

CAMBRIA COMMUNITY SERVICES DISTRICT
MINUTES OF THE SPECIAL MEETING OF BOARD OF DIRECTORS
APRIL 14, 2009 – 1000 MAIN STREET, CAMBRIA

1. **Opening**

President Sanders called the meeting to order at 12:37 p.m. with quorum established.

Present: Directors Clift, De Micco, MacKinnon, and President Sanders

Absent: Director Chaldecott

Also Present: General Manager Tammy Rudock, District Engineer Bob Gresens, Asst General Manager/Utilities Manager Bryan Bode, Fire Chief Mark Miller, Water Systems Supervisor Jim Adams, and District Clerk Kathy Choate

2. **Special Meeting Business**

A. President Sanders introduced the operating budget item to be presented by the Finance Ad Hoc Committee (Directors Clift and MacKinnon). Directors MacKinnon and Clift presented the Draft Fiscal Year 2009/2010 Operating Budget and discussion of key assumptions and highlights, allocated overhead, surcharges not projected as a revenue source in proposed budget, contractual union obligations, and major maintenance. Tammy Rudock and Alleyne LaBossiere responded to public questions at the Board's request.

Public Comment:

Mahala Burton, Cambria. Requested questions are heard after each topic.

John MacKinnon, Cambria. Commented on other funds mentioned.

Steven Overturf, Cambria. Amazed at work and effort put forth in this budget and hard decisions clearly made. Allocating money towards maintenance is appreciated and needed. How will PERS expenses affect budgeting long term?

Elizabeth Bettenhausen, Cambria. Commented on major maintenance and capital outlay terminology. Does capital outlay always refer to major maintenance projects? Requested definition of depreciation.

Micki Burton, Cambria. Commented on lobbyist \$80,000 expense for a project that does not exist.

Elizabeth Bettenhausen, Cambria. What is the appropriations cycle?

Tina Dickason, Cambria. Commented on lobbyist contract.

Mahala Burton, Cambria. Commented on lobbyist contract.

John MacKinnon, Cambria. Commented on operating budget and water/wastewater standby charges.

Michael Stoddard, Cambria. Commented on water operations budget and allocated overhead.

John MacKinnon, Cambria. Commented on budget comparison fiscal year to fiscal year and salaries and wages in water and wastewater.

Due to high winds effecting video equipment President Sanders called brief recess to resolve technical problems.

John MacKinnon, Cambria. Commented on contractual issues and elimination of personnel.

Michael Stoddard, Cambria. Commented on salaries.

Tina Dickason, Cambria. Inquired about the number of projects.

Amanda Rice, Cambria. Commented on allocated overhead breakdown, debt service term remaining, and funded unfilled positions?

Consent Agenda-7. B.

Elizabeth Bettenhausen, Cambria. Commented on wastewater operating reserve fund and requested Board policy regarding reserves.

John MacKinnon, Cambria. Commented on reserves.

Stan Balcomb, Cambria. Commented on standby availability fund restrictions for CIP projects.

Jerry McKinnon, Cambria. Commented on allocated overhead breakdown.

Stan Balcomb, Cambria. Commented on Admin costs and property tax allocations.

Elizabeth Bettenhausen, Cambria. Inquired about criterion for property tax allocation.

John MacKinnon, Cambria. Commented on property tax, criterion, and priorities to fund.

Jerry McKinnon, Cambria. Commented on property taxes and history of Cambria Water District, Vets Hall, and Fire Department and the numerous responsibilities that have become part of CCSD operations.

Amanda Rice, Cambria. Commented on Resource Conservation Fund, increase in professional services, and change to zero on public information fund.

Jerry McKinnon, Cambria. Commented on key assumptions and highlights regarding facilities and resources and cost accounting for Vets Memorial building.

B. President Sanders introduced the Capital Maintenance and Capital Improvement Program item and turned the presentation over to Director De Micco. Director De Micco reviewed the Utilities Committee Projects Review April 2009 presentation of ratings system and recommended projects.

Public Comment:

Elizabeth Bettenhausen, Cambria. Inquired about proposed Pine Knolls \$200,000 expenditure, and money being spent on the entire desalination project in addition to the \$260,000 that is speculated for CIP funds, including operational funds.

Stan Balcomb, Cambria. Is it the intention to have all these projects brought forward for approval sometime within the next several months with appropriate funding shown?

Mahala Burton, Cambria. Read from Legislative Analyst Office pamphlet regarding Prop 218 and ratepayers fees. Commented on fire hydrants belonging in Fire Department expenses, not Water Department.

Tina Dickason, Cambria. Commented on ratepayers' money being used for CIP projects through Prop 218 increases.

Jerry McKinnon, Cambria. Commented on Capital Improvement Program and 2-year budget process.

Amanda Rice, Cambria. Rate protestors might be more comfortable with 10% cuts.

Jim Adams, Cambria Water Department Supervisor and long-life citizen of the community. Commented on Water Code 350 and guidelines CCSD must follow to maintain the reliability of water supply and source to Cambria.

Jim Webb, Cambria. Interested in weight given to the CIP priorities and desalination revenue sources and proposed costs.

Tina Dickason, Cambria. Commented on District Engineer's presentation and solar expenses that would generate more income to the district.

C. President Sanders presented Draft Resolution 14-2009 adopting guidelines for the submission and tabulation of protests in connection with rate hearings conducted pursuant to Article XIII D, Section 6 of the California Constitution and summarized the criteria for submitting a protest.

Public Comment:

Tina Dickason, Cambria. Commented on Prop 218 guidelines and Howard Jarvis comments.

Consent Agenda-7. B.

Jerry McKinnon, Cambria. Commented on prior Prop 218 hearings and if a Cambrian for Fiscal Responsibility member could be present during tabulation.

Tina Dickason, Cambria. Some cities allow for public to be present and see the tabulation.

Elizabeth Bettenhausen, Cambria. Public observation, not participation, was allowed in last tabulation. Supports having a protest form included with the notice.

Amanda Rice, Cambria. Commented on Prop 218 guidelines, in favor of additional transparency and objects to signature verification.

Mahala Burton, Cambria. Asked to verify cost of \$35 to add a name to an existing account. Supports having a protest form included with the notice.

3. **Public Comment – None**
4. **President Sanders adjourned the meeting at 4:55 p.m.**