



## CAYUCOS SANITARY DISTRICT

200 Ash Avenue / PO Box 333

Cayucos, CA 93430

(805) 995-3290

[www.cayucossd.org](http://www.cayucossd.org)

AGENDA ITEM:

**3.A.1**

### GOVERNING BOARD

R. Enns, President  
S. Lyon, Vice-President  
H. Miller, Director  
J. Curti, Director  
J. Smith, Director

### BOARD OF DIRECTORS REGULAR MEETING MINUTES THURSDAY, MARCH 20, 2025 AT 5:00 P.M. 200 ASH AVENUE, CAYUCOS, CALIFORNIA 93430

#### 1. ESTABLISH QUORUM AND CALL TO ORDER

President Enns called the meeting to order at 5:00 p.m.

**Directors Present:** President Robert Enns, Vice-President Shirley Lyon, Director Hannah Miller, Director John Curti, and Director Justin Smith

**Staff Present:** Acting District Manager Gayle Good and Administrative Services Manager Amy Lessi

#### 2. PUBLIC COMMENT

None

#### 3. CONSENT CALENDAR: Recommended to Approve

##### A. Meeting Minutes

1. Approval of minutes for the February 20, 2025 Board of Directors Regular Meeting
2. Approval of minutes for the February 25, 2025 Board of Directors Special Meeting

##### B. Financial Reports: February 2025

1. Cash, Savings, and Investment Report
2. Check Registers – Wells Fargo (General & CIP Checking Accounts)
3. Budget vs. Actual Status Report FY
4. Capital Improvement Projects Report

President Enns noticed that the Series B Loan with Western Alliance Bank was paid off on February 28, 2025.

**Public Comment:** None

**Motion:** By Director Curti to approve items on the Consent Calendar as prepared

**Second:** By Director Smith

**Vote: 5-0** Motion passed

#### 4. STAFF COMMUNICATIONS AND INFORMATION ITEMS: No Action Required

##### A. District Manager's Report: February 2025

##### B. Will-Serve Activity: February 2025

###### 1. New Will-Serves

- 51 Pacific Ave. / Danneberg / 064-122-019 / SFR Remodel

###### 2. Extended Will-Serves:

- 3292 Studio Dr. / Forrester / 064-421-006 / SFR Remodel

###### 3. Finaled Will-Serves:

- 1221 Pacific Ave. / Noryko / 064-222-008 / SFR New
- 849 Pacific Ave. / Mathias / 064-152-010 / SFR New

- 199, 201 6th St. / Leven / 064-132-037 / SFR New & ADU New
- 53 El Sereno Ave. / Bergson / 064-414-019 / SFR New

Manager Good gave a summary of the previous month's activities.

**Public Comment:** None

**Items 4.A – B were received and accepted.**

**5. DISCUSSION AND CONSIDERATION TO UPDATE AUTHORIZED SIGNATORIES FOR THE CALTRUST INVESTMENT ACCOUNT AND THE WELLS FARGO GENERAL CHECKING AND CIP ACCOUNTS**

Director Lyon suggested consideration of obtaining only one Director's signature on future check payments to expedite processing, and Director Curti agreed that perhaps payments under a designated, low threshold could be exempt from a secondary signature. Director Miller requested that Manager Good consult with the District's auditors for counsel on best practices.

**Public Comment:** None

**Motion:** By Director Miller to appoint Directors Curti and Smith as authorized signatories on the CalTRUST Investment Account and Director Curti as an authorized signatory on the Wells Fargo General Checking & CIP Accounts

**Second:** By Director Lyon

**Vote: 5-0** Motion passed

**6. DISCUSSION AND CONSIDERATION OF REASSIGNMENT OF DISTRICT BOARD COMMITTEES FOR 2025**

**Public Comment:** None

**Motion:** By Director Curti to assign President Enns to the Budget Committee and Director Smith to the Personnel Committee

**Second:** By Director Miller

**Vote: 5-0** Motion passed

**7. DISCUSSION AND CONSIDERATION TO SUBMIT BALLOTS FOR THE LOCAL AGENCY FORMATION COMMISSION SPECIAL DISTRICT MEMBER**

President Enns expressed willingness to remain on the LAFCO Board and relayed that Ed Eby has been an alternate on their Board and attended numerous LAFCO meetings.

**Public Comment:** None

**Motion:** By Director Smith to select Ed Eby for the Special District Member seat term through December 2026 and Robert Enns for the Special District Member seat term through December 2028 on the SLO LAFCO

**Second:** By Director Curti

**Vote: 5-0** Motion passed

**8. DISCUSSION AND CONSIDERATION TO AWARD A STIPEND TO THE ADMINISTRATIVE ACCOUNTING MANAGER FOR INCREASED RESPONSIBILITIES WHILE SERVING AS ACTING DISTRICT MANAGER**

**Public Comment:** Commenter #1 asked the duration of time the Administrative Accounting Manager served as Acting District Manager, and if the District Manager was compensated during the same timeframe. President Enns responded that the Administrative Accounting Manager served as Acting District Manager for

three weeks (from February 28<sup>th</sup> to March 20<sup>th</sup>) and that the District Manager was not compensated during that timeframe.

**Motion:** By Director Miller to award a stipend in the amount of \$2,000 to the Administrative Accounting Manager for increased responsibilities while serving as Acting District Manager

**Second:** By Director Curti

**Vote: 5-0** Motion passed

## **9. DISCUSSION AND CONSIDERATION OF APPROVAL OF GRANT AGREEMENT WITH SAN LUIS OBISPO COUNTY INTEGRATED WASTE MANAGEMENT AUTHORITY FOR TECHNICAL ASSISTANCE GRANT PROGRAM**

Director Curti noticed that page 3, item 5 of the agreement states “the waste reductions and/or diversions funded by the Grant must be real, quantifiable, and reportable” and asked Manager Good how that requirement will be adhered to. Manager Good replied that District Manager of Mission Country Disposal, Jeff Clarin, has provided assurances that his staff will be able to track, quantify and report diversions back to the District. Director Curti next questioned page 7, item #26, where it refers to “equipment” that does not exist. Manager Good responded that she noticed this and a few other errors and concluded that this document must be a template that was not tailored to the District’s specific case, and doesn’t foresee an issue with this clause.

**Public Comment:** None

**Motion:** By Director Smith to approve grant agreement with San Luis Obispo County Integrated Waste Management Authority for Technical Assistance Grant Program

**Second:** By Director Miller

**Vote: 5-0** Motion passed

## **10. CLOSED SESSION: CONFERENCE WITH LABOR NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54957.6**

Agency Designated Representatives: Board President, Robert Enns, and Director Hannah Miller  
Unrepresented Employee: District Manager

**Public Comment:** Commenter #1 found it unusual that the proposed contract with the District Manager was for six months, \$98,000 and included two weeks of vacation. He found it confusing that item 6A of the contract says the employee shall be reimbursed for all District business travel miles, and elsewhere it says the employee is responsible for travel expenses. He also asked if the weekly reports referred to in the contract would be available for public inspection.

Julie Tacker and Francie Farinet provided written public comments (attached).

**Response to Public Comment:** President Enns stated that the District would not be paying for the employee’s travel to/from home. Director Miller affirmed that any reports generated by District staff are public record.

At 5:55 p.m., President Enns announced that the Board would transition to closed session for a conference with its labor negotiators pursuant to Government Code section 54957.6.

**Directors Present During Closed Session:** President Enns, Vice-President Lyon, Director Miller, Director Curti and Director Smith

**Staff Present During Closed Session:** None

Open Session reconvened at 7:58 p.m.

**Items to report from Closed Session:** None

## 11. DISCUSSION AND CONSIDERATION OF APPROVAL OF EMPLOYMENT AGREEMENT WITH RICHARD L. KOON

Director Miller expressed gratitude for Manager Koon's service to the District, and that the success of the treatment plant demonstrates the quality of his work. President Enns stated that the Board would not be taking action on the contract, and making a motion in lieu.

**Public Comment:** None

**Motion:** By Director Miller for President Enns and staff to work with District Legal Counsel to draft a Consultant Services Agreement for Capital Projects and schedule a Special Meeting as soon as possible for its consideration.

**Second:** By Director Curti

**Rollcall Vote:** Miller-yes, Curti-yes, Smith-yes, Lyon-no, Enns-no; motion passed

## 12. BOARD MEMBER COMMENTS

It was determined that there will not be a quorum for the April meeting, resulting in its cancellation.

## 13. FUTURE SCHEDULED MEETINGS

- April 17, 2025 – Regular Board Meeting – *CANCELLED DUE TO A LACK OF QUORUM*
- May 15, 2025 – Regular Board Meeting
- June 19, 2025 – Regular Board Meeting

## 14. ADJOURNMENT

The meeting adjourned at 8:04 p.m.

**Minutes Respectfully Submitted By:**

X  \_\_\_\_\_

Amy Lessi  
Administrative Services Manager

# ATTACHMENT

## *Written Public Comment: 1 of 2*

**Cayucos Sanitary District planning to rehire out-of-state manager**

**March 19, 2025**



Julie Tacker

OPINION by JULIE TACKER

After months of closed door meetings, the Cayucos Sanitary District has finally reached a new agreement with its out-of-state general manager. Rick Koon moved out of state last fall and had been working remotely for several months before the community was made aware.

On March 20, the board will consider a six-month contract for Koon for \$98,429, with ten days vacation pay. He will be required to work a minimum of 30 hours per week, and shall submit time sheets documenting the hours worked.

Yet, the deal only requires Koon to appear in [Cayucos](#) three days a month during monthly meetings. So, for 18 days of in-person work, Koon will receive nearly \$100,000 for six months.

Koon will need to pay for his travel expenses, including flights, lodging, rental car and meals.

For professional development, the district will pay for travel and meals for meetings and functions, “to foster professional development or represent the district.” What a relief this must be to the ratepayers of Cayucos (sarcasm intended).

Among his duties, Koon is to “exercise direct supervision of the chief plant operator, lead collections operator, and the administrative services and accounting managers, and shall plan and administer the work of professional, technical operational, maintenance and support staff, typically through subordinate levels of supervision.”

I don't know how "direct supervision" can be direct if he's not there to witness workplace camaraderie, employee morale and work product quality. What does the district do in an emergency with him 800 miles away?

A benchmark for me to the quality of a general manager is how he or she manages their own contract. I recall in late 2019, Koon tried to become an employee with the district after years of performing general manager services as an independent contractor.

California law requires that these contracts be approved in a regular meeting. Due to his own failures, he missed deadlines for agenda's where his contract could be lawfully considered and it wasn't until the end of Feb. 2020

He finally got the dream contract for five years with his starting pay at \$216,000. Early this year, as the contract end approached, again Koon missed the deadlines for regular agenda consideration and his contract expired on Feb. 28.

As a result, the district had to terminate him, remove him from any responsibility and appoint an acting general manager from within.

For the last several weeks, the district has been operating just fine without Koon. In fact, their acting general manager secured a \$10,000 grant and will be representing the district in front of the Local Agency Formation Commission (LAFCO) this Thursday for two service area annexations.

The acting general manager will receive a stipend (unknown amount) for her extra work including at Thursday's meeting. In my opinion, she deserves more than Koon, because she's actually been on the job.

The sleepy little town of Cayucos is asleep all right. This agreement is an insult to its ratepayers. Koon should have been terminated the day he left his staff high and dry, and continued to bill the ratepayers in his absence.

I encourage Cayucos ratepayers to attend Thursday's meeting or write letters to the board voicing their concerns.

**ATTACHMENT**  
**Written Public Comment: 2 of 2**

**Amy Lessi**

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**From:** [REDACTED]  
**Sent:** Thursday, March 20, 2025 5:11 PM  
**To:** Amy Lessi  
**Subject:** Fw: Rick Koon

----- Forwarded Message -----

**From:** [REDACTED]  
**To:** "alessi@cayucosd.com" <alessi@cayucosd.com>  
**Sent:** Thursday, March 20, 2025 at 04:36:44 PM PDT  
**Subject:** Fw: Rick Koon

----- Forwarded Message -----

**From:** [REDACTED]  
**Sent:** Thursday, March 20, 2025 at 04:32:37 PM PDT  
**Subject:** Rick Koon

Hey! Sanitary District Board!

What are you thinking hiring someone from out of state? \$98,000 for six months? Is there no one in SLO County, much less the state of CA who could do that job for half that pay? \$200,000 a year? How difficult is the job? I, as a resident of Cayucos, am not happy about paying \$98.00 a month to you. But I am outraged at the waste of my money going to pay for this person. If you chose to hire this person at that ridiculous amount of pay, I will make sure that everyone I know in Cayucos will NOT vote for you. You are taking advantage of the people. Not ok. Our money is meant to be spent on services for us.....not some fat cat's salary.

Please consider those of us that live here. Many on fixed incomes. Please spend our money in a more responsible way.

Thank you,

Francie Farinet  
[REDACTED]