

# AVILA BEACH COMMUNITY SERVICES DISTRICT

Post Office Box 309, Avila Beach, CA. 93424  
Meeting Room and Office – 100 San Luis Street, Avila Beach  
Telephone (805) 595-2664 FAX (805) 595-7623  
e-mail: avilacsd@gmail.com

## REGULAR BOARD MEETING

**1 PM Tuesday, September 10, 2024**

**STAFF AND PUBLIC MAY PARTICIPATE IN THIS MEETING IN PERSON AT THE ADDRESS  
ABOVE OR, VIA TELECONFERENCE AND/OR ELECTRONICALLY.**

**ZOOM MEETING: <https://us02web.zoom.us/j/4111787571>**

**Meeting ID: 411 178 7571**

**Password: No Password Required.**

**BY PHONE: 1-669-900-9128**

In accordance with Government Code Section 54953(b), this agenda will be posted at the above teleconference location and this location will be accessible to the public.

**1. CALL TO ORDER: 1:00 P.M.**

**2. ROLL CALL: Board Members:**

Pete Kelley, President  
Ara Najarian, Vice President  
Kristin Berry, Director  
Howie Kennett, Director  
John Janowicz, Director

**3. PUBLIC COMMENT**

Members of the public wishing to comment or bring forward any items concerning District operations **which do not appear on today's agenda** may address the Board now. Please state your name and address before addressing the Board and **limit presentations to 3 minutes**. State law does not allow Board action on items not appearing on the agenda.

**4. INFORMATION AND DISCUSSION ITEMS**

County Reports

1. SLO County Sheriff Department
2. CalFire/County Fire Department

Reports on Attended Conferences, Meetings, and General Communications of District Interest

5. **PUBLIC COMMENT ON CLOSED SESSION ITEM**
6. **CLOSED SESSION**
  - A. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION – Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2). Number of cases: One.**
7. **REPORT ON CLOSED SESSION/ANNOUNCEMENT OF ACTION, IF ANY, TAKEN IN CLOSED SESSION**
8. **CONSENT ITEMS:**

**These items are approved with one motion.** Directors may briefly discuss any item, or may pull any item, which is then added to the business agenda.

  - A. Minutes of August 13, 2024, Regular Board Meeting
  - B. Monthly Financial Review for August 2024
  - C. General Manager and District Engineer Report
  - D. Water and Wastewater Operations Reports for August 2024
9. **DISCUSSION OF PULLED CONSENT ITEMS**

At this time, items pulled for discussion from the Consent Agenda, if any, will be heard.
10. **BUSINESS ITEMS:** Items where Board action is called for.
  - A. Conflict of Interest Code Review/Update  
(Action Required: Review staff report and draft revised Code and consider adoption of Resolution No. 2024-10, updating the District’s Code)
11. **COMMUNICATIONS/ CORRESPONDENCE**

At this time, any Director, or Staff, may ask questions for clarification, make any announcements, or report briefly on any activities or suggest items for future agendas.
12. **ADJOURN**

**The next Regular Board meeting is scheduled for Tuesday, October 8<sup>th</sup>, 2024 at 1:00 P.M.**

Any writing or document pertaining to an open session item on this agenda which is distributed to a majority of the Board after the posting of this agenda will be available for public inspection at the time the subject writing or document is distributed. The writing or document will be available for public review in the District Administration Office, 100 San Luis Street, Avila Beach, CA during normal business hours. Consistent with the Americans with Disabilities Act and California Government Code Section 54954.2 requests for disability related modification or accommodation, including auxiliary aids or services may be made by a person with a disability who requires the modification or accommodation in order to participate at the above referenced public meeting by contacting the District at 805-595-2664.

**MINUTES OF BOARD OF DIRECTORS MEETING**  
**Avila Beach Community Services District**  
**Tuesday, August 13, 2024**  
**1:00 P.M.**

**1. CALL TO ORDER**

President Kelley called the meeting of the Board of Directors of the Avila Beach Community Services District, to order at 1:05 P.M. on the above date, in the Avila Beach Community Services District Building, 100 San Luis Street, Avila Beach, California.

**2. ROLL CALL**

Board Members Present	Pete Kelley Howie Kennett John Janowicz Ara Najarian - Remote Kristin Berry
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Board Members Absent:

Staff Present:	Brad Hagemann, General Manager & District Engineer Kristi Dibbern, Office Manager
Operations:	Shawn Powell, Chief Plant Operator
Legal Counsel:	Shannon DeNatale Boyd via Zoom

**3. PUBLIC COMMENTS**  
None.

**4. INFORMATION AND DISCUSSION ITEMS**

**A. County Reports**

**Sheriff's Report:** Sheriff MacDonald reported 46 calls for service last month. Thirteen preventive patrol stops, 13 disturbances, and three suspicious circumstances were investigated. Two vandalisms were reported, as well as, two thefts. Seventeen enforcement stops also occurred. Two petty thefts were reported but the value was less than \$950 each. Avila residents called in five loud music complaints. Sheriff MacDonald asked residents to please report non-emergency incidents to 805-781-5850 and press "3" when prompted.

**Cal Fire:** Chief Lee reported 59 calls for service and 32 were medically related. Chief Lee noted that hand crews are continuing to work in areas around Shell Beach, Pismo Beach and Avila to reduce vegetation. The fuel reduction will help better protect our community from fast-moving wildland fire.

The Avila Foundation has granted money for a hose pick up machine. This equipment will drastically reduce the time it takes to recoil the long hoses used on fires. Over the next month the Fire Safe Council will be evaluating evacuation routes with CAL FIRE in our area and statewide.

## **5. CONSENT ITEMS**

Director Janowicz made a motion to approve the Consent Items. It was seconded by Director Berry and passed with a roll call vote 5-0.

AYES:           John Janowicz  
                  Kristin Berry  
                  Howie Kennett  
                  Pete Kelley  
                  Ara Najarian

NOES:           None

ABSENT:       None

## **6. PUBLIC COMMENT ON CLOSED SESSION ITEM**

**NO COMMENTS.**

## **7. CLOSED SESSION**

**The Board convened to closed session at 1:20PM to discuss the following items:**

### **A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

**Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2).  
Number of cases: One.**

## **8. REPORT ON CLOSED SESSION/ANNOUNCEMENT OF ACTION, IF ANY, TAKEN IN CLOSED SESSION**

**The Board returned to regular session at 1:42 PM.**

**No reportable action was taken by the Board of Directors.**

## **9. DISCUSSION OF PULLED CONSENT ITEMS: None**

## **10. BUSINESS ITEMS:**

**A. Regional Water Quality Control Board, June 27, 2024, Expedited Payment Letter for the WWTP effluent violations.** GM Hagemann summarized the staff report and responded to questions by the Board members. The Board concurred with staff's recommendation and directed staff to continue working with the Water Board to participate in the Expedited Payment Program as the most cost-effective solution for the District under these circumstances.

**B. Consider Awarding a Contract to CJ Brown and Company for Completion of the FY 2024/25 Financial Audit Report.** After some discussion, Director Kennett made a motion to award a contract to CJ Brown for completion of the FY 2024/25 Audit, with the option to secure their services in one-year increments up to a maximum of four years. Director Berry seconded the motion. The motion passed with a roll call vote 5-0.

AYES:           Howie Kennett  
                  Kristin Berry  
                  Ara Najarian  
                  John Janowicz  
                  Pete Kelley

NOES:           None

ABSENT:       None

**ADJOURNMENT:** The meeting was adjourned at approximately 2:15 PM.

NEXT MEETING September 10<sup>th</sup>, 2024, at 1:00PM.

These minutes are not official nor a permanent part of the records until approved by the Board of Directors at their next meeting.

Respectfully submitted,


Brad Hagemann, PE  
General Manager



**AVILA BEACH**  
**COMMUNITY SERVICES DISTRICT**  
Post Office Box 309, Avila Beach, CA 93424

**MEMORANDUM**

TO: Board of Directors

FROM: Brad Hagemann, General Manager 

DATE: Sept 10th, 2024

SUBJECT: Monthly Financial Review for August

**Recommendation:**

Receive and file report.

**Overall Monthly Summary**

During the month of August, the District deposited \$111,289.84 and incurred \$341,815.88 in expenses (cash basis). The expenses were high this month due to the annual loan payment of \$205,816.99 to City National Bank for the Wastewater Treatment Plant Improvement Project. The District also incurred costs for the annual lab testing in the amount of \$10,796.00. Water and sewer revenue for the month of August was \$105,775.85.

Detailed financial reports including a Balance Sheets, Profit and Loss, and Checks by Fund are provided for your information for August.

**Utility Service Billing**

The District billed approximately \$104,846.69 in water and sewer service charges in August. Customer Rate Assistance reduced billing charges to the District in the amount of \$854.16 for the month of August.

**Avila Beach Community Services District  
Checks by Fund w/Accounts  
August 2024**

09/04/24

Type	Date	Num	Name	Memo	Account	Amount	Balance
Check	08/01/2024	3912	Hagemann & Associates	Contract Labor GM	6506 · Contract Labor GM	3,360.00	3,360.00
Check	08/01/2024		Paymentech		5120 · Chase Paymentech	5.45	3,365.45
Check	08/02/2024		Paymentech		5120 · Chase Paymentech	2.35	3,367.80
Check	08/04/2024	ACH	SDRMA Health	June Health Ins Member # 7017 Ref # H44326 #	5242 · Health Ins / Other	5,157.57	8,525.37
Check	08/05/2024		Paymentech		5120 · Chase Paymentech	23.57	8,548.94
Check	08/05/2024		American Express Discount		5110 · Amex	10.00	8,558.94
Check	08/05/2024	EFT	Public Employees Retirem...	FYE 25 ID # 1674878206 Kathy Richardson An...	5254 · PERS Co Pd Kathy	30.00	8,588.94
Check	08/05/2024	EFT	Public Employees Retirem...	FYE 26 ID # 1674878206 Kathy Richardson An...	5254 · PERS Co Pd Kathy	493.96	9,082.90
Check	08/06/2024	3913	Hagemann & Associates	Inv. 1252 July 14th - 27th, 2024 Contract Labor...	6506 · Contract Labor GM	2,240.00	11,322.90
Check	08/06/2024		Paymentech		5120 · Chase Paymentech	2.32	11,325.22
Check	08/07/2024		InvoiceCloud	Invoice Cloud merchant fees	5140 · Invoice Cloud	438.77	11,763.99
Check	08/07/2024		Paymentech		5120 · Chase Paymentech	5.14	11,769.13
Check	08/07/2024		Paymentech		5120 · Chase Paymentech	1.09	11,770.22
Check	08/08/2024	AutoP...	Coastline Cleaning Co.	Office Maintenance	6542 · Maintenance	165.00	11,935.22
Check	08/08/2024	AutoP...	Coastline Cleaning Co.	Exterior Cleaning	6542 · Maintenance	25.00	11,960.22
Check	08/08/2024		Paymentech		5120 · Chase Paymentech	2.47	11,962.69
Check	08/12/2024		Paymentech		5120 · Chase Paymentech	1.77	11,964.46
Check	08/13/2024		Paymentech		5120 · Chase Paymentech	2.14	11,966.60
Check	08/13/2024	EFT	Public Employees Retirem...	\$ 257.38 x 2 Kristi	2250 · PERS Liability	514.76	12,481.36
Check	08/13/2024	EFT	Public Employees Retirem...	\$ 377.21 x 2 Shawn	2250 · PERS Liability	754.42	13,235.78
Check	08/13/2024	EFT	Public Employees Retirem...	Addtl Co Pd Kristi & Shawn	5250 · PERS Company ...	11.83	13,247.61
Check	08/13/2024	EFT	Public Employees Retirem...	\$ 398.02 x 2 Kristi	2250 · PERS Liability	796.04	14,043.65
Check	08/13/2024	EFT	Public Employees Retirem...	\$ 348.19 x 2 Shawn	2250 · PERS Liability	696.38	14,740.03
Check	08/13/2024	EFT	Public Employees Retirem...	Addtl Co Pd Kristi & Shawn	5250 · PERS Company ...	-421.43	14,318.60
Check	08/13/2024	EFT	Public Employees Retirem...	ID # 1674878206 Kathy Richardson Annual Un...	5254 · PERS Co Pd Kathy	30.00	14,348.60
Check	08/14/2024		Paymentech		5120 · Chase Paymentech	4.64	14,353.24
Check	08/15/2024		Paymentech		5120 · Chase Paymentech	1.71	14,354.95
Check	08/16/2024		Paymentech		5120 · Chase Paymentech	1.34	14,356.29
Check	08/19/2024		Paymentech		5120 · Chase Paymentech	1.21	14,357.50
Check	08/21/2024		Paymentech		5120 · Chase Paymentech	5.10	14,362.60
Check	08/21/2024		Paymentech		5120 · Chase Paymentech	72.04	14,434.64
Check	08/22/2024	3918	Cal Tec Computers	Inv. 5123 Computer Diagnostics Inv. 5123 8/1/24	6524 · Equip. Rep. & Mai...	225.00	14,659.64
Check	08/22/2024	3921	Nikki Engle Bookkeeping	Inv # 3664 7/31/24	6102 · Accounting	1,722.50	16,382.14
Check	08/22/2024	3922	Nikki Engle Bookkeeping	Inv # 3673 8/14/24	6102 · Accounting	1,202.50	17,584.64
Check	08/22/2024	3925	Safeguard	9005402592 603212647	6143 · Supplies, Office	333.45	17,918.09
Check	08/22/2024	EFT	PG&E	100 San Luis St. District Office	6590 · Utilities	246.22	18,164.31
Check	08/22/2024		Paymentech		5120 · Chase Paymentech	3.77	18,168.08
Check	08/25/2024	EFT	Five Star Mastercard	FS MC AutoPay	2140 · Five Star MC Con...	4,630.84	22,798.92
Check	08/28/2024		Paymentech		5120 · Chase Paymentech	1.17	22,800.09
Check	08/31/2024	AutoP...	Coastline Cleaning Co.	Office Maintenance	6542 · Maintenance	165.00	22,965.09
Check	08/31/2024	AutoP...	Coastline Cleaning Co.	Exterior Cleaning	6542 · Maintenance	25.00	22,990.09
Total General / Admin						22,990.09	22,990.09



**Avila Beach Community Services District**  
**Checks by Fund w/Accounts**  
**August 2024**

09/04/24

Type	Date	Num	Name	Memo	Account	Amount	Balance
<b>Lights</b>							
Check	08/01/2024	EFT	PG&E	Colony Lights acct # 5992155362-0	6590 · Utilities	150.21	150.21
Check	08/01/2024	EFT	PG&E	Town Lights acct # 0690976984-3	6590 · Utilities	509.56	659.77
Check	08/22/2024	EFT	PG&E	Front St. Lights acct# 5796765606-7	6590 · Utilities	499.15	1,158.92
				<b>Total Lights</b>		1,158.92	1,158.92
<b>Sanitary</b>							
Check	08/01/2024	3911	Town & Country Fencing, I...	Inv. 3110 7/19/24 Gate Installation at the WWTP	8241 · WW-5 Misc. Proj...	7,938.00	7,938.00
Check	08/01/2024	3912	Hagemann & Associates	July 1st - July 13th, 2024 Inv. 1251 Contract La...	6507 · Contract Labor Ci...	1,920.00	9,858.00
Check	08/06/2024	3913	Hagemann & Associates	Contract Labor Sami Services	6507 · Contract Labor Ci...	960.00	10,818.00
Check	08/08/2024	3914	Speed's, Inc.	Inv #70569 7/26/23 Solids Handling	6580 · Solids Handling	2,167.80	12,985.80
Check	08/13/2024	3915	City National Bank	Sept 2024 Payment Lease Agreement #21-013	2450 · U.S. Bank Loan ...	205,816.99	218,802.79
Check	08/22/2024	3917	Brenntag Pacific, Inc.	BPI452729 8/15/24	6503 · Chemicals	1,964.80	220,767.59
Check	08/22/2024	3920	Hero Services, LLC	70% WWTP, 30% Water T10223 8/19/24 Wast...	6565 · Regulatory Comp...	486.00	221,253.59
Check	08/22/2024	3923	Oilfield Environmental & C...	Lab Testing A240819 8/8/24 Annual Lab Testing	6540 · Lab Tests	10,796.00	232,049.59
Check	08/22/2024	3925	Pro3 Automation, Inc.	Inv.4405 8/19/24 Loop Monitor	8249 · SCADA Project U...	220.00	232,269.59
Check	08/22/2024	3926	USA Bluebook	Customer #:916419 INV00447424 Stunner Pu...	6522 · Equip. Rep. & Ma...	113.15	232,382.74
Check	08/22/2024	EFT	PG&E	Lift Station acct# 6338432238-2	6590 · Utilities	254.20	232,636.94
Check	08/22/2024	EFT	PG&E	Waste Water Plant acct # 0404279997-5 2850 ...	6590 · Utilities	8,758.97	241,395.91
Check	08/28/2024	3927	Speed's, Inc.	Inv. 72969 7/23/24 Solids Handling	6580 · Solids Handling	2,568.00	243,963.91
Check	08/28/2024	3927	Speed's, Inc.	Inv. 73060 8/2/24 Solids Handling	6580 · Solids Handling	2,332.80	246,296.71
				<b>Total Sanitary</b>		246,296.71	246,296.71
<b>Water</b>							
Check	08/01/2024	3912	Hagemann & Associates	Contract Labor Water System	6507 · Contract Labor Ci...	960.00	960.00
Check	08/06/2024	3913	Hagemann & Associates	Contract Labor Water Services	6507 · Contract Labor Ci...	640.00	1,600.00
Check	08/13/2024	3916	SLO County Public Works	Inv.1369 Debt Service 2024-25	6802 · Lopez	10,162.54	11,762.54
Check	08/13/2024	3916	SLO County Public Works	Routine O&M (-2,133.83 Credit Reserves CSA ...	6802 · Lopez	56,830.40	68,592.94
Check	08/22/2024	3919	Core & Main	V411457 Acct. 272450S Water Meter Lid Ocea...	6524 · Equip. Rep. & Mai...	187.69	68,780.63
Check	08/22/2024	3920	Hero Services, LLC	Outside Consulting	6565 · Regulatory Comp...	2,238.00	71,018.63
Check	08/22/2024	3920	Hero Services, LLC	Water	6565 · Regulatory Comp...	54.00	71,072.63
Check	08/22/2024	EFT	PG&E	1717 Cave Landing	6590 · Utilities	297.53	71,370.16
				<b>Total Water</b>		71,370.16	71,370.16
<b>TOTAL</b>						<b>341,815.88</b>	<b>341,815.88</b>

Avila Beach Community Services District  
**Balance Sheet**  
As of August 31, 2024

	<u>Aug 31, 24</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1000 · Cash Summary	
1008 · Petty Cash	65.72
1010 · Pacific Premier Checking	145,822.65
1015 · Five Star Bank Checking	739,236.24
1017 · Five Star Bank MM	208,681.22
1050 · LAIF	4,153,480.41
<b>Total 1000 · Cash Summary</b>	<u>5,247,286.24</u>
<b>Total Checking/Savings</b>	5,247,286.24
<b>Accounts Receivable</b>	
1200 · *Accounts Receivable	193,128.64
<b>Total Accounts Receivable</b>	<u>193,128.64</u>
<b>Other Current Assets</b>	
1250 · Receivables	
1255 · Interest Receivable	7,280.62
1270 · Taxes Receivable	57,104.14
1280 · Water & Sewer Billings	
1282 · Other 2 El Dorado Billings	-19,861.05
1281 · Other 1 El Dorado Billings	-4,154.42
1280 · Water & Sewer Billings - Other	138,119.26
<b>Total 1280 · Water &amp; Sewer Billings</b>	<u>114,103.79</u>
<b>Total 1250 · Receivables</b>	178,488.55
1400 · Prepaid Summary	
1410 · Prepaid Insurance	5,391.28
<b>Total 1400 · Prepaid Summary</b>	<u>5,391.28</u>
<b>Total Other Current Assets</b>	<u>183,879.83</u>
<b>Total Current Assets</b>	5,624,294.71
<b>Fixed Assets</b>	
1670 · Vehicles - Admin	
1671 · 2023 Ford F150 Cost	53,960.62
1672 · 2023 Ford F150 Acc Depr	-10,792.12
1670 · Vehicles - Admin - Other	286.40
<b>Total 1670 · Vehicles - Admin</b>	<u>43,454.90</u>

Avila Beach Community Services District  
**Balance Sheet**  
As of August 31, 2024

	<u>Aug 31, 24</u>
<b>1600 · Fixed Assets &amp; Acc. Depr.</b>	
<b>1605 · Office Equipment</b>	
1606 · Copier Samsung 2012	8,233.58
1609 · Office Equipment Accum Depr	-16,373.00
	<hr/>
<b>Total 1605 · Office Equipment</b>	-8,139.42
<b>1610 · Fixed Asset -Office &amp; Admin.</b>	
1612 · Office Furniture cost	4,526.21
1614 · Office Furniture Accum Dep.	-4,526.21
	<hr/>
<b>Total 1610 · Fixed Asset -Office &amp; Admin.</b>	0.00
<b>1620 · Fixed Assets - Sanitary</b>	
1622 · Land	60,334.10
<b>1626 · Collection Assets</b>	
1627 · Collection Assets Cost	1,517,267.58
1628 · Collect Assets Accum Depr	-593,752.02
	<hr/>
<b>Total 1626 · Collection Assets</b>	923,515.56
<b>1630 · Disposal Equipment</b>	
1631 · Disposal Equip Cost	611,174.66
1632 · Disposal Equip Accum Depr	-376,478.88
	<hr/>
<b>Total 1630 · Disposal Equipment</b>	234,695.78
<b>1634 · Other Equipment</b>	
1634a · Other Equipment Cost	6,973.40
	<hr/>
<b>Total 1634 · Other Equipment</b>	6,973.40
<b>1635 · Treatment Plant</b>	
1636 · Treatment Plant Original	105,000.00
1637 · Treatment Plant Addition	2,049,098.30
1638 · Treatment Plant Accum Dep	-1,519,694.40
	<hr/>
<b>Total 1635 · Treatment Plant</b>	634,403.90
<b>1642 · Treatment Equipment</b>	
1643 · Treatment Equip Cost	1,087,410.54
1644 · Treatment Equip Accum Depr	-787,343.49
1642 · Treatment Equipment - Other	205,485.61
	<hr/>
<b>Total 1642 · Treatment Equipment</b>	505,552.66
<b>Total 1620 · Fixed Assets - Sanitary</b>	2,365,475.40

Avila Beach Community Services District  
**Balance Sheet**  
 As of August 31, 2024

	<u>Aug 31, 24</u>
<b>1650 · Fixed Assets - Water</b>	
<b>1652 · Equipment</b>	
1653 · Equipment Cost	21,136.28
1654 · Equipment Accum Depr	<u>-21,136.28</u>
<b>Total 1652 · Equipment</b>	0.00
<b>1656 · Distribution Assets</b>	
1657 · Distribution Assets Cost	1,270,572.25
1658 · Dist Assets Accum Depr	<u>-755,498.34</u>
<b>Total 1656 · Distribution Assets</b>	<u>515,073.91</u>
<b>Total 1650 · Fixed Assets - Water</b>	515,073.91
<b>1680 · Structures - Fixed Asset</b>	
1681 · Structures GFAAG - Sani & FA	164,414.58
1682 · Gen / Fire Accum Dep	<u>-109,252.42</u>
<b>Total 1680 · Structures - Fixed Asset</b>	55,162.16
<b>1690 · Construction in Progress</b>	<u>2,220,035.96</u>
<b>Total 1600 · Fixed Assets &amp; Acc. Depr.</b>	<u>5,147,608.01</u>
<b>Total Fixed Assets</b>	5,191,062.91
<b>Other Assets</b>	
1800 · Deferred Outflows of Resources	<u>28,724.00</u>
<b>Total Other Assets</b>	<u>28,724.00</u>
<b>TOTAL ASSETS</b>	<u><u>10,844,081.62</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Credit Cards</b>	
2140 · Five Star MC Control x0557	
2141 · FS MC BH x8624	53,588.17
2142 · FS MC SP x6340	23,043.61
2143 · FS MC KD x3018	640.27
2140 · Five Star MC Control x0557 - Other	<u>-72,298.70</u>
<b>Total 2140 · Five Star MC Control x0557</b>	<u>4,973.35</u>
<b>Total Credit Cards</b>	4,973.35

Avila Beach Community Services District  
**Balance Sheet**  
As of August 31, 2024

	<u>Aug 31, 24</u>
<b>Other Current Liabilities</b>	
<b>2200 · Payroll Liabilities</b>	
2240 · Health Insurance	
2241 · Employee	6,720.00
<b>Total 2240 · Health Insurance</b>	<u>6,720.00</u>
2250 · PERS Liability	1,711.92
2255 · Accrued Interest FB Auditor	71,347.50
2260 · Vacation Payable	5,441.96
2262 · Sick Pay Accrued	12,335.12
<b>Total 2200 · Payroll Liabilities</b>	<u>97,556.50</u>
2300 · Deposits Held	
2303 · Water Deposits Held	7,640.00
<b>Total 2300 · Deposits Held</b>	<u>7,640.00</u>
<b>Total Other Current Liabilities</b>	<u>105,196.50</u>
<b>Total Current Liabilities</b>	110,169.85
<b>Long Term Liabilities</b>	
2400 · Net Pension Liability	92,927.00
2450 · U.S. Bank Loan WWTP	2,402,549.03
2500 · Deferred Inflows of Resources	86,221.00
2999 · Unbalanced Classes	-3,637,745.91
<b>Total Long Term Liabilities</b>	<u>-1,056,048.88</u>
<b>Total Liabilities</b>	-945,879.03
<b>Equity</b>	
3000 · Opening Bal Equity	-17,611.15
3900 · Retained Earnings	11,707,591.71
Net Income	99,980.09
<b>Total Equity</b>	<u>11,789,960.65</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>10,844,081.62</u></u>

Avila Beach Community Services District  
**Profit & Loss**  
August 2024

	<u>Aug 24</u>
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
4000 · Income Summary	
4010 · Operating Revenue	105,775.85
4012 · Solid Waste Franchise Fee	5,466.25
4600 · Interest Income	797.59
	<hr/>
<b>Total 4000 · Income Summary</b>	112,039.69
	<hr/>
<b>Total Income</b>	112,039.69
	<hr/>
<b>Gross Profit</b>	112,039.69
<b>Expense</b>	
5100 · Merchant Credit Card Fees	
5110 · Amex	10.00
5120 · Chase Paymentech	137.28
5140 · Invoice Cloud	438.77
	<hr/>
<b>Total 5100 · Merchant Credit Card Fees</b>	586.05
5200 · Payroll Expenses	
5210 · Gross Wages	
5213 · Overtime Pay	468.00
5211 · Regular Pay	12,923.01
5212 · Holiday Pay	0.00
5214 · Sick Pay	891.00
5216 · Vacation Pay	821.70
	<hr/>
<b>Total 5210 · Gross Wages</b>	15,103.71
5230 · Payroll Taxes	208.82
5240 · Health & Medical Exp.	
5242 · Health Ins / Other	6,897.57
	<hr/>
<b>Total 5240 · Health &amp; Medical Exp.</b>	6,897.57
5250 · PERS Company Pd Expense	
5254 · PERS Co Pd Kathy	553.96
5255 · PERS Co Pd Shawn	795.52
5256 · PERS Co Pd Kristi	806.65
5250 · PERS Company Pd Expense - Ot...	-409.60
	<hr/>
<b>Total 5250 · PERS Company Pd Expense</b>	1,746.53

Avila Beach Community Services District  
Profit & Loss  
August 2024

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	<u>Aug 24</u>
5280 · Payroll Administration & Misc.	117.28
<b>Total 5200 · Payroll Expenses</b>	<b>24,073.91</b>
<b>6000 · Administrative Overheads</b>	
6102 · Accounting	2,925.00
6120 · Dues & Subscriptions	68.00
6140 · Office Supplies & Postage	
6142 · Postage & Shipping	520.03
6143 · Supplies, Office	609.97
<b>Total 6140 · Office Supplies &amp; Postage</b>	<b>1,130.00</b>
6150 · Rate Assistance	854.16
6167 · Uniforms	394.21
6170 · Website	249.00
<b>Total 6000 · Administrative Overheads</b>	<b>5,620.37</b>
<b>6500 · Operating Expenses</b>	
6503 · Chemicals	1,964.80
6506 · Contract Labor GM	5,600.00
6507 · Contract Labor Civil Engineer	4,480.00
6518 · Equipment Expense	135.49
6520 · Equipment Repair & Maint.	
6522 · Equip. Rep. & Maint-Avila & HD	113.15
6524 · Equip. Rep. & Maint. Avila Only	543.16
<b>Total 6520 · Equipment Repair &amp; Maint.</b>	<b>656.31</b>
6528 · Gas & Oil	380.27
6535 · Insurance P/L	2,869.46
6540 · Lab Tests	10,796.00
6542 · Maintenance	590.00
6550 · Operating Supplies	354.50
6565 · Regulatory Compliance	2,778.00
6572 · Security	1,109.60
6575 · Small Tools	160.61
6580 · Solids Handling	7,068.60
6585 · Telephone / Internet	224.96
6590 · Utilities	10,886.80
6591 · Yard Maintenance	47.25
<b>Total 6500 · Operating Expenses</b>	<b>50,102.65</b>

11:49 AM  
09/04/24  
Accrual Basis

Avila Beach Community Services District  
Profit & Loss  
August 2024

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	<u>Aug 24</u>
6800 · Water	
6802 · Lopez	66,992.94
	<hr/>
<b>Total 6800 · Water</b>	66,992.94
	<hr/>
<b>Total Expense</b>	147,375.92
	<hr/>
Net Ordinary Income	-35,336.23
<b>Other Income/Expense</b>	
<b>Other Expense</b>	
8200 · Non-Operating Expenses	
8230 · Capital Purchases in Prog Sani	
8249 · SCADA Project Upgrade	220.00
8241 · WW-5 Misc. Projects	7,938.00
	<hr/>
<b>Total 8230 · Capital Purchases in Prog Sani</b>	8,158.00
	<hr/>
<b>Total 8200 · Non-Operating Expenses</b>	8,158.00
	<hr/>
<b>Total Other Expense</b>	8,158.00
	<hr/>
Net Other Income	-8,158.00
	<hr/>
Net Income	<u><u>-43,494.23</u></u>



**AVILA BEACH**  
**COMMUNITY SERVICES DISTRICT**  
Post Office Box 309, Avila Beach, CA. 93424

**MEMORANDUM**

TO: Board of Directors

FROM: Brad Hagemann, General Manager 

DATE: September 10, 2024

SUBJECT: General Manager Report

**Zone 3 Technical Advisory Committee (TAC) and Advisory Committee**

The Zone 3 Technical Advisory Committee did not meet in August. The next TAC meeting is scheduled for September 11, 2024. The agenda packet for the September 11, TAC meeting was not available at the time of agenda prep. As of this writing (September 3, 2024), the Lopez reservoir is at 95% of capacity with 47,250 AF in storage.

The Zone 3 Advisory Committee last met on July 18, 2024. The agenda packet for the July 18<sup>th</sup> meeting is provided as an attachment to this report. The Advisory Committee formally recommended that the Board of Supervisors approve additional District grant funds to Creek Lands Conservation so that they can move forward with the Arroyo Grande Creek Stream Gauge Modification Project. Creek Lands has been working on the Project for several years. They have completed the design and have all the permits in hand, but they need an additional \$300,000 (total project cost is estimated at \$900,000) to complete the Project. More information on the Project can be found on Creek Lands webpage at: <https://creeklands.org/projects/arroyo-grande-stream-gauge-modification/>

**State Water Subcontractors Advisory Committee**

At the August 13, 2024, Board meeting, staff reported that County staff were planning to take a State Water transfer contract to the Board of Supervisors for approval at their August 20, 2024, Board meeting. The Board of Supervisors approved the water transfer contract as part of their Consent Agenda. The County Staff Report for the item is provided as an attachment to this report. County staff is now seeking DWR approval for the one-time transfer. As noted in the County Staff Report, the District and the State Water Subcontractors could potentially recover up to \$3.7 million for the sale/transfer of up 8,500 AF of water.

**Regional Water Quality Control Board (RWQCB) Expedited Payment Letter for WWTP effluent violations**

As a follow-up to this item initially reported in the August 13, 2024, Board packet, the RWQCB received no comments on the proposed expedited payment Order. Therefore, the District is subject to a payment amount of \$6,000 for the effluent violations. Staff will process the invoice and pay the penalty amount by the September 26, 2024 deadline. The RWQCB's August 27, 2024, letter is provided as an attachment to this report.



## ZONE 3 ADVISORY COMMITTEE

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San Luis Obispo County Flood Control and Water Conservation District

### AGENDA

Thursday, July 18, 2024, 10:30 A.M.  
Oceano Community Services District, 10:30 AM  
1655 Front Street, Oceano, CA

- I. CALL TO ORDER AND ROLL CALL
- II. PUBLIC COMMENT  
This is also an opportunity for members of the public to address the Committee on items that are not on the Agenda
- III. OFFICER ROTATIONS
  - A. Committee Chair rotating from CSA-12 to Ag Member Representative
  - B. Committee Vice-Chair rotating from Ag Member to Member at Large Representative
- IV. MEETING MINUTES
  - A. May 16, 2024 Meeting – [Attachment 1](#)
- V. OPERATIONS REPORT
  - A. Water Plant Operations, Reservoir Storage, Downstream Releases - [Verbal Update](#)
  - B. Projected Reservoir Levels – [Attachment 2](#)
  - C. May and June Monthly Operations Report – [Attachment 3](#)
- VI. INFORMATION ITEMS
  - A. Response to David Swift Report
  - B. AG-AG Gauge Fish Ladder Project Options – [Attachment 4 and Attachment 5](#)
- VII. CAPITAL PROJECTS UPDATE
  - A. Bi-Monthly Update – [Attachment 6](#)
- VIII. ACTION ITEMS (No Subsequent Board of Supervisors Action Required)
- IX. ACTION ITEMS (Board of Supervisors Action is Subsequently Required)
  - A. AG-AG Gauge Fish Ladder Project
- X. FUTURE AGENDA ITEMS
- XI. COMMITTEE MEMBER COMMENTS

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Next Regular Meeting is Scheduled for  
September 19, 2024 at 10:30 AM at City of Grover Beach, 154 S. 8<sup>th</sup> Street  
Agendas accessible online at [www.slocounty.ca.gov/pw/zone3](http://www.slocounty.ca.gov/pw/zone3)

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**SAN LUIS OBISPO COUNTY FLOOD CONTROL  
AND WATER CONSERVATION DISTRICT  
ZONE 3 ADVISORY COMMITTEE**

Attachment 1

**MEETING MINUTES**

**THURSDAY May 16, 2024**

**I. Call to Order and Roll Call** -- The Zone 3 Advisory Committee Meeting was called to order at 10:32 AM at the City of Arroyo Grande by Kristen Barneich. County Public Works Water Utilities Division Manager, Nola Engelskirger, called roll. Quorum was present. Members in attendance were:

- Kristen Barneich City of Arroyo Grande
- Marcia Guthrie, City of Pismo Beach
- Shirley Gibson, Oceano Community Services District
- Karen Bright; Community Services District 12
- Vard Ikeda, Agriculture Member

**II. Public Comment – This is an opportunity for members of the public to address the Committee on items that are not on the agenda. .**

Presentation by Steph Wald, Creeklands, on Arroyo Grande Stream Gauge removal, relocation, and fish passage improvement project. There is a funding gap and Creeklands will be requesting District support through Zone 3 and Zone1/1A to provide funding to construct the project. The estimated funding gap is \$200K.

Public Comment Closed

**III. Approval of Meeting Minutes**

**A. March 21, 2024 (Attachment 1 of the Agenda Packet)– Member Karen Bright motioned to approve, Second by Member Marcia Guthrie. Roll call vote., Vard Ikeda abstention; Motion passed.**

**IV. Operations Report**

**A. Water Plant Operations, Reservoir Storage, Downstream Releases (Verbal Update)** — Plant production is at 4.0 million gallons per day(MGD); State Water is at 0.8 million gallons per day (MGD); downstream release is at 2.2 million gallons per day (MGD), Lopez Lake elevation was 522.66 feet; storage 49,440 acre-feet (AF), which is 100% capacity; rainfall to date is 28.9.

- i. Kristen Barneich asks, “On the rainfall, is that the water year so that last July is that what it is?” Nola Engelskirger replies, “It tracks with the Lopez water year which is from April 1<sup>st</sup> to March 30<sup>th</sup>.” Kristen Barneich states “So the 28.9 inches is from March 30<sup>th</sup> to last year?” Nola Engelskirger responds, “that is my understanding.”

**B. Projected Reservoir Levels (Attachment 2 of the Agenda Packet)** — Review of the Lopez Reservoir Storage Projection graph. Lopez is still spilling

**C. March and April Monthly Operations Report (Attachment 3 of the Agenda Packet)** — Review of the monthly operations reports with the Committee. No questions or comments.

No public comment was given.

**V. Information Items**

**A. Present 3rd Quarter FY 2023/24 Budget Status (Attachment 4 of the Agenda Packet)**

- i. The annual budget was at 56% expended.
- ii. Routine O&M budget was at 81% expended.
- iii. Non-Routine O&M budget was at 19% expended.
- iv. Capital Outlay budget was at 24% expended. Tracking low due to capital projects just wrapping up for the budget year.

**VI. Capital Projects Update**

**A. Bimonthly Update (Attachment 5 of the Agenda Packet)**

- **Fireflow Tank Replacement**
  - Final Design Plans are in for review
  - Still looking for funding to offset this project for Zone 3 with possible ARPA funds.

- Budget~ \$800,000
- **Membrane Module Replacement**
  - Two (2) racks have been replaced and are operational.
  - Budget ~\$600,000
- **Spill Way Assessment and Investigation (No Change)**
  - Submitting work plan for Alteration Application approval
  - Will schedule work once approved.
  - Remainder of project ~ minimum of \$300,000
- **Geotechnical Testing & Seismic Alternatives Study of Terminal Reservoir Dam**
  - DSOD approved testing data.
  - We did receive the Geotechnical Engineering report draft and it is under review.
  - Budget ~\$500,000
- **Cathodic Protection Repair Project**
  - Construction complete, performing startup and testing
  - Budget ~449,933
- **Sludge Bed Curtain Wall Rehabilitation (No Change)**
  - Approving contract for repairs, tentative start date June 1st
  - ~\$50,000 per initial quote
  - Member Shirley Gibson asks, "What is a Sludge Bed curtain wall?" Nola Engelskirger responds, "It's a repair to the sludge bed at the plant, they are built not to leak and there might be a curtainwall needed to prevent seepage."
- **DAF Building Repairs (No Change)**
  - DAF building has rust damage in multiple girders and roll up doors.
  - Rafters support safety tether for maintenance of DAF equipment
  - ~\$95,000.

**Public Comment Closed**

**VII. Action Items (No Subsequent Board of Supervisors Action Required)**

**A. Declare Surplus Water (Attachment 6, distributed to the Advisory Committee at the meeting)**

**Attachment 6 in the packet was incorrect and a new Attachment 6 was handed out.**

- This is a report of stored and surplus water from the last water year.
- There was stored water from unused entitlements but because we spilled that was immediately lost.
- The contract states that the downstream release does Not count against you during spills, so there was some surplus water generated which was 1,859 Acre Feet.
- We are asking the Advisory Committee to declare that the amount is 1,859 AF.as Surplus Water. Once it is declared as surplus water it is available to the contractors for purchase. They can take the surplus water, but it must be used in the water year it was declared and it can be stored.

Member Kristen Barneich asks, "When you went over this with the TAC were there any concerns?" Vard Ikeda answered "There were some concerns because we were looking at the incorrect information. Nola Engelskirger explains "We are in the process of tightening up our process and implementing a procedure on how we manage water. Member Marcia Guthrie "So is this graph separate then what was discussed at TAC?" Nola Engelskirger replies "Your staff is on board with this amount of end of year calculations. Member Karen Bright "Can you review how water distribution is charged? Is our surplus water charged against our account first or do we have to use all entitlement first before taking surplus water? Nola Engelskirger responds "There is a benefit of taking surplus water, I believe it is cheaper than your entitlement. I believe the TAC will work this out and your staff will work out a water use strategy. Member Vard Ikeda "That 1859 (AF) number on the bottom of the graph, where did that come from?" Nola Engelskirger states "It is the Max Downstream release number minus the Downstream release no spill." Member Marcia Guthrie asks "Is there anyway to have a graph with a plus or minus so it isn't so confusing.

**Member Karen Bright motioned to approve, Second by Member Marcia Guthrie. Roll call vote.; Motion passed.**

#### **VIII. Action Items (Board of Supervisors Action is Subsequently Required)**

##### **A. No Items currently.**

**Public Comment Opened and Closed**

#### **IX. Future Agenda Items**

- Presentation by Steph Wald, Creeklands, on Arroyo Grande Stream Gauge removal, relocation, and fish passage improvement project. We should contact Steph Wald prior to the meeting to discuss what her exact request will be of the Zone 3 Advisory Committee, or if it just an informative presentation.
- Any Current Dam Seismic Remediation Projects occurring throughout the State?
- Verify that Cloudseeding and all costs associated with cloudseeding are on hold.

#### **X. Committee Member Comments"**

Vard Ikeda "In regard to downstream releases, people call me and ask why we are releasing water. I spoke with David Spiegel, and he stated that the dam is spilling so if we didn't release the water the dam would just spill more. Due to the environmental agreement we need to keep water streaming in the creek.

Vard Ikeda asks "In regard to the Geotechnical testing & Seismic study, what is the worst-case scenario?" Nola Engelskirger states "They tell us there is a seismic risk and we must make the repairs to address the safety factors that DSOD is requiring.

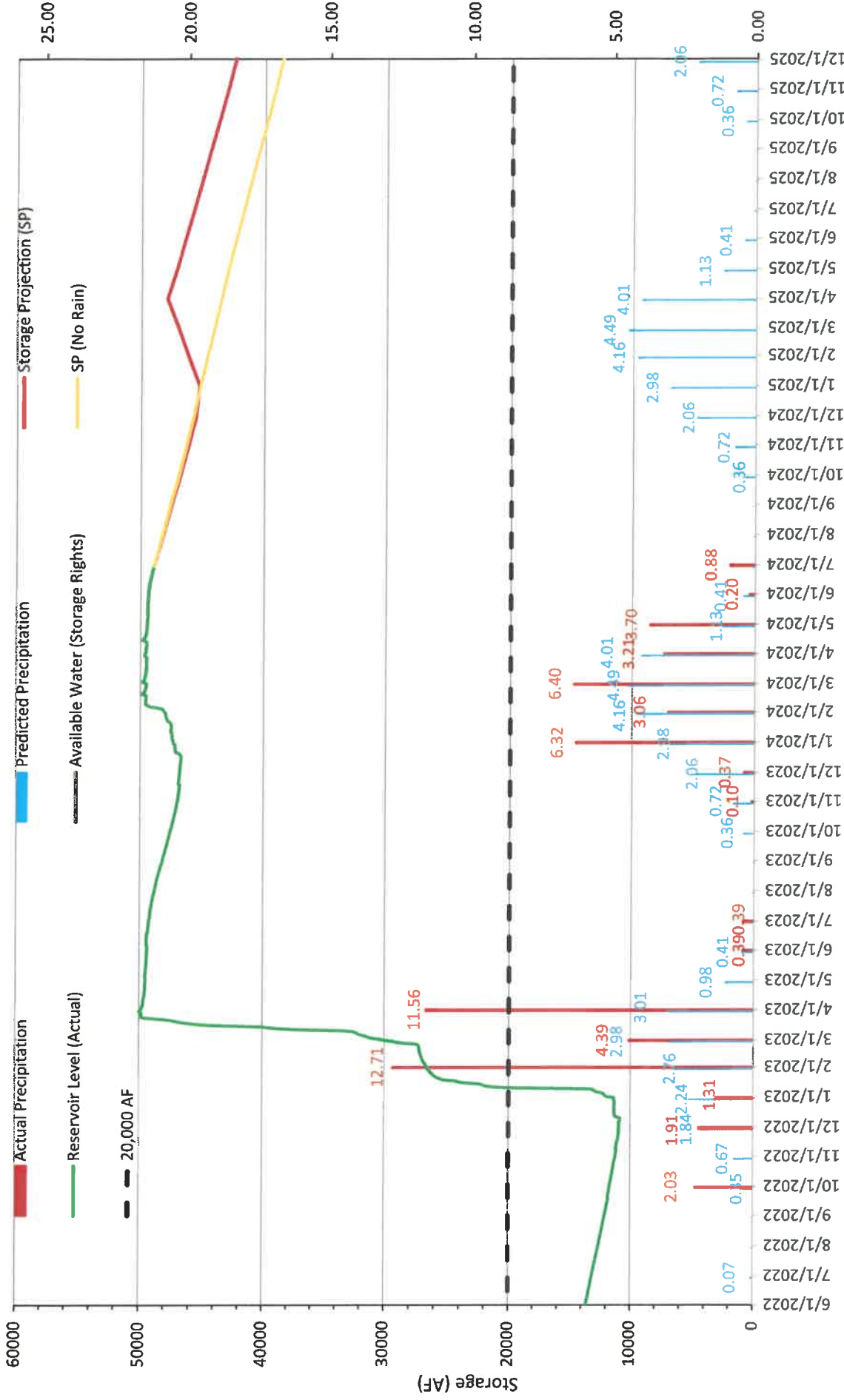
Vard Ikeda "Cloud seeding, are we still paying?" Nola Engelskirger, I believe it is on hold, but the contract can be renewed. We will investigate it and let the Advisory Committee know at the next meeting.

**Meeting Adjourned at 11:07AM by Kristen Barneich; next regular meeting is scheduled for July 18, 2024 at City of Oceano Council Chambers**

Respectfully Submitted,

Darla Budge  
County of San Luis Obispo Public Works Department

# LOPEZ RESERVOIR STORAGE PROJECTION



**Notes:**

Reservoir Storage = Current Storage + Inflow - Outflow

Outflow = Agency Usage + Downstream Releases

Agency Usage: is based on 2010-2024 average monthly deliveries

Predicted Inflow: is dependent on the predicted rainfall obtained from longrangeweather.com

Inflow is affected by antecedent soil conditions and factored into the model. Rainstorms will produce less inflow during the dry months than during the rainy season when the soil is saturated.

The **Storage Projection Model** is based on a polynomial regression (concave in shape). The (concave) **Storage Projection Graph** will fall below the (linear) **Storage Projection with No Rain Graph** during months of low predicted rainfall.



San Luis Obispo County Flood Control and Water District  
 Zone 3 - Lopez Project - Monthly Operations Report  
 May, 2024

CONTRACTOR	AVAILABLE WATER (APR-MAR)			THIS MONTH			APRIL TO PRESENT						
	ENTITLEMENT**	STORED PW**	SURPLUS WATERS AVAILABLE	ENTITLEMENT USAGE	STORED PW USAGE	SURPLUS PW USAGE	DELIVERIES DURING SPILL USAGE	TOTAL USAGE	ENTITLEMENT %	STORED PW %	SURPLUS PW %	DELIVERIES DURING SPILL %	TOTAL USAGE %
AG	2290	0	0	0.00	0.0	0.0	176.94	176.94	8%	0%	0%	317.55	14%
OCSD	303	0	0	0.00	0.0	0.0	0.00	0.00	0%	0%	0%	0.00	0%
GB	800	0	0	0.00	0.0	0.0	66.26	66.26	8%	0%	0%	132.13	17%
PB	892	0	0	0.00	0.0	0.0	128.62	128.62	14%	0%	0%	257.24	28%
CSA.12	245	0	0	0.00	0.0	0.0	6.80	6.80	3%	0%	0%	13.60	4%
SM	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
TOTAL	4530	0	0	0.00	0.0	0.0	378.62	378.62	8.4%	0.0%	0.0%	692.89	15%

CONTRACTOR	STATE WATER PROJECT WATER			DELIVERIES		
	ANNUAL REQUEST**	CUMULATIVE SSWPW***	WT TO DATE	THIS MONTH	JANUARY TO PRESENT	TOTAL
AG	N/A	0.0	0.0	0.00	0.00	0.00
OCSD	187.5	0.0	60.0	51.93	221.5	221.49
GB	N/A	0.0	N/A	0.0	N/A	0.00
PB	1070.0	0.0	0.0	0.00	277.0	276.96
CSA.12	90.0	0.0	8.5	8.42	34.4	34.35
SM	90.0	0.0	8.0	5.09	21.6	21.56
TOTAL	1443.5	0.0	76.5	65.44	554.4	554.36

CONTRACTOR	DAM & OTHER OPERATIONS			DISTRICT STORED SSWPW		
	LAKE ELEVATION (ft)	STORAGE (AF)	MONTHLY RAINFALL (in)	PREVIOUS DISTRICT SSWPW	DWR METER DELIVERIES	CHANGE IN STORAGE
AG	202.24	202.24	202.24	0	28.56	28.56
OCSD	259.93	259.93	259.93	0	0.00	0.00
GB	91.72	91.72	91.72	0	0.00	0.00
PB	1.67	1.67	1.67	0	0.00	0.00
CSA.12				0	0.00	0.00
SM				0	0.00	0.00
TOTAL				0	28.56	28.56

CONTRACTOR	WATER A/C - A/F/E/DEM/OUT TO SPILLAGE		
	DISTRICT SSWPW	CUMULATIVE SSWPW	TOTAL STORED PROJECT WATER
AG	0	0	0
OCSD	0	0	0
GB	0	0	0
PB	0	0	0
CSA.12	0	0	0
SM	0	0	0
TOTAL	0	0	0

CONTRACTOR	MAY ENTITLEMENT USAGE		
	DISTRICT SSWPW	CUMULATIVE SSWPW	TOTAL STORED PROJECT WATER
AG	0	0	0
OCSD	0	0	0
GB	0	0	0
PB	0	0	0
CSA.12	0	0	0
SM	0	0	0
TOTAL	0	0	0

CONTRACTOR	TOTAL MONTHLY DELIVERIES		
	AG	OCSD	GB
AG	176.94	0.00	0.00
OCSD	0.00	132.13	0.00
GB	0.00	257.24	0.00
PB	0.00	276.96	0.00
CSA.12	0.00	13.60	0.00
SM	0.00	13.60	0.00
TOTAL	176.94	792.93	0.00

CONTRACTOR	MAY ENTITLEMENT USAGE		
	DISTRICT SSWPW	CUMULATIVE SSWPW	TOTAL STORED PROJECT WATER
AG	0	0	0
OCSD	0	0	0
GB	0	0	0
PB	0	0	0
CSA.12	0	0	0
SM	0	0	0
TOTAL	0	0	0

CONTRACTOR	MAY ENTITLEMENT USAGE		
	DISTRICT SSWPW	CUMULATIVE SSWPW	TOTAL STORED PROJECT WATER
AG	0	0	0
OCSD	0	0	0
GB	0	0	0
PB	0	0	0
CSA.12	0	0	0
SM	0	0	0
TOTAL	0	0	0

CONTRACTOR	MAY ENTITLEMENT USAGE		
	DISTRICT SSWPW	CUMULATIVE SSWPW	TOTAL STORED PROJECT WATER
AG	0	0	0
OCSD	0	0	0
GB	0	0	0
PB	0	0	0
CSA.12	0	0	0
SM	0	0	0
TOTAL	0	0	0

CONTRACTOR	MAY ENTITLEMENT USAGE		
	DISTRICT SSWPW	CUMULATIVE SSWPW	TOTAL STORED PROJECT WATER
AG	0	0	0
OCSD	0	0	0
GB	0	0	0
PB	0	0	0
CSA.12	0	0	0
SM	0	0	0
TOTAL	0	0	0

CONTRACTOR	MAY ENTITLEMENT USAGE		
	DISTRICT SSWPW	CUMULATIVE SSWPW	TOTAL STORED PROJECT WATER
AG	0	0	0
OCSD	0	0	0
GB	0	0	0
PB	0	0	0
CSA.12	0	0	0
SM	0	0	0
TOTAL	0	0	0

CONTRACTOR	MAY ENTITLEMENT USAGE		
	DISTRICT SSWPW	CUMULATIVE SSWPW	TOTAL STORED PROJECT WATER
AG	0	0	0
OCSD	0	0	0
GB	0	0	0
PB	0	0	0
CSA.12	0	0	0
SM	0	0	0
TOTAL	0	0	0

CONTRACTOR	MAY ENTITLEMENT USAGE		
	DISTRICT SSWPW	CUMULATIVE SSWPW	TOTAL STORED PROJECT WATER
AG	0	0	0
OCSD	0	0	0
GB	0	0	0
PB	0	0	0
CSA.12	0	0	0
SM	0	0	0
TOTAL	0	0	0

CONTRACTOR	MAY ENTITLEMENT USAGE		
	DISTRICT SSWPW	CUMULATIVE SSWPW	TOTAL STORED PROJECT WATER
AG	0	0	0
OCSD	0	0	0
GB	0	0	0
PB	0	0	0
CSA.12	0	0	0
SM	0	0	0
TOTAL	0	0	0

CONTRACTOR	MAY ENTITLEMENT USAGE		
	DISTRICT SSWPW	CUMULATIVE SSWPW	TOTAL STORED PROJECT WATER
AG	0	0	0
OCSD	0	0	0
GB	0	0	0
PB	0	0	0
CSA.12	0	0	0
SM	0	0	0
TOTAL	0	0	0

CONTRACTOR	MAY ENTITLEMENT USAGE		
	DISTRICT SSWPW	CUMULATIVE SSWPW	TOTAL STORED PROJECT WATER
AG	0	0	0
OCSD	0	0	0
GB	0	0	0
PB	0	0	0
CSA.12	0	0	0
SM	0	0	0
TOTAL	0	0	0

CONTRACTOR	MAY ENTITLEMENT USAGE		
	DISTRICT SSWPW	CUMULATIVE SSWPW	TOTAL STORED PROJECT WATER
AG	0	0	0
OCSD	0	0	0
GB	0	0	0
PB	0	0	0
CSA.12	0	0	0
SM	0	0	0
TOTAL	0	0	0

CONTRACTOR	MAY ENTITLEMENT USAGE		
	DISTRICT SSWPW	CUMULATIVE SSWPW	TOTAL STORED PROJECT WATER
AG	0	0	0
OCSD	0	0	0
GB	0	0	0
PB	0	0	0
CSA.12	0	0	0
SM	0	0	0
TOTAL	0	0	0

CONTRACTOR	MAY ENTITLEMENT USAGE		
	DISTRICT SSWPW	CUMULATIVE SSWPW	TOTAL STORED PROJECT WATER
AG	0	0	0
OCSD	0	0	0
GB	0	0	0
PB	0	0	0
CSA.12	0	0	0
SM	0	0	0
TOTAL	0	0	0

1] By March 31, 2024, a total of 2,532.60 AF of unused entitlement was generated. Corresponding amounts were transferred to each contractor's Stored Project Water bucket.  
 2] On May 1, 2024, 2,532.60 AF of Stored Project Water was lost due to April's 2,693.66 AF spill event.



San Luis Obispo County Flood Control and Water District  
Zone 3 - Lopez Project - Monthly Operations Report  
June, 2024

CONTRACTOR	PROJECT WATER DELIVERIES												
	AVAILABLE WATER (APR-SMAR)			THIS MONTH			APRIL TO PRESENT			TOTAL			
	ENTITLEMENT	STORED PWP*	SURPLUS AVAILABLE	ENTITLEMENT USAGE	STORED PWP USAGE	SURPLUS PW USAGE	DELIVERIES DURING SPILL USAGE	TOTAL USAGE	ENTITLEMENT %	STORED PWP %	SURPLUS PW %	DELIVERIES DURING SPILL %	TOTAL USAGE %
AG	2290	0	0	101.65	0.0	0.0	0.0	203.30	9%	0%	0%	242.26	15%
CCSD	303	0	0	0.00	0.0	0.0	0.00	0.00	0%	0%	0%	0.00	0%
GB	800	0	0	31.99	0.0	0.0	31.99	53.97	8%	0%	0%	97.86	16%
PB	892	0	0	24.28	0.0	0.0	24.28	48.56	5%	0%	0%	128.38	17%
CSA 12	245	0	0	4.63	0.0	0.0	4.63	9.26	4%	0%	0%	8.32	5%
SM	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
TOTAL	4590	0	0	162.55	0.0	0.0	162.55	315.09	7.7%	0.0%	0.0%	476.82	14%

CONTRACTOR	STATE WATER PROJECT WATER DELIVERIES											
	CUMULATIVE SSWPW ***			THIS MONTH			JANUARY TO PRESENT			TOTAL		
	ANNUAL REQUEST**	REQUEST	ALLOCATION USAGE	ENTITLEMENT %	STORED PWP USAGE	DELIVERIES DURING SPILL USAGE	TOTAL USAGE	ALLOCATION %	ENTITLEMENT %	STORED PWP %	DELIVERIES DURING SPILL %	TOTAL USAGE %
AG	N/A	0.0	N/A	N/A	0.0	0.0	0.00	N/A	N/A	0.0	0.00	0.00
CCSD	357.5	0.0	59.52	16.6%	0.0	0.0	59.52	281.0	79%	0	0	281.03
GB	N/A	0.0	N/A	N/A	0.0	0.0	0.00	N/A	N/A	0	0	0.00
PB	412.0	0.0	103.00	25%	0.0	0.0	103.00	380.0	92%	0	0	379.96
CSA 12	96.0	0.0	8.5	8.4%	0.0	0.0	8.46	42.8	45%	0	0	42.81
SM	90.0	0.0	5.74	6%	0.0	0.0	5.74	27.3	30%	0	0	27.30
TOTAL	955.5	0.0	176.72	18%	0.0	0.0	176.72	731.1	77%	0	0	731.08

TOTAL MONTHLY DELIVERIES	
CONTRACTOR	(AF)
AG	203.30
CCSD	59.52
GB	63.97
PB	151.56
CSA 12	17.72
SM	5.74
TOTAL	591.83

WATER BUCKETS AFFECTED DUE TO SPILLAGE	
DISTRICT SSWPW	(AF)
CUMULATIVE SSWPW	
TOTAL STORED PROJECT WATER	
TOTAL	0.00
JUNE ENTITLEMENT USAGE	162.55

District Stored SSWPW	
PREVIOUS DISTRICT SSWPW	
DWR METER DELIVERIES	
CHANGE IN STORAGE	
EVAPORATION	
REMAINING DISTRICT SSWPW	

DAM & OTHER OPERATIONS	
LAKE ELEVATION (F)	WT TO DATE
STORAGE (AF)	MAX CAPACITY
MONTHLY RAINFALL (IN)	
(Annual: July 1- June 30)	
DOWNSTREAM RELEASES (AF)	
LAKE TO TERMINAL (AF)	
SPILLAGE (AF) (WY)	
AG WHEELING OCEANO WATER	

1) By March 31, 2024, a total of 2,532.60 AF of unused entitlement was generated. Corresponding amounts were transferred to each contractor's Stored Project Water bucket.  
 2) On May 1, 2024, 2,532.60 AF of Stored Project Water was lost due to April's 2,693.66 AF spill event.  
 3) Dam stoppages/spilling on June 16, therefore half of June Project Water Deliveries (162.55 AF) were reported under "Deliveries During Spill."

\*\*\* Stored SSWPW includes Declared Surplus Water  
 \*\* \* Stored amount available is dependent on the State's (DWR) delivery %  
 \*\* \* Stored SSWPW water resulting from AIE

AIE: Agency Initiated Exchange  
 DIE: District Initiated Exchange  
 N/A: Not Available  
 PWP: Project Water aka. Lower Water  
 Stored PWP: Generated from unused entitlement water at end of WY  
 Surplus Water (MA Cap): Other Water: Generated from unused DS Releases at end of WY  
 SSWPW: Stored SSWPW  
 \*\* \* Stored SSWPW includes Declared Surplus Water  
 \*\* \* Stored amount available is dependent on the State's (DWR) delivery %  
 \*\* \* Stored SSWPW water resulting from AIE

AG: Agency Initiated Exchange  
 DIE: District Initiated Exchange  
 N/A: Not Available  
 PWP: Project Water aka. Lower Water  
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 SSWPW: Stored SSWPW  
 \*\* \* Stored SSWPW includes Declared Surplus Water  
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 \*\* \* Stored SSWPW water resulting from AIE

AG: Agency Initiated Exchange  
 DIE: District Initiated Exchange  
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 PWP: Project Water aka. Lower Water  
 Stored PWP: Generated from unused entitlement water at end of WY  
 Surplus Water (MA Cap): Other Water: Generated from unused DS Releases at end of WY  
 SSWPW: Stored SSWPW  
 \*\* \* Stored SSWPW includes Declared Surplus Water  
 \*\* \* Stored amount available is dependent on the State's (DWR) delivery %  
 \*\* \* Stored SSWPW water resulting from AIE

**TO:** Zone 3 Advisory Committee  
**FROM:** David Spiegel, Supervising Engineer  
**DATE:** July 18, 2024  
**SUBJECT:** Legal Considerations and Options for District Funding Contribution

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#### Gift Clause

The California Constitution prohibits gifts of public funds to private entities (Cal. Const. Art. 16, section 6).

- The clause allows contributions if a public benefit is demonstrated. *Page v. MiraCosta Community College Dist.* (2009) 180 Cal.App.4th 471, 495.
- The project would not violate the gift clause because it provides environmental benefits to the District and potentially reduces its legal liability.

#### Public Bidding Statutes

Projects over \$60,000 are generally required to publicly bid (Cal. Pub. Cont. Code. 22032).

- A common law exception permits non-competitive bidding if it is impractical or not in the public interest. *Graydon v. Pasadena Redevelopment Agency* (1980) 104 Cal.App.3d 631; *SG Blocks, Inc. v. Hala Cmty. Partners* (C.D. Cal. 2021) 521 F.Supp. 3d 881, 900.
- The BOS could find Creeklands has special expertise in this area, public bidding would not result in a lower price because Creeklands is contributing a majority of the funding for the project and public bidding could delay the project thus increasing the District's potential liability.
- This doctrine is outdated, and the District may face complaints and administrative hearings if this path is chosen.

#### Bonding Requirements

Contracts over \$5,000 require performance and payment bonds (Public Contract Code section 21101).

- The District must ensure Creeklands' contractor secures these bonds.

#### Prevailing Wages

Projects over \$1,000 paid with public funds must pay prevailing wages (Cal. Labor Code 1771).

- The MOU must state that prevailing wages apply to Creeklands' work to avoid potential liability.

## MOU

The current MOU states no public funds will be contributed.

- Amend the MOU to reflect the contribution, include bonding and prevailing wage provisions, and revise indemnification to favor the District.

Based on the foregoing, the District has a few options at this point if it wants to contribute funding to the project.

### **Option 1: District Bids the Project**

- **Action:** Amend the MOU to have the District accept funding and bid the project.
- **Advantage:** Reduced legal risk by following standard procedures and having project control.
- **Disadvantage:** Increased cost and potential project delays.

### **Option 2: District Grants Additional Funding to Creeklands**

- **Action:** Amend the MOU to include:
  - Removal of District's indemnification of Creeklands.
  - Payment and performance bonding requirements for Creeklands' contractor.
  - Prevailing wage requirements.
- **BOS Findings Required:** Competitive bidding is impractical and undesirable due to:
  - Creeklands' expertise and relationship with permitting agencies.
  - Majority project funding by Creeklands.
  - Liability risks from project delays.
- **Advantage:** Faster project delivery.
- **Disadvantage:** Higher legal risk and less project control.

### **Option 3: Individual Zone 3 Members Contribute**

- **Action:** Zone 3 members provide grant funding individually.
- **Advantage:** Reduced legal liability for the District.
- **Disadvantage:** Requires each contractor to secure legislative body approval, create grant agreements, and impose conditions.

7/5/24

To: Dave Spiegel, Engineer IV County of San Luis Obispo Public Works

From: Steph Wald, Watershed Projects Manager, Creek Lands Conservation

Re: Status and Needs to Implement the Arroyo Grande Creek Stream Gauge Modification Project

Thank you for your consideration of financial assistance to complete the Arroyo Grande Creek Stream Gauge Modification project. Creek Lands Conservation (CLC) is your local science-based creek conservation nonprofit organization, and we are planning to implement the project this fall.

The original stream gauge infrastructure spans the creek and is a fish passage barrier to Steelhead trout/Rainbow trout, a threatened species in our region. The project was once part of the Habitat Conservation Plan. The County released the project to us. An MOU with the County identifies roles and responsibilities regarding completion of the project.

#### STATUS

The above referenced project contains the following shovel ready components:

- Environmental clearances and permits in hand
- 100% design complete
- Bidding in process
- Raised public funds exceeding engineer's cost estimate but falls short of construction bid
- Budget includes low flow (<100 cfs) post-construction rating curve development requested by the County for the station

#### NEEDS

- Funding gap on construction bid
  - Raised: \$605,000
  - Current bid: \$901,000
- High bid due to need for large crane, inherent project uncertainty and complexity, and estimation of high summertime flows creating challenges for dewatering process needed for construction

#### MUTUAL SUPPORT BENEFITS

- With this and Cecchetti Road Crossing complete (design in process), fish passage downstream of Lopez Dam will have been addressed
- Upgrade at the gauge station supports local water users and concomitant economic support downstream
- State and federal agencies have been very supportive during the funding and permitting phases
- Zone 3 financial support of this project may send a strong message to the National Marine Fisheries Service regarding the HCP in process and to litigation groups that the County is on board with meeting federal Endangered Species Act requirements



## ZONE 3 Lopez Project

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San Luis Obispo County Flood Control and Water Conservation District

**TO:** Zone 3 Advisory Committee  
**FROM:** David Spiegel, PE, Utilities Engineer  
**DATE:** July 18, 2024  
**SUBJECT:** Zone 3 Projects Update

### Project Updates:

- Fireflow Tank Replacement (No Change)
  - Final Design Plans are in for review
  - Request TAC to consider funding project now if ARPA funds are available
  - ~\$500k in Zone 3 Funds
  - Budget ~\$1,400,000
- Membrane Module Replacement (No Change)
  - 2 racks more racks have been replaced and are operational
  - Budget ~\$600,000
- Spillway Assessment and Investigation
  - Work Plan is approved
  - Piezometer Installation Scheduled for August
  - Remainder of project ~ minimum of \$300,000
- Geotechnical Testing & Seismic Alternatives Study of Terminal Reservoir Dam
  - Submitting to DSOD for Review
  - Geotechnical Engineering Report Complete
  - Budget ~\$500,000
- Cathodic Protection Repair Project
  - Construction complete
  - Testing showed a break in continuity in one location
  - System working well
  - Budget ~\$449,933
- DAF Building Repairs (No Change)
  - DAF building has rust damage in multiple girders and roll up doors
  - Rafters support safety tether for maintenance of DAF equipment
  - ~\$95,000



## ZONE 3 Lopez Project

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San Luis Obispo County Flood Control and Water Conservation District

### **Completed Projects**

- Sludge Bed Curtain Wall Rehab
- Chemical Tank Replacement
- Spillway Flipbucket Repair (FEMA)
- Bathymetric Study
- CO2 Injection System



**COUNTY OF SAN LUIS OBISPO  
BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Public Works	(2) MEETING DATE 8/20/2024	(3) CONTACT/PHONE Wes Thomson, Supervising Engineer (805) 788-2101	
(4) SUBJECT Submittal of a resolution 1) approving and authorizing the Director of Public Works to execute a letter agreement with the Westside Districts for the temporary transfer of 2024 State Water Project (SWP) water supplies; 2) authorizing the Director of Public Works to execute a corresponding agreement(s) with the California Department of Water Resources (DWR); and 3) finding the transfer exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301.			
(5) RECOMMENDED ACTION It is recommended that the Board, acting as the Board of Supervisors for the San Luis Obispo County Flood Control and Water Conservation District (District), adopt a resolution: <ol style="list-style-type: none"> <li>1. Approving and authorizing the Director of Public Works to execute a letter agreement with the Westside Districts for the temporary transfer of 2024 State Water Project (SWP) water supplies;</li> <li>2. Authorizing the Director of Public Works to execute a corresponding agreement(s) with the California Department of Water Resources, subject to approval as to form and effect by County Counsel; and</li> <li>3. Finding the transfer exempt from CEQA pursuant to CEQA Guidelines Section 15301.</li> </ol>			
(6) FUNDING SOURCE(S) N/A	(7) CURRENT YEAR FINANCIAL IMPACT N/A	(8) ANNUAL FINANCIAL IMPACT N/A	(9) BUDGETED? N/A
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. _____) <input type="checkbox"/> Board Business (Time Est. _____)			
(11) EXECUTED DOCUMENTS <input checked="" type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input checked="" type="checkbox"/> N/A Date _____	
(17) ADMINISTRATIVE OFFICE REVIEW Zachary A. Lute			
(18) SUPERVISOR DISTRICT(S)			

Reference: 24.098



## COUNTY OF SAN LUIS OBISPO

TO: Board of Supervisors

FROM: Public Works

Wes Thomson, Supervising Engineer

VIA: Kate Ballantyne, Deputy Director

DATE: 8/20/2024

SUBJECT: Submittal of a resolution 1) approving and authorizing the Director of Public Works to execute a letter agreement with the Westside Districts for the temporary transfer of 2024 State Water Project (SWP) water supplies; 2) authorizing the Director of Public Works to execute a corresponding agreement(s) with the California Department of Water Resources (DWR); and 3) finding the transfer exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301.

### **RECOMMENDATION**

It is recommended that the Board, acting as the Board of Supervisors for the San Luis Obispo County Flood Control and Water Conservation District (District), adopt a resolution:

1. Approving and authorizing the Director of Public Works to execute a letter agreement with the Westside Districts<sup>1</sup> for the temporary transfer of 2024 State Water Project (SWP) water supplies;
2. Authorizing the Director of Public Works to execute a corresponding agreement(s) with the California Department of Water Resources, subject to approval as to form and effect by County Counsel; and
3. Finding the transfer exempt from CEQA pursuant to CEQA Guidelines Section 15301.

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<sup>1</sup> The Westside Districts are a collaboration between five water agencies in the San Joaquin Valley – in southern Kings County and in western Kern County: Dudley Ridge Water District (SWP Contractor), plus four “member units” of another SWP Contractor, the Kern County Water Agency (KCWA), consisting of Belridge Water Storage District, Berrenda Mesa Water District, Lost Hills Water District, and Wheeler Ridge–Maricopa Water Storage District.



## **DISCUSSION**

District staff is requesting the Board's approval of an agreement with the Westside Districts (Westside Districts Agreement) (Exhibit A to the Resolution) for a temporary transfer in calendar year 2024 of up to 13,500 acre-feet (AF) of the District's surplus SWP<sup>2</sup> water – a combination of "Table A" water (8,500 AF) and "Article 56(c)" water (5,000 AF, from storage in San Luis Reservoir (SLR)) – to recover costs, minimize the amount of water that would be lost due to storage limits at the end of 2024 or to spill in 2025, and maintain a more optimal level of supply in storage for County water resiliency.

### *Background*

Since November 2022, the District Board policy directive to staff has been to maximize the SWP water supply contract to increase water resiliency for the County.

After a historic water year in 2023, the District has a surplus of SWP water in storage. The 2024 allocation far exceeds local demand from the SWP Subcontractors<sup>3</sup> (Attachment 1), and a combination of other conditions puts the District's SWP supply at risk of being lost if the District doesn't take action now. The most reasonable and timely option to mitigate this risk is to utilize the new "water management tools" – supply management provisions under the SWP's 2021 Water Management Amendment<sup>4</sup> – to find another SWP contractor who would take delivery of a portion of the District's available water under a temporary water transfer in 2024.

The amount of SWP water the District can store in SLR is limited, and that water is subject to loss (artificial "spill" events<sup>5</sup>) when the reservoir fills with current year/higher priority water. Since 2007, the District has lost 94,191 AF of SWP water due to the inherent limitations of using SLR for storage (see Table 1). Staff projections estimate that the District will have about 18,500 AF of stored water in SLR going into 2025 (five to six years of supply). Based on DWR projections, SWP storage at SLR is likely to be full by the end of 2024, and that significantly elevates the possibility of the District's stored water spilling during the wet season in early 2025. If the stored water spills in 2025 under the current projections, the loss to the District would be approximately \$3.3 million (assuming \$180/AF, based on current District SWP costs).

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<sup>2</sup> Since 1963, the District has had a long-term SWP water supply contract with DWR for an annual maximum "Table A" water amount of up to 25,000 acre-feet (AF).

<sup>3</sup> District SWP Subcontractors include CSA 16 (Shandon), City of Morro Bay, California Men's Colony, County of San Luis Obispo, Cuesta College, City of Pismo Beach, Oceano CSD, San Miguelito Mutual Water Co., Avila Beach CSD, Avila Valley Mutual Water Co., San Luis Coastal Unified School District.

<sup>4</sup> The 2021 Water Management Amendment introduced new provisions for the District and other SWP Contractors that enable greater cost recovery through water transfers at market rates, enhanced flexibility to negotiate arrangements that help maximize the "Table A" contract benefit and minimize losses – including the use of SLR as a transfer site.

<sup>5</sup> Spill events result in losses of the stored water, but the water is only lost by the contractor to the SWP system – there is not an actual physical spill of water from the reservoir. This event results in excess water in the system known as "Article 21" water, and it is conditionally available to the contractors at a steep discount for immediate delivery to those with capacity to take it.

*Table 1. State Water Lost to Spill/Storage Limits at San Luis Reservoir*

Year	Annual Allocation %	Stored Water Lost to Spill (AF)	Water Lost Due to Storage Limits (AF)	Total Water Lost to Spill or Storage Limits (AF)
2007	60	12,500	None	12,500
2010	50	No Spill	2,201	2,201
2011	80	6,009	4,160	10,169
2012	65	No Spill	3,139	3,139
2016	60	No Spill	2,051	2,051
2017	85	15,267	6,487	21,754
2018	35	No Spill	1,734	1,734
2019	85	18,639	3,719	22,358
2023	100	8,064	10,221	18,285
<b>TOTAL</b>		<b>60,479</b>	<b>33,712</b>	<b>94,191</b>

District staff sought transfer opportunities within the SWP network in coordination with the Subcontractor Water Management Working Group, a subcommittee of technical agency staff representatives from the local SWP Subcontractors. The terms of the Westside Districts offer are optimal for San Luis Obispo County. Given the existing SWP conveyance constraints, 2024 hydrology, and SWP allocation at 40%, the pricing was determined to be fair and reasonable relative to the current District costs, historic transfer pricing, and other recently published market data on south of Delta transfers.

*Table A Water Transfer Component*

If Westside Districts (Attachment 2) takes delivery of the full 8,500 AF of Table A water made available to them, the District will have at least 10,000 AF of water remaining in storage at SLR at the end of 2024 (based on current conditions), which is about two to three years of supply for the District.

*Article 56(c) Water Transfer Component*

With District Board approval of the Westside Districts Agreement, the Public Works Director would be delegated authority to exercise the option to make up to 5,000 AF of additional water available later in 2024, subject to the District's determination that there is still a high risk of losing stored water at SLR to a spill event in 2025. This option allows the District to reduce the risk of additional losses and maintain at least 5,000-6,000 AF in storage at SLR for emergency use (about 18-24 months of supply).

*Westside-SLO Transfer and Supporting Agreements*

District staff developed the terms in partnership with Westside Districts staff, as shown in the proposed Westside Districts Agreement.

If the District approves the proposed transfer<sup>6</sup> via resolution (Attachment 5), the next step is to secure DWR's approval of the transfer via letter agreement (DWR Agreement<sup>7</sup>, Attachment 4), which is a standard requirement for all SWP transfers.

For DWR to approve, it must (1) review the proposed transfer for compliance with CEQA, (2) confirm SWP delivery capability to complete the transfer, (3) review that it is consistent with each long-term SWP water supply contract (Water Supply Contract) it has with the District, DRWD, and KCWA, and (4) determine that the transfer will not adversely impact SWP operations, facilities or other SWP Contractors<sup>8</sup>.

As such, today's request is also for your Board to authorize the Director of Public Works to execute the DWR Agreement that permits the District to transfer the SWP water pursuant to the Westside Districts Agreement.

#### *CEQA Determination*

The Environmental Division Manager has reviewed the project and determined that it is exempt from the requirements of CEQA pursuant to CEQA Guidelines Section 15301 (existing facilities) (Exhibit B to the Resolution).

#### **OTHER AGENCY INVOLVEMENT/IMPACT**

The proposed temporary water transfer was reviewed with the District's State Water Subcontractors Advisory Committee and the Water Resources Advisory Committee (WRAC). Both were supportive, and the WRAC voted to endorse the District's policy directive to maximize the benefits of the SWP contract.

The attached resolution and Westside Districts Agreement have been reviewed by County Counsel and approved as to form and effect.

#### **FINANCIAL CONSIDERATIONS**

The proposed temporary transfer provides the District an opportunity for significant cost recovery and would have no impact on the District's ability to make all payments, including payments due under the District's Water Supply Contract with DWR.

Under the Westside Districts Agreement, up to 8,500 AF (at \$450/AF) of the District's surplus 2024 "Table A" water would be made available to the Westside Districts, and the District would potentially recover up to \$3.7 million, credited to:

- (1) the District's State Water Tax Fund (estimated credit = up to \$2.6-3.1 million), and
- (2) the District's SWP Subcontractors (estimated credit = up to \$0.6-1.1 million), based on their unused share of 2024 Table A water under the 2024 allocation.

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<sup>6</sup> The proposed temporary transfer is consistent with District policy on the use of the excess allocation (Attachment 3).

<sup>7</sup> An initial DWR Agreement is required for the Table A water transfer component. If the option is exercised, an additional DWR Agreement would be required for the Article 56(c) water transfer component.

<sup>8</sup> The District is one of 29 public water agencies (includes DRWD and KCWA) that have a Water Supply Contract with DWR; these agencies are collectively referred to as the SWP Contractors.

The option to make up to 5,000 AF of additional stored water available could result in up to \$1.75 million in additional cost recovery for the District.

Revenue generated from the transfer would actually reduce costs borne by the Countywide taxpayers by providing increased revenue for the District that could be used to help offset other DWR cost obligations (e.g., Delta Conveyance Project planning/design costs).

## **RESULTS**

Approval of the temporary water transfer will meet your Board's priority to maximize the SWP water supply contract, putting to beneficial use all the water available and recovering the costs of maintaining the allocation to the fullest extent possible this year, thereby contributing to a well-governed community.

## **ATTACHMENTS**

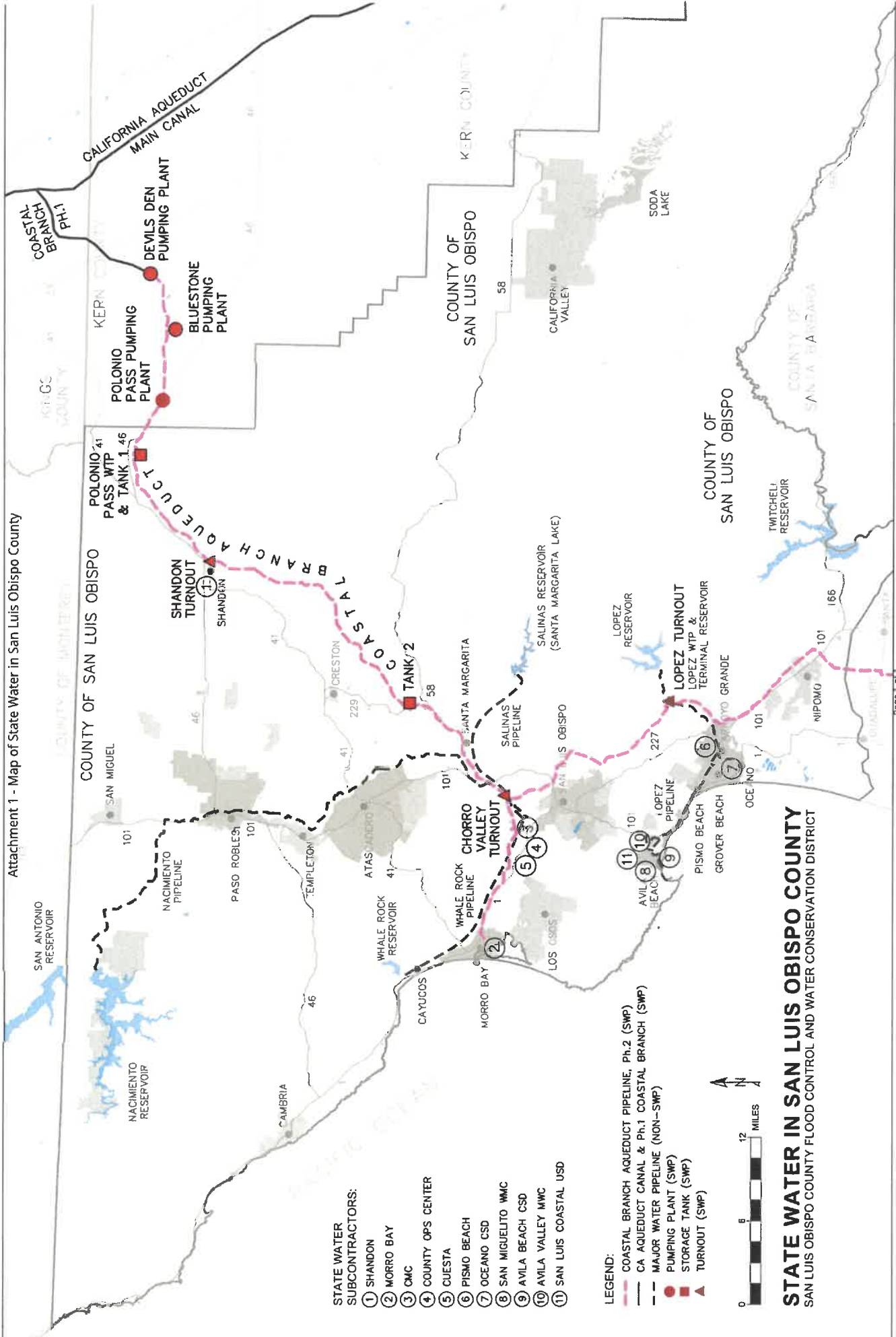
- 1 Map of State Water in San Luis Obispo County
- 2 Location of Westside Districts
- 3 2003 Policies on Use of the Excess Allocation
- 4 Sample Department of Water Resources Letter Agreement
- 5 Resolution Approving and Authorizing the Director of Public Works to Execute a Letter Agreement with the Westside Districts and a Corresponding Agreement with the Department of Water Resources and Finding the Project Exempt from CEQA

File: CF 950.140.01

Reference: 24.098

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Attachment 1 - Map of State Water in San Luis Obispo County



- STATE WATER SUBCONTRACTORS:**
- 1 SHANDON
  - 2 MORRO BAY
  - 3 OMC
  - 4 COUNTY OPS CENTER
  - 5 CUESTA
  - 6 PISMO BEACH
  - 7 OCEANO CSD
  - 8 SAN MIGUELITO MMC
  - 9 AVILA BEACH CSD
  - 10 AVILA VALLEY MMC
  - 11 SAN LUIS COASTAL USD

- LEGEND:**
- COASTAL BRANCH AQUEDUCT PIPELINE, Ph.2 (SWP)
  - CA AQUEDUCT CANAL & Ph.1 COASTAL BRANCH (SWP)
  - MAJOR WATER PIPELINE (NON-SWP)
  - PUMPING PLANT (SWP)
  - STORAGE TANK (SWP)
  - ▲ TURNOUT (SWP)



**STATE WATER IN SAN LUIS OBISPO COUNTY**  
 SAN LUIS OBISPO COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT



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## Central Coast Regional Water Quality Control Board

August 27, 2024

Bradley Hagemann  
General Manager  
Avila Beach Community  
Services District  
2850 Avila Beach Drive  
Avila Beach, CA 93424  
Email: [hagemann.associates@gmail.com](mailto:hagemann.associates@gmail.com)

**Via Electronic Mail and Certified Mail  
7020 1810 0002 0768 7478**

Dear Bradley Hagemann:

**ENFORCEMENT PROGRAM: EXPEDITED PAYMENT LETTER (EPL) R3-2024-0048, ACCEPTANCE OF CONDITIONAL OFFER AND WAIVER OF HEARING EXECUTED AS ADMINISTRATIVE CIVIL LIABILITY ORDER FOR AVILA BEACH COMMUNITY SERVICES DISTRICT EFFLUENT VIOLATIONS OF WDR ORDER R3-2017-0025, WASTEWATER TREATMENT FACILITY, SAN LUIS OBISPO COUNTY, NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM PERMIT CA0047830, WDID 3 400101001**

Enclosed is Acceptance of Conditional Offer and Waiver of Right to Hearing; Settlement Agreement and Stipulation for Entry of Administrative Civil Liability Order R3-2024-0048 (Order), countersigned by the California Regional Water Quality Control Board, Central Coast Region (Central Coast Water Board) Executive Officer. The Order resolves mandatory minimum penalties for violations of effluent limitations contained in Waste Discharge Requirements Order R3-2017-0025, National Pollutant Discharge Elimination System Permit CA0047830, that occurred from April 30, 2023, to October 7, 2023, as shown in the attached Exhibit A, notice of violation. Central Coast Water Board staff publicly noticed the Order from July 18, 2024, to August 22, 2024, and received no comments.

As provided in the Order, the Avila Beach Community Services District (District) is subject to a total expedited payment amount of \$6,000. **No later than September 26, 2024**, the District must submit payment to the State Water Resources Control Board (SWRCB) State Water Pollution Cleanup and Abatement Account by taking the following actions:<sup>1</sup>

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<sup>1</sup> Please note that this due date supercedes any other due date that may be shown on invoices.

JANE GRAY, CHAIR | RYAN E. LODGE, EXECUTIVE OFFICER



1. Pay \$6,000 by check payable to “SWRCB Cleanup and Abatement Account”, noting “ACL Order R3-2024-0048” on the check, and mailed to:
  - a. Attn: ACL Payment  
SWRCB Accounting Office  
P.O. Box 1888  
Sacramento, CA 95812-1888
2. Submit a copy of the above payment by email to Todd Stanley at [todd.stanley@waterboards.ca.gov](mailto:todd.stanley@waterboards.ca.gov) or mailed to:
  - a. Central Coast Regional Water Quality Control Board  
Enforcement Unit, Attention: Todd Stanley  
895 Aerovista Place, Suite 101  
San Luis Obispo, CA 93401-7906

The SWRCB Division of Administrative Services Fee Branch [(916) 341-5247 or [FeeBranch@waterboards.ca.gov](mailto:FeeBranch@waterboards.ca.gov)] typically mails invoices within five business days after orders are issued, but delays are possible. If the District does not receive an invoice within 10 business days after the date of this transmittal letter, Central Coast Water Board staff advises the District to proceed with making the payment to avoid being late. Similarly, the District may simply elect to make its payment before receiving an invoice. **In either case, it is critical that the District’s check refers to the Order number as instructed in Item #1 above.** If the District elects to pay before receiving the invoice, Central Coast Water Board staff advises the District to contact the Fee Branch to confirm that the payment is posted correctly.

The District also has the option to make the payment to the State Water Pollution Cleanup and Abatement Account by online electronic fund transfer (without surcharge) or credit card (with small surcharge) but must first wait to receive the above invoice because the invoice number is needed for the transaction. After receiving the invoice, the District may then go to the Fee Branch’s “Make a Payment” website<sup>2</sup> for guidance on the available payment options.

Payment will conclude the Central Coast Water Board’s enforcement action for violations identified in Expedited Payment Letter R3-2024-0048, dated June 27, 2024, and in Enclosure 2 of this letter.

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<sup>2</sup> Fee Branch payment website: [https://www.waterboards.ca.gov/make\\_a\\_payment/](https://www.waterboards.ca.gov/make_a_payment/)

If you have any questions, please contact Sarah Crable [sarah.crable@waterboards.ca.gov](mailto:sarah.crable@waterboards.ca.gov) or at (805) 549-3706, or Thea Tryon at [thea.tryon@waterboards.ca.gov](mailto:thea.tryon@waterboards.ca.gov) or (805) 542-4776.

Sincerely,

**Ryan E. Lodge**  
Digitally signed  
by Ryan E. Lodge  
Date: 2024.08.27  
11:03:54 -07'00'

Ryan E. Lodge  
Executive Officer

Enclosures:

1. Acceptance of Conditional Offer and Waiver of Right to Hearing; Settlement Agreement and Stipulation for Entry of Administrative Civil Liability Order R3-2024-0048
2. Exhibit A - Notice of Violation

cc via email:

**Central Coast Water Board:**

Thea Tryon  
Tamara Anderson  
Harvey Packard  
Arwen Wyatt-Mair  
Sarah Crable  
Jesse Woodard  
Todd Stanley

File Location: R:\RB3\Shared\Enforcement\ACLs\MMP ACLO from EPL Offers\2024-0048 Avila ACLO\Avila Beach WWTP MMP ACLO 24-0048 Pkg.docx

ECM Primary Indexing # 206888





# AVILA BEACH COMMUNITY SERVICES DISTRICT

## SUBJECT: August 2024 Operations and Maintenance Report

### **Compliance**

There were no compliance issues for the month of August.

The monthly Self-Monitoring Report and associated data tables and graphs for August are provided as an attachment to this report.

### **Wastewater Treatment Plant**

The wastewater plant experienced typical heavy summer flows during the month of August. Staff continues to improve internal side stream treatment processes at the plant.

With contractor assistance, staff completed the annual inspection of the influent wet well pumps. Pump 2's visual inspection showed significant wear on the watertight seal and we are scheduling a pump rebuild. Staff plans to pull that pump in September in conjunction with other projects and send it in for a rebuild. The onsite backup pump will be put in service at that time.

The plant's hydrogen sulfide air scrubber (a canister activated carbon filter) was approaching media breakthrough based on our routine weekly tests. Staff was able to source a new scrubber and have it installed within the time allotted by our operations permit with the County Air Pollution Control District.

### **Wastewater Collection System Cleaning**

Fluid Resource Management and NVIRO were onsite cleaning the sewer collection system "hotspots" and the First St Lift Station, respectively. "Hotspots" are areas in the collection system that tend to accumulate fats, oils and grease (FOG) and sediment that may lead to the increased possibility of a sewer overflow. Our goal is to clean the entire collection system annually and clean the hotspots 2 or 3 times a year. During the cleaning of the First St Lift Station, both pumps were pulled and inspected.

Mainline Utility Company was onsite in August to perform approximately 2,500 feet of CCTV inspections in the gravity sewer mains. Staff noted several issues on the San Miguel Street sewer line that will need to be addressed in a future capital improvement program project. The Board may recall that in early 2022 the District completed a project to re-route the First Street force main out of the San Miguel St gravity line in order to reduce the flow in the gravity main and minimize the potential for any sewer spills. Mainline Company is scheduled to come back in September to continue CCTV inspection of the collection system and identify areas of maintenance concern.

### **Water System**

Staff continues to monitor the chloramine residual in the water tank to minimize nitrification.

Staff worked with the contractor on the 51 San Luis St project to advise on the utility locations, as well as, fire line tie in requirements. During the tie in for the fire line, a hole was discovered in the 6" ductile iron service. That line was removed and replaced with 24 linear feet of 6" C900 PVC.

The EPA has required that a Lead Service Line Inventory be completed and turned in by October 16. Staff has begun working on this project and expects to be finished with it by October 1.

# Avila Beach CSD Wastewater Treatment Facility

Monthly report due last day of following month  
Annual report due January 30

Month: **AUGUST 2024**

Date	Daily Flow (MGD)			Effluent Monitoring		
	Total	Max (gpm)	Avg (gpm)	Biweekly Total Coliform	Biweekly Fecal Coliform	Daily Chlorine Residual
1	0.061998	111	43	<1.8	<1.8	0.00
2	0.070279	124	49			0.00
3	0.076080	125	53			0.00
4	0.079585	119	55			0.00
5	0.069592	101	48	350	17	0.00
6	0.072003	99	50			0.00
7	0.067614	88	47			0.00
8	0.069705	92	48	<1.8	<1.8	0.00
9	0.074433	98	52			0.00
10	0.086927	109	60			0.00
11	0.076426	98	53			0.00
12	0.063294	79	44	13	2.0	0.00
13	0.059209	85	41			0.80
14	0.059898	80	42			1.00
15	0.061204	60	43	<1.8	<1.8	0.00
16	0.069578	94	48			0.00
17	0.069670	98	48			0.00
18	0.070883	98	49			0.00
19	0.054733	63	38	<1.8	<1.8	0.00
20	0.050929	59	35			0.00
21	0.044883	61	31			0.40
22	0.048410	59	34	<1.8	<1.8	0.00
23	0.052956	77	37			0.00
24	0.069521	89	48			0.00
25	0.064371	89	45			0.00
26	0.054691	60	38	<1.8	<1.8	0.00
27	0.046542	60	32			0.00
28	0.042544	58	30			0.00
29	0.047885	60	33			0.00
30	0.059472	63	41			0.00
31	0.072986	96	51			0.00
Min	0.042544	58	30.0	<1.8	<1.8	0.00
Mean	0.063494	86	44.1	45.4	2.4	0.07
Max	0.086927	125	60.0	350	17	1.00
<b>Total</b>	<b>1.968301</b>	<i>Effluent daily (dry weather) flow NTE 0.2 MGD (mean).</i>				

Effluent and Influent Monitoring					
Date	Weekly Effluent BOD (24 HC)	Weekly Effluent TSS (24 HC)	Weekly Influent BOD (24 HC)	Weekly Influent TSS (24 HC)	Monthly Effluent Oil & Grease (Grab)
8/1/24	5.8	<5.0	410	290	
8/8/24	6.7	<5.0	260	240	
8/15/24	4.9	<5.0	240	200	<5.0
8/22/24	<4.0	<5.0	360	140	
8/29/24					
Min	<4.0	<5.0	240	140	<5.0
Mean	4.4	<5.0	317.5	217.5	<5.0
Max	6.7	<5.0	410	290	<5.0
BOD Removal: 98.6%			TSS Removal: 100.0%		

Effluent Monitoring				
Date	Weekly Set. Solids (Grab)	Weekly Turbidity (Grab)	Weekly pH (Grab)*	Weekly Temp °F (Grab)
8/1/24	<0.1	4.2	7.31	75.5
8/8/24	<0.1	3.3	7.50	75.4
8/15/24	<0.1	1.1	7.32	75.2
8/22/24	<0.1	0.65	7.46	77.9
8/29/24			7.31	
Min	<0.1	0.65	7.31	75.2
Mean	<0.1	2.31	7.38	76.0
Max	<0.1	4.2	7.50	77.9

\*Effluent pH samples were collected on 8/1, 8/8, 8/16, 8/22, and 8/30.

Influent Brine Received	
Date	Volume (Gallons)
N/A	N/A

Sludge Removal	
Date	Gallons
N/A	N/A

Effluent Limits				
Parameter	Units	Monthly Avg	Weekly Avg	Daily Max
BOD	mg/L	40	60	90
Suspended Solids	mg/L	40	60	90
Oil and Grease	mg/L	25	40	75
Turbidity	NTU	75	100	225
Total Coliform	MPN/100 mL	7 Sample Median: 23		
		More than once in 30 days: 240		
		Daily Maximum: 2,400		
Chlorine Residual	mg/L	6 Month Median: 0.3		1.2
pH	pH units	Between 6.0 - 9.0		
Settleable Solids	mL/L	1.0	1.5	3.0
BOD/TSS Removal	%	≥ 75%	***	***

I certify under penalty of perjury that the foregoing is true and accurate and that the sampling procedure and analysis used are as specified in the Waste Discharge Order for this facility.

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_\_

PRINTED NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

# Avila Beach CSD Wastewater Treatment Facility

Monthly report due last day of following month  
Annual report due January 30

Month: **AUGUST 2024**

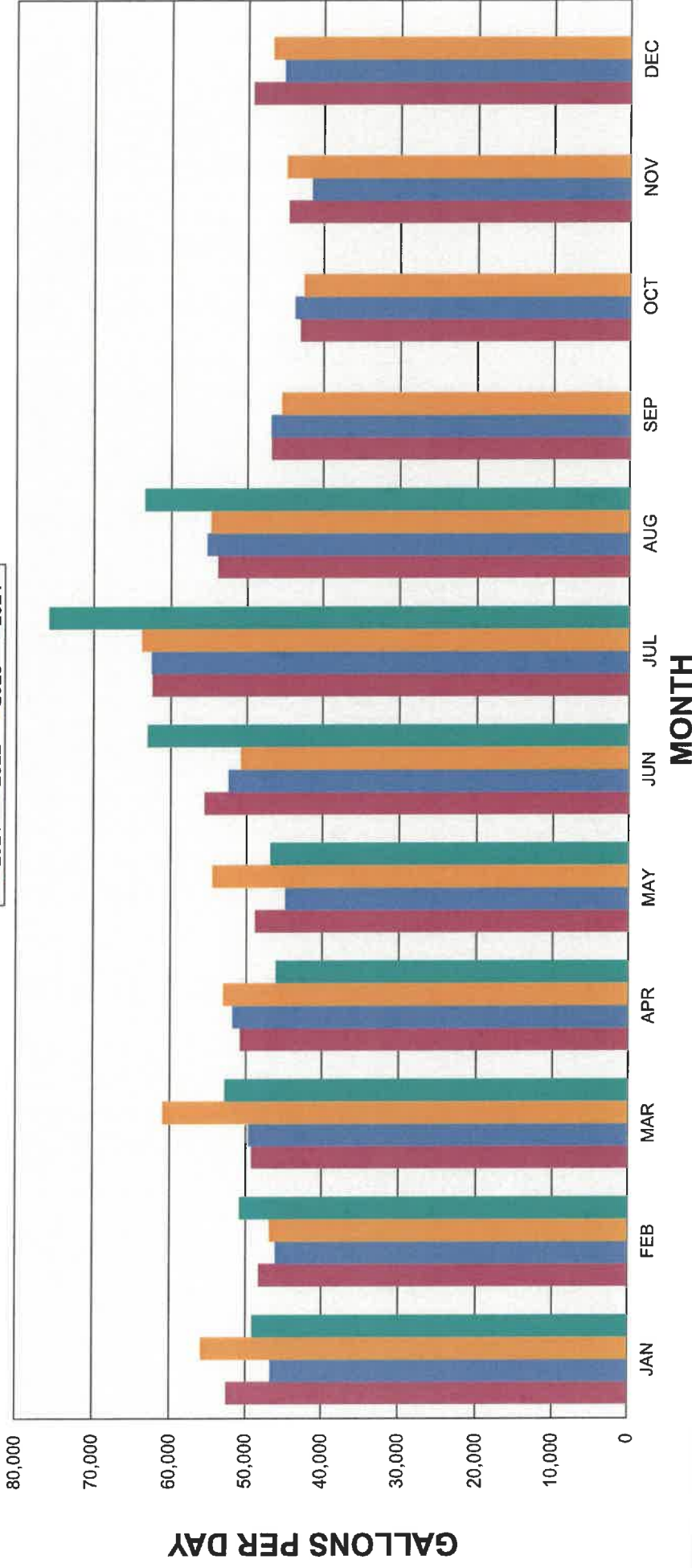
## Process Sampling

Parameter (mg/L)	MBR Influent (24HC)	MBR Aeration (grab)
Date	8/15/2024	8/15/2024
BOD (mg/L)	180	3,600
Total Suspended Solids (mg/L)	63	8,700

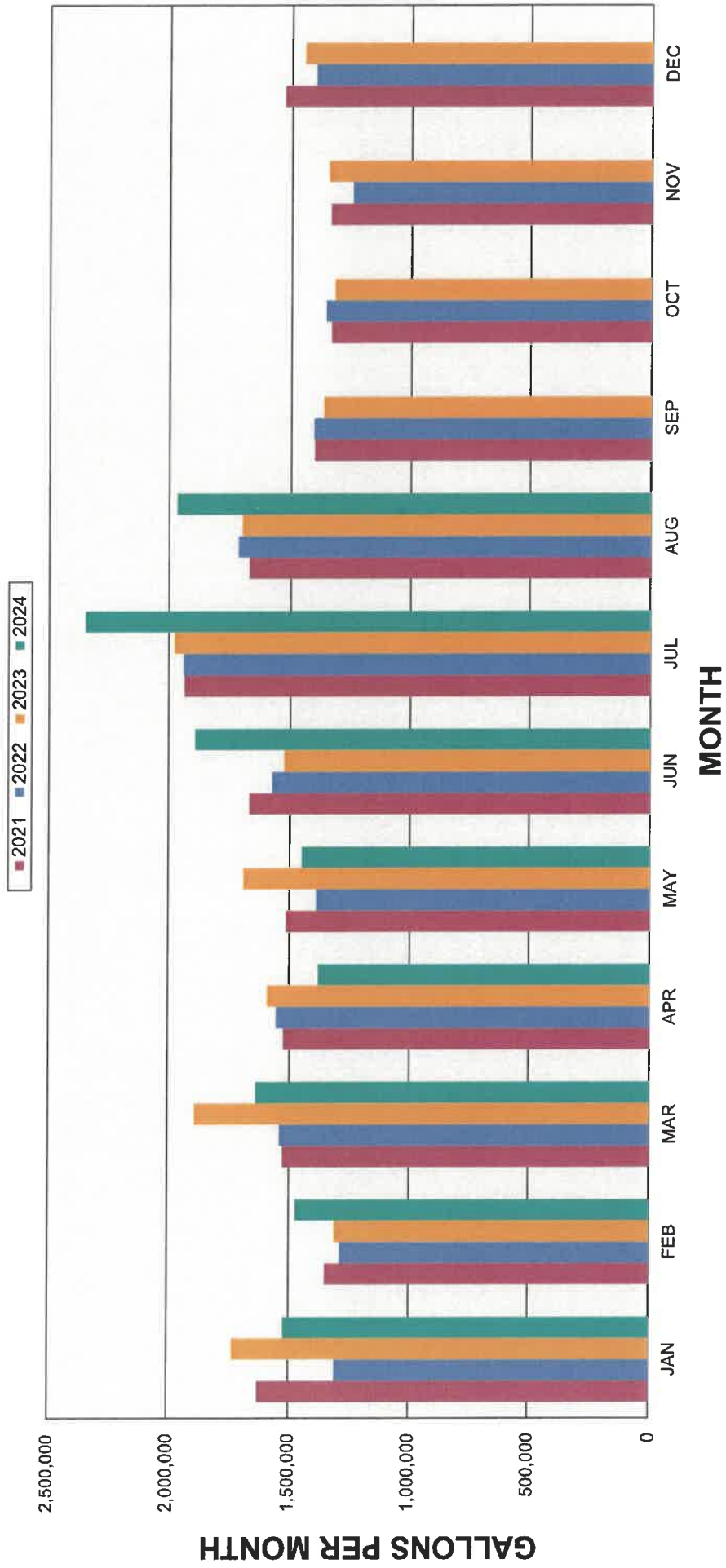
*The process sampling results attached were required by the manufacturer for the first year of operation of the WWTP. Avila Beach CSD staff have elected to continue monthly process sampling beyond this requirement to monitor plant performance. The constituents/frequency may change at the discretion of Avila Beach CSD.*

# ABCSD AVERAGE DAILY WWTP EFFLUENT FLOW (2021 - 2024)

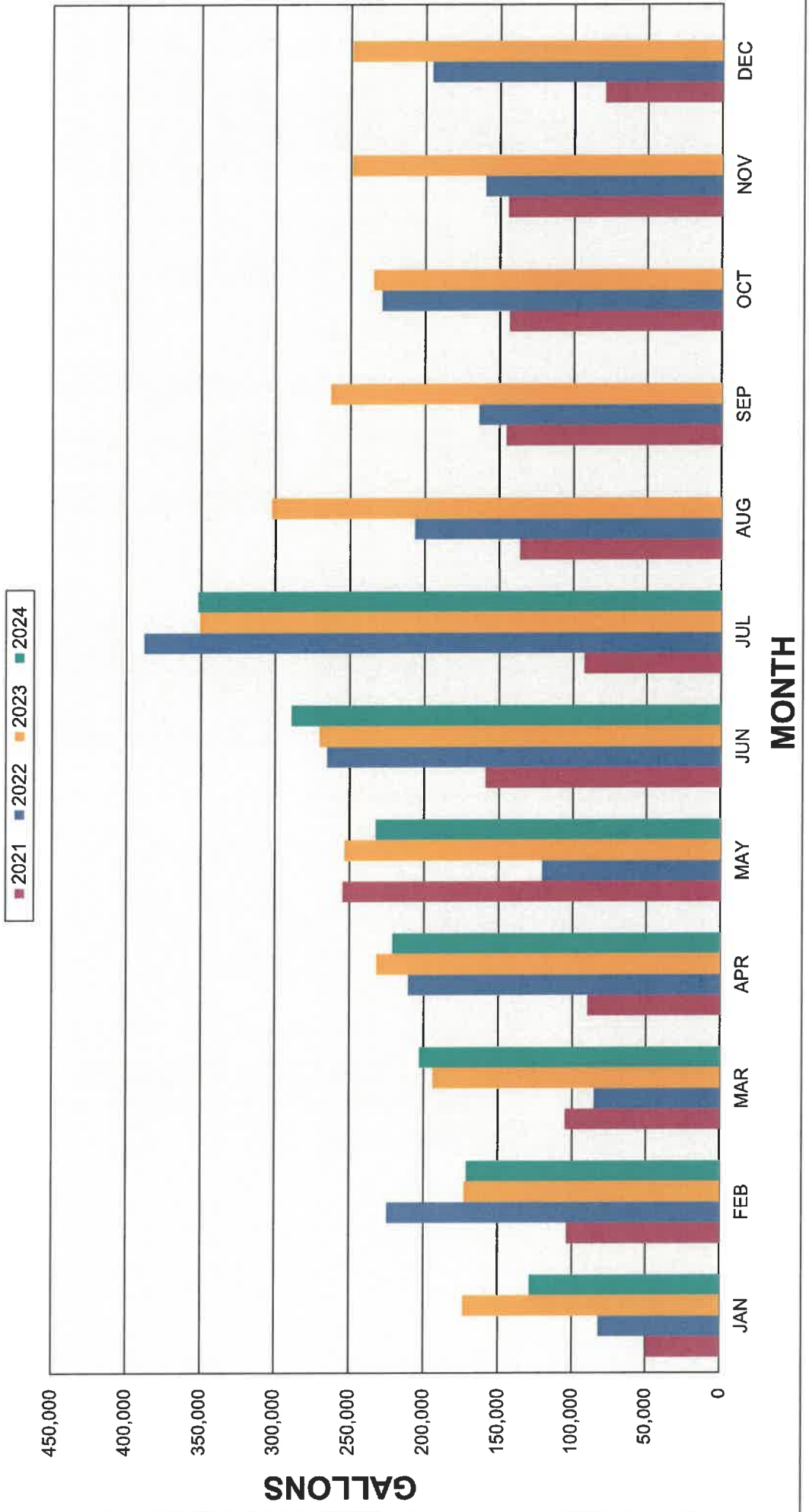
■ 2021 ■ 2022 ■ 2023 ■ 2024



# ABCSD MONTHLY TOTAL WWTP EFFLUENT FLOW (2021 - 2024)

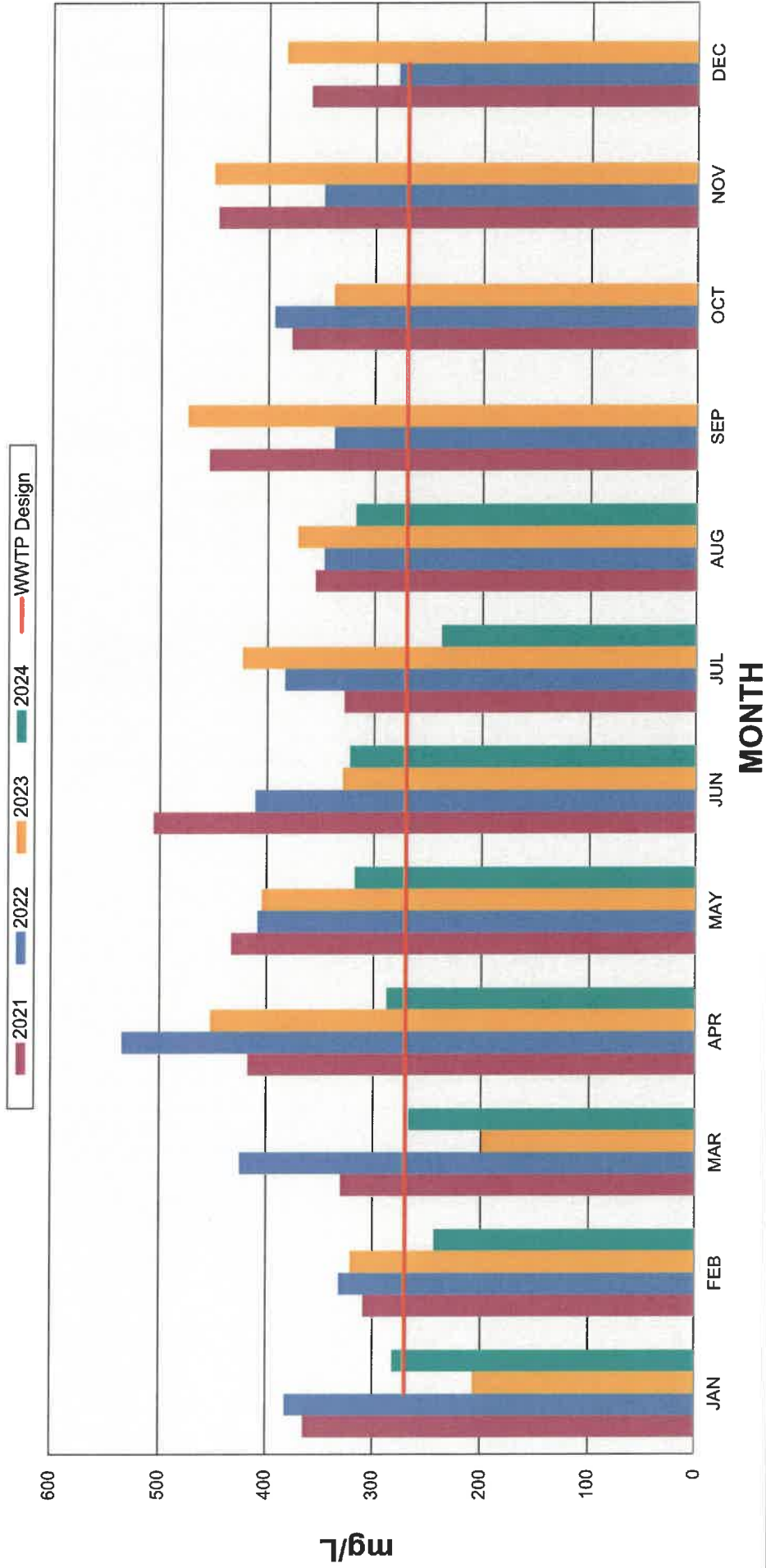


# PORT SAN LUIS MONTHLY TOTAL FLOW (2021 - 2024)

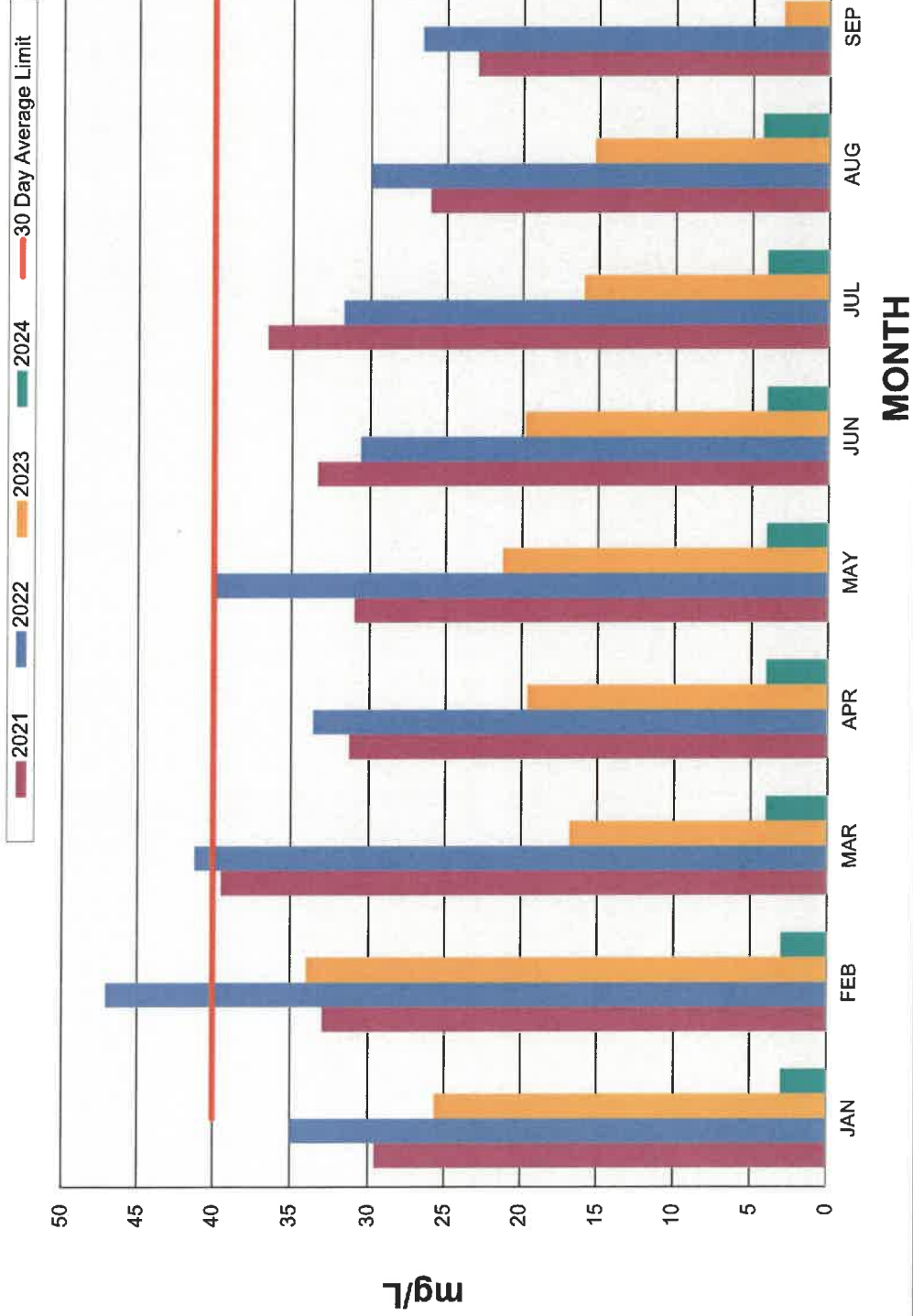




# ABCSD MONTHLY AVERAGE INFLUENT BOD (2021 - 2024)



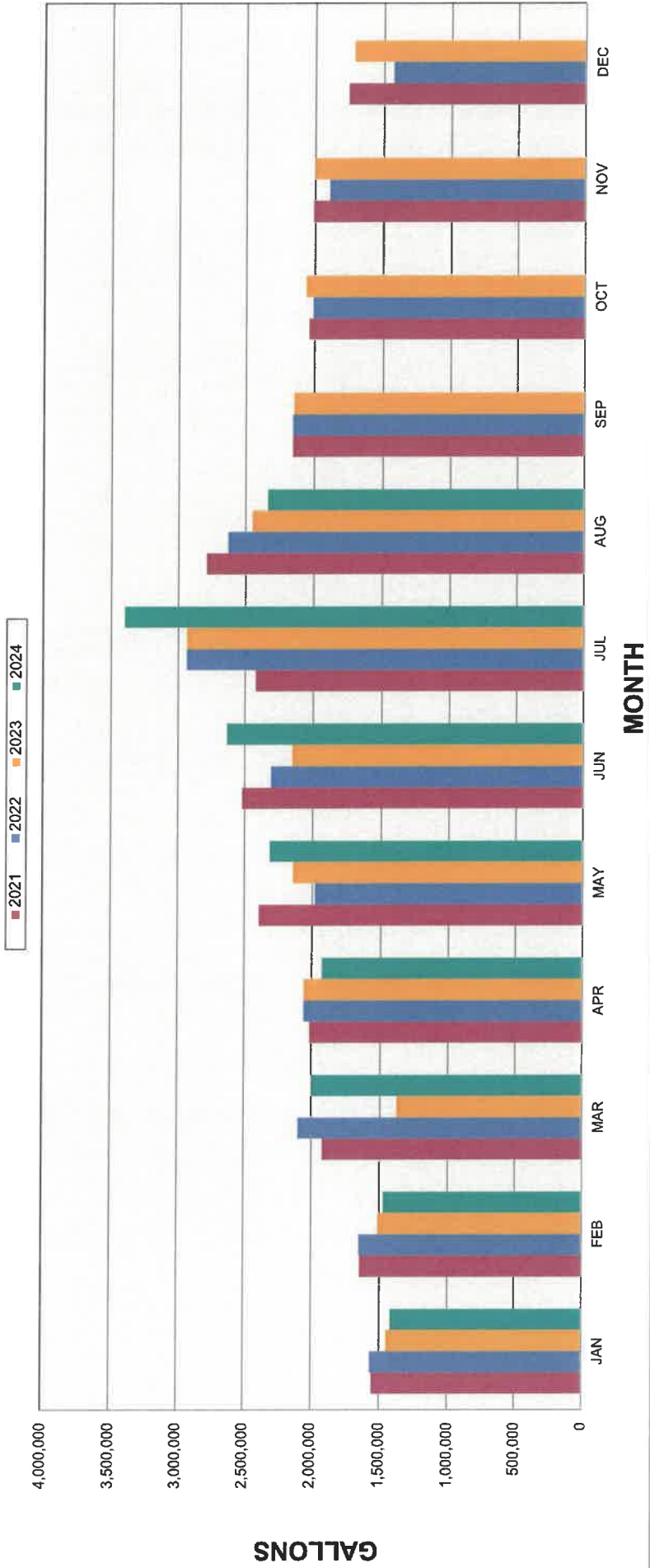
# ABCSD MONTHLY AVERAGE EFFLUENT BOD (2021 - 2024)



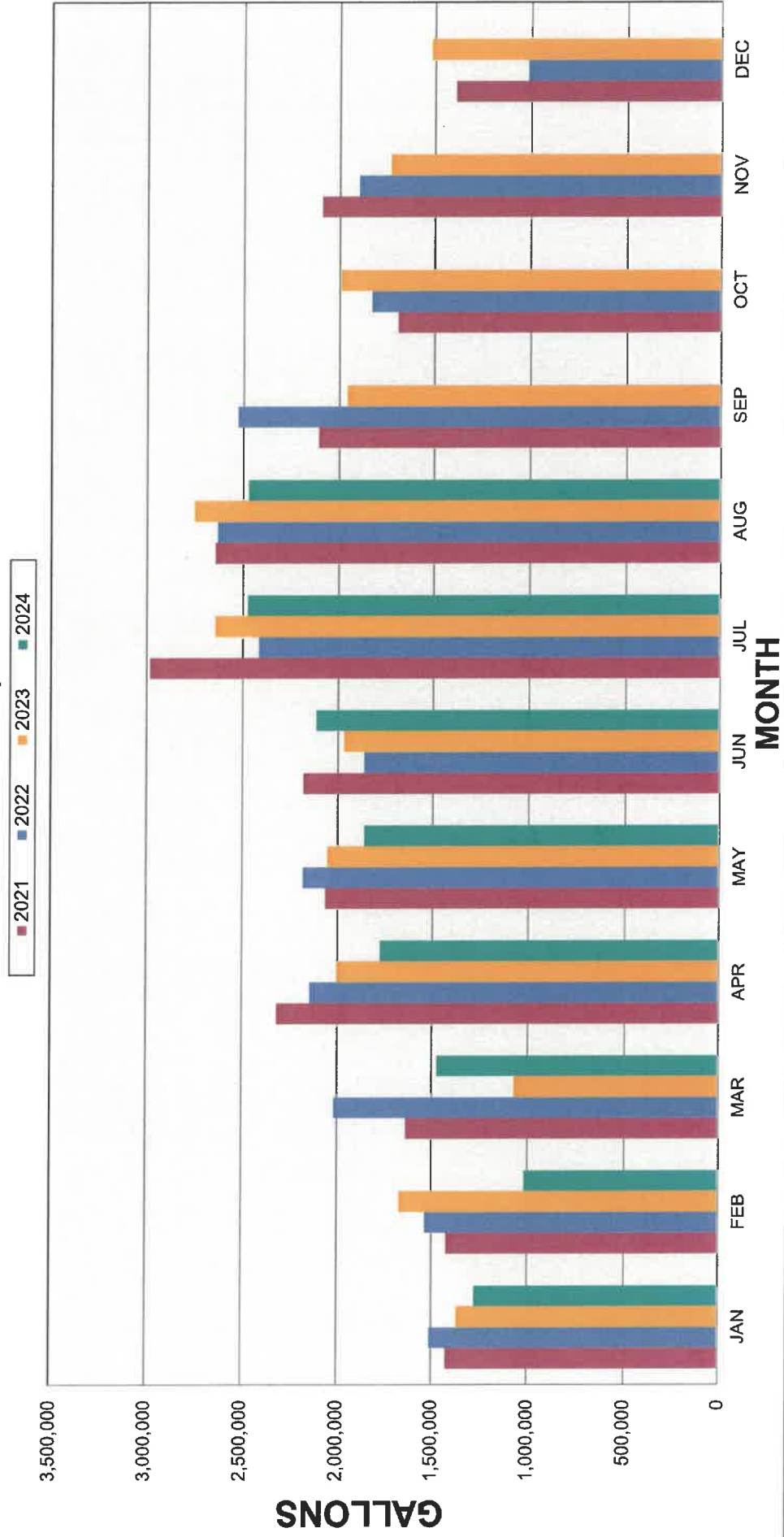
Note: Non Detect (ND) values are represented on the graph at their reporting limit.




## ABCSD MONTHLY WATER PURCHASED FROM LOPEZ (2021 - 2024)



# ABCSD MONTHLY WATER SOLD (2021 - 2024)



TO: BOARD OF DIRECTORS  
FROM: CAMERON GOODMAN,  
GENERAL COUNSEL  
VIA: BRAD HAGEMANN,   
DISTRICT GENERAL MANAGER  
DATE: September 10, 2024

**STAFF REPORT**

**ITEM**

Revised Conflict of Interest Code

**BACKGROUND**

Under the California Political Reform Act of 1974, all public agencies are required to adopt a Conflict-of-Interest Code. The Conflict of Interest Code designates positions required to file Statements of Economic Interests (Form 700), and assigns disclosure categories specifying the types of interests to be reported. The Form 700 is a public document intended to alert public officials and members of the public to the types of financial interests that may create conflicts of interests.

Pursuant to Government Code Section 87306.5 each local agency which has adopted a Conflict of Interest Code is required to review such code beginning July 1 of each even numbered year. Upon review of the Code, if a change is necessitated, the local agency must submit an amended Conflict of Interest Code in accordance with subdivision (a) of Section 87302 and Section 87303 to the code reviewing body. For purposes of these sections the agency adopting body is the District Board of Directors. The reviewing body is the San Luis Obispo County Board of Supervisors.

Beginning in August of this year administrative staff has been working with the legal counsel who has reviewed our current Conflict of Interest Code and the positions listed therein. After review and discussion with the General Manager, legal counsel has provided the attached amended Conflict of Interest Code for your adoption. Once adopted per resolution 2024-10, the amended code will be sent to the County Board of Supervisors for review and retention by the Clerk of the Board.

**RECOMMENDATION**

Adopt Resolution No. 2024-10: a resolution of the Board of Directors of the Avila Beach Community Services District adopting an amended Conflict of Interest Code pursuant to the Political Reform Act of 1974.

**ATTACHMENTS**

Resolution No. 2024-10 with attached Conflict of Interest Code and Appendices

**AVILA BEACH COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 2024-10**

**A RESOLUTION OF THE BOAD OF DIRECTORS OF THE  
AVILA BEACH COMMUNITY SERVICES DISTRICT ADOPTING  
A REVISED CONFLICT OF INTEREST CODE**

**WHEREAS**, pursuant to the Political Reform Act (California Government Code §§81000 et seq.) and the regulations thereunder, the AVILA BEACH COMMUNITY SERVICES DISTRICT (the “District”) adopted its current Conflict of Interest Code on August 17, 2016 by passing Resolution No. 2016-10 (the “Existing Code”); and

**WHEREAS**, the Board of Directors of the District deems it to be in the District’s best interests to adopt a new Conflict of Interest Code to update and supersede the District’s Existing Code.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Board of Directors of the District hereby adopts the attached Conflict of Interest Code as the Conflict of Interest Code for the District. The attached Conflict of Interest Code shall supersede and replace the Existing Code.
2. The Board Secretary of the District is hereby authorized and directed to submit a certified copy of the attached Conflict of Interest Code to the San Luis Obispo County Board of Supervisors for approval.
3. The Conflict of Interest Code shall take effect immediately following approval by the San Luis Obispo County Board of Supervisors.

PASSED AND ADOPTED this 10th day of September, 2024, by the following vote of the Board of Directors of the Avila Beach Community Services District:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

Peter Kelley, Board President

ATTEST:

---

Bradley Hagemann, Board Secretary

**AVILA BEACH COMMUNITY SERVICES DISTRICT  
CONFLICT OF INTEREST CODE  
Adopted September 10, 2024**

The Political Reform Act, Government Code sections 81000 et seq., requires state and local governmental agencies to promulgate and adopt conflict of interest codes. The Fair Political Practices Commission has adopted a regulation, 2 California Code of Regulations section 18730, which contains the terms of a standard conflict of interest code. Section 18730 can be adopted by governmental agencies through incorporation by reference and may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act after public notice and hearings.

The terms of 2 California Code of Regulations section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. The Conflict of Interest Code of the Avila Beach Community Services District (the “District”) is hereby amended and is hereafter comprised of (i) the terms of 2 California Code of Regulations section 18730, together with any amendments to it duly adopted by the Fair Political Practices Commission, (ii) the attached Appendix A (Designated Employees), and (ii) the attached Appendix B (Disclosure Categories).

Designated Employees shall annually file statements of economic interests with the District. Upon receipt of these statements, the District shall make and retain a copy and forward the original of each statement to the Elections Division of the San Luis Obispo County Clerk Recorder.

*Appendix A*

**AVILA BEACH COMMUNITY SERVICES DISTRICT  
DESIGNATED EMPLOYEES**

It has been determined that the persons occupying the designated positions (“Designated Employees”) listed below make or participate in the making of decisions which may foreseeably have a material effect on financial interests. Designated Employees must disclose financial interests in those categories described in *Appendix B*, which are listed opposite the respective Designated Employees.

<u>Designated Employees</u>	<u>Disclosure Categories</u>
General Manager	1-5
Engineer	1-5
Chief Plant Operator	1-5
Members of the Board of Directors	1-5
Board Secretary	1-5
General Counsel	1-5

*Appendix B*  
**AVILA BEACH COMMUNITY SERVICES DISTRICT**  
**DISCLOSURE CATEGORIES**

**CATEGORY 1**

Any real property in which the Designated Employee has a direct or indirect interest, but only if the real property is located in whole or in part within the jurisdiction of the Avila Beach Community Services District. Real property interests include any leasehold, beneficial or ownership interest or option to acquire such interest in real property, if the fair market value of the interest is \$2,000.00 or more.

**CATEGORY 2**

Business positions or direct or indirect investments in or income from persons or business entities engaged in the appraisal, acquisition, or disposal of real property within the jurisdiction of the Avila Beach Community Services District.

**CATEGORY 3**

Business positions or direct or indirect investments in business entities and income from any source or sources of income, if:

- a) The business entities or the source or sources of income are of the type which, within the previous two years, have provided or contracted to provide, or in the future with reasonable foreseeability might provide or contract to provide services, supplies, materials, machinery or equipment to or for the use of the Avila Beach Community Services District; and
  
- b) Within the previous two years, the Designated Employee has made, participated in making, or in any way has attempted to use his or her official position to influence the

governmental decision to obtain or procure services, supplies, materials, machinery or equipment of the same or a similar type as those so provided or contracted to be provided to the Avila Beach Community Services District or if the duties of the Designated Employee's position make it reasonably foreseeable that he or she might engage in such activity.

**CATEGORY 4**

Business positions or direct or indirect investments in business entities and income from any source or sources of income, if:

a) The business entities or the source or sources of income are of the type which, within the previous two years, have furnished or contracted to furnish, or in the future with reasonable foreseeability might furnish or contract to furnish services, supplies, materials, machinery or equipment as a subcontractor in any contract with the Avila Beach Community Services District; and

b) Within the previous two years, the Designated Employee has made, participated in making, or in any way has attempted to use his or her official position to influence the governmental decision to obtain or procure services, supplies, material, machinery or equipment of the same or a similar type as those so provided or contracted to be provided to the Avila Beach Community Services District or if the duties of the Designated Employee's position make it reasonably foreseeable that he or she might engage in such activity.

**CATEGORY 5**

Business positions or direct or indirect investments in business entities and income from any source or sources of income, if:

a) The business entities or the source or sources of income are of the type which are subject to the regulation or supervision of the Avila Beach Community Services District; and



b) The Designated Employee's duties involve the supervision or regulation (including, but not limited to, the issuance of permits) of that type of business entity or source of income.

\* \* \* \* \*

For purposes of the foregoing Disclosure Categories 1 through 5:

a) "Indirect investment" or "indirect interest" includes any investment or interest with a fair market value of \$2,000.00 or more that is owned by the spouse or dependent child of a Designated Employee, by an agent on behalf of a Designated Employee, or by a business entity or trust in which the Designated Employee, the Designated Employee's agents, spouse, and dependent children own directly, indirectly, or beneficially a ten percent (10%) interest or greater.

b) "Sources of income" shall include gifts, but shall exclude loans from commercial lending institutions made in the regular course of business on terms which are available to the public without regard to official status.