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CAMBRIA COMMUNITY SERVICES DISTRICT

REGULAR MEETING

Thursday, January 19, 2012– 12:30 PM

VETERANS MEMORIAL BUILDING, 1000 MAIN ST., CAMBRIA, CA

AGENDA

This agenda is prepared and posted pursuant to Government Code Section 54954.2. By listing a topic on this agenda, the District's Board of Directors has expressed its intent to discuss and act on each item. In addition to any action identified in the summary description of each item, the action that may be taken by the Board of Directors shall include: a referral to staff with specific requests for information; continuance; specific direction to staff concerning the policy or mission of the item; discontinuance of consideration; authorization to enter into negotiations and execute agreements pertaining to the item; adoption or approval; and disapproval.

Copies of the staff reports or other documentation relating to each item of business referred to on the agenda are on file in the Office of the District Clerk, available for public inspection during District business hours. If requested, the agenda and supporting documents shall be made available in alternative formats to persons with a disability. The District Clerk will answer any questions regarding the agenda.

1. **OPENING**

- A. Call to Order
- B. Pledge of Allegiance
- C. Establishment of Quorum
- D. Report from Closed Session

2. **SPECIAL REPORTS**

- A. SHERIFF'S DEPARTMENT REPORT
(Estimated Time: 5 minutes)

3. **ACKNOWLEDGMENTS/PRESENTATIONS**

- A. Receive Presentation from Community Action Partnership of SLO County, Inc, Development Director, Allen Reese
(Estimated Time: 15 minutes)

4. **PUBLIC COMMENT**

Members of the public may now address the Board on any item of interest within the jurisdiction of the Board but not on its agenda today. In compliance with the Brown Act, the Board cannot discuss or act on items not on the agenda. Each speaker has up to three minutes. Speaker slips (available at the entry) should be submitted to the District Clerk.

(Estimated Time: 20 minutes)

5. **AGENDA REVIEW: ADDITIONS/DELETIONS AND PULLED CONSENT ITEMS**

(Estimated Time: 5 minutes)

6. **MANAGER'S AND BOARD REPORTS**

- A. DESALINATION UPDATE - General Manager and/or District Engineer

B. MANAGER'S REPORT

C. MEMBER AND COMMITTEE REPORTS
(Estimated Time: 10 minutes)

7. CONSENT AGENDA

All matters on the consent calendar are to be approved by one motion. If Directors wish to discuss a consent item other than simple clarifying questions, a request for removal may be made. Such items are pulled for separate discussion and action after the consent calendar as a whole is acted upon.

- A. Approve Expenditures for Month of December 2011
- B. Approve Minutes of Board of Directors Regular Meeting, December 15, 2011 and Special Meeting, December 20, 2011
- C. Consider Approving Extension of Intent to Serve Letter for Senior Care Facility, Mike Clark, Applicant, APN 024.191.052

(Estimated Time: 15 minutes)

8. HEARINGS AND APPEALS

- A. Introduce Ordinance 01-2012 Amending CCSD Code Section 5.04.390 Relating to Maintenance and Building of Sewer Laterals and Waive Full Reading

(Estimated Time: 30 minutes)

9. REGULAR BUSINESS

- A. Receive Fiscal Year 2010/2011 Comprehensive Annual Financial Report (CAFR) by Crosby Company, Certified Public Accountant
- B. Consider Adoption of Resolution 01-2012 Authorizing the Use of Water and Wastewater Standby or Availability Charges to Fund Major Maintenance and/or Capital Outlay Expenditures
- C. Consider Adoption of Resolution 04-2012 Approving Lot Transfer Citizens Committee Recommendation to CCSD Board Regarding Transfer of Lots from Land Conservancy of SLO County to CCSD
- D. Consider Adoption of Resolution 02-2012 Granting an Exception to the Hiring Freeze of CCSD Fire Captain Position
- E. Consider Adoption of Resolution 03-2012 Approving the Special Project Application and Agreement and the Administrative Policy for Cost Reimbursement

- F. Review 2011 Board Goals and Accomplishments
- G. Review and Approve 2012 Board Goals and Committee Assignments

(Estimated Time: 90 minutes)

10. FUTURE AGENDA ITEM(S)

Requests from Board members to receive feedback, direct staff to prepare information, and/or request a formal agenda report be prepared and the item placed on a future agenda. No formal action can be taken.

11. ADJOURN

CAMBRIA COMMUNITY SERVICES DISTRICT

TO: Board of Directors

AGENDA NO. **6.A.**

FROM: Jerry Gruber, General Manager
Bob Gresens, District Engineer

Meeting Date: January 19, 2012

Subject: DESALINATION UPDATE

DESALINATION PROJECT

The most significant action item to report on this past month is the December 9, 2011 California Coastal Commission (CCC) vote against the Army Corps' Coastal Consistency Determination for the Geotechnical/ Geophysical Research Investigation Study (G/GRIS). This no vote essentially blocks the Corps from determining whether a subterranean intake approach can be included within the alternatives to be further defined and assessed within the pending water supply project EIS/EIR, which the Corps currently has under contract with The Chambers Group environmental consultants. From staff's perspective, there is a certain irony in this no vote due to the Corps attempting to abide by the following condition that was added into the County's North Coast Area Plan by the Coastal Commission to assess such feasibility:

- (6) Use, where feasible, sub-surface feedwater intakes (e.g., beach wells) instead of open pipelines from the ocean, where they will not cause significant adverse impacts to either beach topography or potable groundwater supplies;

NCAP p.7-30

Corps and CCSD staffs are of the opinion that much of the push back against this scientific investigation was based on resistance stemming from confusion over data collection locations not necessarily coinciding with where future alternatives would locate subterranean wells. Essentially, the data was to be collected from a subterranean alluvial channel before it entered the marine environment using the least intrusive and most environmentally sensitive means to collect such data. This confusion, coupled with reluctance from State Parks to grant entry into the investigation area, as well as the use of storm event photos from conditions associated with 20-year or longer recurrence intervals led to this no vote. As a result, the Corps and their consultant will now be defining alternatives that will rely upon wire wrapped screened intakes or similar non-subterranean alternatives that will be outside of State Marine Park area. Such alternatives, along with other non-desalination alternatives identified within the 2004 Assessment of Long-Term Supply Alternatives report, will be considered within the pending EIS/EIR environmental clearance process. The next step in this environmental clearance process will be a public scoping session on the water supply project EIS/EIR.

CAMBRIA COMMUNITY SERVICES DISTRICT

TO: Board of Directors

AGENDA NO. **6.B.**

FROM: Jerry Gruber, General Manager

Meeting Date: January 19, 2012

Subject: MANAGER'S REPORT

ADMINISTRATION

Listed below is my General Managers Report for the Month of January 2012.

- Support 2011 Goals adopted by the Board of Directors. I have provided the Board with a detailed report regarding the goals for 2011 in addition to other accomplishments, challenges and opportunities the CCSD will face in 2012.
- Work with District Engineer, Water Supervisor and Wastewater Lead Operator on revising Capital Improvement Plan. Based on the complexity and scope of the work required I anticipate that completion of this project will take six months to one year. Items needing immediate attention will be prioritized and addressed as funding is identified as part of the budget process.
- Continue to meet with staff weekly regarding the CCSD conservation program. The Administrative Services Officer has included a brief update as part of her monthly report regarding conservation. Conservation will also be discussed during the upcoming 2112/2013 budget process.
- Work with staff on evaluating financial software MOMS, parcel management software, GIS, and conservation tracking methodologies currently being used and make recommendation to the Board of Directors on future applications that would benefit the CCSD. I have assigned the Finance Manager and the Administrative Services Officer to visit and evaluate other local jurisdictions to see what applications are being used. Compatibility with our current radio read meter program will be required; therefore a municipal applicant will be evaluated.
- Work with staff, Ad-Hoc Committee and consultant on Master Fee Schedule. Staff has conducted a total of five telephone conferences with Alex Handlers from Bartle Wells. Bartle Wells has sent a final draft of the Master Fee Schedule for staff to review and comment on. Once those comments are discussed we will schedule another phone conference with Bartle Wells to finalize the product. Staff will then schedule an Ad Hoc Committee meeting to solicit input to the Master Fee Schedule. It is recommended that a Community workshop be scheduled to solicit stakeholder input before bringing a final product for Board consideration in February or March. The Master Fee Schedule is not for water and sewer rates only for charges that the District imposes outside the 218 process.
- Met with Ad Hoc Committee and Facilities and Resources Supervisor regarding policies and procedures for all CCSD facilities. Facilities and Resources Supervisor Carlos Mendoza continues to finalize draft of the Policies and Procedures and the contract for the Veterans Hall. The facilities and Resources Supervisor has met with the

Administrative Services Officer and the Customer Services Representative to discuss current policies and procedures relating to CCSD Facilities.

- Work with District Counsel and staff regarding a draft for a special projects application and agreement. This item is being brought to the Board for consideration and approval. The overwhelming majority of public entities have similar policies in place in order to capture cost associated with time spent on special projects and activities that required significant staff and legal counsel time.
- Work with District Counsel regarding moving forward with the RFP process relating to SCADA. Once Bob Gresens completes the Urban Water Management Plan he will move forward with the request for proposal process.
- Continue to meet weekly with department managers and supervisors. This remains an important component from an operations perspective due to not filling the Utility Manager position.
- Continue to conduct site visits of Wastewater, Water, Facilities, Fiscalini Ranch and the Fire Department. In order to stay on top of the needs of each department and the CCSD's infrastructure and land resources I continue to make this one of my highest priorities.
- Continue to hold monthly management and supervisor meetings following the CCSD Board of Directors meetings to brief staff on the actions taken by the Board so they can pass the information down the chain of command.
- Continue to conduct monthly Administrative Staff Meetings following the CCSD Board of Directors meetings to brief staff on the actions taken by the Board and discuss operational matters relating to the administrative office.
- Continue to work on the RFP process relating to the evaluation of shared services between the CCSD and the CCHD. I have met several times with Don Melendy and Mark Miller and have completed the first draft of the Request for Proposal. A combined workshop is scheduled for both Boards to meet and discuss the pros and cons associated with shared services. Crabtree Consulting will be facilitating the workshop on February 4, 2012.
- Work with Wastewater Department in addressing and resolving key infrastructure repairs within the collection system and at the wastewater plant. This item was discussed in detail as part of my Goals for 2011 report to the Board.
- Conducted second Standing Committee Meeting for the proposed lot transfer from the San Luis Obispo Land Conservancy to the CCSD. Discussed numerous cost centers and various funding options for ongoing and future resource upkeep. Determined that it was not feasible at this time to take on any additional resources based on limited financial resources and current land being maintained by the CCSD. Additional comments are included as part of my Goals for 2011 staff report.
- The Parks, Recreation and Open Space Commissioner vacancy application process is currently underway and the deadline to submit applications is January 31, 2012, 4:00 PM.
- Due to the holidays and my vacation schedule I attended only one meeting this past month and that was the Chamber of Commerce Installation Dinner on the evening of January 17, 2012.

**BOARD OF DIRECTORS' MEETING-JANUARY 19, 2012
ADDENDUM TO GENERAL MANAGER'S REPORT
FINANCE MANAGER'S REPORT**

AUDIT-The CCSD's audited financial statements for the fiscal year ended June 30, 2010 have been posted to the CCSD's website. The CCSD's draft audited financial statements for the fiscal year ended June 30, 2011 will be presented to the Board of Directors during today's meeting.

BUDGET-The Operating Budget for FY 2011/2012 has been posted to the CCSD website. The First Quarter Revenue and Expenditure report for the three months ended September 30, 2011 has been posted to the CCSD's website. It is expected that the Second Quarter Revenue and Expenditure report for the three months ended December 31, 2011 will be posted to the CCSD's website later this month.

EXPENDITURES-There were no disbursements in excess of \$100,000 during December, 2011.

RESERVES-LAIF BALANCE-The balance in the Local Agency Investment Fund (LAIF) as of December 31, 2011 was \$4,668,519, which is an increase of \$900,000 from November 30, 2011. This is a decrease of \$354,913 from December 31, 2010 although it is pertinent that there was approximately \$167,000 more cash in the bank (after allowing for outstanding checks) on December 31, 2011 than on December 31, 2010. The year-to-year net decrease in available cash as of December 31, 2011, is approximately \$188,000 and the increase from December 31, 2009 is approximately \$404,000.

During periods, such as the current period, with little spending on capital projects occurring, the December 31 LAIF balance is generally the highest balance in a given fiscal year and the November 30 LAIF balance is generally the lowest for the fiscal year. This is mainly due to the fact that approximately 40% of the CCSD's property tax revenue is received in December. While almost 30% of the CCSD's property tax revenue is received in April and the April 30 LAIF balance can be slightly higher than the preceding December 31 balance, because the CCSD's most significant debt payments occur in late-April to early-May, the April 30 balance in LAIF has sometimes been slightly higher than the December balance in recent years, it is more often lower, although not by a substantial amount.

The LAIF Balance is made up as follows (restrictions, if applicable, are noted):

<u>FUND</u>	<u>AMOUNT</u>
General	\$ 3,936,309
General (Prop. 1A)	\$ 159,286
Resource Conservation (Lot Merger Program)	\$ 29,230
Water (Operations)	\$ 197,257
Wastewater (Capital)	\$ 96,181
Wastewater (Operations)	\$ 250,256

With the exception of the restricted funds to offset a potential future Proposition 1A take-away, reserve amounts are determined after all other fiscal year activity is recorded, reconciled and audited, although the balances are monitored during the fiscal year to ensure that funds set-aside for specific programs, such as the Lot Merger Program, are not overspent. The above amounts have been updated based on the

audit for the fiscal year ended June 30, 2011 with the exception of the Resource Conservation Fund's balance (for the Lot Merger Program), which has been updated as of December 31, 2011.

INTERNAL LOANS-As of December 31, 2011, the CCSD Board of Directors approved several internal loans to be made out of the General Fund to the Water and Wastewater Funds. To date, all of the costs that were to be paid from the loan proceeds were actually able to be fully paid for out of the Water or Wastewater Funds respectively with the exception of the \$166,000 loan for ACE match requirements. As such, this is the only loan currently outstanding and no additional loans are expected to be required for activity through December 31, 2011.

<u>BORROWING FUND</u>	<u>LOAN AMOUNT AUTHORIZED</u>	<u>COSTS TO DATE</u>	<u>AMOUNT OF LOAN OUTSTANDING TO DATE</u>	<u>PURPOSE OF LOAN</u>
Water	\$ 166,000	\$ 166,000	\$ 157,726	<u>ACE Matching</u>

EXTERNAL LOANS-As of December 31, 2011, the CCSD external debt is as shown per the attachment, including interest rates and prepayment penalty provisions.

**BOARD OF DIRECTORS' MEETING-JANUARY 19, 2012
ADDENDUM TO GENERAL MANAGER'S REPORT
FINANCE MANAGER'S REPORT ATTACHMENT
SCHEDULE OF LONG-TERM DEBT**

DESCRIPTION>	Bank Note (Funds 2006 Refund of 1995 Bonds)-65% Water	Bank Note (Funds 2006 Refund of 1995 Bonds)-35% Sewer	Bank Note (Funds 2006 Refund of 1999 Bonds)	State Revolving Fund Loan
DEBT HOLDER>	Citizens Bank	Citizens Bank	City National Bank	SWRCB
ORIGINAL PRINCIPAL>	1,233,375.00	664,125.00	2,245,000.00	2,592,324.38
INTEREST RATE>	4.50%	4.50%	4.55%	3.00%
FUND>	Water	Wastewater	Wastewater	Wastewater
DEPARTMENT>	Water	Wastewater	Wastewater	Wastewater
FINAL PAYMENT DATE>	5/1/2015	5/1/2015	9/23/2023	5/28/2016
PRINCIPAL BALANCE @ 1/1/12>	542,945	292,355	1,497,000	797,008
PROJECTED PRINCIPAL PAYMENT(S) FFY 2011/2012*>	159,770	86,030	88,000	150,147
PROJECTED INTEREST PAYMENT(S) FFY 2011/2012*>	24,433	13,156	70,116	23,910
PROJECTED BALANCE @ 6/30/12*>	383,175	206,325	1,497,000	646,861
PROJECTED PRINCIPAL PAYMENT(S) FFY 2012/2013*>	166,985	89,915	94,000	154,651
PROJECTED INTEREST PAYMENT(S) FFY 2012/2013*>	17,243	9,285	65,975	19,406
PROJECTED BALANCE @ 6/30/13*>	216,190	116,410	1,403,000	492,210
PROJECTED PRINCIPAL PAYMENT(S) FFY 2013/2014*>	174,525	93,975	100,000	159,290
PROJECTED INTEREST PAYMENT(S) FFY 2013/2014*>	9,729	5,238	61,561	14,766
PROJECTED BALANCE @ 6/30/14*>	41,665	22,435	1,303,000	332,920
PROJECTED PRINCIPAL PAYMENT(S) FFY 2014/2015*>	41,665	22,435	109,000	164,069
PROJECTED INTEREST PAYMENT(S) FFY 2014/2015*>	1,875	1,010	56,807	9,987
PROJECTED BALANCE @ 6/30/15*>	0	0	1,194,000	168,851
AVERAGE ANNUAL TOTAL (P+I) PAYMENT(S)**>	184,228	99,191	161,365	174,057
PREPAYMENT PENALTY>	No	No	Yes-Not allowed until 10/1/13, 3% from 10/1/13-4/1/16, 2% from 10/1/16-4/1/20, none after 10/1/20	No

*Presumes all scheduled payments are timely made.

**Average is based on years with a balance outstanding for the entire year. Payoff years are excluded.

**BOARD OF DIRECTORS' MEETING – JANUARY 19, 2012
ADDENDUM TO GENERAL MANAGER'S REPORT
DISTRICT ENGINEER'S REPORT**

STUART STREET TANK AND RODEO GROUNDS PUMP STATION PROJECTS

The legal challenge period for the earlier environmental clearance process on each project has now passed without incident. Therefore, the next project steps will focus on developing design details to support Coastal Development Permit (CDP) applications, and submitting CDP applications to the County for review and approval.

2010 URBAN WATER MANAGEMENT PLAN (UWMP) UPDATE

Most of the past month's efforts have been spent on completion of the 2010 UWMP update. An administrative review draft is currently undergoing internal staff and legal counsel review, as well as outside expert peer review. After these reviewers comments are received, final edits will be completed to allow release of a public review draft, which will include posting on the CCSD web site. Current plans call for having a public hearing on adoption of the UWMP Update as part of the regular February 23, 2011 Board meeting.

UPDATES TO WATER CONSERVATION RETROFIT PROGRAM

Staff is continuing efforts to update the District's existing water conservation retrofit program. These efforts include making updates brought about by the 2010 California Green Building Standards Code, as well as other recommendations being brought forward by water and billing department staff. Certain recommendations may result in future Board action on suggested updates to the CCSD Municipal Code.

CAPITAL PROJECT BUDGET PLANNING ASSISTANCE

Meetings are continuing with the Water and Wastewater Superintendents to further document and plan out future capital improvement needs. These discussions will lead to formalized project descriptions, which can be further evaluated and used in long-term financial planning.

BOARD OF DIRECTORS' MEETING JANUARY 19, 2012
ADDENDUM TO GENERAL MANAGER'S REPORT
WATER SUPERVISOR REPORT

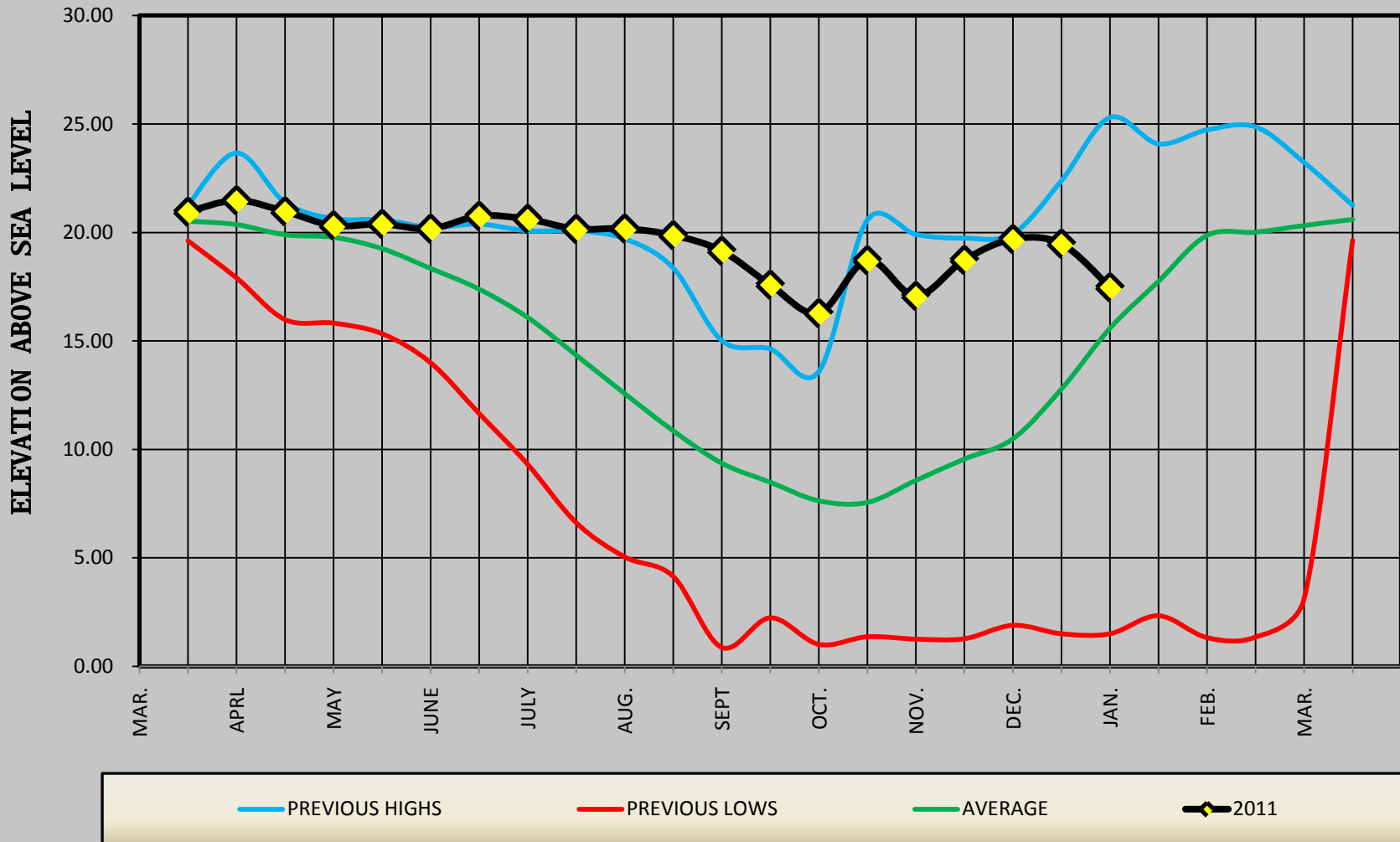
- Attached is the Water Department summary for December call outs: 131 in total.
- Due to the minimal rainfall we are a few feet below the normal level for this time of year in the San Simeon Well field. We are still at average well levels. We have increased our pumping from Santa Rosa Well # 4. As we progress into the season, and there is no rainfall we will continue to increase pumping from our Santa Rosa well. No concerns as of yet.
- Hydrant repairs survey is ongoing. We are repairing and or raising the ones that need to be addressed. Replaced two hydrants.
- We are in the process of changing out our radios in the vehicles and equipment. FCC requires narrow band radios. Only about half of all our radios need to be changed out. The new repeater has been installed already and is waiting for these radios to be changed out then we will switch over to the new system.
- San Simeon Well # 3 pump motor failed. We replaced it within 1 week.
- We replaced to motor actuating valves along with 2 micro switches in the PLC at Santa Rosa well # 4. We still have some minor repairs, but we are able to run this well now.
- We have nine water sample stations throughout town and will be upgrading four of these stations in the near future. They are the last to be replaced. Rust and other issues is the reason for replacement.
- Ongoing C.I.P. meetings, discussing priorities and schedules.
- Planning Operations budget also.

Jim Adams
Water System Supervisor

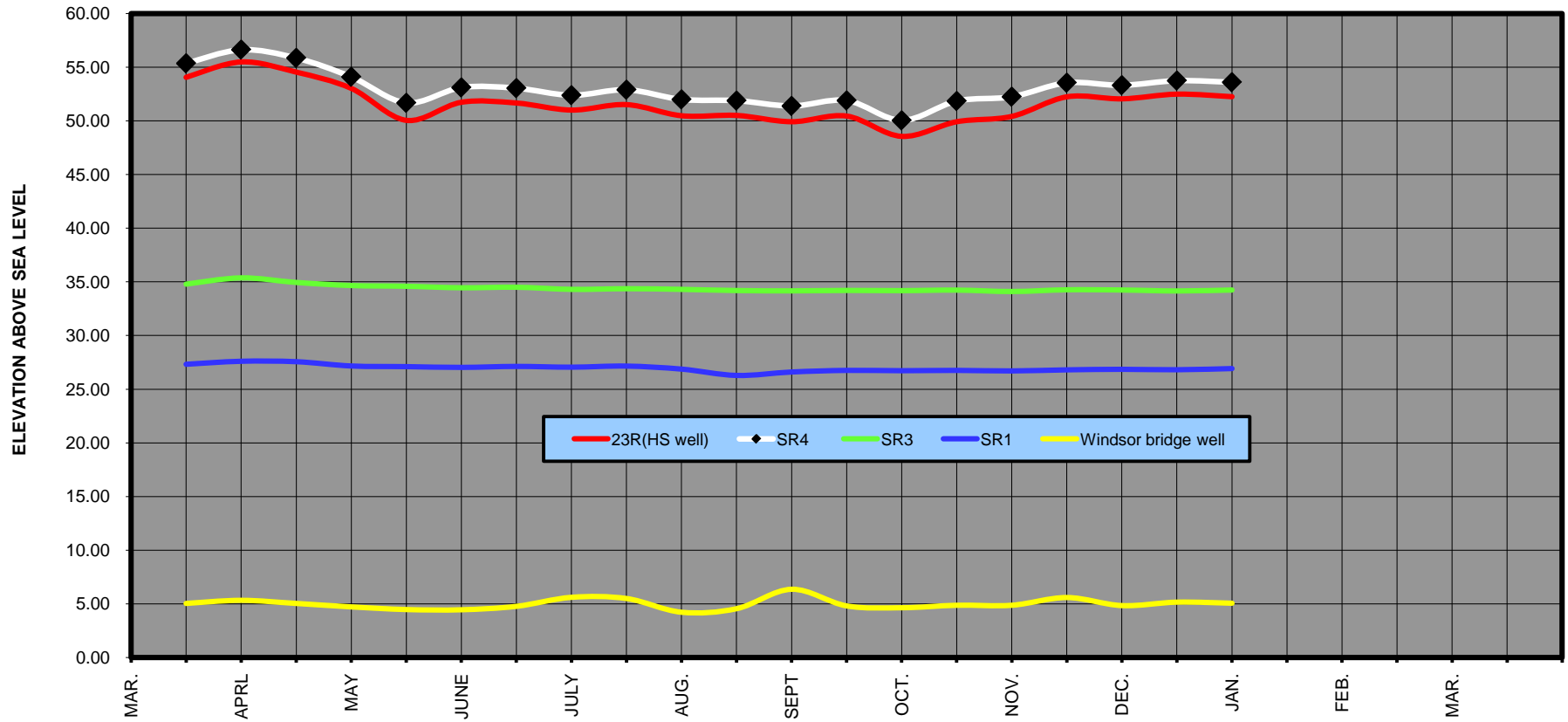
Water Department December 2011 Report

Nature Of Service Provided	Times Provided During Work hours	Times provided After hours	Total # of times provided
Read meter/locate meter	36		36
Leak/high usage on customers side of meter	20	5	25
Meter dial and/or Transmitter replaced (routine)	5		5
Lock/Unlock water meter	3		3
Shut off/ Turn on water at meter	3		3
Low water pressure	1		1
Dirty water complaints			0
Taste and Odor Complaints			0
Repair leak in distribution system	7		7
System alarms handled by operator on call	6	8	14
Water main breaks			0
Retro fit inspections (low flow toilets, hot water recirc pumps)	6		6
Water meter and service line up-grades for fire flow			0
U.S.A North locations	26		26
Meter monitor installed/show customer how to read meter			0
Water service replaced as routine maintenance	1		1
Angle stops replaced (routine maintenance)	4		4
Other as not discibed above			0
Total number of services preformed during work hours			118
Total number of services preformed after work hours			13
Total number of services preformed			131

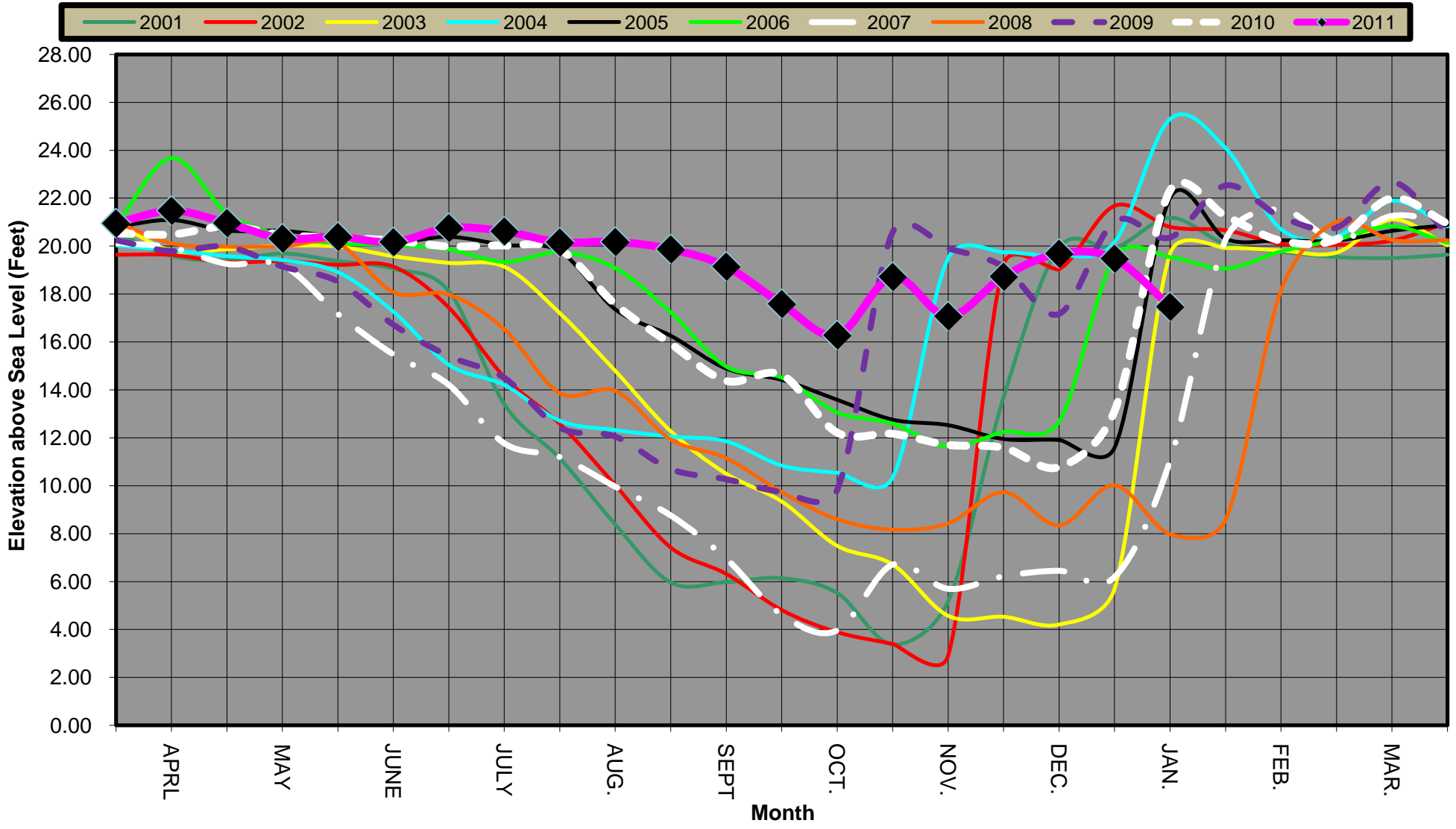
SAN SIMEON CREEK WELL LEVELS March 15th. 1988 - January 3rd, 2011



SANTA ROSA CREEK WELL LEVELS March 15th, 2011 - January 3rd, 2011



San Simeon Creek Well Levels Last 10 years March 15th, 2000 - January 3rd, 2011



1/3/12

CAMBRIA COMMUNITY SERVICES DISTRICT
WELL WATER LEVELS FOR 1/3/12

Well Code	Distance Ref. Point to Water Level	Reference Point Distance Above Sea Level	Depth of Water to Sea Level	Remarks
SANTA ROSA CREEK WELLS				
23R	31.16	83.42	52.26	
SR4	28.40	82.00	53.60	
SR3	20.06	54.30	34.24	
SR1	19.48	46.40	26.92	
RP#1	21.15	46.25	25.10	
RP#2	15.26	33.11	17.85	
21R3	7.80	12.88	5.08	
WBE	11.81	16.87	5.06	
WBW	11.86	17.02	5.16	

AVERAGE LEVEL OF DISTRICT'S SANTA ROSA WELLS = 38.25 FEET

SAN SIMEON CREEK WELLS				
16D1	6.74	11.81	5.07	
9M1	27.10	65.63	38.53	
9P2	9.10	19.11	10.01	
9P7	9.52	19.59	10.07	
9L1	13.74	27.33	13.59	
SS4	13.90	25.92	12.02	Gradient = 2.01
9K2	14.92	30.23	15.31	
SS3	17.30	33.25	15.95	
SS2	16.10	34.01	17.91	
SS1	15.52	34.07	18.55	
11B1	21.30	105.43	84.13	
11C1	16.20	98.20	82.00	
PFNW		93.22		Not Read
10A1	26.50	78.18	51.68	
10G2		62.95		Not Read
10G1	17.91	59.55	41.64	
10F2	26.07	66.92	40.85	
10M2	24.65	55.21	30.56	
9J3	17.10	43.45	26.35	

17.47 FEET

Red Font are the CCSD's Production Wells

1/3/12

BOARD OF DIRECTORS' MEETING – JANUARY 19, 2012
ADDENDUM TO GENERAL MANAGER'S REPORT FACILITIES AND RESOURCES
MANAGER'S REPORT

- Fiscalini Ranch:
 - § Eucalyptus project:
 - § Project has been completed!
 - § Fuel Reduction:
 - § CCC Crew and staff are doing some fuel reduction along Huntington trail on the west part of the ranch.

- Berry Trail:
 - § California Conservation Corp donated two work days to the district.
 - § CCC Crew installed water bars, drainages and re-compacted trail

- Skate Park:
 - § Work has started on cleaning and repairing the skate park.

- Vet's hall
 - § 46 Events were held at Vet's hall since last board meeting. Among those events were Hart Fundraiser and the weekly farmers market.
 - § Repairs:
 - § Staff repainted the shed outside the dining room.
 - § Windows and exterior trim have been caulked and touched up w/ paint.
 - § Interior door in dining room was re-sanded and varnished.
 - § Exterior benches were repainted.

- Lot Transfer Committee:
 - § Staff was busy re-searching and presenting findings on the proposal from the state coastal conservancy to have the district take ownership of 47 lots.

Submitted by:
Carlos Mendoza
Facilities and Resources Supervisor/ Ranch Manager

**BOARD OF DIRECTORS' MEETING JANUARY 19, 2012
ADDENDUM TO GENERAL MANAGER'S REPORT
ADMINISTRATIVE OFFICE REPORT**

The Administrative Office staff continues to provide support to the community through some of the following items:

Recruitment:

Maintenance Technician positions: We have hired one temporary part-time maintenance technician and are in the process of hiring two more. We will continue to work toward an additional two technicians.

Conservation:

We are continuing to meet and are making progress in the development of an updated Water Conservation program. The updates will be presented to Board in the near future.

Voluntary Lot Mergers:

We have eight (8) pending mergers which includes 3 new mergers received in November and December 2010.

Master Fee Schedule:

We expect to receive a draft of the master fee schedule soon. We are continuing to support the General Manager and staff through the development of the proposed update to the master fee schedule.

Special Projects Application and Administrative Policy:

We have been working with the General Manager and District Counsel to develop the Special Projects Application and Administrative Policy. This is being presented to the Board for consideration as part of the January Board meeting.

Wait List:

The wait list has been updated to include all of the recent assignments and transfers. The most current version will be posted to the CCSD website by the end of January.

Submitted by,
Monique Madrid
Administrative Services Officer

BOARD OF DIRECTORS' MEETING January 19, 2012
ADDENDUM TO GENERAL MANAGER'S REPORT
FIRE CHIEF'S REPORT

Response information is attached and represents activities for the month of December 2011 as well as, cumulative year end totals. Progress updates and highlights regarding the different programs and services our department provides are identified below:

Prevention and Education (December 2011)

- **02** residential new and remodel fire plan reviews were completed.
- **04** residential and commercial technical fire inspections were conducted.
- **02** residential and commercial water appliance inspections were conducted.
- **00** engine company commercial fire and life safety inspections were conducted.
- **01** public education event
- **06** residential smoke detectors were installed and or the batteries changed.

Meetings and Affiliations (December 2011)

- | | | |
|---------------------------------|------------|--------------------------|
| • SLO County Chiefs Association | Dec. 7 | 0900-1300, SLO - CMC |
| • CCHD/CCSD Shared Services. | Dec. 6 | 1300-1500, Cambria |
| • SLO County Haz Mat JPA . | Dec. 21 | 1700-1800, Atascadero |
| • CAFS Research Project. | Dec. 12-15 | 0800-1700, Rockville MD. |

Operations

The Cambria CSD Fire Department is actively participating in a grant funded, National research project to determine the effectiveness of Compressed Air Foam Systems (CAFS) in the setting of interior structural firefighting. During the month of December, Fire Department staff attended a research workshop in Rockville, Maryland with a group of fire and research personnel from around the country in effort to determine a valid research model. Cal Poly University has taken the lead for this research that will be conducted in cooperation with the National Institute of Safety and Standards (NIST) and the National Fire Protection Association (NFPA).

A second group of Cambria CSD Fire Department personnel completed Rescue Specialist II training recently in Menlo Park. This training is a continuation of the grant funded program that will insure that all personnel are trained to the operational level for Urban Search and Rescue (USAR). This is the second group to go through the RS-II course from Cambria. The final group will attend this training in February, bringing all personnel on the department to the Rescue Specialist II level.

Prevention

The Fire Department recently joined forces with Cal Fire, California Highway Patrol and the Santa Barbara Large Animal Rescue Team at the Vets Hall for a fire safety and prevention demonstration. Equipment was on hand for the public and personnel were available to answer questions about fire and life safety. The event was hosted by Homeless Animal Rescue Team (HART).

“Wildfire Prevention is a Community Responsibility!”

CMB Fire Monthly Stats: Incidents

Categories	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Totals
Fire	0	0	0	3	1	2	0	1	1	0	1	2	11
Hazardous Mat.	1	0	1	0	0	0	0	0	0	0	0	0	2
Medical*	46	38	33	38	42	52	40	50	29	47	48	38	501
Vehicle TC	2	4	3	0	3	0	6	1	1	3	4	0	27
Hazardous Situations	1	1	6	1	1	0	1	0	1	0	4	11	27
Public Service Assist	10	11	10	7	15	5	12	6	7	6	9	10	108
False Alarms	5	1	6	2	3	10	13	4	6	8	6	13	77
Agency Assist	0	1	2	0	1	1	0	0	0	1	0	0	6
Mutual Aid	0	0	0	0	0	2	2	1	0	0	0	0	5
Auto Aid	0	0	0	1	0	0	2	1	1	3	0	0	8
Rescue	0	0	0	0	4	1	2	0	1	2	1	0	11
Fire Investigations	0	1	0	1	0	0	0	0	0	0	0	0	2
Monthly Response Totals	65	57	61	53	70	73	78	64	47	70	73	74	785
Cumulative Totals	65	122	183	236	306	379	457	521	568	638	711	785	785

**CAMBRIA COMMUNITY SERVICES DISTRICT
EXPENDITURE REPORT
FOR THE MONTH ENDING DECEMBER 31, 2011**

VENDOR NAME	CHECK NUMBER	CHECK DATE	LINE NO.	LINE AMOUNT	LINE DESCRIPTION
ACCURATE MAILING SERVICE	53472	12/2/2011	1	45.00	WD/POSTAGE DEP FOR MAILING REMINDER NOTICES 12/11
ACCURATE MAILING SERVICE	53472	12/2/2011	2	45.00	WW/POSTAGE DEP FOR MAILING REMINDER NOTICES 12/11
ACCURATE MAILING SERVICE	53602	12/27/2011	1	19.41	WD/BALANCE DUE FOR DEC. REMINDER NOTICES
ACCURATE MAILING SERVICE	53602	12/27/2011	2	19.41	WW/BALANCE DUE FOR DEC. REMINDER NOTICES
				<u>128.82</u>	
ADAMS, JAMES R.	53473	12/2/2011	1	45.00	WD/MONTHLY CELLULAR PHONE SERVICE REIMB 12/11
AGP VIDEO	53514	12/7/2011	1	585.00	ADM/VIDEO PROD/DIST BOARD MEETING 11/07/11
ALPHA ELECTRICAL SERVICE	53515	12/7/2011	1	573.75	WW/MAINT & REPAIR GENERATOR STA B2
ALPHA ELECTRICAL SERVICE	53527	12/13/2011	1	170.00	WD/MAINT & REPAIR WELLS
ALPHA ELECTRICAL SERVICE	53597	12/21/2011	1	255.00	WW/MAINT REPAIR
ALPHA ELECTRICAL SERVICE	53597	12/21/2011	2	552.50	WW/MAINT REPAIR
				<u>1,551.25</u>	
ALTERA CENTRAL COAST,	53485	12/2/2011	1	80.00	WD/CUSTOMER REFUND
AT&T	53550	12/14/2011	1	282.84	WD/ALARM VAN GORDON CRK RD WELL FIELD DEC 2012
AT&T/CALNET2	53490	12/6/2011	1	661.29	WW/CIRCUIT ALARM CHARGES 10/10-11/09/11
AT&T/CALNET2	53568	12/20/2011	1	29.92	F&R/VET'S HALL ALARM 11/10-12/09/11
AT&T/CALNET2	53568	12/20/2011	1	286.25	ADM/MAIN OFFICE MONTHLY CHARGES 11/10-12/09/11
AT&T/CALNET2	53588	12/20/2011	1	5.95	FD/MAIN OFFICE MONTHLY CHARGES 11/10-12/09/11
				<u>983.41</u>	
AVAYA	53544	12/14/2011	1	101.67	ADM/PHONE & VOICEMAIL MAINTENANCE 12/04-3/03/12
AVERY ASSOCIATES	53545	12/14/2011	1	1,700.00	ADM/LABOR RELATIONS SERVICES NOVEMBER 2011
AVERY ASSOCIATES	53545	12/14/2011	1	1,700.00	ADM/LABOR RELATIONS SERVICES DECEMBER 2011
				<u>3,400.00</u>	
BEST WESTERN PLUS RIVIERA	53585	12/20/2011	1	3,767.50	FD/TRAVEL EXP FOR RESCUE SYSTEM CLASS OTS GRANT
BITTO, JOHN STEVEN	53569	12/20/2011	1	71.00	FD/REIMBURSE HANCOCK COLL REG FEE RESCUE SYS CLASS
BRAVO, SAM	53517	12/7/2011	1	1,050.00	F&R/MAINT & REPAIR WOMEN'S BATHROOM MAIN OFFICE
BRENNTAG PACIFIC, INC.	53551	12/14/2011	1	437.40	WD/CHEMICALS
BRENNTAG PACIFIC, INC.	53551	12/14/2011	1	626.77	WW/CHEMICALS
				<u>1,064.17</u>	
BRUMIT DIESEL INC	53491	12/6/2011	1	153.04	FD/AIRFILTER
BRUMIT DIESEL INC	53603	12/27/2011	1	51.83	FD/OIL FILTER
				<u>204.87</u>	
BURTON'S FIRE, INC.	53492	12/6/2011	1	140.62	FD/HOSE, TURBO, 4
BURTON'S FIRE, INC.	53589	12/20/2011	1	81.31	FD/MAINT & REPAIR VEHICLES
				<u>221.93</u>	
BUSHWHACKER 1	53598	12/21/2011	1	1,200.00	F&R/HAUL EUCALYPTUS LOGS TO WATER YARD
BUSHWHACKER 1	53598	12/21/2011	1	552.50	F&R/HAUL EUCALYPTUS DEBRIS
				<u>1,752.50</u>	
BUSINESSPLANS, INC.	53474	12/2/2011	1	259.00	ADM/MONTHLY HRA PLAN ADMINISTRATION 12/11
BUSINESSPLANS, INC.	53474	12/2/2011	2	8.00	CONT'D/ ADDITIONAL DUE FROM OCTOBER 2011 INVOICE
				<u>267.00</u>	
CAL URBN WTR CONS COUNCIL	53489	12/2/2011	1	2,443.09	WD/2011 DUES FOR CAL URBAN WATER CONSV COUNCIL

**CAMBRIA COMMUNITY SERVICES DISTRICT
EXPENDITURE REPORT
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<u>VENDOR NAME</u>	<u>CHECK NUMBER</u>	<u>CHECK DATE</u>	<u>LINE NO.</u>	<u>LINE AMOUNT</u>	<u>LINE DESCRIPTION</u>
CAMBRIA ASPHALT	53516	12/7/2011	1	1,319.00	FD/SEAL COAT PARKING LOT
CAMBRIA AUTO PARTS	53543	12/14/2011	1	79.82	FD/MAINT & REPAIR VEHICLES
CAMBRIA HARDWARE CENTER	53496	12/6/2011	1	68.62	ADM/HARDWARE SUPPLIES NOVEMBER 2011
CAMBRIA HARDWARE CENTER	53496	12/6/2011	1	9.33	WD/MAINT & REPAIR DISTRIBUTION
CAMBRIA HARDWARE CENTER	53496	12/6/2011	2	5.96	WD/MAINT & REPAIR SR-4
CAMBRIA HARDWARE CENTER	53496	12/6/2011	3	276.53	WD/OPERATING SUPPLIES
CAMBRIA HARDWARE CENTER	53496	12/6/2011	1	335.49	F&R/MAINT & REPAIR BUILDINGS
CAMBRIA HARDWARE CENTER	53496	12/6/2011	2	4.92	F&R/MAINT & REPAIR GROUNDS
CAMBRIA HARDWARE CENTER	53496	12/6/2011	3	31.89	F&R/MAINT & REPAIR VEHICLES
CAMBRIA HARDWARE CENTER	53591	12/20/2011	1	291.07	FD/HARDWARE SUPPLIES NOVEMBER 2011
CAMBRIA HARDWARE CENTER	53617	12/28/2011	1	61.66	WW/HARDWARE SUPPLIES NOVEMBER 2011
CAMBRIA HARDWARE CENTER	53617	12/28/2011	2	42.58	WW/HARDWARE SUPPLIES NOVEMBER 2011
				<u>1,128.05</u>	
CAMBRIA ROCK	53560	12/14/2011	1	289.58	WD/FILL SAND
CAMBRIA ROCK	53560	12/14/2011	2	368.18	WW/READY MIX
				<u>657.76</u>	
CAMBRIA VILLAGE SQUARE	53484	12/2/2011	1	3,182.13	ADM/MONTHLY OFFICE LEASE PYMT 1316 TAMSEN 12/11
CAMBRIA VILLAGE SQUARE	53526	12/7/2011	1	322.02	ADM/COMMON AREA MAINTENANCE SEPT/OCT. 2011
				<u>3,504.15</u>	
CARMEL & NACCASHA LLP	53546	12/14/2011	1	1,099.95	FD/GENERAL COUNSEL NOVEMBER 2011
CARMEL & NACCASHA LLP	53546	12/14/2011	2	412.50	F&R/GENERAL COUNSEL NOVEMBER 2011
CARMEL & NACCASHA LLP	53546	12/14/2011	3	4,290.25	ADM/GENERAL COUNSEL NOVEMBER 2011
CARMEL & NACCASHA LLP	53546	12/14/2011	4	2,385.05	WD/GENERAL COUNSEL NOVEMBER 2011
CARMEL & NACCASHA LLP	53546	12/14/2011	5	699.79	WD/GENERAL COUNSEL NOVEMBER 2011
CARMEL & NACCASHA LLP	53546	12/14/2011	6	(6,600.00)	ADM/LESS OCTOBER 2011 RETAINER
CARMEL & NACCASHA LLP	53546	12/14/2011	1	393.80	WD/LITIGATION SERVICE LANDWATCH 1
CARMEL & NACCASHA LLP	53546	12/14/2011	2	4,499.77	WW/LITIGATION SERVICE GILRAY NOVEMBER 2011
CARMEL & NACCASHA LLP	53475	12/2/2011	1	6,600.00	ADM/MONTHLY RETAINER GENERAL COUNSEL SERVICES 12/11
				<u>13,780.91</u>	
CENTRAL COAST COFFEE	53552	12/14/2011	1	54.64	ADM/OFFICE SUPPLIES
COLUZZI, TONY	53567	12/19/2011	1	211.06	WD/CUSTOMER REFUND
CORBIN WILLITS SYSTEMS	53476	12/2/2011	1	1,199.12	ADM/MONTHLY SUPPORT AGREEMT-MOM SOFTWARE 12/11
CRYSTAL SPRING WATER CO.	53613	12/28/2011	1	14.36	WW/EQUIPMENT RENTAL NOV. 2011
CRYSTAL SPRING WATER CO.	53613	12/28/2011	1	11.34	WW/DISTILLED WATER
				<u>25.70</u>	
CULLIGAN-KITZMAN WATER	53563	12/14/2011	1	52.00	FD/14 DAY WATER SOFTENER SERVICE 11/23-11/30/11
DIAMONDBACK FIRE & RESCUE	53590	12/20/2011	1	13,036.16	FD/SUPPLIES OTS GRANT
DRUMMOND, KEITH	53570	12/20/2011	1	71.00	FD/REIMBURSE HANCOCK COLL REG FEE RESCUE SYS CLASS
FERGUSON ENT., INC #632	53493	12/6/2011	1	111.09	F&R/FAUCET FIXTURE FOR PUBLIC RESTROOM
FERGUSON ENT., INC #632	53528	12/13/2011	1	672.72	WD/MAINT & REPAIR FIRE HYDRANTS
FERGUSON ENT., INC #632	53571	12/20/2011	1	110.57	F&R/MAINT & REPAIR BUILDINGS
FERGUSON ENT., INC #632	53614	12/28/2011	1	343.94	WW/MAINT & REPAIR
				<u>1,309.32</u>	

**CAMBRIA COMMUNITY SERVICES DISTRICT
EXPENDITURE REPORT
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VENDOR NAME	CHECK NUMBER	CHECK DATE	LINE NO.	LINE AMOUNT	LINE DESCRIPTION
FGL ENVIRONMENTAL	53529	12/13/2011	1	90.00	WD/BACTI AND SUPPORT ANALYSIS
FGL ENVIRONMENTAL	53529	12/13/2011	1	90.00	WD/BACTI AND SUPPORT ANALYSIS
FGL ENVIRONMENTAL	53529	12/13/2011	1	90.00	WD/BACTI AND SUPPORT ANALYSIS
FGL ENVIRONMENTAL	53553	12/14/2011	1	347.00	WW/ORGANIC AND SUPPORT ANALYSIS
FGL ENVIRONMENTAL	53615	12/28/2011	1	106.00	WW/INORGANIC AND SUPPORT ANALYSIS
				<u>723.00</u>	
FINNIGAN, MICHAEL	53477	12/2/2011	1	45.00	WW/MONTHLY CELLULAR PHONE SERVICE REIMB DEC '11
FIRST AMERICAN TITLE CO	53572	12/20/2011	1	669.00	RC/VOL LOT MERGER EXPENSE
FIRST BANKCARD	53518	12/7/2011	1	-	ADM/WD/J. GRUBER VISA CHARGES NOV. 2011
FIRST BANKCARD	53518	12/7/2011	2	66.84	ADM/MEETING EXPENSE
FIRST BANKCARD	53518	12/7/2011	3	66.84	WD/MEETING EXPENSE
				<u>133.68</u>	
FIRST BANKCARD	53518	12/7/2011	1	-	ADM/F&R/K. CHOATE VISA CHARGES NOV. 2011
FIRST BANKCARD	53518	12/7/2011	2	28.98	ADM/BOARD MEETING EXPENSES
FIRST BANKCARD	53518	12/7/2011	3	43.95	ADM/OFFICE SUPPLIES
FIRST BANKCARD	53518	12/7/2011	4	29.95	ADM/OFFICE SUPPLIES
FIRST BANKCARD	53518	12/7/2011	5	18.09	F&R/MEETING EXPENSE
				<u>120.97</u>	
FIRST BANKCARD	53518	12/7/2011	1	-	ADM/WD/WW/B. GRESENS VISA CHARGES NOV. 2011
FIRST BANKCARD	53518	12/7/2011	2	212.00	ADM/LOW FLOW TOILET FOR WOMEN'S RESTROOM MAIN OFF
FIRST BANKCARD	53518	12/7/2011	3	180.25	WD/LOW FLOW TOILETS FOR WATER YARD
FIRST BANKCARD	53518	12/7/2011	4	605.18	WW/LOW FLOW TOILETS FOR WASTEWATER PLANT
FIRST BANKCARD	53518	12/7/2011	5	42.32	WD/OFFICE SUPPLIES
FIRST BANKCARD	53518	12/7/2011	6	16.79	WD/OFFICE SUPPLIES
FIRST BANKCARD	53518	12/7/2011	7	85.77	WD/OFFICE SUPPLIES
				<u>1,142.31</u>	
FISHBACK, RICHARD	53494	12/6/2011	1	800.00	F&R/SIGN FOR VET'S HALL
GALLAGHER, MICHAEL S.	53495	12/6/2011	1	110.00	FD/REIMBURSE MPC FIRE TRAINING CLASS
GERBER'S AUTO SERVICE	53604	12/27/2011	1	170.45	F&R/MAINT REPAIR 1995 F-150XL LIC#E19961
GRAINGER	53554	12/14/2011	1	86.12	WW/MAINT & REPAIR SUPPLIES
GRAINGER	53554	12/14/2011	1	9.09	WW/MAINT & REPAIR SUPPLIES
GRAINGER	53554	12/14/2011	1	29.15	WW/MAINT & REPAIR SUPPLIES
GRAINGER	53554	12/14/2011	1	15.90	WW/MAINT & REPAIR SUPPLIES
GRAINGER	53605	12/27/2011	1	58.30	WW/MAINT & REPAIR TREATMENT PLANT
GRAINGER	53605	12/27/2011	1	945.35	WW/MAINT & REPAIR TREATMENT PLANT
GRAINGER	53605	12/27/2011	1	72.76	WW/MAINT & REPAIR TREATMENT PLANT
GRAINGER	53616	12/28/2011	1	141.56	WW/MAINT & REPAIR SUPPLIES
				<u>1,358.23</u>	
GRESENS, ROBERT C.	53478	12/2/2011	1	45.00	WD/MONTHLY CELLULAR PHONE SERVICE REIMB 12/11
GRUBER, JEROME	53479	12/2/2011	1	45.00	ADM/MONTHLY CELLULAR PHONE SERVICE REIMB 12/11
HAMILTON, TYSON	53573	12/20/2011	1	25.76	FD/REIMBURSE MAINT & REPAIR EXPENSE
HARVEYS HONEYHUTS	53531	12/13/2011	1	79.07	F&R/TOILET RENTAL FISCALINI RANCH 11/09-12/06/11

**CAMBRIA COMMUNITY SERVICES DISTRICT
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VENDOR NAME	CHECK NUMBER	CHECK DATE	LINE NO.	LINE AMOUNT	LINE DESCRIPTION
HEAPY, SUZANNE	53486	12/2/2011	1	131.72	WD CUSTOMER REFUND
HENRY SCHEIN, INC.	53519	12/7/2011	1	360.19	FD/MEDICAL SUPPLIES - GRANT FUNDED
HENRY SCHEIN, INC.	53519	12/7/2011	1	139.37	FD/MEDICAL SUPPLIES - GRANT FUNDED
				<u>499.56</u>	
HORTON, SEAN	53574	12/20/2011	1	53.00	FD/REIMBURSE HANCOCK COLL REG FEE RESCUE SYS CLASS
INDUSTRIAL CHEM LABS &	53618	12/28/2011	1	284.07	WW/ELIMINATOR
INDUSTRIAL EMERGENCY COUNCIL	53586	12/20/2011	1	6,255.00	FD/REGISTRATIONS FOR RESCUE SYSTEM CLASS OTS GRANT
INNOVATIVE CONCEPTS	53480	12/2/2011	1	839.30	FD/MONTHLY BROADBAND SERVICES 12/11
INNOVATIVE CONCEPTS	53480	12/2/2011	2	839.30	F&R/MONTHLY BROADBAND SERVICES 12/11
INNOVATIVE CONCEPTS	53480	12/2/2011	3	839.30	ADM/MONTHLY BROADBAND SERVICES 12/11
INNOVATIVE CONCEPTS	53480	12/2/2011	4	839.30	WD/MONTHLY BROADBAND SERVICES 12/11
INNOVATIVE CONCEPTS	53480	12/2/2011	5	839.30	WW/MONTHLY BROADBAND SERVICES 12/11
INNOVATIVE CONCEPTS	53480	12/2/2011	6	25.00	FD/MONTHLY WEB HOSTING fire.cambriacsd.org 12/11
				<u>4,221.50</u>	
INT'L INST. MUNI CLERKS	53497	12/6/2011	1	50.00	ADM/MEMBERSHIP DUES
INTERSTATE BILLING SERVICE, IN	53565	12/14/2011	1	226.19	FD/MAINT & REPAIR VEHICLES
J B DEWAR	53498	12/6/2011	1	2,059.31	WW/DIESEL
J B DEWAR	53498	12/6/2011	1	1,543.77	FD/GASOLINE AND DIESEL
J B DEWAR	53498	12/6/2011	1	1,014.18	WD/GASOLINE & DIESEL
J B DEWAR	53532	12/13/2011	1	705.81	WD/GASOLINE AND DIESEL
J B DEWAR	53555	12/14/2011	1	1,594.28	WW/DIESEL
J B DEWAR	53566	12/14/2011	1	1,328.57	FD/DIESEL
J B DEWAR	53566	12/14/2011	1	59.84	FD/GASOLINE
J B DEWAR	53606	12/27/2011	1	1,568.35	FD/GASOLINE AND DIESEL
J B DEWAR	53619	12/28/2011	1	3,641.57	WW/DIESEL
				<u>13,515.68</u>	
JOHNSON, RON	53520	12/7/2011	1	38.71	FDGASOLINE ADDITIVE
LIGHTHOUSE LITHO	53607	12/27/2011	1	48.26	F&R/BUSINESS CARDS
LINC DELIVERY	53499	12/6/2011	1	19.50	WW/DELIVERED SERVICES TO SWRCB
MATHESON TRI-GAS, INC	53533	12/13/2011	1	51.50	WW/ACETYLENE CYL RENTAL NOVEMBER 2011
MCCORMICK'S TREE SERVICE	53500	12/6/2011	1	450.00	F&R/TREE REMOVAL
MCCRAIN, DAN	53575	12/20/2011	1	71.00	FD/REIMBURSE HANCOCK COLL FEE RESCUE SYSTEM CLASS
MCMASTER-CARR SUPPLY CO	53556	12/14/2011	1	62.87	WW/MAINT & REPAIR SUPPLIES
MENDOZA, CARLOS	53481	12/2/2011	1	22.50	F&R/MONTHLY CELLULAR PHONE SERVICE REIMB 12/11
MENDOZA, CARLOS	53481	12/2/2011	2	22.50	ADM/MONTHLY CELLULAR PHONE SERVICE REIMB 12/11
				<u>45.00</u>	
MILLER, MARK	53482	12/2/2011	1	45.00	FD/MONTHLY CELLULAR PHONE SERVICE REIMB 12/11
MINER'S ACE HARDWARE	53501	12/6/2011	1	314.45	ADM/MAINT & REPAIR BUILDING

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MISSION LINEN SUPPLY	53502	12/6/2011	1	258.38	WD/LINEN SERVICE & UNIFORM CLEANING NOV. 2011
MISSION LINEN SUPPLY	53502	12/6/2011	2	45.60	F&R/LINEN SERVICE & UNIFORM CLEANING NOV. 2011
				<u>303.98</u>	
NAPA AUTO PARTS	53521	12/7/2011	1	12.86	F&R/MAINT & REPAIR VEHICLES
NAPA AUTO PARTS	53521	12/7/2011	1	4.37	WD/OPERATING SUPPLIES
NAPA AUTO PARTS	53521	12/7/2011	1	24.65	WW/MAINT & REPAIR GENERATOR
NAPA AUTO PARTS	53521	12/7/2011	1	58.85	WW/MAINT & REPAIR GENERATOR
NAPA AUTO PARTS	53534	12/13/2011	1	9.64	F&R/MAINT & REPAIR VEHICLES
NAPA AUTO PARTS	53534	12/13/2011	1	5.23	F&R/MAINT & REPAIR VEHICLES
NAPA AUTO PARTS	53534	12/13/2011	1	2.46	F&R/MAINT & REPAIR VEHICLES
NAPA AUTO PARTS	53534	12/13/2011	1	72.80	F&R/MAINT & REPAIR VEHICLES
NAPA AUTO PARTS	53534	12/13/2011	1	15.54	F&R/MAINT & REPAIR VEHICLES
NAPA AUTO PARTS	53534	12/13/2011	1	34.50	WD/MAINT & REPAIR GROUNDS
NAPA AUTO PARTS	53534	12/13/2011	1	42.84	F&R/MAINT & REPAIR VEHICLES
NAPA AUTO PARTS	53547	12/14/2011	1	8.05	FD/MAINT & REPAIR VEHICLES
				<u>291.79</u>	
NORTH COAST TREE SERVICE	53576	12/20/2011	1	350.00	F&R/REMOVE TREE FROM 2298 CAMBORNE
PACIFIC GAS & ELECTRIC	53535	12/13/2011	1	27.94	ADM/ELECTRIC SERVICE 10/29-11/29/11
PACIFIC GAS & ELECTRIC	53535	12/13/2011	1	9.76	WD/ELECTRIC SERVICE 10/28-11/29/11
PACIFIC GAS & ELECTRIC	53535	12/13/2011	1	7,569.44	WD/ELECTRIC SERVICE
PACIFIC GAS & ELECTRIC	53535	12/13/2011	1	1,139.23	WD/ELECTRIC SERVICE 10/29-11/29/11
PACIFIC GAS & ELECTRIC	53548	12/14/2011	1	6.86	F&R/ELECTRIC SERVICE 10/29-11/29/11
PACIFIC GAS & ELECTRIC	53557	12/14/2011	1	12,102.01	WW/ELECTRIC SERVICE 10/28-12/03/11
PACIFIC GAS & ELECTRIC	53557	12/14/2011	1	280.06	ADM/ELECTRIC SERVICE 10/29 - 12/05/11
PACIFIC GAS & ELECTRIC	53557	12/14/2011	2	1,434.81	F&R/ELECTRIC SERVICE 10/29 - 12/05/11
PACIFIC GAS & ELECTRIC	53557	12/14/2011	3	767.28	FD/ELECTRIC SERVICE 10/29-12/05/1100000
PACIFIC GAS & ELECTRIC	53620	12/28/2011	1	144.31	WW/ELECTRIC SERVICE 10/28-11/29/11
				<u>23,481.70</u>	
PASO PRINTERS	53522	12/7/2011	1	176.96	ADM/PURCHASE ORDERS
PETTY CASH	53592	12/20/2011	1	20.00	ADM/OFFICE SUPPLIES
PETTY CASH	53592	12/20/2011	2	7.81	ADM/MEETING EXPENSES
PETTY CASH	53592	12/20/2011	3	60.00	ADM/POSTAGE
PETTY CASH	53592	12/20/2011	4	129.64	ADM/BOARD MEETING EXPENSES
PETTY CASH	53592	12/20/2011	5	18.25	FD/OFFICE SUPPLIES
				<u>235.70</u>	
PICTURE IT FRAMED	53577	12/20/2011	1	105.09	ADM/PROCLAMATION FRAMES
PITNEY BOWES CREDIT- PBCC	53578	12/20/2011	1	162.00	ADM/QTRLY LEASE MAILING EQUIP 9/30-12/30/11
POTTER PLUMBING, INC	53503	12/6/2011	1	358.60	WD/REPAIR BACK FLOW VALVE
POTTER PLUMBING, INC	53536	12/13/2011	1	4,888.00	WW/MAINT & REPAIR MAIN DRAIN
POTTER PLUMBING, INC	53536	12/13/2011	1	480.00	WW/MAINT REPAIR 788 MAIN
				<u>5,726.60</u>	
POWELL, KINGSLEY	53523	12/7/2011	1	71.00	FD/REIMBURSE FOR LARO CLAS - CLIFF RESCUE
POWELL, KINGSLEY	53579	12/20/2011	1	54.00	FD/REIMBURSE HANCOCK COLL REG FEE RESCUE SYS CLASS
				<u>125.00</u>	
PUREFLOW FILTRATION, INC.	53558	12/14/2011	1	1,653.39	WD/VALVE ACTUATOR AND ADAPTOR

**CAMBRIA COMMUNITY SERVICES DISTRICT
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VENDOR NAME	CHECK NUMBER	CHECK DATE	LINE NO.	LINE AMOUNT	LINE DESCRIPTION
QUILL CORP	53524	12/7/2011	1	40.48	ADM/OFFICE SUPPLIES
QUILL CORP	53537	12/13/2011	1	155.33	WW/OFFICE SUPPLIES
QUILL CORP	53537	12/13/2011	2	43.14	WW/OPERATING SUPPLIES
QUILL CORP	53537	12/13/2011	3	34.72	WW/LAB SUPPLIES
QUILL CORP	53537	12/13/2011	1	107.24	WW/OFFICE FURNITURE
QUILL CORP	53537	12/13/2011	1	45.85	ADM/OFFICE SUPPLIES
QUILL CORP	53559	12/14/2011	1	80.29	ADM/OFFICE SUPPLIES
QUILL CORP	53580	12/20/2011	1	40.74	ADM/OFFICE SUPPLIES
QUILL CORP	53580	12/20/2011	1	218.57	ADM/OFFICE SUPPLIES
QUILL CORP	53580	12/20/2011	1	27.87	ADM/OFFICE SUPPLIES
QUILL CORP	53593	12/20/2011	1	161.95	FD/OFFICE SUPPLIES
QUILL CORP	53608	12/27/2011	1	(40.74)	ADM/OFFICE SUPPLIES
QUILL CORP	53608	12/27/2011	1	(22.50)	ADM/OFFICE SUPPLIES
QUILL CORP	53608	12/27/2011	1	81.49	ADM/OFFICE SUPPLIES
QUILL CORP	53608	12/27/2011	1	61.10	ADM/OFFICE SUPPLIES
QUILL CORP	53608	12/27/2011	1	12.58	ADM/OFFICE SUPPLIES
QUILL CORP	53608	12/27/2011	1	13.02	ADM/OFFICE SUPPLIES
QUILL CORP	53608	12/27/2011	1	140.54	ADM/OFFICE SUPPLIES
QUILL CORP	53608	12/27/2011	1	13.02	ADM/OFFICE SUPPLIES
QUILL CORP	53608	12/27/2011	1	13.49	ADM/OFFICE SUPPLIES
				<u>1,228.18</u>	
RITTERBUSH REPAIR SERVICE	53504	12/6/2011	1	3,291.86	FD/REPAIR ENGINE #5791
ROSE, PATTY	53487	12/2/2011	1	80.00	WD/CUSTOMER REFUND
SDRMA	53549	12/14/2011	1	18,425.00	ADM/WORKERS COMP INSUR PREMIUM 3RD QTR FY 11/12
SELECT BUSINESS SYSTEMS	53505	12/6/2011	1	85.03	FD/PRINTER SUPPLIES
SHAPER, ANDREW & DIANA	53488	12/2/2011	1	82.39	WD/CUSTOMER REFUND
SHIFT CALENDARS, INC.	53506	12/6/2011	1	310.92	FD/OFFICE SUPPLIES
SLO COUNTY	53508	12/6/2011	1	250.00	FD/HAZARDOUS MATERIALS HANDLER 1-4
SLO COUNTY	53539	12/13/2011	1	25.00	WW/ELECTRONIC REPORT SURCHARGE 5101 NOTTINGHAM
SLO COUNTY	53539	12/13/2011	1	25.00	WW/ELECTRONIC REPORT SURCHARGE 6789 MOONSTONE
SLO COUNTY	53539	12/13/2011	1	25.00	WW/ELECTRONIC REPORT SURCHARGE 1551 GREEN ST.
SLO COUNTY	53539	12/13/2011	1	25.00	WW/ELECTRONIC REPORT SURCHARGE 2222 GREEN ST.
SLO COUNTY	53539	12/13/2011	1	25.00	WW/ELECTRONIC REPORT SURCHARGE 190 HARVEY ST.
SLO COUNTY	53539	12/13/2011	1	25.00	WW/ELECTRONIC REPORT SURCHARGE 4849 CABRILLO HWY
SLO COUNTY	53539	12/13/2011	1	250.00	WW/HAZARDOUS MATERIALS
SLO COUNTY	53539	12/13/2011	1	544.51	WD/CROSS CONNECTION FEES
				<u>1,194.51</u>	
SLO COUNTY NEWSPAPERS	53507	12/6/2011	1	186.00	FD/NEWSPAPER SUBSCRIPTION RENEWAL
SLO COUNTY NEWSPAPERS	53538	12/13/2011	1	100.00	F&R/RECRUITMENT MAINT TECH
				<u>286.00</u>	
SP MAINTENANCE SERVICES, INC.	53609	12/27/2011	1	639.44	F&R/MAINT & REPAIR STREETLIGHTS
STATE OF CALIFORNIA	53582	12/20/2011	1	204.00	F&R/FINGERPRINT APPS FOR MAINT TECHS
STATE WATER RES.CTRL.BRD.	53509	12/6/2011	1	1,521.00	WW/ANNUAL PERMIT SSO
SUN PACIFIC	53540	12/13/2011	1	3,971.51	WD/MAINT & REPAIR GENERATORS
SUN PACIFIC	53561	12/14/2011	1	337.50	WW/MAINT & REPAIR LIFT STATION
SUN PACIFIC	53599	12/21/2011	1	4,893.00	WW/INSTALL NEW TRANSFER SWITCH AT A-1 LIFT STATION
				<u>9,202.01</u>	

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VENDOR NAME	CHECK NUMBER	CHECK DATE	LINE NO.	LINE AMOUNT	LINE DESCRIPTION
TEXAS REFINERY CORP.	53510	12/6/2011	1	297.56	FD/SYNTHETIC OIL
THE BLUEPRINTER	53612	12/27/2011	1	392.35	ADM/25,000 WINDOW ENVELOPES
THE BLUEPRINTER	53612	12/27/2011	2	392.36	WD/25,000 WINDOW ENVELOPES
THE BLUEPRINTER	53612	12/27/2011	3	392.36	WW/25,000 WINDOW ENVELOPES
				1,177.07	
THE DOCUTEAM	53611	12/27/2011	1	259.34	ADM/PROF SERVICES - MISCELLANEOUS
THE GAS COMPANY	53530	12/13/2011	1	145.57	F&R/GAS SERVICE 1000 MAIN ST 10/26-11/28/11
THE GAS COMPANY	53530	12/13/2011	1	5.83	ADM/GAS SERVICE 1316 TAMSEN #201 10/26-11/28/11
THE GAS COMPANY	53530	12/13/2011	1	5.83	ADM/1316 TAMSEN #203 10/26-11/28/11
THE GAS COMPANY	53530	12/13/2011	1	67.76	WW/GAS SERVICE 550 HEATH LN APT B 10/27-11/29/11
THE GAS COMPANY	53530	12/13/2011	1	104.65	WW/GAS SERVICE 5500 HEATH LN 10/27-11/29/11
THE GAS COMPANY	53530	12/13/2011	1	152.44	F&R/GAS SERVICE 3195 BURTON 10/26-11/26/11
THE GAS COMPANY	53564	12/14/2011	1	234.04	FD/GAS SERVICE 10/26-11/28/11
THE GAS COMPANY	53564	12/14/2011	1	3.88	FD/GAS SERVICE 5490 HEATH LN 10/27-11/29/11
				720.00	
TORLANO, EMILY	53581	12/20/2011	1	3,385.98	FD/EMILY TORLAND - MEAL AND TRAVEL EXP. OTS GRANT
TORLANO, EMILY	53581	12/20/2011	2	6,255.00	FD/INDUSTRIAL EMERGENCY - REG. FEES OTS GRANT
TORLANO, EMILY	53581	12/20/2011	3	3,767.50	FD/BEST WESTERN - LODGING OTS GRANT
TORLANO, EMILY	53587	12/20/2011	1	3,385.98	FD/TRAVEL ADVANCE FOR RESCUE SYS CLASS OTS GRANT
				16,794.46	
UNITED STAFFING ASSOC	53525	12/7/2011	1	967.20	F&R/TEMP STAFFING WE 11/27/11
UNITED STAFFING ASSOC	53541	12/13/2011	1	614.54	ADM/TEMP STAFFING WE 12/05/11
UNITED STAFFING ASSOC	53541	12/13/2011	2	180.76	RC/TEMP STAFFING WE 12/05/11
UNITED STAFFING ASSOC	53541	12/13/2011	3	108.46	FD/TEMP STAFFING WE 12/05/11
UNITED STAFFING ASSOC	53541	12/13/2011	4	1,106.70	F&R/TEMP STAFFING WE 12/05/11
UNITED STAFFING ASSOC	53600	12/21/2011	1	1,190.40	F&R/TEMP STAFFING WE 12/11/11
UNITED STAFFING ASSOC	53600	12/21/2011	2	184.86	RC/TEMP STAFFING WE 12/11/11
UNITED STAFFING ASSOC	53600	12/21/2011	3	102.70	FD/TEMP STAFFING WE 12/11/11
UNITED STAFFING ASSOC	53600	12/21/2011	4	451.88	ADM/TEMP STAFFING WE 12/11/11
UNITED STAFFING ASSOC	53610	12/27/2011	1	626.47	ADM/TEMP STAFFING WE/12/18/11
UNITED STAFFING ASSOC	53610	12/27/2011	2	102.70	FD/TEMP STAFFING WE 12/18/11
UNITED STAFFING ASSOC	53610	12/27/2011	3	744.00	F&R/TEMP STAFFING WE 12/18/11
UNITED STAFFING ASSOC	53610	12/27/2011	4	143.78	RC/TEMP STAFFING WE 12/18/11
				6,524.45	
UNIVERSAL ACOUSTIC & EMISSION	53542	12/13/2011	1	460.71	WW/MAINT & REPAIR WW TREATMENT
UNIVERSITY ENTERPRISE INC	53511	12/6/2011	1	114.55	WD/WATER TREATMENT CLASS
USA BLUE BOOK	53562	12/14/2011	1	112.14	WW/MAINT & REPAIR WW TREATMENT
USA BLUE BOOK	53562	12/14/2011	1	21.57	WW/MAINT & REPAIR WW TREATMENT
				133.71	
VAN SCOYOC ASSOC., INC.	53483	12/2/2011	1	6,225.00	WD/PROF FED'L ADVOCACY FOR DESAL WASH D.C. 12/11
VERIZON WIRELESS	53594	12/20/2011	1	114.68	FD/CELL PHONE SERVICE 11/08-12/07/11
VERIZON WIRELESS	53594	12/20/2011	1	88.99	FD/CELL PHONE SERVICE 12/08-01/07/12
				203.67	
VIC'S BACKHOE SERVICE	53512	12/6/2011	1	440.00	WD/BACKHOE WORK AT LEONA VALVE REPLACEMENT

**CAMBRIA COMMUNITY SERVICES DISTRICT
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WALKER, WILLIAM	53583	12/20/2011	1	71.00	FD/REIMBURSE HANCOCK COLL REG FEE RESCUE SYS CLASS
WALLACE GROUP	53595	12/20/2011	1	1,372.50	FD/FIRE HAZARD FUEL REDUCTION PROGRAM NOV. 2011
WINSOR CONSTRUCTION, INC.	53513	12/6/2011	1	103.47	WD/ROAD BASE
WINSOR CONSTRUCTION, INC.	53584	12/20/2011	1	40.93	F&R/MAINT & REPAIR GROUNDS
				<u>144.40</u>	
WONG, RHEA/DOUGLAS	53596	12/21/2011	1	114.97	WD/CUSTOMER REFUND
WRIGHT, THOMAS M.	53601	12/21/2011	1	464.00	WD/MAINT & REPAIR WATER DISTRIBUTION
	53416	12/6/2011	9000	(12.86)	Ck# 053416 Reversed
	53416	12/6/2011	9000	(4.37)	Ck# 053416 Reversed
	53452	12/13/2011	9000	(79.82)	Ck# 053452 Reversed
	53452	12/13/2011	9000	(8.05)	Ck# 053452 Reversed
				<u>(105.10)</u>	
				<u>190,783.06</u>	
Accounts Payable Vendor Subtotal					
AFLAC (AMER FAM LIFE INS)	2490	12/9/2011	1	446.33	VOLUNTARY INS-PRETAX
AFLAC (AMER FAM LIFE INS)	2490	12/9/2011	1	150.43	VOLUNTARY INS-PRETAX
AFLAC (AMER FAM LIFE INS)	2510	12/23/2011	1	446.33	VOLUNTARY INS-PRETAX
AFLAC (AMER FAM LIFE INS)	2510	12/23/2011	1	150.43	VOLUNTARY INS-PRETAX
				<u>1,193.52</u>	
CAMBRIA COMMUNITY SERVICES DIS	2491	12/9/2011	1	1,000.00	MEDICAL REIMBURSEMNT
CAMBRIA COMMUNITY SERVICES DIS	2491	12/9/2011	2	150.00	MEDICAL REIMBURSEMNT
CAMBRIA COMMUNITY SERVICES DIS	2491	12/9/2011	3	100.00	MEDICAL REIMBURSEMNT
CAMBRIA COMMUNITY SERVICES DIS	2491	12/9/2011	4	250.00	MEDICAL REIMBURSEMNT
CAMBRIA COMMUNITY SERVICES DIS	2491	12/9/2011	5	100.00	MEDICAL REIMBURSEMNT
CAMBRIA COMMUNITY SERVICES DIS	2491	12/9/2011	6	250.00	MEDICAL REIMBURSEMNT
CAMBRIA COMMUNITY SERVICES DIS	2511	12/23/2011	1	1,000.00	MEDICAL REIMBURSEMNT
CAMBRIA COMMUNITY SERVICES DIS	2511	12/23/2011	2	150.00	MEDICAL REIMBURSEMNT
CAMBRIA COMMUNITY SERVICES DIS	2511	12/23/2011	3	100.00	MEDICAL REIMBURSEMNT
CAMBRIA COMMUNITY SERVICES DIS	2511	12/23/2011	4	250.00	MEDICAL REIMBURSEMNT
CAMBRIA COMMUNITY SERVICES DIS	2511	12/23/2011	5	100.00	MEDICAL REIMBURSEMNT
CAMBRIA COMMUNITY SERVICES DIS	2511	12/23/2011	6	250.00	MEDICAL REIMBURSEMNT
				<u>3,700.00</u>	
CAMBRIA FIREFIGHTERS ASSN	2494	12/9/2011	1	195.79	RESERVE FIREFTR DUES
CAMBRIA FIREFIGHTERS ASSN	2514	12/23/2011	1	243.96	RESERVE FIREFTR DUES
				<u>439.75</u>	
EMPLOYMENT DEVELOPMENT DP	2493	12/9/2011	1	4,007.45	STATE INCOME TAX
EMPLOYMENT DEVELOPMENT DP	2493	12/9/2011	1	631.50	STATE INCOME TAX
EMPLOYMENT DEVELOPMENT DP	2513	12/23/2011	1	6,030.35	STATE INCOME TAX
EMPLOYMENT DEVELOPMENT DP	2513	12/23/2011	1	649.24	STATE INCOME TAX
				<u>11,318.54</u>	
H.O.B.-DIRECT DEPOSIT	2495	12/9/2011	1	2,899.00	Direct Deposit Flat
H.O.B.-DIRECT DEPOSIT	2495	12/9/2011	1	53,578.73	Direct Deposit Flat
H.O.B.-DIRECT DEPOSIT	2515	12/23/2011	1	2,899.00	Direct Deposit Flat
H.O.B.-DIRECT DEPOSIT	2515	12/23/2011	1	58,454.39	Direct Deposit Flat
				<u>117,831.12</u>	

**CAMBRIA COMMUNITY SERVICES DISTRICT
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VENDOR NAME	CHECK NUMBER	CHECK DATE	LINE NO.	LINE AMOUNT	LINE DESCRIPTION
H.O.B./FEDERAL TAXES	2496	12/9/2011	1	11,757.48	FEDERAL INCOME TAX
H.O.B./FEDERAL TAXES	2496	12/9/2011	1	7,088.66	FEDERAL INCOME TAX
H.O.B./FEDERAL TAXES	2496	12/9/2011	1	2,612.94	FEDERAL INCOME TAX
H.O.B./FEDERAL TAXES	2516	12/23/2011	1	18,732.88	FEDERAL INCOME TAX
H.O.B./FEDERAL TAXES	2516	12/23/2011	1	7,176.84	FEDERAL INCOME TAX
H.O.B./FEDERAL TAXES	2516	12/23/2011	1	3,523.60	FEDERAL INCOME TAX
				<u>50,892.40</u>	
ICMA-VNTGPT TRSFR AGT 457	2497	12/9/2011	1	2,363.46	457 DEF COMP-INDIV
ICMA-VNTGPT TRSFR AGT 457	2497	12/9/2011	1	700.00	457 DEF COMP-INDIV
ICMA-VNTGPT TRSFR AGT 457	2517	12/23/2011	1	4,363.46	457 DEF COMP-INDIV
ICMA-VNTGPT TRSFR AGT 457	2517	12/23/2011	1	700.00	457 DEF COMP-INDIV
				<u>8,126.92</u>	
PERS RETIREMENT SYSTEM	2498	12/9/2011	1	0.02	PERS PAYROLL REMITTANCE
PERS RETIREMENT SYSTEM	2498	12/9/2011	2	23,787.43	PERS PAYROLL REMITTANCE
PERS RETIREMENT SYSTEM	2518	12/23/2011	1	0.02	PERS PAYROLL REMITTANCE
PERS RETIREMENT SYSTEM	2518	12/23/2011	2	25,444.21	PERS PAYROLL REMITTANCE
				<u>49,231.68</u>	
SEIU LOCAL 620	2499	12/9/2011	1	220.41	SEIU UNION DUES
SEIU LOCAL 620	2519	12/23/2011	1	220.41	SEIU UNION DUES
				<u>440.82</u>	
SLO CREDIT UNION	2492	12/9/2011	1	280.00	CREDIT UNION
SLO CREDIT UNION	2512	12/23/2011	1	280.00	CREDIT UNION
				<u>560.00</u>	
THE VARIABLE ANNUITY LIFE	2500	12/9/2011	1	50.00	DEFERRED COMP -VALIC
THE VARIABLE ANNUITY LIFE	2520	12/23/2011	1	50.00	DEFERRED COMP -VALIC
				<u>100.00</u>	
				<u>243,834.75</u>	
Payroll Payable Vendor Subtotal					
				<u>434,617.81</u>	
TOTAL DISBURSEMENTS TO VENDORS FOR DECEMBER, 2011				<u>434,617.81</u>	



ADDENDA TO MONTHLY EXPENDITURE REPORT

<i>DEPARTMENT CODES</i>	
FD	Fire Department
F&R	Facilities and Resources
ADM	Administration
RC	Resource Conservation
WD	Water Department
WW	Wastewater Department
PR	Parks & Recreation

CAMBRIA COMMUNITY SERVICES DISTRICT
 BOARD OF DIRECTORS REGULAR MEETING MINUTES
 THURSDAY, DECEMBER 15, 2011, 12:30 PM

AGENDA ITEM	DISCUSSION OR ACTION
1A. CALL TO ORDER	President Clift called the regular meeting to order at 12:35 PM.
1B. PLEDGE OF ALLEGIANCE	President Clift led the pledge of allegiance.
1C. ESTABLISHMENT OF QUORUM	President Clift Present Vice President MacKinnon Present Director Bahringer Present Director Thompson Present Staff Present: General Manager Jerry Gruber, Assistant District Counsel David Hirsch, District Engineer Bob Gresens, District Clerk Kathy Choate.
1D. REPORT FROM CLOSED SESSION	Assistant District Counsel reported no reports.
1E. Election of Officers	Director Bahringer nominated Allan MacKinnon for President. Director Thompson seconded. Motion carried unanimously. Ayes – 4, No – 0, Absent - 0 Director Clift nominated Director Thompson for Vice President. Director Bahringer seconded. Motion carried unanimously. Ayes – 4, No – 0, Absent - 0
2. SPECIAL REPORTS	
A. Sheriff's Department Report	No report.
3. ACKNOWLEDGEMENTS/PRESENTATIONS	President MacKinnon presented proclamation honoring Captain Michael Gallagher. Captain William Hollingsworth, Emily Torlano, Sean Horton, and fire department crew presented a plaque on behalf of the Firefighters Association. Captain Gallagher expressed his appreciation to Cambria CSD community, Cal Fire crew, CCHD, and CCSD crew. Thanked reserves for professionalism. Thanked Chief Miller for his support in pursuing education.
4. PUBLIC COMMENT	<u>Amanda Rice</u> , Cambria. Moratorium 3,683 days, over 10 years. Commented on Coastal Commission denial of geotech project. <u>Elizabeth Bettenhausen</u> , Cambria. Commented on litter and Shamel Park beach. <u>Tina Dickason</u> , Cambria. Commented on Coastal Commission meeting.
5. AGENDA REVIEW	Item 7 E pulled for comment.
6. MANAGER'S AND BOARD REPORTS	

<p>A. DESALINATION AND WATER STORAGE FACILITIES REPORT</p>	<p>General Manager Gruber introduced the item and Bob Gresens presented the report, adding the CCC decision to deny the geotech project. Discussion followed regarding plans for a workshop in January regarding Army Corps of Engineers holding a public discussion on alternatives to desal.</p> <p>Public Comment:</p> <p><u>Elizabeth Bettenhausen</u>, Cambria. Commented on CCC hearing. Among commissioners there was discussion of authority among ACE and CCSD. Clarify CCSD responsibility on this program. Read point five of her letter to CCC.</p> <p><u>Amanda Rice</u>, Cambria. Commented on WMP and matrix to decide alternative; update numbers and reconsider.</p> <p><u>Tina Dickason</u>, Cambria. Commented on site analysis. Suggested conservation and recycling.</p> <p><u>Jim Webb</u>, Cambria. Commented on CCC hearing and concurs with opinion CCC recommended; subterranean intakes as preferred alternative. Did not recommend placement of intake would be at mouth of a creek. Who decided to go to SR Creek? Who went to most protected area?</p> <p><u>Mary Webb</u>, Cambria. Commented on CCC hearing. Desal should be last resort as a water project in County LCP. How much water we have, how much we are using, commercial and residential, and how much can we save? How much can we conserve?</p> <p><u>Mahala Burton</u>, Cambria. Commented on CCC hearing. Did CCSD lobbyist lobby Commissioner Brennan? CCC used Chapter 3 Coastal Act compliance. Unanimous hearing on a rehearing in 2007 opposing, Commissioner Wong suggested another site. Commented on 1993 constraints analysis saying do not use Santa Rosa Creek site. Jim Webb wrote detailed comments on WMP matrix for alternatives. Written to satisfy wait list, no legal right to water (Supreme Court ruling).</p> <p><u>Pat Childs</u>, Cambria. CCSD is not the lead agency, if it were the necessary time would have been provided to present the case to CCC. Desal was last project and reason it was considered in 1993 and reason it must be considered in 2012. The wrong location is being considered. Since 1993 have known CCC, State agencies and environmentalists (strong and outspoken in this community) would never allow anything in that protected area. CCSD</p>
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	<p>spent \$450,000 to purchase flag lot in early 1990s because no project could be done at mouth of Santa Rosa or San Simeon creeks. Provided details on why other project alternatives will become the "new target." Mercury issues from Nacimiento, Whale Rock would be more expensive than desal. For reclamation project, where is the water we would recycle? There is not enough unless you go to the mouth of San Simeon and you dewater the mouth, extract, run through an RO system (would still have to build) and then open Pandora's box for salt water intrusion. Forget Santa Rosa Creek location. Get General Manager active in talking with Coastal Commission, find out what they will allow CCSD to do in regards to a desal project. Would flag lot work, is it now marine protected?</p>
<p>B. GENERAL MANAGER'S REPORT</p>	<p>General Manager Gruber presented the report. District Engineer Gresens presented the engineer's report. Public Comment: <u>Mary Webb</u>, Cambria. Commented on opportunity to meet with Admin staff and supports MOMS software replacement. Customer billing data by customer class. On Rodeo Grounds pump station a map used for station shows incorrect flood plain. Has map been corrected in Rodeo Grounds report? Expressed appreciation for General Manager and monthly reports.</p>
<p>C. MEMBER AND COMMITTEE REPORTS</p>	<p>Vice President Thompson reported PROS December 13 meeting was cancelled due to lack of quorum. PROS next regular meeting is February 7.</p> <p>Vice President Thompson reported on Ad Hoc Committees progress on revised fee schedule. A public hearing will be set for public comment on the revised fee schedule and facility policies.</p> <p>Director Clift reported on Lot Transfer Committee meeting to review costs and benefit to CCSD of lot transfers from Land Conservancy. The Committee voted unanimously to recommend to the Board of Director to not accept the lots at present time, but reconsider in future. The recommendation will be presented at the regular January meeting for discussion</p> <p>Director Bahringer reported NCAC dark this month.</p>

<p>7. CONSENT AGENDA</p> <p>A. Approve expenditures for month of November 2011</p> <p>B. Approve minutes of Board of Directors November 17, 2011 regular meeting and November 29, 2011 special meeting.</p> <p>C. Approve extension of Intent to Serve, applicant, First California Bank, APN 023.065.014</p> <p>D. Adopt Resolution 70-2011 approving replacement of a generator at Station "A" in the amount of \$37,500 to Sun Pacific Electric</p> <p>E. Adopt Resolution 69-2011 approving memorandum of understanding for California Office of Traffic Safety (OTS) grant</p>	<p>General Manager Gruber read consent agenda items A – E.</p> <p>Director Clift moved to adopt the consent agenda. Director Bahringer seconded. Motion carried unanimously. Ayes – 4, No – 0, Absent - 0</p> <p>Public Comment: <u>Jerry McKinnon</u>, Cambria. Commented on expenditures charged to facilities and resources.</p>
<p>8. HEARINGS AND APPEALS</p> <p>A. Public Hearing to Consider Approval of December 2011 Urban Water Management Plan</p>	<p>President MacKinnon introduced the item and announced the hearing would be continued to the February 23 regular meeting and opened the public hearing to receive comment.</p> <p>Public Comment: <u>Mary Webb</u>, Cambria. The 2005 UWMP needs extensive revision. Requests 50% quality of life increase in water usage be removed. Water conservation described by commercial use and residential use. What is monthly use by classification? What is status of commercial retrofits? Landscaping water use? Need to see reports to UWCCC. Production reports exist back to 1975. New information on SR4 and remediation of MtBE needs to be clear. In stream flow studies, what would it cost to do?</p> <p><u>Elizabeth Bettenhausen</u>, Cambria. Commented on Nov 6 memo raising concerns about 2005 UWMP. Gave five major points of 2005 Plan that she asked. 2005 Plan said there would be surveys of water use in Cambria. Were they done? Comprehensive annual water audit. Done? Will CCSD adopt further such actions in 2010 Plan? What is history of specific retrofits? Ben Boer gave detailed report to Board. Since 2005 no update on retrofit status. Policy of board to increase usage rate from 12 to 18 units, undo that before adopting UWMP update. In 2005 refers to water conservation coordinator and looks forward to monthly reports. UWMP 2009 and 2010 usage by</p>

	<p>classification. In 2002 went to CCSD meeting explaining water use in Cambria; who was using how many units. Would like more specificity of categories.</p> <p><u>Amanda Rice</u>, Cambria. Level of work by community to educate themselves commendable. Not an easy plan to update. If document still in process, would like to comment after the PowerPoint that might be useful in preparing the plan.</p> <p><u>Jim Webb</u>, Cambria. Reiterated comment regarding 50% quality of life, make a motion to repeal that resolution. Assumptions in plan need to be corrected, based on Carollo Engineers, projection of demand based on more people per household than 2010 census shows. Also based on per capita use far in excess of actual use; projected 135 gallons per day, came out closer to 95 gallons per day. Latest information should inform development of that plan. With regard to recycling consider doing something less ambitious. Throughout Cambria truck with small trailers pick up non-potable water to water yard, lowers current water use. As a community facilitate and encourage a program not burdened by residents. Smaller community based programs might be more effective.</p> <p><u>Nancy Anderson</u>, Cambria. Pleased to hear board's willing to have openness of UWMP. Commended Jim Webb regarding conservation happening in Cambria. She and her husband capture rain water off roof and use for outside watering. Consider plan for people to gather extra water for outdoor use. Find ways to reward conserving customers.</p>
9. REGULAR BUSINESS	None
None	
10. ADJOURN to Closed Session	President MacKinnon adjourned to closed session at 3:00 p.m.

CAMBRIA COMMUNITY SERVICES DISTRICT
 BOARD OF DIRECTORS SPECIAL MEETING MINUTES
 TUESDAY, DECEMBER 20, 2011, 5:00 PM

AGENDA ITEM	DISCUSSION OR ACTION								
1A. CALL TO ORDER	President MacKinnon called the meeting to order at 5:05 PM.								
1B. ESTABLISHMENT OF QUORUM	<table style="width: 100%; border: none;"> <tr> <td style="width: 70%;">President MacKinnon</td> <td style="width: 30%;">Present</td> </tr> <tr> <td>Vice President Thompson</td> <td>Present</td> </tr> <tr> <td>Director Bahringer</td> <td>Present</td> </tr> <tr> <td>Director Clift</td> <td>Present</td> </tr> </table> <p>Staff Present: General Manager Gruber, District Clerk Kathy Choate</p>	President MacKinnon	Present	Vice President Thompson	Present	Director Bahringer	Present	Director Clift	Present
President MacKinnon	Present								
Vice President Thompson	Present								
Director Bahringer	Present								
Director Clift	Present								
2. PUBLIC COMMENT	None								
3. SPECIAL MEETING BUSINESS									
A. Conduct Applicant Interviews for Board of Director Vacancy B. Nominate and Appoint from Applicants a Director to Serve the Term of Former Director Frank De Micco until November 2012 Election C. Administer Oath of Office	<p>A total of five applications were received. Applicant names were drawn to determine the order in which the applicants would be interviewed. The five applicants; Gail Robinette, Amanda Rice, Valerie Bentz, Thomas Gray, and Michael McLaughlin answered the following general questions respectively.</p> <ol style="list-style-type: none"> 1. What is your experience and/or background that qualifies you to be a Board member? 2. Identify the important objectives you would like to see the CCSD accomplish over the next two years. 3. After reviewing the 2011 Board goals, what is your opinion regarding those goals? <p>Board discussion followed. Director Thompson moved to nominate Gail Robinette. Director Clift seconded. Motion carried unanimously. Ayes – 4, No – 0, Absent – 0</p> <p>District Clerk administered the oath of office to appointed Director Gail Robinette. President MacKinnon invited Director Robinette to be seated at the dais.</p>								
4. ADJOURN	President MacKinnon adjourned the meeting at 6:45 PM.								

CAMBRIA COMMUNITY SERVICES DISTRICT

TO: Board of Directors

AGENDA NO. **7.C.**

FROM: Jerry Gruber, General Manager
Cortney Upthegrove, Administrative Tech II

Meeting Date: January 19, 2012 Subject: Consider Approving Extension of Intent to Serve Letter for Senior Care Facility, Michael Clark, Applicant, APN 024.192.052

RECOMMENDATION:

Approve 12-month extension of Intent to Serve Letter for Senior Care Facility, Michael Clark, Applicant, APN 024.191.052, Ardath Drive and Green Street Property.

FISCAL IMPACT: \$200 fee paid.

DISCUSSION:

Pursuant to CCSD Code Section 8.04.080(E) (3), the extension of an Intent to Serve letter for more than three (3) EDU's is to be approved by the Board of Directors. Commercial project extensions are valid for a 12-month period. This Intent to Serve letter, for an 11.78 EDU Senior Care Facility at the intersection of Ardath Drive and Green Street, is valid thru June 1, 2012.

The Minor Use Permit issued by San Luis Obispo County for this project will expire on April 12, 2012. The buyers are requesting an extension of the Intent to Serve letter which will allow them sufficient time to work with the County to extend the effective date of the Minor Use Permit. The property is currently in escrow. The new owners will be required to apply for new permits, which they indicate may take somewhere between 4-6 months. This extension will allow adequate time for the new owners to move this project forward.

If approved, the extension of the Intent to Serve letter would keep the project valid through June 1, 2013. The project will need to be in compliance with CCSD Code at that time or the result may be no further extensions of the Intent to Serve letter and returning the parcel to the CCSD Wait List.

Attachments: Extension Application January 5, 2012
Agent Letter Request

BOARD ACTION: Date _____ Approved: _____ Denied: _____

UNANIMOUS: ___ MACKINNON ___ THOMPSON ___ BAHRINGER ___ CLIFT ___ ROBINETTE ___

APPLICATION FOR EXTENSION

INTENT TO SERVE LETTER
 CONNECTION PERMIT

RESIDENTIAL COMMERCIAL

Extension, if approved, is valid for 6 months on residential Intent to Serve Letters, and 12 months on Commercial Intent letters and all Connection Permits.

INSTRUCTIONS: Application for Extension shall be submitted at least thirty (30) days prior to expiration date of letter/permit. Applicant must provide proof that application(s) for a building construction permit and, if required for this project, a minor use permit, is/are actively being processed by the County Planning Dept. **Application must include payment of Extension Fee per District Fee Schedule.**

TODAY'S DATE: 1-5-2012 EXPIRATION DATE of LETTER/PERMIT JUNE 2012
OWNER'S NAME MICHAEL CLAR PHONE # 203-5388
OWNER'S MAIL ADDRESS P.O. BOX 419 CAMDEN 9228 927.5088
AGENT'S NAME/PHONE NO. JACK ROSEMSKY REAL ESTATE 927-4777
ASSESSOR'S PARCEL NUMBER 024-191-052

INTENT TO SERVE LETTER FIRST ISSUED (DATE): _____ # OF EXTENSIONS PREVIOUSLY REQUESTED 14

- (REQUIRED) • Attach **CURRENT** (no more than 30 days old) **COUNTY STATUS PRINT-OUT** showing RECENT activity on the project
- (REQUIRED) • Building Permit/ Project No. B
- (If applicable) • Minor Use Permit/ Project No. DRC 2005-00103
- Have you started the foundation or construction? Yes ___ No ✓

Reason for this request:

MORE TIME NEEDED TO PROCESS VANWOOD PROJECT

I/We understand that the General Manager/Board of Directors (as applicable) shall have full discretion to approve or disapprove the requested extension, and if granted the extension shall be subject to any conditions which may be imposed.

/s/ Michael Clar 1-5-2012
Signature of Applicant or Authorized Agent Date

----- for office use -----

Extension Fee Paid _____ Extension DENIED _____

All documentation received _____ Reason for Denial _____

Board Action Date (if applicable) _____

Extension APPROVED _____

New Expiration Date _____
/s/Permits Specialist / for General Manager Date



December 19, 2011

Jerry Gruber, General Manager
Cambria Community Services District
P.O. Box 65
Cambria, CA 93428

RE: Request for 18-Month Extension of "Will- Serve" Letter.

Dear Mr. Gruber,

On September 1, 2006 the SLO County Planning Department, with the support of CCSD and other agencies, approved a 31-unit "senior care" facility at 1981 Green Street in Cambria. Specific findings included a Mitigated Negative Declaration as relates to the Environmental Quality Act and approval of a Minor Use Permit. The site is appropriately zoned for the proposed use under a designation of Residential Multi-Family.

The project holds a "will-serve" letter for sewer and water from the Cambria Community Services District. This allocation of 11.78 EDU's will service the 31- unit project. The current land owner, Mr. Mike Clark, has paid the in-lieu "replacement sources" fee for the services it will require for operation of the facility. The MUP approval noted that these EDU's were found to be exempt from the Water Code 350 emergency moratorium because they were considered to be one of the "pipeline" projects.

The Minor Use Permit is scheduled to expire on April 12, 2012 and no further extensions are permissible. The economic turmoil beginning in 2006 is a significant contributing factor to the delay in starting construction on the project.

The property is currently in contract to be purchased and developed consistent with the original vision as a senior care facility by King Senior Housing and an affiliate. The new team has deep experience in both commercial real estate development and senior housing. We would direct the Board members to www.kingseniorhousing.com for a detailed summary of specific project experience.

Last month Jeff King met with the Supervising Planner for SLO County Planning and Building, Ms. Nancy Orton and staff to review the file and project status. SLO Planning remains committed to and supportive of the proposed project. Ms. Orton advised that a new application must be processed given that current approvals are set to expire. However, it was also stated that much of the existing materials and studies could be re-used and that similar

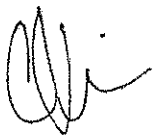
finding could be expected, with the caveat that California Coastal Commission response and response timing cannot be known until they review, or choose not to review, the new application. Estimated processing time of the new MUP is 4-6 months after receipt of a completed application, plus whatever time that the California Coastal Commission requires for their review.

Since the scheduled time for the expiration of the current "will-serve" letter from the Cambria Community Services District is June 1, 2012, we are requesting an 18-month extension beyond the June 1, 2012 expiration date in order to properly and fully process a new application. We are also requesting to be placed on the January 19, 2012 Board meeting agenda so that this request can be formally heard and considered.

It is apparent from our conversations with several community members that this type of facility is sorely needed in Cambria and that significant public support exists. However to bring this needed project to your community an extension of the "will-serve" commitment is necessary.

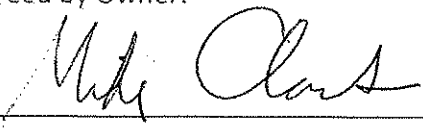
Thank you very much for your consideration of this request.

Sincerely,



Corey File, Principal

Agreed by Owner:

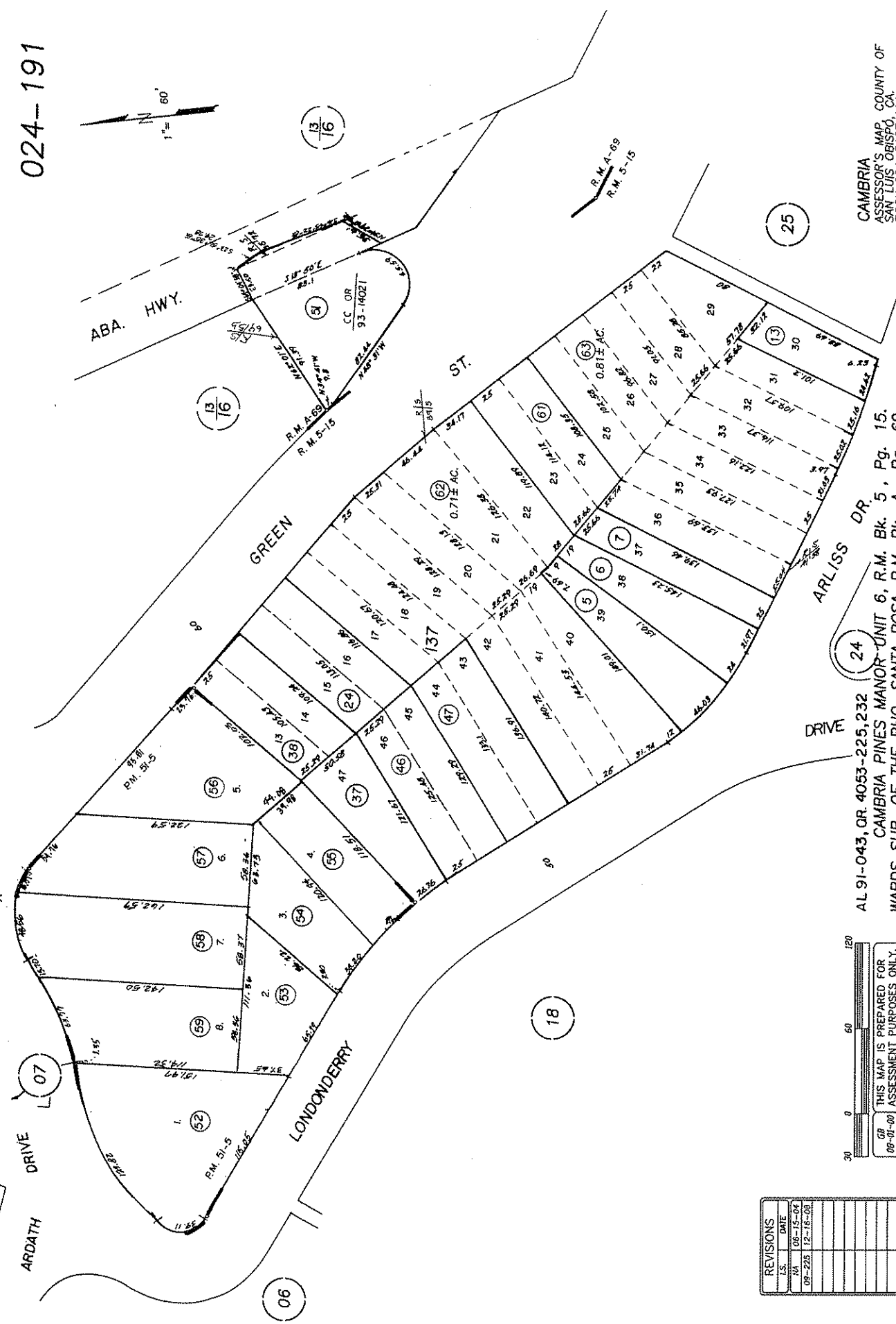
 12/20/2011

Mike Clark

Date

cc: Mr. Mike Clark
Mr. Jack Posemsky
Mr. Lachlan MacTavish
Mr. Jeff King

024-191



CAMBRIA
ASSESSOR'S MAP, COUNTY OF
SAN JUAN, ORISGO CO.,
BOOK 024, PAGE 191

AL 91-043, OR. 4053-225, 232
CAMBRIA PINES MANOR UNIT 6, R.M. Bk. 5, Pg. 15.
WARDS SUB. OF THE RHO. SANTA ROSA, R.M. Bk. A, Pg. 69.

REVISIONS	
NO.	DATE
NA	08-15-04
09-225	12-16-08

0 60 120

THIS MAP IS PREPARED FOR
ASSESSMENT PURPOSES ONLY.

CAMBRIA COMMUNITY SERVICES DISTRICT

TO: Board of Directors

AGENDA NO. 8.A.

FROM: Jerry Gruber, General Manager

Meeting Date: January 19, 2012 Subject: Consider Introduction of Ordinance 01-2012 Amending Section 5.04.390 of the CCSD Code Relating to Maintenance of Building Sewers and Lateral Sewers

RECOMMENDATIONS:

It is recommended that the Board introduce, by title only, Ordinance 01-2012 Amending Section 5.04.390 of the Cambria Community Services District Code Relating to Maintenance of Building Sewers and Lateral Sewers, and waive further reading.

FISCAL IMPACT:

The fiscal impact to the CCSD will be a savings in costs related to maintaining the District's wastewater conveyance and treatment system.

DISCUSSION:

Chapter 5.04 of the Cambria Community Services District Code (CCSD Code) contains regulations relating to the District's Wastewater System. The CCSD Code includes definitions of "building sewer", "lateral sewer" and "main sewer". Generally, the building sewer is the portion of a sewer from the building to the property line and the lateral sewer is the portion of a sewer within a public right of way or easement that connects to the main sewer, which is the CCSD's public sewer that lateral sewers connect to.

Building sewers and lateral sewers are defined by the Code to serve one lot or parcel under a single ownership (Section 5.04.280), and connect the private sewer system to the District's main sewer lines. Since building sewers and lateral sewers are privately owned their maintenance and repair are the responsibility of the property owner. However, CCSD Code is not clear regarding the responsibility for lateral sewers. The proposed amendment will provide clarification that both building sewers and lateral sewers are the responsibility of the private property owners.

The amendment will also establish procedures for inspection and repair of building and lateral sewers, in order to assure proper maintenance and require that any necessary repairs are made in compliance with CCSD rules and regulations. In addition, the amendment provides that the CCSD will have the authority to recover from a property owner any actual expenses incurred in responding to lateral caused overflows on private property, or any other enforcement expenses incurred by CCSD.

BOARD ACTION: Date _____ Approved: _____ Denied: _____

UNANIMOUS: ___ MACKINNON ___ THOMPSON ___ BAHRINGER ___ CLIFT ___ ROBINETTE ___

ORDINANCE NO. XX-2012

**BOARD OF DIRECTORS
CAMBRIA COMMUNITY SERVICES DISTRICT
DATED: , 2012**

**ORDINANCE AMENDING SECTION 5.04.390 OF THE CAMBRIA
COMMUNITY SERVICES DISTRICT CODE RELATING TO
MAINTENANCE OF BUILDING SEWERS AND LATERAL
SEWERS**

WHEREAS, pursuant to the authority of Government Code Section 61100(b), the Cambria Community Services District (the "District") provides sewer service to inhabitants within its boundaries; and

WHEREAS, Article IV of Chapter 5.04 of Title 5 of the Cambria Community Services District Code contains regulations relating to lateral sewers and the District Board of Directors finds that it is in the best interest of the District, its customers and its sanitary sewer system, to amend those regulations to clarify the maintenance responsibilities for such laterals;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE CAMBRIA COMMUNITY SERVICES DISTRICT DOES ORDAIN AS FOLLOWS:

SECTION 1: Section 5.04.390 of the Cambria Community Services District Code is hereby amended to read as follows:

"5.04.390 - Maintenance of building sewers and lateral sewers."

A. Building sewers, lateral sewers and all connections from the building wall up to and including the connection to the main sewer are the responsibility of the property owner(s) of the connected building. All property owner(s) whose properties are connected to a main sewer or are otherwise connected to the District's sewer system shall, at their own expense, maintain the lateral sewer and ensure that the lateral, or any portion thereof, is free of displaced, offset or open joints, cracks, leaks, inflow or infiltration, root intrusion or other conditions likely to increase the chance for lateral blockage or failure. All property owners shall ensure that laterals drain freely to the main sewer without excessive sags or offsets that collect grease or sediment.

B. No person shall break or cut into or connect to any sewer in any street, easement or right-of-way in the District or under the control of the District, and no maintenance or repair of building sewers which involve uncovering or removing the sewer pipe, shall be started without first securing a permit to do so from the District, except in an emergency in which case a permit shall be obtained at the first reasonable opportunity and no work covered until an inspection by the District has been made. With the exception of any such emergencies, prior to beginning work, plans describing the work to be performed shall be submitted to and approved by the General Manager.

C. The District assumes no responsibility for the accuracy of the any sewer maps on file with the District, or to the existence or non-existence of sewer laterals from the main line to the property line shown therein. Furthermore, the District assumes no responsibility in the event a lateral cannot be located, or if located, the lateral is not in a

suitable location or situated as mapped.

D. Property owners shall inspect, and provide to the District, a report of the results of an inspection of the lateral sewer on their property using closed circuit television (CCTV) inspection or other inspection or test method approved by the General Manager, under the following conditions:

1. When building a new structure on property with an existing lateral, or when otherwise proposing to connect a previously unconnected structure to an existing lateral; and

2. As a condition of approval for continuing service by the District of any building remodel project unless the property owner presents satisfactory proof to the District that the sewer lateral line is less than ten (10) years old or has been replaced within the last ten (10) years; and

3. Upon a sewage overflow emanating from a lateral onto public property, including but not limited to a street or storm drain system, or has flowed onto private property owned by another property owner; and

4. Whenever the District finds that a sewage overflow emanating from a lateral presents a threat to public health or creates a public nuisance, even if it has not flowed across a property line; and

5. Defective laterals that have any of the following conditions: displaced or offset joints, root intrusion, substantial deterioration of the lines, damaged cleanout, defective cleanout, inflow, infiltration or any other condition likely to increase the chance for a lateral blockage or failure. As part of its periodic construction, maintenance and replacement of main sewers, the District may discover defective laterals. The District may order the property owner to conduct an inspection, repair or replacement of any lateral that the District finds to be defective. Existing laterals shall not be used if they are found to be defective or if they fail District mandated inspections or tests, or if they were constructed of materials deemed unacceptable by the General Manager. Whenever a defective lateral is discovered, the property owner, at his/her sole expense, shall repair or replace the lateral. In the absence of a specific deadline, all inspection and testing work shall be completed within 60 days of notification by the District that such inspection is required unless alternative arrangements have been agreed to by the District in writing.

E. The General Manager shall determine the extent of repair required, and such repair, short of complete replacement of the lateral, maybe authorized at the sole discretion of the General Manager. The following requirements for lateral repair or replacements shall be met:

1. A repaired or replaced lateral shall be brought into compliance with the requirements and regulations of the District. Cleanout devices must be installed on all repaired or replaced laterals, and backflow valves shall be required to be installed on laterals meeting the criteria of the District; and

2. A replaced or repaired lateral shall not be covered or backfilled until it has been inspected by a District representative; and

3. Roots, grease, or other material must be prevented from entering the sanitary sewer system during cleaning or repair of sewer laterals. In the event that material is permitted to enter the main causing or contributing to the cause of a sewage spill, the property owner and/or contractor performing such maintenance work, in addition to any criminal penalties imposed, shall be held civilly liable to the District for any fines or other costs or expenses incurred by the District resulting from the spill.

F. It is unlawful for any person or entity to act in a manner inconsistent with the provisions set forth herein. Any person or entity found to be in violation of this Ordinance shall be guilty of a misdemeanor pursuant to Section 1.12.010, and every day such person or entity is in violation shall constitute a new and separate offense pursuant to Section 1.12.020 of this Code. The District shall have the authority to recover from a property owner the District's actual expenses incurred in responding to lateral caused overflows on private property, or any other expenses incurred by the District in enforcing the provisions set forth herein.

SECTION 2: If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance or any part thereof is for any reason held to be unlawful, such decision shall not affect the validity of the remaining portion of this Ordinance or any part thereof. The Board of Directors hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase thereof, irrespective of the fact that any one or more section, subsection, subdivision, paragraph, sentence, clause or phrase be declared unlawful.

SECTION 3: This Ordinance shall become effective thirty (30) days after the date of its adoption.

The foregoing ordinance amendment was adopted at a regular meeting of the Board of Directors of the Cambria Community Services District held on the day of , 2012.

AYES:
NOES:
ABSENT:

Allan S. MacKinnon
President, Board of Directors

APPROVED AS TO FORM:

Kathy A. Choate
District Clerk

Timothy J. Carmel
District Counsel

CAMBRIA COMMUNITY SERVICES DISTRICT

TO: Board of Directors

AGENDA NO. **9.A.**

FROM: Jerry Gruber, General Manager
Alleyne LaBossiere, Finance Manager

Meeting Date: January 19, 2012 Subject: Receive Fiscal Year 2010/2011
Comprehensive Annual Financial
Report (CAFR) by Crosby Company,
Certified Public Accountant

RECOMMENDATIONS:

Receive Fiscal Year 2010/2011 Comprehensive Annual Financial Report (CAFR) by Crosby Company, Certified Public Accountant.

FISCAL IMPACT:

While the final billing has not been received, we have been advised that the cost will not exceed the budgeted amount of \$14,500. It is also noted that Robert (Bob) Crosby, CPA, provided additional services for CCSD Staff at no additional cost during the past year.

DISCUSSION:

A draft of the CCSD's CAFR for the fiscal year ended June 30, 2011 is attached for review. Bob Crosby, CPA, will present a brief summary of the audit and respond to questions and comments from the Board of Directors.

The third paragraph of the Independent Auditors' Report is the auditors' opinion of the CCSD's financial statements and adequacy of internal controls. The auditors issued an unqualified opinion, which states that as of June 30, 2011, the financial statements present fairly, in all material respects, the financial position of the governmental and business-type activities of the CCSD.

The CCSD implemented the requirements of the Governmental Accounting Standards Board Statement (GASB) No. 34 as of the fiscal year ended June 30, 2004. A component of GASB 34 is a Management Discussion and Analysis, which is incorporated in the CAFR. It is not a required component of the financial statements but becomes supplemental information required by GASB. While the auditor is not responsible for the MD&A, he does apply certain limited procedures to it.

The CCSD also implemented the requirements of the GASB No. 45 as of the fiscal year ended June 30, 2010, which required an OPEB (Other Post Employment Benefits) analysis.

Both of the CCSD Enterprise funds (Water and Wastewater) had a net positive cash flow for the fiscal year ended June 30, 2011. For the Wastewater Fund, these surpluses were allocated to the Fund's reserves. The Water Fund had an outstanding loan payable (to the General Fund) balance as of the beginning of the 2010/2011 fiscal year against which the surplus could have been applied. As directed by the CCSD Board of Directors, the Water Fund's surplus was allocated to the Water Fund's reserves to be used to fund the Rodeo Grounds Pump Station and Stuart Street Tank Site Water Storage Environmental and Design Tasks.

Attachment: Draft FY 2010/2011 CAFR

BOARD ACTION: Date _____ Approved: _____ Denied: _____

UNANIMOUS: ___ MACKINNON ___ THOMPSON ___ BAHRINGER ___ CLIFT ___ ROBINETTE ___

**CAMBRIA
COMMUNITY SERVICES DISTRICT**

Independent Auditor's Report
and
Financial Statements

For the Year Ended
June 30, 2011

CAMBRIA COMMUNITY SERVICES DISTRICT
INDEPENDENT AUDITOR'S REPORT AND FINANCIAL STATEMENTS
For the Year Ended June 30, 2011

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CAMBRIA COMMUNITY SERVICES DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2011

Our discussion and analysis of the Cambria Community Services District's (CCSD) financial performance provides an overview of the CCSD's financial activities for the fiscal year ended June 30, 2011. The Management's Discussion & Analysis is to be read in conjunction with the CCSD's financial statements, which follow this section.

The Cambria Community Services District is a multi-purpose special district formed on December 9, 1976. Formation took place under the Community Services District Law, Section 61000, et. seq. of the California Government Code. At the time of formation it absorbed and combined the responsibilities of five existing special districts. These independently operated districts were as follows:

- The Cambria Community Services District - Moonstone Beach Drive area
- The Cambria County Water District
- The Cambria Fire Protection District
- The Cambria Garbage Disposal District
- San Luis Obispo County Service Area No. 6 - Street Lighting Service

The CCSD is a political subdivision of the State of California and operates under a Board of Directors-Manager form of government. A five-member Board of Directors governs it with each member serving a four-year term. The CCSD has a population of 6,400 residents within its boundaries. Tourism in the summer months and on holiday weekends creates seasonal increases in the population. The CCSD provides the following services:

- Water
- Wastewater
- Fire Protection
- Facilities and Resources
- Parks and Recreation
- Resource Conservation
- Administration

Fund Financial Statements

The accounting system of the CCSD is organized and operated on a fund basis. A fund is considered a separate self-balancing entity with assets, liabilities, fund equity, revenues, and expenditures/expenses.

The basis of accounting depends on the fund. Basis of accounting refers to "when" revenues and expenses are recognized in the accounts and reported in the financial statements.

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Governmental funds use the modified-accrual basis of accounting. Revenues are recognized when measurable and available as net current assets. Measurable means the amounts can be estimated or determined. Available means the amounts were collected during the reporting period or soon enough to finance the expenditures accrued for the reporting period.

Enterprise or business-like funds use the accrual basis of accounting. Revenues, expenses, assets and liabilities are recognized when the event happens.

Financial Statements

There are two government-wide financial statements that include all of the CCSD's funds. These are:

- STATEMENT OF NET ASSETS
- STATEMENT OF ACTIVITIES

The Statement of Net Assets includes all of the CCSD's assets and liabilities, with the difference between the two reported as net assets. Net assets may be displayed in the following categories:

- Invested in Capital Assets, Net of Related Debt
- Restricted Net Assets
- Unrestricted Net Assets

The Statement of Net Assets provides the basis for computing rate of return, evaluating the capital structure of the CCSD and assessing the liquidity and financial flexibility of the CCSD.

The Statement of Activities includes all of the CCSD's individual functions presented using the accrual basis of accounting. One objective of the Statement of Activities is to report the relative financial burden of each of the CCSD's functions.

The remainder of the CCSD's financial statements is grouped into 2 categories:

- Governmental Activities
- Business-Type Activities

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Governmental Activities

Governmental activities include the following funds:

- General Fund
- Resource Conservation Fund

The General Fund includes the following Departments:

- Fire Department
- Administration
- Facilities and Resources
- Parks and Recreation

The CCSD's financial statements for governmental activities include six components:

- BALANCE SHEET
- RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET ASSETS
- STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
- RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
- STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-Budget and Actual-Governmental Funds
- NOTES TO THE FINANCIAL STATEMENTS

The Balance Sheet-Governmental Funds first presents the CCSD's assets (resources it controls that enable it to provide services), liabilities (financial obligations) and fund balance (in essence, what would be left over if the assets were used to satisfy the liabilities). The assets and liabilities are current in nature. Notably absent are capital assets. This is due to the statement being presented using the modified accrual basis of accounting. Fund balance is the difference between assets and liabilities. Fund balance is reported in up to five classifications, which are as follows:

- Nonspendable-amounts that are not in a spendable form, such as Prepaid Expenses or Deposits.
- Restricted-amounts constrained to specific purposes by their providers through constitutional provisions or legislation.
- Committed-amounts constrained to specific purposes by the government itself using its highest level of decision-making authority.

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- Assigned-amounts a government intends to use for a specific purpose.
- Unassigned-amounts that are available for any purpose. These amounts are only found in the general fund.

In prior years, Fund Balance was reported in up to three components; Reserved, Designated and Unreserved. GASB 54 was issued to clarify Fund balance reported as well as to provide additional information.

The Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets is the final component of the Balance Sheet. The reconciling items explain the differences in the accounting bases (the presence of capital assets and long-term liabilities in the government-wide financial statements, but their absence in the governmental funds).

The Statement of Revenues, Expenditures, and Changes in Fund Balances is the governmental funds' income statement, tracking the flow of resources in as Revenues and out as Expenditures. Revenues and Expenditures are not the only resources that flow in and out. Other financing sources (uses) identify transfers in and out of the governmental funds. Besides the fact that transfers are neither revenues nor expenditures, they are shown separately to assist the statement reader in assessing the balance between ongoing revenues and expenditures related to the basic operations of the CCSD. For this same reason, special items such as prior period adjustments (corrections of material errors related to a prior period or periods) are shown separately.

The Reconciliation of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities describes the differences between change in fund balance and change in governmental activities net assets in the government-wide statement of activities. Items are individually described.

The Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual-Governmental Funds compares the budgeted amounts to the actual amounts.

The Notes to the Financial Statements are disclosures presented to assist the reader in understanding the information found in the financial statements.

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Business-Type Activities

Business-type activities include the following funds:

- Water Fund
- Wastewater (Sewer) Fund

The CCSD's financial statements for business-type activities include four components:

- STATEMENT OF NET ASSETS-Proprietary Funds
- STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET ASSETS-Proprietary Funds
- STATEMENT OF CASH FLOWS-Proprietary Funds
- NOTES TO THE FINANCIAL STATEMENTS

The Statement of Net Assets includes all of the proprietary funds' assets and liabilities, with the difference between the two reported as net assets. Net assets may be displayed in the following categories:

- Invested in Capital Assets, Net of Related Debt
- Restricted Net Assets
- Unrestricted Net Assets

The Statement of Net Assets provides the basis for computing rate of return, evaluating the capital structure of the Water and Wastewater Funds and assessing their liquidity and financial flexibility.

The Statement of Revenues, Expenditures, and Changes in Net Assets presents information which shows how the Water and Wastewater Fund's net assets changed during the year. All of the current year's revenues and expenditures are recorded when the underlying transaction occurs, regardless of the timing of the related cash flows. The Statement of Revenues, Expenditures, and Changes in Fund Balance measures the success of the CCSD's operations over the past year and determines whether the CCSD has recovered its costs through user fees, property taxes and other changes.

The Statement of Cash Flows provides information regarding the Water and Wastewater Fund's cash receipts and cash disbursements during the fiscal year. The statement reports cash activity in three categories:

- Operations
- Capital and Related Financing
- Noncapital Financing

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Notes to the Financial Statements

The Notes to the Financial Statements are disclosures presented to assist the reader in understanding the information found in the financial statements.

NOTE 1 is required in all financial statements, even in cases where only the minimum notes are given. It provides a brief description of the CCSD; which financial statements are provided; how activity is recorded/reported; the accounting basis on which the financial statements are presented; certain financial policies of the CCSD, such as its capitalization policy and some definition of terms.

NOTE 2 provides information related to the CCSD's cash and investments such as how much cash is on-hand, how much is in the CCSD's bank accounts and how much is held in the Local Agency Investment Fund (LAIF). LAIF is a voluntary program offered to California's local governments to allow them to participate in a major portfolio. It is administered by the California State Treasurer. It has the same objectives in its investment policy as does the CCSD (Safety, Liquidity and Yield, in that order). LAIF does not invest in securities or derivatives and no agency has ever lost funds invested in LAIF. It is not subject to seizure by the State of California. On June 30, 2011, the fair market value of LAIF's investments was slightly in excess of the cost plus accrued interest of those assets. Slightly over 50% of LAIF's funds were invested in United States Treasury Bills/Notes.

NOTE 3 provides additional information on the CCSD's Property, Plant and Equipment (Fixed Assets). This is mainly in the form of showing the amounts added and deleted for a given fiscal year by type of asset.

NOTE 4 provides additional information on the CCSD's accrued liabilities.

NOTE 5 provides additional information on the CCSD's Long-Term Debt such as original balances, interest rates and annual amounts due.

NOTE 6 provides additional information related to the refinancing of a debt obligation.

NOTE 7 provides information related to the CCSD's pension plan such as the actuarial assumptions.

NOTE 8 is required by the Governmental Accounting Standards Board (GASB) Statements 43 & 45. While the note is titled Post-Employment Benefits, the purpose of the note is to report on Other Post-Employment Benefits (OPEB) with "Other" signifying other than pensions. For the purposes of the CCSD, this means retiree healthcare benefits. The amount shown is based on an actuarial prepared "in-house". The actuarial is based on the number of employees, retirees and their spouses as well as their ages (and presumed life spans) and presumed retirement dates as of June 30, 2009. The estimated costs are projected forward through the year 2069. (It should be noted that while there were 30 eligible employees as of June 30, 2009, there were 24 eligible employees as of June 30, 2011 although there were unfilled vacancies).

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The CCSD currently operates on a “pay as you go” basis for OPEB. Current retiree costs are fully paid, but nothing is set-aside for future benefits. To account for these future benefits an additional expenditure of \$265,946 was recorded as a future obligation, with no outflow of cash. \$180,784 of this balance is related to the Governmental Funds, \$47,350 is related to the Water Fund and \$37,812 is related to the Wastewater Fund. The CCSD’s OPEB amounts were compared to other governmental entities and appeared consistent with the other entities once staffing levels were factored.

Economic Factors and Budget

The United States and especially California’s economy took a significant turn for the worse in the past few years. This downturn continued through the 2010-2011 fiscal year. A large component of the downturn is depressed prices for real property. This negatively impacted property tax revenue, although the impact to the CCSD was less than for San Luis Obispo County as a whole and much less than for all of California. Ad valorem property tax revenue decreased by \$96,015 (4.9%) for fiscal year 2010-2011 from fiscal year 2008-2009 after deducting the County’s administrative charge. From fiscal year 2006-2007 to fiscal year 2008-2009, ad valorem property tax revenue had increased by \$163,984 (9.2%). The economic situation also may be impacting utility sales, although this is not readily discernable. While water and sewer sales decreased \$89,144 (2.7%) for fiscal year 2010-2011 from fiscal year 2009-2010, because sales are thought to be partially driven by weather conditions, the exact cause is unknown.

Two significant factors other than the general economic situation, impact the financial strength of the CCSD. They are:

- Minimal impact fee revenue; and
- Stagnate customer base

These conditions present significant fiscal challenges to the CCSD. Having only minimal capital revenue results in capital outlays being financed by operating revenue or by transfers from the General Fund. A stagnate customer base results in lost economies of scale. To meet these challenges, the CCSD increased water fees by 9.75% and sewer fees by 15% as of July 1, 2009 and reduced staffing and employee benefits costs as well as reducing other operating costs. A hiring freeze was imposed by the Board of Directors and two Administrative Technicians (Administration Department) were laid off. In addition to these two positions, the Utilities Manager/Assistant General Manager, Assistant Fire Chief, Assistant Finance Manager, (a) Water Operator, (a) Wastewater Operator and Administrative Technician (Fire Department) positions are being left vacant.

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Management, confidential firefighter and all newly hired employees began to contribute to their pensions. After increasing from \$2,563,201 in fiscal year 2007-2008 to \$2,566,283 in fiscal year 2008-2009, total salaries and wages decreased to \$2,386,305 in fiscal year 2009-2010 and to \$2,299,794 (this figure does not include the severance pay paid to the previous General Manager) in fiscal year 2010-2011. This is a decrease of \$266,489, or 10.4%. The preceding amounts include all salaries and wages, including any capitalized amounts.

Retirement is the most expensive employee benefit of the CCSD. The annual pension cost decreased from \$675,070 in fiscal year 2007-2008 to \$647,662 in fiscal year 2008-2009, to \$628,216 in fiscal year 2009-2010, and to \$553,184 in fiscal year 2010-2011. This is a decrease of \$121,886, or 18.1%. While a portion of this decrease is due to reduced contribution rates, the majority is due to reduced staffing and increased employee contributions.

Employee health insurance is the second most expensive employee benefit of the CCSD. The annual employee medical insurance cost decreased from \$349,459 in fiscal year 2007-2008 to \$341,026 in fiscal year 2008-2009, to \$242,246 in fiscal year 2009-2010 (approximately \$48,449 of this decrease was due to a two-month premium "holiday" from paying monthly premiums due to excess profits of the provider) and increased to \$253,951 in fiscal year 2010-2011. This is an overall decrease of \$95,508 or 27.3%. The CCSD changed the insurance plan from a PPO to a HMO January 1, 2010, which reduced its contribution (employees staying in the PPO paid all of the excess cost) although the HMO rates have since increased so that they are now higher than that the 2009 PPO rates were.

The third most expensive employee benefit of the CCSD is retiree health insurance. It increased \$174,820 in fiscal year 2007-2008 to \$178,943 in fiscal year 2008-2009, it decreased to \$178,255 in fiscal year 2009-2010 and increased to \$192,722 in fiscal year 2010-2011. This is an overall increase of \$17,902 or 9.3%.

The preceding amounts include all benefits, including any capitalized amounts.

After decreasing for several years, the CCSD's total Cash and Investments was \$4,265,148 as of June 30, 2009. It increased to \$4,499,040 as of June 30, 2010 and decreased to \$4,386,277 as of June 30, 2011. However, while the balance decreased \$112,763, it would have increased by \$293,084 if the capital lease for the fire pumper had not been paid off early and the severance package for the prior general manager had not occurred.

The Board of Directors approved the operating budget for fiscal year 2011-2012 on June 23, 2011. Surpluses were projected for all funds as follows: Water-\$34,515; Wastewater (Sewer)-\$9,553; Governmental (General and Resource Conservation)-\$19,640.

CAMBRIA COMMUNITY SERVICES DISTRICT
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Fiscal Year 2010/2011 Financial Highlights

The following information is provided to give readers of these financial statements further information by providing additional detail, summations and/or by presenting information in a different format than the financial statements as well as by providing narrative comments.

This section is based on the STATEMENT OF NET ASSETS (Pg. 3) and the RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET ASSETS (Pg. 6).

	FISCAL YEAR 2010/2011	FISCAL YEAR 2009/2010	INCREASE/ (DECREASE)
CASH & INVESTMENTS			
Total Cash & Investments-Gov't Activities	3,843,406	4,256,640	(413,234)
Total Cash & Investments-Business Activities	542,871	242,400	300,471
TOTAL CASH & INVESTMENTS	4,386,277	4,499,040	(112,763)
OTHER ASSETS-GOV'T ACTIVITIES			
Current Receivables-Gov't Activities	188,139	154,559	33,580
Prepaid Costs-Gov't Activities	8,544	5,453	3,091
Due From Other Funds-Gov't Activities	157,726	157,726	0
TOTAL OTHER ASSETS-GOV'T ACTIVITIES	354,409	317,738	36,671
OTHER ASSETS-BUSINESS ACTIVITIES			
Current Receivables-Business Activities	712,762	664,712	48,050
Prepaid Costs-Business Activities	991	201	790
Intangible Assets (WMP)-Business Activities	1,611,290	1,611,290	0
Deferred Loss on Bond Refunding-Business	124,035	242,358	(118,323)
TOTAL OTHER ASSETS-BUSINESS ACTIVITIES	2,449,078	2,518,561	(69,483)
CAPITAL ASSETS			
Capital Assets-Net of Depreciation-Gov't Activities	16,673,305	16,829,670	(156,365)
Capital Assets-Net of Depreciation-Business Activities	22,993,269	24,025,195	(1,031,926)
TOTAL CAPITAL ASSETS	39,666,574	40,854,865	(1,188,291)
TOTAL ASSETS			
Total Assets-Gov't Activities	20,871,120	21,404,048	(532,928)
Total Assets-Business Activities	25,985,218	26,786,156	(800,938)
TOTAL ASSETS	46,856,338	48,190,204	(1,333,866)
CURRENT LIABILITIES-GOV'T ACTIVITIES			
Payables & Accrued Expenses-Gov't Activities	387,336	350,944	36,392
Refundable Deposits-Gov't Activities	4,444	4,279	165
Deferred Revenue-Gov't Activities	6,053	1,000	5,053
Capital Lease Payable-Gov't Activities	0	36,426	(36,426)
TOTAL CURRENT LIABILITIES-GOV'T ACTIVITIES	397,833	392,649	5,184
CURRENT LIABILITIES-BUSINESS ACTIVITIES			
Payables & Accrued Expenses-Business Activities	214,152	254,590	(40,438)
Refundable Deposits-Business Activities	36,600	34,780	1,820
Deferred Revenue-Business Activities	101,831	15,000	86,831
Due To Other Funds-Business Activities	157,726	157,726	0
Loans/Notes/Bonds Payable-Business Activities	484,012	455,973	28,039
TOTAL CURRENT LIABILITIES-BUSINESS ACTIVITIES	994,321	918,069	76,252

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	FISCAL YEAR 2010/2011	FISCAL YEAR 2009/2010	INCREASE/ (DECREASE)
LONG-TERM LIABILITIES (EXTERNAL)-GOV'T ACTIVITIES			
Capital Lease Payable-Gov't Activities	0	211,902	(211,902)
Compensated Absences-Gov't Activities	217,863	259,109	(41,246)
TOTAL LONG-TERM LIABILITIES (EXTERNAL)-GOV'T ACTIVITIES	217,863	471,011	(253,148)
LONG-TERM LIABILITIES (EXTERNAL)-BUSINESS ACTIVITIES			
Loans/Notes/Bonds Payable-Business Activities	2,733,296	3,217,308	(484,012)
Compensated Absences-Business Activities	101,907	123,121	(21,214)
TOTAL L/T LIABILITIES (EXTERNAL)-BUSINESS ACTIVITIES	2,835,203	3,340,429	(505,226)
NET ASSETS-GOV'T ACTIVITIES			
Invested in Capital Assets-Net of Related Debt	16,673,305	16,581,342	91,963
Unrestricted	3,582,119	3,959,046	(376,927)
TOTAL NET ASSETS-GOV'T ACTIVITIES	20,255,424	20,540,388	(284,964)
NET ASSETS-BUSINESS ACTIVITIES			
Invested in Capital Assets-Net of Related Debt	19,775,961	20,351,914	(575,953)
Unrestricted	2,379,733	2,175,744	203,989
TOTAL NET ASSETS-BUSINESS ACTIVITIES	22,155,694	22,527,658	(371,964)
NET ASSETS			
Net Assets-Gov't Activities	20,255,424	20,540,388	(284,964)
Net Assets-Business Activities	22,155,694	22,527,658	(371,964)
TOTAL NET ASSETS	42,411,118	43,068,046	(656,928)
TOTAL ASSETS-GOV'T ACTIVITIES	20,871,120	21,404,048	(532,928)
LESS: TOTAL LIABILITIES-GOV'T ACTIVITIES	(615,696)	(863,660)	247,964
TOTAL NET ASSETS-GOV'T ACTIVITIES	20,255,424	20,540,388	(284,964)
TOTAL ASSETS-BUSINESS ACTIVITIES	25,985,218	26,786,156	(800,938)
LESS: TOTAL LIABILITIES-BUSINESS ACTIVITIES	(3,829,524)	(4,258,498)	428,974
TOTAL NET ASSETS-BUSINESS ACTIVITIES	22,155,694	22,527,658	(371,964)
Total Capital Lease Payable-Gov't Activities	0	248,328	(248,328)
Total Loans/Notes/Bonds Payable-Business Activities	3,217,308	3,673,281	(455,973)

As of June 30, 2011, CCSD Cash and Investments exceed all debts owed to external entities by approximately \$98,500.

As of June 30, 2010, all debts owed to external entities exceeded the CCSD Cash and Investments by approximately \$465,400.

CAMBRIA COMMUNITY SERVICES DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
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This section is based on the BALANCE SHEET-Governmental Funds (Pg. 5) and the RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET ASSETS (Pg. 6).

	FISCAL YEAR 2010/2011	FISCAL YEAR 2009/2010	INCREASE/ (DECREASE)
TOTAL ASSETS	4,197,815	4,574,378	(376,563)
TOTAL LIABILITIES	(217,049)	(175,439)	(41,610)
Fund Balance-Nonspendable	43,636	N/A	43,636
Fund Balance-Assigned	3,937,130	N/A	3,937,130
Fund Balance-Reserved	N/A	11,084	(11,084)
Fund Balance-Unreserved	N/A	4,387,855	(4,387,855)
TOTAL FUND BALANCE-Governmental Funds	3,980,766	4,398,939	(418,173)
CAPITAL ASSETS	16,673,305	16,829,670	(156,365)
Other Post Employment Benefits Payable	(180,784)	(180,784)	0
Capital Lease Payable	0	(248,328)	248,328
Compensated Absences	(217,863)	(259,109)	41,246
NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>20,255,424</u>	<u>20,540,388</u>	<u>(284,964)</u>

The Government Accounting Standards Board (GASB) issued Statement #54, which regulates how fund balances are to be reported. Previously, "Reserved, Designated" and "Unreserved" were used as fund balance classifications. GASB # 54 designates that the terms "Nonspendable, Restricted, Committed, Assigned" and "Unassigned" to be used. these classifications signify the spending constraints with Nonspendable having the most constraints and Unassigned having the fewest constraints.

Other Post Employment Benefits (OPEB) Payable is the same balance as of June 30, 2011 as it was as of June 30, 2010 due to the same actuarial being used for both periods as allowed by GASB Statement #45. As the number of active employees decreased from 28 in June, 2010 to 24 in June 2011, if a new actuarial reflected had been done, it may well have reflected a decreased liability.

This section is based on the STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-Governmental Funds (Pg. 7) and the STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS-Proprietary Funds (Pg. 11).

TOTAL OPERATING REVENUES			
Total Revenue-Gov't Activities	3,751,216	3,965,464	(214,248)
Total Revenue-Business Activities	3,697,318	3,720,885	(23,567)
TOTAL REVENUES	7,448,534	7,686,349	(237,815)

The majority of the decrease in Total Revenue-Governmental Activities is due to a decrease of \$122,217 in Administrative Service Charges, the great majority of which are departmental Administrative Overhead charges. This results in an offsetting decrease in expenditures. The next largest decrease is a reduction of \$47,664 in (property) taxes and assessments. The third largest decrease is a \$33,805 reduction in grant revenue, which would be offset by a reduction in grant expenditures for the most part. These three items account for \$203,686, or 95.1%, of the overall decrease.

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	FISCAL YEAR 2010/2011	FISCAL YEAR 2009/2010	INCREASE/ (DECREASE)
TOTAL EXPENDITURES			
Total Expenditures-Gov't Activities	4,169,389	3,836,614	332,775
Total Expenditures-Business Activities	<u>4,212,959</u>	<u>4,212,295</u>	<u>664</u>
TOTAL EXPENDITURES	8,382,348	8,048,909	333,439

Two transactions occurred during Fiscal Year 2010/2011 that increased Total Expenditures-Governmental Activities by \$405,847. The capital lease payable for a fire pumper engine was paid off early (to save future interest expense). This increased expenditures by \$216,141. The second item was the payment of the severance package for the previous General Manager, which increased expenditures by \$189,706.

NON-OPERATING REVENUES

Non-Operating Revenue-Gov't Activities	N/A	N/A	N/A
Non-Operating Revenue-Business Activities	<u>293,695</u>	<u>294,544</u>	<u>(849)</u>
TOTAL NON-OPERATING REVENUES	293,695	294,544	(849)

Non-Operating Revenue-Business Activities is almost entirely Standby Availability revenue with much lesser amounts for Interest and Connection Fee revenue.

NON-OPERATING EXPENDITURES

Non-Operating Expenditures-Gov't Activities	N/A	N/A	N/A
Non-Operating Expenditures-Business Activities	<u>150,018</u>	<u>194,980</u>	<u>(44,962)</u>
TOTAL NON-OPERATING EXPENDITURES	150,018	194,980	(44,962)

Non-Operating Expenditures-Business Activities Interest Expense for the great majority with a \$12,940 loss on the disposal of equipment in fiscal year 2009/2010.

This section is based on the STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-Budget and Actual-Governmental Funds (Pg. 9).

REVENUES

Property Taxes and Assessments	2,250,275	2,297,939	(47,664)
Grant Income	49,743	83,548	(33,805)
Weed Abatement	61,893	62,972	(1,079)
Franchise Fees	68,039	68,089	(50)
Use of money & property	20,901	27,132	(6,231)
Charges for Administrative Services	1,244,901	1,367,118	(122,217)
Other	<u>55,464</u>	<u>58,666</u>	<u>(3,202)</u>
TOTAL REVENUES	3,751,216	3,965,464	(214,248)

EXPENDITURES

Administration	1,578,060	1,320,154	257,906
Fire	1,684,703	1,780,744	(96,041)
Parks & Recreation	34,513	12,420	22,093
Facilities & Resources	476,792	450,713	26,079
Resource conservation	128,954	147,437	(18,483)
Capital Outlay	1,161	76,080	(74,919)
Debt Service:			
Principal	248,328	34,662	213,666
Interest	<u>16,878</u>	<u>14,404</u>	<u>2,474</u>
TOTAL EXPENDITURES	<u>4,169,389</u>	<u>3,836,614</u>	<u>332,775</u>

CAMBRIA COMMUNITY SERVICES DISTRICT
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	FISCAL YEAR 2010/2011	FISCAL YEAR 2009/2010	INCREASE/ (DECREASE)
EXCESS OF REVENUES OVER/(UNDER) EXPENDITURES	(418,173)	128,850	<u>(547,023)</u>
Fund Balance at Beginning of Year	<u>4,398,939</u>	<u>4,270,089</u>	
Fund Balance at End of Year	<u><u>3,980,766</u></u>	<u><u>4,398,939</u></u>	

In addition to the previously noted severance package costs of \$189,706, Administration's Expenditures increased by \$22,763 for Maintenance & Repairs and Professional Fees increased by \$14,414.

This section is based on the STATEMENT OF NET ASSETS-Proprietary Funds (Pg. 10).

Current Assets	1,256,624	907,313	349,311
Capital Assets	50,216,430	49,987,194	229,236
Accum. Depreciation	(27,223,161)	(25,961,999)	(1,261,162)
Other Assets	1,735,325	1,853,648	(118,323)
Total Assets	<u>25,985,218</u>	<u>26,786,156</u>	<u>(800,938)</u>
Current Liabilities	994,321	918,069	76,252
Non-Current Liabilities	2,835,203	3,340,429	(505,226)
Total Liabilities	<u>3,829,524</u>	<u>4,258,498</u>	<u>(428,974)</u>
Net Assets-Invested in Cap	19,775,961	20,351,914	(575,953)
Net Assets-Unrestricted	2,379,733	2,175,744	203,989
Total Net Assets	<u>22,155,694</u>	<u>22,527,658</u>	<u>(371,964)</u>

The increase in Current Assets is mainly due to an increase in Cash & Investments of \$300,471.

The decrease in Non-Current Liabilities is mainly due to a decrease in Notes/Loans/Bonds Payable of \$484,012.

This section is based on the STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-Proprietary Funds (Pg. 11).

Utility Sales	3,673,229	3,710,851	(37,622)
Services Charges & Fees	24,089	10,034	14,055
Total Operating Revenues	<u>3,697,318</u>	<u>3,720,885</u>	<u>(23,567)</u>
Salaries & Wages	606,910	672,478	(65,568)
Payroll Taxes & Benefits	418,688	513,489	(94,801)
Maintenance & Repairs	331,544	315,947	15,597
Utilities	320,647	303,210	17,437
Professional Services	111,793	92,656	19,137
Operating Supplies	105,004	91,376	13,628
Licenses & Fees	65,034	63,671	1,363
Depreciation & Amortization	1,403,485	1,303,119	100,366
General & Admin OH	789,751	794,023	(4,272)
Other	60,103	62,326	(2,223)
Total Operating Expenses	<u>4,212,959</u>	<u>4,212,295</u>	<u>664</u>
Operating Income (Loss)	(515,641)	(491,410)	(24,231)

CAMBRIA COMMUNITY SERVICES DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ending June 30, 2011

	FISCAL YEAR 2010/2011	FISCAL YEAR 2009/2010	INCREASE/ (DECREASE)
Availability Charges	292,462	292,102	360
Connection Fees	0	2,245	(2,245)
Investment Income	1,166	197	969
Other Income	67	0	67
	<u>293,695</u>	<u>294,544</u>	<u>(849)</u>
Non-Operating Income			
Interest expense	150,018	182,040	(32,022)
Loss on disposition of Assets	0	12,940	(12,940)
	<u>150,018</u>	<u>194,980</u>	<u>(44,962)</u>
Non-Operating Expenses			
Change in Net Assets	(371,964)	(391,846)	<u>19,882</u>
Net Assets @ Beg, of Year	<u>22,527,658</u>	<u>22,919,504</u>	
FB @ End of Year	<u>22,155,694</u>	<u>22,527,658</u>	

The increase in Depreciation & Amortization is mainly due to the amortization recognized due to the refinancing of the CCSD outstanding bonds.

This section is based on the STATEMENT OF CASH FLOWS (Pg. 12).

Net Cash Provided by Operating Activities	842,003	973,611	(131,608)
Net Cash Used by Capital and Related Financing Activities	(542,765)	(758,959)	216,194
Net Cash Provided by Investing and Non-Operating Activities	1,233	197	1,036
Net Change in Cash	300,471	214,849	<u>85,622</u>
Cash and Cash Equivalents -Beginning of Fiscal Year	<u>242,400</u>	<u>27,551</u>	
Cash and Cash Equivalents -End of Fiscal Year	<u>542,871</u>	<u>242,400</u>	

The Net Cash Used by Capital and Related Financing Activities decrease is mainly a result of a decrease of \$205,402 in the Purchase of Capital Assets.

This section is based on information found in the NOTES TO THE FINACIAL STATEMENTS (Pg. 20).

CAPITAL ASSETS-GOVERNMENTAL ACTIVITIES

Land & Trails	14,964,063	14,964,063	0
Bldg & Leasehold Improvements	1,753,270	1,753,270	0
Machinery & Equipment	1,682,239	1,772,176	(89,937)
Construction In Progress	219,961	220,550	(589)
	<u>18,619,533</u>	<u>18,710,059</u>	<u>(90,526)</u>
Total Capital Assets @ Cost			
Less: Accumulated Depreciation	<u>(1,946,228)</u>	<u>(1,880,389)</u>	<u>(65,839)</u>
CAPITAL ASSETS-GOV'T ACTIVITIES (Net of Depreciation)	<u>16,673,305</u>	<u>16,829,670</u>	<u>(156,365)</u>

CAMBRIA COMMUNITY SERVICES DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ending June 30, 2011

	FISCAL YEAR 2010/2011	FISCAL YEAR 2009/2010	INCREASE/ (DECREASE)
CAPITAL ASSETS-BUSINESS ACTIVITIES			
Land	2,274,379	2,274,379	0
Buildings & Facilities	41,380,625	41,380,625	0
Machinery & Equipment	1,386,048	1,386,048	0
Construction In Progress	<u>5,175,378</u>	<u>4,946,142</u>	<u>229,236</u>
Total Capital Assets @ Cost	50,216,430	49,987,194	229,236
Less: Accumulated Depreciation	<u>(27,223,161)</u>	<u>(25,961,999)</u>	<u>(1,261,162)</u>
CAPITAL ASSETS-GOV'T ACTIVITIES (Net of Depreciation)	<u><u>22,993,269</u></u>	<u><u>24,025,195</u></u>	<u><u>(1,031,926)</u></u>

CAMBRIA COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS AND ADMINISTRATION
June 30, 2011

BOARD OF DIRECTORS

<u>NAME</u>	<u>TERM EXPIRES</u>
Muril Clift, President	December 2012
Allan MacKinnon, Vice President	December 2012
Jim Bahringer, Director	December 2014
Frank De Micco, Director	December 2012
Michael Thompson, Director	December 2014

ADMINISTRATION

Jerry Gruber	General Manager
Tim Carmel	District Counsel
Kathy Choate	District Clerk

CROSBY COMPANY, CERTIFIED PUBLIC ACCOUNTANT

1457 MARSH STREET, SUITE 100 - SAN LUIS OBISPO, CA 93401

PHONE: (805)543-6100 FAX: (805)858-9505

Independent Auditor's Report

Board of Directors
Cambria Community Services District
Cambria, California

I have audited the accompanying financial statements of the governmental activities and the business-type activities of Cambria Community Services District (CCSD), as of and for the year ended June 30, 2011, which collectively comprise CCSD's basic financial statements as listed in the table of contents. These financial statements are the responsibility of CCSD's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with U.S. generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental and the business-type activities of the Cambria Community Services District as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

The management's discussion and analysis on pages i through xv, are not a required part of the basic financial statements but are supplementary information required by U.S. generally accepted accounting principles. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, I did not audit the information and express no opinion on it.

The management's budgetary comparison information on page 9 is not a required part of the basic financial statements but is supplementary information required by U.S. generally accepted accounting principles. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of required supplementary information. However, I did not audit the information and express no opinion on it.

CROSBY COMPANY
Certified Public Accountant

November 9, 2011

CAMBRIA COMMUNITY SERVICES DISTRICT

STATEMENT OF NET ASSETS

June 30, 2011

ASSETS	Primary Government		
	Governmental Activities	Business-type Activities	Total
Cash and investments	\$ 3,843,406	\$ 542,871	\$ 4,386,277
Receivables:			
Interest receivable	5,184		5,184
Taxes	59,804		59,804
Grants	10,969		10,969
Other	77,090	712,762	789,852
Prepaid costs	35,092	991	36,083
Deposits	8,544		8,544
Due from other funds	157,726		157,726
Intangible-water master plan		1,611,290	1,611,290
Deferred loss on refunding, net of accumulated amortization		124,035	124,035
Capital assets:			
Nondepreciable	15,184,024	7,449,757	22,633,781
Depreciable, net	1,489,281	15,543,512	17,032,793
Total capital assets, net of depreciation	16,673,305	22,993,269	39,666,574
 Total assets	\$ 20,871,120	\$ 25,985,218	\$ 46,856,338
 LIABILITIES			
Accounts payable	\$ 106,599	\$ 66,801	\$ 173,400
Accrued expenses	280,737	122,567	403,304
Accrued interest payable		24,784	24,784
Refundable deposits	4,444	36,600	41,044
Deferred revenue	6,053	101,831	107,884
Due to other funds		157,726	157,726
Long-term liabilities			
Due within one year		484,012	484,012
Due within more than one year	217,863	2,835,203	3,053,066
Total liabilities	615,696	3,829,524	4,445,220
 NET ASSETS			
Invested in capital assets-net of related debt	16,673,305	19,775,961	36,449,266
Unrestricted	3,582,119	2,379,733	5,961,852
 Total net assets	\$ 20,255,424	\$ 22,155,694	\$ 42,411,118

CAMBRIA COMMUNITY SERVICES DISTRICT

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2011

Net (Expense) Revenue and Change in Net Assets
Primary Government

Functions/Programs

Program Revenues

Primary government:	Expenses	Charges for Services	Operating Grants	Governmental Activities	Business-type Activities	Totals
Governmental activities:						
Administration	\$ 1,562,423	\$ 1,244,901	\$ -	\$ (317,522)		\$ (317,522)
Fire	1,786,890	61,893	45,437	(1,679,560)		(1,679,560)
Parks and recreation	34,513		4,306	(30,207)		(30,207)
Facilities and resources	505,459			(505,459)		(505,459)
Resource conservation	128,267			(128,267)		(128,267)
Interest on long-term debt	16,878			(16,878)		(16,878)
Total governmental activities	4,034,430	1,306,794	49,743	(2,677,893)		(2,677,893)
Business-type activities:						
Water	1,945,757	1,758,364			\$ (187,393)	(187,393)
Wastewater	2,417,220	1,938,954			(478,266)	(478,266)
Total business-type activities	4,362,977	3,697,318			(665,659)	(665,659)
Total primary government	\$ 8,397,407	\$ 5,004,112	\$ 49,743	(2,677,893)	(665,659)	(3,343,552)
General revenues:						
Taxes:						
Property taxes and assessments				2,250,275		2,250,275
Availability charges					292,462	292,462
Franchise taxes				68,039		68,039
Investment income				20,901	1,166	22,067
Other income				53,714	67	53,781
Total general revenues, investment and other income				2,392,929	293,695	2,686,624
Change in net assets				(284,964)	(371,964)	(656,928)
Net assets - beginning				20,540,388	22,527,658	43,068,046
Net assets - ending				\$ 20,255,424	\$ 22,155,694	\$ 42,411,118

The accompanying notes are an integral part of these financial statements

DRAFT

CAMBRIA COMMUNITY SERVICES DISTRICT

BALANCE SHEET Governmental Funds June 30, 2011

	General Fund
ASSETS	
Cash and investments	\$ 3,843,406
Receivables:	
Interest	5,184
Taxes	59,804
Grants	10,969
Other	77,090
Prepaid items	35,092
Deposits	8,544
Amount due from other funds	157,726
 Total assets	 \$ 4,197,815
LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts payable	\$ 106,599
Accrued expenses	99,953
Refundable deposits	4,444
Deferred revenue	6,053
 Total liabilities	 217,049
Fund balances:	
Nonspendable	43,636
Assigned	3,937,130
 Total fund balances	 3,980,766
 Total liabilities and fund balances	 \$ 4,197,815

CAMBRIA COMMUNITY SERVICES DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
 June 30, 2011

Total fund balances - government funds

\$ 3,980,766

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

16,673,305

Long-term liabilities and compensated absences have not been included in the governmental funds activity:

Other post employment benefits payable
 Compensated absences

(180,784)
 (217,863)

Net assets of governmental activities

\$ 20,255,424

CAMBRIA COMMUNITY SERVICES DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND

CHANGES IN FUND BALANCES

Governmental Funds

For the Year Ended June 30, 2011

	General Fund
Revenues:	
Property taxes and assessments	\$ 2,250,275
Grant income	49,743
Weed abatement	61,893
Franchise fees	68,039
Use of money and property	20,901
Charges for administrative services	1,244,901
Other	55,464
Total revenues	3,751,216
Expenditures:	
Administration	1,578,060
Fire	1,684,703
Parks and Recreation	34,513
Facilities and Resources	476,792
Resource Conservation	128,954
Capital outlay	1,161
Debt service:	
Principal	248,328
Interest	16,878
Total expenditures	4,169,389
Net change in fund balance	(418,173)
Fund balance at beginning of year	4,398,939
Fund balance at end of year	\$ 3,980,766

CAMBRIA COMMUNITY SERVICES DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES OF GOVERNMENT FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2011

Net Change in Governmental Fund Balances	\$ (418,173)
Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	248,328
In the statement of activities, compensated absences are measured by the amounts earned during the fiscal year. In governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially the amount paid).	41,246
In the statement of activities, other post employment benefits are measured by the amounts accrued during the fiscal year. In governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially the amount paid).	
Post employment benefits paid	180,784
Less additional post employment benefits accrued	<u>(180,784)</u>
Net amount paid with additional amount accrued	-
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and expensed as depreciation expense. In the current period, these amounts are:	
Capital outlay	\$ 1,161
Depreciation expense	(155,776)
Loss on disposal of equipment	<u>(1,750)</u>
Excess of depreciation expense and loss over capital outlay	(156,365)
Change in Net Assets of Governmental Activities	<u><u>\$ (284,964)</u></u>

CAMBRIA COMMUNITY SERVICES DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

Budget and Actual - Governmental Funds
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property taxes and assessments	\$ 2,268,908	2,268,908	\$ 2,250,275	\$ (18,633)
Grant income			49,743	49,743
Weed abatement	60,000	60,000	61,893	1,893
Franchise fees	68,000	68,000	68,039	39
Use of money and property	29,138	29,138	20,901	(8,237)
Charges for administrative services	1,301,265	1,301,265	1,244,901	(56,364)
Other	93,700	93,700	55,464	(38,236)
Total revenues	3,821,011	3,821,011	3,751,216	(69,795)
Expenditures:				
Administration	1,423,815	1,613,521	1,578,060	35,461
Fire	1,629,457	1,629,457	1,684,703	(55,246)
Parks and Recreation	36,586	36,586	34,513	2,073
Facilities and Resources	464,001	464,001	476,792	(12,791)
Resource Conservation	135,662	135,662	128,954	6,708
Capital outlay			1,161	(1,161)
Debt service:				
Principal	36,425	248,328	248,328	-
Interest	12,640	16,878	16,878	-
Total expenditures	3,738,586	4,144,433	4,169,389	(24,956)
Excess of revenues over (under) expenditures	\$ 82,425	\$ (323,422)	(418,173)	\$ (94,751)
Fund balance at beginning of year			4,398,939	
Fund balance at end of year			\$ 3,980,766	

CAMBRIA COMMUNITY SERVICES DISTRICT

STATEMENT OF NET ASSETS

Proprietary Funds

June 30, 2011

ASSETS	Business-type Activities Enterprise Funds		
	Water Fund	Wastewater Fund	Totals
Current assets:			
Cash and investments	\$ 197,067	\$ 345,804	\$ 542,871
Accounts receivable, net of allowance	333,962	378,800	712,762
Prepaid expense		991	991
Total current assets	531,029	725,595	1,256,624
Noncurrent assets:			
Capital assets:			
Construction in progress	4,852,350	323,028	5,175,378
Land	898,949	1,375,430	2,274,379
Plant and facilities	17,823,149	23,575,211	41,398,360
Machinery and equipment	471,431	896,882	1,368,313
Less: accumulated depreciation	(10,300,278)	(16,922,883)	(27,223,161)
Total noncurrent assets	13,745,601	9,247,668	22,993,269
Other assets:			
Intangible-water master plan	1,611,290		1,611,290
Deferred loss on refunding, net of amortization	65,943	58,092	124,035
Total other assets	1,677,233	58,092	1,735,325
Total assets	<u>\$ 15,953,863</u>	<u>\$ 10,031,355</u>	<u>\$ 25,985,218</u>
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 44,047	\$ 22,754	\$ 66,801
Accrued expenses	65,744	56,823	122,567
Accrued interest payable	4,072	20,712	24,784
Deferred revenue	56,758	45,073	101,831
Refundable deposits	36,600		36,600
Due to other funds	157,726		157,726
Current portion of noncurrent liabilities	159,770	324,242	484,012
Total current liabilities	524,717	469,604	994,321
Noncurrent liabilities:			
Compensated absences	64,027	37,880	101,907
Loan payable, less current portion	383,175	206,325	589,500
Note payable, less current portion		2,143,796	2,143,796
Total noncurrent liabilities	447,202	2,388,001	2,835,203
Total liabilities	<u>\$ 971,919</u>	<u>\$ 2,857,605</u>	<u>\$ 3,829,524</u>
NET ASSETS			
Invested in capital assets - net of related debt	\$ 13,202,656	\$ 6,573,305	\$ 19,775,961
Unrestricted	1,779,288	600,445	2,379,733
Total net assets	<u>\$ 14,981,944</u>	<u>\$ 7,173,750</u>	<u>\$ 22,155,694</u>

CAMBRIA COMMUNITY SERVICES DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
Proprietary Funds
For the Year Ended June 30, 2011

	Business-type Activities Enterprise Funds		Totals
	Water Fund	Wastewater Fund	
Operating revenues:			
Utility sales	\$ 1,750,606	\$ 1,922,623	\$ 3,673,229
Service charges and fees	7,758	16,331	24,089
Total operating revenues	1,758,364	1,938,954	3,697,318
Operating expenses:			
Salaries and wages	259,501	347,409	606,910
Payroll taxes and benefits	178,083	240,605	418,688
Maintenance and repairs	80,873	250,671	331,544
Office supplies, publications, and dues	9,343	7,557	16,900
Licenses and fees	11,376	53,658	65,034
Rent	26,000	147	26,147
Professional services	99,234	12,559	111,793
Operating supplies	67,936	37,068	105,004
Employee travel and training	10,462	6,195	16,657
Utilities	133,657	186,990	320,647
Bad debts	399		399
General and administrative overhead	450,464	339,287	789,751
Amortized bond costs	17,203	125,120	142,323
Depreciation	571,060	690,102	1,261,162
Total expenses	1,915,591	2,297,368	4,212,959
Net operating loss	(157,227)	(358,414)	(515,641)
Non-operating revenues (expenses):			
Availability charges	177,294	115,168	292,462
Investment income		1,166	1,166
Other income		67	67
Interest expense	(30,166)	(119,852)	(150,018)
Total non-operating revenues (expenses)	147,128	(3,451)	143,677
Change in net assets	(10,099)	(361,865)	(371,964)
Net assets at beginning of year	14,992,043	7,535,615	22,527,658
Net assets at end of year	\$ 14,981,944	\$ 7,173,750	\$ 22,155,694

CAMBRIA COMMUNITY SERVICES DISTRICT

STATEMENT OF CASH FLOWS Proprietary Funds For the Year Ended June 30, 2011

	Business-type Activities		Totals
	Enterprise Funds		
	Water Fund	Wastewater Fund	
Cash flows from operating activities:			
Cash received from operating revenue	\$ 1,723,429	\$ 1,925,839	\$ 3,649,268
Payments to suppliers	(1,029,935)	(1,152,454)	(2,182,389)
Payments to employees	(261,439)	(363,437)	(624,876)
Net cash provided by operating activities	432,055	409,948	842,003
Cash flows from capital and related financing activities:			
Proceeds from capital debt		1,585,000	1,585,000
Principal paid on capital debt	(152,880)	(1,888,093)	(2,040,973)
Interest paid on capital debt	(30,166)	(119,852)	(150,018)
Purchase of capital assets	(229,236)		(229,236)
Standby availability	177,294	115,168	292,462
Net cash used by capital and related financing activities	(234,988)	(307,777)	(542,765)
Cash flows from investing and non-operating activities:			
Investment income		1,166	1,166
Other income		67	67
Net cash provided by investing and non-operating activities	-	1,233	1,233
Net change in cash	197,067	103,404	300,471
Cash and cash equivalents-beginning		242,400	242,400
Cash and cash equivalents-end	\$ 197,067	\$ 345,804	\$ 542,871
Reconciliation of operating loss to net cash provided by operating activities:			
Operating loss	\$ (157,227)	\$ (358,414)	\$ (515,641)
Adjustments to reconcile operating loss to net cash used by operating activities:			
Depreciation	571,060	690,102	1,261,162
Amortization	17,203	125,120	142,323
Net changes in assets and liabilities:			
Increase in accounts receivable	(34,935)	(13,115)	(48,050)
Increase in prepaid expense		(790)	(790)
Increase deferred loss on refunding		(24,000)	(24,000)
Increase (decrease) in accounts payable	7,861	(40,458)	(32,597)
Increase (decrease) in accrued expenses	(2,117)	2,983	866
Decrease in accrued interest payable	(1,147)	(7,560)	(8,707)
Increase in deferred revenue	41,758	45,073	86,831
Increase in deposits	1,820		1,820
Decrease in compensated absences	(12,221)	(8,993)	(21,214)
Net cash provided by operating activities	\$ 432,055	\$ 409,948	\$ 842,003

CAMBRIA COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2011

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Cambria Community Services District (CCSD) is a multi-purpose special district established on December 9, 1976. CCSD is a political subdivision of the State of California and operates under a Board of Directors-Manager form of government. CCSD provides water, wastewater, fire protection, parks and recreation, open space, street lighting, conservation and general administrative services.

There are no component units included in this report which meet the criteria of Governmental Accounting Standards Board (GASB) Statement No. 14, The Financial Reporting Entity as amended by GASB Statement No. 39.

Basis of Accounting, Measurement Focus, and Financial Statements Presentation

The basic financial statements of CCSD are composed of the following:

- Government-Wide and Fund Financial Statements
- Fund Financial Statements
- Notes to the Financial Statements

Government-Wide Financial Statements

Government-wide financial statements display information about the reporting government as a whole. These Statements include separate columns for the governmental activities and business-type activities of the primary government (including its blended component units), as well as its discreetly presented component units. Eliminations have been made in the Statement of Activities so that certain allocated expenses are recorded only once (by the function to which they were allocated). However, general government expenses have not been allocated as indirect expenses to the various functions of CCSD.

Government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Under the economic resources measurement focus, all (both current and long-term) economic resources and obligations of the reporting government are reported in the government-wide financial statement. Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains losses, assets, and liabilities resulting from non-exchange transaction are recognized in accordance with the requirements of GASB Statement number 33.

Program revenues include charges for services, special assessments, and payments made by parties outside of the reporting government's citizenry if that money is restricted to a particular program. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program.

CAMBRIA COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2011

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES **(continued)**

Basis of Accounting, Measurement Focus, and Financial Statements Presentation (continued)

Fund Financial Statements

The underlying accounting system of CCSD is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the primary government are presented after the government-wide financial statements. These statements display information about major funds individually and non-major funds in the aggregate for governmental and enterprise funds.

Governmental Funds

In the fund financial statements, governmental funds are presented using the modified – accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Measurable means that the amounts can be estimated, or otherwise determined. Available means that the amounts were collected during the reporting period or soon enough thereafter to be available to finance the expenditures accrued for the reporting period. Revenue recognition is subject to the measurable and availability criteria for the governmental funds in the fund financial statements. Exchange transactions are recognized as revenues in the period in which they are earned (i.e., the related goods or services are provided). Locally imposed derived tax revenues are recognized as revenues in the period in which the underlying exchange transaction upon which they are based takes place. Imposed non-exchange transactions are recognized as revenues in the period for which they were imposed. If the period of use is not specified, they are recognized as revenues in the period for which they were imposed. If the period of use is not specified, they are recognized as revenues when an enforceable legal claim to the revenues arises or when they are received, whichever occurs first. Government-mandated and voluntary non-exchange transactions are recognized as revenues when all applicable eligibility requirements have been met.

In the fund financial statements, governmental funds are presented using the current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. The reported fund balance (net current assets) is considered to be a measure of “available spendable resources.” Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

CAMBRIA COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2011

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES **(continued)**

Basis of Accounting, Measurement Focus, and Financial Statements Presentation (continued)

Non-current portions of long-term receivables due to governmental funds are reported on their balance sheets in spite of their spending measurement focus. Special reporting treatments are used to indicate, however, that they should not be considered "available spendable resources," since they do not represent net current assets. Recognition of governmental fund type revenue represented by non-current receivables are deferred until they become current receivables. Non-current portions of other long-term receivables are offset by fund balance reserve accounts. Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the fiscal year that resources were expended, rather than as capital assets. The proceeds of long-term debt are recorded as an other financing sources rather than as a fund liability. Amounts paid to reduce long-term indebtedness are reported as fund expenditures.

When both restricted and unrestricted resources are combined in a fund, expenditures/expenses are considered to be paid first from restricted resources, and then from unrestricted resources.

CCSD reports the following major governmental fund:

General Fund: is the primary operating fund of CCSD. It is used to account for all financial resources except those required to be accounted for in another fund.

CCSD reports the following major proprietary funds:

Water Fund: accounts for the activities of CCSD's water operations.

Wastewater Fund: accounts for activities of CCSD's sewer operations.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services, and producing and delivering goods in connection with proprietary funds' principal ongoing operations. The principal operating revenues of the Water and Wastewater Funds are charges to customers. Operating expenses for the Water and Wastewater Funds include non-capital expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

CAMBRIA COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2011

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES **(continued)**

Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Encumbrances

Encumbrance accounting is used for the General Fund. Encumbrances are recorded when purchase orders are issued but are not considered expenditures until liabilities for payments are incurred. Encumbrances are no longer reported as a separate fund balance category on the balance sheet. Encumbrances do not lapse at the close of the fiscal year but are carried forward until liquidated.

Cash and Cash Equivalents

For purposes of the statement of cash flows, CCSD considers all highly liquid investments with a maturity of three months or less to be cash and cash equivalents.

Investments

Investments are stated at fair value.

Accounts Receivable

CCSD water and wastewater charges are billed bimonthly for all residential and commercial customers. Customer accounts receivable are placed on the tax roll when the receivable is deemed uncollectible by CCSD. Management has determined that an allowance for doubtful accounts is zero and not considered necessary since it would not be material.

Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond June 30, 2011, are recorded as prepaid expenses.

Property Taxes

The County of San Luis Obispo bills and collects property taxes for CCSD. The County charges CCSD for these services. Tax revenues are recognized as soon as the County indicates that they are due to the CCSD.

CAMBRIA COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2011

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES **(continued)**

Long-term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or business-type activities fund type statement of net assets. In the fund financial statements, governmental fund types report the face amount of debt issued as other financing sources.

Property, Plant and Equipment

General capital assets generally result from expenditures in governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements.

All capital assets are valued at historical cost or estimated historical cost, if actual costs are not available. Donated fixed assets are stated at their fair market value on the date donated. CCSD currently maintains a capitalization threshold of \$5,000 and an estimated useful life exceeding two years. Improvements are capitalized and the cost of normal maintenance and repairs that do not add to the value of the net asset or materially extend the asset's life are not.

Capital assets used in operations are depreciated over their estimated useful lives using the straight-line method in the applicable governmental or business-type activity column in the government-wide financial statements. Depreciation is charged as an expense against operations and accumulated depreciation is reported on the respective statement of net assets. The estimated useful lives are as follows:

Equipment	3 to 10 years
Improvements	5 to 20 years

Compensated Absences

The accrual for vacation/sick time earned but not taken by staff employees was calculated based on actual vacation/sick days and applied to the individual employees' hourly rate.

Concentrations

CCSD will provide water/wastewater services to customers located in the County of San Luis Obispo. Consequently, its ability to collect amounts due from customers may be affected by economic fluctuations, within this region and within the State of California as a whole.

CAMBRIA COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2011

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES **(continued)**

Interfund Transactions

Quasi-external transactions are accounted for as revenues and expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenses/expenditures in the reimbursing fund and as reductions of expenses/expenditures in the fund that is reimbursed.

With the exception of the loan between the general fund and the water fund, all other interfund transactions except quasi-external transactions and reimbursements are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Intergovernmental Revenues

For governmental funds, intergovernmental revenues, such as contributions awarded on a non-reimbursement basis, are recorded as receivables and revenues when measurable and available.

Fund Balances

Fund balance can now be displayed in the following classifications depicting the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Non-spendable fund balance – amounts that are not in a spendable form are required to be maintained intact.
- Restricted fund balance – amounts constrained to specific purposes by their providers, through constitutional provisions, or by enabling legislation.
- Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.
- Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.
- Unassigned fund balance – amounts that have no specific restrictions, commitments or assignments.

If restricted and unrestricted assets are available for the same purpose, the restricted assets will be used before unrestricted assets.

Net Assets

Net assets present the difference between assets and liabilities in the statement of net assets. Net assets invested in capital assets are reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are legal limitations imposed on their use by external restrictions by creditors, grantors, laws or regulations of other governments.

CAMBRIA COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2011

NOTE 2: CASH AND INVESTMENTS

CCSD pools idle cash from all funds for the purpose of increasing income through investment. Earnings from such investments are allocated to the respective funds on the basis of applicable cash balances of each fund.

The values of cash and investments at June 30, 2011 are summarized as follows:

Petty cash	\$	600
Demand deposits		251,486
Cash and investments with:		
Local Agency Investment Fund (LAIF)		<u>4,134,191</u>
Total cash and investments	\$	<u><u>4,386,277</u></u>

The California Government Code requires California banks and savings and loan associations to secure a district's deposits by pledging government securities as collateral. The market value of pledged securities must equal at least 110% of a district's deposits. California law also allows financial institutions to secure district deposits by pledging first trust deed mortgage notes having a value of 150% of a district's total deposits. CCSD may waive collateral requirements for deposits which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). Effective October 3, 2008, the FDIC limit was temporarily increased to \$250,000 for interest bearing accounts until December 31, 2013. Effective November 9, 2010, the FDIC established unlimited coverage for public funds held in a noninterest-bearing account until December 31, 2012.

Credit Risk, Carrying Amount, and Market Value

Cash is classified in three categories of credit risk as follows:

- Category 1 -insured or collateralized with securities held by the entity or by its agent in the entity's name;
- Category 2 -collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name; and
- Category 3 -uncollateralized.

At June 30, 2011, the carrying amounts of the CCSD's cash demand deposits were \$251,486. The bank's balances were \$447,784. This difference is due to the normal deposits in transit and outstanding checks. CCSD cash deposits by category as of June 30, 2011, were as follows:

	<u>1</u>	Category <u>2</u>	<u>3</u>	<u>Bank Balance</u>	<u>Carrying Amount</u>
Bank accounts	\$ <u>447,784</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>447,784</u>	\$ <u>251,486</u>

CAMBRIA COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2011

NOTE 3: PROPERTY, PLANT AND EQUIPMENT

A summary of capital assets by major classifications is as follows:

<u>Governmental activities:</u>	<u>Balance</u>		<u>Additions</u>		<u>Deletions</u>		<u>Balance</u>
	<u>June 30, 2010</u>						<u>June 30, 2011</u>
Non-depreciable capital assets							
Land	\$ 14,964,063	\$		\$	-	\$	14,964,063
Construction in progress	220,550		1,161		(1,750)		219,961
	<u>15,184,613</u>		<u>1,161</u>		<u>(1,750)</u>		<u>15,184,024</u>
Total nondepreciable Capital assets							
Depreciable capital assets							
Buildings and improvements	1,753,270		-		-		1,753,270
Equipment	1,772,176				(89,937)		1,682,239
	<u>3,525,446</u>				<u>(89,937)</u>		<u>3,435,509</u>
Total depreciable capital assets							
Less accumulated depreciation	(1,880,389)		(155,776)		89,937		(1,946,228)
Net depreciable capital assets	<u>1,645,057</u>		<u>(155,776)</u>		<u>-</u>		<u>1,489,281</u>
Net capital assets	<u>\$ 16,829,670</u>	<u>\$</u>	<u>(154,615)</u>	<u>\$</u>	<u>(1,750)</u>	<u>\$</u>	<u>16,673,305</u>
 <u>Business-type activities:</u>							
Non-depreciable capital assets							
Land	\$ 2,274,379	\$	-	\$	-	\$	2,274,379
Construction in progress	4,946,142		229,236				5,175,378
	<u>7,220,521</u>		<u>229,236</u>				<u>7,449,757</u>
Total non-depreciable capital assets							
Depreciable capital assets							
Buildings and facilities	41,380,625						41,380,625
Machinery and equipment	1,386,048						1,386,048
	<u>42,766,673</u>						<u>42,766,673</u>
Total depreciable capital assets							
Less accumulated depreciation	(25,961,999)		(1,261,162)				(27,223,161)
Net depreciable capital assets	<u>16,804,674</u>		<u>(1,261,162)</u>				<u>15,543,512</u>
Net capital assets	<u>\$ 24,025,195</u>	<u>\$</u>	<u>(1,031,926)</u>	<u>\$</u>	<u>-</u>	<u>\$</u>	<u>22,993,269</u>

Depreciation expense for all funds was \$1,416,938 for the year ended June 30, 2011.

CAMBRIA COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2011

NOTE 4: ACCRUED EXPENSES

Accrued expenses as of June 30, 2011, are summarized as follows:

Salaries payable	\$	126,031
Other post employment benefits (OPEB) payable		265,946
Other		<u>11,327</u>
Total accrued liabilities	\$	<u><u>403,304</u></u>

NOTE 5: LONG-TERM DEBT

Capital Lease Payable

CCSD entered into a capital lease agreement on May 16, 2006, with OshKosh Capital for the purchase of a Fire Engine. The terms of the lease were for ten annual payments of \$49,066, commencing May 19, 2007, with an interest rate of 5.09%. On May 4, 2011 the District paid off the remaining principal balance of the capital lease.

1999 Revenue Bond

Wastewater revenue bonds totaling \$2,245,000 were issued on October 5, 1999, with interest rates ranging from 3.5 to 5.7 percent. This bond was subsequently refinanced on September 23, 2010 with a private placement bank loan.

Loan Payable

On February 17, 2006, CCSD entered into a loan agreement for \$1,897,500 with the Municipal Finance Corporation to advance refund its 1995 water and wastewater bonds. The interest rate on the loan is 4.5%. The loan is allocated 65% to water operations and 35% to wastewater operations. The balance of the loan payable at June 30, 2011, is \$835,300.

The loan matures on May 1st of the following fiscal years through 2015, as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2012	\$ 245,800	\$ 37,589	\$ 283,389
2013	256,900	26,528	283,428
2014	268,500	14,967	283,467
2015	<u>64,100</u>	<u>2,883</u>	<u>66,983</u>
Totals	<u>\$ 835,300</u>	<u>\$ 81,967</u>	<u>\$ 917,267</u>

CAMBRIA COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2011

NOTE 5: LONG-TERM DEBT (continued)

Notes Payable:

A State Water Resource Control Board (SWRCB) note payable totaling \$2,512,330 was issued on September 13, 1994, with an interest rate at 3 percent. At June 30, 2011, the note payable principal balance outstanding was \$797,008. Note principal payments are due annually on May 28th through 2016.

A City National Bank note payable totaling \$1,585,000 was issued on September 23, 2010 with an interest rate at 4.5 percent. At June 30, 2011, the note payable principal balance outstanding was \$1,585,000. Note principal payments are due annually on September 23rd through 2023.

The note payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2012	\$ 238,212	\$ 93,961	\$ 332,173
2013	248,653	85,379	334,032
2014	259,293	76,325	335,618
2015	273,071	66,793	339,864
2016	277,779	56,896	334,675
2017-2021	628,000	178,042	806,042
2022-2024	457,000	32,009	489,009
Totals	\$ <u>2,382,008</u>	\$ <u>589,405</u>	\$ <u>2,971,413</u>

Total future debt service payments by activity are as follows:

Fiscal Year Ending June 30,	<u>Governmental Activities</u>		<u>Business-type Activities</u>		Total
	Principal	Interest	Principal	Interest	
2012	\$ -	\$ -	\$ 484,012	\$ 131,550	\$ 615,562
2013			505,553	111,907	617,460
2014			527,793	91,292	619,085
2015			337,171	69,676	406,847
2016			277,779	56,896	334,675
2017-2021			628,000	178,042	806,042
2022-2024			457,000	32,009	489,009
Totals	\$ <u>-</u>	\$ <u>-</u>	\$ <u>3,217,308</u>	\$ <u>671,372</u>	\$ <u>3,888,680</u>

CAMBRIA COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2011

NOTE 5: LONG-TERM DEBT (continued)

Changes in long-term liabilities

The following is a summary of long-term liabilities activity for the fiscal year ended June 30, 2011:

	<u>Balance</u>				<u>Balance</u>	
	June 30, 2010	<u>Additions</u>	<u>Reductions</u>		June 30, 2011	<u>Current</u>
Governmental activities:						
Capital lease	\$ 248,328	\$ -	\$ (248,328)		\$ -	\$ -
Compensated absences	<u>259,109</u>	<u>-</u>	<u>(41,246)</u>		<u>217,863</u>	<u>-</u>
Governmental activity Long-term liabilities	\$ <u>507,437</u>	\$ <u>-</u>	\$ <u>(289,574)</u>		\$ <u>217,863</u>	\$ <u>-</u>
 Business-type activities:						
Bonds payable	\$ 1,660,000	\$ -	\$ (1,660,000)		\$ -	\$ -
Loan payable	1,070,500		(235,200)		835,300	245,800
Notes payable	942,781	1,585,000	(145,773)		2,382,008	238,212
Compensated absences	<u>123,121</u>	<u>-</u>	<u>(21,214)</u>		<u>101,907</u>	<u>-</u>
Business-type activity Long-term liabilities	\$ <u>3,796,402</u>	\$ <u>1,585,000</u>	\$ <u>(2,062,187)</u>		\$ <u>3,319,215</u>	\$ <u>484,012</u>

NOTE 6: DEFERRED LOSS ON REFUNDING

On September 23, 2010, the CCSD refinanced a prior revenue bond refunding with a bank loan, at a cost of \$24,000. The total unamortized balance of a remaining loan refinance and this new refinance at June 30, 2011 was \$124,035.

CAMBRIA COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2011

NOTE 7: PENSION PLAN

The Cambria Community Services District contributes to the California Public Employees Retirement System (CalPERS), an agent multiple-employer public employee defined benefit pension plan. CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by State statute and CCSD resolutions. Copies of CalPERS' annual financial report may be obtained from their Executive Office (400 P Street, Sacramento, CA 95814).

Participants are required to contribute 8% of their annual covered salary for miscellaneous members. A new memorandum of understanding with the International Association of Firefighters took effect on April 23, 2010 where they pay 2% (two ninths) of the 9% employee share of retirement. As of July 1, 2010, all management and confidential exempt employees started paying 2% of the 8% employee share of retirement too. CCSD makes the contributions required of CCSD employees on their behalf and for their account. CCSD is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. The contribution requirements of the plan members are established by State statute and the employer contribution rate are established and may be amended by CalPERS.

The annual PERS pension cost for the year ended June 30, 2011 was \$553,184 and was equal to CCSD's required and actual contributions. The required contribution was determined as part of the June 30, 2009, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.75% investment rate of return (net of administrative expenses), (b) projected annual salary increases that vary by duration of service, and (c) no cost-of-living adjustments. Both (a) and (b) included an inflation component of 3.0%. The actuarial value of CalPERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a fifteen year period. CalPERS unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The three year trend information was not made available to CCSD for both CCSD participants and safety participants

CAMBRIA COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2011

NOTE 8: POST-EMPLOYMENT BENEFITS

In addition to pension benefits, the District provides post-retirement health care benefits through the California Public Employees' Retirement System. Employees who retire on or after attaining age 50 and are vested, are eligible for District paid health insurance. On June 30, 2010, the District conducted an internal actuarial calculation to determine the required funding for this health care benefits program.

The actuarial liability for the District's retiree health benefits program on this measurement date was determined to be \$6,864,101. This value is based on a discount rate of 5.5%. The District's funding policy is to fund 100% of the annual required contribution determined through the California Employers' Retiree Benefit Trust (CERBT). Currently, 27 retired employees are receiving 95% paid health care benefits totaling \$16,114 per month.

Below are the required disclosures for this plan:

Number of active participants		30
Employer's actuarially required contributions	\$	414,464
Employer's actual contributions	\$	148,546
Actuarial Accrued Liability(AAL)	\$	4,615,089
Actuarial Valuation of Assets(AVA)	\$	-
Unfunded Actuarial Accrued Liability(UAAL)=(AAL less AVL)	\$	4,615,089
Funded Ratio(AVA/AAL)		0%
Estimated Payroll	\$	2,386,307
UAAL as a Percentage of Covered Payroll		193%

CAMBRIA COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2011

NOTE 9: JOINT POWERS AGENCIES

The Cambria Community Services District participates in a joint venture under a Joint Power Agency (JPA), the Special District Risk Management Authority (SDRMA). The SDRMA was established to provide general liability, workers compensation, automobile, errors and omission, and property loss coverage to special districts. The SDRMA is administered by a Board of Directors, consisting of two members appointed by the California Special Districts Association and five members elected by districts participating. The Board is responsible for establishing premium rates and making budgeting decisions.

Coverage under current policies includes property loss, general liability, auto liability and comprehensive/collision, and public officials' and employees' errors and omissions. Claims over the self-insured amounts are covered by the SDRMA within the limits of the policy. Each member district is assessed a premium in accordance with the JPA agreement creating the agency.

CCSD is also participating in two separate Joint Powers Agreements. The first is an agreement with the City of Morro Bay, the Cayucos Fire District, and the South Bay Fire Department to operate an air fill compressor station for the respective fire departments. CCSD pays their share of the member contributions due on an annual basis, not to exceed \$1,000 per year. There is no contingent liability for CCSD at June 30, 2011.

The second is an agreement with the Coast Unified School District (CUSD) to lease property for the operation of the Santa Rosa Creek Well #4, the CUSD water well, pump, and distribution facilities for the purpose of securing the conveying groundwater. CCSD pays CUSD \$26,000 per year for the easement and access to the site operation and maintenance repairs. The total cost of the 10 year agreement is \$266,000. The first payment of \$32,000 was made in December 2000. This agreement expired in 2010. A 1-year extension was signed on July 28, 2011 and a new agreement is currently being negotiated.

CAMBRIA COMMUNITY SERVICES CCSD

TO: Board of Directors

AGENDA NO. **9.B.**

FROM: Jerry Gruber, General Manager
Alleyne LaBossiere, Finance Manager

Meeting Date: January 19, 2012 Subject: Consider Adoption of Resolution 01-2012
Authorizing the Use of Water and Wastewater
Standby or Availability Charges to Fund Major
Maintenance and/or Capital Outlay
Expenditures

RECOMMENDATION:

Adopt Resolution 01-2012 authorizing the use of water and wastewater standby or availability revenue to fund major maintenance or capital outlay projects for the respective departments/funds subject to the Board of Directors' approval.

FISCAL IMPACT:

There would not be an increase in revenue upon approval of Resolution XX-2011. If approved, it would only change the designation of water and wastewater standby or availability revenue from capital revenue to operating revenue. There is potential for an increase in expenditures, especially in the Wastewater Department. Any potential increase in expenditures would be due to making needed repairs and capital outlays sooner than might otherwise occur based on the Board of Director's specific approval. A possible outcome is no net impact to the CCSD as a whole, but with a decrease in loans and/or transfers from the General Fund to the Water and Wastewater Funds. Following are the amounts in question for each fund:

<u>Standby/Availability Charge</u>	<u>Estimated Revenue for FY 2011/2012</u>
Water	\$ 177,000
Wastewater	\$ 115,000

DISCUSSION:

The CCSD's policy has been to use water and wastewater standby or availability revenue strictly for Capital Improvement Program (CIP) projects. There is no requirement for this criterion to be met. There has been some debate as to whether or not water and wastewater standby or availability revenue is required to be spent on maintaining an entity's infrastructure, but regardless of the validity of this being a requirement, this proposal would still fit within this standard. To some degree, the CCSD's present policy is somewhat arbitrary as a Capital Improvement Program is no more than a long-range plan as opposed to major maintenance and capital outlay being part of an annual plan (budget) in terms of the present structure of the CCSD's budget process. As far as distinguishing between a major maintenance and a capital outlay project, this is mainly an accounting function. Regular Maintenance & Repairs would entail such activities as repairing equipment/infrastructure that has broken or doing routine maintenance. Examples include having a pump motor rewind, replacing a broken section of pipe or doing an oil change to a generator. Major Maintenance projects are higher cost activities that do not occur as frequently. Examples include painting a water storage tanks or replacing the socks in the aeration basin. Capital Outlay

purchases are usually the acquisition of a fixed asset to be capitalized (defined as having a unit costs of at least \$5,000 and a useful life of at least 2 years) that are paid for in one or, at most, a few installment. Examples include the purchase of an emergency generator, a vehicle or a self-leveling sewer camera. A Capital Improvement Program project would be a multi-year project that would be capitalized. Examples would be the Pine Knolls water storage tank and the bio-solids screwpress.

So, while the distinctions are not arbitrary, they can be somewhat opaque as there can be similarities between different types of projects and determining which category they belong in is not always readily discernible and somewhat flexible. This points out the limitations of the CCSD's current policy in that it relies strictly on a definition of accounting terms, as opposed to addressing the needs of the organization. At this time, Wastewater has a critical need for Major Maintenance and Capital Outlay projects to be done, while the only identified CIP project is the SCADA system, which is not as pressing.

If the Resolution is adopted, the projects to be funded by water and wastewater standby or availability revenue would be specifically identified and approved as part of the budget process.

Attachments: Resolution 01-2012

BOARD ACTION: Date _____ Approved: _____ Denied: _____

UNANIMOUS: ___ MACKINNON ___ THOMPSON ___ BAHRINGER ___ CLIFT ___ ROBINETTE ___

RESOLUTION 01-2012
JANUARY 19, 2012

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
CAMBRIA COMMUNITY SERVICES DISTRICT
AUTHORIZING WATER AND WASTEWATER STANDBY OR AVAILABILITY REVENUE
TO BE EXPENDED ON MAJOR MAINTENANCE OR CAPITAL OUTLAY PROJECTS

WHEREAS, prior Cambria Community Services District (CCSD) policy was to expend the Water and Wastewater Standby or Availability revenue only on Capital Improvement Program (CIP) projects; and

WHEREAS, the CCSD has pressing needs to have Major Maintenance and Capital Outlay projects completed; and

WHEREAS, operating funds for Major Maintenance and Capital Outlay projects are limited; and

WHEREAS, CIP, Major Maintenance, and Capital Outlay projects all serve the same purposes of maintaining and/or improving the CCSD's water and sewer systems;

The Board of Directors of the Cambria Community Services District does hereby resolve as follows:

1. Water and Wastewater Standby or Availability revenue is to be spent on maintaining, repairing and/or improving the respective fund's infrastructure. Specifically, these funds shall be spent on CIP, Major Maintenance or Capital Outlay projects. Revenue received that is not so spent in a given fiscal year shall be added to the respective fund's Capital Reserves.

2. The projects to be funded by Water and Wastewater Standby or Availability revenue shall be identified as part of the budget process and shall be presented to and approved by the CCSD Board of Directors.

PASSED AND ADOPTED THIS 19th day of January 2012.

Allen S. MacKinnon, President
Board of Directors

ATTEST:

APPROVED AS TO FORM:

Kathy A. Choate
District Clerk

Timothy J. Carmel
District Counsel

CAMBRIA COMMUNITY SERVICES CCSD

TO: Board of Directors

AGENDA NO. 9.C.

FROM: Jerry Gruber, General Manager

Meeting Date: January 19, 2012 Subject: Consider Adoption of Resolution 04-2012
Approving the Lot Transfer Citizens
Committee Recommendations to CCSD Board
Regarding Transfer of Lots from Land
Conservancy of SLO County to CCSD

RECOMMENDATION:

Adopt Resolution 04-2012 Approving the CCSD SLO Land Conservancy Lot Transfer Citizens Committee ("Committee") recommendations regarding the transfer of lots from Land Conservancy of SLO County to CCSD.

FISCAL IMPACT:

None

DISCUSSION:

The Committee met on October 25, 2011 to discuss its goals and objectives and to determine the cost of operations and evaluate funding mechanisms for PROS trails, Fiscalini Ranch, Forest Management Plan, and Land Conservancy lots.

The Committee met again on December 12, 2011 to receive reports on lot maintenance costs from Facilities and Resources Supervisor Carlos Mendoza. Committee discussion followed regarding the objectives and benefits and burdens of holding open space and funding issues related thereto. County of SLO Land Conservancy (SLOLC) had agreed to contribute \$3,000 annually in maintenance costs for the next ten (10) years for the proposed 47 lots for transfer to CCSD. The average cost to maintain current CCSD owned lots is \$4,700 per year. In 2010 the cost was \$10,700 due to wet and windy winter. If CCSD were to accept the proposed transfer of lots from SLOLC the first year cost is estimated to be approximately \$19,000 and \$6,000 per year thereafter, assuming there are no extraordinary weather conditions.

After full discussion of the benefits of the proposed transfers to the Cambria community, including the Cambria/Lodge Hill Restoration Program, permanent protection of lots, reducing demand for limited water supply and other strained CCSD services, and balancing those benefits against the significant cost burden, the Committee unanimously recommends deferring the acceptance of the proposed lot transfer from SLOLC until long term funding sources are identified and secured. The Committee also recommends the proposed transfer be revisited as the Board deems appropriate.

The Committee further recommends that the Board of Directors address the issue of costs of maintaining open space lots by forming a separate committee that would address same.

BOARD ACTION: Date _____ Approved: _____ Denied: _____

UNANIMOUS: ___ MACKINNON ___ THOMPSON ___ BAHRINGER ___ CLIFT ___ ROBINETTE ___

RESOLUTION NO. 04-2012
January 19, 2012

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CAMBRIA COMMUNITY SERVICES DISTRICT
APPROVING THE LOT TRANSFER CITIZENS COMMITTEE
RECOMMENDATIONS REGARDING THE TRANSFER OF LOTS FROM THE
SAN LUIS OBISPO COUNTY LAND CONSERVANCY TO THE CAMBRIA
COMMUNITY SERVICES DISTRICT

BE IT RESOLVED by the Board of Directors ("Board") of the Cambria Community Services District that The Lot Transfer Citizens Committee's recommendations for the transfer of lots from the San Luis Obispo County Land Conservancy to the Cambria Community Services District are hereby approved as follows:

1. To defer acceptance of the proposed lot transfers from the County of San Luis Obispo Land Conservancy until adequate long term funding sources to maintain the lots are identified and secured. A list of the proposed lot transfers are attached hereto as Exhibit "A" and incorporated herein.
2. To revisit the issue of the proposed lot transfers when it deems appropriate.
3. To address the issue of costs of maintaining open space lots by forming a separate committee to address same.

PASSED AND ADOPTED THIS 19th day of January 2012.

Allan MacKinnon, President
Board of Directors

APPROVED AS TO FORM:

Timothy J. Carmel
District Counsel

ATTEST:

Kathy A. Choate
District Clerk

CAMBRIA COMMUNITY SERVICES DISTRICT

TO: Board of Directors

AGENDA NO. **9.D.**

FROM: Jerry Gruber, General Manager
Mark Miller, Fire Chief

Meeting Date: Subject: Consider Adoption of Resolution 02-2012 Granting
Exception to Hiring Freeze for Fire Captain Position

RECOMMENDATIONS:

Adopt Resolution 02-2012 granting an exception to the hiring freeze of CCSD Fire Captain position.

FISCAL IMPACT:

There will be some salary savings and possibly additional savings with the employee portion of the PERS retirement costs depending upon the successful candidate. The actual number is not known at this time.

DISCUSSION:

The Fire Department currently has three (3) Captain positions, working three separate shifts (A, B, & C Shifts). Each shift is forty eight (48) hours and is staffed with three (3) personnel, a Captain, Firefighter Engineer and a Reserve Firefighter. This maintains a staffing level of three (3) personnel on a single engine company twenty four hours a day seven days a week. In the event of significant emergency scenarios this single engine company is supplemented with call back response from all personnel – full time and Reserve Firefighters. The Department is currently staffed with seven (7) full time staff, a contingent of sixteen (16) reserve personnel and two volunteers.

This position is critical to the overall function of fire department operations and is essential for public safety – fire response and emergency medical services in the community.

Written determination was provided to the Board on January 12, 2012.

The Board has adopted Resolution 13-2009 which established a hiring freeze for the CCSD. The Resolution also includes procedures to which the General Manager can seek Board approval granting exceptions.

Per Resolution 13-2009: The General Manager may determine that a vacated position is deemed necessary and critical to public safety or the delivery of essential services to the community. Upon such written determination, which shall be immediately transmitted to the Board of Directors, such a position may be filled on a temporary basis, subject to further review, consideration and ratification by the Board at its next meeting.

BOARD ACTION: Date _____ Approved: _____ Denied: _____

UNANIMOUS: ___ MACKINNON ___ THOMPSON ___ BAHRINGER ___ CLIFT ___ ROBINETTE ___

RESOLUTION 02-2012
January 19, 2012

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CAMBRIA COMMUNITY SERVICES DISTRICT
GRANTING AN EXCEPTION TO THE HIRING FREEZE OF A FIREFIGHTER
ENGINEER

The Board of Directors of the Cambria Community Services District does hereby resolve as follows:

1. Granting an exception to the hiring freeze imposed by Resolution 13-2009 to hire a Fire Captain, filling a budgeted vacant position that is critical to the delivery of essential services and public and employee safety.

PASSED AND ADOPTED THIS 19th day of January 2012.

Allan MacKinnon, President
Board of Directors

ATTEST:

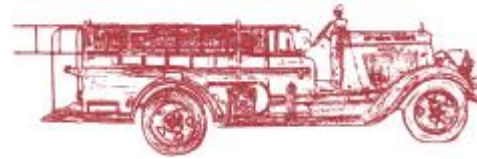
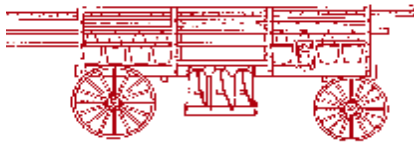
APPROVED AS TO FORM:

Kathy A. Choate
District Clerk

Timothy J. Carmel
District Counsel

CAMBRIA CSD FIRE DEPARTMENT

Established 1887



Mark Miller, Fire Chief

2850 Burton Drive • Cambria, CA. 93428

Phone: (805) 927-6240 • Fax: (805) 927-6242 • Email: mmiller@cambriacsd.org

January 4, 2012

Jerry Gruber, General Manager
Cambria Community Services District
1316 Tamsen Street
Suite 201
Cambria, CA 93428

Subject: Fire Department Captain and Engineer Recruitment

Dear Jerry,

I would like to move forward with the request to begin recruitment for the vacant Captain position. I feel that it is important to move forward with this process as soon as possible to avoid staffing shortages and overtime scenarios. It will also be extremely important to move ahead to maintain the current high level of department morale that has been created for our reserves by promotional opportunity.

I feel that we have the quality of personnel within our reserve pool to consider an internal hiring process for the Captain and Engineer positions. Currently we have five (5) viable and qualified personnel for the Captain position and six (6) qualified for Engineer. I feel that it is in the best interest of our organization and the reserve program to promote these positions from within the organization.

Please let me know what you will need from me to gain approval to fill the Captain position and move forward with recruitment efforts for these important positions within our organization.

Sincerely,

A handwritten signature in black ink that reads "Mark P. Miller". The signature is fluid and cursive.

Mark Miller, Fire Chief
CAMBRIA CSD FIRE DEPARTMENT

CAMBRIA COMMUNITY SERVICES DISTRICT

TO: Board of Directors

AGENDA NO. 9.E.

FROM: Jerry Gruber, General Manager
Monique Madrid, Administrative Services Officer

Meeting Date: January 19, 2012 Subject: Consider Adoption of Resolution
03-2012 Approving the Special Project
Application and Agreement and the
Administrative Policy for Cost
Reimbursement

RECOMMENDATION:

Adopt Resolution 03-2012 approving an Administrative Policy for Cost Reimbursement and a Special Project Application and Agreement.

FISCAL IMPACT:

The purpose of the Administrative Policy for Cost Reimbursement is to provide a mechanism for the Cambria Community Services District ("CCSD") to recover direct staff and legal costs ("costs") for work outside of the scope of primary activities of District Staff.

The costs associated with the special projects will be estimated and the applicant will be required to deposit an amount equal to the cost estimate. If the deposit is depleted the applicant will be required to deposit additional funds or the processing of the special project will be suspended.

DISCUSSION:

The CCSD routinely receives inquiries and requests regarding property development or transfers of "positions" (as defined in the CCSD Code). These inquiries often require significant research by CCSD staff and its legal counsel. Requests of this nature are considered "Special Projects" that are outside the scope of primary duties and responsibilities of CCSD staff and legal counsel, and divert the CCSD's limited resources. Often these Special Projects require extensive research and analysis by CCSD legal counsel, in order to analyze the request in relation to State statutes or the CCSD Municipal Code, and often to review or prepare related documentation. These Special Projects and the additional work required of CCSD staff and legal counsel do not provide benefits to ratepayers or the community, and typically benefit the party making the request. Approval of the recommendation will shift CCSD costs associated with Special Projects to the benefiting individual.

Attachments: Special Project Application and Agreement Administrative Policy
Resolution 03-2012

BOARD ACTION: Date _____ Approved: _____ Denied: _____

UNANIMOUS: ___ MACKINNON ___ THOMPSON ___ BAHRINGER___ CLIFT ___ ROBINETTE

RESOLUTION NO. 03-2012
JANUARY 19, 2012

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CAMBRIA COMMUNITY SERVICES DISTRICT
APPROVING SPECIAL PROJECT AGREEMENT AND ADMINISTRATIVE
POLICY

The Board of Directors of the Cambria Community Services District does hereby resolve as follows:

1. To approve the Administrative Policy: Cost Reimbursement for Special Projects, a copy of which is attached hereto as Exhibit "A" and the Special Project Application and Agreement ("Agreement") attached hereto as Exhibit "B", both of which are incorporated herein by this reference.
2. The General Manager is hereby granted authority and discretion to enter into and execute this Agreement on behalf of the Cambria Community Services District.

PASSED AND ADOPTED THIS 19th day of January 2012.

Allan S. MacKinnon, President
Board of Directors

APPROVED AS TO FORM:

Timothy J. Carmel
District Counsel

ATTEST:

Kathy A. Choate
District Clerk



CAMBRIA COMMUNITY SERVICES DISTRICT

P.O. Box 65 • Cambria, CA 93428 • Telephone: (805) 927-6223 • Fax: (805) 927-5584

TO: Interested Parties

FROM: Jerry Gruber
General Manager

DATE: January 19, 2012

SUBJECT: **ADMINISTRATIVE POLICY: COST REIMBURSEMENT FOR SPECIAL PROJECTS**

PURPOSE: It is the purpose and intent of this Administrative Policy to provide a mechanism for reimbursement to the Cambria Community Services District for the staff and legal costs that are frequently incurred for research into matters outside of the scope of the normal activities of District staff (hereinafter called "Special Projects"). These Special Project requests are beyond the regular work of staff that is normally related to providing day-to-day CCSD services to its ratepayers and constituents.

Often the CCSD is contacted about matters relating to the provision of water or sewer service, especially in relation to property development or transfers of "positions" (as defined in the Cambria Community Services District Code). These inquiries often require significant research by CCSD staff or its legal counsel. Requests of this nature are Special Projects that divert the District's scarce resources by taking staff away from their regular duties and responsibilities. These Special Projects also necessarily require incurring costs with CCSD legal counsel, in order to analyze the request in relation to State law or the Cambria Community Services District Code, and often to prepare or review related documentation. These Special Projects and the additional work required of staff and legal counsel often do not provide benefits to ratepayers or the community, and typically benefit the party making the request.

It is not the intent of this policy to supersede provisions in the CCSD's Fee Schedule for Various Services and Facilities or other applicable approval processes required by law. Rather it is to provide a procedure to accommodate parties that make Special Project requests that require significant staff time for research, review or document preparation by District Counsel, and have the costs associated with such requests borne by the party making it.

POLICY: It shall be the policy of the CCSD that requests deemed by the General Manager to be a Special Project that are in addition to and outside the scope of staff's regular duties in

providing CCSD services to its ratepayers and constituents shall be accommodated in the following manner:

1. Initial requests for a meeting with staff to discuss a Special Project will be provided without requiring an application or cost reimbursement agreement. Parties requesting such meetings shall be prepared to provide sufficient information or a written outline regarding their inquiry or proposal. The duration of any such initial meeting shall not exceed one hour.
2. If additional information or research is needed and the General Manager deems the request to be a Special Project subject to this policy, the requesting party shall submit an application on forms provided by the CCSD. The requesting party shall provide sufficient details and information regarding their proposal for staff to be able to estimate the amount of time needed to respond. The application form shall include provisions pursuant to which the requesting party agrees to indemnify and hold harmless the CCSD in relation to the inquiry, reimburse the CCSD for staff costs associated with reviewing and researching the inquiry, and reimburse the CCSD for any expenses incurred with the District's legal counsel related to the inquiry.
3. Prior to CCSD staff or legal counsel commencing any work the requesting party shall make a deposit of an amount determined by staff to be sufficient to cover the District's costs to respond to the inquiry. Staff shall monitor the costs incurred, and if it is determined that the funds on deposit are no longer sufficient, the requesting party shall be notified that additional funds must be deposited with the CCSD or all research will be suspended. Any unused funds that have been deposited with the CCSD shall be refunded to the proposing party after the research and related work has been concluded.
4. This policy and procedure is not a substitute for any approvals required by the Cambria Community Services District Code regarding water or sewer service, including but not limited to provisions relating to transfers of positions. Any such necessary approvals shall be applied for separately from any Special Project research request, and be subject to any fees set forth in the CCSD's adopted fee schedule. Nothing contained in this policy or any research conducted by staff or legal counsel shall in any manner be deemed to be binding or determinative with regard to any required approval.

IMPLEMENTATION: This Administrative Policy shall be administered by the General Manager, who shall decide, on a case-by-case basis whether an inquiry is a Special Project hereunder. Any such determination by the General Manager shall be final and not subject to any appeal to the Board of Directors. Upon the General Manager's determination that an inquiry is subject to this policy, no work shall be commenced by staff or CCSD legal counsel to respond to the inquiry, other than the initial meeting, until a Special Project Application and Agreement has been executed and sufficient funds have been deposited with the District.



Cambria Community Services District
SPECIAL PROJECT APPLICATION
AND AGREEMENT

APPLICANT INFORMATION

Requesting Party:

Name: _____ Address: _____

City _____ Telephone: _____ Email: _____

PROPERTY INFORMATION

Street Address _____ APN _____

Present Use of Property: _____

DETAILED DESCRIPTION OF REQUEST

(additional pages can be added as necessary)

TERMS AND CONDITIONS OF APPLICATION AND AGREEMENT

1. **Submittals.** All material and information supplied in conjunction with this Special Project Application and Agreement (“Application and Agreement”), including any additional pages added to the Detailed Description of Request, shall be considered part of this Application and Agreement and are hereby incorporated herein as if fully set forth at this point.
2. **CCSD Staff Cost Reimbursement.** The Requesting Party agrees to pay the Cambria Community Services District (CCSD) all costs incurred, both direct and indirect, associated with the CCSD’s response to the request contained in this Application and Agreement. This agreement to pay costs shall apply and be enforceable even if the Requesting Party withdraws the request or any subsequently required approval is not given or granted. Reimbursable costs include all staff and overhead costs, as set forth in the attached Rate Schedule, which is incorporated herein by reference and made a part of this Application and Agreement.
3. **CCSD Legal Counsel Expenses Cost Reimbursement.** As a condition of this Application and Agreement, Requesting Party agrees to be responsible for, and reimburse the CCSD for all expenses and costs incurred with CCSD’s legal counsel associated with reviewing and responding to the request contained in this Application and Agreement.
4. **Deposits.** Requesting Party shall make a deposit of funds in an amount determined by staff to be sufficient to cover the CCSD’s costs to respond to the inquiry contained in this Application and Agreement. Staff will monitor the costs incurred, and if it is determined that the funds on deposit are no longer sufficient, Requesting Party, upon being notified, shall deposit additional funds as determined by staff. Any unused funds that have been deposited with the CCSD shall be refunded to Requesting Party after the research and related work has been concluded. Failure to deposit funds shall result in suspension of any research or related work.
5. **Indemnification and Hold Harmless.** As a condition of this Application and Agreement, Requesting Party agrees to defend, indemnify, release

and hold harmless the CCSD, its agents, officers, employees, and attorneys from any claim, action or proceeding in any manner related to this Application and Agreement and the CCSD's review and response to the request contained herein. This indemnification shall include, but not be limited to, damages, costs, expenses, attorney fees or expert witness fees that may be asserted or incurred by any person or entity, arising out of or in connection with this Application and Agreement, whether or not there is concurrent, passive or active negligence on the part of the indemnities.

6. Attorney Fees. In any action brought to enforce the Requesting Party's obligations, including the cost reimbursement and indemnification and hold harmless conditions set forth above, the prevailing party shall be entitled to an award of reasonable litigation costs, including attorneys' fees and costs.

7. Acknowledgement of Receipt of Administrative Policy. Requesting Party hereby acknowledges that he or she has received and reviewed a copy of the CCSD's Administrative Policy on Cost Reimbursement for Special Projects, and expressly agrees to the provisions contained therein.

I hereby acknowledge that I have read and agree with all of the terms and conditions set forth in this Application and Agreement. I declare under penalty of perjury that the information contained in this Application and Agreement is true and correct to the best of my knowledge.

Requesting Party:_____ **Dated:**_____

CCSD:_____ **Dated:**_____

CAMBRIA COMMUNITY SERVICES DISTRICT

TO: Board of Directors

AGENDA NO. **9.F.**

FROM: Jerry Gruber, General Manager

Meeting Date: January 19, 2012

Subject: Review 2011 Board Goals and Accomplishments

RECOMMENDATION:

Review 2011 CCSD Board goals and accomplishments.

FISCAL IMPACT:

None

DISCUSSION:

At the January 20, 2011 regular meeting the CCSD Board of Directors adopted goals for the calendar year and assigned directors to different ad hoc committees in order to work collaboratively with staff to accomplish the goals set forth. I have listed below what goals have been accomplished and what goals need additional time to accomplish.

**2011 GOALS - COMMITTEE OF THE WHOLE,
AD HOC COMMITTEE, OR DIRECTOR ASSIGNMENT**

WATER AND WASTEWATER UTILITIES

1. Continue cooperation with Army Corps of Engineers to complete the environmental review process and design plans.

A. Board as a Committee of the Whole - Staff monthly report to the Board.

After consulting with the District Engineer regarding the Army Corp of Engineers progress relating to this matter it was determined that an additional six months to one year will be needed to complete the environmental review process. This will include defining alternatives for further assessment and a scoping session in early 2012. With regards to the design plans, the Army Corp of Engineers is working with CDM engineering and has completed 10% of the design for the project.

2. Complete the environmental review process for the Stuart Street Tank project and Rodeo Grounds Pump Station replacement.

A. Board as a Committee of the Whole - Staff monthly report to the Board.

The environmental review process for the Stuart Street Tank and Rodeo Grounds Pump Station replacement has been completed with Notices of Determination filed.

3. Determine status of SCADA Project Phase 1.

- A. Ad Hoc Committee - 3 to 6 months duration for report to the Board.
- B. Directors De Micco & Bahringer

In early 2011 the CCSD Board of Directors authorized Thomas Kline of Rockwell Construction Services who previously worked with CyberNet Consulting, Inc. to prepare a proposal for SCADA System Phase 1 installation and Construction Management Services. During the process the Ad Hoc Committee and staff worked closely with Rockwell Construction services regarding the proposal. Upon receiving the proposal from Rockwell Construction Services it was determined that the installation and construction management for Phase 1 SCADA was too costly and that other alternatives would have to be evaluated. After consulting with the CCSD legal counsel, it was determined based on the scope of work required for installation of Phase 1 SCADA that the work would need to be competitively bid through the request for proposal process. It was further recommended that the engineering and professional services work be bid separately and that the RFP should also include provisions that would provide preparation of any necessary construction plans and specifications. I have assigned the request for proposal process and drafting of the appropriate documents to District Engineer Bob Gresens. Once Bob is finished with the Urban Water Management Plan, we will start working on the RFP process. It is important to note that the installation of Phase 1 SCADA needs to be incorporated and prioritized as it relates to other infrastructure needs and capital related items.

4. Determine the requirements for lifting the water moratorium.

- A. Board as a Committee of the Whole - Staff/Legal research and report to the Board.

District Counsel determined that lifting the water moratorium would not be possible until the CCSD has a permitted water project.

5. Evaluate short-term wastewater infrastructure Utilities Manager recommendations.

- A. Board as a Committee of the Whole - Staff monthly report to the Board.

Due to heavy rains in January of 2011 and the associated Sanitary Sewer Overflow that took place it was determined that the wastewater collection system needed to be evaluated. It was determined that approximately 960 manholes exist within the system. To date, 598 have been inspected to include measuring the depth of each manhole and the pipe diameter size. Out of the 598 manholes that have been inspected four (4) major repairs have been made and nine (9) minor repairs have also taken place. The next step in continuing to evaluate the collection system would be to smoke test the system. In addition to physically inspecting the manholes and smoke testing the system, it is recommended that the sewer lines are cleaned as part of an ongoing preventative maintenance program. Staff is in the process of working with APT Water on a proposal for Phase II and Phase III for a Sanitary Sewer Management Plan. It was determined during preliminary conversations with APT Water that a Sewer System Capacity Study has not been done by the CCSD and is a critical component that may be necessary in

completing the SSMP Phase II and III. Staff continues to evaluate the Collection System for critical component replacements that are needed and will include this as part of the Capital Improvement Plan that will be completed by year's end. In closing I have included all of Mike Finnegan's monthly wastewater and collection system repairs that have taken place in 2011. Please take a moment to see that the Department and the CCSD continues to make critical repairs as indicated in the attached report.

ADMINISTRATION

1. Review and revise CCSD Fee Schedule.

- A. Ad Hoc Committee - maximum 6-month duration for report to the Board
- B. Authority to hold public workshop
- C. Vice President MacKinnon & Director Thompson

The General Manager, District Clerk and the Administrative Services Officer in conjunction with staff have worked closely with Bartle Wells and Associates regarding the completion of the Master Fee Schedule. Bartle Wells has completed first draft for the Ad Hoc Committee and staff will review and provide input back to Bartle Wells. Once the draft is completed I would recommend that the Board allow for community input regarding the proposed Master Fee Schedule before bringing it back to the Board in February or March for approval.

2. Develop policy for future employee salary and benefit programs.

- A. Ad Hoc Committee - 6 months to one year for report to the Board.
- B. Authority to hold public workshop.
- C. Vice President MacKinnon & Director De Micco.

President MacKinnon and past Board of Director De Micco worked closely with the General Manager in formulating recommendations to the Board for consideration relating to employee salaries and benefits .Since labor negotiations are ongoing I will limit my comments other than the CCSD has hired Bill Avery from Avery and Associates as their chief negotiator. The CCSD is optimistic that the proposed cost savings relating to ongoing labor negotiations are in line with the long term financial well being of the community and the CCSD and reflects the current trends in pension reform.

3. Develop organizational transition plan for the CCSD.

- A. Ad Hoc Committee - up to one year for report to Board.
- B. President Clift & Vice President MacKinnon.

In April of 2011 Jerry Gruber was appointed by the CCSD as the interim General Manager. In June of 2011 the CCSD Board of Directors negotiated a three year contract with Jerry Gruber to be the General Manager for the CCSD.

4. Develop planning for any future reorganization of the CCSD Fire Department.

- A. Ad Hoc Committee - maximum 6-month duration for report to the Board.
- B. President Clift & Director Thompson

In early 2011 several meetings were held between both Ad Hoc Committees and staff from the CCSD and the Cambria Community Healthcare District (CCHD) regarding future reorganization of the CCSD Fire Department and shared services. After several meetings a consensus on how to move forward was not reached and it was determined that discussions would be postponed until a later date. Recently the CCHD held a strategic planning workshop. It was determined and direction was given to move forward in continuing to discuss what is now being called shared services between the two districts. As a result of the CCHD workshop, CCSD Board of Directors directed staff to move forward with drafting a request for proposal. Staff has completed a first draft of the proposal and will continue to finalize the document once the combined workshop with Crabtree Consulting evaluating the pros and cons of shared services with both boards is completed.

FACILITIES & RESOURCES/PARKS & RECREATION

1. Develop potential cooperation with the Coast Unified School District (CUSD) for joint use of facilities.

A. Board as a Committee of the Whole - Staff to report quarterly to the Board.

The CCSD General Manager has worked extensively with PROS representatives, CUSD, community stakeholders, and a consultant to submit a Proposition 84 application for the construction of a Park at the Santa Lucia Middle School. Numerous stakeholder and community meetings were conducted and a formal grant proposal was submitted to the State of California requesting \$4.2 million dollars. A State of California Parks and Recreation representative, Jason Stora, traveled to Cambria and met with numerous community representatives at the Santa Lucia Middle School to review and discuss the proposed park site. Although the competition is highly competitive both districts are optimistic that the results of everyone's efforts will bring an additional park to Cambria. Both Districts will hear back from the State of California in early April regarding the results of our Proposition 84 grant application.

2. Review and develop procedures for all CCSD facilities.

- A. Ad Hoc Committee - 6-month duration for report to the Board
- B. Authority to hold public workshop
- C. Directors Thompson & Bahringer

The Ad Hoc Committee has met several times with the General Manager and the new Facilities and Resources supervisor and has made several recommendations to the existing contract and policies relating to the Veterans Memorial Building. The Committee has also solicited other contracts and policies from Morro Bay and Cayucos in order to evaluate other jurisdiction's policies and procedures. The Ad Hoc Committee and staff have also discussed the impact of certain activities at the Veterans Memorial Building and what effect they may have on local merchants. Due to limited staffing within the Facilities and Resources Department, a final product has not yet been completed, however the current Facilities and Resources Supervisor has all of the necessary documentation in a word format and is working with the Administrative Department to finalize the first draft. Once the

first draft is finished the document will be presented to the Ad Hoc Committee for review and approval and brought forward to the Board in February or March for consideration and approval.

ADDITIONAL 2011 CCSD ACCOMPLISHMENTS

- It is important to note that the public perception of the CCSD has drastically improved during 2011. This in part has been a willingness on the CCSD's part to improve customer service by extending office hours. The CCSD actively seeks to interact with the community and to stay connected to activates, meetings and event by being present during community related functions thus showing a strong desire to let all of our stakeholders know that the CCSD cares about the quality of life for all Cambrians.
- The CCSD continues to evaluate and make significant infrastructure improvements to the Wastewater Plant, Collection System, Water Facilities, Distribution System, Fiscalini Ranch, Skate Park, Community Trash Cans, Community Bathrooms and the Veterans Hall.
- Evaluating Permits and Conservation Program and have initiated an in depth evaluation of the Program to determine what improvements need to be made and how to continue to move forward.
- The CCSD has finalized the Fiscalini Ranch Management Plan and is waiting for the County to adopt the plan and incorporate it into their General Plan.
- The CCSD has successfully completed a large Eucalyptus tree removal project along the Santa Rosa Creek.
- The CCSD has completed the necessary environmental work for the Moonstone Connector Trail and will be working with the California Conservation Corps (CCC) to build the project in 2012.
- The CCSD has worked collectively with community stakeholders and has determined that it would not be in the CCSD's best interest to take on additional land being offered by the San Luis Obispo Land Conservancy and instead focus our limited resources on the upkeep and improvement to the Fiscalini Ranch.
- The CCSD continues to focus on fiscal responsibility and accountability by the implementations of the following cost reduction measures, evaluate infrastructure energy cost and determine improvements that can be made as part of the Capital Improvement Plan, evaluate current information technology cost and determine another alternative that would reduced current fee's being paid by the district, reduced General Managers salary and compensation package and require General Manager to pay employee portion of PERS, 8%, reclassify Facilities and Resources Supervisors salary. Did not fill 1.5 fulltime Facilities and Resources fully burdened staff positions as a result of retirements and as an interim filled them with non benefitted part time employees.

Hired Wastewater Lead operator instead of Wastewater Supervisor thus reducing salary cost, Wastewater Lead Operator also pays employee share of PERS, 8%, hired replacement Wastewater operator who also pays employee share of PERS, 8%, hired replacement Water Operator who also pays employee share of PERS, 8%. Involved Department Managers and Supervisors in the budget process thus allowing for critical input and a philosophy of involvement to the budget process.

FUTURE CHALLENGES AND OPPORTUNITIES FOR THE CCSD

- Secure a long term reliable supplemental source of water for the community.
- Fund and implement an aggressive conservation program that would allow for demand offset relating to water usage of two to one. Work collaboratively with Cambrian stakeholders, the County of San Luis Obispo and the California Coastal Commission to strategically develop an agreed upon plan that could result in allowing lot owners to come off the wait list.
- Reevaluate current connections fees.
- Address financial sustainability of employee salary and benefit cost while maintaining the highest level of service by recruiting, hiring, training and retaining qualified and dedicated employees.
- Maintain fiscal responsibility as it relates to operational cost for Administrative Services, Fire, Facilities and Resources, Water and Wastewater.
- Evaluate current investment policy to determine if changes need to be made to incorporate short and long term strategic planning.
- Develop a Reserve Policy as part of the 2012/2013 budget process.
- Address key infrastructure needs and prioritizing those needs based of limited resources.
- Address future funding for key Capital Improvements and infrastructure needs.
- Research and make recommendation to the Board regarding the replacement of the District’s financial and billing software in addition to parcel management software.
- Evaluate, improve and amend where necessary the CCSD Municipal Code to address short and long term strategic needs of the CCSD.

BOARD ACTION: Date _____ Approved: _____ Denied: _____

UNANIMOUS: ___ MACKINNON ___ THOMPSON ___ BAHRINGER ___ CLIFT ___ ROBINETTE ___

**BOARD OF DIRECTORS' MEETING JUNE 2011
ADDENDUM TO GENERAL MANAGER'S REPORT
WASTEWATER SUPERVISOR REPORT**

- 1) Pulled and repaired pump #2 at lift station #4.
- 2) New pump controller for lift station #4.
- 3) Replaced muffin monster control panel.
- 4) New radiator hose for lift station B generator.
- 5) Cleaned sewer lines from Black Cat to Burton and from Center Street by French Corner Bakery.
- 6) Started weed abatement program for WWTP, Lift stations, and spray fields.
- 7) Replaced check valves, and isolation valves at lift station #4.
- 8) Replaced motor starter capacitors at lift station #8.
- 9) Repaired sewer lateral connection to main line at 1551 Kenneth.
- 10) Yearly inspection from SLO Air Pollution Control Board completed.
- 11) Repairing 16" Air header coupling.
- 12) Working on and updating new preventive maintenance/work order program.
- 13) Staff working on new strategy for digester dewatering operation; evaluating the benefits of operating on a continuous basis rather than once a year.
- 14) Working on yearly storm water report.
- 15) Scheduled appointment to have flow meters and process analyzers calibrated.
- 16) Scheduled yearly Lab certification.
- 17) Scheduled an appointment with Farwest corrosion control to evaluate the WWTP Cathodic protection system for rust control and prevention.
- 18) Scheduled an appointment with Flow systems for Hydro grit equipment repairs.

BOARD OF DIRECTORS' MEETING JULY 28, 2011
ADDENDUM TO GENERAL MANAGER'S REPORT
WASTEWATER SUPERVISOR REPORT

- 1) Installed new Influent pump panel.
- 2) Pulled and repaired #2 pump assembly at Lift station B2.
- 3) Completed weed abatement for the spray fields.
- 4) Calibrated Effluent flow meter.
- 5) Calibrated Aeration basin dissolved oxygen meters.
- 6) Manhole inspections.
- 7) Scheduled appointment with Souza Construction to replace Vault located on hillcrest.
- 8) Contacted Powerhouse generator to discuss setting up a quarterly Preventive maintenance program for emergency generators.
- 9) Completed annual Storm Water report.

Mike Finnigan
Senior WWTP Operator

BOARD OF DIRECTORS' MEETING AUGUST 25, 2011
ADDENDUM TO GENERAL MANAGER'S REPORT
WASTEWATER SUPERVISOR REPORT

- 1) Installed identification markers around manholes that are located in fields/easements.
- 2) Continued on-going manhole inspections.
- 3) Removed rusted bolts on bio-solid dewatering unit and replaced with SS bolts.
- 4) Poured concrete curb around B3 lift station to keep water from entering control house.
- 5) Power washed and painted B3 lift station control house.
- 6) Ordered annual WWTP lab certification test.
- 7) Applied root x to gravity sewer line located on Plymouth.
- 8) Repaired manhole cover located on Nottingham/Cambridge.
- 9) Taking aeration basin #1 off line for inspection, cleaning, and sock replacement.
- 10) Working on quotes for emergency generator preventive maintenance program.
- 11) Working on quotes for replacing lift stations B1 and moonstone pump control panels.
- 12) Contacted Bob Wright construction to assist with removing manhole in Orlando easement.
- 13) Gave a plant tour to Abalone coast lab personnel.
- 14) WWTP personnel attended fire dept rescue training.

Mike Finnigan
Senior WWTP Operator

BOARD OF DIRECTORS' MEETING SEPTEMBER 22, 2011
ADDENDUM TO GENERAL MANAGER'S REPORT
WASTEWATER SUPERVISOR REPORT

- 1) Installed new road vault at Lift Station #8 on Hillcrest.
- 2) Installed new VFD for RAS pump #1.
- 3) Repaired air supply line on digester air lift pump.
- 4) Replaced fuel line, hoses, and serviced emergency generator at Lift Station #9.
- 5) Replaced water pump, fuel line, and serviced emergency generator at Lift station #B1.
- 6) Drained secondary clarifier #1 for cleaning and inspection.
- 7) Drained aeration basin #1 for cleaning, sock replacement, and inspection.
- 8) Installed new volute on pump #2 at Lift Station B.
- 9) Repaired 8" gravity sewer line and removed manhole located in easement next to Orlando drive.
- 10) Continuing with on-going manhole inspection per the Cambria CSD SSMP.

To date, a total of 280 man-hours have been spent evaluating the collection system. Out of the 968 manholes, 548 have been inspected. Currently, 6 manholes have been repaired (2 major) and we have 5 manholes that are scheduled to be raised. Approximately 360 manholes have been measured for depth, and will be recorded in the GIS mapping system upgrade. With the remaining manholes, and smoke testing the sewer system, I anticipate completion of the collection system evaluation to be around the middle or end of October depending on operational issues that arise in the WWTP or in the collection system.

Mike Finnigan
Senior WWTP Operator

BOARD OF DIRECTORS' MEETING OCTOBER 27, 2011
ADDENDUM TO GENERAL MANAGER'S REPORT
WASTEWATER SUPERVISOR REPORT

- 1) Completed repairs in Aeration Basin #1 and is back in operation.
- 2) Calibrated all six Aeration basin Dissolved O2 and Temperature meters.
- 3) Replaced starter motor on Lift Station A1 emergency generator.
- 4) Completed annual Lab Certification testing.
- 5) Completed annual Bio-solids testing for 2011.
- 6) We will start hauling off bio-solids Oct 11th.
- 7) Working on quotes to replace diesel fuel tank at Lift Station A1 due to rust & corrosion.
- 8) Replaced air filters on Aeration blower B5.
- 9) Continuing working on updating preventive maintenance program.
- 10) Repaired sewer lateral connection at 2201 Wilton.
- 11) Ramon Lopez (WW Operator I) started October 3rd.

Mike Finnigan
Senior WWTP Operator

BOARD OF DIRECTORS' MEETING NOVEMBER 17, 2011
ADDENDUM TO GENERAL MANAGER'S REPORT
WASTEWATER SUPERVISOR REPORT

- 1) Annual Lab inspection by the Dept Public Health complete. Working on updating the QA/QC manual, SOP's, and lab data management.
- 2) Cambria CSD WW dept was notified on 10/27/11 of a Sanitary Sewer overflow located near Sheffield. Spill was immediately contained and all the appropriate agencies were contacted. The spill was a result of root intrusion.
- 3) A-1 lift station emergency generator transfer switch failed. Due to the cost of replacing the transfer switch and the condition of the generator itself, we are currently seeking quotes for a total replacement.
- 4) The WWTP Grit removal equipment has failed and we are currently seeking quotes for replacing unit.
- 5) A company called Icad Automation worked on the WWTP SCADA/HMI system. New charts and screens were built to enhance data information and a PID tuner was built for the RAS pumps improving process control. Icad notified me that the current system was in very poor shape and out dated. They strongly recommended replacement.
- 6) Ford F-250 4X4 is back in the shop for repairs. Transmission cooler leaking and needs replacing.
- 7) OP10 software installed. This program is for regulatory reporting and operational data management.
- 8) Continuing with collection system evaluation per the SSMP.

Mike Finnigan
Senior WWTP Operator

BOARD OF DIRECTORS MEETING DECEMBER 15, 2011
ADDENDUM TO GENERAL MANAGER'S REPORT
WASTEWATER SUPERVISOR REPORT

- 1) Replaced pump #2 at lift station A-1.
- 2) Replaced pump control panel transformer at lift station A-1.
- 3) Repaired emergency generator block heater at lift station B-1.
- 4) Reviewing quotes for emergency generator replacement at lift station A-1.
- 5) Replaced thermostat and temperature sensor on emergency generator at lift station B-1
- 6) Installed milltronics pump controller at lift station B-2.
- 7) Repaired CL2 LMI pump diaphragm and discharge hose.
- 8) Installed new run timers for the WWTP influent pumps.
- 9) State Water Resources Control Board completed annual inspection of the WWTP.
- 10) Reviewing quotes for pump control panel replacement at lift station A-1 and B-4.
- 11) WWTP personnel continue working on designing and building the OP 10 data management program. Program will be operational January 1, 2013.
- 12) Working with District Engineer and General Manager on CIP projects.
- 13) Submitted CIP project information to PG&E to see if the WWTP qualifies for incentives through their energy reduction program.
- 14) Continuing manhole evaluation per SSMP.

Mike Finnigan
Senior WWTP Operator

CAMBRIA COMMUNITY SERVICES DISTRICT

TO: Board of Directors

AGENDA NO. **9.G.**

FROM: Jerry Gruber, General Manager

Meeting Date: January 19, 2012

Subject: Review and Approve 2012 Board
Goals and Committee Assignments

RECOMMENDATION:

Review, discuss, and approve 2012 Board goals.

Discuss and make any necessary appointments for Board ad hoc committees and Director assignments.

FISCAL IMPACT:

None

DISCUSSION:

A discussion and update of the Board's 2011 goals preceded this report. President MacKinnon will lead the discussion on 2012 proposed goals, committees, and director assignments.

BOARD ACTION: Date _____ Approved: _____ Denied: _____

UNANIMOUS: ___ MACKINNON ___ THOMPSON ___ BAHRINGER ___ CLIFT ___ ROBINETTE ___

**CAMBRIA COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS
2012 GOALS
COMMITTEE OF THE WHOLE,
AD HOC COMMITTEE, OR DIRECTOR ASSIGNMENT**

WATER AND WASTEWATER UTILITIES

- 1. Support Army Corps of Engineers Efforts Regarding Development of a Supplemental Water Supply for Cambria.**
 - A. Board as a Committee of the Whole - Staff monthly report to the Board
- 2. Complete the Environmental Review Process for the Stuart Street Tank Project and Rodeo Grounds Pump Station Replacement.**
 - A. Board as a Committee of the Whole - Staff monthly report to the Board
- 3. Determine Status of SCADA Project Phase 1.**
 - A. Ad Hoc Committee
 - B. Directors Clift and Bahringer
- 4. Develop and Implement Short-Term Wastewater Infrastructure Projects.**
 - A. Board as a Committee of the Whole - Staff monthly report to the Board

ADMINISTRATION

- 1. Implement Revised CCSD Fee Schedule**
 - A. Ad Hoc Committee - maximum 6-month duration for report to the Board
 - B. Authority to hold public workshop
 - C. Vice President Thompson and Director Bahringer
- 2. Implement Salary and Benefit Policy**
 - A. Ad Hoc Committee - 6 months for report to the Board
 - B. President MacKinnon and Vice President Thompson
- 3. Develop and Implement a Revised Conservation Program**
 - A. Ad Hoc Committee – maximum 3-month duration for report to the Board
 - B. Authority to hold public workshop
 - C. President MacKinnon and Director Robinette
- 4. Determine Any Future Reorganization of the CCSD Fire Department.**
 - A. Ad Hoc Committee - maximum 6-month duration for report to the Board.
 - B. Director Clift and Vice President Thompson
- 5. Develop Potential Supplemental Water Supply Alternatives**
 - A. Ad Hoc Committee – 6-month duration for report to the Board
 - B. Authority to hold public workshop
 - C. President MacKinnon and Director Clift

6. Develop 2012/2013 CCSD Operating Budget

- A. Ad Hoc Committee – 6-month duration for report to the Board
- B. Authority to hold public workshop
- C. Director Clift and Director Robinette

FACILITIES AND RESOURCES/PARKS AND RECREATION

1. Develop potential cooperation with the Coast Unified School District (CUSD) for joint use of facilities.

- A. Board as a Committee of the Whole - Staff to report quarterly to the Board.

2. Implement Procedures for all CCSD facilities.

- A. Ad Hoc Committee - 6-month duration for report to the Board
- B. Authority to hold public workshop
- C. Vice President Thompson and Director Bahringer

BOARD LIAISON ASSIGNMENTS

1. Liaison to PROS Commission:

- A. Director Robinette

2. Liaison to North Coast Advisory Council:

- A. Director Bahringer