved signers to the accounts and to add Ken Patel as a new signer.

A motion was made to pass Resolution 13-360.

Motion By: Director Fields
2nd By: Vice-Chair Williams
All In: 5 /0

8. Board Committee Reports – None

9. Board Reports – None

10. BOARD/STAFF GENERAL DISCUSSIONS AND PROPOSED AGENDA ITEMS

1. There are "No Trespassing" signs up at the Public Access. Counsel will call the County and ask who the access belongs to.

2. There will be a policy and procedure meeting at 5:00 on October 16th.

3. Move regular meeting to October 16th at 6:00 PM.

4. Discussion of Tank Technical study.

11. ADJOURNMENT@7:03 PM

SAN SIMEON COMMUNITY SERVICES DISTRICT
Disbursements Journal
September 2013

Type	Date	Num	Name	Memo		Amount	Balance
							82,597.06
Check	09/02/2013	6905	Env. Laboratory Accreditation	ELAP Application for SSCSDWWTP Lab		-1,907.00	80,690.06
Paycheck	09/10/2013	6906	ALAN FIELDS	Director Salary		-92.35	80,597.71
Paycheck	09/10/2013	6907	DAN WILLIAMS	Director Salary		-92.35	80,505.36
Paycheck	09/10/2013	6908	KAUSHIK S PATEL	Director Salary		-92.35	80,413.01
Paycheck	09/10/2013	6909	LEROY E PRICE	Director Salary		-92.35	80,320.66
Paycheck	09/10/2013	6910	RALPH N MCADAMS	Director Salary		-92.35	80,228.31
Bill Pmt	09/10/2013	6911	APTwater, Inc	Operations Management September 2013	$38,870.64	-39,891.02	40,337.29
	09/10/2013			CPI July $510.19, CPI August $510.19 =	$ 1,020.38		
Bill Pmt	09/10/2013	6912	Carmel & Nacassha. LLP	SWWC Audit letter for 2012-2013 Audit		-315.30	40,021.99
Bill Pmt	09/10/2013	6913	Glenn Burdette	Services		-1,200.00	38,821.99
Bill Pmt	09/10/2013	6914	MICHAEL O'NEILL	Monthly maintenance fee		-275.00	38,546.99
Bill Pmt	09/10/2013	6915	Norma Ramirez	Deposit return Acct 105, 527 Casa Del Mar		-50.00	38,496.99
Bill Pmt	09/10/2013	6916	Phoenix Civil Engineering, Inc	Tank Feasibility Study		-2,475.00	36,021.99
Bill Pmt	09/10/2013	6917	ROBERT W SCHULTZ ESQ.	Services		-1,800.00	34,221.99
Bill Pmt	09/10/2013	6918	Significant Digits, Inc.	Annual licensing fee for Meter Reader program		-550.00	33,671.99
						-48,925.07	33,671.99
						-48,925.07	**33,671.99**

DISCUSSION & ACTION ITEMS

Discussion Action Items
September 11, 2013

A. Discussion of Ordinance 106, Stage 1, 2 and 3 Alerts:

As we potentially enter into Stage 3 water restrictions, the question has been raised "are the current Ordinance Stage 3 restrictions effective enough to reduce water usage? Ordinance 106 is attached for Board review. (Discussion Only)

ORDINANCE NO. 106

AN ORDINANCE OF THE BOARD OF DIRECTORS
OF THE SAN SIMEON COMMUNITY SERVICES DISTRICT
RELATING TO STAGE ONE, TWO AND THREE
WATER CONSERVATION PLAN

BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE SAN SIMEON COMMUNITY SERVICES DISTRICT (SSCSD) AS FOLLOWS:

SECTION 1: There is hereby established the SSCSD Comprehensive Water Conservation Plan. This Ordinance supersedes and repeals Ordinance 104.

A. DECLARATION OF POLICY

It is hereby declared that, because of the conditions prevailing within the SSCSD, the general welfare requires that the water resources available to the SSCSD be put to the maximum beneficial use to the extent to which they are capable, and that the waste or unreasonable use, or unreasonable method of use of water be prevented and the conservation of such water is to be extended with a view to the reasonable and beneficial use thereof in the interest of the people of the SSCSD and for the public welfare.

The current water situation within SSCSD is as follows:

1. The SSCSD is committed to acquire new sources of water in order to be able to remove the existing water moratorium; and

2. Present water supplies are limited; and

3. The chloride constituent of the SSCSD water fluctuates to undesirable levels periodically; and

4. Long-term water supply projects are in process but not readily available; and

5. SSCSD needs to conserve its available supplies to provide water to its existing customers.

Based upon the water situation within the SSCSD, the Board finds that an emergency water situation exists necessitating the immediate re-implementation of comprehensive water conservation measures.

B. APPLICATION

The provisions of this Ordinance shall apply to all persons, customers and property served by the SSCSD wherever situated. No customer of SSCSD, or any employee or invitee of any customer of the SSCSD, shall knowingly make, cause, use or permit the use of SSCSD water for residential, commercial, industrial, agricultural, governmental or any

other purpose in a manner contrary to any provision of this Ordinance, or in an amount in excess of that use permitted by the following conservation measures. The term "SSCSD water" as used herein, shall not include reclaimed wastewater.

C. PURPOSE AND AUTHORITY

The purpose of this Ordinance is to conserve the water supply of the District for the greatest public benefit with particular regard to public health, fire protection and domestic use, to conserve water by reducing waste, and to the extent necessary by reason of drought and the existing water shortage emergency condition to reduce water use fairly and equitably. This Ordinance is adopted pursuant to Water Code section 350 et seq. and sections 31026 - 31029. The General Manager is granted authority to implement the following water conservation measures identified in Stage One, Stage Two and Stage Three of this ordinance which are:

STAGE ONE

Effective when the Pico Creek stops running to the ocean. To be lifted when Pico Creek starts running to the ocean.

1. Use of water from fire hydrants shall be limited to firefighting and/or activities immediately necessary to maintain the health, safety and welfare of the SSCSD; and

2. All sales or use of SSCSD water outside of the SSCSD limits shall be discontinued; and

3. SSCSD water shall not be used to wash down sidewalks, driveways, parking areas, buildings or other structures, except to alleviate immediate fire or sanitation hazards; and

4. The washing of automobiles, trucks, trailers, boats, mobile homes and other types of mobile equipment with SSCSD water shall be prohibited.

STAGE TWO

Initiated when current well field levels for three consecutive weeks drop 5% below monthly historical averages. Lifted when Pico Creek starts running to the ocean or when well levels return to average level for two consecutive months. In addition to the restrictions set forth in Stage One, the following uses shall be prohibited:

1. All outdoor irrigation of vegetation with potable SSCSD water shall be prohibited; and

2. The use of SSCSD water for the filling, refilling or adding of water to swimming pools, wading pools, ornamental fountains, or spas shall be limited to the amount necessary to keep the pool or fountain equipment operative and to refill for evaporative losses; and

3. Restaurants are prohibited from serving SSCSD water to their customers except when specifically requested by the customer.

STAGE THREE

Initiated when current well field levels for three consecutive weeks drop 12% below monthly historical averages. Lifted when Pico Creek starts running to the ocean. In addition to the restrictions set forth in Stage One and Two, the following uses shall be prohibited:

1. All lodging establishments are limited to changing stay-over guest linens to every other day unless specifically requested by the guest; and

2. The use of SSCSD water for construction, compaction, concrete work or other construction related needs is prohibited.

D. NOTICES

The various stages of conservation will be implemented by special mailing or by a notice inserted into the water/sewer bills. Notices will also be posted at the District Office, and Chamber of Commerce.

E. VARIANCES

Applications for a variance from the provisions of Stage One, Stage Two or Stage Three of this Ordinance may be made to the General Manager. The General Manager may grant a variance to permit a use of water otherwise prohibited by Stage One, Stage Two or Stage Three if the General Manager determines that the variance is reasonably necessary. Any decision of the General Manager under this section may be appealed to the Board of Directors.

F. LIFTING OF RESTRICTIONS IMPOSED DURING A WATER SHORTAGE.

The General Manager shall lift or reduce the restrictions imposed during a water shortage as set forth above or when he/she determines, after consultation with the Chairperson of the Board of Directors and such other persons as he/she deems appropriate, that the conditions which caused the shortage have been alleviated. Such action shall be promptly and extensively publicized.

G. PENALTY

If and when the SSCSD becomes aware of any violation of any provision of Stage One, Stage Two or Stage Three of this Ordinance, a written notice shall be placed on the

property where the violation occurred and/or mailed to the person who is regularly billed for the service where the violation occurs and to any other person known to the SSCSD who is responsible for the violation or its correction. Said notice shall describe the violation and order that it be corrected, cured and abated immediately or within such specified time as the General Manager or Designee determines is reasonable under the circumstances. Said notice shall constitute the first violation of the provisions of this ordinance.

If said violation and order is not complied with, the General Manager may forthwith issue an administrative citation for the following amounts:

1. The notice of violation described above shall constitute the first violation of the provisions of this ordinance.

2. The second violation of any provision of this Ordinance, within the same twelve month period beginning with the first violation, a surcharge in the amount of one hundred dollars ($100.00) shall be added to the customer's water bill.

3. The third violation of any provision of this Ordinance, within the same twelve month period beginning with the first violation, a surcharge in the amount of two hundred and fifty dollars ($250.00) shall be added to the customer's water bill.

4. The fourth violation of any provision of this Ordinance, within the same twelve month period beginning with the first violation, shall result in the discontinuance of water service.

D. SEVERABILITY

If any provision, section, subsection, sentence, clause or phrase of this Ordinance, or the application of same to any person or set of circumstances if for any reason is held to be unconstitutional, void, or invalid, the invalidity of the Board of Directors in adopting this Ordinance that no portion thereof, or provisions, or regulation contained herein, shall become inoperative or fail by reason of any unconstitutionality of any other portion hereof, and all provisions of this Ordinance are declared to be severable for that purpose.

SECTION 2: The Ordinance shall be and the same is herby declared to be in full force and effect from and after thirty (30) days after the date of its passage and shall be published once before the expiration of fifteen (15) days after said passage, with the names of the Board Members voting for or against the same, in a newspaper of general circulation, published in the County of San Luis Obispo, State of California, and the Secretary of the Board shall post in the District Office, a certified copy of the full text of this ordinance along with the names of those Directors voting for or against the Ordinance.

On motion of Director Price and Seconded by Director Ricci;

This Ordinance was introduced, read, and on this14th day of October, 2009 on the following roll call vote, to wit:

Chairperson Lambeth Y Vice-Chair Russell Y Director Ricci Y

Director Fields Y Director Price Y

ATTEST:
FORM

Terry Lambeth
President, Board of Directors

ATTEST:

Charles Grace
General Manager/
Secretary

APPROVED AS TO

Robert Schultz
District Council