

**Board of Directors  
San Simeon Community Services District**



**BOARD PACKET**

**Wednesday, February 10, 2016  
Regular Meeting 6:00 pm**

**Cavalier Banquet Room  
250 San Simeon Avenue  
San Simeon, CA**

Prepared by:



**GRACE**  
ENVIRONMENTAL SERVICES

**AGENDA**  
**SAN SIMEON COMMUNITY SERVICES DISTRICT**  
**BOARD OF DIRECTORS REGULAR MEETING**  
**Wednesday, February 10, 2016**  
**6:00 pm**

**CAVALIER BANQUET ROOM**  
**250 San Simeon Avenue**  
**San Simeon, CA 93452**

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

**A. Roll Call**

**B. Pledge of Allegiance**

**2. PUBLIC COMMENT:**

Any member of the public may address and ask questions of the Board relating to any matter within the Board's jurisdiction, provided the matter is not on the Board's agenda. Presentations are limited to three (3) minutes or less with additional time at the discretion of the Chair. Your comments should be directed to the Board as a whole and not directed to individual Board members. The Brown Act restricts the Board from taking formal action on matters not published on the agenda.

**A. Sheriff's Report** – Report for January.

**B. Public comment on Sheriff's Report**

**3. BOARD PRESENTATIONS AND ANNOUNCEMENTS:**

**4. STAFF REPORTS**

**A. General Manager's Report**

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

**2. Update** – Wellhead treatment system project.

**3. Update** – Notice of Violation from Coastal Commission regarding Wastewater Treatment Plant Rip Rap installation.

**B. Superintendent's Report**

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

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

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

**C. District Financial Summary** – Update on Monthly Financial Status for close of business January 31, 2016.

**D. District Counsel's Report** – Summary of January activities.

**5. ITEMS OF BUSINESS**

**A. Consideration of approval of last month's minutes** – January 20, 2016.

**B. Consideration of approval of Disbursements Journal** – February 10, 2016.

**C. Consideration of approval of USDA Grant Funds Disbursements Journal** - February 10, 2016.

**6. DISCUSSION/ACTION ITEMS**

**A. Consideration of Approval of Letter Agreement Amending the District Counsel Legal Services Agreement with Carmel & Naccasha to provide for an annual cost of living increase. - \$45 a month increase for 2016.**

**B. Consideration of John Madonna Construction change order for labor, equipment and materials related to the wellhead treatment project in the amount of \$17,806.38**

**C. Consideration of Phoenix Proposal for increase in Construction Management Costs related to the wellhead treatment project in the amount of \$14,216.**

**D. Consideration of Procedure to Fill the Vacancy on the San Simeon Community Services District Board of Directors Created by the Resignation of Ralph McAdams.**

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

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

**9. BOARD/STAFF GENERAL DISCUSSIONS AND PROPOSED AGENDA ITEMS-** Requests from Board members to receive feedback, direct staff to prepare information, and/or request a formal agenda report be prepared and the item placed on a future agenda.

**10. ADJOURNMENT**

All staff reports or other written documentation, including any supplemental material distributed to a majority of the Board within 72 hours of a regular meeting, relating to each item of business on the agenda are available for public inspection during regular business hours in the District office, 111 Pico Avenue, San Simeon. If requested, this agenda shall be made available in appropriate alternative formats to persons with a disability, as required by the Americans with Disabilities Act. To make a request for a disability-related modification or accommodation, contact the District Administrator at 805-927-4778 as soon as possible and at least 48 hours prior to the meeting date. This agenda was prepared and posted pursuant to Government Code Section 54954.2.

## **4A. GENERAL MANAGER'S REPORT**

### **Charles Grace**

- 1. Staff Activity** – Report on Staff activities for the month of January.
- 2. Update** – Wellhead treatment system project.
- 3. Update** – Notice of Violation from Coastal Commission regarding Wastewater Treatment Plant Rip Rap installation.

#### **4A. GENERAL MANAGER'S REPORT**

**February 10, 2016**

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

During the month of January, Staff sent out water billing and State/Hearst billing as well as responded to several customer calls. Staff cleaned Pico Avenue with hydrant water to clean up the dirt and rocks. Staff attended an IRWM meeting to discuss the Grant procedures. Staff worked on the District Office driveway to mitigate the mud that the combination of construction and rain events have caused.

**2. Update** – Wellhead treatment system project.

The RO unit and CIP tank have been delivered and due to adverse weather were offloaded away from the job site. The brine tank has been delivered. The concrete slab for the RO unit and the concrete pad for the brine tank have been poured.

**3. Update** – Notice of Violation from Coastal Commission regarding Wastewater Treatment Plant Rip Rap installation.

The Coastal Commission responded to the SSCSD Coastal Development Permit Application asking for several tasks to be completed. The response is attached for review.

**CALIFORNIA COASTAL COMMISSION**

CENTRAL COAST DISTRICT OFFICE  
725 FRONT STREET, SUITE 300  
SANTA CRUZ, CA 95060  
PHONE: (831) 427-4863  
FAX: (831) 427-4877  
WWW.COASTAL.CA.GOV



RECEIVED  
JAN 23 2016  
BY: *[Signature]*

January 22, 2016

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

**Subject: Coastal Development Permit (CDP) Application Number 3-15-2114 (San Simeon Wastewater Treatment Plant (WWTP) After-The-Fact (ATF) Improvements Application), 9245 Balboa Avenue, San Simeon, California)**

Dear Charlie:

We received the above-referenced coastal development permit (CDP) application that you submitted on behalf of the San Simeon Community Services District ("District"), on December 23, 2015. The proposed project includes after-the-fact (ATF) recognition of: 1) the 1983 emergency placement of riprap stretching approximately 50 feet from the northern, upcoast side of the WWTP along the base of the bluff and terminating at the base of the bluff in front of the adjacent downcoast property; and 2) the 1995 repair and maintenance of the original pipe support structure and riprap within Arroyo Del Padre Juan Creek. The proposed project seeks to recognize and retain this development.

The standard of review for the proposed development is the policies of Chapter 3 of the Coastal Act. We have reviewed the materials that you have submitted to date and are in need of additional information to adequately analyze the proposed project for Coastal Act conformance. Towards this end, we are unable to file this application until the following is submitted:

1. **Appendix B.** Page 11 of the application states that, "Local agency review not required for the historic as-built project." If true, please provide evidence from SLO County planning staff that no other local discretionary approvals are necessary. In addition, please have the County check the CEQA status and sign and date a new Appendix B (enclosed), and submit that to us.
2. **Applicant and Applicant's Representative:** Page 1 of the application has been filled out incorrectly. The Applicant (item #1) should be Charlie Grace, San Simeon Community Services District. The Applicant's representative, Jeff Oliveira, should be the only name listed in item #2 on page 1. On page 9, the signature of the Applicant's representative should be in Section VII (3), and the Applicant (Charlie Grace) should complete and sign Section VIII. I have enclosed pages 1 and 9 to be completed as stated above.

3. **Proof of Applicant's Legal Interest in the Property:** Please provide evidence of your legal ability to develop all of the property upon which development is proposed, including any easements, covenants, or any other development and/or use restrictions that may burden the property. Please submit a copy of any of the following to demonstrate your legal interest in the property: a current tax bill, recorded deed, lease, easement, or current policy of title insurance.
4. **Project Description.** As described on page 3 of the Application material, the District is requesting an after-the-fact CDP for: 1) "the 1983 emergency placement of additional riprap from the north side of the WWTP along the base of the bluff face and terminating at the base of the bluff in front of the adjacent property approximately 50 feet down the coast"; and 2) "the 1995 repair and maintenance of the original pipe support structure and riprap within the Arroyo Del Padre Juan Creek."

First, the project description also states that the 1984 ocean outfall replacement is specifically *not* part of the application. However, it appears from the material submitted that the original 6-inch wide pipe extending approximately 600 feet into the ocean is now an 8-inch wide pipe that extends 840 feet into the ocean. Once a new pipe is installed or replaced, as it appears to have been in this case, it becomes new development requiring a coastal development permit (CDP). This component was also included in the Notice of Violation (V-3-01-028), dated January 26, 2015. Please incorporate this item into the project description or provide evidence that the ocean outfall pipeline was not replaced.

In terms of the 1983 riprap placement, does the District know how many cubic yards of rock were placed? Note: A geologic report dated May 16, 2006 (see below for more) reports that the length is 200 feet by 15 feet, but does not give an amount of rock placed. Is this configuration still accurate? In general, staff will need the District to detail the amount of rock riprap placed in cubic yards, and the current configuration, etc.

In terms of the 1995 work, we understand from the application that the District applied for and received exemptions, permits, and concurrences from San Luis Obispo County, California Department of Fish and Wildlife (Fish and Game at the time), and the Army Corps of Engineers, respectively to: 1) remove brush and debris; 2) repair guy support; 3) ditch cleaning and shaping, and 4) repair 260 cubic yards of rock slope protection. It appears that a CDP was not issued for any of this development in Arroyo Del Padre Juan Creek, and thus the project description for this CDP application must be amended to specifically include this work.

In summary, please ensure that the updated project description includes all of the above listed items, and clearly describes all ATF development, including in terms of accurately specifying the precise locations of all development, volume and length of riprap, and amount of brush clearance and vegetation removal performed. In addition, please describe any maintenance to the riprap that has occurred since the 1983 placement, if any.

5. **Project Plans:** Thank you for providing full-sized project plans and reduced size (11" x 17") plans that identify (in both site and cross section views) the project for after-the-fact approval. However, these plans are dated May 9, 2008 and it is thus unclear whether they accurately describe all ATF work as they are almost eight years old. For example, it is unclear whether the "total estimated footprint of riprap" is still 2,277 square feet or whether the length of the placed riprap, expressed as 200 linear feet by 15 feet elsewhere in the submitted material, is accurately depicted on the plans. Thus, is the length still 200 feet? Is the width of the unpermitted riprap 15 feet? Are the cross-sections (A-A and B-B) still accurate? Do the topo lines accurately reflect the topography of today? Do the plans only show the riprap placed in 1983, as opposed to previous placement of riprap? As mentioned in previous meetings and discussions, verification of the accuracy of the dated plans (by a licensed engineer, e.g.), will be required before we can file the application as complete. This can be in the form of a letter by a licensed engineer that is qualified to confirm the accuracy of such plans. If not wholly accurate, please send us revised project plans, dated 2016, that accurately reflects all ATF work, including all work described in subsection (3), above."
6. **Geologic and Geotechnical Reports:** The submitted material includes various geologic materials from Earth Systems Pacific (dated May 16, 2006), Boyle Engineering, Cleath and Associates, and others. However, even the latest geologic material is almost eight years old and must be verified for accuracy. While we do not believe an entire new geotechnical investigation will be necessary, several important components of these analyses will need to be updated so that staff can analyze the project for Coastal Act conformance, as follows:
  - a. **Sea Level Rise.** A wave runup study was conducted as part of the Earth Systems Pacific report (May 16, 2006) and additionally as part of a "response to comments" document for that report, dated March 27, 2008. The former did not use projected sea level rise as part of its "Estimated Maximum Wave Run-Up" analysis and the latter used "the rate of sea level rise for the Santa Barbara, California area" of 3.22 +/- .00 mm/yr., "based upon 27 years of data" to come up with a sea level rise of 32 centimeters or about 1 foot, over 100 years. This sea level rise projection is severely out-of-date, and does not represent today's best available science on this critically important issue. Thus, the submitted reports must be updated via a wave uprush and hazards impact report prepared by a licensed civil engineer with expertise in coastal processes that includes an analysis of the potential for WWTP flooding or damage from waves and storm surge, including as such impacts may be affected by sea level rise over the next 100 years. The conditions that shall be considered in a wave uprush study are: i) a seasonally eroded beach combined with long-term erosion; ii) high tide conditions, combined with long-term projections for sea level rise (please see the National Research Council 2012 report entitled "Sea-Level Rise for the Coasts of California, Oregon, and Washington: Past, Present, and Future" for the most



recent data on sea level rise); iii) storm waves from a 100-year event or a storm that compares to the 1982/83 El Niño event.

**Sand Loss Estimate.** Coastal Act Section 30235 requires that shoreline protection development be designed to eliminate or mitigate adverse impacts on local shoreline sand supply. Placement of the riprap revetment will result in the retention of sand and material for the foreseeable life of the project.

In the Earth Systems Pacific report (dated May 16, 2006), the riprap's estimated impacts on sand supply loss was calculated to be 3772.2 cubic yards, since its placement in 1983. This calculation is based on both the physical encroachment of the riprap on the beach (3,000 cubic yards) and the amount of beach material that would have been supplied to the beach if natural erosion continued (772.2 cubic yards), as well as an assumption that the unarmored bluff erosion rate is eight inches per year. First, please confirm this data and all data used in the calculations, including the identified erosion rate, are accurate. If accurate, please supply this data in a stand-alone document for our analysis. If the data are no longer accurate, please provide us with revised up-to-date data.

In addition, the final component of the sand supply loss methodology is not discussed in either report and must be included. This component is the volume of sand that would be needed to rebuild the area of beach lost due to long-term erosion of the beach and near-shore, resulting from stabilization of the bluff face and prevention of landward migration of the beach profile. In other words, this is the beach loss that will occur due to future sea level rise and fixing the back of the beach at the location of the shoreline armoring structure.

In summary, please use the enclosed Sand Loss Estimate Worksheet to quantify the impacts of the proposed shoreline protection on the sand supply. Please have your geotechnical experts contact our staff engineer, Lesley Ewing ([Lesley.Ewing@coastal.ca.gov](mailto:Lesley.Ewing@coastal.ca.gov)) at our San Francisco office if they have any questions regarding these calculations.

- 7. Threat.** The submitted material states that, without any shoreline protection devices, the WWTP site would be in danger of further erosion, primarily due to direct wave strikes, inundation, scouring and flooding from the ocean and adjacent creek because of its location on the bluff edge. Staff would like more information about the seriousness of the threat and risk to specific structures that is warranting the riprap (i.e., identification of the problem). For example, it is not clear from the submitted materials that 200 feet of shoreline, or WWTP, is at risk from erosion, or that any type of shoreline protection is required for the area beyond the property boundary. Is there some riprap that could be removed, especially that portion of riprap placed off of the Applicant's property?

In addition, it is not clear if the existing riprap is sufficient to protect the WWTP as it exists today. For example, the May 16, 2006 report by Earth Systems Pacific mentions the height of the structure to be 12 feet, yet it states that based on maximum wave runup (and again, this analysis did not factor in the latest projected sea level rise data), "a riprap bluff protection structure designed to an elevation of 16 feet would provide adequate flood protection for the facility." With projected sea level rise used in an updated wave runup analysis (see 5a above), is the current riprap sufficient? If not, what would the height and elevation of the riprap need to be to provide protection to the WWTP?

8. **Alternatives.** Thank you for providing a narrative of project alternatives, as well as a list of impacts related to a seawall alternative (page 4 -10) as part of the application submittal. The Commission will need to make the finding that there are no feasible less environmentally damaging alternatives to the proposed project. Section 13053.5 of the administrative regulations requires that Project Descriptions contained in a permit application include any feasible<sup>1</sup> alternatives that would substantially lessen any significant adverse impact the development may have on the environment. Staff is unclear about several conclusions of the narrative on pages 4-10, including:

- a. **Relocation.** The San Luis Obispo County LCP supports relocation of the WWTP facility. Submitted material in the application indicates that relocation of the WWTF will cost between \$10 and \$12 million dollars, but this was from an analysis from many years ago. It is thus unclear whether this cost estimate is still accurate. Thus, please provide an updated relocation feasibility study. The study shall include a comparison of the cost to relocate to the anticipated cost of maintaining the existing revetment and facilities. What was the expected life of the WWTP when it was built in 1963? How have prior facility upgrades extended the life of the facility, if at all? While it is stated that there is not enough room available to move **all** of the relocated structures necessary to avoid the erosion threat, are there some structures that could be relocated to move them back from the blufftop? Perhaps, the equalization basin or some of the aeration basins closest to the top of the bluff? Please indicate which specific structures on the site are currently threatened (assuming no revetment were currently in place), or is it the totality of the facility?

Lastly, it is not clear how the District came to the conclusion that "the SSCSD does not own any vacant parcels within the service area suitable for a new facility," when an April 18, 2008 report by Rincon Consultants states that 2 sites (Sites D and E), "would be the most probable candidate alternate locations for relocation of the WWTF." While it does state that relocation to these sites would require an LCP amendment to change the land use designation, and that there

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<sup>1</sup> "Feasible" as defined by Section 30108 of the Coastal Act, means capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social, and technological factors.

would be some short-term and long-term environmental effect, both of these rather common issues (with most projects) must be weighed against the impacts and costs associated with continuing the WWTP in its present hazardous location immediately adjacent to the Pacific Ocean and the Arroyo Del Padre Juan Creek. Is this analysis that was done in 2008 accurate in 2016? Have there been any changes to the 9 analyzed sites? It also appears there are some errors in this report that should be explained. For example, site H is not described in the conclusion, and it appears that site C, not site B as stated, is the site that contains upwards of 25 to 30 trees. The type of trees should also be described.

- b. **Upper bluff retaining walls or other upper bluff support structures.** While the feasibility of a vertical seawall is evaluated in detail in the submitted material, an alternative of an upper bluff retaining wall or other upper bluff support structure is not evaluated. Please explain why this alternative is not feasible.
  - c. **A smaller footprint revetment (shorter or narrower).** As mentioned in number 6 above, it is not clear if the current configuration of the riprap revetment is required, or if changes could be done to lessen its impacts to the beach and coastal resources. Please explain reducing the width of the riprap or the length as it relates to protection of the WWTP, factoring in updated sea level rise as required in number 5a above.
  - d. **Beach nourishment.** An alternative of beach nourishment to protect the WWTP is not evaluated. Please explain why this alternative is not feasible.
  - e. **Vertical seawall.** The submitted material describes a host of reasons why a vertical seawall is not appropriate in this case, yet staff remains unclear whether the underlying geotechnical data used to arrive at this conclusion is still accurate, especially given that it has been almost eight years since the data were developed. Thus, please confirm that the analysis undertaken and described in the March 27, 2008 report by Earth Systems Pacific (e.g. the height of the vertical seawall) is still accurate. If it is not still accurate, please submit an updated analysis of the vertical seawall alternative based on the latest sea level rise and wave runup data, as described in number 5a above.
9. **Photographs of Project Site.** Please submit current photographs of the project site taken from upcoast and downcoast locations along the beach, as well as photographs from the beach area that is located directly in front of the project site. Please submit these photographs in jpeg format, along with 8 ½" x 11" color copies.
10. **Public Access.** Please describe the effects of the proposed project upon the public's ability to walk the shoreline, including the beach, as well as the impact of the project on public recreational use of the beach and near-shore during the entire year.

11. **Landscaping Plan.** Please submit a landscaping plan (two sets of full-scale plan sheets and one reduced 11" x 17" or 8 ½" x 11" landscaping plan sheet) for the top of the bluff that includes drought and saltwater tolerant noninvasive plant species that will cascade over the riprap bluff face to provide additional visual softening. The Commission typically requires removal of all invasive or non-native vegetation as part of project approvals and replacement of these with native drought-tolerant plants.
12. **Biological Resources and Other Agency Approvals.** The submitted material includes a biological assessment prepared by David Wolff Environmental (dated May 27, 2006) and a follow-up report on habitats and other agency regulatory compliance issues (dated May 1, 2008) by ESA Biological Resources. As with other material submitted, please ensure these biological reports are accurate, including for onsite and offsite habitats, and habitat maps (Figure 2), as these reports are now between eight and 10 years old. The information provided indicates that the development is occurring in proximity to recognized sensitive habitat areas; however, the conclusions from the May 27, 2006 report is that "it does not appear that any substantial adverse effects on common or special-status biological resources resulted from the SSCSD WWTP riprap project." Now that almost 10 years has passed, please provide an update to support the statements in the application that the placement of riprap has had no adverse impacts on surrounding habitat or special-status species.  
  
In addition, the May 1, 2008 follow-up report lists other agency approvals necessary for "the 1983 emergency riprap placement and 1984 emergency ocean outfall replacement project." Has the District engaged with the Army Corps of Engineers, Regional Water Quality Control Board, or the California Department of Fish and Wildlife, as the report suggests and is required? Please update us on the status of these conversations and contacts at each agency.
13. **Assessor's Parcel Map.** Please submit an Assessor's parcel map (available from the County Assessor's office) showing the proposed project site and all other properties *located within 100 feet (excluding roads) of the property lines* of the project site.
14. **State Lands Commission:** Besides the outfall pipe, for which we have a copy of the State Lands Commission 20-year lease), the riprap footprint may fall within the State Lands Commission's (SLC) boundaries. Please contact SLC staff (Grace Kato at (916) 574-1227; [Grace.Kato@slc.ca.gov](mailto:Grace.Kato@slc.ca.gov)) to complete this determination and please submit copies of any SLC permits, permissions, or approvals granted or evidence that none is necessary.
15. **Monterey Bay National Marine Sanctuary:** The proposed project may include development and/or construction access and staging below the mean high water line, i.e. the project may be located within the Monterey Bay National Marine Sanctuary's permitting jurisdiction. If so, the Sanctuary may also assert permitting authority over this project. Please contact the Sanctuary (Sophie De Beukelaer at 831-647-1286,

([sophie.debeukelaer@noaa.gov](mailto:sophie.debeukelaer@noaa.gov)) and begin any necessary permit process there, if applicable. If Sanctuary staff determines that the project is not located within its jurisdiction, please provide evidence from the Sanctuary that no approval is necessary from that agency.

- 16. Development and Permitting History:** Thank you for providing a narrative description of the history of the existing riprap revetment. According to CDP 4-85-180, the SSCSD was required to accept all remaining public access Offers to Dedicate (OTDs) in the immediate area. Please submit evidence that all OTDs have been accepted. The County of San Luis Obispo may be able to assist in this effort.
- 17. Proposed Mitigation.** Thank you for providing two proposed projects to be undertaken as mitigation for the after-the-fact development at the WWTP. If these mitigation projects are indeed proposed, they will need to be included in the project description so we can analyze these projects through the same CDP process. However, staff is concerned that the mitigation as proposed could in and of itself, lead to coastal resource impacts.

For example, the first mitigation project proposes to place approximately 350 square feet of riprap to stabilize a public access staircase at the end of Pico Avenue. However, similar coastal act issues arise for a project such as this. For instance, Commission staff would need to see an alternatives analysis showing potential options that could be used to achieve the project's goal of protecting the staircase while maximizing the value of the shoreline (e.g., aesthetic, recreational/access, habitat). These alternatives may include (but are not limited to) the use of a vertical seawall and/or reinforcement of the threatened staircase, "soft" protective strategies such as beach nourishment or bluff stabilization using vegetation, "managed retreat" strategies, and a "no action" option. The descriptions of these alternatives should include expected lifespans, reasons why they may or may not be feasible (e.g., engineering, site specific wave and shoreline conditions, economics, etc.) and should have information about the environmental impacts of the feasible alternatives.

The second proposed mitigation, entitled the San Simeon Avenue Beach Access Trail Improvement project, seems to staff to be a worthwhile ADA-compliant public access project in the area. Again, does the District intend to propose this as part of the current application? If so, please update your project description to include this component.

We will hold the application for six months from today's date (i.e., until June 22, 2016) pending receipt of these materials. After all of the above-listed materials have been received, the package will again be reviewed and will be filed if it contains materials sufficient for a thorough and complete review. Please note that there may be additional materials necessary for filing purposes depending upon the nature of the information provided pursuant to the above-listed materials.

Charlie Grace, General Manager  
3-15-2114 (San Simeon Wastewater Treatment Plant ATF)  
January 22, 2016  
Page 9

This submittal deadline may be extended for good cause if such request is made prior to June 22, 2016. I look forward to working with you on this project. Please do not hesitate to contact me at (831) 427-4863 if you have any questions regarding the above information requests.

Sincerely,

A handwritten signature in black ink, appearing to read "Daniel Robinson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Daniel Robinson  
Coastal Planner  
Central Coast District Office

Enclosures:  
Page 1 and Page 9 of the CDP Application  
Sand Supply Loss Worksheet  
Appendix B

**4B. SUPERTINTENDENT'S REPORT**  
**Jerry Copeland**  
**Facilities Update for January 2016**

- 1. Wastewater Treatment Plant Update**
- 2. Water Distribution System Update**
- 3. District & Equipment Maintenance Update**

## **4B. SUPERINTENDENT'S REPORT**

### **Activities of January 2016**

#### **1. Wastewater Treatment Plant**

- All sampling, testing and reporting at the wastewater treatment plant and the recycled water facility was performed as required by the RWQCB.
- Annual maintenance was performed on the sludge collector drives and the EQ basin pumps.
- One load of sludge was hauled away this month.

#### **2. Water Distribution System**

- All routine sampling and testing was performed. The monthly report was submitted to the State Water Resources Control Board (SWRCB), Division of Drinking Water (DDW).
- A leak was repaired on the water service leading to the irrigation account at the Seagate Condos on Balboa Avenue.
- Monthly water meter reading was performed.
- Chloride levels are monitored throughout the system.

#### **3. 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.
- Pot holes were filled around the district streets



San Simeon Community Services District

Superintendent's Report

January 2016

MONTHLY DATA REPORT

Date	Day	Wastewater Influent Daily flow	Wastewater Effluent Daily Flow	CALCULATED Well 1		CALCULATED Well 2		CALCULATED Well 3		CALCULATED Total Daily Water Produced		Chloride Wells		Recycled Water Distributed	Water Level Well 1	Water Level Well 2	Rainfall in Inches	INP-UT State Sewer Daily Flow
				Total Pumped	Total Pumped	Total Pumped	Total Pumped	1	2									
01/01/16	Fri	101,033	96,500	0	0	30,967	79,600	110,567	96,436	-	2,889	0	11.1	11.0	0.00	16,167		
01/02/16	Sat	117,932	112,440	0	0	33,436	63,000	96,436	-	2,889	0	11.0	11.0	0.00	4,841			
01/03/16	Sun	102,348	100,800	0	0	50,191	53,100	103,291	103,291	-	2,889	0	11.1	11.0	0.00	23,159		
01/04/16	Mon	80,612	66,990	0	0	14,361	53,600	67,961	67,961	-	2,889	0	11.2	11.1	0.16	16,638		
01/05/16	Tue	86,858	79,650	0	0	10,173	53,500	63,673	63,673	-	2,889	0	11.1	11.0	0.79	7,427		
01/06/16	Wed	92,920	105,180	0	0	29,845	48,600	78,445	49,134	-	2,640	0	10.8	10.8	0.95	7,854		
01/07/16	Thu	74,045	80,620	3,815	0	2,319	43,000	49,134	49,134	3,488	2,640	0	9.4	9.4	0.20	9,541		
01/08/16	Fri	81,350	69,550	0	0	24,684	37,800	62,484	62,484	-	2,889	0	9.3	9.2	0.00	7,661		
01/09/16	Sat	81,295	71,810	0	0	23,936	43,700	67,636	67,636	-	2,417	0	9.5	9.4	0.12	5,470		
01/10/16	Sun	77,591	78,560	0	0	0	43,100	43,100	43,100	-	2,417	0	9.6	9.5	0.24	5,932		
01/11/16	Mon	72,503	73,850	0	0	27,152	43,400	70,552	70,552	-	2,417	0	9.3	9.3	0.00	6,952		
01/12/16	Tue	72,662	64,950	3,890	0	46,152	38,300	88,341	88,341	2,218	2,038	0	9.5	9.4	0.00	5,141		
01/13/16	Wed	66,190	61,620	0	0	43,758	0	43,758	0	-	2,038	0	9.6	9.5	0.04	4,433		
01/14/16	Thu	68,199	71,560	2,917	0	46,825	0	49,742	49,742	2,218	2,038	0	9.6	9.5	0.00	4,867		
01/15/16	Fri	68,281	60,640	0	0	44,955	0	44,955	44,955	-	2,038	0	9.6	9.5	0.12	5,553		
01/16/16	Sat	97,751	78,480	0	0	94,024	0	94,024	94,024	-	2,038	0	9.6	9.5	0.16	4,485		
01/17/16	Sun	118,555	110,050	0	0	99,334	0	99,334	99,334	-	2,038	0	9.7	9.6	0.24	6,961		
01/18/16	Mon	106,066	110,850	0	0	48,994	0	48,994	48,994	-	2,038	0	9.7	9.6	0.39	13,127		
01/19/16	Tue	163,757	158,960	0	0	86,319	0	86,319	86,319	-	1,875	0	9.6	9.5	1.26	14,350		
01/20/16	Wed	97,662	105,010	0	0	57,820	0	57,820	57,820	-	1,875	0	7.9	8.0	0.00	29,592		
01/21/16	Thu	92,455	92,530	0	0	50,266	0	50,266	50,266	-	1,591	0	9.1	9.1	0.00	13,199		
01/22/16	Fri	120,963	104,360	0	0	96,193	0	96,193	96,193	-	1,591	0	10.0	9.9	1.02	8,538		
01/23/16	Sat	130,238	131,290	0	0	79,512	0	79,512	79,512	-	1,622	0	9.8	9.6	0.00	17,420		
01/24/16	Sun	96,184	95,350	0	0	72,930	0	72,930	72,930	-	1,384	0	10.2	10.2	0.00	13,966		
01/25/16	Mon	83,410	82,220	0	0	44,581	0	44,581	44,581	-	1,499	0	10.1	10.0	0.00	10,991		
01/26/16	Tue	74,130	59,470	0	0	48,321	0	48,321	48,321	-	1,175	0	10.2	10.1	0.00	7,200		
01/27/16	Wed	78,172	70,760	0	0	62,308	0	62,308	62,308	-	1,175	0	10.3	10.2	0.00	8,846		
01/28/16	Thu	68,098	61,540	0	0	80,260	0	80,260	80,260	-	992	0	10.6	10.5	0.00	6,517		
01/29/16	Fri	79,449	67,830	1,720	0	47,348	0	49,069	49,069	690	1,081	0	10.6	10.5	0.00	7,322		
01/30/16	Sat	104,392	87,260	46,825	0	8,752	0	55,576	55,576	690	1,175	0	10.6	10.5	0.16	5,918		
01/31/16	Sun	94,256	103,490	38,821	0	49,144	0	87,965	87,965	992	909	0	10.6	10.5	0.63	13,315		
TOTALS		2,849,367	2,714,170	97,988		1,454,860	600,700	2,153,548	69,469	1,616	2,039	0	10.0	9.9	6.48	313,383		
Average		91,915	87,554	3,161		46,931	19,377	69,469	43,100	690	992	0	7.9	8.0	0.21	10,109		
Minimum		66,190	59,470	0		0	0	43,100	43,100	690	992	0	7.9	8.0	0.00	4,433		
Maximum		163,757	158,960	46,825		99,334	63,000	110,567	110,567	3,488	2,889	0	11.2	11.1	1.26	29,592		

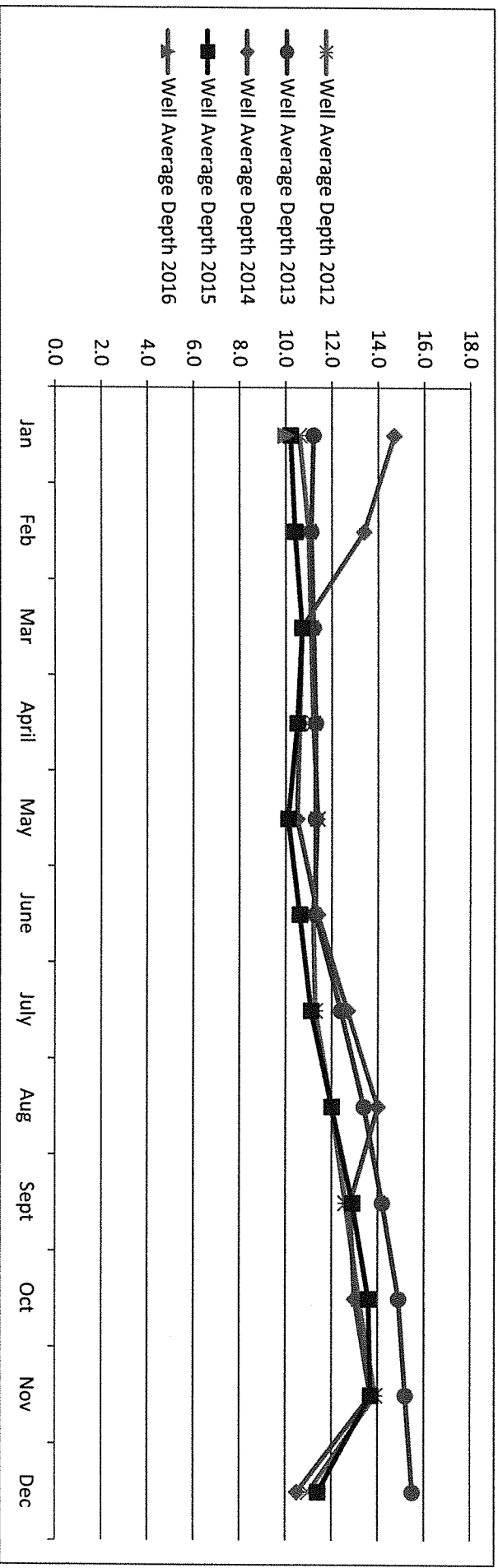
**DATA SUMMARY SHEET**

	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Total for 2016
2016													
Wastewater Influent	2,849,357												2,849,357
Wastewater Final Effluent (Month Cycle)	2,714,170												2,714,170
Adjusted Wastewater Influent (- State Flow) *	2,535,974												2,535,974
Water Produced (month cycle)	2,153,548												2,153,548
Sewer Influent/Water Produced Ratio	1.32												N/A
Adjusted Sewer/Water Produced Ratio	1.18												N/A
Well 1 Water Pumped	97,988												97,988
Well 2 Water Pumped	1,454,860												1,454,860
Well 3 Water Pumped	600,700												600,700
Total Well Production	2,153,548												2,153,548
Water Well 1 Avg Depth to Water	10.0												N/A
Water Well 2 Avg Depth to Water	9.9												N/A
Average Depth to Water of Both Wells	10.0												N/A
Change in Average Depth to Water from 2014	-0.2												N/A
Average Chloride mgl at the Wells	1828												N/A
State Wastewater Treated	313,383												313,383
State % of Total WW Flow	11%												N/A
Recycled Water Sold (Gallons)	0												0
Biosolids Removal (Gallons)	6,000												6,000
<b>WW Permit Limitation Exceeded</b>	<b>0</b>												<b>N/A</b>
<b>RW Permit Limitation Exceeded</b>	<b>0</b>												<b>N/A</b>
<b>Constituent Exceeded</b>	<b>None</b>												<b>N/A</b>
<b>Sample Limit</b>	<b>N/A</b>												<b>N/A</b>
<b>Sample Result</b>	<b>N/A</b>												<b>N/A</b>

	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Total for 2015
2015													
Wastewater Influent	2,278,607	2,137,631	2,579,655	2,698,683	2,877,973	2,736,511	3,127,790	2,938,940	2,595,828	2,571,859	2,307,432	2,477,658	31,328,567
Wastewater Final Effluent (Month Cycle)	2,078,820	2,179,270	2,419,750	2,596,880	2,551,790	2,563,570	3,045,720	2,846,890	2,488,090	2,464,150	2,283,580	2,372,070	29,890,580
Adjusted Wastewater Influent (- State Flow) *	2,129,329	2,015,656	2,386,629	2,457,477	2,602,675	2,564,762	2,918,658	2,786,097	2,401,062	2,455,246	2,142,924	2,201,887	29,062,402
Water Produced (month cycle)	1,881,724	2,054,121	2,163,830	2,273,769	2,551,727	2,550,830	2,820,558	2,737,380	2,495,573	2,597,276	2,301,928	2,342,025	28,770,740
Sewer Influent/Water Produced Ratio	1.21	1.04	1.19	1.19	1.25	1.07	1.10	1.07	1.04	0.99	1.00	1.06	N/A
Adjusted Sewer/Water Ratio	1.13	0.98	1.10	1.08	1.13	1.01	1.04	1.02	0.96	1.06	0.93	0.94	N/A
Average Depth of Both Wells	10.2	10.4	10.7	10.5	10.1	10.6	11.1	12.0	12.9	13.6	13.7	11.4	N/A
Average Chloride mgl at the Wells	844	576	342	268	234	188	169	194	224	346	582	1533	N/A
Change in Average Well Depth from 2014	-4.5	-2.9	0.0	-0.1	-0.4	-0.8	-1.6	-2.0	+0.1	+0.6	0.0	+0.9	N/A
State Wastewater Treated	149,278	121,975	193,026	241,206	275,298	171,749	209,132	152,843	194,766	116,613	164,508	275,771	2,266,165
State % of Total WW Flow	0.07	0.06	0.08	0.09	0.1	0.06	0.07	0.05	8%	4%	7%	11%	N/A
Recycled Water Sold (Gallons)	10710	3070	9775	12945	30040	65100	52250	55355	53445	45015	4435	550	342,690
Biosolids Removal (Gallons)	0	6,000	6,000	6,000	6,000	12,000	6,000	6,000	6,000	6,000	6,000	6,000	72,000
<b>WW Permit Limitation Exceeded</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Constituent Exceeded</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>TSS</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>N/A</b>
<b>Sample Limit</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>30</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>Sample Result</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>36</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

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 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	14.2	14.9	15.2	15.5
Well Average Depth 2014	14.7	13.4	10.7	10.6	10.5	11.4	12.7	14.0	12.8	13.0	13.7	10.5
Well Average Depth 2015	10.2	10.4	10.7	10.5	10.1	10.6	11.1	12.0	12.9	13.6	13.7	11.4
Well Average Depth 2016	10.0											



**4C. DISTRICT FINANCIALS**  
**Renee Samaniego Osborne**  
**January 31, 2016**

- **Financial Summary**
- **Balance Sheet**
- **Water Sales & Production**

SAN SIMEON COMMUNITY SERVICES DISTRICT



4C. FINANCIAL SUMMARY

BILLING

January 31, 2016

<b>December Billing Revenue</b>	<b>\$ 50,569.01</b>
<b>January Billing Revenue</b>	<b>\$ 68,660.50</b>
Past Due (31 to 60 days)	\$ 261.48
Past Due (60 days)	\$ 101.98

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**ENDING BANK BALANCES**

January 31, 2016

**RABOBANK SUMMARY:**

<b>General Checking Account</b>	<b>\$ 4,023.12</b>
<b>Well Rehab Project/USDA Checking Account</b>	<b>\$ 101.05</b>

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**HERITAGE OAKS BANK:**

**Summary of Transactions:**

<b>December 31, 2015 balance</b>	<b>\$ 808,595.59</b>
<b>Interest for January</b>	<b>\$ 171.24</b>
<b>Money Marketing Account Closing Balance January 31, 2016</b>	<b>\$ 808,766.83</b>

Reserve Fund	(\$ 250,000.00)
Hook up Deposits	(\$ 45,750.00)
<b>Available Funds</b>	<b>\$ 513,016.83</b>

<b>General Checking Account</b>	<b>\$ 82,395.08</b>
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<b>LAIF Closing Balance January 31, 2016</b>	<b>\$ 520.78</b>
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**SAN SIMEON COMMUNITY SERVICES DISTRICT**  
**Balance Sheet**  
As of January 31, 2016

Jan 31, 16

<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1010 · Petty cash	150.00
1015 · Heritage Oaks- General Checking	75,972.76
1016 · Heritage Oaks-Wellhead	27.34
1017 · Heritage Oaks-Money Market	808,766.83
1020 · General checking	542.77
1022 · USDA checking	100.05
1040 · Cash in county treasury	(3,053.68)
1050 · LAIF - non-restricted cash	520.30
<b>Total Checking/Savings</b>	<b>883,026.37</b>
<b>Other Current Assets</b>	
1200 · Accounts receivable	66,737.09
1220 · A/R - Hearst Castle	8,584.90
1300 · Prepaid expenses	2,949.35
<b>Total Other Current Assets</b>	<b>78,271.34</b>
<b>Total Current Assets</b>	<b>961,297.71</b>
<b>Fixed Assets</b>	
<b>1400 · Fixed assets</b>	
1420 · Building and structures	395,874.73
1500 · Equipment	316,747.53
1540 · Major water projects	145,068.22
1560 · Pipe bridge	12,809.71
1580 · Sewer plant	1,488,555.08
1600 · Water system	550,390.00
1620 · WWTP expansion	299,565.92
1630 · Tertiary Project	262,932.67
1640 · Wellhead project	812,479.19
<b>Total 1400 · Fixed assets</b>	<b>4,284,423.05</b>
1650 · Walkway access projects	14,799.00
1660 · RO Unit	62,167.22
1670 · Reservoir	831.50
1680 · Generator	21,319.46
1690 · Accumulated depreciation	(2,089,838.96)
<b>Total Fixed Assets</b>	<b>2,293,701.27</b>
<b>Other Assets</b>	
1710 · Customer deposits	(100.00)
<b>Total Other Assets</b>	<b>(100.00)</b>
<b>TOTAL ASSETS</b>	<b><u>3,254,898.98</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Other Current Liabilities</b>	
2100 · Payroll liabilities	229.50
2500 · Customer security deposits	9,658.13
2510 · Connect hookup wait list	45,750.00
2520 · USDA Loan	823,554.00
<b>Total Other Current Liabilities</b>	<b>879,191.63</b>
<b>Total Current Liabilities</b>	<b>879,191.63</b>
<b>Total Liabilities</b>	<b>879,191.63</b>

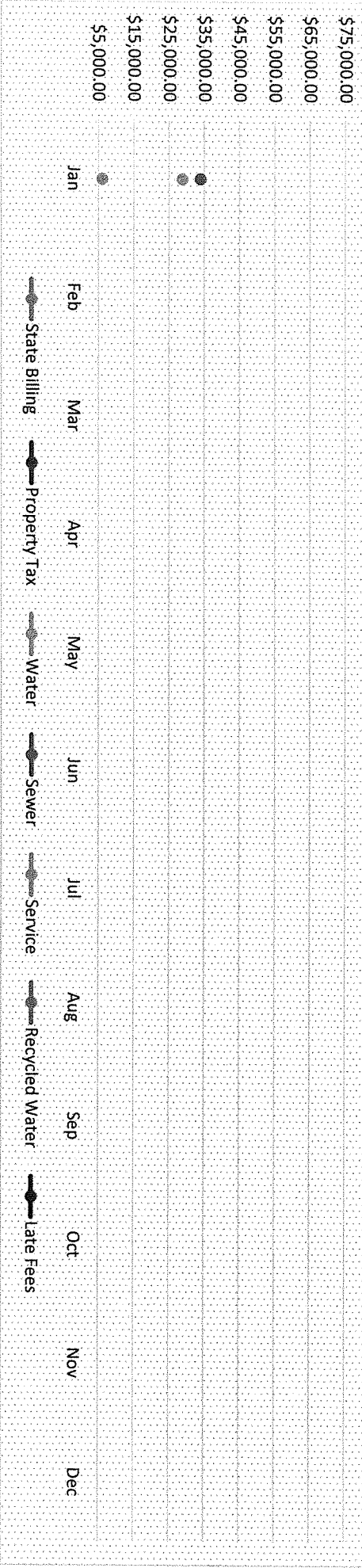
**SAN SIMEON COMMUNITY SERVICES DISTRICT**  
**Balance Sheet**  
As of January 31, 2016

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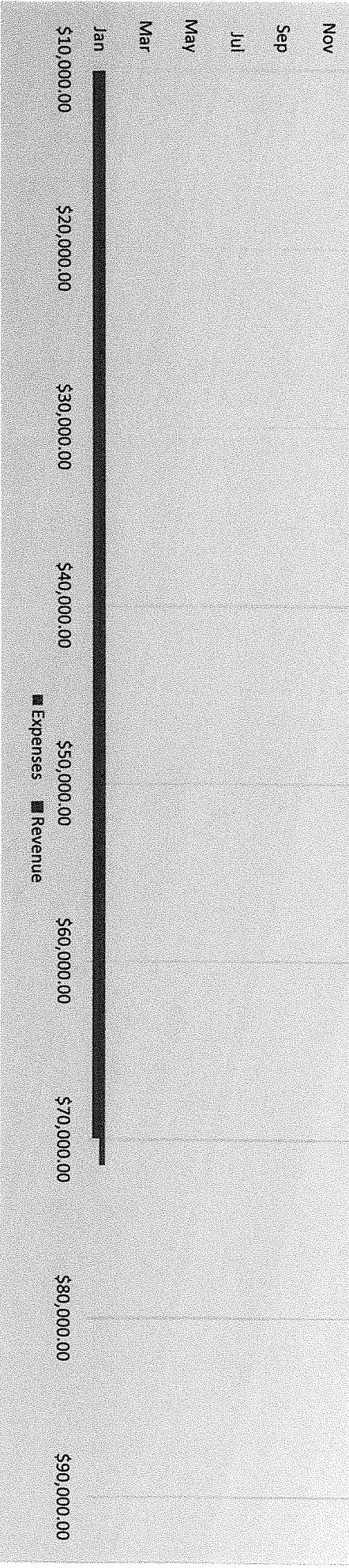
	Jan 31, 16
<b>Equity</b>	
3200 · Fund balance	2,300,505.95
3900 · Suspense	8,231.76
Net Income	66,969.64
<b>Total Equity</b>	2,375,707.35
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u>3,254,898.98</u>

2016 DISTRICT REVENUE

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Totals
State Billing													\$0.00
Property Tax	\$732.82												\$732.82
Water	\$28,833.6												\$28,833.61
Sewer	\$33,983.5												\$33,983.50
Service	\$6,169.2												\$6,169.20
Recycled Water													\$0.00
Late Fees	\$153.3												\$153.29
<b>Total</b>	<b>\$69,872.42</b>												<b>\$69,872.42</b>
Water Sold Cu Ft	276707												276707
Water Sold Acre ft	6.35												6.35



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Totals
Revenue	\$69,872.42												\$69,872.42
Expenses	\$71,441.43												\$71,441.43
Balance	-\$1,569.01												-\$1,569.01





## **5. ITEMS OF BUSINESS**

**A. Approval of last month's minutes – January 20, 2016.**

**B. Approval of Disbursements Journal(s) – February 10, 2016.**

- General Checking Account
- USDA Grant Account

**MINUTES**  
**SAN SIMEON COMMUNITY SERVICES DISTRICT**  
**BOARD OF DIRECTORS REGULAR MEETING**  
**Wednesday, February 10, 2016**  
**6:00 pm**

**CAVALIER BANQUET ROOM**  
**250 San Simeon Avenue**  
**San Simeon, CA 93452**

**1. REGULAR SESSION:@ 6:05PM**

**A. Roll Call:**

Chairperson McAdams -present  
Vice-Chair Fields - present  
Director Williams - present  
Director Patel – present  
Director Price - present

General Manager, Charles Grace  
District Counsel, Heather Whitham  
Sheriff Rep: Commander Taylor

**B. Pledge of Allegiance**

**2. PUBLIC COMMENT:**

A resident had a complaint about the bushes behind the Quality Inn facing Avonne Avenue. The bushes were over grown and infringing on the sidewalk.

Staff said they would contact the owner of the Quality Inn.

**A. Sheriff's Report – Report for January.**

The Sheriff's office received 28 calls for service during the month of January. Such calls included; 14 traffic stops, 2 incomplete 911 calls, 1 citation for drugs, 2 disturbing the peace, and 2 check the welfare.

The Commander also stated that there have been a rash of car break-ins in Morro Bay and that citizens should be care to not leave items visible in their car and to make sure your car is locked.

**B. Public comment on Sheriff's Report: None**

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

**4. STAFF REPORTS**

**A. General Manager's Report**

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

During the month of January, Staff sent out water billing and State/Hearst billing as well as responded to several customer calls. Staff cleaned Pico Avenue with hydrant water to clean up the dirt and rocks. Staff attended an IRWM meeting to discuss the Grant procedures. Staff

worked on the District Office driveway to mitigate the mud that the combination of construction and rain events have caused.

**2. Update – Wellhead treatment system project.**

The RO unit and CIP tank have been delivered and due to adverse weather were offloaded away from the job site. The brine tank has been delivered. The concrete slab for the RO unit and the concrete pad for the brine tank have been poured.

**3. Update – Notice of Violation from Coastal Commission regarding Wastewater Treatment Plant Rip Rap installation.**

The Coastal Commission responded to the SSCSD Coastal Development Permit Application asking for several tasks to be completed. The response is attached for review.

**B. Superintendent’s Report**

**1. Wastewater Treatment Plant**

- All sampling, testing and reporting at the wastewater treatment plant and the recycled water facility was performed as required by the RWQCB.
- Annual maintenance was performed on the sludge collector drives and the EQ basin pumps.
- One load of sludge was hauled away this month.

**2. Water Distribution System**

- All routine sampling and testing was performed. The monthly report was submitted to the State Water Resources Control Board (SWRCB), Division of Drinking Water (DDW).
- A leak was repaired on the water service leading to the irrigation account at the Seagate Condos on Balboa Avenue.
- Monthly water meter reading was performed.
- Chloride levels are monitored throughout the system.

**3. 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.
- Pot holes were filled around the district streets

**C. District Financial Summary – Update on Monthly Financial Status for close of business January 31, 2016.**

<b>December Billing Revenue</b>	<b>\$ 50,569.01</b>
<b>January Billing Revenue</b>	<b>\$ 68,660.50</b>
Past Due (31 to 60 days)	\$ 261.48
Past Due (60 days)	\$ 101.98

**ENDING BANK BALANCES: January 31, 2016**

**RABOBANK SUMMARY:**

General Checking Account	\$ 4,023.12
Well Rehab Project/USDA Checking Account	\$ 101.05

**HERITAGE OAKS BANK:**

Summary of Transactions:

December 31, 2015 balance	\$ 808,595.59
Interest for January	\$ 171.24
Money Marketing Account Closing Balance January 31, 2016	\$ 808,766.83
	Reserve Fund (\$ 250,000.00)
	Hook up Deposits (\$ 45,750.00)
	Available Funds \$ 513,016.83
<b>General Checking Account</b>	<b>\$ 82,395.08</b>
<b>LAIF Closing Balance January 31, 2016</b>	<b>\$ 520.78</b>

**D. District Counsel's Report** – Summary of January activities.

District Counsel assisted Staff with the agenda, items on the agenda and provided info on topics for the agenda.

**5. ITEMS OF BUSINESS**

**A. Consideration of approval of last month's minutes** – January 20, 2016.

A motion was made to approve the January minutes as presented.

Motion by: Director Williams

2<sup>nd</sup> by: Director Price

All in: 5 / 0

**B. Consideration of approval of Disbursements Journal** – February 10, 2016.

A motion was made to approve the January Disbursements Journal as presented.

Motion by: Director Price

2<sup>nd</sup> by: Director Patel

All in: 5 / 0

**C. Consideration of approval of USDA Grant Funds Disbursements Journal** - February 10, 2016.

A motion was made to approve the January USDA Grant funds Disbursements Journal as presented.

Motion by: Vice-Chair Williams

2<sup>nd</sup> by: Chairperson McAdams

All in: 5 / 0

## 6. DISCUSSION/ACTION ITEMS

### A. Consideration of Approval of Letter Agreement Amending the District Counsel Legal Services Agreement with Carmel & Naccasha to provide for an annual cost of living increase. - \$45 a month increase for 2016.

Carmel and Naccasha is requesting the Board to approve a 2.5% increase (\$45.00) to their monthly retainer and an increase in the hourly rate for additional services of \$4.13. The retainer increase would bring the fee for District Counsel Services to \$1,845 per month. The additional services rate would increase to \$169.13 per hour. Carmel and Naccasha would like to automatically increase their annual rate by 2.5%.

A motion was made to approve the 2.5% increase for the 2016 year only.

Motion by: Vice-Chair Williams

2<sup>nd</sup> by: Director Price

All in: 4 in favor

No: Director Fields

### B. Consideration of John Madonna Construction change order for labor, equipment and materials related to the wellhead treatment project in the amount of \$17,806.38

John Madonna Construction is asking for an additional \$17,806.38 to cover the additional costs of the project associated with under slab conduits between equipment skids, the added SCADA system, two additional doors and offloading equipment multiple times.

A motion was made to approve the additional funds to Madonna Construction for \$17,806.38.

Motion by: Director Fields

2<sup>nd</sup> by: Chairperson McAdams

All in: 5 / 0

### C. Consideration of Phoenix Proposal for increase in Construction Management Costs related to the wellhead treatment project in the amount of \$14,216.

Phoenix Engineering is asking for an additional \$14,216 for the additional services needed to finish the project. Because of the numerous submittal reviews, actual utility locations and extended coordination with the RO manufacture, Construction Management Service hours have increase well beyond hours that were estimated in the original proposal.

A motion was made to approve the additional funds to Phoenix Engineering for \$14,216.

Motion by: Chairperson McAdams

2<sup>nd</sup> by: Director Patel

All in: 5 / 0

**D. Consideration of Procedure to Fill the Vacancy on the San Simeon Community Services District Board of Directors Created by the Resignation of Ralph McAdams.**

With the resignation of Ralph McAdams, the Board will need to make a decision to either hold elections, or appoint a new director. As in previous similar situations, elections would be costly to the District.

Staff requests the Board go through the appointment process of a new director and to direct Staff to send notices to the public of the vacancy in the next water billing cycle.

A motion was made for the Board to choose a new Board member via appointment process.

Motion by: Director Price

2<sup>nd</sup> by: Director Patel

All in: 4 / 0

**7. Board Committee Reports – None**

**8. Board Reports – None**

**9. BOARD/STAFF GENERAL DISCUSSIONS AND PROPOSED AGENDA ITEMS - None**

**10. ADJOURNMENT @ 7:00PM**

**SAN SIMEON COMMUNITY SERVICES DISTRICT**  
**General Checking Disbursements Journal**  
 February 10, 2016

Type	Date	Num	Name	Memo	Amount	Balance
				<b>End of month Balance</b>		<b>\$ 75,972.76</b>
Paycheck	02/01/2016	1074	ALAN FIELDS	Board monthly service	\$92.35	\$ 75,880.41
Paycheck	02/01/2016	1075	DAN WILLIAMS	Board monthly service	\$92.35	\$ 75,788.06
Paycheck	02/01/2016	1076	KAUSHIK S PATEL	Board monthly service	\$92.35	\$ 75,695.71
Paycheck	02/01/2016	1077	LEROY E PRICE	Board monthly service	\$92.35	\$ 75,603.36
Paycheck	02/01/2016	1078	RALPH N MCADAMS	Board monthly service	\$92.35	\$ 75,511.01
Bill Pmt	02/01/2016	1064	Ben and/or Ann Bramsen	Deposit return Acct. 250	\$50.00	\$ 75,461.01
Bill Pmt	02/01/2016	1065	CALPERS	Unfunded Liability Jan - June 2016	\$3,360.00	\$ 72,101.01
Bill Pmt	02/01/2016	1066	Carmel & Naccassha. LLP	January Legal Fees	\$1,800.00	\$ 70,301.01
Bill Pmt	02/01/2016	1067	eMaint Enterprises, LLC	Billing Software Renewal	\$780.00	\$ 69,521.01
Bill Pmt	02/01/2016	1068	Grace Environmental	Operations & Management February 2016	\$48,948.00	\$ 20,573.01
Bill Pmt	02/01/2016	1069	I.R.J. Engineers Inc.	Electrical Eng. Design RO Unit	\$225.00	\$ 20,348.01
Bill Pmt	02/01/2016	1070	MICHAEL O'NEILL	Website maintenance fee	\$320.00	\$ 20,028.01
Bill Pmt	02/01/2016	1071	Moss, Levy & Hartzheim, LLP	Final Audit payment	\$6,515.00	\$ 13,513.01
Bill Pmt	02/01/2016	1072	Robert Stilts, CPA	January Bookkeeping	\$1,200.00	\$ 12,313.01
Bill Pmt	02/01/2016	1073	Grace Environmental	Generator Housing Repair and Painting	\$7,781.68	\$ 4,531.33
					<b>\$71,441.43</b>	<b>\$ 4,531.33</b>

**SAN SIMEON COMMUNITY SERVICES DISTRICT**  
 USDA GRANT FUND CHECKING ACCOUNT

February 10, 2016

Type	Date	Num	Name	Memo	Amount	Balance
				<b>Beginning Balance</b>		<b>\$54,541.53</b>
Payment	2/10/2016	8005	Wigen Water Technologies	3rd progress payment	\$28,814.27	\$25,727.26
Payment	2/10/2016	8006	John Madonna Construction	Dec 21 to Jan 20 Const.	\$25,699.92	\$27.34
					<b>\$54,514.19</b>	<b>\$27.34</b>

December Warrant Report	\$114,214.64	\$500,000.00
January Warrant Report	\$250,719.02	\$385,785.36
February Warrant Report	\$54,514.19	\$135,066.34
	\$419,447.85	\$80,552.15



## **6. DISCUSSION & ACTION ITEMS**

- A. Consideration of Approval of Letter Agreement Amending the District Counsel Legal Services Agreement with Carmel & Naccasha to provide for an annual cost of living increase. - \$45 a month increase for 2016.**
  
- B. Consideration of John Madonna Construction change order for labor, equipment and materials related to the wellhead treatment project in the amount of \$17,806.38**
  
- C. Consideration of Phoenix Proposal for increase in Construction Management Costs related to the wellhead treatment project in the amount of \$14,216.**
  
- D. Consideration of Procedure to Fill the Vacancy on the San Simeon Community Services District Board of Directors Created by the Resignation of Ralph McAdams.**

**6. DISCUSSION/ACTION ITEMS**  
**February 10, 2016**

**A. Consideration of Approval of Letter Agreement for Amendment to Legal Services provided by Carmel & Naccasha, LLP for an annual increase of \$45.00 a month for District Counsel Legal Services.**

Carmel and Naccasha is requesting the Board to approve a 2.5% increase (\$45.00) to their monthly retainer and an increase in the hourly rate for additional services of \$4.13. The retainer increase would bring the fee for District Counsel Services to \$1,845 per month. The additional services rate would increase to \$169.13 per hour. Carmel and Naccasha would like to automatically increase their annual rate by 2.5%.

**B. John Madonna Construction change order for labor, equipment and materials - \$17,806.38.**

John Madonna Construction is asking for an additional \$17,806.38 to cover the additional costs of the project associated with under slab conduits between equipment skids, the added SCADA system, two additional doors and offloading equipment multiple times.

**C. Phoenix Proposal for additional Construction Management Services - \$14,216.**

Phoenix Engineering is asking for an additional \$14,216 for the additional services needed to finish the project. Because of the numerous submittal reviews, actual utility locations and extended coordination with the RO manufacture, Construction Management Service hours have increase well beyond hours that were estimated in the original proposal.

**D. Consideration of Procedure to Fill the Vacancy on the San Simeon Community Services District Board of Directors Created by the Resignation of Ralph McAdams**

With the resignation of Ralph McAdams, the Board will need to make a decision to either hold elections, or appoint a new director. As in previous similar situations, elections would be costly to the District.

Staff requests the Board go through the appointment process of a new director and to direct Staff to send notices to the public of the vacancy in the next water billing cycle.

TIMOTHY J. CARMEL<sup>1</sup>  
ZIYAD I. NACCASHA<sup>2</sup>  
MICHAEL M. MCMAHON  
DONALD D. WILSON  
DAVID H. HIRSCH  
MARA J. MAMET  
HEATHER K. WHITHAM  
EMILIE ELLIOTT  
DALLAS K. MOSIER  
BRIAN J. STACK

OF COUNSEL  
ALICIA M. GÁMEZ  
WALTER J. MILLAR

<sup>1</sup> ALSO ADMITTED IN NEVADA  
<sup>2</sup> ALSO ADMITTED IN ILLINOIS

January 27, 2016

**Via Email Only**

hwhitham@carnaclaw.com

Board of Directors  
San Simeon Community Services District  
111 Pico Avenue  
San Simeon, CA 93452

**RE: Letter Agreement for Amendment to Legal Services**

Dear Board of Directors:

The purpose of this correspondence is to request a 2.5% increase in our municipal rates for all legal services performed, effective March 1, 2016. This equates to a \$45 increase in the monthly retainer and a \$4.13 increase to the hourly rate for legal services. We did not make a request for an increase last year, but, as costs of operation rise annually, we find it necessary to implement corresponding rate adjustments. Effective January 1, 2017, we would like to automatically apply an annual rate increase of 2.5%. If the foregoing is acceptable to the Board, please indicate by signing below.

We (I) genuinely enjoy serving the District and hope that we can continue working together for many years to come. Please call if you have any questions or comments. Thank you.

Sincerely,

**CARMEL & NACCASHA LLP**



Heather K. Whitham

The proposed rates increases are acceptable to the San Simeon Community Services District Board of Directors.

Date: \_\_\_\_\_

\_\_\_\_\_  
Ralph McAdams, President

HKW/lmh



# Phoenix Civil Engineering, Inc.

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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

February 2, 2016

## **San Simeon Community Services District – Potable Water Wellhead Treatment Design Project– Proposal for Additional Construction Phase Services**

Dear Mr. Grace-

I am pleased to provide you with this additional scope of work proposal for design services during construction for the Potable Water Wellhead Treatment Project. At the time of the original proposal provided to the District, the extent of the level of effort in the construction phase was difficult to determine. Additionally, during the course of the construction project several unforeseen issues have developed that required additional time that was not accounted for in the original proposal. These additional tasks consumed the construction phase services fee that was previously approved. The additional tasks are:

- Numerous submittal reviews for concrete mix designs, the aboveground tank, the RO equipment skid/CIP tank/CIP skid, valves and appurtenances. The original fee included review of 6 shop drawings and assumed that two reviews would be required. To date, 11 shop drawings have been submitted. Every submittal has required two reviews and the ones identified above have required three or more. The specifications are very clear that reviews beyond two are to be reimbursed by the Contractor.
- Utilities were not known or located properly based on the provided record drawings. I met personally with the AT&T representative at the site in July of 2015. At that meeting, he provided information on the location of the AT&T conduit that traversed the site. When asked about the status of the AT&T conduit crossing the site under the proposed building pad he stated that it was abandoned and it could be removed. Once the contractor began his work, the representative admitted he was wrong and that facility had to be protected in place. Additionally, the active conduit was not in the correct location as identified by the AT&T representative. This required that the plans be modified to reflect changes to the layout of the building (location and orientation) as well as changes to the other respective exterior improvements.
- In coordination discussions with the RO manufacturer, it was noted that the clean in place tank needed to be located inside of the building or it would require a heater unit and protection from exposure if located outside of the building. This was after numerous reviews of the plans by the RO manufacturer and their bid had been submitted and accepted. This required three separate adjustments to the project plans and extensive coordination between the contractor, the RO manufacturer and the District staff.

Based on my discussions with you, Tasks 302 and 304 require additional fee to replace what was expended on additional out of scope tasks. Assuming no additional unforeseen issues arise, the revised fee I estimate will complete the construction phase work through the end of the project. I have included the following in my fee request:

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**Phase 3 - Construction Services**

Task 302: Shop Drawing Review Coordination  
Task 304: Project Coordination Meetings and Construction Observation

Task 302 Shop Drawing Review Coordination \$3,480  
Additional Task 302 Shop Drawing Review Coordination (20 hours staff time) \$2,960

*Total Revised Task 302* \$6,440

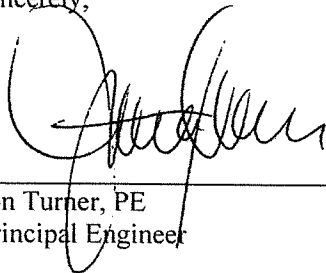
Task 304 Project Coordination \$9,800  
Additional Task 304 Construction Coordination (60 hours staff time) \$11,256

*Total Revised Task 304* \$21,056

**Total Revised Construction Services Cost** \$29,774

Please let me know if you have any questions or would like to discuss my proposal.

Sincerely,



\_\_\_\_\_  
Jon Turner, PE  
Principal Engineer

ACCEPTED BY:

\_\_\_\_\_  
Charles Grace  
General Manager